
Principal's Mexico retirement business acquires MetLife's

By Editorial Staff Thu, Feb 22, 2018

After the purchase, Principal in Mexico will manage around 3.4 million individual accounts for retirement with the equivalent of US\$12.3 billion of assets under management at the current exchange rate of Mex\$18.65 to US\$1.

Principal Financial Group has completed its acquisition of MetLife, Inc.'s pension fund management business in Mexico, Afore, S.A. de C.V., attaining full regulatory approval for the deal, the insurance and retirement firm said this week.

Afore is an acronym that in Mexico stands for Administrator of Funds for Retirement. After merging MetLife's Afore with Principal's, Principal Afore, S.A. de C.V. will be Mexico's fifth largest Afore, with a more than seven percent market share.

After the purchase, Principal in Mexico will manage around 3.4 million individual accounts for retirement with the equivalent of US\$12.3 billion of assets under management at the current exchange rate of Mex\$18.65 to US\$1.

"Mexico is a growing and important market for Principal," said Luis Valdes, president of Principal International, the global pension business of Principal Financial Group, in a release. Unless MetLife Afore clients request a transfer of their individual accounts to another Afore, they will become clients of Principal Afore over the next 90 days.

© 2018 RIJ Publishing LLC. All rights reserved.