



# Investment Outlook & Recommended Portfolio

## Quarter 2/2025

### Previous Quarter Performance

In the past quarter, the recommendation to reduce investment weight in certain risky assets and reallocate capital to medium-term fixed-income funds and foreign fixed-income funds played a key role in preserving overall portfolio returns. Portfolios with low-to-moderate target returns continued to deliver positive performance, boosted by investments in domestic fixed-income funds, foreign fixed-income funds, and gold funds.

Meanwhile, portfolios with moderate-to-high target returns experienced a slight decline in performance, primarily due to underperformance in both domestic and international equity funds. However, these negative impacts were partially mitigated by gains from foreign fixed-income funds and gold funds.



### Investment Outlook in Q2/2025

The fund management team views that the upward trend in U.S. bond yields will likely lead to lower target returns from foreign fixed-income funds. Therefore, a reduction in the investment weight of this asset class is recommended. In addition, the team has revised its outlook on Thai equities downward, citing potentially weaker-than-expected economic growth and heightened uncertainty surrounding the government's fiscal stimulus measures.

On the contrary, the team holds a more positive view on the equity markets of certain countries that have experienced downward adjustments recently, such as the United States and India, both of which continue to demonstrate solid fundamentals. The U.S. economic growth remains favorable, while India is expected to enjoy long-term growth thanks to structural drivers. Furthermore, the outlook for Chinese equities has improved because the Chinese government is likely to formulate additional large-scale economic stimulus measures.

Despite the positive outlook, several risks remain in the market, including geopolitical tensions and policy implementations following President Trump's return to office. As such, the team still recommends diversifying investments across various asset classes to effectively manage portfolio risks.



Investors should understand fund features, return conditions, and risks before making investment decision. Past performance is no guarantee of future results.

Example of recommended investment portfolio according to expected returns

Asset Types	Funds	Expected Returns							
		3%	4%	5%	6%	7%	8%	9%	10%
Domestic Fixed Income	KFSMART-A	31%	26%	22%	18%	13%			
	KFMTFI-A	29%	25%	22%	18%	14%	10%	6%	2%
	KFAFIX-A	29%	26%	22%	19%	15%	22%	14%	6%
Domestic Equity	KFENS50-A	1%	2%	2%	3%	4%	4%	5%	6%
	KFS100-A	1%	2%	2%	3%	4%	5%	5%	6%
Foreign Equity – Developed Markets	KFJPINDEX-A	1%	1%	1%	2%	2%	3%	3%	4%
	KFUSINDEX-A	3%	5%	8%	10%	13%	16%	18%	21%
Foreign Equity – Emerging Markets	KFACHINA-A	2%	4%	7%	8%	11%	12%	14%	16%
	KFINDIA-A	2%	5%	7%	10%	12%	15%	17%	20%
	KFVIET-A		2%	4%	4%	6%	6%	9%	9%
Alternative Asset	KF-HGOLD	1%	2%	3%	5%	6%	7%	9%	10%

Change in investment proportion compared to the previous quarter

● Increase in Weight ● Decrease in Weight

Asset Types	Funds	Expected Returns							
		3%	4%	5%	6%	7%	8%	9%	10%
Domestic Fixed Income	KFSMART-A	1%	19%	22%	18%	13%			
	KFMTFI-A	1%	25%	22%	18%	14%	10%	6%	2%
	KFAFIX-A	2%	-39%	-35%	-21%	-8%	17%	14%	6%
Foreign Fixed Income	KFTRB-A	-2%	-6%	-12%	-14%	-16%	-20%	-23%	-10%
	KF-CSINCOME	-3%	-4%	-1%	-6%	-9%	-12%		
Domestic Equity	KFENS50-A		-2%	-2%	-1%	-1%	-2%	-2%	-1%
	KFS100-A		2%		-1%	-1%	-1%	-2%	-1%
Foreign Equity – Developed Markets	KFJPINDEX-A			-1%		-1%		-1%	1%
	KFUSINDEX-A	2%	2%	2%	3%	4%	5%	3%	2%
Foreign Equity – Emerging Markets	KFACHINA-A	-1%		2%		2%	1%		-2%
	KFINDIA-A	1%	2%	2%	3%	2%	3%	2%	2%
	KFVIET-A	-1%		1%			-1%	1%	
Thematic Equity	KFHTECH-A								-1%
	KFCLIMA-A								-2%
Alternative Asset	KF-HGOLD		1%		1%	1%		2%	4%

Source: Krungsri Asset Management as of 28 March 2025 based on historical performance data of funds in investment universe since the inception date until 12 March 2025. The above calculation is based on investment portfolio with various hypotheses, which does not guarantee actual returns in the future.

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Fund Details		
Funds	Risk	Investment Policies
Domestic Fixed Income Funds		
KFSMART-A	4	The Fund invests onshore and/or offshore in fixed-income instruments and/or deposits or deposits equivalent issued, certified, avalized, or repayment-guaranteed by the government, a state enterprise, a financial institution, and/or private entity, where such instruments are designated as investment grade in either the issue rating category or the issuer rating category.
KFMTFI	4	The Fund invests at least 50% of its NAV in public fixed-income securities. The remaining portion is allocated to bank deposits or fixed-income securities issued by commercial banks, state enterprises, or private companies. These issuers must have a medium- to long-term credit rating of at least A-, or a short-term credit rating of F2, T2, or higher.
KFAFIX-A	4	The Fund invests onshore and/or offshore in fixed-income instruments and/or deposits or deposits equivalent issued, certified, avalized, or repayment-guaranteed by the government, a state enterprise, a financial institution, and/or private entity, where such instruments are designated as investment grade in either the issue rating category or the issuer rating category. It may invest in either debt instruments with non-investment grade or non-rated bonds.
Foreign Fixed Income Funds		
KFTRB-A	4	The Fund invests at least 80% of its NAV in foreign mutual fund, PIMCO Total Return Bond Fund (Class E Acc) (Master Fund).
KF-CSINCOME	5	The Fund invests at least 80% of its NAV in foreign mutual fund, PIMCO GIS Income Fund (Class I Acc) (Master Fund).
Domestic Equity Funds		
KFENS50-A	6	The Fund invests at least 80% of its NAV in equity instruments of listed companies under the SET50 index.
KFS100-A	6	The Fund invests at least 80% of its NAV in equities of domestic listed stocks under the SET100, so that the fund will have a return close to the SET100 Total Return Index (SET100 TRI).
Foreign Equity Funds		
KFJPINDX-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, NEXT FUNDS Nikkei 225 Exchange Traded Fund (Master Fund).
KFUSINDX-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, iShares Core S&P 500 ETF (Master Fund).
KFACHINA-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, UBS (Lux) Investment SICAV – China A Opportunity (USD) (Class P – acc) (Master Fund).
KFINDIA-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, FSSA Indian Subcontinent Fund (Class III USD) (Master Fund).
KFVIET-A	6	Fund invests at least 80% of its NAV in foreign equity mutual fund and/or foreign ETF which invest in securities listed in Vietnam and/or main businesses or benefits from business operations in Vietnam.
KFHTECH-A	7	The Fund invests at least 80% of its NAV in foreign mutual fund, BGF World Technology Fund (Class D2 USD) (Master Fund).
KFCLIMA-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, DWS Invest ESG Climate Tech, Class USD TFC (Master Fund).
Commodity/Alternative Asset Funds		
KF-HGOLD	8	The Fund invests at least 80% of its NAV in foreign mutual fund, SPDR Gold Trust (Master Fund).

- (1) KFACHINA-A, KFINDIA-A, KFVIET-A, and KFCLIMA-A offer risk protection from foreign exchange risks at fund managers' discretion.
- (2) KFSMART-A, KFMTFI-A, KFAFIX-A, KFTRB-A, KF-CSINCOM, KFJPINDX-A, KFUSINDX-A, and KFHTECH-A KF-HGOLD offer full foreign exchange risk protection.

**Disclaimers: Investors should carefully review the fund's features, return conditions, and associated risks before making investment decisions. Past performance of mutual funds is not a guarantee of future results. © For KF-HGOLD, investors should seek additional advice prior to making any investment. © KFHTECH Fund focuses its investments in industrial sectors, there is a possibility of significant investment losses. Investors are strongly encouraged to seek advice before making investment decisions.** © Funds with currency hedging at the fund manager's discretion may still be exposed to exchange rate risks. As a result, investors may experience losses or gains due to exchange rate fluctuations, and returns may be lower than the initial investment principal. © Funds that adopt a full foreign exchange risk protection policy may experience reduced returns on investment due to the additional hedging costs. © Funds may invest in non-investment grade or unrated bond. Investors may therefore face a higher default risk, credit risk and liquidity risk than mutual funds for general investors. © This document is created to disseminate information compiled from credible sources as of the display date. However, Krungsri Asset Management cannot guarantee the accuracy, credibility and completion of all information. The Company reserves the right to change the information without prior notice. © **For information inquiry or request for prospectus, please contact Krungsri Asset Management at tel. 0 2657 5757.**

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