

Learn more about market trends and how our investment plans for your GESB Super, West State Super or Retirement Income account performed over the quarter ending 31 December 2025.

Highlights:

- International Shares delivered solid gains over the quarter, and Global Bonds also moved higher, with both asset classes benefiting from US interest rate cuts. However, local markets softened on expectations of interest rate rises in Australia
- International Shares rose 3.2%, while Australian Shares declined 0.9%
- Global Bonds returned 0.7%, while Australian Bonds declined 1.1%
- My GESB Super returned 1.56%; My West State Super returned 1.51%; and RI Allocated Pension Conservative returned 0.99%

Investment market returns: short and medium term

International Shares performed strongly over all time periods shown. Australian Shares, Global Listed Property and Australian Bonds returns were negative over the quarter but positive over the one-year and three-year periods. Global Bonds and Cash returns were more modest but positive over all time periods shown.



Note: the indices used to track the performance of the asset classes shown above are listed at the end of this update

What were the main reasons for recent investment market returns?

- **International Shares increased as US interest rate cuts supported sentiment towards risk assets**

International Shares rose by 3.2% over the quarter, despite ongoing uncertainty caused by the 43-day United States (US) Government shutdown. Returns were supported by two interest rate cuts in the US during October and December, which typically lift share markets. Healthcare was the best performing sector, helped by clearer policy direction on pharmaceutical pricing and a shift by investors away from expensive technology stocks.

Australian Shares declined 0.9% over the quarter. Technology shares underperformed most as earnings expectations eased and investor sentiment towards artificial intelligence moderated. In contrast, materials was the strongest performing sector, led by higher gold and lithium prices.

- **Global Bonds posted modest gains following the US interest rate cuts**

Global Bonds returned 0.7% over the quarter. In December, the US Federal Reserve reduced interest rates by 0.25%. While markets had largely anticipated this decision, it came despite stronger US macroeconomic data, including higher than expected economic growth and a resilient labour market.

Australian Bonds declined 1.1% over the quarter. The Reserve Bank of Australia (RBA) kept interest rates unchanged at 3.6% in December, in line with market expectations. However, post meeting commentary acknowledged increased concern around inflation risks and tight labour market conditions. The RBA also pushed back against expectations of further rate cuts and financial markets are now pricing-in at least one rate hike in 2026.

Investment market returns: long term

Over the longer term (10 years), Shares have produced the highest returns but with greater variability. Cash and Bonds have delivered lower but more stable returns. This is illustrated in the chart below.

10 year cumulative asset class index returns

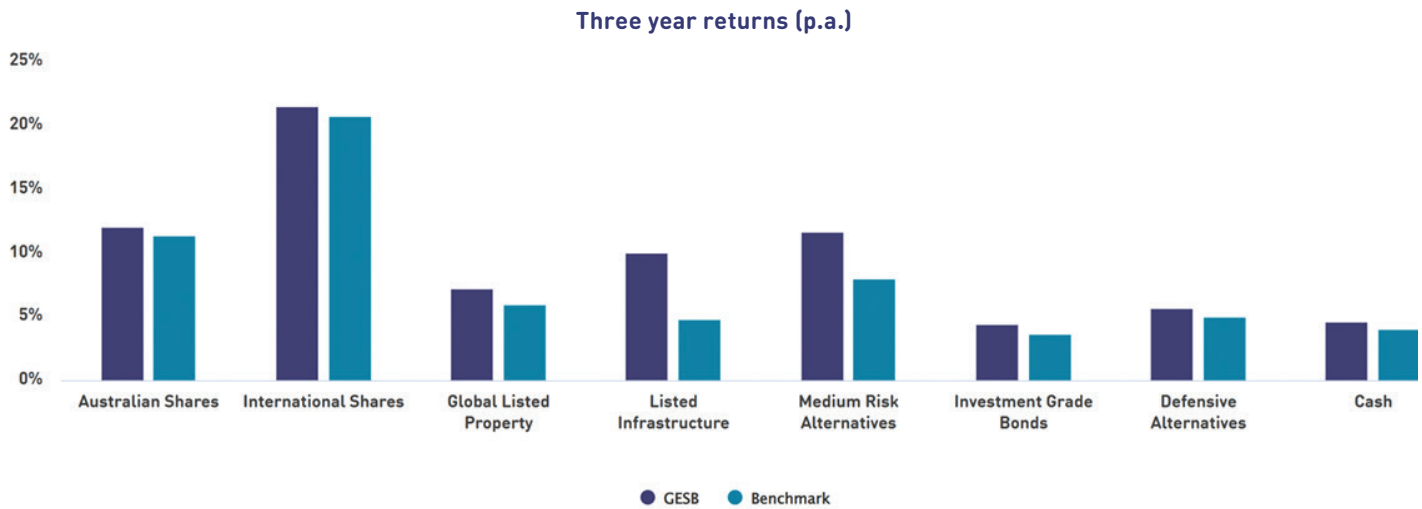


Note: the indices used to track the performance of the asset classes shown above are listed at the end of this update.

What does this mean for your super?

Performance of asset classes

The graph below shows the returns we achieved in a range of asset classes compared to the benchmark return over the three years to 31 December 2025.



Note: the indices used to track the performance of the asset classes shown above are listed at the end of this update.

As shown in the above graph, we have performed above benchmark in all asset classes over the past three years.

Performance of investment plans

Investment returns over both the short and long term for some of our diversified plans are shown in the table below. You can also see the investment return history for all of our available plans at gesb.wa.gov.au/investment_returns.

| INVESTMENT PLAN RETURNS | December quarter 2025 | 1 year | 3 years (p.a.) | 5 years (p.a.) | 10 years (p.a.) |
|---|-----------------------|--------|----------------|----------------|-----------------|
| West State Super Growth plan ³ | 1.94% | 12.36% | 13.59% | 9.43% | 8.36% |
| My GESB Super ¹ | 1.56% | 10.41% | 11.06% | 7.89% | 7.13% |
| My West State Super ³ | 1.51% | 10.09% | 10.73% | 7.18% | 6.99% |
| RI Allocated Pension Balanced plan ¹ | 1.26% | 9.82% | 10.28% | 7.10% | 6.91% |
| RI Term Allocated Pension Balanced plan ¹ | 1.22% | 9.67% | 10.12% | 6.94% | 6.66% |
| Transition to Retirement Pension Balanced plan ² | 1.20% | 8.99% | 9.36% | 6.61% | – |
| RI Allocated Pension Conservative plan ¹ | 0.99% | 7.23% | 7.35% | 4.29% | 4.44% |

Returns greater than one year are annualised.

Despite market volatility in recent times, our diversified plans have delivered sound returns over all time periods.

¹ Returns are reported net of fees and taxes.

² Transition to Retirement Pension was inception on 15 June 2017, so 10-year returns are not available. Returns are reported net of fees and taxes.

³ Returns are reported net of fees.

More information

- Try our *Selecting your investment plan tool* at gesb.wa.gov.au/investmenttool
- Find out more about investing with us at gesb.wa.gov.au/investingwithus
- See our super investment options at gesb.wa.gov.au/superinvest or retirement investment options at gesb.wa.gov.au/retireinvest
- Access previous investment updates at gesb.wa.gov.au/investmentupdate

Need help

- Read our investment FAQs at gesb.wa.gov.au/investmentFAQs
- Find a personal financial adviser at gesb.wa.gov.au/advice
- Call us on 13 43 72

Indices: Australian Shares – S&P/ASX 300 Accumulation Index; International Shares – MSCI All Country World ex-Australia Index (partially hedged); Global Listed Property – FTSE EP/NAR DEV NET HDG AUD; Australian Bonds – Bloomberg AusBond Composite 0+ Yr Index; Global Bonds – Bloomberg Barclays Global-Aggregate ex-CNY Index Hedged AUD; Investment Grade Bonds – 50/50 composite of Australian and International Bonds; Cash – Bloomberg AusBond Bank Bill (BB) Index; Listed Infrastructure – FT Dev Core Infr 50/50 Hdg; Medium Risk Alternatives – Bloomberg AusBond BB Index + 3.75%pa; Defensive Alternatives – Bloomberg AusBond Credit 0–3Yr Index.

Performance information should be used as a guide only, is of a general nature, and does not constitute legal, taxation, or personal financial advice. The performance of your investment plan is not guaranteed and returns may move up or down depending on factors such as investment market conditions. Past performance should not be relied on as an indication of future performance. In providing this information, we have not considered your personal circumstances including your objectives, financial situation or needs. We are not licensed to provide financial product advice. Before acting or relying on any of the information in this document, you should review your personal circumstances and assess whether the information is appropriate for you. You should read this information in conjunction with other relevant disclosure documents we have prepared and where necessary seek advice specific to your personal circumstances from a qualified financial adviser.

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