

New York boutique wealth management firm targets Muslims with dedicated Shariah financial services

Despite rising anti-Muslim rhetoric in the US, a New York-based wealth management firm has begun offering Shariah compliant investment services; VINEETA TAN writes that this suggests that market players still see commercial opportunities in the niche Islamic finance industry.

Having served investors in the US over the last decade, boutique investment firm Hajdari Group has decided to cater to faith-conscious Muslim clients by launching a new financial planning platform, InvestHalal, which follows Shariah standards set by the Fiqh Council of North America and AAOIFI.

“Faith-based and socially responsible investing is very appealing for many investors. But access to faith-based investment strategies has generally been unavailable in the US to Islamic investors,” Zaim Hajdari, the president of Hajdari Group and former JPMorgan banker, explained. “We are proud to be a Muslim-owned, New York-based investment firm that has taken the time, effort and scholarship necessary to ensure Shariah compliant investment



opportunities for those who wish to pursue them.”

Hajdari Group joins a handful of financial institutions in the US offering Muslim-friendly products and services including Saturna Capital, Azzad Asset Management and Guidance Financial.

Islamic financial services have been available in the US since the 1980s although limited and fragmented. It

has been difficult to accurately size the Islamic finance market of the US due to the private nature of many of the transactions being taken and the branding of such products; however, market consensus points to real estate being the most dominant sector for Shariah compliant activities in the country, either in the form of mortgage financing or investments.

In recent years, entrepreneurs have taken the fintech route to meet the latent demand of Muslims for Halal financing options through crowdfunding platforms such as HalalSky and digital investment management avenues such as WahedInvest and Investroo.

Latest figures from Pew Research show that approximately 3.5 million individuals in the US identify as Muslims, with this particular religious group growing faster than any other religious group. Islam is expected to displace Judaism as the second-largest religion in the US at 2.1% of the population by 2050, or 8.1 million Muslims — that would be around the size of the current populations of Bahrain, Qatar and Kuwait combined. (📌)

Company Focus: Hajdari Group

New York-based Hajdari Group has launched InvestHalal, providing the underserved US Muslim community with portfolio management and financial planning services. The boutique asset management company offers exposure to developed market Sukuk, Islamic equity and commodities. MARC ROUSSOT reports.

Although it remains evasive on the exact amount, Hajdari Group has received commitments worth a few millions of US dollars only a few days after the launch of InvestHalal, a new financial planning platform primarily designed to serve the 3.5 million Muslims living in the US.

Rolled out last week, the InvestHalal solution aims at providing exposure to the equity asset class in developed markets, particularly large, mid and small cap publicly traded companies, as well as commodities and Sukuk.



Individual specialized credentials are also offered by Hajdari Group, which was established in 2009 and registered as an investment advisory firm with the US Securities Exchange Commission.

“While we may recommend to our clients other Islamic financial institutions such as finance companies for Shariah compliant borrowing/lending (alternatives to traditional financing) and assist in calculating Zakat, we specialize in portfolio management and financial planning,” shares Zaim Hajdari, the president and financial advisor at Hajdari Group, which could launch its own Islamic funds in the future.

“Being a Muslim myself and having served many Muslim investors over my 25 years as an advisor, there has always been a high level of frustration with the lack of investment choices and guidance to Muslims in the US. While other faith-based and environmental, social and governance investments are plentiful, that is not the case with Shariah compliant investments,” shares Zaim.

The company has yet to secure a Fatwa, but it has received verbal acknowledgment on its strategy and approach from Islamic scholars keen to deliver an official certificate of compliance.

For the time being, Hajdari Group only recommends and uses asset managers which, at a minimum, follow Shariah governance rules established by institutions such as AAOIFI or the Fiqh Council of North America to ensure conformity with Shariah principles. (📌)