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Research Update:

Milli Reasurans T.A.S. Turkey National Scale Rating Lowered To 'trA+' After Similar Action On Parent

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Research Update:

Milli Reasurans T.A.S. Turkey National Scale Rating Lowered To 'trA+' After Similar Action On Parent

Overview

- On Aug. 17, 2018, we lowered our issuer credit rating on Türkiye İş Bankası AS (Isbank) to 'B+' from 'BB-'. Consequently, we lowered the Turkey national scale rating on Isbank to 'trA+' from 'trAA'.
- We view Milli Reasurans T.A.S. (Milli Re) as a moderately strategically important subsidiary of Isbank. We therefore limit the rating on Milli Re to that on the parent.
- We are lowering our Turkey national scale rating on Milli Re to 'trA+' from 'trAA'.

Rating Action

On Aug. 17, 2018, S&P Global Ratings lowered its Turkey national scale rating on Milli Reasurans T.A.S. (Milli Re) to 'trA+' from 'trAA'.

Rationale

The rating action follows our lowering of the long-term local and foreign currency ratings on Isbank, Milli Re's parent (see "Six Turkish Financial Institutions Downgraded On Heightened Credit Risks And Ongoing Depreciation Of The Turkish Lira," published Aug. 17, 2018, on RatingsDirect). We view Milli Re as a moderately strategically important subsidiary of Isbank, which is one of Turkey's leading banks and 77%-owner of Milli Re. As a result, we limit the rating on Milli Re to that on the parent, and expect them to move in lockstep.

We could lower or raise our national scale rating on Milli Re if we took a similar action on the parent.

Related Criteria

- General Criteria: Methodology For National And Regional Scale Credit Ratings, June 25, 2018
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- General Criteria: Ratings Above The Sovereign--Corporate And Government

Ratings: Methodology And Assumptions, Nov. 19, 2013

- Criteria - Insurance - General: Enterprise Risk Management, May 7, 2013
- Criteria - Insurance - General: Insurers: Rating Methodology, May 7, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- Criteria - Insurance - General: Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model, June 7, 2010
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Related Research

- Six Turkish Financial Institutions Downgraded On Heightened Credit Risks And Ongoing Depreciation Of The Turkish Lira, Aug. 17, 2018
- Turkey Long-Term Foreign Currency Rating Lowered To 'B+' On Implications Of Extreme Lira Volatility; Outlook Stable, Aug. 17, 2018

Ratings List

Downgraded

	To	From
Milli Reasurans T.A.S. Issuer Credit Rating Turkey National Scale	trA+/--/--	trAA/--/--

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