



THE MEXICO EQUITY AND INCOME FUND, INC.

REPORT TO MEMBERS OF  
THE BOARD OF DIRECTORS OF  
THE MXE

April 2009

(1) MXE Average Annual Dollar Returns

As of 4/30/09	NAV	Common Share Market Price	Mexbol
Y-t-d	-4.93%	-3.95%	-1.70%
1 YEAR	-57.51%	-60.04%	-45.08%
3 YEAR	-6.98%	-8.45%	-5.30%
5 YEAR	11.95%	11.06%	12.65%
10 YEAR	10.43%	11.09%	10.46%
Since Inception in 1990 through April*	12.46%	9.89%	11.67%

As of 3/31/09	NAV	Common Share Market Price	Mexbol
1 YEAR	-61.16%	-64.16%	-52.26%
3 YEAR	-9.15%	-11.90%	-7.76%
5 YEAR	7.51%	4.79%	8.08%
10 YEAR	10.44%	10.37%	10.34%
Since Inception through Mar*	11.77%	9.01%	10.93%

Source: Bloomberg, reinvesting gross dividend in security.  
\*Thomson. Inception Date 08/30/1990. Not yet adjusted by Thomson due to dilution effect on January 27, 2009.

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. Performance data to the most recent month end may be obtained by calling U.S. Bancorp Fund Services, LLC, (414) 765-4255.

PERFORMANCE IN US\$

NAV per share

Ticker	One month ending 4/30/2009	4/30/08-4/30/09
MXE	13.28%	-57.51%

Source: Bloomberg

Common Share Market Price

Ticker	One month ending 4/30/2009	4/30/08-4/30/09	Discount/Premium to NAV 3/31/09
MXE	17.18%	-60.04%	-18.89%
MEXBOL	14.07%	-45.08%	

Source: Bloomberg

Beta

Ticker	04/30/08-04/30/09
MXE	1.68

Source: Thomson

For the one-month period ended April 30, 2009, the MXE's NAV per share registered a 13.28% gain in dollar terms compared with a 14.07% gain for the Mexbol Index. The MXE gained 10.59% in nominal terms following a 2.35% appreciation of the Mexican peso appreciation in April.

The MXE's relative similar return to the Mexbol was achieved despite a 19.68% allocation in readily available and debt instruments as of the end of April, as well as a continuing de-indexation to the equity-only Mexbol Index. There were marginal changes to the sectors or asset classes' weight from what we reported at end-March.

For the Q1'09 period ended March 30, 2009, the MXE's NAV per share lost -16.08% in dollar terms, compared to -13.83% for the Mexbol Index, following a -3.50% loss of the Mexican Peso.

For the year-to-date period to April 30, 2009, the MXE's net per share asset value registered a -4.93% loss in dollar terms compared with a -1.70% loss for the Mexbol Index.

The MXE's common share market price gained 17.18% in April. The MXE's NAV discount to that of its common share market price ended April at -18.19%. Year-to-date to April'09 the MXE's common share market price lost -3.95%.

INVESTMENT STRATEGY

The MXE continues to adhere to its investment strategy:

- i. ALPHA-Defensive stocks:
  - High Total Annual Yield: cash dividend yield+ aggressive share buy backs.
  - Net Debt/EBITDA ratio equal to 1.0 times or less.
- ii. BETA-Growth Stocks:
  - Consistent Sales and Ebitda growth, National Infrastructure Program, Housing Sector and Commodities.
- iii. Special Situations:
  - High discount to companies' valuation.
  - P/BV ratio less than 0.5 times.
- iv. Cash & readily available instruments. Corporate Bonds.

The less liquid stocks stood at 12.19%, medium liquid at 26.51% and highly liquid stocks at 41.61% overall portfolio.

In view of the great uncertainties surrounding the financial and equities markets, the MXE has avoided what we feel are highly speculative stocks, i.e. high leverage, derivative instruments or any law suits, as well as less liquid stocks.

The MXE's net per share asset value has posted an annual average dollar return of 12.46% (with dividends reinvested) for the last 18 ½ years, since its inception on August 30, 1990, through April 30, 2009.

THE MEXBOL INDEX

In April, the Mexbol Index registered a 14.07% gain in dollar terms, ranking third below Brazil (+18.07%) and Colombia (+17.1%). April was the second positive month for the Mexbol bringing its year-to-date performance to -1.70%.

**THE MEXICO EQUITY AND INCOME FUND, INC.**
**(2) NAV Performance in US\$**

Ticker	12/31/08-5/15/09	Discount/Premium to NAV
MXE	2.81%	-19.28%
MEXBOL	9.51%	

Source: Bloomberg

**(3) Top Ten Stock Weighting/US\$ Returns (as of 4/30/09)**

Company	Weighting	One month ending 4/30/2009	1 Year 4/30/08-4/30/09
Promotora y Operadora de Infra-estructura	9.84%	18.11%	-56.69%
Grupe (Cid-mega)	9.57%	6.73%	-47.00%
America Movil	8.70%	20.08%	-43.76%
Mexichem	6.35%	27.39%	-62.80%
Kimberly Clark de México	5.88%	11.43%	-23.99%
Peñoles	4.71%	4.00%	-60.77%
Femsa	3.92%	11.37%	-35.49%
Asur	3.89%	7.75%	-44.65%
Televisa	3.57%	13.00%	-37.39%
Grupo Bimbo	3.24%	21.54%	-29.55%

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

**(4) Mexbol Index Best Performing Members in April 2009 (Performance in US\$)**

Company	One month ending 4/30/2009	1 Year 4/30/08-4/30/09
Desarrolladora Homex	40.39%	-68.67%
Bolsa Mexicana	40.37%	NA
Comercial Mexicana	31.26%	-86.86%
Banco Compartamos	31.21%	-40.87%
Corporación Geo	28.38%	-65.02%
Mexichem	27.39%	-62.80%
Grupo Elektra	26.74%	36.02%
Urbi Desarrollos	23.15%	-66.28%
Grupo Bimbo	21.54%	-29.55%
America Movil	20.08%	-43.76%

Source: Bloomberg

For the quarter Argentina's stock market rose 4.3%, Brazil 9.0%, Chile 4.7%, and the Mexbol -13.83%, although the strongest gains were recorded in Asian markets.

The Mexbol rallied 23.14% in pesos and 36.61% in U.S. dollars during the last nine weeks to May 18, 2009 vs. MXE's NAV 33.40%. This rally stems from the fact that at the beginning of the first quarter of 2009, international bourses came under strong downward pressure but a combination of events, including: (i) better-than-expected financial results from some U.S. banks; (ii) G20 agreements to strengthen the international financial system triggered strong rallies world-wide in March, which continued in April and first two weeks of May.

In addition several Mexbol constituents became pension fund investment targets through Bolsa trackers as part of their Mexican equity only commitment this year.

**THE MEXICAN ECONOMY**

Mexico's monthly economic indicator (a GDP proxy) decreased -10.8% for the one-year period through February 2009. The decline was led by industrial activity (-13.2%) followed by services (-9.6%) and agriculture (-7.1%). This has led the Central Bank to estimate that the economy could have contracted between -7 to -8% during 1Q'09.

February retail sales fell -8.6% year-over-year (y-o-y), following a -4.6% decrease in January. The decline was led by a decrease in durable goods, furniture, computers, telecommunications equipment, autos and home appliances.

The March unemployment rate stood at 4.76%, a slight improvement from the 5.3% registered in February 2009.

Remittances from the U.S. decreased -0.5% for the one-year period through March. For the January-March period remittances declined -4.9% y-o-y to US\$5.5 billion.

In March credit growth registered a 1.0%

y-o-y growth rate following a 2.6% growth in February of this year. During the month, the most dynamic sector was corporate credit (a 12.9% growth rate) followed by 7.0% for housing.

Regarding the external sector, March's total exports declined -25.1% y-o-y. Oil and non-oil exports declined -62.4% and -15.7%, respectively, for the month. For the 1Q09 oil exports declined -58% and non-oil -21.8% y-o-y. Furthermore, non U.S. exports declined -22.3% for the same period, evidencing the weakness of global demand.

As of the 1Q09 overall economic activity continued to deteriorate significantly, due both to external and internal factors. For the first quarter of 2009 GDP growth is expected to plummet -8% a sharp deceleration from the -1.6% registered during the 4Q08. Estimates for the whole year now forecast a drop of -5.9% in GDP, almost as much as the devastating financial crisis of 1995.

**CONCLUSION**

Needless to say 2009 could be another difficult year for portfolio investment.

The global economy faces a challenging 2009 with the International Monetary Fund expecting global growth to decline -1.3%, the biggest drop since the post-war recession. Emerging market economic growth is seen at 1.6% vs. 6.1% in 2008. Present indicators point to weaker global economic growth in 2H09 followed by a modest recovery in 2010.

In Mexico 1Q09 economic activity was generally marked by a severe liquidity crunch, as reflected in most demand and production data. Exports of goods and services showed how the drop in external demand continued in the first quarter of the year and how the recession had a bigger impact on domestic spending.

Conditions in financial markets are expected to improve during the rest of 2009 and should become gradually more evident in 2010. As a result, and based on the outlook for the U.S. economy,

**Stock Exchanges Performance in US\$**

Ticker	One month ending 4/30/2009	4/30/08-4/30/09
MEXBOL (Mexico)	14.07%	-45.08%
IPSA (Chile)	8.33%	-28.98%
MERVAL (Argentina)	13.31%	-48.20%
IBOV (Brazil)	22.81%	-45.64%
IBVC (Venezuela)	1.29%	17.40%
IGBVL (Peru)	14.03%	-45.46%
IGBC (Colombia)	15.90%	-35.22%
INDU* <sup>1</sup> (U.S.)	7.35%	-36.29%
CCMP* <sup>2</sup> (U.S.)	12.35%	-28.83%

\*<sup>1</sup> Dow Jones, \*<sup>2</sup> Nasdaq.  
Source: Bloomberg.

Mexican GDP is seen declining 3.8-4.8% in 2009 y-o-y; however, based on the outlook for the global economy and U.S. industrial production, Mexican GDP should grow between 1.5% and 2.5% in 2010.

Stable financial markets are a prerequisite for economic recovery and recent market stabilization indices are encouraging in this regard. But while economies' financial conditions are expected to begin to get better in 2009 and 2010, it could take longer due to the need to restore confidence in the financial system.

We believe that the MXE should stick to its investment strategy this year and try to steer the fund through market pressures and high volatility. We believe that value investing will pay off in the long term.

We will continue to work with extreme caution for the benefit of MXE's long term investors.

*Yours sincerely,  
Eugenia Pichardo  
Portfolio Manager*

**MXE SECTORS BREAKDOWN**

**-Global Industry Classification Standard- as of April 30, 2009.**

- i. 16.82% Construction & Engineering.
- ii. 12.23% Industrial Conglomerates.
- iii. 10.46% Hotels, Restaurants and Leisure.
- iv. 8.72% Food +Beverage.
- v. 8.70% Wireless Telecommunications.
- vi. 6.32% Metals and Mining.
- vii. 4.72% Media.
- viii. 3.89% Infrastructure Transportation.
- ix. 2.80% Environmental Services.
- x. 2.59% Construction Materials.
- xi. 1.86% Financial Groups.
- xii. 1.22% Home Building.
- xiii. 16.50% Cash & Equivalent.
- xiv. 3.19% Corporate Bonds.



## THE MEXICO EQUITY AND INCOME FUND, INC.

### ECONOMIC DATA

<b>Economic Activity Index</b>	<ul style="list-style-type: none"><li>• IGAE decreased -10.8% one-year to <b>February</b>. The decline was led by industrial activities -13.2% decline, followed by services -9.6% drop and agriculture -7.1% decline. The -10.8% decrease registered in February compares unfavorably to the -9.5% fall in January 2009.</li></ul>
<b>Industrial Activity</b>	<ul style="list-style-type: none"><li>• Industrial production declined -13.2% one-year to <b>February</b>, the most in 14 years as the global financial crisis reduced construction projects and sapped demand for manufactured goods. Manufacturing production fell -16.1%, construction and utilities came down -11.3% and -6.5%, respectively. Mining production came down -7.0%.</li></ul>
<b>Gross Fixed Investment</b>	<ul style="list-style-type: none"><li>• Gross Fixed Investment declined -8.5% one-year to <b>January</b>. Investment in machinery and equipment (M&amp;E) fell -9.9%, in which expenditures in domestic and foreign capital goods fell -10.3% and -9.7%, respectively. Investment in construction was revised up to -7.5%.</li></ul>
<b>Trade Balance</b>	<ul style="list-style-type: none"><li>• Mexico's trade balance posted a US\$160 million surplus in <b>March</b>. Exports declined -25.1% y-o-y during the month. Oil and non-oil exports declined -62.4% and -15.7%, respectively. On the other hand, imports fell -21.9%, in which consumer goods imports fell -27.7% followed by intermediate goods -23% decrease and capital goods -7.5% decline.</li></ul>
<b>Mexican Oil Mix</b>	<ul style="list-style-type: none"><li>• The price of the Mexican oil mix closed <b>April</b> at US\$47.577 per barrel translating into a 10.96% increase in the month and -49.28% decrease in one-year.</li></ul>
<b>Retail Sales</b>	<ul style="list-style-type: none"><li>• Retail sales fell -8.6% y-o-y in <b>February</b> following a -4.6% decrease in January. In seasonally-adjusted terms, retail sales fell -0.5% with respect to January 2009. The decline was led by a decrease of durable goods: furniture, computers, telecommunications equipment, autos and home appliances.</li></ul>
<b>Unemployment</b>	<ul style="list-style-type: none"><li>• <b>March</b> unemployment rate came in at 4.76% compared to 5.3% in February. According to Social Security Institute (IMSS) 4,000 new jobs were created during the month. The number of unemployed individuals as at the end of the month was 2.147 million of total economic active workforce.</li></ul>
<b>Monetary Policy</b>	<ul style="list-style-type: none"><li>• On <b>April</b> Banxico lowered the overnight rate 75 bps. The Central Bank's board decided to cut its benchmark rate by 75 bps, bringing it down to 6.00%. Banxico's board acknowledged that "Balance of risks related to economic activity have deteriorated substantially as opposed to inflationary pressures".</li></ul>
<b>Inflation</b>	<ul style="list-style-type: none"><li>• Headline inflation came in at 0.58% month-over-month in <b>March</b>, above market expectations for a rise of 0.53%. Core inflation came in at 0.55%, above market estimates of 0.50%. These figures left 12-month headline inflation at 6.04%, below last month's 6.20%.</li></ul>



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ECONOMIC PROJECTIONS

Structure of GDP:  
70%  
24%  
29%  
(32%)

	2004	2005	2006	2007	2008	2009e
<b>National Accounts</b>						
Real GDP growth (y/y)	4.4%	3.0%	4.8%	3.2%	1.3%	(2.4%)
GDP (US \$bn.)	676.5	769.4	843.6	886.0	1,099.0	903.0
Consumption (Chg. y/y)	5.5%	5.4%	6.0%	4.3%	2.2%	(1.0%)
Investment (Chg. y/y)	7.5%	7.6%	11.5%	7.4%	4.4%	(-2.6%)
Exports (Chg. y/y)	11.5%	6.9%	10.3%	6.2%	1.3%	(6.1%)
Imports (Chg. y/y)	10.2%	8.7%	13.1%	7.1%	5.5%	(2.5%)
<b>Monetary and Exch. Rate Ind.</b>						
CPI Inflation (Dec. cumulative)	5.2%	3.3%	3.8%	3.8%	6.5%	3.5%
US\$ Exchange Rate (Year-End)	11.1	10.6	10.9	10.9	13.40	13.50
28day Cetes Int. Rate (Year-End)	8.5%	8.2%	7.1%	7.4%	7.9%	5.75%
<b>Balance of Payments</b>						
Trade Balance (US\$bn.)	(8.8)	(7.6)	(6.1)	(12.4)	(16.8)	(26.0)
Exports (US\$bn.)	188.0	214.2	253.9	270.6	291.8	232.5
Imports (US\$bn.)	196.8	221.8	260.0	283.0	308.6	258.5
Transfers (US\$bn.)	17.0	20.5	24.0	24.3	25.5	24.0
Current Account (US\$bn.)	(7.3)	(4.6)	(2.4)	(9.0)	(15.5)	(20.9)
Current Account (%GDP)	(1.1)	(0.7)	(0.3)	(1.0)	(1.4)	(2.3)
Foreign Direct Inv. (US\$bn.)	17.9	18.8	17.9	21.6	27.2	18.6
<b>Debt Profile</b>						
International Reserves (US\$bn.)	61.5	68.7	71.5	76.5	85.4	93.6

Source: Banamex.

MAIN MARKET STATISTICS

Global Value Traded (April/30/09)	
Index	Volume (U.S. \$ Million)
Mexico Stock Exchange	479.71
Brazil-Bovespa	2,485.87
Chile-Santiago Stock Exchange	233.53
Argentina Stock Exchange	12.16
Peru-Lima Stock Exchange	10.26
US-NYSE	31,824.4
US-NASDAQ	19,722.2

Source: Bloomberg

Commodities (April/30/09)				
US\$, %	Last	1M	3M	Y-T-D
Silver	12.37	-4.6	-2.4	8.6
Gold	888.20	-3.4	-4.3	0.7
Copper	4,433.25	10.7	42.1	45.7
Crude (WTI)	51.12	2.9	22.6	14.6
Crude (MIX)	47.57	11.0	18.7	39.0

Source: UBS Pactual

Currencies (April/30/09)				
(per US\$ %)	Last	1M	3M	Y-T-D
MXN (Mexico)	13.84	2.4	3.6	-1.1
ARS (Argentina)	3.71	-0.1	-6.2	-7.0
BRL (Brazil)	2.19	6.1	5.9	5.7
EUR (European Union)	0.76	-0.2	3.2	-5.3
JPY (Japan)	98.63	0.4	-8.8	-8.1
PEN (Peru)	2.98	5.9	5.7	5.2

Source: UBS Pactual

Debt Securities (April/30/09)	
	Last
28-day Cetes	5.760%
M10Y Bond	7.632%
M20Y Bond	8.104%
30Y Treasury Bond	4.299%

Source: Bloomberg

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## Disclosures and Definitions

*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. Read it carefully before investing.*

**Mutual fund investing involves risk. Principal loss is possible.**

### 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, lesser liquidity and small market capitalization of the Mexican securities markets; (2) currency fluctuations and the cost of converting Mexican pesos into U.S. dollars; (3) restrictions on foreign investment and potential restrictions on repatriation of capital invested in Mexico and remittance of profits and dividends accruing thereon; (4) political, economic and social risks and uncertainties, including risks of confiscatory taxation and expropriation or nationalization of assets; (5) higher rates of inflation, unemployment and interest rates than in the United States; and (6) less stringent disclosure requirements, less available information regarding Mexican public companies and less active regulatory oversight of Mexican public companies.

**Mexican Economic and Political Factors.** Although Mexico's economy has strengthened in recent years and Mexico's sovereign debt was recently upgraded to an "investment-grade" rating by the three most prominent rating agencies, including Standard and Poor's, Mexico continues to be characterized as a developing economy and investments in developing countries are subject to certain economic risks. Mexico has experienced widespread bank failures, currency devaluations, high levels of inflation and interest rates. Mexico is also dependent on certain industries and exports for the health of its economy. 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.

**Mexican Securities Laws and Accounting Rules.** There is less publicly available information about the issuers of Mexican securities, such as the Portfolio Securities, than is regularly published by issuers in the United States. Information provided by Mexican public companies may not be current, accurate or easily obtainable and, to the extent available, is likely to be in Spanish. Also, there is generally less governmental supervision and regulation of exchanges, brokers and issuers in Mexico than there is in the United States. 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.

- *MEXBOL-Mexico Bolsa Index: The Mexican Bolsa Index, or the IPC (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 as of October 30, 1978.*
- *IPSA-Chile Stock Market Select: The IPSA Index (Indice de Precios Selectivo de Acciones) is composed of the 40 stocks with the highest average annual trading volume in the Santiago Stock Exchange (Bolsa de Comercio de Santiago). On the last trading day of the year, the index is re-based back to 1000. The index has been calculated since 1977 and is revised on a quarterly basis.*
- *MERVAL-Argentina Merval Index: The Argentin Merval Index, a basket weighted index, is the market value of a stock portfolio, selected according to participation in the Buenos Aires Stock Exchange, number of transactions and trading value. The index has a base value of \$0.01 as of June 30, 1986. The index is revised every 3 months, taking into account trading volumes over the past 6 months.*
- *IBOV-Brazil Bovespa Stock Exchange Index: The Bovespa Index is a total return index weighted by traded volume and is comprised of the most liquid stocks traded on the Sao Paulo Stock Exchange. The Bovespa Index has been divided 10 times by a factor of 10 since January 1, 1985, those dates are: 12/02/85, 04/14/89, 05/28/91, 01/26/93, 02/10/94, 08/29/88, 01/12/90, 01/21/92, 08/27/93, 03/03/97.*
- *IBVC-Venezuela Stock Market Index: The IBC Index from the Caracas Stock Exchange (Venezuela), also known as the General Index, is a capitalization-weighted index of the 15 most liquid and highest capitalized stocks traded on the Caracas Stock Exchange (Bolsa de Valores de Caracas). The index was modified from a previous existing index on August 28, 1997, but essentially continues to be the same.*
- *IGBVL-Peru Lima General Index: The IGBVL Index is a value weighted index that tracks the performance of the largest and most actively traded stocks on the Lima Exchange. The index was developed with a base value of 100 as of December 31, 1981.*
- *IGBC-IGBC General Index: The IGBC Index from the Colombia Stock Exchange, also known as the General Index, is Price-weighted index of the liquid and highest capitalized stocks traded on the Colombia Stock Exchange (Bolsa*

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*de Valores de Colombia). This index was merged with Medellin and Occidente since 7/3/01.*

- *INDU-Dow Jones Industrial Average: The Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. It has been a widely followed indicator of the stock market since October 1, 1928.*
- *CCMP-Nasdaq Composite Index: The Nasdaq Composite Index is a broad-based capitalization-weighted index of stocks in all three Nasdaq tiers: Global Select, Global Market and Capital Market. The index was developed with a base level of 100 as of February 5, 1971.*
- *M10Y Bond: The Underlying Asset is the Fixed Interest Rate Federal Government Development Bonds, issued or to be issued by the federal government, through the Ministry of Finance and Public Credit, and placed by the Central Bank (Banco de Mexico), in its capacity as financial agent of the federal government, at a par value of 100 (one hundred) Mexican pesos, and for a term of 10 (ten) years.*
- *M20Y Bond: The Underlying Asset is the Fixed Interest Rate Federal Government Development Bonds, issued or to be issued by the federal government, through the Ministry of Finance and Public Credit, and placed by the Central Bank (Banco de Mexico), in its capacity as financial agent of the federal government, at a par value of 100 (one hundred) Mexican pesos, and for a term of 20 (twenty) years.*

*You cannot invest directly in an index.*

*Beta measures the volatility of the fund, as compared to that of the overall market. The Market's beta is set at 1.00; a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile.*

*Basis point (bps) is one hundredth of a percentage point ( 0.01%).*

*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 the 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.*

*Free Cash Flow: a measure of financial performance calculated as operating cash flow minus capital expenditures. Free cash flow (FCF) represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base. Price to Book Value ratio (P/BV): a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.*

*Price to Earnings ratio (P/E): a valuation ratio of a company's current share price compared to its per-share earnings.*

*Earnings before interest, taxes, depreciation and Amortization (EBITDA): an indicator of a company's financial performance and it is essentially Net Income with interest, taxes, depreciation, and amortization added back to it. EBITDA can be used to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions. However, this is a non-GAAP measure that allows a greater amount of discretion as to what is (and is not) included in the calculation.*

*Net Debt/EBITDA: A measure of a company's ability to pay off its incurred debt. This ratio gives the investor the approximate amount of time that would be needed to pay off all debt, ignoring the factors of interest, taxes, depreciation and amortization.*

*Alpha stocks: is an asset classification created by PAM and is based on the following criteria: high total annual yield, clean balance sheet, market share dominance and pricing power.*

*Beta stocks: in an asset classification created by PAM and is based on the following criteria: oversold stocks with consistent sales and EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) growth, especially in the infrastructure and housing sectors.*