

Research Update:

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

September 29, 2020

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAAA' long-term and 'twA-1+' short-term issuer credit ratings on **Bank of Taiwan**. The outlook on the long-term rating is stable. At the same time, we affirmed the issue ratings on the bank's various unsecured subordinated debentures (see ratings list).

The ratings on Bank of Taiwan reflect our view of an extremely high likelihood that the Taiwan government would provide timely, sufficient, and extraordinary support to Bank of Taiwan if necessary. The ratings also reflect the bank's solid domestic franchise and market position, strong customer base with superior funding profile, as well as its below-average profitability compared with domestic peers.

Related Criteria & Research

Related Criteria

- General Criteria: Group Rating Methodology, Jul 01 2019
- General Criteria: Methodology For National And Regional Scale Credit Ratings, Jun 25 2018
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, Jul 20 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, Apr 07 2017
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, Mar 25 2015
- Criteria | Financial Institutions | Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, Jul 17 2013
- Criteria | Financial Institutions | Banks: Banks: Rating Methodology And Assumptions, Nov 09 2011
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Nov 09 2011
- General Criteria: Principles Of Credit Ratings, Feb 16 2011

Related Research

- Taiwan Ratings' Ratings Definitions – August 10, 2020

(Unless otherwise stated, these articles are published on www.taiwanratings.com)

PRIMARY CREDIT ANALYST

Serene Hsieh, CPA, FRM
Taipei
+886-2-8722-5820
serene.hsieh
@spglobal.com
serene.hsieh
@taiwanratings.com.tw

SECONDARY CONTACT

Yuhan Lan
Taipei
+886-2-8722-5810
yuhan.lan
@spglobal.com
yuhan.lan
@taiwanratings.com.tw

Ratings List

Ratings Affirmed

Bank of Taiwan

Issuer Credit Rating	twAAA/Stable/twA-1+
Unsecured Subordinated Debenture Issue Credit Rating	twAA+

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