Figure 1
Differences in Cross-Market Premium

The graphs show the cross-market premium of two types of stocks. The top panel indicates the behavior of the premium of a firm with several days without contemporaneous trading. The bottom panel shows the premium of a firm with only contemporaneous trading days. The cross-market premium is defined as the percentage difference between the dollar price of the stock in the domestic market and the price of the corresponding DR in New York. A positive premium implies that the price of the underlying stock is higher than the DR price.

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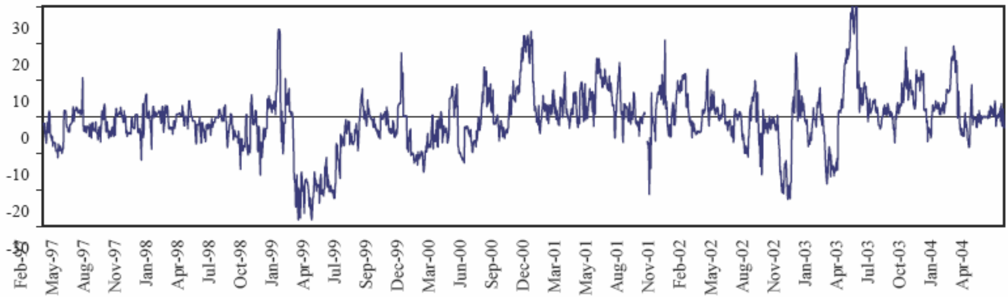

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