The primary, the secondary market and the intermediary (Broker)

- The primary market is the market in which a security is issued for the first time.

- The secondary market is the market in which the issued security is traded.

- The financial intermediary is only a person authorized by the Securities Commission to buy and sell securities for the benefit of clients for a specified commission.

Securities

Securities: They are property rights or any known indications or evidence that they are a security, whether local or foreign, approved by the Board of Commissioners of the Securities Commission to consider them as such and include the following:

- **Shares of convertible and tradable companies.**
- **Bonds of loan issued by companies.**
- **Securities issued by the government, official institutions, public institutions or municipalities.**
- **Securities Deposit Receipts.**
- **Shares and investment units in mutual funds.**
- **Assign a contribution option.**
- **Instant-settled contracts and future-settled contracts.**
- **Buy option contracts and put option contracts.**
- **Any right to obtain any of the foregoing with the approval of the Authority's Board of Commissioners.**

Securities - stocks

They are securities offered by the facility to the public for the purpose of raising funds for growth and investment in their business, and represent an ownership share for their purchasers.

The number of shareholders in one company may be hundreds or thousands of people, and the holders of these securities (shareholders) have the right to receive a share of the profit generated by the enterprise and also the right to vote or delegate another person to vote to elect the members of the board of directors of the enterprise.

This board represents the shareholders in managing the facility because they are legally the owners of the facility, and this board appoints the senior management to take over the actual executive management, and investors can also buy and sell these shares (securities) among themselves through stock exchanges, and the shares have three values:

The face value: It is the issue at which it is issued, and it is specified in one Jordanian dinar**.**

Book value: represented by the share of equity**.**

Market value: It represents the share price in the stock market, which is determined by supply and demand by investors.

Securities - Bonds

It is a debt instrument that governments, companies, and institutions resort to to finance their projects, with a specific interest and term, and the bond holder is considered a creditor.

The entity that issued the bonds undertakes to pay the bond holder an interest called a pre-determined coupon, either monthly or annually for the duration of the bond, and to return the face value of the original bond (the purchase value) when it becomes due or when it becomes due, and thus it is considered a good return for investors against low risks.

Bonds are also characterized as being tradable in the financial markets, where the holder, in case he needs cash, can sell it at a price commensurate with the remaining period of the bond's life and with the agreed upon interest rate.

Securities - Depository Receipts

They are negotiable securities issued by the Depository Bank (it is a legal person authorized to issue deposit receipts) representing securities belonging to a Jordanian or foreign issuer.

These receipts are traded in financial markets other than the stock exchanges in which the corresponding securities are listed, and the owners of these receipts have all the rights granted to the owners of the corresponding securities, and among their benefits, they provide investors with access to investment opportunities in foreign companies.

Securities - Islamic Finance Sukuk

They are securities or documents of equal value issued with a nominal value representing common shares in the ownership of the project. They are issued in the names of their owners in exchange for the money they provide for the implementation and exploitation of the project and realizing the return for a period specified in the prospectus in accordance with the principles and provisions of Islamic Sharia (sheep for fine) sharing in profit and loss.

Sukuk are characterized by flexibility, ease of issuance and trading, low risks, and they accommodate a segment of investors who do not want to speculate in the stock market and who do not want to engage in suspicions of usurious transactions. They also contribute to the development of the financial market and provide investors with broader options for investment.

Securities - Derivatives Contracts

They are financial contracts between two parties that agree together on a specific value for that contract, and this value is derived from a financial asset.

It mainly depends on the changes of this financial asset, whether this asset is stocks, financial bonds, commodities, interest rates, currencies, or other well-known financial assets. There are different types of derivative contracts, which are:

1- Forward contracts.
2- Future contracts.
3- Contracts for Difference.
4- Options contracts.
5- Exchange contracts.

Securities - future options

They are contractual agreements to buy or sell a financial asset or commodity in the future at a predetermined price for the purpose of hedging.

These contracts are usually dealt with in the regular financial markets, and they can be defined as the right to buy or sell a particular security at a specific price and during a specified period, and therefore may be as follows:1- Put option: It is an option that gives its buyer the right to sell the related financial instrument without the obligation to sell if the price has not moved in his favour, until a specific expiry date and at a specific price called the execution price.2- Call option: It is an option that gives its buyer the right to buy the related financial instrument without the buyer's obligation to buy if the price has not moved in his favour, until a specific expiry date and at a specific price called the execution price.

Capital Market Institutions - Securities Commission

It is a governmental supervisory institution whose objective is to regulate and develop the capital market and to monitor dealing in stocks, bonds, Islamic sukuk and other securities. Article 8 Paragraph A of Securities Law No. 18 of 2017 stipulates the objectives that the Authority must achieve, which are:

- Protection of investors in securities.
- Regulating and developing the capital market to ensure fairness, efficiency and transparency.
- Protecting the capital market from the risks it may be exposed to.

WORLD INVESTOR WEEK 2022

Capital Market Institutions - Amman Stock Exchange

هي : السوق النظامي لبيع وشراء الأسهم والسندات والصكوك الإسلامية وغيرها من الأوراق المالية وتخضع لرقابة هيئة الأوراق المالية.

- **Securities Trading Market**: Any organized market or any periodic or continuous use of means of communication that allows the trading of securities and financial assets.
- **The Financial Market:** Any market for trading in securities licensed by the Securities Commission in accordance with the provisions of the Securities Law.

Capital Market Institutions - Securities Depository Center

It is: an independent entity subject to the supervision of the Securities and Exchange Commission in which securities are registered, their ownership transferred, their prices settled, and their documentation is done.

The Securities Commission, the Amman Stock Exchange, and the Securities Depository Center are called the National Capital Market Institutions.