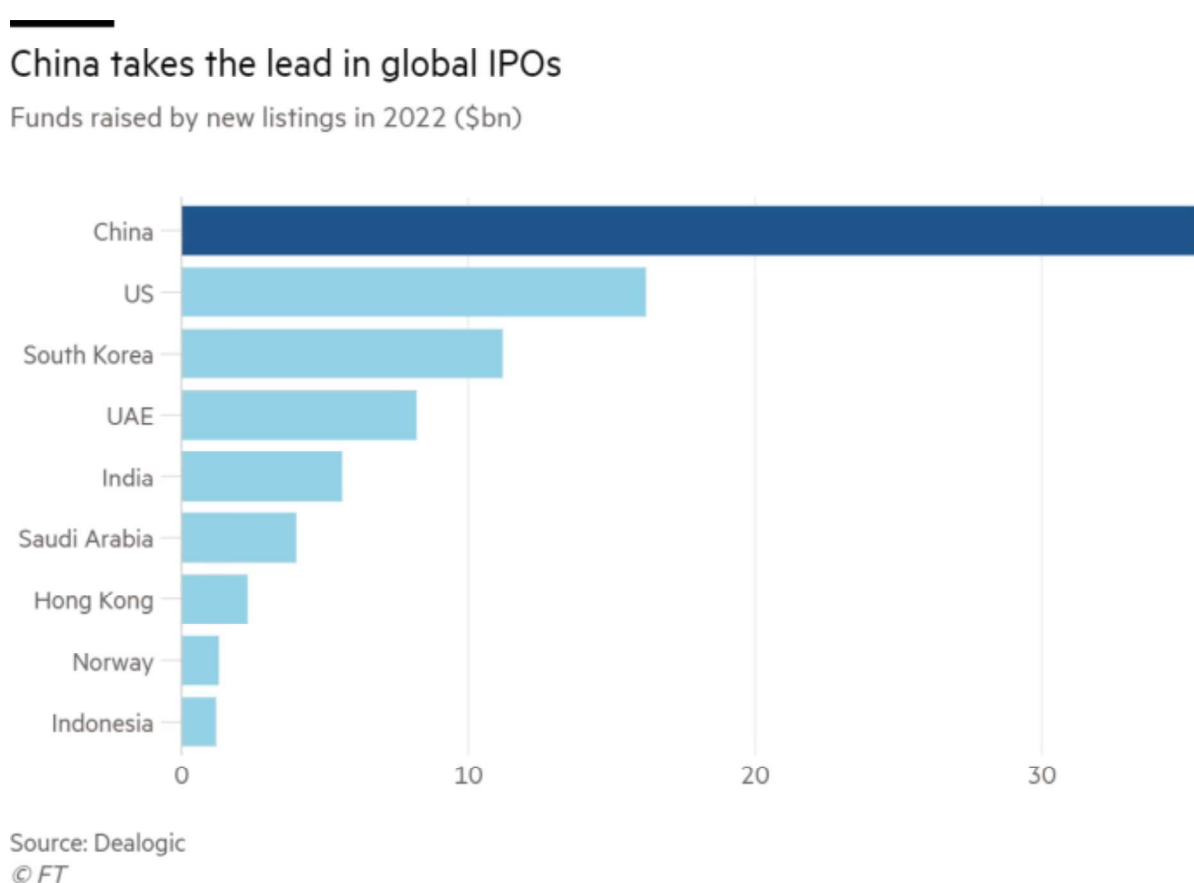


Chinese IPOs leave Wall Street in the dust

The ultimate victor of a shake-up in China's IPO markets is finally clear: China.

In an otherwise dismal year for raising equity capital, new listings in Shanghai and Shenzhen [have brought in \\$35bn](#) worth of fundraising this year, leaving the country standing head and shoulders above its global peers.

That carries a special sting for Wall Street, where IPOs on the **Nasdaq** and **New York Stock Exchange** have brought in less than half of China's total.



Not to mention that both exchanges are also missing out on a previously lucrative trade in Chinese tech group listings thanks to Beijing's regulatory reckoning launched almost a year ago.

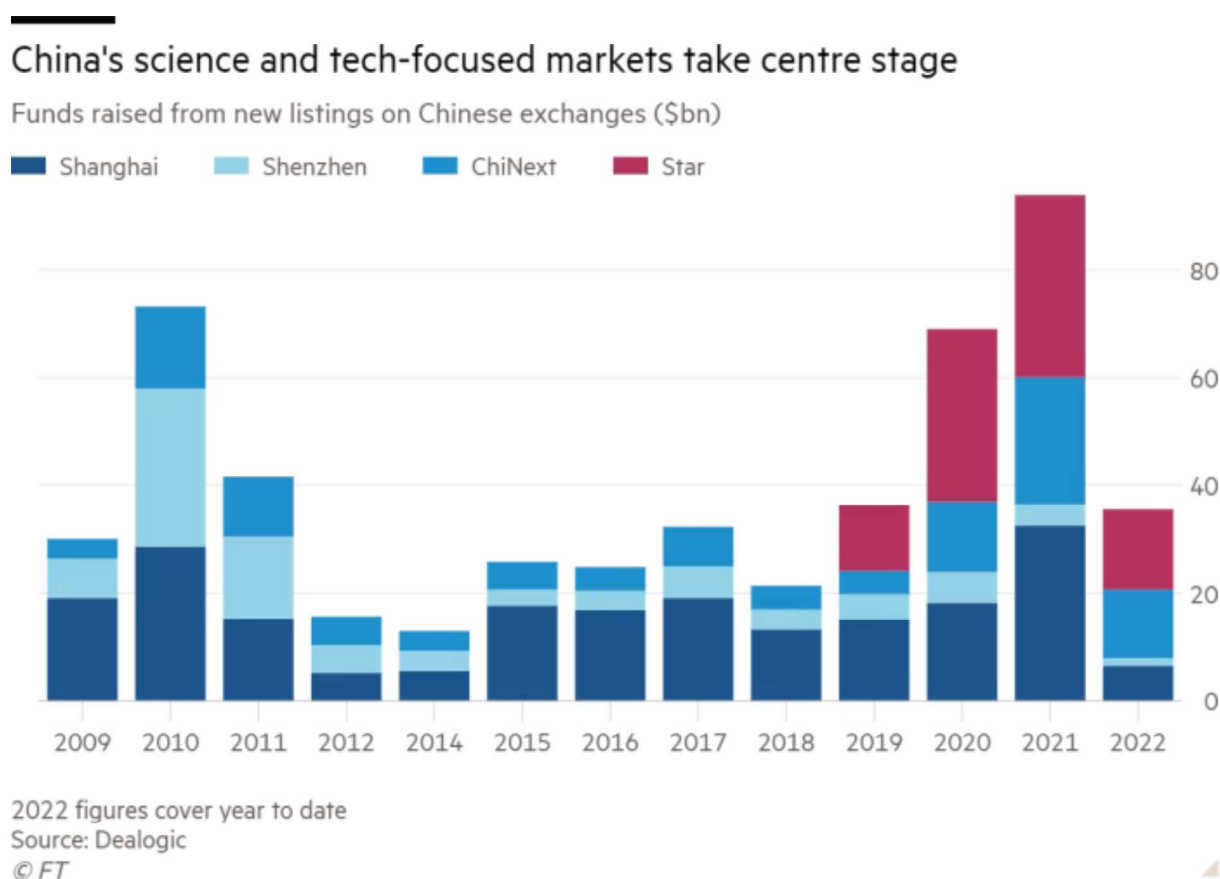
Bankers in New York and Hong Kong are still waiting for Chinese regulators to finalise new foreign listings rules for companies with large amounts of user data — and delays have grown long enough that some companies are thinking twice about even listing abroad.

“There is a trend among pre-IPO private companies that previously were quite definitively seeking to get listed offshore in Hong Kong or the US — some of them are now looking more seriously at mainland listings,” said an IPO lawyer at one international firm based in Shanghai.

Officials in Shanghai, meanwhile, took extreme measures to ensure a bumper crop of Chinese share sales, the FT’s Hudson Lockett and Cheng Leng learned.

They went as far as to order a clutch of officials to camp out at the city’s stock exchange for the duration of its two-month quarantine so they could sign off on listings applications in person.

Chinese investment banks even stationed staff at the offices of clients for months to minimise the risk of being quarantined and prevented from conducting on-site due diligence.



The pay-off has been a steady flow of stock market debuts from companies in sectors Beijing views as vital to achieving “technological self-reliance” such as renewables and high-end manufacturing.

Semiconductor IPOs raised \$6.6bn this year on Shanghai’s science and technology-focused **Star Market**, a special exchange launched with president **Xi Jinping’s**

ocused **Star Market**, a special exchange launched with president **Xi Jinping's** backing in 2019.

That's in keeping with Xi's broader project of remaking China's capital markets in his image, as Hudson explains [in his latest Big Read](#) and [this helpful Twitter thread](#).

Should he succeed, China's stock market risks becoming even more tightly intertwined with the Communist party's agenda — a shift that could motivate western governments to cut off investment flows into its borders and further stoke geopolitical flames.