



The Role of Sukuk in Meeting Global Development Challenges During Covid-19 Pandemic

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Received 12 July 2020, Accepted Accepted 4 Sept 2021, Published 1 Dec. 2021

Abstract: This study investigates the importance of sukuk structure and explains that how it effects the global development challenges during COVID pandemic times. Sukuk are financial instruments used for raising funds, and are also considered for resource mobilization, for public or private sector. This study will help to investigate the latest sukuk issuance trends and optimistic expectations relating to Sukuk issuance all over the world. The Sukuk market was significantly influenced by the COVID-19 pandemic. This research involves economics and macroeconomics variables, global financial crisis and COVID pandemic with strategic personages from Sukuk issuing entities in different economies of the world by the help of standardized mechanism. The objective of this research is to study the suitability of sukuk as long term Shariah – complaint financing instruments. It also gives an idea to evaluate, what are the ways in which sukuk financing would be taken forward. One perspective is to enlighten the study of how sukuk issuers are helpful in contributing to the funding of infrastructure and industrial projects by blowing their liquid funds. Sukuk are becoming important factor for financing instruments accompanying the bank loans and IPOs. This research will also throw light as long term outlook and the apparent future encounters facing the Sukuk market in all over the world.

Keywords: Sukuk Bond, COVID-19, Macroeconomic Factors, Economic Development, Pandemic Challenges.

JEL Classifications: E43, E44, F62, F63, G24

Introduction

The sukuk market has thrived during the COVID-19 pandemic, even after seeing already tremendous growth over the past few years. The market grown rapidly in prominence over the last decade as demand for Islamic financial products and services has similarly increased and more financial institutions enter in to the market. The Sukuk market is projected to have strong long-term growth prospects before and during Covid times. Sukuk, as based on Shariah compliant instruments so they provide proposal for native investors risk diversified options for their portfolios. Moreover, initiators have a preference to Sukuk because at long-term, they can easily borrow with fortunate terms and at lower costs like if there are marginally greater upfront costs in shaping, assembling and legal services.

The basic motivation behind this research is that rationale behind sukuk origination and those countries adopted sukuk structure shows constructive and productive result toward their economies. Different Muslim countries like Saudia Arabia being a biggest oil exporter has huge capital market and in the shape of long-term financing, sukuk is contributing a prominent economic role in the Kingdom's financial market day by day. Malaysia is also highest sukuk generating economy in all over the world. Another factor which contributes a leading role towards the importance of this study is to inaugurate the sustainability and aptness of sukuk as long-term Shariah complaint financing instruments accomplished



of sponsoring huge projects like basic infrastructure of schools, roads, railways, hospitals, commercial cities and other related and supported materials for human mankind in sukuk generating economies.

This study contributes to the literature in different perspectives. This study focuses on the determinant of growth of the Sukuk markets worldwide. Furthermore, this paper focuses on the influence of the Economic factors on the construction of a certain Sukuk Structure globally, an area that continues to lag in the Islamic finance literature. Our findings disclose that Sukuk market will have a strong prospective of growth worldwide in the next years specially after COVID time period.

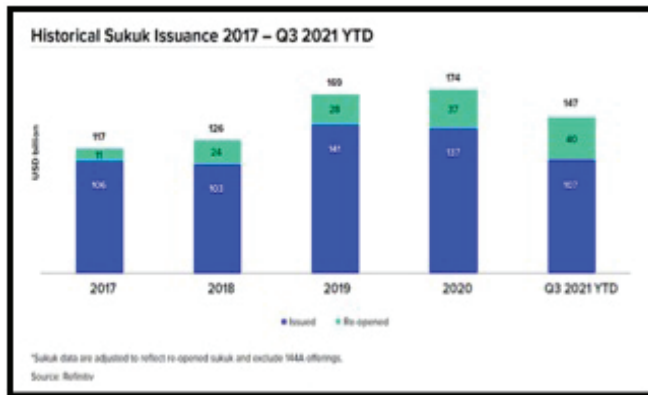


Figure 1.1: Historical Sukuk Issuance 2017-2021

The sukuk market has thrived during the COVID-19 pandemic, even after seeing already tremendous growth over the past few years. Recent growth has been fuelled by two factors. “First, the substantial financing requirements of governments to fund economic recovery and narrow the fiscal deficits that had built up, to contain the impacts of COVID-19. And second, by corporates looking to shore up their financial positions amid the uncertainties of lockdown (Figure 1.1). The industry is expected to grow by 10.8 percent over the next five years, to reach US\$1.17 trillion in sukuk outstanding (Ansari, 2021).”

The aim of the study is to examine and compare the different type of risks inter-linked with sukuk securities. To measure the benchmarks used by rating agencies to contrast sukuk with bonds will strengthen and highlight the challenges faced by sukuk structure over the period of COVID. Another objective of this research is to demonstrate and examine the role of Bahrain, Saudia, and different GCC sukuk generating economies which further highlight number of different sukuk issues and helps in mounting the financial markets essential for trading in sukuk market for liquidity.

This paper is divided into four headings. 2nd Heading section will give the literature review which explains Importance of sukuk bond in economy, impact of sukuk and its structure on global economies: practices and challenges. 3rd Heading demonstrates the research methodology of the paper. 4th heading section will give analysis and findings and 5th heading section finally conclude with short recommendations as well.

Literature Review:

Sukuk Structures/Market and Economic uncertainties

Sukuk is the most central and fastest segment of The Islamic Capital market which has given birth to the concept of direct funding market. (Al-Ali, 2019) claimed that contemporary speedy

development in Islamic Financial Market has resulted in the execution of Shariah-Compliant sovereign and corporate Islamic structured financial instruments could be recognized as Sukuk. The adaptation and innovation of sukuk has started its journey from Malaysian company Kumpulan Guthrie Berhad, who has completed its very first international sukuk issue in December 2001. It has targeted at investors in different subcontinent like Asia and the Middle East and US Dollar denominated sukuk. In Asia, Muslim countries like Malaysia are the major contributing sukuk growing economy. Federation of Malaysia has issued second US-Dollar denominated sukuk which was ranked as first sukuk issue by credit-rating agencies. By the help of these two transactions, sukuk market has shown significant growth in Asia, Middle East and in west as well. Within a very short time span, issuers from other countries like Qatar, Oman, Bahrain, Kuwait, Saudia Arabia and United Arab Emirates has also shown its great interest in sukuk issuance and played an important role in growing structure of sukuk market (Echchabi, Aziz & Idriss, 2016).

Challenges faced by Sukuk Market

“The report details how the gap between supply and demand is expected to narrow from US\$178 billion in 2021 to US\$120 billion in 2026 as issuance continues to expand, mainly in the traditional markets. As the gap narrows, investors’ buy-and-hold behaviour is also expected to change, resulting in improved secondary market liquidity”.

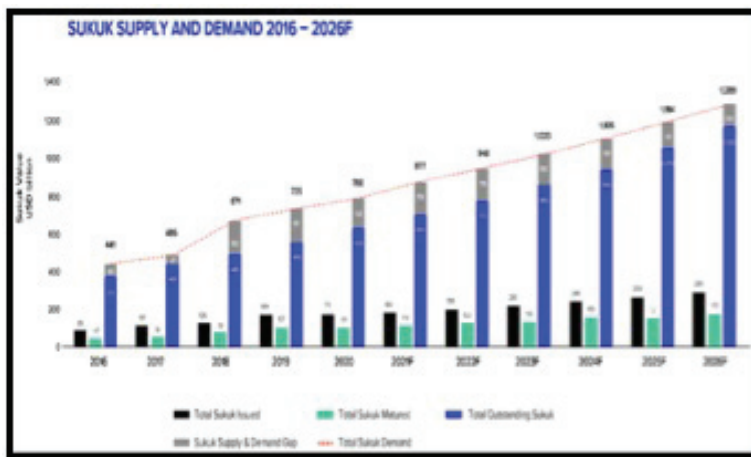


Figure 2.1: Sukuk Supply and Demand Forecasting (2016-2026)

Meanwhile, a survey of sukuk industry executives reveals some of the most pressing challenges facing the market. Investors were asked about the impact COVID-19 has had on their allocations of sukuk within their portfolios: 36.1 percent of investors said they had increased their allocations (Ansari, 2021). The report also asked corporate issuers about the main hurdles that are preventing stronger issuance growth. Most spoke of high issuance costs being a barrier, as well as the smaller sizes of corporate issues making them less attractive to investors.

- How Sukuk is different from Conventional Bond
- Sukuk signifies equity instrument (ownership of an asset or cash flow) while conventional bonds claimed debt instrument.



- Conventional bond's interest or return is predetermined while Sukuk's return has estimated or expected from underlying asset.
- Sukuk offers periodic stream of income which is quite similar to conventional bonds.
- Capital appreciation is the key factor in sukuk and its structure where investor has an opportunity to get more return on their invested capital while in conventional bonds; return has fixed and cannot fluctuate with the enactment of bond issuer.
- In sukuk, investor's return on invested capital has not guaranteed while in conventional bonds, issuer has obligated to pay at maturity.
- In conventional bonds, contract is based on borrower-lender while in sukuk contract, it has based on seller-buyer.
- In sukuk, assets may be of different categories either of described or existing, tangible or intangible quite similar to conventional bonds.
- In sukuk contracts, LIBOR has always employed at the essence of pricing quite similar to Eurobonds.
- In sukuk contracts, there may be fixed and variable return while in conventional bonds, return always has fixed.

COVID-19 Pandemic and Sukuk Bonds

Sukuk issuance with a maturity of more than 18 months from the Gulf Cooperation Council (GCC) region, Malaysia, Indonesia, Turkey and Pakistan reached USD12 billion in 2Q20, a 42% increase on the previous three months. "The volume of outstanding Fitch-rated sukuk reached USD113.5 billion at end-2Q20. The sharp slowdown in sukuk issuance in March and April reflected wider financial market volatility as the pandemic took hold around the world. This had a larger impact on the sukuk market than on the conventional bonds market, as the former is very concentrated, much smaller and less liquid. Fitch has looked at 22 comparable sukuk and conventional bonds from eight issuers, mostly GCC sovereigns plus Malaysia, Indonesia and Turkey. Historically and during normal market conditions, the pricing of comparable sukuk and conventional bonds are strongly correlated. The average spreads between them were low at 11bp in the two years to 5 March, 2020. However, from mid-March, emerging markets experienced increased capital outflows, while coronavirus-related lockdowns were implemented in the GCC. During March and April, 2020, investors looking to liquidate their sukuk positions sold at steeper discounts than when comparable conventional bonds were sold, with average spreads widening very sharply to nearly 250bp by the end of 2020.

Sukuk Structure and Determinants

Plural of the word Sukuk is Sakk. It is an Arabic name that means legal instrument, deed and check is for an Islamic investment trust certificate, which has been gaining fame in the financial markets since many years. During the thriving period of Islam in the 13th century, Sakk which is known to be the source root of the European "Cheque" was claimed to be any certificate representing a contract or conveyance of financial rights, obligations or money transactions that is Shari'a compliant for a thriving trade activities (Al-Raeai, et. al, 2018).

(Echchabi, et.al, 2016) has suggested that reasonable empirical evidences help to understand the extensive use of Sukuk by the Muslim societies of the middle ages in the form of papers on behalf of financial obligations. In this context, word sakk, sukuk and sakiak could be easily observable in Islamic literature and in international trade Hawalah and Mudarabah were widely used along with these



words. However (AAOIFI) Accounting and Auditing Organization of Islamic Financial Institutions has offered an inevitable boost not only to Islamic banking but also to conventional banking. For example, in Islamic world it was quite helpful on the behalf of some shariah cross-border convergence given that the 14 top Muslim scholars from Middle East like Malaysia, Sudan and Pakistan has been signed. Nonetheless, the origin and structure of sukuk has removed all those aspects in Islamic Finance Products which caused illiquid and lacking of qualities in market orientation. Following table will reveal the general attributes of sukuk and its structure (AAOIFI, 2002).

Murabaha Type of Sukuk

Sukuk Al-Ijarah have been used and considered most dominant in sukuk structure. Hence, other types of sukuk have also been considered very important in sukuk development. Hence, Murabaha sukuk could show their effectiveness and negotiable in trading as smaller part of portfolio. It is getting much fame in Malaysian market because of copious interpretation of Fiqh by Malaysian jurists allowed for the sale of debt at negotiable price. There is another specific name for this term sale of debt i.e. (bai-al-dayn) (Echchabi, et. al. 2016).

Pure Ijara'h Type of Sukuk

In Ijara'h sukuk, words Manafaah (Benefit) and Aqad (Contract) helped a lot to understand its meaning where a lessor (Proprietor) leases out its asset with a fixed and predetermined rental fee agreement to its lessee (client). In this connection, possession of concerned equipment stayed in the hands of Lessor. (Echchabi, et.al. 2018).

Salam Type of Sukuk

Salam sukuk have been considered as debt and have obstacles towards trade. In this category of sukuk, issuer sells Salam commodity and subscribers are the buyers of that particular commodity. In order to mobilize Salam capital, issued documents must be of equal value. In this type of sukuk, certificate holders are entitled to the Salam commodity. It is a contract in which advance payment of price must be made for those goods that can be delivered on the basis of Salam come to the ownership of certificate holders. These sukuk are non-tradable and as they have been considered to be a receivable (Fanta & Makina, 2017).

Mudarah Type of Sukuk

According to Fink, et al, (2003), it has widely used as an enhancement of public participation in mammoth- projects. These are kind of participatory type of investment sukuk which are registered in the Mudarah equity on the basis of undivided ownership of shares by the names of holders. Holders could get the return as per the percentage of ownership of share. Rabbul-mal is the specific term which represents owner of sukuk (Financer). Mudarah Sukuk is a contract between two parties who negotiate about the business activity related to financing as well as have right to monitor completely its performance.

Musharkah Type of Sukuk

After having detailed overview of Mudarah Sukuk, there is another participatory type of investment sukuk which exemplifies an ownership of Musharkah equity and based on profit-sharing terms. This type of sukuk is very close to Mudarah sukuk but some exceptional cases exist. After Ijarah sukuk, Musharkah sukuk are the most widely used and popular type of sukuk structures. It has several functions. It can not only be used as financing any business activity on the ground of equity



partnership but also used for mustering of funds for developing an existing one or establishing a new one. However, their transaction can be negotiable and sold and bought in secondary market like Ijarah Sukuk (Haini, 2019).

Istisna Type of Sukuk

In this type of sukuk, certificates are of equal value. These certificates can be issued to the certificate holders by the aim of mobilizing the funds required for producing commodities or products. In this connection, subscribers are the buyers of specific product, issuer of these certificates is the supplier and the funds realized from subscription are the cost of specific product. This structure is useful for financing mega infrastructure projects. However, suitability of Istisna for financial intermediation relies on the acceptability for the contractor in this structure to enter into a parallel Istisna contract with a subcontractor. (AAIOFI, 2003).

Hybrid Type of Sukuk

Said & Grassa, (2013) has explained the importance of hybrid sukuk on the behalf of the fact that sukuk issuance in market and its trading are important and essential tools of raising funds and investment and helps to take into accounts of various demands of investors like mixed asset sukuk. This is also called mixed asset sukuk as the fundamental pool of assets can comprehends Murabaha, Istisna and Ijarah receivables. It could be considered as a portfolio of assets encompassing diverse classes. In contrast of Istisna and Murabaha contracts, hybrid sukuk entails of at least 51 % assets that could be easily found in tangible form. In simple words, it can be tradable in secondary market while Istisna and Murabaha contracts cannot be tradable in secondary market. The reason behind of no tradable components of Murabaha and Istisna receivables component of the asset pool is pre-agreed fixed rate of return.

Sukuk Pricing and Dynamics

The concept of sukuk issuance is comparatively new as compared to conventional bonds. There were so many challenges at the start have to face while development but one of the main challenges is how to categorize an appropriate benchmark to govern pricing. Eichengreen & Luengnaruemitchai (2004) has suggested the key problems of sukuk pricing in sukuk market development. Following are the points which will throw light on problems for well-organized functioning of sukuk pricing as:

- Lack of market depth, low liquidity, relatively lesser number of participants and deficiency of perilous mass of issuances.
- There would be deficiency of unanimity on an Islamic benchmark rate. Instead the Euribor and Libor (conventional market benchmark rate), it has used as a deputation to govern the pricing of the Islamic instruments.
- Limitation in selecting choices of suitable assets could be used as indemnity.
- There would be deficiency of price validation mechanism. The main function of this mechanism is to expedite propagation of news and upcoming issues.
- There is another price mechanism which is focus on risk based pricing. Absence of risk based pricing mechanism would be resulted in the form of low demand for credit ratings with emphasis on Islamic finance.
- Risk alleviation to manage and evade the risk of fluctuations in the market value of instruments on account of movements in benchmark rate.



Moreover, Shariah has boundaries on trading indebtedness with rapid increasing number of sukuk issuances. In this connection, Sukuk contracts on the behalf of their unique features can be divided in to two major sub divisions as they can be easily tradable in a secondary market with favorable support of different pricing mechanism. Following are two categories which will give a great impact in sukuk market development (Grassa & Gazdar, 2012).

Transferable sukuk at Par/face value. For example Istisna sukuk and Murabaha sukuk.

Tradable sukuk at market price. For example Mudarbah sukuk, Ijarah sukuk and Musharkah sukuk.

Sukuk Rating And Importance

Islamic International rating agency (IIRA) has been established by the joint venture of some shareholders, Islamic Development bank and Bahrain Monetary agency. Currently, this agency has progressed into the central bank of Bahrain. It has been constituted in 2002 in order to interpret, evaluate and rating of Islamic banks and their equipment independently. The rationale behind is to implement, innovate and approve new supporting Islamic instruments, promoting and adopting new flexible contracts as per the spirit and requirements of Shariah (International Islamic Financial Market, 2010).

Sukuk Structure and Financial Crisis influence

Sukuk structure faced various challenges globally, it has faced financial criticism and uncertainty during financial crisis.

In Islamic finance, interest has strictly been prohibited and still practicing in those countries whose structure is based on Shariah laws but return and profit on capital has permissible and exhilarated. In order to avoid, gharar or riba, Islamic finance system has introduced the concept of profit or loss sharing. Despite of original concept of sukuk return, many scholars have started criticizing on nature of sukuk without having general understanding which resulted in the form of poor attraction to grab investors. (Mohd, Hafizi & Shahida, 2010) has elaborated the efficiency of those economies who has no interest payment but on the same time, they allowed and encouraged for profit and loss sharing concepts and enterprise.

In order to have a look on sukuk issuance process, it has been considered as the most expensive process due to its complexity and created a snag in sukuk development globally. (Rajan, 2001) has taken a study from the Asian development bank and focused on this issue. He has declared that costs of issuing sukuk are comparatively higher as compared to cost of issuing bonds in an Asia which pushes the sukuk and its structure back despite in Malaysia and Indonesia. In simple words, Lack of understanding with complex sukuk structure and its features will take in way of higher advisory fees for concerned issuers.

Said, (2011) has also highlighted sukuk buy and hold culture in his article which has not been discussed yet. He has focused on the fact that Islamic investors are unable to purchase enough sukuk and due to this imbalance of demand and supply, trading could not be as much possible as it should be. This has resulted in the form of buy and hold to maturity in the Middle East for sukuk holders. It is another indirect spark of causing liquidity problem.

Research Methodology

This study is unique in nature as it explains the importance of sukuk bonds in financial markets from last ten year. This study also covers the period of COVID-19 pandemic. After having brief discussion



on introduction and objectives of strategy, quantitative methodology has been appeared as the most appropriate methodology for this research. As, this method will provide a base for solid formulation for research design. (Saunders, Lewis and Thornhil, 2012) has suggested an onion based research model which will be used to buildup and maintain structure of this intricate research by adopting the most authenticated, approach, philosophy, time horizon and strategy for this research. In this connection, researcher has taken panel data which comprises from different countries. This data has been selected as per availability of data for all the relevant variables. It will cover the period of 2011-2020 at an annual frequency.

In the light of above details, deductive approach will support and help the whole study to investigate, interpret and finally analyzing the complications of sukuk to achieve the target of this research. It will also help to clearly understand about observation and exploration of the categorization of events in this research. Several techniques will be applied in order to have an impact about sukuk and its structure globally. This thesis has used the secondary data which has gathered from different sources namely World Banks and OPEC (The Organization of Petroleum exporting countries) for a period of ten years from year 2011 until year 2020. The size of sample will be determined by an availability of information which is the number of sukuk has been issued within the period of study.

Table 3.1: Data Collection and Measurement tools

Variables	Formula/ Measurement	Data Collection Method
Size of Bonds Market	Value of bonds issuance to GDP.	Data Collection from World Bank
Gross Domestic Product/ Openness of an economy	export to GDP formula	Data Collection from World Bank
Interest rates	Interest rate spread formulae i.e. (Lending Rate minus LIBOR)	Data Collection from World Bank
Inflation	inflation assumed annually	Data Collection from World Bank
The Economic Growth	GDP per capita	Data Collection from World Bank
Islamic Bank Size	Islamic Financial assets to GDP	Data Collection from World Bank
Bank Size	Domestic credit provided by the banking sector to GDP.	Data Collection from Central banks of GCC countries.
Country Credit Rating	It has been measured by the help of ratings.	Data Collection from Moody investor service

This study data was collected from the World Bank and Zawya Data Base. Variables like Interest rates (INTER), Inflation (INF), Openness of an economy (TO), The Economic Growth (EC growth) and macro-economic indicators and The country credit Rating, Bonds market size, Banking system size and Islamic banking system size are the variables of financial development. In the light of above details, data has been collected through secondary source in order to interpret, analyze and answer the research question. It will help the reader to understand and analyze the sukuk structure in depth and impact of its risks on sukuk generating economies globally.

Research Analysis

In this section, the development of sukuk issuance has been considered for six GCC countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) during the period of 2011-

2020. Figure 4.1 has shown consecutive growth of sukuk issuance from 2011-2020 time period. Due to global financial crisis in 2008, sukuk development has suddenly decreased its market. After that crisis in 2011-2020, it has again increased considerably.

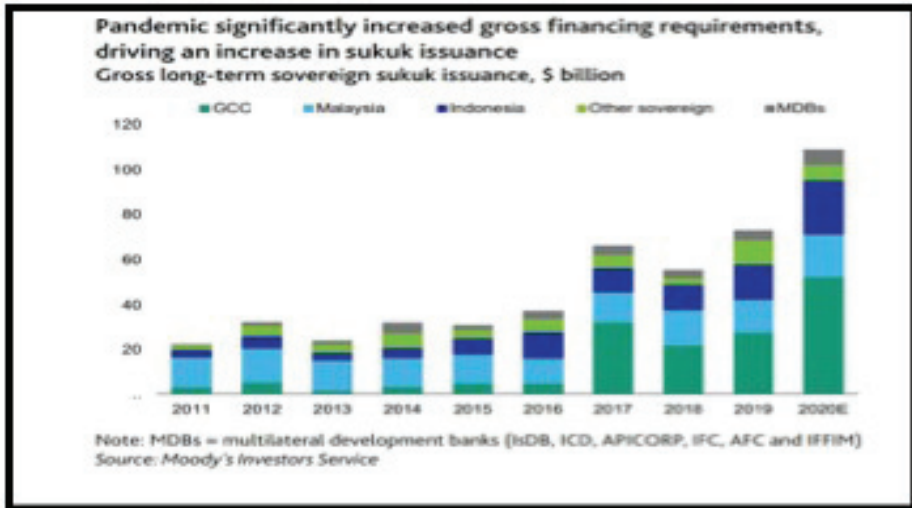


Figure 4.1: Total Sukuk issuance (2011 to 2020)

The progress of Sukuk bonds from 2011 to 2020 is explained in above diagram. There is increase in percentage of Sukuk bond issuance is determined. In 2020, the coronavirus pandemic drove fiscal deficits sharply wider across major sukuk-issuing sovereigns, leading to a sharp spike in issuance in the second half of the year as market conditions improved. Long-term global sovereign sukuk issuance surged by 49 percent, reaching \$109 billion in 2020, compared to \$73 billion in 2019.

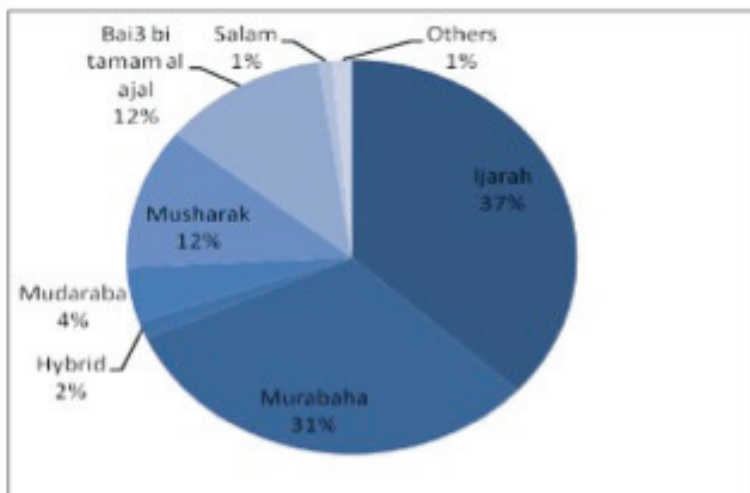


Figure 4.2: Country Economy Size and Global Sukuk issuance (2011-2020)



In the light of above figure, Malaysia is the largest contributing economy in sukuk development. It has issued 57 % of total sukuk issuance which shows its dominant position in developing countries. Brunei is the second sukuk issuer which is contributing 18 % sukuk issuance globally. UAE (United Arab Emirates) has issued 8 % sukuk and placed third position globally. Saudi Arabia is the fourth Islamic country who has issued 6 % sukuk globally. Qatar and Indonesia is the fifth and sixth largest countries who have issued 4 % and 3 %. Bahrain, Pakistan and Gambia has issued 2%, 1% and 0% sukuk issuance globally.

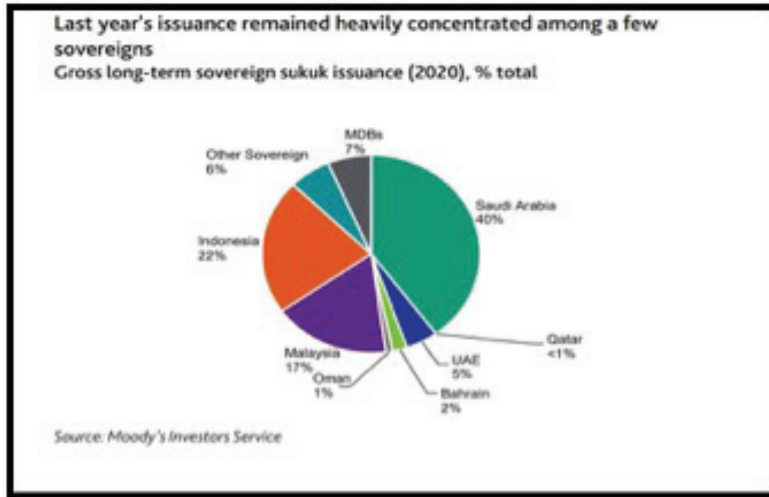


Figure 4.3: Current status of Global Sukuk issuance

As per the above diagram, Saudi Arabia issued 40% of sukuk bonds in last year. S&P Global Ratings expects global sukuk market would continue to enjoy record-low interest rates and abundant liquidity throughout 2021 and beyond.

Analysis of Sukuk Market Development:

Table 4.1: Sukuk market development and Financial System

Y = Sukuk/GDP							
Variables	Panel 1	Panel 2	Panel 3	Panel 4	Panel 5	Panel 6	Panel 7
Economic Growth (EC Growth)	0.003	0.006	-0.053	0.007	0.009	0.003	0.0035
	(2.13**)	(3.67***)	(1.72*)	-0.76	-0.69	(2.14**)	(2.15**)
Openness of an economy (TO)	0.077	0.106	-0.109	0.0822	0.063	0.076	0.075
	(5.47***)	(7.03***)	(2.15**)	(6.23***)	(3.87***)	(5.28***)	(4.97***)



CST	0.009	0.024	-0.488	0.068	0.119	0.011	0.016
	-0.36	-0.89	-1.29	-0.39	-0.54	-0.44	-0.54
R2	0.3841	0.559	0.1904	0.666	0.6138	0.3853	0.3866
Hausman	RE	RE	FE	RE	RE	RE	RE

In above table 4.3, *** represents significance level has been taken at 1 %, **represents significance level at 5% and * represents significance level at 10%. Y is the dependent variable which shows sukuk/GDP. Coefficients for T-Statistic are in parenthesis. However, Hausman test has been corresponded to H-Statistics between Random Effect and Fixed effect specifications. Above table has drawn light not only on the impact of the financial system in overall but also on Islamic financial system in specific for the sukuk structure market and its development.

Islamic Financial Size (Panel 2)	Banking Size (Panel 3)	Bond Market (Panel 4)	Credit Rating (Panel 5)	Economic risk rating (Panel 6)	Financial risk rating (Panel 7)
0.009	-0.068	0.389	0.002	-0.005	-0.0004
-1.02	-1.02	(2.11**)	0.41	-0.33	-0.47

In this connection, variable banking size has no significant effect on an enhancement and development of sukuk. Meanwhile, bond market has significant and positive impact on sukuk market and its development. This analysis has declared the relation of sukuk development and bond market as accompaniments as compared to substitutes. Next variable, country credit rating has also showed no effect on the development of sukuk market.

Conclusion

In a nutshell, this study analyzes the issuance of sukuk bonds and their influence on financial market for the years 2011 to 2020. This study time horizon covers the period of COVID-19 pandemic duration as well. COVID-19 has disrupted the economic development of both advanced and emerging markets. In addition to the stimulus packages to adjust the economic shock from COVID-19, regulators around the world are searching for innovative mechanisms to rebuild the economy. The purpose of this paper is to explore the potential of Sukuk to serve as an Islamic social finance solution for development projects to mitigate the adverse economic effects of COVID-19.

Study findings explain that the sukuk market has flourished through the COVID-19 pandemic by the end of 2020. Results explains that there is positive influence of variable on the development of sukuk market. Macroeconomic factors like economic size, trade openness and GDP per capita have positive effect on sukuk development. It signifies that higher level of access to external funding and higher level of natural openness will resulted in the form of greater the development of sukuk. Financial crisis has showed negative effect while Debt crisis has no momentous effect on sukuk market.

Results highlighted this concept that sukuk are becoming important factor for financing instruments accompanying the bank loans and IPOs specially during COVID time duration. This study findings disclose that Sukuk market will have a strong prospective of growth worldwide in the next years specially after COVID time period.



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