

Fitch leaves SA insurers alone

Fitch Ratings has taken rating actions on South African (and related) insurance companies following its recent downgrade of the sovereign ratings.

The agency has confirmed that all national scale ratings have remained unchanged for Sanlam, MMI, Liberty, AIG South Africa, and AIG Life South Africa

"The affirmations reflect Fitch's belief that the relative creditworthiness of these entities in the South African market is unchanged.

"Fitch has also affirmed the national and international ratings of RMB Structured Insurance and RMB Financial Services (Ireland) as both the relative and absolute credit risk of these entities, in Fitch's view, continues to support their ratings," the rating agency said.

Fitch has downgraded the Insurer Financial Strength (IFS) rating of Guernsey-based Home Finance Guarantors (Insurance) (HFGIL) to 'BBB' from 'BBB+' and affirmed South Africa-based Home Loan Guarantee Company's (HLGC) National IFS rating at 'AA+(zaf)'. The outlooks on both ratings are "stable".

Fitch has simultaneously withdrawn HFGIL's IFS rating as the company has chosen not to participate in the rating process.

Fitch says the downgrade of HFGIL's international IFS rating reflects the deterioration in the South African economic environment and the more challenging operating conditions the company is facing.

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