

# EXPLORING THE ISLAMIC CAPITAL MARKET

**DATE:** 24-25 June / 20-21 September 2023  
17-18 January 2024

**FEE:** RM1,250

**DURATION:** 2 Days

**HRD CORP SCHEME:**  
HRD Corp Claimable Courses

## PROGRAM OVERVIEW

The growing awareness of and demand for investing in accordance to Islamic principles on a global scale has created a flourishing Islamic capital market, more so today due to increasing wealth in the hands of Muslims worldwide who are actively involved in corporate and business activities.

The Islamic capital market runs parallel to the conventional one and provides investors with an alternative investment philosophy that is rapidly gaining acceptance. The fact that the Islamic capital market does not prohibit participation from non-Muslims creates unlimited upside to the depth and breadth of this market.

This basic course provides a comprehensive overview of the Islamic capital market's legal and regulatory frameworks while looking at the different product offerings. It will deliberate on some of the major components that are essential in this market as well as activities that are deemed to be Shariah non-compliant. It will thus, provide a clear picture on the differences in principle and practices of an Islamic capital market vis-à-vis its conventional counterpart.

## LEARNING OUTCOMES

Upon completion of this program, participants will be able to:

- Examine the legal and regulatory framework of ICM, structures and functions of the regulatory authorities, requirements for the operations and documentations of ICM Products.
- Explain on the legal and regulatory framework governing Shariah-compliant stock, screening processes and operational aspects.
- Understand and gain insight into the process and procedure of structuring and issuance of Sukuk
- Shariah parameters governing the administration, operations, compliant, risk management as well as products and investment procedures
- Learn the mechanics and structure of Islamic REITS in comparison to the Conventional REITS.
- Examine the operational aspect of Islamic ETF and Shariah issues pertinent to the Islamic ETF
- Understand the features and mechanism of venture capital and private from the Shariah perspective.
- Understand the structures, features, Shariah and regulatory requirements applicable to Islamic derivatives products and instruments

## METHODOLOGY

- Interactive Lectures
- Group Discussion

- WHO SHOULD ATTEND**
- Mid/Senior Level Manager
  - First Level Manager

## FACILITATOR

### Mohamed Zakariya Othman

Mohamed Zakariya Othman specialises in facilitating the financial literacy for Professionals as well as Entrepreneurs and the SME Executives who are of the non-financial background. His strong analytical and critical thinking skills, having had years of experience in a wide range of financial services from audit, investments, risk as well as credit and with proven track records of senior management leadership, have attracted the Saudi Government to appoint him as one of pioneer members in the setting up of the first domestic rating agency in kingdom. He was appointed as the Lead Rating Analyst with SIMAH Saudi Credit Bureau in Riyadh.

## PROGRAM CONTENT

### Module 1

Regulatory Requirements Of Islamic Capital Market

- IOSCO's Objectives and Principles of Securities Commission
- Malaysia's ICM Environment
- Legal and Regulatory Framework for ICM
- Guidelines on ICM
- Legal documentations
- Shariah Governance Framework
- Dispute Resolution –Framework and Issues

### Module 2

Shariah-Compliant Stocks

- Introduction to Shariah Compliant Stocks
- Types of Shariah Compliant Stocks
- Shariah Compliant Stocks vs. Conventional Stocks
- Shariah Compliant Stocks Screening

### Module 3

Sukuk

- Shariah Concepts in Finance and how they are applied in the different contracts
- Classification of Sukuk based on Shariah Contracts and their financial treatments
- Classification of Sukuk based on Technical and Commercial Features and their financial treatments
- Classification of Sukuk based on the nature and type of assets and their financial treatments
- Structuring Sukuk
- Requirements, Process And Documentation for Sukuk Issuance

### Module 4

Islamic Fund Management

- Definition of Funds Management
- Application of Shariah Contracts in Islamic Funds Management
- Salient features and Key Differences between Islamic and Conventional Funds

### Module 5

Islamic Real Estate Investment Trusts

- Introduction to Islamic REITs
- Structure and Types of Islamic REITs
- Complying with SC's Islamic REITs Guideline; examining the Malaysian model for Islamic REITs
- Shariah Parameters for Islamic REITs
- Islamic REITs vs Conventional REITs

### Module 6

Islamic Exchange Traded Fund

- Overview of Islamic Exchange Traded Fund (ETF)
- Regulatory Framework for Islamic ETF
- ETF Creation and Redemption Processes
- Managing Islamic ETC – Monitoring and Compliance
- Islamic ETF vs Conventional ETF
- Issues surrounding the implementation of Islamic ETF

### Module 7

Islamic Venture Capital & Private Equity

- Introduction to VC / Private Equity
- Common Shariah-based Structures for Islamic Venture Capital and Private Equity
- Fundamental Requirements for an Islamic VC/ PE Fund
- Specific Considerations in Islamic VC/PE Fund Companies
- Challenges Faced by Islamic VC and PE

### Module 8

Shariah Compliant Derivatives

- Overview of Derivatives in Islamic Capital Market
- Islamic Derivatives Instruments
- Shariah views on Forward and Future Contracts



- Shariah and Regulatory Requirements for Islamic Funds
- Contemporary Issues Surrounding Islamic Funds Management Industry

- Shariah views on Options and Swaps
- Development and Regulatory Framework of Shariah Compliant Derivatives

## PROGRAM SCHEDULE

### Day 1

9:00am - 10:30am	:	Module 1
10:30am - 10:45am	:	Coffee Break
10:45am - 1:00pm	:	Module 2
1:00pm - 2:00pm	:	Lunch
2:00pm - 3:30pm	:	Module 3
3:30pm - 3:45pm	:	Coffee Break
3:45pm - 5:30pm	:	Module 4
		<b>End of the day</b>

### Day 2

9:00am - 10:30am	:	Module 5
10:30am - 10:45am	:	Coffee Break
10:45am - 1:00pm	:	Module 6
1:00pm - 2:00pm	:	Lunch
2:00pm - 3:30pm	:	Module 7
3:30pm - 3:45pm	:	Coffee Break
3:45pm - 5:30pm	:	Module 8
		<b>End of the day</b>

