

Research Update:

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

December 18, 2020

Rating Action

Taiwan Ratings Corp. affirmed its 'twA' long-term and 'twA-1' short-term issuer credit ratings on **Union Bank of Taiwan**. The outlook on the long-term rating is stable. At the same time, we affirmed our 'twBBB+' issue rating on the bank's unsecured subordinate debentures.

Our ratings on Union Bank reflect the bank's strong capital base relative to risk profile, as well as its adequate funding and liquidity profile. However, the bank's relatively small presence in the domestic market and above-average risk concentration on the real estate related lending somewhat offsets these strengths.

Related Criteria & Research

Related Criteria

- TRC Financial Services Issue Credit Rating Criteria - July 31, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions - July 01, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- Criteria | Financial Institutions | Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions - July 17, 2013
- Criteria | Financial Institutions | Banks: Banks: Rating Methodology And Assumptions - November 09, 2011
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - November 09, 2011
- General Criteria: Principles Of Credit Ratings - February 16, 2011
- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018

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Related Research

- Taiwan Ratings' Ratings Definitions – August 10, 2020

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Ratings List

Ratings Affirmed

Union Bank of Taiwan	
Issuer Credit Rating	twA/Stable/twA-1
Issue Credit Rating	twBBB+

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