



Centralna banka
BOSNE I HERCEGOVINE
Централна банка
БОСНЕ И ХЕРЦЕГОВИНЕ



Comments on Trends in Other Financial Institutions Sector at 2025 End



Analysis of the financial sector in BH at 2025 end

At the end of 2025, there were 127 financial institutions operating in the financial market of Bosnia and Herzegovina, which are included in the regular statistics of the Central Bank of Bosnia and Herzegovina. Within the banking sector, 21 banks and one development bank operated, while the sector of non-bank financial institutions (hereinafter: the sector of other financial institutions – OFI) included 24 insurance companies and one reinsurance company, 27 microcredit organizations, 41 investment funds, 4 leasing companies, 6 brokerage houses and 2 stock exchanges.

The collection and processing of the data is carried out in accordance with the international methodology prescribed in the IMF's Monetary and Financial Statistics Manual (2000), through standardised reporting forms 2SR for banks and 4SR for non-bank financial institutions (Standardised Report Forms – SRF). The application of uniform reporting forms for the presentation of the balance sheet enables the production of aggregated and mutually comparable (harmonised) data at the level of Bosnia and Herzegovina.

Number of Financial Institutions in BH

<i>Financial institutions in BH</i>	<i>Dec 24</i>			<i>June 25</i>			<i>Dec 25</i>		
	FBH	RS	Total	FBH	RS	Total	FBH	RS	Total
<i>Banks*</i>	14	8	22	14	8	22	14	8	22
<i>Insurance and reinsurance companies</i>	11	14	25	11	14	25	11	14	25
<i>Microcredit organizations</i>	13	16	29	13	14	27	13	14	27
<i>Investment funds</i>	21	16	37	22	17	39	22	19	41
<i>Leasing companies</i>	4	0	4	4	0	4	4	0	4
<i>Brokerage companies</i>	2	4	6	2	4	6	2	4	6
<i>Stock exchanges</i>	1	1	2	1	1	2	1	1	2
Total	66	59	125	67	58	125	67	60	127

* *Razvojna banka FBiH included*

The total assets of BH financial sector at the end of 2025 amounted to KM 57.01 billion, which represents an increase of KM 4.83 billion or 9.3% compared to the end of 2024. Compared to the first half of 2025, a 5.9% growth was recorded, indicating a stable upward trend throughout the year.

The banking sector maintained its key role and dominating position in the financial system, with assets of KM 49.93 billion and a share of 87.6% of the total assets. Compared to the end of 2024, banks achieved a growth of 9.1%, while the growth in the second half of 2025 was 6.3%. Such developments confirm that the banking sector continued to be the driver of financial stability and lending activity in the country.

Overall, the financial sector of BiH in 2025 is characterized by stable and broad-based growth, with almost all segments, except brokerage houses, recording an increase in assets. Nevertheless, the structure of the sector remains highly concentrated in the banking segment, while the development of non-bank financial institutions, especially investment funds and microcredit organizations, indicates a gradual diversification of the financial system.

Financial Sector in BH (KM million)

Financial institutions in BH	12/2024		06/2025		12/2025		Assets growth index	
	<i>Assets</i>	<i>Share (%)</i>	<i>Assets</i>	<i>Share (%)</i>	<i>Assets</i>	<i>Share (%)</i>	<i>12.2025/12.2024</i>	<i>12.2025/06.2025</i>
<i>Banks</i>	45.781,6	87,7	46.990,8	87,6	49.932,0	87,6	109,1	106,3
<i>Insurance and reinsurance companies</i>	2.798,7	5,4	2.948,8	5,6	2.968,9	5,2	106,1	100,7
<i>Microcredit organisations</i>	1.757,5	3,4	1.864,2	3,3	2.012,8	3,5	114,5	108,0
<i>Investment funds</i>	1.139,2	2,2	1.244,9	2,1	1.311,8	2,3	115,2	105,4
<i>Leasing companies</i>	682,3	1,3	741,6	1,3	762,0	1,3	111,7	102,8
<i>Brokerage companies</i>	8,5	0,0	8,7	0,0	8,3	0,0	97,6	95,1
<i>Stock exchanges</i>	11,0	0,0	11,5	0,0	11,0	0,0	100,4	96,0
Total for sector	52.178,7	100,0	53.810,5	100,0	57.006,8	100,0	109,3	105,9

Sector of non-banking financial institutions (OFI sector)

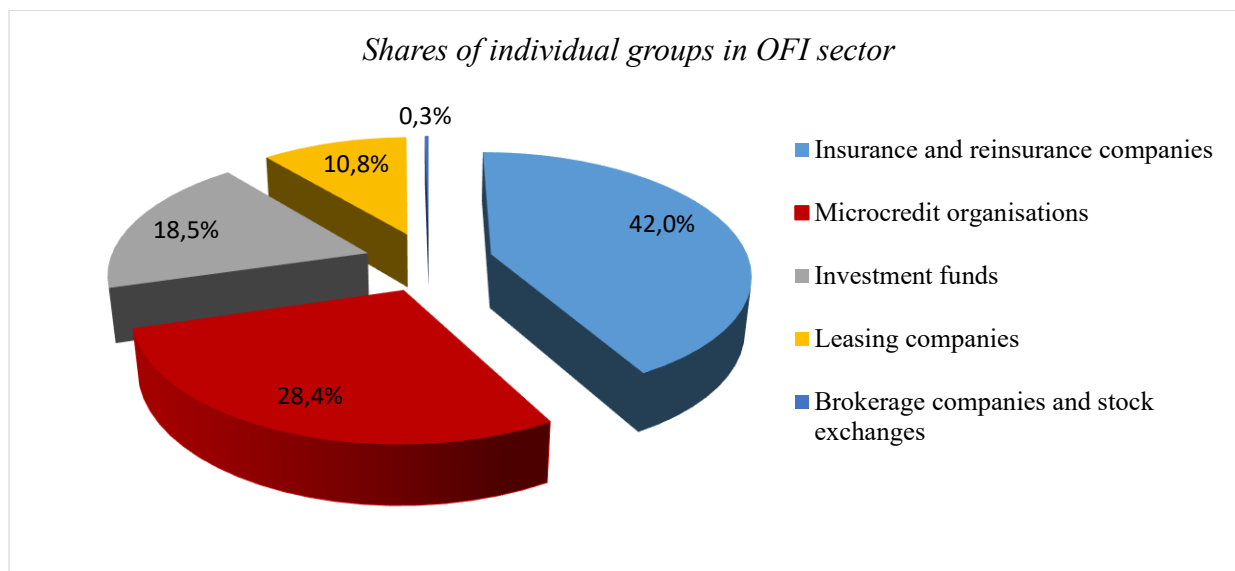
The total assets of the Other Financial Institutions (OFI) sector in Bosnia and Herzegovina at the end of 2025 amounted to KM 7.07 billion. The largest share in the total assets of the OFI sector was still held by insurance and reinsurance companies, whose assets amounted to KM 2.97 billion or 42.0% of the total OFI sector assets.

Microcredit organisations took the second place in terms of the largest assets with KM 2.01 billion, or 28.5% of the total OFI sector assets, which confirms their significant position in the non-banking financial sector. Investment funds recorded assets of KM 1.31 billion accounting for 18.5% in the total OFI sector assets, while leasing companies with assets of KM 762.0 million participated with 10.8%.

The smallest share in the total OFI sector assets was that of brokerage houses and stock exchanges, whose joint assets amounted to KM 19.3 million or 0.3% of the total OFI sector assets.

Regarding the assets structure, the OFI sector remained characterised by the dominant participation of insurance and reinsurance companies, with the growth of assets of microcredit organisations and investment funds indicating the continued development and gradual strengthening of the non-bank financial sector in Bosnia and Herzegovina.

Shares of non-banking financial institutions in the OFI sector at 2025 end



A brief analysis of the three subsectors with the largest shares in the OFI sector is presented below.

Insurance and reinsurance companies

At the end of 2025, there were 24 insurance companies and one reinsurance company operating on the insurance market in Bosnia and Herzegovina, of which 15 companies performed non-life insurance activities, while 9 companies operated as composite companies performing life and non-life insurance activities.

The insurance and reinsurance sector retained the largest share within the Other Financial Institutions (OFI) sector, with a share of approximately 42.0% of the total OFI sector assets. The balance sheet amount of the insurance and reinsurance sector as of 31 December 2025 amounted to KM 2.97 billion and increased by KM 170.2 million or 6.1% compared to the end of 2024. Compared to the situation at the end of the first half of 2025, the sector assets increased by KM 20.1 million or 0.7%.

The most significant share in the structure of assets was still that of securities, which at the end of 2025 amounted to KM 898.8 million, or 30.3% of the total assets of the insurance sector. Compared to the end of 2024, investments in securities increased by KM 61.8 million or 7.4%, which confirms the continued growth of investments in debt securities, primarily in the Entity bonds.

A significant share in assets was also held by currency and deposits – primarily term deposits with banks – in the amount of KM 711.4 million, as well as non-financial assets, mainly real estate properties, in the amount of KM 654.7 million.

In the structure of liabilities, gross technical reserves of insurance stayed dominant, amounting to KM 1.95 billion at the end of 2025 and accounting for 65.6% of the total sector liabilities. Compared to the end of 2024, technical provisions increased by KM 105.1 million or 5.7%, indicating continued growth of insurance liabilities and the stability of the sector.

The capital of insurance and reinsurance companies amounted to KM 651.1 million, or 21.9% of the total liabilities, and compared to the end of the previous year, it increased by KM 30.7 million or 4.9%.

Overall, in 2025, the insurance and reinsurance sector continued to record a stable asset growth and investments of technical reserves in securities, thus retaining a significant role in the non-banking financial sector of Bosnia and Herzegovina.

Microcredit organisations in BH

The total assets of microcredit organisations in Bosnia and Herzegovina at the end of 2025 amounted to KM 2.01 billion and increased by KM 255.3 million or 14.5% compared to the end of 2024. Compared to the situation at the end of the first half of 2025, the assets of microcredit organisations increased by KM 148.6 million or 8.0%, which confirms the continued strong growth of this segment of the financial sector.

In the total assets of microcredit organisations, microcredit companies (MCC) accounted for KM 1.28 billion or 63.5%, while microcredit foundations (MCF) accounted for KM 735.1 million or 36.5% of the total assets of the sector.

The total amount of loans extended by microcredit organisations at the end of 2025 amounted to KM 1.66 billion, which represents 82.5% of the total assets. Compared to the end of 2024, the loan portfolio increased by KM 209.2 million or 14.4%, while compared to the end of the first half of 2025, an increase of KM 111.5 million or 7.2% was recorded. The above data confirm that loans remained the dominant form of assets of microcredit organisations.

In addition to loans, the most significant items of assets were currency and deposits in the amount of KM 114.8 million, non-financial assets in the amount of KM 130.5 million, and shares and other capital in the amount of KM 73.9 million.

On the liabilities side, the main source of financing of microcredit organisations continued to be loan liabilities, which at the end of 2025 amounted to KM 1.08 billion or 53.5% of the total liabilities. Compared to the end of 2024, loan liabilities increased by KM 160.1 million or 17.5%, while compared to the end of June 2025 they increased by KM 95.0 million or 9.7%.

The total capital of microcredit organizations at the end of 2025 amounted to KM 666.6 million and accounted for 33.1% of the total liabilities. Compared to the end of 2024, the capital increased by KM 62.4 million or 10.3%, while compared to the end of the first half of 2025, an increase of KM 34.8 million or 5.5% was recorded.

Overall, microcredit organisations continued the trend of growth of assets, loan portfolio and capital in 2025, with loans to households still representing the dominant activity of this sector. The growth of lending activity and the increase of financing sources indicate a further strengthening of the role of microcredit organisations in financing households and smaller business entities in Bosnia and Herzegovina.

Investment funds

The total assets of investment funds at the end of 2025 amounted to KM 1.31 billion, recording a continued growth compared to the previous period. The largest part of the assets of investment funds was related to the investment portfolio, which amounted to approximately KM 1.27 billion and was a dominant part of the total assets of the funds.

Debt securities accounted for the largest share in the investment structure of investment funds in the amount of KM 499.0 million, or 39.4% of the total investment portfolio. Equity securities also had a significant share with KM 474.4 million or 37.5%, which indicates a significant representation of investments in the capital market.

Deposits amounted to KM 257.5 million and participated with 20.3% in the total investments of investment funds, which shows that the funds keep part of the assets in more liquid and less risky forms of investment.

Investments in real estate amounted to KM 26.7 million or 2.1% of the total portfolio, while loans had the smallest share in the amount of KM 7.9 million or 0.6%.

Looking at the structure of investments, investment funds directed most of the assets into securities, primarily debt and equity, which confirms the dominant investment orientation of funds towards the capital market and financial instruments.

