

ISSUE 13: QUARTER 3 (JUL-SEP 2009)

This quarter saw a continued increase in microcredit growth in terms of active borrowers, growing by 3%, compared with 2% in the previous quarter. GLP growth however, dropped a little - from 6% (previous quarter) to 5% (this quarter). Khushhali Bank emerged as the biggest contributor to net increase in number of active borrowers, while NRSP remained the market leader in terms of both active borrowers and GLP, though its shares continue to decrease. KB also has the largest geographic footprint in the sector with a presence in 93 districts, up from 87 districts in the previous quarter.

In terms of peer groups, market share in terms of both active borrowers and GLP continued to increase for microfinance banks (MFBs), going up by 2% (to 40 and 44% respectively). The corresponding decreases came from both rural support programs (RSPs) and microfinance institutions (MFIs).

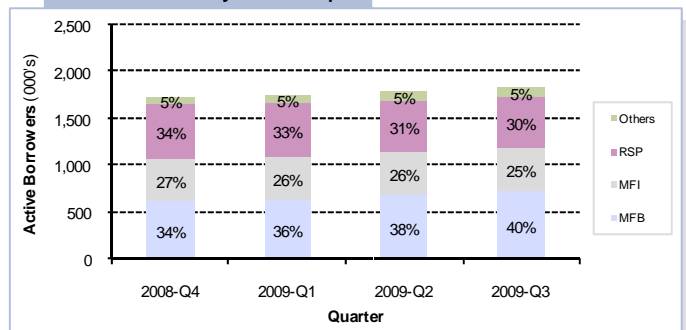
Growth in active borrowers continued to increase in the Jafarabad and Nasirabad districts of Balochistan (97 and 134.5% respectively), bringing penetration rates up to 3-4%. All of this growth came from KB. Punjab added the most borrowers, with Sheikhpura district adding 18,000+ active borrowers, with a growth rate of 60.7%. Sindh and NWFP also showed positive growth in active borrower additions. However, AJK, FANA, FATA and Islamabad all showed decreases in numbers of active borrowers. No significant change was seen in other microcredit indicators: group lending continued to dominate individual, rural borrowers dominated urban, female borrowers dominated males slightly (51% female active borrowers), while males continued to hold a larger chunk by GLP (58%).

In terms of savings, number of savers decreased by 0.5%, although value of savings went up by 3% - much less compared to 17% from the previous quarter. NRSP added the most savers (37,000+), while FMFBL and TMFB added the most value (PKR 129 million and 127 million respectively). KMFB followed, with increase of almost PKR 59 million in value of savings. NRSP continued to be the market leader in terms of active savers (53.9%). Bahawalpur added the most savers - with a 58.2% increase. In other micro-savings indicators, urban borrowers continued to increase, MFBs continued to hold the largest value of savings among peer groups, male-female ratio continued to favor male savers, and value of savings held by males was also disproportionately larger - 63% of males are active savers and hold 85% of the value of savings.

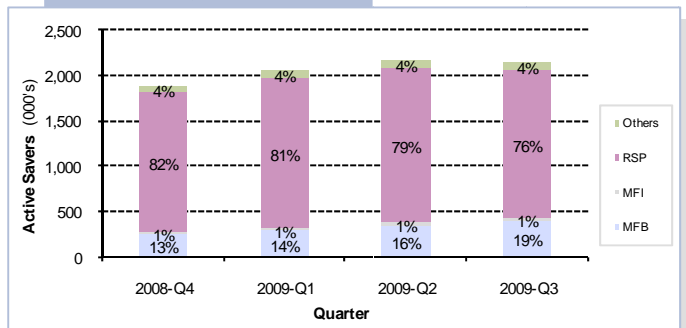
After three consecutive quarters of showing decline, micro-insurance finally showed an increase in both policy holders (up by 17.6%) and sum insured (up by 2.9%). NRSP regained market leader position in terms of number of policy holders from Kashf. By type, share of health insurance increased to 37% (from 32%) - primarily due to predominance of NRSP and Kashf, both of which offer health insurance.

	Microcredit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (PKR Millions)	Active Savers	Value (PKR Millions)	Policy Holders	Sum Insured (PKR Millions)
2009-Q2	1,782,239	20,319	1,876,802	6,893	2,241,552	29,414
2009-Q3	1,831,532	21,396	2,142,183	7,093	2,452,957	30,256
Increase (Net)	49,293	1,077	265,381	200	211,405	842
Increase (%)	3	5	14	3	9	3

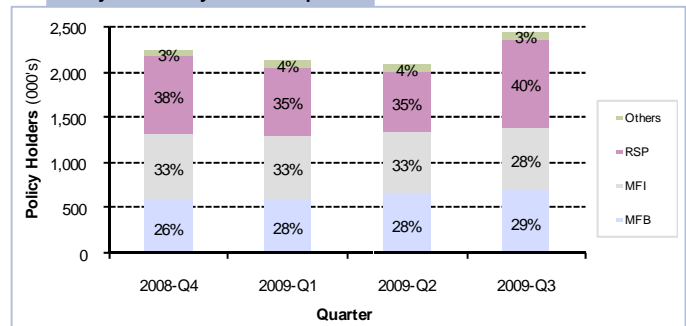
Active Borrowers by Peer Group



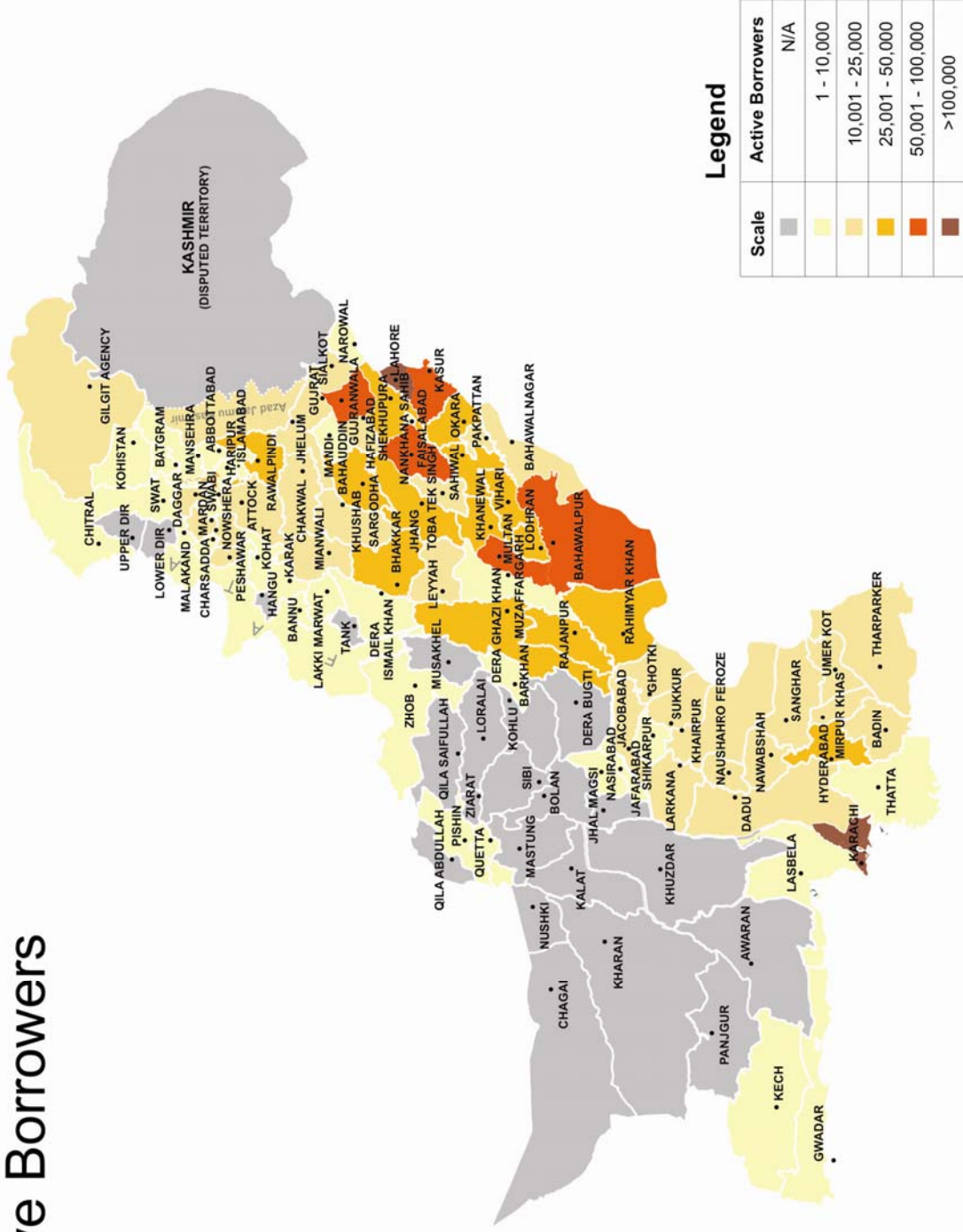
Active Savers by Peer Group



Policy Holders by Peer Group



Distribution of Active Borrowers

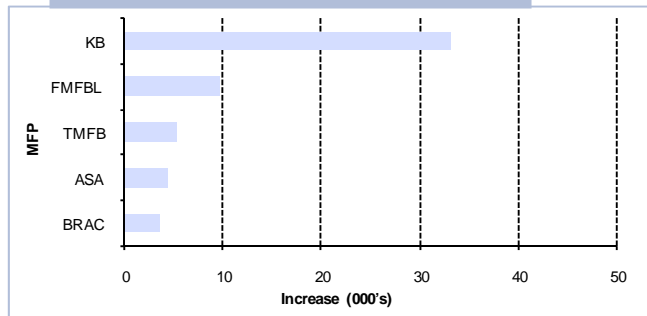


* Geographical boundaries for new districts demarcated in 2004-06 have not been made available by Survey of Pakistan. The following districts are therefore, not shown on the map: Sehwan Sharif, Jamshoro (Dadu); Matyari, Tando Allahyar, Tando Muhammad Khan (Hyderabad); Sheddakot (Larkana); Mingora (Swat); Sherani (Zhob)

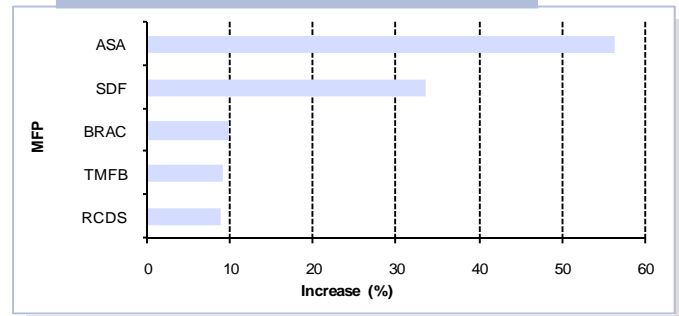
MARKET HIGHLIGHTS (JUL 1 – SEP 30, 2009)

MICROCREDIT

A. Top 5 MFPs: Increase in Active Borrowers (Net)



B. Top 5 MFPs: Increase in Active Borrowers (%)



C. Largest Providers of Microcredit (Active Borrowers)

	MFP	Active Borrowers (30 Sep)	Market Share (% of Active Borrowers)
1	NRSP	428,075	23.4
2	KB	405,111	22.1
3	KASHF	288,076	15.7
4	FMFBL	229,443	12.5
5	PRSP	78,878	4.3

D. Largest Providers of Microcredit (Gross Loan Portfolio)

	MFP	GLP (30 Sep)	Market Share (% of GLP)
1	NRSP	5,027,245,279	23.5
2	KB	4,152,891,981	19.4
3	FMFBL	3,201,840,466	15.0
4	KASHF	2,878,206,802	13.5
5	TMFB	1,349,174,491	6.3

E. MFPs with Largest Geographic Spread

MFP	KB	NRSP	FMFBL	KASHF	PRSP
Geographic Spread (No. of Districts)	93	53	46	25	20

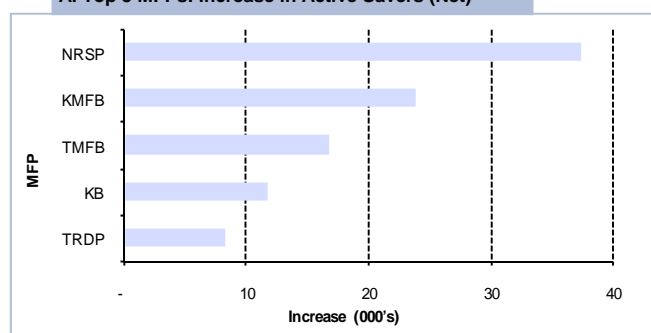
F. Districts with Highest Growth (Net)

	Province	District	Active Borrowers (30 Sep)	Growth (1 Jul to 30 Sep)		Potential Microfinance Market (2007)	Penetration Rate (%)
				Net	%		
			A			B	(A/B)*100
1	Balochistan	Jafarabad	3,773	1,858	97.0	121,911	3.1
2		Nasirabad	3,027	1,736	134.5	75,783	4.0
3		Quetta	5,630	987	21.3	174,437	3.2
1	N.W.F.P	Sw abi	7,295	899	14.1	230,073	3.2
2		D.I. Khan	5,433	692	14.6	221,328	2.5
3		Chitral	8,709	545	6.7	84,846	10.3
1	Punjab	Sheikhupura	48,230	18,222	60.7	831,522	5.8
2		Bahawalpur	86,793	9,157	11.8	461,777	18.8
3		Bhawalnagar	42,021	6,897	19.6	427,843	9.8
1	Sindh	Larkana	21,225	4,273	25.2	534,891	4.0
2		Nawabshah	18,409	3,255	21.5	225,430	8.2
3		Jacobabad	13,928	2,084	17.6	361,146	3.9
1	AJK	Poonch	3,152	146	4.9		
2		Bagh	3,561	48	1.4		
3		Sudhnati	701	(72)	-9.3		
1	FANA	Ghanche	3,079	26	0.9		
2		Astore	1,758	(146)	-7.7		
3		Ghizer	5,158	(209)	-3.9		
1	FATA	Mohmand	298	(4)	-1.3		
2		Khyber	945	(4)	-0.4		
3		Kurram	783	(20)	-2.5		
1	ICT	Islamabad	2,442	(351)	-12.6	74,750	3.3

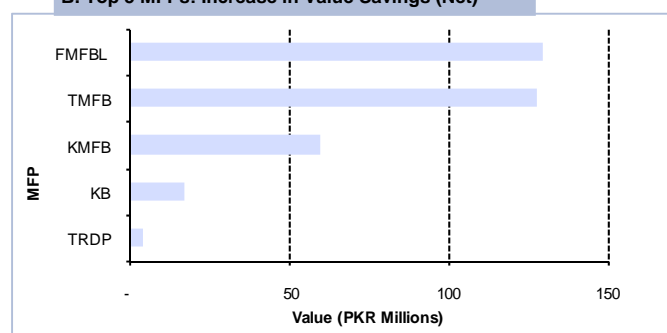
MARKET HIGHLIGHTS (JUL 1 – SEP 30, 2009)

MICRO-SAVINGS

A. Top 5 MFPs: Increase in Active Savers (Net)



B. Top 5 MFPs: Increase in Value Savings (Net)



C. Largest Providers of Micro-Savings (Active Savers)

	MFP	Active Savers (30 Sep)	Market Share (% of Active Savers)
1	NRSP	1,152,532	53.9
2	TRDP	269,738	12.6
3	PRSP	204,417	9.6
4	FMFBL	181,546	8.5
5	TMFB	113,725	5.3

D. Districts with Highest Outreach (Active Savers)

	District	Active Savers (30 Sep)	Increase (1 Jul to 30 Sep)	
			Net	%
1	Bahaw alpur	162,554	59,805	58.2
2	Tharparkar	154,080	4,752	3.2
3	Bhaw alnagar	89,669	4,524	5.3
4	Raw alpindi	82,509	3,199	4.0
5	Karachi	81,527	4,822	6.3

MICRO-INSURANCE

A. Largest Providers of Micro-Insurance (Policy Holders)

	MFP	Policy Holders (30 Sep)	Market Share (% of Policy Holders)
1	NRSP	799,537	32.6
2	KASHF	576,152	23.5
3	KB	405,111	16.5
4	FMFBL	229,443	9.4
5	TRDP	112,686	4.6

B. Districts with Highest Outreach (Policy Holders)

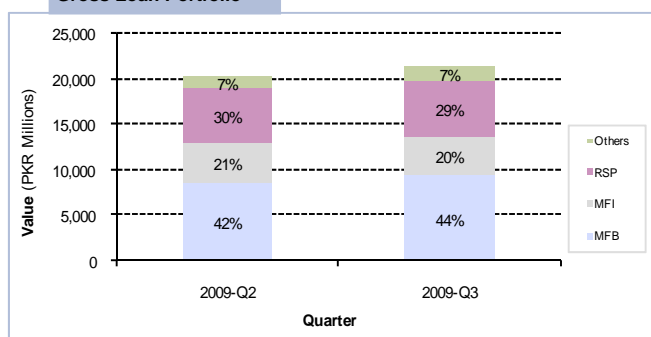
	District	Policy Holders (30 Sep)	Increase (1 Jul to 30 Sep)	
			Net	%
1	Lahore	228,427	8,773	4.0
2	Bahaw alpur	164,691	45,059	37.7
3	Faisalabad	96,017	5,501	6.1
4	Multan	90,970	17,633	24.0
5	Gujranwala	90,182	6,816	8.2

SUMMARY OF MICROCREDIT PROVISION (All Pakistan)

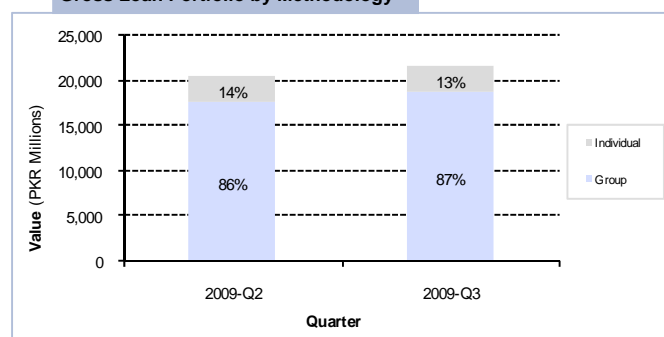
Exchange Rate (Sep 2009): PKR/USD = 83.3/1

	Total	Lending Methodology		Peer Group			
		Group	Individual	MFB	MFI	RSP	Others
Number of Branches/Units							
2009-Q2	1,480			369	275	727	109
2009-Q3	1,498			363	279	702	154
Active Borrowers							
2009-Q2	1,782,239	1,623,465	158,774	683,503	455,768	550,384	92,584
2009-Q3	1,831,532	1,625,370	206,162	729,206	458,587	543,116	100,623
Gross Loan Portfolio (PKR Millions)							
2009-Q2	20,319	17,471	2,847	8,622	4,287	6,014	1,397
2009-Q3	21,396	18,623	2,773	9,326	4,367	6,103	1,600
Average Loan Balance (PKR)							
2009-Q2	11,401	10,762	17,934	12,614	9,406	10,926	15,084
2009-Q3	11,682	11,458	13,448	12,789	9,523	11,237	15,900
Number of Loans Disbursed							
2009-Q2	518,341	476,088	42,253	233,505	52,076	209,241	23,519
2009-Q3	322,098	282,323	39,775	139,336	51,342	107,514	23,906
Disbursements (PKR Millions)							
2009-Q2	8,132	7,184	948	3,621	726	3,392	392
2009-Q3	5,003	3,999	1,004	2,318	788	1,516	382
Average Loan Size (PKR)							
2009-Q2	15,688	15,090	22,430	15,508	13,937	16,213	16,676
2009-Q3	15,532	14,165	25,239	16,634	15,341	14,098	15,973

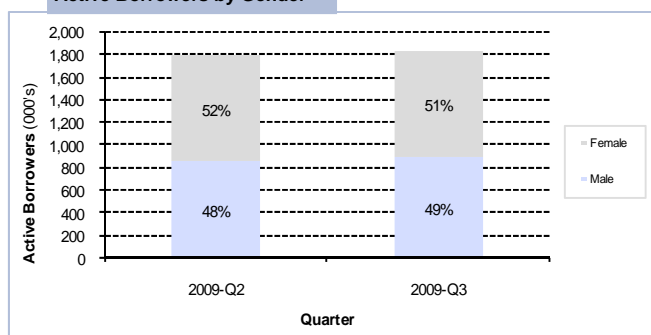
Gross Loan Portfolio



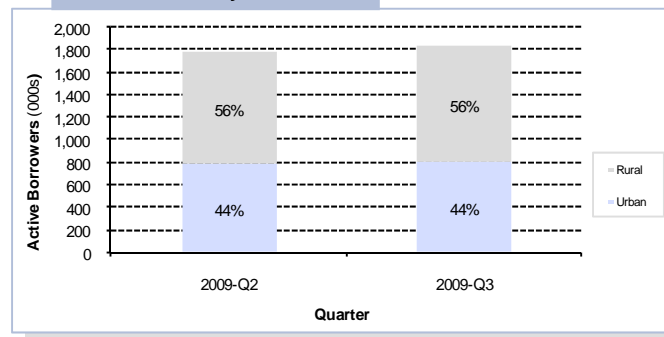
Gross Loan Portfolio by Methodology



Active Borrowers by Gender

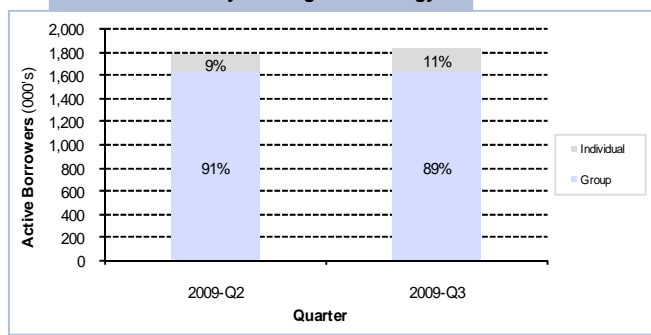


Active Borrowers by Rural/Urban

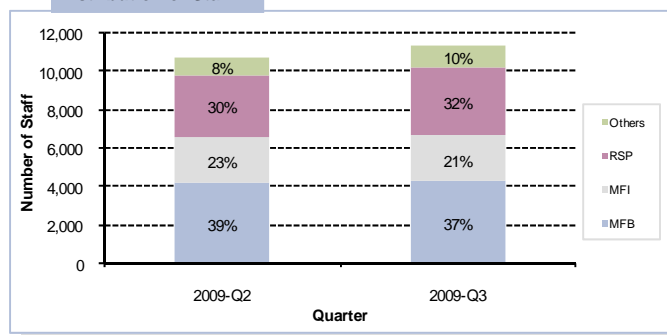


SUMMARY OF MICROCREDIT PROVISION (All Pakistan)

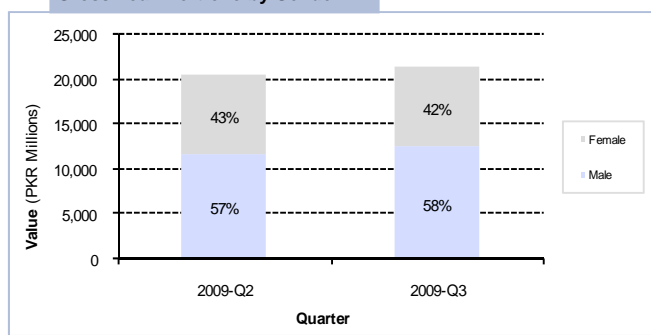
Active Borrowers by Lending Methodology



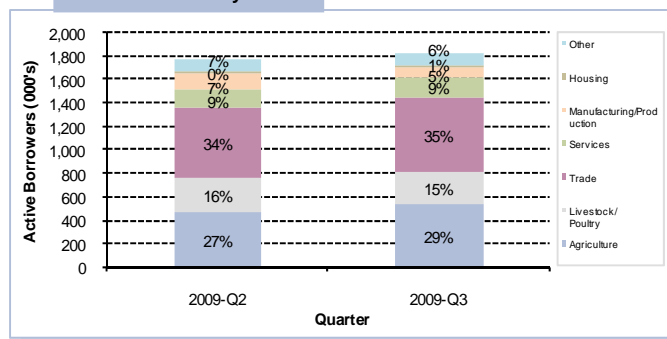
Distribution of Staff



Gross Loan Portfolio by Gender



Active Borrowers by Sector



SUMMARY OF MICRO-SAVINGS PROVISION (All Pakistan)

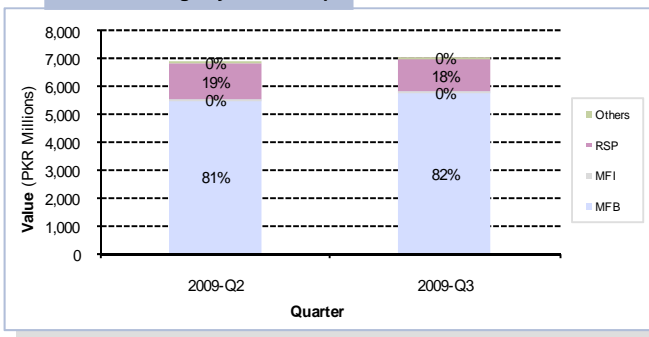
	Total	Saving Methodology		Peer Group			
		Intermediation	Mobilization	MFB	MFI	RSP	Others
Number of Savers							
2009-Q2	2,153,538	341,433	1,812,105	341,433	30,077	1,704,865	77,163
2009-Q3	2,142,183	396,689	1,745,494	396,689	30,514	1,626,687	88,293
Value of Saving (PKR Millions)							
2009-Q2	6,893	5,569	1,324	5,569	6	1,288	30
2009-Q3	7,093	5,808	1,285	5,808	5	1,246	33
Average Saving Balance (PKR)							
2009-Q2	3,201	16,310	731	16,310	189	756	387
2009-Q3	3,311	14,641	736	14,641	176	766	371

Saving Methodology:

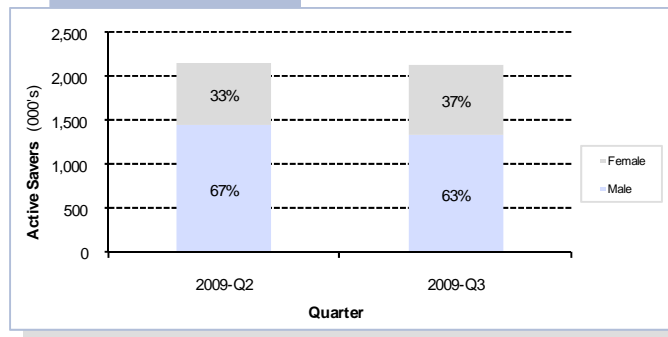
- Intermediation:** Public deposits used to finance an organization's loan portfolio. Only SBP-regulated MFPs (CFIs and MFBs) can accept and intermediate deposits from the general public.
- Mobilization:** MFPs not regulated by SBP (MFIs, NGOs, RSPs) can neither hold nor intermediate deposits from the general public. These organizations do however mobilize savings from their members/clients to place with licensed commercial banks.

SUMMARY OF MICRO-SAVINGS PROVISION (All Pakistan)

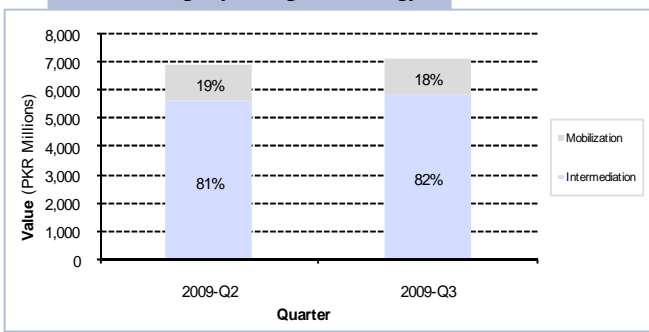
Value of Savings by Peer Group



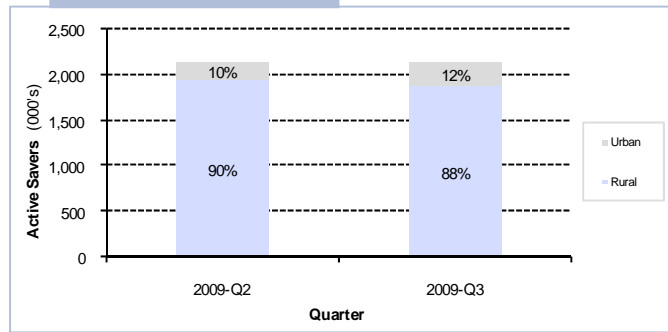
Active Savers by Gender



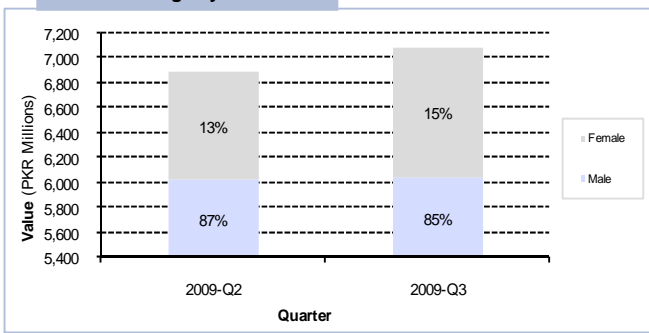
Value of Savings by Saving Methodology



Active Savers by Urban/Rural



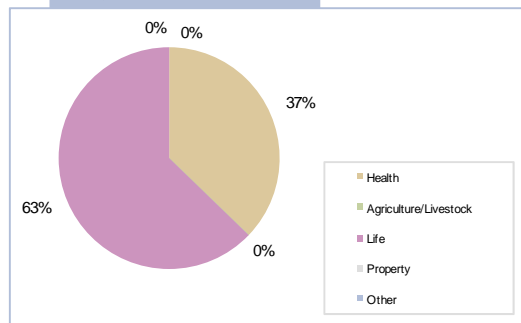
Value of Savings by Gender



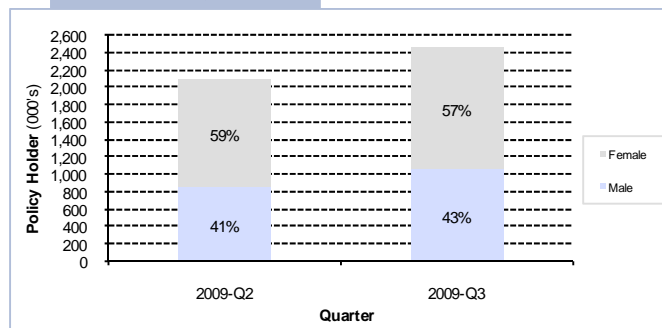
SUMMARY OF MICRO-INSURANCE PROVISION (All Pakistan)

	Total	Type		Peer Group			
		Health	Life	MFB	MFI	RSP	Others
Number of Policy Holders							
2009-Q2	2,085,395	672,827	1,412,568	649,142	685,860	672,827	77,566
2009-Q3	2,452,957	912,223	1,540,734	696,939	682,187	991,101	82,730
Sum Insured (PKR Millions)							
2009-Q2	29,414			7,985	3,518	17,009	903
2009-Q3	30,256			8,704	3,550	17,535	468

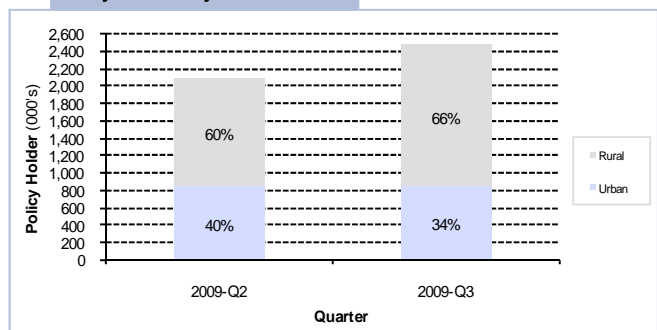
Policy Holders by Type



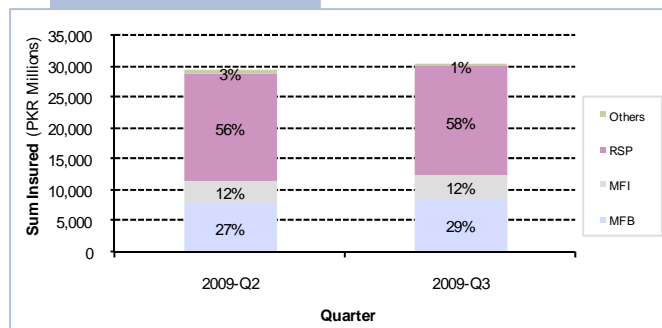
Policy Holders by Gender



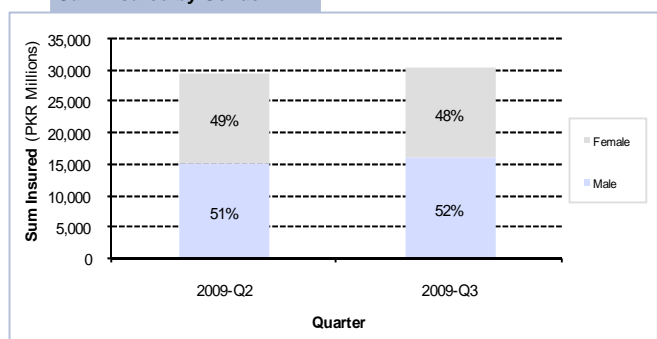
Policy Holders by Urban/Rural



Sum Insured by Peer Group



Sum Insured by Gender



OUTREACH (District Level)

BALOCHISTAN

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Awaran									26,054
Barkhan	KB								
	1	-	850	5,977,242	-	-	850	5,977,242	31,881
Bolan									66,423
Chagai ²									54,814
Dera Bugti									43,770
Gwadar	FMFBL, KB, NRSP, POMFB								
	5	-	1,762	11,389,687	9,665	2,304,981	1,982	23,026,430	55,537
Jafarabad	KB								
	1	-	3,773	48,213,063	-	-	3,773	48,213,063	121,911
Jhal Magsi									29,887
Kalat									53,884
Kech (Turbat)	NRSP								
	1	-	-	-	30,323	6,586,821	-	-	92,271
Kharan									47,948
Khuzdar									104,104
Kohlu									26,910
Lasbela	BRAC, KB								
	5	-	1,766	10,314,431	-	-	1,766	10,314,431	84,637
Loralai									76,879
Mastung									41,317
Musakhel									27,545
Nasirabad	KB								
	1	-	3,027	34,986,976	-	-	3,027	34,986,976	75,783
Nushki ³									-
Panjgur									51,074
Pishin	BRAC								
	1	-	-	-	-	-	-	-	100,179
Qila Abdullah									115,112
Qila Saifullah									44,345
Quetta	BRAC, FMFBL, KB								
	16	-	5,630	34,735,360	2,903	12,526,142	5,630	34,735,360	174,437
Sherani ⁴	KB								
	1	-	1,897	12,488,763	-	-	1,897	12,488,763	-
Sibi									48,944
Washuk									-
Zhob ⁵	KB								
	1	-	508	2,932,132	-	-	508	2,932,132	53,848
Ziarat									7,268
Total	33	-	19,213	161,037,654	42,891	21,417,944	19,433	172,674,397	1,656,762

OUTREACH (District Level)

NWFP

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Abbottabad	KB, SDF, SRSP								
	3	-	6,033	26,505,007	10,508	3,367,298	5,508	26,808,377	180,672
Bannu	KB								
	1	-	436	383,648	-	-	436	383,648	167,380
Batgram	SDF								
	1	-	8	73,242	-	-	8	80,000	58,257
Buner (Daggar)									133,171
Charsadda	BRAC, KB								
	3	-	4,525	29,081,515	-	-	5,154	17,707,310	271,736
Chitral	FMFBL								
	5	-	8,709	173,475,345	18,379	329,607,167	8,709	173,475,345	84,846
D.I. Khan	KB								
	1	-	5,433	64,054,140	30	885,289	5,433	64,054,140	221,328
Hangu									64,648
Haripur	KB, SDF, SRSP								
	3	-	4,473	30,927,463	26,409	5,959,303	4,045	32,068,643	103,830
Karak	KB								
	1	-	2,609	16,228,306	-	-	2,609	16,228,306	102,174
Kohat	KB, SRSP								
	2	-	3,886	19,909,146	-	-	3,591	18,679,259	114,908
Kohistan	KB								
	1	-	-	-	-	-	-	-	73,374
Lakki Marwat									107,505
Lower Dir									176,660
Malakand	KB, NRSP								
	1	-	2,623	26,554,868	-	-	2,445	23,237,718	106,429
Mansehra	KB, POMFB, SDF								
	3	-	4,214	17,853,515	23,597	14,091,813	3,211	14,792,386	271,288
Mardan	KB, NRSP								
	25	-	22,462	224,797,395	27,479	5,351,574	46,634	903,909,450	354,988
Mingora ⁶	KB								
	1	-	1,535	12,459,730	-	-	1,535	12,459,730	-
Now shera	BRAC, KB, NRSP, SRSP								
	15	-	11,812	76,696,534	-	-	11,648	52,282,084	201,208
Peshawar	BRAC, KB, NRSP, SRSP								
	10	-	11,964	61,985,152	2,809	2,203,400	14,962	151,174,420	451,548
Shangla	KB								
	1	-	271	513,828	-	-	271	513,828	116,366
Swabi	KB, NRSP, SWWS								
	7	2	7,295	74,299,611	13,779	4,347,042	8,138	134,103,118	230,073
Swat ⁷									286,555
Tank									62,446
Upper Dir									
									142,427
Total	84	2	98,288	855,798,445	122,990	365,812,886	124,337	1,641,957,762	4,083,817

OUTREACH (District Level)

PUNJAB

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Attock	KASHF, KB, NRSP, POMFB								
	37	-	14,366	135,481,355	53,400	99,038,911	27,435	493,337,643	262,870
Bahawalpur	FMFBL, KASHF, KB, NRSP, OPP, TMFB								
	35	-	86,793	1,249,123,202	162,554	160,798,204	164,691	3,077,091,253	461,777
Bhakkar	KB, NRSP								
	23	-	16,830	178,920,606	63,510	29,959,466	33,194	643,725,062	252,453
Bhawalnagar	KB, NRSP								
	11	-	42,021	637,006,864	89,400	64,849,209	83,627	1,642,198,259	427,843
Chakwal	KB, NRSP, POMFB								
	32	-	11,752	110,031,775	44,605	74,922,794	22,718	457,831,771	219,565
D.G. Khan	FMFBL, KB, NRSP								
	15	-	29,550	421,538,923	55,114	94,116,112	41,445	699,190,788	419,252
Faisalabad	AKHUWAT, ASASAH, FMFBL, KASHF, KB, KMFB, NRSP, PRSP, RCDS, TMFB								
	82	-	97,494	851,109,670	35,240	46,987,354	96,017	568,975,630	1,096,924
Gujranwala ⁸	ASASAH, FMFBL, JWS, KASHF, KB, KMFB, NRSP, OPD, OPP, PRSP, TMFB								
	53	-	72,813	910,425,909	20,161	52,295,420	90,182	789,064,024	735,741
Gujrat	AKHUWAT, BRAC, KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	18	-	16,328	197,938,547	10,930	32,253,744	22,816	186,965,142	446,630
Hafizabad	KASHF, KB, PRSP								
	6	-	10,006	96,040,325	2,027	2,377,190	15,553	96,040,325	231,170
Jhang	AKHUWAT, FMFBL, KASHF, KB, KMFB, NRSP, PRSP								
	31	-	26,953	244,330,025	9,248	29,086,712	39,196	422,954,580	626,546
Jhelum	KB, NRSP								
	24	-	11,629	122,820,082	18,145	17,544,066	23,494	454,676,379	170,498
Kasur	ASASAH, CSC, DAMEN, FMFBL, KASHF, KB, KMFB, OLP, PRSP, RCDS, TMFB								
	30	-	57,648	600,097,101	12,430	27,470,670	71,922	532,175,312	586,427
Khanewal	AKHUWAT, ASASAH, KASHF, KB, NRSP, PRSP								
	15	-	28,221	337,856,758	24,992	29,079,210	46,162	551,902,692	432,948
Khushab	KASHF, KB, NRSP, OPP								
	26	-	17,127	156,687,880	61,883	50,515,544	36,683	672,495,296	235,163
Lahore	AKHUWAT, ASASAH, BRAC, CSC, CWCD, DAMEN, FMFBL, KASHF, KB, KMFB, NRSP, OLP, OPP, PRSP, TMFB								
	135	-	191,868	2,049,707,266	47,251	166,950,038	228,427	1,522,945,237	872,760
Leyyah	FMFBL, KB, PRSP								
	6	-	16,751	228,242,472	26,034	31,095,127	16,751	228,242,472	263,251
Lodhran	AKHUWAT, FMFBL, KASHF, KB, NRSP								
	12	-	30,686	479,381,711	45,520	72,140,263	57,764	1,106,289,324	261,693
Mandi Bahauddin	KASHF, KB, PRSP								
	6	-	8,534	79,735,251	2,967	272,698	11,297	79,735,251	298,371
Mianwali	KB, NRSP								
	26	-	16,365	138,566,445	32,286	4,859,210	34,803	691,025,563	252,413
Multan	AKHUWAT, ASASAH, BRAC, FMFBL, KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	65	-	77,749	816,298,914	41,650	212,402,378	90,970	1,036,636,861	689,339
Muzaffargarh	KB, PRSP								
	3	-	7,710	94,762,413	13,288	1,868,042	7,710	94,762,413	570,580
Nankana Sahib ⁹	CWCD, DAMEN, RCDS								
	9	-	8,704	427,585,520	7,859	4,891,900	280	2,200,925	-
Narowal	KB, NRDP, PRSP								
	9	-	9,643	180,409,210	19,886	1,659,932	8,452	98,409,210	268,902
Okara	ASASAH, DAMEN, FMFBL, KASHF, KB, OLP, PRSP, TMFB								
	13	-	28,531	321,697,091	26,498	24,726,658	33,345	329,782,091	509,842
Pakpattan	ASASAH, FMFBL, KASHF, KB, NRSP, PRSP								
	9	-	19,427	239,913,134	27,934	39,501,779	30,393	443,515,467	281,988
Rahimyar Khan	FMFBL, KASHF, KB, NRSP, TMFB								
	31	-	44,000	614,034,589	29,979	108,342,143	68,463	1,015,131,069	585,705

OUTREACH (District Level)

PUNJAB

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Rajapur	KB, NRSP, OPP								
	12	-	26,991	391,527,023	42,147	43,548,154	43,890	800,848,634	260,436
Rawalpindi ¹⁰	AKHUWAT, BRAC, FMFBL, KASHF, KB, KMFB, NRSP, OPP, POMFB								
	74	-	48,580	372,463,154	82,509	92,128,000	41,270	480,553,614	327,457
Sahiwal	ASASAH, BRAC, FMFBL, KASHF, KB, KMFB, NRSP, PRSP								
	24	-	39,208	402,068,389	38,223	43,828,879	66,327	767,220,739	395,468
Sargodha	KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	26	-	25,606	229,643,240	12,825	11,898,224	33,073	174,778,202	671,679
Sheikhupura	CWCD, DAMEN, KASHF, KB, NRSP, OLP, PRSP, RCDS								
	51	-	48,230	577,988,124	8,334	5,165,345	56,520	717,608,925	831,522
Sialkot	KASHF, KB, KMFB, PRSP								
	9	-	19,886	178,020,404	23,683	8,022,593	24,835	138,786,903	501,997
Toba Tek Singh	KASHF, KB, NRSP, PRSP								
	9	-	22,277	278,652,696	14,227	7,618,599	39,136	555,904,136	309,316
Vihari	ASASAH, FMFBL, KASHF, KB, NRSP								
	15	-	30,911	384,343,274	33,928	54,702,741	50,619	766,427,748	475,398
Total	982	-	1,261,188	14,734,449,342	1,240,667	1,746,917,309	1,759,460	22,339,428,940	15,233,924

SINDH

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Badin	ASA, FMFBL, KB, NRSP, POMFB								
	11	-	11,193	162,056,744	48,864	51,382,974	13,648	241,183,450	294,781
Dadu ¹¹	FMFBL, KB, OLP, TRDP								
	20	-	16,787	192,042,783	40,329	48,704,067	24,582	92,981,671	447,305
Ghotki	FMFBL, KB, OPP								
	4	-	15,150	215,800,494	8,834	17,341,269	14,367	210,177,465	248,442
Hyderabad ¹²	ASA, BRAC, FMFBL, KB, NRSP, OPP, POMFB, TMFB								
	34	-	34,883	411,553,414	23,745	263,223,657	47,416	863,300,896	517,652
Jacobabad	FMFBL, KB								
	4	-	13,928	178,938,187	3,763	55,573,424	13,928	178,938,187	361,146
Jamshoro ¹³	TRDP								
	2	-	318	1,893,254	14,153	8,227,110	2,680	611,040	-
Karachi ¹⁴	ASA, BRAC, FMFBL, KASHF, KB, NMFB, NRSP, OLP, OPP, POMFB, TMFB								
	108	1	104,009	1,063,672,108	81,527	2,609,465,978	85,767	661,854,340	1,329,990
Khairpur ¹⁵	FMFBL, KB, KMFB, OPP, TRDP								
	12	-	24,130	373,716,734	29,918	91,088,511	43,004	285,445,110	401,853
Larkana	FMFBL, KB								
	6	-	21,225	274,978,371	7,374	42,391,675	21,225	274,978,371	534,891
Matyari ¹⁶	ASA, FMFBL, NRSP, OPP, SAFWCO								
	8	1	17,620	235,464,653	7,194	14,375,479	23,168	372,994,008	-
Mirpur Khas ¹⁷	ASA, FMFBL, KB, NRSP, OLP, POMFB, TMFB, TRDP								
	16	-	17,817	274,386,676	43,927	43,512,118	20,292	350,582,290	210,494
Naushahro Feroze	FMFBL, KB, NRSP, OPP								
	7	-	17,351	229,521,868	2,606	13,561,962	15,142	239,550,273	266,462
Nawabshah	FMFBL, KB, OPP, SAFWCO, TMFB								
	7	1	18,409	244,895,455	4,050	31,776,256	16,040	192,522,440	225,430
Sanghar	ASA, FMFBL, KB, OLP, OPP, SAFWCO								
	12	1	23,492	256,115,562	716	10,797,402	20,426	94,776,925	354,133

OUTREACH (District Level)

SINDH

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Sehwan Sharif	KB								
	1	-	2,025	15,896,014	-	-	2,025	15,896,014	-
Shehdad Kot									
Shikarpur	KB								
	1	-	3,044	33,137,369	-	-	3,044	33,137,369	237,633
Sukkur	BRAC, FMFBL, KB								
	14	-	14,527	179,589,993	2,213	33,293,606	14,705	179,767,993	213,080
Tando Allahyar ¹⁸	ASA, FMFBL, KB, NRSP, POMFB								
	6	-	9,241	139,382,173	10,384	29,846,093	9,472	161,000,204	-
Tando Jam	FMFBL								
	1	-	2,068	37,079,832	1,791	30,420,102	2,068	37,079,832	-
Tando Muhammad	FMFBL, KB, NRSP, POMFB								
	5	-	8,467	122,002,743	9,403	41,907,970	11,309	201,870,753	-
Tharparkar	FMFBL, KB, TRDP								
	28	-	11,432	117,446,594	154,080	124,629,052	42,469	55,374,342	283,491
Thatta	FMFBL, KB, KB, NRSP								
	12	-	7,262	73,389,945	16,087	69,959,574	5,780	99,370,104	245,046
Umer Kot	FMFBL, KB, NRSP, OPP, TRDP								
	15	-	10,773	123,998,747	42,488	97,424,735	30,129	43,219,829	185,966
Total	334	4	405,151	4,956,959,713	553,446	3,728,903,014	482,686	4,886,612,906	6,357,795

AZAD JAMMU AND KASHMIR (AJK)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ¹⁹
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Bagh	NRSP, OPP								
	2	-	1,176	10,028,849	24,067	11,093,635	2,518	52,875,000	-
Bhimber	NRSP								
	-	-	-	-	-	-	-	-	-
Kotli	KB, NRSP								
	13	-	8,647	57,077,538	31,783	6,410,345	18,040	338,292,750	-
Mirpur	KB, NRSP								
	1	-	5,377	24,039,526	-	-	5,377	24,039,526	-
Muzaffarabad	FMFBL, KB, NRSP, SDF								
	10	-	3,883	41,332,438	36,686	19,058,000	5,950	106,043,416	-
Neelum	KB, NRSP								
	1	-	2,861	12,569,766	-	-	2,861	12,569,766	-
Poonch	NRSP								
	2	-	291	2,220,151	33,206	18,783,843	728	15,285,000	-
Sudhnati	KB, NRSP								
	2	-	701	5,158,024	9,776	2,166,038	1,753	36,810,000	-
Total	31	-	22,936	152,426,292	135,518	57,511,861	37,227	585,915,458	-

OUTREACH (District Level)

FEDERALLY ADMINSTRATED NORTHERN AREAS (FANA)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ²⁰
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Astore	FMFBL								
	1	-	1,758	35,102,819	2,284	13,961,000	1,758	35,102,819	-
Diamer									
Ghanche	FMFBL								
	2	-	3,079	71,809,532	4,245	98,659,621	3,079	71,809,532	-
Ghizer	FMFBL								
	5	-	5,158	111,568,071	13,023	93,290,000	5,158	111,568,071	-
Gilgit	FMFBL								
	4	-	4,501	114,623,101	17,492	515,765,000	4,501	114,623,101	-
Skardu	FMFBL								
	3	-	5,402	126,518,352	7,986	118,499,835	5,402	126,518,352	-
Total	15	-	19,898	459,621,875	45,030	840,175,456	19,898	459,621,875	-

FEDERALLY ADMINSTRATED TRIBAL AREAS (FATA)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ²¹
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio	Active Savers	Value of Savings	Policy Holders	Sum Insured (PKR)	
Bajaur	KB								
	1	-	110	513,251	-	-	110	5,560,805	-
Khyber	KB								
	1	-	945	5,560,805	-	-	945	5,560,805	-
Kurram	KB								
	1	-	783	5,516,970	-	-	783	5,516,970	-
Mohmand	KB								
	1	-	298	1,390,278	-	-	298	1,390,278	-
North Waziristan									
Orakzai	KB								
	1	-	280	2,619,099	-	-	280	2,619,099	-
South Waziristan									
Total	5	-	2,416	15,600,403	-	-	2,416	20,647,957	-

ISLAMABAD CAPITAL TERRITORY (ICT)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Islamabad	FMFBL, NRSP, POMFB								
	8	-	2,442	40,782,415	1,641	331,884,203	4,461	115,505,777	74,750

OUTREACH (ALL PAKISTAN)

Province	Offices		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market	Penetration Rate (%)
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)		
Balochistan	33	-	19,213	161,037,654	42,891	21,417,944	19,433	172,674,397	1,656,762	1.16
N.W.F.P	84	2	98,288	855,798,445	122,990	365,812,886	124,337	1,641,957,762	4,083,817	2.41
Punjab	982	-	1,261,188	14,734,449,342	1,240,667	1,746,917,309	1,759,460	22,339,428,940	15,233,924	8.28
Sindh	334	4	405,151	4,975,845,108	553,446	3,728,903,014	485,725	4,925,487,483	6,357,795	6.37
AJK	31	-	22,936	152,426,292	135,518	57,511,861	37,227	585,915,458	-	-
FANA	15	-	19,898	459,621,875	45,030	840,175,456	19,898	459,621,875	-	-
FATA	5	-	2,416	15,600,403	-	-	2,416	20,647,957	-	-
ICT	8	-	2,442	40,782,415	1,641	331,884,203	4,461	115,505,777	74,750	3.27
Grand Total	1,492	6	1,831,532	21,395,561,534	2,142,183	7,092,622,673	2,452,957	30,261,239,649	27,407,048	6.68

OTHER NEWS ITEMS

Tameer Bank and Telenor launch 'Money Transfer' service

Tameer Microfinance Bank and Telenor Pakistan have announced the launch of Money Transfer, the second in a suite of products being offered under 'easypaisa'. Users will have the convenience to access the service from more than 4,000 easypaisa merchants, a figure targeted to reach 20,000 by 2010-end. Tameer Bank's original branchless banking pilot was developed in partnership with the technology program at the Consultive Group to Assist the Poor (CGAP), a microfinance centre housed at the World Bank. The easypaisa portfolio, which now includes Bill Payment solution and Money Transfer, is scheduled to come up with services such as mobile wallet accounts, cash deposits and withdrawal facilities in the near future.

SBP allows wider scope of MFBs' permanent booth

In order to enhance outreach of financial services to underserved areas by microfinance banks and to provide them an enabling environment for resorting to cost effective means of deposit mobilization, the State Bank of Pakistan has decided to enhance the scope of permanent booths under its Branch Licensing Policy. MFBs will be required to apply to the SBP for opening of permanent booths approved under ABEP under prescribed format.

For more details please see BPRD Circular No. 16 of 2009, at the SBP URL: <http://www.sbp.org.pk/bprd/2009/C16.htm>

Seven members recognized for Social Performance Reporting

Seven members of the PMN were awarded Silver Awards on Social Performance Reporting to the 'Social Performance Task Force (SPTF)'. This award comes from the CGAP, Dell Foundation and Ford Foundation. The seven members are CWCD, DAMEN, RCDS, SAFWCO, SDF, TRDP and FMFBL. Earlier in the year, ASASAH also won the award at the award certification launch in Madrid, Spain.

To learn more about the awards and Social Performance Reporting please visit <http://www.themix.org>

PMN awarded 'Best Network of the Year' by SEEP Network

The Pakistan Microfinance Network was awarded the 'Best Network of the Year' Award at the 2009 SEEP Network Annual Conference, held at Washington, DC. The Small Enterprise Education and Promotion (SEEP) Network's Annual Conference is considered the premiere micro-enterprise practitioner event for engaging in new learning on innovative practices and current topics in the field. It also provides a critical forum where those working in micro-enterprise development can come together to strengthen their collective efforts.

Introduction of new microfinance products urged at the Third Microfinance Country Forum

The Third Microfinance Country Forum was held on November 21 in Islamabad. Many topics related to microfinance were addressed, with special emphasis on 'Mass accessibility and user-friendly resources'. The event was inaugurated by the Governor State Bank of Pakistan. He urged microfinance banks to make a shift from single product-driven mechanisms to an innovative multi-dimensional strategy that focuses on market diversification, which will serve two purposes: firstly, it will help bring remote areas at par with other parts of the country by increasing outreach of small loans; and secondly, it will serve MFBs in building their revenue streams and attaining financial and operational stability.

END NOTES

- ¹ In the Market Highlights section of MicroWATCH Issue 12 (print version only), Table C misquoted KASHF and FMFBL's numbers of active borrowers due to a typographical error. The correct figures are 288,609 and 219,820 respectively. We apologize for the inconvenience caused due to this error.
- ² Chagai district was divided into two districts (Nushki and Chagai) in 2005. The potential microfinance market estimate for Chagai is therefore an overestimation (aggregate of potential markets for Nushki and Chagai).
- ³ Population data for Nushki district is not available. Nushki was carved out of Chagai district in 2005. Thus, the potential microfinance market estimate for Chagai is an aggregate of the potential market for Chagai and Nushki.
- ⁴ Population data for Sherani district is not available. Sherani was carved out of Zhob district in 2005.
- ⁵ Zhob was divided into two districts (Zhob and Sherani) in 2005. The potential microfinance market estimate for Zhob is therefore an overestimation (aggregate of potential markets for Zhob and Sherani).
- ⁶ Population data for Mingora district is not available. Mingora was carved out of Swat district in 2005. Thus, the potential microfinance market estimate for the district of Swat is an aggregate of the potential market for Mingora and Swat.
- ⁷ Swat district was divided into two districts (Swat and Mingora) in 2005. The potential market estimate for Swat is therefore an overestimation (aggregate of potential markets for Mingora and Swat). The estimate is based on 1998 DCR population data available for Swat.
- ⁸ OPP does not provide retail microcredit services in Gujranwala and Khushab. It wholesales funds to partner organizations: Mehran Education Welfare Society, and Soan Valley Development Program, respectively.
- ⁹ Population data for the district of Nankana Sahib is not available. The district was carved out of Sheikhpura district in 2005. Thus, the estimate for the district of Sheikhpura is an aggregate of the potential market for Sheikhpura and Nankana Sahib (based on 1998 DCR population data available for Sheikhpura).
- ¹⁰ OPP does not provide retail microcredit services in Rawalpindi. It wholesales funds to a partner organization: Alfalah Development Organization.
- ¹¹ OPP does not provide retail microcredit services in Dadu. It wholesales funds to a partner organization: Soofi Shah Inayat Shaheed Sanghat.
- ¹² Hyderabad district was divided into four districts in 2006. These are Hyderabad, Matyari, Tando Muhammad Khan, and Tando Allahyar. Thus, the potential microfinance market estimate for Hyderabad is an aggregate of all four resulting districts (based on 1998 DCR population data available for Hyderabad).
- ¹³ Population data for Jamshoro district is not available. The district is new and was carved out of Dadu district in 2006. Thus, the estimate for Dadu also includes the estimate for the recently created Jamshoro district.
- ¹⁴ The market estimate for Karachi is the aggregate of four districts namely, Central, West, East, and South.
- ¹⁵ OPP does not provide retail microcredit services in Khairpur. It wholesales funds to partner organizations: Khajji Cooperative Society, Goth Seenghar, and Marvi Rural Development Organization.
- ¹⁶ Population data for Matyari district is not available. The district was carved out of Hyderabad district in 2006. Thus, the estimate for Hyderabad also includes the estimate for the recently created Matyari district.
- ¹⁷ OPP does not provide retail microcredit services in Mirpur Khas, Nawabshah, Naushahro Feroze, Thatta and Umer Kot. It wholesales funds to a number of partner organizations: Sindh Rural Partner Organization; Shah Sachal Sami Welfare Association; Village Welfare Society; Sindh Community Development Organization; Ghulam Qadir Group; and Shama Roshan Social Welfare Development Organization, respectively.
- ¹⁸ Population data for districts Tando Allahyar and Tando Muhammad Khan is not available. The districts were carved out of Hyderabad district in 2006. Thus, the microfinance market estimate for Hyderabad is an aggregate of the potential markets in the recently created Tando Allahyar, Matyari and Tando Muhammad Khan districts.
- ¹⁹ Due to unavailability of population data for the Azad Jammu and Kashmir (AJK) districts, the potential microfinance market could not be estimated.
- ²⁰ Due to unavailability of population data for the Federally Administered Northern Areas (FANA) the potential microfinance market could not be estimated.
- ²¹ Due to unavailability of population data for the Federally Administered Tribal Areas (FATA), the potential microfinance market could not be estimated.

REPORTING ORGANIZATIONS

Category	MFP	Reporting Period	
		Quarter 2	Quarter 3
		2009	2009
MFB Microfinance Bank licensed and prudentially regulated by the State Bank of Pakistan to exclusively service microfinance market	Kashf Microfinance Bank	✓	✓
	Khushhali Bank (KB)	✓	✓
	Network MicroFinance Bank Ltd. (NMFb)	✓	✓
	Pak-Oman Microfinance Bank Ltd. (POMFB)	✓	✓
	Rozgar Microfinance Bank Ltd. (RMFB)	✓	✗
	Tameer Microfinance Bank Ltd. (TMFB)	✓	✓
	The First MicroFinanceBank Ltd. (FMFB)	✓	✓
MFI Microfinance institution providing specialized microfinance services	Akhuwat	✓	✓
	ASA International	✓	✓
	Asasah	✓	✓
	Community Support Concern (CSC)	✓	✓
	Development Action for Mobilization and Emancipation (DAMEN)	✓	✓
	Kashf Foundation	✓	✓
	Orangi Pilot Project (OPP)	✓	✓
	Sindh Agricultural and Forestry Workers Cooperative Organization (SAFWCO)	✓	✓
RSP Rural support programme running microfinance operation as part of multi-dimensional rural development programme	Lachi Poverty Reduction Project (LPRP)	✗	✗
	National Rural Support Programme (NRSP)	✓	✓
	Punjab Rural Support Programme (PRSP)	✓	✓
	Sarhad Rural Support Programme (SRSP)	✓	✓
	Thardeep Rural Development Programme (TRDP)	✓	✓
Others	BRAC	✓	✓
	Centre for Women Cooperative Development (CWCD)	✓	✓
	Jinnah Welfare Society (JWS)	✓	✓
	Narowal Rural Development Programme (NRDP)	✗	✓
	Organization for Participatory Development (OPD)	✓	✓
	Rural Community Development Society (RCDS)	✓	✓
	Save the Poor (STP)	✗	✗
	Sindh Rural Support Program (SRSP)	✗	✗
	Sungi Development Foundation (SDF)	✓	✓
	Swabi Women's Welfare Society (SWWS)	✗	✓
	ORIX Leasing Pakistan Ltd. (OLP)	✓	✓
	Bank of Khyber (BOK)	✗	✗

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Data Collection and Compilation: Moazzam Iqbal
Design & Layout: Pakistan Microfinance Network
Printed at: Creative Junction
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