

Research Update:

Ratings On Taiwan Cooperative Securities Co. Ltd. Affirmed At 'twAA-/twA-1+'; Outlook Stable

January 16, 2020

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA-' long-term and 'twA-1+' short-term issuer credit ratings on **Taiwan Cooperative Securities Co. Ltd.** The outlook on the long-term rating is stable.

The ratings on Taiwan Cooperative Securities reflect our view of strong implicit support from its parent **Taiwan Cooperative Financial Holding Co. Ltd.** group, given our view of the firm's highly strategic status within the group. The ratings also reflect Taiwan Cooperative Securities' very strong capitalization and adequate funding and liquidity profile, which benefits from the company's association with the parent group. Nonetheless, these credit strengths are partly offset by the securities company's relatively small operating scale in the local securities industry, as well as its higher-than average concentration on single-name exposure relative to its capital base.

Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- Criteria | Financial Institutions | General: Nonbank Financial Institutions Rating Methodology - December 09, 2014
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - November 09, 2011
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009

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PRIMARY CREDIT ANALYST

Patty Wang

Taipei

+886-2-8722-5823

patty.wang

@spglobal.com

patty.wang

@taiwanratings.com.tw

SECONDARY CONTACT

Eunice Fan

Taipei

+886-2-8722-5818

eunice.fan

@spglobal.com

eunice.fan

@taiwanratings.com.tw

Ratings List

Ratings Affirmed

Taiwan Cooperative Securities Co. Ltd.

Issuer Credit Rating	twAA-/Stable/twA-1+
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Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.taiwanratings.com for further information. Complete ratings information is available to subscribers of Rating Research Service at rrs.taiwanratings.com.tw. All ratings affected by this rating action can be found on Taiwan Ratings' public website at www.taiwanratings.com.

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