

NYSE to delist 3 Chinese telecom firms in new reversal

January 6 2021



The New York Stock Exchange will delist three Chinese telecom equities, reverting to its initial position after reversing itself two days ago

The New York Stock Exchange reversed course again Wednesday saying it would delist three Chinese telecom equities from trading due to new

US government guidance.

Meanwhile, Washington is considering adding Chinese ecommerce giant Alibaba and tech giant Tencent to the blacklist, The Wall Street Journal reported.

The latest flip-flop by the NYSE, which will remove China Telecom, China Mobile and China Unicom, reverts the exchange back to its original policy announced last week.

The exchange had abandoned the decision to delist two days ago amid criticism from Beijing, but said Wednesday it will follow "new specific guidance received on January 5, 2021, that the Department of Treasury's Office of Foreign Assets Control provided to the NYSE."

The move will end trading in the firms after 1430 GMT on January 11.

The US Departments of State and Defense have discussed expanding the list of prohibited firms to include Alibaba and Tencent, the Journal reported, citing people familiar with the matter.

According to the report, those officials have talked with the Treasury Department about the impact of delisting the major firms with a combined market value of \$1.3 billion and that are held by many US funds.

If Washington goes ahead with the broader sanctions, it would be further escalation of President Donald Trump's campaign against China.

Trump on Tuesday night signed an executive order banning transactions involving Alipay, WeChat Pay and other apps linked to Chinese companies, drawing strong criticism from Beijing.

It was his November order that banned Americans from investing in Chinese companies deemed to be supplying or supporting the country's military and security apparatus that led to delisting firms from Wall Street.

The NYSE said last week it would end trading in the three state-owned Chinese telecom companies, but changed course on Monday following "further consultation with relevant regulatory authorities," only to reverse itself again.

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