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Weak sentiment won't delay AgBank IPO - underwriter

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* AgBank IPO won't feel impact from market tumbles -CICC

* Launch of international board in Shanghai could be delayed

BEIJING, May 8 (Reuters) - Agricultural Bank of China, aiming for the world's largest-ever initial public offering, will press ahead with its plans despite weak market sentiment, one of its underwriters said on Saturday.

Market jitters will probably delay the launch of an international board in Shanghai for the trading of overseas firms' shares, Li Jiange, chairman of China International Capital Corp (CICC), told reporters on the sidelines of a forum.

But when asked whether AgBank might postpone its dual listing, which could be as big as \$30 billion, in Hong Kong and Shanghai, he said: "I think there will be no impact."

Shares in both Hong Kong and Shanghai just finished their worst week in months, battered by worries about Greek debt as well as Beijing's tightening campaign to cool the economy, particularly the real estate sector. [ID:nTOE64607D]

CICC, China's biggest investment bank, is an underwriter for AgBank's IPO, as well as a listing by China Everbright Bank.

A delayed launch for the international board would mark the first set-back for China's domestic financial markets in the wake of the recent turmoil. Hong Kong has already been hit, with conglomerate Swire Pacific (0019.HK: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) this week pulling a \$2.7 IPO set for that market.

Just 10 days ago, a government official said China was on course to finalise rules this year allowing foreign companies to list in Shanghai. [ID:nTOE63T05J]

When the board is eventually launched, Li said Chinese firms incorporated abroad -- the so-called red chips such as China Mobile (0941.HK: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) -- would list before foreign companies such as HSBC Holdings (0005.HK: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) (HSBAL: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)).

One potential obstacle for the international board is the yuan's lack of full convertibility on the capital account.

Sun Lujun, a senior official at the State Administration of Foreign Exchange (SAFE), said China was committed to widening the yuan's convertibility.

"We will keep moving towards making the yuan convertible under the capital account and we will never stop on half way," he told the same forum.

He added SAFE by the end of March had granted a total of \$17.1 billion in quotas to 88 Qualified Foreign Institutional Investors (QFII), a programme that allows international firms and funds to invest in China's markets.

Under the reverse programme, which allows outbound financial investment, SAFE had granted \$64.3 billion in quotas to 76 Qualified Domestic Institutional Investors (QDII), he said. (Reporting by Langi Chiang, Aileen Wang and Simon Rabinovitch)

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