



# Pichardo Asset Management

An Independent Portfolio Advisory Firm

## Quarterly Shareholders Presentation

*27-year track record investing in Mexican equities*

*June 15, 2018*

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*Experience*

*Consistency*

*Vision*

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# I. MXE'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 May 31, 2018 (dividends reinvested)						
	1 Month	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception in 8/30/90
MXE NAV	-12.11% <sup>1</sup>	-5.57% <sup>1</sup>	-9.26% <sup>1</sup>	-5.81% <sup>1</sup>	-3.42% <sup>1</sup>	-0.13% <sup>1</sup>	11.30% <sup>2</sup>
MXE NAV Return in Mexican Pesos	-6.27% <sup>3</sup>	-4.22% <sup>3</sup>	-2.94% <sup>3</sup>	2.67% <sup>3</sup>	6.35% <sup>3</sup>	6.65% <sup>3</sup>	19.33% <sup>3</sup>
MXE Market Price	-11.07% <sup>1</sup>	-5.26% <sup>1</sup>	-10.42% <sup>1</sup>	-6.26% <sup>1</sup>	-3.87% <sup>1</sup>	0.92% <sup>1</sup>	11.61% <sup>2</sup>
MXN Appreciation/Depreciation	-6.23% <sup>3</sup>	-1.41% <sup>3</sup>	-6.51% <sup>3</sup>	-8.26% <sup>3</sup>	-9.19% <sup>3</sup>	-6.36% <sup>3</sup>	-6.73% <sup>3</sup>
MEXBOL Index	-12.90%	-10.24%	-13.03%	-6.72%	-5.69%	-1.64%	9.06%
MXF NAV	-12.25%	-7.53%	-8.95%	-5.23%	-5.26%	-0.81%	7.82%
MXF Market Price	-12.00%	-7.17%	-10.31%	-8.67%	-8.24%	0.19%	8.41%
MXE NAV Excess Return vs. Mexbol Index in Basis points	79	467	377	91	227	151	224

Cummulative to May 31, 2018	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception in 8/30/90	Discount to NAV, as of May 31, 2018.
MXE Common Share Market Price	-5.26% <sup>1</sup>	-10.42% <sup>1</sup>	-17.62% <sup>1</sup>	-17.90% <sup>1</sup>	9.54% <sup>1</sup>	2114.35% <sup>3</sup>	-13.06%
MXF Common Share Market Price	-7.17%	-10.31%	-23.81%	-34.95%	1.95%	839.48%	-12.74%

Source: US Bancorp<sup>1</sup>; Thomson<sup>2</sup>; PAM<sup>3</sup>; Bloomberg.

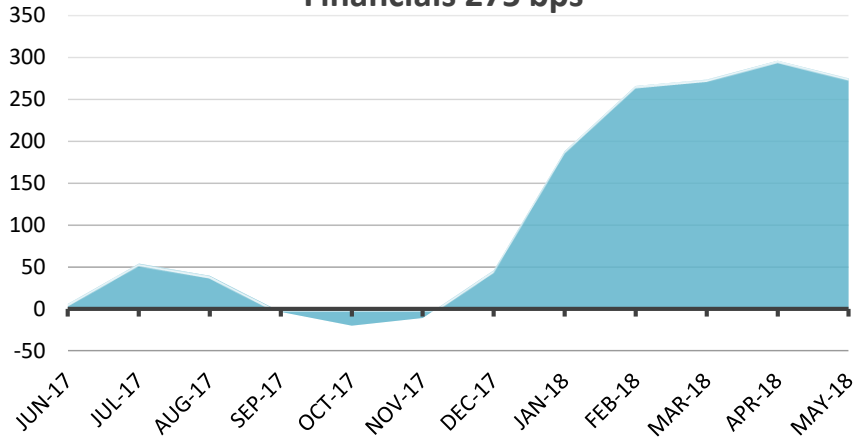
\*\*MXF: See disclaimer on page 41.

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](http://www.mxefund.com).

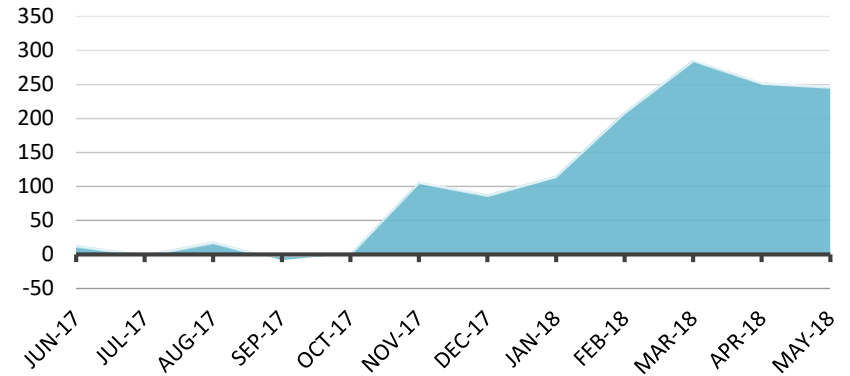
# I. MXE's Performance

**Relative Sector Contribution: MXE vs. MEXBOL Index**  
*Cumulative last twelve months, as of May 31, 2018*

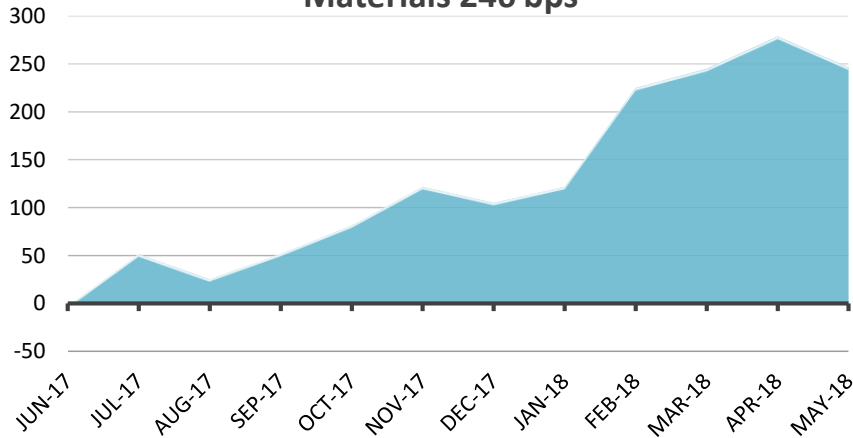
**Financials 275 bps**



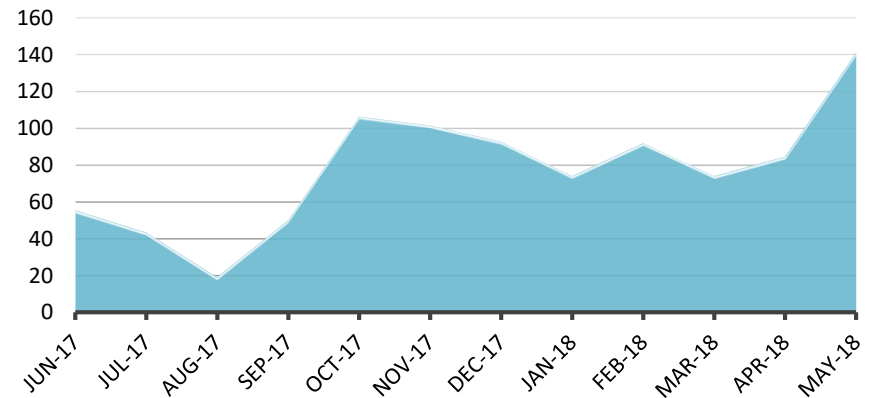
**Consumer Discretionary 247 bps**



**Materials 246 bps**



**Telecommunication Services 141 bps**

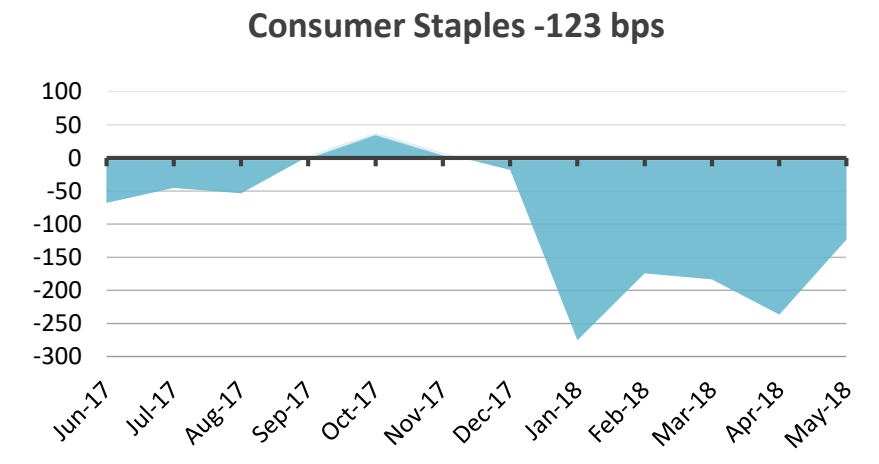
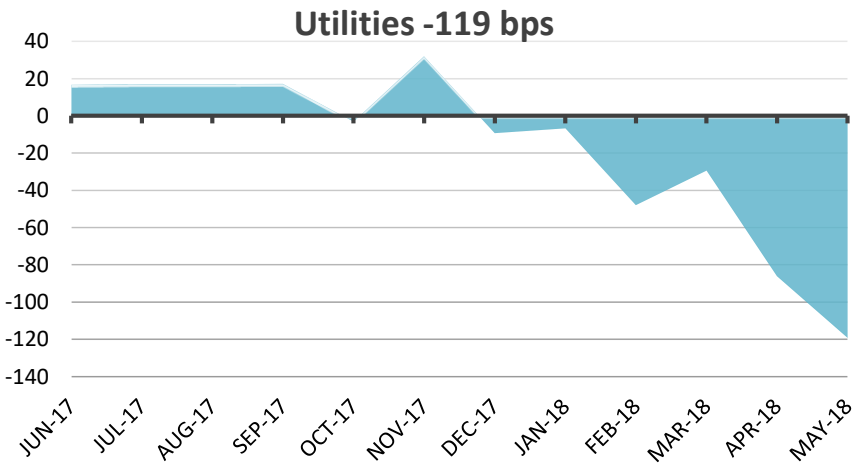
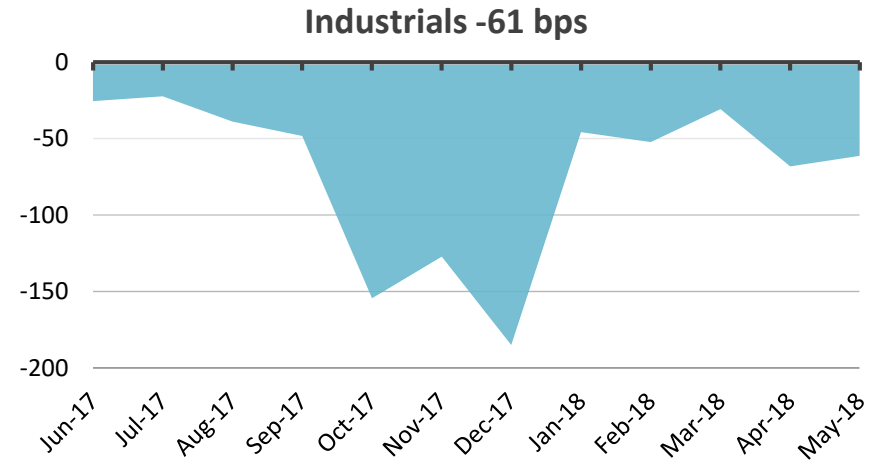
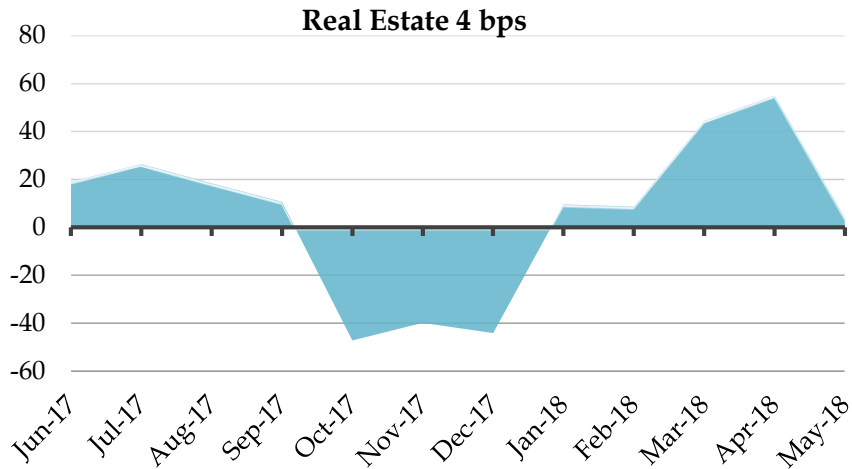


Source: PAM, Bloomberg

# I. MXE's Performance

## Relative Sector Contribution: MXE vs. MEXBOL Index

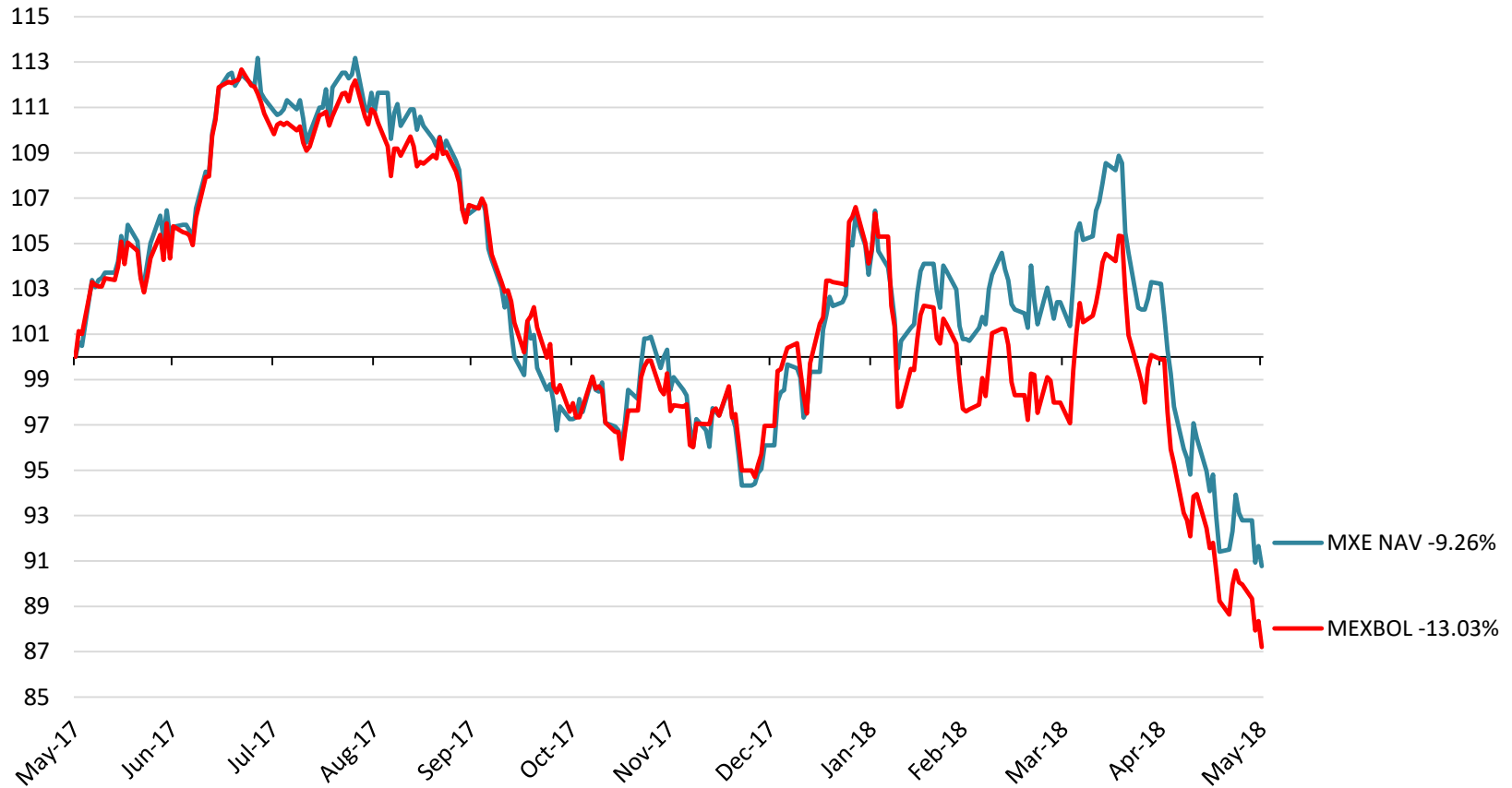
*Cumulative last twelve months, as of May 31, 2018*



Source: PAM, Bloomberg

# I. MXE's Performance

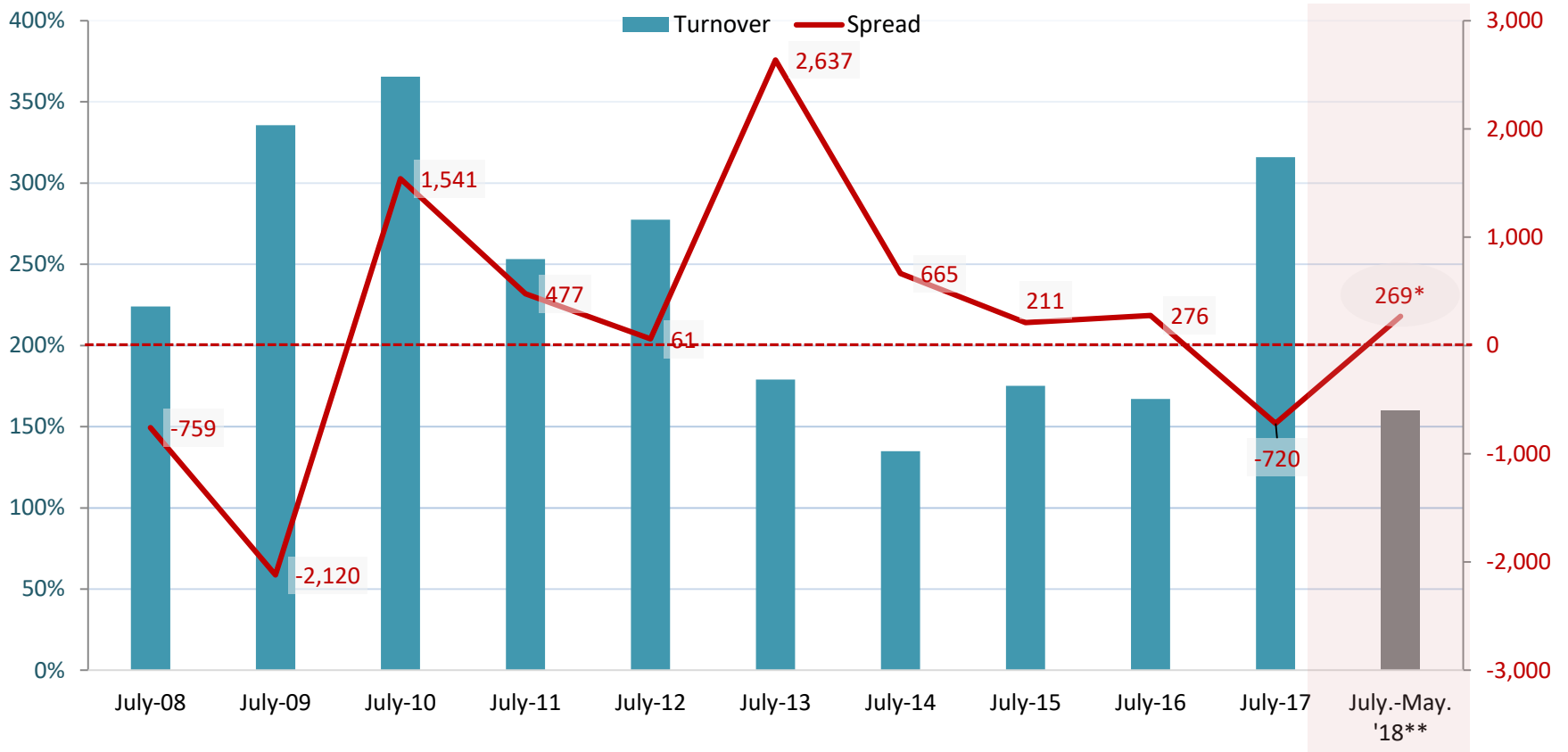
## MXE Performance Comparison vs MEXBOL Index One Year through May 31, 2018



Source: PAM, Bloomberg

# I. MXE's Performance

## Turnover Ratio & Spread Performance vs. Mexbol Index *Ten Years to the Fund's Fiscal Year End As of May 31, 2018*



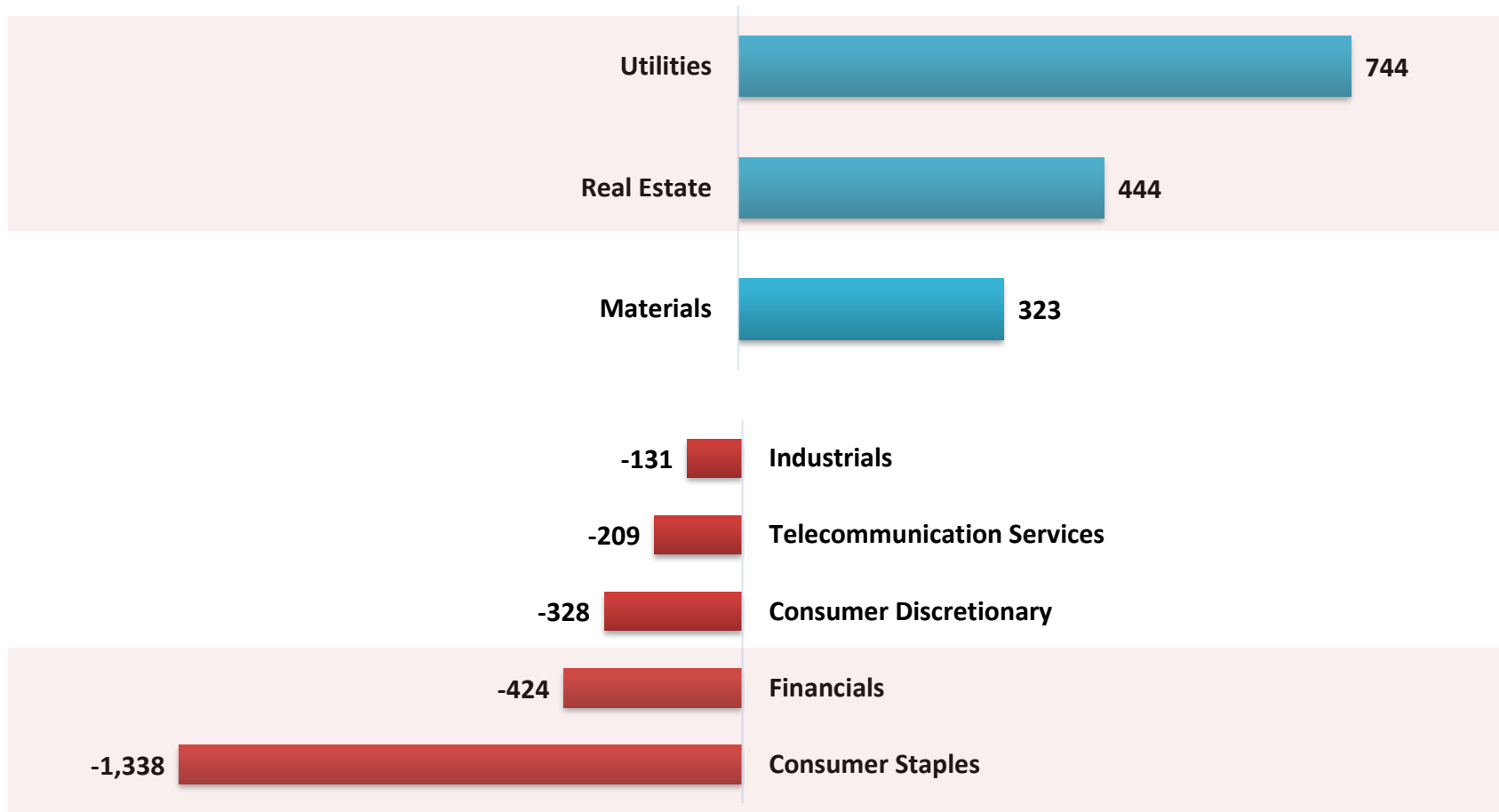
\*Spread performance for the July 2017 through May 2018 period

\*\* 159.73% Cumulative Turnover Ratio for the July 2017 through May 2018 period.

Source: PAM, Bloomberg

## II. Portfolio Construction

**Sector Overweight / Underweight vs. the Mexbol Index**  
*as of May 31, 2018, in basis points*



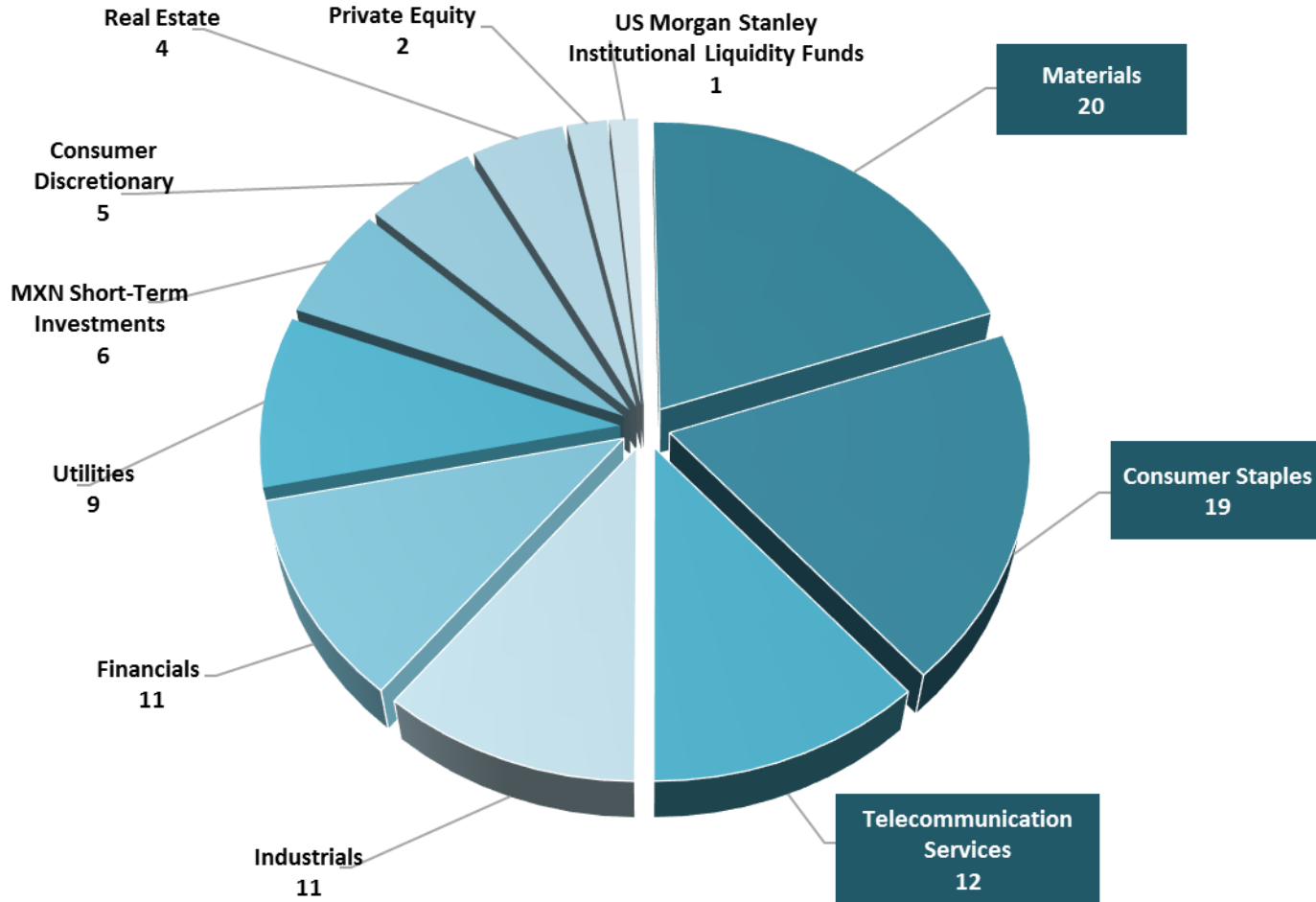
Source: PAM, Bloomberg



## II. Portfolio Construction

### MXE Portfolio's Total Asset Value Classified by Sector (%)

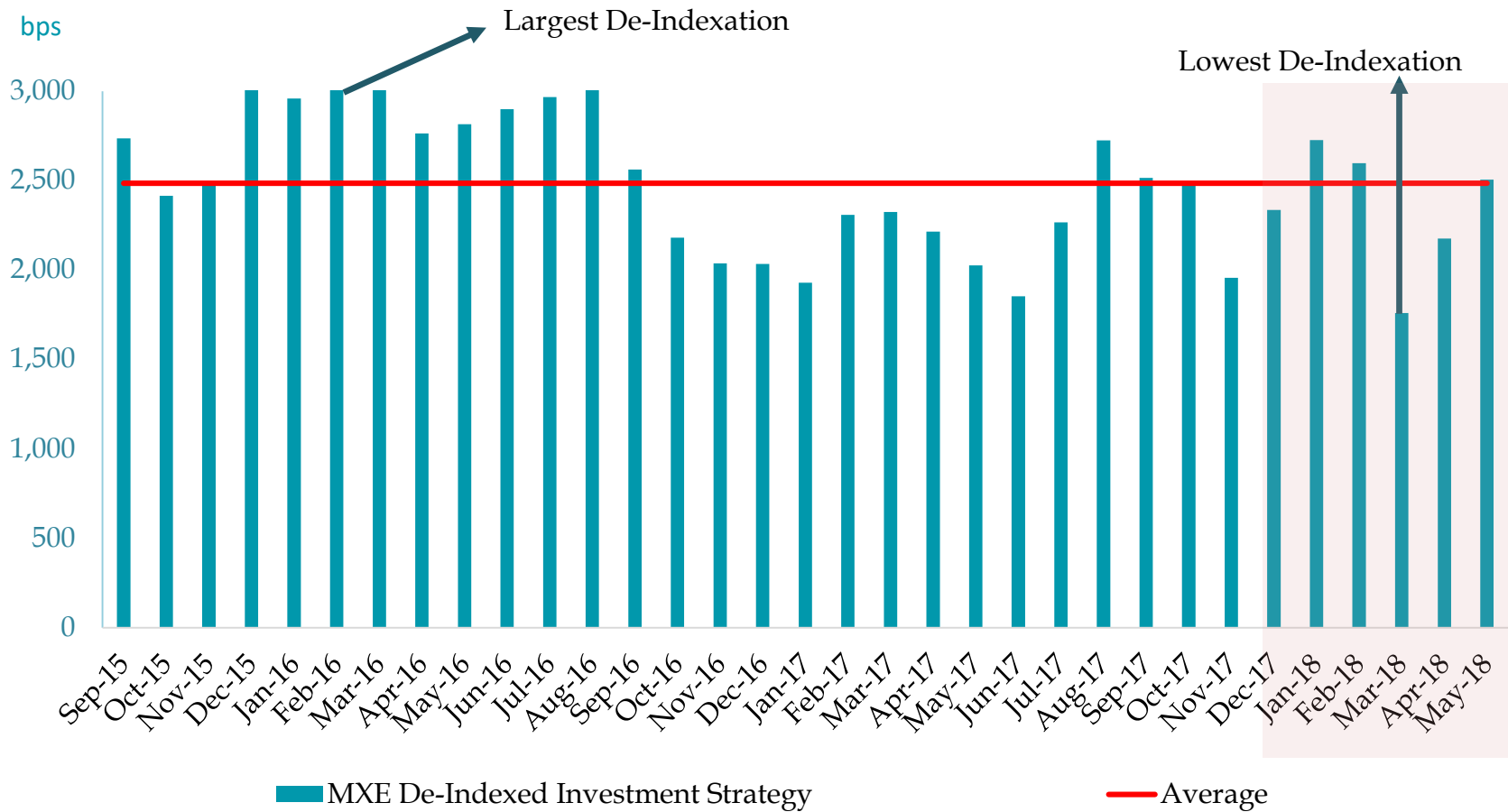
*As of May 31, 2018*



Source: PAM, Bloomberg

## II. Portfolio Construction

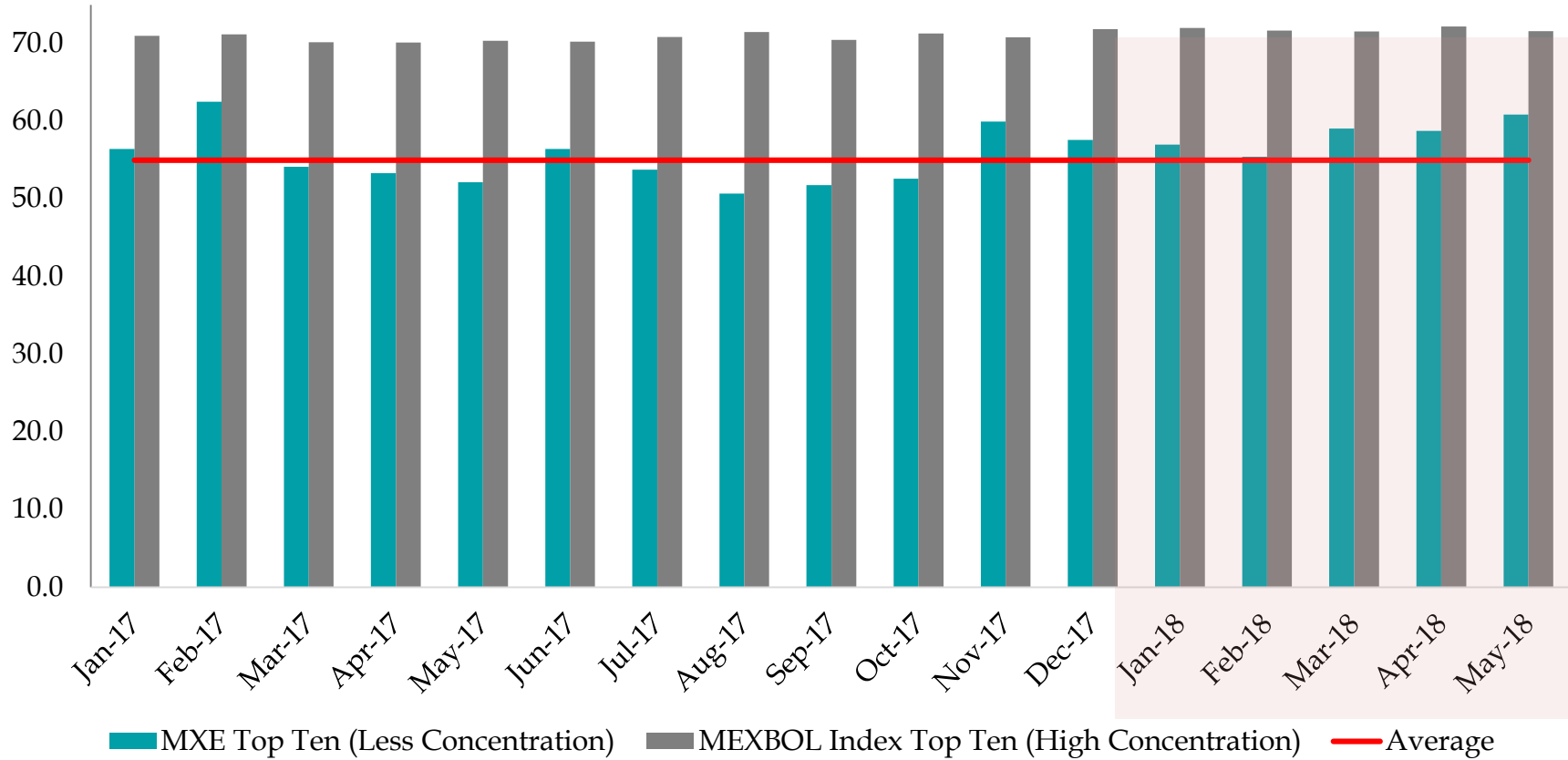
### Active Investment Strategy As of May 31, 2018



Source: PAM, Bloomberg.

## II. Portfolio Construction

**Disciplined Active Investment Strategy (%)**  
**Top Ten**  
*(January 2017 to May 2018)*

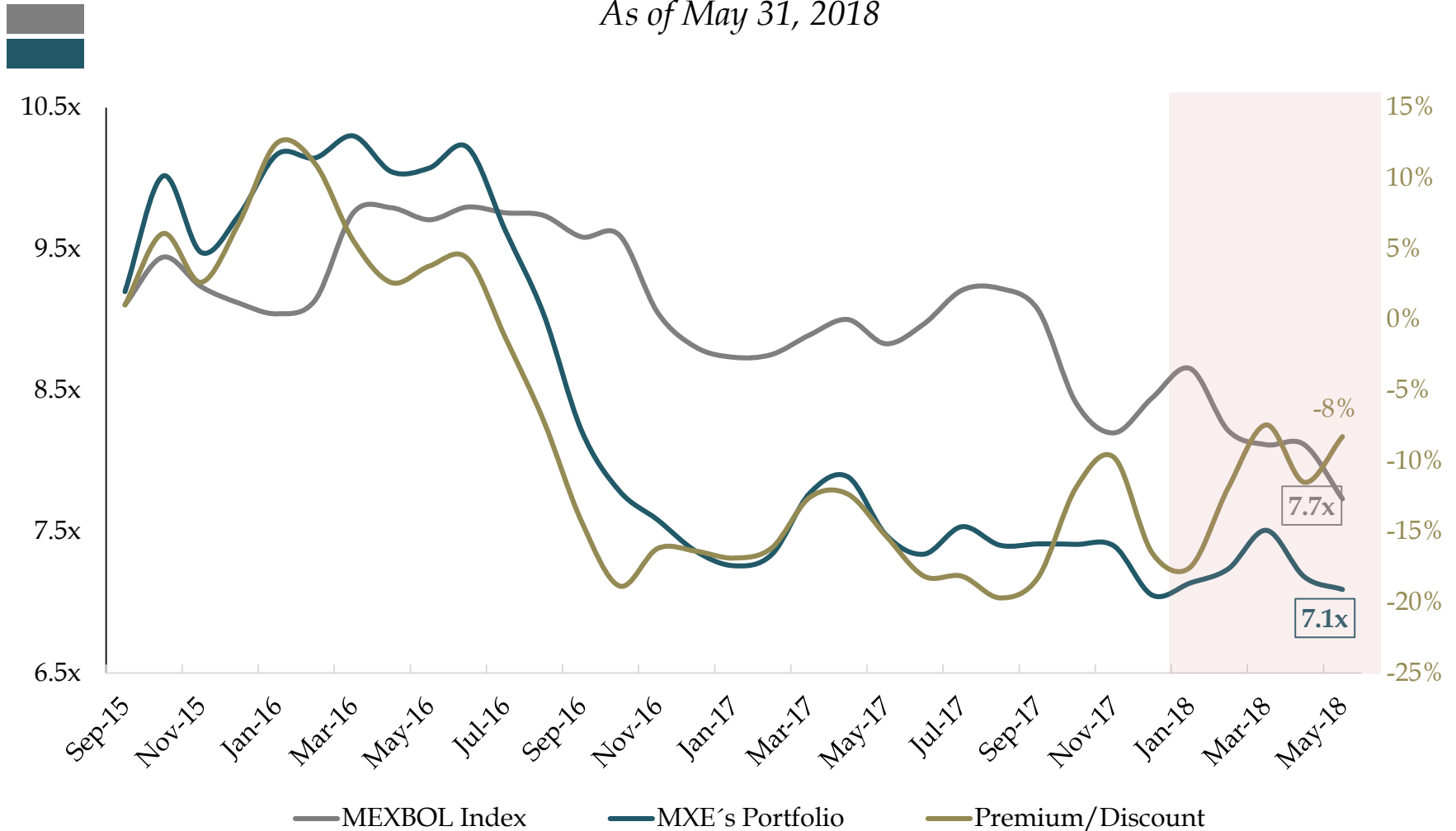


Source: PAM, Bloomberg.

## II. Portfolio Construction

### 12-month forward EV/EBITDA Valuation

As of May 31, 2018

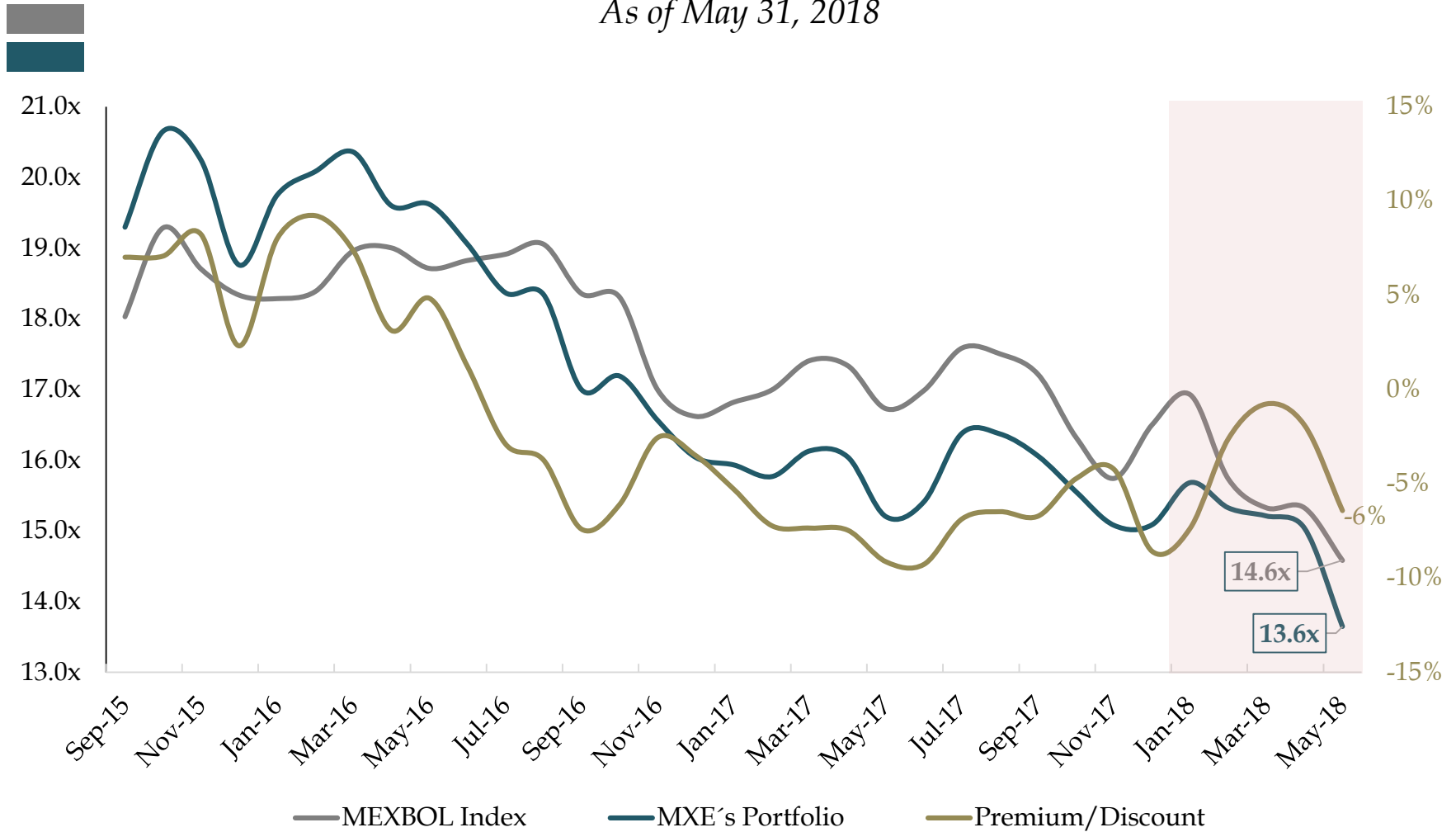


Source: PAM, Bloomberg

## II. Portfolio Construction

### 12-month Forward P/E Valuation

*As of May 31, 2018*



Source: PAM, Bloomberg

### III. PAM's Contact Information

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## Pichardo Asset Management, SA de CV An Independent Investment Advisory Firm

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Investor Relations Director

## IV. Disclaimers

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**\*\*THE MEXICO FUND, INC. (MXF)**

*Closed-End Fund listed in the New York Stock Exchange in 1981*

*Investment Objective: Long-term capital appreciation through investments in securities, primarily equity, listed on The Mexican Stock Exchange.*

*Expense ratio: 1.59 (For its fiscal year ended October 31, 2017\*)*

*Portfolio turnover rate: 31.40% (For its fiscal year ended October 31, 2017\*)*

*Outstanding shares 15,025,910 (As of October 31, 2017\*)*

*Repurchase of stock: During fiscal year 2017, the Fund repurchased 1,900 Fund shares in the open market, equivalent to 0.01% of the Fund's outstanding shares at the end of fiscal year 2017.*

*Total net assets: US\$ 263,243,584.00 (As of October 31, 2017\*)*

*Under the MDP, the Fund pays a quarterly amount of \$0.13 per share. Accordingly, the Board declared a dividend distribution of \$0.13 per share payable in cash on January 26, 2018 to stockholders of record on January 16, 2018.*

*\*Last available data*

*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, past performance does not guarantee future performance. The registry maintained by PAM as an Independent Advisor to the securities supervisory authorities, both in Mexico and the United States, do not imply their recognition and / or approval of the information contained in this document.*