

Research Update:

Fuh Hwa Money Market Fund Rating Affirmed At 'twAA+f'

June 11, 2025

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAA+f' fixed-income fund credit quality rating on **Fuh Hwa Money Market Fund**. The rating reflects our view of the very strong credit quality of the fund's portfolio exposure relative to that of funds in the Taiwan market.

Several factors support the fund's very strong credit quality. This chiefly includes the track record of the fund's credit score, which is a quantitative assessment of the credit quality of the invested portfolio. While the actual fund credit score in recent months may indicate a higher assessment, we have kept the assessment unchanged from 2024. This decision mainly considered the volatility of the fund credit quality's track record and the fund manager's willingness to reserve some investment flexibility.

Additional support comes from our view that the fund manager's investment strategy, portfolio allocation, duration management, liquidity management and risk guidelines in response to market dynamics, and other factors, should provide consistent support for a 'twAA+f' rating over the next few years.

Other supporting factors include strong management and organization, as well as risk management and compliance, adequate credit culture and credit research of the fund house, no indicators gauging potential rating volatility, and stringent regulations that bolster the fund's credit quality and aforementioned management strength. These factors remain unchanged from the same time in 2024. The industry risk of market-sensitive fund size fluctuation tempers the positive impact of these factors.

Related Criteria & Research

Related Criteria

- Fund Credit Quality Ratings Methodology – July 26, 2024
- Methodology For Determining Ratings-Based Inputs – July 26, 2024
- General Criteria: National And Regional Scale Credit Ratings Methodology – June 8, 2023

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

Fuh Hwa Money Market Fund

Fixed-income Fund Credit Quality Rating	twAA+f
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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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