Battle for Aramco IPO Heats Up as Exchanges Vie for Supremacy  
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By Dinesh Nair  
(Bloomberg) -- The largest global stock exchanges have  
restarted efforts to court Saudi Aramco as the battle to host  
the world’s biggest-ever initial public offering heats up again,  
people with knowledge of the matter said.  
Top officials from London Stock Exchange Group Plc, the New  
York Stock Exchange and Hong Kong Exchanges & Clearing Ltd. have  
been actively pitching the oil giant in recent weeks, according  
to the people. LSE Chief Executive Officer David Schwimmer is  
among those who visited Saudi Arabia in the past month to woo  
Aramco officials, the people said, asking not to be identified  
because the information is private.  
Securing the listing, which Saudi Arabia expects to raise  
as much as $100 billion in proceeds, would be a coup for the  
bourses as they tackle low volumes and increased volatility in  
financial markets. While Aramco is planning a local listing on  
the Saudi stock exchange as part of the IPO, it hasn’t made a  
decision on other venues, according to the people.  
Bloomberg News reported in July that Saudi Arabia is  
restarting preparations for an IPO of Aramco, which is the  
world’s most profitable company. It has already chosen Lazard  
Ltd. and Moelis& Co. to advise on the listing, people with  
knowledge of the matter said earlier this week.  
  
Jeddah Delegation  
  
Aramco, formally known as Saudi Arabian Oil Co., didn’t  
immediately respond to a request for comment. Representatives  
for LSE and HKEX declined to comment. A representative for the  
New York Stock Exchange, which is owned by Intercontinental  
Exchange Inc., also declined to comment.  
LSE’s Schwimmer has traveled to Saudi Arabia several times  
this year, including to speak on a panel at a Riyadh financial  
summit in April. The former Goldman Sachs Group Inc. dealmaker  
said at the time he was working closely with the local exchange  
to help small companies raise external funds.  
Schwimmer was also part of a delegation led by Philip  
Hammond, then the U.K.’s Chancellor of the Exchequer, that went  
to Jeddah in early July for the first meeting of the Economic  
and Social Pillar of the U.K.-Saudi Arabia Strategic Partnership  
Council.  
Aramco’s first attempt at a listing attracted a flurry of  
pitches from top global exchanges from New York to Tokyo seeking  
to host the listing. Smaller bourses including Singapore and the  
Toronto Stock Exchange were also vying for a role. Their hopes  
were dashed when Aramco put the IPO plans on hold after more  
than two years of preparations and instead decided to buy a $69  
billion stake in local chemical giant Saudi Basic Industries  
Corp.   
  
Looser Rules  
  
Last time around, potential listing venues offered Aramco a  
number of inducements as they sought to win the deal. Officials  
have pitched the idea of a dual listing in Saudi Arabia and Hong  
Kong in return for anchor investments from Chinese funds, people  
with knowledge of the matter said earlier.  
Hong Kong’s top leader Carrie Lam visited Saudi Arabia in  
2017 and promoted the territory’s equity market in meetings with  
King Salman and senior officials including the energy minister.  
HKEX Chief Executive Officer Charles Li has also said that a  
proposed trading link allowing mainland Chinese investors to put  
money into Hong Kong IPOs would act as a lure to major foreign  
companies like Aramco.  
London improved its chances when the securities regulator  
softened its listing regime last year to attract state-owned  
companies. The rule changes introduced a new category of  
“premium listing” rules for state-owned commercial companies,  
which remove restrictions on shareholder approval for related-  
party transactions.  
New York’s appeal to the Saudis as the financial hub of the  
world’s largest economy is enhanced by the relationship that the  
Saudi crown prince, Mohammed bin Salman, has cultivated with  
U.S. President Donald Trump. Still, Aramco has been evaluating  
the risk of broader litigation in the U.S. that could emerge,  
for example, with shareholders lawsuits targeting the company  
over environmental concerns, people familiar with the matter  
have said.  
  
--With assistance from Benjamin Robertson, VirenVaghela, Lananh  
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