

## Financial sector

### November securities earnings up; life insurance & bank earnings impacted by seasonal effects

#### Key message

1. Taiwan's 14 FHCs saw net profit drop by 4% MoM in November, with securities-centric FHCs up 15% MoM, outperforming life insurance-centric and banking-centric FHCs, which saw earnings decline 1.5% and 10% MoM.
2. In November, life insurance and securities earnings rose on lower hedging costs and higher investment income; bank earnings were hit by higher expenses at year-end.
3. We are positive on Cathay FHC (2882 TT, NT\$68.6, OP), Fubon FHC (2881 TT, NT\$92, OP), CTBC FHC (2891 TT, NT\$39.1, OP), Yuanta FHC (2885 TT, NT\$34.95, OP) and E. Sun FHC (2884 TT, NT\$27.5, OP) in 2025.

#### Event

In November, the aggregate net profit of Taiwan's 14 FHCs was down 4% MoM to NT\$34.5bn, an improvement from a net loss of NT\$4.8bn in November 2023. Securities-centric FHCs grew net profit by 15% MoM on higher investment income. Life insurance-centric FHCs saw net profit fall 1.5% MoM on lower capital gains (except Fubon FHC (2881 TT, NT\$92, OP), and banking-centric FHCs' net profit fell 10% MoM on higher expenses at the end of the year.

#### Analysis

**Life insurance-centric FHCs – Investment income up on lower hedging costs.** Fubon FHC's November net profit was up 14% MoM to NT\$10.36bn, as Fubon Life earnings rose 43% MoM (hedging costs narrowed to NT\$1.5bn and capital gains rose NT\$2bn MoM to NT\$11.8bn) and bank earnings fell 20% MoM on higher opex at the end of the year. In November, Cathay FHC (2882 TT, NT\$68.6, OP) net profit fell 18% MoM to NT\$4.5bn as Cathay Life earnings were down 29% MoM to NT\$1.45bn (NT-dollar depreciation of 1.3% boosted forex reserves by NT\$4bn MoM, offsetting lower capital gains), with bank earnings declining 7% MoM, offsetting securities earnings growth of 19% MoM. In January-November, Fubon FHC and Cathay FHC achieved a respective 103% and 101.5% of our full-year earnings forecasts. Yuanta FHC (2885 TT, NT\$34.95, OP) garnered net profit of NT\$3.73bn in November, up 15% MoM and 199% YoY, boosted by securities, futures, and ITC earnings growth of 31% MoM (higher arbitrage investment income and capital gains on property disposals) and bank earnings growth of 50% MoM (gains on property disposals), ignoring life insurance losses of NT\$20mn. In January-November, FHC earnings grew 31% YoY, achieving 100% of our full-year forecast.

**Banking-centric FHCs – Core earnings slipped & expenses peaked.** CTBC FHC (2891 TT, NT\$39.1, OP) posted net profit of NT\$4.94bn in November, up 4.2% MoM, on an increase in Taiwan Life earnings to NT\$681mn (lower hedging costs on NT-dollar depreciation), which offset CTBC Bank earnings contraction of 4.6% MoM (lower net interest and fee income). In January-November, CTBC FHC earnings grew 24% YoY to NT\$68.3bn, achieving 99% of our full-year forecast. E. Sun FHC (2884 TT, NT\$27.5, OP) grew net profit by 6% MoM in November to NT\$1.61bn on higher investment income and net interest income at the banking unit, offsetting higher credit costs. Mega FHC (2886 TT, NT\$39.7, N) earned only NT\$950mn, down 47% MoM and 60% YoY on lower investment income at the banking unit (bond and stock valuation gains fell NT\$600mn MoM, eroding FX swap income growth, and credit costs increased). In January-November, earnings growth slowed to 2.8% YoY, achieving 92% of our full-year forecast.

#### Stocks for Action

The market expects the US Fed to reduce interest rates by 25bps in December and scale back rate cuts in 2025 to 3.7-3.8%. Thanks to President-elect Trump's policy, the 2025F US Treasury yield curve will slope upwards, boding well for reinvestment yields for life insurers. The 2025F US-Taiwan interest rate differential (IRD) will continue to narrow to 2%, lowering CS traditional hedging costs for life insurers, but pulling FX swap income down for banks. However, 2025F US interest rate cuts will lower US-dollar funding costs for banks, and Trump's China policy could prompt supply chain relocation, boosting FCY loans. With regard to investing in the financial sector, we favor life insurance, banking/securities, and leasing. We like Cathay FHC, CTBC FHC, and Fubon FHC (lower funding costs at the banking unit, higher recurring yields at the life insurance unit, outperforming spreads on the adoption of IFRS 17, and peer-beating cash dividend yields), as well as Yuanta FHC (securities business benefiting from interest rate cuts) and E. Sun FHC (net interest and fee income strength and higher cash dividend yield).

#### Risks

Fast US rate cuts, reflecting economic hard landing; high credit costs for banks.



Figure 5: November securities net profit up 4% YoY on higher investment income for main brokerages

NT\$m		2023			1Q24		2Q24		3Q24		Nov-24			Jan-Nov 24		
FHC ticker	Subsidiary name	Earnings	YoY (%)	EPS (NT\$)	Earnings	YoY (%)	Earnings	YoY (%)	Earnings	YoY (%)	Earnings	YoY (%)	MoM (%)	Earnings	YoY (%)	EPS (NT\$)
2880 TT	Hua Nan Securities	1,506	36.1	2.30	490	122.8	570	21.6	606	24.7	36	(79.7)	(41.9)	1,763	27.5	2.69
2881 TT	Fubon Securities	6,960	153.7	4.28	2,344	52.8	2,629	45.2	3,150	53.7	850	14.9	60.4	9,500	46.8	5.84
2882 TT	Cathay Securities	2,112	49.9	2.74	908	94.5	1,258	117.8	1,186	120.9	310	82.4	19.2	3,920	107.4	5.09
2883 TT	KGI Securities	7,344	102.4	3.97	2,898	53.2	2,620	45.3	2,610	54.0	747	(10.8)	21.9	9,487	45.2	5.22
2884 TT	E.Sun Securities	1,289	28.3	3.22	414	44.8	646	98.1	644	81.4	160	23.1	(0.6)	2,023	72.2	5.06
2885 TT	Yuanta Securities	13,793	14.5	2.09	4,479	47.4	4,800	17.1	5,997	53.5	2,562	114.2	41.5	19,648	54.1	2.98
2886 TT	Mega Securities	2,003	232.0	1.73	887	90.6	608	(2.3)	806	49.1	1	(99.7)	(99.2)	2,434	40.9	2.10
2887 TT	Taishin Securities	1,545	196.4	2.23	642	49.3	845	90.8	464	94.5	170	(15.0)	112.5	2,200	66.7	3.18
2888 TT	MasterLink Securities	2,499	589.8	1.55	1,002	30.1	1,112	43.8	803	80.1	42	(88.0)	(75.3)	3,129	41.3	1.94
2890 TT	SinoPac Securities	3,836	142.4	2.37	1,533	90.3	1,375	49.6	1,621	21.7	237	(38.0)	(65.6)	5,460	58.5	3.28
2892 TT	First Securities	978	142.5	1.59	313	(5.5)	373	12.1	245	46.6	31	(59.2)	(78.3)	1,105	21.7	1.70
2855 TT	President Securities	2,879	294.7	1.98	1,726	277.2	1,344	14.8	540	(34.4)	124	(70.4)	(57.1)	4,022	58.5	2.76
5880 TT	Taiwan Cooperative Securities	202	(29.5)	0.39	184	348.8	43	(53.7)	53	(47.5)	-24	N.A.	N.A.	280	48.1	0.54
6005 TT	Capital Securities	4,132	391.8	1.90	1,357	22.3	1,249	14.7	1,245	16.0	439	(0.2)	82.0	4,931	19.5	2.05
Total of 14 brokerages		51,076	87.3		19,174	61.9	19,471	34.0	19,969	45.2	5,685	4.0	9.2	69,901	49.8	

Source: Company data; KGI Research

Figure 6: In November, Yulon Finance (9941 TT, NT\$112.5, N) earnings fell 1% MoM & Hotai Finance (6592 TT, NT\$81.3, N) revenue fell 2% MoM on lower new used-car loan growth; Chailease (5871 TT, NT\$123, N) earnings were up slightly by 2% MoM as higher non-op income offset November sales decline of 5% MoM

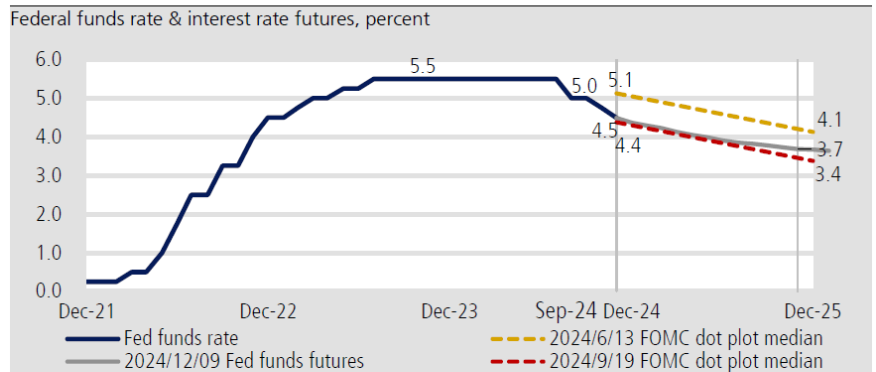
NT\$m		2023		1Q24		2Q24		3Q24		Nov-24			Jan-Nov 24			2024F
FHC ticker	Subsidiary name	Sales	YoY (%)	Sales	YoY (%)	Sales	YoY (%)	Sales	YoY (%)	Sales	YoY (%)	MoM (%)	Sales	YoY (%)	Achieved (%)	
5871 TT	Chailease	97,526	12.6	25,011	8.1	25,735	6.6	26,230	4.2	8,210	0.8	(4.8)	93,808	5.4	91.7	
9941 TT	Yulon Finance	41,489	13.5	10,397	6.3	10,490	1.5	10,521	(1.6)	3,276	(8.8)	(1.3)	38,039	0.0	92.1	
6592 TT	Hotai Finance	28,660	25.8	7,784	18.6	7,684	11.0	7,181	(4.3)	2,073	(19.3)	(1.7)	26,830	3.0	90.3	

FHC ticker	Subsidiary name	Earnings	YoY (%)	EPS (NT\$)	Earnings	YoY (%)	Earnings	YoY (%)	Earnings	YoY (%)	Earnings	YoY (%)	MoM (%)	Earnings	YoY (%)	EPS (NT\$)	Achieved (%)
5871 TT	Chailease	25,034	(8.0)	15.15	5,815	(15.6)	6,409	3.8	6,179	(0.9)	1,377	(29.8)	1.6	21,136	(8.9)	12.45	90.3
9941 TT	Yulon Finance	6,275	8.1	11.07	1,304	(27.2)	1,343	(22.9)	1,579	(7.6)	324	(33.2)	(0.7)	4,884	(21.6)	8.52	87.9
6592 TT	Hotai Finance	3,690	13.0	6.41	840	(6.6)	1,024	15.5	727	(27.7)							

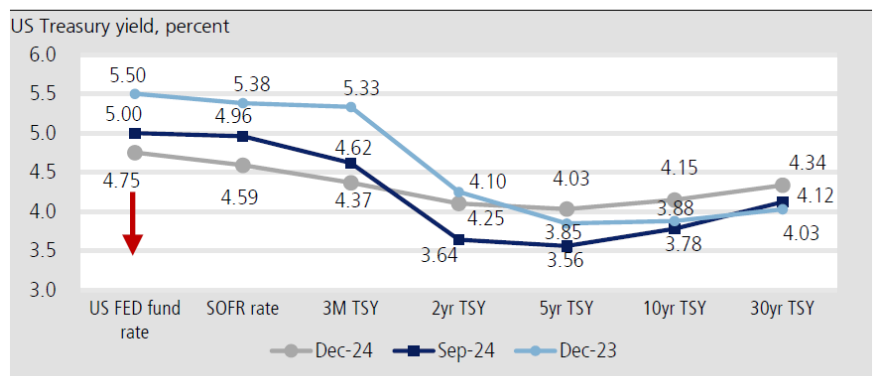
Source: Company data; KGI Research

Figure 7: Market expects Fed rate cut of 25bps in December & total of 3.7-3.8% in 2025, versus 3.4% indicated by dot plot in September



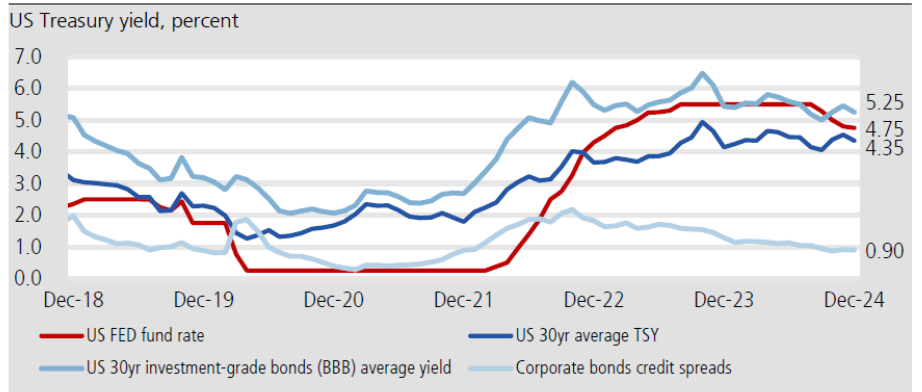
Source: Bloomberg; KGI Research

Figure 8: US 10-year Treasury yield has risen to 4.1-4.4% in December on Trump policy; 2025F yield curve to slope upwards steeply, lifting reinvestment yields for life insurers



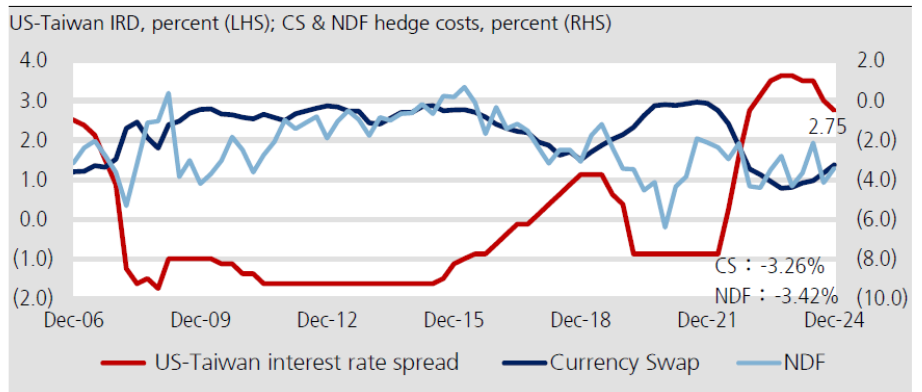
Source: Bloomberg; KGI Research

**Figure 9: US 30-year Treasury & BBB-grade corporate bond yields over 4% & 5% in December, lifting new money yields for life insurers & banks**



Source: Bloomberg; KGI Research

**Figure 10: November CS average swap points rose 5bps MoM to 3.28%, suggesting US 2025 rate cuts to slow, easing expected FX swap income declines**



Source: Bloomberg; KGI Research

**Figure 11: November NPL ratio rebounded 1ppt to 0.16% on peak season for bad debt classification & provisions in 4Q24, with SCSB's NPL ratio up to 0.4% on worsened overseas NPLs**

FHC/Bank ticker	Bank	Oct-24			Oct-24			Oct-24		
		NPL ratio (%)	MoM (ppts)	YTD (ppts)	NPL (NT\$m)	MoM	YTD	Coverage ratio (%)	MoM (ppts)	YTD (ppts)
2834 TT	Taiwan Business Bank	0.19	0.03	0.01	3,132	544	413	679	(142)	(42)
2801 TT	Chang Hwa Bank	0.16	0.00	(0.02)	3,089	6	(100)	797	0	103
2886 TT	Mega Bank	0.27	(0.01)	0.10	6,004	(344)	2,368	625	38	(360)
5880 TT	Taiwan Cooperative Bank	0.17	0.00	(0.01)	5,142	170	17	660	(18)	23
2892 TT	First Bank	0.17	(0.01)	0.00	4,444	(125)	345	793	24	(33)
2881 TT	Taipei Fubon Bank	0.11	0.00	(0.01)	2,573	20	81	1,136	(4)	65
2888 TT	Shin Kong Bank	0.12	0.00	0.00	1,020	5	78	1,072	(15)	(35)
2884 TT	E. Sun Bank	0.16	0.00	0.00	3,707	64	390	752	(15)	(1)
2880 TT	Hua Nan Bank	0.17	0.02	0.02	4,152	450	742	727	(110)	(119)
5876 TT	SCSB	0.40	0.06	0.23	3,580	524	2,120	338	(49)	(604)
2891 TT	CTBC Bank	0.15	0.00	(0.01)	4,560	28	218	827	(6)	44
2885 TT	Yuanta Bank	0.04	0.00	0.01	451	18	119	3,466	(79)	(764)
2890 TT	Bank Sinopac	0.18	0.06	0.09	2,883	954	1,569	728	(341)	(692)
2887 TT	Taishin Bank	0.13	0.01	0.01	2,257	120	483	982	(57)	(178)
2882 TT	Cathay United Bank	0.12	0.00	0.01	3,126	0	607	1,309	15	(144)
2809 TT	King's Town Bank	0.02	0.00	0.00	51	0	3	5,853	(1)	(1,718)
	Bank industry	0.16	0.01	0.02	66,002	3,069	11,060	857	(39)	(111)

Source: Company data; KGI Research

**Figure 12: In 1Q-3Q24, Taiwan Life's positive spread (post-hedging recurring yield net of hedge costs) widened & Fubon Life's capital gains beat peers**

Life insurers' investment position	Cathay Life				Fubon Life				Taiwan Life				Shin Kong Life			
	2023	YoY	1-3Q24	YoY	2023	YoY	1-3Q24	YoY	2023	YoY	1-3Q24	YoY	2023	YoY	1-3Q24	YoY
Pre-hedging recurring yield (a)	3.45	0.08	3.45	(0.02)	3.53	0.17	3.55	(0.78)	3.64	0.96	3.79	0.07	3.43	(0.03)	3.37	(0.01)
Hedging cost (b)	(0.96)	(0.82)	(1.28)	(0.79)	(0.85)	(0.87)	(1.56)	(1.44)	(0.74)	(0.59)	(0.74)	(0.35)	(1.40)	(1.13)	(1.45)	(0.56)
After-hedging recurring yield (c)	2.78	(0.50)	2.56	(0.56)	2.50	(0.53)	2.35	(0.36)	3.19	0.60	3.34	(0.14)	2.45	(0.82)	2.37	(0.39)
Cost of liability (Reserve base) (d)	3.77	0.03	3.78	0.01	3.15	0.04	3.15	0.00	3.21	0.10	3.25	0.06	3.77	0.08	3.78	0.05
Cost of liability (Investment portfolio base) (e)	3.44	(0.03)	3.31	(0.15)	3.04	(0.07)	2.92	(0.08)	3.02	0.08	3.05	0.05	3.64	0.10	3.59	0.02
Recurring yield (After-hedging) less cost of liability (Investment portfolio base) (c)-(e)	(0.66)	(0.47)	(0.76)	(0.42)	(0.54)	(0.46)	(0.57)	(0.28)	0.17	0.53	0.29	(0.19)	(1.19)	(0.92)	(1.22)	(0.41)
Capital gain	0.50	0.05	1.59	0.99	1.29	(0.16)	3.16	1.54	0.30	0.28	1.18	0.81	0.35	0.41	1.55	1.27
Investment yield	3.28	(0.45)	4.15	0.43	3.79	(0.69)	5.51	1.18	3.49	0.88	4.52	0.67	2.80	(0.41)	3.92	0.88

Source: Company data; KGI Research

**Figure 13: 3Q24 life insurers' hedge costs & hedge weighting were higher than in 1H24 due to NT-dollar appreciation of 2.52%**

Percent	Cathay Life				Fubon Life				Taiwan Life				Shin Kong Life			
	2023	YoY	1-3Q24	QoQ	2023	YoY	1-3Q24	QoQ	2023	YoY	1-3Q24	QoQ	2023	YoY	1-3Q24	QoQ
FX policy/Currency Swap/NDF	74.1	4.0	74.5	6.2	73.7	3.5	67.8	4.2	71.6	(1.6)	78.0	9.9	78.0	(4.4)	82.7	(2.4)
FX policy	30.0	(2.0)	31.0	0.0	27.0	(4.1)	25.9	(0.3)	42.0	(1.0)	41.0	0.0	30.0	0.1	29.7	(2.0)
Currency Swap/NDF	44.1	6.0	43.5	6.2	46.6	7.5	41.9	4.5	29.6	(0.6)	37.0	9.9	48.0	(4.5)	53.0	(2.6)
Currency Swap	N.A.	N.A.	N.A.	N.A.	35.7	(1.1)	34.2	(1.3)	N.A.	N.A.	N.A.	N.A.	27.4	(0.5)	28.1	1.2
NDF	N.A.	N.A.	N.A.	N.A.	11.0	8.7	7.7	5.9	N.A.	N.A.	N.A.	N.A.	20.6	(4.0)	24.9	(6.6)
AFS/mutual funds	7.7	(0.5)	5.5	(0.7)	16.1	1.2	15.8	(0.9)	11.0	1.3	11.0	1.0	1.4	(0.4)	1.4	7.7
Proxy Open/USD and other currencies	18.2	(4.2)	20.0	(5.5)	10.2	(4.7)	16.4	(3.3)	17.4	0.3	12.0	(9.8)	20.6	4.9	15.9	2.0
Total	100		100		100		100		100		101		100		100	
Hedging cost	(0.96)	(0.82)	(1.28)	(0.07)	(0.85)	(0.87)	(1.56)	(0.27)	(0.74)	(0.59)	(0.74)	(0.22)	(1.40)	(1.13)	(1.45)	(0.28)

Source: Company data; KGI Research

**Figure 14: We expect 2024 distributable earnings of FHCs to rise as other equity improvements in 3Q24 exceeded NT\$130bn (vs. end-2023), coupled with 2024 earnings growth of above 50%**

NTSmn	Company	2023 undistributed earnings	4Q23 other equity interest	2024F net profit	3Q24F other equity interest	Reversal in special reserve in 3Q24F	2024F distributable earnings	2024F Cash dividend per share (NT\$)	vs.2023 Cash dividend per share (NT\$)	2024 Cash dividend growth rate	2024F Cash dividend yields
2881 TT	Fubon FHC	254,407	(34,905)	136,127	14,080	34,905	411,826	4.00	2.50	60%	4.3%
2882 TT	Cathay FHC	160,807	(78,461)	111,472	(16,305)	62,156	323,288	3.00	2.00	50%	4.4%
2891 TT	CTBC FHC	56,517	(37,087)	69,340	(16,628)	20,459	139,382	1.85	1.80	3%	4.7%
2885 TT	Yuanta FHC	68,520	4,948	34,008	15,446	-	99,127	1.45	1.10	32%	4.1%
2886 TT	Mega FHC	42,820	3,143	35,002	6,196	-	74,322	1.60	1.50	7%	4.0%
2892 TT	First FHC	19,893	17,203	25,480	24,694	-	42,826	0.90	0.85	6%	3.2%
2890 TT	Sinopac FHC*	19,715	(5,158)	23,446	(3,575)	1,583	42,399	0.95	0.75	27%	4.0%
2880 TT	Hua Nan FHC*	15,148	(7,128)	20,189	(4,425)	2,702	36,021	0.93	0.65	43%	3.4%
5880 TT	Cooperative FHC*	11,039	(10,274)	23,780	(4,393)	5,881	38,322	1.25	1.20	4%	4.6%
2887 TT	Tatshin FHC	9,345	(794)	19,071	566	794	27,303	0.66	0.60	10%	3.7%
2884 TT	E.Sun FHC	2,090	(1,979)	25,707	5,240	1,979	27,205	1.10	1.20	-8%	4.0%
2888 TT	Shin Kong FHC*	(4,693)	(19,624)	21,736	(17,888)	1,736	16,605	0.10	-	na	0.8%
2889 TT	Waterland FHC*	3	771	2,163	1,638	-	1,950	0.46	0.73	-37%	3.1%

Note: \*2024F financial forecasts and dividend distributions for FHCs that are not rated are based on Bloomberg consensus or refer to past distribution rates.

Source: Company data; TEJ; KGI Estimates

Figure 15: FHC & bank valuations

Company	Code	Rating	Market cap (US\$ mn)	Share price (LCY)	PB (x)		PE (x)		ROE (%)		Net profit (NT\$ mn)		Net profit growth (%)		EPS (NT\$)		EPS growth (%)		BVPS (NT\$)		Cash yield (%)		Cash dividend (NT\$)	
					2024F	2025F	2024F	2025F	2024F	2025F	2024F	2025F	2024F	2025F	2024F	2025F	2024F	2025F	2024F	2025F	2024F	2025F	2024F	2025F
CTBC FHC	2891 TT	Outperform	23,372	39.10	1.67	1.41	11.1	10.89	15.9	14.0	69,340	70,451	23.6	1.6	3.53	3.59	23.7	1.6	23.42	27.73	4.7	4.7	1.85	1.85
E.Sun FHC	2884 TT	Outperform	13,401	27.50	1.74	1.56	17.1	15.81	10.5	10.4	25,707	27,822	18.3	8.2	1.61	1.74	15.9	8.2	15.80	17.64	4.0	4.4	1.10	1.20
First FHC	2892 TT	Neutral	12,010	28.10	1.50	1.37	15.9	17.13	9.8	8.4	25,480	23,679	13.4	(7.1)	1.76	1.64	7.0	(7.1)	18.69	20.53	3.2	3.4	0.90	0.95
Mega FHC	2886 TT	Neutral	17,941	39.70	1.60	1.45	16.8	17.20	9.9	8.9	35,002	34,233	5.3	(2.2)	2.36	2.31	0.7	(2.2)	24.81	27.33	4.0	3.9	1.60	1.55
Taishin FHC	2887 TT	Neutral	6,997	17.70	1.20	1.09	11.6	11.17	10.8	10.2	19,071	19,774	30.6	3.7	1.53	1.58	30.6	3.7	14.70	16.28	3.7	3.8	0.66	0.67
<b>Bank FHC peer average</b>					<b>1.54</b>	<b>1.38</b>	<b>14.5</b>	<b>14.44</b>	<b>11.4</b>	<b>10.4</b>			<b>17.9</b>	<b>0.8</b>			<b>15.6</b>	<b>0.9</b>			<b>3.9</b>	<b>4.0</b>		
Fubon FHC	2881 TT	Outperform	38,303	92.00	1.42	1.26	9.2	10.56	17.1	12.6	136,127	119,096	106.2	(12.5)	9.96	8.71	96.4	(12.5)	64.84	73.08	4.3	4.1	4.00	3.80
Cathay FHC	2882 TT	Outperform	30,658	68.60	1.21	1.06	9.0	10.27	14.6	11.0	111,472	97,987	118.9	(12.1)	7.60	6.68	118.9	(12.1)	56.53	64.66	4.4	4.4	3.00	3.00
<b>Insurance FHC peer average</b>					<b>1.32</b>	<b>1.16</b>	<b>9.1</b>	<b>10.41</b>	<b>15.9</b>	<b>11.8</b>			<b>111.7</b>	<b>(12.3)</b>			<b>107.6</b>	<b>(12.3)</b>			<b>4.4</b>	<b>4.3</b>		
Yuanta FHC	2885 TT	Outperform	13,781	34.95	1.44	1.27	13.6	12.98	11.2	10.4	34,008	35,529	28.0	4.5	2.58	2.69	23.1	4.5	24.20	27.41	4.1	4.3	1.45	1.50
<b>Securities FHC peer average</b>					<b>1.44</b>	<b>1.27</b>	<b>13.6</b>	<b>12.98</b>	<b>11.2</b>	<b>10.4</b>			<b>28.0</b>	<b>4.5</b>			<b>23.1</b>	<b>4.5</b>			<b>4.1</b>	<b>4.3</b>		
SCSB	5876 TT	Neutral	5,976	40.35	1.00	0.94	14.7	13.34	7.0	7.3	13,310	14,704	(9.2)	10.5	2.74	3.02	(9.2)	10.5	40.16	42.98	4.2	4.5	1.70	1.80
King's Town Bank	2809 TT	Neutral	1,644	48.55	0.99	0.90	8.8	8.59	11.7	11.0	6,123	6,278	(1.4)	2.5	5.51	5.65	(1.4)	2.5	48.99	53.69	6.2	6.2	3.00	3.00
<b>Taiwan financials peer average</b>					<b>1.38</b>	<b>1.23</b>	<b>12.8</b>	<b>12.79</b>	<b>11.9</b>	<b>10.4</b>			<b>52.2</b>	<b>(5.5)</b>			<b>30.6</b>	<b>(0.3)</b>			<b>4.3</b>	<b>4.4</b>		
Yulon Finance	9941 TT	Neutral	1,879	112.50	1.81	1.55	11.6	10.34	17.0	15.5	5,559	5,730	(11.4)	3.1	9.71	10.88	(12.2)	12.0	61.99	72.44	4.9	5.2	5.50	5.80
Hotai Finance	6592 TT	Neutral	1,543	81.30	1.57	1.42	16.7	16.69	11.4	10.2	3,329	3,470	(9.8)	4.2	4.88	4.87	(23.8)	(0.2)	51.65	57.22	3.1	3.2	2.50	2.60
Challease	5871 TT	Neutral	6,287	123.00	1.30	1.12	8.6	8.00	15.7	14.7	23,396	25,215	(6.5)	7.8	14.28	15.37	(9.9)	7.6	94.74	109.76	5.1	5.5	6.30	6.80
<b>Taiwan leasing peer average</b>					<b>1.56</b>	<b>1.36</b>	<b>12.3</b>	<b>11.68</b>	<b>14.7</b>	<b>13.5</b>			<b>(9.2)</b>	<b>5.0</b>			<b>(15.3)</b>	<b>6.4</b>			<b>4.4</b>	<b>4.6</b>		

Source: Bloomberg; KGI Research (based on December 10, 2024 closing price)

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