

Insura re

NICOZDIAMOND
INSURANCE LIMITED
You never know what will happen

SEPTEMBER 2020 NEWSLETTER



Financial Strength

Fire Prevention Tips for
Households

Managing Your Mental Health
during a Pandemic



NicozDiamond retains A+ GCR rating

As we move through our life journey, the importance of insurance becomes more evident. Simply put, insurance is all about providing a financial safety net that helps you to take care of yourself and those you love when you need it the most. It is for this reason that you would want secure your valuable assets with an insurance company financially strong enough to pay the claims in case of an eventuality. An insurance company's financial strength is rated by credit rating experts and such ratings also give consumers better knowledge of the competency, standard and performance of a company, so they can make an informed decision over whether to choose a specific company as their insurer.

Credit rating companies look at anything that may impact the ability of an insurance company to stay solvent in times of a major crisis. They also conduct "stress tests" of a company's finances, looking at what may happen, for example, if an insurance company had to deal with more than five catastrophes in the same year.

The rating companies also consider what may happen in very difficult economic conditions, such as a major recession impacting premiums and new business, or a sustained period of low interest rates, which would depress the earnings an insurance company would receive from its portfolio – a critical component for many insurance companies. The insurance company rating agency then assigns a letter grade as a kind of market shorthand for the strength and stability of any rated insurance company.

It is against this background that we are excited to share that NicozDiamond has consistently enjoyed an A+ (ZW) rating for financial strength, which was awarded and recently reaffirmed by the Global Credit Rating Company (GCR).

GCR is a leading credit rating services provider, which rates the full spectrum of security classes and accords both international scale and national scale ratings, and together with its international affiliates, rates almost 3000 organisations and debt issues spanning four continents.

NicozDiamond's rating reflects the company's healthy business profile and above peer group resilience in safeguarding intermediate earnings and strong risk adjusted capitalisation within a hyperinflationary environment.

NicozDiamond's competitive position has remained strong, with the insurer occupying a top tier position in the domestic short-term insurance market. The business holds a stable and significant market share, largely supported by long standing market relationships and strong brand equity within the domestic market. In addition to organic growth, the recent addition of a portfolio of risks following the insurer's acquisition by First Mutual Holdings Limited ("FMHL") provided further benefits, countering competitive pressures arising from intensifying market dynamics.

To uphold this prestigious accolade, the business commits to sustain the real value of its portfolio and stay abreast of rapidly changing consumer tastes and expectations through delivering innovative risk solutions.





Fire Prevention Tips for Households

It is important to manage the risk of disaster such as fire and other dangers from destroying your home, building and contents.

Preventing a fire in the home can be accomplished by being cautious and being prepared for hazards, particularly in this summer season. It is important to manage the risk of disaster such as fire and other dangers from destroying your home, building and contents.

Contrary to the general belief that fires only occur at large industrial sites, a fair proportion of the fires actually occur in residential areas. However, the sad reality is that unlike businesses, a number of domestic households remain uninsured leaving the owners exposed to the risk of fire and its associated threats. In this edition of our regular communication with you, our valued stakeholder, we take the liberty to offer these important home fire safety tips:

When cooking using a gas stove, make fire safety a priority by keeping these tips in mind:

- Be alert; if you are sleepy or have consumed alcohol, don't use the oven or stove.
- Stay in the kitchen while you are frying, grilling, boiling or broiling food
- When simmering, baking or roasting, check the food regularly, remain in the kitchen while cooking.
- Keep anything that can catch fire away from your stove.

In addition to cooking, other top causes of fire include smoking, electrical problems and candles. In order to minimise risks adhere to the following:

1. Maintain All Cords

Before you plug something in, make sure that the cord has not been frayed or chewed. If you do notice damaged wires, replace them as soon as possible because these pose a huge fire hazard. In addition, check your cord placement. Do not run extension cables under rugs, carpets or between your wall and furniture as they tend to get hot, wear easily and may develop a short which can cause a fire.

Nails or staples used to attach electrical cords to the walls or baseboards can damage the cords and cause fire or shock hazards. Tape cords to walls or floors instead of using nails or staples.

2. Switch of all appliances immediately after a power outage

With load shedding, which now appears to have been resuscitated, it is important to unplug or switch off all appliances that are not in use to prevent them turning on unattended when power is restored. Adhering to this protects these items from electricity spikes or surges. Ensure fire safety, save lives and save property!

3. Don't overload electrical circuits with too many appliances

If your fuses are blowing or your circuit breakers are popping, hire an electrician to examine your system. An electrical outlet or switch that is unusually warm or hot to the touch may indicate a potentially dangerous wiring condition. In such a situation unplug cords, avoid using switches, and call an electrician to check the wiring.

4. Use Correct Bulb Wattage

Ceiling fixtures and sunken lights trap heat. Since overheating can lead to fire, don't use a high-wattage bulb in such a fixture. If you don't know the correct wattage, use a bulb of 60 or fewer watts.

5. Properly Store Flammable Products

Flammable liquids, such as gasoline, should be safely stored outside in their original containers. Should you need to keep fuel at home, store it in a garage or shed which is distanced far from the house and in a container approved for fuel storage as it is highly combustible. Household cleaners and common cosmetic items such as hairspray and shaving cream can be hazardous if they are exposed to a large heat source as they can combust. Close the lids on all flammable products and keep them away from heaters, and store them safely in a cool dry area.

6. Keep Fire Extinguishers Around

Fire extinguishers are your best defense weapon when a fire breaks out. Ensure you have one in every room that poses a potential fire threat, such as the kitchen. Every family member should know how to use an extinguisher so that in the event of a fire, it can be extinguished as fast as possible.

7. Protect Children

Give a curious child a match and disaster is bound to happen. To stop children from playing with flame and unintentionally starting a fire, lock away matches and lighters. Teach kids that fire isn't a toy, and never leave any young person unattended with stoves, candles, fireplaces, or other flame-producing objects. There is nothing more devastating than losing everything you own to house fires. Your home is like a member of your family. It's where you make your most precious memories, so you owe it to yourself to protect it.





Managing Your Mental Health during a Pandemic

According to the Mental Health Foundation, infectious disease outbreaks, like the current corona virus (COVID-19), can be scary and can affect our mental health as we are having to make huge changes to our daily routines.

The COVID-19 pandemic has greatly changed the way we live. According to the Mental Health Foundation, infectious disease outbreaks, like the current corona virus (COVID-19), can be scary and can affect our mental health as we are having to make huge changes to our daily routines.

The new realities of working from home, temporary unemployment, home-schooling of children, and lack of physical contact with other family members, friends and colleagues takes time to get used to. Adapting to lifestyle changes such as these, and managing the fear of contracting the virus and worry about people close to us who are particularly vulnerable, are challenging to all of us.

Fortunately, there are plenty of things that we can do to look after our mental health and to help others who may need some extra support and care. Here are tips and advice that we hope you will find useful at a time when there is much discussion of potential threats to our mental health.

1. Keep informed. Rumours and speculation can fuel anxiety. Having access to good quality information about the virus can help you feel more in control. Listen to advice and recommendations from your national and local authorities. Follow trusted news channels and keep up-to-date with the latest news from reliable social media channels.


2. Minimise newsfeeds. Try to reduce how much you watch, read or listen to news that makes you feel anxious or distressed. Seek the latest information at specific times of the day, once or twice a day if needed.


3. Maintain regular routines. According to clinical psychologists, you need to keep up with daily routines as far as possible, or create new ones that prioritise looking after yourself for example:


- Get up and go to bed at similar times every day.
- Eat healthy meals at regular times.
- Have a regular exercise routine.
- Allocate time for working and time for resting.
- Learn something new.
- Make time for doing things you enjoy.

4. Stay Socially Connected. Due to lockdown restrictions on movements, keep in regular contact with people close to you by telephone and online channels.


5. Alcohol and drug use. Avoid using alcohol and drugs as a way of dealing with fear, anxiety, boredom and social isolation. Beware that alcohol and drug use may prevent you from taking sufficient precautions to protect yourself again infection, such as compliance with hand hygiene, wearing of mask and social distancing.

6.  **Screen time.** Be aware of how much time you spend in front of a screen every day. Make sure that you take regular breaks from on-screen activities.

7.  **Social media** Use your social media accounts to promote positive and hopeful stories. Correct misinformation wherever you see it.

8.  **Don't discriminate** Fear is a normal reaction in situations of uncertainty. BWWut sometimes fear is expressed in ways which are hurtful to other people. Remember:

- Be kind. Don't discriminate against people because of your fears of the spread of COVID-19.
- Don't discriminate against people who you think may have coronavirus.
- Don't discriminate against health workers. Health workers deserve our respect and gratitude.
- COVID-19 has affected people from many countries. Don't attribute it to any specific group.

9.  **If you are a parent/guardian** According to WHO, in times of stress, it is common for children to seek more of your attention.

- Maintain familiar routines as much as possible, or create new ones, especially if you must stay at home.
- Discuss the new coronavirus with your children in an honest way, using age-appropriate language.
- Support your children with at-home learning and make sure time is set aside for play.
- Help children find positive ways to express feelings such as fear and sadness. Sometimes engaging in a creative activity, such as playing or drawing, can help you with this process.
- Help children stay in contact with friends and family members through telephone and online channels.
- Make sure that your children have time away from screens every day and spend time doing off-line activities together. Do something creative: draw a picture, write a poem, and build something. Bake a cake, sing or dance, or play in your garden, if you have one.
- Try and ensure that your children do not spend significantly more time than usual on video games.



Did you know?



First Mutual Wealth (FMW), a subsidiary of First Mutual Holdings Limited is a registered investment company under the Securities and Exchange Commission. We offer a variety of wholesale investment products in the form of stand-alone segregated portfolios to pension funds, manages the First Mutual Group companies' investment portfolios, high networth clients whilst also offering unit trust products to the retail mass market. The product portfolio is designed to meet investors with various risk profiles thereby meeting the different and unique client needs. Our research team provides in-depth research that allows us to deliver sustainable investment performance for growth whilst also employing a rigorous risk management framework for investment security.

First Mutual Wealth operates 6 Unit Trust Schemes supported by various asset classes. These are pooled investments and Fund Manager has a full discretion mandate. All investments placed with First Mutual Wealth are not guaranteed from Exchange Rate risk or other Policy implementations which affect broad economics. Investors can have exposure in all the fund types if they so desire while High Net Worth investors can place their investments in Growth Funds. Income is earned through capital appreciation (for capital market instruments and property) as well as interest income, rentals and dividends declared. Investor chooses funds that are suitable for their investment objectives and liability profile. Money market related products are generally suitable for investors who desire to invest for short term periods with low risk on capital with respective lower returns accruing to them. Equity, Growth and Balanced Fund investments are Stock Exchange linked and suitable for long term investors. These offer access to performance of listed shares, capital value preservation especially during inflationary periods and on average yield higher returns when compared to other funds.

MONEY MARKET FUND

- Fund is suitable for risk averse investors requiring regular income.
- Investable assets include Bankers Acceptances (BAs) and Negotiable Certificates of Deposits (NCDs) amongst others.
- Minimum investment period is 1 month.
- Interest Accrues daily but is payable monthly (reinvested or paid out).
- Interest Rate not fixed but varies with market conditions and portfolio assets.
- Minimum Initial Deposit of ZWL500 and monthly top deposit of ZWL500 thereafter.
- Flexible withdrawal terms.

MONEY MARKET GROSS FUND

- Tailor made for tax exempt investors who can be pensioners, church institutions, not for profit organisations and schools amongst others.
- Tax free income for pensioners is currently set at ZWL3,000 and is subject to review.
- Besides the above factors, the Fund is similar to the Money Market Fund.
- Minimum Initial Deposit of ZWL1,000 and monthly top up deposit of ZWL1,000 thereafter.

BOND FUND

- Fund is suitable for investors with low risk appetite but still requiring periodic income.
- Interest rates higher than money market overall.
- Minimum investment period is 1 year but the Fund Manager recommends 3 to 5 years.
- Interest Rate not fixed but varies with market conditions and portfolio assets.
- Minimum Initial Deposit of ZWL1,000 and monthly top up deposit of ZWL1,000 thereafter.

GENERAL EQUITY FUND

- Fund is suitable for investors with a higher risk tolerance level and can withstand market value fluctuations.
- The Fund provides potential for capital growth and dividend income.
- The Fund invests in equities listed on the Zimbabwe Stock Exchange.
- Minimum investment period is 1 year but the recommended horizon is 3 to 5 years.
- Unit values may rise or drop in line with the portfolio's share prices.
- Minimum Initial Deposit of ZWL500 and monthly top up deposit of ZWL500 thereafter

BALANCED FUND

- The Fund offers investors an opportunity for both capital growth and income maximization with moderate risk.
- The Fund invests in listed equities, bonds and money market instruments and income is earned through interest and dividends.
- Returns are less volatile than those of an equity only fund.
- Portfolio mix will vary from time to time depending with market conditions.
- Minimum investment period is 1 year but the recommended horizon is 3 to 5 years.
- Unit values may rise or drop in line with the portfolio's share prices.
- Minimum Initial Deposit of ZWL500 and monthly top up deposit of ZWL500 thereafter

FIRST MUTUAL WEALTH GROWTH FUND

- Pooled Investment scheme suitable for High Net-Worth (HNW) individuals and select Institutional investors. As a matter of record, HNW clients largely refers to individuals with large free funds to invest.
- Investment objective and strategy of the Fund is of an aggressive nature so as to maximize periodic returns.
- Fund has a maintained minimum exposure of 100% in quoted equities.
- It offers value preservation through holding of real equity assets while also maintain a liquidity buffer through dividend receipts.
- Minimum Initial Deposit of ZWL50,000 and monthly top up deposit of ZWL5,000 thereafter.

For further information, please contact the Client Relationship Management team:

tmatuku@firstmutual.co.zw or
fcharumbira@firstmutual.co.zw

A Cut Above The Best

Global A rated claims paying ability, a solid balance sheet backed by First Mutual Holdings Limited and deep knowledge of the unique demands of Zimbabwe's dynamic economic environment, all make us the short-term insurer to beat in Zimbabwe.

If you are looking for a short-term insurer who truly understands the demands of great success, there is only one choice: the brand at the pinnacle of great customer service and product innovation - NicozDiamond Insurance Limited.



Motor | Business | Home | Farming | Engineering | Marine | Liabilities | Travel | Golfers

NICOZDIAMOND INSURANCE LIMITED

Insurance Centre,
30 Samora Machel Avenue,
Harare, Zimbabwe
Tel: 0242 704911-4, 0242 251008, 0242 251015
Email: info@nicozdiamond.co.zw
Website: www.nicozdiamond.co.zw



NICOZDIAMOND
INSURANCE LIMITED

A member of FIRST MUTUAL HOLDINGS LIMITED