

# MONTHLY ARBITRAGE NOTE

## Market Update

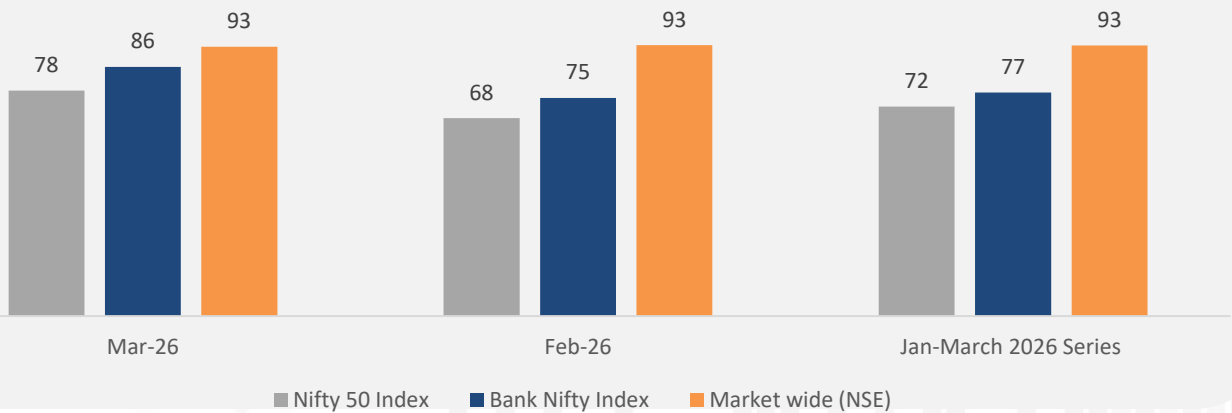
The Nifty 50 witnessed a highly volatile trading environment during March 2026, primarily driven by geopolitical instability and weak global cues, Nifty 50 Futures corrected sharply by over 12% marking the steepest fall since the Covid 19 led sell off. The correction was driven by rising global uncertainties amid escalating geopolitical tensions between the US and Iran.

March 2026 expiry marks a clear transition to a downtrend, with Nifty breaking key moving averages. Higher rollover and record opening open interest confirm aggressive fresh short buildup at the index level, while weakening breadth reflects broad-based selling.

The Bank Nifty futures also witnessed a steep correction during the March 2026 series, tumbling nearly 18%, marking the sharpest monthly decline since the Covid-19-led sell-off.

## Rollover Analysis

Rollover Analysis (in %)



- Nifty Rollover for the March 2026 series came in at a relatively high 77.77% compared to 68.23% in February 2026 and above the three month average of 72.25%. However, in the backdrop of a sharp market correction, elevated rollovers are largely indicative of traders carrying forward short positions rather than fresh long build up. This suggests continued cautiousness and a lack of conviction among participants, pointing toward sustained bearish bias and expectations of further volatility or downside pressure in the near term.
- Bank Nifty derivatives rollover activity surged sharply to 85.96% in the March 2026 series, compared with 74.25% in February 2026, and remained significantly above the three-month average of 77.12%. However, given the sharp price erosion, the elevated rollover levels suggest carry-forward of short positions rather than fresh long build-up.
- The market-wide rollover stood at 92.90% in the March 2026 series, marginally lower than the 93.40% recorded in the previous month.
- The market spreads this month were between 50-55 bps.

## India VIX Data

The volatility gauge, India VIX, witnessed a sharp spike during the month of March 2026, surging by a massive 103.52% marking its highest monthly rise since March 2020. Additionally, the index registered its highest closing level since February 2022. The sharp surge in VIX reflects heightened uncertainty, elevated risk aversion, and increased nervousness among market participants, signaling the potential for continued sharp swings and sustained volatility in the near term.

## Flow Analysis : Institutional Flows

FII's continued their relentless selling in the cash market, extending their selling streak to 21 consecutive sessions. The total FII outflow for March 2026 expiry stands at 19bn\$ for cash and futures market surpassing Oct 24 outflow of 17.5bn\$.

## Forward Looking and Key Events for the Month

Key event to watch out would be any tariff news from US for the month, War Outcome, Trade deal development.

## About The Fund

### Mirae Asset Arbitrage Fund - An open ended scheme investing in arbitrage opportunities

<b>Allotment Date</b>	19th June 2020
<b>Fund Managers</b>	Mr. Jignesh Rao, (Equity portion) (since 19th June 2020) Mr. Jigar Sethia, (Equity portion) (since 19th June 2020) & Mr. Krishnpal Yadav(since 22 <sup>nd</sup> September 2025)
<b>Load Structure</b>	Exit load: 0.25% if redeemed or switched out within 15 days from the date of allotment Nil after 15 days
<b>Plans Available</b>	Direct and Regular
<b>Minimum Investment Amount</b>	Minimum Investment Amount Rs. 5,000/- and in multiples of Re. 1/- thereafter. Minimum Additional Application Amount: Rs. 1,000/- per application and in multiples of Re. 1/- thereafter

SSF : Single stock futures; Foreign Institutional Investors (FIIs); Domestic Institutional Investors (DIIs); Foreign Portfolio Investment (FPI)

Source: Internal report, SBI securities. Data as on 31<sup>st</sup> March, 2026.

\*For complete portfolio, please visit : <https://www.miraeassetmf.co.in/downloads/portfolio>

For additional information please visit the website: <https://www.miraeassetmf.co.in/>

## PRODUCT LABELLING

### Mirae Asset Arbitrage Fund

This product is suitable for investors who are seeking\*

- Income over short term
- Investments predominantly in arbitrage opportunities in the cash and derivative segments and the arbitrage opportunities available within the derivative segment

\*Investors should consult their financial advisors if they are not clear about the suitability of the product.



## Disclaimer

Disclaimer: Statutory Details: Trustee: Mirae Asset Trustee Company Private Limited; Investment Manager: Mirae Asset Investment Managers (India) Private Limited (AMC); Sponsor: Mirae Asset Global Investments Company Limited.

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**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**