

## **Lianhe Global has assigned ‘AAAmf’ Rating to Taikang Kaitai US Dollar Money Market Fund**

HONG KONG, 21 August 2024 – Lianhe Ratings Global Limited (“Lianhe Global”), an international credit rating company, has assigned ‘AAAmf’ money market fund (“MMF”) rating to Taikang Kaitai US Dollar Money Market Fund (“the Fund”), a USD-denominated MMF, established in September 2021, domiciled in Hong Kong, and managed by Taikang Asset Management (Hong Kong) Company Limited (“Taikang Asset (HK)”). The Fund’s primary investment objective is to achieve a return in USD in line with prevailing money market rates.

### **Key Rating Rationales**

The ‘AAAmf’ rating reflects the Fund’s fairly strong ability to provide liquidity and preserve principal, supported by the Fund’s well managed asset quality, strong liquidity profile and low exposure to market risk.

The Fund primarily invests in USD-denominated and settled short-term deposits and high-quality money market instruments. Its credit quality met Lianhe Global’s criteria for ‘AAAmf’ rated MMFs, as majority of assets were time deposits and the asset-weighted average credit quality was equivalent to a high-investment-grade international rating (‘BBB+’ or above), during the review period since June 2023. Concentration risk was also well managed by limiting large exposures to strong credit quality assets or short tenor assets and closely monitoring the creditworthiness of invested assets.

In addition, the Fund had a strong liquidity profile, supported by sufficient daily and weekly liquidity to meet investors’ fund flows with the potential flexibility of early uplifts of time deposits. Its weighted average maturity and weighted average life were below 60 days and 120 days, respectively, which limited the Fund’s exposure to market risk. Derivatives (if employed) is only for hedging purposes and the manager will hedge non USD-denominated investments into USD in order to manage any material currency risk.

Taikang Asset (HK), the Fund’s management company, is a wholly-owned subsidiary of Taikang Asset Management Company Limited (“Taikang Asset”), a direct wholly-owned subsidiary of Taikang Insurance Group Inc. (“Taikang Group”). Taikang Asset (HK) is responsible for Taikang Asset’s overseas investment management businesses and forms an important international asset allocation channel for Taikang Asset.

### **Rating Sensitivities**

Material adverse and continued development in the Fund’s credit quality, maturities, liquidity profiles, and/or other deviations from Lianhe Global’s rating guidelines may lead to a negative rating action.

## About Lianhe Global

Lianhe Global is an international credit rating company that provides credit ratings to corporations, banks, non-bank financial institutions, local investment and development companies, and other asset classes around the globe. Lianhe Global also provides credit risk research and other services related to credit ratings.

## Rating Methodology

The principal methodology used in this MMF rating is Lianhe Global's *Money Market Funds Rating Criteria* published on 1 February 2024, which can be found at the website [www.lhratingsglobal.com](http://www.lhratingsglobal.com).

A MMF rating is an opinion on the relative ability of a MMF or similar investment vehicle to provide liquidity and preserve principal in the MMF's target investment markets by limiting credit, liquidity, and market risks. We add the suffix "mf" to the six rating categories (AAA, AA, A, BBB, B, and C) to differentiate MMF ratings from Lianhe Global's Long-term Issuer Credit Ratings. MMF ratings are not and should not be construed as an investment recommendation.

**Note:** The above MMF Ratings are solicited at the request of the rated entity or a related third party.

## Contact Information

Primary Analyst  
Toni Ho, CFA, FRM  
Senior Director  
(852) 3462 9578  
[toni.ho@lhratingsglobal.com](mailto:toni.ho@lhratingsglobal.com)

Secondary Analyst  
Joyce Huang, CFA  
Managing Director  
(852) 3462 9586  
[joyce.huang@lhratingsglobal.com](mailto:joyce.huang@lhratingsglobal.com)

Committee Chairperson  
Roy Luo, FRM, CESGA  
Director  
(852) 3462 9582  
[roy.luo@lhratingsglobal.com](mailto:roy.luo@lhratingsglobal.com)

Media Contact  
Alice Wang  
(852) 3462 9568  
[alice.wang@lhratingsglobal.com](mailto:alice.wang@lhratingsglobal.com)

## Disclaimer

Credit rating and research reports published by Lianhe Ratings Global Limited (“Lianhe Global” or “the Company” or “us”) are subject to certain terms and conditions. Please read these terms and conditions at the company’s website: [www.lhratingsglobal.com](http://www.lhratingsglobal.com)

A credit rating is an opinion which addresses the creditworthiness of an entity or security. Credit ratings are not a recommendation to buy, sell, or hold any security. Credit ratings do not address market price, marketability, and/or suitability of any security nor its tax implications or consequences. Credit ratings may be subject to upgrades or downgrades or withdrawal at any time for any reason at the sole discretion of Lianhe Global.

All credit ratings are the products of a collective effort by accredited analysts through rigorous rating processes. No individual is solely responsible for a credit rating. All credit ratings are derived by a credit committee vesting process. The individuals identified in the reports are solely for contact purpose only.

Lianhe Global conducts its credit rating services based on third-party information which we reasonably believe to be true. Lianhe Global relies on information including, but not limited to, audited financial statements, interviews, management discussion and analysis, relevant third-party reports, and publicly available data sources to conduct our analysis. Lianhe Global has not conducted any audit, investigation, verification or due diligence. Lianhe Global does not guarantee the accuracy, correctness, timeliness, and/or completeness of the information. Credit ratings may contain forward-looking opinions of Lianhe Global which may include forecasts about future events which by definition are subject to change and cannot be considered as facts.

Under no circumstances shall Lianhe Global, its directors, shareholders, employees, officers and/or representatives or any member of the group of which Lianhe Global forms part be held liable to any party for any damage, loss, liability, cost, expense or fees in connection with any use of the information published by the company.

Lianhe Global receives compensation from issuers, underwriters, obligors, or investors for conducting credit rating services. None of the aforementioned entities nor its related parties participate in the credit rating process aside from providing information requested by Lianhe Global.

Credit ratings included in any rating report are solicited and disclosed to the rated entity (and its agents) prior to publishing. Credit rating and research reports published by Lianhe Global are not intended for distribution to, or use by, any person in any jurisdiction where such use would infringe local laws and regulations. Any user relying on information available through credit rating and research reports is responsible for consulting the relevant agencies or professionals accordingly to comply with the applicable local laws and regulations.

All published credit rating and research reports are the intellectual property of Lianhe Global. Any reproduction, redistribution, or modification, in whole or part, in any form by any means is prohibited unless such user has obtained prior written consent from us.

Lianhe Global is a subsidiary of China Lianhe Credit Rating Co., Ltd. The credit committee of Lianhe Global has the ultimate power of interpretation of any methodology or process used in the company’s independent credit ratings and research.

Copyright © Lianhe Ratings Global Limited 2024.