



NATIONAL BANK OF SERBIA

**INSURANCE SUPERVISION DEPARTMENT
PENSION FUNDS SUPERVISION DIVISION**

VOLUNTARY PENSION FUNDS SECTOR IN SERBIA

Second Quarter Report 2023

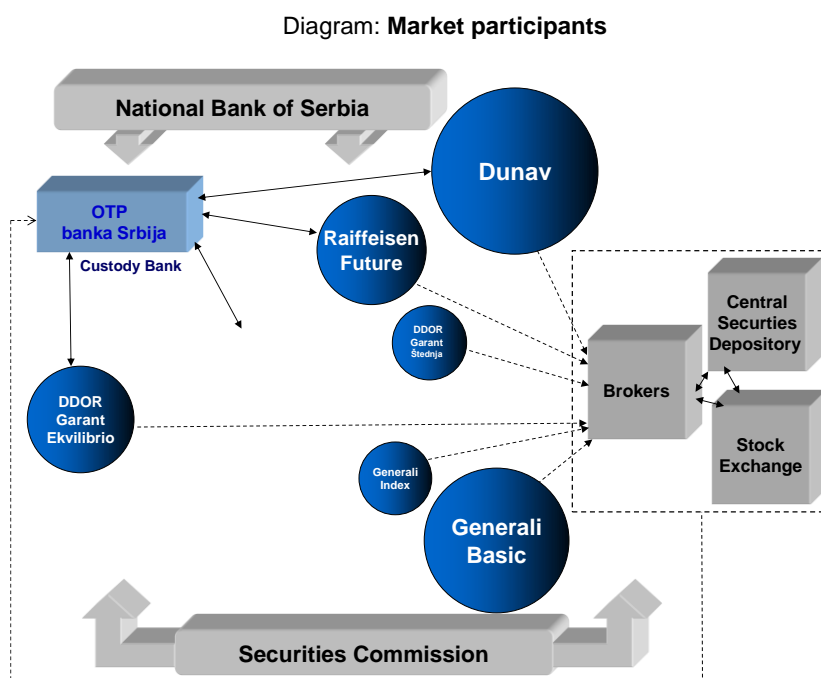
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1. Market participants

At end-Q2 2023, the market of voluntary pension funds (VPFs) included four companies managing seven VPFs, two custody banks, five intermediary banks and one insurance brokerage undertaking.¹



At end-Q2 2023, total employment in VPF management companies was 129. The number of employees increased by 4 compared to the quarter before.

The NBS licenses sales agents, who passed professional examinations and fulfilled other requirements, to disseminate information about VPF operation. By end-Q2 2023, 1085 sales agent licences were granted.

As brokers – management companies, banks and insurance undertakings may engage sales agents. At end-Q2 2023 management companies hired 110 persons, intermediary banks 455 persons and insurance undertaking 95 persons as sales agents.

2. Net VPF assets

Net VPF assets at end-Q2 2023 came at RSD 51.8 bn, increasing by 4.2% q-o-q. The change in the value of assets reflects net contributions², withdrawals and investment returns. In Q2 2023, total contributions amounted to RSD 1.07 bn, members withdrew RSD 832.3 mn, while investment return stood at around RSD 2 bn.

At end-Q2 2023, net VPF assets equalled RSD 51.8 bn.

¹ Raiffeisen bank a.d. Beograd, OTP banka Srbija a.d. Novi Sad, NLB Komercijalna banka a.d. Beograd, Addiko Bank a.d. Beograd and AIK banka a.d. Beograd, as well as the joint-stock insurance undertaking DDOR Novi Sad, Novi Sad.

² Net contributions are total contributions minus the front-load fee.

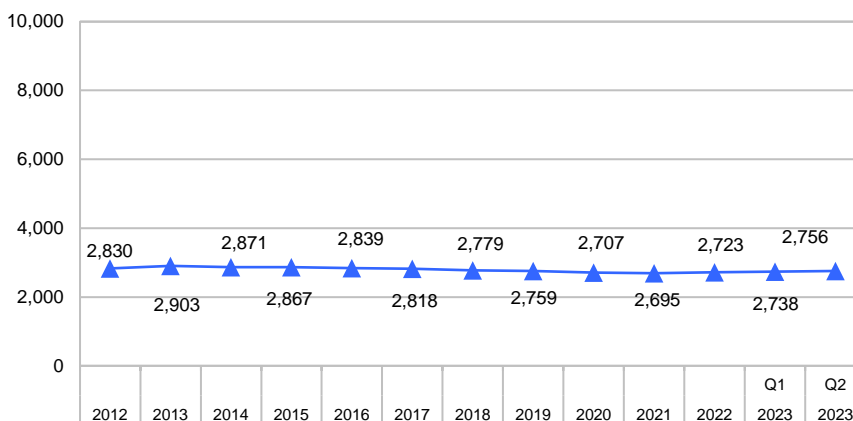
Measured by HHI, market concentration in the sector³ at end-Q2 amounted to 2.756 points, indicating high concentration in the VPF market.

End-of-period net assets of the VPF sector

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
												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	49.7	51.8

Source: National Bank of Serbia.

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



Source: National Bank of Serbia.

According to the size of net VPF assets relative to total net assets of the sector, two funds were classified as “large” and two as “medium”. Together, they held 91.5% of the market share, with the largest fund accounting for 41.5%.

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	2023	
												Q1	Q2
Large (20 and above)	2	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	2
Small (0 - 4.99)	5	2	2	3	3	3	3	3	3	3	3	3	3

Source: National Bank of Serbia.

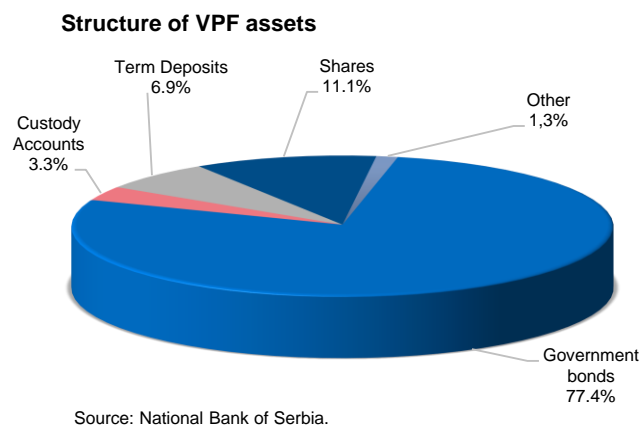
3. Structure of VPF assets

At end-Q2 2023, the structure of investment of VPF assets remained broadly unchanged from the previous period. Government bonds accounted for a major part of VPF assets – 77.4%.

Balances in custody accounts and bank time deposits made up 10.2%, and shares 11.1%.

The major part of funds was invested in government debt instruments – 77.4%.

³ In terms of the share in total net assets.

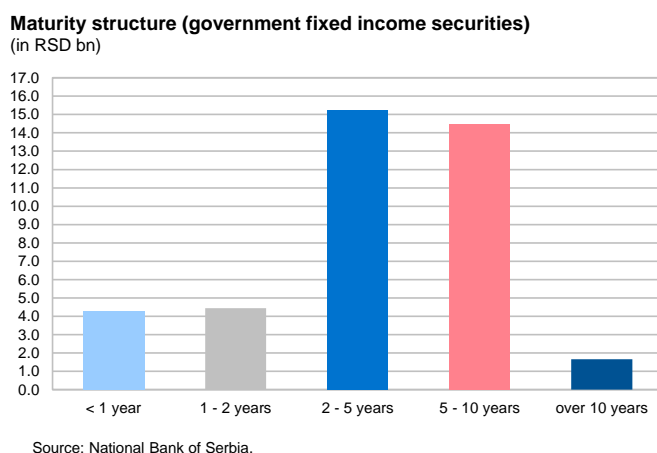


The portfolio of government debt instruments (Republic of Serbia’s bonds) kept the dominant position in total VPF assets at the end of the period, with a mild upward trend in the share of these instruments in VPF assets – from 75.4% at the end of the previous quarter to 77.4%.

Compared to the end of the previous quarter, aggregate exposure to shares of domestic legal entities decreased from 11.5% to 11.1% of total fund assets.

At end-Q2 2023, 10.6% of government debt instruments were with the maturity of up to one year, 11.1% between one and two years, 38% two to five years, 36.2% five to ten years and 4.1% over ten years.

The average maturity of assets⁴ invested in government debt instruments is 5.2 years.



At end-Q2 2023, 79.3% of total assets were in dinars and 20.7% in a foreign currency (EUR).

⁴ The maturity of instruments weighted by their share in total investment in government debt instruments.

4. Return on investment

At end-Q2 2023, the FONDex⁵ reached 3,251.97 points.⁶ FONDex return, the weighted average return on all funds equalled 5.6% over the past year. Since the start of VPF operation, FONDex return⁷ has equalled 7.4%. Given the structure of VPF investment, the return is influenced by: the change in the value of government debt instruments,⁸ change in the prices of shares, change in the value of investment units of open investment funds, level of the key policy rate, banks' interest rates, and changes in the dinar exchange rate against the euro.

In Q2 2023, there were no issues of dinar-denominated government debt instruments in the primary market.

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

Maturity	Q2 2022	Q3 2022	Q4 2022	Q12023	Q2 2023
3m	-	-	-	-	-
6m	-	-	-	-	-
12m	-	317	-	-	-
18m	-	-	-	-	-
24m	-	-	-	27.2	-
36m	-	-	-	-	-
60m	-	-	-	-	-
84m	-	-	-	-	-
120m	-	-	-	-	-
144m	-	-	-	-	-
Total	-	317	-	27.2	-

Source: Ministry of Finance.

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

Maturity	Q2 2022	Q3 2022	Q4 2022	Q12023	Q2 2023
3m	-	-	-	-	-
6m	-	-	-	-	-
12m	-	3.9%	-	-	-
18m	-	-	-	-	-
24m	-	-	-	6.0%	-
36m	-	-	-	-	-
60m	-	-	-	-	-
84m	-	-	-	-	-
120m	-	-	-	-	-
144m	-	-	-	-	-

Source: Ministry of Finance.

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

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

⁷ Annual rate.

⁸ 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.

In Q2 2023 there were no issues of euro-denominated government debt instruments either.

Market value of issued euro-denominated government debt instruments, by maturity

(in EUR mn)

Maturity	Q12022	Q2 2022	Q3 2022	Q4 2022	Q12023	Q2 2023
12m	-	-	-	-	-	-
24m	200.0	-	-	-	37.5	-
36m	-	-	-	-	-	-
60m	-	-	-	-	-	-
84m	-	-	-	-	-	-
120m	-	-	-	-	-	-
144m	-	-	-	-	-	-
180m	-	-	-	-	-	-
240m	-	-	-	-	-	-
Total	200.0	-	-	-	37.5	-

Source: Ministry of Finance.

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

Maturity	Q12022	Q2 2022	Q3 2022	Q4 2022	Q12023	Q2 2023
12m	-	-	-	-	-	-
24m	0.8%	-	-	-	2.5%	-
36m	-	-	-	-	-	-
60m	-	-	-	-	-	-
84m	-	-	-	-	-	-
120m	-	-	-	-	-	-
144m	-	-	-	-	-	-
180m	-	-	-	-	-	-
240m	-	-	-	-	-	-

Source: Ministry of Finance.

At end-Q2 2023, BELEX recorded a 2.5% drop in share prices, measured by BELEX15 (its value at end-June was 869.40). Over the last year, BELEX recorded a 3.5% increase.

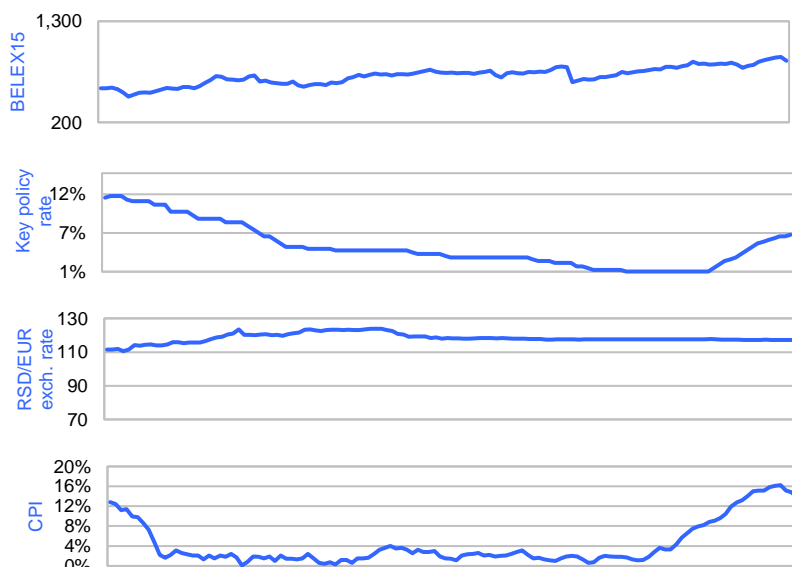
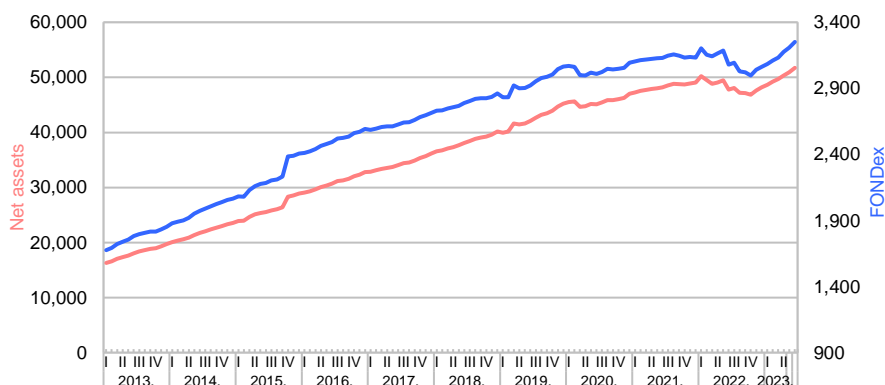
The key policy rate equalled 6.25% at end-June 2023. The level of interest rates on dinar funds in custody accounts followed the key policy rate movements.

In Q2 2023, the dinar value vis-à-vis the euro rose slightly from the quarter before (EUR 1 = RSD 117.29), so at end-Q2 the dinar value amounted to RSD 117.23 for EUR 1. In the same period, the dinar value against the US dollar dropped by around 0.2%.

The price growth rates in April, May and June 2023 relative to December 2022 were 0.7%, 0.9% and 0.7%, respectively. Y-o-y consumer prices gained 13.7% in June 2023.⁹

⁹ Source: Statistical Office of the Republic of Serbia.

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.

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 also contingent on the fund's 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 as a percentage of each executed payment as a front-load fee. Though visible in the first instance, i.e. with each payment of assets into the fund, it is not the largest cost incurred by a member.

The total amount of contribution fees paid in Q2 2023 amounted to RSD 22.2 mn, and the level of the fee in the same period was 1.96% 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.

In Q2 2023, the total value of management fees equalled RSD 156.4 mn, which is 86% 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	2023	
													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	85.1	22.0	22.2
Management fee	220.0	284.1	357.8	432.8	514.9	614.4	678.7	474.0	526.7	567.9	599.4	599.0	149.6	156.4

Source: National Bank of Serbia.

6. Trading in securities

VPF trading volumes came at RSD 7.1 bn in Q2 2023.

The average share of VPFs in the Belgrade Stock Exchange trading in Q2 2023 was 12.1%.

VPF securities trading

(in RSD bn)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	
									Q1	Q2
Securities trading	14.5	11.5	24.2	16.1	48.7	26.3	33.5	11.9	7.4	7.1
Purchases	7.9	6.4	14.7	9.3	27.1	13.8	18.6	6.0	4.6	4.1
Belgrade Stock Exchange	0.9	1.1	3.7	2.7	3.2	2.7	1.9	1.6	0.3	1.0
Unregulated market	1.8	1.1	5.8	3.2	16.7	7.6	13.7	2.3	1.9	3.0
Auctions of government secur	5.2	4.2	5.1	3.4	7.1	3.6	3.0	2.1	2.7	1.0
Sales	3.6	3.0	7.4	5.5	19.6	11.2	12.0	3.8	1.9	2.9
Belgrade Stock Exchange	0.5	1.9	2.7	3.2	1.4	3.1	3.7	0.8	0.2	0.5
Unregulated market	3.2	1.1	4.7	2.3	18.1	8.1	8.3	3.0	1.7	2.4
Maturity	2.9	2.1	2.2	1.3	2.1	1.4	3.0	2.1	0.9	0.4
Purchase to sale and maturity ratio	1.2	7.5	1.5	1.4	1.3	1.1	1.2	1.0	2.4	1.4
Share in total BSE trading (in%)	6.1%	6.7%	33.0%	9.4%	5.1%	11.9%	13.5%	6.1%	8.8%	12.1

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.

The total transaction costs in Q2 2023 amounted to RSD 1.6 mn. In the same period, speaking of fees charged against VPF assets, Central Securities Depository fees accounted for the same share as stock exchange fees, whereas in costs paid by management companies from their assets, custody bank fees accounted for twice the share of brokerage fees.

Amount of transaction costs

(in RSD mn)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
											Q1	Q2
Total	6.0	6.2	5.6	7.3	10.5	8.3	17.2	10.3	4.8	5.9	2.6	1.6
Brokerage fees	2.5	2.0	1.3	2.3	4.4	3.0	8.0	3.7	0.7	1.0	0.3	0.4
Custody bank fees	1.9	2.0	2.0	2.0	1.9	1.8	3.1	2.3	1.6	1.4	0.6	0.8
Stock exchange fees	0.6	0.6	0.8	1.0	1.8	1.3	1.9	1.3	0.5	0.6	1.0	0.2
Central Securities Depository fees	0.9	1.6	1.6	2.0	1.8	1.6	3.4	2.2	1.7	2.8	0.6	0.2
Other fees	0.1	0.0	-	0.0	0.6	0.6	0.7	0.9	0.0	0.0	0.0	0.0

Source: National Bank of Serbia.

8. Number and structure of VPF users

At end-Q2 2023,¹⁰ 217,421 users were in the accumulation phase¹¹ (an increase by 113 from end-Q1 2023), with 299,036 membership contracts (2,433 contracts more than at end-Q1 2023).¹²

VPF users make up 9.42% of the total number of employees.¹³

Number of contracts and users

(in thousand)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
										Q1	Q2
No of contracts	252.1	258.1	250.5	253.9	261.7	275.8	279.5	288.7	294.5	296.6	299.0
No of users	188.0	190.5	183.6	185.4	192.3	201.6	205.0	210.7	215.5	217.3	217.4
Percentage of active users (in %)	31.3%	25.3%	28.5%	33.6%	33.4%	34.4%	35.3%	35.9%	32.2%	32.6%	32.3%

Source: National Bank of Serbia.

¹⁰ VPF membership has two phases – the accumulation phase (when contributions are made) and the withdrawal phase (when the accumulated funds are withdrawn).

¹¹ 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 there is a significant number of users with more than one membership contracts in one or several VPFs.

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

¹³ Source for the number of employees: NBS.

Structure of users by payment dynamics
(in units and %)

	Period	No of users	Share (%)
Users making contributions	1 month	76,318	35.1%
	3 months	84,564	38.9%
	6 months	88,633	40.8%
	12 months	94,165	43.3%
	From the start of membership (1)	194,515	89.5%
No holdings (2)		22,906	10.5%
Total (1+2)		217,421	

Source: National Bank of Serbia.

The amount of accumulated funds depends on the amount of contributions, return 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 266.1 thousand. At end-Q2 2023, the number of users who are members of two or more VPFs was 44,086 or around 20% of the total number of users.

Average accumulated funds at end-period
(in RSD thousand)

2012	2013	2014	2015	2016	2017	2018.0	2019	2020	2021	2022	2023	
											Q1	Q2
105.3	127.3	148.3	179.4	200.6	219.3	235.8	239.9	257.4	260.0	249.6	255.2	266.1

Source: National Bank of Serbia.

In Q2 2023, the structure of users by sex and the amount of their funds did not change significantly compared to prior periods. Men made up the majority of 57.1%.

Number of users by number of funds in which they are members
(in units)

No of funds	No of users
1	173,335
2	37,583
3	6,177
4	299
5	20
6	5
7	2
Total	217,421

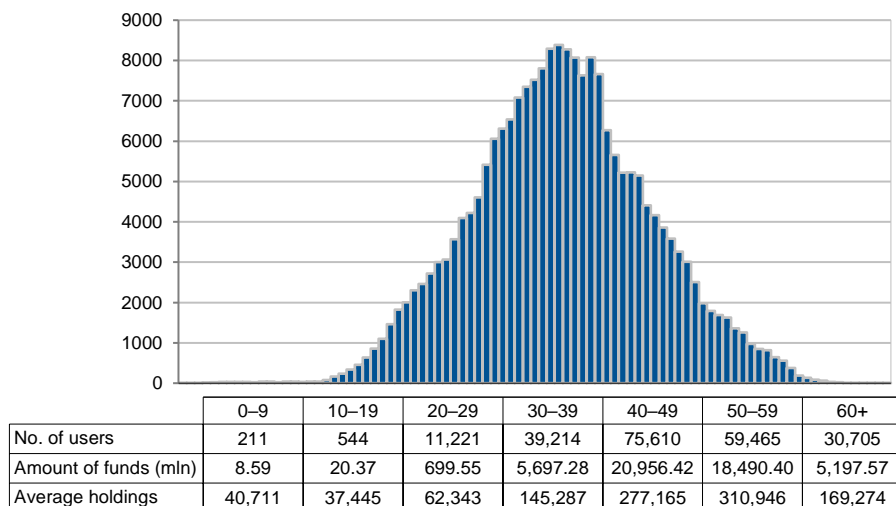
Source: National Bank of Serbia.

Number of users by membership contract
(in units)

No of contracts	No of users
1	155,968
2	47,644
3	9,313
4	3,213
5	888
6	249
7	117
8	26
9	2
10	1
Total	217,421

Source: National Bank of Serbia.

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



Source: National Bank of Serbia.

At end-Q2 2023, the average age of VPF users was around 47 years, with users aged 40–60 making up the dominant share of 62%. Also, the percentage of users above the age of 53 was similar as in prior years (30.8%), while the percentage of users above the age of 58 was 18.1%.

9. Contributions, withdrawals and transfers

Of total contributions in Q2 2023, individual payments accounted for 36.9%, employer contributions for 33.4%, and pension schemes for 29.7%. The total contributions to VPFs in Q2 2023 amounted to RSD 1.07 bn.

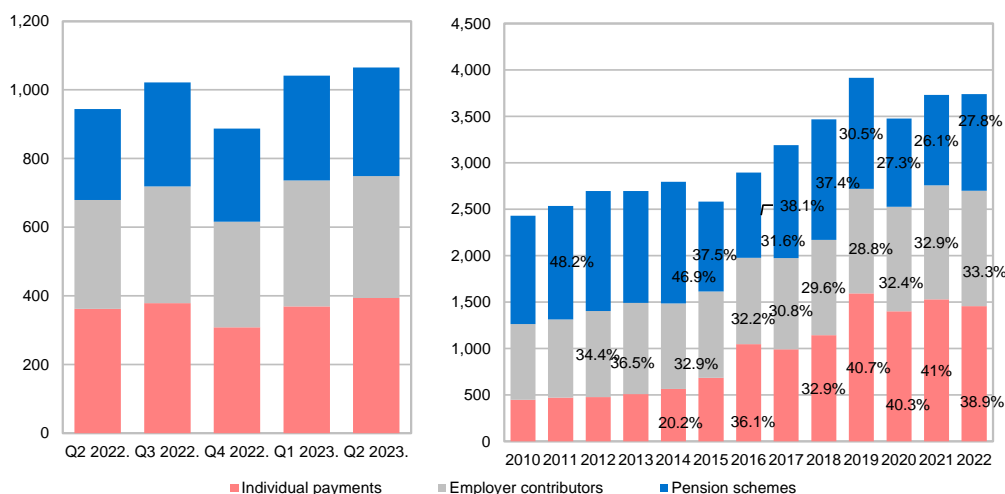
Total contributions came at RSD 1.07 bn in Q2 2023.

Total contributions (in RSD bn)

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
											Q1	Q2
2.70	2.70	2.80	2.58	2.89	3.19	3.47	3.92	3.48	3.73	3.74	1.04	1.07

Source: National Bank of Serbia.

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



Source: National Bank of Serbia.

Most contributions are made through employers who place the assets in their employees' fund, thus displaying a high level of responsibility. Q2 2023 saw a noticeable increase in individual contributions compared to a quarter before. 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 have an account in a VPF. This way, employees and employers can save up since contributions from employer's funds up to RSD 7,529¹⁴ per employee per month 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 2023, lump sum withdrawals accounted for the bulk of withdrawals (RSD 693.2 mn), scheduled withdrawals measured RSD 125.3 mn and partial withdrawals RSD 13.8 mn.

¹⁴ Under Government decree, this amount is adjusted for previous-year inflation once a year. As of February 2023, it amounts to RSD 7,529.

Total withdrawals

(in RSD mln)

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
											Q1	Q2
751.7	945.2	1213.4	1226.2	1195.6	1342.4	1412.0	1679.8	2159.6	2223.5	3530.1	628.75	832.3

Source: National Bank of Serbia.

Total withdrawals rise from year to year. In Q2 2023 they amounted to RSD 832.3 mn. This is a normal result of system development. Namely, as contributions and net assets increase and the VPF system matures, the amount of withdrawals also rises in absolute terms.

In Q2 2023, total withdrawals amounted to RSD 832.3 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 2023, transfers came at RSD 98.1 mn.

In Q2 2023, the amount of assets transferred to another fund equalled RSD 98.1 mn.

Total inter-fund transfers

(in RSD mn)

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
											Q1	Q2
72.3	137.2	126.3	219.7	267.5	263.0	229.7	210.3	252.6	199.0	748.4	43.1	98.1

Source: National Bank of Serbia.

10. Financial statements

10.1. Regulatory framework

Voluntary pension fund management companies (hereinafter: 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, cash flow statement and statement on changes in net assets of a VPF.

10.2. Financial statements of VPF management companies

The balance sheet total of management companies as at 31 December 2022 stood at around RSD 1,234 mn, down by around RSD 77 mn (5.92%) from 2021, when the balance sheet total equalled around RSD 1,311 mn.

The major part of assets of management companies in 2022 (52.7%) was invested in deposits and other financial assets (48.41% in 2021). On the other hand, there was no significant change in the share of equity capital in total liabilities, so at end-2022 total capital made up around 88% of liabilities (86% in 2021). The liquidity of management companies was high.

	2016	2017	2018	2019	2020	2021	2022
Total equity ratio	2.6	2.88	2.54	2.43	2.36	2.40	2.31
Equity per user	6,991	7,362	6,246	5,679	4,966	4,822	4,481
Equity to total net assets ratio	0.04	0.04	0.03	0.03	0.03	0.03	0.03

Management companies are required to keep equity above the statutory minimum which equals EUR 1 mn in the dinar equivalent. At the industry level, the ratio of total equity to statutory minimum was 2.31 (2.4 at end-2021).

In 2022, the equity per user ratio declined from RSD 4,822 at end-2021 to RSD 4,481 owing to a sharper rise in the number of users compared to the growth of total capital of the sector. At end-2022 every dinar of net VPF assets was covered by RSD 0.03 of VPF equity (RSD 0.03 at end-2021).

In 2022, management companies continued to operate at a profit. All management companies posted a positive result, their total profit amounting to around RSD 203 mn, down by around 12.3% relative to 2021 when total profit of all companies amounted to around RSD 231 mn. It should be kept in mind that the **management company's result does not affect fund members' assets, because the assets of a management company are separated from VPF assets.**

In 2022 management companies generated profit from VPF management in the amount of RSD 603 mn (RSD 608 mn in 2021). Income from core activity of management companies (fee income) in 2022 equalled RSD 682 mn (RSD 678 mn in 2021), making up around 82% of all income of management companies in 2022 (84% in 2021). Fee income consists of contribution fees (RSD 85 mn), which rose by 5.2% from a year earlier and management fees (RSD 597 mn), which remained almost unchanged.

In 2022 total VPF management expenses (relating to the investment of VPF assets, marketing expenses, custody bank charges, brokerage fees and other fund management expenses) increased by 12.8% y-o-y , equalling around RSD 79 mn (RSD 70 mn in 2021).

(Absolute amounts are in dinars)

	2016	2017	2018	2019	2020	2021	2022
ROE	26.5%	26.1%	14.66%	16.70%	19.81%	20.67%	18.32%
ROA	25.1%	24.7%	13.86%	15.58%	18.30%	18.42%	15.94%
Company's profit per user	1742	1,873	996.18	994.42	884.09	898.13	769.15
Company's profit per contribution	0.11	0.10	0.05	0.05	0.06	0.06	0.04
Fee income per user	3,568	3,974	2,854.7	3,031.2	2,544.4	2,631.6	2,585.5
Ratio of fee income to total income	89%	91%	88%	90%	93%	95%	94%

In the structure of expenses, salary expenses of around RSD 265 mn (RSD 248 mn in 2021) were dominant, accounting for 55% of total expenses.

In 2022, management companies posted total ROE of 18.3% (20.7% in 2021), while total ROA was 15.9% (18.4% in 2021).

10.3. Financial statements of VPFs

Total VPF assets as at 31 December 2022 amounted to RSD 48.26 bn (RSD 49.1 bn at end-2021), down by around 1.8% relative to 2021. Government securities remained dominant, making up around 76.6% of total VPF assets, almost the same as at end-2021 (77%).

VPF liabilities, comprising liabilities to the management company, liabilities under membership and other operating liabilities amounted to around RSD 61 mn at end-2022 (RSD 116 mn in 2021).

Net VPF assets (as the difference between the funds' total assets and liabilities) as at 31 December 2022 equalled around RSD 48.20 bn, down by around RSD 850 mn or 1.7% from 31 December 2021.

Total VPF income generated in 2022 amounted to around RSD 13.7 bn (RSD 9.8 bn in 2021), and total expenses to around RSD 14.9 bn (RSD 9.2 bn in 2021).

At end-2022 one fund realised a positive result, while six funds ended the year with a loss, so the total loss generated at sector level was around RSD 1.2 bn (profit generated in 2021 equalled around RSD 578 mn).