



Jamaica Stock Exchange's Monthly Regulatory Report May 2015

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Overview

This is the Jamaica Stock Exchange's (JSE) May 2015 Monthly Regulatory Report. The report gives a synopsis of the following regulatory activities:

1. Member-dealers' reporting,
2. Listed companies' submissions,
3. Market surveillance and compliance activities,
4. Regulatory breaches and enforcement actions.

Member-Dealer Regulation

In accordance with JSE Rule 209 (A) & (B) member-dealers were required to file Monthly and Quarterly Reports for the period ended April 30, 2015 by May 31, 2015. For the period member-dealers were required to file twelve (12) Monthly Reports and one (1) Quarterly Report. All Monthly and Quarterly reports were submitted on time. Based on JSE Rule 209 (C) member-dealers with financial year ended February 28, 2015 were also required to file their Audited Reports by May 31, 2015. For the period no Audited Reports were due. Given the records of the JSE, member-dealers' filing compliance rate for the month ended May 31, 2015 was 100%. For the 2014 comparative period member-dealers' filing compliance rate was also 100%. An overview of member-dealers' financial condition as at April 30, 2015 is represented in Table 1 below:

Table 1

Member-Dealers' Excess Net Free Capital (ENFC) as at May April 30, 2015		
ENFC Range(\$M)	# Of Member-Dealers April 2015	# Of Member-Dealers April 2014
Below 0	1	0
0 - 299	2	4
300 – 899	6	3
900 – 1,999	1	1
2,000 – 4,999	0	2
6,000 and above	2	2

Listed Company Compliance

During May 2015 Listed Companies were required to submit to the JSE the financial reports as detailed in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
Reports	May 2015				May 2014			
	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	39	37	1	1	37	34	2	1
Audited	11	11	0	0	11	10	1	0
Annual	0	0	0	0	0	0	0	0

*Key: Late reports are filings after the due date that came in before the close of the month.
Outstanding reports are due reports that were not received as at the close of the month.*

Market Surveillance and Compliance

The JSE's tally of market surveillance and compliance issues as at May 2015 amounted to twenty (20) versus fifty-one (51) for the comparative month last year. Further details of JSE's market surveillance and compliance activities are presented in Table 3 below.

Table 3

Market Surveillance & Compliance Log					
Total Issues		Issues Closed		Issues Unclosed	
May 2015	May 2014	May 2015	May 2014	May 2015	May 2014
20	51	15	46	5	5
Y-T-D '15	Y-T-D '14	Y-T-D '15	Y-T-D '14	Y-T-D '15	Y-T-D '14
78	99	71	93	3	6

List of Regulatory Breaches and Enforcement Actions

In Table 4 below is the list of regulatory breaches and enforcement actions for the period ended May 31, 2015:

Table 4

#	Entity	Code	Rule	Details
1	Stocks and Securities Limited	M/D	JSE Rule 209 (C) – Financial Returns, Annual Returns	The firm's Audited Financial Statements for the year ended December 31, 2014, which became due on March 31, 2015 is outstanding. Given the breach JSE Rule 211 (C) is applicable.
2	Mayberry Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended December 31, 2015, which became due on April 30, 2015, was submitted on May 1, 2015. Given the breach the company was subjected to JSE Rule Appendix 3, Listing Agreement, Section 16 (vii).
3	Derrimon Trading Company Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2014, which became due on April 30, 2015, was submitted on May 29, 2015.
4	K.L.E Group Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2014, which became due on April 30, 2015, was submitted on June 2,

				2015.
5	C2W Music Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2014, which became due on April 30, 2015, is outstanding. The Company issued a notice to the JSE and the press on May 11, 2015 regarding the matter.
6	Pulse Investments Limited	MMC	JSE Rule 407 – Quarterly Report	The Company's 3rd Quarter Financial Statements for the period ended March 31, 2015, which became due on May 15, 2015 was submitted on May 20, 2015. Given the breach the company was subjected to JSE Rule Appendix 3, Listing Agreement, Section 16 (v).
7	C2W Music Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (a) (i) – Quarterly Financial Statements	The Company's 1 st Quarter Financial Statements for the period ended March 31, 2015, which became due on May 15, 2015 is outstanding. The Company issued a notice to the JSE and the press on May 11, 2015 regarding the matter.
8	Barita Investments Limited	MMC	JSE Appendix 3 – Listing Agreement, Sections (4a) & (18)	The company notified the JSE on May 15, 2015 of dealings in its securities by a Director on May 7, 2015. Given JSE's rules the notice to the Exchange was three (3) days late. Consequently, the company was subjected to JSE Rule Appendix 3, Section 16 (i).
9	Caribbean Flavours and Fragrance Limited	JMC	JSE Appendix 2, Part 5, Section 3 (a) (i) – Requirement to Notify the JSE of Certain Board Decisions	The company notified the Exchange on May 21, 2015 that its Directors approved a dividend payment at a meeting held on May 20, 2015. Given the company's notice it breached JSE Junior Market Rule Appendix 2, Part 5, Section 3 (a) (i).
10	Barita Investments Limited	MMC	JSE Appendix 3 – Listing Agreement, Sections (4a) & (18)	The company notified the JSE on May 21, 2015 of dealings in its securities by a Director on May 14, 2015 and May 15, 2015. Given JSE's rules the notice to the Exchange was three (3) days late. Consequently, the company was subjected to JSE Rule Appendix 3, Section 16 (i).

Code Key:

1. JMC – Junior Market Company
2. MMC – Main Market Company
3. M/D – Member-Dealer
4. O – Others

The RMOD undertakes enforcement actions as prescribed by the JSE rules. Enforcement actions take the form of fines, suspension and delisting that are imposed on entities who are found to be in breach of the rules and regulations of JSE.