

Research Update:

# Union Insurance Co. Ltd. Ratings Affirmed At 'twAA'; Outlook Stable

September 22, 2020

## Rationale

Taiwan Ratings Corp. today affirmed its 'twAA' long-term insurer financial strength and issuer credit ratings on Taiwan-domiciled **Union Insurance Co. Ltd.** The outlook on the ratings is stable. The ratings on Union Insurance reflect our view of the insurer's very strong capital and earnings over the next one to two years, sufficient liquidity and cash flow, and diversified asset allocation of investment portfolios. Union Insurance also has a stable market position, steady operating performance, and a medium level of controlled distribution channels, in our view. Counterbalancing strengths are the insurer's relatively small scale and its small capital base in the domestic market.

## Related Criteria & Research

### Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018
- Criteria | Insurance | General: Insurers Rating Methodology - July 01, 2019
- Criteria | Insurance | General: Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model - June 07, 2010

### Related Research

- Taiwan Ratings' Ratings Definitions – August 10, 2020

(Unless otherwise stated, these articles are published on [www.taiwanratings.com](http://www.taiwanratings.com))

## Ratings List

### Ratings Affirmed

#### Union Insurance Co. Ltd.

Issuer Credit Rating	twAA/Stable
Financial Strength Rating	twAA/Stable

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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](http://www.taiwanratings.com) for further information. Complete ratings information is available to subscribers of Rating Research Service at [rrs.taiwanratings.com.tw](http://rrs.taiwanratings.com.tw). All ratings affected by this rating action can be found on Taiwan Ratings' public website at [www.taiwanratings.com](http://www.taiwanratings.com).

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