

## SHORT SELLING TO RESUME FOR KOSPI 200 AND KOSDAQ 150 STOCKS FROM MAY 3

The FSC announced that stock short selling will resume for KOSPI 200 and KOSDAQ 150 stocks beginning on May 3 as the authorities completed making necessary improvements to the system.

The improvements made to the short selling system include the following.

- a) Introduction of stronger monetary sanctions and criminal penalties on naked short selling and other illegal short sale activities (in effect from April 6)<sup>1</sup>
- b) Establishment of illegal short selling detection system (in place from March 16)<sup>2</sup>
- c) Expansion of short selling access and opportunities for retail investors (KRW2.4 trillion in stock lending becoming available compared with KRW40 billion at the end of 2019)<sup>3</sup>
- d) Overhaul of the market maker system to reduce market makers' share of short selling volume<sup>4</sup>

With the partial resumption of short selling, the authorities will closely monitor markets to expand the availability of statistical information on short selling activities and to maintain a quick response system. Statistical data on short selling can be accessed at the Korea Exchange's website (<http://data.krx.co.kr>).

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For press inquiry, please contact Foreign Media Relations at [fsc\\_media@korea.kr](mailto:fsc_media@korea.kr).

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<sup>1</sup> Please click [here](#) to see the press release dated March 30, 2021.

<sup>2</sup> Please click [here](#) to see the press release dated December 21, 2020.

<sup>3</sup> Please click [here](#) to see the press release dated April 19, 2021.

<sup>4</sup> Please click [here](#) to see the press release dated December 21, 2020.