

Section-7

(5)

What is the meaning of Arbitrageous?

Arbitrageous

(1) Arbitrageous is the purchase and sale of an asset in order to profit from a difference in the assets price b/w markets.

It is a trade that profit by exploiting the price difference of identical or similar financial instrument.

(2) Arbitrageous need to be details-oriented and comfortable with risk.

For example

A Vintage Clothing that is with the profit of 500\$ before other cost like listing fee, transaction fees, and shipping cost are considered.

(3) A person who simultaneously enter in 2 transactions in two or more markets to take advantage of the discrepancies b/w price in these markets.

④ ~~Arbit~~ Arbitrage involves making profit from relative mispricing.

⑤ Arbitrage also helps to make market liquid, ensure accurate and uniform pricing and enhance price stability.

⑥ They help in bringing about price uniformity and discovery.