Performance Summary

SA Metropolitan Fire Service Super Scheme – Members

July 2026

Performance

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.

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 31 July 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	1.0	0.3	3.6	3.8	2.9	2.2	2.0
Capital Defensive	0.0	1.9	0.0	5.1	5.3	2.8	2.9	3.2
Conservative	0.0	2.3	0.0	6.0	6.1	3.6	3.9	4.3
Moderate	0.2	3.1	0.2	7.1	7.2	4.7	5.2	5.6
Balanced	0.3	3.7	0.3	8.2	8.3	5.6	6.6	6.9
High Growth	0.4	4.2	0.4	9.2	9.2	6.4	7.5	8.1

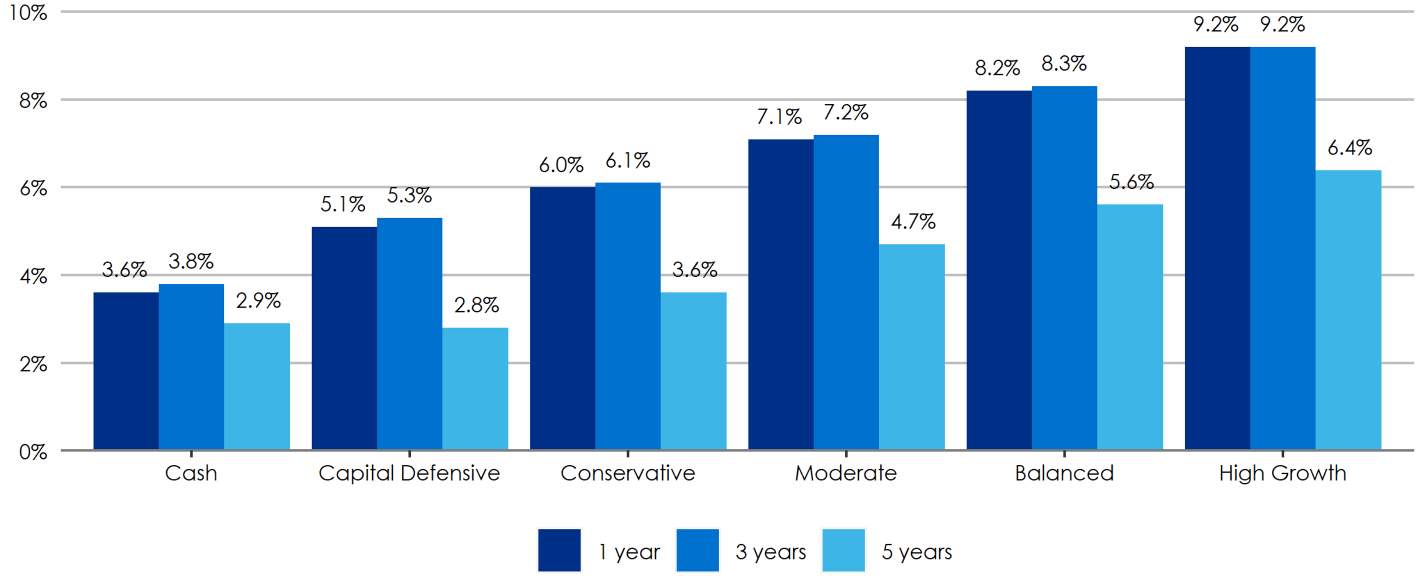
Note: The Taxable investment options were established in March 2005, with the exception of the Moderate investment option (established in June 2006).

Key drivers of performance

- Australian Equities was the largest contributor to returns. The Australian Equities asset class outperformed its benchmark. Strong manager stock selection in Energy and Communication Services added value, while the portfolio's lower exposure to the weaker-performing Materials sector further supported performance.
- Private Markets delivered a positive return during the month, primarily driven by venture capital investments. Underlying investments in the data centre sector also contributed positively.
- Alternatives supported performance, with insurance-linked, equity long/short and quantitative strategies all delivering strong returns.
- International Equities detracted from absolute returns as global equity markets weakened, particularly among technology and AI-related companies. Despite the negative market backdrop, the portfolio outperformed its benchmark, driven by an underweight position in Information Technology and strong stock selection in Consumer Discretionary and Consumer Staples.

Chart 1: Taxable investment options annualised returns to 31 July 2026

Returns are net of fees and tax



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 31 July 2026

Asset Class	Cash %	Capital Defensive %	Conservative %	Moderate %	Balanced %	High Growth %
Australian Equities	0.0	5.0	8.6	18.2	25.2	31.3
International Equities	0.0	7.0	11.6	22.0	30.1	38.3
Private Markets	0.0	0.9	2.0	2.4	4.4	6.5
Property	0.0	4.7	5.8	5.7	6.7	6.7
Infrastructure	0.0	12.0	10.9	8.7	7.1	4.7
Alternatives	0.0	1.1	3.4	3.7	3.3	2.1
Credit	0.0	9.5	8.0	7.7	8.5	7.2
Fixed Interest	0.0	40.7	33.6	21.3	10.2	0.0
Cash	100.0	19.0	16.1	10.4	4.6	3.2
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Foreign Currency	**0.0**	**4.5**	**7.6**	**14.2**	**20.9**	**25.9**
Foreign Currency Hedge*	**0.0**	**2.6**	**4.1**	**7.9**	**10.9**	**12.6**

Note: 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 31 July 2026

Market Index	1 Month %	3 Months %	FYTD %	1 Year % p.a.	3 Years % p.a.	5 Years % p.a.	7 Years % p.a.	10 Years % p.a.
Australian Equities	2.1	4.0	2.1	5.8	10.3	7.8	7.8	9.0
International Equities	-1.3	6.9	-1.3	12.0	16.8	11.9	13.0	13.3
Australian Unlisted Property	0.2	1.9	0.2	8.8	-0.1	1.9	2.1	4.2
Credit	0.3	1.3	0.3	4.7	7.3	3.4	3.4	4.1
Global Fixed Interest	-0.7	1.2	-0.7	1.0	2.6	-1.9	-0.7	0.7
Australian Fixed Interest	-0.1	2.2	-0.1	2.4	5.0	2.5	2.3	2.5
Cash	0.4	1.1	0.4	3.9	4.2	3.2	2.4	2.2
Foreign Currency (AUD v. Developed Markets)	1.2	-1.6	1.2	9.2	0.8	-1.2	-0.5	-1.1

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

Financial market commentary

Investors looked beyond the technology giants

Global share markets delivered mixed returns in July as investors looked beyond the largest technology companies that have driven markets in recent years. While artificial intelligence (AI) remained a major investment theme, investors became increasingly focused on whether substantial spending on AI infrastructure will generate future profits. Technology shares were generally weaker, particularly across Asia, while banks, energy and industrial companies performed strongly. In the US, Energy (+12.5%) and Financials (+6.0%) were among the strongest performing sectors, demonstrating that market gains came from a broader range of sectors beyond the technology sector. European shares also continued to advance, supported by resilient economic conditions and stronger corporate earnings.

Oil prices put inflation and interest rates back in focus

Renewed tensions in the Middle East pushed oil prices sharply higher during July, increasing concerns that progress on inflation could slow. Higher energy prices, combined with resilient economic and employment data, led investors to reassess the outlook for interest rates. The US Federal Reserve and Reserve Bank of Australia both left rates unchanged as they monitored inflation and economic conditions. Bond yields moved higher over the month as markets reduced expectations for near-term rate cuts while Credit markets remained resilient, supported by solid economic conditions and generally favourable corporate earnings.

Australian shares approached record highs

Australian shares rose 2.3% in July, extending gains for a fourth consecutive month and finishing close to record highs. Strong gains from Energy (+12.2%) and Financials (+5.8%) helped drive returns, supported by higher oil prices and continued strength in the major banks. In contrast, Information Technology (−2.8%) was the weakest sector as global technology stocks came under pressure, while defence-related companies also experienced sharp declines. Inflation eased during the quarter and the labour market remained resilient, supporting confidence in the Australian economy. The Australian dollar also strengthened 1.5% against the US dollar during the month.

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