



MICROCAPITAL BRIEFS | TOP STORIES

Western Union Exploring Microfinance to Increase Profits

President and Chief Executive Christina Gold said Western Union was exploring the possibility of developing a micro-lending program in an effort to increase profits. Western Union seeks to leverage its customer transaction database to analyze potential borrowers' money transfer histories to excel at microlending. Those exhibiting frequent, recurring, incoming funds transfers may be considered prime borrowers for loans ranging from USD 100 to USD 1,000. Mrs. Gold believes small loans present a big opportunity for Western Union, and she plans to start in 2008. Eastern Europe and Africa are being explored as initial markets for loans. It is unclear how much the company is willing to invest in such a venture, but with operations in over 200 countries and a network of approximately 300,000 agent locations, the sky is the limit. August 2. 2007

BRAC & Citi Bangladesh Launch Remittance Partnership

BRAC, a NGO with over five million borrowers and 100,000 employees, has signed a remittance distribution agreement with Citi Bangladesh. BRAC's microfinance program covers all 64 districts of Bangladesh with 3,090 branches. July 27. 2007

Non-profits Merge in Rwanda

Opportunity International (OI), a global non-profit microcredit lender, makes a strong move in Rwanda with the start of new bank Urwego Opportunity Microfinance Bank (UOMB). UOMB is born from a merger of OI's recently established commercial bank Opportunity International Bank Rwanda and the Urwego microfinance program, established by World Relief, a Baltimore-based agency that specializes in disaster relief. The partnership also includes long time financial partners of Urwego, Hope International, a global, faith-based, non-profit organization, and World Relief Canada. The combined operation has offices in 27 of the 30 districts in Rwanda, 28,000 loan clients and over 3,000 savings clients. UOMB has USD 4.5 million in equity capital and a loan portfolio of USD 1.7 million. August 16. 2007

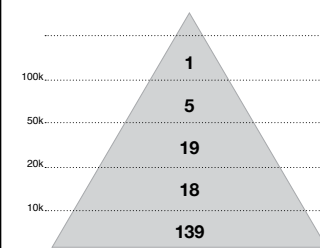
AccessHolding Enters Tanzania

Access Microfinance Holding AG is a holding company specializing in microfinance investment based in Berlin, Germany. AccessHolding was established in 2006 by an international group of private and public investors and currently invests in microfinance institutions in the developing world. Over time, AccessHolding hopes to become a controlling parent company of a network of banks. It now operates in Azerbaijan, Madagascar and Mozambique. . . ♦♦♦

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EASTERN EUROPEAN AND CENTRAL ASIAN REGION

NUMBER OF MFI'S BY TOTAL NUMBER OF ACTIVE BORROWERS



MF INDICATORS - PAGE 3



MicroCapital would like to recognize the individuals at CGAP, The Microfinance Information Exchange (MIX), and microfinancegateway.org for their outstanding work disseminating information on microfinance. Thank you!

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MICROCAPITAL BRIEFS

San Francisco Funds Loan to Nicaraguan ACODEP

US-based Katalysis Bootstrap Fund and Dignity Fund made loans of USD 850,000 and USD 500,000 respectively to ACODEP of Nicaragua. La Asociación de Consultores para el Desarrollo de la Pequeña, Mediana y Microempresa (ACODEP), a non-profit micro-finance institution (MFI) operating in Nicaragua, will increase its USD 27.4 million gross loan portfolio by 4.9 percent. ACODEP's average micro-loan size stands at USD 415. ACODEP was founded in 1989 by students from INCAE Business School, an international non-profit college originally associated with the Harvard Business School. ACODEP increased its portfolio by USD 5.5 million in 2005 and USD 11.5 million in 2006 and now serves 65,000 borrowers. ACODEP's rate of return on assets and equity stood at 9.3 and 39.87 percent, respectively. While these rates are higher than those of 2005, they were lower than those of 2004, when return on assets held at 10.6 percent and return on equity at 40.2 percent. August 24, 2007

Liberia Trains Central Bankers in Regional Effort

The West African Institute for Financial and Economic Management (WAIFEM) held a sub-regional course on "Micro-finance Operation for Post-Conflict Countries" at the Central Bank of Liberia (CBL). WAIFEM is a sub-regional training organization, established in 1996 by the central banks of Liberia, Nigeria, Ghana, Sierra Leone and the Gambia. Its mission is to help develop critical skills for macro-economic and financial management among staff of central banks. The organization is headquartered in Lagos, Nigeria. August 23, 2007 ♦♦♦

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UPCOMING EVENTS

Need an easy way to track good microfinance industry events? The latest event information at your fingertips. *10 events covered this month.*

PAPER WRAP UP

Summaries and recommendations on the key papers. Save time and keep up to date. *6 papers reviewed this month.*

WHO'S WHO IN MICROCAPITAL

How do you get to know an organization? Learn about the people who manage and direct the players in microfinance. *2 organizations profiled this month: Gray Ghost Microfinance Fund, LLC and Ecobank.*

Announcing Urwego Opportunity Microfinance Bank in Rwanda



OPPORTUNITY INTERNATIONAL
Giving the poor a working chance



Microfinance Technology Conference

World Bank Headquarters, Washington, D.C.
September 17, 2007 - September 19, 2007



The Inter-American Development Bank hosts the tenth Inter-American Forum on Microenterprise: The Road Ahead

OCTOBER 3-5, 2007,
SAN SALVADOR, EL SALVADOR



microfinance
INDIA
Conference

October 9-10, 2007
New Delhi, India

MICROFINANCE MARKET INDICATORS: EASTERN EUROPEAN AND CENTRAL ASIAN REGION

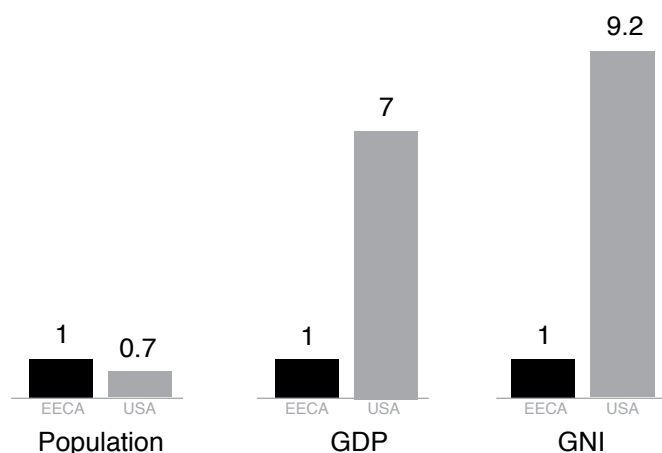
21 COUNTRIES | 182 MFI'S REPORTING ¹

Albania	Bulgaria	Kyrgyzstan	Romania	Turkey
Armenia	Croatia	Macedonia	Russia	Ukraine
Azerbaijan	Georgia	Moldova	Serbia and Montenegro	Uzbekistan
Bosnia and Herzegovina	Kazakhstan	Mongolia	Tajikistan	
	Kosovo	Poland		



Total Population (mm) ²	428.9
GDP (USD mm) ²	\$1,831,440
Average GNI per capita (USD) ^{3, 2}	\$4,755
Average Population Density (inhab/sq km) ²	57.4
Microcredit Penetration ⁴	0.4%
Total Number of Active Borrowers (mm)	1.76
Total Number of Voluntary Savers (mm)	2.69
Voluntary Savings (USD mm)	\$2,127.5
Average Loan Balance Per Borrower (USD) ⁵	\$2,485.5
Total Equity (USD mm)	\$986.4
Gross Loan Portfolio (USD mm)	\$4,379.4
Women Borrowers	51%

EECA TO USA RATIOS



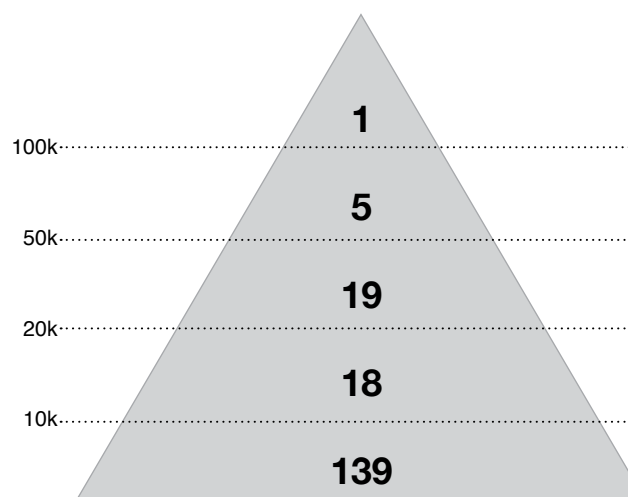
(1) Include MFIs that only report to MBBs or MIX Market (2) Represents total of 21 countries reporting to MIX as indicated at top of this page. (3) Based on World Development Indicators, 2005. Averages are weighted using total population. Only countries with MFIs reporting to MIX are considered. (4) Calculated using ratio

of Total MFI borrowers to Total Population (5) Simple average over all MFIs in region

Source: Microfinance Information Exchange, Inc. (MIX), Aug 2007. Based on MFIs reporting to MIX Market or Microbanking Bulletin

(MBB). 2005 used when 2006 not available. WWW.MIXMARKET.ORG

NUMBER OF MFI'S BY TOTAL NUMBER OF ACTIVE BORROWERS



TOP 10 MFI'S BY NUMBER OF BORROWERS

234,715	Khan Bank (Agricultural Bank of Mongolia LLP), Mongolia
87,554	Procredit Bank Serbia - Formerly MFB, Serbia and Montenegro
61,955	ACBA-Credit Agricole Bank CJSC, Armenia
58,968	Procredit Bank Georgia - Formerly MBG, Georgia
56,744	XACBank, Mongolia
52,015	Procredit Bank Kosovo - Formerly MEB, Kosovo
49,284	Finca Azerbaijan, Azerbaijan
49,270	Procredit Bank Ukraine - Formerly Microfinance Bank, Ukraine
48,115	Procredit Bank Bulgaria, Bulgaria
45,085	AIYL Bank - Formerly KAFC, Kyrgyzstan



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Lends USD 4.7m to




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