

NYSE

I know what you're thinking... *What's a NYSE?* I had to look it up as well. NYSE = New York Stock Exchange! *Who woulda thunk?*

In 1817, the stockbrokers of New York, operating under the Buttonwood Agreement, instituted new reforms and reorganized. After sending a delegation to Philadelphia to observe the organization of their board of brokers, restrictions on manipulative trading were adopted, as well as formal organs of governance. After re-forming as the New York Stock and Exchange Board, the broker organization began renting out space exclusively for securities trading, which previously had been taking place at the Tontine Coffee House. Several locations were used between 1817 and 1865, when the present location was adopted.

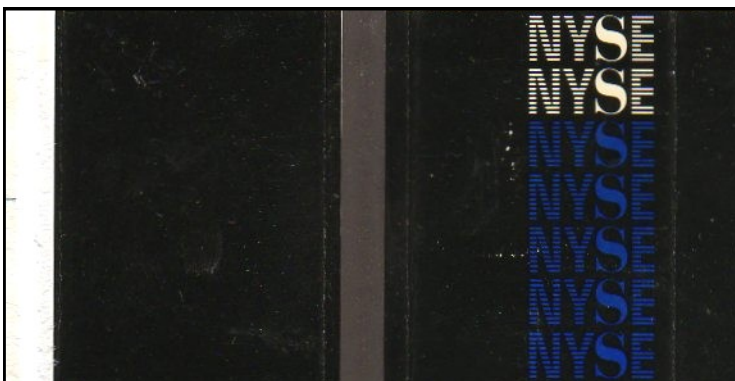
The invention of the telegraph consolidated markets, and New York's market rose to dominance over Philadelphia after weathering some market panics better than other alternatives. The Open Board of Stock Brokers was established in 1864 as a competitor to the NYSE. With 354 members, the Open Board of Stock Brokers rivaled the NYSE in membership (which had 533) "because it used a more modern, continuous trading system superior to the NYSE's twice-daily call sessions".

The Open Board of Stock Brokers merged with the NYSE in 1869. The merger increased the NYSE's members as well as trading volume, as "several dozen regional exchanges were also competing with the NYSE for customers. Buyers, sellers and dealers all wanted to complete transactions as quickly and cheaply as technologically possible and that meant finding the markets with the most trading, or the greatest liquidity in today's parlance.

Minimizing competition was essential to keep a large number of orders flowing, and the merger helped the NYSE maintain its reputation for providing superior liquidity." The Civil War greatly stimulated speculative securities trading in New York. By 1869, membership had to be capped, and has been sporadically increased since. The latter half of the nineteenth century saw rapid growth in securities trading.

On April 21, 2005, the NYSE announced its plans to merge with Archipelago in a deal intended to reorganize the NYSE as a publicly traded company. NYSE's governing board voted to merge with rival Archipelago on December 6, 2005, and became a for-profit, public company. It began trading under the name NYSE Group on March 8, 2006. On April 4, 2007, the NYSE Group completed its merger with Euronext, the European combined stock market, thus forming NYSE Euronext, the first transatlantic stock exchange.

Wall Street is the leading US money center for international financial activities and the foremost US location for the conduct of wholesale financial services. "It comprises a matrix of wholesale financial sectors, financial markets, financial institutions, and financial industry firms" (Robert, 2002). The principal sectors are securities industry, commercial banking, asset management, and insurance.



Prior to the acquisition of NYSE Euronext by the ICE in 2013, Marsh Carter was the Chairman of the NYSE and the CEO was Duncan Niederauer. Currently, the chairman is Jeffrey Sprecher. In 2016, NYSE owner Intercontinental Exchange Inc. earned \$419 million in listings-related revenues. [https://en.wikipedia.org/wiki/New_York_Stock_Exchange]