



JAMAICA CENTRAL SECURITIES  
DEPOSITORY LIMITED

## An Introductory Overview

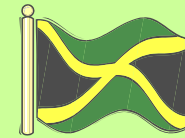


# GEOGRAPHY



The Island of Jamaica is located:

- At  $18^{\circ}15'N$  (latitude) and  $77^{\circ}30'W$  (longitude)
- In the north-western Caribbean Sea
- 145km south of Cuba, 160km west of Haiti and north of the Panama/Columbia border



# DEMOGRAPHICS & OTHER INFORMATION



- Population of approx. 2.7 million persons
- 1 million live in Kingston (capital city)
- Independent commonwealth nation
- Parliamentary democracy system of Government
- 90% of population are of African extract
- Main languages spoken: English and patois
- Primary industries are tourism, mining and agriculture
- World renown for our beaches, reggae music, Bob Marley, Marcus Garvey, premium coffee and bobsled team

# JAMAICAN ECONOMY

- Fairly flat over the last 20 years
- 20+% unemployment
- Decline of agriculture (bananas, sugar)
- Wide disparity in income distribution
- Large informal economy (est. 15% of pop)
- Positive indicators
  - Single digit inflation
  - Reduced slippage in value of local currency (5-8% p.a.)
  - Marginal (<5%) GDP growth in last 2 years
  - Increased investment in tourism



# THE JAMAICAN SECURITIES INDUSTRY

- Financial sector is 3<sup>rd</sup> largest employer
- Vibrant equities trading
  - 11 Stockbrokers, 42 listed companies
  - Market Capitalization of U\$12.4 billion at Jan '07
  - Some closely held stock
- Large market in fixed income securities
  - Government securities dominate
  - Historical fluctuations in rates, now fairly stable
- Future Development: Caribbean Stock Exchange Network (CXN)



# THE JAMAICA STOCK EXCHANGE

- Established in 1968, trading began in 1969
- Licensed under the Securities Act 1993 and supervised by the Financial Services Commission
- Committed to providing a fair, transparent and efficient capital market
- Self-regulatory organization for broker-members who are also owners
- Only such exchange in the island and the first and largest in the Caribbean
- Parent company of the Jamaica Central Securities Depository (JCSD)
- Demutualization underway

# THE JAMAICA CENTRAL SECURITIES DEPOSITORY

- Established in 1998
- Registered under the Securities Act 1993
- Only such depository in the island, largest in the Caribbean
- Wholly owned subsidiary of the Jamaica Stock Exchange (JSE)
- System for custody & clearance of securities in an immobilized environment
- Fund settlement through Central Bank (BoJ) accounts
- Moved into separate facilities in Jan 2006

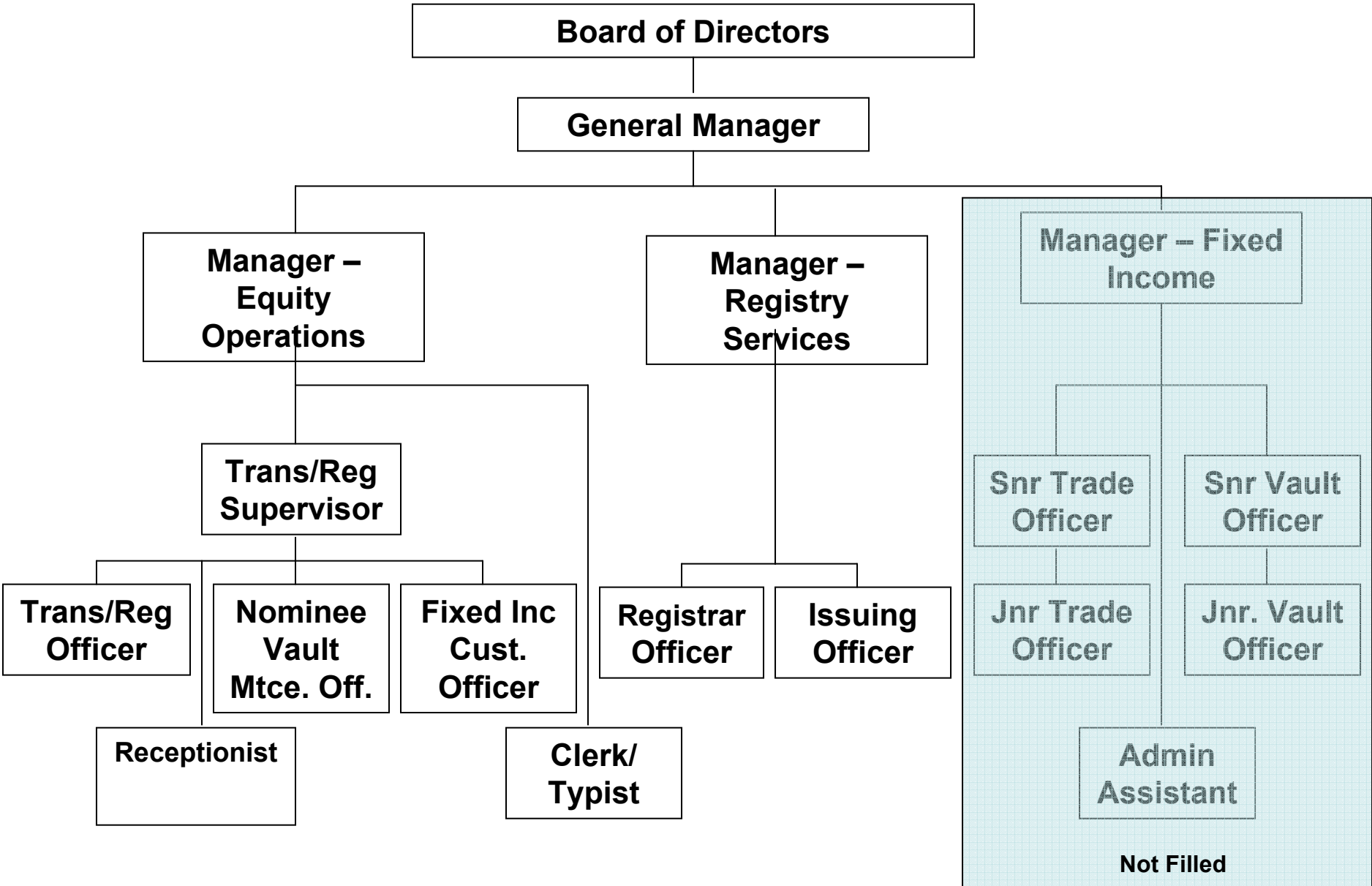


# FACTS, FEATURES & SERVICES

- Over 85,000 account holders
- Value of shares held U\$3.2 billion or 90% of available stock in circulation
- T+3 settlement cycle
- Statements available to on-line subscribers
- Registrar & Transfer Agent services
- Future Developments
  - Trustee Services for unit trusts & money market funds
  - Immobilization of Fixed Income securities by December 2007
- 11 members of staff, 7 board members



# JAMAICA CENTRAL SECURITIES DEPOSITORY ORGANIZATION CHART - FEBRUARY 2007



# Caribbean Stock Exchange Network

- Phase One: 3 largest exchanges (Jamaica, Trinidad & Tobago and Barbados) network trading platforms
  - Allow brokers seamless trading on other exchanges
  - Larger footprint, greater liquidity, more investor choice
  - Greater efficiencies, reduced arbitrage opportunities
- Settle funds through local CSDs
- Phase Two: add other Exchanges (through a trading portal)
- Challenges of regulatory agreement, national autonomy, geography, culture, currency & language

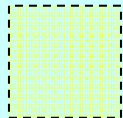
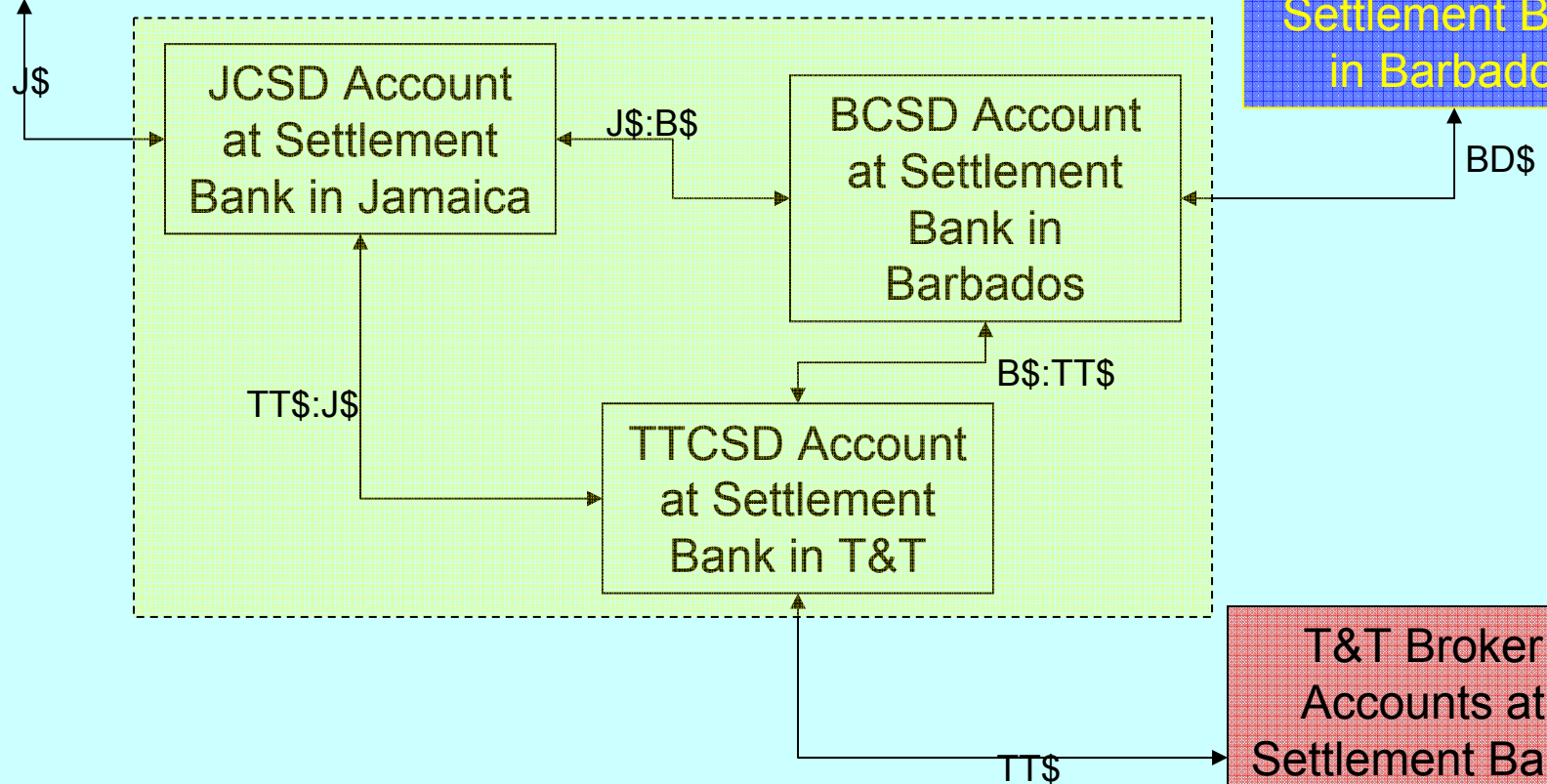


# CARIBBEAN STOCK EXCHANGE

## FUND SETTLEMENT

Jamaican Broker  
Accounts at  
Settlement Bank  
in Jamaica

Barbadian Broker  
Accounts at  
Settlement Bank  
in Barbados



Settlement Bank Conversion and Transfer of Relevant Currency

T&T Broker  
Accounts at  
Settlement Bank  
in Trinidad &  
Tobago

# SENIOR OFFICERS



**Curtis Martin BSc, MBA**

Chairman of the Board of the JCSD and of the JSE



**Marlene Street-Forrest BSc, MBA, JP**

General Manager and Corporate Secretary of the JSE, Director of JCSD



**Robin Levy BSc, MBA, CFE**

General Manager and Corporate Secretary of the JCSD



# The Jamaica Stock Exchange building





# Construction of New Depository Building



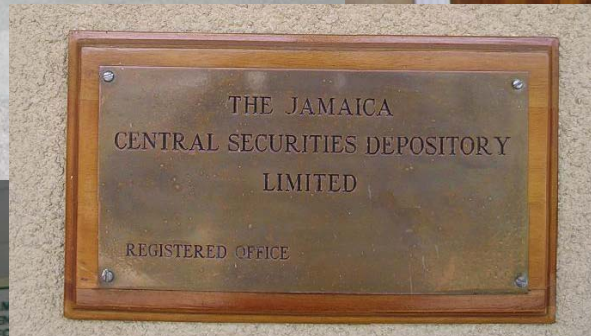
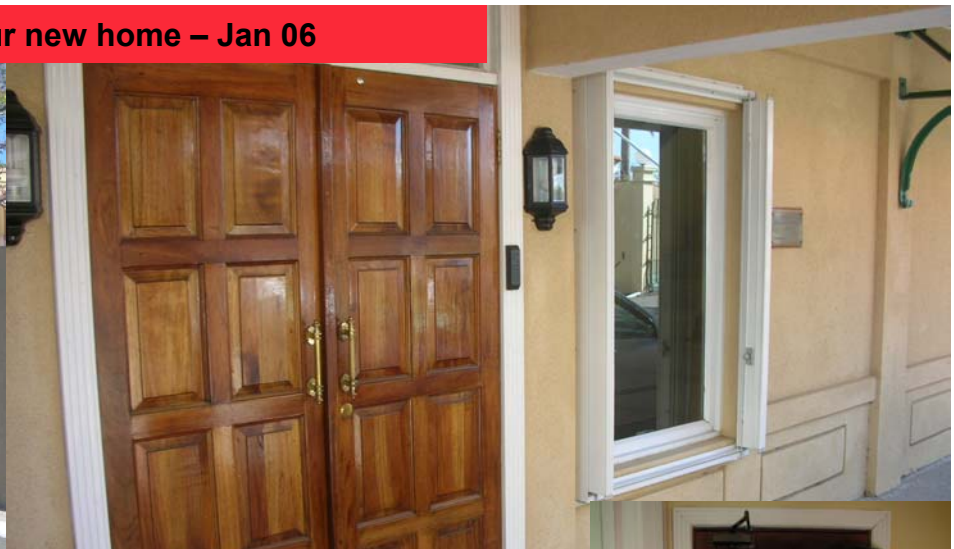
Signing of construction contract – June 2005



New building under construction – September 2005



Welcome to our new home – Jan 06





February 2007





# Internal View: The Depository Floor



# CONCLUSION

- 9-year old depository has brought added security and convenience to the Jamaican capital market
- Has garnered significant market share
- Is poised for continued growth with Caribbean Stock Exchange Network and Fixed Income securities project
- Expects to gain from increased interaction with ACSDA and its members
- Thank you

## Contact Information:

- Website: [www.jamstockex.com](http://www.jamstockex.com)
- Email: [jcsd@jamstockex.com](mailto:jcsd@jamstockex.com)
- Address: 40 Harbour Street, Kingston, Jamaica

