



Change to UK Reporting Threshold for Net Short Positions

Of particular interest to: All regulated firms

In brief

The FCA has posted a reminder to firms of the upcoming change to the notification threshold for short selling disclosures. The threshold will change from 0.1% to 0.2% of total issued share capital. The change comes after the completion of the Treasury's Short Selling Regulation Review and will come into effect from the **5th February 2024**.

Summary

The change will relax the regulations on short reporting and is designed to reduce the reporting burden on firms. This is also a departure from alignment with the EU regime, which is retaining a lower threshold of 0.1%.

The Government also has plans for a greater overhaul of the UK's short selling regulations, which are set out in the [draft Short Selling Regulation 2024](#). A headline change of these regulations will be a requirement of the FCA to publish the aggregate net short position of each issuer on a daily basis. This is a departure from the current rules which require public disclosure of any shareholder's position above 0.5% of total shares outstanding.

These draft regulations are currently open to technical responses until the 10th January 2024. There is currently no published timing for when these changes will come into effect.

Useful Links

[FCA Press Release](#)

[Short Selling \(Notification Threshold\) Regulations 2023](#)

[Explanatory note on change to notification threshold](#)

[Short Selling Regulation 2024 \(Draft\)](#)

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