


SHARIA STOCKS AND MUSLIM MILLENNIALS INVESTORS IN INDONESIA:
BETWEEN RELIGIOUS AND ECONOMIC MOTIVES

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 20 February 2023</p> <p>Accepted 08 May 2023</p>	<p>Purpose: The objective of this study was to explore why Muslim millennials in Indonesia prefer to invest in Islamic stocks on the Indonesia Stock Exchange (IDX).</p> <p>Theoretical framework: Muslim millennials prefer stock investments that align with religion and align with the consistency and moral integrity upheld by the Muslim community, including investing.</p>
<p>Keywords:</p> <p>Indonesian Stock Exchange; Islamic Stock Market; Islamic Stock; Muslim Millennial; Islamic Belief.</p>	<p>Design/methodology/approach: This study was a qualitative research method with a case study approach. Data were collected through in-depth interviews with ten millennial Muslim investors who invest in Islamic stocks in the IDX. Data analysis was carried out using thematic descriptive analysis.</p> <p>Findings: The findings of this study suggest that millennial Muslim investors in Indonesia prefer to invest in Islamic stocks for the following reasons: adherence to Islamic values and beliefs, ethical investment, risk management, diversification, and the potential for better returns.</p>
	<p>Research, Practical & Social implications: We suggest further studies to include a case study of a more specific group of Muslim millennials to determine the influence of previous investment experiences, personal characteristics, and financial situation on their preferences in investing in Islamic stocks. In addition, it can also conduct comparative studies among several different countries or cultures to identify the factors that influence sharia stock investment decisions to provide a broader and representative picture.</p> <p>Originality/value: This study provides insights into the factors that drive millennial Muslim investors in Indonesia to invest in Islamic stocks. This study's findings could benefit investors, the capital market industry, and policymakers in developing targeted strategies to attract millennial investors. Additionally, this study contributes to the literature on the Islamic capital market and investment behavior in emerging markets.</p> <p>Doi: https://doi.org/10.26668/businessreview/2023.v8i5.1826</p>

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AÇÕES DA SHARIA E INVESTIDORES MILENÁRIOS MUÇULMANOS NA INDONÉSIA: ENTRE MOTIVOS RELIGIOSOS E ECONÔMICOS

RESUMO

Objetivo: O objetivo deste estudo foi explorar por que os millennials muçulmanos na Indonésia preferem investir em ações islâmicas na Bolsa de Valores da Indonésia (IDX).

Referencial teórico: Os millennials muçulmanos preferem investimentos em ações que se alinham com a religião e se alinham com a consistência e a integridade moral defendidas pela comunidade muçulmana, incluindo investimentos.

Desenho/metodologia/abordagem: Trata-se de um método de pesquisa qualitativa com abordagem de estudo de caso. Os dados foram coletados por meio de entrevistas em profundidade com dez investidores muçulmanos da geração do milênio que investem em ações islâmicas no IDX. A análise dos dados foi realizada por meio de análise descritiva temática.

Resultados: Os resultados deste estudo sugerem que os investidores muçulmanos da geração do milênio na Indonésia preferem investir em ações islâmicas pelas seguintes razões: adesão aos valores e crenças islâmicas, investimento ético, gerenciamento de riscos, diversificação e potencial para melhores retornos.

Pesquisa, implicações práticas e sociais: Sugerimos que os estudos incluam um estudo de caso de um grupo mais específico de millennials muçulmanos para determinar a influência de experiências de investimento anteriores, características pessoais e situação financeira em suas preferências em investir em ações islâmicas. Além disso, também pode realizar estudos comparativos entre vários países ou culturas diferentes para identificar os fatores que influenciam as decisões de investimento em ações da sharia para fornecer uma imagem mais ampla e representativa.

Originalidade/valor: Este estudo fornece insights sobre os fatores que levam os investidores muçulmanos da geração do milênio na Indonésia a investir em ações islâmicas. As descobertas deste estudo podem beneficiar os investidores, a indústria do mercado de capitais e os formuladores de políticas no desenvolvimento de estratégias direcionadas para atrair investidores da geração do milênio. Além disso, este estudo contribui para a literatura sobre o mercado de capitais islâmico e o comportamento de investimento em mercados emergentes.

Palavras-chave: Bolsa de Valores da Indonésia, Mercado de Ações Islâmico, Estoque Islâmico, Muçulmano Milenar, Crença Islâmica.

LAS ACCIONES DE LA SHARIA Y LOS INVERSORES MILLENNIAL MUSULMANES EN INDONESIA: ENTRE MOTIVOS RELIGIOSOS Y ECONÓMICOS

RESUMEN

Propósito: El propósito de este estudio fue explorar por qué los millennials musulmanes en Indonesia prefieren invertir en acciones islámicas en la Bolsa de Valores de Indonesia (IDX).

Marco teórico: los millennials musulmanes prefieren invertir en acciones que se alineen con la religión y se alineen con la coherencia y la integridad moral defendidas por la comunidad musulmana, incluidas las inversiones.

Diseño/metodología/aproximación: Este es un método de investigación cualitativo con un enfoque de estudio de caso. Los datos se recopilaron a través de entrevistas en profundidad con diez millennials inversionistas musulmanes que invierten en acciones islámicas en IDX. El análisis de los datos se realizó a través del análisis descriptivo temático.

Resultados: Los resultados de este estudio sugieren que los inversionistas milenarios musulmanes en Indonesia prefieren invertir en acciones islámicas por las siguientes razones: adhesión a los valores y creencias islámicas, inversión ética, gestión de riesgos, diversificación y potencial para obtener mejores rendimientos.

Implicaciones sociales, prácticas y de investigación: sugerimos que los estudios incluyan un estudio de caso de un grupo más específico de millennials musulmanes para determinar la influencia de las experiencias de inversión pasadas, las características personales y la situación financiera en sus preferencias para invertir en acciones islámicas. Además, también puede realizar estudios comparativos en varios países o culturas diferentes para identificar los factores que influyen en las decisiones de inversión en acciones de la sharia para proporcionar una imagen más amplia y representativa.

Originalidad/Valor: este estudio proporciona información sobre los factores que impulsan a los millennials musulmanes en Indonesia a invertir en acciones islámicas. Los hallazgos de este estudio pueden beneficiar a los inversionistas, la industria de los mercados de capital y los legisladores en el desarrollo de estrategias específicas para atraer inversionistas millennials. Además, este estudio contribuye a la literatura sobre el mercado de capitales islámico y el comportamiento de inversión en los mercados emergentes.

Palabras clave: Bolsa de Valores de Indonesia, Mercado de Valores Islámico, Acciones Islámicas, Musulmán Milenario, Creencia Islámica.

INTRODUCTION

The Indonesian Central Bureau of Statistics in 2021 noted that the total population of Indonesia is 272,682.5 million. Of the total number, 87.18 percent are Muslims (Handriana et al., 2020). The country with the largest Muslim population in the world, Indonesia is a country where the majority of the millennial population is also Muslim (Febriandika et al., 2020; Rizvi et al., 2020). Due to the high proportion of young people in Indonesia, this age group now plays a dominant role in the country's economy. Many young people also participate in stock trading activities on the IDX. According to (Lopus et al., 2019), the involvement of young people in employment and investment can help achieve long-term macroeconomic progress, reduce income inequality, and promote economic growth.

Nevertheless, profit is not the only factor influencing their motivation to invest. They also consider views from their values and beliefs, which is one factor that motivates them to invest (Shiundu, 2009). Values and beliefs become guidelines for making decisions and acting (Feldman, 1988; Thomas et al., 2022). Values and beliefs are important considerations for a person to give an assessment and determine the appropriate attitude (Farrar et al., 2020). Not only is the potential amount of money to be made the primary motivator for economic activities but as a Muslim, every decision always considers Islamic principles (Arafah & Nugroho, 2016). Muslims who invest in Islamic stocks believe in it as an instrument to channel religious beliefs (Alsubaie et al., 2022; Bossman et al., 2022; Chang et al., 2020).

Meanwhile, Islamic ideology and some ethical restrictions became a reference in establishing the Islamic stock market (Tuna, 2022). Although the Islamic stock market in Indonesia has been around for a relatively short time, there has been a consistent upward trend in the number of Islamic stocks traded on the IDX over the past few years. The rapid development of Islamic stocks has resulted in four index groups. These are the Jakarta Islamic Index, the Indonesian Sharia Stock Index, the Sharia Stock Index, consisting of 70 Islamic stocks with large capitalization and high liquidity, and the Stock Index, which consists of 17 sharia shares owned by State-Owned Enterprises. These index groups comprise Islamic stocks with high liquidity and large capitalization. Not only are there more Islamic stocks on the market, but their value as a proportion of total market capitalization is also growing.

The Islamic stock market continues to grow because the financial crisis has not affected it much. It is because the Islamic stock market is regulated by Islamic law, which prohibits gambling, interest, and risky transactions (Abdul Aziz & Gintzburger, 2009; M. B. Hasan et al., 2021). In this case, the Islamic stock market can provide significant resilience for Islamic stocks (Akhtar & Jahromi, 2015; M. B. Hasan et al., 2022). For a long time, the Islamic stock market has benefited from diversification (Abdulkarim et al., 2020). According to Guedira and Ariff (2020), investors seeking profit through diversification should consider investing in the Islamic stock market.

The findings of studies examining the connection between religiosity and the selection of sharia-compliant products have not been consistent. The religiosity variable has a detrimental impact on customer decisions when selecting Islamic banking products (Musyaffa & Iqbal, 2022; Zuhirsyan & Nurlinda, 2018). However, the findings of other studies, in which religiosity was found to have a positive and statistically significant effect on customers' decisions to use Islamic bank service products, contradict these findings (Astuty & Umiyati, 2018; Luthfiana & Sari, 2019; Mardiana et al., 2021; Parastika et al., 2021; Zulfison et al., 2020).

In addition to the lack of research results consistent with one another, previous researchers have not conducted a significant amount of research on why millennials invest in Islamic stocks on the IDX. This study investigates the factors that lead Muslim millennials to invest in Islamic stocks listed on the IDX. The researchers examined the factors that influence Muslim millennial investors in Indonesia to purchase Islamic stocks on the IDX; Are there Islamic beliefs, economic considerations, or other factors that influence Muslim millennials' decisions?

LITERATURE REVIEW

Investing in Islamic stocks has advantages regarding compliance with sharia principles (Arif et al., 2022). Funds in the Islamic market are only allocated for halal things, thus prohibiting all activities that are contrary to Islamic principles, such as gambling (*maisir*), uncertainty (*gharar*), and charging interest (*riba* or usury) (Zainal et al., 2021). Muslim millennials prefer stock investments that align with religious values (R. R. Hasan et al., 2022). It aligns with the consistency and moral integrity upheld by the Muslim community, including investing.

Trading in the stock market carries risks, and traders can lose a lot of money (Ayoub & Balawi, 2022). Islamic stocks have high potential and low risk compared to conventional stocks

(Hoque et al., 2020; N. Jawadi et al., 2020; Salisu et al., 2020; Umar & Gubareva, 2021). This difference is because conventional stocks have more volatility than Islamic stocks (Bossman et al., 2022). In addition, Islamic stocks consider more aspects of the company's sustainability and long-term growth to provide investors with more stable and sustainable profits. Thus, according to Yahya et al. (2021), unlike conventional stocks, the Islamic stock market provides proper full hedging.

Islamic stocks also consider the social and environmental aspects of investing (N. Jawadi et al., 2020). It aligns with the increasing social and environmental awareness among Muslim millennials, who prefer investments that can positively impact the community and the surrounding environment.

MATERIALS AND METHODS

The qualitative methodology is utilized in this research design. Qualitative research is conducted through interactions between researchers and informants who provide empirical data until the researcher obtains in-depth findings (Crick, 2021; Guba & Lincoln, 2013; Jonsen et al., 2018; Sinkovics & Alfoldi, 2012). The researchers in this research collected data from April until November of 2022. Data was collected through in-depth interviews with ten millennial Muslim investors between the ages of 25 and 40 who invest in Islamic stocks in the IDX.

The informants came from various higher education institutions in Makassar, including the State Islamic University of Alauddin Makassar, the Indonesian Muslim University, the Muhammadiyah University, and the Islamic University of Makassar. The primary consideration for choosing students and lecturers in faith-based universities is that they actively study Islamic economics, and another reason is that they have adequate understanding and information about the stock exchange, mainly Islamic stocks.

The researchers performed data analysis from the data collection stage and after the data collection was completed. Researchers check data validation using triangulation, then reduce the data, perform analysis, and make conclusions. In analyzing the data, researchers use a descriptive thematic analysis.

RESULTS AND DISCUSSION

Islamic Vs. Conventional Stocks

Stocks are a good investment instrument and a haven to overcome the adverse effects of the market (Mousa et al., 2022). The primary and secondary markets are where investors can

trade stocks, a type of investment instrument (stock exchange). In the meantime, Islamic stocks are the same as conventional stocks and investment instruments traded on the capital market, and Islamic stocks and conventional stocks are both investment instruments. The difference is that conventional stocks are investment instruments that do not care about returns prohibited by sharia rules (Tuna, 2022).

Meanwhile, Islamic stocks are required to adhere to Islamic principles. Based on the Fatwas issued by the National Sharia Council of the Indonesian Religious Council, Number 80/DSN-MUI/III/2011, explain how Islamic principles should be applied. The fatwas discuss using Islamic tenets in the mechanism of trading in equity securities on the regular stock exchange market. Trading in securities is carried out through buying and selling contracts; it is also based on predetermined conditions. According to Karkowska (2020), trading in securities, or securitization, is an action that can reduce the risks of commercial banks and is an attractive approach to sustainable finance.

The contract is considered valid when there is an agreement between the buying request and the selling offer regarding the price, specific item type, and volume. Even though the administrative settlement of the purchase transaction is carried out later, the buyer is still permitted to sell securities after the sale and purchase agreement has been deemed valid. Trading of stocks in the secondary market takes place on stock exchanges, which bring together buyers and sellers of securities to facilitate the transaction. Because traders use brokerage services, the proceeds from trades are not deposited into the account maintained by the issuer. On the secondary market, the price of securities is determined not by the issuer and underwriter as it is on the primary market but rather by the mechanisms of supply and demand. The issuer and underwriter set direct market prices. The negotiations are based on the prospects of the company issuing the securities, which means that the price on the secondary market could be higher or lower than on the primary market. The force of competition between supply and demand significantly impacts price fluctuations.

According to Kokot (2022), although the primary and secondary markets are two residential market sub-segments related to each other, they are pretty different. The difference between the two main concerns is the qualitative features of the object being traded. The design of this qualitative feature also results in price differences recorded in their trades. However, both the primary market and the secondary market are still influenced by the same main factor, which is macroeconomics.

Meanwhile, there are several fundamental differences between Islamic stocks and conventional stocks. First, it has differences in the business sector run by issuers. In this case, issuers of Islamic stocks must run a business that follows Islamic law principles. Namely, issuers do not produce or trade non-halal products, as well, or activities that contain elements of usury. Business activities justified in Islamic stocks are business activities that apply the principles of profit sharing, rent, and buying and selling. While in conventional stocks, the business sector is more general. The principles of Islamic law do not limit the issuer, so the terms halal and forbidden are unknown.

Secondly, the transaction mechanism in Islamic stocks is traded very carefully so as not to deviate from Islamic principles. Transaction activities on Islamic shares are prohibited from speculating, so investors in Islamic stocks can only make one buy and sell-transaction in one day. In addition, investors are prohibited from committing acts of manipulation and other actions that contain speculative, gambling, and bribery elements.

Third, the ownership of assets by Islamic stock issuers sourced from interest-based debt must be smaller than the total assets, and the value of interest-based debt must not exceed 45% of the company's total assets. Meanwhile, conventional stock issuers are allowed to have interest-based debt exceeding the total value of their assets.

Fourth, Profit orientation in Islamic stock issuers, from non-halal income, such as interest, must not exceed operating income and not more than 10% of overall income. Meanwhile, conventional stocks can obtain non-halal income higher than operating income and have debts exceeding the value of their total assets.

Fifth, the relationship pattern between securities and Islamic stock investors is established as a partnership relationship supervised by the Sharia supervisory board. Meanwhile, in conventional stocks, securities and investors are intertwined in relationships between creditors and debtors and are not accompanied by supervision from the Sharia board.

The findings of the interviews conducted with Islamic stock investors among millennials show that the transaction process does not violate sharia principles. The following are the stages that make up the mechanism. Initially, the business can be conducted through an electronic platform developed by the stock market and generally called the Jakarta automatic trading system. This platform was designed to facilitate trading. A Sharia-compliant stock transaction can also be completed through voluntary bidding, which can occur on the primary

or secondary market. Transaction activities can be carried out through a trading system connected to the system already in place at a securities company. Trading activities in Islamic stocks are only allowed once daily for each issuer, and it ensures that the investors do not speculate. The system forbids engaging in multiple transactions with a single issuer daily.

The trading of Islamic stocks does not involve any elements of usury because the only forms of income that can be obtained from them are capital gains. It is also known as the margin, which is the difference between the selling price, buying price, and dividend income. In addition, the settlement process for the transaction is handled through an Islamic bank, which acts as the contract bank. According to Arif et al. (2022) and Masih et al. (2018), Sharia compliance characteristics make Islamic stocks perform superiorly. According to Arif et al. (2022), Islamic stock businesses must comply with Islamic law's provisions and have links with the real economy. Islamic law prohibits businesses from carrying out unlawful activities such as gambling, usury, ambiguity, alcohol, and tobacco.

Muslim Millennials in the Islamic Stock Market

The growth of the Islamic stock market in Indonesia indicates the increasing demand for Islamic stocks. According to Medhioub and Chaffai (2019), investors' religious beliefs and the high level of economic development have ushered in the Islamic stock market to record prominent growth. One of the investors in the Islamic stock market, who has the status of a lecturer, Trimulato (35 years old), stated:

Most investors in the Islamic stock market are millennials, and Millennials make up 55 percent of the actors operating in the Islamic stock market. A growing number of millennials are interested in investing in stock instruments, particularly stocks based on sharia, contributing to the expansion of the Islamic stock market.

Another informant, Imawan (27 years old), argued:

We chose sharia stocks because they wanted income free from prohibited elements, and we expect income with a blessing value, which is one reason we chose to invest in Islamic stocks. We argue that the main reason for choosing Islamic stocks is to avoid earnings contrary to Islamic principles.

Currently, Muslim millennials have much enthusiasm for promoting the hijra movement to use products labeled Islamic. It is also a component of identity construction and cultural framing to be slang for young people but adherent to the teachings of Islam. In addition, Muslim

millennials believe investing in the Islamic stock market through stock instruments can generate high returns. This viewpoint is bolstered by the opinion of Hasbiullah (45 years old), an investor in Islamic stocks.

Investing in the Islamic stock market is part of financial planning activities to deal with future circumstances. Compared to other investment instruments, we believe that the stock market offers the highest potential returns in the long term.

However, Hasbiullah also stated:

In addition to expecting optimal profits, there is also commitment. It is to avoid usury or income that is contrary to Islamic principles. This commitment ensures that payments do not contain speculative elements, gambling, etcetera, and are not classified as elements of income prohibited by the Islamic religion.

According to Jawadi et al. (2020), compared to conventional financial systems, investing in the Islamic stock market is less risky because it uses a more social and ethical investment framework. Salisu et al. (2020) state that the Islamic stock market guarantees its investors are at low risk. According to Yahya et al. (2021), unlike conventional stocks, the Islamic stock market provides full hedging against actual. The investment security factor for customers is the most needed choice (Kamal et al., 2023). Meanwhile, According to Yulianto & Wijaya (2023), investors' confidence in a stock largely determines their decision to buy the stock. Similar reasons were also expressed by Imawan (27 years old), who said:

Having improved our understanding of religion through various Islamic studies activities, we tend to carry out various activities concerning Islamic principles. we want all aspects of our life to be in line with religious teachings, including choosing investment instruments that must be free from the element of usury because it is prohibited in the Islamic view.

According to Huang et al. (2021), usury is the same as a malignant tumor and is very evil. Therefore, Imawan chose sharia-based investment instruments following Islamic views. This choice is in line with the point of view of Latif (44 years old) and Baso (45 years old). The belief is that everything directed by the moral teachings of religion will have a good impact in the future. On the other hand, an informant, Yanti (38 years old), claimed:

The decision to buy Sharia shares is not solely motivated by Islamic principles. On the other hand, the reputation of issuers who are members of the Sharia stock group tends to be better than those who do not adhere to sharia law.

Companies that are members of the Islamic stock group have been subjected to a stringent selection process. This process was carried out regarding the provisions stipulated by the Indonesian Religious Council (National Sharia Council Number: 40/DSN-MUI/X/2003). These provisions include companies that are not engaged in gambling; trading that is not accompanied by the delivery of goods and services; usuary financial assistance in the form of non-Islamic financial institutions; buying and selling risks that contain elements of bribery.

Islamic Stocks and Muslim Millennial Choices

The informants, who are actors in stock trading on the IDX, put forward several reasons investors choose Islamic stocks. A belief in Islamic principles drives the decision to buy Islamic stocks. The informants believe Islamic stocks are compatible with the ideals espoused in Islamic doctrine. According to Saleh and Ismail (2020), Islamic belief is inseparable from the instructions in the Quran and Islamic scholars. Nelsen et al. (2021) state that the principles of Islamic belief require everyone to be moral, faithful, and obedient to carry out orders and avoid religious prohibitions.

Investing in Islamic stocks on the IDX promises high profits and guaranteed investment security. According to Narayan & Bannigidadmth (2017), when compared to conventional stocks, investing in Islamic stocks is much more profitable. Islamic stock has durability and a perfect level of security even during crises, so it is desirable for investment (Umar & Gubareva, 2021). Regarding the rate of return and risk, Islamic stocks perform better than conventional stocks (Al-Khazali et al., 2014; Al-Zoubi & Maghyereh, 2007; Jabeen & Kausar, 2022; F. Jawadi et al., 2014).

The Islamic stock trading system prohibits speculation, gambling, and bribery. Applying Islamic principles in this system can reduce risk, meaning that returns on Islamic stock investments can be maximized if handled carefully. In addition, Islamic laws were considered during the development of the transaction system, also known as the online trading system. One thing that stands out as a differentiator in the stock transaction system that is not labeled sharia is the frequency of buying and selling transactions by each investor at each issuer, which can only be done once daily. It is done to prevent attempts by specific individuals to influence prices through speculative actions.

Samsul (37 years old) and Supriadi (36 years old), both informants, argue that believing in Islamic principles is the primary motivation for purchasing Islamic stocks. They stated that Islamic stocks are investment instruments that follow Islamic principles and that this belief is

the primary motivation for buying them. Millennials have recently become more aware of the significance of Islam as a way of life, which has led to a trend among this generation to switch to using products labeled as Islamic. This attitude is a clear indication of the evolution of Islamic values, which exert a significant amount of influence on their behavior. As a result of this situation, a substantial number of millennials have begun using products marketed in Islamic ways, which are extremely popular among their generation. In this phenomenon, a new identity has emerged, that of a religious community that follows the guidelines of Islam.

Applying Islamic labels to one's belongings has recently emerged as a prevalent social trend among millennials in Indonesia. An informant, Yanti (45 years old), explained:

The growth in the use of Islamic-labeled products, including Islamic stock investment instruments, is in line with the increasing activity of Islamic economics and religious studies among young people. Particularly on college campuses where many study programs based on Islamic economics are being opened. Precisely, the growth in the use of Islamic stock investment instruments aligns with the increasing activity of Islamic economics and religious studies among young people.

In Indonesia, famous people guide and follow many Islamic religious lessons and develop the sharia business. Some have expanded their businesses to become tour operators for the pilgrimages of Hajj and Umrah, and some have also become resource persons on Islamic religious studies that are widely broadcast on television. This phenomenon has the potential to significantly impact the behavior of millennials, a generation currently going through an identity crisis.

The era known as millennials has a habit of searching for references that can be used to bolster their sense of identity. Celebrities are the most frequently used reference sources to determine someone's lifestyle. As a result, celebrities are media campaigns that effectively influence the behavior of millennials. In this, product advertisements include advertisements for products labeled as Islamic; it often uses famous people to play the roles of the product's protagonists.

At present, information is not only disseminated through the medium of television, but the information is also disseminated quickly through social media, and this is what many people access, particularly millennials who are so familiar with the media. An informant, Faril (27 years old), stated:

The existence of social media has significantly impacted the behavior of Muslim millennials living in the city of Makassar. Through posting content

incorporating various nuances of Islamic religious principles, social media has become the most popular platform for mobilizing messages directed toward the millennial generation.

As a result, using social media to campaign to convey religious messages is the method that is both the easiest and the fastest. An informant, Ferdi (28 years old), stated:

Posting Islamic religious messages on social media can effectively reach Muslim millennials to be more spiritual. Among Muslim millennials in Makassar City, religiously motivated lifestyle changes have become a model that can support the spirit of the Hijra movement.

The same statement was stated by an informant, Muhlis (34 years old):

The migration movement of Muslim millennials is associated with a medium for reconstructing the religious identity of millennials in the city of Makassar

Regarding the option on sharia stocks, an informant, Lukman (35 years old), stated:

The trend among millennials buying stocks with Islamic labels has happened for the past decade. This trend coincides with the rapid development of information technology, resulting in the flow of information moving quickly and spreading to various world regions.

Millennials are a social element that excels at using technology, allowing them to get much impact from the developments. According to Xuan Luan and Thanh Tung (2019), The younger generation of Indonesia has a very high dependence on the internet. When someone has mastered a large amount of information, they are more likely to respond quickly, which in turn causes a rapid change in their behavior. They also have a solid commitment to the religious principles of Islam, which contributes to an increase in the number of investment decisions made by millennials that use Islamic-based investment instruments, such as the selection of Islamic stock transactions.

CONCLUSION

This study has revealed that millennial Muslim investors in Indonesia prefer to invest in Islamic stocks due to their adherence to Islamic values, ethical considerations, risk management, diversification, and the potential for better returns. This study highlights the importance of understanding the investment preferences of Muslim millennial investors in Indonesia and the need for the capital market industry to develop more targeted strategies to

attract them. Additionally, this study contributes to the literature on investment behavior in emerging markets and the Islamic capital market.

The limitation of this study is that this study does not take into account other factors that may influence investment decisions, such as previous investment experience, personal characteristics, and financial situation. In addition, the limitation of this study is the cultural context in which this research was conducted. Indonesia has a different culture and economic system from other countries, so the results of this study may not apply to other countries or different cultures.

Further studies can include a case study of a more specific group of Muslim millennials to determine the influence of previous investment experiences, personal characteristics, and financial situation on their preferences in investing in Islamic stocks. In addition, it can also conduct comparative studies among several different countries or cultures to identify the factors that influence sharia stock investment decisions to provide a broader and representative picture.

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