
Shanghai to overtake Hong Kong as king of IPOs in 2010

BEIJING, Dec.22 (Xinhua) -- The Shanghai Stock Exchange (SSE) is expected to outplay Hong Kong as the world's number one center for initial public offerings (IPOs) in 2010, the China Daily reported on Tuesday.

The forecast is part of a report by accounting firm Ernst & Young, saying that the SSE will raise 380 billion yuan (55.6 billion U.S. dollars) in 2010.

"With the economy and the capital markets becoming more stable, coupled with a strong IPO pipeline and market liquidity... we forecast that for the SSE alone, IPO value will increase more than two fold in 2010," said Philio Leung, regional managing partner of China Central, Ernst & Young.

The SSE raised 14 billion dollars in the first 11 months of this year, becoming the world's third largest IPOs center after the Hong Kong Stock Exchange and the New York Stock Exchange.

IPOs in construction sector and financial sector lead the SSE, raising 71 billion yuan and 22 billion yuan respectively so far this year.

Ernst & Young predicted the SSE to raise 118 billion yuan through this year, up 62 percent from last year's 73 billion yuan.

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