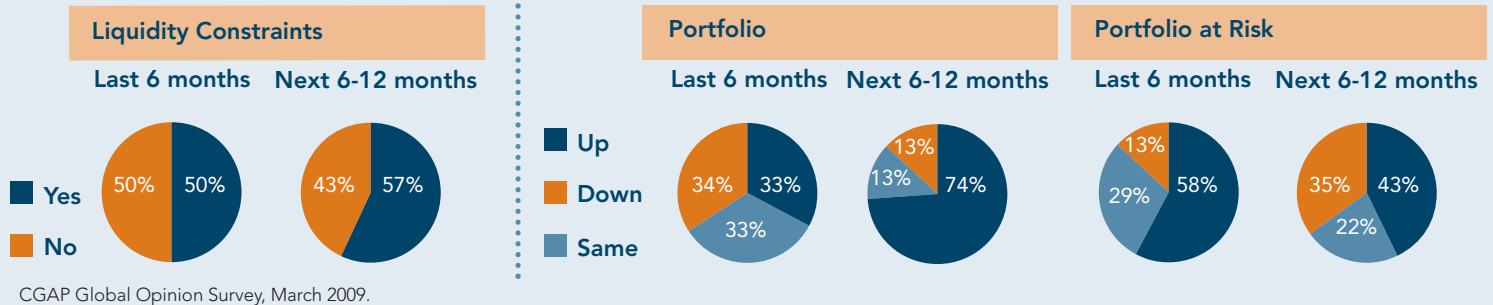


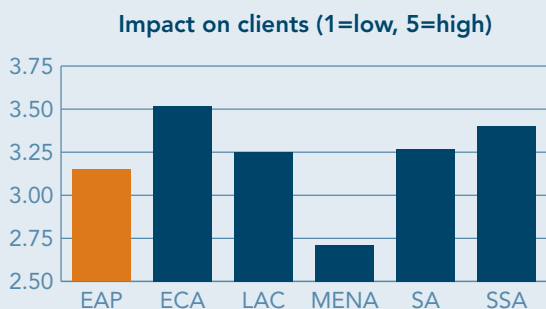
AT A GLANCE

The East Asia and Pacific region was hit relatively hard by the food crisis, even though many economies are focused on agriculture. Still, fewer MFIs than in other regions report rising levels of portfolio at risk. Portfolio growth has been mainly stagnant or negative so far, but predictions are on the positive side.

MICROFINANCE INSTITUTIONS



MICROFINANCE CLIENTS



- Clients spending higher share of income on food (food staple price inflation Indonesia: 16.3%); price of raw materials and seeds up; savings are down in many parts of the region.
- Female clients appear to be harder hit by the crisis than in other regions; women bearing the brunt in many households: eating less, working harder.
- Workers in export-oriented manufacturing, construction, tourism, and the mining sector significantly affected by the crisis; layoffs are rising; clients whose source of repayments relies on children working with garment factories facing difficulties; clients engaged in micro-business appear less affected.

CGAP Global Opinion Survey, March 2009 (26 answers from East Asia and Pacific), Sussex Institute of Development Studies and World Bank East Asia and Pacific Update. Battling the forces of global recession, World Bank, April 2009.

REGION HIGHLIGHTS

- Growth slowing down, but will be higher than in all other world regions (8 percent in 2008 and 5.3 percent in 2009), mainly driven by China.¹
- China, Indonesia, Philippines, and Cambodia among top 20 fastest growing microfinance markets worldwide.²
- 77 percent of DFI loans to MFIs denominated in hard currency.³
- Investments still happening: \$5m capital injection to Bank Sri Partha (Indonesia) by four international investors in April 2009.⁴
- Between 2005 and 2007, food prices increased by 12.4 percent in rural areas and 13.8 percent in urban areas; during the same period, the poverty headcount increased by 4.9 percent in rural areas and 6.3 percent in urban areas.⁵

1 World Bank / Battling the Forces of Global Recession – March 2009, IMF WEO 2009.
 2 The Micro Banking Bulletin n.17 – Autumn 2008.
 3 CGAP.org – Supplement for virtual conference on financial crisis.
 4 Jakarta Post – 04/21/09.
 5 World Bank – Global Economic Prospects – April 2009.

Microfinance Sector (weighted by assets)	%
– Banks/NGOs (2008) ^a	98/2
– Yield on Gross Portfolio (2007) ^b	18.1
– Financially Self-Sustainable MFIs (FSS) - Asia (2007) ^c	55
– Savings/Assets (2007) ^d	61

a The Mix Market.
 b 2007 MFI Benchmarks, The Mix Market (data only available for Asia).
 c Micro Banking Bulletin – Autumn 2008.
 d The Mix Market.

MACROECONOMIC INDICATORS

annual percent change unless noted otherwise	2008	2009	2010
GDP per capita ¹	7.6	5.9	7.0
Private Consumption ²	5.6	6.7	7.9
Consumer Prices Index ³			
- Developing Asia	7.4	2.8	2.4
- ASEAN-5	9.2	3.6	4.5
Current Account Balance / GDP (%) ⁴	9.0	8.7	7.7
Exchange rate ⁵			
- China	7.0	0	
- Thailand	-13.5	-2.9	
- Indonesia	-15.0	4.2	
Remittances ⁶	6.6	(-7.5;-4.2)	(-1.3;1.9)
Unemployment ⁷	0.1	(0.5;0.9)	n/a

1 WB - Global economic Prospects 2009.
 2 WB - Global economic Prospects 2009.
 3 IMF - World Economic Outlook 2009.
 4 WB - Global economic Prospects 2009.
 5 oanda.com - against USD (2008 data: 01/01/08 to 01/01/09; 2009 data: 01/01/09 to 05/01/09).
 6 WB - Remittances Outlook 2009 – 2009-2010 (numbers in brackets refer to low/high case scenarios).
 7 ILO – Employment Trends 2009 – 2009 (numbers in brackets refer to low/high case scenarios).