

NASDAQ Timeline

1961

Congress authorizes the Securities and Exchange Commission (SEC) to conduct a study of fragmentation in the over-the-counter market. The SEC proposes automation as a possible solution and charges the National Association of Securities Dealers, Inc. (NASD) with its implementation.

1971

February 8, the National Association of Securities Dealers Automated Quotation (NASDAQ) begins trading, with median quotes for 2,500 over-the-counter securities.

1976

NASDAQ purchased the assets of the automated quotation NASDAQ System from its builder and operator, Bunker Ramo Corporation.

1980

NASDAQ releases inside quotations, which promptly narrows displayed and published spreads on more than 85 percent of its securities.

1982

The National Market System (NMS) is created for NASDAQ's 40 highest volume securities for up-to-the-minute reporting of trades.

1983

Computer Assisted Execution System (CAES) executes transactions in NMS issues.

1984

Small Order Execution System (SOES) automatically executes small orders against the best quotations, making greater volume and efficiency in trading possible.

1986

NASDAQ opens fully redundant backup system to ensure reliable market.

1987

NASDAQ Workstation, in PC-based platform, gives traders a faster tool and greater flexibility in customizing their service.



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1988

Advanced Computerized Execution System (ACES) enables market makers to execute many orders automatically.

1989

The new Automated Confirmation Transaction (ACT) Service reduces risk by providing same-day comparisons of telephone-negotiated trades. The StockWatch Automated Tracking system (SWAT) is launched, bringing state-of-the-art sophistication to the evaluation of NASDAQ securities for abnormal activity.

1990

SelectNet enhances opportunities to find and execute transactions at the best prices at greater volume.

1991

Introduction of NASDAQ International Service enables firms and investors around the globe to participate in the trans-Atlantic NASDAQ network during European trading hours.

1993

NASDAQ develops three news indexes that enable investors to track key growth industries: biotechnology, computer and telecommunications.

1994

NASDAQ surpasses the New York Stock Exchange in yearly share volume.

1995

NASDAQ Workstation II is unveiled, and the state-of-the-art surveillance tool, RADAR, is introduced.

1996

The NASDAQ Web site—www.NASDAQ.com—begins operating, quickly becoming one of the most visited investor sites on the Internet.

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1997

The SEC approves NASDAQ's proposal to reduce the minimum quotation increment from 1/8 of a dollar to 1/16 of a dollar for stocks trading above \$10. New SEC Order Handling Rules begin to phase-in, narrowing spreads and enhancing market information.

1998

In conjunction with The Stock Exchange of Hong Kong, NASDAQ announces a partnership to provide investors worldwide with information about their respective markets on a new, joint Internet service.

1999

NASDAQ becomes the world's biggest stock market by dollar volume and repeatedly breaks share and dollar volume records. The NASDAQ-100 Index Tracking Stock (QQQ) launches and sees 2.6 million shares traded in the first two hours. NASDAQ creates a cooperative agreement with the Stock Exchange of Hong Kong. NASDAQ opens MarketSite in Times Square, NYC featuring high visibility broadcast studio and the largest, outdoor video screen in the world. NASDAQ launches NASDAQ Canada.

2000

NASDAQ membership votes overwhelmingly to restructure and spin off NASDAQ into a shareholder-owned, for-profit company.

2001

NASDAQ sets new share volume record—more than 3.19 billion shares traded. As part of its global expansion efforts, NASDAQ opens liaison office in Bangalore, India. NASDAQ becomes the first U.S. stock market to meet ISO 9001 quality standards. NASDAQ launches final phase of SuperSoes and launches Primex Auction System. NASDAQ converts all equity securities to decimal pricing.

2002

NASDAQ launches SuperMontage—the next generation market platform creating more transparency, access to liquidity and stable trading.