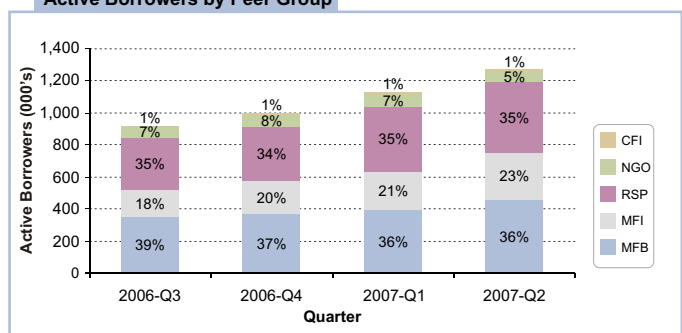


Microcredit outreach in terms of both active borrowers and value continued to expand at an impressive rate of 13% and 10% respectively during the second quarter of 2007, equivalent to the growth rates for the previous quarter. Microfinance banks (MFBs), microfinance institutions (MFIs) and rural support programmes (RSPs) were the biggest contributors to this growth (for definitions of peer groups, please refer to back cover of the report). In terms of share in total outreach, although MFBs and RSPs continue to be the biggest players, MFIs have consistently increased their share, raising it from 18% in Q3-2006 to 23% by Q2-2007.

	Microcredit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (PKR Millions)	Active Savers	Value (PKR Millions)	Policy Holders	Sum Insured (PKR Millions)
2007-Q2	1,273,666	13,056	1,414,478	3,232	387,902	5,819
2007-Q1	1,130,035	11,830	1,346,234	2,497	-	-
Increase (Net)	143,631	1,226	68,244	735	387,902	5,819
Increase (%)	13	10	5	29	-	-

Note: Due to unavailability of Saving data for some reporting organizations, 'Active Savers' and 'Value of Savings' for Quarter 1, 2007 differs from numbers reported in the preceding issue of MicroWATCH. To adjust for missing data in the current quarter, data of non-reporting organizations was subtracted from the aggregates of Q1-2007.

Active Borrowers by Peer Group



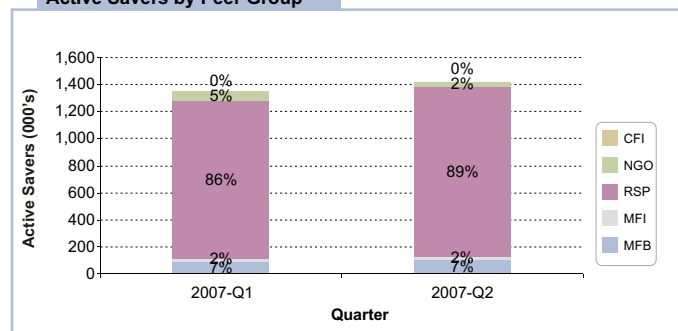
Sector-wise split of the credit data shows that agriculture had the largest share followed by trade and livestock. This is supported by the rural-urban composition of credit, with 59% of total credit being given in rural areas during Q2-2007. Though rural outreach continued to be significantly higher than urban outreach, the share of urban credit rose for the first time—although marginally—from 40% to 41% during this quarter. This is not surprising given that the growth in urban outreach has outstripped growth in rural outreach for at least the last four quarters. In terms of outreach Lahore, Karachi and Faisalabad—largely urban—remained the districts¹ with the highest number of active borrowers during Q2-2007 as in the previous quarter.

The sector continued to improve its performance with respect to extension of microcredit services to female clients who accounted for 47% of the total active borrowers in this quarter compared to 46% in the last quarter. MFBs and RSPs accounted for the highest number of female clients with shares of 53% and 38% respectively in total female borrowers. On the other hand, growth in active female clients was

highest for MFIs (22.90%) followed by MFBs (14.74%) during this quarter.

In terms of micro-savings, a contrasting trend was observed with respect to active savers and value of savings during this quarter: growth in active savers slowed down significantly whereas growth in value of savings increased significantly. RSPs outperformed all other peer groups in terms of adding microsavers, followed by MFBs and MFIs. The group methodology adopted by the RSPs plays a major role in their success in mobilizing savings compared to other peer groups. In terms of value of savings, MFBs' value of intermediated savings outstripped the value of mobilized savings of MFIs and RSPs. Thus, as in the previous quarter, RSPs accounted for the largest number of active microsavers with a share of 89% whereas MFBs accounted for the lion's share of 68% in total value of savings.

Active Savers by Peer Group



In terms of savings methodology, only 7% of deposits were 'intermediate-able'² deposits, which was slightly higher than the last

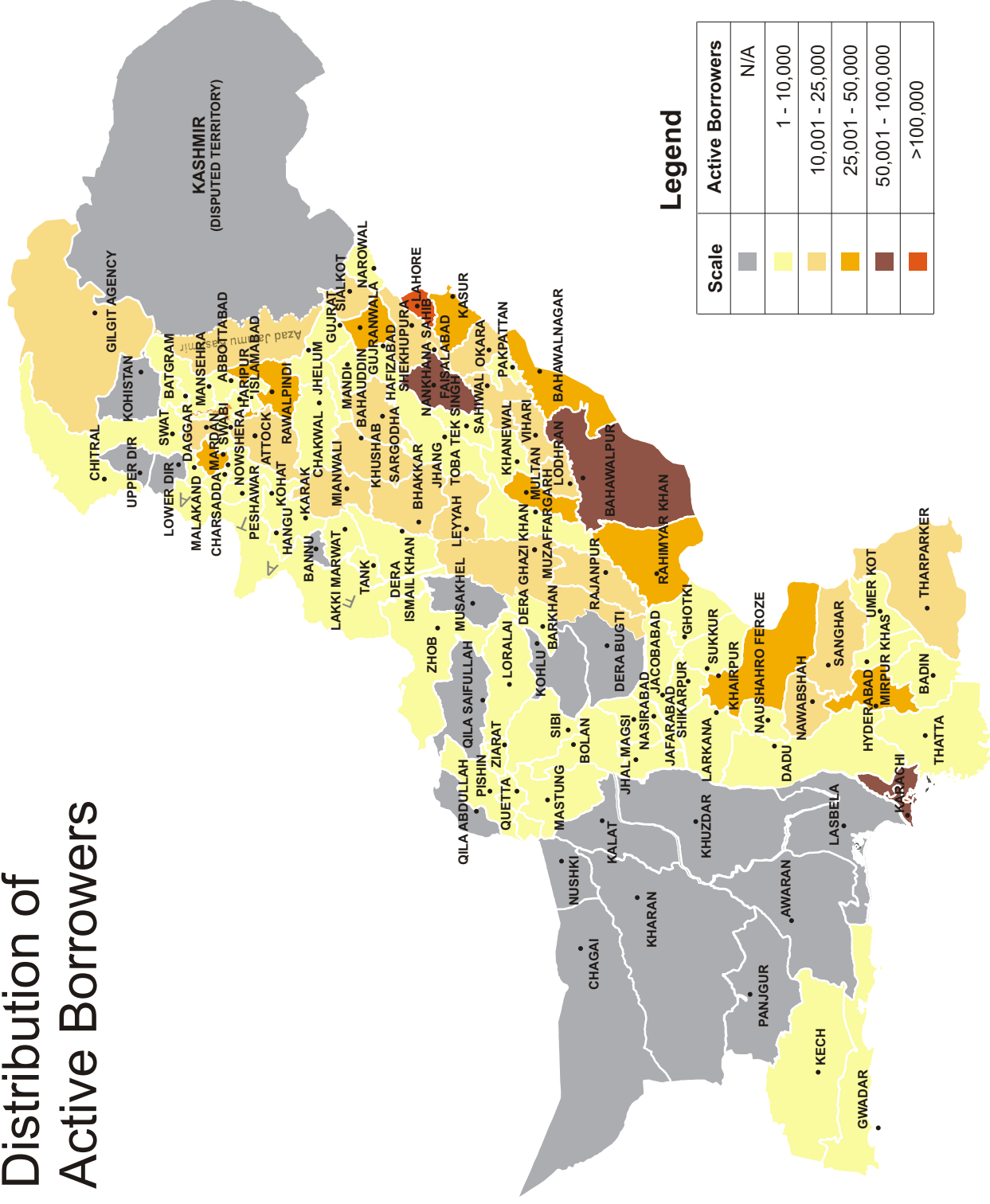
¹ A 'district' is a third-tier administrative unit, following a province and tehsil/taluka, respectively.

² Deposits used to finance an organization's loan portfolio. Only SBP-regulated MFIs (CFIs and MFBs) can accept and intermediate deposits from the general public.



SHOREBANK INTERNATIONAL

Distribution of Active Borrowers



Legend

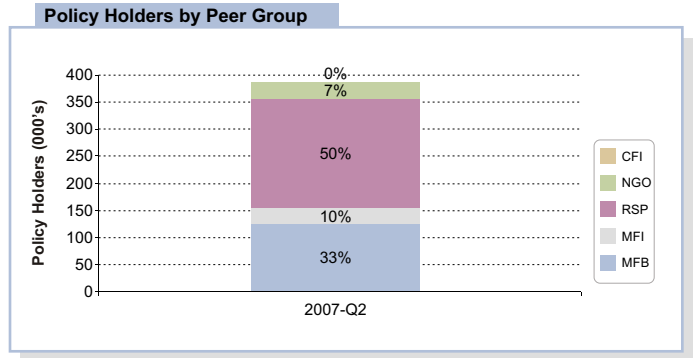
Scale	Active Borrowers
Grey	N/A
Light Yellow	1 - 10,000
Yellow	10,001 - 25,000
Orange	25,001 - 50,000
Dark Orange	50,001 - 100,000
Red	>100,000

* 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 Allayari, Tando Muhammad Khan (Hyderabad); Sheddakot (Larkana); Mingora (Swat); Sherani (Zhob)

quarter but significantly lower than the mobilized savings that accounted for the rest of the 93% of saving deposits. Given the RSPs' overwhelming share in active savers, it is not surprising that 95% of the active savers are in rural areas.

Micro-insurance remained a small part of the microfinance sector with only 387,902 policy holders compared to the 1.3 million microcredit clients. 50% of these policy holders were accounted for by RSPs, followed by MFBs and MFIs with 33% and 10% shares in total policy holders respectively during this quarter. Since RSPs mainly operate in rural areas, 76% of policy holders were located in rural areas. As in other microfinance products, majority of micro-insurance clients were male making up 64% of total policy holders. The two types of insurance products being offered to micro-insurance clients, namely health and life, each made up 50% of the total policy holders.

Overall penetration rate for microfinance rose from 3.86% to 4.35%, with all provinces adding to outreach except for Balochistan which

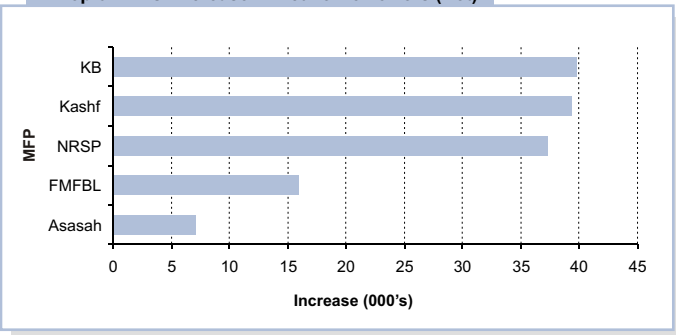


witnessed a decline in penetration rate from 1.15% to 0.79% due to suspension of operations by a few MFPs in the region. At the district level, penetration rates were highest for Lahore (17.05%), Bahawalpur (11.12%) and Mardan (9.82%), as was the case in the previous quarter.

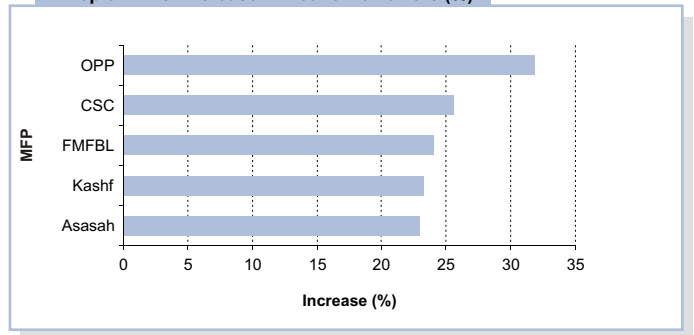
MARKET HIGHLIGHTS (Apr 1, 2007 - Jun 30, 2007)

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-Jun)	Market Share (% of Active Borrowers)
1	KB	324,471	25.5
2	NRSP	319,729	25.1
3	Kashf	208,316	16.4
4	FMFBL	82,040	6.4
5	PRSP	67,285	5.3

D. MFPs with Largest Geographic Spread

	MFP	Geographic Spread (No. of Districts)
1	KB	82
2	NRSP	44
3	FMFBL	27
4	PRSP	20
5	Kashf	18

MARKET HIGHLIGHTS (Apr 1, 2007 - Jun 30, 2007)

MICROCREDIT

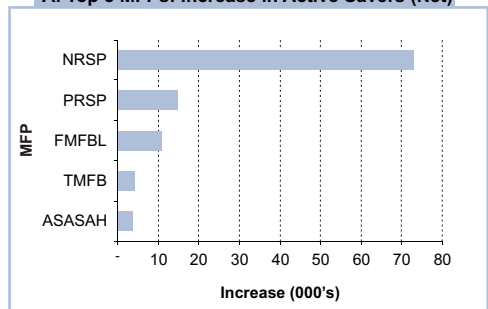
E. Districts with Highest Outreach (Active Borrowers)

	Province	District	Active Borrowers (30-Jun)	Growth (1-Apr to 30-Jun)		Potential Microfinance Market (2007)	Penetration Rate (%)
				Net	%		
			A			B	(A/B)*100
1		Gwadar	1,514	187	14.1	55,537	2.73
2	Balochistan	Barkhan	1,128	50	4.6	31,881	3.54
3		Loralai	1,471	25	1.7	76,879	1.91
1		Mardan	34,859	6,581	23.3	354,988	9.82
2	N.W.F.P	Mansehra	4,777	2,169	83.2	271,288	1.76
3		Charsadda	6,689	2,061	44.5	271,736	2.46
1		Lahore	152,138	11,809	8.4	872,760	17.43
2	Punjab	Faisalabad	66,336	11,770	21.6	1,096,924	6.05
3		Bahawalpur	51,349	8,491	19.8	461,777	11.12
1		Karachi	79,416	11,118	16.3	1,329,990	5.97
2	Sindh	Hyderabad	27,693	6,027	27.8	517,652	5.35
3		Larkana	11,746	5,644	92.5	534,891	2.20
1		Muzaffarabad	6,634	1,036	18.5		
2	AJK	Poonch	2,859	488	20.6		
3		Kotli	3,381	321	10.5		
1		Skardu	7,035	2,181	44.9		
2	FANA	Gilgit	6,920	831	13.6		
3		Astore	2,364	668	39.4		
1		Khyber	496	188	61.0		
2	FATA	Khurram	609	125	25.8		
1	ICT	Islamabad	4,148	289	7.5	74,750	5.55

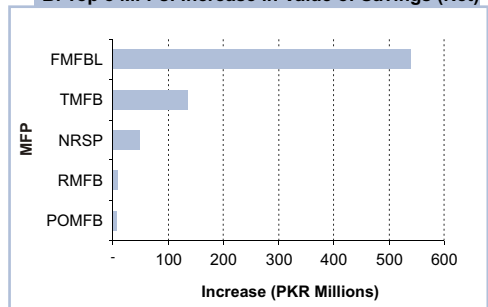
MARKET HIGHLIGHTS (APR 1, 2007 - JUN 30, 2007)

MICRO-SAVINGS

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



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



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

	MFP	Active Savers (30-Jun)	Market Share (% of Active Savers)	Increase	
				Net	%
1	NRSP	704,318	49.8	73,112	11.6
2	PRSP	333,714	23.6	14,869	4.7
3	TRDP	204,839	14.5	0	0.0
4	FMFBL	55,910	4.0	10,967	24.4
5	TMFB	34,861	2.5	4,181	13.6

D. Districts with Highest Outreach (Active Savers)

	District	Active Savers (30-Jun)	Increase (1-Apr to 30-Jun)	
			Net	%
1	Tharparkar	110,554	0	0.0
2	Bahawalpur	58,538	11,335	24.0
3	Karachi	47,174	-3,684	-7.2
4	Badin	44,496	1,514	3.5
5	Attock	42,859	1,388	3.3

MARKET HIGHLIGHTS (Apr 1, 2007 - Jun 30, 2007)

MICRO-INSURANCE

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

	MFP	Insured Clients (30-Jun)	Market Share (% of Policy Holders)
1	NRSP	178,249	46.0
2	FMFBL	82,040	21.1
3	TMFB	30,118	7.8
4	DAMEN	29,024	7.5
5	Akhuwat	19,396	5.0

B. Districts with Highest Outreach (Policy Holders)

	District	Policy Holders (30-Jun)
1	Karachi	45,595
2	Lahore	44,579
3	Bahawalpur	31,305
4	Bhawalnagar	19,683
5	Hyderabad	16,919

OTHER NEWS ITEMS

DFID Proposal Approved

DFID have approval to carry out the design work for a large scale Financial Inclusion Programme to be led by the State Bank of Pakistan. Subject to approval of the design, DFID envisage funding of up to £50 million over 5 years to support implementation of the Financial Inclusion programme. In addition to microfinance, the programme will focus on SME financing, low-income housing finance and rural finance. Islamic banking and remittances will be cross cutting themes in this programme. The purpose of the programme is to improve access to financial services for the poor and marginalized groups in Pakistan. The design will include a focus on strengthening the SBP's regulatory and implementation capacity; strengthening of financial institutions; promoting technology for innovative finance products and developing the institutions, skills and information needed to promote a market-based inclusive financial sector.

Tax Exemption for MFBs

Through the Finance Bill 2007-2008 the government approved a tax holiday (starting June 2007) for microfinance banks (MFBs) based on the reasoning that: (i) it takes an MFB about three years to break even and (ii) practitioners strongly feel that an additional five years will be required to enable an MFB to generate sufficient retained earnings to build up its overall equity for sustainable operations. This tax break has been provided for five years and is conditional i.e. such banks shall not issue dividends to their shareholders and their profit and gain (if any) shall be utilized for Micro Finance Operations only.

For details, please visit Central Board of Revenue's website: www.cbr.gov.pk

Payment Systems and Electronic Funds Transfer Act, 2007 passed

The Payment Systems and Electronic Funds Transfer Act 2007 was passed through the Finance Bill 2007-08 allowing State Bank of Pakistan (SBP) to supervise and regulate such payments and fund transfers. The Act authorizes SBP to issue rules regarding payment systems and payment instruments. It will also help determine the rights

And liabilities of financial institutions, other service providers and clients involved in electronic fund transfers and provide legal coverage for initiatives such as branchless banking.

For details, please visit www.sbp.org.pk

Social Performance Management (SPM) Initiative Launched

To build upon the sector's commitment to transparency and develop a more holistic picture of organizational performance, the Social Performance Management (SPM) initiative was launched by PMN in partnership with CGAP. The three-stage strategy involves:

- piloting the Progress out of Poverty Index (PPI) developed by CGAP and Grameen Foundation
- delivering training on SPM
- piloting SPM and social performance reporting, in partnership with CGAP and the MIX

For more information on SPM, please visit the Social Performance resource center at www.microfinancegateway.com

Citi-PPAF Awards Introduced

The Citi-PPAF Microentrepreneurship Awards Programme 2007 was launched to recognize and reward leadership, entrepreneurial skills and best practices of individual microentrepreneurs on a national and provincial level. These awards have been organized since 2005 and are presented in the categories of 'Best National Micro-entrepreneur Male', 'Best National Micro-entrepreneur Female' and four 'Best Provincial Micro-entrepreneurs' as well as one runner-up in each category. The awards also seek to give special recognition to loan officers and representatives of MFPs. This year the awards-giving ceremony is scheduled to be held in October in Islamabad.

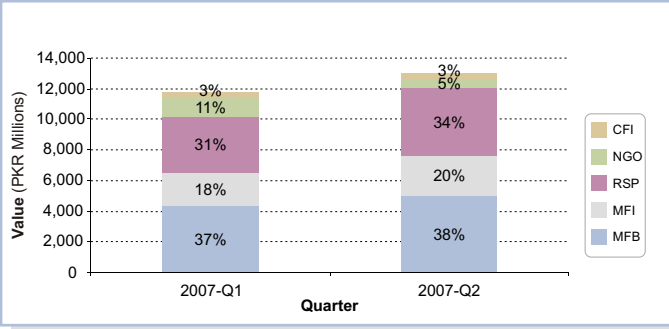
For details, please visit www.pfaf.org.pk or www.citibank.com/pakistan

SUMMARY OF MICROCREDIT PROVISION (All Pakistan)

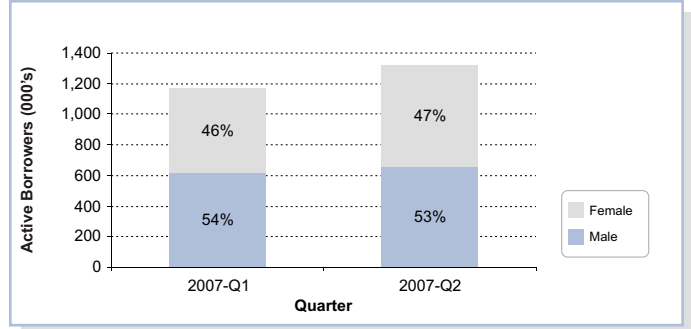
Exchange Rate (Jun 2007): PKR/ USD:61.00/1

Indicator	Total	Lending Methodology		Peer Group				
		Group	Individual	MFB	MFI	RSP	NGO	CFI
Number of Branches/Units								
2007-Q1	1,155			242	142	667	84	20
2007-Q2	1,253			255	173	743	60	22
Active Borrowers								
2007-Q1	1,130,035	1,054,877	75,158	396,828	240,412	399,572	79,113	14,110
2007-Q2	1,273,666	1,188,129	85,537	456,699	293,937	442,332	65,041	15,657
Gross Loan Portfolio (PKR Millions)								
2007-Q1	11,830	10,082	1,748	4,386	2,158	3,683	1,275	326
2007-Q2	13,056	11,169	1,887	5,034	2,615	4,444	622	341
Average Loan Balance (PKR)								
2007-Q1	10,469	9,557	23,261	11,057	8,978	9,218	16,122	23,082
2007-Q2	10,251	9,400	22,066	11,022	8,898	10,047	9,561	21,801
Number of Loans Disbursed								
2007-Q1	334,749	317,519	17,230	110,309	103,061	96,760	22,078	2,541
2007-Q2	479,304	461,628	17,676	153,037	127,451	182,116	13,338	3,362
Disbursements (PKR Millions)								
2007-Q1	4,024	3,606	417	1,471	1,047	1,225	214	64
2007-Q2	6,239	5,834	404	1,870	1,416	2,677	201	73
Average Loan Size (PKR)								
2007-Q1	12,021	11,358	24,231	13,338	10,166	12,665	9,725	25,508
2007-Q2	13,018	12,640	22,877	12,225	11,111	14,700	15,100	21,941

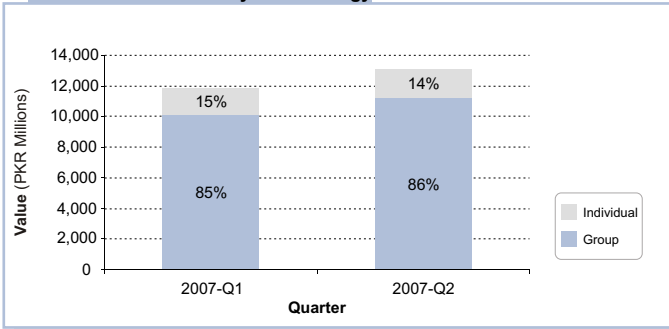
Gross Loan Portfolio



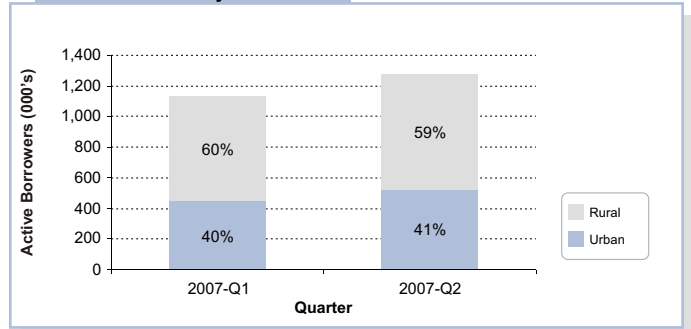
Active Borrowers by Gender



Gross Loan Portfolio by Methodology

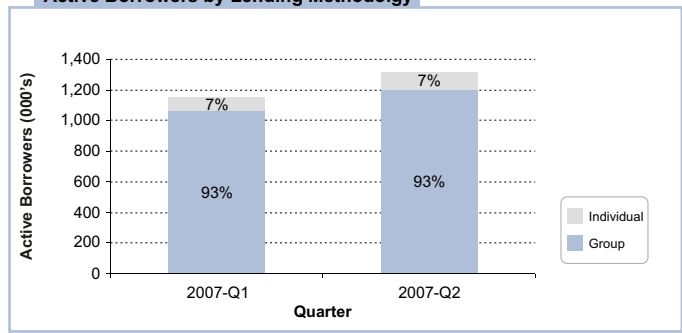


Active Borrowers by Urban/Rural

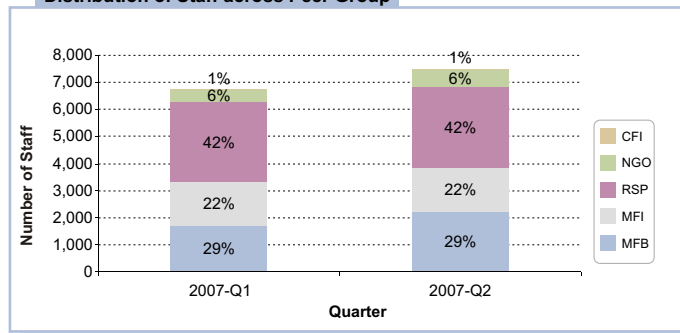


SUMMARY OF MICROCREDIT PROVISION (All Pakistan)

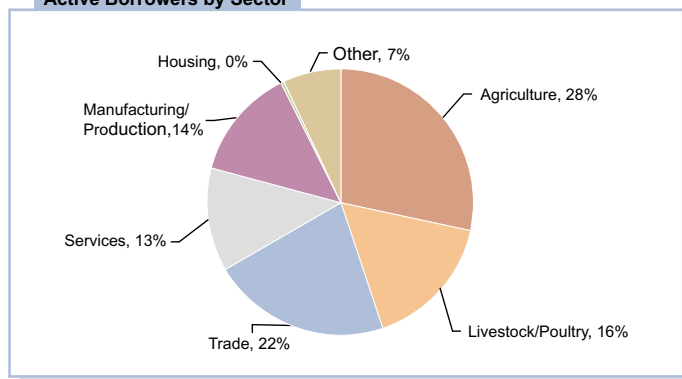
Active Borrowers by Lending Methodology



Distribution of Staff across Peer Group



Active Borrowers by Sector



SUMMARY OF MICRO-SAVINGS PROVISION (All Pakistan)

Note: Due to unavailability of Saving data for some reporting organizations, 'Active Savers' and 'Values of Savings' for Quarter 1, 2007 differs from numbers reported in the preceding issue of MicroWATCH. To adjust for missing data in the current quarter, data of non-reporting organizations was subtracted from the aggregates of Q1-2007

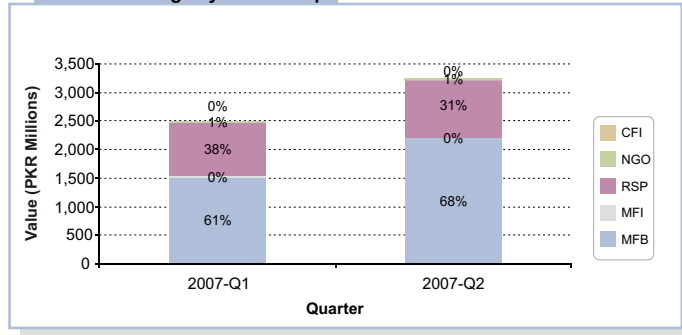
	Total	Saving Methodology		Peer Group				
		Intermediation	Mobilization	MFB	MFI	RSP	NGO	CFI
Number of Savers								
2007-Q1	1,346,234	84,559	1,261,675	88,028	22,787	1,164,042	71,377	0
2007-Q2	1,414,478	101,543	1,312,935	101,543	26,609	1,252,807	33,519	0
Value of Saving (PKR Millions)								
2007-Q1	2,497	1,517	980	1,524	4	942	25	0
2007-Q2	3,231	2,211	10,204	2,211	4	998	17	0
Average Saving Balance(PKR)								
2007-Q1	1,854	17,936	777	17,315	204	809	358	-
2007-Q2	2,285	21,778	777	21,778	181	797	510	-

Saving Methodology:

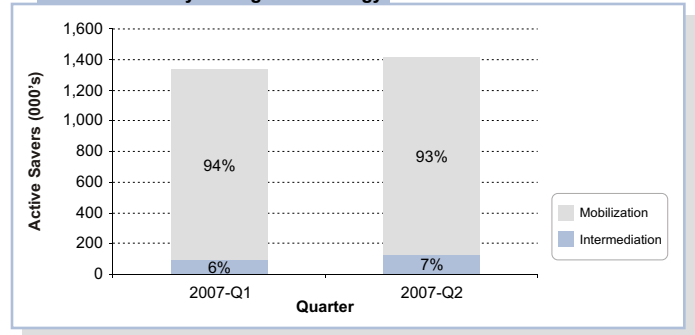
- 1. Intermediation:** Public deposits used to finance an organization's loan portfolio. Only SBP-regulated MFPs (CFIs and MFBs) can accept and intermediate deposits from the general public.
- 2. Mobilization:** MFPs not regulated by SBP (MFIs, NGOs, RSPs) can neither hold nor intermediate deposits from 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)

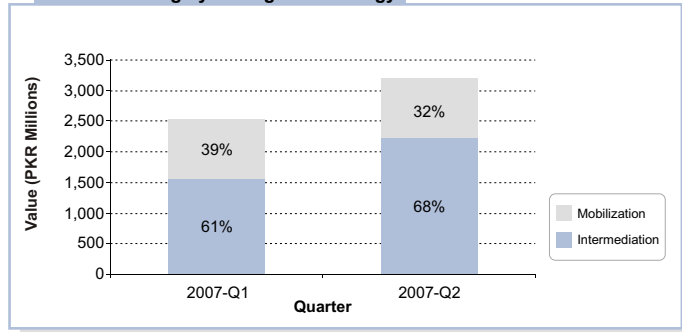
Value of Savings by Peer Group



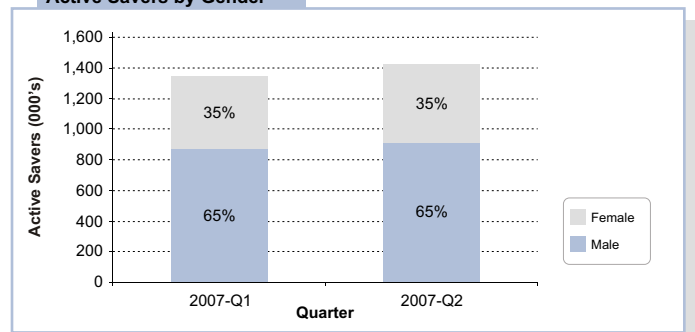
Active Savers by Saving Methodology



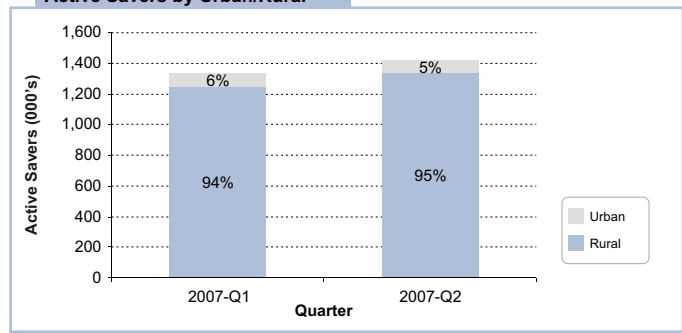
Value of Saving by Saving Methodology



Active Savers by Gender



Active Savers by Urban/Rural

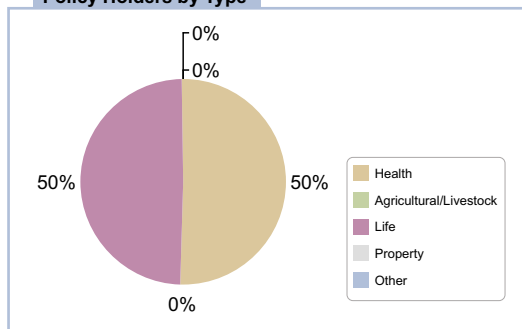


SUMMARY OF MICRO-INSURANCE PROVISION (All Pakistan)

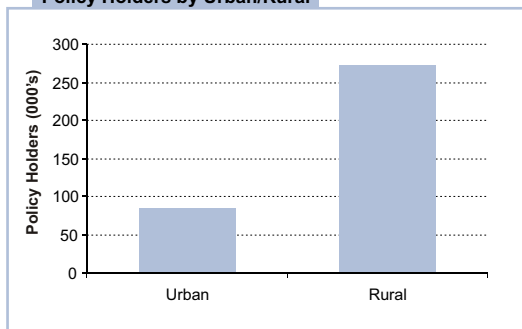
	Total	Type		Peer Group					
		Health	Life	MFB	MFI	RSP	NGO	CFI	
Number of Policy Holders									
2007-Q1	-	-	-	-	-	-	-	-	-
2007-Q2	387,902	194,890	193,012	126,959	37,029	194,890	29,024	0	
Sum Insured (PKR Millions)									
2007-Q1	-	-	-	-	-	-	-	-	-
2007-Q2	5,819	-	-	2,096	202	3,319	202	-	

SUMMARY OF MICRO-INSURANCE PROVISION (All Pakistan)

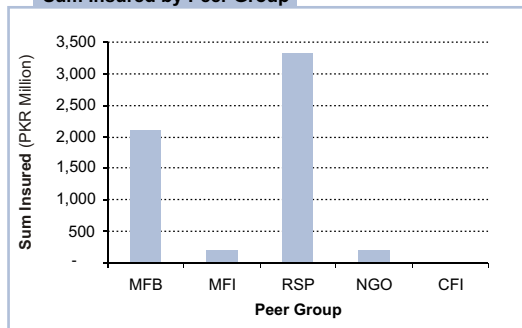
Policy Holders by Type



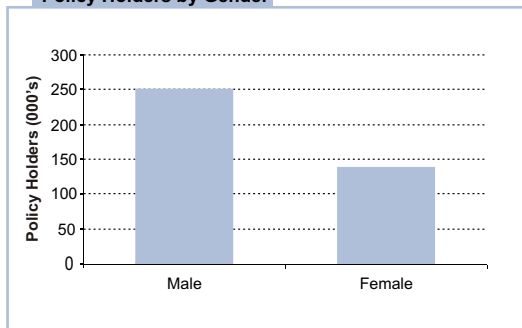
Policy Holders by Urban/Rural



Sum Insured by Peer Group



Policy Holders by Gender



OUTREACH (District Level)

BALUCHISTAN

District	MFP	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	-	1,128	7,789,384	-	-	-	-	31,881
Bolan										66,423
Chagai ³										54,814
Dera Bugti										43,770
Gwadar	FMFBL KB NRSP POMFB	5	-	1,514	7,738,381	9,671	1,938,956	1,031	14,686,471	55,537
Jafarabad	KB	1	-	2,027	21,989,798	-	-	-	-	121,911
Jhal Maghsi										29,887
Kalat										53,884
Kech (Turbat)	NRSP	7	-	806	4,415,949	26,706	6,276,847	385	9,325,000	92,271
Kharan										47,948
Khuzdar										104,104
Kohlu										26,910
Lasbela										84,637
Loralai	KB	2	-	1,471	8,369,650	-	-	-	-	76,879
Mastung	KB	1	-	333	2,423,230	-	-	-	-	41,317
Musakhel										27,545
Nasirabad	KB	1	-	908	8,477,961	-	-	-	-	75,783
Nushki ⁴										-
Panjgur										51,074
Pishin	KB	1	-	1,274	9,501,569	-	-	-	-	100,179
Qila Abdullah										115,112
Qila Saifullah										44,345
Quetta	FMFBL KB	7	-	4,477	25,021,136	525	44,678,000	400	4,504,051	174,437
Sherani ⁵										-
Sibi	KB	1	-	2,525	16,718,536	-	-	-	-	48,944
Washuk										585,705
Zhob ⁶	KB	1	-	774	4,775,341	-	-	-	-	53,848
Ziarat	KB	2	-	484	3,615,825	-	-	-	-	7,268
Total		30	-	17,721	120,836,760	36,902	52,893,803	1,816	28,515,522	2,242,467

³ 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).

⁴ 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.

⁵ Population data for Sherani district is not available. Sherani was carved out of Zhob district in 2005.

⁶ 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).

OUTREACH (District Level)

PUNJAB

District	MFP	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	KB NRSP POMFB	37	-	14,786	116,120,523	42,859	85,689,626	7,785	112,756,566	262,870
Bahawalpur	KB NRSP	30	-	51,349	694,342,718	58,538	141,244,634	31,305	370,420,000	461,777
Bhakkar	KB NRSP	28	-	14,736	110,404,499	27,175	25,110,905	8,879	166,915,000	252,453
Bhawalnagar	KB NRSP	16	-	35,930	486,218,155	34,575	78,323,184	19,683	295,245,000	427,843
Chakwal	KB NRSP POMFB	36	-	9,558	81,824,876	28,963	65,898,402	4,658	74,830,182	219,565
D.G. Khan	KB NRSP	12	-	17,587	220,260,693	22,562	8,081,437	3,500	80,490,000	419,252
Faisalabad	Akhuwat Asasah FMFBL Kashf KB NRSP PRSP	76	-	66,336	519,794,646	34,171	10,456,092	1,647	16,317,690	1,096,924
Gujranwala	RCDS Asasah FMFBL JWS Kashf KB NRSP OPD OPP ⁹ PRSP Akhuwat	29	-	45,271	449,507,054	28,083	23,790,856	990	10,072,657	735,741
Gujrat	Kashf KB PRSP	6	-	3,353	28,366,432	10,592	2,111,311	10	110,000	446,630
Hafizabad	Kashf KB PRSP	5	-	4,449	39,202,560	7,020	1,215,604	-	-	231,170
Jhang	KB PRSP	4	-	9,842	90,052,004	13,215	2,548,054	-	-	626,546
Jhelum	KB NRSP	36	-	8,854	74,976,079	14,456	16,279,711	5,391	82,365,000	170,498
Kasur	Asasah CSC DAMEN Kashf KB OLP PRSP RCDS	24	-	39,612	340,323,581	7,357	998,883	7,390	45,625,232	586,427
Khanewal	Asasah Kashf KB NRSP PRSP	7	-	6,352	50,781,618	12,888	7,307,024	431	58,560,000	432,948
Khushab	Kashf KB NRSP OPP	26	-	16,137	127,336,747	37,121	47,633,139	6,785	118,145,000	235,163
Lahore	Akhuwat Asasah CSC DAMEN FMFBL Kashf KB NRSP OLP PRSP TMFB	102	1	152,138	1,381,612,498	32,965	32,798,063	44,579	394,902,929	872,760

⁹OPP 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.

OUTREACH (District Level)

NWFP

District	MFP	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	BOK KB SDF SRSP	4	-	5,729	46,902,044	7,870	3,376,706	-	-	180,672
Bannu										167,380
Batgram	KB SDF	2	-	1,010	2,172,687	1,750	749,510	-	-	58,257
Buner (Daggar)										133,171
Charsadda	BOK KB NRSP	6	-	6,689	91,523,396	6,560	662,260	2,698	41,170,000	271,736
Chitral	BOK FMFBL	6	-	7,328	146,607,718	6,326	147,101,000	6,270	105,211,063	84,846
D.I. Khan	BOK KB	2	-	5,786	78,518,440	-	-	-	-	221,328
Hangu	BOK SRSP	2	-	672	3,415,406	1,536	769,536	-	-	64,648
Haripur	BOK KB SDF SRSP	4	-	4,679	31,952,007	15,064	6,289,214	-	-	103,830
Karak	KB	1	-	951	7,627,154	-	-	-	-	102,174
Kohat	BOK KB LPRP SRSP	6	-	8,043	81,343,660	2,048	1,026,048	-	-	114,908
Kohistan										73,374
Lakki Marwat										107,505
Lower Dir										176,660
Malakand	KB NRSP	4	-	7,635	91,015,620	13,848	1,342,720	3,826	60,190,000	106,429
Mansehra	BOK KB POMFB SDF BOK	4	-	4,777	29,450,226	7,320	7,360,122	754	4,690,351	271,288
Mardan	KB NRSP	58	-	34,859	324,347,969	35,236	2,870,624	15,716	498,420,000	354,988
Mingora ⁷	BOK KB	2	-	1,949	21,908,007	-	-	-	-	-
Nowshera	SRSP	3	-	1,709	12,124,787	1,440	721,440	-	-	201,208
Peshwar	BOK KB OLP SRSP	9	-	8,750	79,743,588	1,408	705,408	-	-	451,548
Shangla	KB	1	-	1,586	3,920,928	-	-	-	-	116,366
Swabi	NRSP SWWS	5	-	6,476	71,548,934	6,036	438,364	2,548	40,360,000	230,073
Swat ⁸	KB NRSP	12	-	5,808	56,978,514	4,511	691,387	2,095	31,515,000	286,555
Tank	BOK	1	-	22	541,965	-	-	-	-	62,446
Upper Dir										142,427
Total		132	-	114,458	1,181,643,050	110,953	174,104,339	33,907	781,556,414	4,083,817

⁷ 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.

⁸ 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.

OUTREACH (District Level)

PUNJAB

District	MFP	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)	
Leyyah	KB PRSP	4	-	13,819	115,380,638	14,020	2,054,557	-	-	263,251
Lodhran	Akhuwat KB NRSP	15	-	19,462	274,902,323	29,266	50,506,151	11,741	253,959,000	261,693
Mandi Bahauddin	KB PRSP	4	-	5,036	45,480,412	10,914	2,603,259	-	-	44,983
Mianwali	KB NRSP	29	-	14,941	116,871,081	10,802	1,047,645	7,386	123,710,000	252,413
Multan	Akhuwat Asasah FMFBL Kashf KB NRSP OLP PRSP	35	-	28,423	250,283,340	29,229	30,781,561	3,306	110,466,312	689,339
Muzaffargarh	KB PRSP	3	-	6,125	76,899,791	13,405	636,256	-	-	570,580
Nankana Sahib ¹⁰	RCDS	7	-	4,286	164,815,000	-	-	-	-	-
Narowal	KB NRDP PRSP	8	-	8,384	70,010,006	24,124	2,277,242	-	-	268,902
Okara	Asasah Kashf KB PRSP	13	-	23,403	169,460,134	16,486	5,204,068	-	-	509,842
Pakpattan	Asasah Kashf KB NRSP PRSP	7	-	8,393	74,689,122	10,320	5,076,732	269	4,035,000	281,988
Rahimyar Khan	KB NRSP	25	-	27,513	385,127,733	21,924	61,373,329	14,190	237,630,000	585,705
Rajanpur	KB NRSP	11	-	18,895	234,025,686	15,313	39,344,029	5,961	140,485,000	260,436
Rawalpindi	Akhuwat FMFBL Kashf KB NRSP OPP ¹¹	66	-	36,510	290,048,484	40,028	53,053,696	8,266	107,443,626	327,457
Sahiwal	POMFB Asasah FMFBL Kashf KB PRSP	11	-	18,141	129,561,240	24,133	5,698,267	-	-	395,468
Sargodha	Kashf KB NRSP PRSP	14	-	24,022	185,418,461	25,114	2,728,628	3	45,000	671,679
Sheikhupura	DAMEN Kashf KB OLP PRSP RCDS	15	-	24,709	207,590,947	6,069	1,133,525	7,920	49,568,117	831,522
Sialkot	Kashf KB NRSP PRSP	12	-	10,223	84,722,187	29,989	8,221,952	-	-	501,997
Toba Tek Singh	Kashf PRSP	5	-	4,194	32,083,718	16,120	1,435,533	-	-	309,316
Vihari	Asasah KB NRSP OLP	12	-	17,062	200,546,477	27,368	28,054,789	6,903	157,450,000	475,398
Total		770	1	809,831	7,919,041,463	777,164	850,718,144	208,978	3,011,547,311	14,980,536

¹⁰ Population data for the district of Nankana Sahib is not available. The district was carved out of Sheikhupura district in 2005. Thus, the estimate for the district of Sheikhupura is an aggregate of the potential market for Sheikhupura and Nankana Sahib (based on 1998 DCR population data available for Sheikhupura).

¹¹ OPP does not provide retail microcredit services in Rawalpindi. It wholesales funds to a partner organization: Alfalah Development Organization.

OUTREACH (District Level)

SINDH

District	MFP	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	FMFBL KB NRSP	28	-	8,997	89,045,620	44,496	33,280,271	2,762	32,512,800	294,781
Dadu	POMFB KB OLP OPP ¹² TRDP	14	-	8,069	39,329,116	39,224	20,410,000	3,344	355,986	447,305
Ghotki	FMFBL KB	3	-	6,273	67,205,460	69	13,000	64	715,000	248,442
Hyderabad ¹³	FMFBL KB NRSP OPP POMFB SAFWCO TMFB	30	-	27,693	229,807,770	15,414	49,597,839	16,919	155,779,793	517,652
Jacobabad	KB	2	-	8,185	94,748,721	-	-	-	-	361,146
Jamshoro ¹⁴	TRDP FMFBL	4	-	5,691	36,466,546	-	-	-	-	-
Karachi ¹⁵	Kashf KB NRSP OLP OPP POMFB RMFB TMFB	86	2	79,416	1,370,832,514	47,174	1,315,823,411	45,595	1,048,075,070	1,329,990
Khairpur	Akhuwat FMFBL KB OPP ¹⁶ TRDP	9	-	29,952	319,366,733	24,924	40,217,000	10,426	52,152,258	401,853
Larkana	KB	3	-	11,746	133,590,262	-	-	-	-	534,891
Matyari ¹⁷	NRSP FMFBL	3	-	1,280	12,392,039	7,716	3,113,934	902	13,540,000	-
Mirpur Khas	KB NRSP OPP ¹⁸	10	-	9,603	74,022,841	33,139	6,250,940	4,379	35,920,113	210,494
Naushahro Feroze	POMFB FMFBL KB OPP	2	-	7,989	73,714,298	312	11,653,000	803	11,407,422	225,430
Nawabshah	FMFBL KB NRSP OPP	5	1	16,138	164,530,904	2,410	9,152,421	5,879	35,366,260	266,462
Sanghar	SAFWCO KB OLP SAFWCO	7	1	16,951	127,263,549	-	-	11,557	619,845	354,133
Sehwan Sharif	KB	1	-	2,313	18,413,730	-	-	-	-	-
Shehdad Kot										
Shikarpur	KB	1	-	615	5,248,283	-	-	-	-	237,633
Sukkur	FMFBL KB	5	-	6,100	57,619,382	572	2,591,000	464	5,103,343	213,080
Tando Allahyar ¹⁸	FMFBL KB NRSP OPP POMFB	6	1	7,746	61,585,012	7,122	24,901,792	4,884	39,786,164	-

¹² OPP does not provide retail microcredit services in Dadu. It wholesales funds to a partner organization: Soofi Shah Inayat Shaheed Sanghat.

¹³ 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).

¹⁴ 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.

¹⁵ The market estimate for Karachi is the aggregate of four districts namely, Central, West, East, and South.

¹⁶ 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.

¹⁷ 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.

¹⁸ 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.

OUTREACH (District Level)

SINDH

District	MFP	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)	
Tando Muhammad Khan ¹⁹	FMFBL KB NRSP POMFB	5	-	2,270	23,074,245	4,999	3,367,841	204	2,783,000	-
Tharparkar	KB TRDP	24	-	16,033	119,523,765	110,554	69,022,000	3,181	397,800	283,491
Thatta	KB NRSP OPP	7	-	5,186	37,223,275	13,237	11,178,286	102	1,620,000	245,046
Umer Kot	OPP TRDP	14	-	9,583	72,731,522	32,183	22,446,000	3,550	423,900	185,966
Total		269	5	287,829	3,227,735,587	383,545	1,623,018,735	115,015	1,436,558,754	6,357,795

AZAD JAMMU AND KASHMIR (AJK)

District	MFP	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)	
Bagh	KB NRSP	4	-	2,791	14,354,526	15,836	5,171,119	99	1,485,000	-
Bhimber										-
Kotli	NRSP	7	-	3,381	25,319,140	12,744	1,819,550	2,482	41,610,000	-
Mirpur										-
Muzaffarabad	FMFBL KB NRSP SDF	7	-	6,634	34,789,313	13,422	11,954,897	906	15,691,453	-
Neelum										-
Poonch	KB NRSP	5	-	2,859	16,549,382	25,785	5,823,917	-	-	-
Sudhnati	NRSP	1	-	713	5,037,825	6,146	1,315,848	297	5,375,000	-
Total		24	-	16,378	96,050,186	73,933	26,085,331	3,784	64,161,453	-

FEDERALLY ADMINSTRATED NORTHERN AREAS (FANA)

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ²¹
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Astore	FMFBL	1	-	2,364	44,882,404	-	-	2,364	44,882,404	-
Diamer										-
Ghanche	FMFBL	1	-	1,313	30,193,343	2,847	75,022,000	1,313	30,193,343	-
Ghizer	FMFBL	2	-	4,564	78,952,569	4,038	35,907,000	4,564	78,952,569	-
Gilgit	FMFBL	3	-	6,920	175,784,766	9,685	96,013,000	6,920	175,784,766	-
Skardu	FMFBL	4	-	7,035	136,996,911	3,677	62,380,000	7,035	136,996,911	-
Total		11	-	22,196	466,809,993	20,247	269,322,000	22,196	466,809,993	-

¹⁹ 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.

²⁰ Due to unavailability of population data for the Azad Jammu and Kashmir (AJK) districts, the potential microfinance market could not be estimated.

²¹ Due to unavailability of population data for the Federally Administered Northern Areas (FANA) the potential microfinance market could not be estimated.

OUTREACH (District Level)

FEDERALLY ADMINISTRATED TRIBAL AREAS (FATA)

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ²²
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Bajaur										-
Khyber	KB	1	-	496	3,165,868	-	-	-	-	-
Kurram	KB	1	-	609	5,376,154	-	-	-	-	-
Mohmand										-
North Waziristan										-
Orakzai										-
South Waziristan										-
Total		2	-	1,105	8,542,022	-	-	-	-	-

ISLAMABAD CAPITAL TERRITORY (ICT)

District	MFP	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	9	-	4,148	35,587,777	11,734	235,445,963	2,206	29,807,180	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	30	-	17,721	120,836,760	36,902	52,893,803	1,816	28,515,522	2,242,467	0.79
N.W.F.P.	132	-	114,458	1,181,643,050	110,953	174,104,339	33,907	781,556,414	4,083,817	2.80
Punjab	770	1	809,831	7,919,041,463	777,164	850,718,144	208,978	3,011,547,311	14,980,536	5.41
Sind	269	5	287,829	3,227,735,587	383,545	1,623,018,735	115,015	1,436,558,754	6,357,795	4.53
AJK	24	-	16,378	96,050,186	73,933	26,085,331	3,784	64,161,453	-	-
FANA	11	-	22,196	466,809,993	20,247	269,322,000	22,196	466,809,993	-	-
FATA	2	-	1,105	8,542,022	-	-	-	-	-	-
ICT	9	-	4,148	35,587,777	11,734	235,445,963	2,206	29,807,180	74,750	5.55
Grand Total	1,247	6	1,273,666	13,056,246,838	1,414,478	3,231,588,315	387,902	5,818,956,627	29,280,876	4.35

²² 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 1	Quarter 2
		2007	2007
MFB	Khushhali Bank (KB)	✓	✓
Microfinance Bank licensed and prudentially regulated by the State Bank of Pakistan to exclusively service microfinance market	Network MicroFinance Bank Ltd. (NMFB)	✓	X
	Pak-Oman Microfinance Bank Ltd. (POMFB)	✓	✓
	Rozgar Microfinance Bank Ltd. (RMFB)	✓	✓
	Tameer Microfinance Bank Ltd. (TMFB)	✓	✓
	The First MicroFinanceBank Ltd. (FMFB)	✓	✓
MFI	Akhuwat	✓	✓
Microfinance institution providing specialized microfinance services	Asasah	✓	✓
	Kashf Foundation	✓	✓
	Orangi Pilot Project (OPP)	✓	✓
	Sindh Agricultural and Forestry Workers Cooperative Organization (SAFWCO)	✓	✓
RSP	Lachi Poverty Reduction Project (LPRP)	✓	✓
Rural support programme running microfinance operation as part of multi-dimensional rural development programme	National Rural Support Programme (NRSP)	✓	✓
	Punjab Rural Support Programme (PRSP)	✓	✓
	Sarhad Rural Support Programme (SRSP)	✓	✓
	Thardeep Rural Development Programme (TRDP)	✓	✓
NGO	Centre for Women Cooperative Development (CWCD)	✓	X
Non-government organization running microfinance operations as part of multi-dimensional developed programme	Community Support Concern (CSC)	✓	✓
	Development Action for Mobilization and Emancipation (DAMEN)	✓	✓
	Jinnah Welfare Society (JWS)	✓	✓
	Narowal Rural Development Programme (NRDP)	✓	✓
	Organization for Participatory Development (OPD)	✓	✓
	Rural Community Development Society (RCDS)	✓	✓
	Save the Poor (STP)	✓	X
	Sindh Rural Support Program (SRSP)	✓	X
	Sungi Development Foundation (SDF)	✓	✓
	Swabi Women's Welfare Society (SWWS)	✓	✓
Taraqee Foundation (TF)	✓	X	
CFI	ORIX Leasing Pakistan Ltd. (OLP)	✓	✓
Commercial financial institution providing microfinance services as separate function	Bank of Khyber (BOK)	✓	✓

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