

# AM Best Assigns Credit Ratings to ONIX Asigurari S.A.

July 13, 2022 11:41 AM Eastern Daylight Time

AMSTERDAM--([BUSINESS WIRE](#))--AM Best has assigned a Financial Strength Rating of B (Fair) and a Long-Term Issuer Credit Rating of “bb” (Fair) to ONIX Asigurari S.A. (ONIX) (Romania). The outlook assigned to these Credit Ratings (ratings) is stable.

The ratings reflect ONIX’s balance sheet strength, which AM Best assesses as adequate, as well as its strong operating performance, limited business profile and marginal enterprise risk management.

ONIX’s risk-adjusted capitalisation, as measured by Best’s Capital Adequacy Ratio (BCAR), is assessed as strongest as at year-end 2021, underpinned by good internal capital growth during the year. However, ONIX’s small capital base and its lack of reinsurance protection increase the potential for volatility in risk-adjusted capitalisation, particularly considering the large surety risks the company is exposed to. The balance sheet strength assessment also takes into account the company’s material exposure to Romanian sovereign bonds (38% of the investment portfolio at year-end 2021), and its limited financial flexibility.

ONIX’s operating performance is assessed as strong, reflecting its track record of good technical results since inception. For the five-year period ending in 2021, the company reported an average combined ratio of 60.9%, as calculated by AM Best. Non-technical profits have been modest, reflecting the company’s liquid investment portfolio.

ONIX is a niche mono-line insurer that focuses on surety business in Italy and Spain. The company leverages its specialist expertise to compete against larger players.

Solvency II is part of ONIX’s corporate culture, and its Solvency II regulatory capital adequacy ratio is monitored against risk appetite levels approved by its board. The company’s risk management framework is evolving and risk management capabilities are considered to be below the company’s risk profile in some areas.

**This press release relates to Credit Ratings that have been published on AM Best’s website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best’s [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best’s Credit Ratings](#). For information on the proper use of Best’s Credit Ratings, Best’s Performance Assessments, Best’s Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best’s Ratings & Assessments](#).**

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