



**KEMENTERIAN AGAMA REPUBLIK INDONESIA**  
**UNIVERSITAS ISLAM NEGERI**  
**ANTASARI BANJARMASIN**

Jalan A. Yani Km. 4.5 Banjarmasin 70235  
Telepon (0511) 3257627 Faksimili (0511) 3254344  
e-mail: [info@uin-antasari.ac.id](mailto:info@uin-antasari.ac.id) website: [www.uin.antasari.ac.id](http://www.uin.antasari.ac.id)

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PROSECUTOR GENERAL'S OFFICE

Jakarta, Indonesia

Phone: +62 21 5200000

Fax: +62 21 5200000

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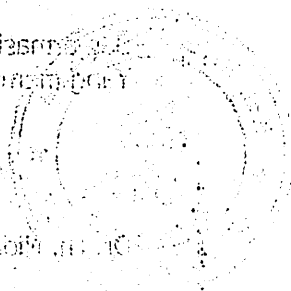
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Jalan A. Yani Km. 4.5 Banjarmasin 70235  
Telepon (0511) 3257627 Faksimili (0511) 3254344  
e-mail: info@uin-antasari.ac.id website: www.uin.antasari.ac.id

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# The Maslahah's Perspective Theory to determine the Holding Period in Islamic Capital Market Transactions - Aneta (final).docx

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## The Maslahah's Perspective Theory to Determine Holding Period in Islamic Capital Market Transactions

Aneta Rakhmawati <sup>1</sup>, Muhaimin <sup>2</sup>, Novita Alfinuri <sup>2</sup>

UIN Antasari Banjarmasin <sup>1,2,3</sup>

Jalan A. Yani No.Km.4,5, RW.5, Kebun Bunga, Banjarmasin

[aneta@poliban.ac.id](mailto:aneta@poliban.ac.id)

ORCID ID: 0000-0002-4509-1693

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### ABSTRACT

The government has made efforts to apply sharia principles in the Islamic capital market through several regulations from the OJK, however the author still finds a gap in speculation (gharar) that is still involved in the Islamic capital market. Through a concept to reduce speculation using the holding period, the author researches the holding period needed for Islamic capital market transactions, examining the implementation of the holding period

concept policy with the maslahah theory. This research is normative legal research in a conceptual and statute approach. Through descriptive analysis techniques, this research produces the following findings. First, there are no standard provisions regarding the determination of the holding period in the Islamic capital market, especially Islamic stocks, because the determination of the holding period depends solely on the investors themselves. However, in all POJK, DSN-MUI Fatwa and government guidelines concerning the implementation of Sharia Principles and mechanism of trading in equity securities in the capital market, the actions of gharar and maisir are equally prohibited. This prohibition however only applies to individual investors; while the mechanical aspect of securities companies still allows speculative practices to occur. Secondly, the holding period is the concept of a minimum period of holding shares, namely in which the purchaser of shares cannot or may not sell their shares for a period of time after purchased. A holding period of at least seven days is offered as a solution to reduce speculative activity in the capital market. Thus speculators are not able to rely solely on price fluctuations. This policy aims to prevent the practice of speculation (mudharat) which is a dharuriyyat benefit, because it leads to the avoidance of price fluctuations and stock liquidity due to speculative practices (gharar) and included in maqashid al-syari'ah hifdzul maal (maintenance of property). **Keywords:** Holding Period, Sharia Capital Market, & Maslaha.

## INTRODUCTION

Islamic teachings contain many life guidelines for humans in many aspects of life in various perspectives of life, both in the context of human relations with God or with each other, namely muamalah, including the economy. Islamic religious teachings even regulate economic management from basic things to muamalah activities between individuals in society. Economic activities, for example, transactions in modern financial institutions are a form of muamalah with each other (*hablun minan nâs*).

One form of Islamic religious teachings in business, is the protection for people it death with in a business transactions as it keep each party so that no one loses or feels disadvantaged, this is as explained in Q.S. Al-Hasyr:

يَا أَيُّهَا الَّذِينَ ءَامَنُوا اتَّقُوا اللَّهَ وَلْتَنْظُرْ نَفْسٌ مَّا قَدَّمَتْ لِغَدٍ وَاتَّقُوا اللَّهَ ۚ إِنَّ اللَّهَ خَبِيرٌ بِمَا تَعْمَلُونَ

Meaning: "O you who believe, fear Allah and let everyone pay attention to what he does for tomorrow (the hereafter); And fear Allah, verily Allah is Knowing of what you do."

The Islamic capital market was launched for the first time in 2003, while for the first Islamic capital market instrument to appear in Indonesia, it has been around since 1997 by PT Danareksa Investment Management, then PT Danareksa Investment Management in collaboration with the Indonesia Stock Exchange launched the Jakarta Islamic Index. (JII) on July 3, 2000 which is intended for investors who are interested in halal investment. In practice, the Islamic capital market specifically trades Islamic securities. As for the so-called sharia effects (instruments) are securities whose contracts, company management, and issuance methods have complied with sharia principles based on Islamic teachings. For this study, the author will only focus on Islamic stocks as it is most common and well known type of instruments.

Shares are proof of capital participation as well as proof of ownership of the part of the business that is given capital from the investment. While stocks Sharia is a certificate of ownership of a company that goes public with various sharia principles. Stock trading activities in the secondary market allow shareholders to get capital gains, namely the difference between the buying and selling prices of shares. Stock prices fluctuate greatly because they are influenced by the existing supply and demand.

In general, there is a mechanism for not only regarding the product being sold but also from exchanging these instruments. In Islamic capital market, the buying and selling mechanism is regulated in such a way, that each registered securities does not contain any unlawful elements and its ownership can be legally transferred. However the existing legal regulations are still limited to filtering sharia securities that has been issued in Islamic capital market, while transaction processes may still involve the practice of speculations.

The practice of speculation is prohibited because investors have the potential to use uncertainty in the value of securities so as to make stock price fluctuations and harm investors and issuers. When investors aim to profit from this uncertainty, this is not justified in Islam because it includes gharar and maysir, both of which are closely related to danger.

عن ابن عباس قال: قال رسول الله صلى الله عليه وسلم: لَا تَضُرَّ وَلَا تَضِرَّ

Meaning: "The Messenger of Allah. Said: "Do not harm yourself and do not harm others." (HR. Ahmad).

This speculative activity has also been mentioned in POJK No. 15/POJK.04/2015 Article 2 paragraph (2) letter h. because it includes gharar. However, how can this regulation

become a mechanism, so that the Islamic capital market does not only trade sharia securities, but can regulate the trading transaction system according to sharia.

In the general provisions of the DSN-MUI Fatwa No. 80/DSN-MUI/III/2011 concerning the Application of Principles in the Mechanism of Trading Equity Securities in the Stock Exchange Regular Market explains that gharar is uncertainty in a contract in its object, both in terms of quality and technical delivery. In some literature the word "speculation" is often referred to as risk taking action, while someone who speculates is called blind speculation. In the business world there is the term no risk, no return, business is a risk-taking, while the principle in investment is high risk, high return. Every business has risks, for that is known as the concept of risk management to take into account a risk in a business. In Islam, it is recognized that risk exists. can be completely equated with risk, thus there are risks that can include gharar and there are also other risks that are permissible.

One of the differences in investing in Islamic stocks and not is speculation and investment. The author has found quite a number of quotes regarding the prohibition of speculation in Islamic investment. Among them are POJK No. 15/POJK.04/2015, DSN MUI Fatwa. No 40/DSN-MUI/X/2003 and Fatwa DSN MUI No. 80/DSN-MUI/III/2011.

In the Islamic capital market, sharia prohibitions need to be implemented in the form of a system or a concept that can prevent the practice of speculation, usury, gharar and maysir. One of these concepts is to apply a holding period or a period of time to hold shares. With this concept, stocks cannot be traded at any time, so it can reduce the motivation to seek profit from stock price movements. This concept can indeed reduce the practice of speculation but can make investments in the capital market illiquid because an investor may need sudden liquidity. so he must sell the shares he holds, while he must hold it because his holding period has not yet passed. An expert in Islamic economics and modeling economics, Metwally recommends a holding period of at least seven days or one week. In addition, he suggested the need for a ceiling price based on company value.

If speculation is prohibited, the government through the OJK should be able to make rules and procedures that can prevent the practice of speculation. One thing that can be done is by implementing a holding period policy or a minimum period of holding shares.<sup>10</sup> Based on this concept, shares cannot be traded at any time, thus reducing the motivation to seek profit from stock price movements solely by investors or speculators.

The existence of loopholes that allow prohibited acts of speculation in the Islamic capital market must be addressed with regulatory improvements that can be applied in the form of mechanisms that can prevent the practice of usury, gharar and maysir. By making regulations that can reduce speculative activity with the orientation of seeking returns from stock price movements only. This holding period limitation has not yet been regulated in Bapepam and OJK regulations, which means that there is still a legal vacuum so that as a result of this legal vacuum, speculative practices can still occur in the Islamic capital market.

Based on the description of the problems above, transactions in the Islamic capital market are basically as long as there are no haram elements, there are no problems. However, the procedure for securities transactions in selling or buying shares that have just been purchased, can result in market price fluctuations that cause prices to become unstable. As a sharia stock market, there should be procedures that can prevent the practice of gharar. So there is a need for regulations to regulate this.

Furthermore, we can see if the holding period concept is appropriate to be applied to the Islamic capital market. The concept of holding period can provide benefits and avoid

harm we can see from the concept of mashlahat, every benefit, whether in the form of benefits achieved or the harm that is avoided is maqashid (goal) in maqashid sharia, so the substance of maqashid sharia is maslahat. al-syarī'ah is a very appropriate method for ijihad in legal istinbat on various contemporary issues.

### LITERATURE REVIEW

(Ainun Mardhiah, 2015) discusses the holding period of sharia shares as the best solution to avoid buying and selling shares from usury, gharar and maysir. On the comparison of returns and risks based on the holding period group and market trends in the Jakarta Islamic Index shares in 2005-2009 Budiono (2010) specifically discussed about the return and risk for the holding period for investors under certain conditions but not how long an ideal holding period is needed so that the returns and risks are not detrimental. In an Analysis of investment holding period, Marsono and Sinaga (2009) mentioned the holding period in terms of return and risk for investors investors but does not discuss the legal basis or the basis for determining how long the normal holding period is for investors to avoid speculation. However, the three studies above have not focused on the regulation of capital market mechanisms that allow the concept of the holding period implementation.

Al-Suwailem (2010) distinguishes it into passive risk and responsive risk. While passive risk is like a game of chance, only relying on luck, and responsive risk is like a game of skill, which allows profit by logical calculation. Uncertainty lingers on economic activity in tandem with logical and analyzeable causes. From this logic, it is very different from gambling such as lottery that only relies on luck with investment that relies on analysis, as well as trading without calculations or just blind speculation, so it is definitely a gharar and prohibited transaction.

In general, in practice in the capital market, in this case, in stock trading, risk can be measured by the beta of the stock, but this amount is not able to distinguish between gharar and non-gharar transactions. Therefore, it should be underlined that risk is unavoidable, but the risks that are allowed are risks that include knowledge and transparency regarding information, the existence of a clear and controllable object, and not a game of chance but a game of chance. It is necessary to have the ability to manage risk, that's why there is such a thing as an investment manager, through diversification and use of capital market instruments such as stocks, bonds, and others. etc. can be observed further for various haram practices including the practice of gharar (risk of uncertainty).

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Linguistically, the pronunciation of gharar is defined as a risk or concern, and gharar is also interpreted as a condition of uncertainty, a condition of turmoil and the like. Gharar also said something uncertain. Gharar trading is buying and selling that contains elements of ignorance and uncertainty.

From the explanations above, it can be concluded that there are two main reasons for the occurrence of gharar transactions, namely; First, the lack of information (jahalah)



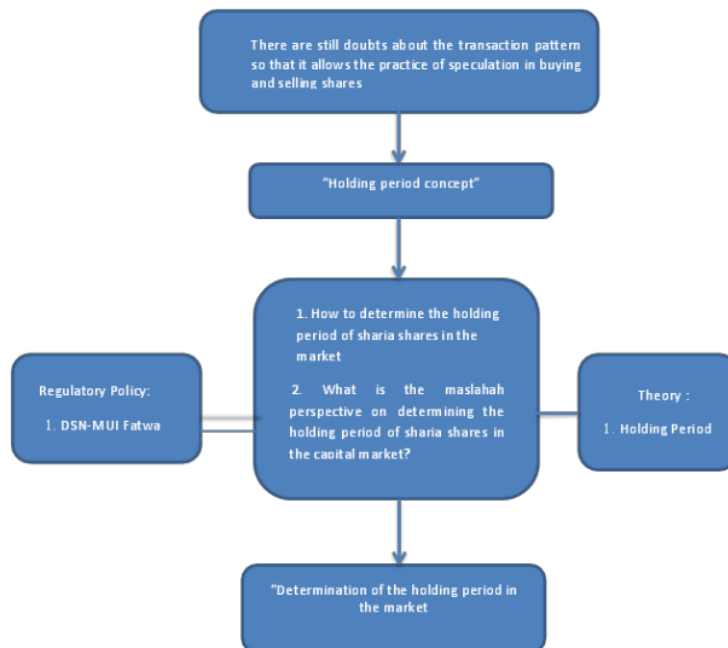
about the party making the contract (akad). Second, an object that doesn't exist. there are also other opinions that allow under conditions there are calculations that will exist in the future.

Risk does exist in the practice of buying and selling shares, but risk managed with various skills is not detrimental. Meanwhile, the practice of buying and selling shares quickly without a time limit for holding the purchased shares can pose a risk of uncertainty in stock prices in the Islamic capital market. From these various things, various regulations related to the mechanism of buying and selling shares in the Islamic capital market and the concept of holding period need to be elaborated and studied further, because they can reduce the risk of volatility due to stock price uncertainty in the Islamic capital market. Islamic capital market. One of the benchmarks to see whether or not a holding period is necessary is to look at the benefits or benefits.

*Maslahah* what we call *maslahat*, is defined as a condition or way to create good and at the same time leave badness, or take advantage and prevent harm, because the legal provisions in Islam must lead to benefit. with various thoughts in it. According to language, *al-maslahah* has the meaning of goodness, usefulness, appropriateness, feasibility, compatibility, and propriety. The opposite of the word *al-maslahah* is the word *al-madarrah* which means damage.

The concept of *maslahat* which is the core of *maqâshid al-syarī'ah* is a very appropriate method for *ijtihad* in legal *istinbat* on various contemporary issues.

In this study, several policies that regulate the transaction mechanism in the Islamic capital market are studied and seen the gaps in the actions that are prohibited in them. After that, this study examines various theories related to the holding period policy and *maslahah* theory related to its implementation. From there the research results can be known. The author presents the research framework in the form of the following chart:



## RESEARCH METHODS

The type of research in this study is normative due to the focus of research is in the form of library materials from primary to secondary sources. Meanwhile, the object studied is law (UU) which is conceptualized as a rule or guideline for an economic transaction. The research approach is a legal approach (*statute approach*) and a conceptual approach (*conceptual approach*) namely by reviewing the existing laws, OJK regulations, DSN-MUI Fatwa related to the mechanism of buying and selling sharia shares in the sharia capital market with concept of holding period.

Because it uses both statutory approach and a conceptual approach, a grammatical analysis technique is used, which seeks to clearly explain various regulations related to the Islamic capital market, namely POJK No. 15 of 2015 regarding the Implementation of Sharia Principles in the Capital Market using teleological interpretation, by looking for the intent and purpose of the norms, namely the POJK and DSN Fatwa related to the mechanism of stock transactions in the Sharia Capital Market.

The main questions in this study are: How to determine the holding period of Islamic shares in the Islamic capital market? What is the perspective of the problem of determining the holding period of Islamic shares in the Islamic capital market?

## RESULTS AND DISCUSSION

### Determination of Holding Period

Securities companies have control over the mechanism of buying and selling shares between buyers and sellers of shares. This shows that speculative activity in the Islamic capital market allows loopholes that can be prevented through the mechanisms implemented by securities companies in the Islamic capital market. To achieve this, we need a concept of a transaction mechanism that can be regulated by the relevant institutions in the Islamic capital market. We know that the practice of speculation is a practice that is declared prohibited in stock transactions in the Islamic capital market, both by the DSN-MUI Fatwa and OJK Regulations.

One of the concepts that can be applied to be able to resolve or reduce speculative actions, especially blind speculation, is to apply the concept of holding period or the period of time a person holds shares. Through the concept of holding period applied, shares or securities cannot be transacted at any time, thereby reducing the practice of short selling and buying and selling of shares without holding them just to profit from stock movements.

From the description, it is illustrated that if the minimum time limit for holding shares has been proven in various studies, it can increase returns and reduce risks applied to the scale of regulations and mechanisms. Thus arises the question of how long should the holding period be applied for. If the policy of limiting the period of share ownership is enforced, it will reduce speculation, but can also make investment in the capital market less liquid. In fact, in a business cycle, especially in the capital market, an investor may need sudden liquidity so they may need to sell their shares, while the holding period becomes a constraint. Experts on Islamic economists and economic models suggests a detention period of at least seven days or one week. In addition to,

Some experts consider that the solution to reduce speculative activity in the capital market is to implement a holding period policy, namely a policy of holding back from selling shares. With a minimum time limit for buying and selling shares, speculators cannot freely speculate by relying solely on price fluctuations, and the application of this

discourse is not problematic as long as it can prevent illicit practices in the Islamic capital market.

Ainun Mardhiyah (2015) views that the most striking difference between traders and investors which lies in the holding period or the period of time holding securities for resale. A trader tends to trade stocks briefly, while investors will choose to hold their securities longer, either for price stability or to expect dividends. The scholars consider that the activities carried out by these traders include *maisyir* and *gharar*.

Differences occur because investment is different from speculation, therefore investors are also different from traders who tend to be speculative as they do not necessarily invest, but instead targeting fluctuations or uncertainties along the price movement of a stock only. The results from this activity will create an unstable index, or it presents fluctuations, creating an unstable market environment. This is because one of the motives of traders is to take advantage of erratic stock price movements to earn profits in a short amount of time.

The holding period has the following formula :

$$\text{Detention Period} = \frac{\text{Number of shares outstanding}}{\text{Trading Volume in a month}}$$

From the description of the above formulation, according to Ainun Mardhiah (2015), by taking into account the trading volume with the outstanding shares, the stocks that have the risk of being held for some time, the risk can be eliminated by itself by holding the portfolio for some time. Precisely by doing a minimum holding period on securities, an investor can expand the potential to get the return he wants. The results of Doyle's (2009) research cited by Ainun Mardhiah (2015) concluded that stocks held for longer have better returns and lower risks. This is also in line with the views of Metwally and Abdullah (1999) that it is very important to implement a holding period. According to him, the minimum holding period is seven days or one week.

The minimum holding period rule can make stock investment in the capital market liquid, this can happen when investors need sudden liquidity so they have to sell their shares, temporarily hampered by the holding period. So for this problem, further studies are needed in various aspects, both economic aspects, and sharia aspects in terms of contracts, and so on.

The Islamic financial system, including the Islamic capital market, must balance the moral, ethical, social, economic and financial dimensions of religious ideology for the sake of justice for all people as mandated by God. It is at this point that ethical and moral values play a role so that economic and financial activities become a means to realize the goals of sharia (maqashid al-syariah). The purpose of sharia (maqashid al-syariah) is basically to achieve human benefit, both in this world and in the hereafter. The determination of benefit is taken by considering the benefits that can be obtained, and considering the dangers that can be rejected or avoided, namely everything that can threaten religion, life, reason, descent, and property.

#### **Determination of Holding Period in Sharia Capital Market**

The holding period in Islamic capital market, it is defined as an option to own shares for a certain period of time. Holding period is the rule of the game that creates a certain period of time for investors in the secondary market to hold shares at a minimum, ie. where the purchaser of the shares cannot trade or may not sell their shares for a while when they have just been sold.

The solution to prevent speculative activities in the capital market, according to experts, is to apply a holding period policy, namely a policy of applying a minimum period of time for stock transactions so as to reduce the desire of speculators who rely on price fluctuations in the capital market. In the secondary market, this policy is not problematic as long as it prevents speculative practices in stock trading in the Islamic capital market.

According to Ainun Mardiyah (2015), the difference between traders and investors lies in the purpose of transacting in the capital market which lies in the holding period, meaning that it lies in how long he holds the securities before resale. In short, a trader can be identified by the way he/she trades stocks in a short, short and fast timeframe. An investor will hold a security for a relatively longer time. The scholars say that the behavior of traders is categorized as *maisyir* and *gharar*, both of which are activities that are prohibited in sharia economics. This is because one of the goals of a trader's strategy is to take advantage of the uncertainty of stock prices to get a profit as quickly as possible. Besides that, the activity of these traders creates rapid index changes that trigger the volatility of the exchange.

Therefore it appears to be that the differences should not apply the same because investing is different from speculation, investors are also different from traders who tend to be speculative because traders do not invest but look for fluctuations or increased uncertainty. A fall in the price of a stock. Therefore, the Islamic capital market needs to be designed in such a way as to be a place for investors to invest in certain companies and do not expect price differences from price fluctuations that arise or occur. Again, investors should be defined distinctively from who commits speculative efforts as they do not intend to invest but only searches for market fluctuations or observe the uncertainty and fluctuations of the price of a share.

Based on the Detention Period formula above, by calculating the trading volume with outstanding shares, stocks that have a risk of being held for some time, then that risk will be eliminated automatically by holding a portfolio of securities for some time. In fact, precisely by doing a minimum holding period in the stock market, an investor can expand the potential to get the desired return.

Another interesting thing that is in line with the holding period is the policies taken related to handling the impact of Covid-19. That the impact of Covid-19 has also had a significant impact on the growth of the capital market in Indonesia, including the Islamic capital market. The increasing number of Covid-19 cases caused the Composite Stock Price Index (JCI) to experience a fairly deep decline during the first quarter of 2020, especially in March when concerns swept the market due to the pandemic. At the close of trading at the end of 2019, the JCI was at the level of 6,299.53, while at the end of March 2020 the JCI fell 27.95 percent to the level of 4,538.93. The significant decline in the JCI prompted OJK to issue a stimulus policy by implementing a trading halt or trading halt six times throughout March 2020. The cessation of trading is a form of stimulus policy given by the OJK regarding the stock trading mechanism in the capital market. This stimulus policy is based on the mandate contained in Perppu.

There is an interesting fact that OJK in responding to market uncertainty due to this pandemic imposed a trade cessation to deal with a decline of up to six times in one month, namely March 2020. This means that there are several pauses and several pauses. holding period is carried out through policies to prevent a downward trend. important. This means that the holding period can provide positive benefits as an effort to stabilize the Islamic capital market.

From the description it is clear that the holding period is one real solution to deal with market instability due to market uncertainty due to the outbreak. Similarly, the behavior of speculators in making traders fast and speculating blindly in stock trading in the Islamic

capital market which can result in market price instability or market turmoil, and from the formula and description above it is also clear that the holding period policy is a solution to reduce the practice of blind speculation. . (gharar) and games of chance, which fuel instability. From the view of Metwally and Abdullah who revealed that the minimum holding period limit is necessary and very important to set. According to him, the minimum holding period is one week to prevent speculative practices. gharar on stock trading in the Islamic capital market. Ali Adnan as previously explained that the Islamic capital market needs to be reformed so that the mechanism is healthier, able to become more original so that it has a good impact on the economy of Muslim countries. For all this, a better regulatory framework needs to be developed.

To prevent the sale of shares triggered by market panic, the Indonesia Stock Exchange with the approval of the OJK made a decision to change the auto-rejection limit and adjust the mechanism for the pre-opening of trading regulations on the stock exchange. OJK has taken several policies to deal with significantly volatile market conditions due to the COVID-19 pandemic. These policies, among others, relate to: buybackshare. The policy of easing the repurchase or repurchase of shares of public companies or issuers in unstable market conditions or significant fluctuations can be carried out without prior approval from the General Meeting of Shareholders (GMS).

In the face of the Covid-19 pandemic, the policies that have been taken by the Government in general and the OJK in particular have yielded positive results. There was a strengthening of the Rupiah exchange rate against the US Dollar, as of the end of May 2020 the Rupiah was at the level of Rp. 14,733.01, strengthened from the level of Rp. 16,367.01 at the end of March 2020. The JCI as a marker of the direction of market movement also strengthened 4.73% or 214.68 points from 4,538.93 on March 31, 2020 to 4,753.61 on May 29, 2020. However, many people estimate that this condition is still unstable because the economy in general takes a long time to recover like before the Covid-19 pandemic.

Furthermore, from the results of an interview with the Head of the OJK Capital Market Supervision Section from the regulator, it was found that the holding period is suitable to be applied in other capital markets, namely sukuk or mutual funds, this is due to the nature of the investment which is a long-term investment.

Ali said the concept of holding period has nothing to do with gharar, because according to him the current holding period is only personal, that is, it exists with individual investors, and regulations have not been made or have not been made. According to him, the holding period is not suitable to be applied in the capital market, because the stock market is not a long-term investment but only short-term. In addition, most investors in Indonesia who trade shares want quick liquidity.

Holding period cannot be determined in standard rules, this is because to understand the holding period depends on the type of investment, and depends on the underlying asset of the investment. For example, the holding period of state sukuk products. The government usually issues a series of sukuk for infrastructure development, meaning for the long term. Therefore, it is necessary to issue a holding period mechanism to ensure liquidity until the sukuk issuance infrastructure is completed.

As a new offer in the concept of a stock transaction mechanism in the sharia-based capital market, the holding period needs to be seen from the perspective of Islamic law, one of which is by looking at it from the perspective of maslahah theory in Islam. In this way, it can be distinguished between the pillars and principles of this religion and its furu. From this division, according to the author, the implementation of the holding period policy has great benefits because in addition to reducing prohibited gharar and maisir activities, it can also make sharia stock liquidity better and more stable. From this point

of view, the holding period policy is compatible and must be immediately implemented in the Islamic capital market through a main legal framework.

### CONCLUSION

Based on the discussion the following conclusions are drawn from this research. Firstly, based on interviews with policy makers (Mr. Ali from the Regional Financial Services Authority of South Kalimantan) according to regulations, there are no special provisions regarding the holding period for Islamic stocks in the Islamic capital market.

The holding period only applies to personal trade transactions by individual investors only and not applicable to securities company. He added that the holding period is not suitable to be applied to stock trading because stocks are not long-term investments. Most investors in Indonesia who buy and sell shares requires quick liquidity. The holding period cannot be determined in standard rules, due to holding applicable depends on the type of investment and the underlying asset of the investment.

From a conceptual point of view, Metwally, an expert on Islamic economics and modeling economics recommends determining the holding period for seven days, furthermore in his journal Ainun Mardhiah states the description of the holding period formula,

$$\text{Holding Period} = \frac{\text{Number of outstanding shares}}{\text{Trading Volume in month}}$$

Hence by applying holding period, an investor is able to widen their potential to obtain better returns from the stock market. Holding period is also a proven concept to reduce speculation due to the period of time an investor holds shares affects price stability on the stock exchange therefore uncertainty of stock prices can be prevented.

In the perspective of *maslahah* theory in Islamic law, the implementation of a holding period policy prevents speculative practices (*gharar*). As such is included in *maslahah mursalah*, as there are no existing texts that mention the holding period policy in the capital market. The implementation of the holding period policy aims to prevent the practice of speculation (*mudharat*) is a benefit that is included in the *dharuriyyat* benefit, namely the primary benefit as it leads to the avoidance of price fluctuations and stock liquidity due to speculative practices (*gharar*). Therefore it is included in *maqashid sharia* *hifdzul maal* (maintenance of property) and is a benefit and in accordance with the concept of property protection in accordance with the concept of *maslahah mursalah* in Islamic law.

### Limitations

Based on the study, the authors only conducts research at the normative level and focuses solely on the mechanism of Islamic stock transactions in the Islamic capital market. However, the Islamic capital market touches very broad aspects and has various instruments including sukuk, mutual funds and other securities which have not been discussed in this study, one example is analyzing the effect of the holding period of sharia

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