



Jamaica Stock Exchange's Monthly Regulatory Report July 2013

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Overview

This is Jamaica Stock Exchange's (JSE) July 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 an 89% compliance rate in their timely filing of financial statements; for the comparative month in 2012 the compliance rate was 100%. During July 2013 Listed Companies' were required to file thirteen (13) financial reports and of the set nine (9) were submitted on time. For the review month, the total tally of market surveillance and compliance issues amounted to eleven (11), which represents a decrease of five (5) over the comparative month in 2012. In July 2013 there were three (3) enforcement actions.

Member-Dealer Regulation

For the month ended July 31, 2013 Member-Dealers were required to file monthly and quarterly reports for the period ended June 30, 2013 by July 31, 2013. Also, Member-Dealers with financial year ended April 30, 2013 were required to file their Audited Reports by July 31, 2013. For the reporting period Member-Dealers were 89% compliant in the timely filing of their financial statements. In July 2012 Member-Dealers' timely filing compliance rate was 100%. 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 June 2013	# Of Member-Dealers June 2012
Below 0	0	0
0 - 299	3	2
300 – 899	3	2
900 – 1,999	1	3
2,000 – 4,999	2	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 June 2013	# Of Member-Dealers June 2012
Below 1	0	0
1 – 1.99	0	0
2 – 4.99	4	1
5 – 6.99	1	2
7 – 14.00	5	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 June 2013	# Of Member-Dealers June 2012
Below 1	0	0
1 – 1.09	2	1
1.10 – 1.15	4	3
1.16 – 1.40	4	6
1.50 and above	1	1

Listed Company Compliance

During July 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								
July 2013					July 2012			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	3	3	0	0	3	2	0	1
Audited	1	1	0	0	0	0	0	0
Annual	9	5	0	4	9	4	1	4

*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 July 31, 2013, amounted to eleven (11) versus sixteen (16) 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	
July 2013	July 2012	July 2013	July 2012	July 2013	July 2012
11	16	7	11	4	5
Y-T-D ‘13	Y-T-D ‘12	Y-T-D ‘13	Y-T-D ‘12	Y-T-D ‘13	Y-T-D ‘12
128	84	121	76	7	8

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 three (3) enforcement actions in July 2013, which related to Listed Companies.

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