

DOCUMENTATIEBLAD

**CONSOLIDATING STOCK EXCHANGES:  
IS ACCESS TO A LOCAL STOCK MARKET STILL NEEDED?**

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***Abstract***

*This paper discusses the importance of local stock market development for a country's long-run economic growth. At the firm level, it argues that companies wishing to raise external equity structure their IPO and choose a listing venue so that a liquid market in their shares can arise. Recent trends in the stock exchange industry provide a rationale for cross-border stock market mergers, however. This paper reviews the literature on stock market competition, specialization, internationalization and cross-listings to derive the conditions that stock market mergers should satisfy in order to contribute to local stock market development, given its micro- and macro-economic importance.*

**JEL CLASSIFICATION:** E44, G14, G15, N20

\* The author thanks Frank Lierman, Mathieu Luypaert, Piet Sercu and Gunther Wuyts for comments on an earlier draft of this paper.