

Fatwa Council clarifies that only 1 type of forex trading is 'haram'
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KUALA LUMPUR, Feb 16 — The National Fatwa Council clarified that only real-time individual spot foreign exchange (forex) electronic transactions were "haram" (prohibited).

It was reported yesterday that the council ruled that foreign exchange trading (forex trading) is haram for Muslims.

Chairman Tan Sri Dr Abdul Shukor Husin, in statement today to Bernama Online, said that the ruling was made on the specific type of trading because there were doubts on whether it conformed to Islam and Malaysian laws.

He said that his initial statement was misreported and made it to appear that all forex trading was prohibited to Muslims.

He said further the ruling did not affect forex trading by money changers and licensed banks.

Earlier today Bank Negara stated that trading foreign currencies was permissible if done by licensed commercial banks, Islamic banks, investment banks and international Islamic banks as regulated by the Exchange Control Act 1953.

Money changers can also do forex trading as spelt out in the Money Services Business Act 2011, Bank Negara added.

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