

Research Update:

Chang Hwa Commercial Bank Ltd. Ratings Affirmed At 'twAA+/twA-1+'; Outlook Stable

October 27, 2023

Rating Action

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

The ratings reflect our assessment of Chang Hwa Bank's strong capitalization relative to its risk profile, its good domestic market positions supported by an established banking franchise, as well as its adequate funding and liquidity profile. The ratings also reflect the bank's moderate systemic importance in Taiwan's banking system with a high likelihood of support from the Taiwan government. Chang Hwa Bank's relatively concentrated business profile primarily in traditional lending business and moderate profitability by global standard temper these strengths.

Related Criteria & Research

Related Criteria

- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- General Criteria: Hybrid Capital: Methodology And Assumptions - March 02, 2022
- 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: 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

Related Research

- Taiwan Ratings' Ratings Definitions – November 11, 2021

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

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Ratings List

Ratings Affirmed

Chang Hwa Commercial Bank Ltd.

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

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

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