

EXAMINING SHARIA STOCK SCREENING STANDARDS AND THEIR IMPACT ON ECONOMIC STABILITY IN THE ASEAN ECONOMIC COMMUNITY

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Abstract

This study aims to analyze the standard of sharia stock screening process and its impact on economic stability in the context of the ASEAN Economic Community (AEC), reviewed from the perspective of *Maqāṣid Asy-Syarīah*. Sharia stock screening is the process of evaluating a company's shares to ensure compliance with sharia principles, which include financial, ethical, and operational aspects. In the context of the AEC, this standard plays an important role in maintaining economic stability, by ensuring that investments made are in accordance with Islamic values. This study uses a qualitative analysis method with a descriptive-analytical approach. The data used were obtained from secondary sources such as journals, books, and official reports. The results of the study indicate that strict sharia stock screening standards contribute to economic stability, by encouraging ethical and responsible investment. In addition, the implementation of this standard in the context of the AEC is also in line with the objectives of *Maqāṣid Asy-Syarīah*, especially in protecting the interests of the people, maintaining justice, and promoting shared prosperity. Therefore, this study suggests strengthening and harmonizing sharia stock screening standards at the ASEAN level to support broader economic stability and prosperity.

Keywords: ASEAN, ASEAN Economic Community, Sharia Stock Screening, *Maqāṣid Asy-Syarīah*

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Introduction

Indonesia is one of the largest Muslim countries in the world. Based on the report of The Royal Islamic Strategic Studies Center (RISSC) or MABDA entitled The Muslim 500 2022 edition, there are 231.06 million Indonesians who are Muslim.¹ The number is equivalent to 86.7% of the total population of Indonesia. The proportion of the Muslim population in Indonesia also reaches 11.92% of the total population in the world, so it is not surprising that Indonesia can be a large market for developing the capital market industry, especially sharia-based.

The capital market is a place for the accumulation of funds and the formation of capital aimed at increasing public participation in directing funds. The capital market also has an important role for the country, namely as a means of business funding or as a means for companies to obtain funds from investors. The capital market is also closely related to public offerings and trading of securities, public companies (issuers) related to traded securities. As well as institutions and professions related to securities². The capital market is a place where sellers and buyers meet to transact securities in order to obtain capital or long-term investment.³ There are 2 attractions of the capital market itself. First, it is expected that this capital market will be able to become an alternative fundraising other than the banking system. There are also several factors that can encourage the growth of the sharia capital market industry. First, the global financial crisis with increasing intensity has increased the needs of the lower classes for a fairer financial system. Second, the growth of other sharia financial industries, namely sharia banking, sharia insurance, etc., has created the need for support from the capital market sector. Third, the increasing number of Human Resources (HR) who have a better understanding (awareness) of the sharia financial system provides an extraordinary boost to the development of the sharia capital market⁴. The capital market allows companies to issue securities in the form of debt certificates (bonds) or certificates of ownership (shares). Thus, companies can avoid conditions of debt to equity ratios that

¹ Cindy Mutia Annur, "10 Negara Dengan Populasi Muslim Terbanyak Dunia 2023, Indonesia Memimpin!," n.d., <https://databoks.katadata.co.id/datapublish/2023/10/19/10-negara-dengan-populasi-muslim-terbanyak-dunia-2023-indonesia-memimpin>.

² Presiden Republik Indonesia, "Undang-Undang Republik Indonesia Nomor 8 Tahun 1995 Tentang Pasar Modal," Pub. L. No. 8 (1995).

³ Karmila, *Seluk Beluk Pasar Modal* (Yogyakarta: KTSP, 2010).

⁴ dan Abdul Qoyum M. Ardiansyah, Ibnu Qizam, "Telaah Kritis Model Screening Saham Syariah Menuju Pasar Tunggal ASEAN," *Jurnal Wacana Hukum Islam Dan Kemanusiaan* 16, no. 2 (2016): 197–216, <https://doi.org/10.18326/ijtihad.v16i2.197-216>.

are too high, which actually makes the cost of capital of the firm no longer minimal. Second, the capital market allows investors to have various investment options that suit their risk preferences. In addition, investment in securities has another attraction, namely its liquidity.⁵

Financial institutions that play an important role in supporting the country's economy after banking are capital markets. This is because the role of capital markets in developed countries is very dominant in mobilizing public funds.⁶ Even the capital market can be used as an indicator of the state of a country's economy. The existence of the capital market provides benefits as a source of financing, investment facilities, distribution of company ownership to the community and creating jobs.⁷ Funds obtained from the capital market are used to develop businesses, increase working capital, expand businesses, and others. In addition, the capital market acts as a means for the community to invest in financial instruments such as stocks because it has an important role in meeting the capital needs of the business world so that it continues to exist in the global economy.⁸ And in the capital market provides the possibility and opportunity to gain profit for investors, according to the characteristics of the chosen investment so that the community can place funds in accordance with the characteristics of the profit and risk of each instrument.

Instead, it is about the Sharia-based Capital Market, which is one of the financial industries that has experienced very significant growth in ASEAN countries in the last few decades.⁹ Currently, the growth of the sharia capital market is from 459 sharia securities in the form of shares listed in the Sharia Securities List (DES) as of August 7, 2020, there are 443 shares of the Indonesia Stock Exchange (IDX) which are constituents of the Indonesian Sharia Stock Index (ISSI). Meanwhile, for corporate

⁵ Destina Paningrum, *Buku Referensi Investasi Pasar Modal* (Kediri: Lembaga Chakra Brahmanda Lentera, 2022).

⁶ Lukman Hakim, *Prinsip-Prinsip Lembaga Keuangan Syariah* (Jakarta: Erlangga, 2019).

⁷ Agus Susilo, "Pengaruh Kebijakan Deviden Terhadap Harga Saham," *Fakultas Ekonomi Universitas Surakarta*, 2009.

⁸ Indah Yuliana, *Investasi Keuangan Produk Syariah* (Malang: UIN-Maliki Press, 2010).

⁹ Salina H. Kassim, "THE GLOBAL FINANCIAL CRISIS AND THE INTEGRATION OF ISLAMIC STOCK MARKETS IN DEVELOPED AND DEVELOPING COUNTRIES," *Asian Academy of Management Journal of Accounting and Finance* 9, no. 2 (2013): 75–94, https://www.researchgate.net/publication/272238563_THE_GLOBAL_FINANCIAL_CRISIS_AND_THE_INTEGRATION_OF_ISLAMIC_STOCK_MARKETS_IN_DEVELOPED_AND_DEVELOPING_COUNTRIES/link/54e02dfe0cf29666378c425d/download?_tp=eyJjb250ZXh0Ijp7ImZpcnN0UGFnZSI6InB1YmxpY2F0aW9uLi.

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sukuk, there are 253 sukuk with a total value of IDR 51.89 trillion. This value has increased significantly compared to the previous year, namely with 232 sukuk worth IDR 48.24 trillion¹⁰ from the existence of factors that are able to encourage the growth of the sharia capital market industry: First, the existence of a global financial crisis with increasing intensity has increased the needs of the lower classes for a fairer financial system. Second, the growth of the sharia financial industry such as Sharia Banking, Sharia Insurance, etc. has created the need for support from the capital market sector. Third, the increasing number of Human Resources (HR) who have a better understanding (awareness) of the sharia financial system provides an extraordinary boost to the development of the sharia capital market.

In theory, the main principles in the sharia capital market are; the existence of usury; gharar, maysir, and companies that issue financial instruments that have businesses that are prohibited by sharia, for example gambling, alcoholic beverages.¹¹ To provide assurance on whether a Company's shares are in accordance or not, it will first go through a selection known as shariah screening. The screening process uses several criteria or standards, namely; its compliance with sharia principles; fulfilling quantitative selection seen from the financial performance side; and must meet qualitative criteria related to the image of a company, the benefits of the company to the community.

The process of screening sharia stocks, each country has different standards¹² With these different standards, of course the screening mechanisms and procedures are also different. In Indonesia itself, for example, to be categorized as sharia stocks, a stock must meet several stages of selection, namely qualitative selection related to compliance with sharia principles and quantitative selection, namely a company issuing shares must have a financial ratio, Interest Income & Income from Non-Shariah compliant business activities / Total Revenue < 10% and Interestbearing

¹⁰ "Pasar Modal Syariah Terus Berkembang Dan Inilah Evaluasi Dari OJK," 2024, <https://blog.principal.co.id/id/pasar-modal-syariah-terus-berkembang-dan-inilah-evaluasi-dari-ojk>.

¹¹ Misnen and Abdul Qoyum Ardiansyah, "Testing the Semi-Strong Form Efficiency of Islamic Capital Market With Response to Information Content of Dividend Announcement: A Study in Jakarta Islamic Index," *Journal of Modern Accounting and Auditing* 8, no. 7 (2012): 1025–41.

¹² Shehab Marzban Ulrich Derigs, "New Strategies and a New Paradigm for Shariah-Compliant Portfolio Optimization," *Journal of Banking & Finance* Xxx, 2008, https://www.researchgate.net/publication/247121435_Marzban_S_A_New_strategies_and_a_new_paradigm_for_Sharrah-compliant_portfolio_optimization_Journal_of_Banking_Finance_33_1166-1176/link/5ba36208299bf13e603eb0ea/download?_tp=eyJjb250ZXh0Ijp7ImZpcnN0UGFnZS.

debt / Total Equity < 82%¹³. Meanwhile, in other countries, for example Malaysia, Shariah Screening must go through two stages, namely; the quantitative stage and the qualitative stage.¹⁴ The existence of this process difference provides an indication that there is a difference in the quality of a share that is in accordance with sharia.

The difference in the standard model of Islamic stock screening raises several issues, such as the confusion of the Islamic financial system to the quality of stocks that comply with Islamic law also differs. Depending on how strict/good the results of Islamic stocks are. So in this context, the integration of the ASEAN Community and the Islamic financial market, causes confusion and confusion for the Islamic Community. Especially regarding the existence of the ASEAN Vision and Mission and the four pillars of the ASEAN Economic Community (AEC)¹⁵ aims to continue to engage and provide benefits to an inclusive, sustainable, resilient and dynamic society. Based on the background above, the purpose of this study is to analyze and understand whether the differences in the sharia stock screening model will make it more stable or vice versa with an analytical *knifemaqāsid asy-syariah*.

Methods

This scientific article is written using a qualitative approach through the library research method. According to Mendes, Wohlin, Felizardo, & Kalinowski (2020), library research involves reviewing literature and analyzing relevant topics that are combined. In this study, library research includes theoretical exploration and literature review related to the sharia stock screening process and ASEAN economic stability with. The data sources used are secondary data, such as journals, books, documents, and other references, without involving field research, as explained by Apriyanti, Syarif, Ramadhan, Zaim, & Agustina (2019).

Result and Discussion

Standardization of Sharia Stock Screening Process in ASEAN Countries

Standardization is an effort to unify processes or conditions so that there is uniformity or that which is produced by following the requirements to achieve a

¹³ Fatwa of the National Sharia Council No: 40/DSN-MUI/X/ 2003

¹⁴ Ulrich Derigs, "New Strategies and a New Paradigm for Shariah-Compliant Portfolio Optimization."

¹⁵ MEA Indonesia, "ASEAN Economic Community 2025 - Masyarakat Ekonomi ASEAN," 2020, <https://meaindonesia.ekon.go.id/mea/>.

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common goal so that it can be used as a comparative standard.¹⁶ In order to maintain stability in the screening process, there is a process within it that aims to identify stocks that violate sharia principles, such as usury, gambling (maysir) and uncertainty (gharar).¹⁷ In general, the screening process has two aspects that must be met by issuers so that their companies can enter the sharia stock index, namely qualitative and quantitative aspects. Qualitative aspects include business object criteria, whether the company is engaged in a prohibited sector with elements of usury, gharar, and maysir. While quantitative aspects (accounting), such as debt and equity ratio and valuation of the results of the appraisal of the business concerned. The issuer's business object (company) is a selection of the business run by each issuer in terms of its halal aspects. Halal and haram criteria are basic and absolute criteria for each issuer in order to become a sharia stock. The criteria for each country can of course be different because it is an absolute decision by the sharia council in each country¹⁸.

The process of screening Sharia stocks or not. The first is Business screening and the second is financial screening;¹⁹

1. Business screening looks at the company's business activities, whether they are in conflict with Sharia principles or not. For example, shares of cigarette companies, conventional commercial banks, and conventional insurance companies will definitely not pass this screening stage. While shares of companies such as consumer goods that produce instant noodles and flour, mining companies, hotel companies, transportation, basic industries, various industries and other business fields will pass the business screening stage.
2. Financial Screening looks at the company's financial ratio. There are two rules, namely total interest-based debt compared to total assets is not more than 45% and non-halal income compared to total company income does not exceed 10%. This provision is the result of ijtima' of scholars and regulators in Indonesia, so the percentage provisions may change one day. If the company's financial report

¹⁶ Ines Prasheila Kusmastuti Al Muazzami, "Proses Screening Sebagai Bentuk Standarisasi Halal Di Pasar Modal Syariah," *Perfecto: Jurnal Ilmu Hukum* 02, no. 2 (2024): 41, <https://www.jurnal.ideaspublishing.co.id/index.php/jih/article/view/1753/723>.

¹⁷ S and Hassan Elfakhani, "Performance of Islamic Mutual Funds," in *Performance of Islamic Mutual Funds, Paper Presented of Economic Research Forum, The 12th Annual Conference* (Kairo, 2005).

¹⁸ dan Dow Jones Asy-Syir'ah Perbandingan Kriteria Syari'ah Pada Indkes Saham Syari'ah Indonesia, Malaysia, "Syafiq M. Hanafi," *Jurnal Ilmu Syari'ah Dan Hukum* 45, no. 2 (n.d.): 1406.

¹⁹ Anis, "Saham Syariah, Diakses Dari Pasar Modal Syariah Berinvestasi Yang Amanah," *Pasar Modal Syariah, 2022*, pasarmodalsyariah.com.

meets these criteria, the company's shares will pass the screening and be included in the Sharia Securities List (DES).

Investment business objects in the capital market in Indonesia with existing provisions are in line with the decision of the DSN-MUI and followed up by the decision of the chairman of Bapepam-LK. Fatwa of the National Sharia Council of the Indonesian Ulema Council No: 40/DSN-MUI/X/2003, concerning the Capital Market and General Guidelines for the Implementation of Sharia Principles in the Capital Market Sector in Article 3 paragraph 2 regarding types of business activities that conflict with Sharia Principles and the Decision of the Chairman of Bapepam-LK Number: KEP-181/BL/2009 Concerning the Issuance of Sharia Securities with the attachment in Number 1 letter b of Regulation IX.A.13 are:

Table 1. Screening Criteria According to the DSN-MUI and Bapepam-LK Fatwa Regarding Activities Contrary to Sharia

DSN-MUI	BAPEPAM-LK
DSN-MUI Fatwa Number: 40/DSN-MUI/X/2003 Article 3 paragraph 2 Concerning issuers issuing Sharia Securities: a. Gambling and games that are classified as gambling or prohibited trade; b. Conventional financial institutions (ribawi), including conventional banking and insurance; c. Producers, distributors, and traders of forbidden food and drinks; and d. Making investments in issuers (27indicator27) which at the time	Decision of the Chairman of Bapepam-LK Number: KEP.-181/BL/2009 Concerning the Issuance of Sharia Securities: a. Gambling and games classified as gambling; b. Trading prohibited according to sharia; c. Providing financial services that apply the concept of usury; d. Buying and selling risks that contain uncertainty (gharar) and/or gambling (maysir) include conventional insurance; e. Producing, distributing, trading and/or providing: - goods and/or services that are forbidden due to their substances and/or - goods and/or services that are

<p>of the transaction debt ratio (indicate) indicator to It is indicated that usurious finance is more dominant than capital.</p>	<p>morally damaging and harmful; f. carry out transactions that contain elements of bribery (risywah).</p>
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The Impact of Stock Screening Standardization on the ASEAN Economic Community

Standardization of the sharia stock screening process provides certainty of halalness, security and peace of mind.²⁰ in the process there are many models that apply in the world, for example DJIM Index, FTSE Islamic Index, MSCI Islamic Index and SAC (SC). The number of sharia stock screening models is influenced by several factors including differences in the structure of society in each country. In addition, the school of thought adopted by a country also greatly influences the sharia screening model used. Countries with a majority of Muslim people certainly have many sharia experts. This will make the country use a specific screening model that applies only in that country, for example Indonesia²¹.

Indonesian country in the sharia screening process, it is guided by the Financial Services Authority Regulation Number 15/PJOK.04/2015 and the National Sharia Council Fatwa No: 40/DSN-MUI/X/2003 concerning Capital Markets and General Guidelines for the Implementation of Sharia Principles in the Capital Market Sector, which are divided into 2 types, namely qualitative and quantitative. In Indonesia, quantitative screening is based on the Financial Services Authority Regulation Number 35/POJK.04/2017 concerning the Criteria and Issuance of the Sharia Securities List, namely meeting the financial percentage, namely the total interest-based debt compared to the total indicator should not be more than 45% (forty five percent). While for the total interest income and other non-halal income compared to the total business income and other income should not be more than 10% (ten percent). Instead of the ASEAN Economic Community (AEC) which is a free trade established by ASEAN member countries which was formed to realize ASEAN economic integration, namely the

²⁰ Dewi Ayu Widyaningsih, "Sertifikasi Halal Perspektif Maqashid Syariah," *Falah: Jurnal Hukum Ekonomi Syariah* 4, no. 1 (2023), <https://journal.almaarif.ac.id/index.php/falah/article/view/224>.

²¹ Abdul Hamid Habbe Mustakim Muchlis, "Exploring Sharia Screening Review in Islamic Capital Market in Indonesia (Jakarta Islamic Index)," *Laa Maisyir: Jurnal Ekonomi Islam* 8, no. 1 (2021): 43, <https://journal3.uin-alauddin.ac.id/index.php/lamaisyir/article/view/20320/11010>.

achievement of a safe ASEAN region with dynamics higher and more integrated, eradication of ASEAN from poverty, as well as economic growth to achieve equitable and sustainable prosperity.²² For this reason, the MEA has four main characteristics, namely the market and production base, a highly competitive economy, and an equitable economy, and that is fully integrated with the global economy.

Objective The purpose of ASEAN is to accelerate economic growth, social and cultural development in Southeast Asia. Other goals are to form a region, support education, and maintain relations between countries.²³ MEA (ASEAN economic integration) is basically an expansion of regional economic integration that has begun since the formation of AFTA in 1992. The existence of the MEA aims to create economic stability between ASEAN, and is expected to be able to overcome the economic problems of ASEAN countries.

Screening sharia stocks in addition to the aim of identifying the existence of streams that are prohibited by Islamic teachings, in general can also facilitate and provide opportunities to find potential stocks and can increase investment returns, so that it will have an impact on achieving a resilient, inclusive, people-oriented ASEAN country in accordance with the objectives of the MEA activities, with a general description through the process: sectoral screening, financial screening, verification process and review of the issuance of the list of sharia stocks.

Perspective *Maqāsid Al-Shariah* Regarding the Differences in Stock Screening Process

The process of screening sharia stocks in ASEAN countries involves a series of steps to ensure that stocks included in the sharia index list are in accordance with Islamic sharia principles. The implementation of sharia screening in several ASEAN countries such as Indonesia which has a National Sharia Council (DSN) that works together with the Financial Services Authority (OJK) to screen and supervise sharia stocks. Meanwhile, in Malaysia, Malaysia through the Securities Commission

²² Kementerian Koordinator Bidang Perekonomian Republik Indonesia, "Masyarakat Ekonomi ASEAN," 2020, <https://meaindonesia.ekon.go.id/mea/>.

²³ Isbandini Veterina Kevin Geraldly Rahman, "Analisis Kointegrasi Index Pada Bursa Saham ASEAN-5," *Jurnal Indonesia Banking School* 5, no. 2 (2019): 82, file:///C:/Users/Asus/Downloads/247-Article Text-654-2-10-20220121.pdf.

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(SC) also has a strict screening process, with guidelines issued by the Sharia Advisory Board.

Brunei, which follows similar guidelines and has its own sharia authority to ensure compliance, while Singapore, despite its small Muslim population, also has some sharia financial services, and stock screening is carried out by 30 indicate certain financial institutions that offer sharia products. This process ensures that Muslim investors can invest in stocks that are in line with their religious beliefs, as well as providing transparency and trust in the sharia capital market.

Islam has taught that everything revealed by Allah has a good purpose and is holy. In the holy verses of the Qur'an, Allah has given every guidance to make human life more focused and peaceful. As humans who are His chosen people appointed as Caliphs on the face of the earth, they are obliged to initiate all endeavors and fulfill every obligation that has become a human duty. Muslims only need to follow what Allah says in the Koran in order to receive it 30 seek blessings and sustenance from Him²⁴. All activities carried out by humans are based on the teachings of the Koran. The five pillars of Islam, including the shahada, performing the five daily prayers, fasting during Ramadan, paying zakat, and performing the hajj, are among the messages sent down by Allah to humanity in the Koran.

Life satisfaction and lifestyle growth indicate that the social system has reached a more stable state. This is related to the gradual assimilation of humanity into the modern era, and can be referred to as the possibility that Islam can be literal or flexible according to the passage of time. The statement is a fatwa issued by the Fatwa Council under the direction of Dr. 'Abdullāh al-Faqīh as follows:²⁵

لعالمين ا رب الله من منزل فهو مكان وكل زمان كل في يصلح الإسلام في شيء كل لأن

The aim in building human benefit is that it concerns issues of unchanging rules, related to the worldly world, politics, war and so on, expressed in a general (global) way

²⁴ Deva Nabilah, "Kebijakan Bank Indonesia Dalam Penerapan Merchant Discount Rate 0,7% Dari E-Payment QRIS Perspektif Maqashid Syariah (Respon Merchant MDR 0,7% Daerah Istimewa Yogyakarta)" (UIN Sunan Kalijaga Yogyakarta, 2023), https://scholar.google.com/citations?view_op=view_citation&hl=id&user=q3_YS4MAAAAJ&citation_f_or_view=q3_YS4MAAAAJ:u-x6o8ySG0sC.

²⁵ Abdullah al-Faqih, al-Fatāwā al-Islāmiyah, Maktābah Syāmilah, tth., vol. 27th, p. 34

to capture problems that develop for the benefit of human life throughout time, and from generation to generation. Islam has regulated matters related to the exchange of property. In accordance with the words of Allah:²⁶

يا أيها الذين آمنوا لا تأكلوا أموالكم بينكم بالباطل إلا أن تكون تجا

Behind the existence of a standard system for screening processes such as sharia stocks, there are also differences between several countries, especially ASEAN countries. Behind the many differences between these countries, the goal is the same, namely to maintain stability in the screening process, to identify stocks that violate sharia principles, such as usury, gambling (maysir) and uncertainty (gharar). If formulated with achievements³ Indicator of Maqāṣid Asy-Syarīah as formulated by Usul scholars. Sharia shares are not specifically mentioned as the main objective in the formation of the ASEAN Economic Community (AEC), but the concept can be considered as part of a broader objective in regional economic integration.

The AEC aims to create a single market and integrated production base in the Southeast Asian region. Its main objectives include:

1. Free Flow of Goods, Services, Investment and Labor: The AEC aims to eliminate trade and investment barriers among ASEAN member countries.
2. Financial and Banking Integration: The AEC also seeks to integrate financial systems in the region, including capital markets, to support more equitable investment and economic growth.
3. Equitable Economic Development: The AEC aims to reduce the development gap among ASEAN member countries.
4. Global Connectivity and Competitiveness: Increasing ASEAN's economic competitiveness in the global market is also a major focus, including increasing infrastructure connectivity and harmonizing regulations.

Sharia stocks are not specifically mentioned, the development of inclusive and diverse capital markets, including those based on sharia, supports the AEC's goal of

²⁶ Imam Ghazali Masykur, *Almumayyaz: Al- Qur'an Tajwid Warna, Transliterasi Perkata, Terjemah Perkata* (Bekasi: Cipta Bagus Segara, 2014).

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creating deeper and more harmonious economic integration. Here are some of the relevance of sharia stocks to the AEC's goals:

1. **Investment Diversification:** The development of sharia stock markets in ASEAN countries provides wider investment options, which can attract investors from both within and outside the region. This supports the free flow of investment which is one of the goals of the AEC
2. **Financial Inclusion:** Sharia stocks allow for broader participation, especially for investors seeking sharia-compliant investments. This contributes to the AEC's goal of more equitable and inclusive economic development.
3. **Capital Market Integration:** The AEC encourages capital market integration in ASEAN, and the development of the sharia market is part of this effort. Countries such as Malaysia and Indonesia, which have large sharia stock markets, can play a role in strengthening this integration.
4. **Increasing Competitiveness:** By promoting sharia stocks, ASEAN countries can increase their attractiveness as global investment destinations, especially for investors from countries with large Muslim populations, supporting ASEAN's global competitiveness.

Sharia shares arranged with each other can become the principal value. So you can formulate a32indicators of maqāsid asy-syariah's achievement of the goals of the MEA itself, as follows:

Table 2. Description of the AEC Objective Indicators with *Maqāsid Al-Shariah*

Objectives of the MEA	MEA Dimensions	Dimensions of Maqāsid Asy-Syariah	Criteria for Maqāsid Asy-Syariah
Improving Economic Welfare	Creating a more integrated market for Companies and their consumers	Safeguarding wealth (<i>hifz al-mal</i>)	In line with the aim of safeguarding wealth (<i>hifz al-mal</i>), where a growing and stable economy will ensure that society's wealth and resources can be managed well, distributed fairly, and used for the

			public good.
Reducing Economic and Social Disparities	Focusing on elements that contribute to increasing the competitiveness and productivity of the Region	Protecting the soul (<i>hifz al-nafs</i>) and protecting offspring (<i>hifz al-nasl</i>)	Reducing this gap supports the goals of preserving life (<i>hifz al-nafs</i>) and preserving offspring (<i>hifz al-nasl</i>) by ensuring that everyone has access to basic needs, such as food, health, and education, which are vital aspects for maintaining family life and well-being.
Policy Harmonization and Economic Stability	Improving economic connectivity by involving various sectors, namely transportation, telecommunications and energy.	Maintaining reason (<i>hifz al-aql</i>)	The economic stability pursued by the AEC helps maintain reason (<i>hifz al-aql</i>), as socio-economic stability contributes to the development of education, knowledge, and wise management of resources.
Protection of Religious and Moral Values	Although the AEC does not explicitly aim to protect religion, ASEAN economic integration can provide a framework that supports tolerance and diversity, including respect for the different religious and moral values of each member state.	Maintaining religion (<i>hifz al-din</i>)	Supporting the goal of safeguarding religion (<i>hifz al-din</i>), as a stable and inclusive environment enables people to practice their religious beliefs and practices without pressure or interference, while maintaining moral and spiritual integrity.

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<p>Creating a Global ASEAN Enhancing Competitiveness and Innovation</p>	<p>Promote and integrate the region with the global economy through FTAs and Comprehensive Economic Partnership (CEP) agreements with the PRC, Japan, the Republic of Korea, India, Australia and New Zealand. Negotiations to conclude the Regional Comprehensive Economic Partnership</p>	<p>Guarding reason (<i>hifz al-aql</i>)</p>	<p>In line with preserving reason (<i>hifz al-aql</i>) and preserving descendants (<i>hifz al-nasl</i>), because innovation and development of knowledge support education, improving the quality of life, and a better future for future generations.</p>
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Conclusion

The ASEAN Economic Community aims to improve economic stability in the ASEAN region and is expected to be able to overcome problems in the economic sector. In addition, the MEA was formed to achieve several other goals, including: Increasing regional competitiveness, and encouraging economic growth. The differences in the stages of the sharia stock screening process as a formdevelopment of an inclusive and diverse capital market is a way to support the AEC's goal of creating deeper and more harmonious economic integration, so thatMany of its objectives can be aligned with the principles of Maqashid Syariah, especially in terms of maintaining the economic, social and moral welfare of communities in the ASEAN region.

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