

Research Update:

China Life Insurance Co. Ltd. Ratings Affirmed At 'twAA'; Outlook Stable

July 23, 2021

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA' long-term issuer credit rating and financial strength rating on **China Life Insurance Co. Ltd.** The outlook on the ratings is stable.

The ratings continue to reflect China Life's strong competitive position in the local market with satisfactory record of above-average profitability. The ratings also reflect the insurer's above-average capital buffer and lower weighting in equity of its investment portfolio than the domestic industry average. Counterbalancing these strengths are the insurer's higher investment concentration risk on the financial sector and foreign exchange exposure by global standards as well as the vulnerability of its capital adequacy to external volatilities, which is an industry trait in Taiwan.

Related Criteria & Research

Related Criteria

- Criteria | Insurance | General: Insurers Rating Methodology - July 01, 2019
- General Criteria: Principles Of Credit Ratings - February 16, 2011
- Criteria | Insurance | General: Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model - June 07, 2010
- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Methodology For National And Regional Scale Credit Ratings - June 25, 2018

Related Research

- Taiwan Ratings' Ratings Definitions – August 10, 2020

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

Ratings List

Ratings Affirmed

China Life Insurance Co. Ltd.

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

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