



Jamaica Stock Exchange's Monthly Regulatory Report April 2020

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Overview

This is the Jamaica Stock Exchange's (JSE) April 2020 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 March 31, 2020 by May 1, 2020. For the reporting period, thirteen (13) Monthly Reports were due and submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended March 31, 2020 by May 1, 2020. For the reporting period, twelve (12) Quarterly Reports were due and submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended December 31, 2019 were required to file their Audited Reports by March 31, 2020. For the reporting period no Audited Reports were due, hence no filings were made.

Please note that due to the impact of the Covid-19 pandemic, the JSE granted a 45 days extension to member-Dealers whose financial statements were due in the months of March and April 2020. Consequently, the revised deadline date to file financial reports due April 31, 2020 was June 15, 2020.

The aggregate compliance rate for member-dealers' filing of Monthly, Quarterly and Audited Reports due for the period ended March 31, 2020 was 100%. For the 2019 comparative period, member-dealers' aggregate compliance rate was also 100%. For the reporting period ended February 29, 2020, all member-dealers 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

Member-Dealers' Excess Net Free Capital (ENFC) as at March 31, 2020		
ENFC Range(\$M)	# Of Member-Dealers Mar 2020	# Of Member-Dealers Mar 2019
Below 0	0	0
0 - 299	1	1
300 – 899	5	5
900 – 1,999	3	1
2,000 – 5,999	2	3
6,000 and above	2	3

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended February 29, 2020 by April 14, 2020. Listed Companies with year ended January 31, 2020 that selected the 60-days filing option were required to file Audited Statements by April 29, 2020. Listed Companies with year ended December 31, 2019 were also required to file Annual Reports by April 29, 2020. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
April 2020					April 2019			
Reports	Total Due	Timely Filing	Late	Outstanding*	Total Due	Timely Filing	Late	Outstanding
Unaudited	6	6	0	0	6	6	0	0
Audited	2	0	0	2*	2	2	0	0
Annual	38	5	0	33*	32	24	0	8

*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.*

** Due the impact of the Covid-19 pandemic, the JSE granted a 45 days extension on financials due in the months of March and April 2020. Consequently, the reports that were due in the month of April 2020 have a revised due date of June 15, 2020.*

Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of April 2020 amounted to Ten (10) versus Thirty (30) for the comparative period. 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	
Apr 2020	Apr 2019	Apr 2020	Apr 2019	Apr 2020	Apr 2019
10	30	6	27	4	3
Y-T-D '20	Y-T-D '19	Y-T-D '20	Y-T-D '19	Y-T-D '20	Y-T-D '19
78	119	70	113	8	6

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended April 30, 2020 is presented at Table 4.

Table 4

#	Entity	Code	Rule	Details
1	SSL Venture Capital Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended June 30, 2019, which became due on October 28, 2019, is outstanding as at the end of April 2020.
2	Key Insurance Company Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 1 (a) (i) – Quarterly Financial Statements	The Company's 4 th Quarter Unaudited Financial Statements for the period ended December 31, 2019, which became due on February 14, 2020 was submitted on April 14, 2020. The Company provided a notice of the delay. Due to the filing of the 4 th Quarter Unaudited Financial Statements on April 14, 2020 the Company breached JSE Junior Market Rule Appendix 2, Part 4 (1) (a)(i).
3	Consolidated Bakeries Jamaica Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements	The Company's Audited Financial Statement for the period ended December 31, 2019, which became due on February 29, 2020, is outstanding as at the end of April 2020.
4	Everything Fresh Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4(1)(b)(i) – Requirements for Financial Reporting.	The Company's 3rd Quarter Financial Statements for the period ended September 30, 2019 that was filed with the JSE on November 14, 2019 had material discrepancies in the Statement of Changes in Equity and Earnings Per Share which breached IAS 34.10 and IAS 33.1. The issues were considered breaches of JSE Junior Market Rule Appendix 2, Part 4(1)(b)(i) – Requirements for Financial Reporting. The Company filed an amended statement on December 6, 2019, which satisfied the rules of the JSE.
5	Derrimon Trading Limited	JMC	Junior Mkt Rule Appendix 2, Part 8, 9 (b)	The Company provided notification on March 16, 2020 of dealings in its securities by a Director on the 26th, 27th, and 28th of August 2019. Given JSE Junior Market Rule Part 8, 9 (b) the notice to the Exchange was accumulatively five hundred and eighty-five (585) days late.

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.