

Research Update:

Next Commercial Bank Co. Ltd. Ratings Affirmed At 'twA+/twA-1'; Outlook Stable

March 27, 2025

Rating Action

Taiwan Ratings Corp. today affirmed its 'twA+' long-term and 'twA-1' short-term issuer credit ratings on **Next Commercial Bank Co. Ltd** (Next Bank). The outlook on the long-term rating is stable.

The ratings on Next Bank reflect the bank's strong capitalization relative to risk profile and adequate liquidity backed by sizeable highly liquid assets. The ratings also reflect our view of a high likelihood that Chunghwa Telecom Co. Ltd. would support Next Bank if needed, given our assessment of the bank's strategic importance to the group. Several factors temper these strengths, including Next Bank's small, albeit improving, market presence and developing deposit franchise in Taiwan's highly competitive banking sector, and the bank's unseasoned risk exposure during this high expansionary phase.

Related Criteria & Research

Related Criteria

- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec 09 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec 09 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct 10 2021
- General Criteria: Group Rating Methodology, Jul 01 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, Apr 07 2017
- General Criteria: Principles Of Credit Ratings, Feb 16 2011
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology - April 30, 2024

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

Next Commercial Bank Co. Ltd.

Issuer Credit Rating	twA+/Stable/twA-1
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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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