

# Islamic banking worldwide *‘what is in it - for All of Us’*

By:

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# THRUST OF THE PRESENTATION:

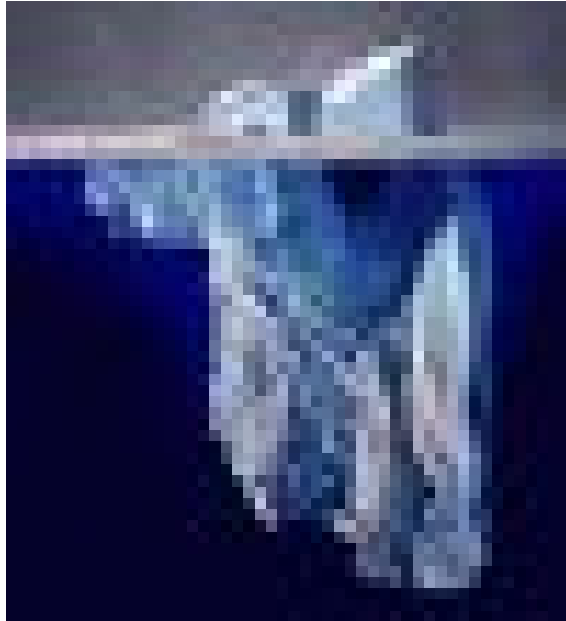
- Introduction
- Market demand, shifting global players...
- Islamic Banking Worldwide – **what's in it 'for all of us'**
- Future Trends ...
- Conclusion

## 'capitalizing' on the enormous growth potentials

- The Islamic finance industry is said to be growing at various rates (10% -15% pa), (15% – 20% pa) some even say at 40%-50% per annum and also said to be managing funds \$500Bn to \$1Tn... it is quite evident that the industry is growing.
- The GCC markets are enjoying a period of **extra ordinary growth** reminiscent to that of the 70's oil boom.
- But this time – concentration is on construction, infrastructure, services, tourism and **economic diversity** as well as greater private sector role.
- **Appetite for Islamic finance** is very much high and appealing not only in the GCC or Asian markets, but globally.

# Islamic Banking & Finance

- tapped only 20%...



**20% tapped**

**80% untapped**

The untapped market potential is available to tap into and bring benefits to:

- INDIVIDUALS,
- CORPORATE ENTITIES
- THE GOVERNMENT

Islamic banking industry's growth potential and enormous opportunities are largely untapped due to lack of understanding as to What Islamic Banking is?

# Islamic Banking & Finance

- beyond economical and financial benefits...

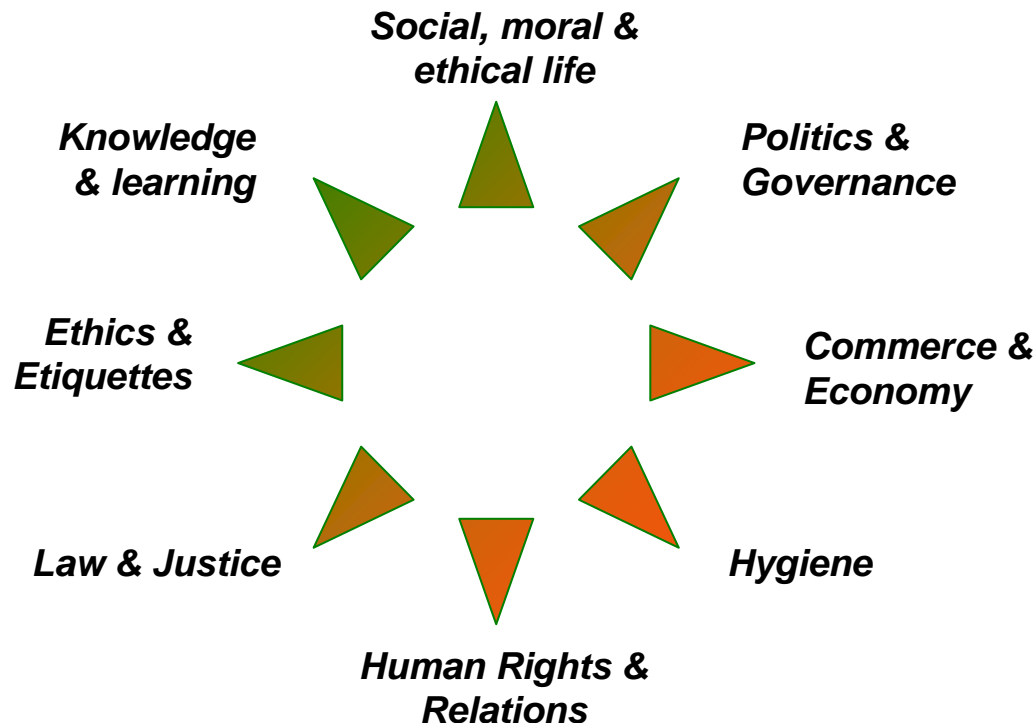
Moral

Ethical

Social

Religious

and more....



**Governed by  
Shari'ah Principles  
(Quran & Sunnah)**

**such guidance  
covers all walks of life  
Not confined to Muslims  
only, but for the entire  
**mankind****

# Market demand, shifting global players

**Islamic finance demand  
to rise to \$4tn in 5 years**

**Standard & Poor's**  
International rating agency



# Market Shift...

## Entering the Islamic finance market...

### Enter through:

- Islamic banking windows,
- Independent branches
- fully-fledged subsidiaries,
- fully converted Islamic banks



# Islamic Banking Worldwide

# Islamic Banking & Finance

- appealing to all...

Switzerland

United States of America

United Kingdom

France

Germany

Thailand

Singapore

India

China



Top 10 Global Banks into Islamic Finance  
– **Actively involved to capitalize**

UBS	Switzerland
Citigroup	USA
Mizuho Financial Group	Japan
HSBC Holdings	UK
Credit Agricole Groupe	France
BNP Pariba	France
JP Morgan Chase & Co	USA
Deutsche Bank	Germany
Royal Bank of Scotland	UK
Bank of America	USA

# Aspirations to be **Islamic Banking Hubs**

- **Thailand** already have Islamic Bank of Thailand, backed by the government to attract FDIs through Islamic finance, to develop the nation...
- **London** to portray as Islamic Banking Hub with five Islamic banks regulated under FSA...
- **Singapore** to compete with Malaysia on the Islamic banking front and housed the first Asian Islamic Bank with \$100Mn... many in the pipeline.
- **Hong Kong** aspiring to be Islamic Banking Hub and moving positively...
- **India** an emerging market for Islamic finance, deliberations going on with RBI with Islamic finance propositions...

# Aspirations to be **Islamic Banking Hubs**

- **France** woke up recently to be part of the Islamic banking and finance bandwagon...
- **Canada** looking into regulatory issues in accommodating Islamic banking and finance institutions...
- **Japan** building appetite for Islamic Finance through the debut Sukuk offering...
- **Indonesia** fine tuning regulatory framework to aggressive pursue Islamic banking and finance as mainstream...

# Future Trends

# Going Forward...

Can no longer market Shari'ah compliant products and attract investors, solely depending on Islamic sentiments.

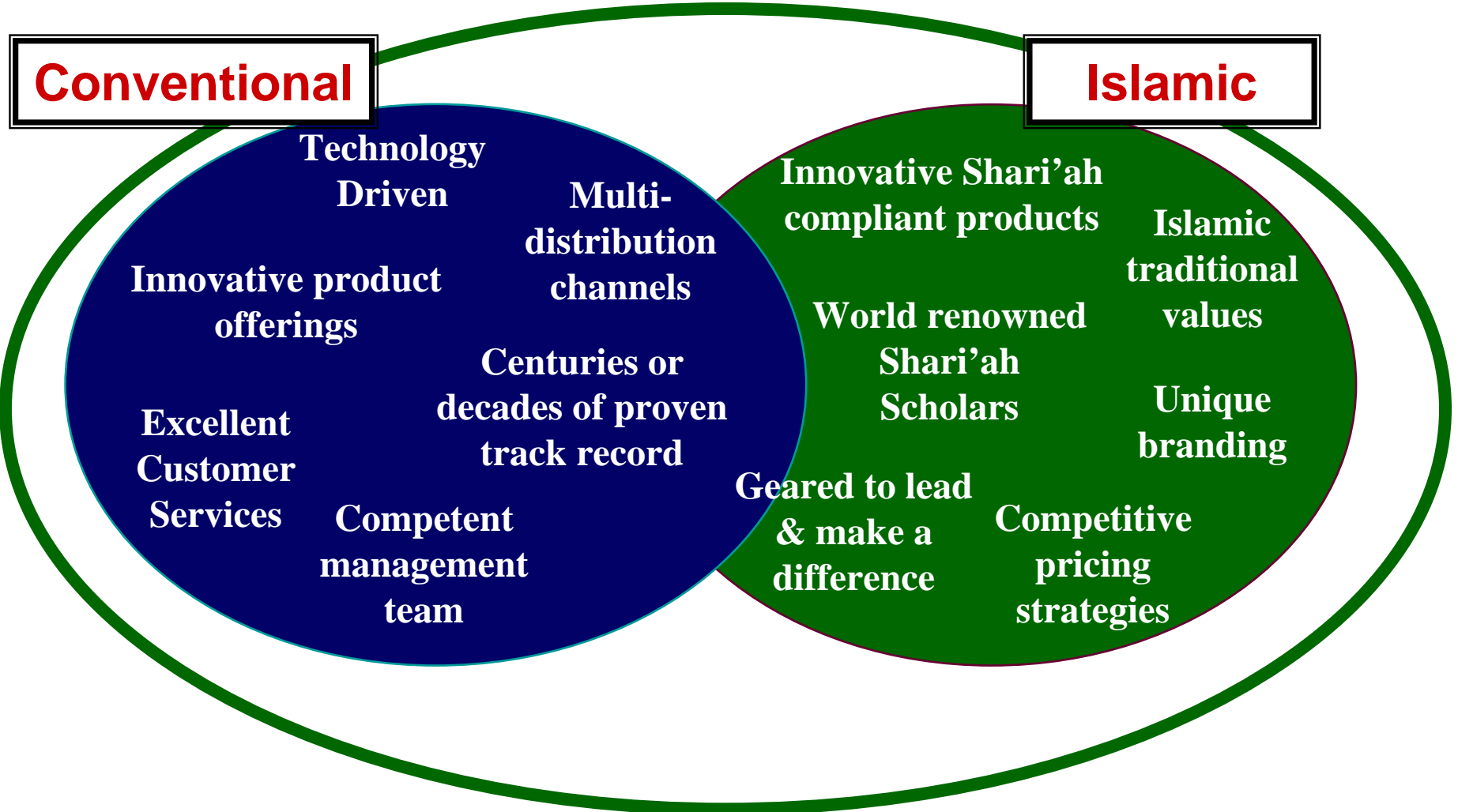
**Competition becoming stiffer and the customers becoming smarter to demand much more than Shari'ah Compliance...**

# What's Important ...

- To fuel the growth – the Islamic finance (market) players must strive to capitalize on this global trend by offering:
  - variety and diversified options to investors
  - Quality services to match the desired expectation of the investors/customers.
  - professionalism in dealing with investors.
  - investors with adequate, timely and accurate information to support in their decision making.
  - competitive structures, pricing and choice of funds.
  - adequate distribution channels.



# Bringing conventional **best practices** to the Islamic banking fold...

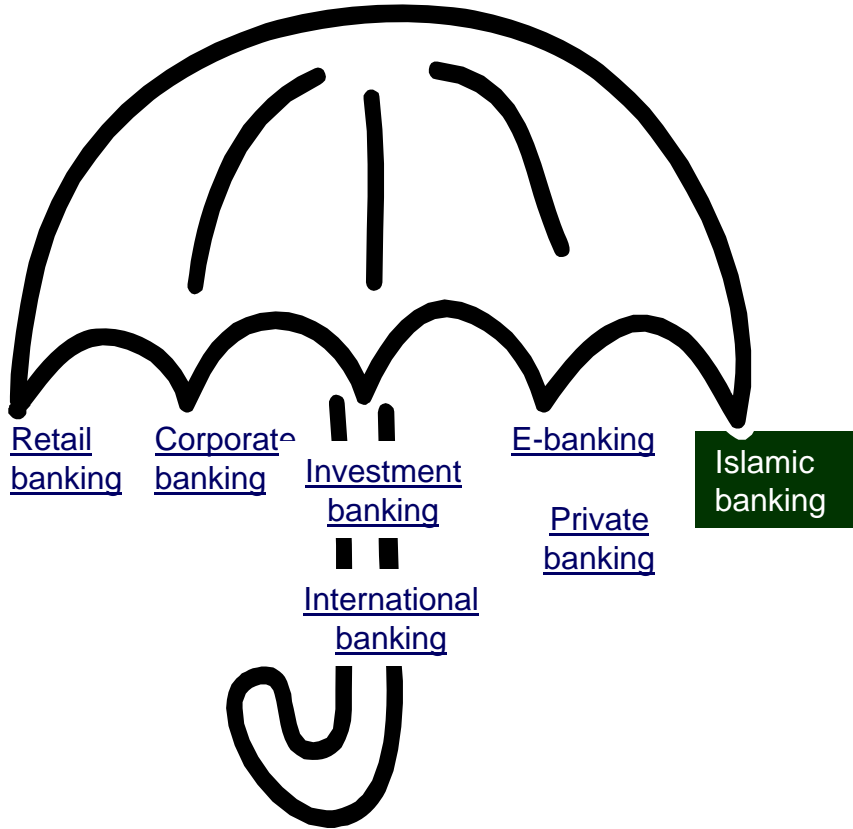


# Conclusion

## The challenge going forward...

“Islamic finance must be portrayed as a **‘distinct alternative’** to conventional finance, otherwise Islamic finance will be portrayed as ***‘just another type of product/service’*** under the conventional banking umbrella”

## Conventional Banking



## Islamic Banking

