

Measuring Transparency and Disclosure in the Egyptian Stock Market

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Abstract

Disclosure and Transparency in the stock market is an important requirement for the proper functioning of market forces. Inadequate information may lead to responses that do not reflect the principles of economic rationality, thus threatening economic growth and causing economic inefficiency. In this context, the study addresses the importance and role of disclosure and transparency in the Egyptian Stock market, relying on an inductive and statistical approach in addition to questionnaires that elicit firm views regarding transparency and disclosure in the stock market. Transparency and disclosure are measured for a representative sample of Egyptian companies in accordance with relevant legislations; the sample involved all firms comprising EGX30, which includes the 30 most active firms in the Egyptian Stock market.