

# NEW ISLAMIC CAPITAL MARKET OFFERINGS

Shariah-compliant products or services for Islamic Capital Markets (ICM) aligned with the unique value propositions of Islamic Finance.

## CONTEXT

The growth of Malaysia's economy has given further rise to vibrant capital market activities including Islamic capital market. Today, the ICM accounts for over 60% of the total capital market and plays a key role in the country's dual financial system. It has evolved from largely focusing on offering basic Shariah-compliant products and services as alternatives to conventional offerings to offering comprehensive financial solutions for different market segments' needs.

The recent fintech developments have impacted both conventional and, the more rapidly evolving, ICM.

However, the evolution of Islamic fintech has mainly been focused on providing for Shariah-compliant offerings within the broader fintech segment, with limited innovations for standalone Islamic fintech solutions.

Thus, there is scope to bring in new ideas and solutions into ICM that can deliver the unique value proposition of Islamic finance principles to serve both the needs of Muslim and non-Muslim markets. Value propositions include having fintech ideas or solutions that promotes the attainment of benefits and prevention of harm for the people.

## INDICATIVE SOLUTION DOMAINS

- Products and services that are born from Shariah principles – solutions that address any unique problems faced by Islamic community.
- Risk-sharing instruments or equitable Shariah financing.
- Services that leverage technological innovations such as distributed ledger technology, smart contracts and Internet-of-Things to make Shariah compliance and governance more effective.