**The Homogenization of US Equity Trading**

Lawrence Harris\*

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**Abstract**

NASDAQ stocks once traded in quote-driven dealer markets while listed stocks traded in order-driven auctions on exchange floors stabilized by exchange specialists. These market structure differences caused higher volumes and transitory volatility for NASDAQ stocks. Following the adoption of certain SEC policies and the growth of electronic trading, all stocks now trade in similar, albeit diverse, systems. This paper provides empirical evidence of the homogenization of US equity trading by showing that volumes and transitory volatility no longer differ by primary listing market. Secondary results indicate that specialists at listed exchanges have stopped providing measurable price stabilization services. The results have important public policy implications because they indicate that issuers no longer have meaningful control over how their stocks trade.

\*Fred V. Keenan Chair in Finance

Professor of Finance and Business Economics

Marshall School of Business

University of Southern California

Los Angeles, CA 90089-0804

lharris@usc.edu