



The first, second, third and fourth questions of Fatwa no. 2730:

Q 1: There is a gold agent who sells gold to several gold shops on credit at a fixed price. We buy gold from him and pay him a sum of money every week until the debt is fully repaid. Repayment might continue for more than two months. It is noteworthy that the international price of gold is not stable.

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A: Exchanging gold for silver or cash is only permissible if the exchange occurs in a hand-to-hand transaction. This is based on the Hadith in which the Prophet (peace be upon him) is reported to have said, ([Gold for silver is usury except hand to hand equal in amount.](#)) (Agreed upon by Al-Bukhari and Muslim). According to another Hadith narrated by Ahmad and Muslim on the authority of `Ubadah ibn Al-Samit (may Allah be pleased with him), the Prophet said, ([Gold is to be paid for by gold, silver by silver, wheat by wheat, barley by barley, dates by dates, and salt by salt, like for like and equal for equal, payment being made hand to hand. If these classes differ, then sell as you wish if payment is made hand to hand.](#)) Banknotes are treated like gold and silver in terms of price and value of sales.

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