ID 206 - Shari‘ah Principles of Sukuk Structure in Malaysia Islamic Capital Market

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Abstract

Malaysia as the pioneer of Sukuk has captured the global Sukuk’s share market in Islamic capital market tremendously and has played an important role for the remarkable development of Sukuk. Malaysia has a successful track record in innovating and commercializing many Shari‘ah-compliant products. The MICM product innovation and world first achievements from 1990 to 2008 are the evidence of important role and achievement of MICM domestically and globally, for instance the issuance of First Global Corporate Sukuk Ijarah in 2001. The Sukuk markets have used many shari‘ah principles to facilitate their functions, namely; profit sharing principles of Mudarabah and Musharakah; sale based principles of Murabahah, Bai‘ Bithaman Ajil, Salam and Istisna‘; and hire purchase principle of Ijarah. Consequently, these principles are employed to develop the Sukuk market’s instruments such as Asset-Backed Securities - Islamic Medium-Term Notes (ABS-IMTN), Islamic Medium-Term Notes (IMTN) and Islamic Commercial Papers (ICP).

Keywords: Sukuk, Bond, Profit Sharing Principles, Sale Based Principles, Hire Purchased Principle

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TiBÉC III

THE MARKETS FOR TOMORROW: SCALING NEW HEIGHTS FOR SUSTAINABLE DEVELOPMENT

18th - 20th OCTOBER
PRIMULA BEACH HOTEL, TERENGGANU, MALAYSIA

PROGRAMME & ABSTRACTS

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The picturesque view of the azure blue sea and gorgeous sandy beach is the backdrop of the Primula Beach Hotel, the premiere business hotel in Kuala Terengganu.

* Accommodation
This recently renovated 250 hotel is equipped with an intelligent bedside control panel, IDD telephone, comprehensive Internet facility, iron & ironing board, tea/coffee making facilities, hair dryer, mini fridge, and personal safe deposit box in each room. Additionally, in taking advantage of the beach location, each room has a balcony that is overlooking awesome South China Sea.

* Restaurants
The hotel showcases several exemplary outlets such as:

> Bayu Restaurant that serves local and Western cuisine.
> Anjung Bistro, a delightfully informal open concept bistro which offers dining experience of various authentic Asian dishes, cuisine, soups and other local delicacies with a fantastic view of the beach and the sea; and
> Kuala Kopi Lounge that serves local coffee served in so many different ways to suit your mood.

* Meeting and Conference facilities
With a choice of 8 function rooms and a Banquet Hall that could accommodate up to 1,000 persons, our banquet facilities is the best in town, and couple with our superb professionals, we would make sure that your functions would be conducted successfully.

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