

MEXICO FUND INC  
Form N-Q  
March 30, 2010

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANY**

**INVESTMENT COMPANY**

Investment Company Act file number 811-03170

**THE MEXICO FUND, INC.**

**(Exact name of Registrant as specified in charter)**

**1775 I Street, NW, Suite 1100**

**Washington, DC 20006**

**(Address of principal executive offices) (Zip code)**

**Sander M. Bieber**

**Dechert LLP**

**1775 I Street, NW, Suite 1100**

**Washington, DC 20006**

**(Name and Address of Agent for Service)**

Registrant's telephone number, including area code: (202) 261-7941

Date of fiscal year end: October 31

Date of reporting period: January 31, 2010

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided

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on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ( OMB ) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

**Item 1. Schedule of Investments.****The Mexico Fund, Inc.****Schedule of Investments as of January 31, 2010 (Unaudited)**

| Shares Held                            |   | Value<br>(Note 1) | Percent<br>of Net<br>Assets |
|--|---|-------------------|-----------------------------|
| <b>COMMON STOCK - 92.69%</b>           |   |                   |                             |
| <b>Airports</b>                        |   |                   |                             |
| 2,121,148                              | Grupo Aeroportuario del Centro Norte, S.A.B de C.V. Series B    | \$ 3,176,458      | 0.93%                       |
| 838,500                                | Grupo Aeroportuario del Sureste, S.A.B. de C.V. Series B        | 4,131,349         | 1.21                        |
|  |   | 7,307,807         | 2.14                        |
| <b>Beverages</b>                       |   |                   |                             |
| 3,405,000                              | Fomento Económico Mexicano, S.A.B. de C.V. Series UBD           | 14,394,868        | 4.23                        |
| 1,047,500                              | Grupo Modelo, S.A.B. de C.V. Series C (a)                       | 5,163,507         | 1.51                        |
|  |   | 19,558,375        | 5.74                        |
| <b>Building Materials</b>              |   |                   |                             |
| 14,000,000                             | Cemex, S.A.B. de C.V. Series CPO                                | 13,075,219        | 3.84                        |
| 1,956,200                              | Grupo Cementos de Chihuahua, S.A.B. de C.V. Series * (a)        | 6,871,722         | 2.02                        |
|  |   | 19,946,941        | 5.86                        |
| <b>Chemical Products</b>               |   |                   |                             |
| 5,794,533                              | Mexichem, S.A.B. de C.V. Series *                               | 12,389,990        | 3.64                        |
| <b>Commercial Banks</b>                |   |                   |                             |
| 1,039,700                              | Banco Compartamos, S.A., Institución de Banca Múltiple Series O | 5,063,923         | 1.49                        |
| <b>Construction and Infrastructure</b> |   |                   |                             |
| 2,200,000                              | Empresas ICA, S.A.B. de C.V. Series * (a)                       | 5,367,698         | 1.57                        |
| <b>Consumer Products</b>               |   |                   |                             |
| 2,666,280                              | Kimberly-Clark de México, S.A.B. de C.V. Series A               | 11,947,866        | 3.51                        |
| <b>Financial Groups</b>                |   |                   |                             |
| 2,189,300                              | Grupo Financiero Banorte, S.A.B. de C.V. Series O               | 7,190,668         | 2.11                        |
| <b>Food</b>                            |   |                   |                             |
| 2,000,000                              | Grupo Bimbo, S.A.B. de C.V. Series A                            | 12,562,047        | 3.69                        |
| <b>Health Care</b>                     |   |                   |                             |
| 5,000,000                              | Genomma Lab Internacional, S.A.B de C.V. Series B (a)           | 11,622,757        | 3.41                        |
| <b>Holding Companies</b>               |   |                   |                             |
| 1,103,000                              | Alfa, S.A.B. de C.V. Series A                                   | 7,106,538         | 2.09                        |
| 3,000,000                              | Grupo Carso, S.A.B. de C.V. Series A1                           | 9,264,605         | 2.72                        |
|  |   | 16,371,143        | 4.81                        |

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**Housing**

|           |   |           |      |
|-----------|---|-----------|------|
| 2,131,700 | Corporación Geo, S.A.B. de C.V. Series B (a)          | 5,651,976 | 1.66 |
| 1,789,100 | Urbi Desarrollos Urbanos, S.A.B. de C.V. Series * (a) | 3,792,701 | 1.11 |
|           |   | 9,444,677 | 2.77 |

**Media**

|           |  |            |      |
|-----------|--|------------|------|
| 4,100,000 | Grupo Televisa, S.A.B. Series CPO                | 16,071,249 | 4.72 |
| 1,308,000 | Megacable Holdings S.A.B. de C.V. Series CPO (a) | 2,625,988  | 0.77 |
|           |  | 18,697,237 | 5.49 |

**Mining**

|            |   |            |      |
|------------|---|------------|------|
| 12,343,588 | Grupo México, S.A.B. de C.V. Series B           | 24,988,814 | 7.34 |
| 340,000    | Industrias Peñoles, S.A.B. de C.V. Series * (a) | 6,282,016  | 1.84 |
|            |   | 31,270,830 | 9.18 |

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| Shares Held                          |   | Value<br>(Note 1) | Percent<br>of Net<br>Assets |
|--------------------------------------|---|-------------------|-----------------------------|
| <b>Retail</b>                        |   |                   |                             |
| 200,000                              | First Cash Financial Services, Inc. Series * (a)  | \$ 4,566,018      | 1.34%                       |
| 2,880,000                            | Grupo Famsa, S.A.B. de C.V. Series A (a)  | 5,966,735         | 1.75                        |
| 9,880,000                            | Wal-Mart de México, S.A.B. de C.V. Series V   | 43,752,669        | 12.85                       |
|                                      |   | 54,285,422        | 15.94                       |
| <b>Steel</b>                         |   |                   |                             |
| 905,100                              | Industrias CH, S.A.B. de C.V. Series B (a)  | 2,800,661         | 0.82                        |
| <b>Stock Exchange</b>                |   |                   |                             |
| 7,293,000                            | Bolsa Mexicana de Valores, S.A.B. de C.V. Series A (a)  | 9,194,916         | 2.70                        |
| <b>Telecommunications Services</b>   |   |                   |                             |
| 27,000,000                           | América Móvil, S.A.B. de C.V. Series L  | 59,010,309        | 17.33                       |
| 1,870,200                            | Axtel, S.A.B. de C.V. Series CPO (a)  | 1,673,825         | 0.49                        |
|                                      |   | 60,684,134        | 17.82                       |
|                                      | Total Common Stock (Identified cost - \$272,644,744)  | \$ 315,707,092    | 92.69%                      |
| <b>Securities</b>                    |   |                   |                             |
| <b>Principal Amount</b>              |   |                   |                             |
| <b>SHORT-TERM SECURITIES - 8.57%</b> |   |                   |                             |
| <b>Repurchase Agreements</b>         |   |                   |                             |
| \$24,634,175                         | BBVA Bancomer, S.A., 4.45%, dated 01/29/10, due 02/02/10 repurchase price \$24,646,219, collateralized by Bonos del Gobierno Federal. Value of collateral \$24,913,814. | \$ 24,634,175     | 7.23%                       |
| <b>Time Deposits</b>                 |   |                   |                             |
|                                      | Comerica Bank., 0.05%, dated 01/29/10, due 02/01/10   | 4,557,669         | 1.34                        |
|                                      |   | 29,191,844        | 8.57                        |
|                                      | Total Short-Term Securities (Identified cost - \$29,191,844)  | 29,191,844        | 8.57                        |
|                                      | <b>Total Investments</b> (Identified cost \$301,836,588)  | 344,898,936       | 101.26                      |
|                                      | Other Liabilities in Excess of Assets   | (4,309,278)       | (1.26)                      |
|                                      | <b>Net Assets</b> Equivalent to \$24.32 per share on 14,005,552 shares of capital stock outstanding   | \$ 340,589,658    | 100.00%                     |

(a) Shares of these securities are currently non-income producing. Equity investments that have not paid dividends within the last twelve months are considered to be non-income producing.

**Supplemental Information**

Effective November 1, 2008, the Fund adopted authoritative guidance under GAAP which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The Fund has determined that the implementation did not have a material impact on the Fund's financial statements.

This guidance establishes a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs).

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These inputs are used in determining the value of the Fund's investments and are summarized in the following fair value hierarchy:

Level 1 quoted prices in active markets for identical securities

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)  
The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

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The following is a summary of the inputs used as of January 31, 2010, in valuing the Fund's assets and liabilities carried at fair value:

| Valuation Inputs                | LEVEL 1        | LEVEL 2       | LEVEL 3 | TOTAL          |
|---------------------------------|----------------|---------------|---------|----------------|
| <b>ASSETS:</b>                  |                |               |         |                |
| Investments in Securities:      |                |               |         |                |
| Equity Investments(a)           | \$ 315,707,092 |               |         | \$ 315,707,092 |
| Short Term Investments          |                | \$ 29,191,844 |         | \$ 29,191,844  |
| Total Investments in Securities | \$ 315,707,092 | \$ 29,191,844 |         | \$ 344,898,936 |

(a) For detailed industry descriptions, see the accompanying Schedule of Investments.

The following is a reconciliation of the change in value of Level 3 assets (for which significant unobservable inputs were used to determine fair value):

|  | Investments in Securities |
|--|---------------------------|
| Balance as of 10/31/09                           | \$                        |
| Realized gain (loss)                             |                           |
| Change in unrealized appreciation (depreciation) |                           |
| Net Purchases (Sales)                            |                           |
| Transfers in and/or (out) of Level 3             |                           |
| Balance as of 1/31/10                            | \$                        |

**Item 2. Controls and Procedures.**

(a) Based on an evaluation of Registrant's Disclosure Controls and Procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) (the "Disclosure Controls"), as of a date within 90 days prior to the filing date (the "Filing Date") of this Form N-Q (the "Report"), the Registrant's Principal Executive Officer and Principal Financial Officer have concluded that the Disclosure Controls are effectively designed to ensure that information required to be disclosed by the Registrant in the Report is recorded, processed, summarized and reported by the Filing Date, including ensuring that information required to be disclosed in the Report is accumulated and communicated to the Registrant's management, including the Registrant's Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the Registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits.**

Filed as exhibits herewith are separate certifications for Registrant's Principal Executive Officer and Principal Financial Officer of the registrant as required by Rule 30a-2(a) under Investment Company Act of 1940.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By: /s/ JOSÉ LUIS GÓMEZ PIMIENTA  
**José Luis Gómez Pimienta**

**President and Principal Executive Officer**

March 30, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ JOSÉ LUIS GÓMEZ PIMIENTA  
**José Luis Gómez Pimienta**

**President and Principal Executive Officer**

March 30, 2010

By: /s/ ALBERTO OSORIO  
**Alberto Osorio**

**Senior Vice President, Treasurer and Principal  
Financial Officer**

March 30, 2010