



Jamaica Stock Exchange's Monthly Regulatory Report May 2013

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Overview

This is Jamaica Stock Exchange's (JSE) May 2013 Monthly Regulatory Report. The report gives a synopsis of JSE's regulatory activities as it relates to the following: Member-Dealer Regulation, Listed Company Compliance, Market Surveillance/Compliance Activities and Enforcement Actions. For the month under review Member-Dealers had a 100% compliance rate in their timely filing of financial statements; for the comparative month in 2012 the compliance rate was 92%. During May 2013 Listed Companies' were required to file forty-three (43) financial reports and of the set thirty-eight (38) were submitted on time. For the review month the total tally of market surveillance and compliance issues amounted to thirty-three (33), which represents an increase of twenty (20) over the comparative month in 2012. In May 2013 there were eight (8) enforcement actions.

Member-Dealer Regulation

For the month ended May 31, 2013 Member-Dealers were required to file monthly and quarterly reports for the period ended April 30, 2013 by May 31, 2013. Also, Member-Dealers with financial year ended February 28, 2012 were required to file their Audited Reports by May 31, 2013. For the reporting period Member-Dealers were 100% compliant in the timely filing of their financial statements. In May 2012 Member-Dealers' timely filing compliance rate was 92%. An overview of Member-Dealers' financial condition is represented in Tables 1 to 3 below:

Table 1 – Member-Dealers' Excess Net Free Capital (ENFC)

Member-Dealers' Excess Net Free Capital (ENFC)		
ENFC Range(\$M)	# Of Member-Dealers April 2013	# Of Member-Dealers April 2012
Below 0	1	0
0 - 299	3	2
300 – 899	2	2
900 – 1,999	2	3
2,000 – 4,999	1	2
6,000 and above	2	2

Table 2 – Member-Dealers' ENFC/TAA Ratio

Member-Dealers' Excess Net Free Capital/Total Active Assets Ratio		
ENFC/TAA Ratio (%)	# Of Member-Dealers April 2013	# Of Member-Dealers April 2012
Below 1	1	0
1 – 1.99	0	0
2 – 4.99	3	2
5 – 6.99	2	1
7 – 14.00	4	6
18 and above	1	2

Note: TAA – Total Active Assets

Table 3 – Member-Dealers’ Current Ratio

Member-Dealers’ Current Ratio		
Current Ratio – (X)	# of Member-Dealers April 2013	# Of Member-Dealers April 2012
Below 1	1	0
1 – 1.09	2	1
1.10 – 1.15	4	4
1.16 – 1.40	3	5
1.50 and above	1	1

Listed Company Compliance

During May 2013 Listed Companies were required to submit to the JSE the following financial reports as detailed in Table 4 below:

Table 4

Listed Companies’ Financial Submissions								
May 2013					May 2012			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	34	32	2	0	33	27	5	1
Audited	9	6	2	1	9	4	3	2
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 31, 2013 amounted to thirty-three (33) versus thirteen (13) for the comparative month last year. Further details of JSE’s market surveillance and compliance activities are presented in Table 5 below.

Table 5

Market Surveillance & Compliance Log					
Total Issues		Issues Closed		Issues Unclosed	
May 2013	May 2012	May 2013	May 2012	May 2013	May 2012
33	13	28	10	5	3
Y-T-D ‘13	Y-T-D ‘12	Y-T-D ‘13	Y-T-D ‘12	Y-T-D ‘13	Y-T-D ‘12
111	54	104	41	7	13

Enforcement Actions

The JSE's enforcement actions are in relation to fines on Member-Dealers and Listed Companies for late financial filings, as well as the suspension or delisting of Listed Companies for overdue financial filings. There were eight (8) enforcement actions in May 2013, of which five (5) related to Listed Companies and three (3) to Member-Dealers.

Other Regulatory Matters

The JSE is processing four (4) rule amendments, namely:

- a.** Jamaica Stock Exchange Model Code for Securities Transaction by Directors and Senior Executives of Listed Companies – Main Market
- b.** Jamaica Stock Exchange Model Code for Securities Transaction by Directors and Senior Executives of Listed Companies – Main Market
- c.** JSE Rule 228 – Disciplinary Proceedings
- d.** JSE Rule Appendix 1 - Takeovers and Mergers