

Performance Summary

SA Metropolitan Fire Service Super Scheme – Members

September 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 30 September 2025

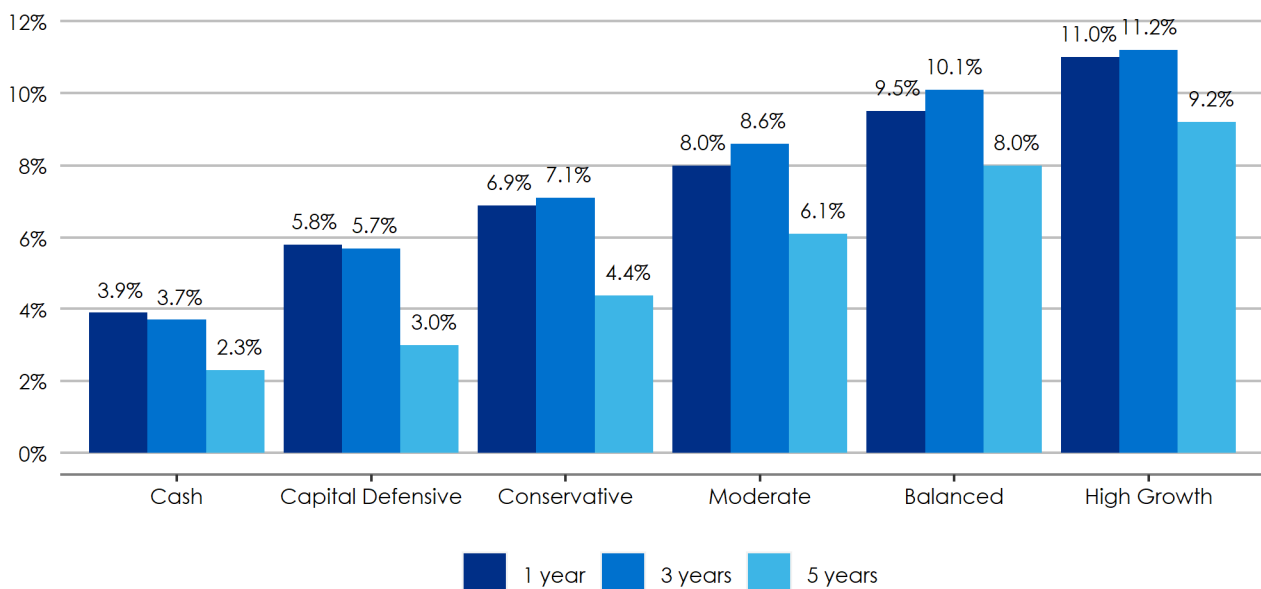
Returns are net of fees and tax

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	0.3	0.9	0.9	3.9	3.7	2.3	1.9	1.9
Capital Defensive	0.5	1.8	1.8	5.8	5.7	3.0	3.0	3.3
Conservative	0.6	2.4	2.4	6.9	7.1	4.4	4.0	4.5
Moderate	0.7	3.1	3.1	8.0	8.6	6.1	5.3	5.7
Balanced	0.8	3.8	3.8	9.5	10.1	8.0	6.7	7.1
High Growth	0.8	4.3	4.3	11.0	11.2	9.2	7.5	8.4

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 30 September 2025

Returns are net of fees and tax



Key drivers of performance

- All investment options produced positive returns in September.
- All asset classes achieved positive absolute returns, except Australian Equities.
- International Equities was the strongest performer. Gains in the IT sector were offset by softer results in Consumer Discretionary. Overweight positions in Europe and Asia added value, while US stock selection detracted.
- Fixed Interest and Credit delivered positive returns across all sectors. Performance was supported by income and tighter credit spreads, driven by falling long-dated yields and expectations of further rate cuts from the US Federal Reserve. Overweight exposure to emerging market debt and underweight exposure to loans also contributed to outperformance.
- Property posted a positive return. Portfolio revaluations during the month provided further signs of recovery. The office sector continued to improve, retail property saw the strongest demand, and industrial remained stable.
- Australian Equities was the only asset class to record a negative return. The largest detractor was an underweight allocation to gold producers. Stock selection in Consumer Discretionary, particularly overweight positions in Breville and Flutter, also weighed on performance. However, underweight positions in Financials and Energy added value.

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 30 September 2025

Asset class	Cash %	Capital Defensive %	Conservative %	Moderate %	Balanced %	High Growth %
Australian Equities	0.0	5.2	10.1	18.0	24.9	30.9
International Equities	0.0	7.6	14.8	22.9	31.4	38.5
Private Markets	0.0	0.9	2.0	2.6	4.4	6.0
Property	0.0	5.5	6.0	6.1	7.2	7.2
Infrastructure	0.0	11.4	10.5	8.3	7.4	6.1
Alternatives	0.0	2.4	4.1	3.9	3.7	1.9
Credit	0.0	7.8	6.1	6.0	6.7	6.2
Fixed Interest	0.0	41.1	32.3	21.1	8.6	0.0
Cash	100.0	18.1	14.2	11.2	5.8	3.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
Foreign Currency	0.0	4.5	9.5	14.5	19.7	25.6
Foreign Currency Hedge*	0.0	3.1	5.3	8.4	10.5	13.0

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 30 September 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	-0.7	5.0	5.0	10.8	15.0	12.9	9.2	10.1
International Equities	2.4	6.5	6.5	23.0	22.0	15.4	12.7	12.6
Australian Unlisted Property	1.2	2.0	2.0	4.9	-3.2	2.1	1.9	4.7
Credit	0.5	1.9	1.9	6.5	9.9	4.2	3.7	4.7
Global Fixed Interest	0.3	0.4	0.4	1.6	2.9	-2.2	0.9	1.5
Australian Fixed Interest	0.1	0.9	0.9	5.7	5.7	2.3	2.7	2.6
Cash	0.3	0.9	0.9	4.2	4.1	2.5	2.1	2.1
Foreign Currency (AUD v. Developed Markets)	1.3	1.3	1.3	-5.3	-0.9	-2.1	-2.0	-0.9

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

Financial market commentary

Investor sentiment in September was shaped by a mix of economic signals, central bank moves and ongoing global events. Volatility remained elevated as markets responded to shifting expectations for interest rates and the outlook for inflation.

Equities

In Australia, the S&P/ASX 300 Index slipped 0.6% for the month. Most sectors were lower, but Materials stood out thanks to a strong performance from the gold miners. The gold sub-sector index returned 25.0% for the month thanks to a rise in the spot gold price of more than 10.0%. Over the past two months, the gold sub-sector index has returned 51.0%, while the spot price is up 17.0%. Utilities was the only other sector in positive territory, up 0.7%. The biggest declines were in Energy with the sector down 9.3%, mostly due to a withdrawn bid for Santos (-16.0%), Healthcare (-4.4%) and Staples (-4.2%).

Global share markets were generally stronger. The MSCI Emerging Markets Index rose 5.8%, supported by a US rate cut, a weaker US dollar and strong gains in China, Taiwan and South Korea on continued technology momentum.

In the US, equities continued their positive run, with the S&P 500 (+3.5%) and Nasdaq (+5.6%) both extending their streak of monthly gains. Technology and communication services were the standout performers, driven by strong corporate investment and continued enthusiasm for artificial intelligence, highlighted by major deals involving Oracle, OpenAI and NVIDIA. In contrast, Consumer Staples and Energy lagged. While large-cap stocks accounted for much of the gains, there were still some concerns around the labour market and the impact of new tariffs.

Asian markets also had a strong month, with Japan (+5.5%), South Korea (+8.5%) and Taiwan (+7.6%) reaching record highs. Greater China (+2.8%) outperformed in technology, though gains were more modest in financials and energy. India lagged due to new US tariffs and visa restrictions, while Australia's market edged lower despite solid GDP growth. Currency movements were mixed, with the Australian dollar gaining on positive local data.

European markets finished higher, with the STOXX 600 (+1.5%) close to all-time highs and the FTSE 100 (+1.8%) setting a new record. Attractive valuations, record buybacks and improving economic

conditions supported sentiment, though some markets lagged due to valuation concerns. Central banks signalled the end of their easing cycles, and political and fiscal challenges remained in focus in the UK and France. Sector performance was mixed, and trade tensions resurfaced as the US and EU imposed new tariffs.

Fixed Interest and Credit

Bond yields fell across the US and Europe in September as weaker labour market data and expectations for further rate cuts supported fixed income markets, while credit spreads tightened to historically low levels. This environment, along with income earned, contributed to positive returns for credit markets. The US 10-year government bond yielded 4.10% (-12 basis points) while the UK and German government equivalents yielded 4.70% (-2 bps) and 2.71% (no change) respectively.

In Australia, money market yields moved higher as markets pushed out the timing of the next rate cut from November to March, following stronger GDP and higher-than-expected inflation data. The RBA kept rates on hold, with commentary remaining hawkish and emphasising a tight labour market, resilient consumption, and sticky services inflation. The Australian government 3-year bond yield finished September at 3.55% (+18 bps) and the 10-year at 4.30% (+2 bps).

Asset allocation

There were no major asset allocation shifts during the period.

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