



# Jamaica Stock Exchange's Monthly Regulatory Report August 2015

# Jamaica Stock Exchange August 2015 Regulatory Report

## Overview

This is the Jamaica Stock Exchange's (JSE) August 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) member-dealers were required to file Monthly Report for the period ended July 31, 2015 by August 31, 2015. For the reporting period twelve (12) Monthly Reports were due and of the twelve (12), eleven (11) were submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended July 31, 2015 by August 31, 2015. For the reporting period one (1) Quarterly Report was due and was submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended May 31, 2015 were required to file their Audited Reports by August 31, 2015. No Audited Reports were due, hence no filings were made.

The aggregate compliance rate for member-dealers' filing of their monthly, quarterly and audited reports for the month ended August 31, 2015 was 92%. For the 2014 comparative period member-dealers' aggregate compliance rate was also 92%. An overview of member-dealers' financial condition as at July 31, 2015 is represented in Table 1 below:

**Table 1**

<b>Member-Dealers' Excess Net Free Capital (ENFC) as at July 31, 2015</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member-Dealers July 2015</b>	<b># Of Member-Dealers July 2014</b>
Below 0	0	0
0 - 299	4	3
300 – 899	4	5
900 – 1,999	2	2
2,000 – 4,999	0	1
6,000 and above	2	1

### **Listed Company Compliance**

During the month of August 2015 Listed Companies were required to file Unaudited Reports for the period ended June 30, 2015. Listed Companies with year ended June 30, 2015 that selected the 60-days filing option were required to file Audited Statements during the month of August 2015. Listed Companies with year ended May 31, 2015 that selected a 90-days filing option were also required to file their Audited Statements during the month of August 2015. Additionally, Listed Companies with year ended April 30, 2015 were required to file Annual Reports during the month. The filing statistics are represented in Table 2 below:

**Table 2**

<b>Listed Companies' Financial Submissions</b>								
<b>August 2015</b>					<b>August 2014</b>			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	45	42	3	0	42	38	4	0
Audited	6	5	0	1	6	5	0	1
Annual	2	2	0	0	2	1	0	1

*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 August 2015 amounted to seventeen (17) versus twenty-six (26) for the comparative month last year. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

**Table 3**

<b>Market Surveillance &amp; Compliance Log</b>					
<b>Total Issues</b>		<b>Issues Closed</b>		<b>Issues Unclosed</b>	
<b>Aug 2015</b>	<b>Aug 2014</b>	<b>Aug 2015</b>	<b>Aug 2014</b>	<b>Aug 2015</b>	<b>Aug 2014</b>
17	26	17	24	0	2
<b>Y-T-D '15</b>	<b>Y-T-D '14</b>	<b>Y-T-D '15</b>	<b>Y-T-D '14</b>	<b>Y-T-D '15</b>	<b>Y-T-D '14</b>
<b>146</b>	<b>164</b>	<b>141</b>	<b>160</b>	<b>5</b>	<b>4</b>

### **List of Regulatory Breaches and Enforcement Actions**

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

**Table 4**

<b>#</b>	<b>Entity</b>	<b>Code</b>	<b>Rule</b>	<b>Details</b>
1	BCW Holdings Limited	M/D	JSE Rule 209c – Annual Returns	The firm's Audited Financial Statements for the year ended March 31, 2015, which became

				due on June 30, 2015 is outstanding.
2	Stocks and Securities Limited	M/D	JSE Rule 209a – Financial Returns – Monthly Returns	The firm submitted an incomplete Broker Report for the month ended June 30, 2015. The report became due on July 31, 2015. A complete filing was made on August 3, 2015. Consequently, the firm was subjected to JSE Rule 211 B.
3	Jamaica Stock Exchange	MMC	JSE Appendix 3 – Listing Agreement, Sections (4a) & (18)	The Company provided notification on August 12, 2015 of dealings in its Securities by Senior Managers on the 4 <sup>th</sup> , 5 <sup>th</sup> , 9 <sup>th</sup> and 10 <sup>th</sup> of June 2015. In total the notification was two hundred and forty three (243) days late. Consequently, the company was subjected to JSE Rule Appendix 3, 16 (i).
4	Kingston Properties Limited	MMC	JSE Main Market Rule 407 – Quarterly Financial Statements	The Company's 2 <sup>nd</sup> Quarter Unaudited Financial Statements for the period ended June 30, 2015, which became due on August 14, 2015, was submitted on August 17, 2015. Consequently, the company was subjected to JSE Rule Appendix 3, 16 (v).
5	KLE Group Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 1 (a) (i) – Quarterly Financial Statements	The Company's 2 <sup>nd</sup> Quarter Unaudited Financial Statements for the period ended June 30, 2015, which became due on August 14, 2015, was submitted on August 17, 2015.
6	C2W	JMC	JSE Junior Market Rule, Appendix 2, Part 4 1 (a) (i) – Quarterly Financial Statements	The Company's 2 <sup>nd</sup> Quarter Unaudited Financial Statements for the period ended June 30, 2015, which became due on August 14, 2015, was submitted on August 18, 2015.

**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.