

Client Alert

Turkey | September 2025

Recent Changes to the Short Selling Rules

Pursuant to the decision of the Capital Markets Board (CMB) dated 06 February 2023, a short selling ban was imposed on the stock markets of Borsa Istanbul A.Ş. (BIST). This ban was lifted, in accordance with CMB Decision No. 62/1863 dated 05 December 2024, effective 02 January 2025, as announced by BIST, limited to the stock markets included in the BIST 50 Index. In the CMB's Press Release dated 21 February 2025, it was announced that an investigation had been launched into the extraordinary price movements in the BIST stock market, and in this regard, BIST decided to apply the uptick rule in short selling transactions on a regular basis for stocks included in the BIST 50 Index, effective 24 February 2025.

In the CMB's Decision No. 18/574 dated 23 March 2025, it was decided that the provision of the Decision dated 5 December 2024, numbered 62/1863, regarding the lifting of the short selling ban limited to the stock included in the BIST 50 Index, would not be applied from 24 March 2025, until the end of the session on 29 August 2025.¹

According to BIST's latest announcement dated 29 August 2025;

- (i) It is understood that no new decision has been made to extend the duration of the ban on short selling in the BIST 50 Index.
- (ii) The BIST 100 Index decrease value used as the basis for the application of the uptick rule in trading sessions where short selling is permitted has been reduced from 3% to 2% until the end of the session.

These changes have been implemented as of 1 September 2025.

¹ You may access our alert on details of short selling ban, easing regulations on share buy-back processes and flexibility in equity ratio requirements for margin trading in capital market transactions through the following link: <https://www.kolcuoglu.av.tr/Uploads/Publication/capital-markets-boards-new-decision-on-certain-measures-regarding-equity-markets.pdf>