

Research Update:

The Shanghai Commercial & Savings Bank Ltd. Ratings Affirmed At 'twAA/twA-1+'; Outlook Stable

December 16, 2022

Rating Action

Taiwan Ratings Corp today affirmed its 'twAA' long-term and 'twA-1+' short-term issuer credit ratings on **The Shanghai Commercial & Savings Bank Ltd.** The outlook on the long-term rating is stable. At the same time, we affirmed our ratings on the bank's various subordinated unsecured debentures (see Ratings List).

The ratings on Shanghai Commercial & Savings Bank reflect the bank's strong capitalization on a consolidated basis, satisfactory risk management with good record of credit loss experience for its Taiwan operations, established franchise in trade finance and cross-strait corporate banking business in Taiwan, as well as adequate funding and liquidity. This is despite the bank's relatively small scale by domestic comparison, given that keen competition somewhat constrains its profitability in Taiwan.

Related Criteria & Research

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- 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
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - December 09, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology - December 09, 2021
- General Criteria: Hybrid Capital: Methodology And Assumptions - March 02, 2022
- TRC Financial Services Issue Credit Rating Criteria - July 31, 2019

Related Research

- Taiwan Ratings' Ratings Definitions – November 11, 2021

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Ratings List

Ratings Affirmed

The Shanghai Commercial & Savings Bank Ltd.

Issuer Credit Rating	twAA/Stable/twA-1+
Unsecured Subordinated Debenture (NDSD)	twAA-
Unsecured Subordinated Debenture (with NVCC)	twA+

NDSD--Non-deferrable subordinated debt; NVCC-Non viability contingent capital.

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