



Investment Outlook & Recommended Portfolio

Quarter 3/2025

Previous Quarter Performance

In the past quarter, the recommendations to reduce investment weight in foreign fixed-income instruments in favor of domestic bonds, as well as to reduce weight in Thai equities and switch to foreign stocks and alternative assets, have all been positive factors for the performance of the recommended investment portfolios. These portfolios generated positive returns during the past quarter, though the drivers varied. Portfolios with low to moderate expected return were mainly supported by gains from domestic bonds and gold funds. Meanwhile, portfolios with moderate to high return expected returns benefited primarily from foreign equity funds, which effectively helped offset the negative impact from investments in Thai equity funds.



Investment Outlook in Q3/2025

The fund management team views that the return outlook for foreign fixed-income funds has become increasingly attractive compared to domestic fixed-income instruments, following two policy rate cuts by the Monetary Policy Committee (MPC) earlier this year. In terms of risk assets, the team has downgraded their outlook on U.S. equities due to heightened uncertainty stemming from Trump administration's policy, which could trigger market volatility and pose risks to growth. At the sector level, the outlook for technology stocks has been slightly downgraded, reflecting strong performance in recent periods.

On the other hand, the fund management team holds a positive view on equity market in emerging markets, particularly in Asia—most notably China and India. While the expected returns for Chinese equities has been adjusted slightly downward, it remains higher than that of developed markets. Chinese equities are also expected to benefit from large-scale government economic stimulus measures. Meanwhile, India continues to demonstrate long-term growth potential, underpinned by structural reforms.

Nonetheless, market risks persist - including geopolitical tensions and U.S. policies. As such, the team continues to recommend diversified asset allocation strategies to mitigate portfolio risk.



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	82%	68%	55%	42%	28%	14%		
Foreign Fixed Income	KFTRB-A	3%	5%	7%	8%	11%	13%	16%	4%
Domestic Equity	KFENS50-A	1%	1%	1%	1%	2%	4%	4%	5%
	KFS100-A	1%	3%	4%	5%	5%	5%	6%	5%
Foreign Equity – Developed Markets	KFJPINDX-A	1%	1%	2%	3%	3%	4%	5%	5%
	KFUSINDX-A	2%	4%	6%	7%	9%	10%	12%	14%
Foreign Equity – Emerging Markets	KFACHINA-A	3%	5%	7%	9%	11%	12%	14%	18%
	KFINDIA-A	4%	7%	10%	13%	16%	20%	23%	26%
	KFVIET-A	1%	2%	2%	5%	6%	7%	8%	9%
Sector Equity	KFCLIMA-A		1%	1%	1%	2%	2%	2%	4%
Alternative Asset	KF-HGOLD	2%	3%	5%	6%	7%	9%	10%	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	51%	42%	33%	24%	15%	14%		
	KFMTFI-A	-29%	-25%	-22%	-18%	-14%	-10%	-6%	-2%
	KFAFIX-A	-29%	-26%	-22%	-19%	-15%	-22%	-14%	-6%
Foreign Fixed Income	KFTRB-A	3%	5%	7%	8%	11%	13%	16%	4%
Domestic Equity	KFENS50-A		-1%	-1%	-2%	-2%		-1%	-1%
	KFS100-A		1%	2%	2%	1%		1%	-1%
Foreign Equity – Developed Markets	KFJPINDX-A			1%	1%	1%	1%	2%	1%
	KFUSINDX-A	-1%	-1%	-2%	-3%	-4%	-6%	-6%	-7%
Foreign Equity – Emerging Markets	KFACHINA-A	1%	1%		1%				2%
	KFINDIA-A	2%	2%	3%	3%	4%	5%	6%	6%
	KFVIET-A	1%		-2%	1%		1%	-1%	
Sector Equity	KFCLIMA-A		1%	1%	1%	2%	2%	2%	4%
Alternative Asset	KF-HGOLD	1%	1%	2%	1%	1%	2%	1%	

Source: Krungsri Asset Management as of 27 June 2025 based on historical performance data of funds in investment universe since the inception date until 9 June 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 Equity 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 Equity 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).
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.
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 protection from foreign exchange risks at fund managers' discretion.
- (2) KFSMART-A, KFMTFI-A, KFAFIX-A, KFTRB-A, KFJPINDX-A, KFUSINDX-A, and 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. © 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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