

Germany's Rocket Internet has lukewarm IPO

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Rocket Internet stages its flotation on Frankfurt stock exchange on October 2, 2014

Germany's ambitious start-up platform Rocket Internet made its high-profile arrival on the Frankfurt stock market on Thursday but got off to a disappointing start as shares slumped in morning trading.

Shares were issued at 42.50 euros—which would value Rocket at 6.7

billion euros (\$8.46 billion), more than Lufthansa airline—but lost six percent in early trading.

After more than five million shares had been traded in the first hour, the price was down 2.26 percent to 41.54 euros.

Rocket Internet, aiming to be Germany's answer to US giants Amazon and eBay and China's Alibaba, owns a range of businesses worldwide in e-commerce, online retail and Internet-based payment systems.

The Berlin-based tech incubator founded in 2007 and run by the brothers Oliver, Marc and Alexander Samwer fully or partially owns 66 companies in more than 100 countries, many of them emerging economies, with about 20,000 employees.

Zalando, Europe's largest online fashion retailer, which had its Frankfurt stock debut on Wednesday, was built up under the watch of Rocket.

The stock debuts come amid a surge of international market enthusiasm for e-commerce initial public offerings (IPOs) after China's Alibaba raised \$25 billion in New York, with some market watchers warning of another tech bubble.

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