
Information Transparency on Financial Markets, an International View

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Abstract

In this study, the author analyzes the issue of transparency of financial information at the level of entities listed on the financial markets, as a solution to the process of optimizing management strategies in increasing the information users' confidence and in attracting investors.

The research consisted in analyzing the financial statements of 120 companies listed on 8 capital markets. In constructing the sample, it was assumed that the degree of transparency of the information presented by the companies is directly proportional to the weight they occupy in the structure of the stock indices. Finally, 10 stock indices were analyzed.

It was concluded that in order to meet transparency and regular reporting requirements, listed entities need to adapt their organization and communication according to good governance practices and accounting rules so that they are always engaged in an open market dialogue. The level of transparency also comes from the way in which the management of each entity knows how to take responsibility and build that optimal information system, based on the cost-benefit ratio and also to ensure that all shareholders and investors are treated equally.

Keywords: IFRS; US GAAP; accounting; transparency; stock exchange; stock indices

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