



Advancing financial access for the world's poor

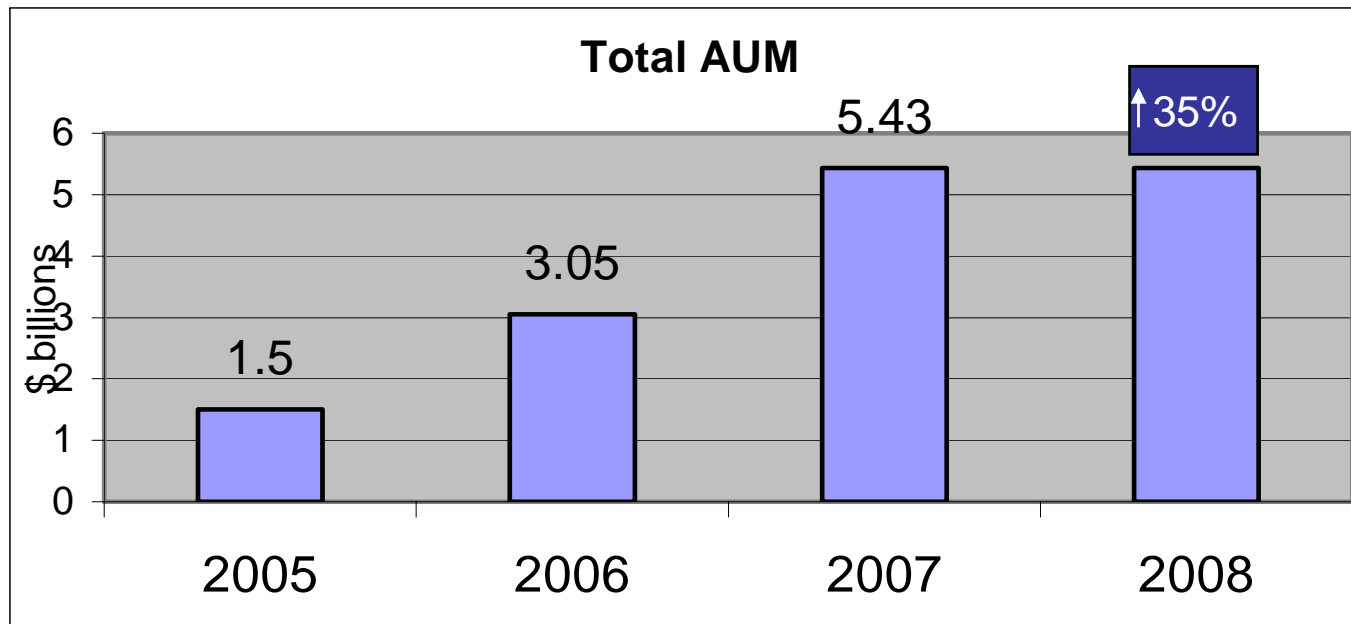
**CGAP MIV Survey 2008**  
**The Landscape of Microfinance**  
**Investment Vehicles**

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# High Growth

91 MIVs are currently active with Assets Under Management (AUM) of USD 5.4 billion as of December 31 2007, which represents a 78% increase from 2006.



Source: CGAP 2008 MIV Survey, powered by Symbiotics

Average Total Assets has increased significantly from USD 66 million (2006) to USD 81 million (2007).

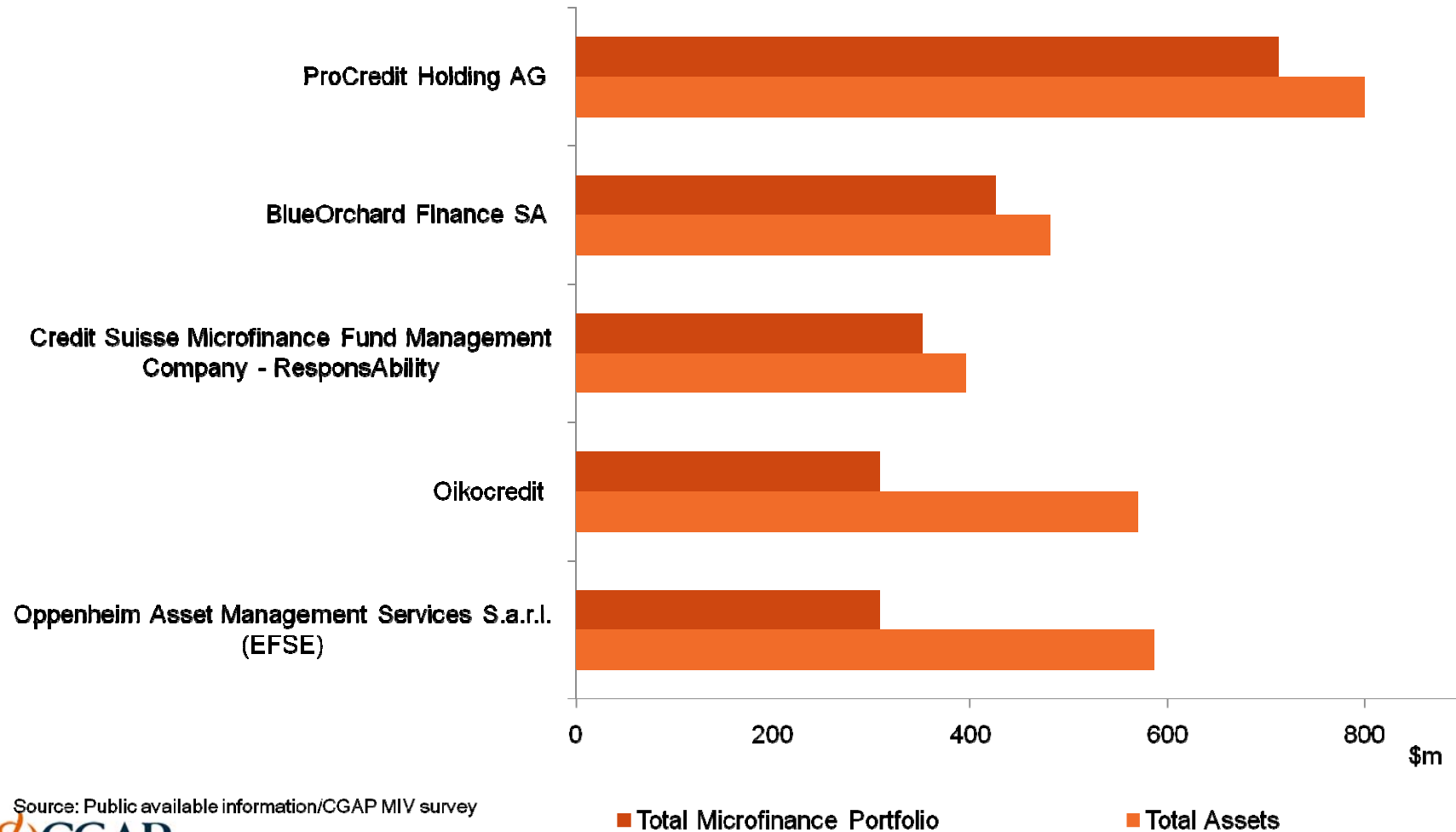


# Survey Highlights

- Investments are still concentrated in ECA (45%) and LAC (32%) but investments in South Asia and Africa are on the rise (+ 164% and 119% respectively).
- MIV's preferred instrument is still Debt (78% of Microfinance Portfolio) but Equity investments are growing rapidly (+ 95% in 2007).
- MIV investments remain concentrated in a few tier 1 MFIs, with average top five investment exposure accounting for 43% of MIV investments.
- Institutional investors are now the first providers of capital with a 41% share, followed by retail investors (30%) and DFIs (only 19%).

# Top Five Asset Managers

The microfinance fund industry is very concentrated with the top 5 assets managers (all European) accounting for 52% of the total AUM.



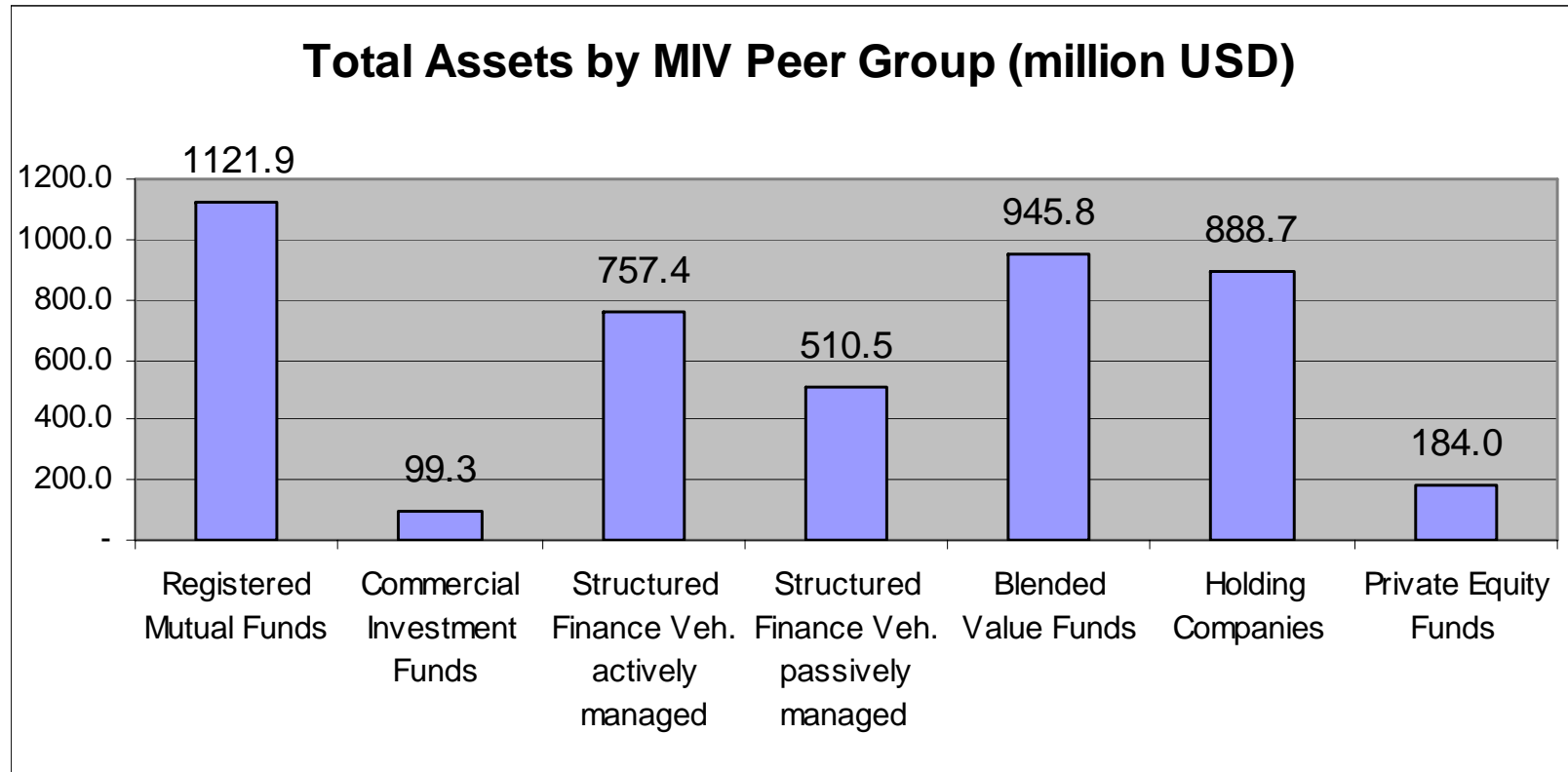
Source: Public available information/CGAP MIV survey



■ Total Microfinance Portfolio

■ Total Assets

# Total Assets by Peer Group



*Note: Based on data for 55 MIVs ; total AUM=4,5 billion USD*

# Peer Group Definitions

**Registered mutual funds** seek a close to money market return primarily from fixed income investments. They publish their NAV on a monthly basis and are regulated by market authorities (undertakings for collective investment regulations).

**Commercial fixed income investment funds** seek a close to money market return from fixed income investments. As private investments companies they are not subject to UCI regulations.

**Structured finance vehicles actively managed** offer different risk and return classes to microfinance investors. The pool of assets is actively managed and includes mainly fixed income investments.

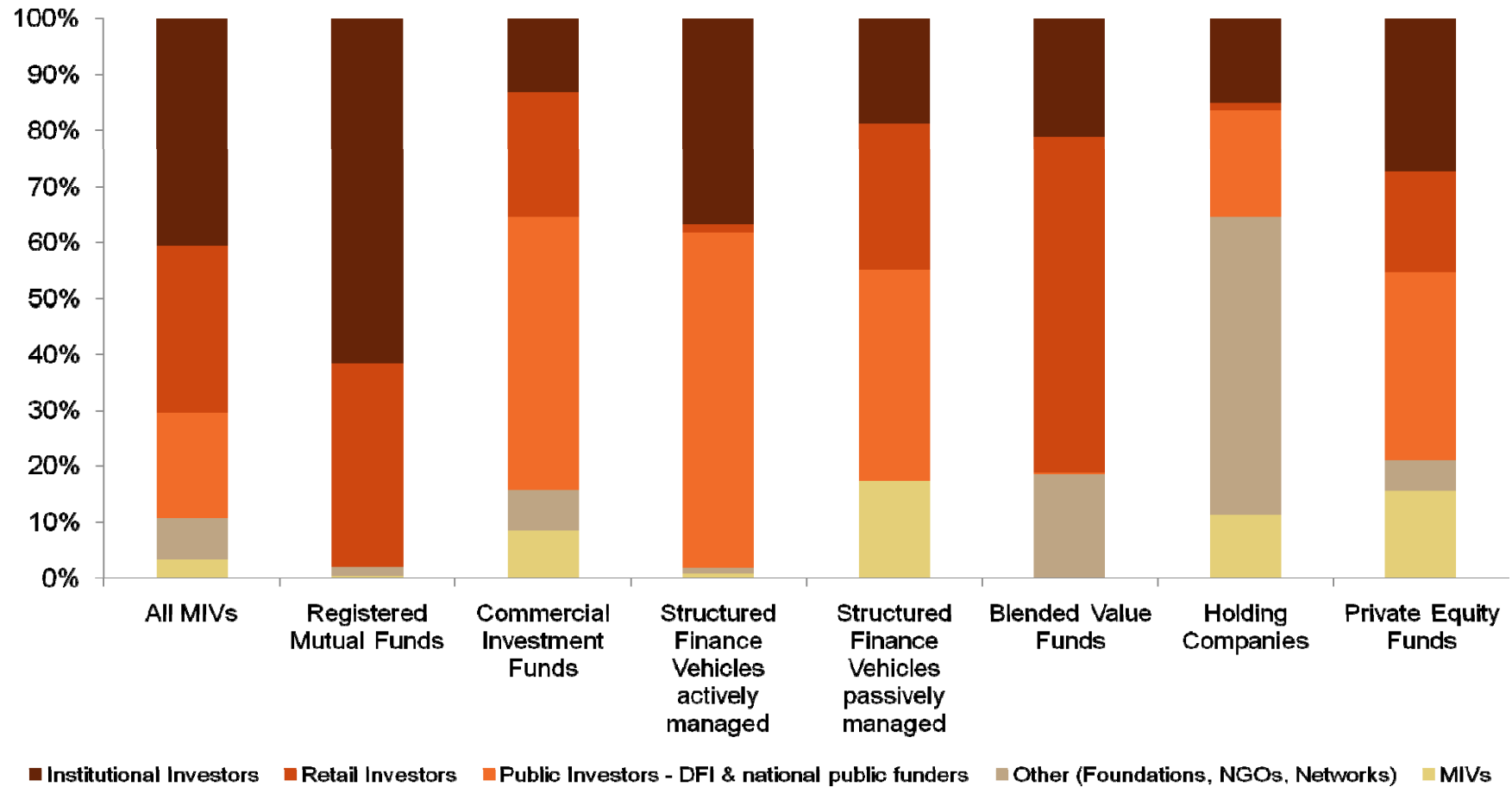
**Structured finance vehicles passively managed** offer a range of asset-backed securities with different risk and return profiles to microfinance investors. Generally classified as CDOs, the assets only include a static pool of fixed income investments (pool of loans to MFIs).

**Blended value funds** offer below market returns to socially-focused investors and provide a mix of debt and equity finance to MFIs. These funds are generally managed by not-for-profit organizations.

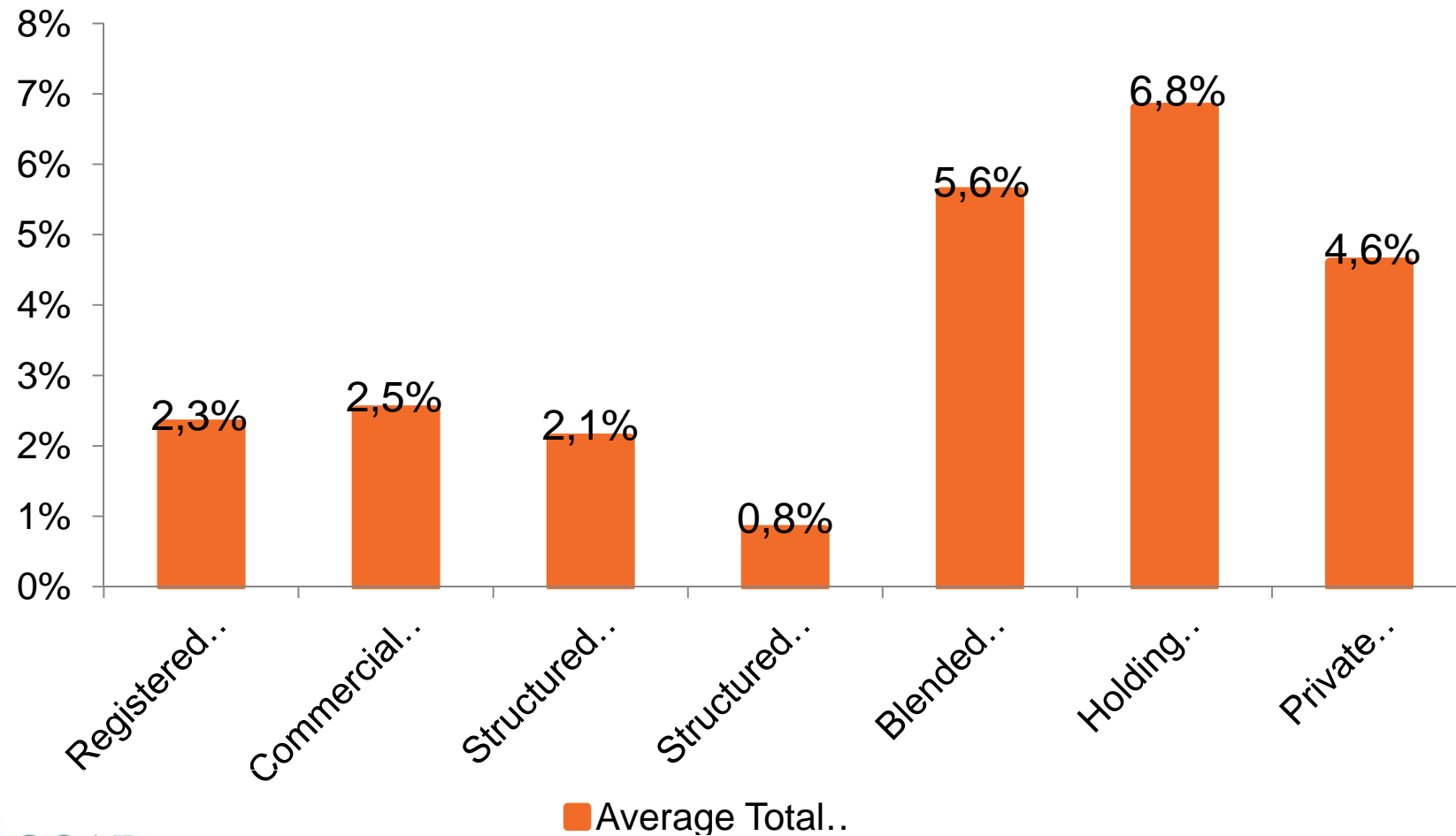
**Private equity funds** provide mainly equity finance and seek a market return with a long time horizon. Most funds are driven by commercial organizations with a strong development emphasis.

**Holding companies** provide mainly equity finance and technical assistance to start-up microfinance banks. They usually hold a predominant stake in their investees and are generally accessible by private invitation only.

# Subscriber Type



# Total Expense Ratio







# Main Indicators

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Indicator	Value
Average MIV Assets (\$ Million)	80.6
Nb of Years Since Inception	4.4
Annual Total Asset Growth of all 58 MIVs (2006-2007)	71.7%
Financial Instruments (% Microfinance Portfolio)	
Microfinance Portfolio in Debt	77.5%
Microfinance Portfolio in Equity	21.0%
Geographic Distribution (% Microfinance Portfolio)	
Eastern Europe and Central Asia	44.5%
Latin America	31.8%
Funders (% Investor Type)	
Public Investors	18.8%
Institutional Investors	40.6%
Retail Investors	29.8%
MIV Jurisdiction (% Total Assets)	
Western Europe	81.4%
North America	11.5%

- MIVs will continue to grow despite the financial crisis
- Retail investments will grow significantly
- Institutional investors will push for more professionalisation of asset managers and more transparency on social and financial performance

## Survey

- CGAP Survey powered by Symbiotics
- Participation of 58 MIVs, including 28 MIVs providing audited financial statements
- Total Assets of 4.7 billion USD\* accounting for 86% of the MIV universe\*\*

## Outputs

- 2 benchmark tables (MIV Balance Sheet and Performance)
- 7 peer groups: Registered Mutual Funds, Commercial Investment Funds, Structured Finance Vehicles actively managed (New), Structured Finance Vehicles passively managed, Blended Value Funds, Private Equity Funds, Holding Companies

\* FX Rate EUR/USD: 1.47, 31 Dec. 2007

\*\* 5.4 billion USD (CGAP dataset, 91 MIVs, estimated)



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