China's Xinhua plans to list website: report

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File photo of people walking past a Xinhua News Agency office in Hong Kong. China's official Xinhua news agency plans to list its website by year-end, a report said Wednesday, as the government ushers more state media giants to the stock market.

China's official Xinhua news agency plans to list its website by year-end, a report said Wednesday, as the government ushers more state media giants to the stock market.

Xinhuanet, owned by the state news agency, aims to list on the Shanghai stock exchange, the China Securities Journal quoted sources as saying.

The company had hired Beijing-based investment bank China International Capital Corp. as the lead underwriter and preparations for the listing were underway, it said.

The report follows an announcement that the government-backed People's Daily newspaper, mouthpiece of the Chinese Communist Party, is also planning a domestic market listing.

People's Daily Online is seeking to raise more than 500 million yuan ($79 million) by issuing around 69 million shares for a listing in Shanghai, according to a prospectus released this week.

That listing plan is now under review by the market regulator, which must approve the offer before it can proceed.

Analysts said a successful listing by the People's Daily website could set off a flood of stock offers by other similar websites, as China seeks to make state media more competitive by operating as commercial entities.

Up to 10 state-owned media websites -- including those of the People's Daily, Xinhua and state broadcaster China Central Television -- are planning domestic stock listings, state media said last year.

Amid greater competition and limited advertising revenue, media companies need to tap the stock market to raise funds for expansion, analysts say.

Wu Dazhong, an analyst at Shenyin Wanguo Securities in Shanghai, compared the media listings to those of big state-owned industrial companies, which China has already listed but retains control of.

"They are very similar to the listings of those giant state-owned enterprises," he told AFP. "I don’t think their listings mean the government will loosen its control over the media."

The move comes as Chinese state media faces increasing competition from social media, such as microblogs similar to Twitter, as well as online news offerings, such as the website operated by Chinese Internet giant Sina.

So-called "weibos" have proven to be an effective public platform for people to report corporate as well as official malpractice as traditional media outlets such as newspapers are tightly controlled by the authorities.

The government has become increasingly concerned about the growing influence of social media platforms in China, which has the world's largest online population at more than 500 million users.

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