

Research Update:

Yuanta Securities Finance Co. Ltd. Ratings Affirmed At 'twAA/twA-1+'; Outlook Stable

January 17, 2020

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA' long-term and 'twA-1+' short-term issuer credit ratings on **Yuanta Securities Finance Co. Ltd.** The outlook on the long-term rating is stable. The ratings on Yuanta Securities Finance reflect potential financial support from the parent **Yuanta Financial Holding Co. Ltd.** group as well as the securities finance company's very strong capitalization relative to its risk profile and satisfactory position in margin-lending business. The limited potential for the company to diversify its business scope, and its reliance on short-term confidence-sensitive funding temper these strengths.

Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- Understanding Taiwan Ratings' Rating Definitions, www.taiwanratings.com - 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: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions - July 17, 2013
- 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

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

Ratings List

Ratings Affirmed

Yuanta Securities Finance Co. Ltd.

Issuer Credit Rating

twAA/Stable/twA-1+

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