

PRESS RELEASE

Mumbai, 25th September 2026

Trading in International Exchange Traded Funds (ETFs)

This has reference to SEBI Circular No. HO/47/11/11(1)2026-MRD-POD3/I/13804/2026 dated June 15, 2026, and Exchange circular - NSE/CMTR/76101 dated September 01, 2026, on Norms for Base Price, Price Bands, Call Auction in pre-open session and Close-out procedure for ETFs, the provisions of which came into effect from September 7, 2026.

It has been observed that units of certain Exchange Traded Funds (ETFs) particularly those investing in overseas securities ("international ETFs") are trading at substantial premium to their Net Asset Value (NAV), even though the NAVs of these underlying scheme of these ETFs have remained broadly stable. Since the overseas investment limits available to mutual funds are fully utilized, creation of fresh units in these ETFs is restricted.

All investors / market participants are advised to exercise extreme caution and perform due diligence, i.e verify the NAVs provided on the Stock Exchange / AMFI website or trading application / terminal before placing buy or sell orders in these ETF units.

It is pertinent to note that investors purchasing such units at steep premiums are exposed to the risk of an abrupt fall in price, unrelated to movements in the underlying, including on enhancement of overseas investment limits or on migration of the base price for ETF price bands to the T-1 day NAV of the ETFs w.e.f. April 1, 2027, in terms of paragraph 4.4 of the SEBI circular dated June 15, 2026.

About National Stock Exchange of India Limited (NSE):

National Stock Exchange of India (NSE) began its operations in 1994 and was the first exchange in India to implement electronic or screen-based trading. NSE has a fully integrated business model comprising exchange listings, trading services, clearing and settlement services, indices and market data feeds. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology. NSE is the world's largest derivatives exchange by trading volume (contracts) for calendar year 2025 as per the statistics maintained by Futures Industry Association (FIA). NSE is ranked third in the world in equity segment by number of trades (electronic order book) in 2025, as per the statistics maintained by World Federation of Exchanges (WFE).

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