

# Chinese Companies Made up 23 percent of US 2023 IPO Listings

March 27, 2024. Edith Muthoni



Chinese firms have been consistently attracted to the US stock exchange market owing to their esteemed listing platforms and financial resources. In 2023, China made a noticeable shift to assert its influence in this market. Figures from Stocklytics. com indicate that Chinese firms accounted for over 20% of the IPO listings on the US market last year.

Edith Reads, a financial expert with Stocklytics, commented on the data: "Chinese

intent to take over the US stock market is notably robust. Despite facing challenges during the COVID-19 pandemic and regulatory uncertainties in the US, they are staging a comeback in US IPO listings.”

## **Chinese Listings in the US**

Despite China’s increased numbers in 2023, the US IPOs exhibited average performance, with smaller IPOs maintaining dominance.

Chinese companies have actively pursued listings on US exchange platforms. As of the beginning of 2023, there were 252 Chinese entities listed with a collective market capitalization of \$1.03 trillion. By January 2024, this number had risen to 265, with 13 companies joining.

Since January 2023, 24 Chinese companies successfully raised \$656 million through initial public offerings (IPOs) after listing on three major US exchanges.

However, about 11 firms were delisted. This includes China Southern Airlines Company Limited and China Eastern Airlines Corporation Ltd. With a combined market capitalization of \$32.3 billion, these two companies delisted voluntarily after citing high operation costs and low share turnover.

## **Value of Businesses Listed on US**

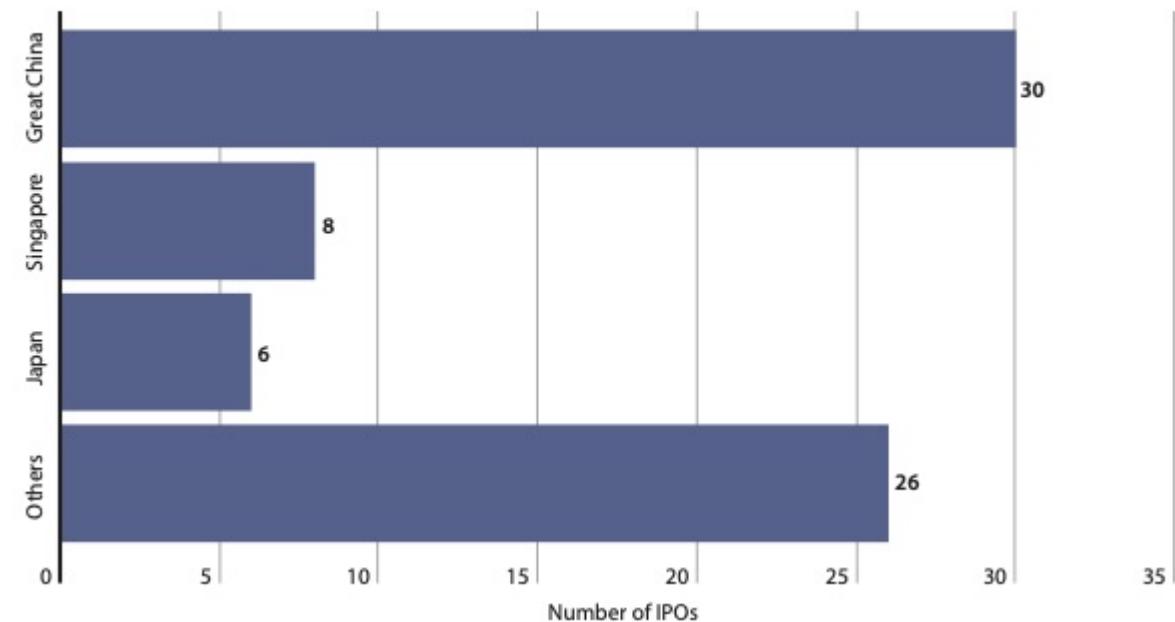
Listing in reputable American exchanges is a big deal for any country. It is a strategic move that allows investors to access global capital markets. Besides, it exposes companies to a huge investor base and builds credibility beyond borders.

China identifies itself as a global economic powerhouse. By dominating the US exchange market, they show signs of taking over. However, it may be more challenging than it sounds. The US bodies like the Security and Exchange Commission are establishing stringent

policies to protect the integrity of the US stock exchange. Some of these rules have worked against the Chinese enterprises, making them delist from the American exchange.

## Cross-border IPO Listings on US Exchanges

Sources: Statista



*Edith is a fintech expert and a trader with over 10 years of industry experience. She is knowledgeable about blockchain, NFTs, Cryptocurrencies, and stocks – all from an informed perspective that will help you make better decisions when it comes time to invest your money.*



Screenshot