

Research Update:

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

June 14, 2024

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. This very strong credit quality is supported by the track record of the fund credit score whereby the quantitative assessment for the fund's portfolio quality is based on the tenor and the rating of the invested entities according to our criteria. The very strong assessment of credit quality also reflects the fund duration management, investment strategy and guidelines, among other factors that can consistently support the rating level of 'twAA+f'. That's despite the latest portfolio credit quality may indicate a higher rating level.

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 bolstering the fund's credit quality and aforementioned management strength. All these factors remain unchanged compared with last year. The industry risk of market-sensitive fund size fluctuation tempers these factors.

Related Criteria & Research

Related Criteria

- Fund Credit Quality Ratings Methodology - June 26, 2017
- General Criteria: National And Regional Scale Credit Ratings Methodology – June 8, 2023

Related Research

- Taiwan Ratings' Ratings Definitions – Nov. 11, 2021

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

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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