

China to establish stock market for growth enterprises

China will establish a stock market for growth enterprises this year, said Premier Wen Jiabao while delivering a government work report on Wednesday.

"We will establish a market for growth enterprises, accelerate development of the bond market and steadily develop the futures market," Wen said at the opening of the First Session of the 11th National People's Congress (NPC), the national legislature.

The market for growth enterprises was meant to be a NADSAQ-like growth enterprise board to help small start-ups, especially high-growth, high-tech firms, to raise funds. Listing thresholds will be lower than the main board.

The premier did not specify the schedule.

Current, nearly 200 companies were listed on the Shenzhen small and medium-sized enterprises (SMEs) board, whose market capitalization surpassed 120 billion U.S. dollars as of Dec. 11, more than four times the year-earlier level, when only 101 companies were listed.

In 2007 alone, 93 companies were listed on the Shenzhen SMEs board, with the debut of Ningbo Bank yielding the largest proceeds of 4.14 billion yuan (582 million dollars).

Source: Xinhua
