

**PRESS RELEASE**

**SHARIA FINANCE GAINS 8% MARKET SHARE  
OJK Holds Sharia Financial Fair in Cibinong, Bogor**

Bogor, October 27, 2017. The Financial Services Authority (OJK) has been promoting the development of the Sharia Financial Industry, which has grown rapidly in the last five years both in terms of the number of companies and financial assets in banking and non-bank financial industries, and the capital market.

As of August 2017, OJK data showed that total assets of Indonesia's Sharia finance (excluding Sharia stocks) reached IDR 1,048.8 trillion, which included assets of Sharia banking, Sharia IKNB and Sharia capital market worth of IDR 389.74 trillion, IDR 99.15 trillion and IDR 559.59 trillion, respectively.

Compared with the whole financial industry's total assets that stood at IDR 13,092 trillion, the above figure indicated an 8.01-percent market share for the Sharia financial industry.

Industries	Total Assets (in trillion rupiahs)		Market Shares (%)
	Total (Conventional + Sharia)	Sharia	
Banking	7,158.40	389.74	5.44%
Non-bank (IKNB)	2,073.43	99.15	4.78%
Capital Market	3,861.09	559.59	14.49%
<b>TOTAL</b>	<b>13,092.91</b>	<b>1,048.48</b>	<b>8.01%</b>

Currently the Sharia banking industry is made up of 13 Sharia banks, 21 Sharia bank units, and 167 Sharia rural banks. The industry had total assets of IDR 389.7 trillion, accounting for 5.44 percent of total national banking assets.

The Sharia non-bank financial industry (IKNB) is comprised of 59 Sharia insurance companies, 38 Sharia financing companies, six Sharia credit guarantee companies, 10 Sharia microfinance institutions and 10 other non-bank financial institutions. The industry had total assets of IDR 99.15 trillion, representing 4.78 percent of total national IKNB assets.

As of last August, the number of outstanding sovereign sukuk reached 56 series, 33.53 percent of a total of 167 outstanding sovereign bonds. The value of these outstanding sovereign sukuk reached IDR 524.71 trillion, making up 16.99 percent of total value of outstanding sovereign bonds that amounted to IDR 3,087.95 trillion.

There were 68 outstanding corporate sukuk series with a value of IDR 14.259 trillion as of August 31, 2017. This figure encompasses 53 (77.94 percent) sukuk based on *Ijarah* contracts and 15 (22.06 percent) sukuk based on *Mudharabah* contracts. The value of *Ijarah* sukuk reached IDR 8.92 trillion (62.59 percent) and that of *Mudharabah* suku amounted to IDR 5.36 trillion (37.41 percent).

There were 160 Sharia mutual funds as of August 31, 2017, up 17.65 percent from 136 at the end of 2016. Net asset value as of August 31, 2017, stood at IDR 20.62 trillion, rising 38.30 percent from that at the end of 2016 that stood at IDR 14.91 trillion.

<b>Industry Types</b>	<b>2013 Assets</b>	<b>2014 Assets</b>	<b>2015 Assets</b>	<b>2016 Assets</b>	<b>August 2017 Assets</b>	<b>Sep 2017 Assets</b>	<b>October 2017 Assets</b>	<b>Market Shares (as of August 2017)</b>
<b>Sharia Banking</b>	248.11	278.92	304.00	365.03	389.74	n/a	n/a	5.44%
<b>Sharia Insurance</b>	16.66	22.36	26.52	33.24	38.66	n/a	n/a	4.94%
<b>Sharia Financing</b>	24.64	31.67	22.35	35.74	37.61	n/a	n/a	8.11%
<b>Other Sharia IKNB</b>	8.25	12.25	16.03	19.69	22.89	n/a	n/a	2.77%
<b>Corporate Sukuk</b>	7.55	7.12	9.90	11.88	14.26	14.10	14.40	3.89%
<b>Sharia Mutual Funds</b>	9.43	11.16	11.02	14.91	20.62	21.43	20.88	5.07%
<b>Sovereign Sukuk</b>	169.29	208.40	296.07	411.37	524.71	536.56	540.27	16.99%

As a follow-up to the Sharia finance development program, the OJK together with the Sharia financial industry held a “Sharia Financial Fair (KSF),” as part of the I Love Sharia Finance (ACKS) campaign, at Cibinong City Mall, Bogor, October 27- 29, 2017.

The KSF strived to raise public awareness, understanding and utilization of Sharia financial products and it aimed to boost both the number of customers/investors of Sharia financial products and public understanding about such products and services.

The OJK believes that the Sharia financial industry will enjoy sustainable growth and play an important role in the national economy, both in responding to public demands for Sharia financial products and services and catering to national development needs, especially in relation to infrastructure development.

The fair is a regular program that the OJK has organized in collaboration with the financial services industry since the ACKS campaign was inaugurated by Indonesian President in 2015 in Senayan, Jakarta.

Forty companies from the Sharia financial services industry took part in the 2017 Fair (the third KSF). They included 12 Sharia banks, 12 Sharia non-bank financial institutions, and 16 investment management and securities companies that offer Sharia products in the capital market.

The OJK would also host a “Gathering” of the Sharia Capital Market Community on October 28, 2017. The workshop would present speakers from the OJK, investment management and securities companies, which provide Sharia Online Trading System (SOTS). The workshop would be a tool for raising public awareness on investing in Sharia capital market.

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