



Pichardo Asset Management
Independent Portfolio Management Firm

The Mexico Equity and Income Fund Inc.
Material Presentation to Shareholders

December, 2017

THE MEXICO EQUITY AND INCOME FUND, INC.

Quarterly Board of Directors' Meeting

December 07, 2017

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I. Summary

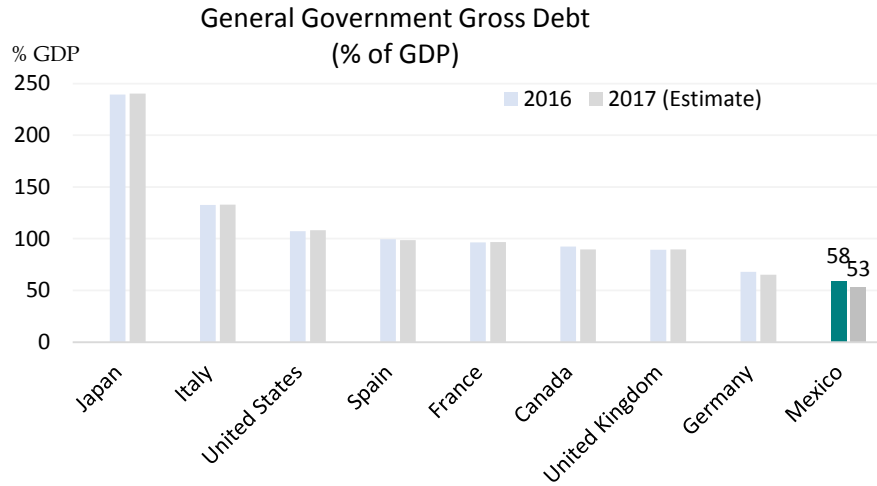
- World growth continued to trend higher in 3Q17. In Mexico, the risks to growth are weighted towards the downside due to uncertainty associated with the NAFTA renegotiation, which has been keeping a temporary lid on investment and could be one of the reasons for consumption slack. Meanwhile the peso lost ground against the dollar during the month due to U.S. monetary policy normalization, uncertainty over NAFTA, and the White House bill on U.S. fiscal reform. In this context, monetary policy actions aimed at preserving macro fundamentals remain in place.
- Given uncertainty over the NAFTA renegotiation and political noise related to the 2018 elections in Mexico, we have been disciplined with respect to fundamental analysis, focusing our strategies on value stocks with attractive discounts, high earnings growth potential and attractive next-12-month upside as calculated by PAM based on fundamentals that remain quite strong.

I. Summary

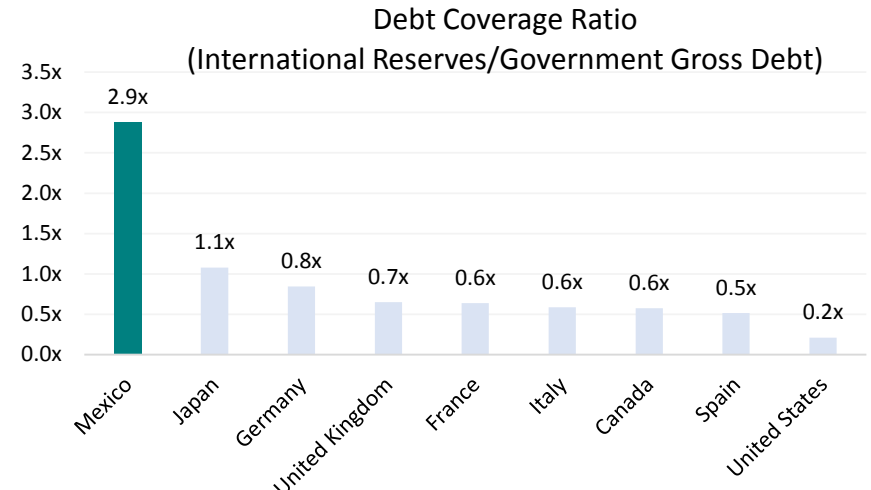
- PAM's disciplined adherence to maintaining positions in so-called discounted-oversold stocks, has contributed to the Mexico Equity and Income Fund's (Fund) Net Asset U.S. Dollar Value per share, "NAV," registering a 14.68% return for the Fund's year-to-date period ended November 30, 2017, according to U.S. Bancorp.
- The Fund's long-term investment strategy has continued to provide an excess dollar annual return for the last five-years (476 bps per annum) and ten-year (100 bps per annum) periods, and since the Fund's inception (212 bps per annum) in August 1990, through November 30, 2017 (with dividends reinvested) compared to the Mexican Bolsa Index's return. *Source: PAM; Bloomberg.*
- Our base-case scenario is that NAFTA will prevail. As local content accounts for 80% of all Mexican exports to the U.S. and 42% would have to comply with World Trade Organization rules, the post-NAFTA tariff would be a relatively low 3% and would ultimately be passed on to US consumers. Indeed, the US industrial lobbyists have already raised concerns about being adversely impacted by NAFTA's cancellation. *Source: PAM; Bloomberg.*

II. Review of the Mexican Economy

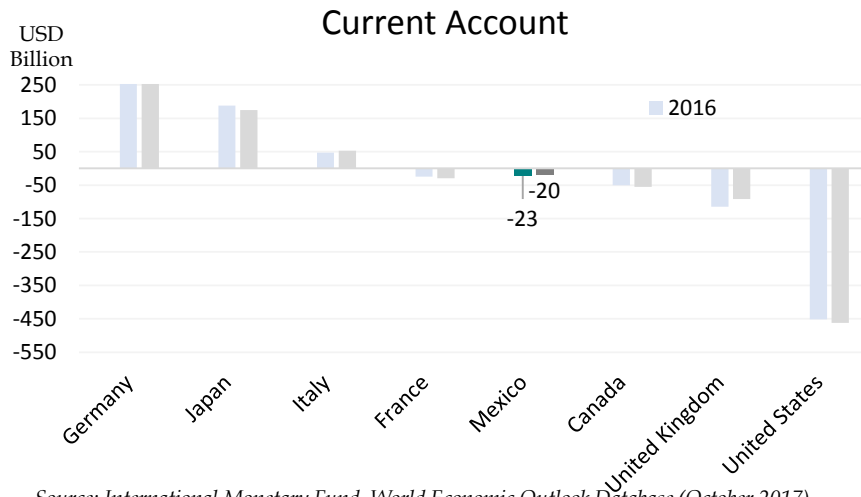
Mexico vs. Developed Economies (G7)



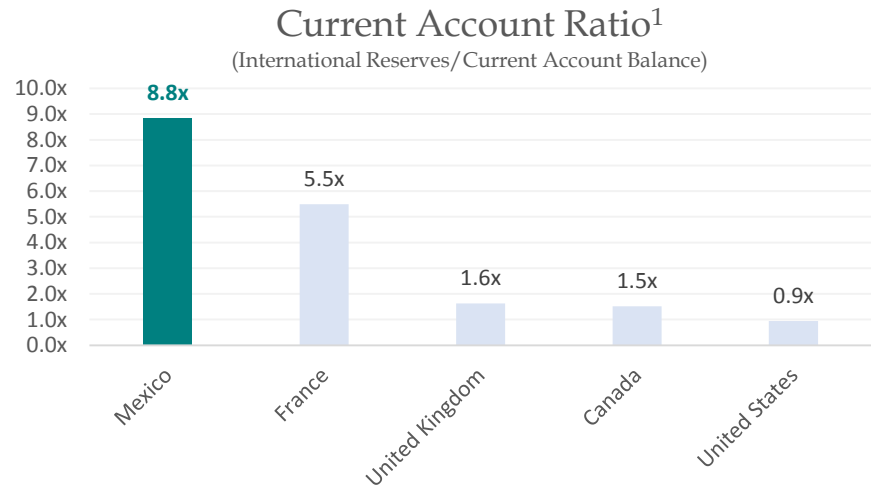
Source: International Monetary Fund, World Economic Outlook Database (October 2017)



Source: International Monetary Fund, International Financial Statistics (October 2017)



Source: International Monetary Fund, World Economic Outlook Database (October 2017)

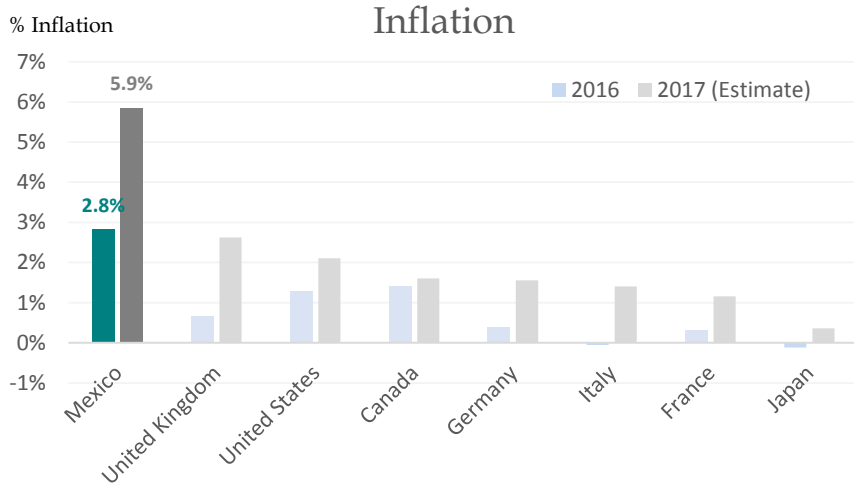


Source: International Monetary Fund, International Financial Statistics (October 2017)

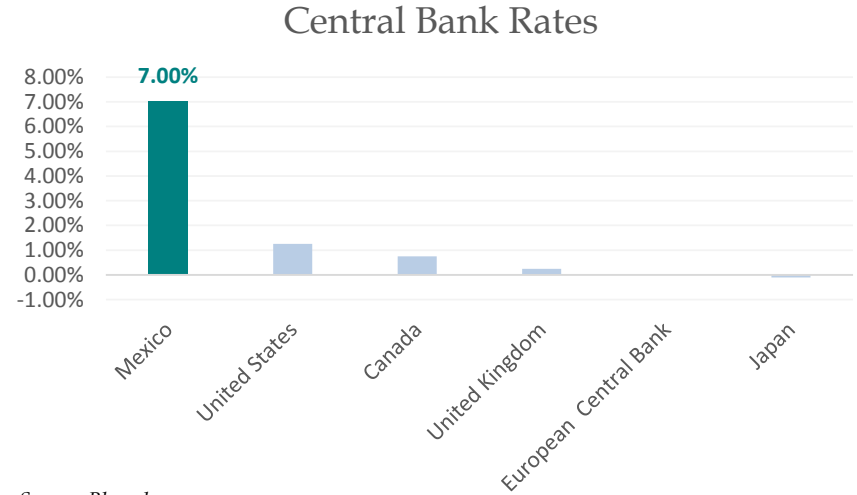
¹ Excluding countries: with surplus: Japan, Italy, Spain, and Germany

II. Review of the Mexican Economy

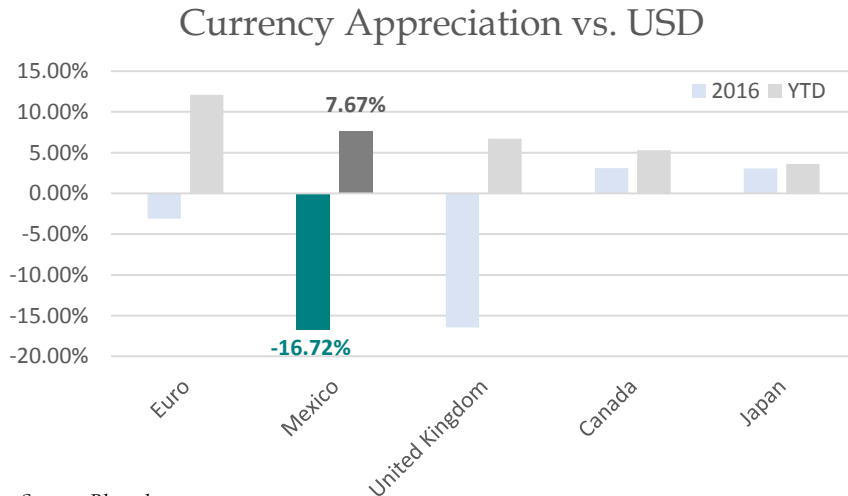
Mexico vs. Developed Economies (G7)



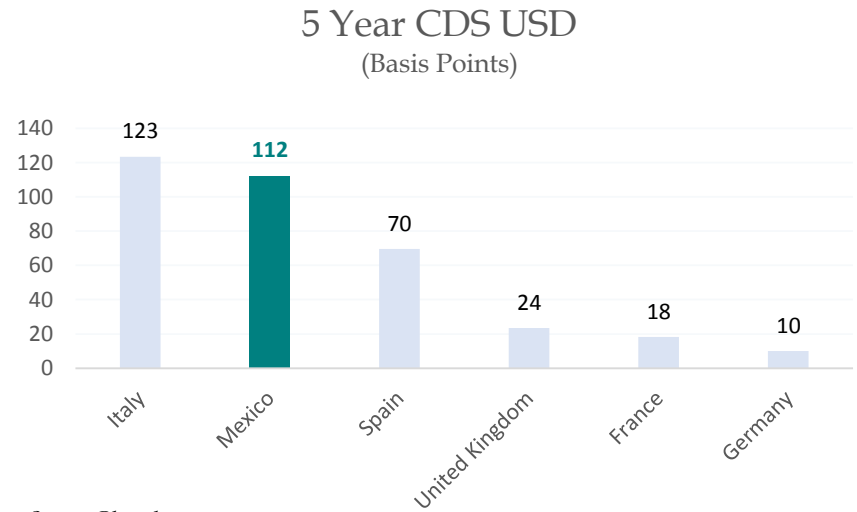
Source: International Monetary Fund, World Economic Outlook Database (October 2017)



Source: Bloomberg



Source: Bloomberg

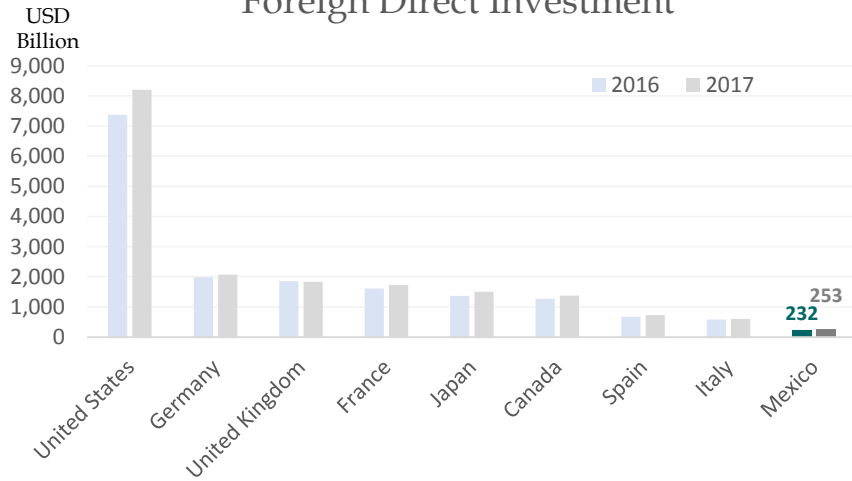


Source: Bloomberg

II. Review of the Mexican Economy

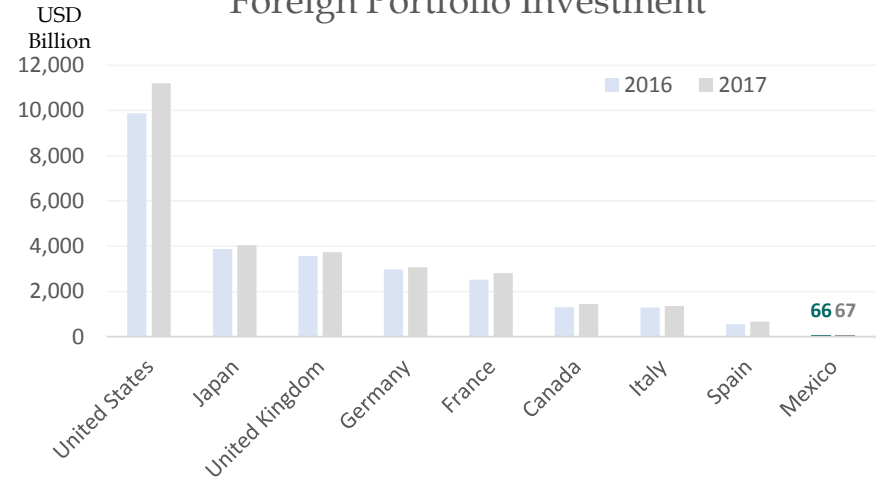
Mexico vs. Developed Economies (G7)

Foreign Direct Investment



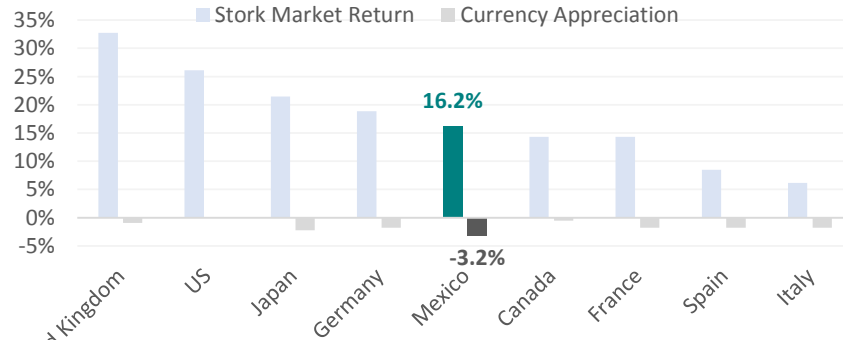
Source: International Monetary Fund, International Financial Statistics

Foreign Portfolio Investment



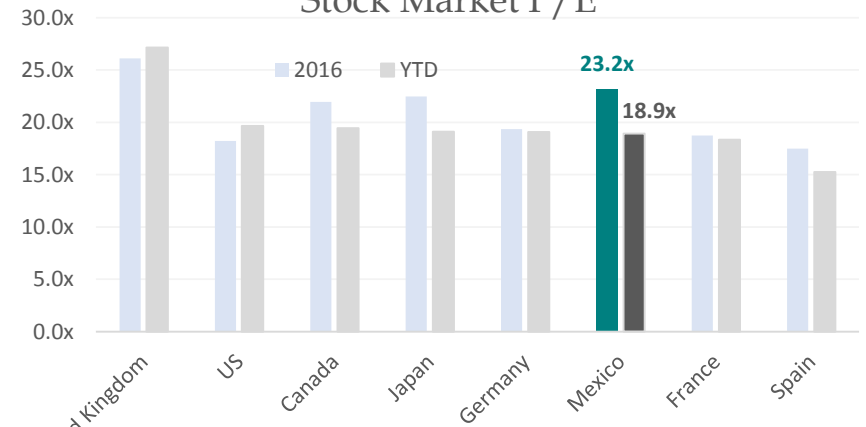
Source: International Monetary Fund, International Financial Statistics

Stock Market Return vs. Currency Appreciation¹ (2009-2017)



Source: Bloomberg

Stock Market P/E

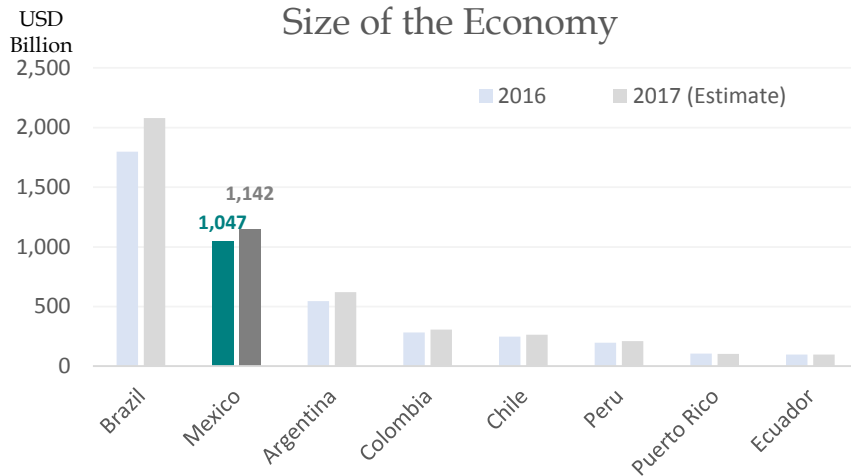


Source: Bloomberg

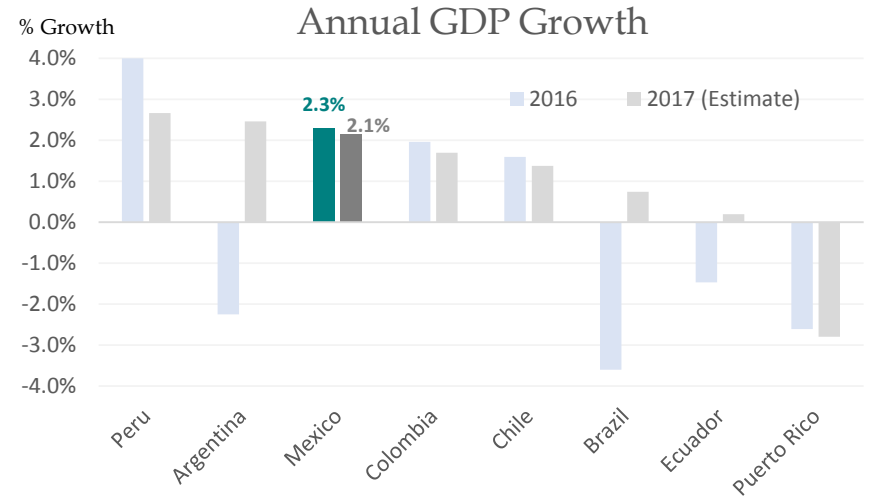
¹ Average Annual Holding Period Return/Appreciation

II. Review of the Mexican Economy

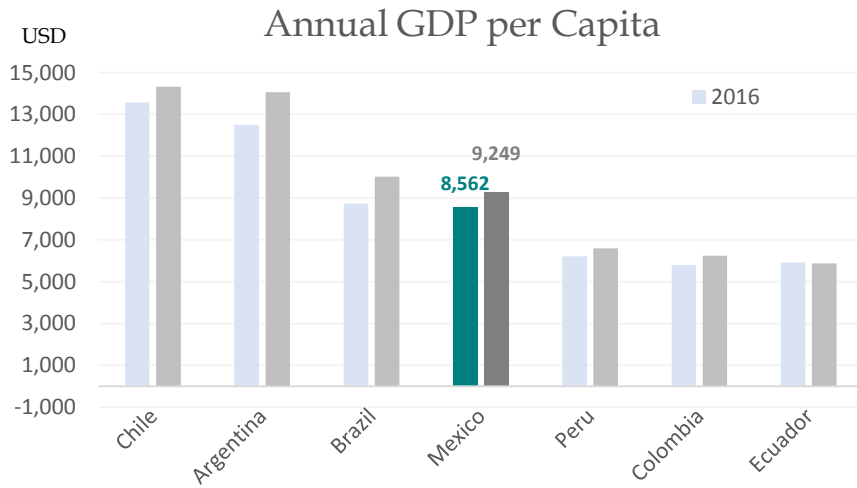
Mexico vs. LATAM Economies



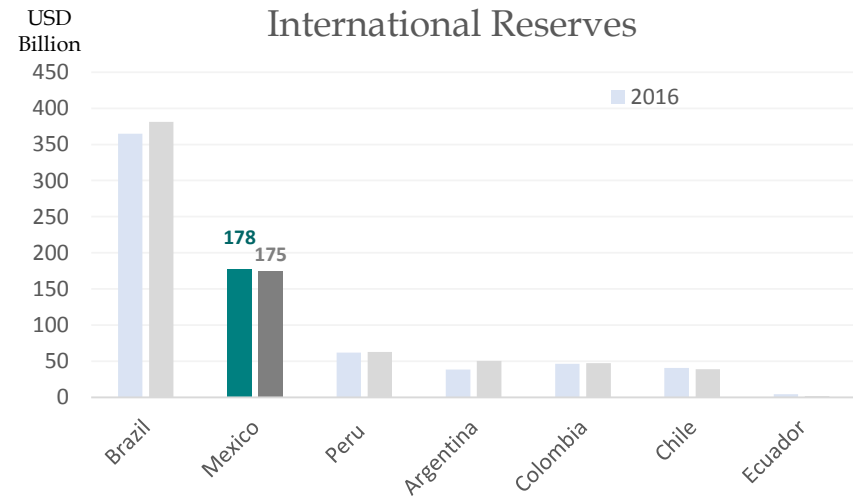
Source: International Monetary Fund, World Economic Outlook Database (October 2017)



Source: International Monetary Fund, World Economic Outlook Database (October 2017)



Source: International Monetary Fund, World Economic Outlook Database (October 2017)



Source: International Monetary Fund, International Financial Statistics (October 2017)

II. Review of the Mexican Economy

GDP, Employment & Inflation

	Growth Rate	
	1Q '17	2Q '17
GDP	3.2%	1.9%
Private Consumption	3.1%	3.2%
Government Consumption	1.8%	0.0%
Investment	-0.1%	-3.1%
Exports	9.0%	4.6%
Imports	7.9%	5.3%

**Constant Prices, Base 2013*

Source: INEGI

	GDP (Million MXN)				Growth Rates				Average
	2015	2016	1Q '17	2Q '17	2013	2014	2015	2016	
GDP	17,288	17,791	4,440	4,536	1.4%	2.8%	3.3%	2.9%	3.1%
Private Consumption	11,418	11,836	2,942	3,000	1.8%	2.1%	3.4%	3.7%	2.7%
Government Consumption	2,082	2,131	531	536	0.5%	2.9%	1.9%	2.4%	1.9%
Investment	3,743	3,784	907	912	-3.4%	3.1%	5.0%	1.1%	1.4%
Exports	5,910	6,115	1,554	1,596	1.4%	7.0%	8.4%	3.5%	5.1%
Imports	-5,927	-6,099	-1,526	-1,600	2.1%	5.9%	5.9%	2.9%	4.2%

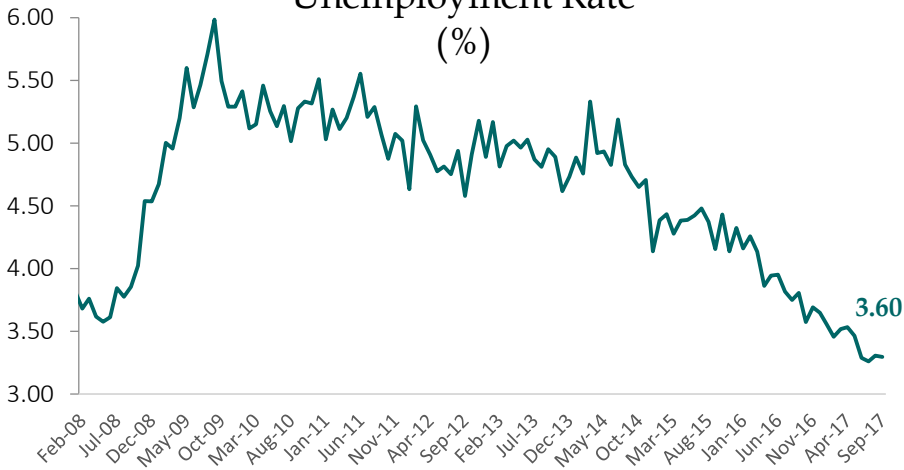
**Constant Prices, Base 2013*

Source: INEGI

II. Review of the Mexican Economy

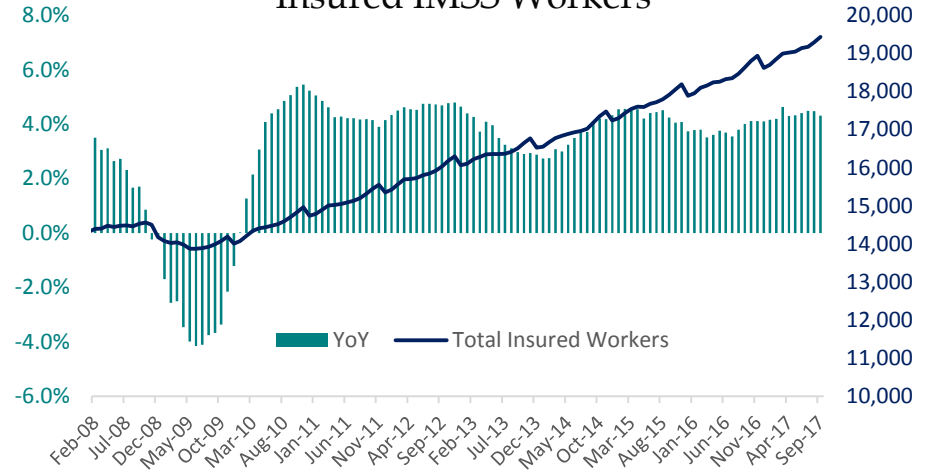
GDP, Employment & Inflation

Unemployment Rate (%)



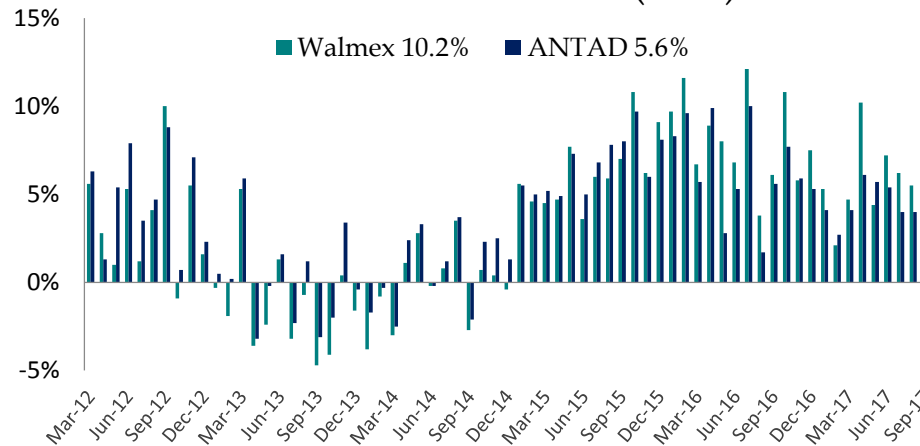
Source: Bloomberg

Insured IMSS Workers



Source: IMSS

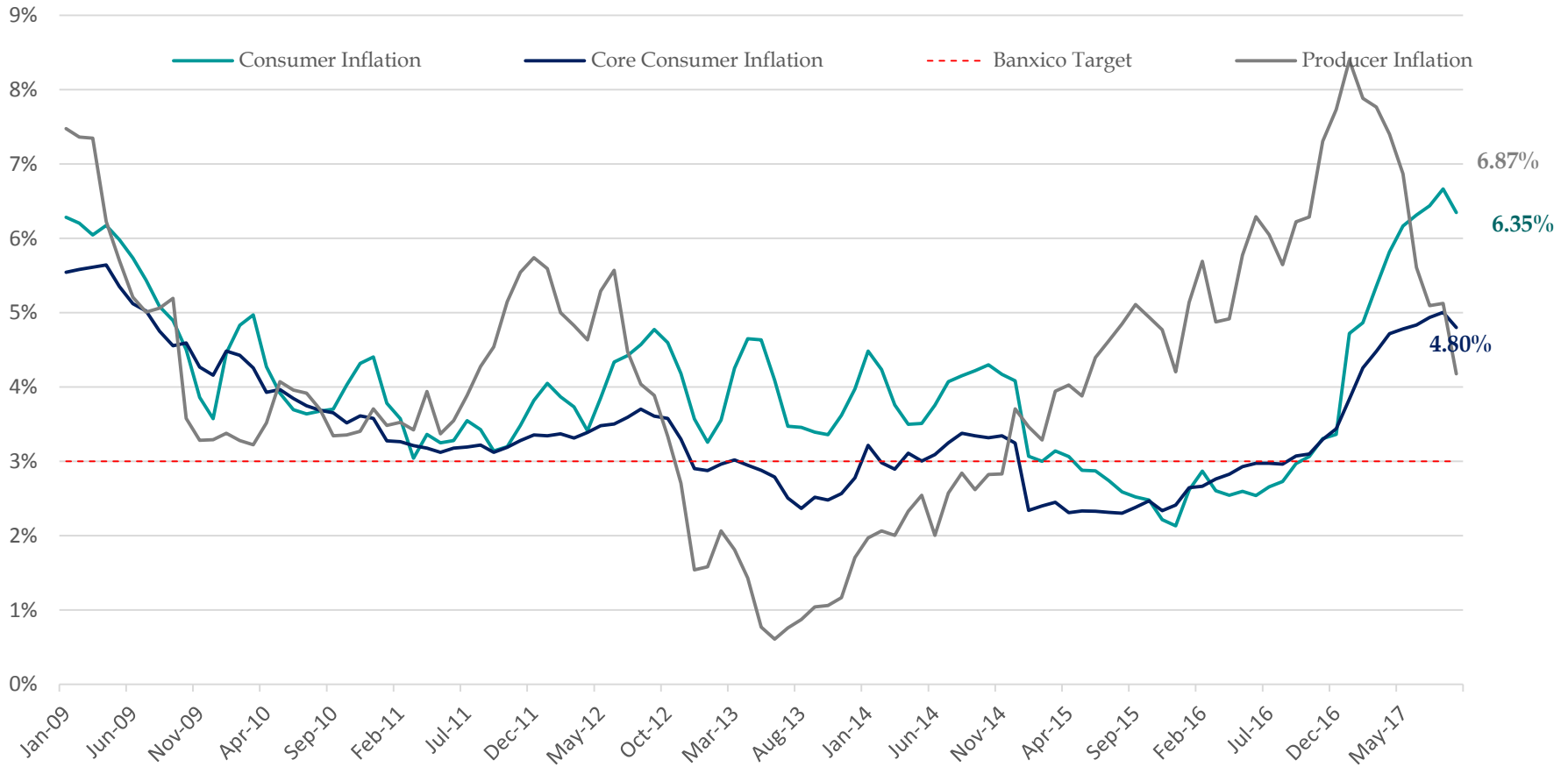
Same store sales (YoY)



II. Review of the Mexican Economy

GDP, Employment & Inflation Bi-weekly Inflation (YoY % Change)

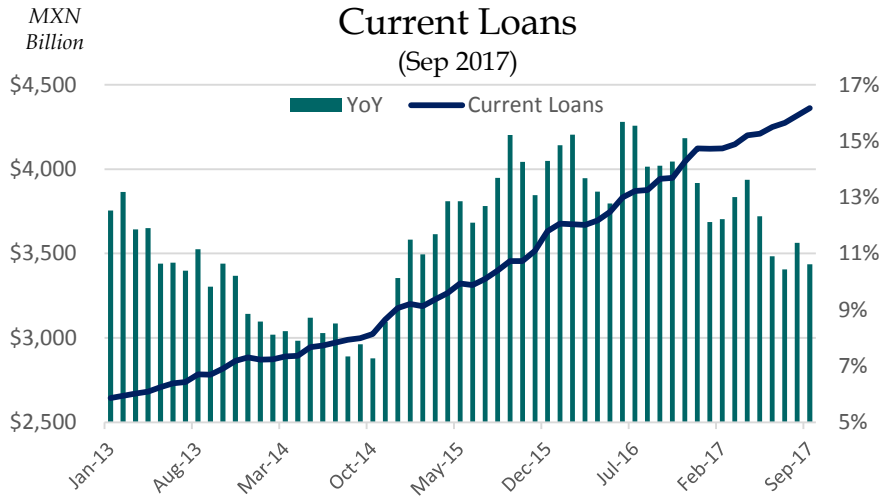
Inflation (YoY % Change)



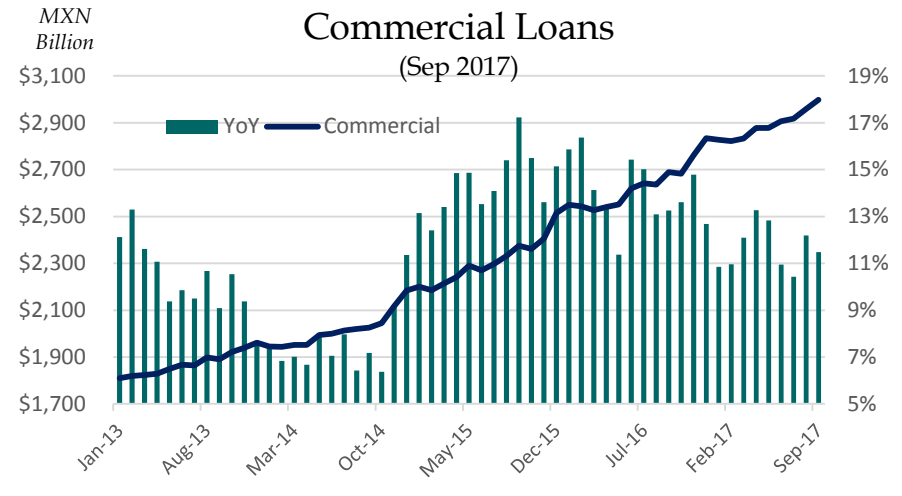
Source: INEGI

II. Review of the Mexican Economy

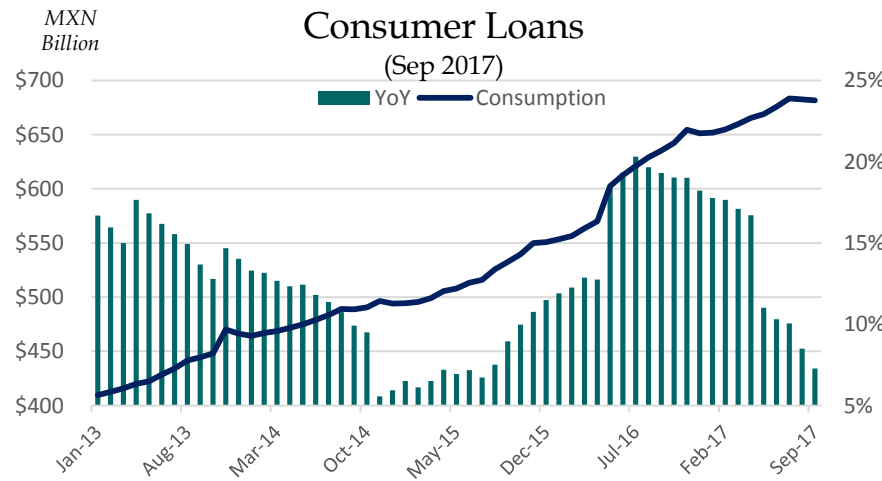
Private Banking



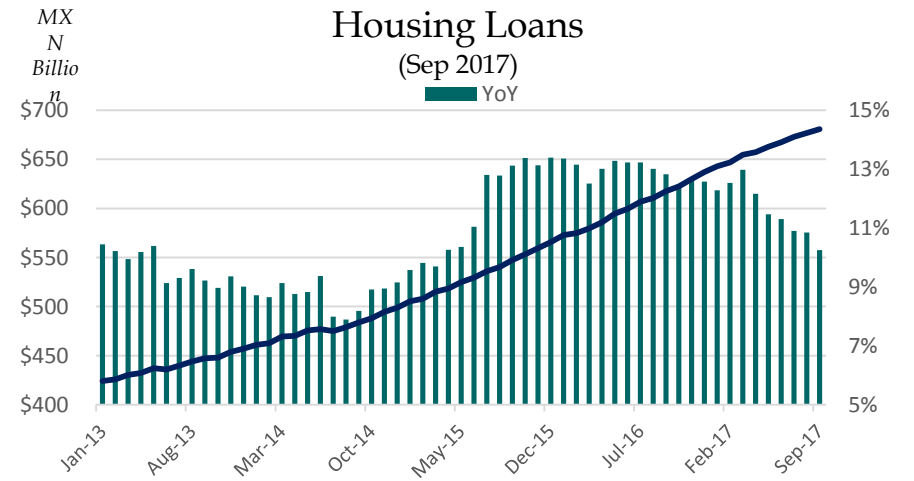
Source: Mexico's National Banking and Securities



Source: Mexico's National Banking and Securities Commission



Source: Mexico's National Banking and Securities Commission



Source: Mexico's National Banking and Securities

II. Review of the Mexican Economy

NAFTA & External Accounts Trade Patterns with the U.S. & External Accounts

United States International Trade (to Sep 2017)

Country	Exports	Imports	Total Trade	Balance	Country	Exports	Imports	Total Trade	Balance
China	97,067	373,603	470,670	-276,536	Taiwan	19,063	31,640	50,703.0	-12,577
% of Total	8.4%	21.5%	16.3%		% of Total	1.7%	1.8%	1.8%	
Mexico	180,152	233,400	413,552	-53,248	France	24,950	35,357	60,307	-10,407
% of Total	15.7%	13.4%	14.3%		% of Total	2.2%	2.0%	2.1%	
Japan	50,081	101,748	151,829	-51,667	Saudi Arabia	12,746	14,987	27,733	-2,241
% of Total	4.4%	5.9%	5.3%		% of Total	1.1%	0.9%	1.0%	
Germany	39,456	87,695	127,151	-48,239	United Kingdom	41,330	39,097	80,427	2,233
% of Total	3.4%	5.0%	4.4%		% of Total	3.6%	2.3%	2.8%	
Italy	13,450	36,013	49,463	-22,563	Brazil	26,913	21,801	48,714	5,112
% of Total	1.2%	2.1%	1.7%		% of Total	2.3%	1.3%	1.7%	
Canada	210,393	223,494	433,887	-13,101	Singapore	22,358	14,481	36,839	7,877
% of Total	18.3%	12.9%	15.0%		% of Total	1.9%	0.8%	1.3%	
India	19,246	35,739	54,985	-16,493	Hong Kong	30,394	5,667	36,061	24,727
% of Total	1.7%	2.1%	1.9%		% of Total	2.6%	0.3%	1.2%	
Korea, South	36,128	52,758	88,886	-16,630	All other countries	326,045	429,066	755,111	-103,021
% of Total	3.1%	3.0%	3.1%		% of Total	28.4%	24.7%	26.2%	
					TOTAL	1,149,772	1,736,546	2,886,318	-586,774

Source: U.S. Census Bureau

Amounts in millions of dollars

II. Review of the Mexican Economy

NAFTA Negotiations: Difficult Proposals

The U.S. Trade Representative has pushed several controversial proposals:

- Eliminating Chapter 19, the dispute mechanism that allows an independent panel to settle issues around trade
- Changing the rules of origin to increase the required percentage of content made locally, in order for products to maintain their tax exemptions
- Setting limits on seasonal trade by establishing tariffs or quotas, in order to protect the US agricultural sector
- The “sunset clause”, which would cause the agreement to expire every five years unless all three countries decide to continue
- The call to tighten Mexico’s labor standards and change low wages and weak union rules in order to balance labor conditions
- Cancel the Investor-state Dispute Settlement (ISDS), which allows investors of one NAFTA party to bring claims directly against the government of another NAFTA party before an international arbitral tribunal.

II. Review of the Mexican Economy

NAFTA “Plan B” Considerations

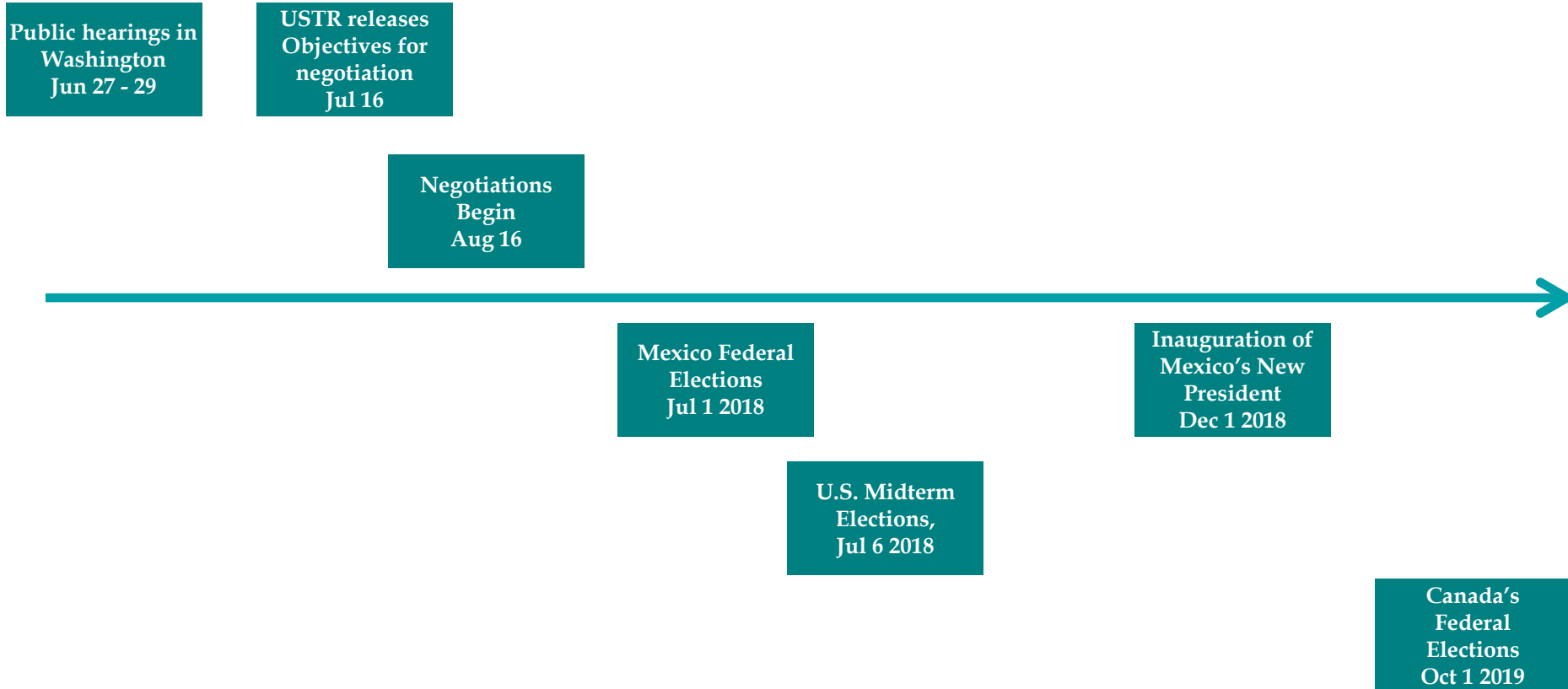
The first option is “Plan A”, which is to maintain NAFTA

- “Plan B” must be activated only if the U.S. decides to leave the negotiating table.
- It is important to distinguish the real intention from negotiating tactics.
- The pro-NAFTA forces in the U.S. can be activated to put pressure on the U.S. government
- Mexico already has a contingency plan in place that includes the following:
 - ✓ A communication strategy aimed at financial markets and the general public.
 - ✓ Options for strategic supplies that have already been negotiated
 - ✓ Identification of products exportable to the U.S. that would not be affected by new tariffs or quotas.
 - ✓ New possible destinations for Mexican exports.
 - ✓ Schemes to provide guarantees to foreign investors, such as insurance provided by several institutions.
 - ✓ Emergency stabilization schemes in the event of an overreaction in financial markets.
 - ✓ Compensation from non commercial operations, such as remittances.
- A strategy for non-commercial matters with the U.S., such as security, border control, and immigration.
- Reinforcement of multilateral commercial frameworks (TPP, WTO, etc.)

Source: Enrique Quintana; El Financiero.

II. Review of the Mexican Economy

NAFTA and Political Times



II. Review of the Mexican Economy

Exchange Rate, Interest Rates & the Stock Market

MXN/USD Spot Exchange Rate

November 17, 2017



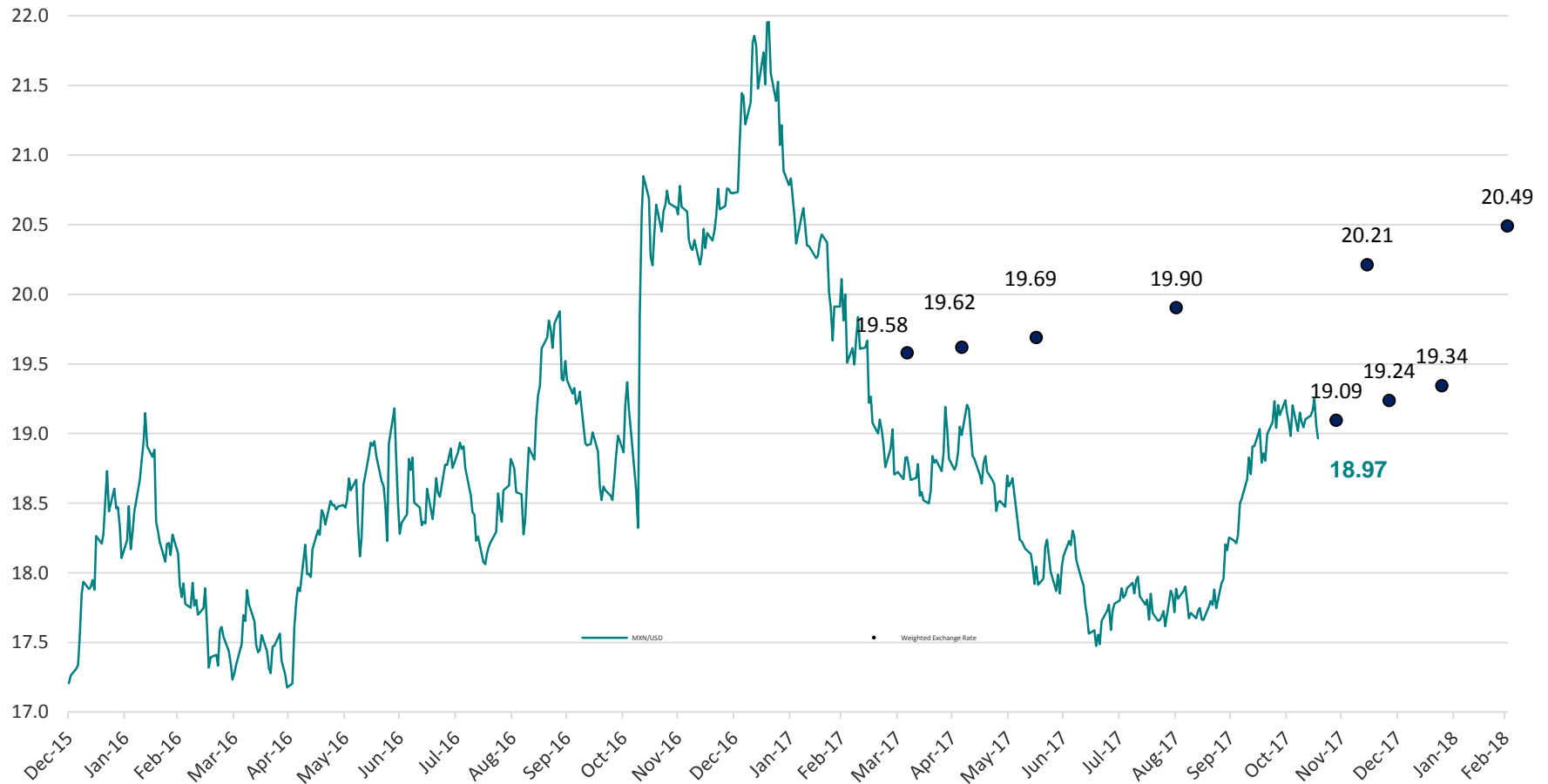
Source: Bloomberg

II. Review of the Mexican Economy

Exchange Rate, Interest Rates & the Stock Market

Banxico's Exchange Rate Futures Contracts Program

(As of November 17, 2017)



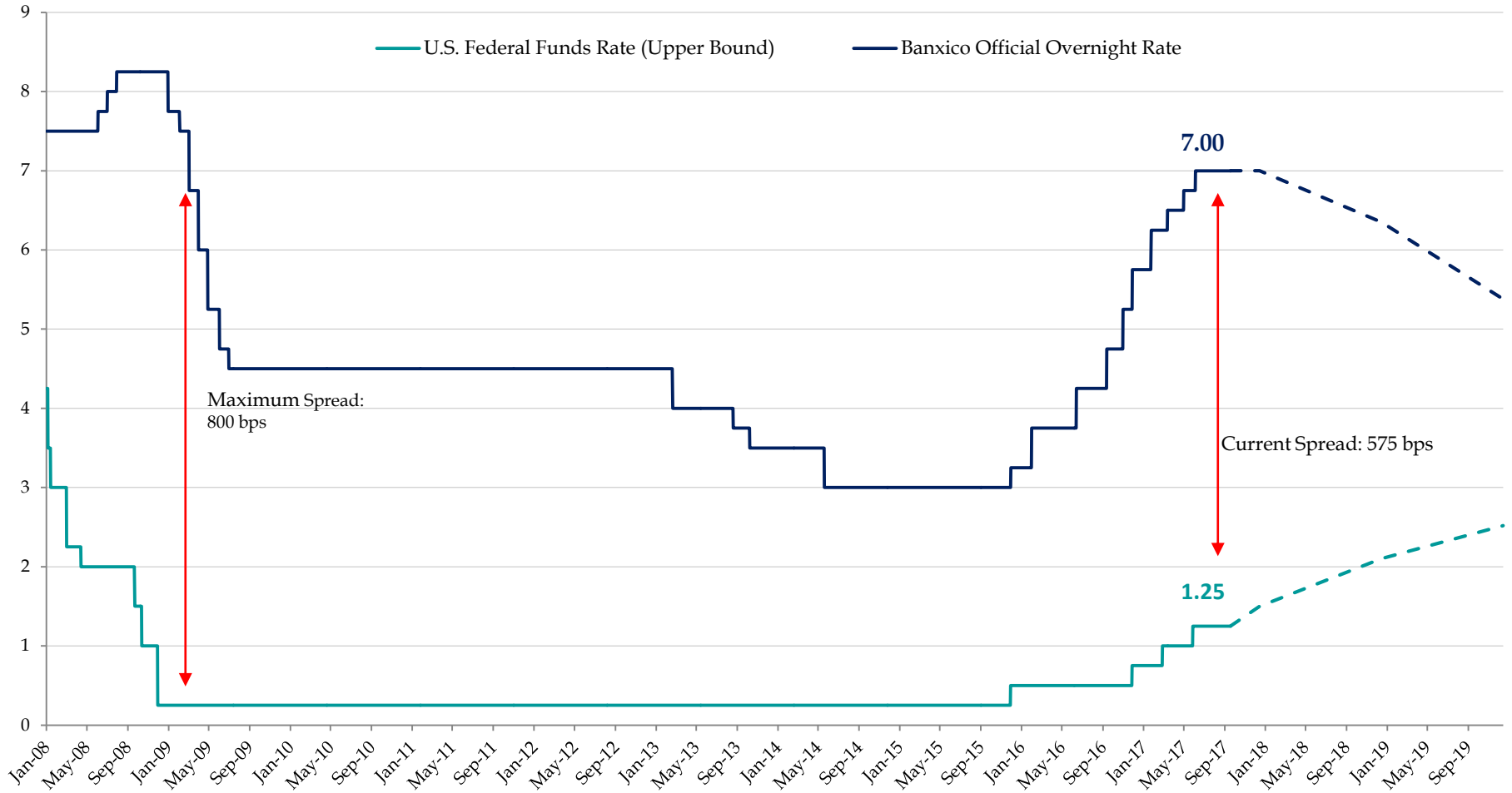
Source: Bloomberg, Banxico

II. Review of the Mexican Economy

Exchange Rate, Interest Rates & the Stock Market

Interest Rates

Projections

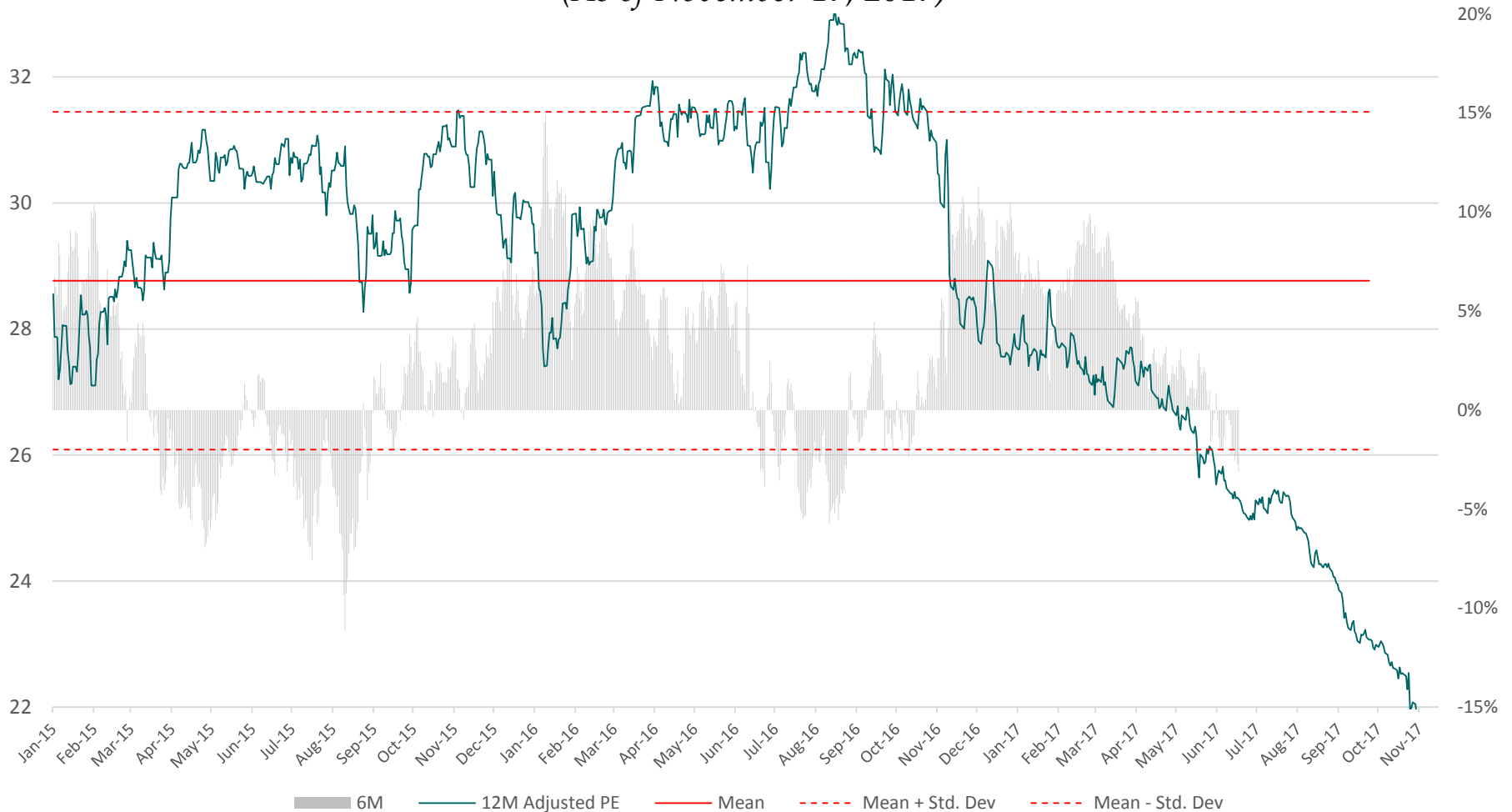


Source: Bloomberg, Banxico Survey of Expectations

II. Review of the Mexican Economy

Exchange Rate, Interest Rates & the Stock Market

MEXBOL P/E vs 6-M FWD Price Change
(As of November 17, 2017)



II. Review of the Mexican Economy

Political Relevant Events 2017 - 2018 Timeline: Politics

PRI General
Assembly
Aug 5 - 12

PRD elects local &
national
leadership
Aug 6

PAN establishes
Commission for
Electoral Process
Aug 9

"Wide Front"
Coalition
Announced
Sep 9

Pre-campaigns
Dec 14 - Feb 11

Campaigns
Mar 30 - Jun 27

Electoral "Silence"
Jun 28 - Jul 1

Official Start of
Electoral
Process
Sep 8

Registration
Deadline for
Independents
Oct 14

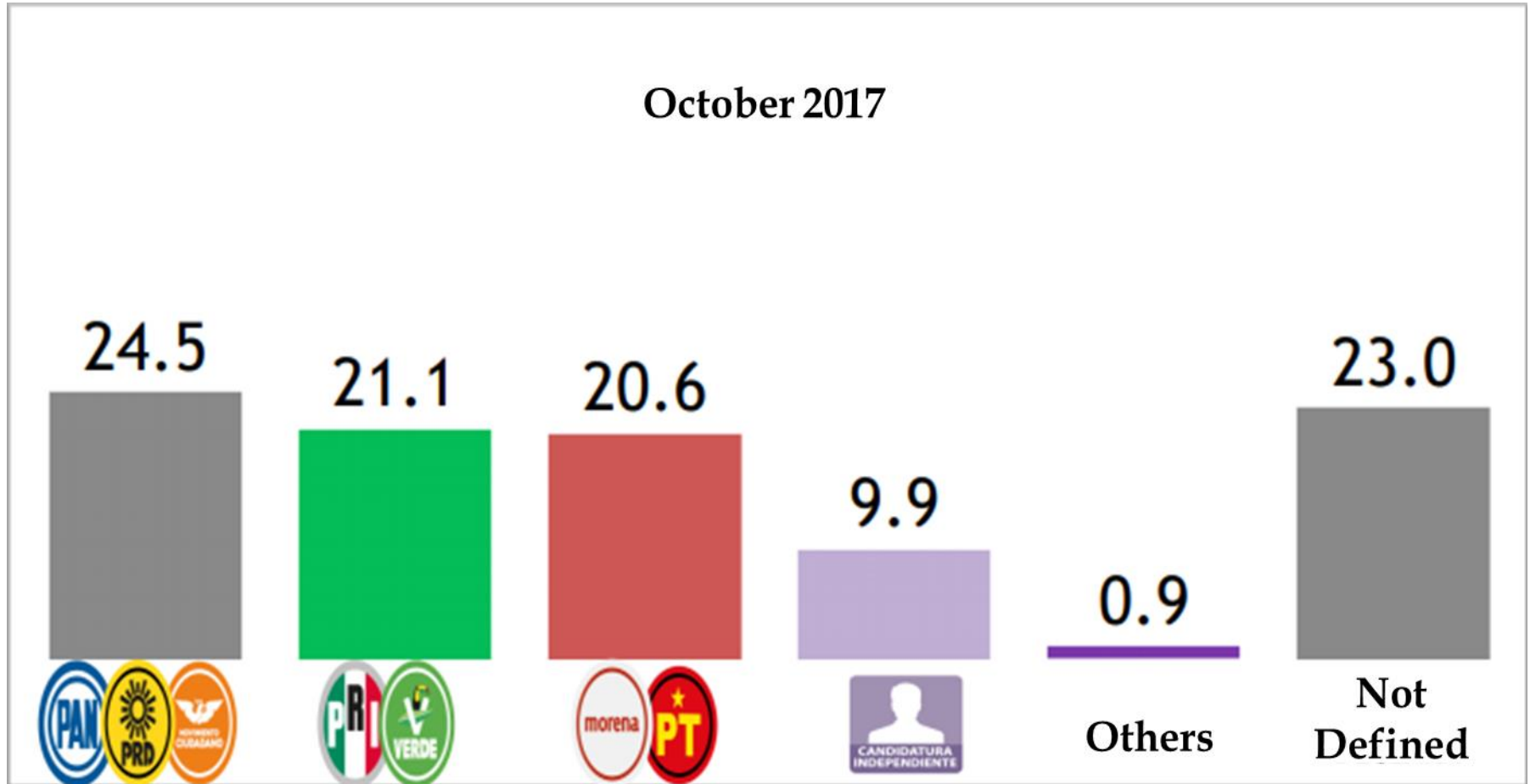
Coalition
Registration
Deadline
Dec 31

Federal
Elections
Jul 1 2018

Inauguration
Dec 1 2018

II. Review of the Mexican Economy

Electoral Preferences 2018

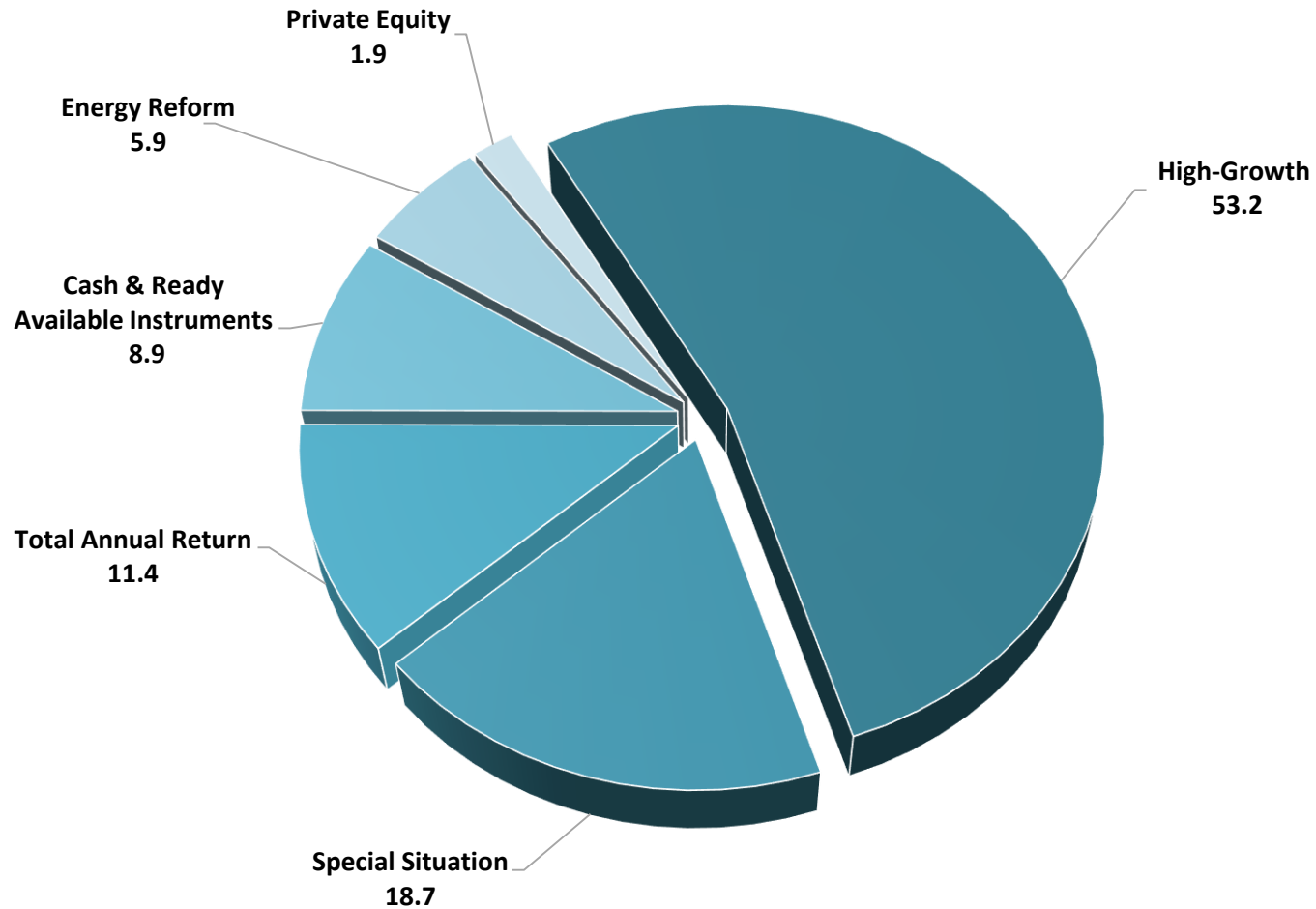


Source: Consulta Mitofsky

III. MXE Portfolio Composition

Total Value of the Portfolio by Investment Themes (%)

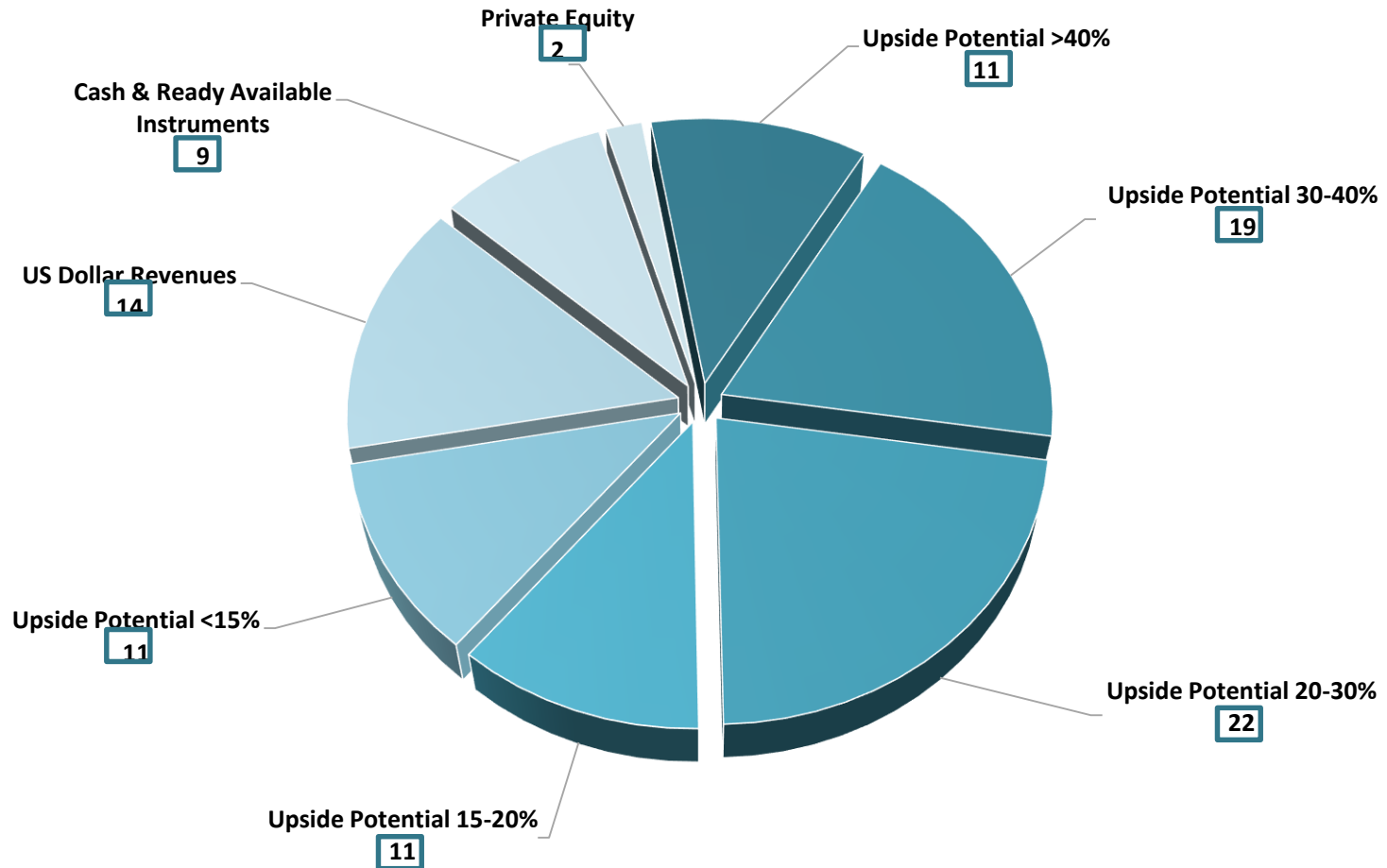
As of October 31, 2017



Source: PAM, Bloomberg

III. MXE Portfolio Composition

**Total Value of the Portfolio Classified by PAM
Estimate Upside Potential Return for the Next 12 Months (%)
As of October 31, 2017**



% Allocation in the Portfolio

Source: PAM, Bloomberg

III. MXE Portfolio Composition

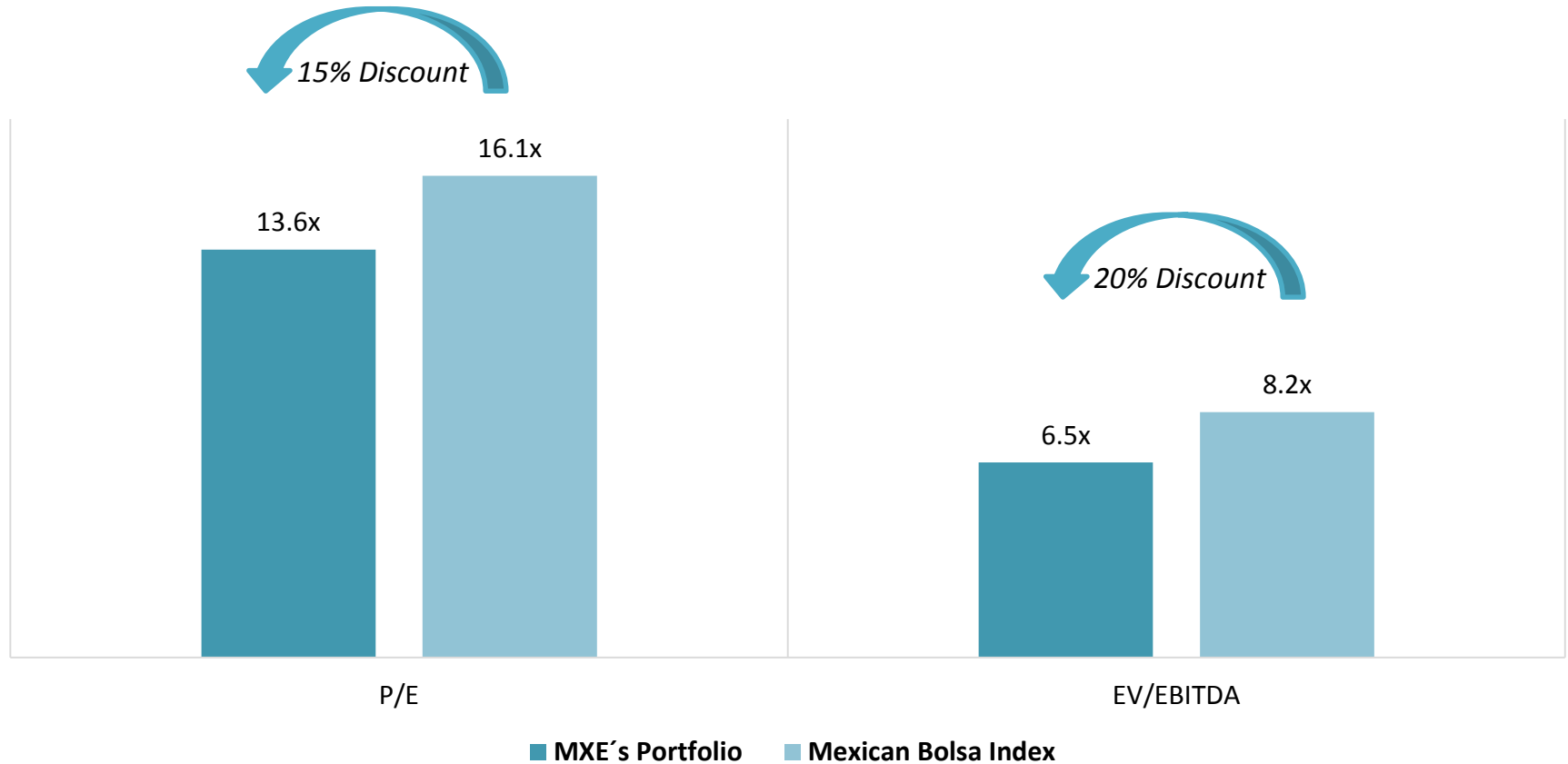
MXE Portfolio's Estimated Weighted Average Upside Potential for the Next 12 Months Compared to the Mexican Bolsa Index, according to Pichardo Asset Management (%)
As of October 31, 2017



Source: PAM, Bloomberg.

III. MXE Portfolio Composition

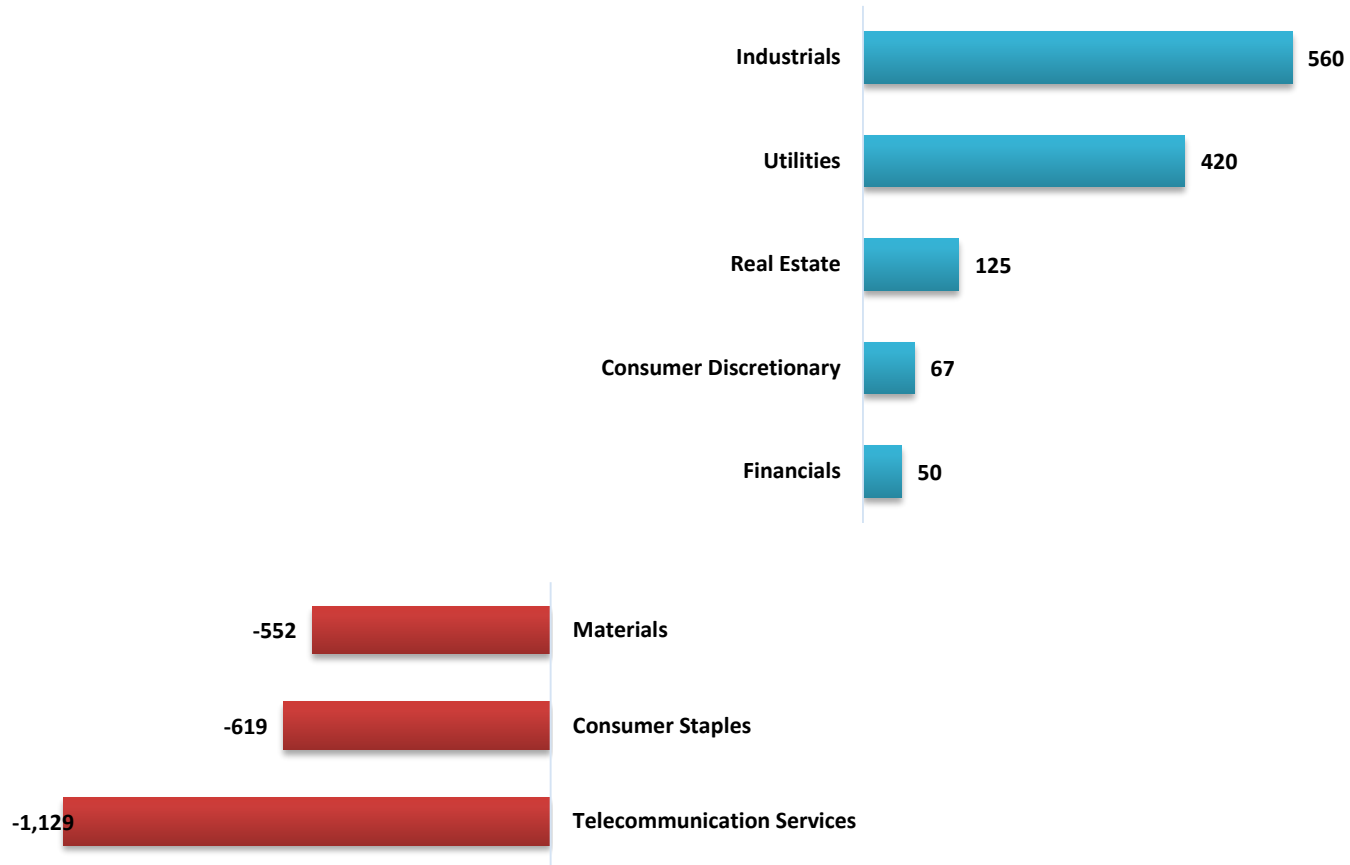
Forward 12M Valuation of the MXE Portfolio compared to the Mexican Bolsa Index
As of October 31, 2017



Source: PAM, Bloomberg.

III. MXE Portfolio Composition

Overweight / Underweight by Sector of the MXE's Portfolio
 Compared to the Mexican Bolsa Index in basis points
As of October 31, 2017

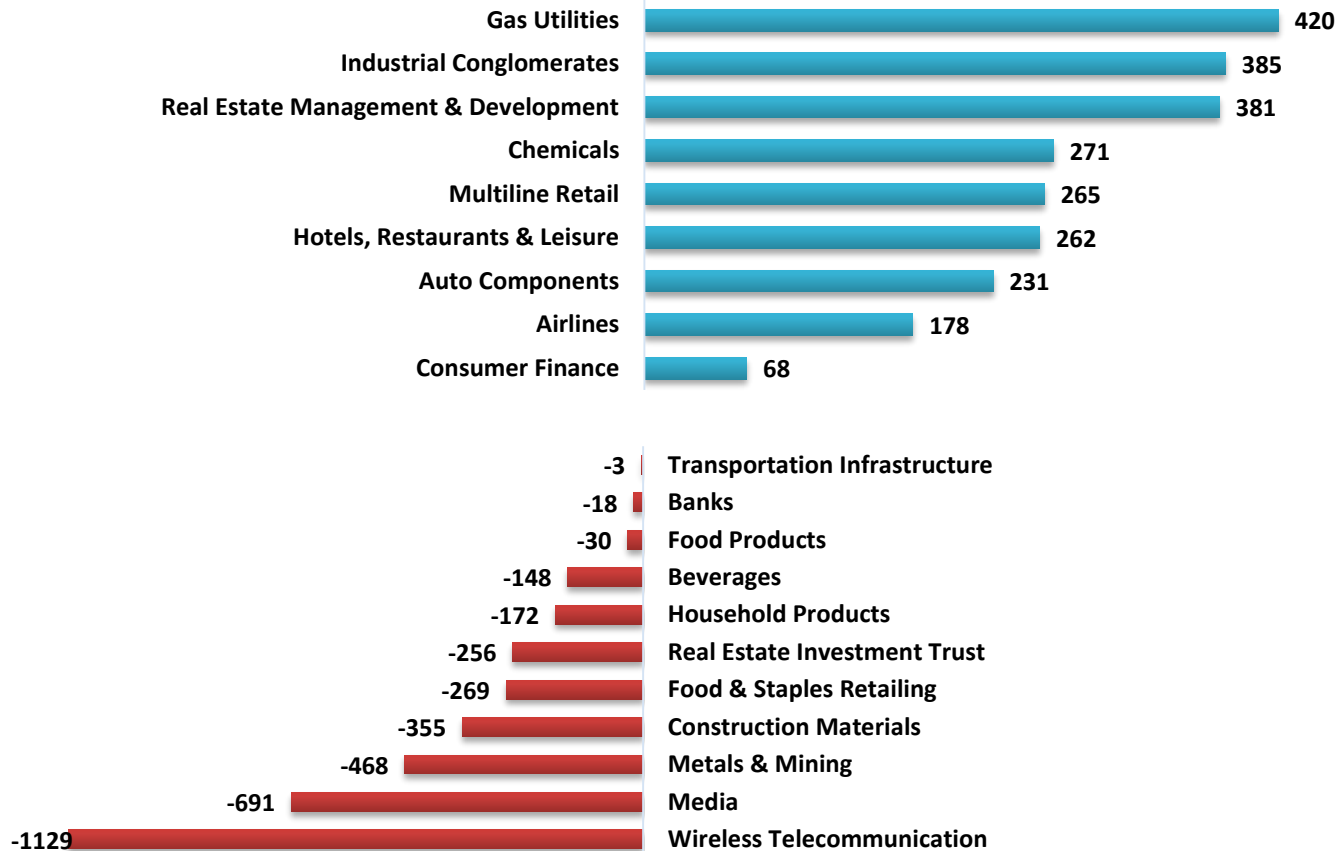


Source: PAM, Bloomberg

III. MXE Portfolio Construction

Overweight / Underweight by Industry of the MXE's Portfolio Compared to the Mexican Bolsa Index in basis points

As of October 31, 2017



Source: PAM, Bloomberg

III. MXE Portfolio Composition

Diversified Active Management (%) One-Year to October 31, 2017

High Diversification

MXE's Portfolio TOP TEN			
Issuer	Weight	One-Year Return	PAM Upside Potential N12M
FEMSAUBD	8.1	-9.0	17.0
GFNORTEO	6.2	0.8	35.6
IENOVA*	5.9	15.3	15.4
AMXL	5.8	30.2	6.9
ALFAA	5.5	-31.1	21.2
GRUMAB	4.3	-5.6	23.1
MEXCHEM*	4.3	7.7	30.6
PINFRA*	4.2	-15.1	27.0
AC*	4.2	2.3	33.0
GMEXICOB	4.1	32.0	16.2
MXE's Portfolio	52.6	-3.5	11.6

High Concentration

Mexican Bolsa Index TOP TEN			
Issuer	Weight	One-Year Return	PAM Upside Potential N12M
AMXL	17.2	30.2	6.9
FEMSAUBD	10.8	-9.0	17.0
GFNORTEO	9.5	0.8	35.6
CEMEXCPO	7.5	-6.1	28.6
WALMEX*	7.1	5.6	6.3
GMEXICOB	7.1	32.0	16.2
TLEVICPO	6.9	-11.0	6.7
FUNO11	2.6	-17.5	26.3
OMAB	2.4	-13.3	25.6
ALFAA	2.4	-31.1	21.2
Mexican Bolsa Index TOP TEN	73.4	2.4	12.4

*N12M: Next Twelve Months

Source: PAM, Bloomberg.

IV. The Fund's Performance

The MXE's Net U.S. Dollar Asset Value per Share Return with Dividends Reinvested

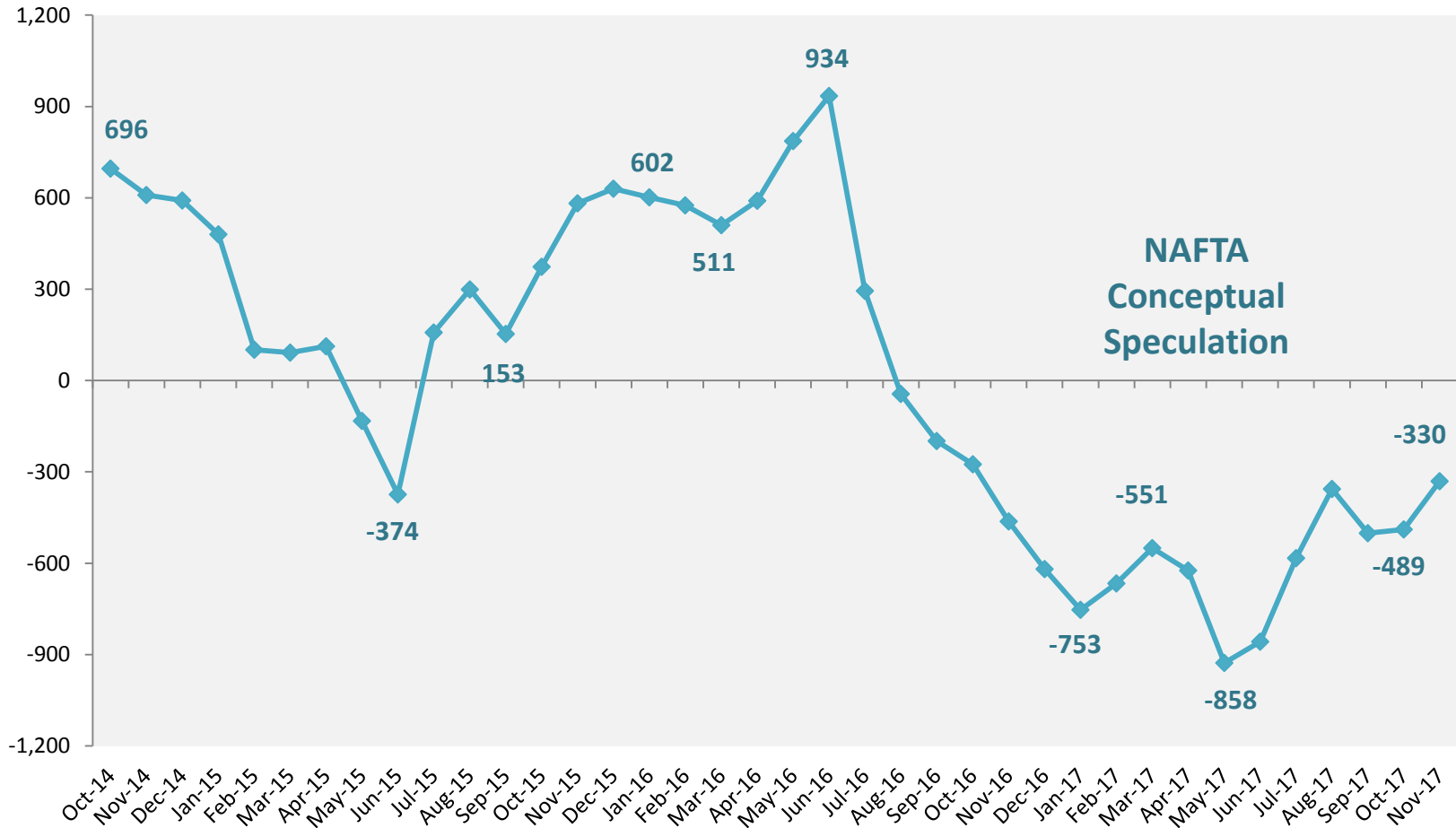
Fund	Total Annual Average US Dollar Return through November 30, 2017 (dividends reinvested)							
	As of November 30, 2017	1 Month	Y-T-D	1 Year	3 Years	5 Years	10 Years	Since Inception in 8/30/90
MXE NAV		1.33% ¹	14.68% ¹	13.29% ¹	-5.82% ¹	1.55% ¹	1.88% ¹	11.85% ²
MXE NAV Return in Mexican Pesos		-1.91% ³	3.11% ³	2.60% ³	3.81% ³	9.25% ³	7.47% ³	19.78% ³
MXE Market Price		0.86% ¹	15.27% ¹	13.90% ¹	-7.38% ¹	1.87% ¹	3.10% ¹	12.16% ²
MXN Appreciation/Depreciation		3.30% ³	11.23% ³	10.41% ³	-9.28% ³	-7.04% ³	-5.20% ³	-6.62% ³
MEXBOL Index		-0.38%	16.21%	16.36%	-5.70%	-3.21%	0.88%	9.73%
MXF NAV		0.72%	16.11%	15.18%	-4.88%	-1.92%	0.78%	8.26%
MXF Market Price		-0.44%	8.33%	14.26%	-8.04%	-3.17%	1.93%	8.83%
MXE NAV Excess Return vs. Mexbol Index in Basis points		171	-153	-307	-12	476	100	212
Cummulative to November 30, 2017	Y-T-D	1 Year	3 Years	5 Years	10 Years	Since Inception in 8/30/90	Discount to NAV, as of November 30, 2017.	
MXE Common Share Market Price	15.27% ¹	13.90% ¹	-20.54% ¹	9.70% ¹	35.71% ¹	2180.75% ³	-13.29%	
MXF Common Share Market Price	8.33%	14.26%	-22.23%	-14.86%	21.09%	903.74%	-13.18%	

Source: US Bancorp¹; Thomson²; PAM³; Bloomberg.

Performance data represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that the investor's shares, when sold may be worth more or less than their original cost. Performance data to the most recent month end may be obtained by calling U.S. Bancorp Fund Services, LLC, (414)765-4255, or by consulting the Fund's web page: www.mxefund.com.

IV. The Fund's Performance

Excess Return of the MXE Portfolio vs. the Mexican Bolsa Index in Mexican Pesos
Monthly 12-Month Spread Performance in basis points

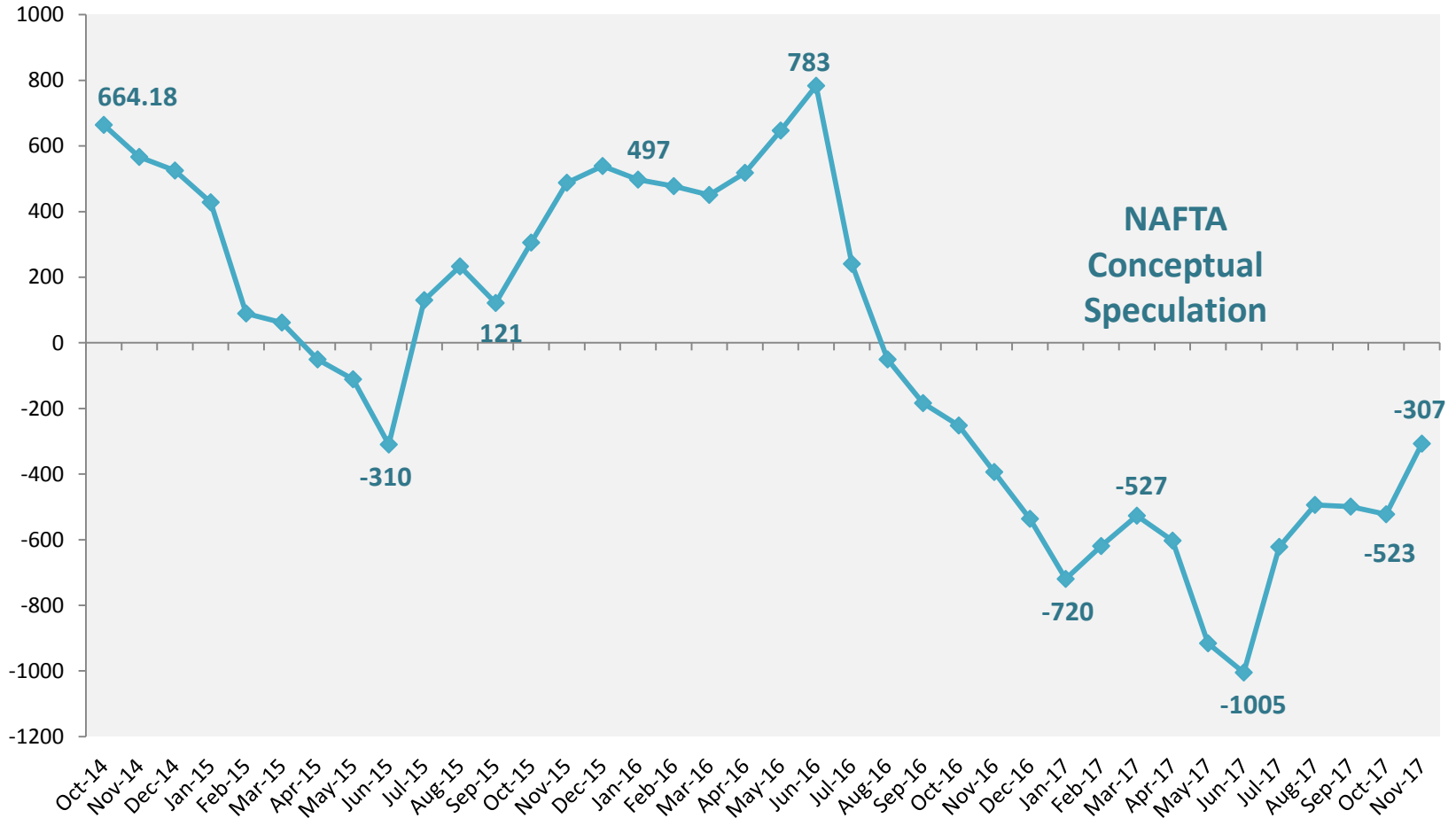


* Monthly return of the last 12-months

Source: PAM, Bloomberg.

IV. The Fund's Performance

Excess Return of MXE's Portfolio vs. Mexican Bolsa Index in USD
Monthly 12-Month Spread Performance in basis points

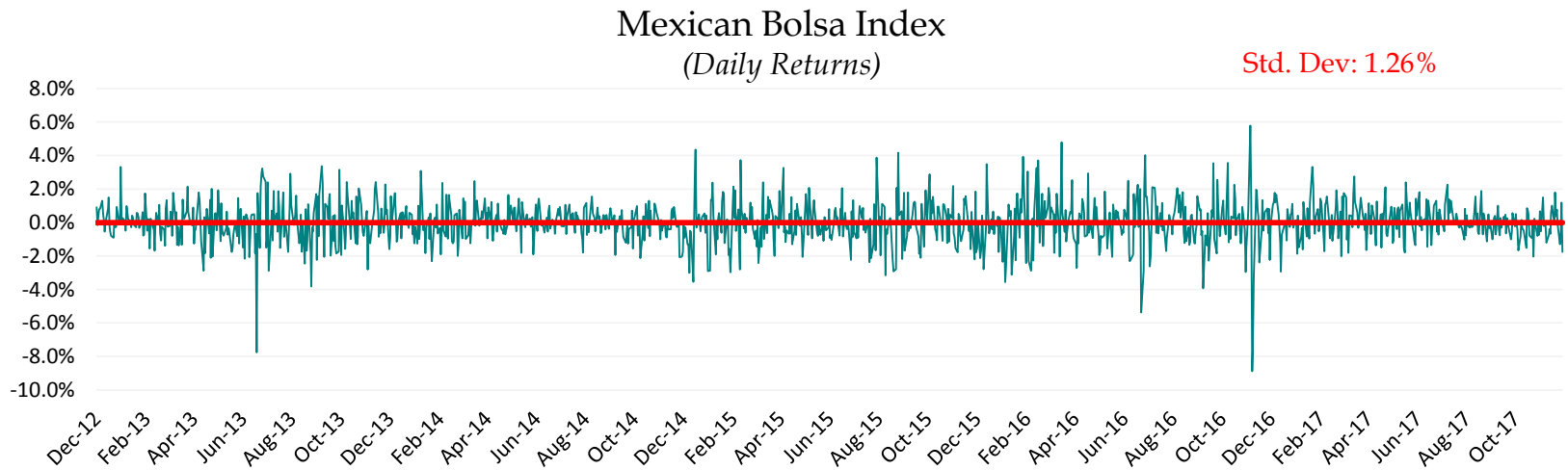
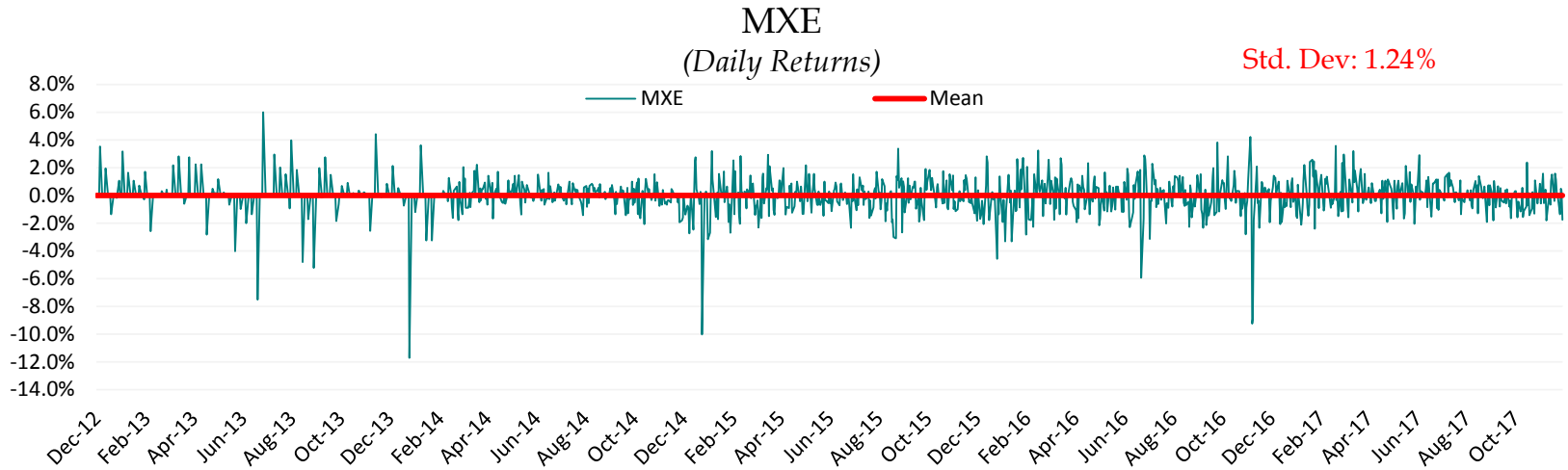


* Monthly return of the last 12-months

Source: PAM, Bloomberg.

IV. The Fund's Performance

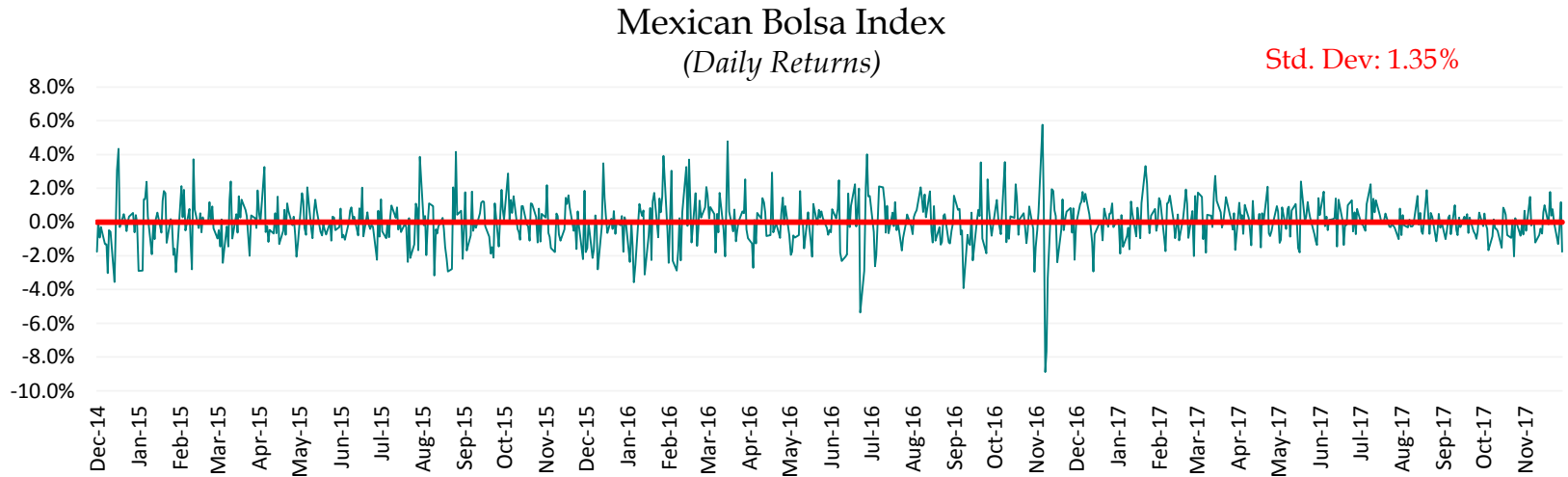
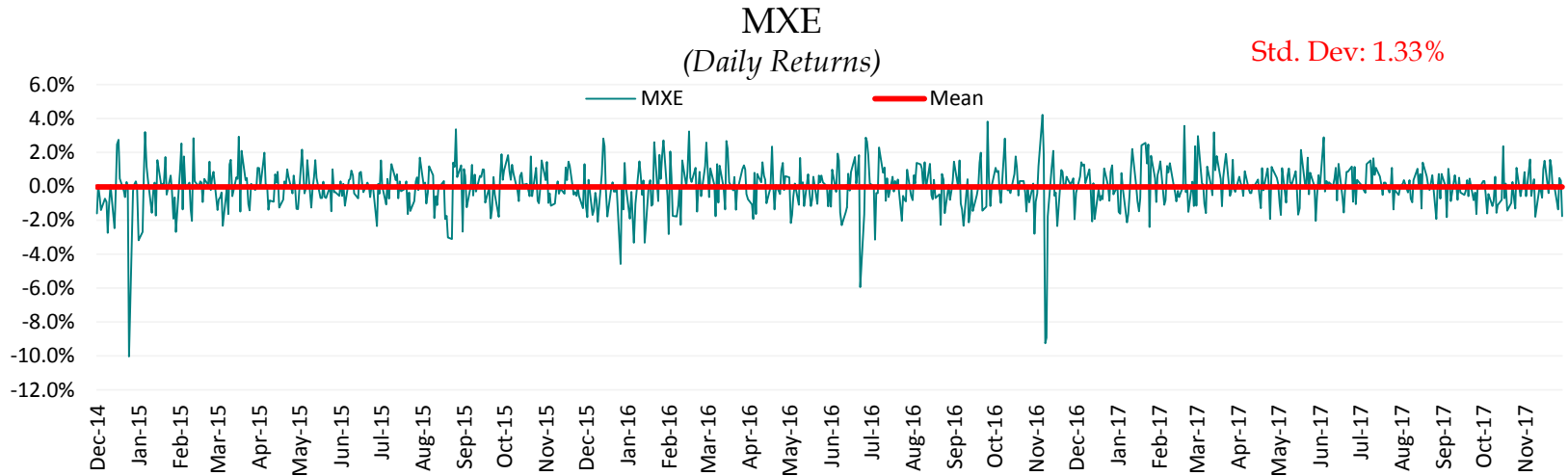
Volatility Risk: MXE vs. Mexican Bolsa Index 5 years



Source: PAM, Bloomberg.

IV. The Fund's Performance

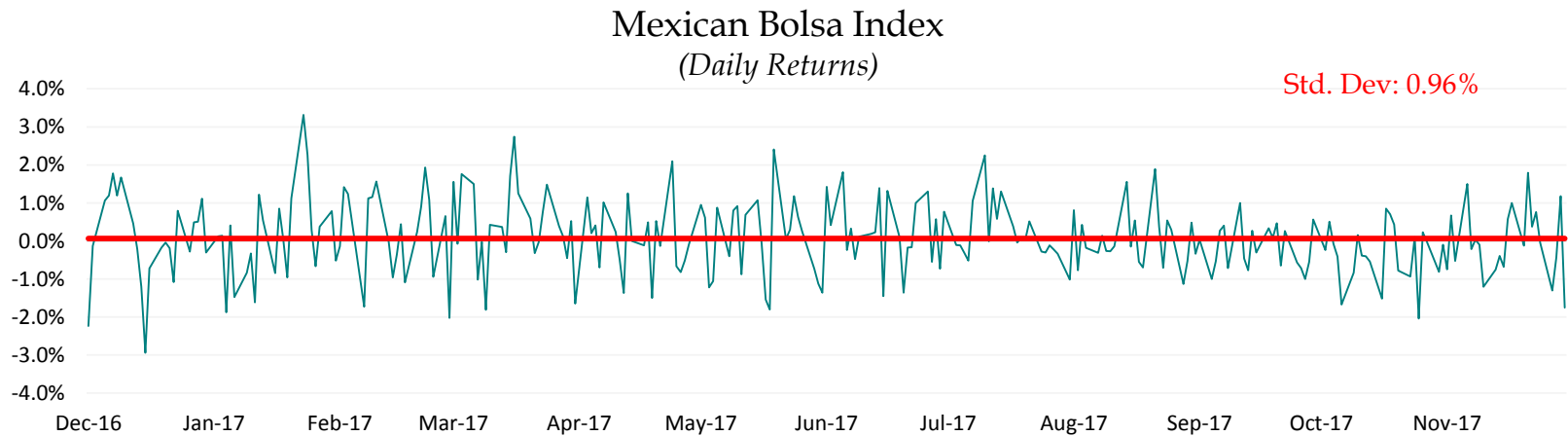
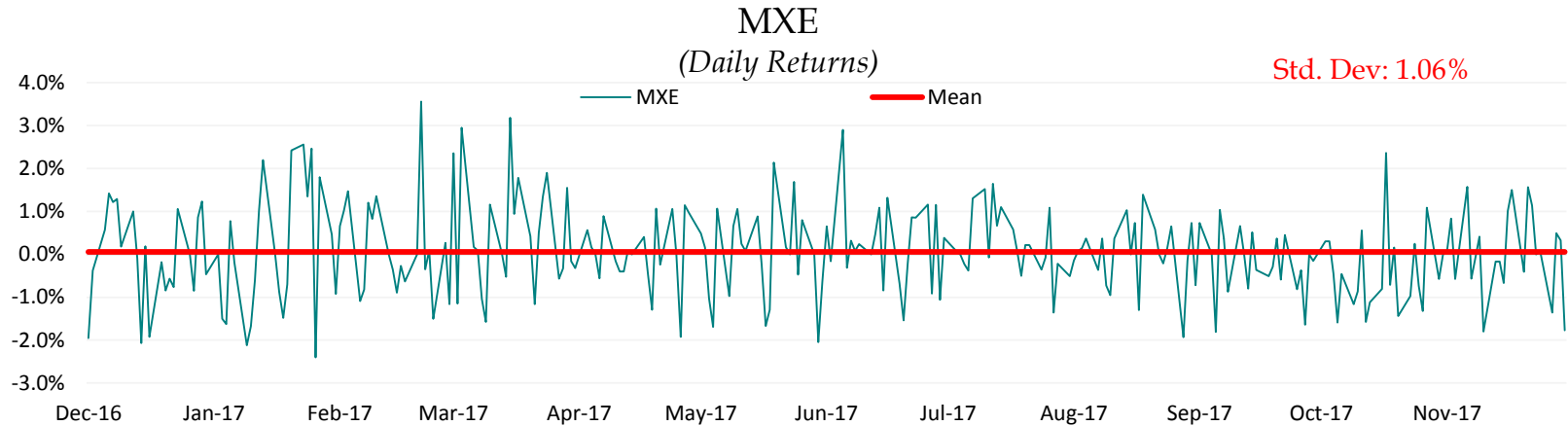
Volatility Risk: MXE vs. Mexican Bolsa Index 3 years



Source: PAM, Bloomberg.

IV. The Fund's Performance

Volatility Risk: MXE vs. Mexican Bolsa Index 1 years



Source: PAM, Bloomberg.

IV. The Fund's Performance

MXE's Return – Risk Adjusted (Jensen's Alpha)

MXE's Risk Adjusted Return as of November 30, 2017						
Funds Data	One Month	Y-T-D	One Year	Three Year	Five Year	Ten Year
MXE's Return	1.33%	14.68%	13.29%	-5.82%	1.55%	1.88%
MXE β	0.958	0.958	0.958	0.935	0.914	0.914
Risk Free Rate	7.00%	6.70%	6.63%	4.57%	4.20%	4.78%
MEXBOL's Return	-0.38%	16.21%	16.36%	-5.70%	-3.21%	0.88%
MXE's ALPHA vs MEXBOL Index	1.40%	-1.14%	-2.66%	-0.78%	4.12%	0.67%

- Jensen's Alpha is a measure of the return on a portfolio over what the capital asset pricing model predicts, given the beta and market return on that portfolio. The index also adjusts for risk.

Source: PAM, Bloomberg.

IV. The Fund's Performance

MXE's Return - Risk Analysis (One Year to November 30, 2017)

Excess Return

One Year Return		Risk Free Rate	<i>Excess Return</i>
MXE	MEXBOL		
13.29%	16.36%	6.63%	-307

Jensen's Alpha

MXE's Return	13.29%
MXE β	0.958
Risk Free Rate	6.63%
MEXBOL Return	16.36%
MXE's Alpha	-2.66%

Attribution Breakdown

MEXBOL Return in MXN	5.90%
MXN Appreciation	10.41%
<i>PAM's Contributed Value</i>	-3.02%
MXE's Return	13.29%

Source: PAM, Bloomberg.

IV. The Fund's Performance

MXE's Fund Relative Contribution by Sectors *One-Year to October 31, 2017*

Sector	Absolute	Relative	OW /UW (basis points)
Real Estate	-0.11%	0.89%	125
Consumer Staples	-0.21%	0.73%	-619
Consumer Discretionary	-1.09%	0.36%	67
Utilities	-0.04%	-0.30%	420
Financials	-0.65%	-0.98%	50
Telecommunication Services	3.33%	-1.29%	-1,129
Industrials	-2.93%	-1.77%	560
Materials	0.46%	-1.77%	-552

Source: PAM, Bloomberg

IV. The Fund's Performance

MXE's Relative Contribution by Industry

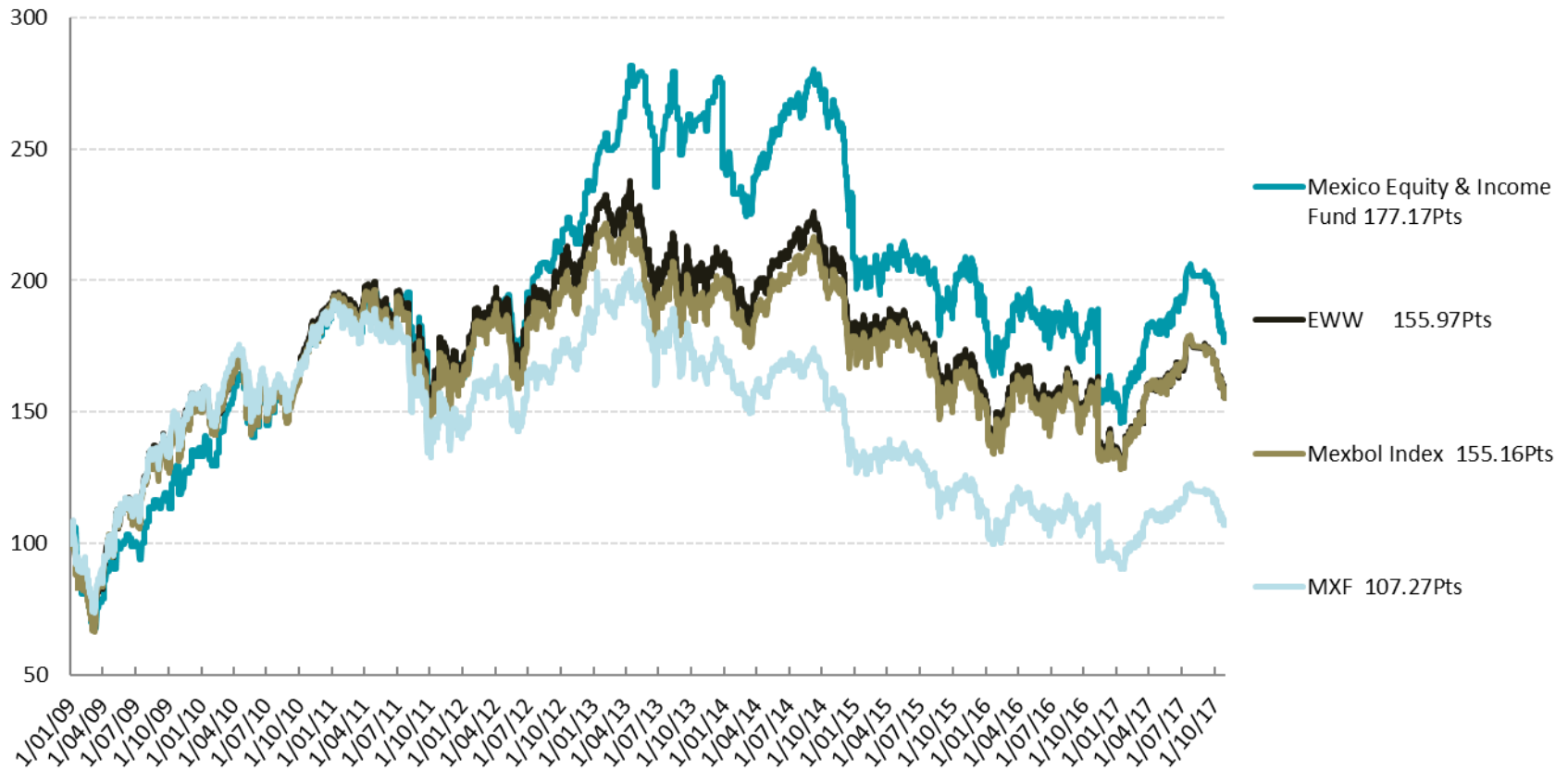
One-Year to October 31, 2017

Industry	Absolute	Relative	OW /UW (basis points)
Equity Real Estate Investment	0.62%	1.63%	183
Media	-0.07%	0.89%	-691
Food Products	-0.04%	0.70%	121
Diversified Telecommunication	0.54%	0.54%	0
Household Products	-0.12%	0.28%	-172
Construction Materials	0.11%	0.16%	-355
Transportation Infrastructure	0.11%	0.13%	-3
Hotels, Restaurants & Leisure	-0.01%	-0.01%	0
Multiline Retail	-0.54%	-0.05%	265
Pharmaceuticals	-0.11%	-0.11%	381
Gas Utilities	-0.08%	-0.34%	97
Consumer Finance	-0.82%	-0.34%	68
Auto Components	-0.40%	-0.40%	231
Chemicals	-0.27%	-0.43%	271
Food & Staples Retailing	0.03%	-0.44%	-274
Beverages	-0.74%	-0.47%	-148
Banks	0.18%	-0.63%	-18
Airlines	-0.81%	-0.81%	178
Industrial Conglomerates	-2.23%	-1.09%	385
Metals & Mining	0.62%	-1.50%	-468
Wireless Telecommunication Services	2.79%	-1.82%	-1,129

Source: PAM, Bloomberg

IV. The Fund's Performance

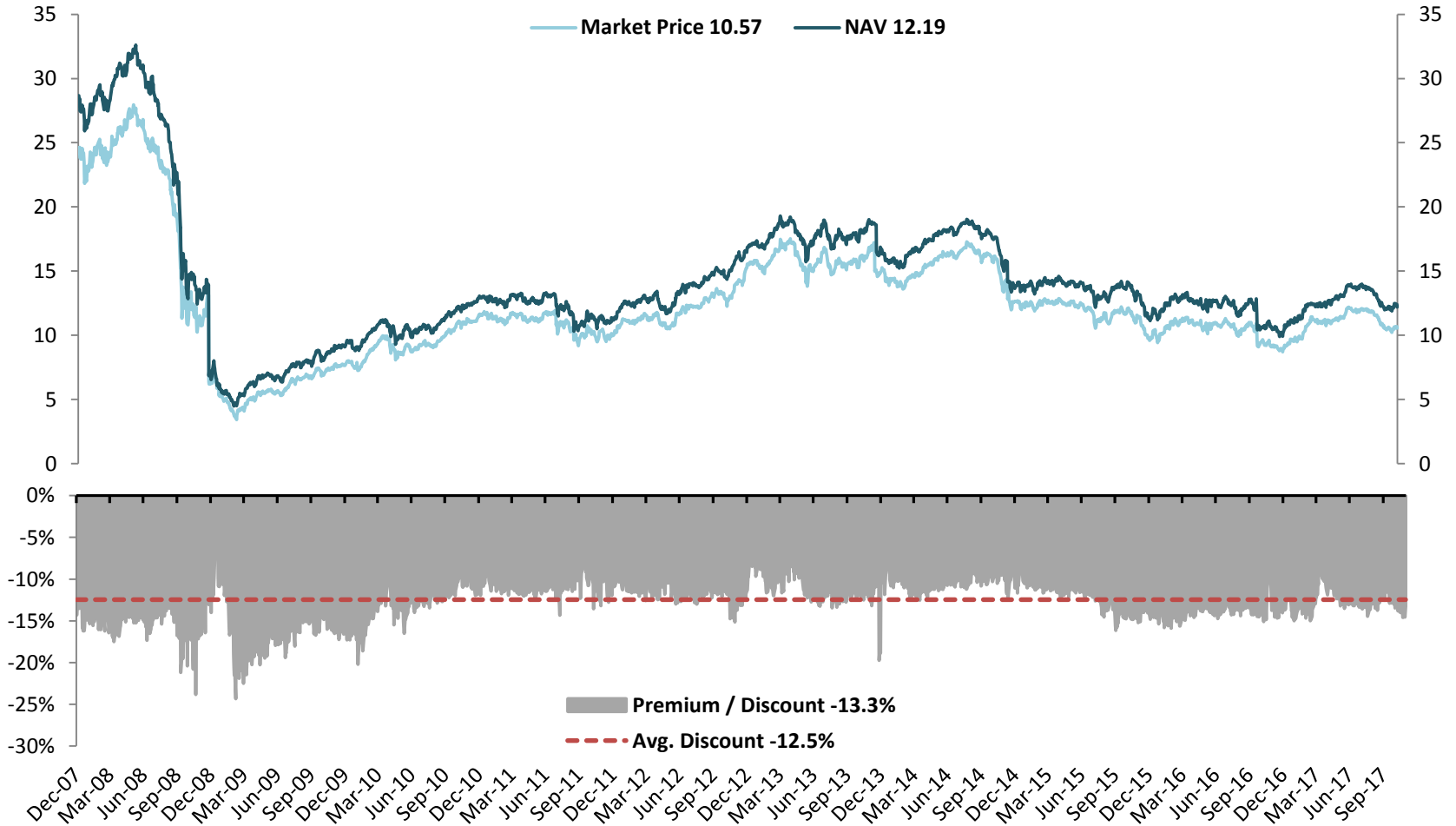
Returns in USD
(Base 100)
(9 Years to 10/31/2017)



Source: PAM; U.S. Bancorp; Bloomberg.

IV. The Fund's Performance

MXE's Price Premium / Discount to NAV (10 Years to 11/30/2017)



Source: PAM, Bloomberg

Definitions

- **MEXBOL-Mexican Stock Exchange:** *The Mexican Bolsa Index, or the IPyC (Indice de Precios y Cotizaciones), is a capitalization-weighted index of the leading stocks traded on the Mexican Stock Exchange. The index was developed with a base level of 0.78 on October 30, 1978.*
- **bps:** *Basis point (BPS) refers to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001, and is used to denote the percentage change in a financial instrument.*
- **P/E Ratio:** *The price-earnings is the ratio for valuing a company that measures its current share price relative to its per-share earnings. The price-earnings ratio is also sometimes known as the price multiple or the earnings multiple.*
- **EV/EBITDA:** *Enterprise value/EBITDA is a popular valuation multiple used in the finance industry to measure the value of a company. It is the most widely used valuation multiple based on enterprise value and is often used in conjunction with, or as an alternative to, the P/E ratio to determine the fair market value of a company.*
- **EBITDA:** *EBITDA stands for earnings before interest, taxes, depreciation and amortization. EBITDA is one indicator of a company's financial performance and is used as a proxy for the earning potential of a business.*
- **Standard Deviation:** *Is a measure of the dispersion of a set of data from its mean. It is calculated as the square root of variance by determining the variation between each data point relative to the mean. If the data points are further from the mean, there is higher deviation within the data set.*
- **Jensen's Alpha:** *The Jensen's Alpha is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return.*
- **EWV:** *The iShares MSCI Mexico Capped Exchange Traded Fund (ETF) seeks to track the investment results of a broad-based index composed of Mexican equities.*

Disclosures

Earnings growth is not a measure of the Fund's future performance.

The information provided herein represents the opinion of Pichardo Asset Management and not the Fund's Board of Directors and is not intended to be a forecast of future events, a guarantee of future results, or investment advice.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling U.S. Bancorp Fund Services, LLC, (414) 765-4255 or visiting www.themexicoequityandincomefund.com. Read it carefully before investing.

All investments involve risk. Principal loss is possible. Investing internationally involves additional risks such as currency fluctuations, currency devaluations, price volatility, social and economic instability, differing securities regulation and accounting standards, limited publicly available information, changes in taxation, periods of illiquidity and other factors. These risks are greater in the emerging markets. Stocks of small-and-mid-capitalization companies involve greater volatility and less liquidity than larger-capitalization companies.

Investing in Foreign Securities

Investment in Mexican securities involves special considerations and risks that are not normally associated with investments in U.S. securities, including (1) relatively higher price volatility, lower liquidity and the small market capitalization of Mexican securities markets; (2) currency fluctuations and the cost of converting Mexican pesos into U.S. dollars; (3) restrictions on foreign investment; (4) political, economic and social risks and uncertainties (5) higher rates of inflation and interest rates than in the United States.

The Portfolio Securities are denominated in pesos. As a result, the Portfolio Securities must increase in market value at a rate in excess of the rate of any decline in the value of the peso against the U.S. dollar in order to avoid a decline in their equivalent U.S. dollar value.

Disclosures

Diversification is no guarantee of performance

Fund's holdings and sector allocations are subject to change at any time, and should not be considered recommendations to buy or sell any security. Please refer to the Schedule of Investments in this report for a complete list of fund holdings. Current and future portfolio holdings are subject to risk.

THE MEXICO FUND, INC. (MXF) Closed-End Fund listed in the New York Stock Exchange in 1981

1. *Investment Objective: Long-term capital appreciation through investments in securities, primarily equity, listed on the Mexican Stock Exchange.*
2. *Expense ratio: 1.69% (For the semi-annual period ended April 30, 2017)*
3. *Portfolio Turnover rate: 16.86% (For the semi-annual period ended April 30, 2017)*
4. *Outstanding shares: 15,027,810 (As of April 30, 2014)*
5. *Repurchase of stocks: The Fund did not repurchase shares during the semi-annual period ended April 30, 2017.*
6. *Total net assets: US \$279, 335, 461 (As of April 30, 2017)*
7. *Dividends distribution of 0.2715 per share payable in cash. (For the annual period ended April 30, 2017)*
8. *Tax Status: No provision has been made for U.S. income or excise taxes for the year ended October 31, 2015 on net investment company taxable income or net long-term capital gains as defined by the Internal Revenue Code (the "Code"), since the Fund intends to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of such income to its stockholders. GAAP prescribes the minimum recognition threshold a tax position must meet before being recognized in the financial statements. An assessment of the Fund's tax positions has been made and it has been determined that there is no impact to the Fund's financial statements. Diversification does not ensure profit or protect against losses in a declining market. Earnings growth is not representative of the Fund's future performance.*

Disclosures

The information contained herein reflects the opinion of “Pichardo Asset Management” and as such should not be taken to be fundamental analysis or a decision-making model. Neither should the information be interpreted as a solicitation, offer or recommendation to buy or sell financial securities. It is also subject to changes without prior notification and estimates cannot be guaranteed.

The returns mentioned herein represent past gains. Past returns do not guarantee future gains. The investment yield and principal value of an investment will fluctuate such that when stock is redeemed the value may be higher or lower than the original cost. The current return of the funds may be higher or lower than the yield mentioned herein.