

Research Update:

# Yuanta Financial Holding Co. Ltd. Ratings 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 **Yuanta Financial Holding Co. Ltd.** The outlook on the long-term rating is stable. The ratings on the holding company reflect the Yuanta group's strong capitalization on a consolidated basis and leading position in Taiwan's securities-related market. Several factors offset the holding company's strengths. These include the group's market risk exposure that is sensitive to Taiwan's volatile stock market, and strategies to pursue above-average growth at its banking arm, **Yuanta Commercial Bank**. In addition, the ratings reflect the holding company's relative subordination to its major operating subsidiaries.

## Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- Understanding Taiwan Ratings' Rating Definitions - June 26, 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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## Ratings List

### Ratings Affirmed

#### Yuanta Financial Holding Co. Ltd.

Issuer Credit Rating	twAA-/Stable/twA-1+
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