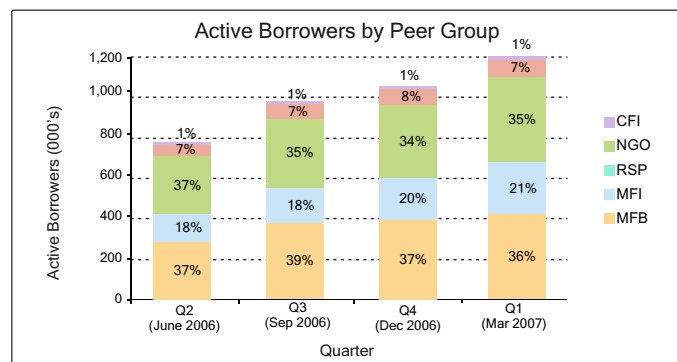


During the first quarter of 2007 microcredit outreach in Pakistan crossed the 1 million mark to reach 1.13 million active borrowers.

	Microcredit		Micro-Savings	
	Active Borrowers	Value (PKR Millions)	Active Savers	Value (PKR Millions)
Quarter 4 (Dec 2006)	997,778	10,743	1,259,051*	2,260*
Quarter 1 (Mar 2007)	1,130,035	11,830	1,510,663	2,506
Increase	132,257	1,087	251,612	246
Increase (%)	13	10	20	11

NOTE: Due to unavailability of saving data for some reporting organizations 'Active Savers' and 'Value of Savings' for Quarter 4, 2006 differs from numbers reported in the preceding issue of MicroWATCH. To adjust for missing data in 2007, data of non-reporting organizations was subtracted from aggregates for 2006.

At 13% the microcredit growth rate for the quarter exceeded the rate achieved in the prior quarter (8%). The annualized rate of growth for the nine months from June 2006 to March 2007 was 73%. If this rate of growth is sustained the sector will reach its expected target of 3.5 million active borrowers during 2010 (this however, will depend on maintaining the endogenous and exogenous conditions relevant for continued expansion). Overall microfinance banks (MFBs) and rural support programmes (RSPs) continue to dominate microcredit outreach, with each peer group accounting for roughly one-third of the total (for definitions of peer groups, please refer to back cover of the report). The first quarter of 2007 also indicated a marginal increase in growth for specialized microfinance institutions (MFIs).



The data confirms that expansion during the quarter was largely even across rural and urban areas: rural outreach grew by 12.9%; urban outreach grew by 13.8%. Key areas of concentration for this growth were the districts of Lahore, Faisalabad, Karachi and Bahawalpur, respectively.

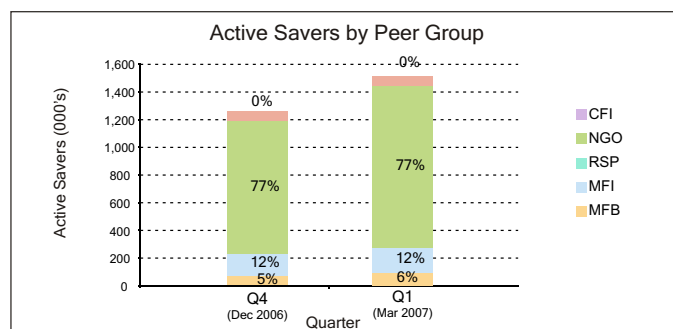
Urban growth was largely accounted for by MFIs, where-as growth in rural areas was spearheaded by the RSPs. Expansion by the MFB

peer group was noticeably lower than the pace achieved in the last two quarters for 2006. Overall, microcredit outreach in Pakistan continues to be primarily rural (60%).

Group lending continues to be the preferred lending methodology among providers. Although the growth rate for individual loan clients (15.6%) exceeded the growth rate for grouped clients (13.1%), at 85% the proportion of gross loan portfolio (GLP) accounted for by group loans continues to outstrip the amount loaned out to individual clients.

The sector showed minor improvement in providing microcredit services to female borrowers. Compared to 45% for the preceding quarter, by March 2007 female clients accounted for 46% of the total outreach. MFIs continue to account for the largest number of female borrowers (206,672), followed by the RSP's (163,580) and MFBs (81,779), respectively.

As was the case in the fourth quarter for 2006, growth in the total number of active savers outpaced growth in active borrowers-the number of active savers increased by 20%. The uptake in savings accounts is perhaps due to the continuing expansion of branch networks, particularly an increase by the RSPs from 643 to 667 over the quarter. Districts accounting for the largest number of savers include Tharparker, Lahore, and Faisalabad. Gujranwala showed the fastest growth in the number of savers (127.2%).



NOTE: Due to unavailability of saving data for some reporting organizations the total number of active savers and the proportions accounted for by different peer groups for Quarter 4, 2006 differs from numbers reported in the preceding issue of MicroWATCH. To adjust for missing data in 2007 data of non-reporting organizations was subtracted from aggregates for 2006.

It is also worth observing that the number of savers with 'intermediate-able' deposits (i.e., deposits used for on-lending) constitute only 6% of the total number of active savers. This class of deposits is accounted for solely by the MFB peer group.

The value of the amount saved during the quarter increased by 11%, down from 19% and 32% in the prior two quarters, respectively. The value of savings continues to be heavily weighted towards the MFBs which account for Rs 1,524 million (60%) as compared to Rs 942 million (38%) accounted for by the RSPs.

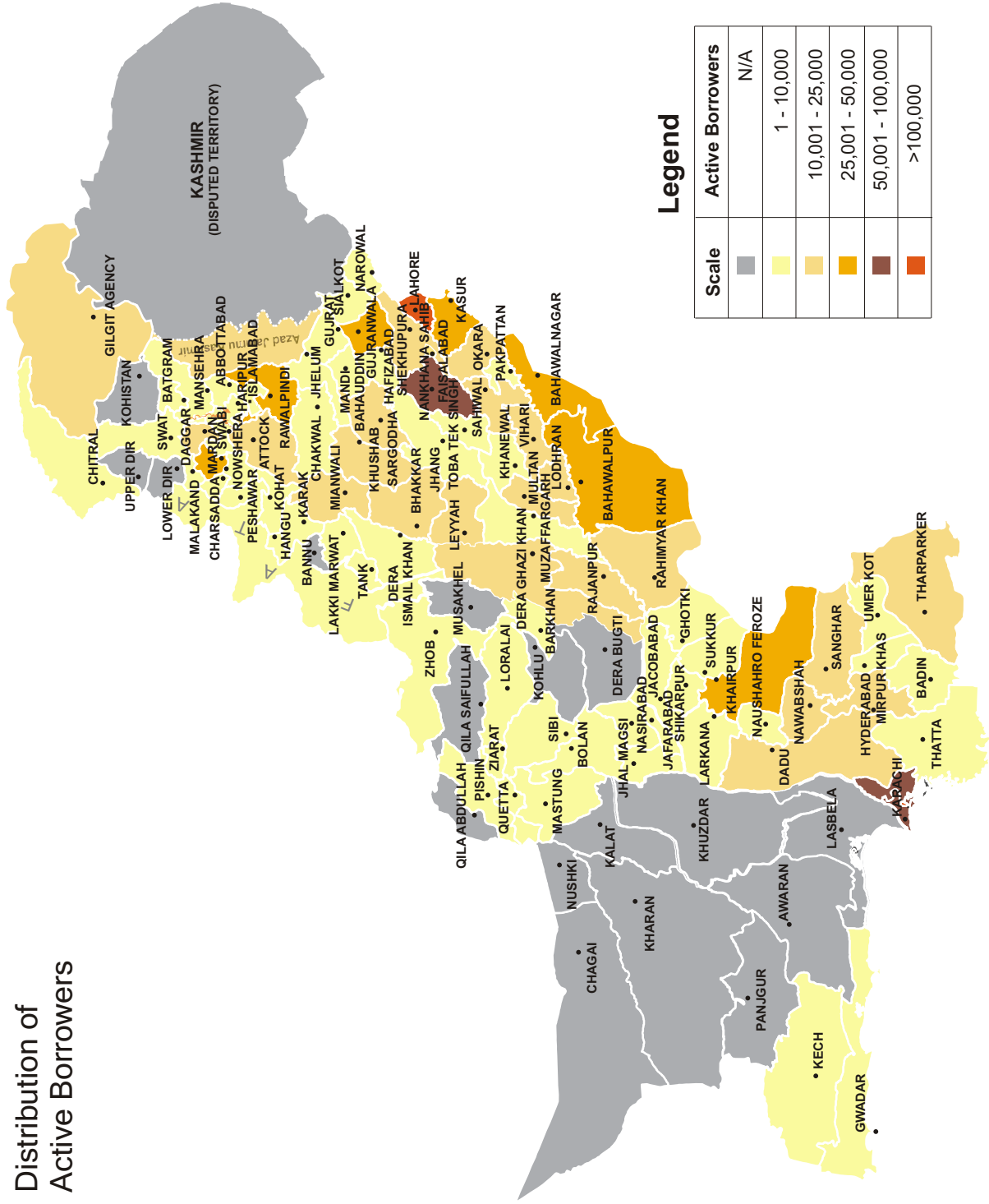
¹ A "district" is a third-tier administrative unit, following a province and tehsil/taluka, respectively.

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



SHOREBANK INTERNATIONAL

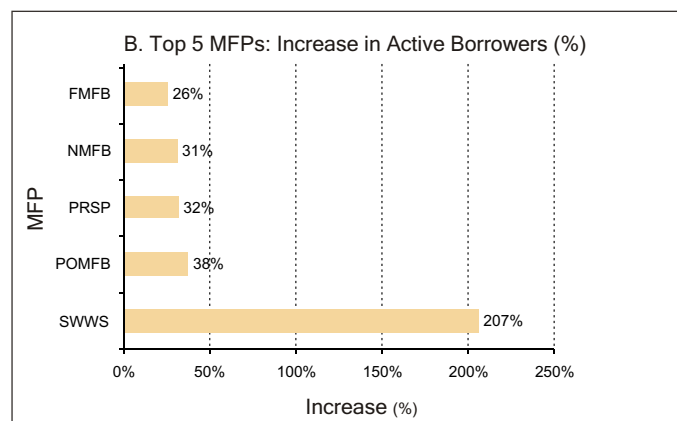
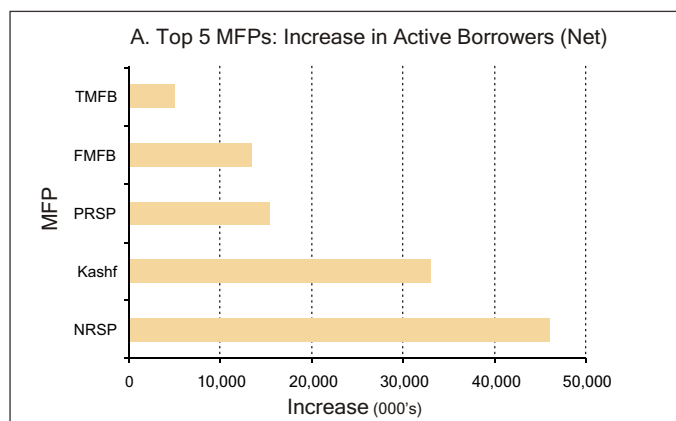
Distribution of Active Borrowers



NOTE: 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 and Jamshoro (Dadu); Sherani (Zhob); Matiyari, Tando Allahyar and Tando Muhammad Khan (Hyderabad); Shedadkot (Larkana); Mingora (Swat)

MARKET HIGHLIGHTS (Dec 31, 2006 - Mar 31, 2007)

MICROCREDIT



NOTE: SWWS increased outreach from 940 active borrowers in Dec 2006 to 2,882 active borrowers by Mar 2007.

C. Largest Providers of Microcredit (Active Borrowers)

S. No.	MFP	Active Borrowers (31-Mar)	Market Share (% of Active Borrowers)
1	KB	284,717	25.2
2	NRSP	282,421	25.0
3	Kashf	169,000	14.9
4	FMFB	66,130	5.9
5	PRSP	63,484	5.6

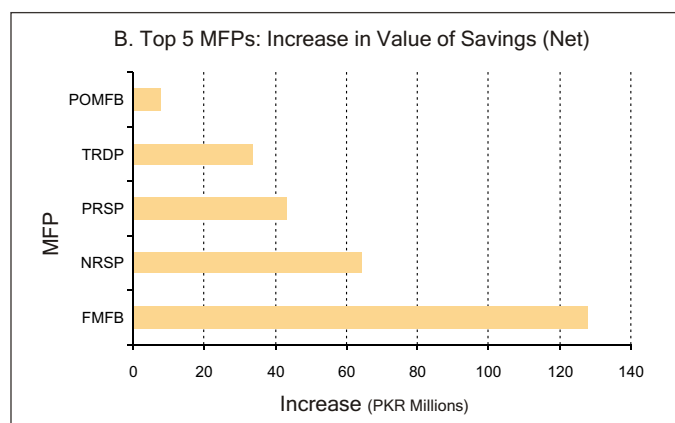
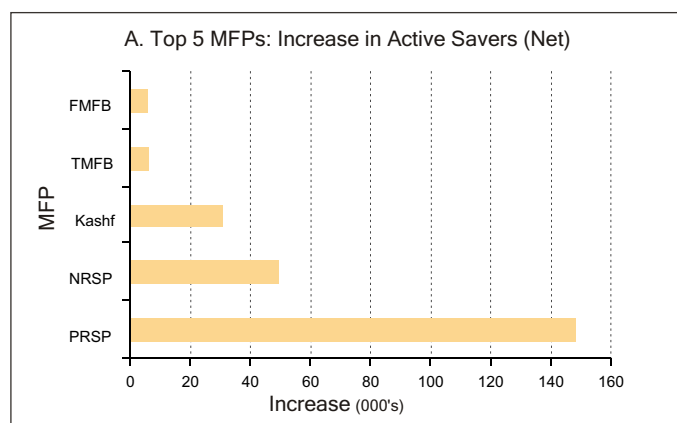
D. MFPs with Largest Geographic Spread

S. No.	MFP	Geographic Spread (No. of Districts)
1	KB	86
2	NRSP	40
3	FMFB	22
4	PRSP	20
5	Kashf	13

E. Districts with Highest Outreach (Active Borrowers)

S No.	Province	District	Active Borrowers (31-Mar)		Growth (31-Dec to 31-Mar)		Potential Microfinance Market (2007)	Penetration Rate (%)
			A	Net	%	B		
1	Balochistan	Quetta	8,976	3,618	67.5	174,437	5.15	
2		Sibi	3,857	2,435	171.2	48,944	7.88	
3		Jafarabad	3,280	1,271	63	121,911	2.69	
1	N.W.F.P	Mardan	28,278	8,128	40.3	354,988	7.97	
2		Kohat	7,716	4,212	120.2	114,908	6.71	
3		Malakand	7,695	1,319	20.7	106,429	7.23	
1	Punjab	Lahore	140,329	26,633	23.4	872,760	16.08	
2		Faisalabad	54,566	18,538	51.5	1,096,924	4.97	
3		Bahawalpur	42,858	14,997	53.8	461,777	9.28	
1	Sindh	Karachi	68,298	15,991	30.6	1,329,990	5.14	
2		Khairpur	21,828	4,655	27.1	401,853	5.43	
3		Hyderabad	21,666	10,691	97.4	517,652	4.19	
1	AJK	Muzaffarabad	5,598	5,333	2,012.5	N/A	N/A	
2		Kotli	3,060	474	18.3	N/A	N/A	
3		Bagh	2,474	223	9.9	N/A	N/A	
1	FANA	Gilgit	6,089	1,143	23.1	N/A	N/A	
2		Skardu	4,854	2,163	80.4	N/A	N/A	
3		Ghizer	4,061	738	22.2	N/A	N/A	
1	FATA	Kurram	484	-	-	N/A	N/A	
2		Khyber	308	-	-	N/A	N/A	

MICRO-SAVINGS



NOTE: PRSP attributed the rapid increase in Active Savers to: 1). Activating dormant Community Organizations (Cos); and 2). Establishing new COs..

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

SNo.	MFP	Active Savers (31-Mar)	Market Share (% of Active Savers)	Increase (%)
1	NRSP	631,206	41.8	8.5
2	PRSP	318,845	21.1	87.1
3	TRDP	204,839	13.6	1.12
4	Kashf	164,429	10.9	23.1
5	FMFB	44,943	3.0	14.76

D. Districts with Highest Outreach (Active Savers)

S No.	District	Active Savers (31-Mar)	Increase (31-Dec to 31-Mar)	
			Net	%
1	Tharparkar	110,554	880	0.8
2	Lahore	104,153	18,789	22
3	Faisalabad	57,804	10,313	21.7
4	Karachi	50,858	13,132	34.8
5	Gujranwala	47,508	26,601	127.2

OTHER NEWS ITEMS

Citibank N A Pakistan and Kashf Foundation Close on First Large Scale Commercial Financing Transaction

Kashf Foundation and Citibank N A Pakistan announced the first tranche of a landmark Rs 1.32 billion (US\$ 22 million) term financing package arranged by Citibank. This term funding structure is the first commercial syndication for the microfinance sector in the country.

The first stage of this mandate involves Citibank providing five-year funding to Kashf Foundation, with a risk participation by the Overseas Private Investment Corporation (OPIC) for Rs 363 million (US\$ 6 million). The next two tranches, worth Rs 480 million (US\$ 8 million) each, are expected to be finalized in the near future. Citibank Pakistan will also act as advisor in arranging these term loans. The agreement was commemorated at a signing ceremony held at Citibank's Lahore offices in the presence of Kashf Foundation President Roshaneh Zafar and Citibank's global microfinance head, Robert Annibale.

Tameer Foundation and Citigroup Foundation

Citigroup Foundation, the philanthropic arm of Citigroup, has extended a grant of US\$ 50,000 to Tameer Foundation's Community Education and Outreach programme. Established in 2006 under the same banner as Tameer Microfinance Bank Ltd., Tameer Foundation's primary goal is to spread financial literacy among potential microfinance clients.

Through nation-wide training initiatives Tameer Foundation aims to build awareness on the availability of financial services among the "un-banked" in Pakistan.

In the last five years alone, the Citigroup Foundation has awarded nearly \$20 million in grants to 145 microfinance partners in more than 50 countries, focusing its funding primarily in three areas: financial education, educating the next generation, and building communities and entrepreneurs. To know more about Citigroup Foundation, you may visit: www.citigroup.com/citigroup/corporate/foundation/index.htm

Financial Education for the Poor

Implemented by two US- based NGOs, Microfinance Opportunities and Freedom from Hunger, Financial Education for the Poor (FEP) is a financial education training curriculum targeted at low income households in developing countries. According to FEP project personnel "the need for such tools grows more acute as the industry matures, accompanied by a proliferation of service providers and a diverse range of products... To weigh alternatives and select the most appropriate products, clients need to understand how their features differ, how to calculate and compare their costs, and how to determine what they can afford." This makes financial education an equally valuable investment for clients as well as service providers.

continued...

OTHER NEWS ITEMS

In 2006 the FEP project completed publication of its core curriculum. The training curriculum is now being disseminated through regional and country level workshops. Training of Trainers (TOT) workshops have already been conducted in Peru, Philippines, Uganda and Indonesia. A TOT was conducted in Pakistan during April 3-12, 2007. The FEP project is supported by Citigroup Foundation.

For more information on the FEP project, visit: www.microfinanceopportunities.org; or www.freefromhunger.org.

Women's World Banking in Pakistan

As the microfinance sector in Pakistan gears up for exponential growth in the next few years, accessing funds to fuel growth is a key area of concern and interest for all sector participants. To prepare MFPs to engage with investors the Pakistan Microfinance Network (PMN) in collaboration with the State Bank of Pakistan (SBP) organized a three-day training on Negotiating Access to Commercial Funding and the Capital Markets. The course was designed and delivered by representatives of Women's World Banking (WWB), a highly respected global network of more than 50 microfinance institutions and banks in 43 countries throughout Africa, Asia, Eastern Europe, Latin America and the Middle East.

The training was preceded with a roundtable discussion on Accessing Capital Markets Opportunities and Challenges with Mary Ellen Iskenderian, President and CEO of WWB. The event provided an opportunity for dialogue between commercial bankers and microfinance professionals. Commercial banks represented at the event included ABN AMRO Bank B. V., Allied Bank Ltd., National Bank of Pakistan, Habib Bank Ltd., Bank Al-Habib Ltd., Faysal Bank Ltd., and Muslim Commercial Bank, among others.

Social Impact Assessment of Microfinance Programmes

The Pakistan Financial Services Sector Reform Programme (PFSSRP) of the European Commission (EC) contracted a Social Impact Assessment of Microfinance Programmes in Pakistan. The study was conducted by economist S. Akbar Zaidi, and Haroon Jamal, Sarah Javeed, and Sarah Zaka. Focusing on seven specialized and integrated MFPs, the study team assessed the impact of microfinance on a number of indicators, including, income, access to health and education, and female empowerment. The findings of the study were disseminated and discussed at a workshop programme in Islamabad on April 24, 2007. The final version of the report is expected to be available with the PFSSRP Islamabad office by June 2007. For details, visit: www.pfssrp-ec.org.pk.

Kashf Foundation Wins Skoll Foundation Award for Social Entrepreneurship

The Skoll Foundation was created by Jeff Skoll in 1999. The Foundation invests in social entrepreneurs through its flagship award programme, the Skoll Awards for Social Entrepreneurship. These three-year awards support the continuation, replication or extension of programmes that have proved successful in addressing a broad array of critical social issues: tolerance and human rights, health, environmental sustainability, economic and social equity, institutional responsibility, and peace and security.

As a recipient of the 2007 Social Entrepreneurship award Kashf Foundation will receive a grant amount of US\$ 1,015,000 over a period of three years.

Skoll Awards provide second-round, or mezzanine funding in the form of grants, loans or a combination of the two. For details, visit: <http://www.skollfoundation.org/>.

Tameer Microfinance Bank Ltd. Selected for CGAP's Technology Programme Support

For the past four years the Consultative Group to Assist the Poor (CGAP) has provided an increasing range of technology services to MFPs, including independent software reviews, co-funding for expert advice on information systems upgrades, and research and advice on new delivery technologies. Now, with support of the Bill and Melinda Gates Foundation (BMGF) CGAP is expanding its technology practice to identify, shape and nurture projects with MFPs, banks, and telecommunications and technology firms. BMGF will contribute \$24 million to CGAP's technology and microfinance initiative. Under this programme CGAP plans to fund 20-30 experiments in 15-20 countries, aimed at using technology to overcome constraints poor people face in accessing financial services.

From over 70 project proposals submitted from 38 countries, nine project ideas have already been selected. TMFB was selected as one of nine recipients for CGAP's technology program support. With CGAP's assistance TMFB will test the delivery of financial services to poor clients using mobile banking and an agent network in urban slums and rural markets.

A second round of applications is currently underway. The deadline for this round of applications is June 25, 2007. To learn more about the project concepts currently under development or to apply, visit: <http://www.cgap.org/technology>.

Branchless Banking Initiative Underway

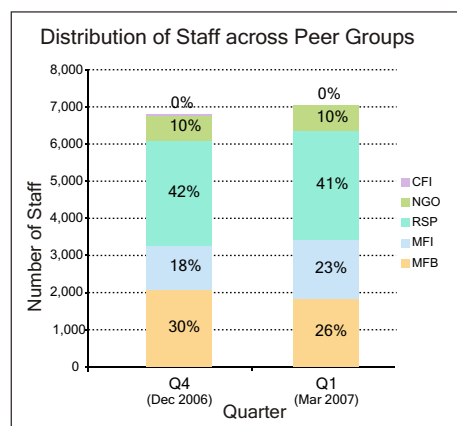
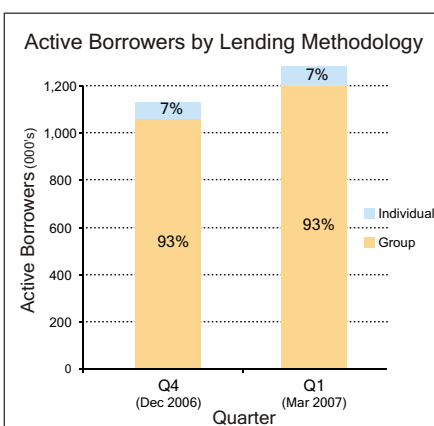
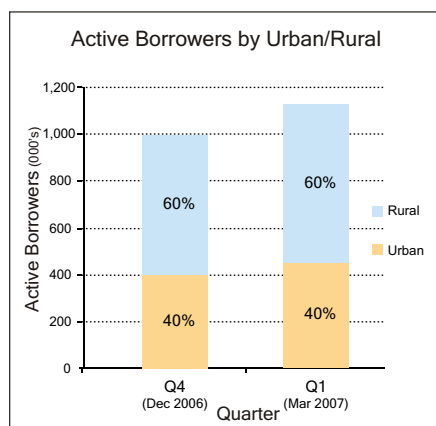
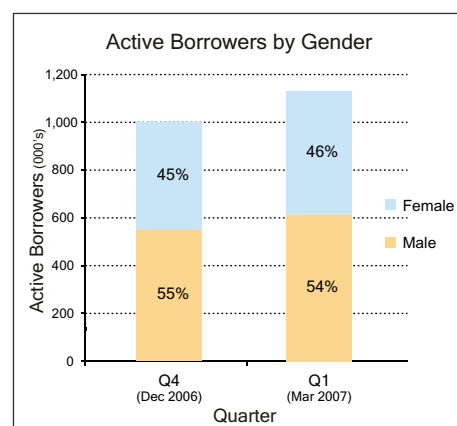
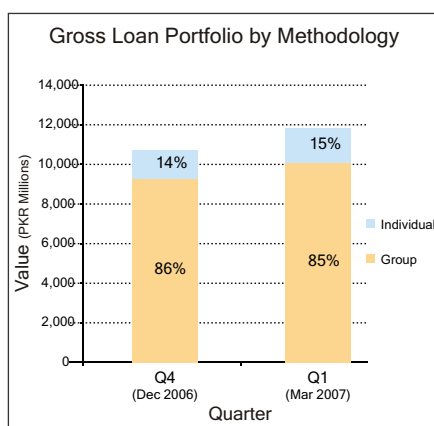
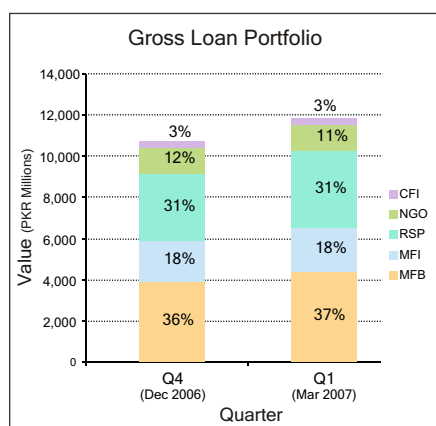
Following the pioneering breakthroughs in branchless banking in other countries the Government of Pakistan (GoP) has established a working group between the Ministry of Information and Technology (MoIT) and the SBP to explore the possibility of using branchless banking to expand outreach. Branchless banking involves the use of various agents and outlet points to conduct financial service transactions; the best example being the use of one's mobile phone to transfer funds to relatives.

The GoP's efforts are being further supported by the technology team of CGAP which has selected Pakistan as one of seven focus countries for furthering the branchless banking regulatory and innovation environment. On April 30 the GoP and CGAP, supported by the PMN, arranged a roundtable bringing together various parties from the financial and telecom sectors. The session was chaired by the Governor of the SBP. To learn more about the branchless banking initiative in Pakistan you may contact the PMN at: info@pmn.org.pk.

SUMMARY OF MICRO-CREDIT PROVISION (All Pakistan)

Exchange Rate (Mar 2007)
PKR/USD: 60.87/1

Indicator	Total	Lending Methodology		Peer Group				
		Group	Individual	MFB	MFB	RSP	NGO	CFI
Number of Branches/Units								
31-Dec	1,115			240	129	643	84	19
31-Mar	1,155			242	142	667	84	20
Active Borrowers								
31-Dec	997,778	932,776	65,002	371,070	200,565	337,705	75,463	12,975
31-Mar	1,130,035	1,054,877	75,158	396,828	240,412	399,572	79,113	14,110
Gross Loan Portfolio (PKR Millions)								
31-Dec	10,743	9,268	1,475	3,922	1,967	3,301	1,237	316
31-Mar	11,830	10,082	1,748	4,388	2,158	3,683	1,275	326
Average Loan Balance (PKR)								
31-Dec	10,767	9,936	22,686	10,570	9,805	9,776	16,391	24,320
31-Mar	10,469	9,557	23,261	11,057	8,978	9,218	16,122	23,082
Number of Loans Disbursed								
31-Dec	359,895	338,128	21,767	109,436	110,670	120,929	16,451	2,409
31-Mar	334,749	317,519	17,230	110,309	103,061	96,760	22,078	2,541
Disbursements (PKR Millions)								
31-Dec	4,737	2,703	469	1,509	1,240	1,684	243	61
31-Mar	4,024	3,607	417	1,471	1,048	1,225	214	64
Average Loan Size (PKR)								
31-Dec	13,162	7,993	21,531	13,789	11,201	13,922	14,779	25,576
31-Mar	12,021	11,358	24,231	13,338	10,166	12,665	9,723	25,508



SUMMARY OF MICRO-SAVINGS PROVISION (All Pakistan)

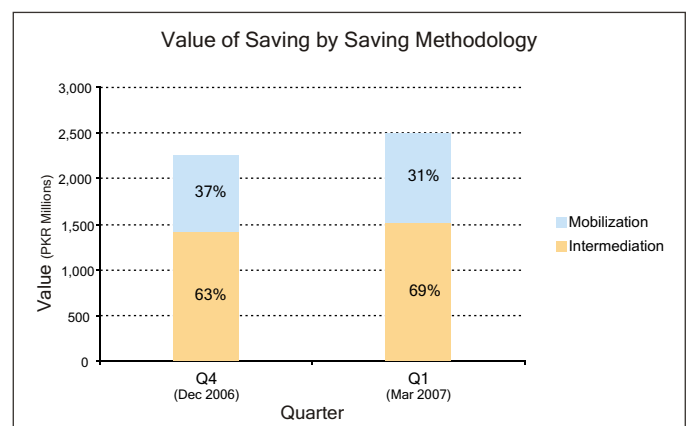
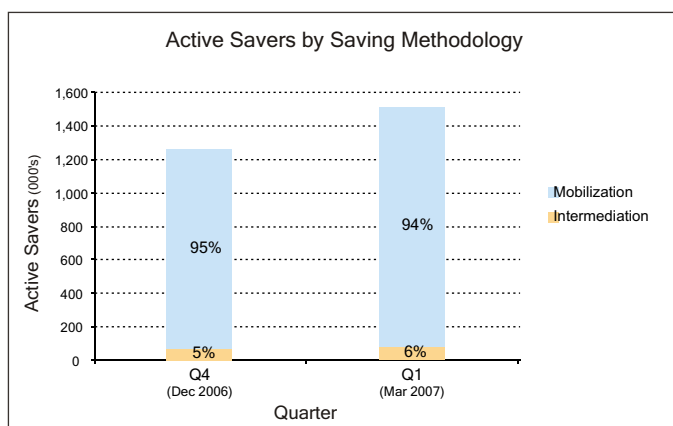
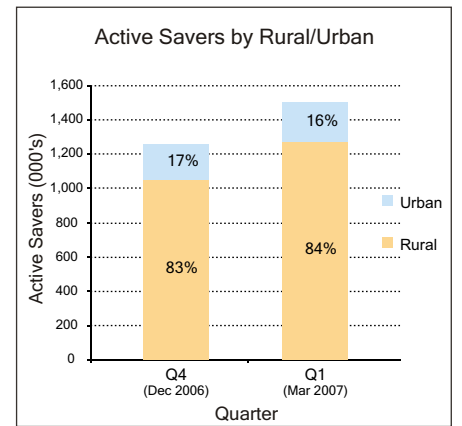
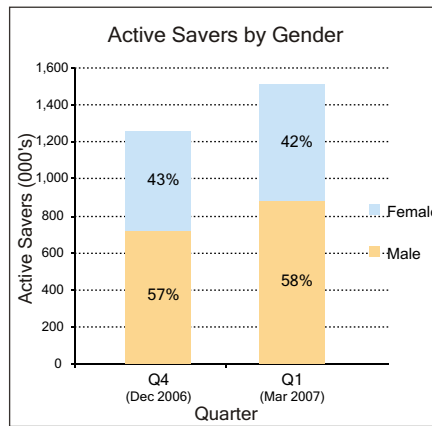
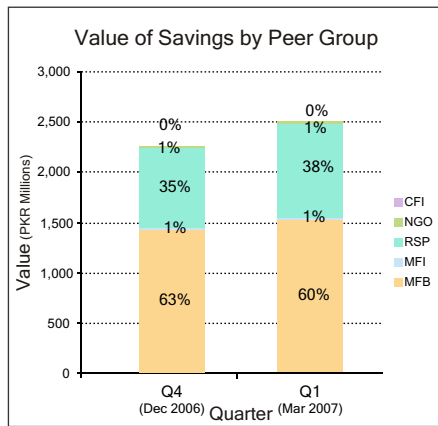
Note: Due to unavailability of saving data for some reporting organizations 'Active Savers' and 'Value of Savings' for Quarter 4, 2006 differs from numbers reported in the preceding issue of MicroWATCH. To adjust for missing data in 2007, data of non-reporting organizations was subtracted from aggregates for 2006.

Indicator	Total	Savings Methodology		Peer Group				
		Intermediation	Mobilization	MFB	MFI	RSP	NGO	CFI
Number of Savers								
31-Dec	1,259,051	68,472	1,190,579	68,472	155,196	963,232	72,151	-
31-Mar	1,510,663	84,559	1,426,104	88,028	187,216	1,164,042	71,377	-
Value of Saving (PKR Millions)								
31-Dec	2,260	1,422	838	1,422	12	801	25	-
31-Mar	2,506	1,517	989	1,524	14	942	26	-
Average Saving Balance (PKR)								
31-Dec	1,795	20,771	704	20,771	79	831	347	-
31-Mar	1,659	17,936	694	17,315	74	809	358	-

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 the 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.



OUTREACH (District Level)

BALUCHISTAN

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Awaran	-	-	-	-	-	-	-	26,054
Barkhan	KB	1	-	1,078	7,493,006	-	-	31,881
Bolan	-	-	-	-	-	-	-	66,423
Chagai ³	-	-	-	-	-	-	-	54,814
Dera Bugti	-	-	-	-	-	-	-	43,770
Gwader	FMFB	5	-	1,327	7,910,551	3,788	1,489,675	55,537
	KB							
	NRSP							
	POMFB							
Jafarabad	TF	5	-	3,280	395,304,052	7,832	827,741	121,911
	KB							
Jhal Magsi	TF	1	-	755	9,870,000	639	409,031	29,887
Kalat	-	-	-	-	-	-	-	53,884
Kech (Turbat)	NRSP	3	-	912	4,686,391	28,852	6,376,088	92,271
Kharan	-	-	-	-	-	-	-	47,948
Khuzdar	-	-	-	-	-	-	-	104,104
Kohlu	-	-	-	-	-	-	-	26,910
Loralai	KB	2	-	1,446	8,065,425	-	-	76,879
Lasbela	-	-	-	-	-	-	-	84,637
Mastung	KB	1	-	312	2,061,658	-	-	41,317
Musakhel	-	-	-	-	-	-	-	27,545
Nasirabad	KB	2	-	1,388	84,293,156	1,604	226,430	75,783
	TF							
Nushki ⁴	-	-	-	-	-	-	-	N/A
Panjgur	-	-	-	-	-	-	-	51,074
Pishin	KB	1	-	1,266	9,373,243	-	-	100,179
Qila Abdullah	-	-	-	-	-	-	-	115,112
Qila Saifullah	-	-	-	-	-	-	-	44,345
Quetta	FMFB	10	-	8,976	158,931,317	5,055	8,547,538	174,437
	KB							
	STP							
	TF							
Sherani ⁵	-	-	-	-	-	-	-	-
Sibi	KB	2	-	3,857	39,481,922	1,634	610,046	48,944
	TF							
Washuk	-	-	-	-	-	-	-	585,705
Zhob	KB	1	-	766	4,690,241	-	-	53,848
Ziarat	KB	2	-	494	3,683,801	-	-	7,268
Total	-	36	-	25,857	735,844,763	49,404	18,486,549	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 Sherani is therefore an overestimation (aggregate of potential markets for Zhob and Sherani).

OUTREACH (District Level)

NWFP

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Abbottabad	BOK	4	-	4,532	42,683,298	7,623	3,157,632	180,672
	KB							
	SRSP							
	Sungi							
Batgram	KB	2	-	491	1,404,912	1,664	650,000	58,257
	Sungi							
Bannu	-	-	-	-	-	-	-	167,380
Buner (Daggar)	-	-	-	-	-	-	-	133,171
Charsadda	BOK	10	-	4,628	65,316,447	10,794	35,721,240	271,736
	KB							
	NRSP							
Chitral	BOK	6	-	6,170	127,539,343	5,742	131,706,822	84,846
	FMFB							
Dera Ismail Khan	BOK	2	-	5,752	80,686,417	-	-	221,328
	KB							
Hangu	BOK	2	-	534	3,207,404	1,392	697,392	64,648
	SRSP							
Haripur	BOK	4	-	4,039	31,959,844	14,876	5,985,568	103,830
	KB							
	SRSP							
	Sungi							
Karak	KB	1	-	592	4,315,095	-	-	102,174
	BOK							
Kohat	KB	6	-	7,716	48,961,698	1,744	873,744	114,908
	LPRP							
	SRSP							
	BOK							
Kohistan	-	-	-	-	-	-	-	73,374
Lakki Marwat	-	-	-	-	-	-	-	107,505
Lower Dir	-	-	-	-	-	-	-	176,660
Malakand	KB	20	-	7,695	90,407,169	14,182	1,275,341	106,429
	NRSP							
Mansehra	BOK	4	-	2,608	17,218,662	6,935	3,352,000	271,288
	KB							
	POMFB							
	Sungi							
Mardan	BOK	37	-	28,278	266,550,283	16,575	3,403,807	354,988
	KB							
	NRSP							
Mingora ⁷	KB	1	-	1,398	11,303,721	-	-	N/A
Nowshera	KB	2	-	3,921	25,503,524	1,417	709,917	201,208
	SRSP							
Peshawar	BOK	8	-	7,041	45,502,007	1,399	700,899	451,548
	KB							
	ORIX							
	SRSP							
Shangla	KB	1	-	864	1,744,000	-	-	116,366
Swabi	KB	14	-	7,578	83,653,745	8,306	1,310,874	230,073
	NRSP							
	SWWS							
Swat ⁸	BOK	10	-	5,284	77,900,092	4,230	658,087	286,555
	NRSP							
Tank	BOK	1	-	21	624,235	-	-	62,446
Upper Dir	-	-	-	-	-	-	-	142,427
Total	-	135	-	99,142	1,026,481,896	96,879	190,203,323	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		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Attock	NRSP POMFB	38	-	13,194	103,310,780	41,471	83,290,256	262,870
Bahawalpur	KB NRSP	37	-	42,858	526,208,140	47,203	99,911,982	461,777
Bhawalnagar	KB NRSP	17	-	31,174	392,336,783	28,767	57,149,420	427,843
Bhakkar	KB NRSP	24	-	18,362	160,326,786	25,008	24,912,515	252,453
Chakwal	KB NRSP	27	-	8,345	66,925,695	27,351	64,434,444	219,565
Dera Ghazi Khan	KB NRSP	8	-	17,591	216,093,229	22,373	28,558,956	419,252
Faisalabad	Akhuwat Asasah FMFB Kashf KB NRSP PRSP RCDS	64	-	54,566	408,153,793	57,804	5,298,592	1,096,924
Gujranwala	Asasah FMFB JWS Kashf KB OPD OPP ⁹ PRSP	25	-	40,255	379,085,860	47,508	21,033,778	735,741
Gujrat	FMFB KB PRSP	4	-	2,963	23,804,141	9,679	2,049,011	446,630
Hafizabad	KB PRSP	3	-	3,481	30,930,049	6,535	945,112	231,170
Jhang	FMFB KB PRSP	3	-	4,742	40,780,087	12,534	2,548,054	626,546
Jhelum	KB NRSP	19	-	7,292	54,456,947	13,989	16,097,311	170,498
Kasur	Asasah CSC DAMEN FMFB Kashf KB ORIX PRSP RCDS	23	-	35,093	317,418,056	21,287	1,353,690	586,427
Khanewal	Asasah FMFB KB PRSP	5	-	6,820	41,708,539	11,549	6,299,630	432,948
Khushab	Kashf KB NRSP OPP	24	-	14,407	113,831,701	36,913	47,427,249	235,163

continued...

⁹ 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.

OUTREACH (District Level)

PUNJAB

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Lahore	Akhuwat	95	-	140,329	1,342,885,119	104,153	22,240,433	872,760
	Asasah							
	CSC							
	CWCD							
	DAMEN							
	FMFB							
	Kashf							
	KB							
	NRSP							
	ORIX							
	PRSP							
TMFB								
Leyyah	FMFB	4	-	12,800	96,348,578	11,607	1,914,918	263,251
	KB							
	PRSP							
Lodhran	Akhuwat	12	-	17,929	224,459,755	24,711	43,496,359	261,693
	KB							
	NRSP							
Mandi Bahauddin	FMFB	4	-	4,121	36,415,035	10,001	2,496,859	44,983
	PRSP							
Mianwali	KB	21	-	14,062	113,904,401	6,762	869,370	252,413
	NRSP							
Multan	Asasah	30	-	22,256	195,090,455	27,845	24,310,281	689,339
	FMFB							
	Kashf							
	KB							
	NRSP							
PRSP								
Muzaffargarh	PRSP	3	-	9,200	72,454,241	13,505	517,340	570,580
	Nankana Sahib ¹⁰							
Narowal	RCDS	7	-	7,047	40,506,482	-	-	-
	KB							
	NRDP							
Okara	PRSP	8	-	6,505	62,399,611	23,734	2,126,742	268,902
	Asasah							
	Kashf							
	KB							
Pakpattan	PRSP	13	-	20,183	146,201,452	27,709	4,696,997	509,842
	Asasah							
	Kashf							
Rahimyar Khan	KB	6	-	6,268	57,311,204	10,401	4,039,876	281,988
	KB							
	PRSP							
Rahimyar Khan	KB	19	-	20,014	248,250,308	23,508	47,960,845	585,705
	NRSP							
Rajanpur	KB	7	-	16,638	194,888,986	15,663	37,278,077	260,436
	NRSP							
Rawalpindi	Akhuwat	51	-	32,660	251,654,602	38,010	51,910,983	327,457
	FMFB							
	Kashf							
	KB							
	NRSP							
	OPP ¹¹							
POMFB								

continued...

¹⁰ 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).

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

OUTREACH (District Level)

PUNJAB

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Sahiwal	Asasah	10	-	15,825	122,745,959	29,560	4,813,202	395,468
	FMFB							
	Kashf							
	KB PRSP							
Sialkot	KB	8	-	9,084	60,499,206	29,148	8,015,452	501,997
	PRSP							
Sargodha	Kashf	12	-	19,136	157,950,087	34,081	2,953,804	671,679
	KB							
	PRSP							
Sheikhupura	DAMEN	15	-	23,231	197,278,582	12,282	1,731,667	831,522
	Kashf							
	KB							
	ORIX							
	PRSP							
Toba Tek Singh	KB	4	-	7,131	59,234,538	15,175	1,435,533	309,316
	PRSP							
Vihari	Asasah	6	-	14,389	169,451,748	26,852	19,528,494	475,398
	KB							
	NRSP							
	ORIX							
Total	-	656	-	719,951	6,725,300,935	894,678	743,647,232	14,980,536

SINDH

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Badin	KB	28	-	6,704	67,937,159	42,982	26,163,411	294,781
	NRSP							
	POMFB							
Dadu	TRDP	18	-	12,608	84,461,954	39,224	20,410,000	447,305
	KB							
	ORIX OPP ¹²							
Ghotki	KB	2	-	4,751	49,003,126	-	-	248,442
Hyderabad ¹³	FMFB	33	-	21,666	209,913,974	8,369	33,364,943	517,652
	OPP							
	POMFB							
	KB							
	TMFB NRSP							
Jacobabad	TF	3	-	7,085	93,923,832	945	284,155	361,146
	KB							
Jamshoro ¹⁴	-	-	-	-	-	-	-	N/A

continued...

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

¹³Hyderabad 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).

¹⁴Population 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.

OUTREACH (District Level)

SINDH

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Karachi ¹⁵	FMFB	78	2	68,298	1,199,927,877	50,858	894,997,896	1,329,990
	KB							
	RMFB							
	TMFB							
	NMFB							
	ORIX							
	NRSP							
	Kashf							
	OPP							
POMFB								
Khairpur	FMFB	8	-	25,639	261,032,076	23,989	37,987,000	401,853
	KB							
	TRDP							
	OPP ¹⁶							
Larkana	TF	4	-	6,102	79,349,498	415	52,290	534,891
	KB							
Matyari ¹⁷	NRSP	6	-	3,120	17,422,608	6,013	2,827,014	N/A
	SAFWCO							
Mirpur Khas	FMFB	15	-	9,042	73,731,030	31,995	5,966,850	210,494
	KB							
	NRSP							
	OPP ¹⁸							
	POMFB							
Nawabshah	FMFB	6	1	14,395	141,065,514	2,727	5,820,841	225,430
	KB							
	NRSP							
	OPP							
	SAFWCO							
	Srsp							
Naushahro Feroze	FMFB	2	-	6,646	56,883,603	23	540,000	266,462
	KB							
	OPP							
Sanghar	KB	9	1	17,149	126,651,707	2,510	587,000	354,133
	ORIX							
	SAFWCO							
	Srsp							
Sehwan Sharif	KB	1	-	2,299	18,107,709	-	-	N/A
Shehdad Kot	TF	4	-	201	3,000,000	2,988	99,400-	N/A
Shikarpur	KB	2	-	621	25,795,107	234	11,250	237,633
	TF							
Sukkur	KB	4	-	4,582	39,291,803	-	-	213,080
Tando Allahyar	FMFB	5	-	5,976	47,443,089	5,585	2,991,374	N/A
	KB							
	NRSP							
	OPP							
Tando Muhammad Khan ¹⁹	POMFB	5	-	1,039	9,594,747	4,294	1,898,841	N/A
	KB							
Thatta	NRSP	14	-	4,608	30,821,484	12,631	11,124,424	283,491
	KB							
	OPP							
Tharparkar	TRDP	24	-	16,204	115,771,619	110,554	69,022,000	245,046
	KB							
Umer Kot	OPP	14	-	9,077	57,707,218	32,183	22,446,000	185,966
	TRDP							
Total	-	282	4	247,812	2,808,836,734	375,829	1,136,594,689	6,357,795

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.

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.

OUTREACH (District Level)

AZAD JAMMU AND KASHMIR (AJK)

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market ²⁰ (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Bhimber	-	-	-	-	-	-	-	N/A
Kotli	NRSP	8	-	3,060	23,003,402	11,684	1,437,755	N/A
Mirpur	-	-	-	-	-	-	-	N/A
Bagh	KB	3	-	2,474	15,885,014	12,578	4,788,533	N/A
	NRSP							
Muzaffarabad	FMFB	4	-	5,598	26,330,721	11,000	5,003,447	N/A
	KB							
	NRSP							
	Sungi							
Neelum	-	-	-	-	-	-	-	N/A
Poonch	KB	4	-	2,371	16,516,662	23,536	2,575,122	N/A
	NRSP							
Sudhnati	NRSP	1	-	703	4,929,859	6,070	1,203,433	N/A
Total	-	20	-	14,206	86,665,658	64,868	15,008,290	N/A

FEDERALLY ADMINISTERED NORTHERN AREA (FANA)

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market ²¹ (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Gilgit	FMFB	3	-	6,089	153,298,000	8,708	62,719,081	N/A
Ghizer	FMFB	2	-	4,061	74,775,000	3,381	27,333,000	N/A
Diamer	-	-	-	-	-	-	-	N/A
Astore	FMFB	1	-	1,696	38,378,000	-	-	N/A
Skardu	FMFB	3	-	4,854	95,808,000	3,363	51,748,259	N/A
Ghanche	FMFB	2	-	1,716	40,668,000	2,675	64,817,000	N/A
Total	-	11	-	18,416	402,927,000	18,127	206,617,340	N/A

FEDERALLY ADMINISTERED TRIBAL AREA (FATA)

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market ²² (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Bajaur Agency	-	-	-	-	-	-	-	N/A
Khyber Agency	KB	1	-	308	2,130,866	-	-	N/A
Kurram Agency	KB	1	-	484	4,509,511	-	-	N/A
Mohmand Agency	-	-	-	-	-	-	-	N/A
North Waziristan Agency	-	-	-	-	-	-	-	N/A
Orakzai Agency	-	-	-	-	-	-	-	N/A
South Waziristan Agency	-	-	-	-	-	-	-	N/A
Total	-	2	-	792	6,640,377	-	-	N/A

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.

²² Due to unavailability of population data for the Federally Administered Tribal Areas (FATA), the potential microfinance market could not be estimated.

OUTREACH (District Level)

ISLAMABAD CAPITAL TERRITORY (ICT)

District	MFP	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)
		Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	
Islamabad	FMFB	9	-	3,859	37,471,451	10,878	195,151,960	74,750
	NRSP							
	POMFB							
Total	-	9	-	3,859	37,471,451	10,878	195,151,960	74,750

OUTREACH (ALL PAKISTAN)

Province	Number of Branches/Units		Microcredit		Micro-Savings		Potential Microfinance Market (2007)	Penetration Rate (%)
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)		
Balochistan	36	-	25,857	735,844,763	49,404	18,486,549	2,242,467	1.15
NWFP	135	-	99,142	1,026,481,896	96,879	190,203,323	4,083,817	1.42
Punjab	656	-	719,951	6,725,300,935	894,678	743,647,232	14,980,536	4.81
Sindh	282	4	247,812	2,808,836,734	375,829	1,136,594,689	6,357,795	3.9
AJK	20	-	14,206	86,665,658	64,868	15,008,290	NA	-
FANA	11	-	18,416	402,927,000	18,127	206,617,340	NA	-
FATA	2	-	792	6,640,377	-	-	NA	-
ICT	9	-	3,859	37,471,451	10,878	195,151,960	74,750	5.16
Grand Total	1,151	4	1,130,035	11,830,168,814	1,510,663	2,505,709,383	29,280,876	3.86

REPORTING ORGANIZATIONS

Category	MFP	Reporting Period	
		Quarter 4	Quarter 1
		2006	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)	✓	✓
	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)	✓	✓
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)	✓	✓
	Sindh Rural Support Program (Srsp)	✓	✓
	Sungi Development Foundation (SDF)	✓	✓
	Swabi Women's Welfare Society (SWWS)	✓	✓
Taraqee Foundation (TF)	✓	✓	
CFI	ORIX Leasing Pakistan Ltd. (OLP)	✓	✓
Commercial financial institution providing microfinance services as separate function	Bank of Khyber (BOK)	✓	✓

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