



Jamaica Stock Exchange's Monthly Regulatory Report September 2022

Jamaica Stock Exchange September 2022 Regulatory Report

Overview

This is the Jamaica Stock Exchange's (JSE) September 2022 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 Returns for the period ended August 31, 2022, by October 1, 2022. For the reporting period, fifteen (15) Monthly Returns were due and of the fifteen (15), fourteen (14) were submitted on time.

Under JSE Rule 209 (B) member-dealers are required to file Quarterly Returns within thirty-one (31) days of the end of each month. For the reporting period ended October 1, 2022, no Quarterly Returns were due.

Under JSE Rule 209 (C) member-dealers with financial year ended June 30, 2022, were required to file their Annual Returns by September 30, 2022. For the reporting period, One (1) Annual Return was due and was granted an extension to file due to challenges related to COVID-19.

The aggregate compliance rate for member-dealers' filing of financial returns due for the month ended September 2022, was 88%. For the 2021 comparative reporting period, member-dealers' aggregate compliance rate was 93%. For the reporting period ended August 2022 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 August 2022		
ENFC Range(\$M)	# Of Member-Dealers Aug 2022	# Of Member-Dealers Aug 2021
Below 0	0	0
0 - 299	4	2
300 – 899	5	4
900 – 1,999	1	3
2,000 – 5,999	2	0
6,000 and above	3	4

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended July 31, 2022, by September 14, 2022. Listed Companies with year ended July 31, 2022, that selected the 60 days filing option were required to file Audited Reports by September 29, 2022. Listed Companies with year ended June 30, 2022, that selected the 90-days filing option were also required to file Audited Statements by September 29, 2022. Listed Companies with year ended May 31, 2022, were required to file their Annual Reports by September 28, 2022. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
September 2022					September 2021			
Reports	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	8	8	0	0	8	6	1	1
Audited	3	1	0	2*	3	2	0	1*
Annual	5	2	0	3*	5	1	0	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.

* Due to the prolonged impact of the Covid-19 pandemic, the JSE made available extension relief of forty-five (45) days to Listed Companies who were required to file Audited and Annual Reports in the month of August 2022.

Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of September 2022 amounted to eighteen (18) versus twenty-five (25) 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	
Sept 2022	Sept 2021	Sept 2022	Sept 2021	Sept 2022	Sept 2021
18	25	11	16	7	9
Y-T-D '22	Y-T-D '21	Y-T-D '22	Y-T-D '21	Y-T-D '22	Y-T-D '21
264	159	221	141	43	18

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended September 2022, is presented at Table 4.

Table 4

#	Entity	Code	Rule	Details
1	iCreate Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) – Annual Report and Audited Financial Statements	The Company’s Annual Report for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 is outstanding as at the end of September 2022.
2	ISP Finance Services Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) – Annual Report and Audited Financial Statements	The Company’s Annual Report for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 is outstanding as at the end of September 2022.
3	Jetcon Corporation Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) – Annual Report and Audited Financial Statements	The Company’s Annual Report for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on September 5, 2022. The Company’s Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
4	Consolidated Bakeries Jamaica Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) – Annual Report and Audited Financial Statements	The Company’s Annual Report for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on September 1, 2022. The Company’s Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
5	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm’s monthly return for the period ended July 2022, which became due on August 31, 2022, was submitted on September 1, 2022. Consequently, the firm was subjected to JSE Rule 211.
6	Express Catering Limited	JMC	Junior Market Listed Company - Violation - Appendix 2, Part 8, Section 4(b) and 8 (c)	The Company provided notification on February 4, 2022, of dealings in its securities by a connected person over the period January 19, 2022 to February 1, 2022. Given JSE Junior Market Rule Appendix 2, Part 8, 8 (c), the notice to the Exchange was late.

7	1834 Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company’s Annual Report for the period ended March 31, 2022, which was granted an extension relief due to the impact of COVID-19 is outstanding as at the end of September 21, 2022.
8	Stationery and Office Supplies Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) – Annual Report and Audited Financial Statements	The Company’s Annual Report for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on July 1, 2022. The Company’s Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
9	Scotia Group Limited	MMC	JSE Rule Appendix 7, 8 (c)	The Company provided notification on January 25, 2022, of dealings in its securities by a senior officer on January 21, 2022 by a connected person. Given the JSE Rules the notice to the Exchange was late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).

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.