

Risk Disclosures on Derivatives

- 9 out of 10 individual traders in the equity Futures and Options (F&O) segment incurred net losses.
- On average, the loss-making traders registered a net trading loss close to 50,000.
- Over and above the net trading losses incurred, loss makers expended an additional 28% of net trading losses as transaction costs.
- Those making net trading profits incurred between 15% to 50% of such profits as transaction costs.

Source:

SEBI study dated January 25, 2023, on "Analysis of Profit and Loss of Individual Traders dealing in equity Futures and Options (F&O) Segment," wherein Aggregate Level findings are based on annual Profit/Loss incurred by individual traders in equity F&O during FY 2021-22.