

## Research Update

# Mega International Commercial Bank Co. Ltd. Ratings Affirmed At 'twAA+/twA-1+'; Outlook Stable

September 26, 2019

## Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA+' long-term and 'twA-1+' short-term issuer credit ratings on **Mega International Commercial Bank Co. Ltd.** (Mega Bank). The outlook on the long-term rating is stable. At the same time, we affirmed the issue ratings on the bank's various unsecured senior and subordinated debentures.

The ratings on Mega Bank reflect the bank's well-established franchise especially in Taiwan's foreign exchange and offshore banking businesses, above-average overseas diversification, strong capitalization, and adequate funding and liquidity supported by a strong corporate banking franchise. The ratings also reflect our belief in the likelihood of implicit support from the government of Taiwan in times that the bank experiences financial distress. That's based on our view of the bank's high systemic importance in Taiwan's financial sector and foreign exchange market. These strengths are somewhat tempered by the bank's slightly moderate profitability by international standards

## Related Criteria

- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- Criteria | Financial Institutions | Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions - July 17, 2013
- Criteria | Financial Institutions | Banks: Banks: Rating Methodology And Assumptions - November 09, 2011
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - November 09, 2011
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- Understanding Taiwan Ratings' Rating Definitions - June 26, 2018
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018
- General Criteria: Group Rating Methodology - July 01, 2019
- TRC Financial Services Issue Credit Rating Criteria - July 31, 2019

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### PRIMARY CREDIT ANALYST

**Eunice Fan**  
Taipei  
+886-2-8722-5818  
eunice.fan  
@spglobal.com  
eunice.fan  
@taiwanratings.com.tw

### SECONDARY CONTACT

**Eva Chou**  
Taipei  
+886-2-8722-5822  
eva.chou  
@taiwanratings.com.tw  
eva.chou  
@spglobal.com

# Ratings List

## Ratings Affirmed

### Mega International Commercial Bank Co. Ltd

Issuer Credit Ratings	twAA+/Stable/twA-1+
Senior Debenture	twAA+
Unsecured Subordinated Debenture	twAA-

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