



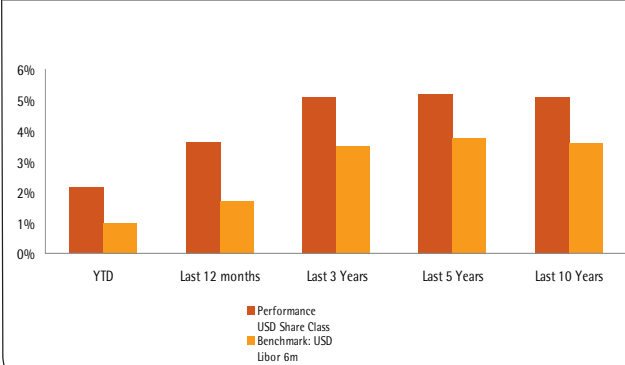
Investment manager comments

The DMCF continues to attract consistent investor interest, and the fund's NAV grew to another record high of USD 531 million by the end of the third quarter 2009. Performance remains within target levels, though it has declined slightly in recent periods due to two main factors: (1) Despite strong placements, cash levels in the fund remain higher than historical levels, and the microfinance portfolio represented on average 74% of NAV versus 85% during Q1 2009. Cash levels are higher due to strong investor inflows as well as the appreciation of the EUR and CHF versus the USD, which makes the EUR and CHF share classes increase in value relative to the USD-denominated MFI portfolio. As noted in previous updates, these exchange rate movements do not impact performance directly, but they do impact the investment level of the fund. (2) As reported in our September newsletter, the fund took additional provisions against potential losses on several Nicaraguan holdings over the quarter, totaling approximately 0.25% of NAV. Nearly USD 55mm of new loans were disbursed this quarter – more than half of the year-to-date total. Loans were extended to 20 MFIs, diversified across 14 countries in South America, Eastern Europe, Central Asia, South Asia and the Middle East. There are encouraging signs that the worst of the global financial crisis may well be over now, as most of the developed world appears to be emerging from recession and financial markets, including emerging markets debt and equity markets, have recovered significantly in recent months. There are continuing impacts of the crisis on some microfinance institutions, however, and we are closely monitoring these developments: We continue to see declining growth figures – in some cases, portfolio growth has been negative – and deterioration in the portfolio quality of many MFIs. While in most cases, the deterioration is relatively minor, there are some institutions that are suffering more severe effects as their clients are negatively impacted by the local economic downturns and reduced remittances from abroad. As highlighted in prior updates, MFIs in certain regions of the world – principally Central America and Eastern Europe – are impacted much more than in other regions. On average, operational indicators remain high. PAR30 averaged 4.8% as of August 2009 for MFIs in the DMCF portfolio, an increase over last quarter's 4.2% but still very manageable, while the average ROA actually increased slightly, to 3% (from 2.6%). For additional questions on the above, please feel free to contact us directly.

Quarter-end snapshot

Total Net Asset Value (NAV)	USD 531,484,379.01
Share class NAV	USD 180,694,220.13
Net subscriptions/redemptions for quarter	
All share classes	USD 9,918,429.15
USD share class	USD (2,368,502.86)
Net disbursements to microfinance institutions (MFIs) for quarter	
	USD 26,156,716.64
Return for the quarter	0.42%
Return year-to-date (YTD)	2.17%
Return last 12 months	3.61%

Performance vs. benchmark



Performance details – history

12-month rolling returns (USD share class)*

Year	Q1	Q2	Q3	Q4
2002	5.25	4.41	4.19	4.10
2003	3.94	3.86	3.22	3.26
2004	3.29	3.55	3.83	3.95
2005	4.05	4.42	4.56	4.70
2006	5.39	5.73	6.11	6.56
2007	6.41	6.30	6.34	6.21
2008	6.25	5.81	5.32	5.31
2009	4.70	4.38	3.61	

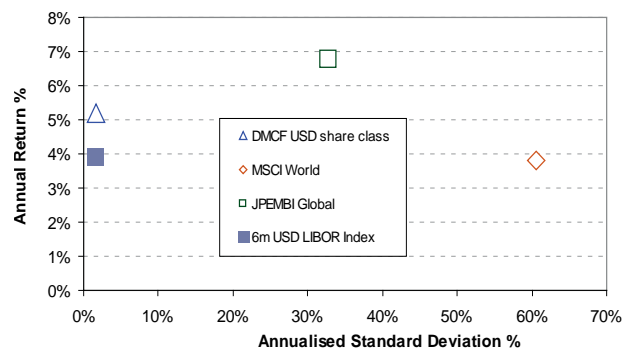
Spread over 6 month Libor (daily average for prior 12 months)

Year	Q1	Q2	Q3	Q4
2002	2.32	1.98	2.16	2.23
2003	2.26	2.41	1.92	2.04
2004	2.09	2.27	2.34	2.14
2005	1.73	1.61	1.26	0.88
2006	1.09	0.98	1.01	1.29
2007	1.03	0.92	1.00	1.00
2008	1.61	1.81	1.78	2.25
2009	2.00	2.07	1.91	

* 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)

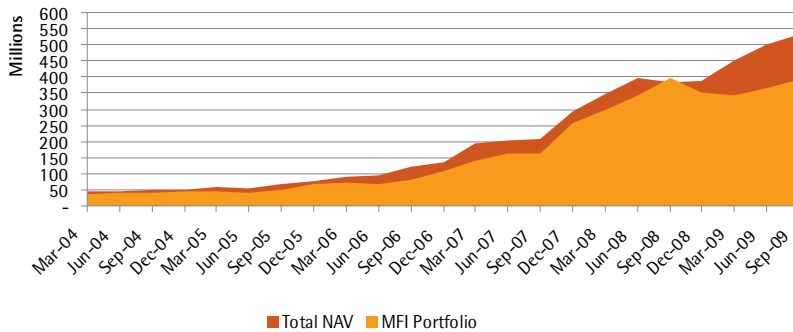
Average annualized return	5.19%
Average quarterly rolling return	1.29%
Average monthly return	0.42%
Best month	0.71%
Worst month	-0.01%
Standard Deviation	1.69%
Sharpe Ratio*	1.89
* calculated using a risk free rate of 2.0%	
Correlation with:	
MSCI World	(0.20)
JP Morgan EMBI Global	(0.17)
6-month USD Libor Index	0.76





Portfolio evolution during past quarter

MFI portfolio and NAV growth, by quarter



Current MFI portfolio USD 390,772,419.00

New disbursements this quarter
Value USD 54,562,926.64
Number 20

New disbursements in 2009
Value USD 92,883,867.64
Number 41

Repayments this quarter USD 28,406,210.00
Repayments in 2009 USD 55,036,730.04

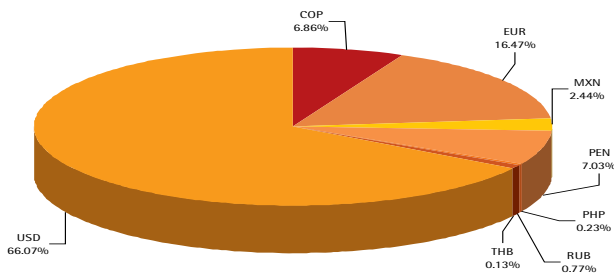
Current portfolio characteristics

Weighted average spread over Libor of MFI portfolio: 4.20%
Fixed/floating interest rate breakdown of MFI loan portfolio: 100% floating, 0% fixed rate

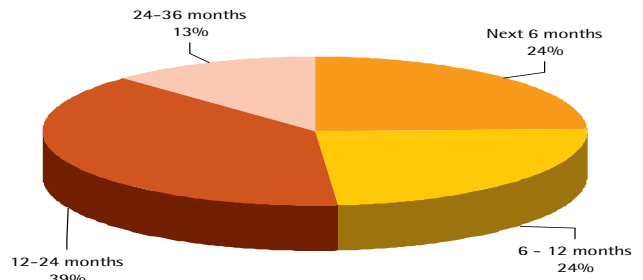
% of loan portfolio in loans to MFIs which are repeat borrowers from DMCF

by # of MFIs 57.14%
by volume of loans outstanding 66.77%

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**

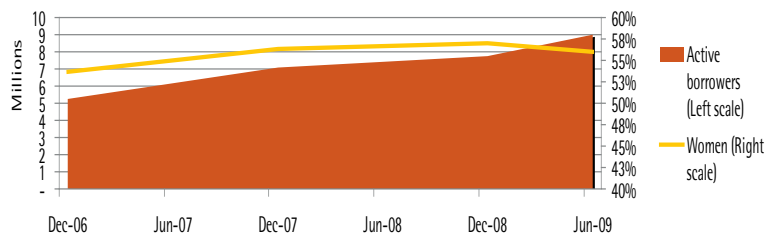
Asset growth (last 12 months) 18.8%
Portfolio growth (last 12 months) 10.4%
Return on assets (ROA) (last 12 months) 3.0%
Return on equity (ROE) (last 12 months) 13.2%

Portfolio at risk (PAR) 30 4.8%
Writeoffs (YTD) 1.2%
Debt/ equity ratio 4.9x
Portfolio yield 34.8%

Social performance indicators***

Average outstanding loan size** USD 1,547
% women 56%
% rural 46%
% individual 77%
% group 23%

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 31 Aug 2009. ***Data is for period ending 30 Jun. 2009.