

MICROCAPITAL BRIEFS | TOP STORIES

Microbank Violence in Kampala

The central bank in Uganda, the Bank of Uganda (BOU), has warned that members of the country's Savings and Credit Cooperatives (SACCOs) may lose their savings. The BOU, which "has now washed itself clean of any responsibility for the actions of such institutions," will not be able to intervene or provide compensation for those clients that suffer. As a result, 800 people mobbed the offices of Front Page MicroFinance, which is one of the original SACCOs under investigation, as MicroCapital reported in September. The customers besieged their offices in the hope of recovering their deposit money and became violent, destroying the car of the company's manager. *Continued in the full version....*

Microbank Wal-Mart: Adelante Opens in Mexico

Wal-Mart de México (Walmex), a subsidiary of the world's largest retailer, has started its own bank, Banco Wal-Mart de México Adelante. According to Reuters, Banco Wal-Mart opened nine branches this month, with a total of 16 planned for November. Currently, the branches are offering free savings accounts and personal credit for in-store purchases up to 50,000 Mexican pesos (USD 4,450 equivalent). The bank is planning on opening as many as 80 branches in 2008 and will launch checking accounts, credit cards, payroll accounts and loans for small companies. Wal-Mart opened its first Mexican store in 1991 through a joint-venture with Cifra, a Mexico-based retailer. In 1997, Wal-Mart acquired a majority position in Cifra, and in February 2000, Cifra became Wal-Mart de México. In November 2006, Wal-Mart de México received a license from Mexico's Finance Ministry to organize and operate a bank in the country and Banco Wal-Mart was born. November 26, 2007

Nigerian Central Bank Predicts 450 of 700 Will Survive

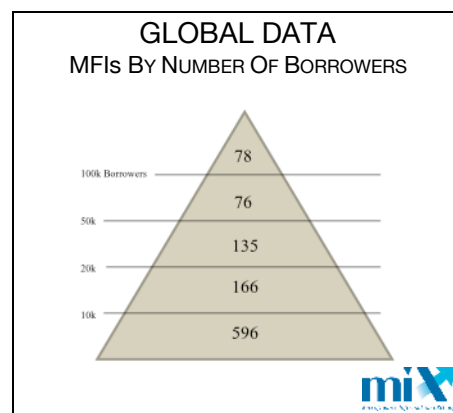
By January 1, 2008, only 450 out of a total 700 community banks across the country will operate as microfinance banks, according to a prediction by the Central Bank of Nigeria (CBN). CBN is the government body in charge of these matters which announced a new microfinance regulatory framework in December 2005. December 5, 2007

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Prudential Financial Eyes Microfinance in India

After entering into a joint venture with Indian real estate developer DLF Group, Prudential Financial, a U.S.-based financial services company, is also eyeing business in India's microfinance sector. According to DLF Pramerica CEO Kapil Mehta, Prudential Financial plans to explore the microfinance sector and is scouting for potential partners. The joint venture called DLF Pramerica Life Insurance Company, Ltd., in which the DLF Group holds 74 percent and Prudential the remaining 26 percent, was announced in February 2007. The DLF Group plans to invest Rs 1,000 crore (USD 253.2 million) over the next six years in the joint venture. The DLF Group, founded in 1946, is one of India's largest real estate firms. It has over 224 million square feet of existing development, including homes, offices, shopping malls, hotels and infrastructure, and an additional 738 million square feet planned for future projects. December 5, 2007



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Contact:

Mr. Eike Haas, Project Manager

Tel : 00.33.1.49.21.26.15 - Fax : 00.33.1.49.21.26.27

microinvest2008@planetfinance.org



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MICROCAPITAL MARKET INDICATORS: GLOBAL MICROFINANCE STATISTICS

93 COUNTRIES | 1061 MFIs REPORTING

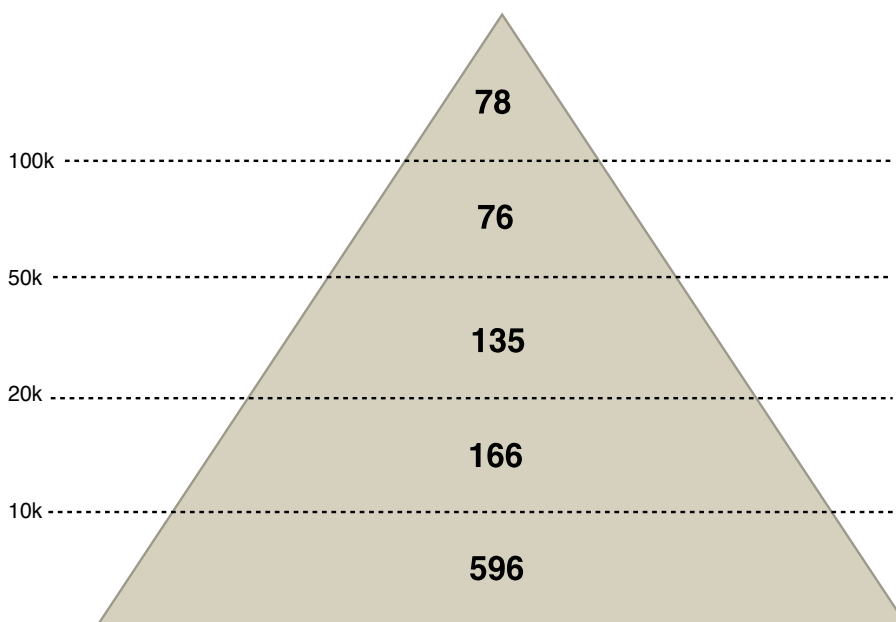


TOP 10 MFIS BY NUMBER OF BORROWERS

6,287,000	Grameen Bank, Bangladesh
5,121,561	ASA, Bangladesh
4,695,986	Vietnam Bank for Social Policies, Vietnam
4,054,897	Bangladesh Rural Advancement Committee, Bangladesh
3,455,894	Bank Rakyat Indonesia, Indonesia
1,587,166	PROSHIKA, Bangladesh
916,261	Spandana Spahoorty Innovative Financial Services Ltd, India
826,517	SHARE Microfin Ltd, India
636,591	Caja Popular Mexicana, Mexico
616,528	Banco Compartamos, SA, Institución de Banca Múltiple, Mexico

Total Population (m) ²	5,141.3
Gross Domestic Product (USD m) ²	10,600,000
Gross National Income Atlas (USD) ^{2, 3, 4}	9,921,578
GNI per Capita (USD) ³	1,929.6
Population Density (inhab/sq km) ^{2, 3}	183.5
Microcredit Penetration ⁵	1.1%
Total Number of Active Borrowers (m)	58.17
Total Number of Voluntary Savers (m)	67.04
Voluntary Savings (USD m)	15,856.8
Average Loan Balance per Borrower (USD) ⁶	1,011.9
Total Equity (USD m)	5,775.7
Total Gross Loan Portfolio (USD m)	24,446.8
Women Borrowers	67%

NUMBER OF MFIS BY TOTAL NUMBER OF ACTIVE BORROWERS



(1) Denotes only MFIs that report to Microbanking Bulletin (MBB) or MIX. (2) Represents total of 93 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) "GNI" indicates Gross National Income. (5) Calculated using ratio of Total MFI borrowers to Total Population. (6) Simple average over all MFIs in region.

Source: Microfinance Information eXchange, Inc. (MIX), Dec 2007
Based on MFIs reporting to MIX or Microbanking Bulletin (MBB).
2005 data used when 2006 data unavailable.
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