



Jamaica Stock Exchange's Monthly Regulatory Report February 2023

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Overview

This is the Jamaica Stock Exchange's (JSE) February 2023 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 January 31, 2023, by March 3, 2023. For the reporting period, fourteen (14) Monthly Returns were due and submitted on time.

In accordance with JSE Rule 209 (B) member-dealers were required to file Quarterly Returns for the period ended January 31, 2023, by March 3, 2023. For the reporting period, one (1) Quarterly Return was due and filed on time.

Under JSE Rule 209 (C) member-dealers are required to file within three (3) months of the end of their financial year Audited Reports to the Exchange. For the reporting period ended February 2023, no Audited Reports were due.

The aggregate compliance rate for member-dealers' filing of financial returns due for the month ended February 2023, was 100%. For the 2022 comparative reporting period, member-dealers' aggregate compliance rate was 93%. For the reporting period ended January 2023 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 January 2023		
ENFC Range(\$M)	# Of Member-Dealers Jan 2023	# Of Member-Dealers Jan 2022
Below 0	0	0
0 - 299	3	2
300 – 899	5	6
900 – 1,999	2	0
2,000 – 5,999	2	2
6,000 and above	2	4

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended December 31, 2022, by February 14, 2023. Listed Companies with year ended December 31, 2022, that selected the 60 days filing option were required to file Audited Reports by March 1, 2023. Listed Companies with year ended October 31, 2022, were required to file Annual Reports by February 28, 2023. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
February 2023					February 2022			
Reports	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	48	45	3	0	45	43	1	1
Audited	33	24	0	9*	30	18	0	12*
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 February 2023.

Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of February 2023 amounted to Nineteen (19) versus twenty-six (26) 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	
Feb 2023	Feb 2022	Feb 2023	Feb 2022	Feb 2023	Feb 2022
19	26	19	15	0	11
Y-T-D '22	Y-T-D '22	Y-T-D '22	Y-T-D '22	Y-T-D '22	Y-T-D '22
28	62	28	45	0	17

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended February 2023, is presented at Table 4.

Table 4

#	Entity	Code	Rule	Details
1	Margaritaville Turks Limited	MMC	JSE Rule 409 – Annual Report	The Company’s Annual Report for the period ended May 31, 2022, which was granted an extension relief due to the impact of COVID-19 was submitted on February 23, 2023. The Company’s Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
2	Stocks and Securities Limited	M/D	JSE Rule 225 – Insurance	The firm’s insurance, in compliance with JSE Rule 225 – Insurance, expired on January 22, 2023. Due to the firm’s failure to obtain insurance in compliance with JSE Rule 225, the JSE terminated its Member/Dealer Agreement with the firm effective February 24, 2023.
3	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly return for the period ended December 31, 2022, which became due on January 31, 2023, was submitted on February 2, 2023. Consequently, the firm was subjected to JSE Rule 211. The JSE also terminated its Member/Dealer Agreement with the firm on February 24, 2023 due to its breach of JSE Rule 225-Insurance.
4	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Quarterly Returns	The firm's quarterly return for the period ended December 31, 2022, which became due on January 31, 2023, was submitted on February 2, 2023. Consequently, the firm was subjected to JSE Rule 211. The JSE also terminated its Member/Dealer Agreement with the firm on February 24, 2023, due to its breach of JSE Rule 225-Insurance.
5	GK Capital Management Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly return for the period ended December 31, 2022, which became due on January 31, 2023, was submitted on February 1, 2023. Consequently, the firm was subjected to JSE Rule 211.
6	GK Capital Management Limited	M/D	JSE Main Mkt Rule 209(A) – Quarterly Returns	The firm's quarterly return for the period ended December 31, 2022, which became due on January 31, 2023, was submitted on February 1, 2023. Consequently, the firm was subjected to JSE Rule 211.

7	One on One Educational Services Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting.	The Company’s 1st Quarter Financial Statements for the period ended November 30, 2022, that was filed with the JSE on January 16, 2023, reflected an error in the computation of ONE’s Earnings Per Share (EPS) based on its number of weighted average ordinary stock units, which resulted in a breach of IAS 33 - Earnings Per Share. The revised filing satisfied all concerns.
8	Blue Power Group 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 April 30, 2022, which was granted an extension relief due to the impact of COVID-19 was submitted on October 18, 2022. The Company’s Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
9	Lumber Depot 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 April 30, 2022, which was granted an extension relief due to the impact of COVID-19 was submitted on October 18, 2022. The Company’s Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
10	Pulse Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company’s Annual Report for the period ended June 30, 2022, which was granted an extension relief due to the impact of COVID-19 was submitted on December 14, 2022. The Company’s Annual Report was deemed to be late as it was submitted outside of the extension relief provided.

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.