

The Mexico Fund, Inc.

**Monthly Summary Report
May 2010**



Prepared By:

**Impulsora del Fondo México, sc
Investment Advisor to the Fund**



www.themexicofund.com

The information presented in this report has been derived from the sources indicated. Neither The Mexico Fund, Inc. nor its Adviser, Impulsora del Fondo México, S.C., has independently verified or confirmed the information presented herein.

I. THE MEXICO FUND DATA

	<u>End of Month</u>	<u>One Month Earlier</u>	<u>One Year Earlier</u>
Total Net Assets ¹ (million US\$)	\$355.46	\$383.24	\$329.18
NAV per share	\$26.25	\$28.12	\$19.14
Closing price NYSE ²	\$22.57	\$24.85	\$16.86
% Premium (Discount)	(12.82%)	(11.63%)	(11.91%)
Shares traded per month ² (composite figures)	650,201	763,330	686,677
Outstanding shares ³	13,540,323	13,630,464	17,195,278
Shares on Short Interest Position ²	5,281	6,786	70,779

Note: Past performance is no guarantee of future results.

II. PERFORMANCE⁴

	<u>1 Month</u>	<u>3 Months</u>	<u>6 Months</u>	<u>1 Year</u>
Market price	-9.18%	0.40%	7.57%	46.28%
NAV per share	-7.93%	0.74%	6.78%	46.38%
Bolsa Index	-6.71%	0.00%	3.49%	34.04%
MSCI Mexico Index	-6.20%	2.71%	2.59%	33.94%
	<u>2 Years</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
Market price	-19.90%	-17.41%	89.16%	366.93%
NAV per share	-24.75%	-22.46%	85.76%	271.34%
Bolsa Index	-19.97%	-15.24%	108.56%	295.16%
MSCI Mexico Index	-20.90%	-21.19%	85.31%	231.55%

III. THE MEXICAN STOCK EXCHANGE

	<u>End of Month</u>	<u>One Month Earlier</u>	<u>One Year Earlier</u>
Bolsa Index ⁵	32,038.53	32,687.32	24,331.70
Daily avg. of million shares traded	329.9	281.8	276.2
Valuation Ratios ⁶ : P/E	17.21	18.43	25.22
P/BV	2.88	2.78	2.61
EV/EBITDA	8.20	8.64	7.31
Market capitalization (billion US\$)	\$393.89	\$428.85	\$297.22

¹ **Source:** Impulsora del Fondo México, S.C. (Impulsora). Impulsora utilizes the spot exchange rate, provided by Bloomberg, to calculate the Fund's Net Asset Value per share (NAV). The NAV is published every business day on the Fund's website www.themexicofund.com.

² **Source:** New York Stock Exchange

³ During May 2010, the Fund repurchased and cancelled 90,141 Fund shares at a weighted average price and discount of \$23.32 and 12.36%, respectively.

⁴ **Sources:** Lipper, Inc., Bloomberg and Impulsora del Fondo México, S.C. Periods ended on the last US business day of the date of this report. Figures calculated using the dividend reinvestment criteria and adjustments for rights offerings.

⁵ **Source:** Mexican Stock Exchange

⁶ **Source:** Impulsora del Fondo México, S.C. Figures represent the average obtained from a representative sample of companies listed on the Bolsa. P/E refers to Price/Earnings, P/BV refers to Price/Book Value and EV/EBITDA refers to Enterprise Value/Earnings Before Interests, Taxes, Depreciation and Amortization.

IV. THE MEXICAN ECONOMY.

	<u>End of Month</u>	<u>One Month Earlier</u>	<u>One Year Earlier</u>
Treasury Bills⁷			
One month	4.52%	4.44%	5.29%
Six months	4.72%	4.72%	5.25%
One year	4.96%	5.09%	5.41%
Long-term Bonds			
Three years	5.73%	5.85%	6.18%
Five years	6.20%	6.63%	6.78%
Ten years	7.49%	7.54%	7.55%
20 years	N.A.	7.99%	8.13%
30 years	8.20%	N.A.	N.A.
Currency Market⁸			
Exchange Rate (Ps/US\$)	Ps. 12.9346	Ps. 12.3109	Ps. 13.1667
	<u>Month</u>	<u>Year to Date</u>	<u>Last 12 Months</u>
Inflation Rates on Previous Month			
Consumer Price Index ⁹ (CPI)	-0.32%	2.07%	4.27%

V. ECONOMIC COMMENTS.

According to results of the monthly poll conducted at the end of May 2010 by Mexico's Central Bank (Banxico), economic analysts of the private sector estimate that Mexico's gross domestic product (GDP) will grow 4.31% and 3.62% during 2010 and 2011, respectively. The inflation rate is estimated to be 4.94% for 2010 and 3.95% for 2011. The exchange rate of the peso against the dollar is expected to end 2010 at Ps. 12.48 and at Ps. 12.81 towards the end of 2011, while the interest rate for the 28-day Cetes (Treasury Bills) is estimated to be 4.78% and 5.96% for the same periods. The complete results of this and past polls are available at Banxico's website, located at www.banxico.org.mx.

⁷ Monthly average of weekly auctions as published by Banco de México. N.A. means no auction for such instrument was scheduled for this month.

⁸ Sources: Bloomberg and Banco de México

⁹ Source: Banco de México

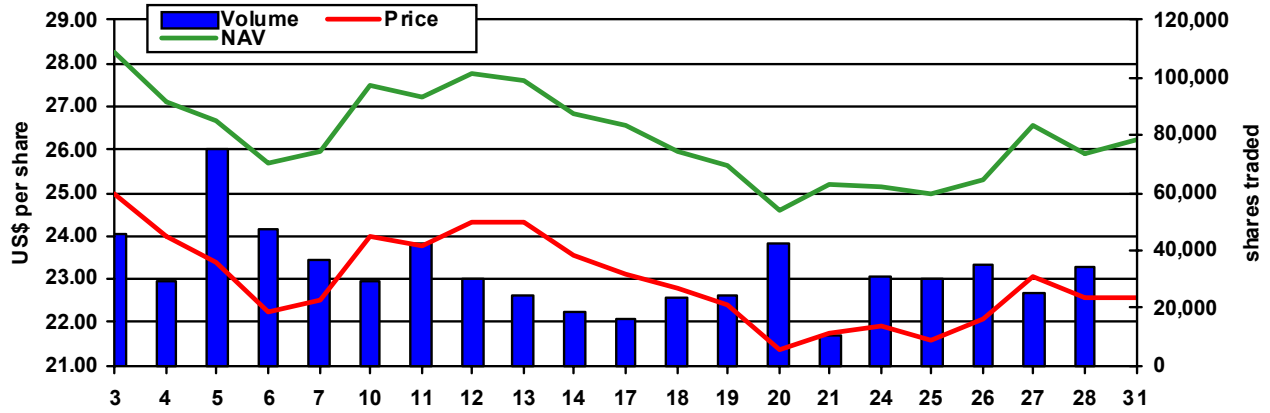
VI. PORTFOLIO OF INVESTMENTS AS OF MAY 31, 2010 (UNAUDITED)

Shares Held	Common Stock - 91.79%	Value	Percent of Net Assets
	Airports		
2,000,000	Grupo Aeroportuario del Centro Norte, S.A.B de C.V. Series B	\$3,338,333	0.94%
838,500	Grupo Aeroportuario del Sureste, S.A.B. de C.V. Series B	4,427,624	1.24
		<u>7,765,957</u>	<u>2.18</u>
	Beverages		
3,405,000	Fomento Económico Mexicano, S.A.B. de C.V. Series UBD	14,870,846	4.18
1,047,500	Grupo Modelo, S.A.B. de C.V. Series C	5,815,485	1.64
		<u>20,686,331</u>	<u>5.82</u>
	Building Materials		
14,000,000	Cemex, S.A.B. de C.V. Series CPO	15,802,576	4.44
1,592,400	Grupo Cementos de Chihuahua, S.A.B. de C.V.	5,540,024	1.56
		<u>21,342,600</u>	<u>6.00</u>
	Chemical Products		
5,000,033	Mexichem, S.A.B. de C.V.	13,139,264	3.70
	Commercial Banks		
1,039,700	Banco Compartamos, S.A., Institución de Banca Múltiple. Series O	5,735,206	1.61
	Construction and Infrastructure		
3,000,000	Empresas ICA, S.A.B. de C.V.	7,062,453	1.99
	Consumer Products		
2,596,280	Kimberly-Clark de México, S.A.B. de C.V. Series A	14,147,002	3.98
	Financial Groups		
3,566,000	Grupo Financiero Banorte, S.A.B. de C.V. Series O	13,925,337	3.92
	Food		
1,800,000	Grupo Bimbo, S.A.B. de C.V. Series A	12,787,562	3.60
	Health Care		
2,500,000	Genomma Lab Internacional, S.A.B de C.V. Series B	7,858,766	2.21
	Holding Companies		
1,348,000	Alfa, S.A.B. de C.V. Series A	9,529,566	2.68
2,700,000	Grupo Carso, S.A.B. de C.V. Series A1	8,869,466	2.50
		<u>18,399,032</u>	<u>5.18</u>
	Housing		
1,789,100	Urbi Desarrollos Urbanos, S.A.B. de C.V.	3,503,618	0.99
	Media		
5,615,000	Grupo Televisa, S.A.B. Series CPO	21,687,984	6.10
	Mining		
10,990,000	Grupo México, S.A.B. de C.V. Series B	26,356,424	7.41
440,000	Industrias Peñoles, S.A.B. de C.V.	8,018,555	2.26
		<u>34,374,979</u>	<u>9.67</u>

Shares Held		Value	Percent of Net Assets
	COMMON STOCK		
	Retail		
200,000	First Cash Financial Services, Inc.	4,205,928	1.18
2,000,000	Grupo Comercial Chedraui, S.A.B. de C.V. Series B	5,411,841	1.52
18,500,000	Wal-Mart de México, S.A.B. de C.V. Series V	41,148,934	11.58
		<u>50,766,703</u>	<u>14.28</u>
	Steel		
905,100	Industrias CH, S.A.B. de C.V. Series B	3,114,592	0.88
	Stock Exchange		
6,700,000	Bolsa Mexicana de Valores, S.A.B. de C.V. Series A	9,997,217	2.81
	Telecommunications Services		
28,550,000	América Móvil, S.A.B. de C.V. Series L	69,859,717	19.65
	Total Common Stock	<u>\$336,154,320</u>	<u>94.57%</u>
Securities	SHORT-TERM SECURITIES - 5.28%		
Principal Amount			
	Repurchase Agreements		
\$17,368,760	BBVA Bancomer, S.A., 4.30%, dated 05/31/10, due 06/01/10 repurchase price \$17,370,835, collateralized by Bonos del Gobierno Federal.	\$17,368,760	4.89%
	Time Deposits		
	Comerica Bank, 0.05%, dated 05/28/10, due 06/01/10	1,376,034	0.39
	Total Short-Term Securities	<u>18,744,794</u>	<u>5.28</u>
	Total Investments	<u>354,899,114</u>	<u>99.85</u>
	Other Assets in Excess of Liabilities	<u>560,161</u>	<u>0.15</u>
	Net Assets Equivalent to \$26.25 per share on 13,540,323 shares of capital stock outstanding	<u>\$355,459,275</u>	<u>100.00%</u>

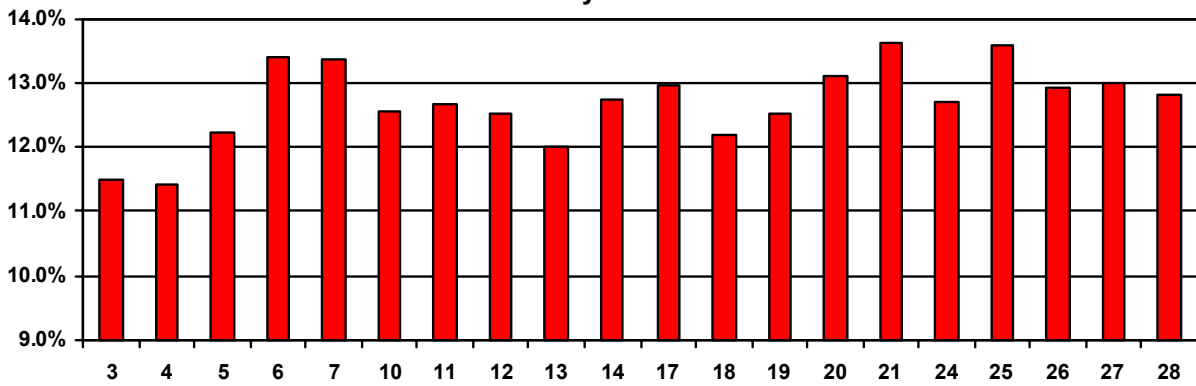
VII. THE MEXICO FUND, INC. CHARTS

Price, NAV and Volume
May 2010



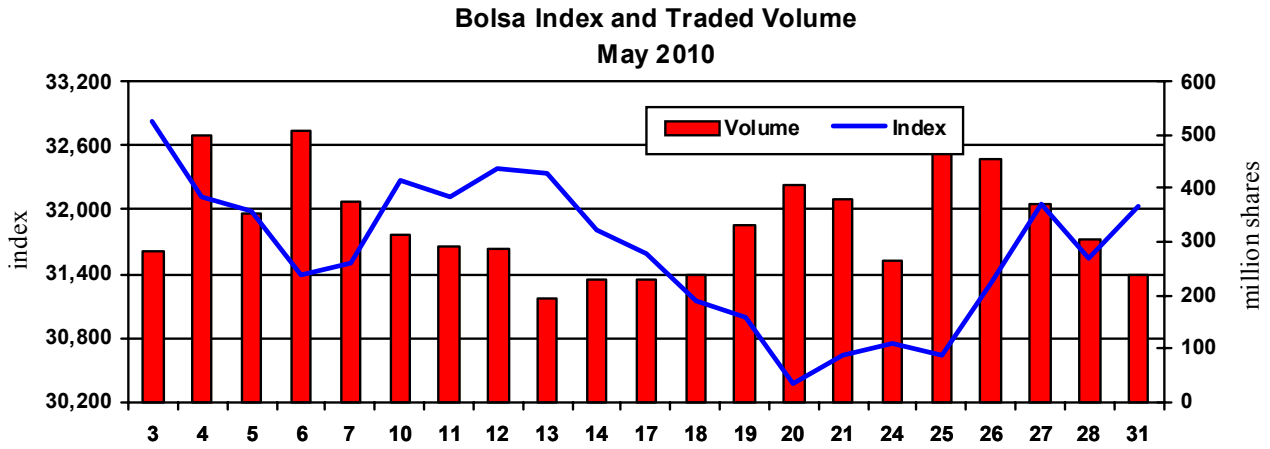
Sources: New York Stock Exchange and Impulsora del Fondo México, S.C. Past performance is no guarantee of future results.

Discount (Market Price/NAV)
May 2010

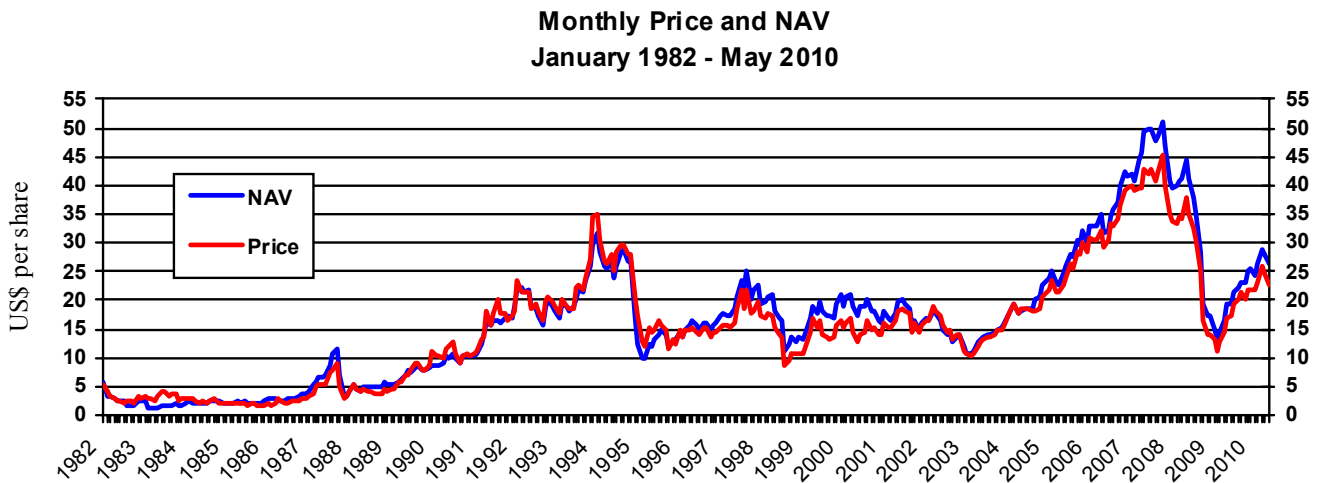


Source: Impulsora del Fondo México, S.C. Past performance is no guarantee of future results.

VII. THE MEXICO FUND, INC. CHARTS (continued)



Source: Mexican Stock Exchange. Past performance is no guarantee of future results.



Price as provided by the NYSE and adjusted for rights offerings. NAV as provided by Impulsora del Fondo México, S.C. and also adjusted. Past performance is no guarantee of future results.