



**THE DETERMINANT OF SUKUK MARKET DEVELOPMENT
(2009 - 2018)**

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ABSTRACT

The purpose of this study is to examine the determinants of Sukuk (Islamic bond) market development for selected companies. For this purpose, a sample of 17 companies were selected and the factors affecting sukuk market development with five measurements of economic growth, inflation, trade openness, muslim population and institutional quality were examined by applying Panel Regression Random Effect Model for a period 10 years from 2009 to 2018. The scope of study covers the most Sukuk issuers' countries namely: Bahrain, France, Germany, Indonesia, Japan, Kuwait, Malaysia, Nigeria, Oman, Qatar, Saudi Arabia, Singapore, South Africa, Turkey, United Arab Emirates, United Kingdom and United States. This study is using Sukuk Market Development for dependent variable while independent variables that have been selected were GDP, Inflation, Trade Openness, Muslim Population and Control of Corruption. The findings of this study shows that only control of corruption recorded negative insignificant relationship with Sukuk market development while inflation and trade openness recorded positive insignificant relationship. However, only economic growth shows positive significant relationship with dependent variable.

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