public trustee

Funds Management Service

Quarterly Investment Report

30 September 2026

Government of South Australia

Produced by

THE PUBLIC TRUSTEE
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This Quarterly Investment Report presents the results of the Public Trustee's Funds Management Service for the quarter ended 30 September 2026.

The Public Trustee is a statutory entity founded in 1881. At the end of the September 2026 quarter, it had approximately $1.7 billion in funds under management. The Public Trustee's Funds Management Service has a record of high quality, proven and consistent investment performance. The Public Trustee is proud of its long-standing reputation for trust and reliability, and the vital role it plays for our customers.

Returns for the September quarter were positive for Public Trustee's investment strategies, despite heightened geopolitical uncertainty, rising energy prices and inflationary pressures. For the quarter, Public Trustee's investment strategy returns range from 3.16% p.a. for Capital Stable to 5.39% for High Growth, net of fees. All strategies exceeded their benchmark returns for the quarter.

Over the long-term, ten-year returns stand at 2.07% p.a. for Cash to 8.17% p.a. for High Growth, net of fees. The investment strategy performance relative to CPI based targets, over the suggested time horizon, is illustrated below. Due to high levels of inflation (CPI) some investments now trail the CPI based objectives. This may continue until we see inflation subside from recent levels.

SIS Performance versus CPI Objectives as at 30 September 2026

Investment Strategy	CPI Objective	Investment Horizon	Target Return % pa	Actual Return % pa	Over (+) / Under(-)
Capital Stable	CPI + 1.5% pa	3 Years	4.83%	5.55%	+
Balanced	CPI + 2.5% pa	5 Years	7.00%	3.71%	-
Growth	CPI + 3.5% pa	7 Years	7.24%	4.89%	-
High Growth	CPI + 4% pa	10 Years	7.15%	8.17%	+

For any enquiries regarding your investments please contact Marc Skovberg on 08 8372 7550.

Tony Brumfield
Public Trustee
August 2026

Market Overview

Global

Global equity markets delivered modest gains over the September quarter of 2026, although returns were uneven within the period. AI-linked stocks, rising bond yields, central bank policy and oil price volatility remained the key themes for markets. US markets rose over the quarter. The market fluctuated early in the quarter as semiconductor stocks fell sharply. In the middle of the quarter, gains spread across more sectors beyond technology, before becoming concentrated again in a small group of companies linked to artificial intelligence (AI). The Federal Reserve raised interest rates by 0.25% at its September meeting. Both European and Emerging markets fell slightly for the quarter. The European Central Bank also increased its policy rate by 0.25%. Bond markets posted negative returns over the quarter as yields rose sharply across major markets

Australia

The Reserve Bank of Australia (RBA) increased interest rates by 0.25%, its fourth increase this year, taking the cash rate to 4.60%. The Australian dollar (AUD) appreciated 0.4% against the US Dollar for the quarter, finishing at 70 US cents.

Share Markets

Global share markets experienced modest gains for the third quarter of 2026. The MSCI World index (hedged to AUD) returned 2.1% for the quarter. US equity markets led developed markets, with the S&P500 returning 2.2%. European markets returned -0.9% for the quarter, whilst emerging markets returned -0.7%. In Australia, the S&P/ASX 300 index showed more modest gains of 1.3%. Healthcare and Energy were the strongest performers.

Key Developments

Key developments over the quarter:

- AI linked stocks performed well
- Increasing interest rates by Central Banks
- The RBA increased interest rates by 0.25% to 4.6%
- The Australian dollar appreciated

Since 1990, funds invested through the Public Trustee have grown from $160 million to $1.7 billion today.

Cash Investment Strategy

During the quarter, the Reserve Bank increased the cash rate by 0.25% to 4.60%. The funds' return was 1.01% for the quarter. The strategy's 10 year return of 2.07% is 0.81% ahead of benchmark.

Crediting Rate:

The investment return for this fund is calculated daily, based on the net earnings of the fund. The daily crediting rate as at 30 September 2026 was 4.10% p.a.

Fund size: $563 million.

Performance	Quarter %	1 year %	3 year %*	5 year%*	7 year%*	10 year%*
Return (after fees)	**1.01%**	**3.71%**	**3.88%**	**2.90%**	**2.18%**	**2.07%**
Benchmark**	0.86%	3.03%	3.22%	2.34%	1.46%	1.26%
Difference	0.15%	0.68%	0.66%	0.56%	0.72%	0.81%

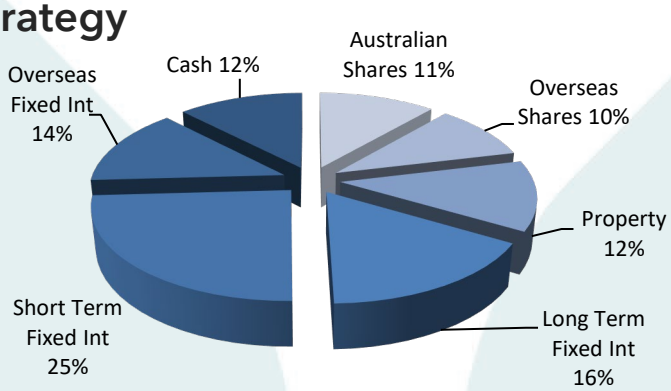
*Annualised ** Index return on Strategic Asset Allocation

Objective:

Funds assigned to the cash investment strategy are invested in the Public Trustee's Cash Fund. The objective of the Cash Fund is the preservation of capital. The strategy is intended for investors who are seeking secure returns at prevailing short term interest rates.

Capital Stable Investment Strategy

The strategy's return for the quarter was 0.04%, outperforming the benchmark return by 0.26%. The Strategy's 3 year return of 5.55% is 0.05% head of benchmark.



Fund size: $211 million.

Performance	Quarter %	1 year %	3 year %*	5 year%*	7 year%*	10 year%*
Return (after fees)	**0.04%**	**3.16%**	**5.55%**	**3.03%**	**2.84%**	**3.18%**
Benchmark**	-0.22%	2.60%	5.50%	2.75%	2.68%	3.14%
Difference	0.26%	0.56%	0.05%	0.28%	0.16%	0.04%

*Annualised ** Index return on Strategic Asset Allocation

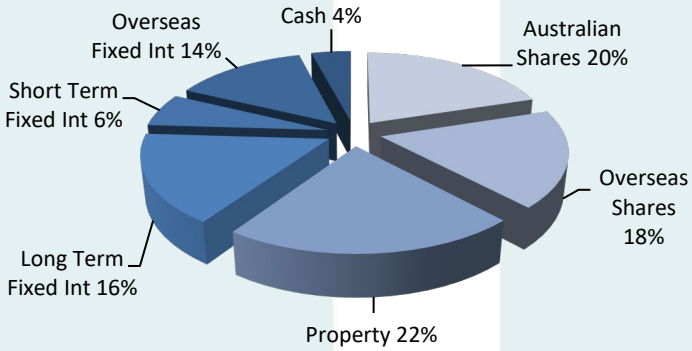
Objective:

The objective of this strategy is to achieve CPI +1.5% p.a. over a three year time frame, by strategically allocating 34% of the funds in growth assets and the balance in fixed interest and cash. It is suitable for investors who are seeking higher returns than cash over time and are prepared to accept a slight increase in risk in terms of downward movements in the value of their capital from time to time. The likelihood of a negative return for this strategy, is on average, between two and three years in twenty.

Balanced Investment Strategy

The strategy's return for the quarter was 0.03%, outperforming the benchmark return by 0.32%. The strategy's 5 year return of 3.71% is 0.36% below benchmark.

Fund size: $326 million.



Performance	Quarter %	1 year %	3 year %*	5 year%*	7 year%*	10 year%*
Return (after fees)	**0.03%**	**3.79%**	**7.01%**	**3.71%**	**3.87%**	**4.53%**
Benchmark**	-0.29%	3.60%	7.54%	4.07%	4.11%	4.88%
Difference	0.32%	0.19%	-0.53%	-0.36%	-0.24%	-0.35%

*Annualised ** Index return on Strategic Asset Allocation

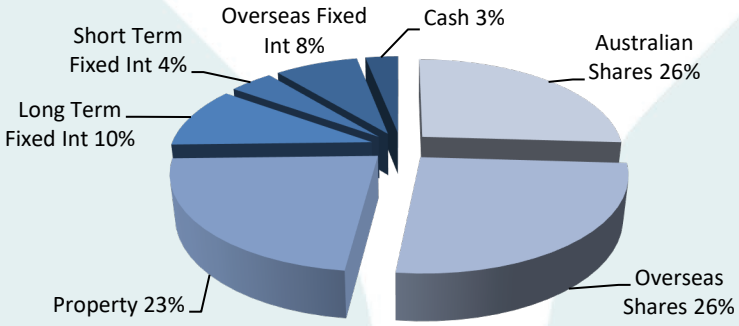
Objective:

The objective of this strategy is to achieve CPI + 2.5% p.a. over a five year time frame, by strategically allocating 60% of the funds in growth assets and the balance in fixed interest and cash. It is suitable for medium term investors who seek higher returns and are prepared to accept some volatility in the value of the funds invested. The likelihood of a negative return for this strategy, is on average, between three and four years in twenty.

Growth Investment Strategy

The strategy's return for the quarter was 0.29%, outperforming the benchmark return by 0.31%. The strategy's 7 year return of 4.89% is 0.77% below benchmark.

Fund size: $225 million.



Performance	Quarter %	1 year %	3 year %*	5 year%*	7 year%*	10 year%*
Return (after fees)	**0.29%**	**4.56%**	**8.18%**	**4.44%**	**4.89%**	**5.70%**
Benchmark**	-0.02%	4.68%	9.23%	5.35%	5.66%	6.42%
Difference	0.31%	-0.12%	-1.05%	-0.91%	-0.77%	-0.72%

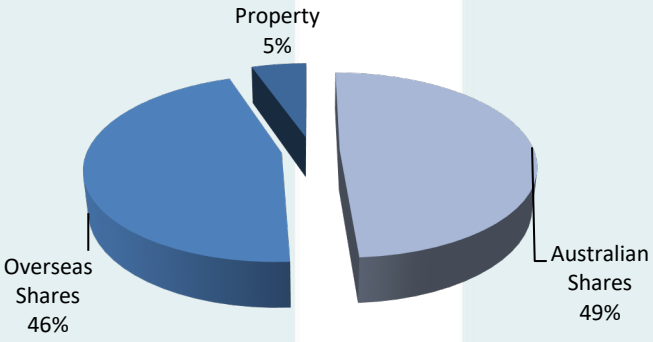
*Annualised ** Index return on Strategic Asset Allocation

Objective:

The objective of this strategy is to achieve CPI + 3.5% p.a. over a seven year time frame by strategically allocating 75% to growth assets and the balance in fixed interest and cash. It is suitable for long term investors who are prepared to accept high volatility in the value of the funds invested. The likelihood of a negative return for this strategy, is on average, between four and five years in twenty.

High Growth Investment Strategy

The strategy's return for the quarter was 1.16%, outperforming the benchmark return by 0.30%. The 10 year return of 8.17% is 1.49% below benchmark.



Fund size: $95 million.

Performance	Quarter %	1 year %	3 year %*	5 year%*	7 year%*	10 year%*
Return (after fees)	**1.16%**	**5.39%**	**11.20%**	**5.95%**	**7.19%**	**8.17%**
Benchmark**	0.86%	6.42%	13.79%	8.32%	8.99%	9.66%
Difference	0.30%	-1.03%	-2.59%	-2.37%	-1.80%	-1.49%

*Annualised ** Index return on Strategic Asset Allocation

Objective:

The High Growth strategy offers 95% exposure to the world's share markets and 5% exposure to property assets. Over the long term, it offers the prospects of high returns but with the likelihood that capital values will fluctuate broadly in line with the fortunes of the share markets, with some diversification through property. The likelihood of a negative return for this strategy, is on average, between five and six years in twenty. Typically, this strategy may be used as a return booster in conjunction with one of the other investment strategies.

The objective of this strategy is to achieve CPI + 4% p.a. over a 10 year time frame, with exposure to both domestic and overseas share markets, and property.

NB: All the above investment strategies are exercised through investment in one, or a combination of, the Public Trustee Common Funds.

The investment returns presented in this quarterly report relate to past performances and must not be taken to imply that this predicts future returns of the funds. The information and opinions contained in this report have been compiled or are arrived at by the Public Trustee from sources believe to be reliable, but no representation or warranty, expressed or implied, is made as to their accuracy, completeness or correctness. The information in this report is of a general nature. The Public Trustee strongly recommends that you contact our Office to discuss your particular circumstances. The Public Trustee does not accept any liability whatsoever for any direct or consequential loss arising from any usage of information herein contained.

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