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Australia's Sovereign Wealth Fund

20 Years of Investing

Portfolio Update

5 November 2026

Portfolio update at 30 September 2026

The Board of Guardians today released its portfolio update to 30 September 2026.

- 10-year return of 8.8% pa exceeds mandate target of 7.2% pa
- A return of 11.0% in the 12 months to 30 September 2026 adds $28.7 billion to the value of the Future Fund
- Investment returns add $229.3 billion since inception to grow the fund to $289.9 billion
- Total funds managed by the Board of Guardians stand at $356.1 billion

Dr Raphael Arndt, Chief Executive Officer, said:

"In an environment that remains complex, with geopolitical uncertainty, persistent inflation, the rapid development of artificial intelligence and significant global demand for capital continuing to create both risks and opportunities for investors, our portfolio remains in very good shape.

"It is an environment that aligns with the New Investment Order thinking we first outlined in 2021: increasing geopolitical risk, populist government and deglobalisation and a world at an inflection point, characterised by greater uncertainty and a faster pace of change. It reinforces our focus on building a resilient, adaptable portfolio while remaining agile and responsive to our investment mission.

"What began in 2006 with an initial endowment of $60.5 billion in 2006 has been carefully managed to be now be worth almost $290 billion, a great achievement which reflects the depth of work done by the team at the Future Fund over its lifetime but also more recently to understand the changes to investment markets and to adjust our portfolio accordingly."

Richard Brandweiner, Chief Investment Officer, said:

"In the year to 30 September 2026, the Future Fund returned 11%, against a mandate target of 8.2% Over ten years, the Fund returned 8.8%, against a target of 7.2% reflecting our focus on delivering strong long-term outcomes through a range of market environments and economic cycles.

"Quarterly performance was influenced by significant movements in global and Australian bond yields as markets continued to adjust to persistent inflation and increasing real yields. Rising real interest rates reflect the increased demand for capital, a critical theme that will play out over many years. This increasing cost of money impacted rate sensitive sectors like listed infrastructure and bonds during the quarter, however performance was supported by diversifying exposures like commodities.

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"Diversification gives us multiple sources of return and resilience, enabling us to respond to changing conditions even when some positions detract in a particular quarter. By maintaining a long investment horizon, preserving flexibility and retaining capital to deploy as opportunities emerge, we remain focused on strengthening the portfolio's long-term resilience and delivering on our investment mandate for future generations."

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Future Fund

Performance

Table 1: Future Fund returns, target returns and volatility

Period to 30 September 2026	Return (% pa)	Target return[1] (% pa)	Volatility[2] (%)
From inception (May 2006)	8.2	7.0	4.6
Ten years	8.8	7.2	4.8
Seven years	8.3	7.7	5.2
Five years	7.8	8.5	4.7
Three years	12.2	7.3	3.9
One year	11.0	7.9	4.6

Note(s):

For the September quarter the Fund returned 0.0%.

1. From 1 July 2017 the Fund's Investment Mandate target return was reduced from CPI + 4.5% to 5.5% pa to CPI + 4.0% to 5.0% pa over the long term, with an acceptable but not excessive level of risk.

2. Industry measure showing the level of realised volatility in the portfolio.

Asset allocation

Table 2: Future Fund asset allocation

Asset class	$m	% of Fund
Australian equities	28,877	10.0
Global equities		
Developed markets	87,207	30.1
Emerging markets	14,072	4.9
Private equity	35,040	12.1
Property	10,844	3.7
Infrastructure & Timberland	32,616	11.3
Credit	24,367	8.4
Alternatives	43,310	14.9
Cash	13,523	4.7
TOTAL	**289,855**	**100.0**

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Medical Research Future Fund

Performance

Table 3: Medical Research Future Fund returns, target benchmarks and volatility

Period to 30 September 2026	Return (% pa)	Target return[1] (% pa)	Volatility[2] (%)
From inception (22 September 2015)	5.5	3.6	2.8
Ten years	5.6	3.7	2.9
Seven years	6.0	4.0	3.2
Five years	6.3	4.8	2.7
Three years	9.1	5.7	2.3
One year	7.8	5.6	2.5

Note(s):

For the September quarter the Fund returned 0.2%.

1. RBA cash rate plus 1.5% to 2.0% pa over the long term, with an acceptable but not excessive level of risk.

2. Industry measure showing the level of realised volatility in the portfolio.

Asset allocation

Table 4: Medical Research Future Fund asset allocation

Asset class	$m	% of Fund
Australian equities	1,106	4.2
Global equities		
Developed markets	3,329	12.7
Emerging markets	531	2.0
Private equity	1,218	4.7
Property	624	2.4
Infrastructure	1,463	5.6
Credit	3,876	14.8
Alternatives	3,866	14.8
Cash	10,162	38.8
TOTAL	**26,176**	**100.0**

ATSILS Fund

Performance

Table 5: ATSILS Fund returns, target benchmarks and volatility

Period to 30 September 2026	Return (% pa)	Target return[1] (% pa)	Volatility[2] (%)
From inception (1 October 2019)	6.8	5.7	4.1
Seven years	6.8	5.7	4.1
Five years	7.0	6.5	3.4
Three years	10.5	5.3	3.0
One year	8.9	5.9	3.2

Note(s):

For the September quarter the Fund returned 0.0%.

1. CPI + 2.0% to 3.0% pa over the long term, with acceptable but not excessive level of risk.

2. Industry measure showing the level of realised volatility in the portfolio.

Asset allocation

Table 6: ATSILS Fund asset allocation[1]

Asset class	$m	% of Fund
Australian equities	144	5.6
Global equities		
Developed markets	431	16.7
Emerging markets	69	2.7
Private equity	158	6.1
Property	81	3.1
Infrastructure	190	7.4
Credit	424	16.4
Alternatives	503	19.5
Cash	581	22.5
TOTAL	**2,582**	**100.0**

Note(s):

1. Exposures on a look-through basis.

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Future Drought Fund

Performance

Table 7: Future Drought Fund returns, target benchmarks and volatility

Period to 30 September 2026	Return (% pa)	Target return[1] (% pa)	Volatility[2] (%)
From inception (1 April 2020)	8.1	5.9	3.3
Five years	7.0	6.5	3.4
Three years	10.5	5.3	3.0
One year	8.9	5.9	3.2

Note(s):

For the September quarter the Fund returned -0.1%.

1. The Investment Mandate for the Future Drought Fund is CPI + 2.0% to 3.0% pa over the long term, with an acceptable but not excessive level of risk.

2. Industry measure showing the level of realised volatility in the portfolio.

Asset allocation

Table 8: Future Drought Fund asset allocation[1]

Asset class	$m	% of Fund
Australian equities	321	5.5
Global equities		
Developed markets	999	17.1
Emerging markets	154	2.6
Private equity	354	6.1
Property	181	3.1
Infrastructure	425	7.3
Credit	948	16.2
Alternatives	1,124	19.2
Cash	1,335	22.8
TOTAL	**5,843**	**100.0**

Note(s):

1. Exposures on a look-through basis.

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Disaster Ready Fund

Performance

Table 9: Disaster Ready Fund returns, target benchmarks and volatility

Period to 30 September 2026	Return (% pa)	Target return[1] (% pa)	Volatility[2] (%)
From inception (1 April 2020)	8.1	5.9	3.3
Five years	7.0	6.5	3.4
Three years	10.5	5.3	3.0
One year	8.9	5.9	3.2

Note(s):

For the September quarter the Fund returned 0.0%.

1. The Investment Mandate for the Disaster Ready Fund is CPI + 2.0% to 3.0% pa over the long term, with an acceptable but not excessive level of risk.

2. Industry measure showing the level of realised volatility in the portfolio.

Asset allocation

Table 10: Disaster Ready Fund asset allocation[1]

Asset class	$m	% of Fund
Australian equities	284	5.4
Global equities		
Developed markets	945	17.8
Emerging markets	136	2.6
Private equity	313	5.9
Property	160	3.0
Infrastructure	376	7.1
Credit	838	15.8
Alternatives	993	18.7
Cash	1,253	23.7
TOTAL	**5,298**	**100.0**

Note(s):

1. Exposures on a look-through basis.

Housing Australia Future Fund

Performance

Table 11: Housing Australia Future Fund returns, target benchmarks and volatility

Period to September 2026	Return (% pa)	Target return[1] (% pa)	Volatility[2] (%)
From inception (1 November 2023)	8.7	5.1	2.5
One year	8.7	5.9	3.2

Note(s):

For the September quarter the Fund returned -0.2%.

1. The Investment Mandate for the Housing Australia Future Fund is CPI +2.0% to 3.0% pa over the long term, with an acceptable but not excessive level of risk.

2. Industry measure showing the level of realised volatility on the portfolio.

Asset allocation

Table 12: Housing Australia Future Fund asset allocation[1]

Asset class	$m	% of Fund
Australian equities	651	5.6
Global equities		
Developed markets	1,953	16.7
Emerging markets	313	2.7
Private equity	717	6.1
Property	367	3.1
Infrastructure	862	7.4
Credit	1,921	16.5
Alternatives	2,276	19.5
Cash	2,614	22.4
TOTAL	**11,674**	**100.0**

Note(s):

1. Exposures on a look-through basis.

DisabilityCare Australia Fund

The Investment Mandate for the DisabilityCare Australia Fund sets a benchmark return of the Australian three-month bank bill swap rate + 0.3% pa, calculated on a rolling 12-month basis.

The Mandate requires that investments minimise the probability of capital loss over a 12-month horizon.

In line with its Investment Mandate, the DisabilityCare Australia Fund is invested in long-term deposits and cash.

The Fund is valued at $14.6 billion as at 30 September 2026, delivering a return of 4.5% over the last 12 months against a benchmark target of 4.4%.

Total funds under management

Table 13: Funds under management at 30 September 2026

Funds	Value $bn
Future Fund	289.9
Medical Research Future Fund	26.2
ATSILS Fund	2.6
Future Drought Fund	5.8
Disaster Ready Fund	5.3
DisabilityCare Australia Fund	14.6
Housing Australia Future Fund	11.7
TOTAL	**356.1**

Note(s):

All data in this update is unaudited and may not sum due to rounding. The ATSILS Fund, Future Drought Fund, Housing Australia Future Fund and Disaster Ready Fund gain exposure to a diversified portfolio through a co-mingled arrangement alongside the Medical Research Future Fund and exposures are provided on a look-through basis. Mandate target returns are calculated using the quarterly CPI series published by the Australian Bureau of Statistics.

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