

ICD – LSG Islamic Finance Development Report 2024

From Niche to Norm

Mustafa Adil, Head of Islamic Finance

3rd November 2024



LSEG



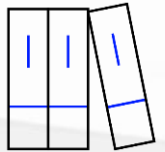
Introduction to IFDI

The IFDI provides a vital tool in guiding policy within the industry by measuring changes in the indicator and its underlying components over time and across **136** different countries.



Financial Performance

- Islamic Banking
- Takaful
- Other Islamic Financial Institutions
- Sukuk and Islamic Funds



Knowledge

- Research
- Education



Governance

- Regulation
- Other Governance



Awareness

- Events
- News


















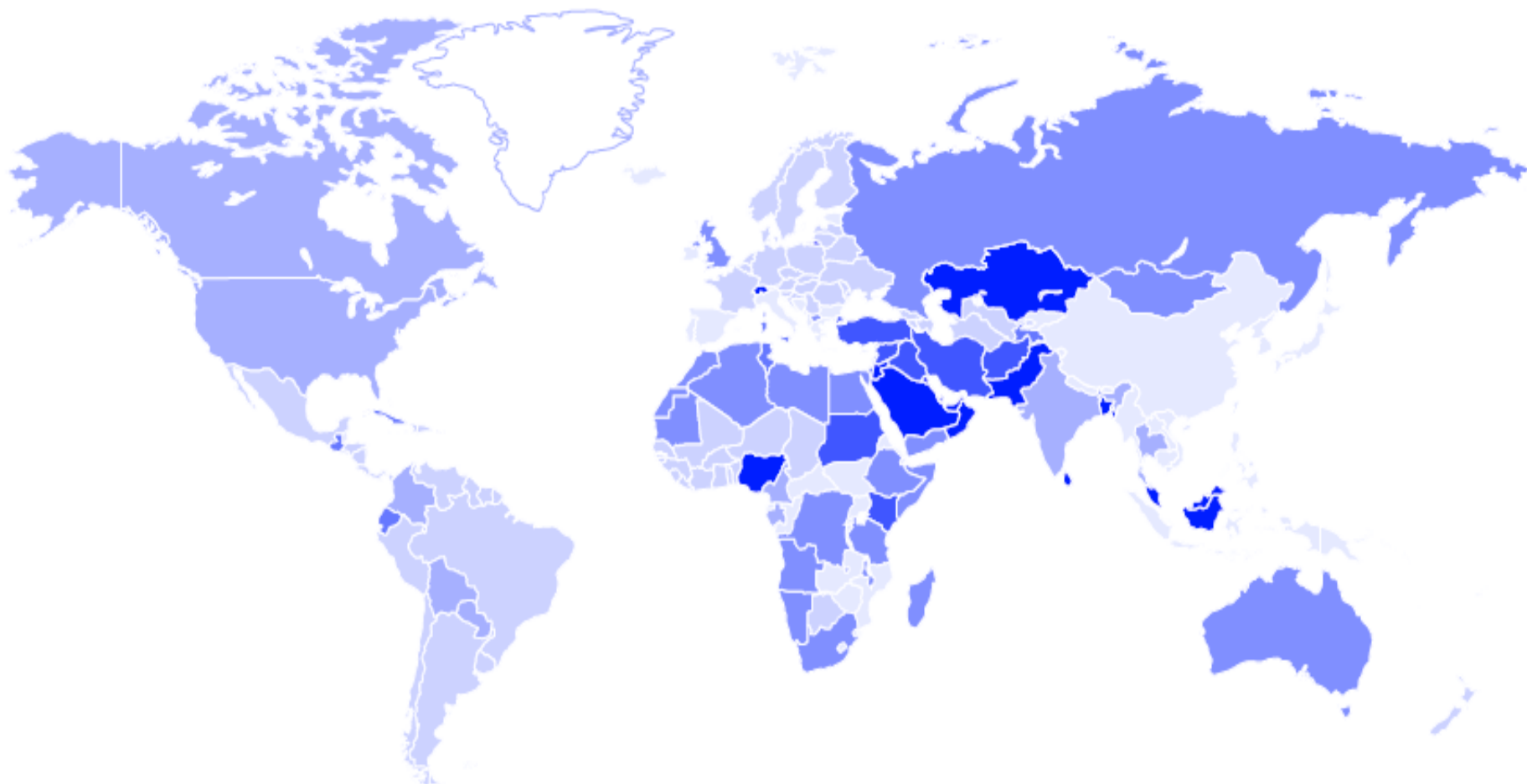
Sustainability

- Corporate Social Responsibility (CSR)
- ESG

Most Developed Countries in Islamic Finance According to IFDI 2024

Malaysia, Saudi Arabia and the UAE top the IFDI 2024 rankings

Country	Ranking	IFDI 2024 Score
 Malaysia	1	144
 Saudi Arabia	2	119
 UAE	3	88
 Indonesia	4	85
 Pakistan	5	75
 Kuwait	6	70
 Bahrain	7	68
 Iran	8	65
 Qatar	9	45
 Türkiye	10	45
 Bangladesh	11	41
 Oman	12	35
 Brunei	13	29
 Jordan	14	29
 Nigeria	15	28



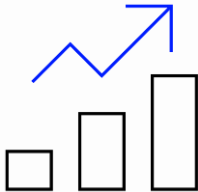
Global Islamic Finance Landscape

Islamic finance assets nearing US\$5 trillion mark with Islamic capital market playing a bigger role in growth picture



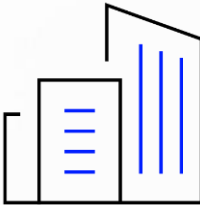
US\$ 4.9 Trillion

Total Islamic Finance Assets in 2023



11%

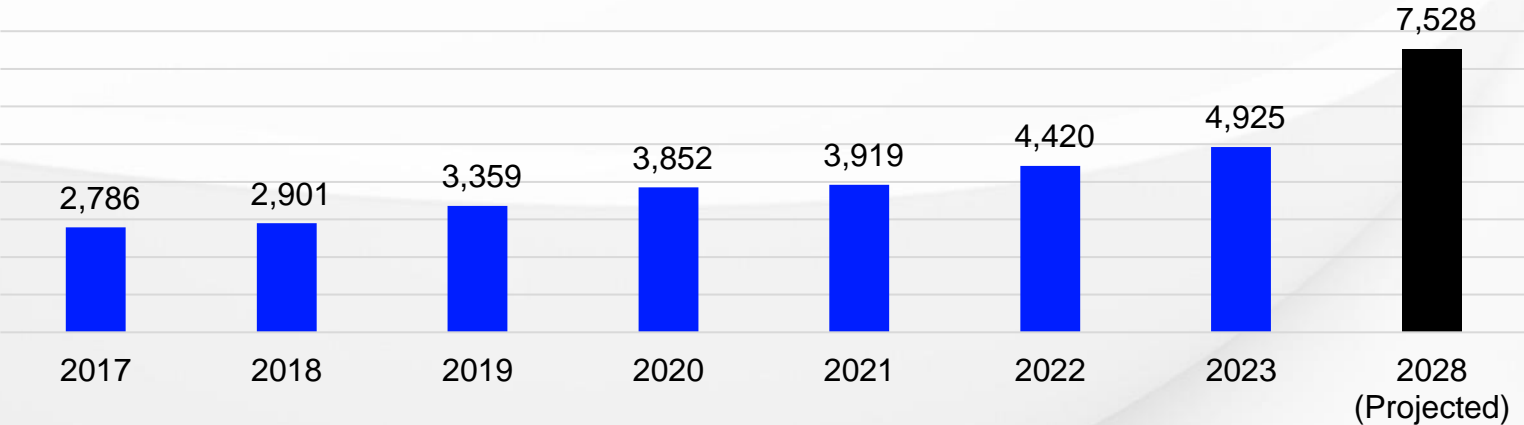
Growth of IF Assets in 2023



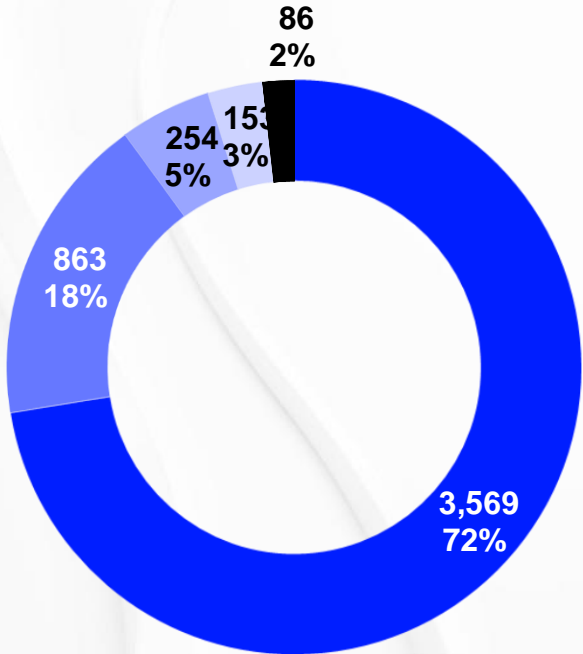
1,981

Total IF Institutions in 2023

Islamic Finance Assets Growth
(2017 – 2023, USD Billion)



Islamic Finance Assets
(2023, USD Billion)



- Islamic Banking
- Sukuk
- Islamic Funds
- Other IFIs
- Takaful

Financial Performance

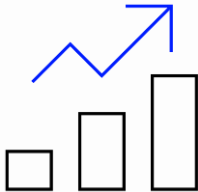
Islamic Banking

Islamic banking universe expanding with new countries entering the fold. GCC-based digital Islamic banks growing



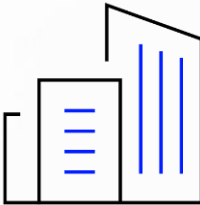
US\$ 3.6 Trillion

Total Islamic Banking Assets in 2023



12%

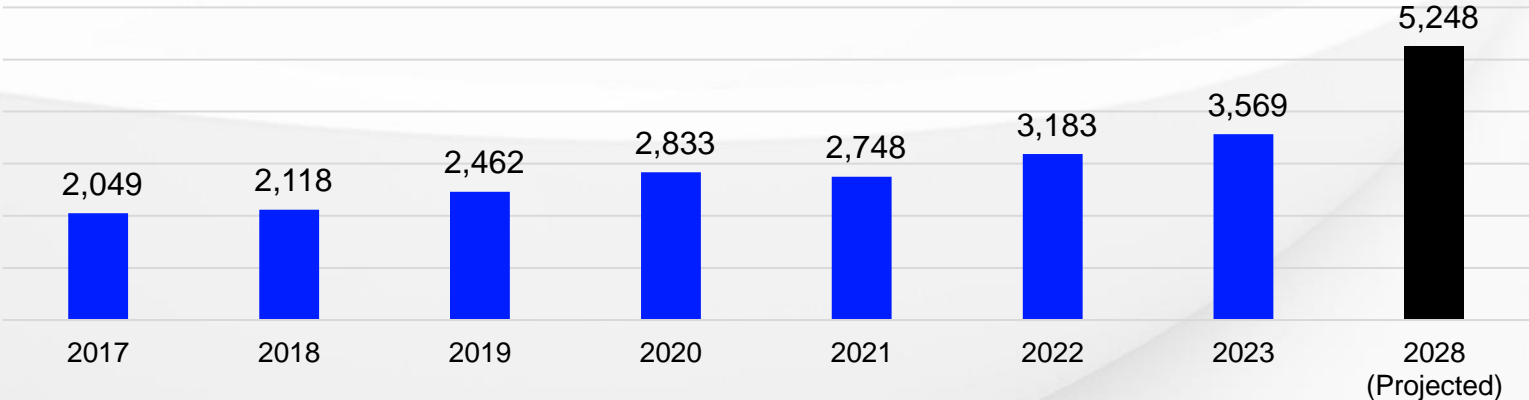
Growth of Islamic Banking Assets in 2023



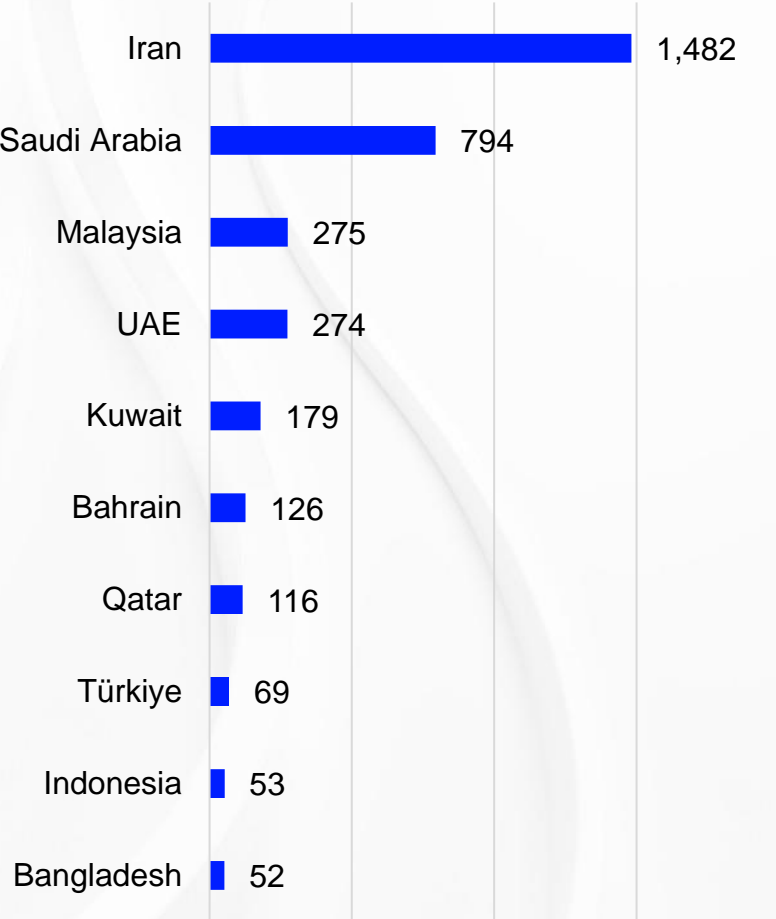
618

Total Islamic Banks

Islamic Banking Assets Growth
(2017 – 2023, USD Billion)



Top Countries in Islamic Banking Assets
(2023, USD Billion)



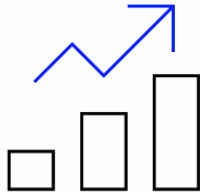
Sukuk

Sukuk issuance surpasses US\$200 billion and expands further into non-traditional markets



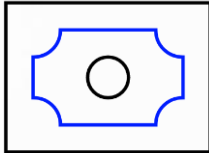
US\$ 863 Billion

Total Sukuk Value Outstanding in 2023



9%

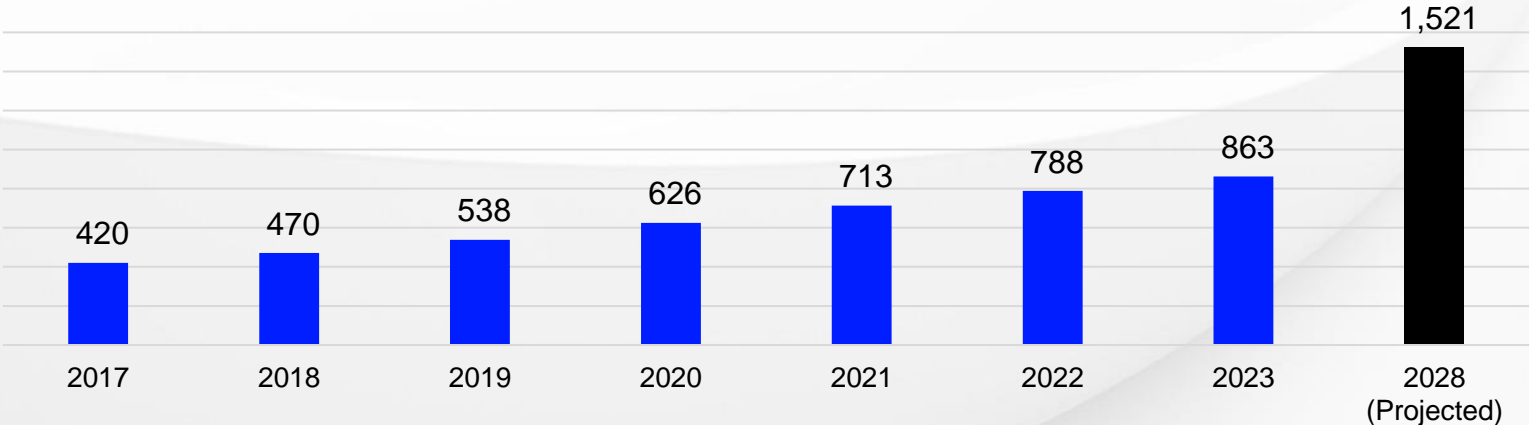
Growth of Sukuk Value Outstanding in 2023



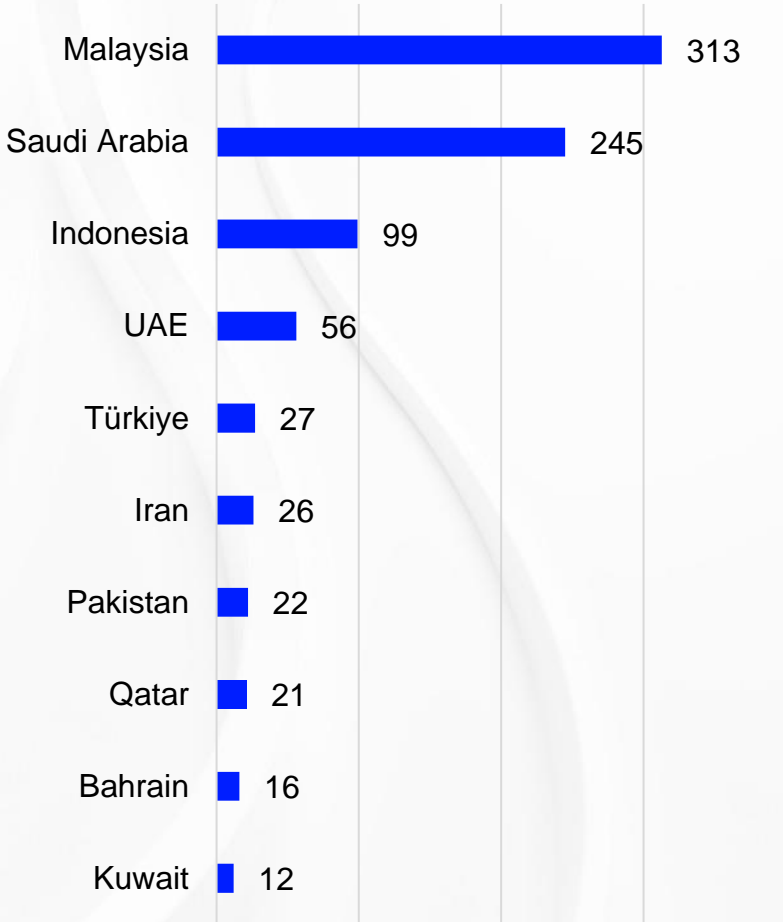
5,268

Total Number of Sukuk Outstanding

Sukuk Value Outstanding Growth (2017 – 2023, USD Billion)



Top Countries in Sukuk Value Outstanding (2023, USD Billion)



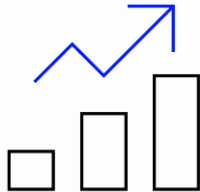
Islamic Funds

Islamic funds market recovering given improved economic sentiment



US\$ 254 Billion

Total Islamic Funds AuM in 2023



16%

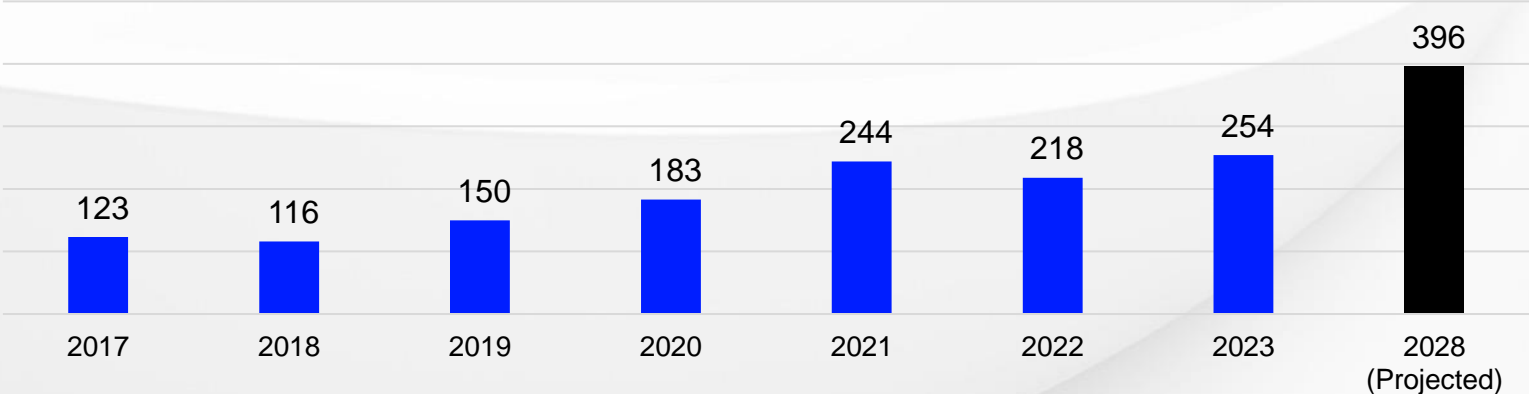
Growth in Islamic Funds AuM in 2023



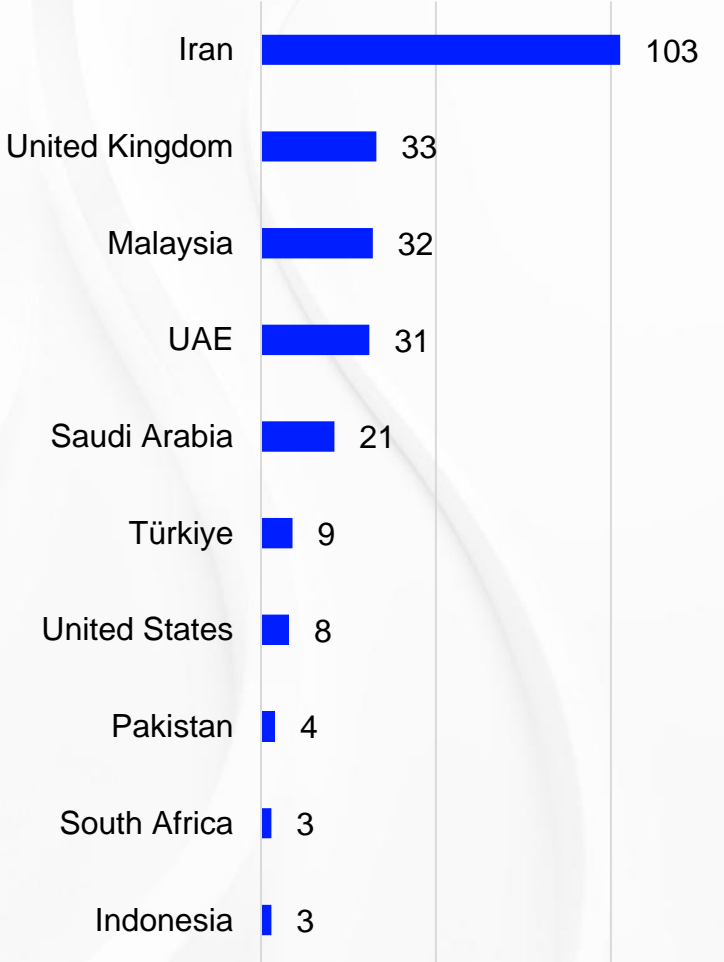
2,399

Total Number of Islamic Funds Outstanding

Islamic Funds AuM Growth (2017 – 2023, USD Billion)



Top Countries in Islamic Funds AuM Outstanding (2023, USD Billion)



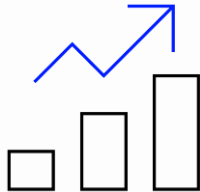
Other Islamic Financial Institutions (OIFIs)

OIFIs expanding in several countries to meet their Islamic finance needs



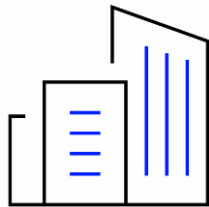
US\$ 153 Billion

Total OIFI Assets
in 2023



5%

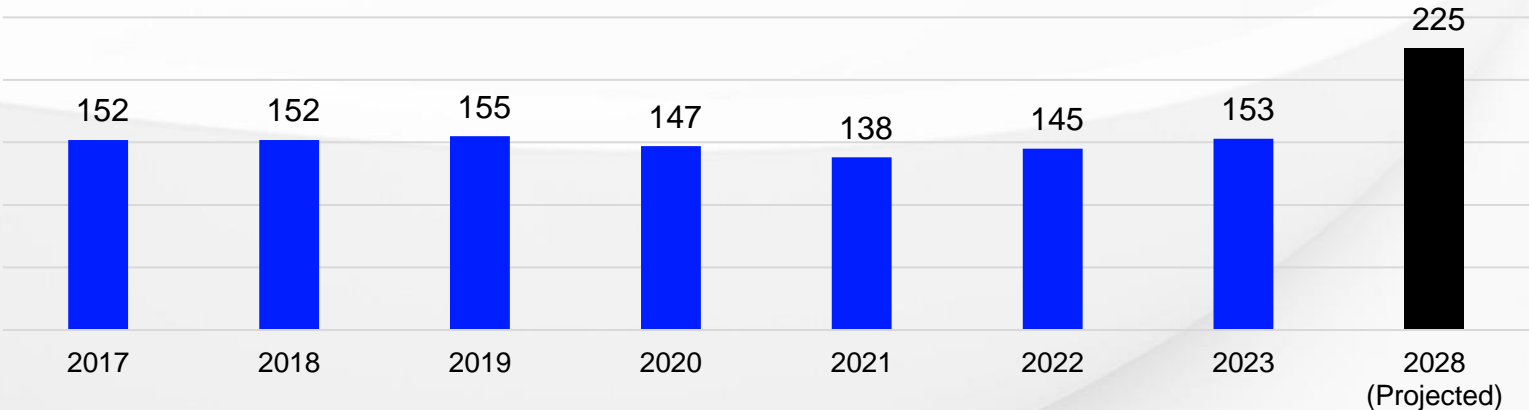
Growth of OIFI
Assets in 2023



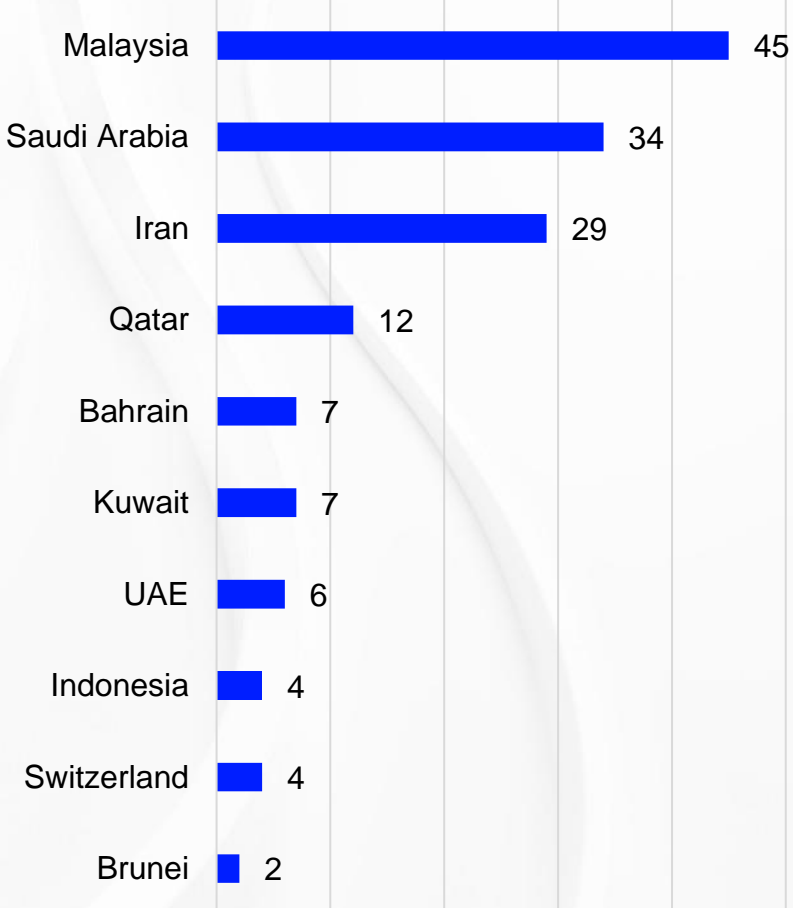
999

Total OIFIs

OIFI Assets Growth
(2017 – 2023, USD Billion)



Top Countries in OIFI Assets
(2023, USD Billion)



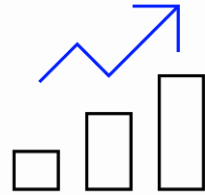
Takaful

Takaful is being introduced in the Philippines and Tanzania to supplement local Islamic banking sectors



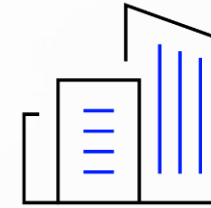
US\$ 86 Billion

Total Takaful Assets in 2023



1%

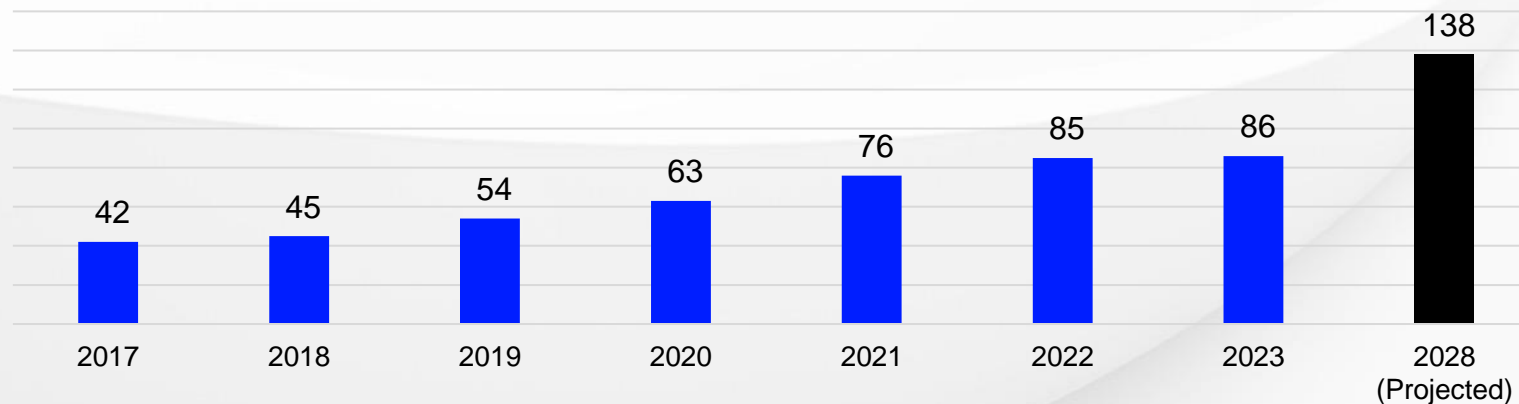
Growth of Takaful Assets in 2023



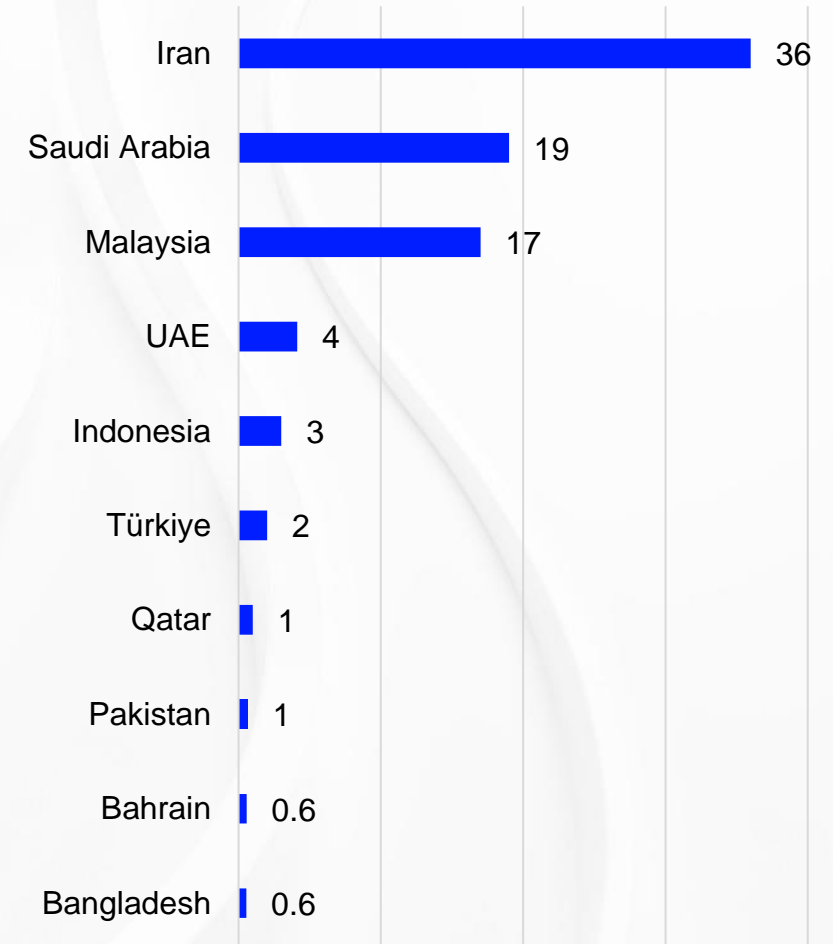
364

Total Takaful Operators

Takaful Assets Growth
(2017 – 2023, USD Billion)



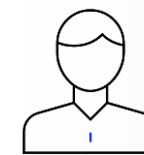
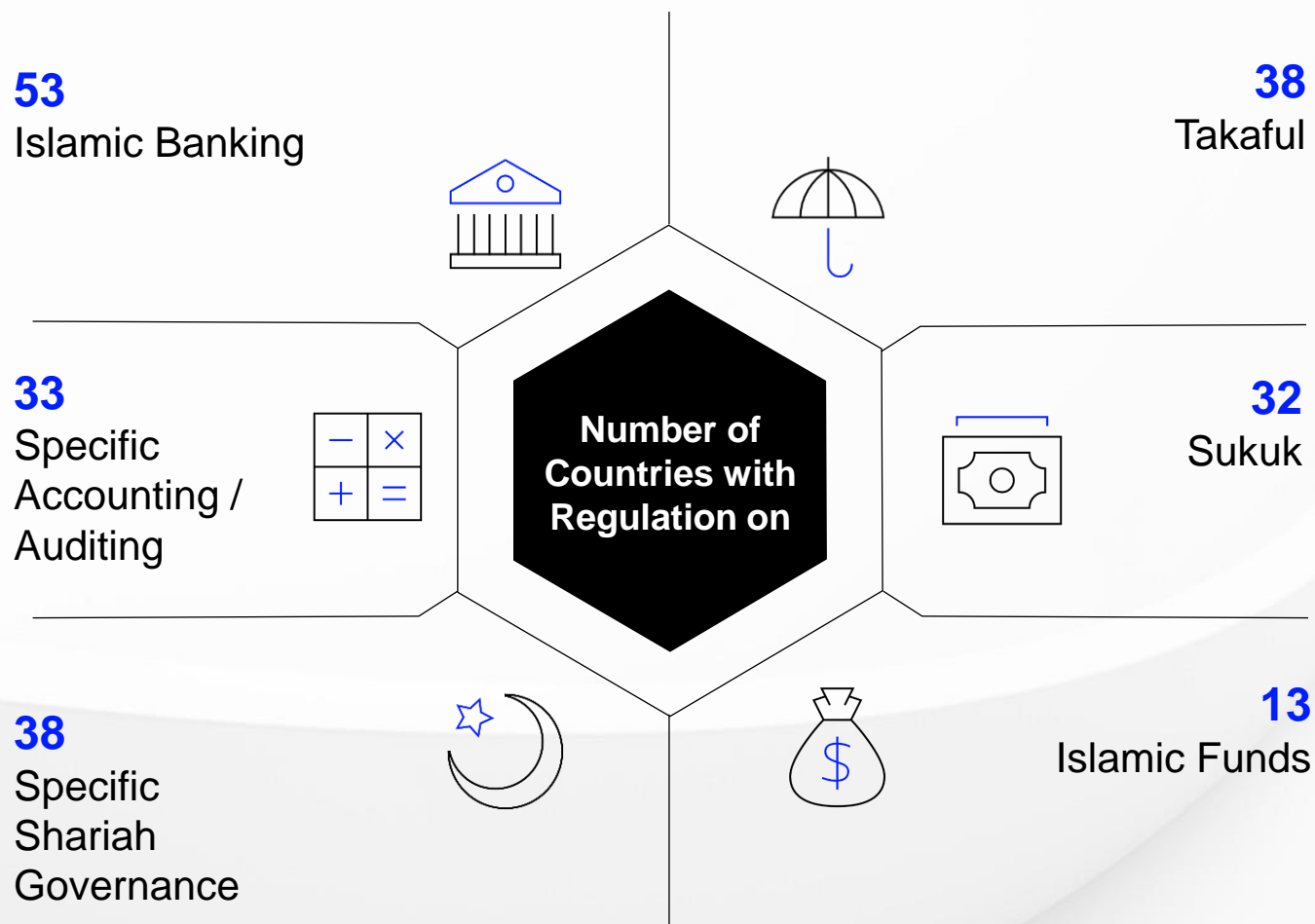
Top Countries in Takaful Assets
(2023, USD Billion)



Islamic Finance Supporting Ecosystem

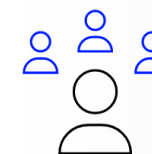
Governance

Shariah governance continues to be the focus for capital markets regulators. New countries regulating, boosting Sukuk



1,512

Number of Shariah Scholars Representing IFIs



23

Countries with Centralised Shariah Committees

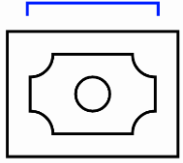


69%

Average Disclosure Index by Public Islamic Banks

Sustainability

COP28 fuels another record year for green and sustainability Sukuk



USD 35.9 Billion

Total Value of ESG Sukuk Outstanding

↑ from **USD 24.4 Billion** in 2022



USD 8 Billion

Total Value of ESG Islamic Funds Outstanding

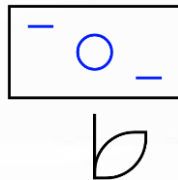
↑ from **USD 6.6 Billion** in 2022



50

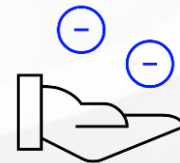
Number of Countries with Sustainability Guidelines

↑ from **42 Countries** in 2022



48%

Average Sustainability Reporting Index by Public Islamic Banks

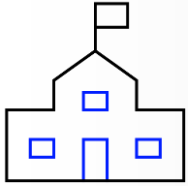


USD 1.3 Billion

Total CSR Funds Disbursed by IFIs

Knowledge and Awareness

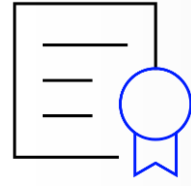
Increased focus on awareness and education on Islamic capital markets



1,007

Islamic Finance
Education Providers

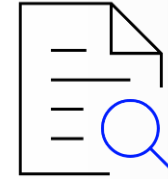
↑ from 882 in 2022



508

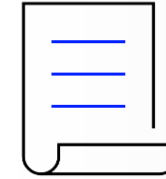
Islamic Finance Degree
Providers

↑ from 488 in 2022



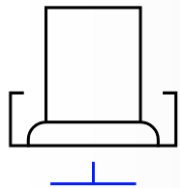
5,162

Islamic Finance Research
Papers Produced



347

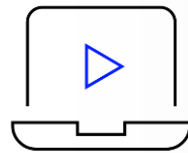
Islamic Finance Journals



531

Islamic Finance In-Person
Events

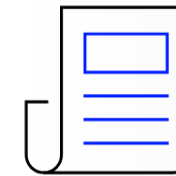
↑ from 195 in 2022



387

Islamic Finance Virtual
Events

↓ from 698 in 2022



10,534

Islamic Finance News

Download Islamic Finance Development Report 2024

<https://lseg.group/IFDI2024>



Thank you



LSEG