



BlueOrchard[®]
Microfinance Investment Managers



« Is SRI compatible with all Asset Classes? »

Microfinance is a Socially Responsible Investment...

But is it an Asset Class?

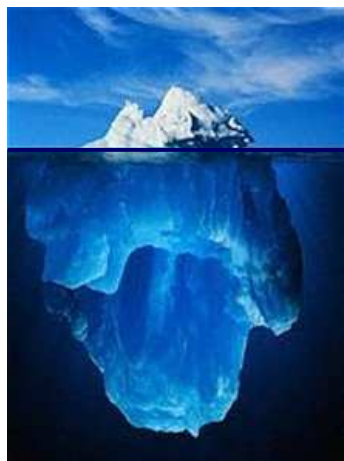
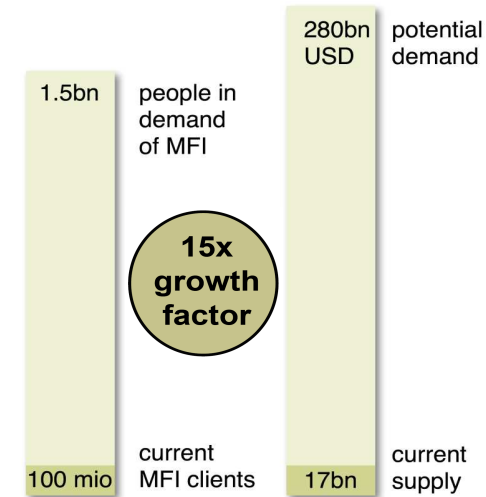
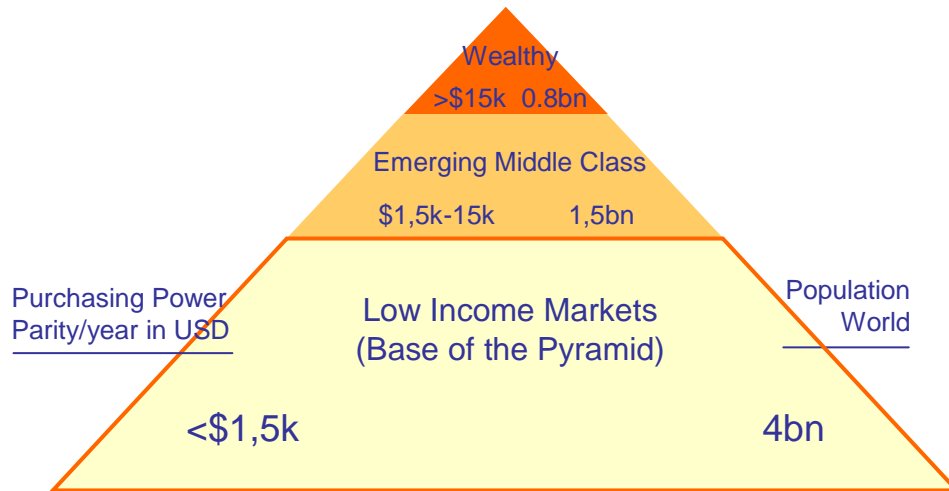


Making flip flops in the
Philippines
Photo Johan Sauty © BlueOrchard

Geneva Forum for Sustainable Investment
March 25th 2009



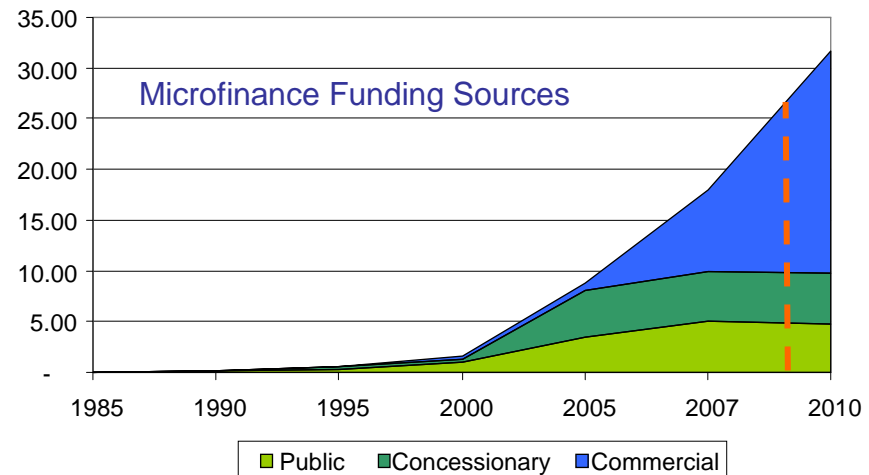
Microfinance - Markets, Volumes, Potential...



Purchasing Power Parity (PPP)

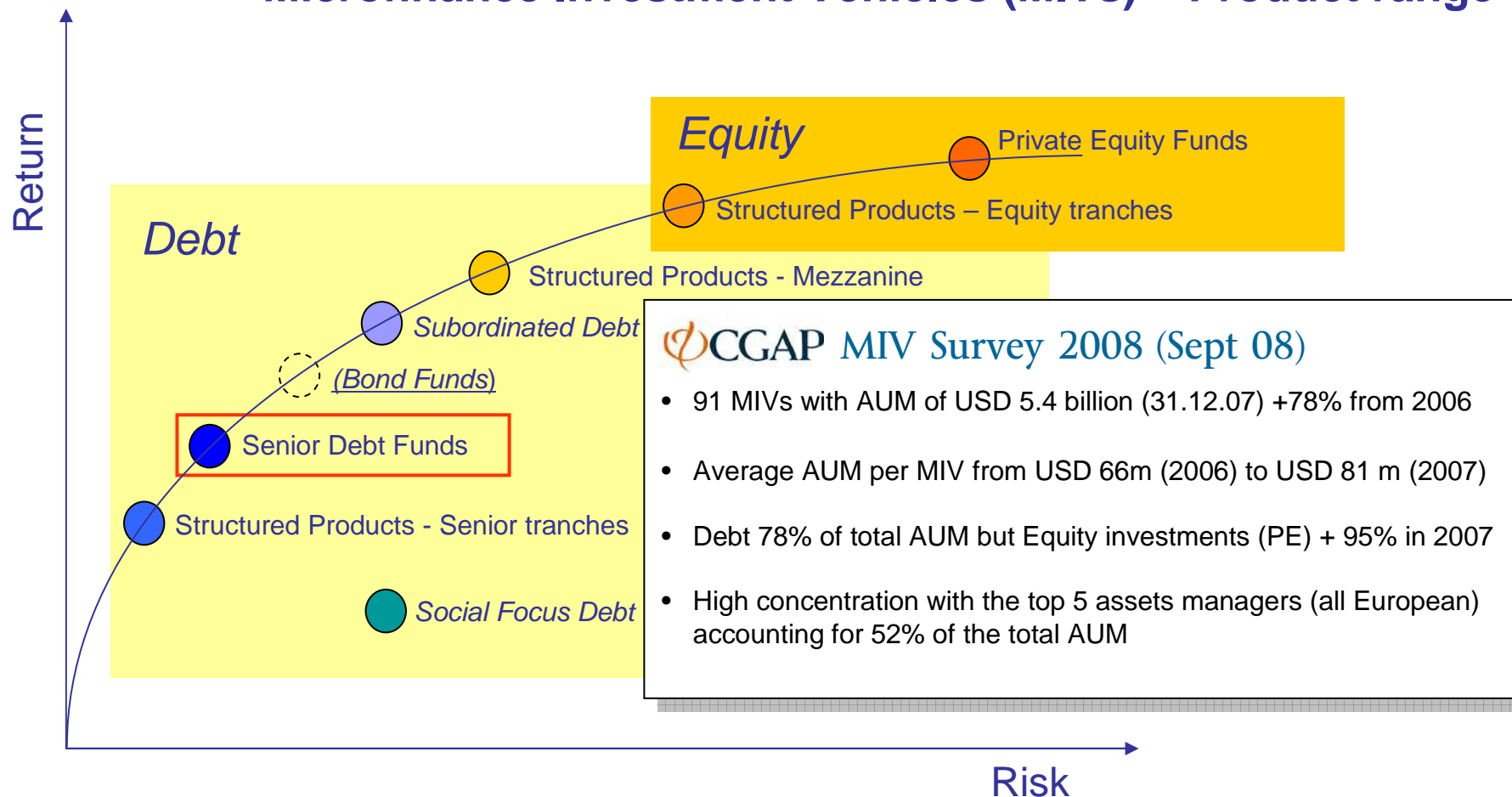
Informal Economy (Small enterprises, bartering, sustainable livelihood activities, subsistence agriculture)

Hidden Assets





Microfinance Investment Vehicles (MIVs) – Product range

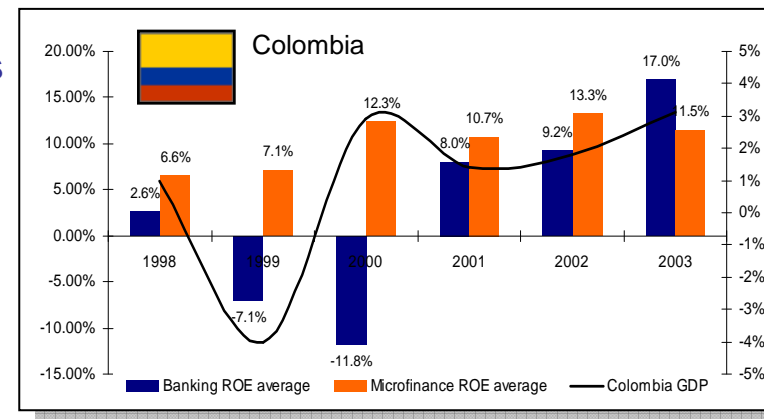


- Can fit in a Portfolio as a category, e.g. Alternative Investments, SRI, etc.
- Or by type of investment, e.g. Fixed Income, Private Equity, etc.



Microfinance a nascent Asset Class?

- Economic Sector: Micro-Enterprises
 - “pre SME”, largely « Autarchy » (domestic), resilient
 - **High credit discipline**
 - But possibly exposed to:
 - Changes in credit and currency terms
 - Food and energy prices, remittances
- Investment Targets: Microfinance Institutions (MFIs)
 - Investment Universe: 300+ from a total of 10'000
 - Segment focus, simple products, special status
 - Increasing professionalization (for profit)
 - **Partly de-coupled from macro-economic shocks**
 - But possibly exposed to:
 - Liquidity / Refinancing risks
 - Changes in credit and currency terms
- Microfinance Investment Vehicles (Managers)
 - Financial and Social Performance
 - Manager Expertise, Size and Diversification
 - **Largely uncorrelated to other Asset Classes**





BlueOrchard[®]
Microfinance Investment Managers



Contacts BlueOrchard

Jean-Pierre Klumpp, CEO
BlueOrchard Finance S.A.
32 rue de Malatrex,
1201 Geneva, Switzerland
Tel.: +41 22 596 4777
Fax: +41 22 596 4799
jean-pierre@blueorchard.com

BlueOrchard Finance USA, Inc.
1140 Broadway, #304,
New York NY 10017, USA
Tel.: +1 212 944 8748,
Fax: +1 212 944 8749
info.northam@blueorchard.com

BlueOrchard Finance
America Latina S.A.C.
Avenida José Pardo 223, piso 9,
Lima, Peru
Tel.: + 511 255 7049
info.latam@blueorchard.com

www.blueorchard.com



Raising cattle in Mongolia
Photo Johan Sauty © BlueOrchard