

We are pleased to announce that the Center for Financial Stability (CEF) has published its Working Paper #26 "**Describing Latin American Capital Markets**". The document, available in English, has been written by Mauro Ferraro, in July.

In case you are interested in the document, you can request it by email at seminario@cefargentina.org or by phone at (54-11) 4328-7280.

Abstract

This paper documents the relevant features of the capital markets in Latin America with a focus in stock and bonds markets. The stock market of Argentina is the shallowest in the region since 2005; while Chile has had the deepest market (market capitalization relative to GDP). Brazilian market presents a rapid growth of its relative size. Also, Peru experienced an interesting growth in the relative size of its market. It is admirable the high growth in the Brazilian market liquidity in the last two years. Argentine market has the smallest volume in the sample in relation to the size of its economy. Besides, a great part of the volume traded of Argentine firms' shares is channeled through North American markets rather than domestic stock exchanges. The Brazilian stock exchange presents the largest number of listed companies in the Latin American region. Besides, stock issues are predominant in the Brazilian market. With respect to bond markets, again Brazil dominates the size of the region market. Nevertheless, in relation to total traded value as percentage of GDP, the Chilean market is by far the most liquid bond market, followed by the Argentine bond market. However, Argentina evidences a high share of government bonds while Peru and Brazil shows a major share of private bond over the total. Finally, Brazil and Chile show the largest number of companies that issue bonds.