

## Swiss bank gets nod to enter China

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BEIJING, June 16 -- Credit Suisse Group said China's securities regulator approved its investment-banking venture, letting the second-biggest Swiss bank participate in the domestic stock underwriting market that topped 68 billion U.S. dollars last year.

The Zurich-based bank owns 33.3 percent of the venture, and Founder Securities Co owns the rest, Credit Suisse said. It will also be able to underwrite foreign-currency shares, and government and corporate bonds.

China's market generated a record 1.2 billion U.S. dollars in equity underwriting fees last year, according to data compiled by Bloomberg News.

The approval is the first since China announced rules in December that retained its 33-percent cap on foreign ownership of investment banks and restricted participation to publicly traded brokerages.

"This is a very important milestone in the implementation of Credit Suisse's ambitious Asia-Pacific growth strategy, particularly for a vitally important country like China," Kai Nargolwala, chief executive officer of Credit Suisse Asia Pacific, said.

Lei Jie, chairman of Founder Securities, a unit of Beijing-based Founder Group, was appointed chairman of the investment bank. Neil Ge, a managing director of Credit Suisse's investment banking in Shanghai, was named CEO.

New York-based Goldman Sachs Group Inc and Zurich-based UBS AG, the biggest Swiss bank, so far are the only global securities firms with management control of investment-banking units in China.

UBS's China venture was the third-largest arranger of domestic stock offerings last year, with 13-percent market share.

China had previously resisted opening its market further to foreign competition.

(Source: CRIENGLISH.com)

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