



Investment manager comments

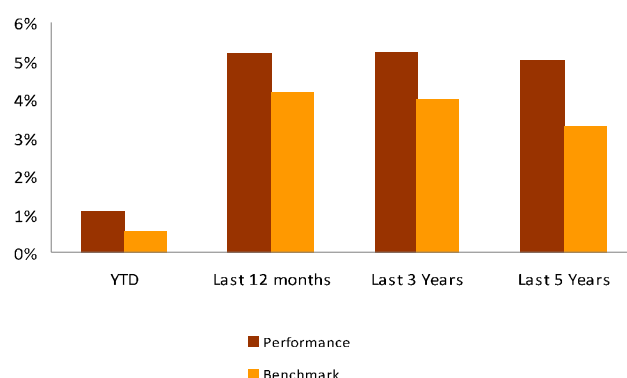
We are pleased to report a sizeable increase in the NAV of the DMCF during the first quarter of 2009 to a record high of USD 451 million. Investor subscriptions boosted the size of the fund, as well as a slight appreciation of the EUR and CHF versus the USD, which increased the USD-equivalent value of these share classes. Performance of all share classes of the fund remain firmly within our target return of 6 month Libor + 100-200 bps, and we anticipate this performance to continue near the high-end of the range over the coming months, as spreads on new loans are now likely to be higher than they have been in recent periods. Against the backdrop of the global financial crisis, we are investing new funds with the utmost care and intensive due diligence. Most MFIs maintain healthy fundamental indicators, a fact which underpins the strong investor interest that we are seeing in the sector. As reflected in the "Summary MFI Statistics" at the end of this report, asset quality remains high, with PAR30 of DMCF's MFIs at an average 3.2% and 12-month ROAs of 3.2%. Nevertheless, we are seeing some impacts of the crisis, particularly in the dampening portfolio growth rates and deterioration in asset quality in the MFI portfolios. PAR30 levels as of September 2008, for instance, were on average 2.8%, showing an increase in the past 5 months of 0.4%. We are seeing a wide variation among countries - Russia, Ukraine and Nicaragua, for instance, are feeling the effects of the crisis much more profoundly than in other regions - and country risk is an important component in our investment decisions.

Over the past month, BlueOrchard credit committee approvals have been granted for over USD 15 million of new loans to 10 MFIs, though only one of these had been disbursed by the early April NAV Calculation Date. We continue to emphasize broad geographical diversification, and the new approved loans are in Latin America (Mexico and Peru), Central Asia (Kyrgyzstan and Mongolia) and Eastern Europe (Moldova). We anticipate fully investing the new inflows into the fund by mid to late-May.

Quarter-end snapshot

Total Net Asset Value (NAV)	USD 451,395,545.19
Share class NAV	EUR 179,479,941.00
Net subscriptions/redemptions for quarter	
All share classes	USD 63,092,302.13
EUR share class	EUR 41,979,013.30
Net disbursements to microfinance institutions (MFIs) for quarter	(USD 11,477,170.00)
Return for the quarter (absolute)	1.06%
Return year-to-date (YTD)	1.06%
Return last 12 months	5.17%

Performance vs. benchmark



Performance details - history

12-month rolling returns (EUR share class)*

Year	Q1	Q2	Q3	Q4
2004	4.00	2.99	4.68	4.40
2005	4.10	4.04	3.67	3.60
2006	3.83	3.76	3.91	4.38
2007	4.37	4.52	4.77	4.77
2008	5.26	5.70	5.95	5.67
2009	5.17			

Spread over 6 month Libor (daily average for prior 12 months)

Year	Q1	Q2	Q3	Q4
2004	1.84	0.85	2.53	2.25
2005	1.91	1.87	1.49	1.34
2006	1.40	1.09	0.96	1.23
2007	0.95	0.79	0.75	0.45
2008	0.80	1.06	1.13	0.94
2009	1.04			

* Note that the valuation date for the DMCF is the 1st Wednesday of each month, such that month-end data shown here is the NAV calculation on the 1st Wednesday of the following month.

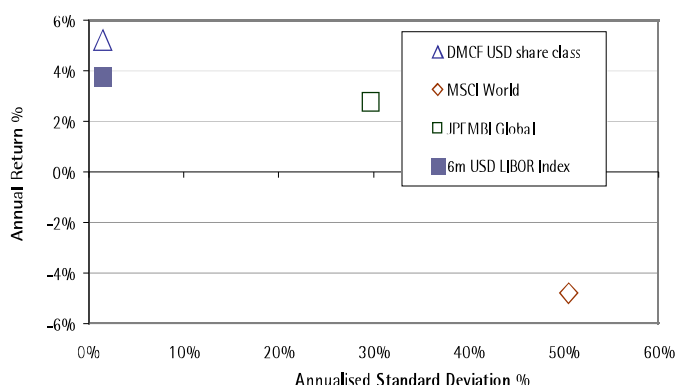
Fund statistics (last 5 years)

Average annual rolling return	4.53%
Average quarterly rolling return	1.12%
Average monthly return	0.37%
Best month	0.56%
Worst month	0.06%
Standard Deviation	1.35%
Sharpe Ratio*	1.87

* calculated using a risk free rate of 2.0%

Correlation with**:	MSCI World	(0.03)
	JP Morgan EMBI Global	0.05
	6-month USD Libor Index	0.74

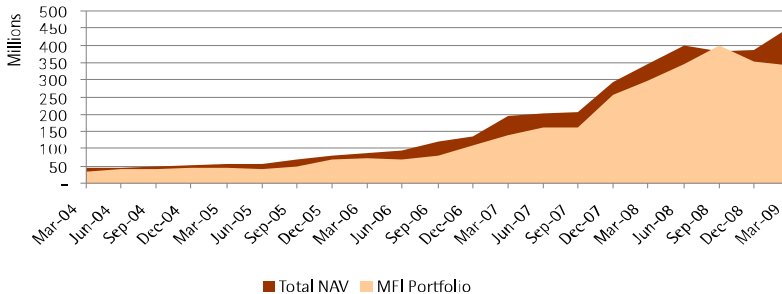
** correlation statistics are given against the DMCF USD share class, as the indices themselves are based in USD





Portfolio evolution during past quarter

MFI portfolio and NAV growth, by quarter



Current MFI portfolio USD 341,448,111.40

New disbursements this quarter

Value USD 600,000.00
Number 1

New disbursements in 2008

Value USD 170,567,974.00
Number 107

Repayments this quarter

Repayments in 2008 USD 12,077,170.00
USD 72,852,474.72

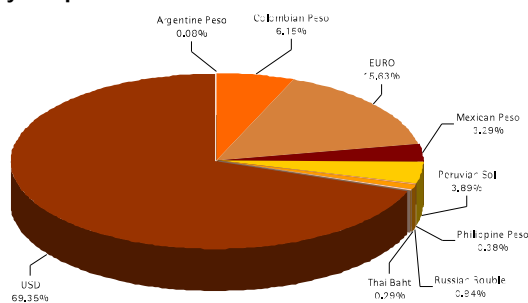
Current portfolio characteristics

Weighted average spread over Libor of MFI portfolio: 4.05%
Fixed/floating interest rate breakdown of MFI loan portfolio: 95.05% floating, 4.95% fixed rate

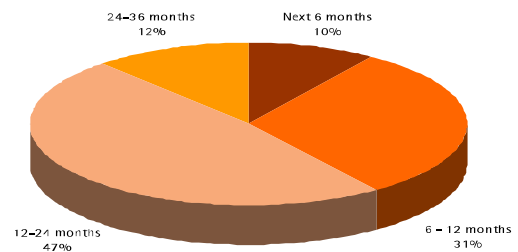
% of loan portfolio in loans to MFIs which are repeat borrowers from DMCF

by # of MFIs 63.44%
by volume of loans outstanding 71.69%

Currency composition of loans to MFIs*



Outstanding maturity breakdown of loans to MFIs



* All local currency loans are hedged and investors do not take on foreign exchange risk

MFI portfolio - summary statistics*

Financial indicators**

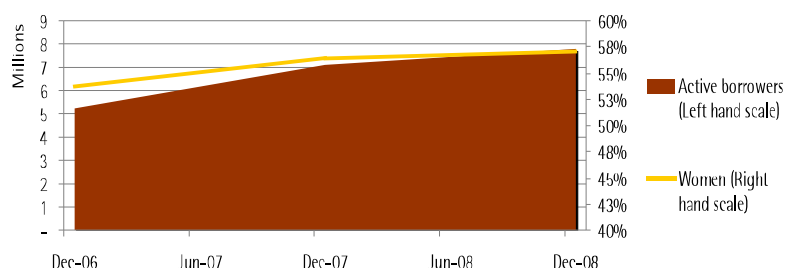
Asset growth (last 12 months) 36.40%
Portfolio growth (last 12 months) 34.70%
Return on assets (ROA) (last 12 months) 3.20%
Return on equity (ROE) (last 12 months) 17.10%

Portfolio at risk (PAR) 30 3.20%
Writeoffs (YTD) 0.30%
Debt/ equity ratio 6.62
Portfolio yield 29.00%

Social performance indicators***

Average outstanding loan size USD 1,433.00
% women 57%
% rural 43%
% individual 81%
% group 19%

Number of active borrowers reached by MFIs in the DMCF



* Data presented are simple averages across MFIs in the portfolio except for Asset and Portfolio growth, which take medians across MFIs. ** Data is for period ending 28 Feb. 2009. *** Data is for period ending 31 Dec. 2008.