A growing trend
Islamic Wealth Management is on the rise

**Islamic Wealth Management (IWM):** A financial system anchored by ethical and social considerations, gaining popularity among affluent individuals seeking shari'ah-based financial solutions, coinciding with a global move for a monetary system more closely aligned with the United Nations' Sustainable Development Goals.

IWM is a holistic solution that encompasses the entire lifecycle of wealth creation, accumulation, preservation, purification and distribution in accordance with Shari'ah Law – a commonality of focus shared with socially responsible investing where greater heed is paid to environmental, social and governance considerations.

With the twin threats of increasing demand and a growing awareness of the importance of sustainable investing, IWM is fast gaining popularity globally, particularly in the Middle East and Asia.

Indeed, owing to its relative emergence, IWM is growing at a pace quicker than conventional banking and wealth management, compelling industry participants such as the Securities Commission (SC) and RAM Ratings to forecast that IWM will enter the mainstream sooner rather than later, affording customers the luxury of choice between shari'ah and conventional banking products.

The SC, as Malaysia’s capital market promotor and regulator, estimates that the number of shariah-compliant assets under management (AUM) was RM 100.6 billion (as at end-2019) which has been largely dependent on the fund and wealth management industry.

As it stands, the shari’ah-compliant fund management industry is an already well-established one, with Assets Under Management (AUM) of approximately RM 132.4 billion (at end-2019) managed by 20 fully-licensed licensed Islamic fund management companies and 27 Islamic window. Islamic Unit Trust Funds are popular with Muslims and non-Muslims alike, the latter of whom comprise a sizable 30 percent of total AUM. Overall, Malaysia’s financial markets are gearing up and preparing for the next wave of growth in IWM.

In 2021, the SC introduced a five-year Islamic Fund and Wealth Management Blueprint to further strengthen Malaysia’s position as a global hub for Islamic funds and assets by 2023, a further catalyst for market participants to further innovate and develop the IWM landscape for consumers.

**Maybank’s IWM:**

Maybank Islamic which is the largest Islamic finance provider in Malaysia and the Asia-Pacific region offers a full suite of IWM solutions encompassing the whole spectrum of wealth management from wealth creation, accumulation, protection and distribution, all on one platform. The ethical values embedded in these products and services make them appealing to everyone, regardless of race and religion. For the bank, this means being responsive to current trends.

The Bank’s approach to IWM has always focused on offering a comprehensive solution to all customers. Key among Maybank Islamic’s suite of differentiated products is its Investment Account (IA), a unique instrument focusing on Islamic financing assets and marketable securities, offering potentially higher returns but at slightly lower risks as an alternative to conventional deposit accounts.

Clients can also enjoy the General Investment Account (GIA), a flagship product under Maybank Islamic’s Shariah-compliant portfolio which caters to its Private & Premier clientele.

Maybank Islamic also distributes shariah-compliant unit trust funds from its internal fund house as well as ten different external fund houses under its open architecture platform. The bank also leverages on the expertise of Islamic Fund Management (via Maybank Islamic Asset Management) which has considerable access to a wide array of local and global capital market opportunities.

Customers may tap on Maybank Islamic’s vast experience and universe of talent, with a dedicated Shariah Committee that evaluates and approves all its Shariah banking business.

For its products and services, Maybank Islamic has won the Best Private Bank for Islamic Services in 2018, and World’s Best Private Bank for Islamic Services in 2019. Overall, Malaysia’s financial markets are gearing up and preparing for the next wave of growth in IWM.