

Media Release:

2020 Taiwan Ratings Corp. Corporate And Structured Finance Default And Rating Transition Studies Published

June 3, 2021

The stability of Taiwan Ratings Corp.'s corporate ratings--as measured by the percentage of issuers with the same ratings at the end of the year as at the beginning--fell to 87.3% in 2020 from 88.4% in 2019. That's according to the report, titled "**2020 Annual Taiwan Ratings Corp. Corporate Default And Rating Transition Study**" that Taiwan Ratings published today. The percentage of upgrades among total rating actions fell to 2% from 4.1%, and downgrades rose to 6.7% from 3.4%. There were no defaults for the fourth straight year.

Taiwan Ratings Corp.'s ratings continue to clearly correspond with default remoteness, with default rates among investment-grade ratings well below those among speculative-grade ratings across all time frames, consistent with S&P Global Ratings' global scale ratings.

Meanwhile, among TRC's structured finance ratings, there were no rating actions in 2020, according to the "**2020 Annual Taiwan Structured Finance Default And Rating Transition Study**," also published today.

The lifetime upgrade rate fell to 47.3% in 2020, and the lifetime downgrade rate fell to 11.8%. Of the 93 structured finance ratings assigned since the beginning of 2003, there have been five defaults, resulting in an overall lifetime default rate of 5.4% in 2020.

The full reports are available to members of the public at www.taiwanratings.com or for our subscribers at <https://rrs.taiwanratings.com.tw/portal/member>. Members of the media can obtain copies by contacting Simon Chen at +886-2-2175-6871 or via email at simon.chen@taiwanratings.com.tw.

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