ISLAMIC CAPITAL MARKET ROADMAP

Presented by

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Jakarta, 12 November 2015
Proportion of Islamic Product

Market Share of Islamic Capital market (ICM) Products
Period of 2010 – 2015 (30 October)

<table>
<thead>
<tr>
<th>Islamic Securities</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Islamic Stocks</td>
<td>n.a.</td>
<td>55,64%</td>
<td>59,40%</td>
<td>60,63%</td>
<td>56,37%</td>
<td>54,81%</td>
</tr>
<tr>
<td>Islamic Mutual Funds</td>
<td>3,51%</td>
<td>3,31%</td>
<td>3,79%</td>
<td>4,90%</td>
<td>4,65%</td>
<td>4,08%</td>
</tr>
<tr>
<td>Corporate Sukuk</td>
<td>5,06%</td>
<td>3,85%</td>
<td>3,54%</td>
<td>3,34%</td>
<td>3,08%</td>
<td>3,31%</td>
</tr>
<tr>
<td>Sovereign Sukuk</td>
<td>4,17%</td>
<td>6,55%</td>
<td>9,14%</td>
<td>10,19%</td>
<td>10,67%</td>
<td>12,41%</td>
</tr>
</tbody>
</table>
ISLAMIC CAPITAL MARKET ROADMAP 2015 - 2019

Building Synergy for Growing, Stable, and Sustainable Islamic Capital Market
Vision

To be Islamic capital market providing significant contribution to national economy, promoting fairness, and protecting public interests.
Missions

- To promote Islamic capital market as a source of funds for public and private sectors, as well as investment choices for public.

- To promote Islamic capital market which is growing, stable, sustainable, and accountable.

- To create qualified and trustworthy human resources in Islamic capital market.
Development Strategies of Islamic Capital Market (ICM) Industry

- **REGULATION**: Strengthening regulations for products, institutions, and professions related to ICM
- **PRODUCTS**: Promoting supplies and demands of ICM products
- **HR & IT**: Developing human resources and information technology of ICM
- **PROMOTION**: Promoting and educating ICM
- **COORDINATION**: Coordinating with government and related regulators in order to create synergized policies of ICM development
I. Strengthening Regulation

Regulation for Islamic Securities Issuance
- Islamic REITs
- Mutual fund based on foreign Islamic securities portfolio

Incentives for ICM Products
- Discount on OJK levies
- Relaxation on Islamic mutual fund portfolio

Regulation for supporting institutions and professions
- Regulation on Islamic experts
- Regulation on Islamic investment management

Regulation for Islamic Securities Trading

Research on:
- Islamic margin trading
- Islamic REPO
II. Promoting Supplies and Demands

Product Development
- Municipal sukuk
- Sukuk rating methodology

Encouraging Islamic Securities Issuance
- Increasing Islamic securities issuance by financial institution

Broadening Investor Basis
- Mapping Potential local investor
- Broadening investment access

Developing Supporting Infrastructure
- Enhancing liquidity of sukuk market
- Encouraging SOTS and Islamic index
III. Developing Human Resources and IT

Improving quality and quantity of ICM human resources

- Educating market players
- Facilitating Certification for Islamic experts

Developing information technology infrastructure

- Designing application of Islamic stock screening
- Building risk based supervision of ICM
IV. Promotion and Education

- Creating ICM branding via logo and tagline
- Massive socialization to public
- Massive socialization to education institution
- Including ICM material in higher-education curriculum
- TOT for lecturers
- Promoting cooperation with overseas regulators
- Participating in international events
- Promoting Indonesia ICM to international market
V. Coordinating with Government and Regulators

Coordinating with government and regulators

- Taxation policy
- Liquidity of sukuk market
- Promotion and education

Coordinating with Islamic banking and Islamic non-banking sectors

- Strengthening banks and non-banks roles in developing Islamic capital market
Thank You