



**NATIONAL BANK OF SERBIA**

**INSURANCE SUPERVISION DEPARTMENT  
VOLUNTARY PENSION FUNDS  
SUPERVISION DIVISION**

**VOLUNTARY PENSION FUNDS  
IN SERBIA**

**Second Quarter Report 2022**

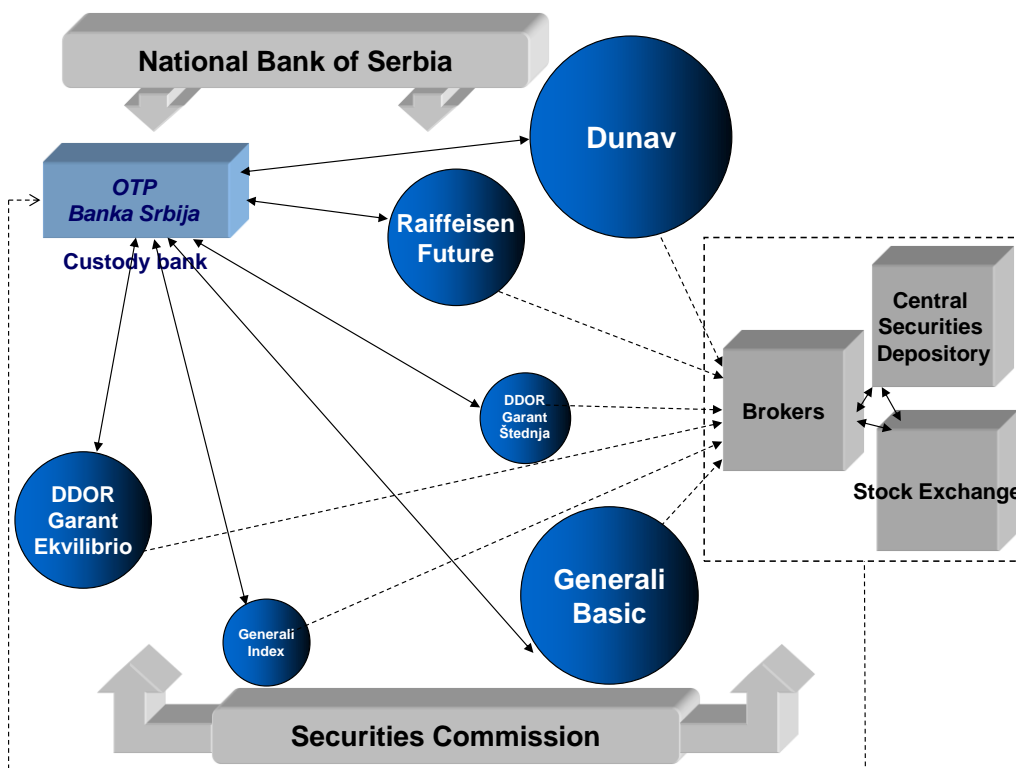
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# 1 Market participants

At end-Q2 2022, the market of voluntary pension funds (VPFs) included four companies managing seven VPFs, one custody bank, five intermediary banks and one insurance brokerage undertaking.<sup>1</sup>

Diagram: Market participants



At end-Q2 2022, VPF management companies employed 125 persons, up by one from a quarter earlier.

The NBS licenses sales agents, who passed professional examinations and fulfilled other requirements, to disseminate information about VPF operations. By end-Q2 2022, 987 sales agent licences were granted in total.

As brokers – management companies, banks and insurance undertakings may engage sales agents. At end-Q2 2022, management companies hired 107 persons, intermediary banks 535 persons and an insurance undertaking 107 persons as sales agents.

<sup>1</sup> Raiffeisen Bank a.d. Beograd, OTP banka Srbija a.d. Novi Sad, NLB Komercijalna banka a.d. Beograd, Addiko Bank a.d. Beograd and Naša AIK banka a.d. Beograd, joint-stock insurance undertaking DDOR Novi Sad, Novi Sad.

## 2 Net VPF assets

At end-Q2 2022, net assets of VPFs equalled RSD 47.8 bn, down by 2.2% q-o-q. The change in the value of net assets reflects net contributions<sup>2</sup>, withdrawals and investment returns. In Q2 2022, total contributions amounted to RSD 943.86 mn, withdrawals to

*At end-Q2 2022, net assets equalled RSD 47.8 bn.*

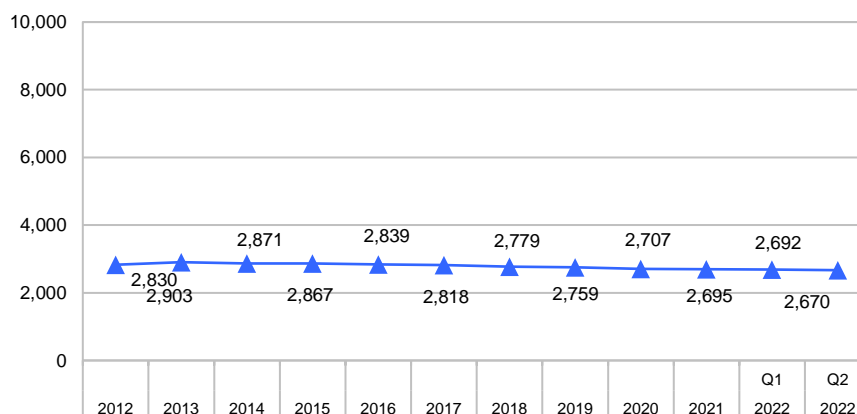
RSD 947.97 mn, while investment loss amounted to RSD 1,035.55 mn, as a result of the decline in the fair value of government bonds, which account for the dominant share in the structure of VPF assets.

### End-of-period net assets of the VPF sector

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
											Q1	Q2
12.5	16.1	19.7	23.6	28.9	32.8	36.2	40.2	45.2	47.0	49.1	48.9	47.8

Source: National Bank of Serbia.

### End-of-period sector concentration (Herfindahl–Hirschman Index)



Source: National Bank of Serbia.

### Number of funds by groups divided by market share (in units)

Share in net assets (%)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
											Q1	Q2
Large (20 and above)	2	2	2	2	2	2	2	2	2	2	2	2
Medium (5 - 19.99)	2	2	2	2	2	2	2	2	2	2	2	2
Small (0 - 4.99)	5	2	2	3	3	3	3	3	3	3	3	3

Source: National Bank of Serbia.

<sup>2</sup>Net contributions are total contributions minus the front-load fee.

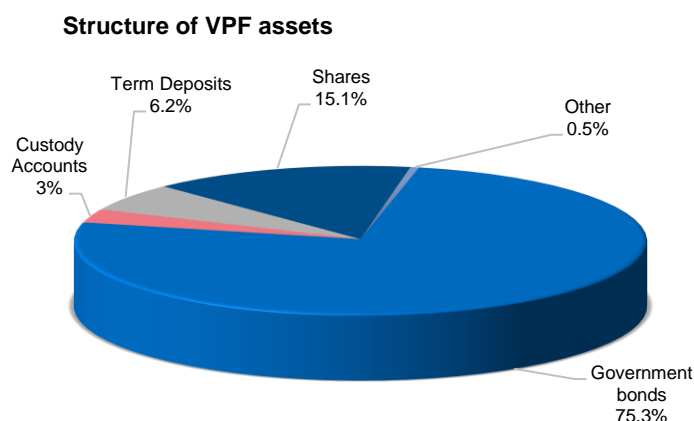
Measured by the HHI, market concentration in the sector<sup>3</sup> amounted to 2,670 points at end-Q2 2022, indicating high concentration in the VPF market.

According to the size of net assets relative to total net assets of the sector, two funds were classified as “large” and two as “medium”. Together, they held 92% of the market share, with the largest fund accounting for around 40%.

### 3 Structure of VPF assets

At end-Q2 2022, the structure of investment of VPF assets remained broadly unchanged from the previous period. Government bonds accounted for the major part of VPF assets – 75.3%. Balances held in custody accounts and term deposits with banks made up 9.2% and shares 15.1%. Investment in units of open-end investment funds and receivables made up the category “other” which accounted for 0.5%.

*The bulk of assets was invested in government debt instruments – 75.3%.*



Source: National Bank of Serbia.

The portfolio of government debt instruments (bonds of the Republic of Serbia) kept the dominant position in total fund assets at the end of the period, as well. The share of these financial instruments in fund assets decreased from 77.4% at the end of the previous quarter to 75.3%.

Q-o-q, aggregate exposure to the shares of domestic legal persons edged up from 13.9% to 15.1% of total fund assets as a result of the increase in the number of shares in the funds’ portfolio and recent trends in the Serbian financial market.

At end-Q2 2022, 2.3% of government debt instruments were with the maturity of up to one year, 14.1% between one and two years, 50.1% between two and five years, 16% between five and ten years, and 17.5% over ten years.

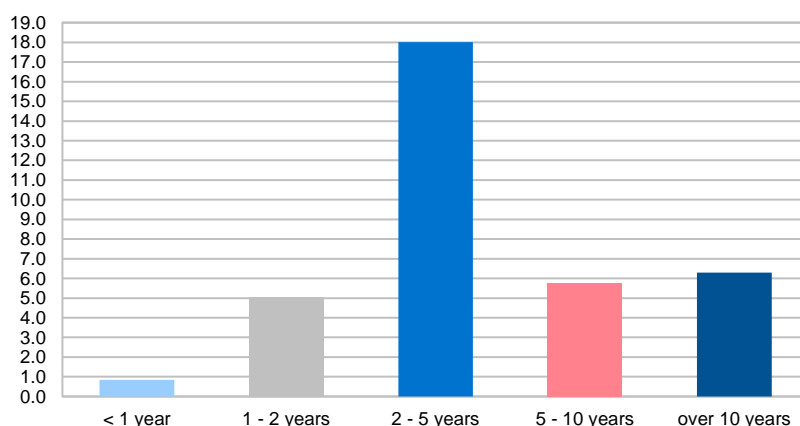
The average maturity of assets<sup>4</sup> invested in government debt instruments was 5.05 years.

<sup>3</sup> In terms of the share in total net assets.

<sup>4</sup>The maturity of instruments weighted by their share in total investment in government debt instruments.

At end-Q2 2022, 85.1% of total assets were in dinars and 14.9% in a foreign currency (EUR).

**Maturity structure (government fixed income securities)**  
(in RSD bn)



Source: National Bank of Serbia.

## 4 Return on investment

At end-Q2 2022, the value of FONDex<sup>5</sup> reached 3,079.73<sup>6</sup>. FONDex, the weighted average return on all funds, was adjusted by -1.7% in the past year. Since the start of VPF operation<sup>7</sup>, FONDex return has equalled 7.5%. Given the structure of VPF investment, the return is influenced by: the change in the yield curve on government debt instruments,<sup>8</sup> change in the prices of shares, change in the value of investment units of open-end investment funds, level of the key policy rate and banks' interest rates, and changes in the dinar exchange rate against the euro.

There were no issues in the primary market of dinar-denominated government debt instruments in Q2 2022.

**Accepted rate of issued dinar-denominated government debt instruments, by maturity**

Maturity	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
3m	-	-	-	-	-
6m	-	-	-	-	-
12m	-	-	-	-	-
18m	-	-	-	-	-
24m	16%	-	-	2.8%	-
36m	-	-	-	-	-
60m	-	-	-	-	-
84m	-	-	-	-	-
120m	-	-	-	-	-
144m	-	-	-	-	-

Source: Ministry of Finance.

<sup>5</sup>FONDex is the index which indicates movements in investment units of all VPFs in the market.

<sup>6</sup> The initial FONDex value on the first business day of the first VPF, 15 November 2006, was 1,000.

<sup>7</sup> Annual rate.

<sup>8</sup>A decline in interest rate leads to an increase in the prices of debt instruments and vice versa. The prices of longer-maturity instruments are more sensitive to interest rate changes.

**Market value of issued dinar-denominated government debt instruments, by maturity**  
(in RSD bn)

Maturity	Q2 2021	Q3 2021	Q4 2021	Q12022	Q2 2022
3m	-	-	-	-	-
6m	-	-	-	-	-
12m	-	-	-	-	-
18m	-	-	-	-	-
24m	21.0	-	-	9.9	-
36m	-	-	-	-	-
60m	-	-	-	-	-
84m	-	-	-	-	-
120m	-	-	-	-	-
144m	-	-	-	-	-
Total	20.1	-	-	9.9	-

Source: Ministry of Finance.

There were no issues of euro-denominated government debt instruments in Q2 2022 either.

**Accepted rate of issued euro-denominated government debt instruments, by maturity**

Maturity	Q12021	Q2 2021	Q3 2021	Q4 2021	Q12022	Q2 2022
12m	-	-	-	-	-	-
24m	-	-	-	-	0.8%	-
36m	-	-	-	-	-	-
60m	-	-	-	-	-	-
84m	-	-	-	-	-	-
120m	-	-	-	-	-	-
144m	17%	-	16%	-	-	-
180m	-	-	-	-	-	-
240m	2.3%	2.3%	-	-	-	-

Source: Ministry of Finance.

**Market value of issued euro-denominated government debt instruments, by maturity**  
(in EUR mn)

Maturity	Q12021	Q2 2021	Q3 2021	Q4 2021	Q12022	Q2 2022
12m	-	-	-	-	-	-
24m	-	-	-	-	200.0	-
36m	-	-	-	-	-	-
60m	-	-	-	-	-	-
84m	-	-	-	-	-	-
120m	-	-	-	-	-	-
144m	24.9	-	8.9	-	-	-
180m	-	-	-	-	-	-
240m	30.4	55.5	-	-	-	-
Total	55.2	55.5	8.9	-	-	-

Source: Ministry of Finance.

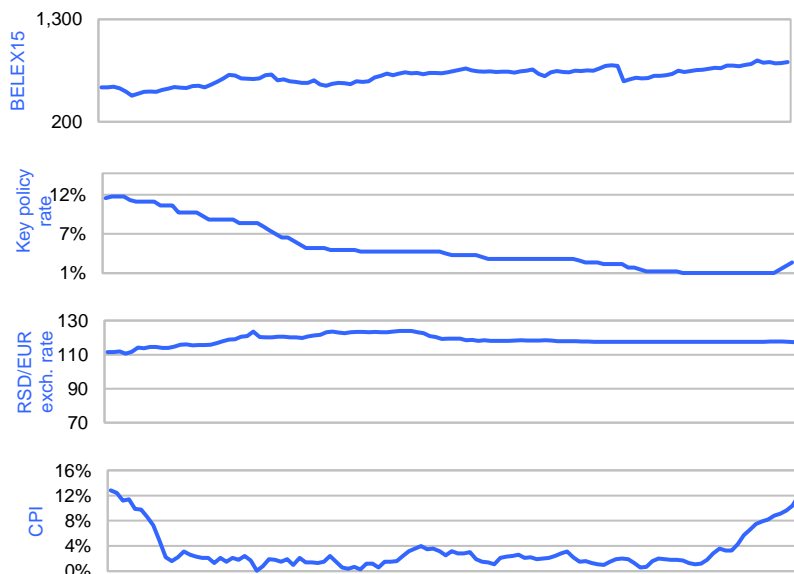
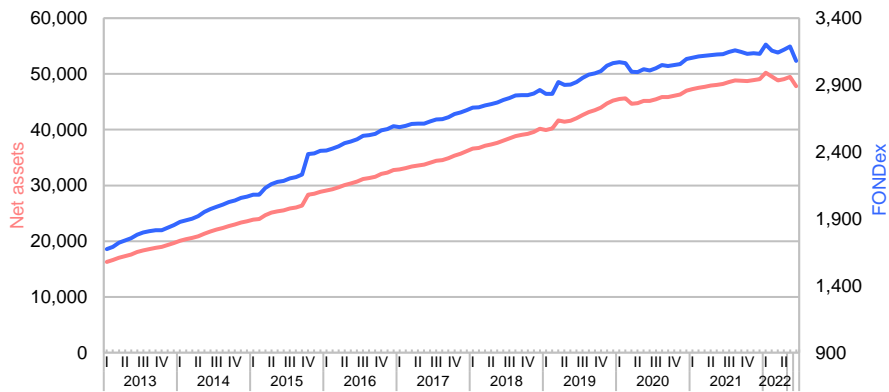
The prices of shares on the Belgrade Stock Exchange (BSE), measured by the BELEX15 index, fell by 0.1% at end-Q2 2022 (the value of the index was 839.62 at end-June). The index rose by 7.7% over the past year.

The key policy rate equalled 2.5% at end-June 2022. The level of interest rates earned by funds on dinar assets in custody accounts mirrored the movements in the key policy rate.

In Q2 2022, the dinar gained 0.29% against the euro, reaching RSD 117.41 per euro at the end of the quarter. In the same period, the dinar lost 6.4% against the US dollar.

Price growth rates came at 1.5%, 1.2% and 1.6% in April, May and June, respectively. Y-o-y, consumer prices rose 11.9% in June 2022.<sup>9</sup>

**Movements in net assets, FONDex and key indicators of VPF**  
(in RSD mn, units, %)



Source: National Bank of Serbia, Belgrade Stock Exchange, Statistical Office.

## 5 Fees charged by management companies

The Law on Voluntary Pension Funds and Pension Schemes sets out that management companies charge fees for their services and account transfer to fund members. Management company fees entail contribution and management fees. The account transfer fee may not exceed the actual transfer costs.

<sup>9</sup> Source: Statistical Office of the Republic of Serbia.



Though fees are among the parameters that members should consider when choosing a fund, they should not be viewed in isolation. The level of fees is contingent on the fund's investment policy and its investment activity. As a rule, more active funds, intended for younger persons who will pay contributions over a longer horizon, invest more in more complex instruments, assuming a higher degree of risk. Such funds are expected to post higher returns, hence their fees are higher. On the other hand, a fund investing passively in safer financial instruments should charge lower fees. A fund's investment policy, i.e. planned investment of the fund members' assets, the expected return, the level of risk assumed by funds (and members), and fees charged by companies, should all be taken into account when opting for a fund.

The contribution fee is paid only once, as a front-load fee. Though visible in the first instance, it is not the largest cost incurred by a member.

The total amount of contribution fees paid in Q2 2022 amounted to RSD 20.8 mn and the level of the fee in the same period was 2.2% on average.

The management fee is calculated daily against the value of net VPF assets and is included directly in the investment unit value, meaning that the calculated and published investment unit value is exclusive of the management fee.

At end-Q2 2022, the total value of management fees equalled RSD 151.26 mn, which is 88% of the total fees charged.

#### Fees charged by management companies (in RSD mn)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
												Q1	Q2
Contribution fee	57.9	60.1	58.7	55.4	53.0	56.8	61.0	66.3	71.8	76.2	80.9	20.2	20.8
Management fee	220.0	284.1	357.8	432.8	514.9	614.4	678.7	474.0	526.7	567.9	599.4	151.6	151.3

Source: National Bank of Serbia.

## 6 Trading in securities

VPF trading volumes equalled RSD 759.3 mn in Q2 2022.

The average share of VPFs in BSE trading was 0.4% during the quarter.

#### VPF securities trading (in RSD bn)

	2015	2016	2017	2018	2019	2020	2021	2022	
								Q1	Q2
Securities trading	14.5	11.5	24.2	16.1	48.7	26.3	33.5	5.6	0.8
Purchases	7.9	6.4	14.7	9.3	27.1	13.8	18.6	3.2	0.0
Belgrade Stock Exchange	0.9	1.1	3.7	2.7	3.2	2.7	1.9	0.8	0.0
Unregulated market	1.8	1.1	5.8	3.2	16.7	7.6	13.7	0.4	0.2
Auctions of government secur	5.2	4.2	5.1	3.4	7.1	3.6	3.0	2.1	0.0
Sales	3.6	3.0	7.4	5.5	19.6	11.2	12.0	0.9	0.0
Belgrade Stock Exchange	0.5	1.9	2.7	3.2	1.4	3.1	3.7	0.6	0.0
Unregulated market	3.2	1.1	4.7	2.3	18.1	8.1	8.3	0.2	0.0
Maturity	2.9	2.1	2.2	1.3	2.1	1.4	3.0	1.6	0.5
Purchase to sale and maturity ratio	1.2	7.5	1.5	1.4	1.3	1.1	1.2	1.3	0.4
Share in total BSE trading (in%)	6.1%	6.7%	33.0%	9.4%	5.1%	11.9%	13.5%	17.0%	0.4%

Source: National Bank of Serbia, Belgrade Stock Exchange.

## 7 Transaction costs

Transaction costs incurred in the purchase, sale and transfer of securities (Central Securities Depository fees, stock exchange fees, tax charges) and the costs of current maintenance of real estate property that fund assets are invested in are charged against fund assets. Other costs are charged against the assets of management companies.

Total transaction costs in Q2 2022 amounted to RSD 0.6 mn. In the same period, Central Securities Depository fees and stock exchange fees had the same share in transaction costs charged against VPF assets, while custody bank fees had a greater share in costs paid by management companies from their assets compared to brokerage fees.

### Number of contracts and users

(in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	
									Q1	Q2
No of contracts	252.1	258.1	250.5	253.9	261.7	275.8	279.5	288.7	290.2	295.5
No of users	188.0	190.5	183.6	185.4	192.3	201.6	205.0	210.7	211.9	214.0
Percentage of active users (in %)	31.3%	25.3%	28.5%	33.6%	33.4%	34.4%	35.3%	35.9%	32.4%	32.4%

Source: National Bank of Serbia.

## 8 Number and structure of VPF users

At end-Q2 2022, 214,040 users<sup>10</sup> were in the accumulation phase,<sup>11</sup> with 292,498 membership contracts<sup>12</sup> in VPFs.

VPF users accounted for 9.5%<sup>13</sup> of the total number of employees.

### Amount of transaction costs

(in RSD mn)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
										Q1	Q2
Total	6.0	6.2	5.6	7.3	10.5	8.3	17.2	10.3	4.8	2.5	0.6
Brokerage fees	2.5	2.0	1.3	2.3	4.4	3.0	8.0	3.7	0.7	0.6	0.1
Custody bank fees	1.9	2.0	2.0	2.0	1.9	1.8	3.1	2.3	1.6	0.5	0.3
Stock exchange fees	0.6	0.6	0.8	1.0	1.8	1.3	1.9	1.3	0.5	0.4	0.1
Central Securities Depository fees	0.9	1.6	1.6	2.0	1.8	1.6	3.4	2.2	1.7	1.1	0.1
Other fees	0.1	0.0	-	0.0	0.6	0.6	0.7	0.9	0.0	0.0	0.0

Source: National Bank of Serbia.

<sup>10</sup>The number of users is the number of people who are members of VPF(s). This number is lower than the number of membership contracts as a significant number of users have more than one concluded membership contract in the same or in different funds.

<sup>11</sup>VPF membership has two phases – the accumulation phase (when contributions are made) and the withdrawal phase (when the accumulated funds are withdrawn).

<sup>12</sup>The number of membership contracts is the sum total of individual membership contracts and the number of members of all pension schemes.

<sup>13</sup>The source for the number of employees: NBS.

### Structure of users by payment dynamics

(in units and %)

	Period	No of users		Share (%)
Users making contributions	1month	69,386	▲	32.4%
	3 months	84,043	▲	39.3%
	6 months	87,423	▲	40.8%
	12 months	92,956	▲	43.4%
	From the start of membership (1)	191,738	▲	89.6%
No holdings (2)		22,302	▲	10.4%
Total (1+2)		214,040		

Source: National Bank of Serbia.

The amount of accumulated funds depends on the amount of contributions, returns earned by funds, level of fees, and the length of the accumulation phase. As the level of contributions and the period of accumulation increase and funds earn returns, average balances in members' individual accounts go up. The average amount of funds accumulated in the accounts of members who have made at least one contribution payment was RSD 249.3 thousand. At end-Q2 2022, the number of users who were members of two or more VPFs was 43,564 or around 20% of the total number of users.

### Average accumulated funds at end-period

2010	2011	2012	2013	2014	2015	2016	2017	2018.0	2019	2020	2021	2022	
												Q1	Q2
70.5	84.5	105.3	127.3	148.3	179.4	200.6	219.3	235.8	239.9	257.4	260.0	257.7	249.3

Source: National Bank of Serbia.

In terms of gender composition and the respective amounts of funds, Q2 2022 saw no significant changes relative to prior periods. Men remained dominant, accounting for 57.1% of all users.

### Number of users by number of funds in which they are members

(in units)	
No of funds	No of users
1	170,476
2	36,822
3	6,458
4	259
5	18
6	5
7	2
Total	214,040

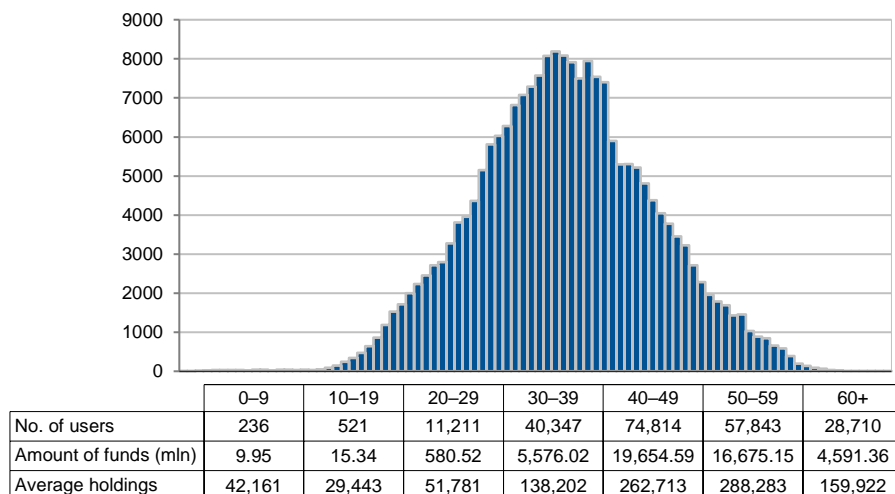
Source: National Bank of Serbia.

### Number of users by membership contract

(in units)	
No of contracts	No of users
1	154,818
2	45,614
3	9,440
4	3,158
5	662
6	271
7	53
8	23
9	1
Total	214,040

Source: National Bank of Serbia.

**Distribution of users and accumulated funds by age**  
(in units, RSD)



Source: National Bank of Serbia.

At end-Q2 2022, the average age of VPF users was around 47 years, with users aged 40–60 making up the dominant share of around 62%. The percentage of users above the age of 53 was similar as in prior years, accounting for 29.9%, while the percentage of users above the age of 58 was 17.4%.

## 9 Contributions, withdrawals and transfers

In Q2 2022, of total contributions, individual payments accounted for 38.4%, employer contributions for 33.6% and pension schemes for 28%. Total contributions to VPFs in Q2 2022 amounted to RSD 0.94 bn.

*Net contributions came at RSD 0.92 bn in Q2 2022.*

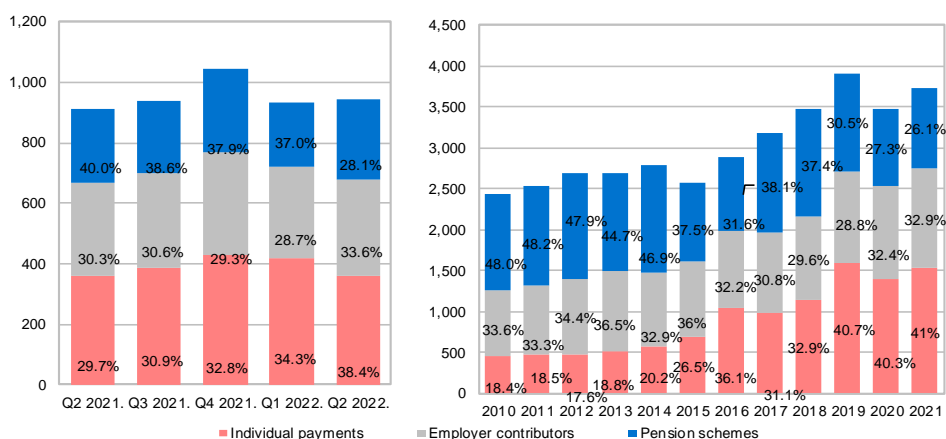
### Total contributions

(in RSD bn)

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
										Q1	Q2
2.70	2.70	2.80	2.58	2.89	3.19	3.47	3.92	3.48	3.73	0.93	0.94

Source: National Bank of Serbia.

**Volume and structure of total contributions**  
(in RSD mn, %)



Source: National Bank of Serbia.

Though most contributions are made through employers who place the assets in their employees' fund, thus displaying a high level of responsibility, individual contributions have also noted an increase, except in the past two quarters of this year when they recorded a fall. In this sense, there is ample potential for a further increase in the number of VPF members, both via individuals, who increasingly recognise the importance of saving for old age, and via companies, especially bearing in mind that only one in ten employees has an account in a VPF. This way, employees and employers can save up since monthly contributions from employer's funds up to RSD 6,541<sup>14</sup> per employee are exempt from the household income tax and contributions for mandatory social insurance. Payments in the same amount made by the employer through wage garnishment are also tax-exempt. This represents an additional incentive to employees and employers to direct a part of the wage to saving in VPFs.

Withdrawals are generally lump sum. Since the withdrawals are made by the members who fulfil the requirements, and are usually not long-standing fund members, their accumulated sum is relatively small, and this kind of withdrawals is expected, even though it contradicts the nature of VPFs which assumes the use of accumulated funds over a longer period. The share of scheduled and other types of withdrawals rises with the lengthening of the accumulation periods and increase in the accumulated sums. In Q2 2022, lump sum withdrawals accounted for the bulk of withdrawals (RSD 797.5 mn), while scheduled withdrawals amounted to RSD 121.5 mn.

**Total withdrawals**

(in RSD mn)

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
										Q1	Q2
751.7	945.2	1213.4	1226.2	1195.6	1342.4	1412.0	1679.8	2159.6	2223.5	1227.3	948.0

Source: National Bank of Serbia.

<sup>14</sup>Under Government decree, this amount is adjusted for previous-year inflation once a year.

Total withdrawals rise from year to year. In Q2 2022 they amounted to RSD 948 mn. This phenomenon is a result of system development. Namely, as contributions and net assets increase and the VPF system matures, the amount of withdrawals will also rise in absolute terms.

*In Q2 2022, total withdrawals amounted to RSD 948 mn.*

Transfers represent inter-fund transfers. A member may transfer a part or all of his assets from one fund to another, covering only the actual transfer costs.

*In Q2 2022, transfers came at RSD 260.4 mn.*

In Q2 2022, the amount of assets transferred to another fund equalled RSD 260.4 mn.

#### **Total inter-fund transfers**

(in RSD mn)

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
										Q1	Q2
72.3	137.2	126.3	219.7	267.5	263.0	229.7	210.3	252.6	199.0	387.4	260.4

Source: National Bank of Serbia.

## **10 Financial statements**

### **10.1 Regulatory framework**

Management companies keep business books and compile financial statements in accordance with the accounting and auditing laws and NBS regulations.

Separately from their own, management companies also keep business books and compile financial statements for the VPFs they manage.

According to the Law on Voluntary Pension Funds and Pension Schemes, a management company is required to submit to the NBS annual financial statements of the company, within which it separately presents the financial statements of the funds that it manages, with the external auditor's report, until 31 March of the current year for the preceding year.

NBS decisions regulate the content and layout of forms of financial statements of VPF management companies and VPFs, requiring the submission of balance sheet, income statement, cash flow statement, statement of changes in equity, statement of other comprehensive income, and statistical report of a management company, as well as the balance sheet – statement of net assets, income statement, statement on changes in net assets and cash flow statement of a VPF.

### **10.2 Financial statements of VPF management companies**

Balance sheet total of management companies as at 31 December 2021 stood at around RSD 1,311 mn, which is an increase of around RSD 109 mn (9.06%) relative to 2020, when the balance sheet total equalled around RSD 1,202 mn.

The major part of assets was invested in deposits and other financial assets (48% of total assets, vs. 49% in 2020). On the other hand, the share of equity capital in total liabilities remained unchanged, so at end-2021 total equity made up 86% of liabilities (92% in 2020). The liquidity of management companies was very high.

	2015	2016	2017	2018	2019	2020	2021
Total equity ratio	2.42	2.6	2.88	2.54	2.43	2.36	2.40
Equity per user	6,168	6,991	7,362	6,246	5,679	4,966	4,822
Equity to total net assets ratio	0.04	0.04	0.04	0.03	0.03	0.03	0.03

Management companies are required to keep equity above the statutory minimum which equals EUR 1 million in dinar equivalent. At the industry level, the ratio of total equity to statutory minimum was 2.4 (2.4 at end-2020).

A management company's equity per user was around RSD 4,822 (vs. RSD 4,966 at end-2020). This indicator fell by around 3% in 2021 as the number of users grew more than total equity at sector level. At end-2021, each dinar of net assets of VPFs was covered with 0.03 dinars of a management company's equity (0.03 dinars at end-2020).

In 2021, management companies continued to operate at a profit. As all companies recorded a positive result in 2021, their total profit was around RSD 231 mn, up by around 3.67% relative to 2020 (around RSD 223 mn). It should be noted, however, that a management company's result does not affect the assets of fund members as company assets are separated from fund assets.

In 2021, all companies earned a profit from fund management. Revenue from core activity consisted of contribution fees (RSD 81 mn) and management fees (RSD 598 mn), which increased by around RSD 31 mn in 2021 relative to 2020 (RSD 566 mn). Contribution fees increased by 5.8% from a year earlier, while management fees rose by 5.5%. The said fee revenue made up around 84% of all revenues generated by management companies (82% in 2020). Total management costs (relating to investment of fund assets, marketing, custody bank and intermediary services and other fund management costs) rose in 2021, i.e. they amounted to around RSD 70 mn, while the profit earned from fund management came at around RSD 608 mn (RSD 580 mn in 2020).

	2015	2016	2017	2018	2019	2020	2021
ROE	25.4%	26.5%	26.1%	14.66%	16.70%	19.81%	20.67%
ROA	24.1%	25.1%	24.7%	13.86%	15.58%	18.30%	18.42%
Profit per user	1,424	1,742	1,873	996.18	994.42	884.09	898.13

Profit per contribution	0.10	0.11	0.10	0.05	0.05	0.06	0.06
Ratio of fee revenue to number of users	2,987	3,568	3,974	2,854.7	3,031.2	2,544.4	2,631.6
Ratio of fee revenue to total revenue	87%	89%	91%	88%	90%	93%	95%

Expenditures were dominated by wage costs which came at around RSD 248 mn (RSD 244 mn in 2020) or 56% of total expenditures.

In 2021, management companies recorded a total ROE of 20.7% (19.8% in 2020), and ROA of 18.4% (18.3% in 2020).

### 10.3 Financial statements of VPFs

As at 31 December 2021, total fund assets equalled almost RSD 49.2 bn (RSD 47.1 bn at end-2020), rising by around RSD 2 bn or 4.3% compared to 2020. Government securities still dominate total assets, making up around 77% of total fund assets, down by 3.5% from end-2020.

The obligations of VPFs, which include obligations towards their management companies and obligations arising from membership and operation, amounted to around RSD 116 mn at end-2021 (RSD 104 mn in 2020). As at 31 December 2021, net fund assets equalled RSD 49.1 bn, rising by around RSD 2 bn or 4.3% from 31 December 2020).

As four companies recorded a positive result in 2021, and three ended the year with losses, total profit at the sector level was around RSD 578 mn (around RSD 446 bn in 2020).

Total revenues in 2021 came at around RSD 10 bn (RSD 9 bn in 2020), while total expenditures of funds came at around RSD 9 bn (RSD 9 bn in 2020).

	2015	2016	2017	2018	2019	2020	2021
Rate of return on total assets	15.2%	7.4%	4.6%	5.3%	6.8%	1.0%	1.2%

The ratio of profit to average total fund assets in 2021 was 1.2% (1.0% in 2020), which means that the funds recorded an average profit of RSD 0.01 per dinar of assets.