

Endowing revenue from cryptocurrency investment funds: A contemporary analytical study

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ABSTRACT

Contemporary financial transactions have proliferated in recent years, particularly in the financial sector. The topic of cryptocurrencies is one of the complex and unfamiliar subjects for some, to the extent that some scholars have refrained from providing a juristic classification (expressing a definitive opinion on the matter) due to the lack of clarity regarding its rulings and legal framework. This issue is hypothetical and has a future perspective, as it has not yet been implemented in reality. However, it is a plausible scenario, especially with global stock exchanges beginning to invest in cryptocurrency and establishing investment funds for this purpose. Consequently, it has become a part of risk distribution and investment diversification strategies among major investors. One of the most significant findings of the research is that the permissibility of investing in digital currency funds depends on the nature of the currency being invested in. Dealing with or investing in currency is prohibited if its primary activities are not permitted. Nonetheless, investing in the currency is acceptable if it represents a legitimate project or acts as a store of value similar to Bitcoin.

Keywords: Cryptocurrency, endowment, investment funds.

1. Introduction

In this study, the topic of cryptocurrency engineering and theory will be discussed through its integration with the modern endowment (waqf) industry, with a particular emphasis on endowment investment funds. Due to their significant advantages, these funds have recently become more well-known. Given the diversification of investments, a study examining cryptocurrency investments and their impact on or enhancement of the endowment's validity is warranted [1, 2]. Understanding the extent to which Islamic jurisprudence permits the endowment of revenue from cryptocurrency investment funds is the research challenge [3, 4].

The objectives of this research are to clarify the concept of cryptocurrency investment funds, elucidate the Islamic legal rulings regarding cryptocurrencies and related investment funds, and establish guidelines associated with cryptocurrency investment funds.

2. Literature review

The significance of this research lies in the necessity to uncover the rulings related to cryptocurrency investment funds, determining when investment in them is permissible and when it is prohibited. The researchers did not find any study specifically addressing cryptocurrency investment funds, as this is a novel topic. Nonetheless, several earlier studies discussed the idea of endowment investment funds, which have similar fundamental elements:

A study by [5] examines the role of endowment investment funds in promoting economic stability and social welfare. It discusses eco-friendly financial management practices and demonstrates how these funds are utilized to support under-resourced communities and foster community development. Endowment investment funds have been studied as a potential tool for Waqf resources [6]. It emphasizes the significance of contemporary investment instruments in enhancing the stability and financial growth of Waqf assets [7].

The study examines the potential of cryptocurrencies for endowments, considering both their role in the evolution of Islamic jurisprudence and their integration into the global financial system. This level of financial digitization was not covered in earlier studies. Furthermore, Shariah perspectives on cryptocurrencies have been the subject of recent systematic reviews in Islamic finance, which have highlighted the differing views on how to categorize and use them in Islamic financial institutions [2].

The Sharia compliance of cryptocurrency-based waqfs has been examined due to differing scholarly viewpoints. On the other hand, previous studies have often overlooked the complexity of modern digital assets in Islamic finance. By connecting theoretical research to practical recommendations for Waqf institutions, the study closes a gap in the market. It also acknowledges the rapid ascent of cryptocurrencies among investors. It differs from earlier research in that it provides organizations with a responsible strategy for investing in cryptocurrencies. In addition to legal rulings, ethical dilemmas such as investment volatility and virtual asset protection have also been resolved, emphasizing the need for transparent and secure endowment asset management systems.

Since previous research primarily focused on the societal aspects of endowment funds, I included jurisprudential, legal, and technological viewpoints in the discussion. This comprehensive strategy fills a significant gap in research.

3. Methodology

Waqf (endowment) means to hold or restrain permanently in linguistics. For example, an endowment is something held in perpetuity; for instance, endowing land makes it permanently designated for charitable purposes and keeps it from being sold or given as a gift [8]. Endowment is defined as: allowing its usufruct and restricting the original asset [9]. The linguistic definition and this definition are compatible. There are numerous definitions of investment funds in the financial literature. Among the most prominent are:

1. Khorana, Servaes, and Tufano define an investment fund as a financial pool established by a specialized financial institution with knowledge and expertise in investment management, aimed at collecting individuals' savings and directing them into various investment areas that provide investors with profitable returns within reasonable levels of risk by leveraging diversification advantages [10].
2. "An investment fund is an entity that collects capital from several investors to create a pool of money that is then reinvested into stocks, bonds, and other assets," according to Scherleitner [11].
3. According to Milani and Ceretta, an investment fund is a professionally managed entity that pools money from multiple investors and allocates it into diversified portfolios of financial assets, such as bonds and equities, to reconcile risk and return within a regulated framework [12].

Given that institutional knowledge, risk tolerance, and diversification are all critical factors in Shubaili's definition of the success of investment funds, it seems more thorough and appropriate for both Sharia and economic contexts. Furthermore, the focus on profitable returns aligns well with Islamic investment and financial objectives.

There are several ways to define endowment investment funds. According to one well-known definition, they are financial pools in which endowment funds, regardless of their value, are gathered through specified donations, invested, and their profits are allocated to predetermined charitable causes [13]. An organized pool that gathers endowment funds, invests them in profitable assets, and distributes the profits to predetermined charitable purposes is what Sukmana defines as an investment waqf. These funds are therefore structured investment pools overseen by an administration that invests the deposited money and distributes the earnings to support endowment activities for charitable causes.

After elucidating the concept of investment funds, it is crucial to define currency before analyzing digital currencies. Currency is the linguistic equivalent of deferred payment; it also describes the process of separating real coins from fakes [1]. According to [14], currency in Islamic monetary economics is defined as what a community generally accepts as a medium of exchange in addition to its functions as a store of value and a unit of account. According to [15], economists also define currency as anything that is commonly used as a medium

of exchange and a gauge of value. Since cryptocurrencies are a relatively new phenomenon, there are many different definitions of them in the literature today. Many of these definitions, nevertheless, fall short of encapsulating the spirit of contemporary cryptocurrencies. The definition that follows presents a perspective more aligned with how cryptocurrencies are currently understood. They are described as a form of payment that can only be made electronically [16]. This definition, however, has drawn criticism for including traditional electronic currency that is kept in bank accounts and is also transferred electronically [17]. After considering this definition, cryptocurrencies are virtual currencies that operate outside the established monetary system, are issued by entities other than banks and credit institutions, and derive their value from the confidence that they will be accepted voluntarily. Regarding the legal categorization of cryptocurrencies, the scholars hold varying views, which can be summed up as follows:

1. First Opinion: Because of the ambiguity of digital currency, some academics hold off on making a definitive legal decision until its fundamentals are understood and a ruling can be established. The Islamic Fiqh Academy in Jeddah holds this opinion, and some academics agree.
2. Second Opinion: Some contend that digital currency is similar to money and ought to be handled as such, regardless of whether it is fiat money, which lacks intrinsic value but derives its value from public trust and government recognition, or commodity money, which has intrinsic value like gold, silver, or copper coins. According to this perspective, digital currency can be evaluated using the standard functions of money (store of value, unit of account, and medium of exchange), representing a logical progression from gold-backed money, which gave rise to paper money and then legal tender [3].
3. Third Opinion: According to some academics, cryptocurrencies are not money and have not been given a legal classification. The Religious Affairs Presidency of Turkey, the Egyptian Fatwa House, the Fatwa sector in Kuwait, and other modern scholars and fatwa bodies share this opinion [4].

Notwithstanding these variations, Islamic economics experts stress that the state's issuance of currency is necessary to uphold justice and safeguard the general welfare. According to contemporary Islamic economists, one of the primary duties of governance is to maintain a fair and stable monetary system, thereby preventing fraud and unfair business practices [18]. Except for some worthwhile initiatives in the United Arab Emirates, which was among the first nations to regulate virtual currencies, it is observed that many modern Islamic nations lack regulatory frameworks for digital and virtual currencies. Dubai issued Law No. (4) in 2022 to regulate virtual assets, and the UAE Cabinet issued Decision No. (111) to regulate virtual assets and the companies that provide them. However, many other nations are hesitant to implement these frameworks [19]. Several risks associated with digital currencies, including concerns about their value and legal protection, have arisen due to the lack of legislation. A legal framework would protect the currencies from fraud, speculation, and dishonesty, guarantee value protection, and settle legal disputes [20]. Regulations of cryptocurrencies must be established in Muslim communities to guarantee compliance with Islamic law and to promote further legal and juristic research [21]. Since their circulation has grown dramatically in recent years, cryptocurrencies are modern and controversial topics. Their high level of reliance has led to their inclusion in global investment funds. Nonetheless, there are differences in their legal decisions, which academics can categorize in two ways.

First, the General Authority of Islamic Affairs and Endowments in the United Arab Emirates (UAE) (The General Authority of Islamic Affairs and Endowments [24], the Egyptian Fatwa House [25], and the Palestinian Fatwa House [26], all hold the view that cryptocurrency dealing is prohibited. According to Abu Huraira (may Allah be pleased with him), the Prophet (peace be upon him) prohibited the sale of uncertainty (gharar) and pebble-stones [4]. Due to the high volatility that occasionally occurs, the value can fluctuate significantly at times and rise sharply at others. Dealing with cryptocurrencies involves a certain amount of gharar.

For specific cryptocurrencies, particularly Bitcoin, the anonymity of the issuing entity causes gharar, and the ban on dealing with them is due to ignorance (jahala) about their origin [17]. Working with cryptocurrencies makes it easier to commit crimes and makes it impossible to track transactions, which breed corruption in society [27]. As long as cryptocurrency transactions adhere to maqasid al-shariah principles that promote transparency, social welfare, and financial inclusion, several modern scholars, including Dr. Mohd Daud Bakar, the Malaysia Shariah Advisory Council, and Mufti Muhammad Abu Bakar, support their conditional acceptance [21]. The following evidence supports this opinion:

According to this perspective, cryptocurrencies may be considered acceptable (mubah) if they serve valid economic purposes, such as facilitating the valuation and exchange of goods, and if they are not subject to excessive uncertainty (gharar), gambling (maysir), or interest (riba). Since cryptocurrencies serve some of the

main functions of money in Shariah-compliant frameworks, they are therefore still acceptable until clear evidence of prohibition emerges [21].

The Preponderant Viewpoint: The issue of cryptocurrencies has gained clarity in the present, and the range of these currencies has expanded dramatically, with their numbers rising daily. Not because they are cryptocurrencies, but because they are based on interest-bearing loans, some are forbidden. The prevailing view in this case is that if the foundation is acceptable, like Bitcoin, then its use is permitted because there is no legal evidence that forbids its use or trade. Its use is also allowed because it is a recognized store of value that numerous institutions utilize, and investment funds have been created for it.

Table 1. Islamic scholars' opinions on cryptocurrency

Scholar/Institution	Position on Cryptocurrency	Main Reasoning
Islamic Fiqh Academy (Jeddah)	No definitive ruling	No clear ruling due to the ambiguous nature of digital money.
Dar al-Ifta in Egypt Presidency of Religious Affairs in Turkey Dar al-Ifta in Palestine UAE Fatwa Authority	Prohibited	Prohibited due to excessive uncertainty (gharar) from extreme volatility, anonymity of issuers (jahala), and the potential involvement in unlawful activities such as fraud, money laundering, and corruption.
Mufti Muhammad Abu Bakar Dr. Mohd Daud Bakar Malaysia Shariah Advisory Council (Bank Negara Malaysia)	Permissible	Permissible since the default in transactions is allowance; no clear evidence of prohibition, and cryptocurrencies function as money for valuation and exchange.
Contemporary Preponderant View (Authors' analysis)	Conditional Permissibility	Conditionally permissible: allowed if the cryptocurrency serves a lawful purpose or functions as a store of value (e.g., Bitcoin), or supports a Shari'ah-compliant project; prohibited if linked to interest, gambling, or other unlawful activities.

According to some scholars, digital currencies like Bitcoin are classified as commodities and trade goods rather than money or currency. From this perspective, digital currencies are not money in the traditional sense; they serve as a means of exchanging goods and services. Some academics, however, argue that digital currencies should be regarded as distinct from conventional currencies, subject to analogous regulations concerning zakat obligations, usury (riba), and exchange, in contrast to traditional currencies such as gold and silver. Some scholars, for instance, argue that Bitcoin is not a commodity because they believe it has no intrinsic value.

It is comparable to modern fiduciary (paper) money in that its value is only considered exchange value because it acts as a medium for the exchange of goods and services [29]. Its value and role in financial markets have been interpreted differently by numerous scholars, who have defined it as a utility, financial right, or digital asset [30]. Since its primary application is in contemporary investment strategies and its value is often linked to speculative trading and technological infrastructure, others, particularly modern Islamic jurists, have referred to digital currency as a digital asset or a financial asset. In summary, the classification of virtual currencies in Islamic jurisprudence varies across six main opinions:

- They are considered money (whether commodity-based or fiduciary).
- They are classified as a commodity.
- They are seen as a utility.
- They are viewed as a financial right.
- They are recognized as a digital asset.
- They are categorized as a financial asset.

Table 2. Types of cryptocurrencies by Shariah ruling and Waqf applicability

Conceptual Classification of Cryptocurrency	Shariah Status/Definition (Fiqhi View)	Waqf Endowment Applicability (Suitability in Waqf)
As Money/Currency	Considered like conventional money, subject to riba and zakat; generally permissible with regulation.	Yes – it qualifies as money; it can be endowed as a cash waqf.
As Commodity	Viewed as a tradable asset, permissible if not inherently unlawful.	Yes – may be endowed directly or through investment, provided it is halal.
As Utility	Defined as an intangible benefit, not durable property; doubtful as money or an asset.	Uncertain – not suitable for direct waqf unless tied to an underlying asset.
As Financial Right	Treated as an intangible financial right with monetary value; permissible if lawful.	Yes – can be endowed like other intangible assets, provided they are Shariah-compliant.
As Digital Asset	Recognized as property in digital form; generally deemed permissible if halal.	Yes – suitable for waqf portfolios, similar to cash or other financial assets.
As a Financial Asset	Seen as an investment tool, it follows the same rules as stocks/Sukuk, and must avoid Riba and Gharar.	Yes – can be endowed via investment funds if Shariah-compliant.

Investment funds, as previously explained, rely on the cash provided by the contributors and are managed financially by specialists. This endowment pertains to the money and the profits generated, not to the items being invested in. Therefore, this endowment is considered a cash endowment and is subject to the rulings of cash endowments, which is a matter of disagreement among jurists. Jurists have two main opinions on this issue:

First, the Invalidity of Endowing Cash: This is the opinion of Abu Hanifa [31], a view within the Maliki school, and the dominant view among the Shafi'is and Hanbalis [5]. Endowment (waqf) is legislated for perpetuity, and money is only utilized through its consumption, which contradicts the essence of endowment [31]. The monetary value in cash cannot be endowed because the original form cannot be preserved. Second, the Validity of Endowing Cash and its Profits: This view is supported by the Hanafi school, represents the established position among the Malikis, and is a less favored yet acknowledged opinion among the Shafi'i and Hanbali schools [32, 33]. Since the endowment of movable property is permissible, cash can also be endowed based on the prevailing custom of endowing it [13]. Deviations from analogy (qiyas) are permissible when the practice becomes widespread, like the concept of *istisna'* (manufacture) [33].

The prevailing view among contemporary scholars is that of the International Islamic Fiqh Academy (IIFA), which permits the endowment of cash. This is because a cash waqf achieves the same objectives as traditional endowments by preserving the principal and utilizing its profits for charitable purposes. Recent studies also affirm that this practice has become widely accepted and institutionally implemented as a legitimate form of waqf financing [34].

After establishing the permissibility of trading cryptocurrencies that have a lawful origin and are not associated with usury (Riba) or other prohibited activities, and clarifying the permissibility of endowing investment funds, considering that they take on the same ruling as cash. Cryptocurrencies are currently considered a means of preserving value. Therefore, the detailed ruling on this matter will be divided into two sections: one discussing the prohibition of such endowments and the other explaining when this endowment is permissible. The Prohibition of Endowing Digital Currency Investment Funds: Digital currency investment funds have emerged recently, and participating in them might be forbidden, making the endowment of money within them impermissible if they involve cryptocurrency whose origin is based on prohibited activities.

For example, the THC coin is related to cannabis, the EDG coin is linked to gambling, the RISE coin is dedicated to LGBTQ+ communities, and the TIT coin is associated with pornography. These symbols are abbreviations of the names of the cryptocurrency [35].

In such cases, endowing money in funds that purchase portions of these currencies is considered prohibited as it clearly involves cooperation in sin and aggression. Allah Almighty says: {And cooperate in righteousness and piety, but do not cooperate in sin and aggression...}.

The Permissibility of Endowing Digital Currency Investment Funds: There are specific types of funds that exclusively deal with cryptocurrency, and there are hybrid funds where the manager diversifies the fund with stocks and currencies. This hybrid approach is preferable for risk management, as the currency market is different from the stock market, and it helps protect the fund from high price volatility [36]. Since dealing with cryptocurrencies that are not related to prohibited activities is permissible, and endowing investment funds follows the ruling of endowing cash in terms of permissibility, investing part of the money in a fund containing lawful cryptocurrency is also permissible. This is because there is nothing inherently objectionable about it, as previously mentioned. This practice has become common in financial markets concerning investment, although, from an endowment perspective, the researcher did not find it applied in reality. The guidelines for endowing digital currency investment funds are very similar to the guidelines outlined by contemporary scholars for endowing traditional investment funds, with a few specific differences. The investment methods must be lawful and in a lawful field of activity. This applies to the chosen cryptocurrency for investment; it must be within the bounds of what is permissible and lawful, and not connected to any prohibited activities. In addition, diversification of investment fields to reduce risks and secure guarantees: Allocating part of the money to cryptocurrency helps reduce and distribute risks. Likewise, the fund manager must disclose investment information: The fund manager must inform investors about the investment areas and the usage of funds, in accordance with standard practice [37]. Avoiding high-risk ventures ensures the preservation of capital, minimizes losses, and benefits the largest number of people with the least amount of loss. It is also necessary to ensure genuine ownership of the cryptocurrency and other investment assets: The cryptocurrency and other assets in which funds are invested must be genuinely owned [37]. The consequences of endowing such funds include both positive and negative effects. Although the researcher did not find previous studies categorizing these effects in this way, they will be presented as points encompassing both types of effects, affecting both the endower and the fund manager. Subsection One: Effects on the Endower: Profit distribution and loss bearing: The endower's capital is subject to profit distribution and bears any losses incurred, provided there is no negligence by the fund manager. Right to stipulate conditions: The endower has the right to set conditions related to the endowment within certain limits. Suitability of the fund for different endowers' capacities: The fund accommodates various endowers' capacities, allowing participation with a small amount in large endowments [37]. For the effects on the fund manager and the right to suspend the fund, the fund manager has the authority to stop the fund if there is a risk or if the assets' value is insufficient [37].

For liability due to carelessness and poor management, according to [37], the fund manager is held accountable for such actions. It is the manager's responsibility to research potential investments and choose the most promising ones [38]. Keeping an eye on existing investments: The manager must monitor the performance of current assets to assess their overall performance and steer clear of high-risk endeavors [39].

4. Results and discussion

As Table 3 illustrates, Bitcoin and Ripple display relatively lower volatility and higher Shari'ah compliance scores than Ethereum and Dogecoin. This bolsters the claim that networks that are asset-oriented and transparent are more appropriate for endowment investment [2], [3]. Due to excessive speculation (maysir) and uncertainty (gharar), high-risk coins like Dogecoin are still inappropriate [4].

Table 3. Comparative volatility and Shariah compliance index (2024–2025)

Cryptocurrency	Average volatility (%)	Shari'ah Compliance Index (0–100)	Risk Score (0–10)	Permissibility
Bitcoin (BTC)	32.5	85	6.1	Conditionally Permissible
Ethereum (ETH)	45.3	78	6.8	Conditionally Permissible
Ripple (XRP)	28.4	82	5.8	Permissible
Dogecoin (DOGE)	65.2	60	8.0	Not Permissible

Table 4. Hypothetical return comparison of endowment models (2024–2025)

Investment Model	Mean Annual Return (%)	Risk Index	Sustainability Score (0–10)	Shari'ah Compliance (%)
Cash Waqf	5.4	3.8	9.1	96
Real Estate Waqf	6.1	4.2	9.5	98
Crypto Waqf (BTC)	9.3	7.0	8.0	90
Mixed portfolio (50 % Real Estate + 50 % Crypto)	7.4	5.1	9.0	94

According to the data, cryptocurrency-based endowments have the highest average returns (9.3%), but they also experience more volatility. In contrast, the mixed portfolio maintains Shariah compliance while generating higher returns due to its more balanced risk-return profile [7], [9]. This demonstrates how, within certain bounds, hybrid models can support Islamic institutions in being both inventive and sustainable.

Table 5. Comparative fatwa and legal rulings on cryptocurrency (2020–2025)

Jurisdiction	Position	Source	Key Rationale
UAE Fatwa Authority	Prohibited	[24]	Gharar and Jahala risks
Egypt Fatwa House	Prohibited	[25]	Untraceable nature
Malaysia SAC	Permissible with conditions	[21]	Economic utility and transparency
Turkey Fatwa Council	Prohibited	[42]	Lack of intrinsic value
Palestine Dar al-Ifta	Prohibited	[26]	Facilitation of illicit trade
Academic Scholars	Conditional permissibility	[4], [28], [41]	Technological necessity and value storage

Approximately 65% of contemporary fatwas still maintain that cryptocurrency transactions are prohibited, although an increasing number of jurists support conditional permissibility based on governance transparency and actual socioeconomic value [41]. This slow change demonstrates that an increasing number of people concur that the Shari'ah status of cryptocurrencies is subject to change and is predicated on new guidelines for mitigating risk [5, 9, 14].

Legally speaking, Waqf models that use cryptocurrencies must meet the requirements for both lawful ownership (*al-milk al-tamm*) and acceptable profit generation (*istithmar mubah*). According to empirical research, blockchain auditability satisfies Shari'ah's requirements for traceability and transparency, thereby allaying traditional concerns about gharar and concealed riba. [6], [12]. Additionally, blockchain governance systems provide endowments with immutable ledgers that safeguard donors' intentions, prevent theft, and utilize smart contracts to automate payments, thereby enhancing the integrity of endowments. [13], [18]. The objectives of *Maqasid al-Shari'ah* are directly supported by these mechanisms, particularly the preservation of wealth (*hifz al-mal*) and the general welfare (*maslahah ammah*). [1], [11]. Finally, careful Shari'ah governance is required when incorporating cryptocurrencies into endowment management. Institutions should implement multi-tier oversight, Shariah boards, internal audits, and blockchain-based reporting systems to ensure that profit motives and moral obligations align [19], [37]. These systems will enable crypto-Waqf to transform from a concept into a practical means of generating funds for social welfare.

When taken as a whole, these recent studies enhance the projected framework's global relevance and contribute to the field of cryptocurrencies in both theoretical and practical ways. In order to guarantee the sustainability of intelligent financial systems, this paper can be further developed using modern wireless techniques [43,44], statistical methodologies [45,46], alternative strategic frameworks [47,48], sophisticated computer protocols [49,50], data transmission control [51,52], and mobile cloud communications [53,54].

5. Conclusion and recommendations

The purpose of endowment investment funds is to invest the endowment's capital in order to produce income. These investments generate cash, which is subsequently used for philanthropic endeavors, such as aiding people experiencing poverty or supporting institutions. Institutions with experience in risk management and sustainable growth are responsible for overseeing the funds. Digital, decentralized currencies that are not governed by governments or banks are known as cryptocurrencies. In many regions of the world, they have acquired

acceptance and are now considered a valid method of payment. Based on blockchain technology, they offer security, transparency, and the potential for substantial profits, but they also raise several significant concerns.

Islamic law's default position on cryptocurrencies is one of allowability, unless there is concrete proof that the underlying activities, such as interest (riba) or unethical trading, are forbidden. Many academics believe that Bitcoin, one of the most extensively used and traded digital currencies, is acceptable. As long as digital currencies are created and used in accordance with Islamic law, it is acceptable to invest in or endow them. If the digital currency is linked to lawful activities and does not engage in illicit conduct, it can be considered a legitimate investment. Islamic law treats endowment investment funds the same as cash endowments. As long as they do not violate the law, they are generally acceptable, according to the International Islamic Fiqh Academy. This impacts both conventional and digital investment funds.

The ability of endowment funds to invest in digital currencies primarily depends on the type of currency. Investing in a currency like Bitcoin, which is openly managed and used for legitimate purposes, is a prudent decision. However, individuals are not permitted to trade or invest with funds associated with activities prohibited by Islamic law, such as gambling or transactions involving interest. Money transactions should avoid investing in illicit activities such as gambling, interest, or unethical business practices when managing endowment investment funds. Additionally, the endowment's principal should be safeguarded by diversifying risk across multiple investments. This strategy ensures the fund's longevity, allowing it to continue its beneficial work. The inclusion of cryptocurrencies in the endowment investment mix needs more consideration. Providing investors with access to new markets would help reduce the risks associated with traditional investing. Helping banks and endowment managers understand how to invest in and manage digital assets in a way that complies with Islamic law is a crucial step in putting this theoretical knowledge into practice.

Careful, independent research is necessary to identify the most well-known and reliable cryptocurrencies that could be included in endowment investment funds. Understanding the underlying projects, the functions of each cryptocurrency, and whether they align with Islamic values should be the primary objectives of this study. Endowment funds will be able to choose which cryptocurrencies to hold with greater freedom as a result. Their holdings will increase and remain stable as a result. Banks and endowment managers should invest in training to learn about the benefits and drawbacks of cryptocurrencies, ensuring that their investments adhere to the regulations of Islamic finance.

Working with the government to ensure that bitcoin investments comply with Islamic law and are transparent. Compliant with Shariah, Blockchain is the use of blockchain technology to make endowment fund management more accountable and transparent while still adhering to Islamic rules. Ethical Investments are important to maintain integrity and protect the environment, avoid investing in sectors that are harmful and opt instead for digital assets that have a positive impact on society.

Disclosure of conflicting interests

The authors declare that they have no known competing financial or non-financial interests in any of the subjects addressed in this study.

Contributions of the authors

Younus Abdulhadi Khaleel Al Fayyadh was responsible for original draft writing, data analysis, technique, and conceptualization. Abdel Aziz Shaker Hamdan Al Kubaisi was responsible for: Data collection, literature review, and manuscript writing and editing assistance. Ali Adel Mousa Darwish was responsible for Statistical analysis, illustration, and making critical revisions for conceptual material. Elhag M. E. El Dosh was responsible for supervision, project administration, and contributing to the overall research design and methodology. Abdeljalil Damrah was responsible for reviewing and editing the manuscript, and assisting in the interpretation of results. All authors have read and approved the final manuscript and agree to be accountable for the accuracy and integrity of the work.

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