



Jamaica Stock Exchange's Monthly Regulatory Report November 2015

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Overview

This is the Jamaica Stock Exchange's (JSE) November 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 October 31, 2015 by December 1, 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 October 31, 2015 by December 1, 2015. For the reporting period one (1) Quarterly Report was due and it was submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended August 31, 2015 were required to file their Audited Reports by November 30, 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 November 30, 2015 was 96%. For the 2014 comparative period member-dealers' aggregate compliance rate was 92%. An overview of member-dealers' financial condition as at October 31, 2015 is represented in Table 1 below:

Table 1

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

Listed Company Compliance

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

Table 2

Listed Companies' Financial Submissions								
November 2015					November 2014			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	45	44	0	1	45	41	3	1
Audited	4	3	0	1	3	2	0	1
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 November 2015 amounted to eighteen (18) versus thirty-one (31) for the comparative month last year. Further statistics 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	
Nov 2015	Nov 2014	Nov 2015	Nov 2014	Nov 2015	Nov 2014
18	31	14	29	4	2
Y-T-D '15	Y-T-D '14	Y-T-D '15	Y-T-D '14	Y-T-D '15	Y-T-D '14
192	227	184	222	8	5

List of Regulatory Breaches and Enforcement Actions

In Table 4 below is the list of regulatory breaches and enforcement actions for the period ended November 30, 2015:

Table 4

#	Entity	Code	Rule	Details
1	Sagicor Real Estate X Fund Limited	MMC	JSE Rule Appendix 7 – Model Code for Securities Transactions by Directors and Senior	The Company provided a notification on October 22, 2015 of dealings in its securities by a

			Executives of Listed Companies – Sections 4(b) & 8(a)	Director on October 20, 2015. The dealing contravened the JSE's Model Code, Appendix 7, Sections 4b & 8a. The Director provided a letter to the JSE on October 28, 2015 explaining the circumstances of the trade.
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 September 30, 2015. The report became due on November 2, 2015. A complete filing was made on November 3, 2015. Consequently, the firm was subjected to JSE Rule 211 B.
3	Caribbean Cream Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 7 - Model Code for Securities Transactions by Directors and Senior Executives of Listed Companies – Section 9b.	The Company provided notification on November 4, 2015 of dealings in its securities by a Director over the period October 28-30, 2015, and an officer of the Company on October 16, 2015. The notification contravened the JSE's Junior Market Model Code, Appendix 2, Part 7 - Section 9b.
4	Kingston Live Entertainment	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (1) (a) – Quarterly Financial Statements	The Company's 3 rd Quarter Unaudited Financial Statements for the period ended September 30, 2015, which became due on November 16, 2015, was submitted on December 2, 2015. Consequently, the company was subjected to JSE Junior Market Rule Appendix 2, Part 4 (1) (d). The ad in relation to the delay in filing the financial statements was published in the Gleaner of November 23, 2015.
5	Lasco Financial Services Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 7 Market Model Code, Section 9b – Procedures for dealings outside closed periods.	The Company provided notices on November 24, 2015 of dealing in its securities by a Connected Party to a Director on the 5 th and 12 th of November 2015. The notices contravened JSE Junior Market Rule Appendix 2, Part 7, Section 9b.
6	Barita Investments Limited	MMC	JSE Rule 408 – Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended September 30, 2015, which was due on November 29, 2015, was outstanding as at November 30,

				2015.
7	Caribbean Flavours and Fragrance Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 7 Market Model Code, Section 9b – Procedures for dealings outside closed periods.	The Company provided a notice on November 24, 2015 of dealing in its securities by a Director on the 17 th and 18 th of November 2015. The notice contravened JSE Junior Market Rule Appendix 2, Part 7, Section 9b.
8	Caribbean Flavours and Fragrance Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 7 Market Model Code, Section 9b – Procedures for dealings outside closed periods.	The Company provided a notice on November 27, 2015 of dealing in its securities by a Director on the 20 th of November 2015. The notice contravened JSE Junior Market Rule Appendix 2, Part 7, Section 9b.

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.