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In Brief

After a difficult year in 2008, in combination with continual after-effects of the international financial crisis impacted the first semester of 2009, the Central American macroeconomic situation gave signs of recovery during the year's second semester. The behavior of the main variables formed a "V" shape, showing a decreasing trend from 2008 until the middle of 2009, followed by a recovery during the remaining part of the year.

According to SECMCA[1], the regional IMAE[2] halted its negative variation rate until it reached slightly positive rates (0.5% in Dec 2009); there was also an increase in exports but in levels still not comparable to those of previous years; similarly, imports reduced their decreasing trend, responding to the evolution of the regional domestic activity; although inflation grew slightly towards the end of 2009, in general it showed a strong deceleration, going from 9.1% in December 2008 to 3.2% in 2009; and international reserves had a record growth, ending in USD 18,654.7 millions (USD 16,654 millions in 2008).

The scenario just described could suggest that the different economic sectors in Central America are in a process of recovery. In actuality, the Central American microfinance sector closed 2009 with discouraging indicators, suggesting the depth of the crisis particular to the credit activity that will probably extend until the end of 2010.

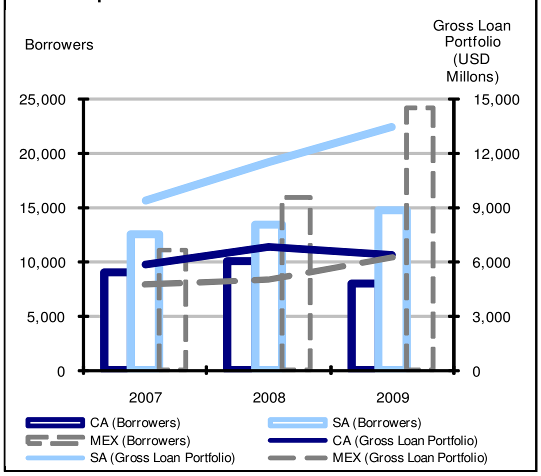
The effects if this were seen mainly in three aspects: (i) reduction of MFI size due to a cleansing of client portfolios and exit of funds from the industry; (ii) severe deterioration of the institutions profitability, resulting in a limited capacity to cover their total expenses, including expenses for financial adjustments, and; (iii) fast growth of credit risk, with some specific countries showing greater deterioration.

Reduction in Size of Central American MFI

In 2008 the Central American (CA) microfinance sector exhibited a high level of caution, showing a lack of growth unlike the 30% as in previous years. The majority of the microfinance institutions (MFI) experienced the effects of the financial crisis, the oil crisis, the food crisis, and other particular to the Central American region, in one way or another and especially during the last quarter which affected micro entrepreneurs directly.

The year 2009 revealed the real extent of the microfinance crisis of Central America. In terms of the Loan Portfolio, the median of the CA group was reduced in 6% with respect to 2008, ending in USD 6.3 million per institution. From the side of borrowers, the fall was more evident, experiencing a reduction of around 20%. As shown in Graph 1, the crisis seemed to be concentrated in Central America, since Mexico (MEX) and the South American countries (SA) showed a rise in the trend in scale and outreach.

Graph 1. Borrowers and Gross Loan Portfolio

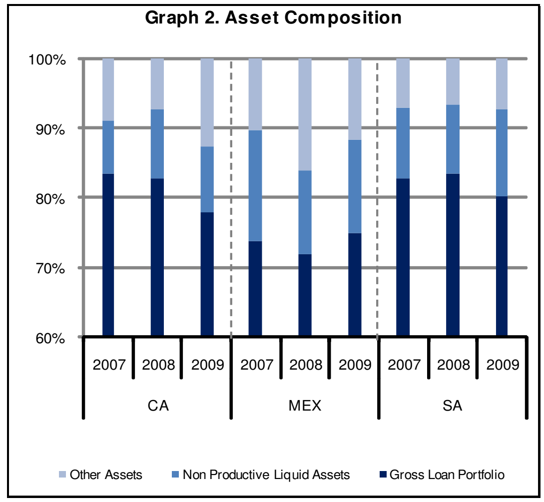


It became apparent during this crisis that the vigorous growths of previous years were accompanied by a relaxation in the analysis and concession of credit,

[1] Secretaría Ejecutiva del Consejo Monetario Centroamericano (SECMCA). It collects and consolidates macroeconomic information from Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Dominican Republic.
[2] Spanish acronym of Economic activity index per month

which resulted in a deterioration of payment capacity, as well as in the willingness of the borrowers to pay (Nicaragua[3]). This led to the cleansing of clients portfolios in microfinance institutions, increasing the levels of write-offs.

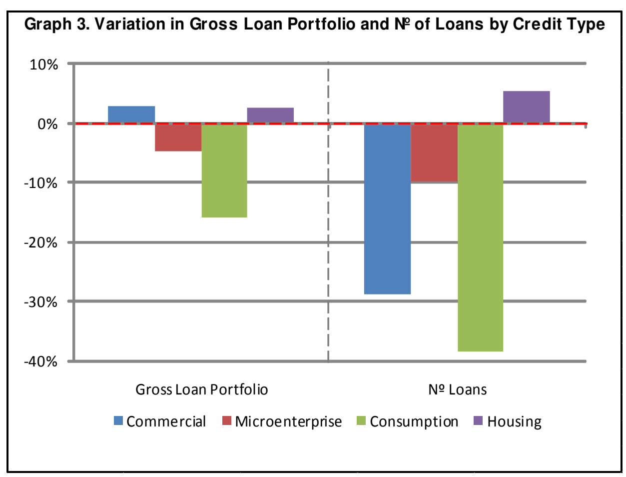
On the other hand, when breaking up the assets of the institutions in three main groups (Graph 2): Gross Loan Portfolio, Non Productive Liquid Assets and Other Assets, an interesting trend can be observed. While the Loan Portfolio lost relevance in the composition of total assets, decreasing 5 percentage points between 2007 and 2009 ending in 78%, Other Assets increased in a similar proportion, around 4pp.



Other Assets are made up, among other things, by assets allocated to MFIs as security for granted loans. It was found that a part of those assets were obsolete and deteriorated; as a result, MFIs had difficulties in converting them to cash, thus limiting their loan portfolio compensation due to their lesser sale value with respect to the loan they were securing and the lower income received for their sale. Furthermore, considering that buying and selling assets is not the line of business of these institutions, in most cases the sale of these assets resulted in losses, due to legal expenses, protection, and limited knowledge.

Observing an evident contraction of credit activity in Central America, it becomes pertinent to ask if all types of credit (microenterprise, commercial, consumer and housing) have been equally affected, or on what type of credit did MFI focused.

The trend data in Graph 3, shows that in 2009 the majority of credits were affected, mainly consumption credits, with a reduction of 38% in loan portfolio balance and 16% in number of borrowers with respect to 2008; followed by commercial credit, with a reduction close to 30% in number of borrowers, which was probably compensated by granting larger amounts to the best clients (increase in loan portfolio); and microenterprise credit, with reductions in both number of borrowers and balance of loan portfolio. In contrast, housing credit showed a certain growing trend, which reflects the strategy of certain institutions towards credits theoretically of less risk.

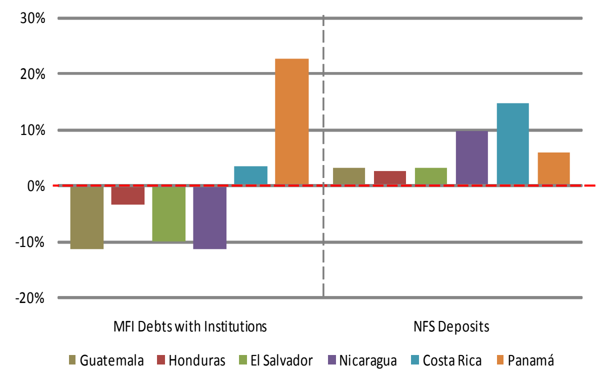


When analyzing by countries, although Nicaragua (NIC) and Honduras (HND) in general continued showing larger sized institutions, they were the most affected. They experienced reductions in the number of borrowers, with respect to 2008, of 20% in HND and 35% in NIC. In terms of loan portfolio, NIC had the greatest contraction (22%). On the other hand, El Salvador and Costa Rica were the countries showing increases in loan portfolio, 1% y 23% respectively, and, according to the follow-up carried out by REDCAMIF up to June 2010; these countries could continue this growth trend through the closing of 2010.

[3] In Nicaragua, in 2008, a group of borrowers of the productive and commercial sector started refusing to pay their obligations on the agreed terms; this group is known as the “No Pago” movement. In 2009 various MFI expressed feeling in their clients a contagion effect from such group, these were hopeful in not having to comply with their financial obligations, deteriorating the will to pay.

The institutions decrease was linked to the deterioration of the demand which in turn led to cleansings, as well as to more cautious allocations on the part of MFIs. However there were other factors influencing size reduction that have to be considered, the exit of funds from the region (Graph 4). According to trend information of 68 Central American MFIs, the balance with funders was reduced in about 70 million USD, of which 44.4 million USD exited Nicaragua. Of the decrease in Nicaragua, USD 27 million were from the three regulated MFIs, with approximately 6 million USD due to capitalization of debt, in an effort of alleviating the cash flow.

Graph 4. Variation in MFI Debts and National Financial Systems Deposits



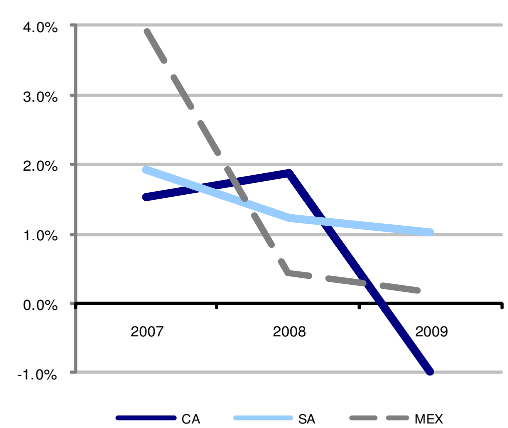
In general, the countries which suffered the most from the exit of funds were Guatemala, El Salvador and Nicaragua, with reductions of over 10% in the balance of debts with respect to 2008. In contrast, although Costa Rica and Panama are not frequent destinations for microfinance investors, in 2009 they experienced increases in their financial levels. Costa Rica's increase was due in large part to local banks.

The National Financial Systems (NFS) of Central America found themselves in a different situation than that of microfinance institutions with their main resource being the deposits from the public. While MFIs were suffering from the exit of funds, NFS continued their increasing trend because of the balance of deposits from the public. The same rising trend could be observed on those microfinance institutions reporting to MIX which have been authorized to attract deposits, such as cooperatives, banks and non bank financial intermediaries. The latter being an opportunity not accessible to the majority of CA MFIs due to the lack of regulatory frameworks that allow for the channeling of these resources, abundant and at lower costs than debt with funders.

Deterioration of Returns

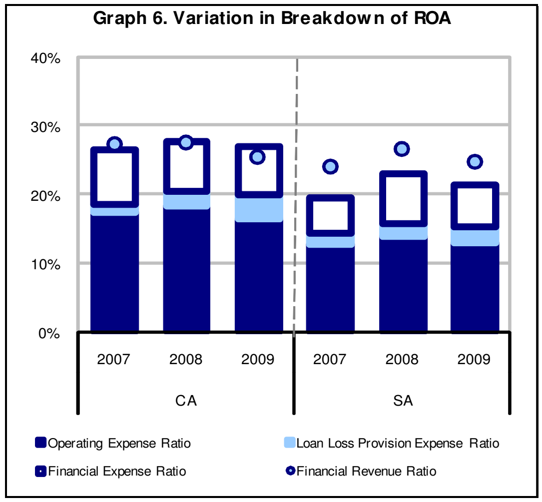
With regards to profitability, for the first time it was observed that the majority of CA institutions did not achieve financial self sustainability, which means that the income level could not cover Total Expenses (Financial Expense, Loan Loss Provision Expense and Generally Accepted Financial Adjustments). As a result, the majority of MFIs went through a stage of change in priorities: from increase profitability in the past, to trying to keep operations at present.

Graph 5. Variation in Adjusted Return on Assets



At the end of 2009, the median indicator for Return on Assets (ROA) of CA was -1.2%, while SA showed a positive ROA of 1%, but with a clear decreasing trend (Graph 5). One of the in-depth elements influencing the drop of CA profitability was the increase in arrears, which affected the income and expense of institutions:

- From the side of revenues, the ratio of Nominal Yield on Gross Loan Portfolio (interests and commissions over average loan portfolio), decreased in more than 4pp between 2008 and 2009 ending with 29.6%, having a direct influence on MFI total revenues. During prosperity, when arrears are low and controlled, a decrease in the yield of the gross loan portfolio is associated to a decrease of active interest rates in the market; during adverse times, with a fast increase in the level of arrears, a decrease in that indicator is related to a deterioration in recovery rates, which affects income from interests and principal.



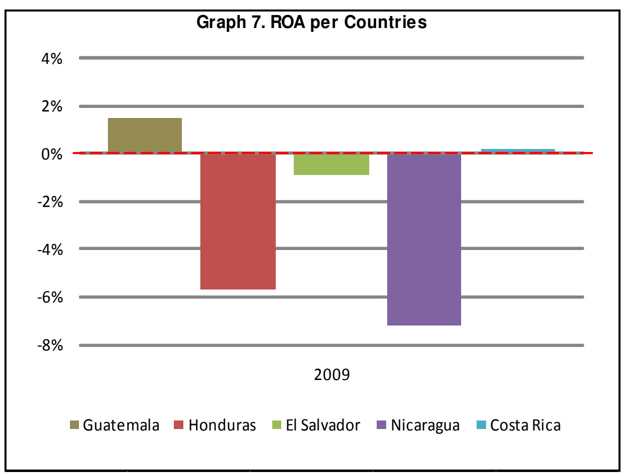
- From the side of expenses, constitution of provisions for loans of doubtful recovery added up to other elements affecting MFI results. Although loan loss provision expense did not represent the largest component of the total expense (Graph 6), its growth arrived around 4% of total assets of the median of the CA group, not compensating the reduction in operating costs. It should be mentioned that several MFIs in the region had to reduce personnel, and in some cases branches, as a mechanism to reduce costs, trying to achieve self-sufficiency.

In the present conditions, it is to be expected for microfinance to experience a reduction on the side of the offer in the short term. Saturated markets where small MFIs could be absorbed by larger sized competitors, or else, for institutions to cease operations as a consequence of their fast growth. A first example on the side of the offer was seen in Nicaragua in 2010 with the beginning of the intervention process of BANEX.

Profitability, large institutions territory?

A striking aspect during the development of this crisis was that it affected the different groups of institutions, regardless of their size; however, greater deterioration could be observed among larger scale groups. This was confirmed when grouping institutions by countries and by size.[4].

Generally, certain benefits are associated with larger scale institutions, such as scale economies, capacity to attract a larger number of borrowers because of the possibility of offering differentiated interest rates, capacity to absorb technological investments that allow for a more agile client service, among other benefits which result in the increase or stability of profitability. However, the present crisis has broken some paradigms.



Since 2008, deterioration of the profitability in countries with larger MFI such as Honduras and Nicaragua could be seen. These countries showed the largest losses during 2009, which was reflected in negative ROAs of 7% in NIC and 5.7% in HND (see Graph 7). In the case of NIC, the losses were due to a contraction of around 5.5 percentage points in the median ratio of Yield on Gross Loan Portfolio and for an increase of 7pp in the Loan Loss Provision ratio.

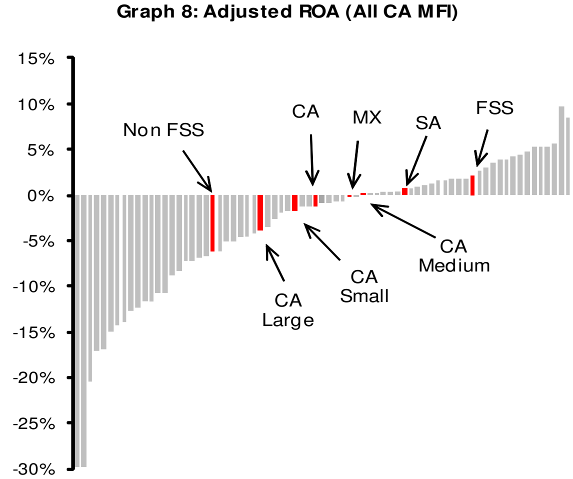
Guatemala and Costa Rica managed to maintain financial self sufficiency, closing with a positive median ROA of 1.7% and 0.3%. Some of the factors influencing profitability in these countries were:

[4] According to MIX definitions: CA Small, loan portfolio less than USD 4million; CA Medium, loan portfolio between USD 4 and USD 15 million; CA Large, loan portfolio greater than USD 15 million.

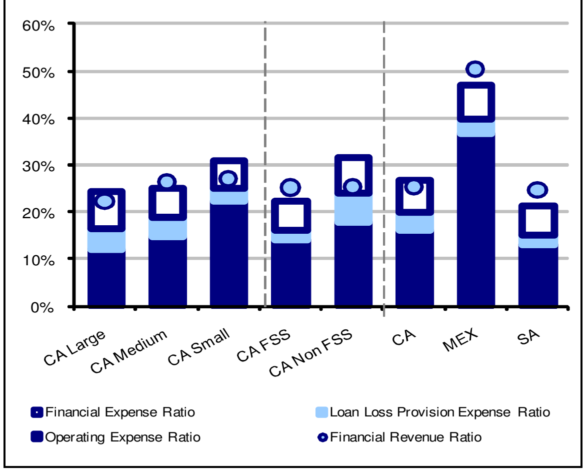
- Lower level of indebtedness. The median Debt/Equity ratio of GTM was of 1.3 times and the one of CRI was of 1.8 times, versus HND and NIC which showed a median leverage of 2.4 and 4.2 times respectively. This resulted in some MFI having less pressure in their income via lower financial expenses.
- Lower loan loss provision expense. In CRI the median Loan Loss Provision Expense Ratio was placed at 1.7%, showing at the same time the lower portfolio at risk indicator. However, the risk coverage (reserves for doubtful credits / PaR > 30 days) was the lowest in Central America, 35.4%.

Seen from the perspective of the selected peer groups, large institutions (CA Large) again showed greater deterioration of profitability indicators (Graph 8), even more accentuated than those shown by small institutions (CA Small). Again, the factors of lower revenues and higher loan loss provision expense repeat themselves (Graph 9). The higher loan loss provision expense can be ascribed to a greater compliance with more strict provisioning policies, due to the fact that a part of them are regulated institutions or they are MFI NGO that try to incorporate prudential norms of current regulatory schemes. In the end, CA Large covered approximately 86% of total expenses, including expenses for financial adjustments.

Graph 8: Adjusted ROA (All CA MFI)



Graph 9. Breakdown of ROA



On the other hand, the CA Medium group stood out, although barely reached the sustainability threshold, it did reach a positive ROA Adjusted in the majority of the institutions. The characteristics of the CA Medium group with regards to revenues and expenses can be appreciated in Graph 9, reflecting a balance of expenses (total expenses similar to those of CA Large) and revenue levels intermediate between CA Large and CA small, which allowed for sustainability. It is important to observe that the lower financial expense compensated for higher operational expense of CA Medium with regards to CA Large.

The following characterized the Self-sufficient MFI (CA FSS) with respect to the Non Self-sufficient (CA Non FSS):

- There was no great difference with regards to size. CA FSS with a median loan portfolio of USD 4.99 million and around 6,227 served borrowers per MFI, while CA Non FSS showed a median loan portfolio of USD 4.04 million and 6,337 borrowers.
- Financial revenue was similar in both groups, around 25% of average assets.
- The levels of indebtedness were lower in CA FSS, ending 2009 with a median leveraging indicator of 1.6 times, against 3.1 times in CA Non FSS.
- The loan portfolio showed less deterioration, CA FSS ended with PaR > 30 days of 6.2% and CA Non FSS of 12.4%.
- Operational expenses were also lower, finding a smaller number of employees, a median of 50 collaborators per institution in CA FSS versus 64 in CA Non FSS.

Effects of Funding

In the years before 2008, in which the industry grew at an accelerated rhythm, a very important difference between MFI was the level of access to funding, which allowed for the expansion of the industry and the notorious differences in size between institutions and between countries.

During times of crisis, the high level of leveraging showed by some institutions over others (such as CA Large versus CA Small or Medium) played an unfavorable role because the financial dependency put even more pressure over the weakened revenues, due to the payment of obligations (interests and capital of debts), which can partly explain the results of the CA Large group. It was also evidenced that in different markets the demand was overestimated, procuring funds to continue growing strongly, a high risk growth that unchained the unfavorable results in Central American MFI.

Example of the latter is the capitalization of debt by some regulated institutions in Nicaragua, this way liberating pressure over the cash flow. During the first months of 2010, the financial institution BANEX, capitalized around USD 12 million additional to those capitalized in 2009.

Some smaller sized institutions expressed feeling less pressure on their financial statements due to the smaller proportion of debts; however, their results are explained by the sum of other factors, mainly by their operational expenses.

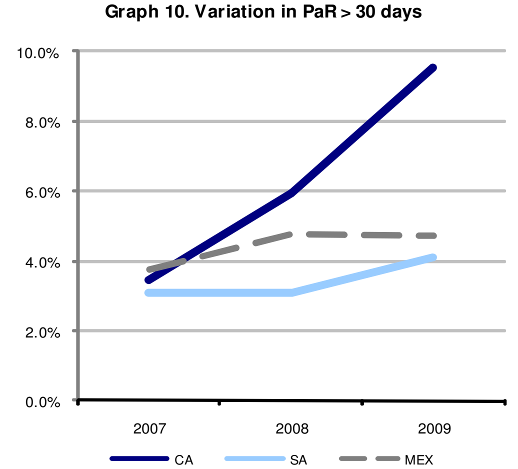
In the end, there is a dilemma with funding via debts. In this crisis the excess of funding affected even more the diminished revenues. But, at the same time, fresh resources are required to again boost activity. The key is in the terms of the new resources, or else, in the reconsideration by the regulating entities giving MFI the capacity to mobilize resources from the public.

Portfolio at Risk Continued Increasing

Considering different indicators and according to various entities, the Central American economy started reactivating during the second semester of 2009. Although some MFI directors are of the opinion that this could be true for certain sectors, such as large producers and large business, the greater part of micro business are still facing difficulties to recover their businesses dynamics.

In brief, one of the most visible expressions in microfinance was the continuous increase in arrears, leaving behind the times of low and controlled risk (see Graph 10). At the end of 2009, CA closed with an indicator of Portfolio at Risk greater than 30 days close to 10% per institution, and record write-off levels close to 3% of the loan portfolio in the majority of MFI.

Graph 10. Variation in PaR > 30 days



The lessons learned in the crisis were not to overestimate demand, grow more cautiously, give allocations more follow-up, strengthen policies and credit analysis, be aware of risks and in various cases redefinition of the incentives policies. As a result, different MFIs recorded low arrears in new allocations. On the other hand, microfinance networks demonstrated being the right means to conceive and manage risk management programs in MFI, as well as to establish contact with investors and donors in order to try and maintain the flow of funds to countries.

Outside of Central America the situation was different, with more stable credit risk indicators, which in part could have been influenced by the continuous growth still shown by the markets. However, in South

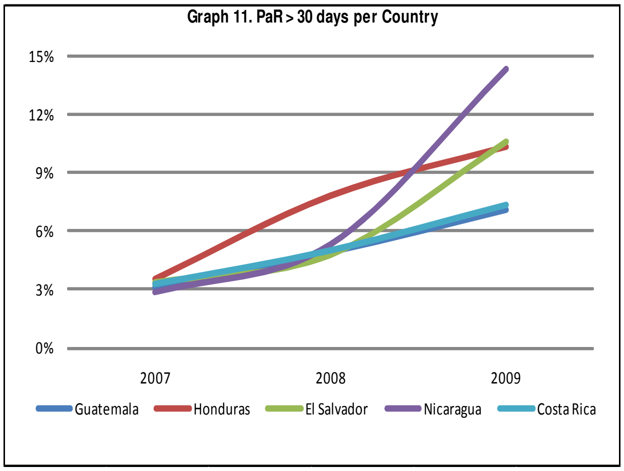
America some increase in the PaR > 30 days started being observed in 2009, which in the short run should be subject to follow-up. At the end, Mexico showed a median indicator of PaR > 30 days of 4.7% and South America of 4.1%.

Some countries more affected than others

Although deterioration of the loan portfolio was generalized in the Central American countries, some were more affected than others. Nicaragua, Honduras and El Salvador showed an upward slope steeper than that of the rest, ending with a median PaR > 30 days of 14.4, 10.4 and 10.6 percent respectively (see Graph 11). While Guatemala and Costa Rica ended with an indicator of around 7.4%. Some factors affecting results in the first three countries are the following:

- Nicaragua. Besides the drop in the price of some agricultural products, especially cattle, and some climatic effects, the situation was notoriously worsened by an increase of persons which refused to fulfill their obligations. Preliminary data of the National Network ASOMIF, indicate that as to June 2010 had received "intentions to negotiate" from the movement totaling around USD 13 million, which represent close to 6.7% of the loan portfolio of ASOMIF's affiliates. Subtracting this effect we would find that Nicaragua's PaR would not be much different than the one shown by countries with less deterioration. It should be mentioned only USD 8 million of the requests were covered by law[5], the rest could be interpreted as the contagion of the market. Similarly, only a small portion of clients appeared to formalize their intentions.

Graph 11. PaR > 30 days per Country

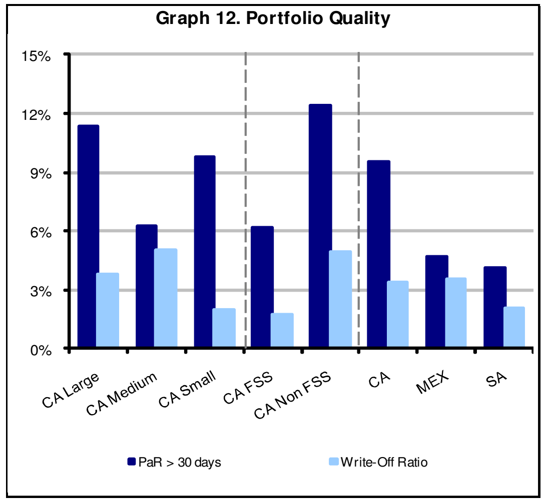


- Honduras. Several institutions pointed out the political crisis as one of the factors that boosted the deterioration of the loan portfolio, with micro business being affected by curfew, pillage of several businesses, uncertainty on the direction of the country and other related consequences.

- El Salvador. In this country the growing wave of delinquency has been pointed out as one of the factors influencing the activity of micro business, with much more of an impact on microfinance than in previous years. Numerous businesses in different neighborhoods have closed due to extortion and damages caused by criminal groups. Another aspect deteriorating the economy of the families was the drop in remittances.

[5] Special Law for the Establishment of Basic Conditions and Guarantees for Debt Renegotiation between Microfinance Institutions and Debtors in Arrear published in the Gaceta on April 13, 2010 by the National Assembly of Nicaragua.

Findings per Peer Group



One of the most striking aspects when observing the characteristics of peer groups was that CA Large institutions showed risk indicators very similar to those of CA Non FSS (see Graph 12). From the side of PaR > 30 days, both groups had the highest ratios, close to 12% of their loan portfolio. Similarly, their write-offs level was among the highest, 3.8% of the average loan portfolio in CA Large and 4.9% in CA Non FSS. This evidenced a clear relationship between large MFI, deterioration of the loan portfolio and financial self sufficiency not reached.

On the side of the group of Medium MFI, these showed one of the lower risk indicators together with MFI FSS, PaR > 30 days around 6.2% per institution in both cases. However, such indicator in CA Medium was diminished by high write-offs, 5% at the end of 2009. A lower deterioration in the level of revenues in relation to the rest of the groups, a lower proportion of operational expenses (with respect to CA Small) and lower financial expenses (with respect to CA Large), allowed for the build-up of reserves able to withstand higher write-offs. Even with higher write-offs, CA Medium showed the highest risk coverage of the rest of the groups, covering around 77% of PaR > 30 days with their reserves for credits of doubtful recovery.

Conclusions

The signals observed at the end of 2008, such as deceleration in the growth of Central American MFI, a slight increase in arrears, and a lowering trend in returns, was just the beginning of a crisis that was more acute during 2009. At the same time, following the behavior of the different financial systems in Central America, it was observed that the banking sector in general was affected, although not comparable to the deterioration of the microfinance industry.

The consequences were integral, reduction in size, in scale as well as in outreach, losses in the results of the majority of institutions and a continuous increase in arrears. The latter being the key factor in this crisis, which partly was a result of the various international crisis affecting economies since 2008, partly due to some circumstances in individual countries (Nicaragua with the “No Pago” movement, Honduras with effects from the political crisis and El Salvador with the increase in delinquency and the reduction of remittances)and weakness in the governance of some MFI, but it was also a result of a higher indebtedness of clients due to a relaxation in the allocation of credits by MFI. It is probable that this crisis will extend still for another year.

In the end, a clean-up of the demand was experienced, leading MFI to analyze their client portfolio and to increase write-offs in those cases considered irrecoverable. From the side of the offer, also it is not remote to see a clean-up process in the short run, already seen in Nicaragua with the intervention of Banco del Éxito (BANEX), or to see a consolidation of the offer via mergers.

On the other hand, a crisis of trust came into the scene: of investors to MFI and of MFI to clients. Exit of funds started being observed in the region, although concentrated mainly in Nicaragua, as an expression of the country risk perceived by the international community. In contrast, the banking system showed increases in deposits from the public, stressing an opportunity for the microfinance industry that could be accessible having the adequate regulatory framework.

From the perspective of the Peer Groups, it was concluded that the size of MFI was not a determining factor in profitability. On the contrary, the group of MFI Large showed greater deterioration with regards to portfolio quality and results than the rest of the groups. They had the highest expense for provision for credits of doubtful recovery, due largely to their greater compliance with current prudential norms in each country's regulations.

Therefore, in the short run, the future of MFI will be determined by certain key factors, among which are the mentioned the following:

- Ability of MFI to reach higher efficiency: reduction and control of operational expenses.
- The quality of new allocations, in compliance with adequate policies.
- Awareness of the risk at all levels of the organizations, especially in the boards of directors and commercial areas.
- Greater transparency and governance of institutions.
- Actions from investors and donors, especially to guarantee the availability of funds for the region, at adequate conditions.
- Actions from local government in each country in support of micro entrepreneurs and microfinance.

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Data and Comparison Scales

The data used in this report was recorded as of 31 December 2009, from a total of 87 MFI in 6 Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panamá). All the information has been provided voluntarily by the MFI to the Analytical Unit for Central America created at REDCAMIF (August 2005) with the technical support of the Microfinance Information eXchange (MIX). Data has been collected and analyzed to measure the performance of the microfinance industry in CA compared to the rest of Latin America and the Caribbean, which historically has been handled as a single group.

The information has been standardized and adjusted to inflation, cost-of-funds subsidies, in-kind subsidies, standardized write-offs and minimum loan loss provisioning, according to the standards of the MIX MicroBanking Bulletin. Peer groups are made up of MFI that share at least one characteristic. Since the performance of MFI can be heterogeneous within a peer group, the information always reflects the group's median to reduce the influence of extreme and atypical values

Indicator Definitions and Comparative Benchmarks

Number of MFI	Sample size of group
Age	Years functioning as an MFI
Total Assets	Total assets adjusted to inflation and standardized loan portfolio provisioning and write-offs
Offices	Number, including head office
Personnel	Total number of employees
FINANCIAL STRUCTURE	
Capital / Asset Ratio	Total Equity, adjusted / Total Assets, adjusted
Debt / Equity Ratio	Total liabilities, adjusted/ Total Equity, adjusted
Deposits to Loans	Total voluntary Deposits/ Gross loan Portfolio, adjusted
Deposits to Total Assets	Total voluntary Deposits/ Total Assets, adjusted
Gross Loan Portfolio/ Total Assets	Gross Loan Portfolio, adjusted/ Total Assets, adjusted
SCALE INDICATORS	
Number of Active Borrowers	Number of Borrowers with loans outstanding, adjusted for standardized write-offs
Percent of Women Borrowers	Number of active women borrowers / Number of active borrowers, adjusted
Number of Outstanding Loans	Number of outstanding loans, adjusted for standardized write-offs
Gross Loan Portfolio	Gross loan portfolio, adjusted for standardized write-offs
Average Loan Balance per Borrower	Gross loan portfolio, adjusted / Number of active borrowers, adjusted
Average Loan Balance per Borrower / GNP per Capita	Average Loan Balance per Borrower/ GNP per Capita
Number of Voluntary Deposit Accounts	Number of voluntary deposits and fixed term deposits
Voluntary Deposits	Voluntary deposits and fixed term deposits balance
Average Deposit Balance per Depositor	Voluntary Deposits/ Number of Voluntary Depositors
MACROECONOMIC INDICATORS	
GNP per Capita	USD
GIP Growth Rate	Annual Average
Deposit Rate	%
Inflation Rate	%
Financial Penetration	M3/ GIP
PROFITABILITY AND SUSTAINABILITY	
Return on Assets	Net Operating Income adjusted and Net of Taxes/ Average Total Assets, adjusted
Return on Equity	Net Operating Income adjusted and Net of Taxes / Average Total Equity, adjusted
Operational Self-Sufficiency	Financial Revenue/ (Financial Expense + Net Loan Loss Provision Expense + Operating Expense)
Financial Self-Sufficiency	Financial Revenue, adjusted/ (Financial Expense + Net Loan Loss Provision Expense + Operating Expense) adjusted
REVENUE	
Financial Revenue Ratio	Financial Revenue adjusted/ Average Total Assets adjusted
Profit Margin	Net Operating Income adjusted/ Financial Revenue adjusted
Yield on Gross Loan Portfolio (nominal)	Financial Revenue from Loan Portfolio / Average Gross Loan Portfolio
Yield on Gross Loan Portfolio (real)	(Yield on Gross Loan Portfolio (nominal) - Inflation rate)/ (1 + Inflation rate)
EXPENSE	
Total Expense Ratio	(Financial Expense + Net Loan Loss Provision Expense + Operating Expense) adjusted/ Average Total Assets adjusted
Financial Expense Ratio	Financial Expenses adjusted/ Average Total Assets
Loan Loss Provision Expense Ratio	Net Loan Loss Provision Expense adjusted/ Average Total Assets
Operating Ratio	(Operating Expense + in kind donations)/ Average Total Assets adjusted
Personnel Expense Ratio	Personnel Expense / Average Total Assets adjusted
Administrative Expense Ratio	Administrative Expense adjusted/ Average Total Assets Adjusted
Adjustments Expense Ratio	Net Operating Income – Net Operating Income not adjusted/Average Total Assets adjusted
EFFICIENCY	
Operating Expense/ Loan Portfolio	Operating Expense adjusted/ Average Gross Loan Portfolio adjusted
Cost per Borrower	Operating Expense adjusted/ Average Number of Active Borrowers adjusted
Personnel Expense/ Loan Portfolio	Personnel Expense adjusted/ Average Gross Loan Portfolio adjusted
Average Salary/ GNP per Capita	Average Personnel Expense / GNP per Capita
PRODUCTIVITY	
Borrowers per Staff Members	Number of Active Borrowers adjusted/ Number of Personnel
Borrowers per Loan Officer	Number of Active Borrowers/ Number of Loan Officers
Savings accounts per Staff Members	Number of Savings Accounts/ Number of Personnel
Personnel Distribution Ratio	Number of Loan Officers/ Number of Personnel
PORTFOLIO QUALITY	
Portfolio at Risk > 30 Days	Outstanding Balance, Loans Overdue > 30 days/ Gross Loan Portfolio, adjusted
Portfolio at Risk > 90 Days	Outstanding Balance, Loans Overdue > 90 days/ Gross Loan Portfolio, adjusted
Write-offs Ratio	Value Write-offs adjusted/ Average Gross Loan Portfolio adjusted
Risk Coverage	Loan loss reserve adjusted/ PAR > 30 days
Liquid Assets No Prod./ Total Assets	Cash and Bank adjusted / Total Assets adjusted

Central America — **Benchmarks (Reference Data 2009, in USD)**

Peer Groups	Costa Rica	El Salvador	Guatemala	Honduras	Nicaragua	México	Central America
	Countries						
INSTITUTIONAL CHARACTERISTICS							
Number of MFI	12	13	19	17	22	52	87
Age	21	14	20	16	16	6	16
Total Assets (thousands)	2,599	7,127	5,555	7,414	8,941	7,419	6,458
Offices	1	5	5	11	10	13	7
Personnel	9	98	35	114	107	131	61
FINANCIAL STRUCTURE							
Capital / Asset Ratio	36.2%	39.1%	43.6%	29.4%	19.2%	29.9%	31.1%
Debt / Equity Ratio	1.8	1.6	1.3	2.4	4.2	2.3	2.2
Deposits to Loans	0.0%	0.0%	0.0%	12.4%	0.0%	0.0%	0.0%
Deposits to Total Assets	0.0%	0.0%	0.0%	10.5%	0.0%	0.0%	0.0%
Gross Loan Portfolio/ Total Assets	83.5%	75.2%	78.9%	79.1%	76.2%	74.9%	78.0%
SCALE INDICATORS							
Number of Active Borrowers	689	7,579	4,668	9,947	11,372	14,721	6,337
Percent of Women Borrowers	37.0%	62.8%	77.5%	66.6%	55.1%	85.0%	61.7%
Number of Outstanding Loans	1,165	8,582	4,668	10,037	11,487	14,721	6,412
Gross Loan Portfolio (thousands)	1,924	6,596	4,041	5,288	8,039	5,563	4,186
Average Loan Balance per Borrower	2,141	1,180	460	648	898	321	897
Average Loan Balance per Borrower / GNP per Capita	33.7%	31.0%	17.7%	34.8%	90.2%	4.0%	36.3%
Number of Voluntary Deposit Accounts	0	0	0	2,573	0	0	0
Voluntary Deposits (thousands)	0	0	0	364	0	0	0
Average Deposit Balance per Depositor	0	0	0	85	0	0	0
OVERALL FINANCIAL PERFORMANCE							
Return on Assets	0.2%	-0.9%	1.5%	-5.7%	-7.2%	-0.5%	-1.2%
Return on Equity	0.4%	-1.3%	6.0%	-9.6%	-36.2%	-2.7%	-3.1%
Operational Self-Sufficiency	115.6%	103.9%	110.6%	100.9%	83.6%	102.4%	104.4%
Financial Self-Sufficiency	100.8%	93.6%	106.5%	88.7%	80.3%	99.2%	95.4%
REVENUE							
Financial Revenue Ratio	20.5%	24.5%	26.3%	31.1%	25.5%	50.4%	25.5%
Profit Margin	0.8%	-6.9%	6.1%	-12.8%	-24.5%	-0.8%	-4.9%
Yield on Gross Loan Portfolio (nominal)	23.4%	34.8%	29.7%	37.9%	27.2%	69.3%	29.6%
Yield on Gross Loan Portfolio (real)	14.4%	33.4%	27.3%	30.7%	22.0%	60.8%	26.4%
EXPENSE							
Total Expense Ratio	20.8%	26.6%	27.5%	32.0%	32.4%	48.7%	28.8%
Financial Expense Ratio	8.3%	4.9%	5.3%	8.4%	7.6%	7.0%	7.1%
Loan Loss Provision Expense Ratio	1.7%	4.4%	3.0%	3.0%	8.1%	3.2%	3.6%
Operating Ratio	8.1%	16.9%	19.6%	19.6%	14.8%	36.7%	16.3%
Personnel Expense Ratio	4.4%	8.4%	10.0%	10.5%	7.0%	21.6%	8.2%
Administrative Expense Ratio	4.9%	7.2%	7.5%	8.9%	7.0%	15.1%	7.1%
Adjustments Expense Ratio	3.2%	0.5%	1.3%	1.9%	1.6%	1.4%	1.6%
EFFICIENCY							
Operating Expense/ Loan Portfolio	9.4%	22.5%	20.5%	22.2%	18.0%	46.8%	19.2%
Personnel Expense/ Loan Portfolio	3.7%	11.2%	11.8%	13.7%	8.6%	29.1%	11.0%
Average Salary/ GNP per Capita	167.0%	268.0%	349.0%	590.0%	735.5%	138.0%	372.0%
Cost per Borrower	221	238	103	191	142	171	158
PRODUCTIVITY							
Borrowers per Staff Members	84	76	122	83	90	106	85
Borrowers per Loan Officer	276	232	238	224	275	204	242
Savings accounts per Staff Members	0	0	0	16	0	0	0
Personnel Distribution Ratio	33.3%	36.7%	47.9%	44.5%	36.0%	50.9%	37.7%
PORTFOLIO QUALITY							
Portfolio at Risk > 30 Days	7.4%	10.6%	7.1%	10.4%	14.4%	5.3%	9.6%
Portfolio at Risk > 90 Days	3.8%	6.0%	3.5%	6.4%	10.4%	3.0%	5.6%
Write-offs Ratio	0.3%	2.6%	3.5%	3.8%	5.8%	2.1%	3.3%
Risk Coverage	35.4%	57.5%	58.6%	59.9%	68.4%	60.0%	60.3%
Liquid Assets No Prod./ Total Assets	4.6%	16.3%	14.4%	9.1%	8.8%	10.0%	9.4%

"All data are Medians"

Central America					Benchmarks (Reference Data 2009, in USD)	
Peer Group			***Scale***		***Financial Self Sufficiency***	
	South America	***Large***	***Medium***	***Small***	***FSS***	***Non FSS***
INSTITUTIONAL CHARACTERISTICS						
Number of MFI	196	19	27	41	36	51
Age	14	17	16	15	16	16
Total Assets (thousands)	13,881	44,555	8,709	2,049	6,486	5,506
Offices	9	22	8	4	7	7
Personnel	89	235	104	29	50	64
FINANCIAL STRUCTURE						
Capital / Asset Ratio	21.9%	19.9%	32.8%	39.9%	38.8%	24.4%
Debt / Equity Ratio	3.5	4.0	2.1	1.5	1.6	3.1
Deposits to Loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deposits to Total Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross Loan Portfolio/ Total Assets	80.1%	79.1%	78.5%	75.3%	81.7%	74.9%
SCALE INDICATORS						
Number of Active Borrowers	9,240	16,617	10,579	2,621	6,227	6,337
Percent of Women Borrowers	56.7%	57.2%	54.2%	68.8%	57.1%	65.5%
Number of Outstanding Loans	9,755	19,137	10,639	2,782	6,535	6,337
Gross Loan Portfolio (thousands)	9,918	30,490	6,651	1,473	4,991	4,041
Average Loan Balance per Borrower	1,254	2,017	891	542	940	649
Average Loan Balance per Borrower / GNP per Capita	28.5%	115.3%	33.2%	20.3%	32.6%	42.0%
Number of Voluntary Deposit Accounts	0	0	0	0	0	0
Voluntary Deposits (thousands)	0	0	0	0	0	0
Average Deposit Balance per Depositor	0	0	0	0	0	0
OVERALL FINANCIAL PERFORMANCE						
Financial Revenue Ratio	0.8%	-3.8%	0.0%	-1.8%	1.8%	-7.0%
Profit Margin	4.8%	-21.5%	0.1%	-2.8%	6.6%	-25.3%
Yield on Gross Loan Portfolio (nominal)	110.9%	100.5%	108.2%	104.4%	117.8%	91.6%
Yield on Gross Loan Portfolio (real)	104.8%	86.5%	100.3%	93.7%	109.1%	79.5%
REVENUE						
Financial Revenue Ratio	24.7%	22.3%	26.3%	27.0%	25.2%	25.5%
Profit Margin	4.6%	-15.6%	0.3%	-6.7%	8.4%	-25.9%
Yield on Gross Loan Portfolio (nominal)	27.1%	23.9%	30.3%	36.9%	30.0%	29.2%
Yield on Gross Loan Portfolio (real)	22.7%	18.8%	26.8%	31.3%	27.3%	24.6%
EXPENSE						
Total Expense Ratio	22.6%	25.8%	28.2%	31.2%	23.4%	33.5%
Financial Expense Ratio	6.2%	7.9%	6.2%	5.6%	6.4%	7.5%
Loan Loss Provision Expense Ratio	2.2%	4.7%	4.0%	2.7%	1.9%	6.1%
Operating Ratio	12.9%	11.8%	14.8%	22.4%	14.1%	18.0%
Personnel Expense Ratio	7.3%	6.2%	8.2%	11.8%	8.2%	8.4%
Administrative Expense Ratio	5.3%	5.8%	6.7%	8.7%	6.2%	8.2%
Adjustments Expense Ratio	0.8%	1.0%	1.0%	2.3%	0.9%	2.2%
EFFICIENCY						
Operating Expense/ Loan Portfolio	16.8%	14.1%	18.7%	25.6%	17.4%	20.2%
Personnel Expense/ Loan Portfolio	9.4%	7.4%	9.8%	13.9%	9.8%	11.8%
Average Salary/ GNP per Capita	277.0%	588.0%	431.0%	250.5%	334.0%	566.0%
Cost per Borrower	197	268	146	139	146	172
PRODUCTIVITY						
Borrowers per Staff Members	112	71	95	90	91	83
Borrowers per Loan Officer	280	246	264	238	243	242
Savings accounts per Staff Members	0	0	0	0	0	0
Personnel Distribution Ratio	40.7%	34.1%	42.2%	37.8%	43.3%	37.0%
PORTFOLIO QUALITY						
Portfolio at Risk > 30 Days	4.1%	11.4%	6.2%	9.8%	6.2%	12.4%
Portfolio at Risk > 90 Days	2.8%	7.8%	3.7%	5.1%	3.0%	8.0%
Write-offs Ratio	2.1%	3.8%	5.0%	2.0%	1.7%	4.9%
Risk Coverage	103.8%	55.6%	77.0%	55.9%	73.2%	59.2%
Liquid Assets No Prod./ Total Assets	12.6%	8.5%	9.7%	9.2%	8.8%	10.4%

"All data are Medians"

Peer Group Guide	
PEER GROUPS	**Participating Institutions**
Countries: Costa Rica	ACORDE, ACRG, ADRI, APACOOP, ASOPROSANRAMON, CREDIMUJER, FIDERPAC, FOMIC, FUDECOSUR, Fundación Mujer, FUNDEBASE, FUNDECOCA.
Countries: El Salvador	ACCOVI, AMC de R.L., Apoyo Integral, Asociación El Bálsamo, CCAMETRO, ENLACE, FADEMYPE, FINCA - SLV, Fundación CAMPO, FUNSALDE, MICREDITO, PADECOMSMCREDITO.
Countries: Guatemala	ADICLA, AGUDESA, ASDIR, Asociación SHARE, AYNLA, CARE - GTM, CDRO, CRYSOL, FAFIDESS, FAPE, FIACG, FINCA - GTM, FONDESOL, Fundación MICROS, FUNDEA, FUNDEMIX, FUNDESPE, Génesis Empresarial, MUDE.
Countries: Honduras	ADICH, BanCovelo, CARE - CREEME, FAMA OPDF, FHA, FINCA - HND, FINSOL, FUNDAHMICRO, FUNDEVI, FUNED OPDF, HDH OPDF, IDH, Microfinanciera Prisma, ODEF Financiera, PILARH OPDF, World Relief - HND.
Countries: Nicaragua	ADIM, AFODENIC, ASODENIC, BANEX, Caritas Estelí, CEPRODEL, Coop 20 de Abril, Coop Avances, FDL, Financiera Fama, FINCA - NIC, FODEM, FUDEMI, Fundación 4i-2000, Fundación León 2000, Fundación Nieborowski, FUNDENUSE, FUNDESER, PRESTANIC, PRODESA, Pro Mujer - NIC.
Countries: Mexico	ALFIN, ALSOL, AMEXTRA, Apoyo Económico, Apoyo Social, APROS, ASP Financiera, ATEMEXPA, Caja Depac Poblana, Caja Popular Mexicana, CAME, COCDEP, CompartamosBanco, Conserva, Consol, Crece Safsa, CrediClub, CrediComún, CrediConfía, Crezkamos Kapital, Despacho Amador, Don Apoyo, Emprendesarial, Ficrea, Finacen, FinAmigo, Financiera Independencia, FINCA - MEX, FinComún, FISUR, Forjadores de Negocios, FRAC, FVP, GCM, Grameen Trust Chiapas, Invirtiendo, Mas Kapital, Oportunidad Microfinanzas, Pro Mujer - MEX, Proapoyo, Progresemos, Provident, Red de Vanguardia, SemiSol, SerAUGE, Siempre Creciendo, SolFi, Solución Asea, Soluciones Reales, Te Creemos, UNICREICH, Vivir Soluciones.
All MFI in Central America	ACCOVI, ACORDE, ACRG, ADICH, ADICLA, ADIM, ADRI, AFODENIC, AGUDESA, AMC de R.L., APACOOP, Apoyo Integral, ASDIR, Asociación El Bálsamo, Asociación SHARE, ASODENIC, ASOPROSANRAMON, AYNLA, BanCovelo, BANEX, CARE - CREEME, CARE - GTM, Caritas Estelí, CCAMETRO, CDRO, CEPRODEL, Coop 20 de Abril, Coop Avances, Coop Juan XXIII, CREDIMUJER, CRYSOL, ENLACE, FADEMYPE, FAFIDESS, FAMA OPDF, FAPE, FDL, FHA, FIACG, FIDERPAC, Financia Credit, Financiera Fama, FINCA - GTM, FINCA - HND, FINCA - NIC, FINCA - SLV, FINSOL, FODEM, FOMIC, FONDESOL, FUDECOSUR, FUDEMI, Fundación 4i-2000, Fundación CAMPO, Fundación León 2000, Fundación MICROS, Fundación Mujer, Fundación Nieborowski, FUNDAHMICRO, FUNDEA, FUNDEBASE, FUNDECOCA, FUNDEMIX, FUNDENUSE, FUNDESER, FUNDESPE, FUNDEVI, FUNED OPDF, FUNSALDE, Génesis Empresarial, HDH OPDF, IDH, MICREDITO, Microfinanciera Prisma, Microserfin, MUDE, ODEF Financiera, PADECOMSMCREDITO, PILARH OPDF, PRESTANIC, Pro Mujer - NIC, ProCaja, PRODESA, World Relief - HND.
All MFI in South America	Acredite, Actuar Caldas, Actuar Quindio, ADRA - PER, AGAPE, AgroCapital, Alternativa Microfinanzas, AMA, ANDE, ANED, ASIDME, Asociación Arariwa, Bancamía, Banco da Família, Banco do Vale, Banco Familiar, Banco FIE, Banco Solidario, BancoEstado, Bancolombia Microfinanzas, BancoSol, BANCRI, BanGente, BanIgualdad, BCSC, BMM Córdoba, CACMU, CCC, CEADe, CEAPE BA, CEAPE MA, CEAPE PE, CEAPE PI, Central Cresol Baser, CEPESIU, CESOL ACJ, CIDRE, CMAC Arequipa, CMAC Cusco, CMAC Del Santa, CMAC Huancayo, CMAC Ica, CMAC Maynas, CMAC Paita, CMAC Pisco, CMAC Piura, CMAC Sullana, CMAC Tacna, CMAC Trujillo, CMCP Lima, COAC 4 de Octubre, COAC Ambato, COAC Artesanos, COAC Chone, COAC Fernando Daquilema, COAC Fondvida, COAC Jardín Azuayo, COAC Kullki Wasi, COAC La Benéfica, COAC Luz del Valle, COAC MCCH, COAC Minga, COAC Mushuc Runa, COAC Nacional, COAC Padre Vicente, COAC Pallatanga, COAC Sac Aiet, COAC San Antonio, COAC San Gabriel, COAC San José, COAC Santa Anita, CODESARROLLO, COMERCIACOOP, Comultrasan, Confiar, Contactar, Coomultagro, Coop Fátima, Coop Jesús Nazareno, Coop MEDA, COOPAC Chiquinquira, COOPAC León XIII, COOPAC Los Andes, COOPAC Norandino, COOPAC San Cristóbal, COOPAC San Martín, COOPAC Santa Maria, COOPAC Santo Cristo, COOPAC Santo Domingo, COOPROGRESO, Cordial Microfinanzas, CRAC Credinka, CRAC Los Andes, CRAC Nuestra Gente, CRAC Profinanzas, CRAC Señor de Luren, CRAC Sipán, CRECER, Credi Fé, CrediAmigo, Credicoop, CREDIOESTE, Crediscotia, Credisol, Crédito Solidário, Cresol Central, Crezcamos, Diaconia, D-Miro, ECLOF - ECU, EcoFuturo FFP, EDAPROSPO, EDPYME Acceso Crediticio, EDPYME Alternativa, EDPYME Credivisión, EDPYME Efectiva, EDPYME Nueva Visión, EDPYME Pro Negocios, EDPYME Proempresa, EDPYME Raíz, EDPYME Solidaridad, Emprenda,

	Emprender, Entre Todos, FACES, Fácil SCM, Fassil FFP, FIE Gran Poder, FIELCO, FinAmérica, Financiera Confianza, Financiera Crear, Financiera Edyficar, FINCA - ECU, FINCA - PER, FMM Bucaramanga, FMM Popayán, FMSD, FODEMI, Fomentamos, FONCRESOL, FONDECO, FONDESURCO, Fondo Esperanza, Fortaleza FFP, FOVIDA, FUBODE, FUNBODEM, Fundación Alternativa, Fundación Amanecer, Fundación Espoir, Fundación Paraguaya, FUNDAMIC, FUNDESAN, FUNDESMAG, ICC BluSol, ICC MAU-CE, IDEPRO, IDER CV, IDESPA, IMPRO, INSOTEC, Instituto Estrela, Interactuar, Interfisa Financiera, Intihuaca - BMM Argentina, Manuela Ramos, Mentors - PER, MiBanco, Micredito SAC, Microempresas de Antioquia, Microfin Uruguay, Microsol, MIDE, OILA, OLC, OMLA, Popular SAFI, PRISMA, Pro Mujer - ARG, Pro Mujer - BOL, Pro Mujer - PER, ProCredit - BOL, ProCredit - COL, ProCredit - ECU, PRODEM FFP, Progresar, Real Microcrédito, São Paulo Confia, SOCIALCRED, UCADE Ambato, UCADE Guaranda, UCADE Latacunga, UCADE Santo Domingo, Visión Banco, WWB Cali
Scale: Large(Gross Loan Portfolio > USD 15,000,000)	ACCOVI, ACORDE, AMC de R.L., Apoyo Integral, BanCovelo, BANEX, CCAMETRO, FDL, Financiera Fama, FINSOL, FUNDESER, FUNDEVI, Génesis Empresarial, ODEF Financiera, PRESTANIC, PRODESA.
Scale: Medium (Gross Loan Portfolio ≥USD 4,000,000 and ≤ USD 15,000,000)	ADICLA, ADRI, AFODENIC, ASDIR, ASODENIC, AYNLA, CDRO, CEPRODEL, Coop 20 de Abril, Coop Juan XXIII, CRYSOL, ENLACE, FAFIDESS, FAMA OPDF, FINCA - GTM, FINCA - HND, FINCA - NIC, FONDESOL, Fundación CAMPO, Fundación León 2000, Fundación Nieborowski, FUNDEA, FUNDENUSE, FUNED OPDF, HDH OPDF, Microserfin, World Relief - HND.
Scale: Small (Gross Loan Portfolio < USD 4,000,000)	ACRG, ADICH, ADIM, AGUDESA, APACOOP, Asociación El Bálsamo, Asociación SHARE, ASOPROSANRAMON, CARE - CREEME, CARE - GTM, Caritas Estelí, Coop Avances, CREDIMUJER, FADEMYPE, FAPE, FHA, FIACG, FIDERPAC, Financia Credit, FINCA - SLV, FODEM, FOMIC, FUDECOSUR, FUDEMI, Fundación 4i-2000, Fundación MICROS, Fundación Mujer, FUNDAHMICRO, FUNDEBASE, FUNDECOCA, FUNDEMIX, FUNDESPE, FUNSALDE, IDH, MICREDITO, Microfinanciera Prisma, MUDE, PADECOMSMCREDITO, PILARH OPDF, Pro Mujer - NIC, ProCaja.
Sustainability: FSS (Financial Self-sufficiency > 100%)	| The names of these institutions are confidential |
Sustainability: No FSS (Financial Self-sufficiency < 100%)	| The names of these institutions are confidential |

Reference Data 2009

Ranking of Microfinance Institutions in Central America

Outreach

THE 10 MFI WITH THE HIGHEST OUTREACH IN 2009

Position	Name of the MFI	Country	Number of Outstanding Loans	Gross Loan Portfolio (USD)	General Composition of the Loan Portfolio ^
1	Génesis Empresarial	Guatemala	93,832	42,424,143	MIC
2	FDL	Nicaragua	87,034	69,334,111	MIC
3	Apoyo Integral	El Salvador	33,738	59,431,700	MIC
4	FUNDESER	Nicaragua	30,694	15,651,647	MIC
5	BANEX*	Nicaragua	30,554	115,438,673	MIC & CNS
6	ASODENIC	Nicaragua	30,224	4,185,951	MIC Only
7	ODEF Financiera	Honduras	29,975	29,155,880	MIC
8	Financiera Fama	Nicaragua	28,156	29,938,430	MIC
9	FONDESOL	Guatemala	27,419	8,603,484	MIC Only
10	Enlace	El Salvador	26,561	6,595,573	MIC

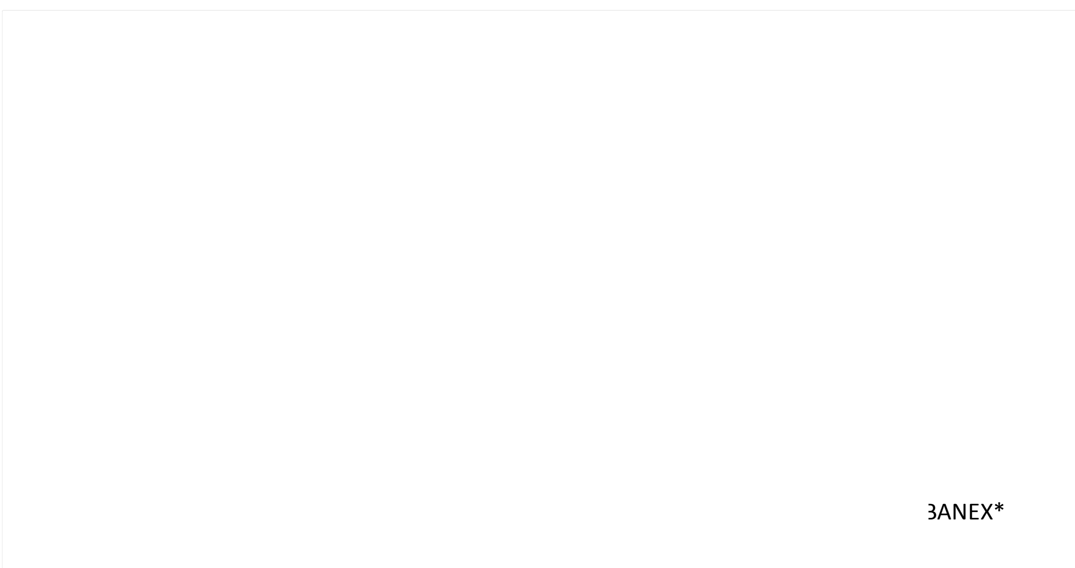
* Intervened in 2010

^General composition defined as:

Only MIC: 100% of Loans to Small Business

MIC: Loans to Small Business > 50% of Total Loans

CNS: Consumer Loans > 50% of Total Loans



Reference Data 2009

Ranking of Microfinance Institutions in Central America

Deposit Accounts

THE 10 MFI WITH THE LARGEST NUMBER OF DEPOSIT ACCOUNTS IN 2009

Position	Name of MFI	Country	Deposit Accounts	Voluntary Deposits (USD)
1	BANEX	Nicaragua	56,319	37,543,241
2	ACCOVI	El Salvador	55,138	43,710,400
3	FAMA OPDF	Honduras	38,211	2,709,298
4	ODEF Financiera	Honduras	37,564	6,084,012
5	CCAMETRO	El Salvador	35,396	4,646,771
6	FINSOL	Honduras	31,412	8,181,213
7	FINCA - GTM	Guatemala	30,802	1,010,899
8	BanCovelo	Honduras	30,482	13,943,236
9	Coop 20 de Abril	Nicaragua	15,008	2,261,068
10	HDH OPDF	Honduras	14,152	1,198,120

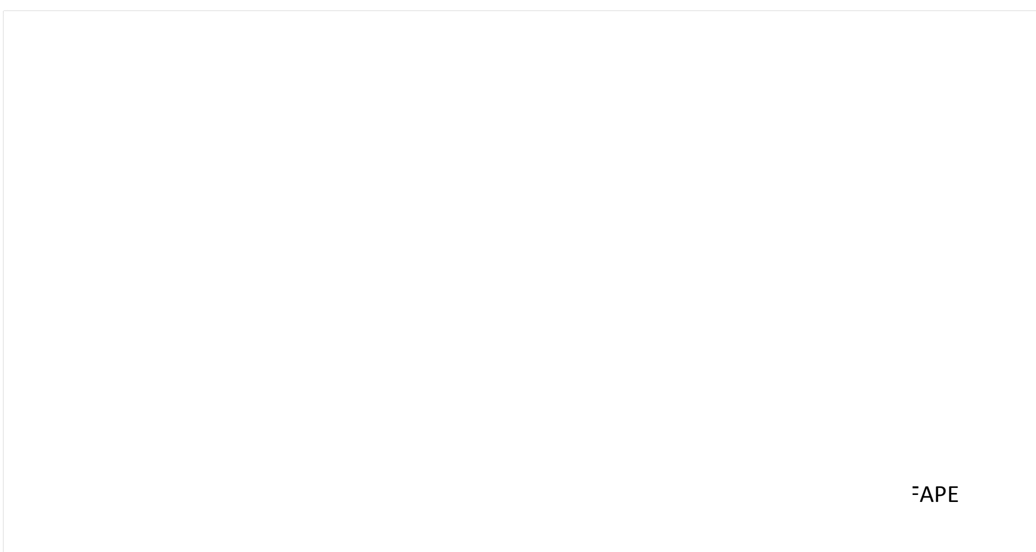
TRO

Reference Data 2009

Ranking of Microfinance Institutions in Central America

Market Depth

THE 10 MFI WITH THE HIGHEST MARKET DEPTH IN 2009				
Position	**Name of MFI**	**Country**	**Average Loan Balance per Borrower/GNP per Capita**	**Average Loan Balance (USD)**
1	ACRG	Costa Rica	2.1%	131
2	FIACG	Guatemala	5.7%	147
3	ProCaja	Panamá	5.7%	409
4	Asociación El Balsamo	El Salvador	6.7%	255
5	FAPE	Guatemala	7.2%	188
6	Fundación Mujer	Costa Rica	7.2%	459
7	ENLACE	El Salvador	7.3%	277
8	CREDIMUJER	Costa Rica	9.4%	599
9	FINCA - SLV	El Salvador	11.1%	422
10	MUDE	Guatemala	11.5%	299



Unidad Analítica REDCAMIF – MIX

The Analytical Unit is the result of the Joint Cooperation Agreement for MFI Transparency in Central America between Red Centroamericana de Microfinanzas & the Microfinance Information eXchange. Its goal is to promote transparency in microfinance institutions in Central America.

This initiative will support its goal by fulfilling the following objectives:

- To increase the availability of standardized information on MFI performance in the region.
- To promote investment in microfinance institutions in Central America.
- Benchmark the performance of institutions in the region.

Red Centroamericana de Microfinanzas (REDCAMIF)

REDCAMIF is a non-profit organization whose mission is to consolidate the microfinance industry in Central America by representing the sector, promoting the institutional strengthening of the Networks and their associates and generating strategic alliances which contribute to improve the quality of life of their program's clients.

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Microfinance Information eXchange (MIX)

The Microfinance Information eXchange, Inc. (MIX) is the leading provider of business information for the microfinance industry. Dedicated to strengthening the microfinance sector by promoting transparency, the MIX provides detailed performance and financial information about microfinance institutions, investors, networks and other service providers related to the industry. The MIX carries out its activities through a variety of platforms available to the public, including the MIX Market (www.mixmarket.org) and the MicroBanking Bulletin.

The MIX is a non profit institution founded by the CGAP (the Consultative Group to Assist the Poor) and sponsored by the CGAP, the Citi Foundation, the Deutsche Bank Americas Foundation, Omidyar Network, IFAD (International Fund for Agricultural Development), Bill & Melinda Gates Foundation and others. MIX is a private corporation.

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