

Dual Return Fund - Vision Microfinance

SEPTEMBER 2009

Data as of 25.09.2009
NAV Class P: 1120,26 €
NAV Class I: 1110,14 €

Investment Manager:

Arman Vardanyan,
Absolute Portfolio Management

Investment Advisor:

Symbiotics, S.A., Geneva

Domicile / Legal Form:

Luxemburg / SICAV II (Lux)

Custodian / Domilicary Agent:

UBS AG/Axxion Luxembourg

Fund Volume: 89.485.275 €

NAV Calculation:

On 10th & 25th of each month

Subscription:

Monthly, Cut-Off 16:00 CET, on the Business Day preceding the Valuation Day

Redemption:

Monthly, Cut-Off 16:00 CET, on 10th business day of the month

Inception: 25 April 2006

ISIN:

LU0236782842 € Class P
LU0306115196 € Class I
LU0236783659 \$ Class P

Min. Investment:

1.000 € (P); 250.000 € (I)

Yield Distribution / TER:

Div. Reinvested /
indicative 2,8% (P); 2,1% (I)

Sales Charge: up to 3%

Absolute Portfolio Management
Wallnerstraße 3/17, A-1010 Wien
Tel.: +43 1 533 59 76
info@visionmicrofinance.com

Microfinance: Social Impact and Sustainable Returns

Rated by

The fund mainly contains fixed income assets, mostly in form of direct loans to microfinance institutions (MFIs). A MFI is an organisation that offers financial services to people, which don't receive services from traditional banks. As they are poor and have no collateral - except their own labor - they are executed from the regular banking system.



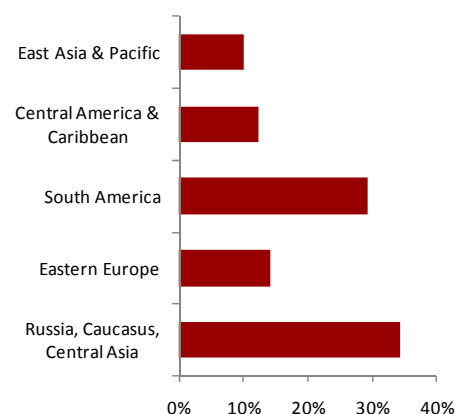
Advantages of the Fund

Regional Diversification

Ethical return: your investment helps a large number of micro-entrepreneurs and their families to break out of poverty on their own merits.

Short loan durations: microcredits typically have a duration of 6 months to 3 years. This reduces the risk compared to credits with longer durations.

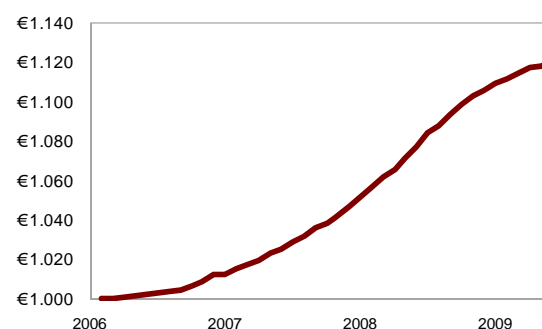
Reducing risk through diversification: investments will be spread between a large number of microfinance institutions in various countries and regions.



Social Impact

No. of Micro-entrepreneurs	98.855
Inkl. their families	198.000 - 297.000
No. of MFIs	59
No. of Emerging Markets	19
Relation Rural / Urban	48% / 52%
Percentage Female / Male	52% / 48%
Ø Issued Microloan	1.902 \$
Ø Loan to MFIs	1.035.468 \$
Ø Portfolio-Maturity	12 months

NAV Change since Inception (€Class P)



Monthly Performance (€Class P)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009	0,45%	0,37%	0,30%	0,33%	0,18%	0,24%	0,25%	0,07%	0,20%				2,41%
2008	0,21%	0,43%	0,40%	0,49%	0,47%	0,47%	0,39%	0,54%	0,49%	0,66%	0,38%	0,52%	5,60%
2007	0,22%	0,21%	0,36%	0,01%	0,27%	0,22%	0,19%	0,34%	0,25%	0,31%	0,28%	0,40%	3,11%

Monthly Performance (€Class I)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009	0,50%	0,42%	0,36%	0,39%	0,23%	0,29%	0,31%	0,12%	0,25%				2,91%
2008	0,26%	0,49%	0,45%	0,55%	0,52%	0,52%	0,45%	0,60%	0,54%	0,72%	0,43%	0,58%	6,30%
2007										0,36%	0,34%	0,46%	1,16%

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Market Commentary & Fund Update by Dr. Arman Vardanyan

In September the Fund invested USD 4,750,000 and EUR 500,000 in the form of direct loans to five MFIs from four countries: Peru, Azerbaijan, Moldova and Cambodia.

The Fund's total microfinance investment portfolio yield was 8.6% p.a., and a modified duration – 1,1. In September the Fund's investment level was around 78%. The Fund's microfinance investment portfolio remained fully hedged.

We continue looking for new investment opportunities to place the cash accumulated as a result of weakening USD and demand from good performing MFIs during the past few months. We make the investments carefully selecting MFIs to fit to the good quality microfinance portfolio of the Fund.

Microfinance, due to its attractive risk-adjusted return and social impact, continues to attract interest from retail and institutional investors. Somewhat affected by the global crisis microfinance industry still continues to show its resilience to shocks and deceleration.

CGAP's 2009 Microfinance Investment Vehicles (MIVs) Survey sheds light on the resilience of microfinance investments. MIVs grew by 31 percent in 2008 and posted strong returns on investments in the face of one of the toughest financial crises in decades. However, overall MIV performance may deteriorate in 2009

as the impact of adverse market conditions, including increased credit risks, hits. The survey, for the first time, also reveals MIVs' efforts to include environment, social, and governance considerations in their investment policies, due diligence, and monitoring. You can read the publication at http://www.cgap.org/gm/document-1.9.38570/CGAPBrief_MIV.pdf

The Group of 20 released a final statement at the conclusion of the two-day meeting. In it, the G20 pledged to keep emergency economic supports in place until sustainable recovery is assured, launch a framework for acting together to re-balance economic growth, and establish tougher rules governing banks by 2012. With regards to financial inclusion, the G20 has committed to improving access to financial services for the poor. It has agreed to support the safe spread of new modes of financial service delivery capable of reaching the poor and, building on the example of microfinance, to scale up the successful models of small and medium-sized enterprise (SME) financing. Working with the CGAP, the International Finance Corporation (IFC) and other international organizations, the G-20 will launch the Financial Inclusion Experts Group. This group will identify lessons learned on innovative approaches to providing financial services to the poor, promote successful regulatory and policy approaches and elaborate standards on financial access, financial literacy, and consumer protection.

www.visionmicrofinance.com



"Microfinance is not charity. It is recognition that poor people are the solution, not the problem. It is a way to grow productive enterprises and allow communities to prosper."

Kofi Annan, former UN Secretary-General

