Best's National Scale Ratings: An Overview

A Best's National Scale Rating (NSR) is a relative opinion of financial strength among companies within a country.

NSRs were created to address country-specific limiting factors within each country—including economic, political and financial system risks, and other insurance industry factors.

All insurers that enter AM Best's NSR process are first assigned a global Issuer Credit Rating (ICR), which is an independent opinion of an entity's ability to meet its ongoing financial obligations and is the basis for the NSR.

The NSR is determined using a country-specific ICR-to-NSR mapping table.

National Scale Mapping

Thailand National Scale Mapping

Global ICR Scale	Thailand National Scale
bbb+ or above	aaa.TH
bbb	aa+.TH
bbb-	aa.TH
bb+	aa-.TH
bb	a+.TH to a.TH
bb-	a-.TH to bbb+.TH
b+	bbb.TH to bbb-.TH
b	bb+.TH to bb.TH
b-	bb-.TH
ccc+	b+.TH to b.TH
ccc	b-.TH to ccc+.TH
ccc-	ccc.TH
cc	ccc-.TH to cc.TH
c	c.TH

Indonesia National Scale Mapping

Global ICR Scale	Indonesia National Scale
bbb+ or above	aaa.ID
bbb	aa+.ID
bbb-	aa.ID
bb+	aa-.ID to a+.ID
bb	a.ID to a-.ID
bb-	bbb+.ID
b+	bbb.ID to bbb-.ID
b	bb+.ID to bb.ID
b-	bb-.ID
ccc+	b+.ID to b.ID
ccc	b-.ID
ccc-	ccc+.ID to ccc.ID
cc	ccc-.ID to cc.ID
c	c.ID

Philippines National Scale Mapping

Global ICR Scale	Philippines National Scale
bbb+ or above	aaa.PH
bbb	aa+.PH
bbb-	aa.PH
bb+	aa-.PH to a+.PH
bb	a.PH to a-.PH
bb-	bbb+.PH
b+	bbb.PH to bbb-.PH
b	bb+.PH to bb.PH
b-	bb-.PH
ccc+	b+.PH to b.PH
ccc	b-.PH
ccc-	ccc+.PH to ccc.PH
cc	ccc-.PH to cc.PH
c	c.PH

India National Scale Mapping

Global ICR Scale	India National Scale
bbb or above	aaa.IN
bbb-	aa+.IN
bb+	aa.IN
bb	aa-.IN to a+.IN
bb-	a.IN to a-.IN
b+	bbb+.IN to bbb.IN
b	bbb-.IN to bb+.IN
b-	bb.IN to bb-.IN
ccc+	b+.IN
ccc	b.IN to b-.IN
ccc-	ccc+.IN to ccc.IN
cc	ccc-.IN to cc.IN
c	c.IN

Vietnam National Scale Mapping

Global ICR Scale	Vietnam National Scale
bbb- or above	aaa.VN
bb+	aa+.VN
bb	aa.VN to aa-.VN
bb-	a+.VN to a.VN
b+	a-.VN to bbb+.VN
b	bbb.VN to bbb-.VN
b-	bb+.VN to bb.VN
ccc+	bb-.VN to b+.VN
ccc	b.VN to b-.VN
ccc-	ccc+.VN to ccc.VN
cc	ccc-.VN to cc.VN
c	c.VN

Best's Credit Rating Process

The duration from signed contract to ratings announcement is about eight to twelve weeks.

1 **Rating Engagement and Contract/Fee**
Once a contract is signed and returned and the fee paid, the company is assigned a rating analyst, and the interactive rating process commences.

2 **Compile Information**
The assigned analyst collects public and proprietary financial information and data to develop a tailored meeting agenda.

3 **Perform Analysis**
AM Best incorporates a host of quantitative and qualitative measures to evaluate the organisation's financial strength.

4 **Determine Best's Credit Rating**
The AM Best rating committee ensures rating consistency and maintains the integrity of the rating process and methodology.

5 **Disseminate Best's Credit Rating**
If the initial Best's Credit Rating is accepted, it is distributed via the AM Best website, press releases and print/digital publications. The company can choose to keep the rating private. Private BCRs are disseminated to the rated entity only.

6 **Monitor Best's Credit Rating**
AM Best regularly monitors the rating by continually analysing the organisation's creditworthiness.

Mapping Global ICRs to NSRs

The evaluation of the distribution of financial strength in a country is assessed through nine individual factors:

1. Reported Capital & Surplus
2. Ratio of Cash & Fixed Income Investments to Total Investments
3. Gross Leverage Ratio
4. Gross Premiums Written
5. Return on Equity
6. Return on Assets
7. Retention Ratio
8. Combined Ratio
9. Reported Assets

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