

Krungsri Asset Management holds a seminar  
“Navigating the World’s Fastest Growing Industry”  
launching “KF-GTECH” – a new fund investing in  
innovative technology stocks with high growth potential worldwide.



Krungsri Asset Management Company Limited (KSAM) together with Bank of Ayudhya Public Company Limited holds a seminar on "Navigating the World’s Fastest Growing Industry," to introduce the new open-ended Krungsri Global Technology Equity Fund (KF-GTECH) - a new Foreign Investment Fund (FIF) which invests mainly on leading technology stocks with innovation and high growth potential across the world. KF-GTECH makes its investment through T.Rowe Price Funds SICAV – Global Technology Equity Fund being managed by US company with a leading global technology team of over 16 years experience in technology sector supported by 22 analysts worldwide.







At the seminar, KSAM has invited Mr. Gerald Goh, T.Rowe Price Singapore’s Head of Intermediaries, S.E Asia, along with Mr. Kiattisak Preecha-anusorn, KSAM’s Assistant Vice President for Alternative Investment Department, to provide information on investment direction of technology industry, growth potential in the future, and highlights of T.Rowe Price Funds SICAV – Global Technology Equity Fund, the master fund of KF-GTECH. The seminar was held at Access Place, Ploenchit Tower, on Thursday, 2 February 2017.



Mr. Kiattisak said that while the global economy is recovering at a gradual pace, technology stocks tend to see their growth to outperform other industries. In the previous years, technology stocks yielded returns and outperformed stocks in other industries. Especially, in 2016, the top-five big caps were all technology stocks including Apple, Google, Microsoft, Amazon, and Facebook. Presently, the technology industry advances on proper fundamentals with its price to earnings ratio (P/E ratio) of 17 times. This differs from the period of dotcom bubbles when its P/E ratio was as high as 50 times. Innovations and global consumer behavioral changes have been cited for the technology industry growth. The number of technology users in all age ranges has been rising. Therefore, these stocks are attractive for investment.

## Beyond traditional technology companies

The fund favors fast-growing platform companies on the internet, innovators operating in new areas and businesses that are transforming industries

	<b>CLOUD COMPUTING</b>	Outsourced software and hardware offered on a subscription basis, which can lower costs and complexity for customers.
	<b>HIGH-QUALITY INTERNET COMPANIES</b>	Dominant internet franchises with durable free cash flow and revenue growth prospects are now trading at attractive valuations.
	<b>INDUSTRIAL ELECTRONICS AND SOFTWARE</b>	Electronic content proliferating into vast new areas and applications—robotics, industrial, automotive, medical, factory and home automation.
	<b>CYBER SECURITY</b>	Growing threats to corporate and personal data create opportunities for innovative security software companies.
	<b>ARTIFICIAL INTELLIGENCE</b>	Proliferating usage across consumer and industrial applications is commoditizing hard-coded algorithms, and enabling applications to apply specific approaches or problems in areas such as autonomous driving and purchase recommendations.
	<b>GAMING</b>	Consumers are spending more leisure and entertainment time gaming, and the transition from packaged to digital games is driving recurring revenues and higher margins.

Source: T. Rowe Price as of 31 Dec 16

**Remark: Please study fund features, performance, and risk before investing. Past performance is not an indicative of future performance. Investors should seek advice before making an investment decision.**



Mr Goh, T.Row Price Funds' executive, explained that the fund looks to invest in three types of technology companies. Among them, the first is fast-growth stocks such as Google, Netflix and Priceline; the second is innovation stocks like Amazon and Alibaba with their expansion into cloud computing technology. The third is companies with capabilities to transform the industry in the future like an electric car maker Tesla. Besides, companies with outperformance in returns, those which tend to be monopolize the industry and are likely to be the winner in the industry will also be investment targets. The fund emphasizes on technology firms with high growth potential around the world. Currently, it has 39 super stocks in its investment portfolio. About 31% of total are stocks of companies outside the United States.

Presently, the fund overweighs its investment on three major sectors. The first sector is software such as Salesforce.com which develops software for customer relationship management (CRM). The fund witnesses the highest investment in Salesforce.com, having 9.7% of its investment portfolio in this stock. The second one involves Internet business and another one is semiconductor business such as ASML Holding of the Netherlands. Meanwhile, the fund underweights its investment on the hardware and IT sectors, given the highest impacts from technological changes on their performances.

## A Portfolio of the highest conviction ideas

**Top 10 largest holdings – Focusing on companies where artificial intelligence, machine learning and use of big data enable their business to grow and be more productive**

Stock	Country	Sector	Weight
Salesforce.com	United States	Application Software	9.7%
Alibaba	China	Internet Retail	9.4%
Tesla Motors	United States	Miscellaneous	6.2%
Broadcom	Singapore	Digital Semiconductors	5.6%
ASML Holding	Netherlands	Semiconductor, Capital Equip	5.0%
Crown Castle International	United States	Towers	4.9%
Amazon.com	United States	Internet Retail	4.8%
Netflix	United States	Media & Entertainment	4.6%
Splunk	United States	Enterprise Software	4.5%
PayPal Holdings	United States	Processors	4.3%

Source: T. Rowe Price as of 31 Dec 16

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T.Rowe Price Funds adopts the active style of investment so it is highly flexible to shift its investment rapidly following changes in business conditions. Given its research team in each country and chances to meet with the CEO of the firms it invests in, the fund is able to foresee the trends of technology and businesses involved, while analyzing the overall industry, its outlook and individual stocks' fundamental for satisfactory returns in the long term. Therefore, the fund always makes the right investment in the right time at the right prices and can ensure its long-term returns.

Since its establishment on 15 June 2015 to December 2016, T.Rowe Price Funds has yielded satisfactory returns amid short-term market fluctuations when the technology business confronted its hard time in the last quarter of 2016. Then, prices of technology stocks plummeted. However, the fund decided to purchase plummeted stock such as Alibaba during that period. As a result, the fund has seen a rapid turnaround of its return at 10%. Given its active style of management, it's believed to provide high returns in the long term.

### T Rowe Price Funds SICAV - Global Technology Equity Fund TRGBTEQ:LX



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Mr. Kiattisak added that technology stocks are relatively volatile in prices due mainly to frequent changes in the technology industry. However, the fund's active fund management strategy allows it to shift its investment at any time to keep pace with the market developments. KF-GTECH is proper for investors who can take high risks for satisfactory returns in the long term.

## Disclaimer

1. Krungsri Asset Management Co., Ltd. (“The Management Company”) believes the information contained in this document is accurate at the time of publication, but does not provide any warranty of its accuracy. Similarly, any opinions or estimates included herein constitute a judgment as of the time of publication. All information, opinions and estimates are subject to change without notice.
2. Krungsri Global Technology Equity Fund (“The Fund”) invests in T. Rowe Price Funds SICAV – Global Technology Equity Fund (“The Master Fund”) with policy to invest mainly in a diversified portfolio of stocks of technology development or utilization companies, with a focus on leading global technology companies. The companies may be anywhere in the world, including emerging markets, therefore the Fund may have risks from economic and/or political and/or social changes in the country where the master fund invested in.
3. The fund may enter into a currency swap within discretion of fund manager which may incur transaction costs. The increased costs will reduce overall return. In absence of a currency swap, investors may lose or gain from foreign exchange or receive lower return than the amount initially invested.
4. The fund has specific investment in single sector, so it may has risk and price volatility higher than general mutual funds with diversification in several industries. Investors should study the healthcare sector information for investment decisions.
5. The fund and/or master fund may invest in or make available a forward contract to enhance efficiency in investment management. This means the fund may contain higher risks than other funds and therefore the fund is suitable for investors who prefer higher return with higher risk tolerance than general investors. Investors should make investment only when they understand the risks of the contract by considering their investment experience, investment objectives and financial status.
6. Before remitting in money, please carefully study fund features, performance, and risk. Past performance is not a guarantee of future results. This document is not the fund’s prospectus, produced for general information only. Shall you have any queries, please contact the Management Company.
7. The Management Company is a Thai registered asset management company regulated by the Securities and Exchange Commission of Thailand (“SEC”). The SEC authorizes and registers the Fund, but takes no responsibility for the soundness of the Fund and does not guarantee any of its price.

**For more details or to request for the Fund Prospectus, please contact:**

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