

ABSTRACT

Trade liberalization, free and easy capital movement around the world economies increased the competition in cross listing because of enhanced in opportunities in emerging markets and companies are also cross-list their equities. This study analyzed the possible financial integration properties in explaining cross-listings in Asian market.. Trade openness in Asian market is found to increase the cross listing in Asia. However FDI is negatively affect the cross listing in Asian economies as FDI is also of source of investment by establishing a new company in host country, therefore increased FDI crowd out foreign listing decisions as company make foreign presence in the host country. Inflation rate is found positively affecting the decision to cross list. In the model, inflation coefficient is quite low in magnitude. Increased market capitalizations of companies are indicator of large size firm, a blue chip stock and higher stock market. Stock exchanges like NASDAQ attract foreign listings due to favorable and larger market capitalization. Therefore, in Asia high market capitalization stock exchanges are proved to attract more cross listing. Interest rates and corporate tax rate prevailed in Asian region do not provide significance to affect foreign listing decision of companies in Asian market.