

Danamon Simpan Pinjam

Danamon Simpan Pinjam (DSP) is a banking channel specifically catering to the needs of the mass market, a segment estimated to comprise about 43 million households across Indonesia. DSP provides a professional banking service which is simple, convenient and quick.

Bank Danamon's penetration into the mass market continued, largely unaffected by the macroeconomic downturn in 2006. Loan growth of 71% over the year with just 2.8% of loans classified as non-performing demonstrates DSP's strong footing in a resilient market and the quality of its management team.

The fact that daily essentials represent the largest proportion of business transacted in traditional markets is a major reason why the sector was able to weather the economic slowdown.



One Market Trader Pulls His Socks Up

Pak Iwan Abidin had big ambitions, and customers with big requirements. But with limited stock in small premises, he was unable to meet the demands of customers wanting to buy in bulk.

When DSP opened a branch in Pasar Beringharjo, Pak Iwan attended the opening ceremony. "My credit application was approved straight away, and later that week I had the funds to expand and increase my stock. Now I can serve customers who want to buy in bulk."

Unlike many other businesses, Pak Iwan sells to both wholesale merchants as well as directly to the consumer. "I meet the quantity my customer wants, no matter how large or small. That way everybody's satisfied."

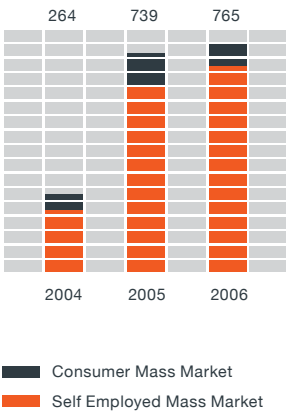
Pak Iwan has been trading for ten years, having started with no capital at all. Now business is growing, and with DSP his sales turnover has grown threefold. "The DSP service has been fast and easy to use. In fact, I am now applying again to increase my credit line."



Despite its fast growth in recent years, DSP still has the capability to expand. Firstly, the sheer scale of the informal sector offers considerable opportunities - institutional lending is still at a formative stage. Secondly, the market

is far from homogeneous, and DSP has been working on the development of new business models in order to extend facilities across a broader value chain, in addition to the current highly successful lending activities in traditional markets.

DSP Units



Outstanding Loans

In Rp billion

