



Investment manager comments

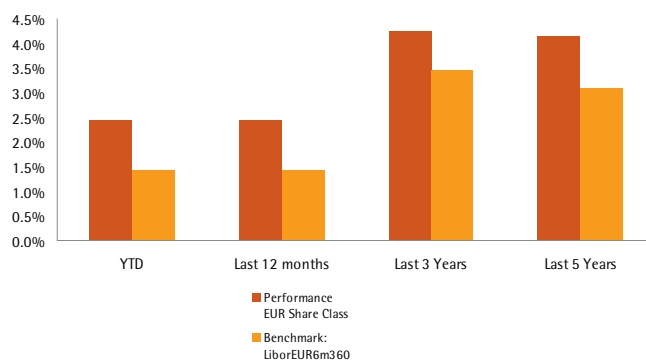
Returns during Q4 2009 were lower than usual – though positive in all share classes – due to provisioning taken in the fund against loans to four MFIs that are facing financial difficulties. Three of the four MFIs provisioned against are located in Nicaragua, where as reported in previous updates, the combination of several factors – domestic and international, political and economic – has led to a significant deterioration in the microfinance market. DMCF's total exposure to Nicaragua is quite low, however, at 2.9% of NAV as of year-end, and net of provisions, less than 2.5% and we do not foresee the need for significant additional provisioning in the coming months. In addition, despite the write-downs taken for these provisions, the fund's full year performance was well within target levels, and all currency share classes posted 2009 full-year returns in excess of average 6 months Libor + 100 bps.

The fund closed the year with an NAV of USD 524mm, with investments well-diversified across over 100 MFIs located in 35 countries. The microfinance portfolio has fluctuated between 72-76% of the fund NAV for most of 2009, due largely to a lower level of demand for financing from MFIs that remain conservative in their growth plans, as well as the appreciation of the EUR and CHF share versus the USD that has created a larger cash position in the fund (the EUR and CHF share classes have increased in value relative to the USD-denominated portfolio). Significant amortizations in the loan portfolio this quarter also offset placements: Over USD 51mm in loans repaid during Q4, nearly half of the year's total. New placements have been to a very diverse group of MFIs, and we added 8 new MFIs this quarter in countries as varied as Kenya, Jordan, Georgia and Peru.

Quarter-end snapshot

Total Net Asset Value (NAV)	USD	524'386'721.61
Share class NAV	EUR	201'695'789.44
Net subscriptions/redemptions for quarter		
All share classes	USD	-1'084'512.82
EUR share class	EUR	-3'700'759.27
Net disbursements to microfinance institutions (MFIs) for quarter	USD	-6'297'688.52
Return for the quarter		0.14%
Return year-to-date (YTD)		2.46%
Return last 12 months		2.46%

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	4.33	3.21	2.46

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	1.07	0.98	1.03

* 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.

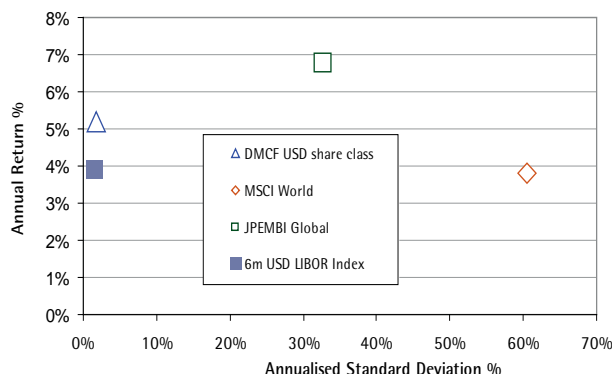
Fund statistics (last 5 years)

Average annualized return	4.16%
Average quarterly rolling return	1.04%
Average monthly return	0.34%
Best month	0.56%
Worst month	-0.05%
Standard Deviation	1.67%
Sharpe Ratio*	1.30

* calculated using a risk free rate of 2.0%

Correlation with**:	MSCI World	-0.18
	JP Morgan EMBI Global	-0.14
	6-month USD Libor Index	0.82

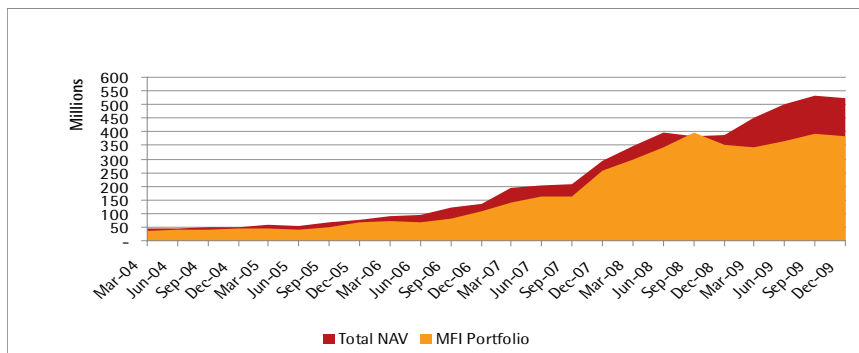
** correlation statistics are given against the DMCF USD share class, as the indices themselves are based in USD





Portfolio evolution during past quarter

MFI portfolio and NAV growth, by quarter



Current MFI portfolio USD 384'474'730.48

New disbursements this quarter

Value USD 44'991'733.91
Number 16

New disbursements in 2009

Value USD 137'875'601.55
Number 57

Repayments this quarter USD 51'289'422.43

Repayments in 2009 USD 106'326'152.47

Current portfolio characteristics

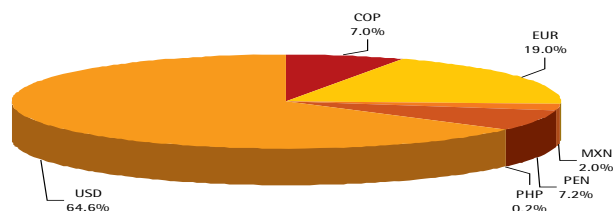
Weighted average spread over Libor of MFI portfolio: 4.34%

Fixed/floating interest rate breakdown of MFI loan portfolio: 100% floating, 0% fixed rate

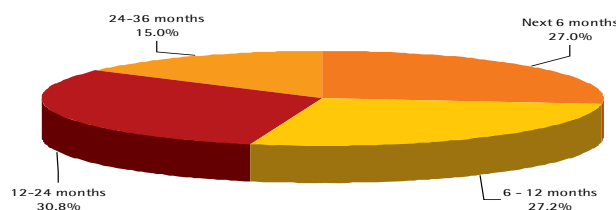
% of loan portfolio in loans to MFIs which are repeat borrowers from DMCF

by # of MFIs 58.42%
by volume of loans outstanding 72.64%

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**

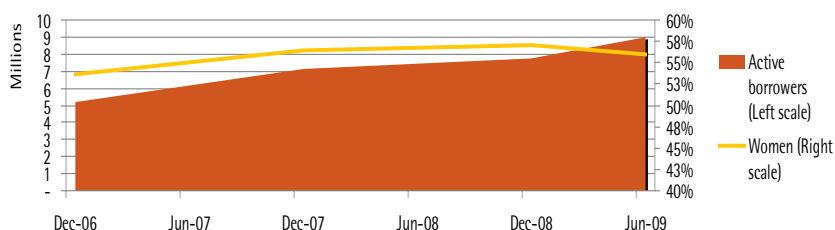
Asset growth (last 12 months) 18.4%
Portfolio growth (last 12 months) 10.6%
Return on assets (ROA) (last 12 months) 2.8%
Return on equity (ROE) (last 12 months) 9.6%

Portfolio at risk (PAR) 30 5.15%
Writeoffs (YTD) 2.68%
Debt/ equity ratio 4.9x
Portfolio yield 34.56%

Social performance indicators***

Average outstanding loan size** USD 1,560
% women/% men**** 57%/43%
% rural 45%
% individual 75%
% group 25%

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 30 Nov 2009. ***Data is for period ending 30 June 2009.

**** Excludes clients classified as "legal entities".