Analysis of the Development of Islamic Banks in the Capital Market (Case Study of Indonesian Islamic Banks)

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ABSTRACT: This research aims to understand the trajectory of BSI in the capital market by using trend analysis and identifying the challenges faced in its development. This research uses qualitative research methods, namely content analysis of papers from the Google Scholar database, the OJK website, and the Indonesian data portal. The research object here is an analysis of the development of Islamic banks in the capital market, using trend analysis. The research results show that stock price forecasting, earnings per share forecasting, and ROE forecasting are assumed to remain stable at a certain level every year. In the stock price forecasting graph it produces an R squared value in percent of around 41.25%, in earnings per share forecasting it produces an R squared value in percent of around 95.61%, and in ROE forecasting it produces an R squared value in percent of around 87.75%. This only shows historical and projected data, without showing the factors that influence share price movements, earnings per share, and ROE. Therefore, keep in mind that this data is only part of the factors that need to be considered when making an investment.

Keywords: BSI Development, Capital Market, Bank BSI

INTRODUCTION

The internal factors causing the slow growth of Islamic banks are the dominance of the retail sector, especially MSMEs and murabaha contracts in the financing segmentation of Islamic banks, the lack of variation in Islamic bank financing, the inefficiency of Islamic banks in carrying out their operational activities, the dominance of costly deposits in Islamic bank deposits (Kabir Hassan et al., 2018; Wahyudi et al., 2023), the inefficiency of Islamic banks in operational activities, and the limited number of Islamic bank office networks. As for external factors, the slowdown occurred due to slowing economic conditions in the world, including in Indonesia with indicators of a weakening Rupiah exchange rate against the US Dollar, a decrease in the JCI, and a decrease in people's purchasing power. The amount of MSME financing, the amount of murabaha financing, and the number of office networks are internal factors that have a significant effect on

the growth of Islamic banks. The influential external factors are JCI, IDR/USD exchange rate, and inflation rate.(Batra & Beladi, 2013; Raza & Jawaid, 2014; Ward et al., 2023a)

There are several factors that inhibit the development of the Islamic banking industry in Indonesia, among others: The inadequacy of educated and professional human resources, human resource management and the development of our nation's culture and entrepreneurial spirit which is still weak, relatively small and limited capital (funds), the ambivalence between the sharia concept of Islamic bank management and operationalization in the field, the low level of trust from Muslims and academically not yet perfectly formulated to develop Islamic financial institutions in a systematic and proportional way. The complexity of these problems has an impact on public confidence in the existence of Islamic banks among conventional financial institutions. A growing company can be seen from the stock price, capitalization, business development strategy, human resource potential, and company management capabilities (Abusharbeh, 2021; Alhammadi et al., 2020; Asfarawenti & Saiful, 2019).
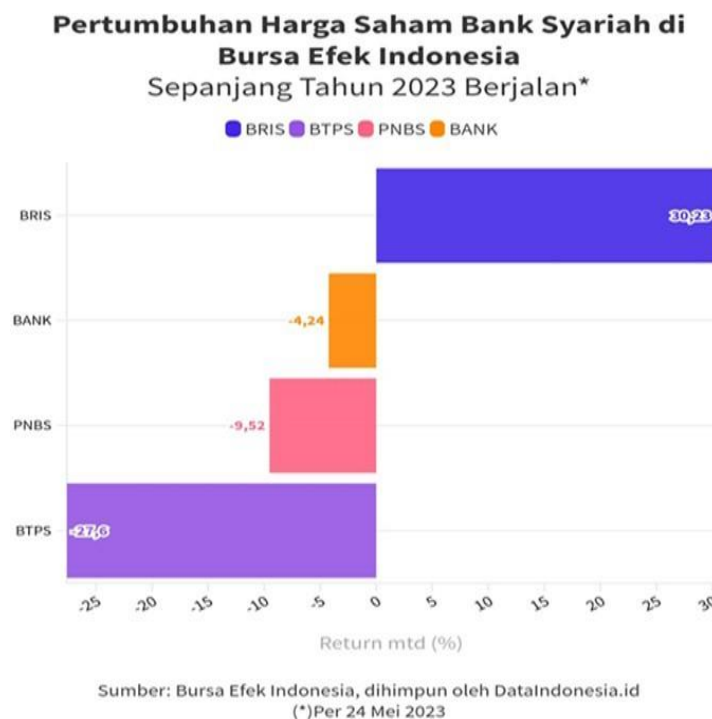

Figure 1. Share Price Growth of Islamic Banks on the IDX

From the figure above, it can be seen that throughout 2023 until now there have been at least four Islamic banking issuers that have listed their shares on the Indonesia Stock Exchange. The four banks are PT Bank Syariah Indonesia Tbk (BRIS), PT Bank BTPN Syariah Tbk (BTPS), PT Bank Panin Dubai Syariah Tbk (PNBS), and PT Bank Aladin Syariah Tbk (BANK).

-        PT Bank Syariah Indonesia Tbk. (BRIS)

Based on DataIndonesia.id's monitoring, throughout 2023 until the close of trading on Wednesday (5/24), only BRIS shares were observed to record positive performance. BRIS

shares were recorded to have strengthened 30.23% to the level of 1,680 compared to the end of 2022 which was at 1,290. When viewed from its IPO price at the level of 510, BRIS shares have shot up 229.41% (ytd). For information, Bank Syariah Indonesia is a consolidation between three large Islamic banks in Indonesia, namely Bank BNI Syariah, Bank Syariah Mandiri, and Bank BRI Syariah, which occurred in 2018. BRIS shares have been listed on the stock exchange since May 9, 2018, which previously still belonged to Bank BRI Syariah.

- PT Bank Aladin Syariah Tbk. (BANK)

The shares of an Islamic bank issuer whose Initial Public Offering (IPO) on February 1, 2021 with the ticker code BANK are next. BANK shares were observed to record the slightest correction among the three issuers of Islamic bank stocks that advanced in the red zone. During the current year 2023 until the end of trading on Wednesday (5/24), BANK shares weakened 4.24% (ytd) to 1,355. However, when compared to the IPO price at 103, BANK shares skyrocketed 1,215.53%.

- PT Bank Panin Dubai Syariah Tbk (PNBS)

PNBS, which fell 9.52% (ytd) to 57 as of Wednesday (24/5). When compared to its IPO price of 100, PNBS shares also weakened 43%. PNBS shares began trading on the stock exchange on January 15, 2014.

- PT Bank BTPN Syariah Tbk. (BTPS)

BTPS has been the most depressed Islamic bank issuer throughout 2023, falling 27.6% (ytd) to 2,020 as of Wednesday (24/5) from the end of 2022 at 2,790. However, when compared to its IPO price of 975, BTPS shares still shot up 107.18%. BTPS shares have been listed on the stock exchange since May 8, 2018.

(Annisa & Marliyah, 2022) Every company that has undergone reform has the ability to do so by openly marketing and providing their services to the general public, thus opening up opportunities for the public to own the company (invest) and listing their shares at PT BEI or referred to as "Bursa". Now, this is what is referred to as going public.

In May 2023 the service in the mobile banking application of Bank Syariah Indonesia experienced service disruptions that caused unrest for customers, so that it also triggered concerns of capital market players. This condition is reflected in the movement of BSI shares. Shares with the code BRIS were observed to experience a sharp decline when the first trading session opened on the morning of 11 May 2023. BRIS was cut quite deeply by more than 1%.

At 10:05, BRIS shares were at 1,775 after falling 1.11%. The nation's largest sharia stock has even touched the level of 1,755 per share. Whereas previously BRIS was able to close significantly higher at 1,795 after BSI announced that ATM services had recovered. At that time BRIS shares were traded in the range of 1,755-1,795. The number of shares traded reached 28.17 million shares with

a transaction value of IDR 49.85 billion. While the market capitalization value of BRIS was recorded at IDR 81.65 trillion. Comparing with research conducted by Romi Adetio Setiawan in 2023 at BSI, conducted research by analyzing the impact of mergers on stock prices, abnormal returns, and trading volume. This study shows that the BSI merger did not have a significant impact on stock prices, abnormal returns, and trading volume, where the average stock price 5 days before the merger was 2,82600, while 5 days after the merger announcement was 2,74200.

In addition, there is also research that has been conducted by (Prima & Ahmad, 2023) at BSI, conducting research by predicting the shares of Bank Syari'ah Indonesia (BRIS) using the CRBM method, it can be said that the accuracy of the best prediction results is in July- August with a Mape of 1.0710% and the smallest MSE test value of 783.3269.

And there is also research that (Yolanda & Ridhwan, 2020) on BRIS shares, by conducting data forecasting research with the simple moving average smoothing technique. the results of the analysis can be concluded that in the case of BRIS stock prices discussed in this study, forecasting with the Simple Moving Average simple smoothing technique with less recent data is better at forecasting future period stock prices. Analysis with more recent data is able to read data patterns in the form of up or down trends, it is just not good at predicting daily stock values.

Based on the description above, the authors are interested in conducting research on the development of Islamic banks in the capital market, for further research the authors chose Bank Syariah Indonesia (BSI), because BSI has been recognized by the international community as one of the parts of The World Best Bank as research conducted and determined by Forbes, Forbes places BSI in the 5 best banks in Indonesia. The author is interested in seeing how the development of BSI in the capital market with predictions using trend analysis, and what challenges are faced in the development of BSI in the capital market The refore the author is interested in conducting research with the title "Analysis of the Development of Islamic Banks in the Capital Market (BSI Case Study)".

LITERATUR RIVIEW

Capital Markets

(Yafiz, 2008) Jakarta Islamic Index was founded in 1997 by PT. Jakarta Stock Exchange (BEJ) and PT. Dana Reksa Invesment Management (DIM), published the Jakarta Islamic Index (JII) with 30 types of shares whose business activities comply with sharia provisions, marking the start of the development of sharia instruments in Indonesia (Harger & Ross, 2016; Senga et al., 2021a; Tsaurai, 2018a).

The Indonesian Sharia Stock Index (ISSI) partially has a negative effect on the NAV Performance of Sharia Equity Mutual Funds. Composite Stock Price Index (JCI) partially has a positive effect on the NAV Performance of Islamic Stock Mutual Funds. Inflation partially has a positive effect on the NAV Performance of Islamic Stock Mutual Funds and simultaneously shows that ISSI, JCI and Inflation simultaneously have a significant effect on the NAV Performance of Islamic Stock Mutual Funds. ISSI, JCI, and inflation indicators must be closely monitored by investment

managers and investors must still consider macroeconomic variables such as ISSI, JCI, and inflation in making investment decisions.(Taufiq et al., 2023)

The capital market is a vehicle that connects public offerings and securities trading, public companies related to the securities they issue, institutions and professions related to securities. The capital market is an alternative investment for investors besides saving, investing in gold, property and insurance.(Ikhsan, 2020)

The Islamic capital market can simply be defined as a capital market that applies sharia principles in economic transaction activities and is free from matters of sharia. prohibited things such as usury, gambling, speculation and others. The Islamic capital market is principally different from the conventional capital market. A number of sharia instruments have been rolled out in the Indonesian capital market such as in the form of stocks and bonds with certain criteria that are in accordance with sharia principles.(Andri Soemitra, 2009; Linsi & Schaffner, 2019; Tsaurai, 2018b; Ward et al., 2023b)

A person's motivation in investing is influenced by his understanding of how to make money and how much profit he makes. Our knowledge about capital market investment is usually obtained from courses we take or seminars held on campus and public forums.(Nxumalo & Makoni, 2021; Setiawan & Febriani, 2023; Sudrajat et al., 2022; Suganda, 2018)

One of the strategies that can help financial supporters in deciding capital market speculation is to utilize the harmony model to decide the gamble and the anticipated level of resources. The Capital Asset Pricing Model (CAPM) is a model that relates the normal rate of return of a hazardous resource to the gamble of that resource in an adjusted economic situation. The Capital Asset Pricing Model (CAPM) is intended to help financial supporters by selecting stocks and limiting dangerous speculation. (Abdelfattaha & Aboud, 2020; Senga et al., 2021b; Sihombing, 2019)

Share Price

The share price is the price set to a company for other parties who want to have share ownership rights. The share price is very important to measure the company's performance and as a basis for determining future returns and risks. The ups and downs of stock prices are influenced by supply and demand. If the demand is high, the price will rise, otherwise if the supply is high the price will fall. High and low stock prices affect the value of the company. If the share price increases, the company value also increases, and vice versa. So that it affects investors' perceptions of the company.(Monica & Koesheryatin, 2018)

Earnings Per Share

Earnings per share (EPS) is the company's net income less preferred dividends and then divided by the number of common shares outstanding. For investors, earnings per share is a snapshot of the financial performance of the stock issuer. The higher the EPS value, the more favorable it is for shareholders because there is more profit available for shareholders and the possibility of increasing the amount of dividends received by shareholders. EPS calculation aims to see the progress in terms of company operations, to determine the share price and the amount of dividends to be distributed. (Toha et al., 2020)

ROE (Return On Equity)

ROE (Return On Equity) is a way of measuring how efficiently a company utilizes its shareholders' capital. ROE can also be interpreted as the amount of return on net income to equity and is expressed in percent. The higher the ROE, the better the company's performance in managing its capital to generate profits for shareholders (Pratiwi et al., 2016; Sinaga et al., 2020; Solihin, 2019). A lower ROE will affect the stock price to be lower so that investors become less interested in investing in the company.(Daulay, Suci Citra Pratiwi, Andri Soemitra, 2016)

BSI Development

BSI is a bank resulting from the merger between PT Bank BRIsyariah Tbk, PT Bank Syariah Mandiri and PT Bank BNI Syariah. The Financial Services Authority (OJK) officially issued a permit for the merger of the three Islamic bank businesses on January 27, 2021 through letter Number SR-3/PB.1/2021.

Based on DataIndonesia.id's monitoring, throughout 2023 until the close of trading on Wednesday (5/24), only BRIS shares were observed to record positive performance. It was recorded that BRIS shares strengthened 30.23% to the level of 1,680 compared to the end of 2022 which was at the position of 1,290. When viewed from its IPO price at the level of 510, BRIS shares have shot up 229.41% (ytd). For information, Bank Syariah Indonesia is a consolidation between three large Islamic banks in Indonesia, namely Bank BNI Syariah, Bank Syariah Mandiri, and Bank BRI Syariah, which occurred in 2018. BRIS shares have been listed on the stock exchange since May 9, 2018, which previously still belonged to Bank BRI Syariah.(Annisa, Sufiati, Andri Soemitra, 2023)

BSI is currently the first and only bank in the sharia sector to facilitate the opening of an online Customer Fund Account (RDN). This means that BSI is increasingly ready to expand into the sharia market and will work with AB SOTS (Member of Sharia Online Trading System) Securities Companies and is expected to continue to grow in the future as the number of sharia capital market investors increases. The launch of RDN Online is a solution to facilitate the opening of an easy and fast Sharia RDN for Capital Market investors so that it can open up opportunities for further expansion of investment products for investor customers.

METHOD

This research uses qualitative research methods, namely content analysis of papers from the google scholar database, OJK website, and Indonesian data portal. Paper content analysis is used to obtain mapping and main themes discussed in the google scholar database and semantic scholar at a certain period of time to be further analyzed for content analysis. The object of research here is the Analysis of the Development of Islamic Banks in the Capital Market, using Trend Analysis. This research uses secondary data, namely data sources that have been physically proven such as published reports.

The papers selected in this review come from a search on the google scholar database with the keywords "Analysis of Islamic Bank Development" AND "Capital Market Analysis with Trend

Analysis" in 2018-2024. The search process uses the help of the Publish or Perish application. Found 100 papers that match the search keywords. After going through the process of reading titles, abstracts, and keywords, the number of papers that are still relevant is 50. Then at the final stage, the author obtained 12 papers published in journals and as papers reviewed in this research, and was assisted by 2 books.

RESULT AND DISCUSSION

BSI Development in the Capital Market

Bank Syariah Indonesia (BSI) is a consolidation between three major Islamic banks in Indonesia, namely Bank BNI Syariah, Bank Syariah Mandiri, and Bank BRI Syariah, which occurred in 2018. BSI has the status of a public company and is listed as an issuer on the Indonesia Stock Exchange with the code BRIS.

BRIS shares fluctuate in 5 years, namely in 2019-2023. The stock experienced a significant increase from the end of March 2020 to January 2021. During this period, BRIS was recorded to have skyrocketed 28 times from its lowest point, which was IDR132 / share on March 24, 2020 to IDR3,882 / share on January 13, 2021. After the company's merger action was completed and PT Bank Syariah Indonesia Tbk was effectively formed on February 1, 2021, BRIS's movement in the market tended to experience correction. Most recently, BRIS shares were observed trading at the level of Rp1,605 / share based on the closing price of trading on September 26, 2023.

Meanwhile, in terms of financial performance, in 4 years, namely in 2019-2022, BSI consistently recorded growth in revenue and profit performance. In 2020, BSI posted revenue of IDR 16.9 trillion with profits reaching IDR 2.2 trillion. The significant increase in performance was due to the effect of the merger of BNI Syariah and Mandiri Syariah banks into the BSI entity, which made the Company's financial statements experience a restatement and turned out to be very high.

In 2021, BSI again recorded a positive performance by recording revenue of IDR17.8 trillion, a slight increase of +5.3% compared to the previous year. Meanwhile, net profit performance soared +36.4% year-on-year (yoy) to IDR 3 trillion. In 2022, or one year after BSI was formed, the company managed to record revenue of IDR19.6 trillion, up +10% compared to the previous year, and net profit of IDR4.3 trillion or more +40.7% higher than BSI's 2021 profit performance.

BSI Development in the Capital Market with Trend Analysis

Trend analysis is an analytical technique used to perform forecasting in the future. In addition, this trend analysis is used to determine the tendency of the data to increase or decrease. In doing good forecasting, various types of information (data) are needed which are quite numerous and monitored over a relatively long period of time, so that from the results of the analysis it can be seen to what extent the fluctuations occur. The following is stock price forecasting, earnings per share forecasting, and ROE forecasting:

1.   Stock Price Forecasting

Table 1. Stock Price Forecasting Results 2018-2030

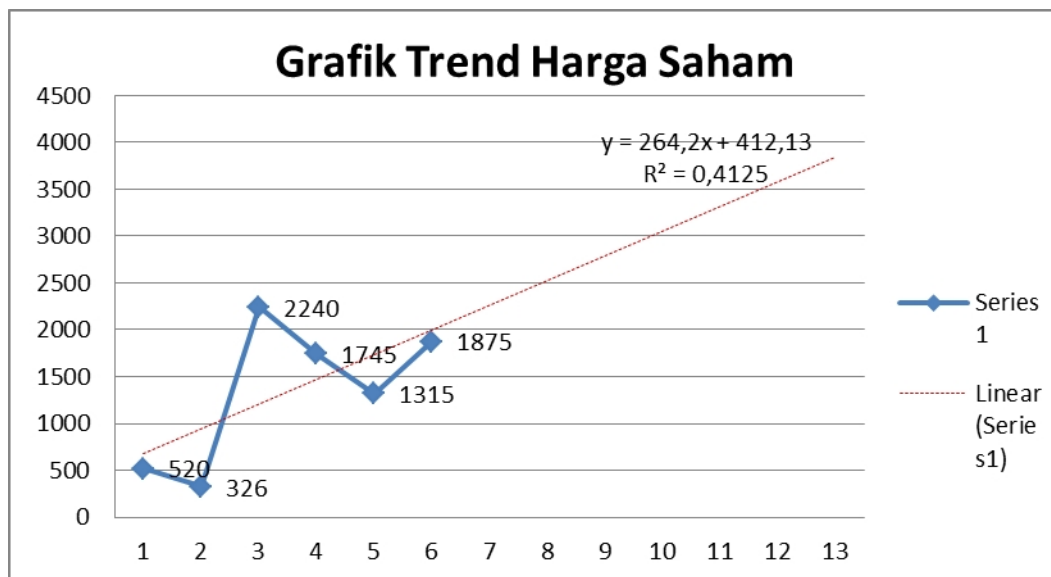| Year	Share Price	Forcast	Trend	Formula
2018	520			
2019	326			
2020	2240			
2021	1745			
2022	1315			
2023	1875			
2024		2262	2262	2262
2025		2526	2526	2526
2026		2790	2790	2790
2027		3054	3054	3054
2028		3318	3318	3318
2029		3583	3583	3583
2030		3847	3847	3847

Figure 2. Stock Price Forecasting Results 2018-2030

The table and graph above show the analysis of share prices per year, from 2018 to 2030. The first column shows the year, while the second column shows the share price in that year. It can be seen that the share price in 2018 was 520, but in 2019 the share price fell to 326, but in 2020 the share price rose dramatically to 2240, and decreased in 2021 to 1745, but in 2022 the share price rose again to 1315, and in 2023 the share price rose again to 1875.

Share price projections for the years 2024 to 2030. The projected share price is assumed to remain stable at a certain level each year, i.e. 2262 in 2024, 2526 in 2025, and so on. The R squared (R^2) in the formula functions as a measure of how well the linear line fits the actual data, the value of R squared ranges from 0 to 1, and is usually also in the form of a percentage of 0% to 100%. On the stock price forecasting chart, the R squared value in percent is around 41.25%. This only shows historical data and stock price projections, without showing the factors that affect the movement of the stock price. Therefore, keep in mind that this data is only part of the factors to consider when making an investment. Share prices are influenced by a combination of external and internal factors. External factors include macroeconomic indicators, industry trends, and market sentiment, while internal factors include company performance, management decisions, and corporate governance. Understanding these factors is critical for investors to make informed decisions.

a. External factors include:
   - macroeconomic indicators: PDB growth rate, inflation rate, interest rates unemployment, exchange rate
   - Industry Trends: industry growth, competition, regulatory changes, technology advances
   - market sentiment: investor confidence, market index, news and events

b. while internal factors include:
   - company performance: revenue growth, profitability, cash flow
   - management decisions: strategic planning, capital allocation, mergers and acquisitions, dividends
   - corporate governance: board composition, executive compensation, shareholder rights, transparency.

2. Earnings Per Share Forecasting

Table 2. Earnings Per Share Forecasting Results 2018-2030

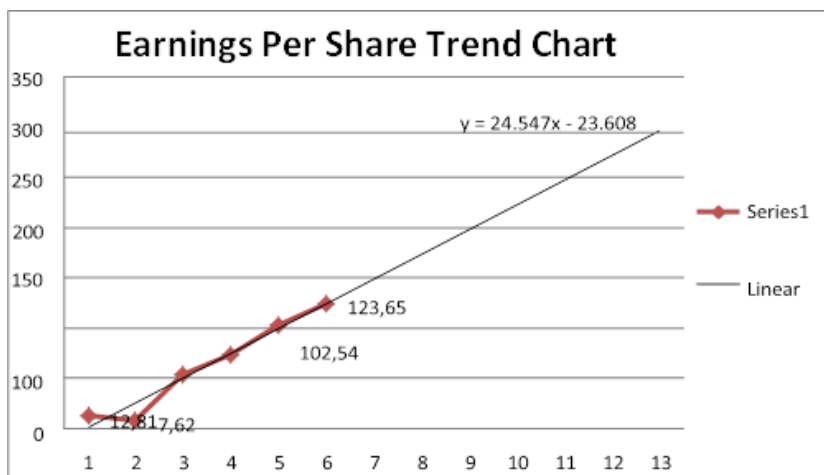| Year	Earnings Per Share	Forecast	Trend	Formula
2018	12,81			
2019	7,62			
2020	53,52			
2021	73,69			
2022	102,54			
2023	123,65	Forecast	Trend	Formula
2024		148,22	148,22	148,22
2025		172,76	172,76	172,77
2026		197,31	197,31	197,32
2027		221,86	221,86	221,86
2028		246,40	246,40	246,41
2029		270,95	270,95	270,96
2030		295,50	295,50	295,50

Figure 3. Earnings Per Share Forecasting Results 2018-2030

The table and graph above show the analysis of earnings per share in the coming years. The years included in the analysis are 2018 to 2030. It can be seen that earnings per share in 2018 amounted to 12.81, but in 2019 earnings per share fell to 7.62, but in 2020 earnings per share rose dramatically to 53.52, and continued to increase in 2021 to 2023, to 73.69 in 2021, 102.54 in 2022, and in 2023 continued to increase to 123.65.

Seen in the stock price projection table for 2024 to 2030. The stock price projection is assumed to remain stable at a certain level every year, it can be seen that the forecast column and trend column produce the same value, but the formula column that is produced using the formula listed on the graph produces a slightly different value, the difference can be seen from the last number, the difference has no effect because if the results are rounded up the three columns of forecasting results produce the same value. The R squared (R^2) in the formula functions as a measure of how well the linear line fits the actual data, the value of R squared ranges from 0 to 1, and is usually also in the form of a percentage of 0% to 100%. On the earnings per share forecasting chart, the R squared value in percent is around 95.61%. Earnings per share (EPS) is a key metric that measures a company's profitability. This is influenced by a combination of external and internal factors. External factors include macroeconomic indicators, industry trends, and market conditions, while internal factors include company performance, management decisions, and corporate governance.

    a. External factors:
- Macroeconomic Indicators: GDP growth rate: A growing economy can increase demand for products and services, resulting in higher revenues and EPS, Inflation, interest rates: changes in interest rates can affect the cost of borrowing.
- Industry Trends: Industry growth rate: a growing industry can lead to increased demand and higher EPS, competition: tough competition, regulatory changes: regulatory changes can impact the company.
- Market conditions: market sentiment, commodity prices, currency fluctuations.

b. Internal factors:
- Company performance: Revenue growth: Increased revenue can lead to higher EPS, operating efficiency, productivity.
- Management decision: Capital allocation: effective capital allocation can result in higher EPS,cost management: effective cost management can result in higher profit margins and EPS,investment decisions.
- Corporate governance: Executive compensation: aligning executive compensation with performance can result in, transparency and disclosure: transparent and timely disclosure

3. ROE (Return On Equity) Forecasting

Table 3. ROE (Return On Equity) Forecasting Results 2018-2030

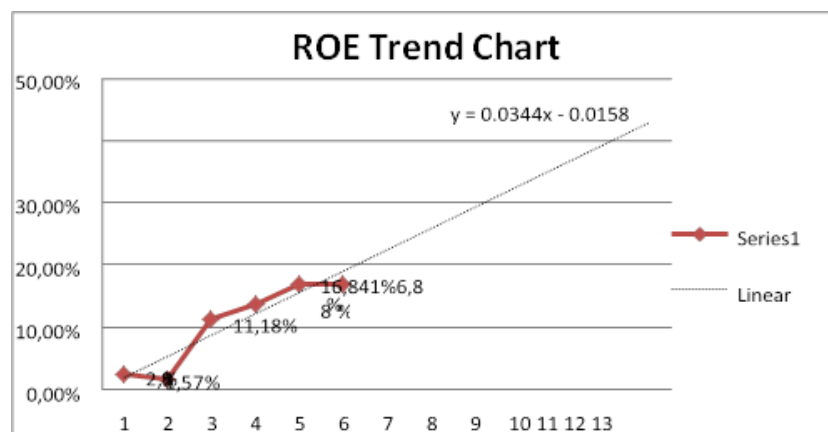| Year	ROE	Forecast	Trend	Formula
2018	2,49%			
2019	1,57%			
2020	11,18%			
2021	13,71%			
2022	16,84%			
2023	16,88%			
2024		22%	22%	22%
2025		26%	26%	26%
2026		29%	29%	29%
2027		33%	33%	33%
2028		36%	36%	36%
2029		40%	40%	40%
2030		43%	43%	43%

Figure 4. ROE (Return On Equity) Forecasting Results 2018-2030

The table and graph above show the ROE analysis in the coming years. The years included in the analysis are 2018 to 2030. It can be seen that ROE in 2018 amounted to 2.49%, but in 2019 ROE decreased to 1.57%, but in 2020 ROE rose dramatically to

11.18%, and continued to increase in 2021 to 2023, to 13.71% in 2021, 16.84% in 2022, and in 2021 to 2023.

2023 continues to increase to 16.88%.

Shown in the table are the share price projections for the years 2024 to 2030. The projected share price is assumed to remain stable at a certain level each year. The R squared (R^2) in the formula serves as a measure of how well the linear line fits the actual data, the R squared value ranges from 0 to 1, and is usually also in the form of a percentage of 0% to 100%. In the ROE forecasting graph, the R squared value in percent is around 87.75%. This only shows the historical and projected ROE data, without showing the factors that affect the ROE movement. Therefore, keep in mind that this data is only part of the factors to consider when making an investment. Return on Equity (ROE) is the main metric that measures a company's profitability from a shareholder's perspective. This is influenced by a combination of external and internal factors. External factors include macroeconomic indicators, industry trends, and market conditions, while internal factors include company performance, management decisions, and corporate governance.

a. External factors:
   - Macroeconomic Indicators: PDB growth rate, Interest rate.
   - Industry Trends: Industry growth rate,competition,regulatory changes.
   - Market conditions: Market sentiment, Commodity prices, Currency fluctuations
b. Internal factors:
   - Company performance: Revenue growth, operational efficiency, asset utilization
   - Management decision: Capital allocation, cost management, investment decisions
   - Corporate governance: Board composition, Executive compensation, Transparency

Challenges faced in the development of BSI in the capital market

Looking at the development of BSI instruments in the capital market, it can generally be said to be growing. But in this case the development did not go smoothly, BSI was faced with various obstacles or challenges, as follows:

1. Aspects of Human Resources that Lack Competence and Professionalism
   Lack of understanding of sharia banking practices, both in terms of business development and sharia banking. In other words, sharia banking practices often deviate from Islamic principles because human resources have not been met in the sharia economic sector. Apart from that, the general public's understanding of the Islamic capital market is still quite limited; In fact, the majority of small investors only have a basic understanding of stocks. Thus, other sharia capital market products such as sharia mutual funds and sharia bonds are not yet widely known. This causes a decrease in social interaction with the sharia market and its products.
2. Les Adaptive and Responsive Marketing Strategy Aspects
   In the development of Indonesian Islamic banking in today's millennium era, it can no

longer be done partially, but instead the development must be discussed thoroughly and integrated (between: product, price, promotion and place) or called the Marketing Mix.

3. Market/Comunal Problem

   There is competition, both competition between Islamic banks themselves and with other financial institutions. The problem at the level of trust is the lack of public interest in saving funds in Islamic banks due to a sense of distrust of Islamic banks or because of low returns compared to conventional banks. Lack of public knowledge of the existence of Islamic banks, both in terms of services provided, as well as knowledge of contracts that are relatively more "complicated".

The strategies that can be done in facing challenges are:

1. Strengthening capital and business scale and improving efficiency levels. Using comprehensive strategies, such as working with the Ministry of Labor and Employment to increase SDM through BLK Komunitas, BSI can increase SDM competency. Additionally, BSI provides very significant consideration to the development and enhancement of SDM competency. BSI can also improve SDM competency through creating a curriculum, providing teaching staff, providing internship programs, providing training aids, and placement programs at BSI according to the competency of training participants. Apart from that, BSI must be able to ensure that the training is in accordance with user needs so that the training provided can improve SDM competency.

2. Improving the quantity and quality of Islamic bank human resources, as well as information systems and technology. BSI can develop adaptive marketing strategies in several ways, such as:

   a. BSI can also improve HR competency through creating a curriculum, providing teaching staff, providing internship programs, providing training aids, and placement programs at BSI according to the competency of training participants. Apart from that, BSI must be able to ensure that the training is in accordance with user needs so that the training provided can improve HR competency.

   b. Customer Data Analysis: BSI can analyze user data to understand their behavior, needs and preferences. Utilizing technology such as CRM (Customer Relationship Management) and data analysis, BSI can identify trends and patterns that can help develop more effective marketing strategies.

   c. Segmentation and Profiling: Based on data analysis, BSI groups customers based on characteristics, preferences and behavior. It helps create customer profiles that provide information about marketing strategies.

   d. Real-time Monitoring: BSI uses machine-based learning algorithms and automated systems to continuously manage customer interactions and market trends. This allows identification of user preferences and characteristics as well as rapid response to market changes.

   e. Dynamic Content Creation: BSI uses artificial intelligence (AI) based content creation tools to create dynamic content that is personalized and tailored to each individual user. This content is best suited for multiple platforms, including social media, email, and website interactions.

3. Improvement of the fund structure of Islamic banks and harmonization of regulation and

supervision. With a better fund structure, Islamic banks are expected to be able to compete competitively with conventional banks. In addition, regulation and supervision of the authorities are important. Government support and partiality is one of the keys to the development of Islamic financial institutions in Indonesia. BSI can build trust and confidence between customers and the wider community. To increase public trust in Islamic banking, it is important to focus on education, transparency, sharia compliance, customer service, digitalization, corporate social responsibility, regulatory compliance, risk management, governance and collaboration.

CONCLUSION

This research concludes that analyzing the development of shariah banks in the capital market, with a case study of Bank Syari'ah Indonesia, provides a better understanding of the growth of shariah banking in Indonesia and the important role of shariah banks in economic development in Indonesia. This research also emphasizes the importance of Muslim economic education in understanding and developing shariah banking. BSI's stock performance fluctuated over the years, with a significant increase occurring in 2020 through to 2023.

From the results using trend analysis, BSI's forecasts of share price, earnings per share, and Return on Equity (ROE) assume stability at a certain level each year. BSI faces several challenges in its development in the capital market, namely: Lack of competent and professional human resources, its marketing strategy is not adaptive and responsive, and there are market/communal issues such as competition and lack of public knowledge about Islamic banking. To overcome these challenges, the following strategies are suggested: Strengthening capital and scale and improving efficiency, increasing the quantity and quality of human resources in Islamic banks, including information systems and technology, and improving the fund structure of Islamic banks and harmonizing regulation and supervision. Government support and favoritism are key to the development of Islamic financial institutions in Indonesia.

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