



# Jamaica Stock Exchange's Monthly Regulatory Report February 2018

# Jamaica Stock Exchange February 2018 Regulatory Report

## Overview

This is the Jamaica Stock Exchange's (JSE) February 2018 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-Dealers' Reporting

In accordance with JSE Rule 209 (A) member-dealers were required to file Monthly Reports for the period ended January 31, 2018 by March 3, 2018. 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 January 31, 2018 by March 3, 2018. For the reporting period, the one (1) Quarterly Report that was due was submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended November 30, 2017 were required to file their Audited Reports by February 28, 2018. No Audited Reports were due, hence no filings were made.

The aggregate compliance rate for member-dealers' filing of Monthly, Quarterly and Audited Reports for the month ended January 31, 2018 was 92%. For the 2017 comparative period member-dealers' aggregate compliance rate was also 92%. For the period, all member-dealers, except one, satisfied the JSE's Excess Net Free Capital (ENFC) requirement as prescribed by JSE Rule Appendix 12 – Member/Dealers' Report and Financial Information, which is represented in Table 1 below.

**Table 1**

<b>Member-Dealers' Excess Net Free Capital (ENFC) as at January 31, 2018</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member-Dealers Jan 2018</b>	<b># Of Member-Dealers Jan 2017</b>
Below 0	1	0
0 - 299	2	3
300 – 899	3	4
900 – 1,999	1	1
2,000 – 5,999	3	1
6,000 and above	2	3

## Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended December 31, 2017 by February 14, 2018. Additionally, Listed Companies with year ended October 31, 2017 were required to file Annual Reports by February 28, 2018. The filing statistics are represented in Table 2 below:

**Table 2**

<b>Listed Companies' Financial Submissions</b>								
<b>February 2018</b>					<b>February 2017</b>			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	34	28	5	1	29	26	3	0
Audited	0	0	0	0	0	0	0	0
Annual	3	3	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 Activities

Market surveillance and compliance issues that were brought to the attention of the JSE as at February 28, 2018 amounted to Forty-Three (43) versus Ten (10) for February 2017. 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>Feb 2018</b>	<b>Feb 2017</b>	<b>Feb 2018</b>	<b>Feb 2017</b>	<b>Feb 2018</b>	<b>Feb 2017</b>
43	10	42	10	1	0
<b>Y-T-D '18</b>	<b>Y-T-D '17</b>	<b>Y-T-D '18</b>	<b>Y-T-D '17</b>	<b>Y-T-D '18</b>	<b>Y-T-D '17</b>
73	39	72	38	1	1

## List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended February 28, 2018 is presented at Table 4.

**Table 4**

<b>#</b>	<b>Entity</b>	<b>Code</b>	<b>Rule</b>	<b>Details</b>
1	Stocks and Securities Limited	M/D	1. JSE Rule 209a – Financial Returns – Monthly Returns	The firm's Monthly Return for the period ended December 31, 2017, which became due on January 31, 2018 was submitted on February 1, 2018. Consequently the firm was subjected to JSE Rule 211 (A).

2	Stocks and Securities Limited	M/D	JSE Rule 209b – Financial Returns – Quarterly Returns	The firm’s Quarterly Return for the period ended December 31, 2017, which became due on January 31, 2018 was submitted on February 1, 2018. Consequently, the firm was subjected to JSE Rule 211 (A).
3	Medical Disposables & Supplies Limited	JMC	Junior Market Rule Appendix 2, Part 7 (9) (b) – Model Code for Securities Transactions	The Company provided notification on October 20, 2017 of dealings in its securities by a Senior Manager on the 2nd, 4th, 6th, 9th and 11th of October 2017. Given the JSE Junior Market Rule Part 7, 9 (b) the notice to the Exchange was collectively thirty-one (31) days late.
4	Sagicor Group Jamaica Limited	MMC	1. JSE Rule Appendix 3 – Listing Agreement, Sections (4a) & (18). 2. JSE Rule Appendix 7, Section 9 (b)	The Company provided notification on January 30, 2018 of dealings in its securities by a Connected Person on January 19, 2018. Given JSE Rule Appendix 3(4)(a) and (18) as well as JSE Rule Appendix 7 Section (b), the notice to the Exchange was two (2) days late. Consequently, the company was subjected to JSE Rule Appendix 3, Section 16 (i).
5	Seprod Group Limited	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company’s 4 <sup>th</sup> Quarter Unaudited Financial Statements for the period ended December 31, 2017, which was due on February 14, 2018, was submitted on February 19, 2018. Consequently the company was subjected to JSE Rule Appendix 3, Section 16 (v).

**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 that are found to be in breach of the rules and regulations of JSE.