



Jamaica Stock Exchange's Monthly Regulatory Report February 2015

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Overview

This is the Jamaica Stock Exchange's (JSE) February 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 January 31, 2015 by March 3, 2015. Of the twelve (12) member-dealers that should have made these filings ten (10) were submitted on time. This results in filing compliance rate of 83%. For the 2014 comparative period member-dealers' filing compliance rate was 100%. Based on JSE Rule 209 (C) member-dealers with financial year ended November 30, 2014 were required to file their Audited Reports by February 28, 2015. No member-dealer had a financial year that ended November 30, 2014. An overview of member-dealers' financial condition for the month ended January 31, 2015 is represented in Table 1 below:

Table 1

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

Listed Company Compliance

During February 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	February 2015				February 2014			
	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	27	26	0	1	25	23	1	1
Audited	0	0	0	0	0	0	0	0
Annual	2	2	0	0	3	3	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 February 2015 amounted to seven (7) versus six (6) 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	
Feb 2015	Feb 2014	Feb 2015	Feb 2014	Feb 2015	Feb 2014
7	6	5	5	2	1
Y-T-D '15	Y-T-D '14	Y-T-D '15	Y-T-D '14	Y-T-D '15	Y-T-D '14
16	13	13	10	3	3

List of Regulatory Breaches and Enforcement Actions

In Table 4 below is the list of regulatory breaches and enforcement actions for the period ended February 28, 2015:

Table 4

#	Entity	Code	Rule	Details
1	Pulse Investment Limited	MMC	JSE Rule Appendix 3 (10) – Listing Agreement	The company's annual list of holders of the company's securities, which became due on January 31, 2015, is outstanding. Given the breach the company is subjected to JSE Rule Appendix 3, Listing Agreement, Section 16 (ii).
2	Pulse Investment Limited	MMC	JSE Rule 407 – Quarterly Report	The Company's 2 nd Quarter Financial Statements for the period ended December 31, 2014, which became due on February 14, 2015, is outstanding. Given the breach the company is subjected JSE Rule Appendix 3, Listing Agreement, Section 16 (v).
3	Sweet River Abattoir	JMC	JSE Junior Market Rule , Appendix 2, Part 4, Section (1) – Requirements for Financial Reporting	The company's 3 rd Quarter Financial Statements for the period ended December 31, 2014, which was filed on February 11, 2015, had material accounting discrepancies. The company's filing also omitted its listings of

				Senior Management and Connected Persons shareholdings which is a requirement of JSE Junior Market Rule Part 4 (1) (c) (iii). The company made the requisite filings on February 26, 2015.
4	Jamaican Teas Limited	JMC	JSE Junior Market Rule , Appendix 2, Part 4, Section (3) – Published Annual Report and Audited Financial Statements	The company’s Annual Report for the year ended September 30, 2014, which became due on January 28, 2015, is outstanding. JSE’s Regulatory & Market Oversight Division advised the company of the filing requirement and reminded the entity of the due date.

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.