

Recommended Funds of the Month

Recommended Fund: [KF-CHINA](#)

- The arrival of DeepSeek and the Chinese authorities' stance in supporting the private sector, especially the technology sector, have created a very positive investment sentiment for China's technology stocks. In addition, the earnings of Chinese technology stocks is likely to recover continuously, with Goldman Sachs predicting that AI will be the driving force for earnings per share (EPS) growth of 2.5% per year in the next 10 years.
- At the 'Two Sessions' meetings, the Chinese authorities set a GDP growth target of 5% for 2025 and increased the budget deficit to 4%, the highest level in history. This reflects the possibility of implementing additional stimulus measures soon. Furthermore, the Chinese authorities have also emphasized and prioritized support for technology and AI development.

Recommended Funds: [KF-EUROPE](#) & [KFHEUROPE-A](#)

- There are various supporting factors in European stock markets such as attractive valuations, the economic data that have started to show signs of recovery, better-than-expected Q4 2024 earnings, as well as interest rate cuts by the European Central Bank (ECB). Meanwhile, the markets also expect progress in ending the war between Russia and Ukraine.
- In addition, the markets also have expectation about Germany's fiscal spending reform after the Christian Democratic Union of Germany/Christian-Social Union (CDU/CSU) and the Social Democratic Party of Germany (SPD) initially agreed to loosen the country's strict borrowing rules to boost defense spending as well as to promote investments in infrastructure. It is anticipated that the successful passage of the proposed bill through the German Federal Parliament will foster the country's economic growth going forward.

Recommended Funds: [KFHEALTH-A](#) & [KFHEALTH-D](#) & [KFHHCARE-A](#) & [KFHHCARE-D](#)

- Amid increased market fluctuations, healthcare stocks which are considered defensive can help reduce the overall investment portfolio volatility.
- The valuation of healthcare stocks remains inexpensive and the EPS growth for 2025 is likely to rebound from the previous year. The market is predicting EPS growth of 16.9% in the healthcare sector.

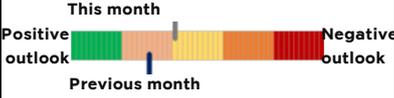
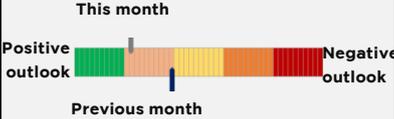
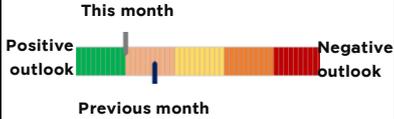
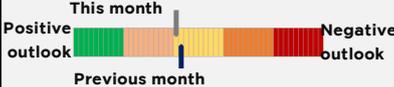
Global Economic Conditions & Investment Outlook by Fund Managers

US



Fund managers' outlook

- Krungsri Asset Management lowers its positive outlook on investing in the US stock market owing to the economic data that has started to slow down and the risks of Trump's policies.
- The US economy is showing signs of slowing down, with GDP for Q4 2024 growing by only 2.3%, lower than the growth rate of approximately 3.0% in the previous two quarters. Although private consumption is still solid, business investment deteriorates. Meanwhile, the labor market remains stable, with unemployment rate staying at 4.0-4.2%. However, the labor market is starting to signal a downturn as the number of unemployed workers applying for ongoing welfare programs is on the rise.

 <p>This month Positive outlook Previous month Negative outlook</p>	<ul style="list-style-type: none"> ■ Krungsri Asset Management expects the US economy to expand by 2.5% in 2025 and inflation to decline to 2.4%. However, the major risks soon will come from President Trump's tariff policy, which may result in inflation rate returning to the level of 3% and holding back GDP by as much as 1%. Meanwhile, the Fed keeps interest rates at a high level of 4.25%-4.5% despite the pressure from President Trump who has been urging the Fed to cut rates quickly to revive the economy. It is predicted that the Fed may lower interest rates to 3.25-3.5% by the end of 2025 if the US economy starts to show clear signs of slowing down.
<p>Europe</p>  <p>Fund managers' outlook</p>  <p>This month Positive outlook Previous month Negative outlook</p>	<ul style="list-style-type: none"> ■ Krungsri Asset Management upgrades the positive outlook on European stock markets due to inexpensive valuations, improved economic data, the possibility of further policy rate cuts by the European Central Bank (ECB), as well as the prospects for ending the war between Russia and Ukraine. ■ The European stock markets have recently been boosted by the ECB's policy rate cuts which are expected to continue to stimulate the economy. Meanwhile, the labor market in the Eurozone remains stable and the economic recovery is still progressing gradually. ■ However, investors still need to keep a close watch on the increased fiscal deficit due to defense spending since this may affect the region's ability to spend in vital areas to support the economy. Meanwhile, it is expected that if the war between Ukraine and Russia could come to an end, the situation would provide further tailwinds for Europe. ■ Krungsri Asset Management holds the view that the European economy going forward will continue to encounter challenges, especially from trade tension between Europe and the US after President Trump announced to impose 25% tariffs on imports from the EU including automobiles and other products.
<p>China</p>  <p>Fund managers' outlook</p>  <p>This month Positive outlook Previous month Negative outlook</p>	<ul style="list-style-type: none"> ■ Krungsri Asset Management upgrades its positive outlook on China's stock market continuously after the market received tailwinds from Chinese AI and technology stocks that managed to gain ground consistently. Besides, it holds the view that China's AI development is still at the initial phase and the valuation of Chinese technology stocks is still low compared to US technology stocks. ■ In March, China held the 'Two Sessions' meetings and set the economic targets for 2025, with GDP growth target for this year at around 5% inflation target lowered to 2.0%. ■ In addition, the Chinese authorities have increased the use of budget tools to stimulate economic activity, focusing on investment in technology development and stimulation in the consumption sector ■ Krungsri Asset Management holds the view that the recovery of Chinese stock market remains volatile. Investors should be cautious about the risks stemming from the implementation of Trump's trade policy which is poised to impose additional tariffs on goods imported from China.
<p>Japan</p>  <p>Fund managers' outlook</p>  <p>This month Positive outlook Previous month Negative outlook</p>	<ul style="list-style-type: none"> ■ Krungsri Asset Management enhances its positive outlook on investing in Japan's stock market slightly after the Bank of Japan (BOJ) raised its policy rate by 0.25% to 0.5%. However, it maintains the view that the interest rate increase will be on a gradual basis. The major factors that the BOJ is watching are the trend of wage increases and the implementation of US monetary policy. ■ The Japanese yen appreciated in early February, putting pressure on Japan's stock market. In the meantime, the market is still volatile due to Trump's trade policy. ■ Japan's overall economy remains healthy, supported by domestic consumption and the tourism sector. GDP grew 1.0% in Q4/2024, representing the third consecutive quarter of growth.

Thai Economic Conditions & Investment Outlook by Fund Managers

Thailand



- Krungsri Asset Management holds a positive view on investing in the Thai stock market over the next 3 months. It is predicted that the fair valuation of the Thai stock market will be more attractive, supported by expectations of government measures to stimulate the economy and the capital market as well as favorable growth data of the export and tourism sectors in 2025.
- However, investors are advised to closely monitor Donald Trump's trade policies which may have an adverse impact on international trade and capital flows in the stock market. Currently, Krungsri Asset Management forecasts that the SET index will stay at 1,320 points by the end of 2025.

Investment Outlook over the Next 3 Months

Funds

Rationale

Domestic funds

Short-term fixed income funds

The funds under this category focus investing in short-term government and private-sector debt instruments with excellent credit ratings and domestic and foreign deposits with the financial institutions having solid financial health and high liquidity.

Fund managers' outlook:

- At its February meeting, the MPC cut the policy rate earlier than expected from 2.25% to 2.00, resulting in the yield of short-term fixed income funds being lower by about 5-20 bps from the period prior to the meeting.
- Taking into consideration the economic outlook that has started to show a sign of slowing down together with the developments of trade policies that are subject to change on a daily basis and becoming increasingly uncertain, expectations for interest rate cuts in the US and Thailand have risen respectively. As a result, the yield of short-term Thai government bonds continues to move downward in the forthcoming period.

Investment strategy: The funds will focus more on active asset allocation for all asset classes such as foreign bank deposits and long-term Thai government debt instruments as well as good-quality corporate debt instruments, with an objective to reduce the negative impacts of additional policy rate cuts this year.

Recommended funds: KFSMART, which has a high portfolio rebalancing flexibility and seeks to enhance return on investment regularly. We recommend holding funds for a period of at least three months as this may help mitigate the impact of daily fluctuations. Currently, the average duration of short-term fixed income fund like KFSPLUS is 0.1 – 0.3 year while that of KFSMART is 0.3 - 0.8 year.

Medium-to-long-term fixed income funds

Fund managers' outlook:

- The funds can generate excess return significantly after the MPC cut policy rates faster than expected. They still could enjoy excess return consistently in accordance with the prospect of policy rate cuts in Thailand and the persistently high excess liquidity in the financial system.
- Economic growth in Thailand tends to slow down while inflation is low, staying near the lower end of the target range, leading to the expectations that the MPC may further cut policy rates 1-2 times this year.
- However, it is expected that the Thai bond market may experience volatility in line with the movement of US bond market at some point, which is considered an opportunity to increase investments.

	<p>Investment strategy: The fund managers have been rebalancing the portfolio consistently by taking advantage of market volatility. The funds investing mainly in corporate bonds are still able to help mitigate market volatility.</p> <p>Recommended funds:</p> <ul style="list-style-type: none"> • KFMTFI – Minimum six-month holding period (Duration 2.3 – 2.8 years); • KFAFX – Minimum 1-year holding period (Duration 2.4 – 3.0 years); • KFENFIX – Minimum 2-year holding period (Duration 3 – 5 years). <p>The expected return on investment of the funds under this category is attractive for long-term investment money that does not require liquidity in the short-term.</p>
Thai equity funds	<p>The funds investing mainly in high growth stocks (KFSEQ-D or KFSEQ or KFGROWTH) as well as those focusing on selecting the most suitable stocks for each market condition (KFDNM-D or KFDYNAMIC or KFTSTAR), tend to yield good returns in the medium to long term in line with the favorable performance of the companies invested in these funds. Meanwhile, dividend value equity funds (KFSDIV or KFVALUE) could be a good choice for investors who prefer investing in high-performing companies with regular and high dividend payouts, even during the period of market volatility.</p>
Mixed funds (KFHAPPY, KFGOOD, KFSUPER)	<p>The funds under this category focus investing in diverse asset classes and rebalance the investment portfolio to correspond to market conditions.</p> <p>Investment strategy:</p> <ul style="list-style-type: none"> • Fixed income instruments: KFHAPPY will maintain the investment ratio in corporate bonds at no more than 60% of the total bond allocation and a fund duration of no longer than three years while KFGOOD and KFSUPER will invest no more than 70% of the total bond allocation in corporate bonds. • Thai equity instruments: They will invest mainly in large-cap stocks with strong financial positions and operational performance which help increase trading liquidity of the funds. • Property funds, REITs and infrastructure funds: They will focus investing on securities with underlying assets that have good quality, high liquidity and proven track records of regular dividend payouts. <p>Currently, the funds' investments weight in risky assets is below the proportion in the fund's benchmark index and is expected to shift the portfolio weights of investments in property funds, REITs and infrastructure funds to more equity instruments over the next three months.</p>
Foreign investment funds	
Foreign fixed income funds	
KF-CSINCOME KF-SINCOME KF-SINCOME-FX	<p>The Fund continued to give short to medium-term US bonds a relatively high portfolio weight and still invested in UK bonds due to the outlook that UK inflation became more stable while maintaining the short position of Japanese bonds after there was a possibility that the interest rates in Japan might be higher on rising inflation. With respect to corporate bonds, the Fund placed focus on investment grade fixed income instruments in the financial sector. For investments outside the financial sector, the Fund focused on the strategy of bottom-up investing to select only attractive companies.</p>
Developed market funds	
KF-EUROPE	<p>The European stock markets improved but remained volatile. The European Central Bank (ECB) continued to lower policy rates to boost the European economy. However, investors are warned to be aware of political uncertainties and Trump's</p>

KFHEUROP	trade protectionism policy that could put pressure on European exports. Furthermore, the European markets continued to be considered as the laggards when compared to the US, resulting in investors turning their attention to the markets consistently.
KFJPINDEX	The Japanese stock market remained volatile on the reversing trend of stronger yen which put pressure on Japanese equities. On the economic front, however, the continued wage hike will be a positive factor for the economy in the long term as it will help stimulate the growth of domestic consumption consistently.
KFUSINDEX KFUSINDEXFX	The US stock market experienced fluctuations especially from the technology sector as well as from the outlook of the Fed's monetary policy stance, which is likely to cut interest rates slower than market expectations, coupled with the uncertainty around trump's economic policies especially the policy of trade tariffs.
KFNDQ	US technology stocks faced volatility, with investors returning to investing more in defensive stocks. Besides, US AI stocks were also under pressure from the arrival of a Chinese AI company that has disrupted the market with low-cost models which triggered a greater level of competition. Notwithstanding, the revenue of listed companies in the technology sector still came out favorably and was expected to grow continuously.
Emerging market funds	
KFACHINA	China's stock market was buoyed by the boom of technology stocks. In addition, the Chinese government has recently set a GDP growth target of around 5% as well as raising fiscal spending. As a result, market participants keep a close watch on new round of economic stimulus measures particularly in the domestic consumption sector. However, the Chinese stock market will continue to be pressured by Trump's trade protectionism policy.
KFINDIA	The Indian stock market weakened as investor anxiety over rising inflation in India resurfaced, which may lead to a tighter monetary policy stance of the Reserve Bank of India (RBI). Furthermore, revenue of listed companies in India started to show signs of slowing down and put pressure on the overall Indian stock market.
KFVIET	The Vietnamese market was likely to improve. Overall, Vietnam's economic growth remains strong and supported by foreign investment. Besides, Vietnam is likely to benefit from the relocation of production base by Chinese companies following the potential threats of higher tariff barriers under Trump's policy.
KFHASIA	The Asian markets excluding Japan continued to face pressures especially those from the prospect of Trump's policy actions that might put Asian stock markets under pressure. In addition, the possibility of fewer rate cuts by the Fed continues to be a pressing factor for central banks in Asia as they may be unable to lower interest rates to stimulate economic growth.
Global equity funds	
KFGBRAND	The Fund weakened slightly in the past month but still outperformed the overall market. Major driving forces include the nature of stocks in the fund's portfolio that are highly defensive, especially those in the sectors of consumer staples and healthcare. The characteristics of an investment portfolio that is resistant to volatility will help prevent the investment portfolio from falling drastically, especially during

	market volatility such as the current condition. However, investors should closely monitor the trade policy under Donald Trump's administration as this may have an adverse impact on the performance of stocks in the portfolio.
KF-WORLD-INDX	The Fund invests in global equities through an ETF based on the MSCI All Country World Index (MSCI ACWI). Last month, the Fund fell slightly on sharp correction in the US stock market although the European markets closed higher. In the forthcoming period, the growth of corporate earnings and the downward trend of global interest rates as well as Donald Trump's pro-capital market policies are expected to be the important supportive factors for stocks in the investment portfolio. However, excessive investors' expectations along with the possibility of slower-than-expected policy rate cuts and the trade wars may negatively affect the valuation of stocks in the portfolio.
KFESG	The Fund focuses on sustainable investment themes by investing in the sectors relating to the semiconductor supply chain as well as the industries addressing social and environmental issues, such as the solutions to climate change and health problems and the promotion of social roles and equality, etc. In the period ahead, it is expected that policy rate cut by central banks around the world will be a supportive factor for the performance of stocks in the investment portfolio. However, the possibility of slower-than-expected rate cuts and the trade policies of Trump administration may have an impact on the performance of stocks in the portfolio.
KFHTECH KFGTECH	The growth of artificial intelligence (AI) and the demand for AI adoption will be the major factors fostering earnings growth of stocks in the fund's portfolio. Furthermore, entering a downward interest rate cycle globally also enables technology stocks to have lower financial costs in the forthcoming period. However, excessive investor optimism along with the possibility of slower rate cuts and geopolitical risk may adversely affect the performance of stocks in the investment portfolio.
KFHEALTH KFHHCARE	These funds fell slightly in the past month, but the decline is smaller than that of the overall market which suffered a heavy selloff for profit taking. However, it is expected that the healthcare sector will outperform the overall market soon due to the investment portfolio's defensive characteristics. In addition, substantially growing research and development in the healthcare sector as well as the adoption of AI technology in disease diagnosis will contribute significantly to facilitating research and development in this field.
Commodity funds	
KF-GOLD KF-HGOLD	Gold prices surged in the past month due to significantly high geopolitical risk across the world after the return of Trump to the US presidency. However, the prospect of higher inflation caused by tariff policy may put pressure on the Fed, preventing the Fed from lowering policy rates, which may affect gold prices.

Fund Information		
Funds	Risk Levels	Investment Policies
Domestic fixed income funds		
KFSPLUS	4	The Fund invests in high quality fixed-income securities of the public sector, financial institutions, and private companies generating good return or bank deposits. It may partially invest in foreign

		fixed-income instruments and enter into derivatives contracts to hedge against foreign exchange risk.
KFSMART	4	The Fund focuses investing onshore and/or offshore in debt instruments and/or deposits or deposits equivalent instruments issued, certified, avaled, or repayment guaranteed by the government, state enterprises, financial institutions, and/or private entities, with an investment grade issue or issuer rating.
KFMTFI	4	The Fund invests on average at least 50% of its NAV in an accounting period in government-sector debt securities. The remaining is invested in bank deposits or debt instruments of commercial banks, state-owned enterprises or private companies assigned an A- or above medium-term or long-term credit rating or an F2, T2 or above short-term credit rating.
KFAFIX	4	The Fund focuses investing onshore and/or offshore in debt instruments and/or deposits or deposits equivalent instruments issued, certified, avaled, or repayment-guaranteed by the government, state enterprises, financial institutions, and/or private entities, with an investment grade issue or issuer rating. It may also invest in non-investment grade or unrated debt instruments.
KFENFIX	4	The Fund focuses investing onshore and/or offshore in debt instruments and/or deposits or deposits equivalent instruments issued, certified, avaled, or repayment-guaranteed by the government, state enterprises, financial institutions, and/or private entities, with an investment grade issue or issuer rating. It may also invest in non-investment grade or unrated debt instruments.
Foreign fixed income funds		
KF-CSINCOME KF-SINCOME KF-SINCOME-FX	5	The Fund invests on average at least 80% of its NAV in an accounting period in PIMCO GIS Income Fund (Class I Acc) (the Master Fund).
Domestic equity funds		
KFSDIV KFVALUE	6	The Fund invests on average at least 80% of its NAV in an accounting period domestically in shares of listed companies with consistent dividend paying potential.
KFSEQ KFSEQ-D	6	The Fund invests on average at least 80% of its NAV in an accounting period in domestic equity instruments by focusing on investing in securities issued by companies with high growth potential or strong fundamentals.
KFDYNAMIC KFDNM-D	6	The Fund invests on average at least 80% of its NAV in an accounting period in domestic equity instruments by focusing on investing in fundamentally strong and high growth potential stocks.
KFGROWTH	6	The Fund invests on average at least 80% of its NAV in an accounting period in domestic equity instruments
KFTSTAR	6	The Fund invests on average at least 80% of its NAV in an accounting period in equity instruments by focusing on investing in stocks listed on the SET and/or MAI and/or derivatives of which the underlying assets are listed stocks or groups of listed companies including IPO stocks pending listing on the stock exchange.
Domestic mixed funds		
KFHAPPY KFGOOD	5	The Fund invests in any or several types of the following securities or assets: 1) Debt instruments, deposits or deposit-equivalent instruments domestically and abroad; 2) listed stocks including IPO stocks and may invest in property units or infra units; 3) investment units of funds under management of the Management Company in the proportion of not exceeding 100% of the

KFSUPER		fund's NAV in compliance with the rules and conditions of the SEC Office; 4) The fund may invest in non-investment grade securities or unrated bonds in an aggregate proportion of not exceeding 20% of its NAV and may invest in unlisted securities and structured notes in compliance with the criteria of the SEC Office.
Foreign investment funds		
Developed market equity funds		
KFUSINDX KFUSINDFX	6	The Fund invests on average at least 80% of its NAV in an accounting period in iShares Core S&P 500 ETF (the Master Fund).
KFNDQ	6	The Fund invests on average at least 80% of its NAV in an accounting period in Invesco NASDAQ 100 ETF (the Master Fund).
KF-EUROPE KFHEUROP	6	The Fund invests on average at least 80% of its NAV in an accounting period in Allianz Europe Equity Growth Fund (Class AT) (the Master Fund).
KFJPINDX	6	The Fund invests on average at least 80% of its NAV in an accounting period in NEXT FUNDS Nikkei 225 Exchange Traded Fund (the Master Fund).
Emerging market equity funds		
KF-CHINA	6	The Fund invests on average at least 80% of its NAV in an accounting period in Hang Seng China Enterprises Index ETF (the Master Fund).
KFACHINA	6	The Fund invests on average at least 80% of its NAV in an accounting period in UBS (Lux) Investment SICAV - China A Opportunity Fund (Class P-Acc) (the Master Fund)
KFINDIA	6	The Fund invests on average at least 80% of its NAV in an accounting period in FSSA Indian Subcontinent Fund (Class III USD) (the Master Fund).
KFVIET	6	The fund invests on average at least 80% of its NAV in an accounting period in the investment units of foreign equity funds and/or exchange traded funds (ETFs) whose investment policy focuses on investing in listed securities in Vietnam and/or companies having established a major presence or benefited from business operations in Vietnam.
KFHASIA	6	The Fund invests on average at least 80% of its NAV in an accounting period in Baillie Gifford Pacific Fund (Class B Acc) (the Master Fund).
Global equity funds		
KFGBRAND	6	The Fund invests on average at least 80% of its NAV in an accounting period in Morgan Stanley Investment Funds - Global Brands Fund (Class Z) (the Master Fund).
KF-WORLD-INDX	6	The Fund invests on average at least 80% of its NAV in an accounting period in iShares MSCI ACWI ETF (the Master Fund).
KFESG	6	The Fund invests on average at least 80% of its NAV in an accounting period in AB Sustainable Global Thematic Portfolio, Class S1 USD (the Master Fund).
KFGTECH	7	The Fund invests on average at least 80% of its NAV in an accounting period in T. Rowe Price Funds SICAV – Global Technology Equity Fund (Class Q) (the Master Fund).
KFHTECH	7	The Fund invests on average at least 80% of its NAV in an accounting period in BGF World Technology Fund (Class D2 USD) (the Master Fund).

KFHEALTH KFHHCARE	7	The Fund invests on average at least 80% of its NAV in an accounting period in JPMorgan Funds - Global Healthcare Fund (Class: C (acc) - USD) (the Master Fund).
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Commodity funds

KF-GOLD KF-HGOLD	8	The Fund invests on average at least 80% of its NAV in an accounting period in SPDR Gold Trust (the Master Fund).
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Remarks:

- (1) KF-SINCOME-FX, KF-EUROPE, KFNDQ, KFINDIA, KFVIET, KFGBRAND, KF-WORLD-INDX, KFGTECH, KFHEALTH, KFACHINA and KF-CHINA are hedged against foreign exchange risk at fund managers' discretion.
- (2) KFSPLUS, KFSMART, KFMTFI, KFAFIX, KFENFIX, KFHAPPY, KFGOOD, KFSUPER, KF-SINCOME, KF-CSINCOME, KFHEUROP, KFHTECH, KFHASIA, KFESG, KFHHCARE, KF-HGOLD, KFUSINDEX, and KFJPINDEX are fully hedged against foreign exchange risk (no less than 90% of the foreign investment amount).
- (3) KF-GOLD and KFUSINDEX do not use foreign exchange hedging instruments.

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