



THE MEXICO EQUITY & INCOME FUND, INC.

RETURNS

As of June 30, 2017	Total Annual Average U.S. Dollar Return through June 30, 2017 (Reinvested Dividends)						
	1 Month	YTD	1 Year	3 Years	5 Years	10 Years	Since MXE Inception in 08/30/90
MXE NAV*	5.74% ¹	23.05% ¹	2.91% ¹	-5.12% ¹	5.95% ¹	2.11% ¹	12.34% ²
MXE NAV (Returns in Mexican Pesos "MXN")	2.90% ³	7.57% ³	2.01% ³	6.07% ³	12.61% ³	7.52% ³	20.31% ³
MXE Market Price	4.77% ¹	24.54% ¹	4.87% ¹	-5.63% ¹	5.94% ¹	1.87% ¹	12.68% ²
MXN Appreciation/ Depreciation	2.76% ³	14.39% ³	0.88% ³	-10.55% ³	-5.91% ³	-5.04% ³	-6.62% ³
MEXBOL Index	5.76%	26.01%	12.96%	-4.09%	-0.05%	1.27%	10.25%
MXF NAV	5.45%	23.40%	8.27%	-4.90%	1.40%	0.76%	8.64%
MXF Market Price	4.53%	17.20%	8.04%	-8.09%	1.36%	2.27%	9.29%
MXE NAV Excess Return vs. MEXBOL Index	-2	-296	-1,005	-103	600	84	209

Cumulative to June 30, 2017	(Reinvested Dividends)						
	YTD	1 Year	3 Years	5 Years	10 Years	Since MXE Inception 8/30/90	Discount to NAV, as of June 30, 2017
MXE Common Share Market Price	24.54% ¹	4.87% ¹	-15.97% ¹	33.47% ¹	20.39% ¹	2360.93% ²	-12.69% ²
MXF Common Share Market Price	17.20%	8.04%	-22.38%	6.97%	25.15%	987.29%	-11.46%

Source: U.S. Bancorp¹; Thomson²; PAM³, Bloomberg.

*The NAV accretion that resulted from share repurchases, for the 1, 3, and 5-year period ended June 30, 2017, was 0.02, 0.04, and 0.15 respectively. For the purpose of performance calculation, U.S. Bancorp assumes that MXE's dividends and distributions are reinvested at the closing market price on the dividend ex-date and takes into account the dilution effect resulting from fund's stock dividend. This calculation of MXE's performance figures may differ from other financial sources, such as Bloomberg.

MXE's ratio of expenses to average net assets=1.73% for the semi-annual period ended January 31, 2017.

MXF's ratio of expenses to average net assets=1.88% for the semi-annual ended April 30, 2017.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted.

MXE RELEVANT DATA

	As of June 30, 2017	As of Dec 31, 2016	As of June 30, 2016
Total Net Assets USD	\$ 96,131,787	\$ 78,104,718	\$ 94,653,382
NAV per Share USD	\$13.08	\$10.63	\$12.71
Common Share Market Price USD	\$11.42	\$9.17	\$10.89
Premium/Discount to NAV	-12.69%	-13.73%	-14.32%
MXE's Shares Repurchased	0	192,577	95,766
MXE's Preferred Shares Redeemed	0	48,535	48,535
Total Outstanding Shares	7,349,716	7,349,716	7,445,939

Source: U.S. Bancorp.



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FUND REPURCHASES

As of June 30, 2017	1 Month	Y-T-D	1 Year
MXE's Shares Repurchased	0	0	95,766

Source: U.S. Bancorp

TOP TEN HOLDINGS

MXE Top Ten Stock Weightings, as of June 30, 2017		
Issuer	%	Industry
AMX	9.91%	Wireless Telecommunication Services
GMEXICO	8.08%	Metals & Mining
CEMEX	7.79%	Construction Materials
GFNORTE	6.83%	Banks
ALFA	4.61%	Industrial Conglomerates
AC	4.58%	Beverages
FEMSA	4.38%	Beverages
MEXCHEM	3.90%	Chemicals
GFINBUR	3.38%	Banks
GFREGIO	3.18%	Banks

Source: U.S. Bancorp

Fund holdings and sector allocations are subject to change and are not a recommendation to buy or sell any security.

I. INTRODUCTION

June was marked by the World Bank's report that global economic activity is firming broadly as expected, manufacturing and trade are picking up, confidence is improving, and international financing conditions remain benign. According to the World Bank, global growth should strengthen to 2.7% in 2017 and 2.9% in 2018-2019, in line with January forecasts. In Emerging Market and Developing Economies (EMDEs), growth is predicted to recover to 4.1% in 2017 and reach an average of 4.6% in 2018-2019, as obstacles to growth in commodity exporters diminish, while activity among commodity importers remains robust. In particular, economic data released in Mexico during the month underscored the positive trend observed in the country's first quarter economic growth report.

Surprises for Mexican markets during 2017 are likely to continue given that from a risk analysis standpoint, most of the exogenous shocks that pressured the currency during the last 3 years to January 2017, including (i) the beginning of the Federal Reserve (FED) monetary policy normalization; (ii) fears about a radical shift towards a new U.S. trade policy; and (iii) plummeting international oil prices, appear to have been absorbed either by the continuation of a prudent and responsible monetary and fiscal policies, or by the positive results of the fiscal and energy reforms approved in second half of 2013. It is worth noting that the radical increases in Mexico's Central Bank (BANXICO) reference rate to deal with the rebound in inflation this year, have produced a strong 575 basis point (bps) spread vs. the FED's reference rate. (See Exhibit A).

The Mexican currency's 14.39% rebound in the first half of 2017, may be due to the isolation of the harmful and sequential effect of the risk factors mentioned above. (See Exhibits B, C & D). In such a scenario, our economic growth projection is 1.7% and a level of 17.50-18.20 for the Mexican Peso by the end of December 2017.

We also note that Mexico's sovereign risk, as measured by the U.S. Dollar-10-Year Treasury and Mexican Sovereign Bonds denominated in U.S. Dollars, United Mexican State Bonds (UMS), has maintained a relatively stable average spread of about 138 basis points for the year-to-date period through June 30, 2017. (See Exhibit E).

II. MXE PERFORMANCE

The Fund's Net Asset U.S. Dollar Value per share, "NAV," registered a return of 23.05% for the year-to-date period ended June 30, 2017 (7.57% in local terms), an underperformance of -296 basis points versus its benchmark, the Mexican Stock Exchange Index (MEXBOL), which had a return of 26.01%. The main reason for the Fund's underperformance is its de-indexation in the Consumer Staples and Consumer Discretionary sectors, particularly in stocks with relatively expensive valuations compared to their international peers as well as a lack of good corporate governance. (Source: U.S. Bancorp, Bloomberg).

The Fund's common share market price of US\$11.42 on the New York Stock Exchange rose 24.54% for the year-to-date period ended June 30, 2017, registering a discount of -12.69% to the Fund's NAV of US\$ 13.08, compared to a discount of -14.32% at the end of June 30, 2016, and increased 4.87% for the one-year period ended June 30, 2017 compared to a decrease of -13.73% for the one-year period ended December 2016. (Source: U.S. Bancorp).

There were no share repurchases in June. (Source: U.S. Bancorp).

The Fund's total net assets amounted to US\$96,131,787 as of June 30, 2017, compared to US\$94,653,387 as of June 30, 2016. (Source: U.S. Bancorp).

THE MEXICO EQUITY & INCOME FUND, INC.

III. THE MEXICAN ECONOMY

Against all odds, real economic growth in 2016 was 2.5%, the best rate in four years, and growth during the first quarter of 2017 (1Q'17) reached a 2.6% annual rate. Nevertheless, private consumption was not as dynamic compared to the second half of 2016 with same-store sales and light vehicle sales stalling during the early months of the 2Q17. Meanwhile, the weakness observed in investment deepened, even plotting a negative trend. Despite softer consumption, overall sentiment improved in response to stronger export-driven economic growth, which resulted in an upward revision for the whole year to 2.0% from 1.5% previously. (See PAM's full economic report on the Fund's web page).

The Consumer Price index continued to increase, albeit at a slower pace, from 5.82% in April to 6.30% in the first half of June, due to a more moderate increase in the core component, probably due to indirect effects associated with the liberalization of energy prices, while wage increases at the beginning of the year have continued to have a transitory impact on the exchange rate. (Source: INEGI) (See Exhibit F).

IV. THE MXE's INVESTMENT STRATEGY

The Fund's portfolio plots a forward EV/EBITDA multiple of 7.2x and a P/E multiple of 15.5x for the 1Q'17, according to PAM and Bloomberg's consensus, implying discounts of -25.2% and -15.1% compared to the MEXBOL Index average valuation. The Fund's overweight in the Material sector displayed the largest three-year EBITDA margin expansion driven by higher precious and industrial metal prices as well as production volume due to expansion projects. (See Exhibits G & H).

Companies in the Materials sector presented a potentially attractive investment opportunity at end June, mainly due to the discount to their Net Asset Value. In particular, an imminent copper shortage and disruptions at some of the world's largest mines along with expectations that Chinese demand will remain stable this year, translates into a favorable scenario for the copper company in the Metals and Mining Industry, which displays solid growth and efficient production costs.

The main sectors that positively contributed to the Fund's NAV for the year-to-date period through June 30, 2017, according to PAM's assessment reports, were: i) Industrials 5.0% (approximately 13.0 % allocation); ii) Consumer Staples 5.00% (17.0%); and iii) Financials, 4.0% (17.0%), while there were no sectors detractors. (Source: PAM, Bloomberg).

VI. FINAL REMARKS

The energy reform continues to be implemented successfully. The results of the second round of the first shallow waters auction in the Gulf of Mexico were positive. Of the 15 blocks auctioned, 10 were assigned. According to Mexico's Energy Secretary, this round will result in investments totaling US\$8.2 billion, 82 thousand direct and indirect jobs, and an increase of 170 thousand barrels per day in national oil production. The next auction in the second round will take place on July 16th, 2017.

Sincerely yours,

Eugenia Pichardo and Jose Luis Ramirez
Equity Portfolio Managers
Arnulfo Rodriguez
Debt Portfolio Manager

The information contained herein reflects the opinion of Pichardo Asset Management and as such does not constitute fundamental research, neither should it be construed as a solicitation of business or a buy/sell recommendation with regard to any of the securities mentioned. Furthermore, it is subject to change without prior warning and estimates cannot be guaranteed. Past returns do not guarantee future earnings.

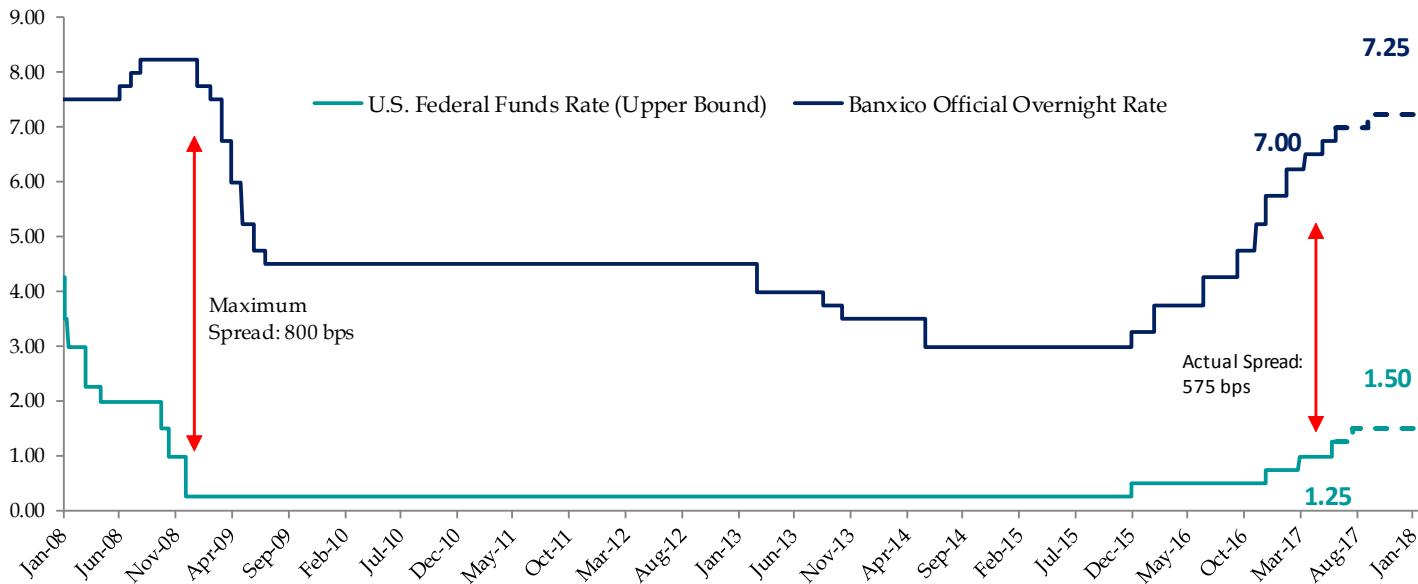
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THE MEXICO EQUITY & INCOME FUND, INC.

Exhibit A

Bank of Mexico Reference Rate and U.S. Federal Reserve Interest Rates



Source: BANXICO, Bloomberg

Exhibit B

MXN/USD Spot Exchange Rate: "Trump effect"
(As of June 30, 2017)

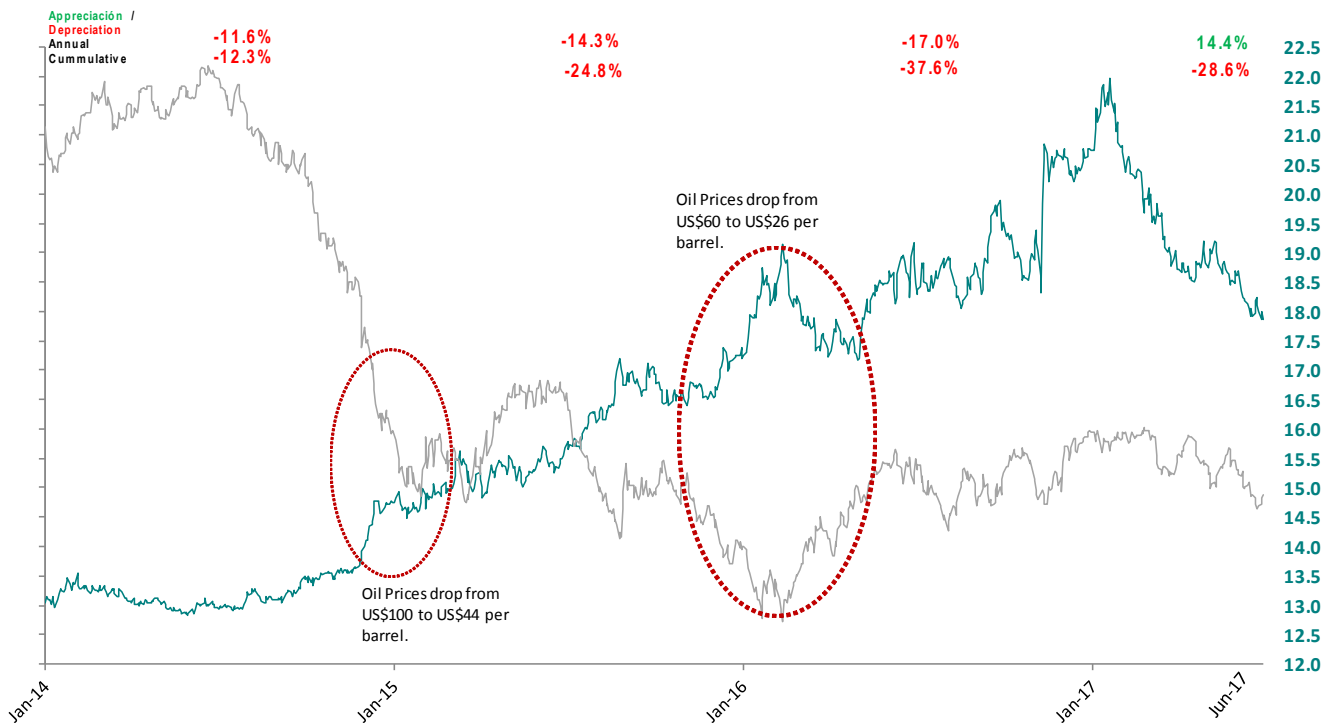


Source: BANXICO, Bloomberg

THE MEXICO EQUITY & INCOME FUND, INC.

Exhibit C

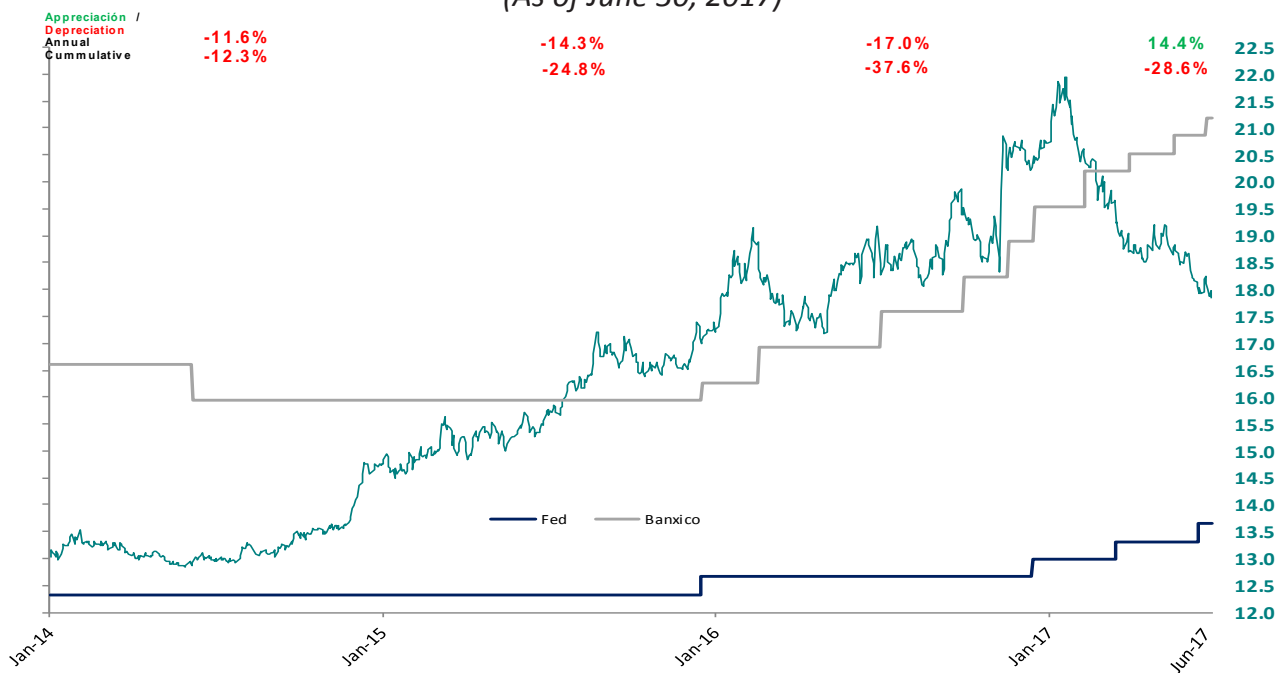
MXN/USD Spot Exchange Rate: "Oil price drops"
(As of June 30, 2017)



Source: PAM, Bloomberg

Exhibit D

MXN/USD Spot Exchange Rate: "FED's Monetary Policy normalization"
(As of June 30, 2017)

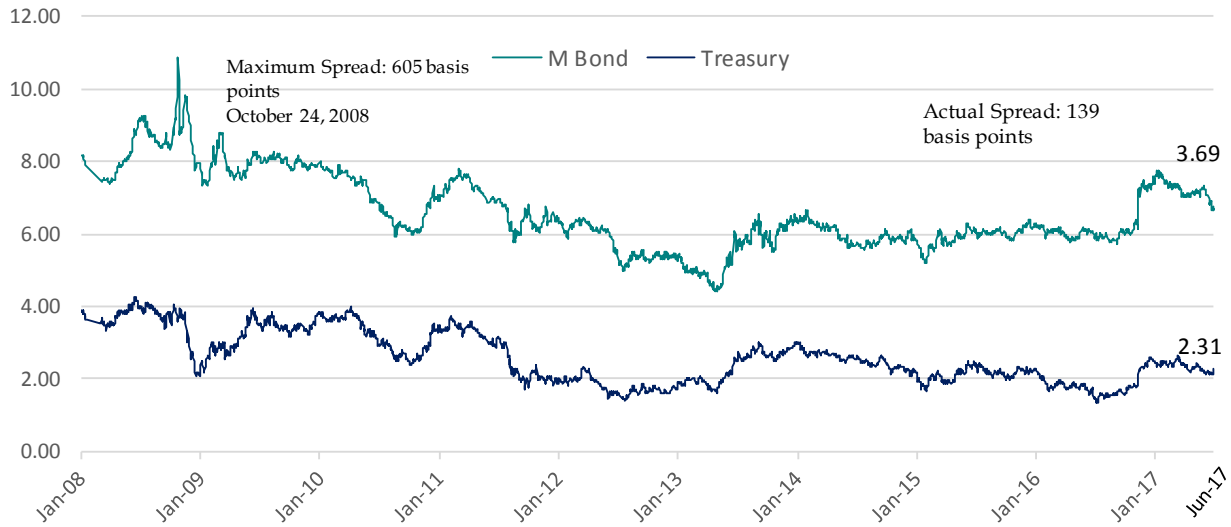


Source: PAM, Bloomberg

THE MEXICO EQUITY & INCOME FUND, INC.

Exhibit E

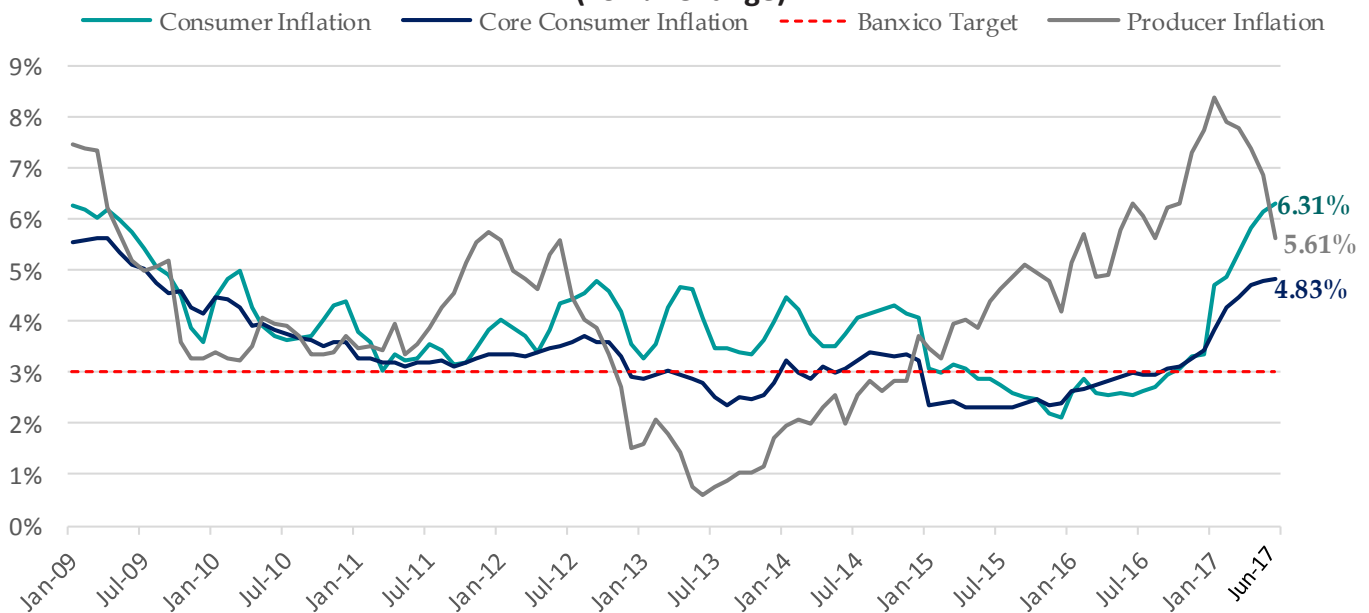
UMS vs. Treasury Bond
10 year yield



Source: PAM, Bloomberg

Exhibit F

Inflation
(YoY % Change)



Source: INEGI

THE MEXICO EQUITY & INCOME FUND, INC.

Exhibit G

MXE's Portfolio & MEXBOL Index Allocation & Forward Multiples Valuation
(As of June 30, 2017)

As of June 30, 2017	MXE's % Allocation	MEXBOL % Allocation	Overweight / Underweight	Forward 12M		MXE's Weighted		Forward 12M Earnings	2017 Dividend Yield	Total Annual Yield
SECTOR				EV/EBITDA	P/E	EV/EBITDA	P/E			
MATERIALS	24.35%	17.25%	7.10%	8.0x	16.4x	2.0x	3.5x	6.17%	1.96%	8.13%
REAL ESTATE	3.11%	0.00%	3.11%	13.5x	10.4x	0.4x	0.3x	9.66%	4.56%	14.22%
FINANCIALS	17.41%	14.85%	2.56%	N/A	12.9x	N/A	2.3x	8.65%	2.53%	11.18%
UTILITIES	0.78%	0.97%	-0.19%	13.7x	19.0x	0.1x	0.1x	5.26%	2.44%	7.70%
TELECOMMUNICATIONS SERVICES	11.30%	11.68%	-0.38%	12.3x	14.2x	0.6x	1.4x	7.03%	2.06%	9.09%
INDUSTRIALS	12.56%	13.23%	-0.67%	11.6x	26.0x	1.2x	2.0x	5.44%	1.23%	6.66%
CONSUMER DISCRETIONARY	10.37%	11.67%	-1.30%	9.0x	17.9x	0.9x	1.7x	7.26%	1.68%	8.94%
CONSUMER STAPLES	17.30%	30.35%	-13.05%	11.5x	23.5x	2.0x	4.1x	4.47%	2.18%	6.65%
TOTAL EQUITY MXE's PORTFOLIO	97.18%	100.00%	-2.82%	11.4x	17.5x	7.2x	15.5x	6.45%	2.40%	8.85%

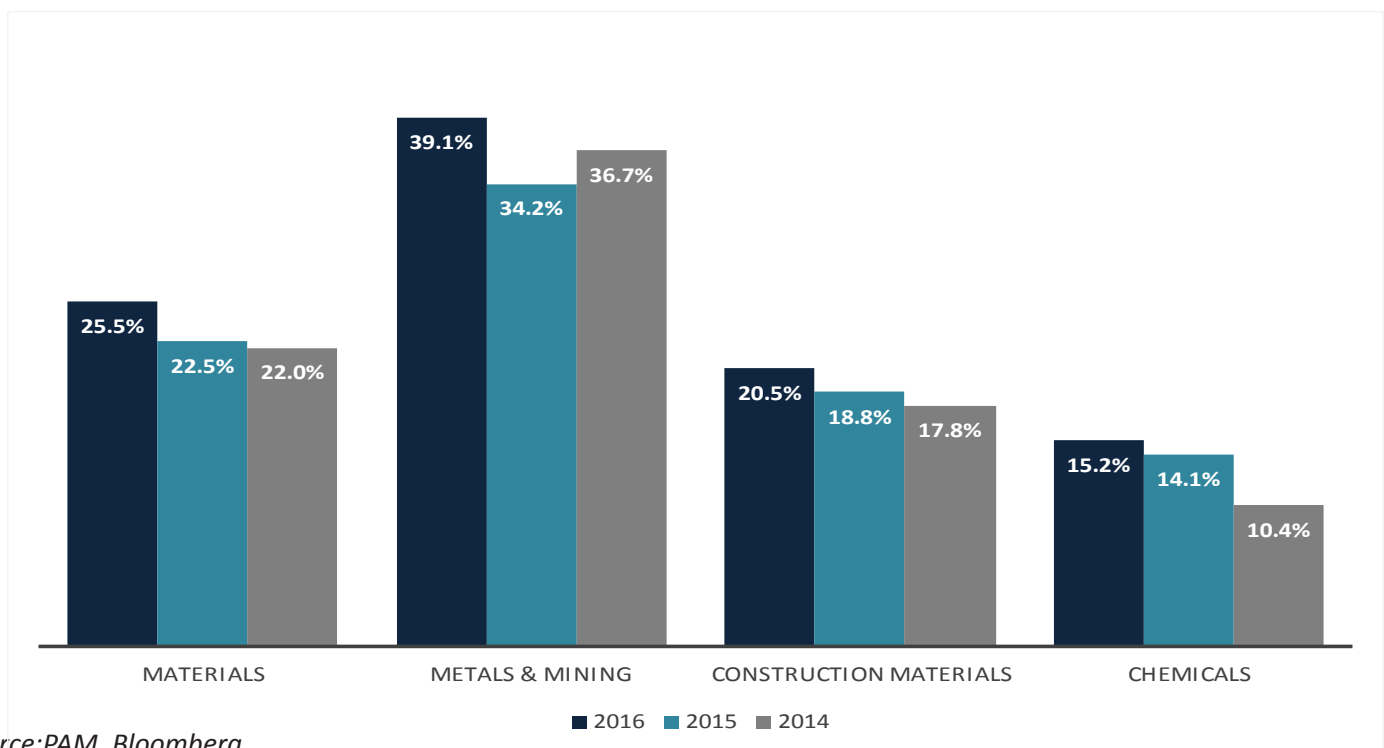
PRIVATE EQUITY CAPITAL DEVELOPMENT CERTIFICATES	2.33%
CASH & READILY AVAILABLE INSTRUMENTS	0.49%
TOTAL MXE's PORTFOLIO	100.00%

FORWARD 12 MONTHS		
As of June 30, 2017	EV/EBITDA	P/E
MXE's	7.2x	15.5x
MEXBOL	9.7x	18.3x
Premium / Discount	-25.22%	-15.11%

Source: PAM; Bloomberg.

Exhibit H

MXE's Materials Sector EBITDA Margin Expansion and Industries
(As of June 30, 2017)



Source: PAM, Bloomberg

THE MEXICO EQUITY & INCOME FUND, INC.

DISCLOSURES

To read about the Mexico Equity and Income Fund please access the Annual Report by calling (414) 765-4255 to receive a copy. To read about the Mexico Fund, Inc. please access the Annual Report on the phone's website www.mexicofund.com, under the section caption investor reports. Investors should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. An investment in the Fund should not constitute a complete investment program.

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.

Considerations and risks involved in investing in Mexican securities

1. Market volatility in a global context.
2. The Mexican economy continues to be classified as an emerging economy. Mexican industrial production is highly correlated to that of the U.S.
3. Mandatory IFRS (International Financial Reporting Standards) accounting since the year 2011. All Mexican companies reporting IFRS in 2012 with 2011 financials adjusted accordingly (Source: Mexican Stock Exchange).
4. The portfolio securities are denominated in Mexican pesos. As a result, the portfolio return in U.S. Dollars securities must increase in market value at a rate in excess of the rate of the decline in the value of the Mexican peso against the U.S. dollar in order to present an excess dollar return.
5. Mexico has experienced widespread bank failures, currency devaluations, high levels of inflation and interest rates. Nevertheless, inflation has been contained at below 4% as of December 31, 2013, for more than a decade and interest rates are currently at all-time lows (2.92% 3 month Treasury Bills "CETES") (Source: Bloomberg)
6. There is generally less governmental supervision and regulation of exchanges, brokers and issuers in Mexico than there is in the United States.
7. U.S. holders of portfolio securities may also experience difficulties enforcing U.S. laws or obtaining service of process against the issuers of the portfolio securities.

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: 1.74% (For the annual period ended October 31, 2016)
3. Portfolio Turnover rate: 19% (For the year ended October 31, 2016)
4. Outstanding shares: 15,027,810 (As of October 31, 2016)
5. Repurchase of stocks: US \$32,736 (For the annual period ended October 31, 2016)
6. Total net assets: US \$279,019,795 (As of October 31, 2016)
7. Dividends distribution of 0.1415 per share payable in cash on January 17, 2017. (For the annual period ended October 31, 2016)
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.

THE MEXICO EQUITY & INCOME FUND, INC.

ECONOMIC DATA

- **Gross Domestic Product (GDP):** According to INEGI, the demand side of GDP grew 2.7% in 1Q'17 compared to the previous year. By components, primary activities increased by 6.9%, secondary activities 0.2%, and tertiary activities 3.7%.
- **Economic Activity Index.** According to INEGI, economic activity (IGAE, Gross Domestic Product proxy) rose by 0.1% month over month (m/m) in April. In seasonally-adjusted terms, tertiary activities increased by 0.5%, while primary activities decreased by 0.9% and secondary activities by 0.3% compared to the previous month.
- **Industrial Activity.** In April, industrial production decreased 0.3% m/m. Seasonally-adjusted data showed an advance of 0.6% in construction, while mining, utilities, and construction decreased by 0.9%, 0.3%, and 1.7% respectively.
- **Gross Fixed Investment.** In April, gross fixed investment (GFI) decreased 1.3%, m/m. Expenses related to construction decreased by 1.6% and those related to machinery and equipment by 0.2%, m/m. GFI posted a 2.7% drop y/y.
- **Trade Balance.** The May trade balance registered a US\$1.079 billion deficit. Total exports increased by 13% y/y, driven by advances in non-oil exports. Imports rose 15% y/y driven by a 22% increase in oil imports.
- **Mexican Oil Mix.** As at end-June, the price of the Mexican oil mix was USD\$42.68 per barrel, translating into a 2.3% monthly decrease and a 4.1% increase in one year.
- **Retail Sales.** Retail sales increased 1.4% in April compared to the same month of 2016. Retail sales declined 4.6% in relation to the previous month.
- **Unemployment.** The May unemployment rate came in at a seasonally-adjusted 3.5%, 0.1 percentage points below the previous month. By gender, men unemployment remained at 3.4% like the previous month and unemployment in women increased from 3.8% in April to 3.7%.
- **Monetary Policy.** On June 22, 2017, Banco de Mexico increased its benchmark interest rate by 25 basis points to 7.00%.
- **Inflation.** The June Consumer Price Index (CPI) increased by +0.25% month-over-month. Annual headline inflation came in at 6.31% and core inflation 4.83%.
- **Public Finances:**
 - o During the first quarter of 2017, the government reported a fiscal deficit (including Pemex and the Federal Electricity Commission) of MXN \$309 billion, which compares favorably to the MXN \$253 billion deficit observed the first quarter of 2016. During the first quarter of 2017 Income increased by 33.4% y/y taking into account Banxico's transfer. During the same period, expenses increased by 0.9% y/y.
 - o At the end of the first quarter of 2017, the Public Sector's Financial Requirements presented a surplus that represented 1.3% of GDP, which compares favorably to the 0.3% deficit of GDP of the first quarter of 2016. The Ministry of Finance expects to take debt from 50.2% of GDP at the end of 2016 to 48.0 by the end of 2017.
- *Source: SHCP, BANXICO, INEGI.*

THE MEXICO EQUITY & INCOME FUND, INC.

ECONOMIC PROJECTIONS

Economic Projections	2012	2013	2014	2015	2016
National Accounts					
Real GDP growth (y/y)	3.9%	1.4%	2.3%	2.5%	2.3%
GDP (US \$bn.)	1.184	1.261	1.288	1.139	1.157
Consumption (Chg. y/y)	4.7%	2.5%	2.0%	3.3%	3.4%
Investment (Chg. y/y)	4.6%	-1.6%	2.3%	4.5%	0.4%
Exports (Chg. y/y)	5.9%	2.2%	7.3%	9.4%	-1.8%
Imports (Chg. y/y)	5.4%	2.5%	5.7%	6.1%	-2.0%
Monetary and Exchange Rate Ind.					
CPI Inflation (year-end)	3.6%	3.9%	4.1%	2.1%	3.36%
US\$ Exchange Rate (year-end)	13.0	13.1	14.7	17.2	20.7
28Day Cetes Int. Rate (year-end)	4.50%	3.50%	3.00%	3.25%	5.69%
Balance of Payments					
Trade Balance (US\$ bn.)	0.2	-1.2	-2.8	-14.5	-13.1
Exports (US\$ bn.)	370.7	380.2	397.5	380.8	373.9
Imports (US\$ bn.)	370.8	381.2	400.0	395.2	387.06
Transfers (US\$ bn.)	22.4	22.3	23.6	24.8	26.7
Current Account (US\$ bn.)	-15.4	-26.5	-24.8	-32.4	-27.9
Foreign Direct Inv. (US\$ bn.)	19.0	45.7	25.6	28.4	26.7
Debt Profile					
International Reserves (US\$ bn.)	163.5	176.5	193.2	176.7	176.5
Public Debt (gross % of GDP)	34.5%	36.9%	41.0%	42.5%	49.0%
External Debt (gross % of GDP)	9.8%	10.2%	11.9%	19.7%	15.5%

Source: SHCP, BANXICO, INEGI, Santander.

The projections on this page are based on industry estimates and are no guarantee of future outcomes.

* World Bank's estimated GDP growth for Mexico; published on the Global Economic Prospects dated June 2016.

THE MEXICO EQUITY & INCOME FUND, INC.

DEFINITIONS

- **ADR:** is a negotiable certificate issued by a U.S. bank representing a specified number of shares (or one share) in a foreign stock traded on a U.S. exchange.
- **BANXICO:** Banco de Mexico is the Central Bank of Mexico.
- **Basis points:** One basis point (bps) is one hundredth of a percentage point (0.01%).
- **Dividend Yield:** A financial ratio that indicates how much a company pays out in dividends each year relative to its share price.
- **EBITDA:** Earnings before interests, depreciation and amortization.
- **EMDE:** Emerging Market and Developing Economies.
- **EV/EBITDA:** The value of the metric is determined by dividing a company's enterprise value (EV) by its earnings before interest, taxes, depreciation and amortization (EBITDA). The numerator of the formula, the EV, is calculated as the company's total market capitalization and preferred shares and debt, minus total cash.
- **Federal Reserve (FED):** U.S. Central Bank, bank of the U.S. government and, as such, it regulates the nation's financial institutions.
- **Free Cash Flow (FCF):** is a measure of a company's financial performance, calculated as operating cash flow minus capital expenditures.
- **GDP:** Gross Domestic Product proxy. The monetary value of all the finished goods and services produced within a country's borders in a specific time period, though GDP is usually calculated on an annual basis. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.
- **IGAE:** A Gross Domestic Product proxy. This indicator shows the evolution of the economic activity in Mexico.
- **INEGI:** Mexican National Institute of Statistics and Geography.
- **MBonds:** Mexican Sovereign Bonds.
- **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.
- **Mexbol-Total Return Index:** The Mexican Bolsa index calculates the performance of constituents assuming that all dividends and distributions are reinvested.
- **NAFTA:** (North American Free Trade Agreement): A regulation implemented January 1, 1994 in Mexico, Canada and the United States to eliminate most tariffs on trade between these nations. The three countries phased out numerous tariffs, (with a focus on those related to agriculture, textiles and automobiles), between the agreement's implementation and January 1, 2008. NAFTA's purpose is to encourage economic activity between the United States, Mexico and Canada.
- **The Net Asset Value per Share (NAV)** is calculated as the total market value of all the securities and other assets held by a fund minus the total liabilities, divided by the total number of common shares outstanding. The NAV of an investment company will fluctuate with changes in the market prices of the underlying securities. However, the market price of a closed-end fund is determined in the open market by buyers and sellers. This public market price is the price at which investors may purchase or sell shares of a closed-end fund. The market price of a closed-end fund fluctuates throughout the day and may differ from its underlying NAV, based on the supply and demand for a fund's shares on the open market. Shares of a closed-end fund may trade at a premium to (higher than) or a discount to (lower than) NAV. The difference between the market price and the NAV is expressed as a percentage that is either a discount or a premium to the NAV, or underlying value.
- **PEMEX:** The state-owned oil company in Mexico.
- **P/E Ratio:** The price-earnings ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings.
- **Risk Free Rate of Return:** is the theoretical rate of return of an investment with zero risk.
- **SHCP:** Secretaría de Hacienda y Crédito Público is the Mexican Ministry of Finance.
- **Spot Exchange Rate:** is the price to exchange one currency for another for immediate delivery.
- **UMS:** United Mexican States Bond, U.S. Dollar denominated Mexican Sovereign Bond.
- **World Bank:** is an international financial institution that provides loans to countries of the world for capital programs. It comprises two institutions: the International Bank for Reconstruction and Development (IBRD), and the International Development Association (IDA).