

# RMI to trade under new name

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RAND Merchant Insurance (RMI) will be renamed Rand Merchant Investment Holdings and will trade under the new name on the JSE with effect from Monday next week.

This is in line with its updated strategy to invest in the broader financial services sector and beyond the insurance industry. The Rand Merchant Insurance entity was listed in 2011 after Rand Merchant Bank Holdings (RMBH) restructured to create separate entities in banking and insurance. In that process, FirstRand became a pure banking play after unbundling insurance assets. In that restructuring MMI, Discovery, OUTSurance

and RMB Structured Insurance were placed under the Rand Merchant Insurance stable.

Since listing as an insurance-focused investment holding company, the Rand Merchant Insurance share price has moved from a low of about R10.63 in 2011 to about R35.

In 2013, the company crafted a new strategy that would see it diversify beyond insurance holdings in order to add more value for shareholders. As part of its plans to build a diversified investment company exposed to the financial services sector, it said last year it would also issue R15bn worth of debt through a domestic medium-term note and preference share programme.

As it adopts the name Rand Merchant Investments Holdings

and diversifies beyond insurance assets, the company has already set up an entity known as RMI Investment Managers.

This entity has already taken stakes of 25% to 30% in asset-management businesses Tantalum Capital, Northstar, Perpetua and Coreshares. Before its year-end, RMI also brought in the fixed-income team from Cadiz.

Rand Merchant Investment Holdings plans to have a portfolio of about 10 new businesses in the next two to three years.

Last year, it bought a 25% stake in the small- and medium-sized enterprises lender, Merchant Capital, a firm founded to respond to the lack of funding options available to small- and medium-sized enterprises. •  
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