

Research Update:

Cathay Taiwan Money Market Fund Rating Affirmed At 'twAAf'

September 5, 2025

Rating Action

Taiwan Ratings Corp. today affirmed its 'twAAf' fixed-income fund credit quality rating on **Cathay Taiwan 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 for which we base our quantitative assessment of the fund's portfolio quality on the tenor and the rating of the invested entities according to our criteria. While the fund's credit score over the past 12 months may suggest a higher assessment, we have kept our rating unchanged from 2024. This decision reflects the fund manager's desire to preserve investment flexibility and the inherently short-weighted average maturity of the underlying assets, both of which could lead to changes in portfolio quality in a short period.

Other supporting factors include strong management and organization, risk management and compliance, as well as credit research of the fund house, adequate credit culture, and stringent regulations bolstering the fund's credit quality and aforementioned management strength. These factors are tempered by the industry risk of market-sensitive fund size fluctuation and the fund's relatively high concentration in commercial paper issuers.

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Related Criteria & Research

Related Criteria

- Criteria - Financial Institutions - Fixed-Income Funds: Fund Credit Quality Ratings Methodology – July 26, 2024
- General Criteria: 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)

Ratings List

Ratings Affirmed

Cathay Taiwan Money Market Fund

Fixed-income Fund Credit Quality Rating	twAAf
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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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