As the instability of the global financial system plays out across sectors, industries and regions, Islamic finance continues to present itself as a viable means of managing various forms of market, interest rate, credit, operational and liquidity, regulatory and foreign exchange risks. Increasingly, there is a need for Islamic banking to develop a derivatives market capable of managing such risks. As Al-Amine notes, “Islamic banking institutions, in particular, have, to a large extent, long-term assets…thus giving rise to a maturity mismatch between the assets and liabilities” and therefore there is “a need for the development of a broader range of Islamic financial market instruments to provide the industry with effective risk mitigating instruments” (p. 3). The reader is from the outset invited to distinguish between developing such mechanisms and “gambling, which is not permissible under Islamic law and must be avoided” (p. 4). To this end, Al-Amine charts the development of commodities and futures markets in Islamic finance before proposing Khiyar al-Shart (option of stipulation) and Bay al-Arbun (surety or deposit contributing to purchase) as concepts which have the scope for development as risk management mechanisms within Islamic finance.

This book contains eleven chapters and is broadly divided into three sections; The Forward Market (Chapters 1–4), The Futures Market (Chapters 5–7) and The Options Market (Chapters 8–11). The broad objectives of the research include investigating the possibility of admitting the forward contract into Islamic law, providing an Islamic evaluation of the functions performed by clearinghouses, futures brokers and their respective regulation as well as the persmissibility of Khiyar al-shart and Bay al-Arbun contracts and the relationship between gambling and options. Through exploring markets, goods and concepts within a framework of Islamic finance, the author consistently charts debates, commentaries and critiques of both historical and contemporary Fiqh jurists and Islamic scholars.

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Chapters 1–4 (p. 1–121) comprise an introduction which contains a literature review of the Islamic fiqh relating to contracts and options. Secondly, a review of the forward commodities market and forward contracts utilising concepts such as salam (a pre-paid and pre-determined completion date contract of sale), istisnah (a contract for a manufacturer to produce and deliver a good on a given future date). Thirdly the permissibility of forward exchange of gold with paper money, analyses fatwas on gold trading and the effects of illah (legal reasoning) on the forward trade of gold. Finally, an analysis of the forward market for currencies, sets out the basic Islamic concepts for currency exchanges and also provides a useful literature review on Islamic currency exchange blending contemporary commentators and classical sources.

Chapters 5–7 (p. 121–195) scrutinise the history, scope, risks and benefits of futures markets, the sale of debt and its regulation. Al-Amine again informs the reader of a general background before applying Islamic fiqh to these fields of finance. A specific analysis is provided for the possibilities for different approaches depending on the particular school of fiqh that is used. Indeed throughout the book, the author provides useful definitions of Islamic concepts, making the book an invaluable resource as a glossary of key concepts in Islamic finance.

Chapters 8–11 (195–296) start by tackling the concept of Options, its various forms and scope for development by Muslim economists. Chapter 8 particularly charts the work of El-Gari (1993) in assessing the adaptive benefits of options into Islamic finance principles. Chapter 9 reveals the modern alternative to conventional options, Khiyar al-Shart. It is proposed that this can be used as a tool for risk management and fulfil some of the benefits associated with conventional options. It has the possibility to be used in murabaha (specified profit margin), ijarah (leasing) and ordinary sale or common stocks trading. Chapter 10 announces a form of risk management, with reference to options, through the concept of Bay al-Arbun, applying this as a form of option in different financial scenarios. Chapter 11 provides an overview of the sale of pure rights and the ultimate legality of options according to Islamic law, again charting notable juristic opinions and different schools of jurisprudence.

Al-Amine concludes that the admission of derivatives instruments and contracts in Islamic finance is a likely prospect, largely dependant on the type of contract used and the method of trading. It is however made clear that “forward, futures and options contracts in currencies, interest rate and stock indices are not permissible in Islamic law due to the clear involvement of riba or excessive risk which is a form of gharar” (p. 299) and that “accommodation of derivatives contracts in shares trading and especially in commodities into Islamic law does contradict any genuine text” (p. 299). This it is argued, emanates from a disregard of fundamental Islamic principles such as ta’lil (ratioinciation) and ultimately mu’amlalat (Islamic regulation of contracts between human beings). Al-Amine nevertheless reflects that there is some momentum for the admission of the forward contract into Islamic law, albeit slow and limited to a handful of scholars, some of whom have proposed ‘commodity swaps’, which for Muslim