ABSTRACT. Aim of the article is to present a development scenario for the Central and Eastern European (CEE) capital markets, to identify their competitors, factors which influence that development and its constraints. While observing regions key market indices author compares them to the most developed markets. Author considers market consolidation as a possible way of achieving satisfiable level of its development which will support real economy optimally. The indice measuring the level of regions capital market's development is its capitalization, average rate of return on key indexes. Author shows merges and acquisitions which already take place and the ones that are possible to undertake, that lead to formulated consolidation.

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