

- ❑ The official Nasdaq opening price is the first unlocked, uncrossed print to the tape after 9:30:00 a.m., regardless of size.

Why is this a problem?

- ❑ **Inefficient Price Discovery:** There is no central facility to generate a price reflective of supply and demand. Hence, the Nasdaq opening is not a market clearing event.
- ❑ **No Guarantees:** Few market makers are willing to guarantee the Nasdaq opening, making it more difficult for index participants to get the Nasdaq opening price. This is becoming an increasingly uncertain trade.
- ❑ **Open to Manipulation:** Market makers can post higher than normal quotes before market open, causing the best bid and offer prices to rise and increasing the likelihood that he can trade at a profit from his own inventory of stocks.