Annex 1

PAM's in-house methodology

Includes 5-year historical data on:

➢ Return on Equity ROE, (if higher than 30%, the ranking is 4, and if less than 12%, the ranking is Zero, (2) Net income -number of times it has been higher than the previous year-, (3) Operating Income EBIT -number of times it has been higher than the previous year-, (4) net margin -if higher than its previous 5-year average the ranking is 2 points, if it is equal, 1 point and Zero if less than the 5-year average-, (5) 2 points if long-term liabilities are paid from operating income in under 5 years, 1 point if between 5 and 15 years.

➢ Additionally, our in-house methodology includes the Buy-and-Sell ranking which involves six metrics: (1) value investing above, (2) free cash flow, (3) Accounting, (4) valuation models –earnings per share growth, sum-of-the-parts, discounted cash flow, relative valuation, (5) qualitative data –corporate governance, reform impacts, commodity exposure, and market liquidity, and (6) valuation multiples.
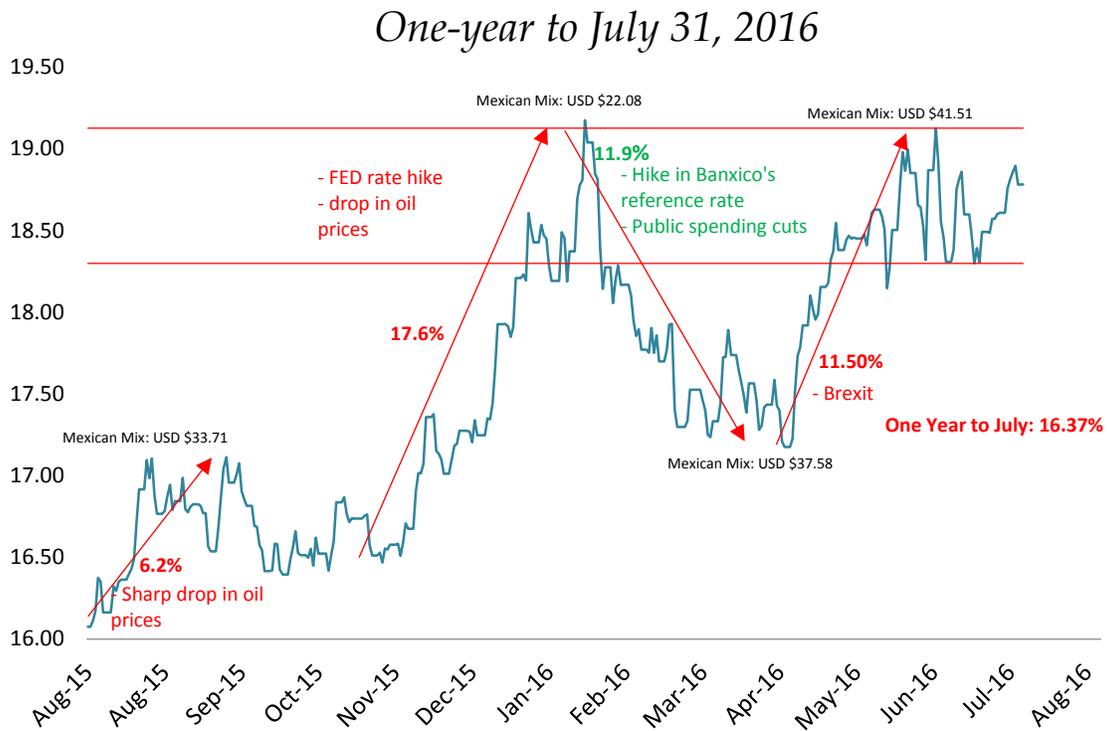
Annex 2

MXE's Spread compared to the MSCI Mexico Index *(basis points)*

MXE's SPREAD *(basis points)*
(One Year to July 31st 2016)
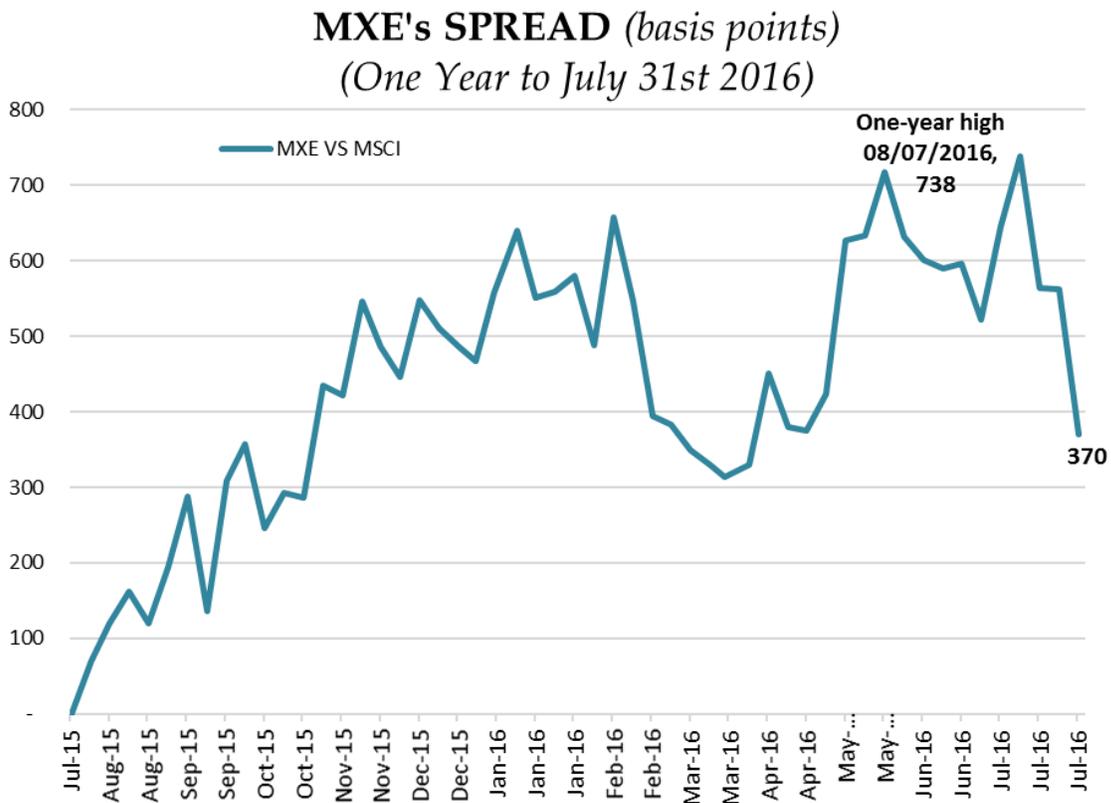
Source: Bloomberg

Annex 3

Mexican peso (MXN), Banxico's Fix Exchange Rate vs. U.S. Dollar

One-year to July 31, 2016

Source: Banco de Mexico

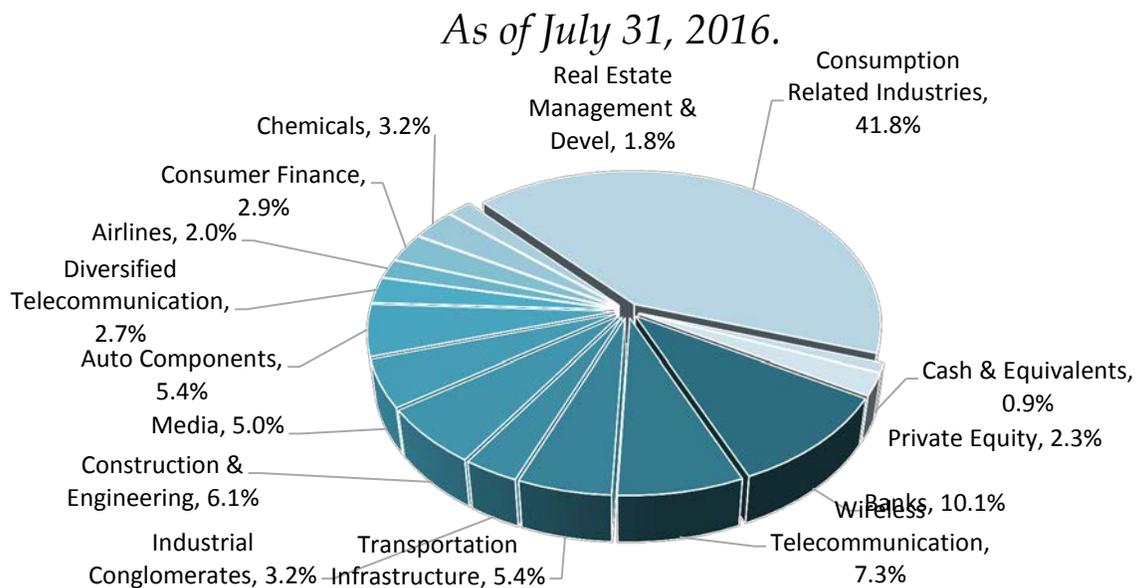## Foreign Flows to Local Equity Markets
(One year to July 31, 2016 in US$ millions)
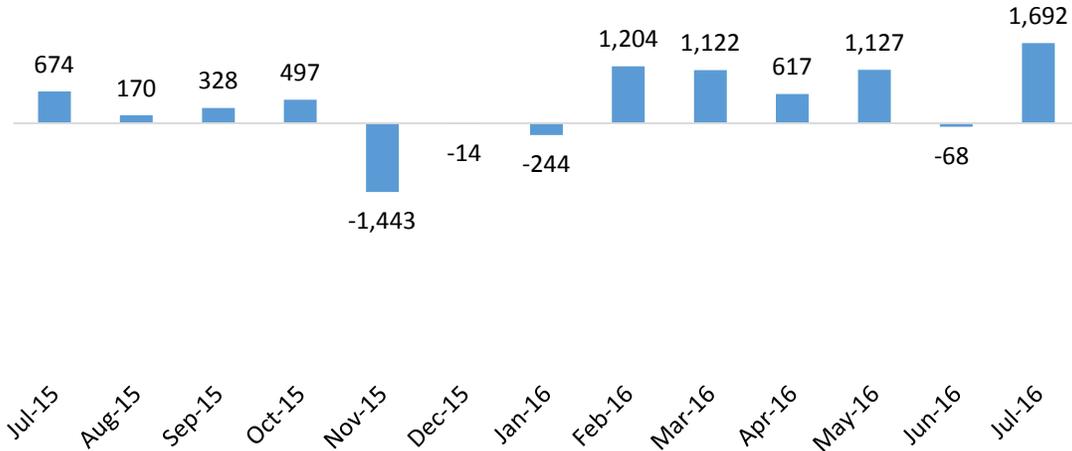
Source: Banco de Mexico

Annex 5

MXE's Portfolio Allocation by Industry

As of July 31, 2016.

Annex 6

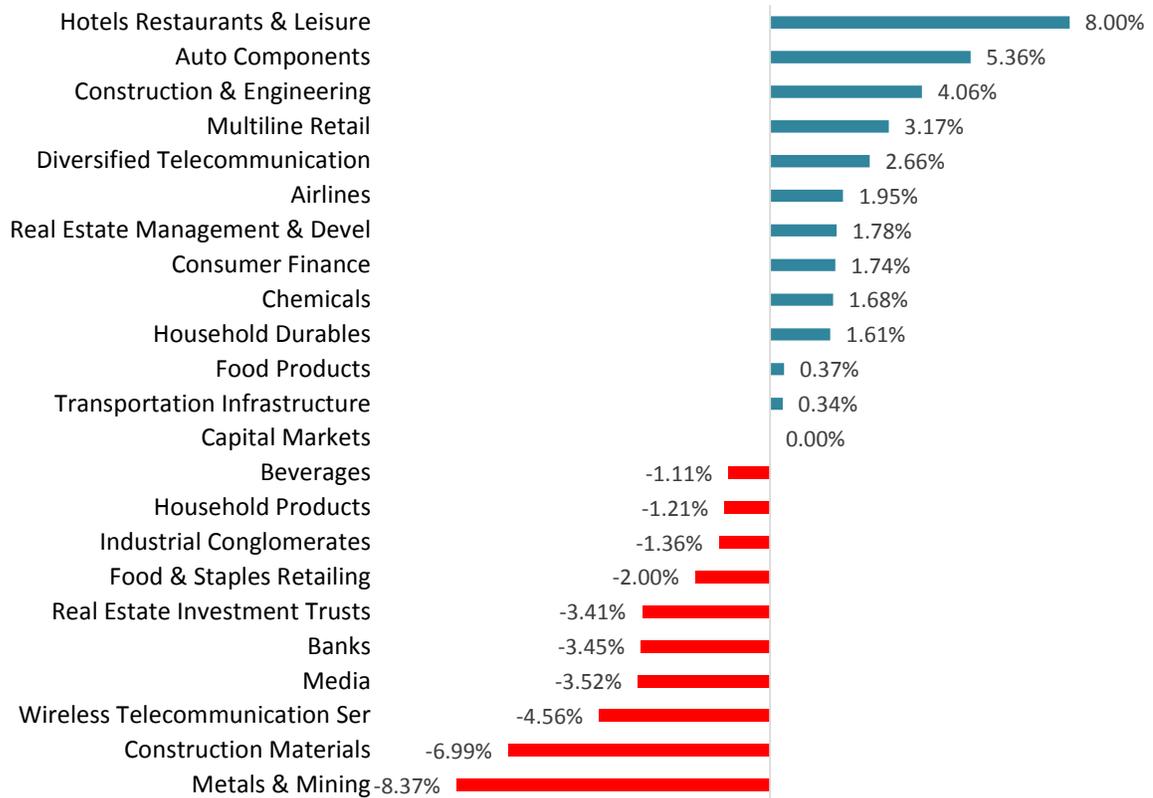# MXE's Composition as of July 31, 2016

At the end of the Fund's fiscal year, the portfolio had the following composition: (1) The three largest industry weightings were: Beverages, Banks, and Hotels, Restaurants & Leisure *(Source: PAM, Bloomberg)*; (2) The top three industries that made a positive contribution were: Transportation, Infrastructure (Airports-Mid-cap) (+181 basis points), Food Products (+77 basis points), and Petro-Chemicals (+58 basis points). *(Source: PAM, Bloomberg).* On the other hand, the top three detractors were: Wireless Telecommunication Services (-466 basis points), Diversified Telecommunications Services (-93 basis points), and Industrial Conglomerates (-85 basis points). *(Source: PAM, Bloomberg).*

Large-cap stocks (a market cap of more than US$5 billion) accounted for approximately 50% of the Fund's total assets, Mid-cap stocks (a market cap of US$ 1 to US$ 5 billion) 38%, and Small-cap stocks (a market cap of US$1 billion or less) 9%. *(Source: PAM, Bloomberg).*

The Fund's top ten holdings accounted for approximately 57% of the Fund's total assets compared to the top ten holdings of the MSCI-Mexico Index (70% of that Index).

Below we include a graph showing the Fund's de-indexed composition.

MXE´s Overweight or Underweight by GICS Industry compared to MSCI Mexico Index
(As of July 31, 2016)

Industry	Weight
Hotels Restaurants & Leisure	8.00%
Auto Components	5.36%
Construction & Engineering	4.06%
Multiline Retail	3.17%
Diversified Telecommunication	2.66%
Airlines	1.95%
Real Estate Management & Devel	1.78%
Consumer Finance	1.74%
Chemicals	1.68%
Household Durables	1.61%
Food Products	0.37%
Transportation Infrastructure	0.34%
Capital Markets	0.00%
Beverages	-1.11%
Household Products	-1.21%
Industrial Conglomerates	-1.36%
Food & Staples Retailing	-2.00%
Real Estate Investment Trusts	-3.41%
Banks	-3.45%
Media	-3.52%
Wireless Telecommunication Ser	-4.56%
Construction Materials	-6.99%
Metals & Mining	-8.37%

Source: Source: PAM, Bloomberg

Annex 7

MXE's Portfolio sample, Sales and EBITDA growth by Sector

2Q'2016 EBITDA
(YoY % Change)

Sector	YoY % Change
CONSUMER DISCRETIONARY	19.7%
MATERIALS	18.1%
CONSUMER STAPLES	14.9%
INDUSTRIALS	14.4%
TELECOMMUNICATIONS	-10.7%
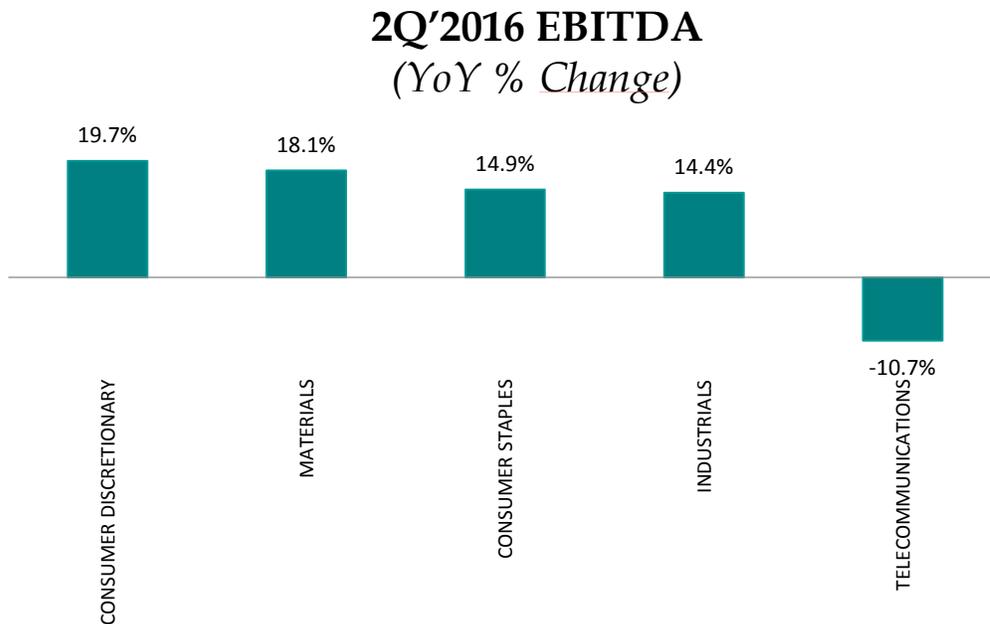
Source: Source: PAM, Bloomberg

Annex 8

Listed Companies, M&A Investments by Industry

Two-years to July 31, 2016 (US$ million)

Industry	US$ million
Banks	198
Transport. Infrastructure	425
Industrial Conglomerates	575
Metals & Mining	785
Chemicals	926
Wireless Telcos	1,273
Media	1,509
Beverages	2,044
Food Products	2,264
REITs	3,933
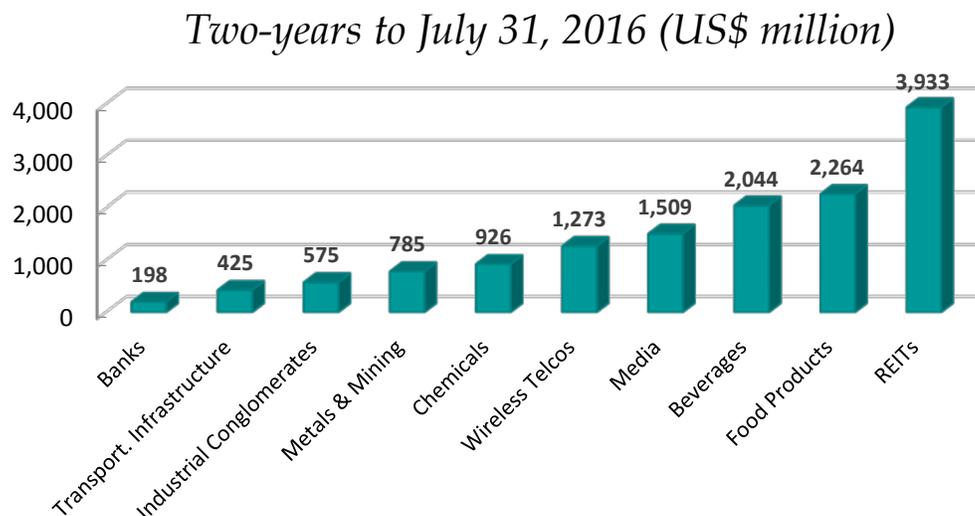
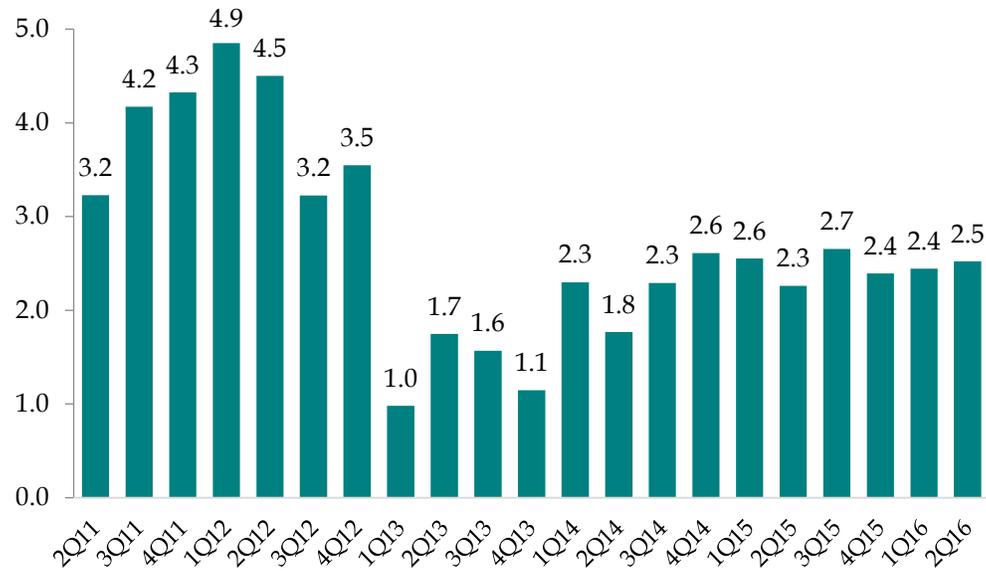*Source: PAM, Mexican Stock Exchange*

Annex 9

Mexican government M-Bond Yield Curve

Yield Curve
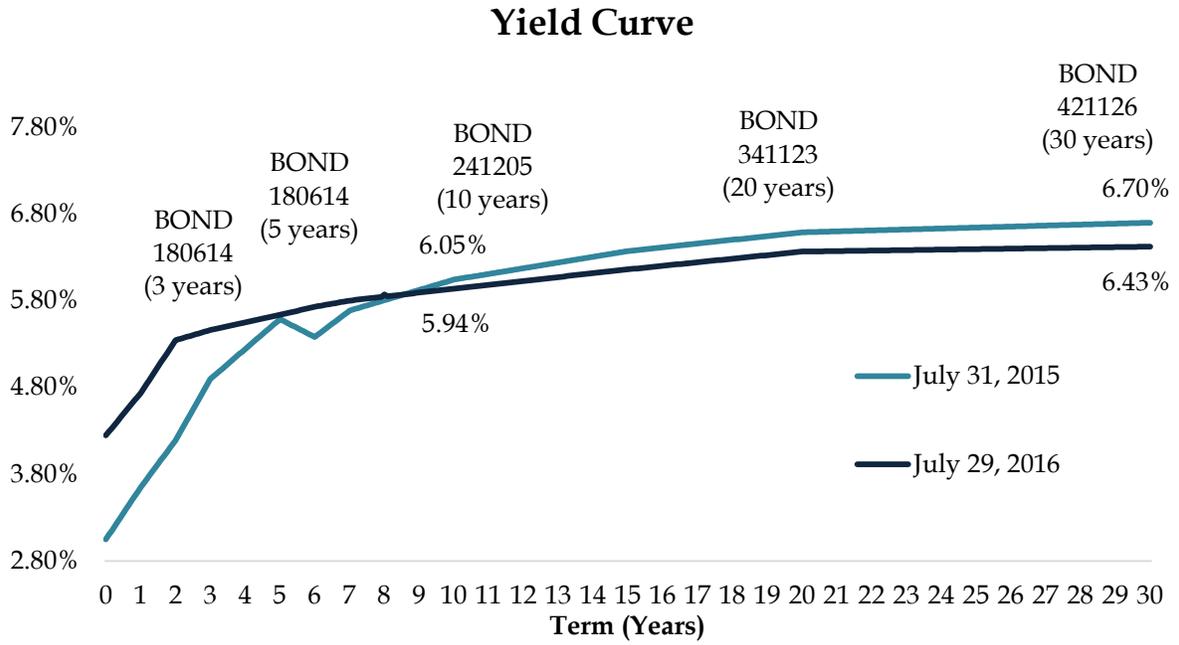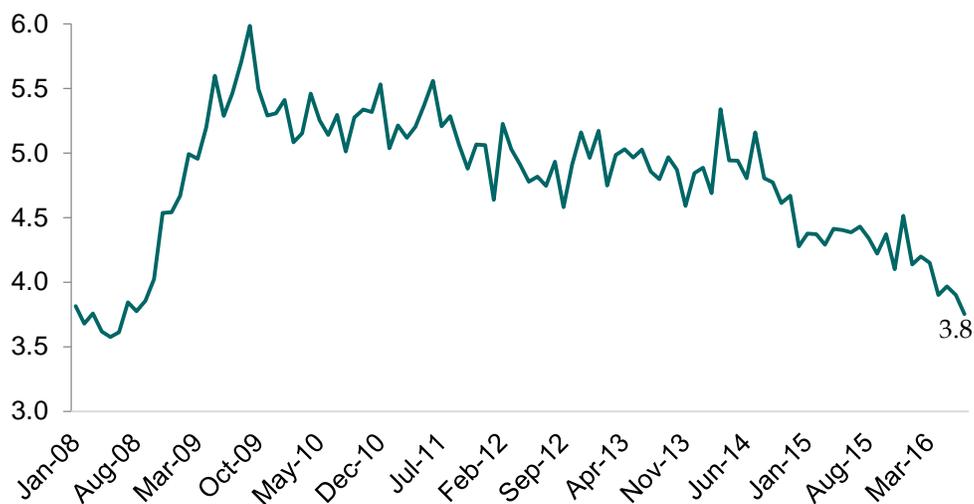

Source: Bloomberg, PAM

Annex 10

Mexico's Gross Domestic Product, annual percentage growth.

Source: INEGI
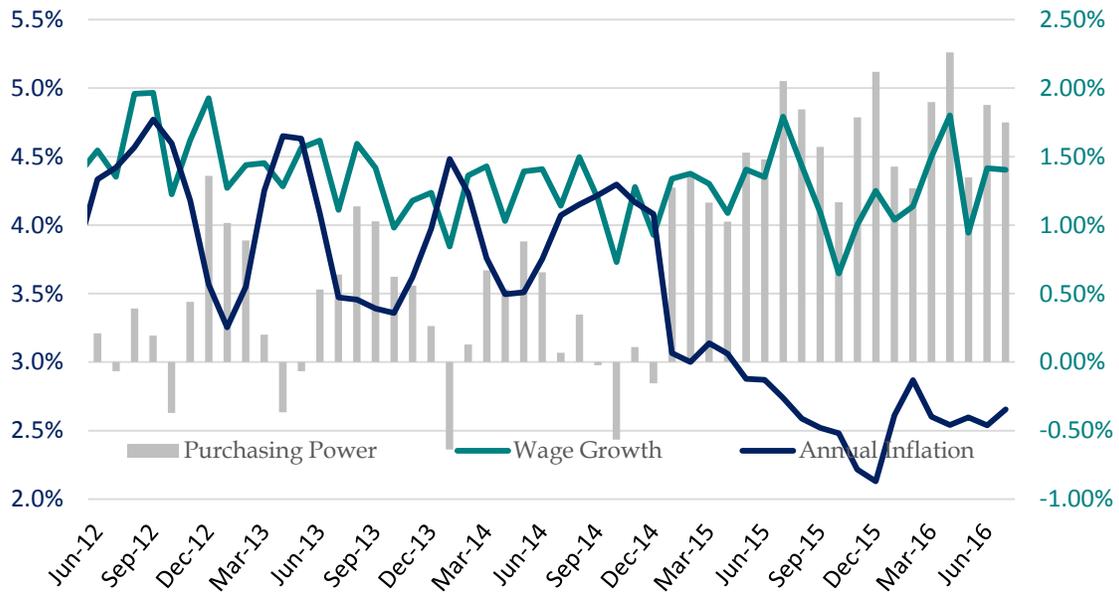
Annex 11

Mexico's Monthly Unemployment Rate.

Source: INEGI

Annex 12

Mexican Annual Inflation compared to Wage growth (YoY).

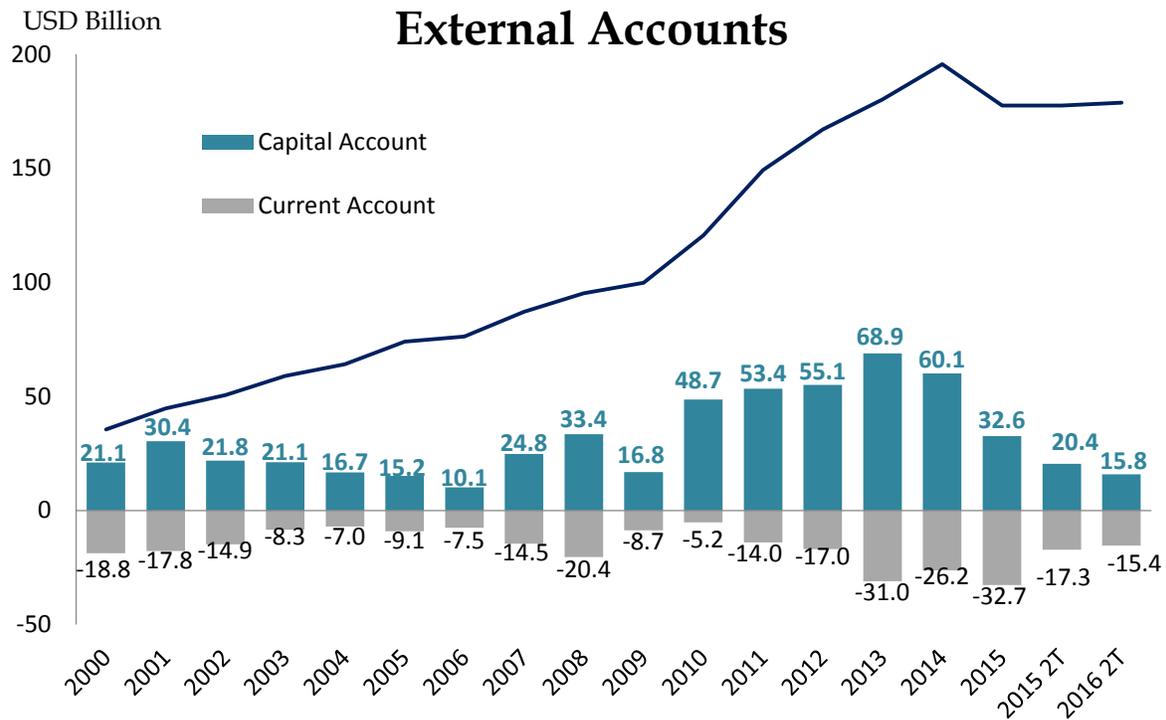**Wages & Consumer Inflation**

Source: INEGI

Annex 13

Comparison of main Economic variables of Mexico & Brazil

Country/Variable	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Brasil													
GDP YoY%	-4.3	-4.9	-6.6	-6.4	-6.2	-6.5	-7.8	-4.7	-6.5	-5	-4.9	-3.1	-5.2
Industrial Production YoY%	-8.6	-8.2	-10.7	-11	-12.3	-12	-13.5	-9.6	-11.4	-6.8	-7.5	-6.0	-6.6
Retail Sales YoY%	-3.9	-6.9	-6.3	-5.7	-7.8	-7.2	-10.6	-4.2	-5.7	-6.9	-9.0	-5.3	-5.3
Consumer Confidence Index	97.9	98.9	96.3	97.3	97.6	96.3	98.6	98.7	97.6	97.5	15.2	101	101.2
ON Interest Rate %	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25
Inflation %	9.3	9.6	9.6	9.8	10.3	10.7	10.7	10.8	10	9.3	9.6	9	8.9
Unemployment %	8.6	8.7	8.9	8.9	9.0	9.0	9.5	10.2	10.9	11.2	11.2	11.3	11.6
Wages YoY%	-7.2	-7.1	-8.1	-9.0	-8.0	-7.4	-10.7						
Outstanding Loans YoY%	9.8	9.7	9.2	8.2	7.5	6.7	6.1	5.2	3.3	2.5	2.1	-0.5	-0.4
Mexico													
GDP YoY%	1.9	2.7	3.3	2.2	2.5	2.4	2.3	4.1	1.2	3	2.2	2.4	2.5
Industrial Production YoY%	2.0	3.5	3.6	1.5	2.1	2.5	0.8	3.9	-1.4	2.9	0.8	0.6	-1
Retail Sales YoY%	5.8	6.4	4.9	4.8	5.7	3.4	5.2	9.6	6.4	10.6	8.6	9.4	7.9
Consumer Confidence Index	92.2	90.4	90.6	91.3	92.5	93.0	92.5	88.7	89.2	88.9	90.9	93.5	88.9
ON Interest Rate %	3.00	3.00	3.00	3.00	3.00	3.25	3.25	3.75	3.75	3.75	3.75	4.25	4.25
Inflation %	2.7	2.6	2.5	2.5	2.2	2.1	2.6	2.9	2.6	2.5	2.6	2.5	2.6
Unemployment %	4.3	4.3	4.2	4.4	4.1	4.5	4.1	4.2	4.2	3.9	4	3.9	3.8
Wages YoY%	4.8	4.4	4.1	3.7	4	4.3	4	4.2	4.5	4.8	3.9	4.4	4.4
Outstanding Loans YoY%	10.6	11.6	13.3	13.2	12.9	14.1	15.5	16.2	13.8	13.3	13.8	15.5	16.9

Source: Bloomberg, PAM, ITAU

Annex 14

Mexico's Balance of Payment from 2000 to second half of 2016.

External Accounts

USD Billion

Legend: Capital Account, Current Account

Capital Account values: 2000: 21.1, 2001: 30.4, 2002: 21.8, 2003: 21.1, 2004: 16.7, 2005: 15.2, 2006: 10.1, 2007: 24.8, 2008: 33.4, 2009: 16.8, 2010: 48.7, 2011: 53.4, 2012: 55.1, 2013: 68.9, 2014: 60.1, 2015: 32.6, 2015 2T: 20.4, 2016 2T: 15.8

Current Account values: 2000: -18.8, 2001: -17.8, 2002: -14.9, 2003: -8.3, 2004: -7.0, 2005: -9.1, 2006: -7.5, 2007: -14.5, 2008: -20.4, 2009: -8.7, 2010: -5.2, 2011: -14.0, 2012: -17.0, 2013: -31.0, 2014: -26.2, 2015: -32.7, 2015 2T: -17.3, 2016 2T: -15.4

Source: Banco de Mexico
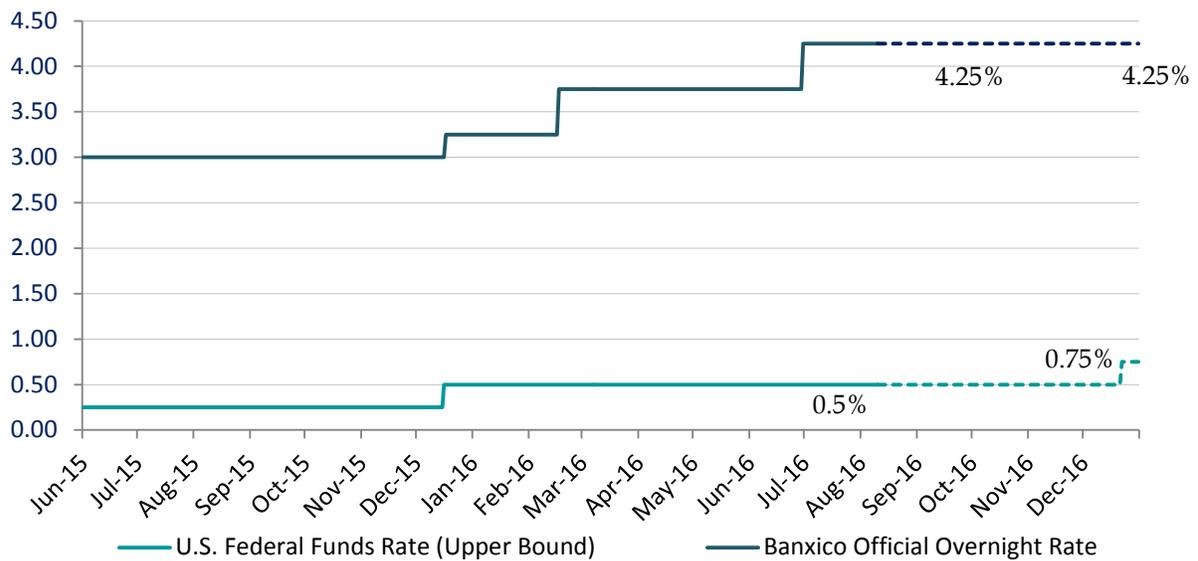
Annex 15

Mexico's Gross Fixed Investment
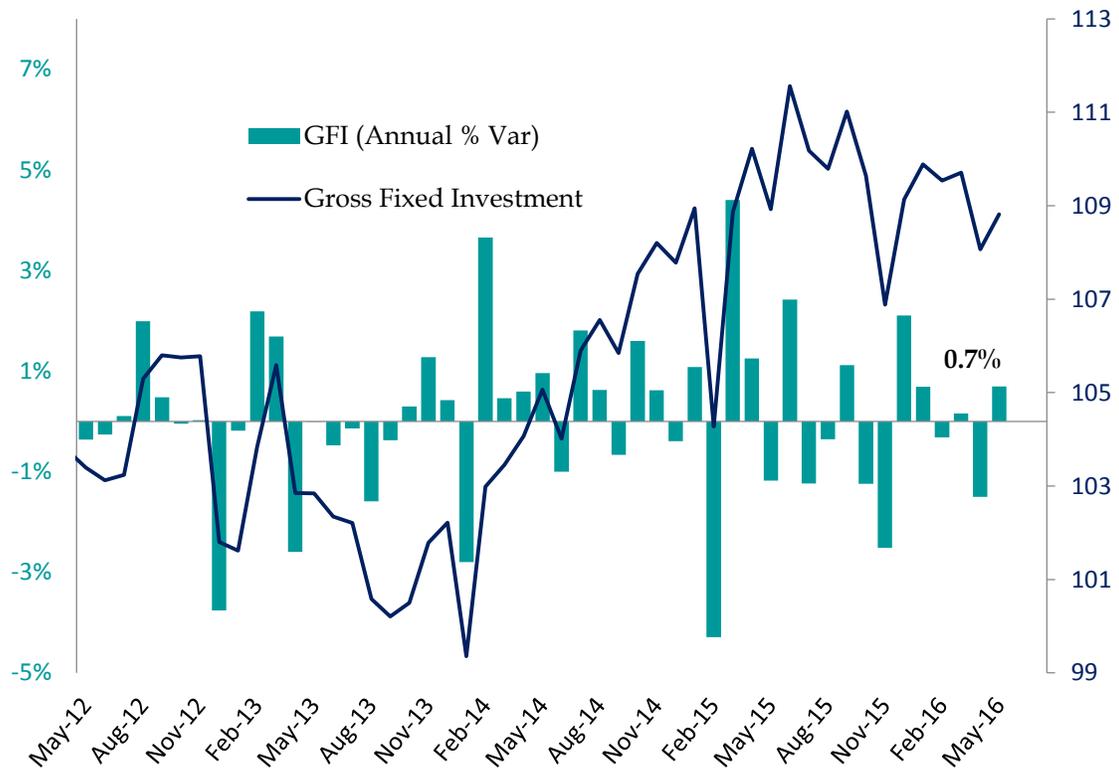
Source: INEGI

Annex 16

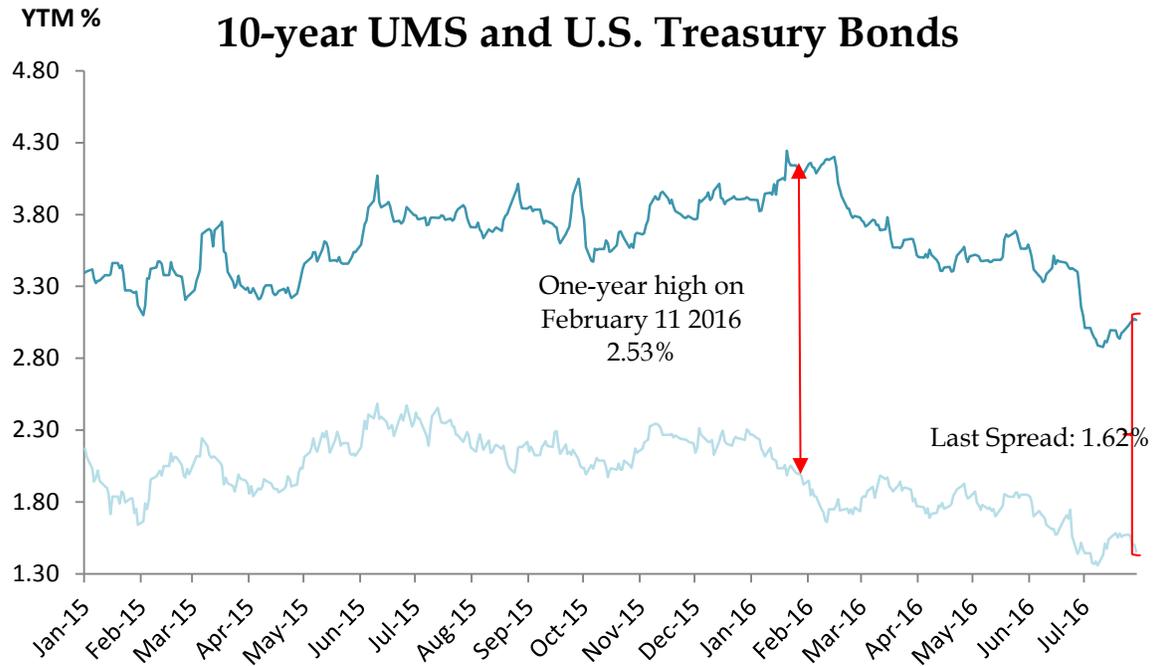U.S. Federal Reserve Rate and Banco de Mexico's (Central Bank) Reference Rate

(As of June 31, 2016 and year-end expectations)

——— U.S. Federal Funds Rate (Upper Bound)   ——— Banxico Official Overnight Rate

Source: Bloomberg, Banxico Survey of Expectations

Annex 17

Mexican Sovereign US Dollar Debt (UMS) compared to the 10-year U.S. Treasury Bond

10-year UMS and U.S. Treasury Bonds

One-year high on
February 11 2016
2.53%

Last Spread: 1.62%

Source: Bloomberg, PAM