

# [User Manual of the Trading System](#)

## **User Manual of the Securities Trading System at the Amman Stock Exchange**

### **Issued in Compliance with the Provisions of Article (44) of Directives of Trading Securities at the Stock Exchange**

#### **Article 1:**

The following words and expressions herein shall have the meanings designated here under unless otherwise connoted by the context:

<b>ASE</b>	Amman Stock Exchange
<b>Board of Directors</b>	Board of Directors of the ASE
<b>ETS</b>	The electronic trading system
<b>Broker</b>	A juristic person licensed by the Jordan Securities Commission engaged in the business of buying and selling securities for the account of others or for its own account.
<b>Trading</b>	Transactions of buying and selling securities at the ASE.
<b>Buy Order</b>	Order sent to the ETS to buy a certain security
<b>Sell Order</b>	Order sent to the ETS to sell a certain security
<b>Hidden Quantity</b>	The quantity included in the order sent to the ETS, which the broker does not wish to reveal on the Market by Order Book.
<b>Block Trade</b>	Trading between two Brokers or through one Broker to buy and sell a security in one lot, upon the written authorization of the client, provided that the market value of the single contract does not fall short of the minimum set by the Board of directors for such security and the price of the deal falls within the allowed minimum and maximum price thresholds which are set by the Board of directors for such security.
<b>Cross Order</b>	Order sent by a broker to the ETS including a buy order and a sell order for a specific security, for the same quantity, and for the same price in compliance with conditions stipulated in Article (31) herein.
<b>Theoretical Opening Price (TOP)</b>	The equilibrium price between supply and demand quantities. The ETS calculates this price during the pre-opening phase when matching occurs between supply and demand. It is calculated on a continuous basis after entering any order for a certain security; amending or canceling that order in line with standards stipulated in Article (13) herein
<b>Closing Price</b>	The price of the last trading transaction in a trading session, executed on a specific security while observing the provisions of article (18) of Trading Directives

<b>Opening Price</b>	The Price of the first trading transaction in the trading session, executed on a specific security
<b>Limit Price Order</b>	Order sent to buy or sell a security at a certain fixed price that is not to be exceeded in case of buying and not to be lessened in case of selling
<b>Market to Limit Order</b>	Order sent to buy or sell a security at the best prices available at the other side, which is the best-offered price in case of sending a buy order, or the best-demanded price in case of sending a sell order.
<b>Stop Limit Order</b>	Order sent to buy or sell a security that includes a limit price and a trigger price.
<b>Reference Price</b>	The price upon which the allowed minimum and maximum price thresholds during the trading session are determined and it is equal to the closing price, except the case when calculating a new reference price for the security.
<b>Reference Number</b>	The number that the Broker assigns to the client for the purposes of trading, and it shall be previously identified at the Securities Depository Center.
<b>Fixing Pricing</b>	The set of securities traded at a fixed price during the trading session, which represents the last TOP at the opening phase.
<b>Multi fixing Pricing</b>	A set of securities traded at several fixed prices each of which represents the last TOP for each opening phase during the trading session.
<b>Continuous Pricing</b>	A set of securities traded at several prices during the several stages of the trading session.
<b>Orders' Book</b>	A book that contains all orders related to a certain security.

## Article 2:

Trading at the ASE shall take place through one or more pricing sets as follows:

1. Fixing pricing
2. Multi fixing pricing
3. Continuous pricing

## Article 3:

The trading session for the fixing pricing will comprise of the following phases:

1. Beginning of day Inquires
2. Pre-opening
3. Opening
4. Trading at last
5. Block trades
6. The market end

**Article 4:**

The trading session of the multi fixing pricing set will comprise of the following phases:

1. Beginning of day Inquires
2. The first pre-opening
3. The first opening
4. The second pre-opening
5. The second opening
6. The third pre-opening
7. The third opening
8. Trading at last
1. Block Trades
10. The market end

**Article 5:**

The continuous pricing trading session will comprise of the following phases:

1. Beginning of day Inquires
2. Pre-opening
3. Opening
4. Continuous trading
5. Block Trades
6. The market end

**Article 6:**

Orders entered during the pre-opening phase for the several pricing sets shall be displayed in the Order Book without creating any trading. In case the supply and demand are matched, the ETS will calculate a TOP after each entry, amendment or cancellation of orders.

**Article 7:**

Executable quantities of the buy and sell orders will be executed during the opening phase of the several pricing sets for each security at the last TOP at that moment.

**Article 8:**

When the opening phase of the continuous pricing set comes to an end, trading will take place continuously till the end of the continuous trading phase.

**Article 9:**

Limit price orders with a price equals the closing price are only allowed to be entered during the trading at last phase for fixing and multi fixing pricing sets . Execution during this phase will take place at the closing price only.

**Article 10:**

All orders entered into the ETS will be displayed in the orders' book according to the priority of prices and precedence of entry. These entries will be given serial numbers by the ETS.

**Article 11:**

Orders entered into the ETS will be executed according to the priority of price and priority of entry time .

**Article 12:**

The amended order will lose priority in the orders' book when decreasing price in the buy order or increasing price in the sell order or when increasing the displayed quantity of the order.

**Article 13:**

The TOP will be calculated according to the following standards:

1. The price which achieves the largest executable volume of trading. In case there is more than one price which fulfills this requirement, the standard in paragraph (b) of this Article will apply.
2. The price which achieves the minimal non-executable trading volume. In case there are more than one price fulfilling this requirement, standard in paragraph (c) of this Article will apply.
3. The closest price to the reference price of the security.

**Article 14:**

When calculating the TOP, quantities of all orders in the orders' Book will be accounted for including the hidden quantities.

**Article 15:**

1. In the opening phase of the several pricing sets, the trading system will match the entered buy and sell orders in a manner that all buy orders with prices exceeding the TOP and all sell orders with prices less than the TOP including hidden quantities will be fully executed.
2. Orders entered at a price that equals the TOP will be executed either entirely or partially. Otherwise, they will not be executed at all.

**Article 16:**

It shall be permissible not to display all the quantity entered in the buy and sell orders with a limit price during the several phases of the trading session. This will be by identifying the quantity to be displayed in the orders' book while hiding the remaining part. However, the displayed quantity must be at least as equal as the minimal approved by the Board of Directors for this purpose.

**Article 17:**

1. In case of an entire execution of a displayed quantity in an order with a hidden quantity, the part of the remaining hidden quantity equaling the displayed quantity in the Order will appear as a new order in the Orders' book. If the remaining quantity is less than the displayed quantity in the Order, the whole remaining quantity will be displayed.
2. No part of the hidden quantity will be displayed unless after executing the displayed quantity in full.
3. While observing provisions of paragraphs (a) and (b) of this Article, when executing a part of the displayed quantity, the remaining quantity will be displayed at the entry price .

**Article 18:**

1. During the continuous trading phase, it shall be permissible to identify the minimal quantity to be immediately executed in the order entered at a limit price or at a market to limit price.
2. If the minimal identified quantity is not executed, the order will be immediately eliminated by the ETS. In case the minimal identified quantity is executed, the remaining unexecuted part will be displayed in the orders' book at the price stated in the entered order if entered at a limit price or at the execution price if the order is entered at a market to limit price.

**Article 19:**

The buy order and the sell order entered into the ETS must identify the quantity of securities, code of the security, price, reference number of the client, the order time validity, and all information deemed as essential for execution.

**Article 20:**

If a buy order is entered at a price which is higher than that on the sell side or a sell order is entered at a price which is lower than the price on the buy side during the continuous trading phase, the execution will be, in this case, at the limit price determined on the opposite side.

**Article 21:**

In case a buy or a sell order is entered into the orders' book with a quantity that can be executed at more than one price on the other side during the continuous trading phase, it will be executed according to the series of prices available according to priority until the quantity has been entirely executed. If the order is not executed entirely, the unexecuted quantity will stay in the orders' book at the limit price set in the Order.

**Article 22:**

An amendment or a cancellation of orders entered and not executed can be done at all phases of the trading session except for the opening phase after a period of time set by the Board of Directors lapses as from entering or amending the order.

**Article 23:**

In terms of price, orders will be categorized as:

1. Limit price
2. Market to limit price

**Article 24:**

Price of the order entered at a limit price represents the highest price that the buyer accepts in case of buying and the lowest price that the seller accepts in case of selling.

**Article 25:**

Orders entered at a limit price in the continuous trading phase will be executed either entirely or partially according to the orders on the opposite side. In case they are not executed, the orders will be displayed in the orders' book according to the price priority so that they will be arranged in a descending order in case of buy orders and an ascending order in case of sell orders and according to priority of time when prices of more than one order are equal.

## Article 26:

1. The order at the market to limit price will be entered into the continuous trading phase only. This order is executed either partially or entirely at the best prices on the opposite side at the moment of entry. In case of partial execution, the remaining quantity will be displayed on the orders' book at the price of execution.
2. The order entered at the market to limit price will be rejected in case there is no order on the opposite side.

## Article 27:

1. Stop limit order will be entered in the pre-opening phase and the continuous trading phase. This type of orders includes two prices; the first is the trigger price to activate the order, and the second is the limit price set in the order, which will be displayed in the orders' book.
2. When entering a stop limit order during the pre-opening phase, the following must be fulfilled:
  1. Buy Order: the trigger price must be higher than the previous closing price of the security.
  2. Sell order: the trigger price must be lower than the previous closing price of the security.
3. When entering a stop limit order in the continuous trading phase, the following must be fulfilled:
  1. Buy Order: the trigger price must be higher than the last traded price of the security or its previous closing price in case it has not been traded during the trading session.
  2. Sell order: the trigger price must be lower than the last traded price of the security or its previous closing price in case it has not been traded during the trading session.
4. In all cases, the limit price in the stop limit order - which will be displayed in the orders' book - must be higher than or equal to the trigger price in case of buying, and less or equal to the trigger price in case of selling.
5. 1- In order to include the stop limit order in the calculation of the TOP during the pre-opening phase, the following requirements must be fulfilled:

- Buy Order: the TOP must be higher than or equal to the trigger price .

- Sell Order: The TOP must be lower than or equal to the trigger price .

2- If the TOP changed in a manner that prevents fulfilling what mentioned in paragraph (e/1) of this article, the ETS will exclude the stop limit order from calculating the TOP.

3- The stop limit order can be executed during the opening phase in the following conditions:

- Buy Order: the TOP must be higher than or equal to the trigger price, and lower than or equal to the limit price in the order.

- Sell Order: the TOP must be lower than or equal to the trigger price, and higher than or equal to the

limit price in the order.

6. In order to trigger the stop limit order during the continuous trading phase and have it displayed in the orders' book at the limit price set in the Order, the following must be fulfilled:

1.
  1. buy Order: the last traded price of the security must be higher than or equal to the trigger price.
  2. sell Order; the last traded price of the security must be lower than or equal to the trigger price.

#### **Article 28:**

1. In terms of time validity in the ETS, orders will be categorized as follows :

1.
  1. A DAY Order.
  2. GTD: An order valid till a fixed date on condition that it does not exceed the time validity stipulated in paragraph (c) in this Article.
  3. Sliding Validity: An Order valid for a period of time set by the Board of Directors on condition that it does not exceed 365 days.
  4. GTC: An Order valid for one day or until cancelled according to a decision by the Board of directors.
2. Notwithstanding what is stated in paragraph (A) of this article, the time validity of the entered orders in the ETS that remain in the order book is considered expired after the end of the last trading session of the calendar year.

#### **Article 29:**

1. It shall be permissible to enter the Fill and Kill (FAK) Order during the pre-opening phase. This is meant to execute the largest quantity possible at the price set in the Order during the opening phase, and to eliminate the remaining quantity which has not been executed.
2. It shall be permissible to enter the Fill and Kill (FAK) Order during the continuous trading phase and during the trading at last phase. It means to execute the largest quantity possible at the price set in the Order directly and eliminate the remaining quantity which has not been executed. .

#### **Article 30:**

The Order with a time validity and not executed during the period of time set for its execution will be eliminated.

#### **Article 31:**

1. The cross order will be executed during the continuous trading and the trading at last phases.
2. The cross order will be entered during the continuous trading phase at any price within the



range between the best buying price and the best selling price. The Order will be executed immediately.

3. The cross order will be entered during the trading at last phase at a price that equals the last traded price of the security. However, this price must fall between the best buying price and the best selling price and it shall be executed immediately.

#### **Article 32:**

In order to execute the block trade, it must be entered by both parties during the block trades phase using the window designated for this purpose. In case the block trade is not entered by either party in due course of time, it will be eliminated.

#### **Article 33:**

The Security will not be traded during the trading session if it is:

1. suspended.
2. reserved.
3. forbidden.

#### **Article 34:**

The Security will be reserved, and entered into the pre-opening phase where shall be permissible to enter, amend or cancel orders without any trading of the Security, whenever it deems necessary.

#### **Article 35:**

Entering orders for a Security will be prohibited temporarily during the trading session if any trading transaction is to be cancelled.

#### **Article 36:**

1. The following will be prohibited during the pre-opening phase of the several pricing sets and the continuous phase of continuous pricing set:
  1. Entering a buy order at a price exceeds the maximum allowed price threshold of the Security.
  2. Entering a sell order at a price lower than the minimum allowed price threshold of the Security.
2. The department involved in managing the trading session will cancel the buy and sell orders entered in violation of paragraph (a) in this Article.

