

African insurance policy holders can expect greater gains

Insurance policy holders in Africa can now expect greater gains in their portfolios in the coming years, said private equity fund management firm, AFIG Funds at its annual Journée de la Finance.

The event was held in Abidjan, Ivory Coast on 17 February 2016 to increase partnerships and synergies between financial and insurance institutions.

Over 194 companies from 29 countries in North and sub-Saharan Africa were present to listen to finance and insurance industry leaders from across the region.

Unprecedented year-on-year growth

"With over US\$50 billion of collected premiums each year across the continent, and unprecedented year-on-year growth, it is important that African insurers think more strategically about where they invest their portfolios," said Papa Madiaw Ndiaye, Founder and CEO of AFIG Funds.

Key to sustained growth



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"At present, the portfolios of African insurers are essentially made up of real estate investments, term deposits and low yield debt securities. These can either be potentially risky or produce low yields," added Monira Diallo, Investment Manager at AFIG Funds.

"The result is an industry where revenues are increasing but profits are not. A shift to diversify their investment strategies into public markets and alternative assets is key to sustained growth."

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