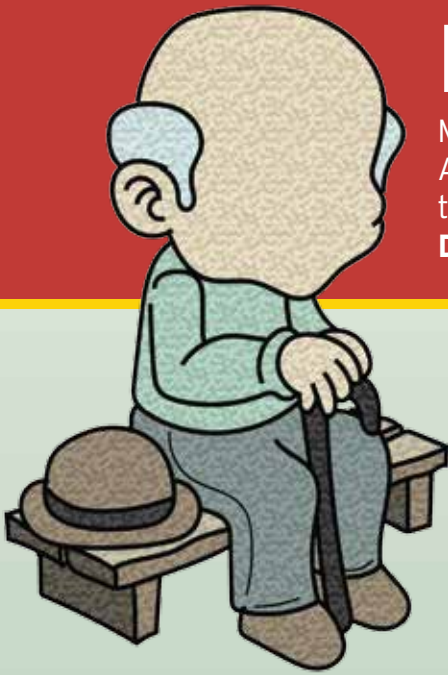


NYSE vs. NASDAQ

Most U.S. companies that go public choose between the National Association of Securities Dealers Automated Quotations (NASDAQ) and the New York Stock Exchange (NYSE). Smith School professor **DAVID KASS** explains some key differences.



NYSE

Home to blue-chip companies, known for solid financials and strong performance.



ROBERT H. SMITH
SCHOOL OF BUSINESS

AGE: NYSE was born in 1792 and is 224 years old. NASDAQ was born in 1971 and is 45 years old.

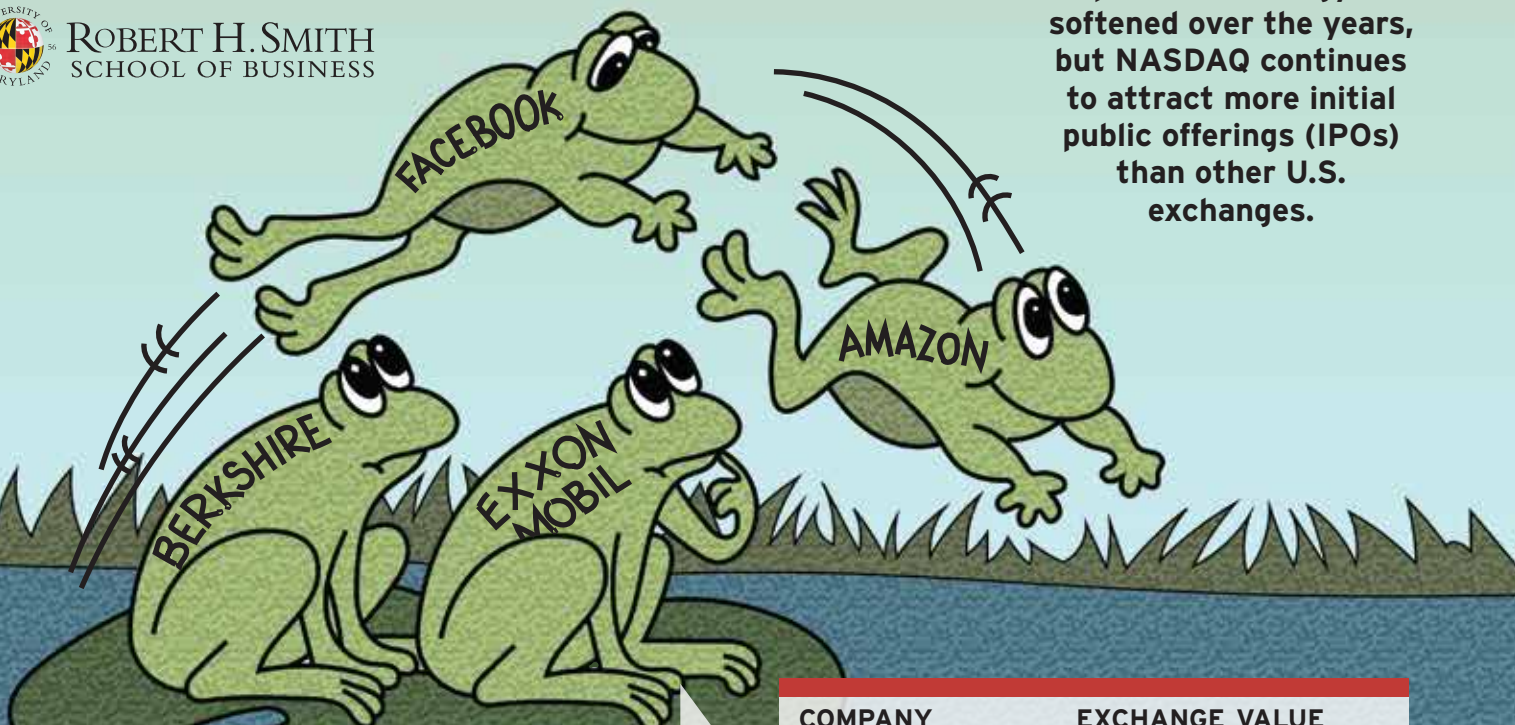
SIZE: NYSE has about 2,400 firms listed with total market capitalization of about \$19 trillion. NASDAQ has about 3,000 firms listed with total market capitalization of about \$10 trillion.

TRADING MODEL: NYSE is an auction market where brokers purchase stocks on behalf of firms or clients. Trades actually take place between individuals on the floor of the exchange. NASDAQ is a computer-based market with orders processed electronically. Member firms are market makers (as opposed to the NYSE specialists) and match buyers and sellers.



NASDAQ

Traditional home to less predictable tech startups. The divide between blue chip and technology has softened over the years, but NASDAQ continues to attract more initial public offerings (IPOs) than other U.S. exchanges.



TECHNOLOGY LEAPFROG

NASDAQ historically attracts younger, smaller firms because it has lower listing fees than NYSE. But the five largest companies by market capitalization in 2016 are all tech companies listed on NASDAQ. Amazon and Facebook leaped Exxon Mobil and Berkshire Hathaway in July.

COMPANY	EXCHANGE VALUE	
1. Apple	NASDAQ	\$570 billion
2. Alphabet/Google	NASDAQ	\$550 billion
3. Microsoft	NASDAQ	\$440 billion
4. Amazon	NASDAQ	\$360 billion
5. Facebook	NASDAQ	\$355 billion
6. Exxon Mobil	NYSE	\$350 billion
7. Berkshire Hathaway	NYSE	\$350 billion