



Performance Summary

SA Metropolitan Fire Service Super Scheme – Members
February 2026

Funds SA is responsible for investing the assets of the SA Metropolitan Fire Service Superannuation Scheme. In this summary, Funds SA provides an overview of the performance of the investment options offered under the Scheme.

Performance

The table and chart below show Funds SA's Taxable investment option returns based on the post-tax unit pricing model.

Table 1: Taxable investment option returns to 28 February 2026

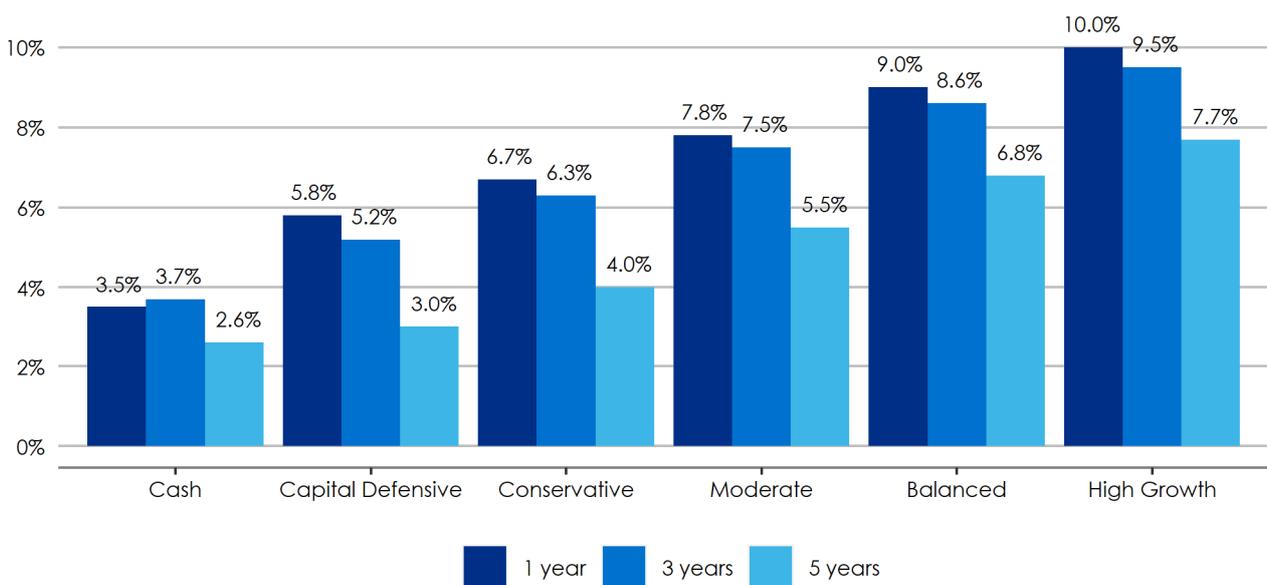
Returns are net of fees and tax

Investment option	1 month %	3 months %	FYTD %	1 year %	3 years % p.a.	5 years % p.a.	7 years % p.a.	10 years % p.a.
Cash	0.3	0.8	2.2	3.5	3.7	2.6	2.0	1.9
Capital Defensive	0.7	1.1	3.7	5.8	5.2	3.0	3.1	3.4
Conservative	0.8	1.2	4.7	6.7	6.3	4.0	4.2	4.6
Moderate	0.9	1.4	5.6	7.8	7.5	5.5	5.5	5.9
Balanced	1.0	1.6	6.6	9.0	8.6	6.8	6.9	7.4
High Growth	1.0	1.7	7.5	10.0	9.5	7.7	7.8	8.7

Note: The Taxable investment options were established in March 2005, with the exception of the Moderate investment option (established in June 2006).

Chart 1: Taxable investment options annualised returns to 28 February 2026

Returns are net of fees and tax



Key drivers of performance

- Australian Equities made the largest contribution to returns, with stock selection adding value across several sectors, including Materials and Information Technology. Relative performance was weaker than the benchmark, largely due to asset allocation effects, reflecting an underweight to Financials and an overweight to Health Care.
- Infrastructure delivered positive returns. Performance was driven by a valuation uplift in Heathrow Airport, reflecting strong operating performance. Assets in the energy and digital sectors also added value.
- Government Bonds contributed positively as long-end yields declined on rising expectations for rate cuts, while inflation-linked securities were supported by attractive income and lower real yields, as inflation expectations were pushed out in line with RBA forecasts.
- International Equities recorded negative returns for the month, reflecting sector and regional positioning. Underweights to Energy, Utilities and Materials, alongside an overweight to Communication Services, detracted from performance and offset positive stock selection in Information Technology and Health Care. Regionally, gains from Taiwan and the UK were offset by weaker stock selection in the US.

Effective asset allocation

The effective asset allocation of the Funds SA Taxable investment options is shown in the table below.

Table 2: Effective asset allocation as at 28 February 2026

Asset class	Cash %	Capital Defensive %	Conservative %	Moderate %	Balanced %	High Growth %
Australian Equities	0.0	5.3	10.5	18.7	25.7	31.6
International Equities	0.0	7.2	14.0	22.0	30.1	37.7
Private Markets	0.0	0.9	2.1	2.5	4.5	6.9
Property	0.0	4.9	5.7	5.8	6.9	6.9
Infrastructure	0.0	12.3	11.1	8.8	7.7	6.2
Alternatives	0.0	2.0	3.3	3.9	3.4	2.2
Credit	0.0	8.9	7.3	7.3	7.8	6.7
Fixed Interest	0.0	40.7	32.4	21.6	10.4	0.0
Cash	100.0	17.9	13.6	9.5	3.4	1.7
Total	100.0	100.0	100.0	100.0	100.0	100.0
Foreign Currency	0.0	4.3	9.1	14.3	19.6	24.5
Foreign Currency Hedge*	0.0	3.0	5.0	7.8	10.7	13.3

Notes: Due to rounding, the sum of the individual numbers within the table may not equal the totals quoted. * The partial foreign currency hedge is the exposure converted back into Australian Dollars from investing in International Equities to achieve the Foreign Currency strategic allocation. All other asset classes that have international investments are typically fully currency hedged.

Financial market snapshot

The table below summarises broad financial market performance.

Table 3: Major market index returns to 28 February 2026

Market Index	1 month %	3 months %	FYTD %	1 year %	3 years % p.a.	5 years % p.a.	7 years % p.a.	10 years % p.a.
Australian Equities	3.9	7.1	10.0	16.4	12.1	10.6	9.8	10.7
International Equities	-0.5	-3.2	6.6	8.3	18.7	13.6	13.0	13.0
Australian Unlisted Property	0.3	2.3	5.2	7.0	-2.4	2.1	1.9	4.5
Credit	-0.2	0.6	3.0	5.0	7.8	3.4	3.6	4.9
Global Fixed Interest	1.2	0.8	1.3	3.2	3.0	-0.8	0.4	1.3
Australian Fixed Interest	0.6	0.7	1.4	4.1	5.1	2.4	2.5	2.5
Cash	0.3	0.9	2.4	3.8	4.1	2.8	2.2	2.1
Foreign Currency (AUD v. Developed Markets)	2.0	8.0	8.9	12.1	0.7	-2.0	-0.8	-0.5

Notes: Returns hedged to the Australian Dollar: Global Fixed Interest, Credit. Equity returns are expressed in AUD.

Financial market commentary

Global Equities

Global equities rose in Europe and Asia in February, while major US indices were mixed. The STOXX Europe 600 rose 3.1% and reached record highs. Asian markets rose, with the MSCI Asia Pacific index up about 7.0%, led by a 10.4% gain in Japan's Nikkei 225 index, which hit a record high.

In the US, the Dow Jones Industrials index rose 0.2%, whilst the S&P 500 and NASDAQ indices fell 0.9% and 3.4% respectively. Concerns around potential AI disruption drove US market volatility and rotation away from certain parts of technology and software sectors. There was also a renewed focus on tariffs after the US Supreme Court ruled against President Trump's use of emergency tariff powers. US-Iran tensions featured in headlines contributing to a 2.8% rise in the price of WTI crude oil.

The Australian dollar continued to strengthen against the US dollar, appreciating 1.4% in February. The translation impact from US to Australian dollar terms further weighed on international equity returns during the month. More broadly, the US dollar strengthened slightly against other major currency crosses.

Australian Equities

The S&P/ASX 200 rose 3.7% in February, finishing near 52-week highs and marking a third straight monthly gain.

Market conditions were volatile, with earnings and debate around AI disruption driving large moves in the mid to large cap stocks. Within the S&P/ASX 300 index, the Materials sector outperformed most other sectors, rising 8.9%, supported by strength across commodities and the relative insulation from AI related concerns. Financials were also strong, up 9.0%, led by the major banks, with ANZ up 10.6%, Westpac up 9.8%, CBA up 16.8% and NAB up 15.8%. Consumer Staples rose 5.3%, helped by Woolworths and partly offset by weakness in Coles. Health Care was the big underperformer, falling 13.0% during the month, largely driven by CSL after a weak earnings release and a CEO change. Information Technology rebounded from low levels but remained down over six months.

Fixed Interest and Credit

Government bond yields generally fell over the month. In the US, Treasuries were firmer, with the curve flattening and the 10-year yield down 30 basis points (bps), finishing the month at 3.96%. In Australia, the 3-year government bond yield edged up 3 bps to 4.25% as investors position for further rate hikes from the Reserve Bank of Australia and the 10-year yield closed 15 bps higher at 4.65%. The RBA lifted the cash rate 25 bp to 3.85% and reiterated a data dependent approach, with minutes noting two-sided risks to inflation and demand. The market is currently pricing a further 25 bps increase in the official cash rate at the May meeting. European bond yields fell along with high yield credit in February.

Asset allocation

There were no major asset allocation shifts during the period.

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