Performance Summary

SA Metropolitan Fire Service Super Scheme – Members

October 2025

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 31 October 2025

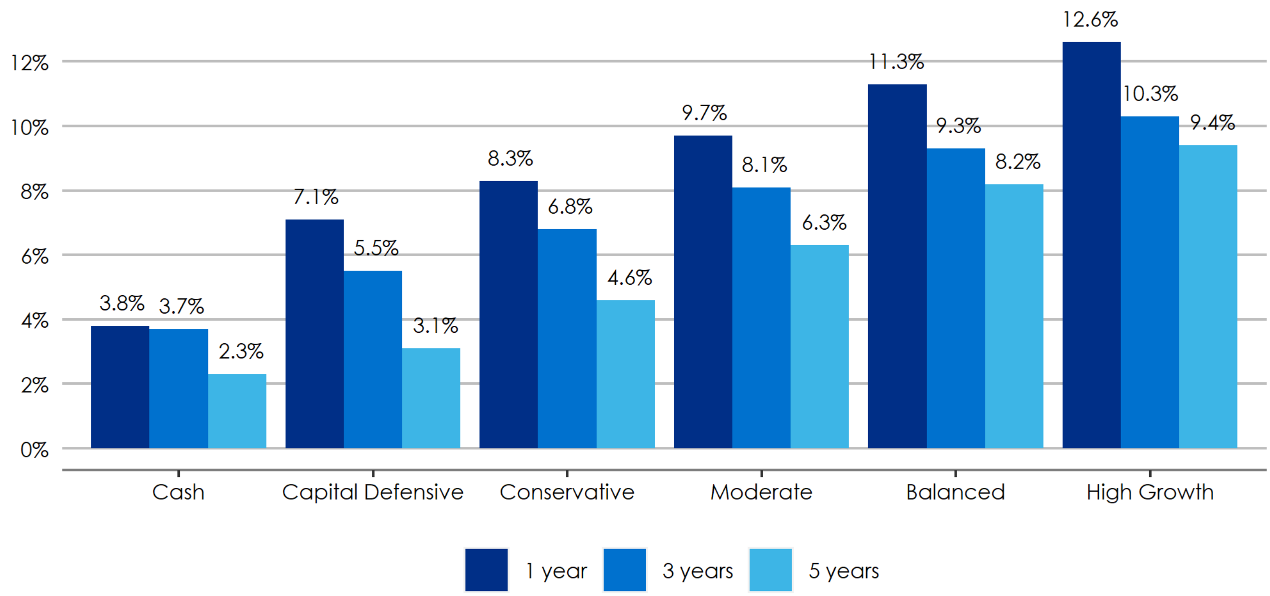
Returns are net of fees and tax

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	0.2	0.8	1.1	3.8	3.7	2.3	2.0	1.9
Capital Defensive	0.8	2.1	2.6	7.1	5.5	3.1	3.2	3.2
Conservative	1.0	2.6	3.4	8.3	6.8	4.6	4.4	4.4
Moderate	1.2	3.1	4.3	9.7	8.1	6.3	5.8	5.6
Balanced	1.4	3.6	5.2	11.3	9.3	8.2	7.3	7.0
High Growth	1.6	4.1	6.0	12.6	10.3	9.4	8.2	8.2

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 31 October 2025

Returns are net of fees and tax



Key drivers of performance

- All investment options delivered positive returns in October, outperforming their benchmarks.
- Every asset class contributed positively, with International Equities and Infrastructure leading performance.
- International Equities benefited from strong stock selection in Financials, IT and Industrials, which offset weaker results in Communication Services and Consumer Discretionary. Additional gains came from UK holdings and country positioning in Argentina, Taiwan and South Korea.
- Infrastructure delivered strong returns following the sale of a data centre investment at a significantly higher valuation than its previous holding value, providing a strong boost to performance.
- Australian Equities were broadly in line with the benchmark. Overweight positions in Healthcare and underweight Financials detracted, while positive stock selection in Materials and Healthcare helped offset this. Overweight Pilbara and underweight Wesfarmers were key contributors, while Communication Services positions in News Corp and REA weighed on results.

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 October 2025

Asset class	Cash %	Capital Defensive %	Conservative %	Moderate %	Balanced %	High Growth %
Australian Equities	0.0	5.1	10.0	17.8	24.6	30.6
International Equities	0.0	7.7	14.7	23.5	32.0	39.4
Private Markets	0.0	0.9	1.9	2.6	4.3	6.0
Property	0.0	5.3	5.9	5.9	7.0	7.0
Infrastructure	0.0	11.3	10.3	8.2	7.2	5.9
Alternatives	0.0	2.1	3.6	3.8	3.6	2.4
Credit	0.0	7.7	6.6	5.9	6.6	6.2
Fixed Interest	0.0	40.4	32.1	20.9	8.5	0.0
Cash	100.0	19.6	14.9	11.4	6.2	2.4
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Foreign Currency	**0.0**	**4.6**	**9.5**	**15.2**	**20.4**	**26.7**
Foreign Currency Hedge*	**0.0**	**3.2**	**5.3**	**8.4**	**10.5**	**12.9**

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 October 2025

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	0.4	2.9	5.4	12.7	13.0	12.5	10.3	9.7
International Equities	3.6	6.9	10.3	22.9	20.8	16.3	14.2	12.3
Australian Unlisted Property	0.4	2.0	2.4	4.8	-3.2	2.1	1.9	4.6
Credit	0.2	1.4	2.1	6.8	9.5	4.2	3.8	4.5
Global Fixed Interest	0.6	1.2	1.0	5.0	2.9	-2.1	1.0	1.6
Australian Fixed Interest	0.3	0.9	1.2	6.6	5.6	2.3	2.7	2.6
Cash	0.3	0.9	1.2	4.1	4.1	2.6	2.2	2.1
Foreign Currency (AUD v. Developed Markets)	-0.7	1.7	0.6	-1.1	-0.9	-1.8	-1.9	-1.2

Note:

Returns hedged to the Australian Dollar: Global Fixed Interest, Credit.

Equity returns are expressed in AUD.

Financial market commentary

Global financial markets delivered mixed results in October, with equities generally advancing amid easing trade tensions and supportive monetary policy, though sector performance varied across regions. Australian shares edged higher, led by gains in materials and energy, while global equities benefited from AI-driven momentum and resilient corporate earnings. Fixed income markets saw yields fluctuate as central banks maintained cautious stances, and currency markets reflected diverging economic signals. Gold retreated from record highs, while oil prices fell for a third straight month.

Equities

The ASX200 rose 0.4% for the month, briefly reaching a new all-time high before retreating on hotter-than-expected inflation data, which dampened hopes for near-term rate cuts. Materials (+4.3%) and Energy (+3.7%) led sector gains, driven by a surge in rare earths and critical minerals stocks following a new US-Australia investment framework. Lithium names such as Pilbara (+30.1%), Liontown (+19.3%), and Mineral Resources (+17.7%) rallied strongly. Gold miners reversed earlier gains as gold prices retreated, while Information Technology (-8.4%) and Consumer Discretionary (-6.9%) lagged, the latter pressured by weak trading updates and governance concerns. Notable stock moves included Domino's Pizza (+35.9%) on takeover speculation and WiseTech (-23.4%) following governance investigations. Banks were broadly flat, with ANZ (+10.4%) outperforming after announcing its 2030 Strategy.

Global equities advanced on improved trade sentiment and ongoing AI strength. The MSCI Asia Pacific ex-Japan index gained 3.9%, while Japan's Nikkei 225 surged 12.1% to a record high. European markets reached fresh records, buoyed by supportive policy, easing inflation, and optimism for a 2026 earnings recovery. However, volatility persisted due to geopolitical tensions and mixed macro data.

US equities posted further gains, with the S&P 500 up 2.3% and Nasdaq up 4.7%, driven by large-cap technology stocks and AI-related momentum. Big Tech outperformed, notably Alphabet (+15.7%) and Amazon (+11.2%), while the AI and semiconductor sectors saw strong deal activity. The Federal Reserve delivered a widely expected 25bp rate cut, though signalled caution on further easing. Consumer spending signals were mixed, and labour market concerns persisted, tempering some upside momentum.

Asian equities extended their rally, with South Korea's Kospi (+16.9%) and Taiwan's Taiex (+7.8%) leading gains on tech strength and trade optimism. China's markets were mixed, with the Shanghai Composite reaching ten-year highs before retreating. India's benchmarks rose on hopes of a revived US trade deal and benign inflation.

Fixed Interest and Credit

Fixed income markets experienced moderate volatility. Australian government bond yields were little changed, with the 3-year at 3.60% and 10-year at 4.30%. The Reserve Bank of Australia maintained a cautious, data-dependent stance, with hotter inflation data pushing out expectations for rate cuts until mid-2026. Globally, bond yields fluctuated as central banks in the US, Europe, and Asia largely held policy steady, though the US Federal Reserve delivered a 25bp cut and ended quantitative tightening. Credit markets remained stable, with spreads broadly unchanged. Currency markets reflected a stronger US dollar, while the Australian dollar outperformed on resilient economic data.

Asset allocation

There were no major asset allocation shifts during the period.

Disclaimer