

## Wall's Street Advisor Services (WSAS)

For Immediate Release

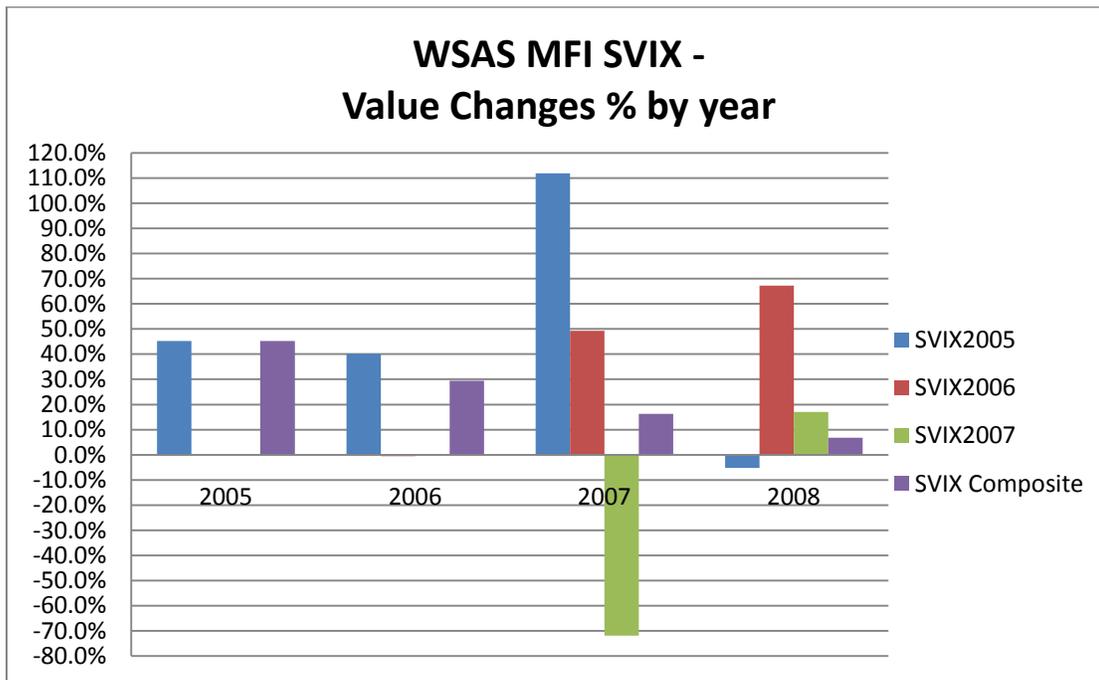
### Microfinance Investors' vintage 2007 results drag down MFI Equity Benchmarks

Washington, DC      November 22, 2010

The newly-launched WSAS Microfinance Institutions Shareholder Value Index for vintage 2007 investments (WSAS MFI SVIX 2007) declined sharply over the 2-year period 2007-2008, as three especially large investments made at high multiples to book values dragged greatly on the 2007 vintage index and on WSAS MFI SVIX Composite's results.

The WSAS MFI SVIX 2007 lost nearly 72% of its value during 2007, based on shareholder values measured at year-end book values. A small 2008 rebound (+17%) meant the vintage 2007 index finished the 2-year period down -67% in value. The index contains investor vintages from 27 MFIs from 15 countries, 17 representing new investor vintages formed in 2007 among MFIs previously covered in the 2005 and 2006 vintage indexes, and 10 from MFIs first qualifying for index coverage in 2007.

The initial value of the WSAS MFI SVIX 2007 was US\$ 947 million. Of that amount, new investors in three MFIs - Equity Bank (Kenya), Compartamos Banco (Mexico) and Financiera Independencia (Mexico) - together accounted for \$873 million, or about 92%, of that. The substantial declines of the 2007 investor vintages' shareholder values in these three MFIs are the flip side to the gains enjoyed by vintage 2005 and 2006 investors in these same MFIs. The WSAS MFI SVIX 2005 and 2006 increased nearly 112% and 49%, respectively, during 2007.



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The WSAS MFI SVIX 2007 represented 48% of the WSAS MFI SVIX Composite's shareholder value at the end of 2006. Given the large initial weight of the WSAS MFI SVIX 2007 series in the Composite and that vintage's poor performance, the overall Composite index's results declined to a 4-year compound annual growth rate of almost 24%, down from a 41% rate before the investor vintage 2007 results were added.

At the end of 2008, the WSAS MFI Composite consists of 86 distinct investor vintages from 61 MFIs in 34 countries.

Executive summaries of the results for the WSAS MFI Shareholder Value Indexes can be seen at the WSAS website,

[www.wallstreetadvisorservices.com/the\\_wsas\\_mfi\\_shareholder\\_value\\_index\\_series](http://www.wallstreetadvisorservices.com/the_wsas_mfi_shareholder_value_index_series).

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### Background Notes

To date, WSAS has launched the MFI SVIX 2005, MFI SVIX 2006, and the MFI SVIX Composite, with results through end-2008. Plans are to add MFI SVIX series for the 2008 and 2009 Investor Vintages in coming months, as well as to up-date all the annual Investor Vintages' results for MFIs' 2009 and 2010 financial results, as these become available.

A formal Methodology paper is also available . Detailed reports, including results by MFI, are for sale from WSAS.

For more information, please contact WSAS at [info@wallstreetadvisorservices.com](mailto:info@wallstreetadvisorservices.com)

### **Note for Editors: about Wall's Street Advisor Services (WSAS)**

WSAS is a small consultancy specializing in innovations in financial information services, for emerging markets and socially responsible investing. Founder and CEO Peter Wall has over 30 years' experience in developing and marketing financial information services with International Finance Corporation (IFC), FTSE International, and most recently, Microfinance Information Exchange, Inc. (MIX).