BBVA Research

Mexico

Weekly Watch

January 14, 2011

Next week…

Economic Analysis

Ivan Martinez
Ivan.martinez.2@bbva.bancomer.com

Arnoldo López Marmolejo
arnoldo.lopez@bbva.bancomer.com

Market Analysis

Octavio Gutiérrez Engelmann
o.gutierrez3@bbva.bancomer.com

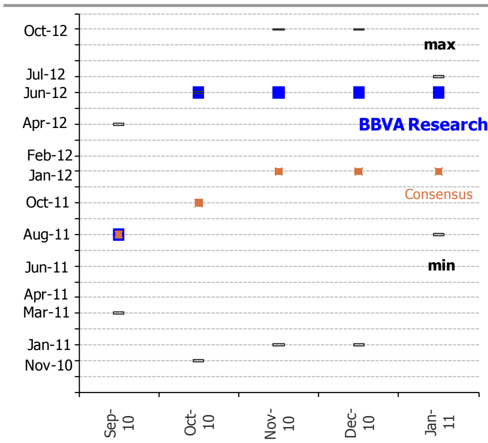
…Banxico set to keep lending rate…

With inflation expected to remain in the range forecast by Banxico and growth that slowly closes the negative output gap, it is reasonable to assume that the Bank of Mexico will maintain the lending rate for a further month, at 4.5% since July 2009. Maintaining this scenario of moderate growth and inflation below 4% in coming quarters reinforces the outlook of a prolonged monetary pause beyond 2011. The Banxico statement will maintain the outlook of moderate growth in the U.S. that is wary of global financial markets with abundant liquidity generated by expansionary monetary policies in developed countries, and therefore the search for profitability, and in turn the search for lower risk facing the uncertainty regarding the resolution of the public debt turmoil in some euro area countries. In the domestic environment, we expect Banxico to continue to signal the outlook of slower growth and controlled inflation in an environment with a lack of demand pressures and an exchange rate that is strengthening. However, we must be attentive to the messages from the monetary authority regarding the recent rise in food commodity prices in international markets, amplified by the repeated mention that the issue has had in recent press. *[continued on next page]*

The curve incorporates new monetary policy expectations, the peso has strengthened and the launching of corporate reports in the U.S. between the facts and relevant dynamic

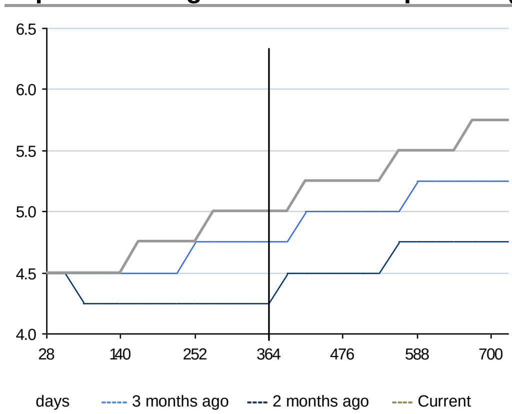
Balance sheet of U.S. economic data still favorable and season of positive reports contributed to strengthen the MXN by 1.7% in a week. With implied currency volatility it stays low and the forward curve points to strengthening, we see a floor at 12.0 and possible rebound to 12.15. In turn, the fixed income market began to incorporate a tightening cycle by the end of Q2-11; however, current economic conditions continue to point to a monetary pause throughout 2011. In the week, the reporting season of S&P 500 companies could include a utility increase of 31% according to the consensus

Chart 1
Movement expectations in the lending rate



Source: BBVA Research with Banamex data

Chart 2
Implied funding rate on the swap curve (%)



Source: BBVA Research with data from Bloomberg

Economic Analysis

Arnoldo López Marmolejo
arnoldo.lopez@bbva.bancomer.com

Cecilia Posadas
c.posadas@bbva.bancomer.com

Ivan Martinez
Ivan.martinez.2@bbva.bancomer.com

Pedro Uriz
Pedro.uriz2@bbva.bancomer.com

Calendar: Indicators

Banxico, decision on monetary policy

Friday, January 21. Decision: maintain (4.5%); Consensus: maintain

(continued from previous page)

Inflation in Mexico and commodity prices in the international market: limited relationship

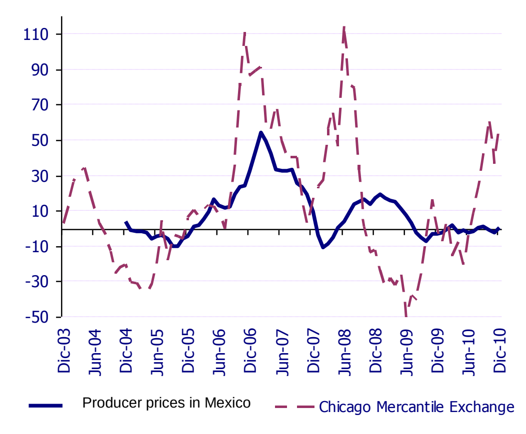
Analysts and international agencies have pointed out that the recent upturn in food commodity prices is a significant upward risk to inflation and downward for economic recovery in emerging markets. In the case of Mexico, it is observed that, until now, the transfer of price increases in international food markets to the domestic ones is still very limited. Among other reasons, this is because i) different domestic food producers do not move their prices in line with international prices due to a market structure that hinders access to export markets, and ii) the proportion of imports in the consumption of some of the foods with most weight in the CPI basket of goods, wheat, corn and sugar, is low. Furthermore, international prices of food at this time are still somewhat lower than the peaks in 2008 and 2009, depending on the product. With moderate growth in the U.S. and Europe, and as uncertainty is reduced concerning sovereign risk of the peripheral countries of the Euro, it is expected that prices of food and other commodities will be reduced. However, it is necessary to monitor its progress, and in particular keep track of news on agricultural crops, energy prices, and pricing decisions of domestic producers who do not export.

Unemployment rate in December

Friday, January 21: 5.2% CSV Consensus: N/A November: 5.4

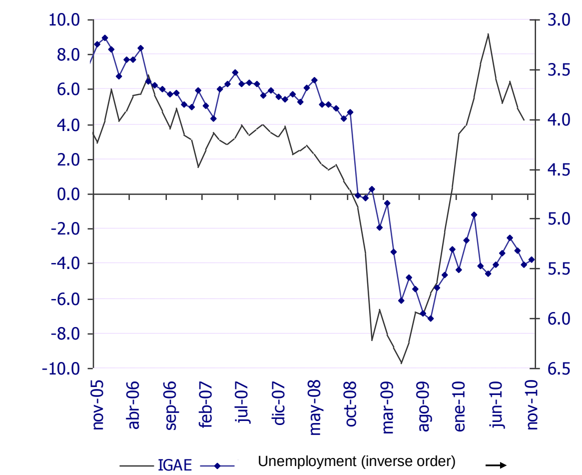
Given the dynamics of recent months, it probable that the unemployment rate on the active population has continued to oscillate in the 5.0% -5.5% range which it has been moving in throughout 2010. This is a comparatively high figure for the performance of the activity. The lack of agreement in economic recovery with a decrease in the unemployment rate may be related to the concentration of employment recovery in relatively few activities intensive in capital use, such as the manufacturing sector.

Chart 3
Price of maize (Var% yoy)



Source: BBVA Research, Bank of Mexico

Chart 4
Economic activity and unemployment rate (yoy % and % in EAP)



Source: BBVA Research and INEGI

Market Analysis

Macro Latam Strategy
Chief Strategist
Octavio Gutiérrez Engelmann
o.gutierrez3@bbva.bancomer.com
+5255 5621 9245

Equity Latam
Chief Analyst
Rodrigo Ortega
r.ortega@bbva.bancomer.com
+52 55 5621 9701

FX Latam
Chief Strategist
Moises Junca, CFA, CMT
moises.junca@bbva.bancomer.com
+5255 5621 9380

Claudia Ceja
claudia.ceja@bbva.bancomer.com
+5255 5621 9715

Fixed Income Analysis Mexico
Chief Strategist
Ociel Hernández
o.hernandez@bbva.bancomer.com
+5255 5621 9616

Liliana Solis
liliana.solis@bbva.bancomer.com
+5255 5621 9877

Technical Analysis
Alejandro Fuentes
a.fuentes@bbva.bancomer.com
+52 55 5621 9975

Markets

The market has changed its monetary policy expectations in recent months

In early October, the market had delayed the start of the monetary cycle of rising rates. Later, with the expectation of less dynamic growth, the Swap curve incorporated a drop in rates over the next six months. Now, with the upward pressure that has been observed recently, the market features a restrictive cycle for the end of the second quarter 2011, as well as the normalization amount: 125bp upward (cumulative) in fees for the next two years vs. 25 and 75 bp that the curve subtracted 2 and 3 months ago respectively. This increase may be adding to the upward pressure that has been observed in the markets due to risk aversion and increased international liquidity. Given current economic conditions, we estimate a monetary pause during 2011.

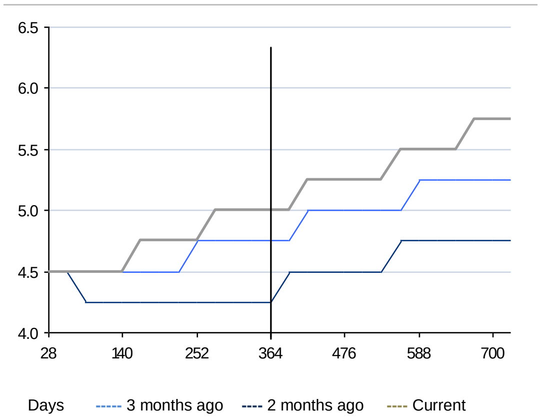
Strengthening of 1.7% for moderation of risk premiums: psychological support of 12.0, without ruling out a correction towards the area of 12.15

Last week the MXN posted a strengthening of 1.7% in response to a moderation in global risk premiums and a continuation of favorable expectations for the global cycle. Specifically, there are three main elements that act in favor of the currency: 1) U.S. economic data, to which the Mexican peso has shown a greater degree of sensitivity (although mixed results, the end inflation data and industrial output favored a further shift towards the area of 12.08), 2) favorable corporate earnings reports in the U.S. and 3) lower risk of intervention in the currency market by Banxico (in contrast with the position of most countries in the region). Additionally, implied volatility is still going down, the *forward* curve continues to reflect an expectation of strengthening and the long MXN speculative position in the CME increased by U.S. $405mn. However, the level of 12.0 is a psychological level of support, so do not rule out a further correction towards the area of 12.15.

Reporting results season, the consensus estimates a utility increase of 31% for the S&P 500 companies.

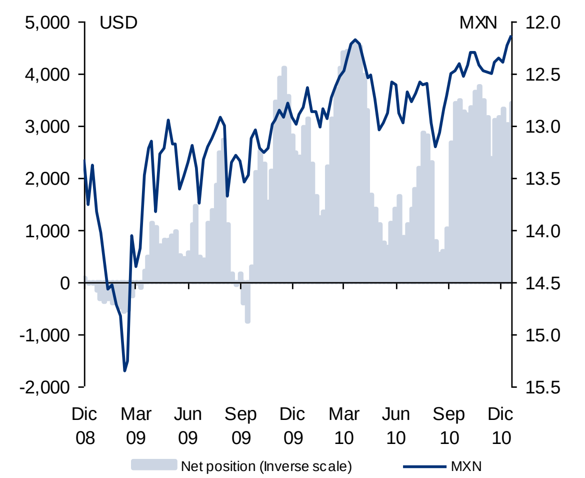
To date, only 7 companies have reported, with a 31.4% growth in EPS and exceeding market expectations by 12.5%. The three positive reports from Alcoa, Intel and JPM stood out the previous week, particularly the second one with a positive outlook for 2011. This week activity will increase: 49 reports are expected, which include Apple, Citigroup, IBM, WD, BoNY, EBAY, GS, State St, WF, AMD, Freeport, Google, MS, BofA and GE. While the trend of positive surprises has been decelerating in recent quarters relative to the September 2009 peak (79.5%), it is noteworthy that the estimates for 2010 have not changed significantly over the last three months, leaving room to exceed expectations and, therefore, with the capacity to act, at least, as a support for the stock exchanges. In turn, the earnings season in Mexico will begin by next week.

Chart 5
Implied funding rate on the swap curve (%)



Source: BBVA Research with data from Bloomberg

Chart 6
MXN: Long Non-Trading Positions in CME (US$mn)



Source: BBVA Research with data from Bloomberg

Mexico City, January 14, 2011

Market Analysis
Variable Income

Technical Analysis

Alejandro Fuentes Pérez (*)
a.fuentes @bbva.bancomer.com
5255 5621 9705

(*) Writer(s) of the report

Technical Analysis

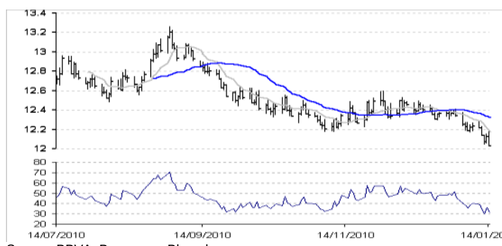
CPI Stock Market Index

Source: BBVA, Bancomer, Bloomberg

CPI The CPI adjustment during the first two weeks of the year (-1.3%) means that the market has returned to levels of short term support by trading around the moving average 30 days (38.106 pts) at the end of the week. We believe that this level may be observed due to strong sales of several of the issuers of the CPI which can begin to cause technical rebounds on them. It is important that the following sessions are capable of being placed above 38.106 pts to reduce short-term pressure. This rebound approach would only be eliminated with a CPI movement towards 37.721 pts, which would confirm a breakthrough of the 30-day moving average with more than 1%.

Previous Record: A downward breakthrough of the latter would set a reverse in the short-term trend. Resistance is maintained at 39.000 and 39.500 points.

MXN

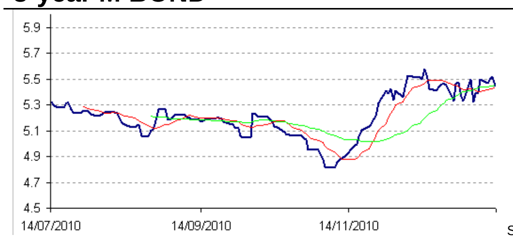


Source: BBVA, Bancomer, Bloomberg

MXN: During the week the dollar drops to below the minimum area of last year by being placed under P $12.16, and the moving average of 200 weeks that is placed at P$12.11. As a result, it only has the psychological level of P$12.00, and it has not operated under this amount since October 2008. We could see technical rebounds, although it would only change trend above P$12.32.

Previous Record: We believe that this could show a short-term rebound to levels between the 10-day and 30-day rolling averages, between P$12.29 and P$12.35.

3-year M BOND

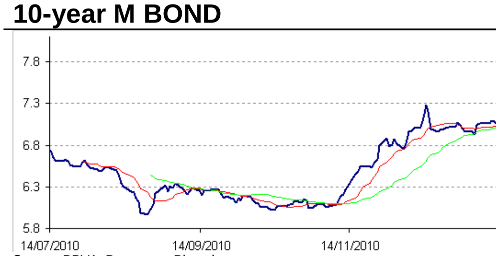


ource: BBVA, Bancomer, Bloomberg

3-YEAR M BOND (performance): Remains at the same levels of the previous week. It still respects the 10 and 30 day moving averages and maintains levels of support at 5.3% and resistance at 5.6%.

Previous Record: Support at 5.3%, initial resistance at 5.6% and then at 5.8%.

10-year M BOND



Source: BBVA, Bancomer, Bloomberg

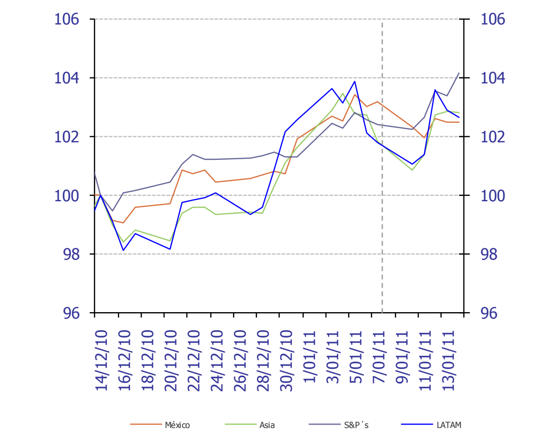
10 YEAR M BOND: (performance): Continues to operate slightly above rolling averages of 10 and 30 days. We do not change support and resistance levels.

Previous Record: Support at 6.9% and resistance at 7.3%.

Markets

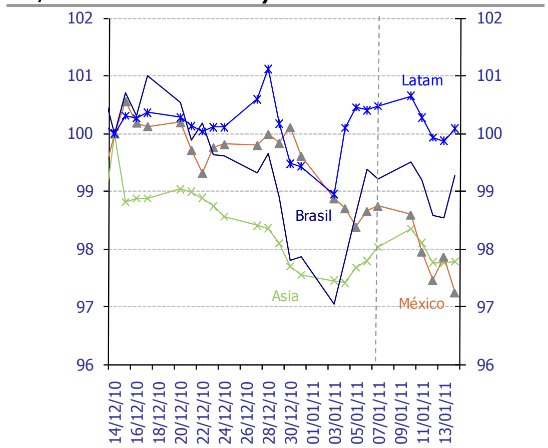
Data of initial unemployment claims better than expected in the U.S. reverses trend of rising markets. Higher than expected industrial output data supports strengthening of the peso and separates it from the region

Chart 5
Stock markets: MSCI indices (December 14, 2010 index = 100)



Source: Bloomberg & BBVA Research

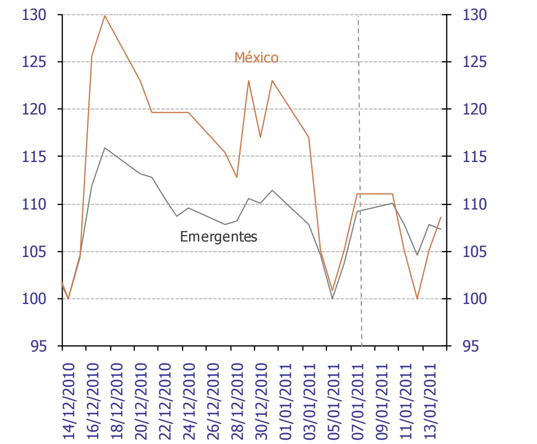
Chart 6
Currencies: rates against the dollar (Dec 14, 2010 index = 100)



Source: Bloomberg and BBVA Research. Note: LATAM includes Argentina, Brazil, Chile, Colombia and Peru. Asia includes the Philippines, South Korea, Taiwan, Singapore, Indonesia and Thailand. Non-weighted averages.

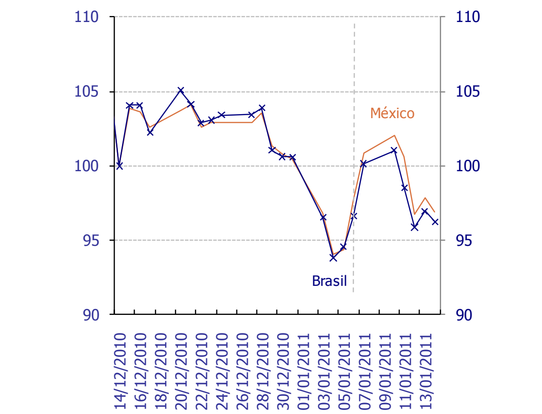
Decline in risk aversion at the end of the week due to higher than expected data in the US

Chart 7
Risk: EMBI+ (December 14, 2010 index = 100)



Source: Bloomberg and BBVA Research.

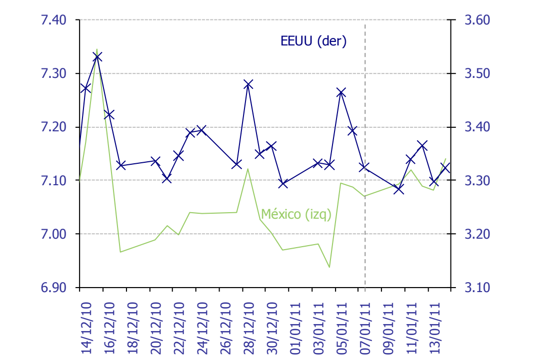
Chart 8
Risk: 5-year CDS (Dec 14 index=100)



Source: Bloomberg and BBVA Research.

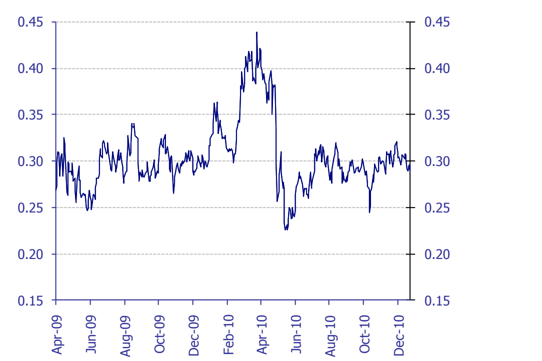
Rate hikes towards the end of the week due to an increase in expectations of U.S. growth. Movements of the week influenced by FED auctions and purchases. Rates in Mexico move in line

Chart 9
10-year interest rates*, last month



Source: Bloomberg and BBVA Research

Chart 10
Carry-trade Mexico index (%)

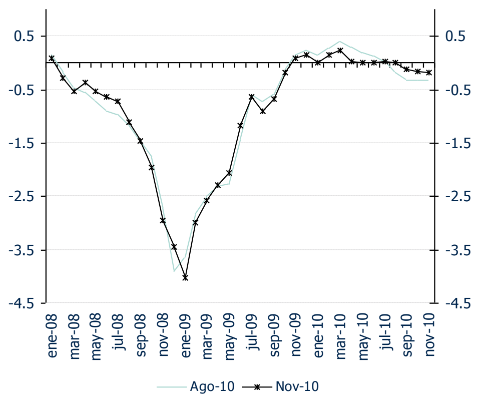


Source: Bloomberg and BBVA Research

Activity, inflation, monetary conditions

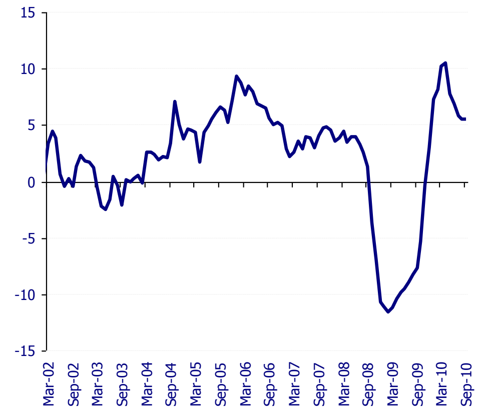
Economic activity in Mexico has improved, but the speed of recovery appears to have moderated

Chart 11
Economic Cycle Indicator (Standardized)



Source: BBVA Research with data from INEGI, AMIA and BEA
Weighted sum of 21 different activity indicators, expenditure and expectations, based on trend series.

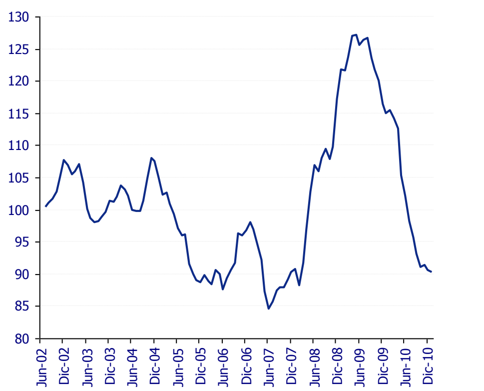
Chart 12
Advance Indicator of Activity (% y/y change)



Source: INEGI

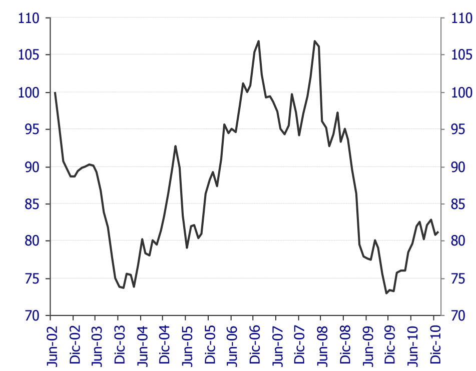
Inflation surprises went down most of 2010, while activity surprises were moderate

Chart 13
Inflation Surprises Index
(July 2002=100)



Source: BBVA Research with data from Banxico from the monthly surveys on the expectations of economic specialists in the private sector.

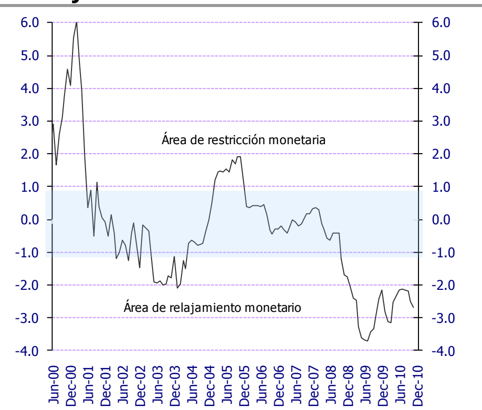
Chart 14
Activity Surprise Index
(2002=100)



Source: BBVA Research with data from Bloomberg. Difference between recorded data and the Bloomberg consensus for seven activity variables in Mexico. Standardized index. Rises (falls): positive (negative) surprises.

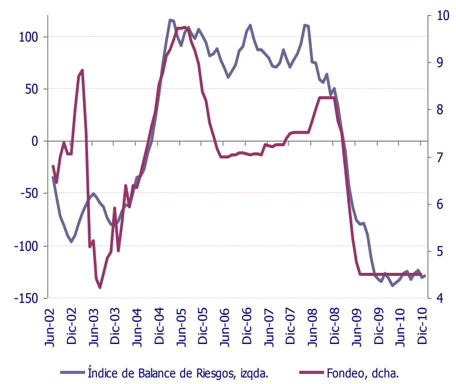
The monetary conditions in which the economy is moving are accommodative. No upward movements are therefore expected to the reference rate in the short term

Chart 15
Monetary Conditions Index



Source: BBVA Research

Chart 16
Balance of Inflationary Risks* and Funding (standardized and %; monthly averages)



Source: BBVA Research. *Standardized, weighted index (between inflation and economic growth); uses economic indicators for activity and inflation. A rise in the IBR signals greater weight of inflationary risks over those of growth and, therefore, more likelihood of monetary restriction

IMPORTANT DISCLOSURES

Analyst Certification

I, **Moisés Junca, Claudia Ceja, Ociel Hernández, Liliana Solís, Alejandro Fuentes, Rodrigo Ortega y Octavio Gutiérrez Engelmann,** hereby certify that the views expressed in this research report accurately reflect my personal views about the mentioned corporation(s) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for any specific recommendation in this report.

Rating, target price and price history information for the companies that are the subject of this report are available at www.bancomer.com

Receipt of Compensation / Provision of Services current as of 12/2/10
Management or Co- Management of Public Offering. Within the past twelve months, BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer ("BBVA Bancomer"), and/or its affiliates, have participated as manager or co-manager in public offerings, and received compensation for these services, of the company(ies), which is(are) the subject of this report: **Actinver, Banco Interacciones, Banco Inbursa, BNP, Bimbo, Cemex, Comision Federal de Electricidad, Corporación Interamericana de Inversiones, Chedraui, Daimler, Embotelladoras Arca, El Puerto de Liverpool, Ferrocarril Mexicano, Fonacot, GE Capital Bank, GMAC, Hipotecaria su Casita, Maxcom, Megacable, Nemak, NRF(Nissan), Paccar, Pemex, Posadas, Prudential Fiancial, Ruba, Telmex Internacional, Toyota, Urbi, VWLease.**

Investment Banking Compensation. Within the past twelve months, BBVA Bancomer, and/or its affiliates, have received compensation for investment banking, common representation and credit related services from the Company/ies, which is(are) the subject of this report: **Acciona, Aeromexico, Agropecuaria Santa Genoveva, Alsea, América Móvil, Asur, Avicola Pilgrim´s Pride de Mexico, Axtel, Bancomext, Banco de Credito e Inversiones, Banorte, BMV, Cemex, Cencosud, CIE, Cintra, Colbun, Comercial Mexicana, Comisión Federal de Electricidad, Concesionaria Mexiquense, Consorcio Comex, Controladora de Farmacias, Copamex, Coppel, Corporacion Geo, Corporativo Arca, Corporación Moctezuma, Credito Inmobiliario, Daimler Chrysler de México, Dine, El puerto de Liverpool, El palacio de Hierro, Elementia, Empresas Cablevisión, Endesa (Chile), Facileasing, Factoring Corporativo, Farmacias Benavides, FCC, Femsa, Ferrosur, Fomento de Infraestructura Turistica Cancun, GEO, Gruma, Grupo Alfa, Grupo Ara, Grupo Brescia, Grupo Bimbo, Grupo Carso, Grupo Casa Saba, Grupo Cementos de Chihuahua (GCC), GAP, Grupo Comercial Chedraui, Grupo Collado, Grupo Comercial Gomo, Grupo Dermet, Grupo Elektra, Grupo Famsa, Grupo Femsa, Grupo Financiero Inbursa, Grupo R, Grupo Scotiabank, Grupo Herdez, Grupo ICA, Grupo La Moderna, GMAC, Grupo Maseca, Grupo México, Grupo Posadas, Grupo R, Grupo Sanborns, Grupo TMM, Grupo Videomax, Grupo Xignux, Hilasal Mexicana, Homex, HSBC, Holcim (Apasco), Hylsamex, Imsa/Tarida/Ternium, Industrias Bachoco, Hipotecaria Casa Mexicana, Hipotecaria su Casita, Industrias Aluprint, Industrias CH, Industrias Peñoles, Inmobiliaria Ruba, Interceramic, Kansas City Southern de México, Kaupthing Bank, Kimberly Clark Mexico, Lamosa, Liverpool, Mabe, Manufacturas Kaltex, Medica Sur, Megacable, Mexichem, Molymet, Municipio de Aguascalientes, Nadro, Nafin, NRF Mexico, Nemak, OHL, Paccar, Pasa, Pemex, Petrotemex, Pimsa, Plavicom, Prolec GE, Ruba, Sare, Sears, Sigma, Simec, Scotia Bank Inverlat, Techint, Telefónica CTC, Telefónica Móviles, Telint, Tenaris, Toyota, Urbi, Value, Volcan Cia Minera, VWLease.**

Expected Investment Banking and services Compensation. In the next three months, BBVA Bancomer, and/or any of its affiliates, expects to receive or intends to seek compensation for investment banking, common representation and credit related services from the company (ies) discussed in this report.

BBVA Bancomer acts as market maker/specialist in: **MexDer Contrato de Futuros (Dólar de Estados Unidos de América (DEUA), TIIE de 28 días (TE28), Swap de TIIE, CETES de 91 días (CE91)), Bonos M, Bonos M3, Bonos M10, Indice de Precios y Cotizaciones de la BMV (IPC), Contrato de Opciones (IPC, Acciones América Móvil, Cemex, CPO, Femsa UBD, Gcarso A1, Telmex L).**

BBVA acts as market maker/specialist in Latibex: **Alfa, AMX, Corporación Geo, Grupo Modelo, ICA, Sare, Telmex.**

BBVA Bancomer, is recognized by Mexico´s Finance Ministry as a market improver and acts as a market maker/specialists in MEXDER, Mercado Mexicano de Derivados.

Ownership Positions

BBVA Bancomer, and/or its affiliates holds, directly or indirectly, at least 1 % of the equity capital of the following company/ies whose shares are open to negotiation in organized markets and which is(are) the subject of this report: **BOLSA, CEMEX VENEZUELA, GAP, GRUPO VIDEOVISA, PASA.**

BBVA Bancomer, and/or its affiliates hold(s), directly or indirectly; as of the end of the last quarter, at least a 10 % of it´s investment portfolio, or 10% of the amount issued, of the securities or underlying investments issued by the companies which is(are) the subject of this report: **AXTEL.**

Other Disclosures

To the best of BBVA Bancomer´s knowledge, a Member of it´s Board, it´s CEO or Senior Manager holding a direct reporting position to BBVA Bancomer´s CEO holds a similar position in any of the following company/ies which is(are) the subject of this report: **Alfa, Alsea, Amx, Asur, Bimbo, CMR, Dine, Femsa, GAP, Gmodelo, Grupo financiero Inbursa, Grupo Carso, Grupo Posadas, Hogar, Invex, Kof, Kuo, Liverpool, Maseca, Oma, Peñoles, Sanborns Hermanos, Sears Roebuck, Telecom, Telefónica Móviles México, Telmex, Tenaris, Tlevisa, Urbi, Vitro.**

Additional Information and Disclaimer

Ratings and Price Targets

As of September 30, 2010, for the whole universe of companies which BBVA Bancomer, has under coverage there are **59%** Buy ratings (including "Buy" and "Outperform"), **2%** Neutral ratings and **39%** Sell ratings (including "Sell" and "Underperform"). BBVA Bancomer or any of its affiliates has rendered Investment Banking services or participated as manager and/or co-manager in public offerings in **56%** of the Buy ratings, **11%** of the Neutral ratings and in **33%** of the Sell ratings.

Ratings are set on a six-month or year-end basis against the relevant benchmark. BBVA Bancomer issues three equity recommendations: **Outperform:** Upside potential of more than 5% vs. the market. **Neutral:** Stock is expected to perform in line with the market (+/-5%). **Underperform:** Expected downside of at least 5% vs. the market:

Recommendations reflect the stock´s expected performance vs the market, within a specified period. This performance may be explained by the fundamental stock valuation method and other factors. The fundamental stock valuation method used by BBVA Bancomer S.A., is based on a combination of one or more generally accepted financial analysis methodologies, which may include, multiples, discounted cash flows, sum of parts or any other methodology that applies to the particular case. Notwithstanding other factors include newsflows, benefit timing, M & A´s and market´s appetite in a given sector. These factors can lead to a recommendation contrary to that indicated by the simple fundamental valuation results and its comparison with direct quotations.

This document and the information, opinions, estimates and recommendations expressed herein, have been prepared by BBVA Global Markets Research an affiliate of Banco Bilbao Vizcaya Argentaria, S.A. (BBVA) and/or BBVA Bancomer, to provide their or its customers with general information as of the date of the report and are subject to changes without prior notice. BBVA Bancomer is not liable for giving notice of such changes or for updating the contents hereof. This document and its contents do not constitute an offer, invitation or solicitation to purchase or subscribe to any securities or other instruments, or to undertake or divest investments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind. For more information please contact the persons included in the directory of this document.

The determination of a price target does not imply any warranty that it will be attained. For a discussion of the risks associated with the attainment of price targets, which depend on intrinsic and extrinsic factors that affect both the performance and trends prevailing in the market on which the recommended securities is traded and/or offered, please refer to our recently published documents, which are available via e-mail, contact our analysts or visit our internet site www.bancomer.com.

Investors who have access to this document should be aware that the securities, instruments or investments to which it refers may not be appropriate for them due to their specific investment goal, financial position or risk profile, for these have not been taken into account in the preparation of this report. Therefore, investors should make their own investment decisions considering the said circumstances and obtaining such specialized advice as may be necessary.

The contents of this document are based upon information available to the public that has been obtained from sources considered to be reliable. However, such information has not been independently verified by BBVA Bancomer, and therefore no warranty, either express or implicit, is given regarding its accuracy, integrity or correctness. BBVA Bancomer, accepts no liability of any type for any direct or indirect losses arising from the use of the document or its contents.

Investors should note that the past performance of securities or instruments or the historical results of investments do not guarantee future performance. The market prices of securities or instruments or the results of investments could fluctuate against the interests of investors. Investors should be aware that they could even face a loss of their investment.

Transactions in futures, options or high-yield securities can involve high risk and are not appropriate for every investor. Indeed, in the case of some investments, the potential losses may exceed the amount of the initial investment; in such circumstance, investors may be required to pay more money to support those losses. Thus, before undertaking any transaction with these instruments, investors should be aware of their characteristics, as well as the rights, liabilities and risks associated with these securities and their underlying investments. Investors should also be aware that secondary markets for the said instruments may be limited or may not exist.

BBVA Bancomer, or any of its affiliates, as well as their respective executives and employees, may have a position in any of the securities or instruments referred to, directly or indirectly, in this document, or in any other related thereto; they may trade for their own account or for third-party account in those securities, provide consulting or other services to the issuer of the aforementioned securities or instruments or to companies related thereto or to their shareholders, executives or employees, or may have interests or perform transactions in those securities or instruments or related investments before or after the publication of this report, to the extent permitted by the applicable law.

BBVA Bancomer or any of its affiliates´ salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to its clients that reflect opinions that are contrary to the opinions expressed herein. Furthermore, BBVA Bancomer or any of its affiliates' proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

No part of this document may be (i) copied, photocopied or duplicated by any other form or means (ii); redistributed or forwarded; or (iii) quoted, without the prior written consent of BBVA Bancomer. No part of this report may be copied, conveyed, distributed or furnished to any person or entity in any country (or persons or entities in the same) in which its distribution is prohibited by law. Failure to comply with these restrictions may breach the laws of the relevant jurisdiction.

This document is provided in the United Kingdom solely to those persons to whom it may be addressed according to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 and it is not to be directly or indirectly delivered to or distributed among any other type of persons or entities. In particular, this document is only aimed at and can be delivered to the following persons or entities (i) those outside the United Kingdom (ii) those with expertise regarding investments as mentioned under Section 19(5) of Order 2001, (iii) high net-worth entities; and (iv) any other person or entity under Section 49(1) of Order 2001 to whom the contents hereof can be legally revealed.

The remuneration system concerning the analyst/s author/s of this report is based on multiple criteria, including the results obtained by BBVA Bancomer and by BBVA Group in the fiscal year, which, in turn, include the results generated by the investment banking business, common representation or credit related services; nevertheless, they do not receive any remuneration based on revenues from the mentioned areas or a specific transaction in investment banking, common representation or credit related services.

The information contained in this document should be taken only a general guide on matters that may be of interest. The application and impact of the laws may vary substantially depending on specific circumstances. Changes in regulations and the risks inherent in electronic communication may cause delays, omissions, or inaccuracy in the information contained in this site. Accordingly, the information contained in the site is supplied on the understanding that the authors and editors do not hereby intend to supply any form of consulting, legal, accounting or other advice. As such, it should not be considered a substitute for the direct advice provided by accounting and fiscal advisors or other competent consultants.

BBVA Bancomer, as web as its executives and employees have adopted the Código de Conducta de Grupo Financiero BBVA Bancomer, which is available in our internet site www.bancomer.com.

BBVA Bancomer is regulated by the Comisión Nacional Bancaria y de Valores.

BBVA Bancomer as well as other entities in the BBVA Group that are not members of the FINRA (Financial Industry Regulatory Authority), are not subject to the rules of disclosure affecting such members.

This material is being distributed into the United States in reliance on an exemption from broker-dealer registration under Rule 15a-6 of the Rules under the Securities Exchange Act of 1934. Any trades in the securities discussed in this report must be effected through a U.S. registered broker/dealer as we are not authorized to accept any order to effect trades in any security discussed in this report within the U.S.