Research Update

Union Bank of Taiwan Ratings Affirmed At 'twA/twA-1'; Outlook Stable

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Rating Action

Taiwan Ratings Corp. affirmed its 'twA' long-term and 'twA-1' short-term issuer credit ratings on **Union Bank of Taiwan**. The outlook on the long-term rating is stable. At the same time, we affirmed our 'twBBB+' issue rating on the bank's unsecured subordinate debentures.

Our ratings on Union Bank reflect the bank's strong capital base relative to risk profile, as well as its adequate funding and liquidity profile. However, the bank's relatively small operating scale, higher risk concentration on the cyclical real estate sector, and higher risk appetite compared with domestic peers somewhat offsets these strengths

Related Criteria

- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- Understanding Taiwan Ratings' Rating Definitions, www.taiwanratings.com - June 26, 2018
- General Criteria: Hybrid Capital: Methodology And Assumptions - July 01, 2019
- General Criteria: Group Rating Methodology - July 01, 2019
- 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
- TRC Financial Services Sector Issue Credit Rating Criteria, www.taiwanratings.com - September 23, 2014

(Unless otherwise stated, these articles are published on www.standardandpoors.com, access to which requires a registered account)

Ratings List

Ratings Affirmed

Union Bank of Taiwan Co. Ltd.	
Issuer Credit Rating	twA/Stable/twA-1
Issue Credit Rating	twBBB+