

Annual Report 2007
Grupo BMV

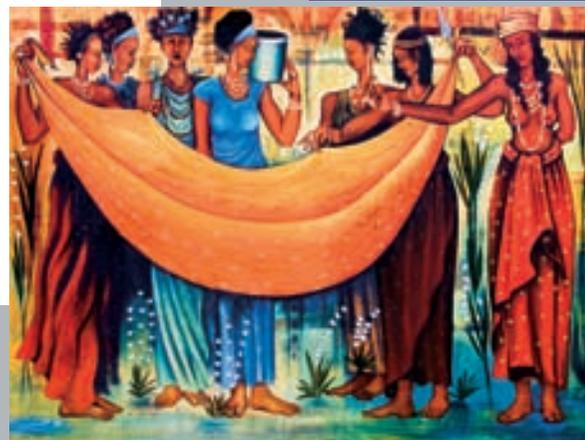
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Companies of Grupo Bolsa Mexicana de Valores

Securities Market

Bolsa Mexicana de Valores, S.A. de C.V.
(Mexican Stock Exchange)

S.D. Indeval Institución para el Déposito de Valores, S.A. de C.V.
(Central Securities Depository)

Contraparte Central de Valores de México, S.A. de C.V.
(The Central Counterparty)

Derivatives Market

MexDer, Mercado Mexicano de Derivados, S.A. de C.V.
(Futures and Options Exchange)

Asigna, Compensación y Liquidación
(The Derivatives Market Clearinghouse)

Complementary Activities for the Financial System

Sif Icap, S.A. de C.V.
(Broker)

Valuación Operativa y Referencias de Mercado, S.A. de C.V.
(Price Vendor for Financial Instrument Valuation)

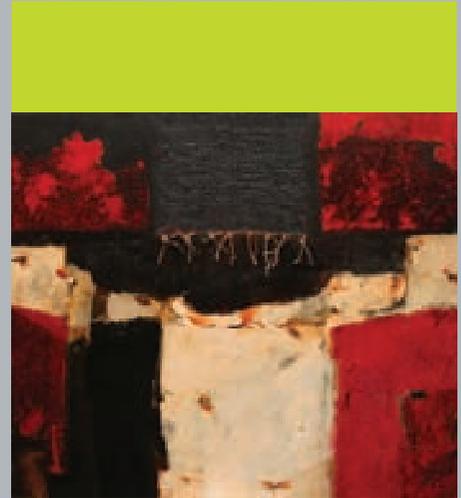
Other Institutional Activities

Bursatec, S.A. de C.V.
(Technology and Systems Development)

Corporativo Mexicano del Mercado de Valores, S.A. de C.V.
(Personnel Services)

Sif Icap Servicios, S.A. de C.V.
(Personnel Services)

GrupoBMV



001



002



003



Mission

The companies that make up Grupo BMV are engaged in a variety of activities, and work together in an integrated and complementary manner. Each is a fundamental part of the functioning and development of the securities market in Mexico, supporting all its participants--issuers, brokers and investors--in the pursuit of their respective objectives. Grupo BMV functions on three fundamental conditions: transparency, efficiency, and solidity. These principles contribute to its central mission while helping to maximize the value of the Group.



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Vision

To modernize and strengthen the companies of Grupo BMV; to keep them competitive and help them offer the best services and products in their respective fields; and to ensure that they are well integrated and efficiently manage their resources, so they can create value and build confidence.

The strategies we are using to modernize and fortify the group are aimed at:

The market. Encouraging a rising volume of trades in a wider array of instruments, taking advantage of all the opportunities that the opening and globalization of the financial markets bring, and the convergence of trading with the leading international markets.

The group itself. With advanced technology, certification of critical processes and the articulation of synergies in the operating sphere; and sales and marketing in the strategic sphere.

Our strategic partners. Through alliances that maximize our trading capacity and increase our presence in the fastest growing segments of the industry, both within and outside of Mexico.

The general public. To shore up public trust and the reputation of our securities market institutions through a more effective relationship with the media and closer ties with universities and sources of analysis.



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Message from the Chairman of the Boards of Directors of Grupo BMV

As you all know, in the year covered by this report, the climate for economic and financial activities around the world was uncertain and volatile. The crisis in the subprime mortgage market in the United States has had its first material effects on assets and reserves of banks and mutual funds, particularly in that country and in Europe; they have even begun to be felt in the real sector of the economy.

These extraordinary events have raised concerns about the magnitude and scope of their impact, which are so far unknown. Regulatory authorities in many countries have had to review their policies on lending and securitization of loans, and risk management, among other aspects. This, in turn, has brought increases in interest rates and prices on international markets.

But the companies of GRUPO BMV continued to pursue their respective activities this past year, focusing on their strategic guidelines and their individual plans, and mindful of their responsibility toward the proper functioning and development of the Mexican financial system. Ongoing institutional efforts in the area of technology and systems deserve special mention, as does the strengthening of internal controls, without losing sight of the promotional effort necessary to attract new issuers, introduce new products, fine-tune trading practices and seek out other business or market niches, to name just a few.

It is an irrefutable reality that the functioning of the companies in this group today depends not only on the invaluable human factor, but also on the efficiency and capacity of its computer equipment, systems, communications infrastructure and security practices, which together guarantee the continuity and competitiveness of its services.

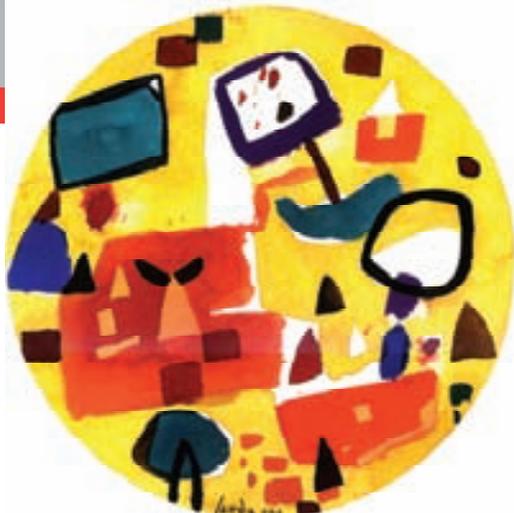
In the year 2007 we made substantial progress in this area, and we continue to invest considerable sums in remaining at the forefront of industry technology, systems and infrastructure, keeping pace with other world-class companies engaged in activities similar to those of the companies that make up GRUPO BMV.

We also bolstered security measures and technical conditions at our computer centers to ensure that they can operate efficiently under any circumstances, in keeping with best international practices.

One particularly important area in which we were involved, in addition to our day-to-day work in the equity and derivatives markets, clearinghouse, securities depository, price vending and risk evaluation, and financial brokerage, was the continuing preparation for an eventual initial public offering of stock in BOLSA MEXICANA DE VALORES, S.A. DE C.V. (BMV).

Among the main aspects defined so far are the design of the corporate restructuring this offering will entail so that, once the necessary government and administrative authorizations are secured, the BMV can acquire a majority stake in the capital stock of each of its companies (or the economic rights, as the case may be). This will ultimately make it a stronger and larger company for offering to the public, and take advantage of the synergies of a new corporate and functional integration.

We also made significant progress in defining corporate governance aspects and establishing the best company practices for the BMV and, to the extent possible, the other companies of GRUPO BMV, to serve as a clear benchmark in these areas.



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The public offering will be made when the necessary agreements are obtained from current BMV shareholders and the competent financial authorities have authorized it. Financial market conditions must also be right for the offering, bearing in mind the changing environment discussed at the start of this report, and its impact on the international securities markets.

Parallel to the substantive activities discussed above, which are detailed in the annual report of each of the companies of GRUPO BMV, we have made a consistent effort to support our personnel in their human and professional development, and to behave as a responsible corporate citizen as well, assisting private non-profit organizations mainly in the areas of education and health.

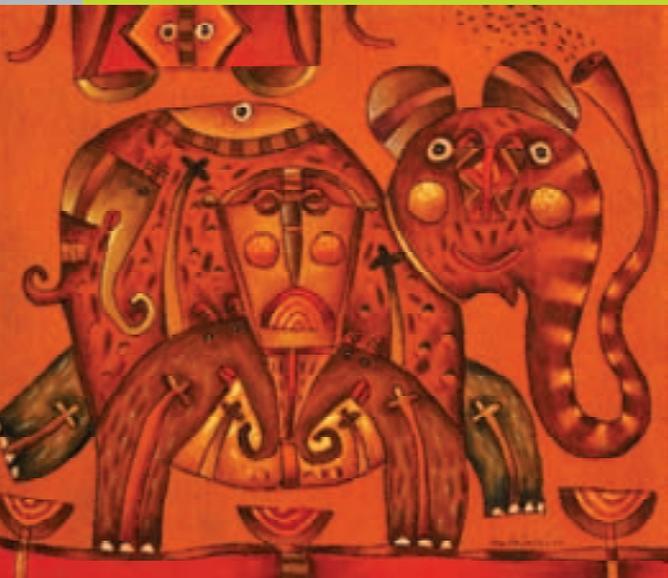
Another of our contributions in the social and cultural sphere has been the support and dissemination of Mexican art. For several years now, the Securities Center has been the site of a number of temporary exhibitions showcasing the work of both consummate artists and promising newcomers.

In celebration of this talent, our report on the activities of the companies of GRUPO BMV in 2007 is set against a multi-faceted background of line, colors, and contrasts, drawn from the works that have been shown at our headquarters. These reflect the creativity and inspiration that we appreciate and which inspires us in every aspect of our daily work.

In this spirit, I would like to recognize the responsible, enthusiastic efforts of the personnel of GRUPO BMV, and the guidance and support of our Board of Directors and other collegiate bodies, whose wise counsel and clear direction have been fundamental for achieving the results detailed in these reports. Finally, I would like to thank all the brokerage firms, banks, financial groups and trade associations for their part in achieving this year's goals, for which this institution is sincerely grateful.

Guillermo Prieto Treviño

Corporate Officers



Bolsa Mexicana de Valores, S.A. de C.V.
Pedro M. Zorrilla Velasco
Chief Executive Officer

S.D. Ineval Institución para el Depósito de Valores, S.A. de C.V.
Héctor J. Anaya Doll
Chief Executive Officer

Contraparte Central de Valores de México, S.A. de C.V.
Héctor J. Anaya Doll
Chief Executive Officer

MexDer, Mercado Mexicano de Derivados, S.A. de C.V.
Jorge P. Alegría Formoso
Chief Executive Officer

Asigna, Compensación y Liquidación (Fideicomiso)
Jaime Díaz Tinoco
Chief Executive Officer

Sif Icap, S.A. de C.V.
Rodolfo Sánchez-Arriola Luna
Chief Executive Officer

Valuación Operativa y Referencias del Mercado, S.A. de C.V.
Gerardo Gamboa Ortiz
Chief Executive Officer

Bursatec, S.A. de C.V.
Enrique Ibarra Anaya
Chief Executive Officer

Group Corporate Management

Marco Antonio Hernández Jiménez
Administration

Aída S. Andrade Ancira
Auditing

Alejandro Reynoso del Valle
Corporate Strategy

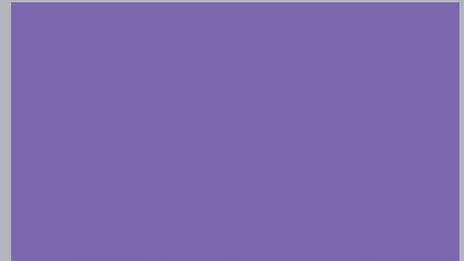
Hugo A. Contreras Pliego
Legal Affairs

Jorge Rovalo Merino
Human Resources





BOLSA MEXICANA DE VALORES



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• 004

Mission

To contribute to domestic savings, financing, productive investment and securities brokerage in Mexico, serving companies, issuers and governments, as well as local and foreign investors. To supply access services to the infrastructure of the Stock Exchange that allow securities to be listed and traded, facilitate the publication of material information and the operation of organized markets for equities, debt, and other financial assets.

Vision

In the medium term, we see the **BOLSA MEXICANA DE VALORES** positioned among the trends and activities of the world's leading stock exchanges, with a solid capacity to respond and adapt to the domestic and international competitive climate. Effectively offering services and products that provide high-quality and added value in securities brokerage. An institution that continually reaffirms its spirit of innovation and its adaptable internal structure, supported by:

- a. efficient and stable processes;
- b. cutting-edge information technology; and
- c. an experienced staff, extensively prepared and committed to its vision.



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Quality Policy

At the **BOLSA MEXICANA DE VALORES**, we work with a commitment to offering brokerage firms, issuers, investors, and society at large the best services and products, efficiently, securely and clearly. We are dedicated to continuously improving our technology, rules, and services, to remain far ahead of the markets' needs and international competition.

Message from the Chief Executive Officer

The climate for global economic and financial activities in 2007 was not the most propitious. Various events, with which we are all familiar, contributed to outbursts of volatility, speculation, and a slide in prices on most world markets.

We still do not have all the information on the material effects that the subprime mortgage crisis in the U.S. will have on the assets and reserves of many banks and funds, primarily American and European, and on the real sector of the economy. Moreover, defaults on payments to banks and mortgage agencies, a contraction of lending, and the resulting decline in consumption and economic activity in the U.S. could continue in the medium term, a situation that we must face with redoubled efforts and prudence, using every measure available to us.

In this globalized world, any country is continually vulnerable to varying degrees of contagion. But in the particular case of the Mexican equity market, trading activity and liquidity remained strong during the year, particularly in the climate of pronounced volatility and severe corrections seen in the year covered by this report.

The Mexican Stock Exchange's Price and Quotations Index (the IPC) gained 11.68% in pesos in 2007, and 11.83% in dollar terms. These changes, though positive, were lower than the yields the index attained in the preceding three years.

Even so, market capitalization in domestic currency rose 15.10% in nominal terms, and 15.25% in dollars, rising as a percentage of Gross Domestic Product to 45.38% at the close of the year.

The year also saw an intensification of brokerage firm activities, and a brisk pickup in accumulated trading volume and value traded--23.3% and 56.1%, respectively.

The market handled 5 initial public stock offerings in 2007, totaling 9.70 billion pesos, along with 3 public offerings by already listed companies, with a value of 6.595 billion pesos.

Aware of the potential number of companies that are capable of placing debt and equity, and the slow pace of stock offerings in recent years, one the most important areas of institutional activity last year was to promote stock-market financing among private companies. In 2007 the Board of Directors approved the creation of a new Securities Market Business Promotion Committee.

The job of this committee is to reflect on and guide the institution in identifying and pursuing initiatives to support Mexican companies and allow them to reap the benefits of securities market financing. This in turn will help build a broader, more diversified and deeper equity market that can contribute to a stronger business climate in Mexico.

The committee is made up of high-level representatives from leading financial institutions like the Mexican Bankers' Association, the Mexican Securities Industry Association, the National Bank for Public Works and Services, the Mexican Bar Association, the Stock Exchange Issuers' Committee, the Business Coordinating Council, the Mexican Institute of Public Accountancy, the Mexican Finance Executives' Institute, Nacional Financiera and this Stock Exchange. To strengthen the work and the scope of this committee's efforts, the Under Secretary of Finance and Public Credit and the Chairman of the National Banking and Securities Commission are permanent guest members.

We are confident that the recommendations and efforts of the Committee will contribute significantly to achieving the goals set forth, attracting mid-sized companies to the market as well, as part of a specific effort aimed at this group.



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In addition to ongoing efforts to promote the market with new issuers, and the total service the Exchange provides to those that already have their securities listed on the market, I would like to comment on three outstanding activities in 2007.

The first of these, fundamental because of the nature and current shape of the securities market, was the progress made in the area of technology and systems. In 2006, we began a far-reaching program to overhaul the technology of our trading systems in order to set in place a state-of-the-art trading platform. Its central features are: high processing capacity and scalable computing capacity; an open system environment; low growth costs; flexible use of systems through private communications networks and/or the Internet; and high information security standards.

Today, we can say without hesitation that the central systems for market trading are already up and running on the new technological platform. These include the order routing system and distribution of information to the market in real time, with highly competitive response times and significant capacity for future growth. It also includes the new Sentra Operator trading system, which is a work station that allows for real-time market visualization and input of bids for trading in the market.

We will continue to work on evolving the rest of the trading platform toward the new technological infrastructure and consolidating the various trading systems into a single platform and database, toward a more efficient use of resources and a more thorough maintenance effort.

Two other key achievements in the area of technology last year were, first, a change in the primary data processing center to new world-class "Tier IV" facilities, with the many advantages this implies, and second, the installation of a new communications network within the BMV, which has high capacity, considerable efficiency in data transmission, and high levels of availability that are contractually guaranteed by the vendor.

The second outstanding area of institutional activity in 2007 was the design of a medium-term Strategic Plan for 2008-2010, which creates a frame of reference for us to focus our efforts under a common strategy. The Plan includes a new definition of the BMV's mission, a general and detailed vision, an analysis of the current situation (FODA), strategies to pursue, and a series of strategic objectives.

This Plan is expected to allow the organization to focus on achieving its goals, vision and objectives, generate new initiative and projects aligned with the resulting strategic objectives, and to establish clearer priorities.

The third of the most important institutional activities in 2007 has to do with the work we carried out over the course of the year to prepare the Mexican Stock Exchange for a public offering to subscribe and/or sell shares in Mexico, private or public, as necessary and convenient in accordance with the applicable legislation, in the United States of America and on other foreign markets, under the terms of Rule 144A and Regulation S of the United States Securities Market Act of 1933.

The internal work in these three areas has been arduous. In the process we have built the necessary consensuses and agreements among shareholders that will allow this project to take shape and to be successfully completed. The financial authorities have also expressed their complete support for this initiative, and we are therefore confident that when the time comes they will provide the necessary authorizations for the requests we submit for their consideration.

The project has required time to mature, imagination and enthusiasm to perfect it on a day-to-day basis, the committed involvement of this company's shareholders, and the world and dedication of our personnel as well as a team of experts in various disciplines that have supported us from outside the organization.

In this ongoing project, as well as in the other institutional activities conducted over the course of the year, the vision and guidance of our Board of Directors have been and continue to be fundamental.

Let this report stand as a testimony of my gratitude to the shareholders of this institution, the Board Members and Statutory Auditors, committee members, to Marcos Ramírez Miguel, Chairman of the Mexican Securities Industry Association, and the personnel of this company, for all the results we achieved together in 2007, which are the product of their recommendations, talent and efforts.

Pedro Zorrilla Velasco



Board of Directors 2006-2007

Institutional Board Members

Regular Members

Enrique Castillo Sánchez Mejorada
(*ABM*)
Ignacio Deschamps González
(*BBVA Bancomer*)
Carlos Gómez y Gómez
(*Santander*)
Juan Guichard Michel
(*Invex*)
Rafael Mac Gregor Anciola
(*Valmex*)
Guillermo Prieto Treviño
(*BMV*)
Fernando Quiroz Robles
(*Accival*)
Marcos Ramírez Miguel
(*AMIB*)
Diego Ramos González de Castilla
(*GBM*)
Javier Valadez Benítez
(*Multiva*)

Respective Alternates

José Ignacio de Abiega Pons
(*Ixe*)
Moisés Tiktin Nickin
(*Monex*)
Alejandro Valenzuela del Río
(*Banorte*)
Javier Artigas Alarcón
(*UBS*)
Carlos Bremer Gutiérrez
(*Value*)
Eduardo Valdés Acra
(*Inbursa*)
Adolfo Herrera Pinto
(*Accival*)
Gonzalo Rojas Ramos
(*Scotia*)
Carlos Gutiérrez Andreassen
(*M. Lynch*)
Mauricio López-Velasco Aguirre
(*Finamex*)

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Independent Board Members

Regular Members

Javier Beristain Iturbide
(*Afore XXI*)
Andrés Conesa Labastida
(*Aeroméxico*)
Carlos Fernández González
(*G. Modelo*)
José Luis Gómez Pimienta
(*Fondo México*)
Mario Laborin Gómez
(*NAFIN*)

Respective Alternates

Eustaquio T. de Nicolás Gutiérrez
(*Homex*)
Ricardo Gutiérrez Muñoz
(*Mexichem*)
Alberto Navarro Rodríguez
(*Presidente del Comité de Auditoría de la BMV*)
Cosme A. Torrado Martínez
(*AIsea*)
José Luis Acuña Contreras
(*NAFIN*)

Chairman

Guillermo Prieto Treviño

Vice Chairman

Carlos Gómez y Gómez

Regular Statutory Auditor

Carlos García Cardoso
(*Deloitte*)

Alternate Statutory Auditor

Ernesto González Dávila
(*Deloitte*)

Regular Secretary

Hugo Arturo Contreras Pliego

Secretary Pro Tem

Clementina Ramírez de Arellano M.

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Executive Committee

Prepares strategies for the development, promotion and dissemination of the securities market.

Members

Guillermo Prieto Treviño (*Chairman*)
 José Luis Gómez Pimienta
 Carlos Gómez Gómez
 Juan Guichard Michel

Compliance Committee

Performs regulatory duties, and thus establishes self-regulatory rules for market participants.

Members

Guillermo Prieto Treviño (*Chairman*)
 Alfredo Acevedo Rivas
 Francisco Carrillo Gamboa
 Efrén del Rosal Calzada
 Samuel García-Cuéllar Santa Cruz
 Thomas Mueller Gastell
 Alberto Saavedra Olavarrieta

Compensation Committee

Approves the compensation paid to the company's Executive Chairman, General Director and Associate General Director, and establishes compensation policies for the rest of the company's organizational structure

Members

Carlos Gómez y Gómez (*Chairman*)
 Javier Beristain Iturbide
 Alfredo Gisholt Orozco
 Juan Guichard Michel
 Guillermo Prieto Treviño

Disciplinary Committee

Is informed and decides on cases of alleged violations of the company's self-regulatory rules, the Exchange's Internal Regulations and other ordinances, by parties governed by such provisions, and imposes the appropriate disciplinary and corrective measures.

Members

Fernando Borja Mújica
 Miguel Estrada Sámano
 Emilio Gutiérrez Moller
 Ernesto Riveroll González
 José Sáenz Viesca

Auditing Committee

Coordinates activities toward the correct evaluation of risks facing the company and other companies in which it owns a majority stake, with the participation of internal auditing, the areas involved and, when necessary, external consultants.

Members

Alberto Navarro Rodríguez (*Chairman*)
 José Luis Gómez Pimienta
 Guillermo Prieto Treviño

Securities Listing Committee

Approves applications for registry of securities for Exchange Listing.

Members

Arturo D'Acosta Ruíz (*Chairman*)
 José Luis Acuña Contreras
 Roberto Díez de Sollano Díaz
 Salvi Folch Viadero
 Marco Antonio Hernández Jiménez
 Timothy Heyman
 Guillermo Prieto Treviño
 Pedro M. Zorrilla Velasco

Issuers Committee

Represents companies that list their stock on the Exchange.

Members

Gerardo de Nicolás Gutiérrez (*Chairman*)

Technical Committee on Index Methodologies

Analyzes, selects and approves methodologies for calculating and reviewing the company's market indicators, as well as its procedures and maintenance rules.

Members

Pedro M. Zorrilla Velasco (*Chairman*)
 Gerardo J. Gamboa Ortiz
 Timothy Heyman
 Ernesto O'Farrill Santoscoy
 Francisco Venegas Martínez

Market Facts



• 010

I. Equity Market

I.1. Primary Indicators

The Price and Quotations Index (IPC) of the BOLSA MEXICANA DE VALORES (BMV) ended the year with a gain of 11.68% in pesos and 11.83% in dollar terms, closing at 29,536.83 points.

The market was volatile in 2007, and its yield was significantly lower than in preceding years. At the same time, the movements of the stock market's leading indicators took place in a climate of more intense trading activity by participating brokerage firms.

The IPC's yield in 2006 shows us an exchange once again keeping pace with the two leading U.S. stock exchanges, the NASDAQ and the NYSE. This was not the case in 2004-2006, when the Mexican market attained extraordinary gains (averaging more than 40%), compared to yields of below 10% by the other markets.

The main events that affected the performance of the market last year can be summed up as follows:

- A steep plunge in the Chinese stock market early in the year, which set off a wave of economic and market speculation that affected world markets.
- At mid-year, another phase of volatility and price correction in world markets resulting from the following factors:
 - A deterioration of credit quality in the subprime mortgage market of the United States, and its immediate impact on both the real and financial sectors of the economy (corporate bond market).
 - The intervention of central banks in Europe, Asia and North America, which were forced to inject liquidity into their economies to restrain rate pressures.
 - An increase in reserves among various global banking institutions.
 - The reaction of various rating agencies to the deterioration in securities linked to the U.S. real-estate and mortgage market.
- In days of pronounced volatility and sharp corrections, trading volume was strong on the Mexican market, and liquidity remained ample.
- In the second half of 2007, the U.S. banking industry, which had accumulated sizeable holdings of securities linked to the subprime mortgage sector, reported a net decline in its assets. At this time, the contraction in lending became the markets' main concern.

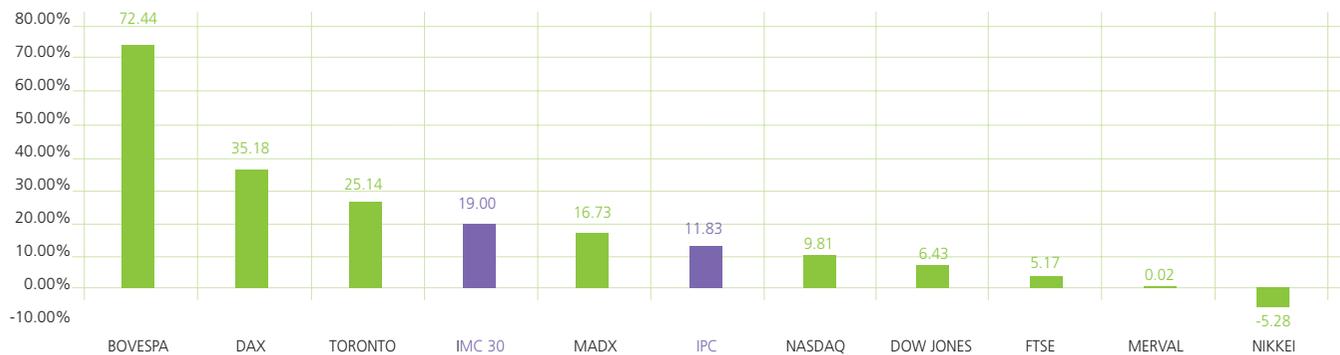
- Toward the end of 2007, the markets turned their attention to a greater threat: defaults on those loans and the resulting reduction in consumption and economic activity in the United States.

The 11.83% yield that the IPC offered in dollar terms in 2007 earned it a ranking of 34 out of the 50 largest markets in the world, and 20th among the 23 most important emerging markets.

Price and Quotations Index



Yield of IPC vs. International Indexes



Like the IPC, the other BMV indices also did well--the INMEX and the IMC30 gained 8.85% and 18.83%, respectively, in nominal peso terms, and 9.0% and 19.0%, in the same order, in dollar terms.

Similarly, market cap in domestic currency grew 15.10% in nominal terms and 15.25% in dollars (not counting issuers from abroad), and also grew in proportion to the country's Gross Domestic Product (GDP).

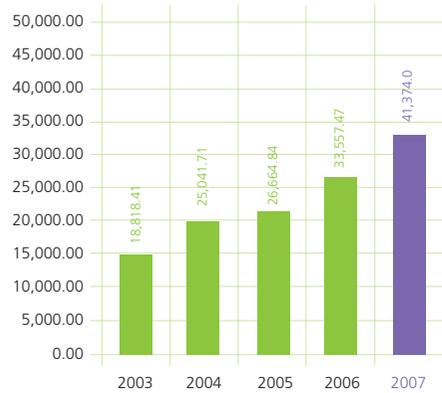
Market Cap as a Percentage of GDP					
	2003	2004	2005	2006	2007
Amount	1,376,927	1,916,618	2,543,771	3,771,498	4,340,886
% of GDF*	18.92%	23.03%	31.43%	40.22%	45.38%

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Million pesos

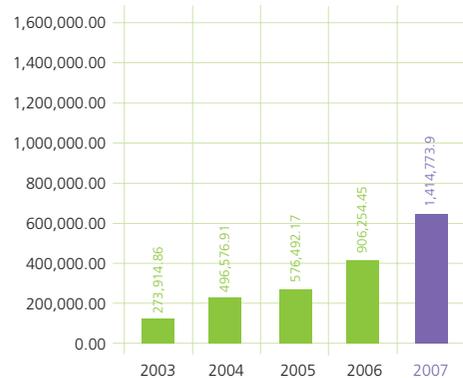
In the local stock market, trading volume came to 41.37 billion shares with a total value of 1,414,773.9 million pesos, growths of 23.3% and 56.1%, respectively over their 2006 levels.

Stock Market Trading Volume



Million shares

Stock Market Value Traded



Million pesos

• 012

October was a particularly heavy month for trading, and daily average trading volume reached its highest level to date--although it is likely that this record will be surpassed in 2008. In terms of value traded, February 27, 2007 marked the high point of the year, with a total of 14.43 billion pesos. The all-time record, however, is still held by October 2, 2006, when it hit 15.41 billion pesos.

Average Trading in the Stock Market			
Item	2006	2007	Change %
Number of Trades	9,910	14,152	42.81%
Volume	134	164	22.62%
Value	3,634	5,617	54.56%

Volume and value in millions

The daily average number of messages, bids, cancellations and trades recorded in 2007 were +21.8%, +7.4%, -11.0% and +42.8% higher, respectively, than in 2006.

Year	Messages	Bids	Cancellations	Trades	Post/Trades
2004	24,040	9,964	4,447	5,386	2
2005	57,130	26,716	19,476	6,660	4
2006	100,882	48,208	37,995	9,904	5
2007	122,900	51,785	33,814	14,125	4



As a result of the market's evolution and brokers' increasingly frequent use of program trading, the equity market reached record highs in these indicators on several dates:

Item	High	Date
Messages	204,203	16/08/07
Bids	96,359	16/08/07
Cancellations	64,789	13/06/06
Trades	31,256	27/02/07

Program trading has had a huge impact on levels of activity in the Mexican securities market: the Mexican Stock Exchange estimates that it accounted for 60% to 70% of bids in 2007, and the cancellation index for bids entering under program trading was 90.6%.

The most active participants in the market last year were the brokerage firms GBM, Accival, Merrill Lynch, Banorte y Santander, which together accounted for 50% of the volume of securities traded on the market.

Among the most heavily-traded stocks were AMX, WALMEX, CEMEX, GMEXICO, TELMEX, GFNORTE and TLEVISA (in that order), making up 62% of the value traded

In making their trades in the stock market, brokerage firms sent 84.4% of their bids through SETRIB (brokers' computer to BMV computer), 9.8% by BMV-SENTRA Captales, and the remaining 5.8% through their own order administrators. In the previous year, these percentages were 89.2%, 6.3% and 4.5%, respectively.

I.2 Securities Listings

A total of 16.295 billion pesos in new stock offerings was placed on the market in 2007. The new listings were:

- **Banco Compartamos, S.A. (COMPART):** On April 20, the bank made a secondary international public offering for 5.13 billion pesos. A total of 20,083,056 shares were offered in Mexico, including an overallotment option of 3,012,458 shares, and simultaneously in the United States and other markets, a private placement was made totaling 105'212,898 shares including the overallotment option.
- **Dine, S.A.B. de C.V (DINE):** On May 30, the company resulting from a spinoff from Grupo Kuo, S.A.B. de C.V. (formerly Grupo Desc, S.A.B. de C.V.) was listed on the market, with a paid-in capital stock of 10.07 billion pesos.
- **Maxcom Telecomunicaciones, S.A.B. de C.V. (MAXCOM):** On October 19, an international offering of 2.57 billion pesos was made. In Mexico, in a mixed offering, 13,575,758 CPOs were placed in a primary public offering and 3,393,939 CPOs in a secondary public offering, making up 7.4% of the capital stock, and an overallotment option of 2,545,455 CPOs. Each CPO stands for 3 series A shares. In the international offering 72,503,032 CPOs were placed in connection with the primary offering, and 13,575,758 CPOs for the secondary offering in the form of ADRs, each representing 7 CPOs. The overallotment option was 12,911,822 CPOs.
- **Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R. (FINDEP):** On November 1, this institution listed its stock on the BMV through a mixed global public offering worth 3.28 billion pesos. In Mexico, 15,750,000 shares were offered in a primary public offering, and 25,655,000 shares were offered in the secondary offering, representing 6.1% of the capital stock, or 7% including the overallotment option, which was 6,195,000 shares. The international placement was private, and consisted of 29,250,000 shares in the primary offering and 47,645,000 shares in the secondary offering, representing 13.0% of capital stock, including the overallotment option, which was 11,505,000 shares.
- **Megacable Holdings, S.A.B. de C.V (MEGA):** On November 7, the company made a mixed global public offering totaling 6.83 billion pesos. In Mexico, 39,591,180 CPOs were placed, including an overallotment of 5,146,067 CPOs (each CPO standing in for 2 series A shares). The private placement in the U.S. and other markets totaled 158,364,722 CPOs including the overallotment option. The series A shares represented by CPOs offered in Mexico, and the series A shares represented by CPOs offered in the international offering, made up 23.0% of the capital stock including the overallotment option. The entire offering was listed on the BMV.

Also during the year, Banamex, as trustee of the trust whose primary equity is made up of the stocks of companies that make up the IRT CompMx, IRT LargeCap, IRT MidCap and HABITA RT indices, floated an issue of TRACS worth 3.70 billion pesos, out of a total authorized program of 100 billion pesos. This type of issue is intended to replicate the yield on the indices included in the trust fund's portfolio, before expenses, and provide new options for investors seeking higher yields through the stock market.

	2002		2003		2004		2005		2006		2007	
	No.	Amount										
Initial Public Offerings and New Listings	4	1,987	1	1,987	2	1,703	5	6,849	4	8,485	5	9,701
Public Offerings in already listed companies	1	664	1	664	1	664	7	14,795	4	5,109	3	6,595
Subscriptions	14	22,076	9	22,076	15	22,076	10	4,267	12	2,137	17	23,473
Total	19	24,727	11	24,727	18	24,727	22	25,911	20	15,731	25	39,769

Million pesos
Amounts placed in Mexico
Includes spinoff companies

II. Fixed-income market

II.1 Medium- and long-term placements

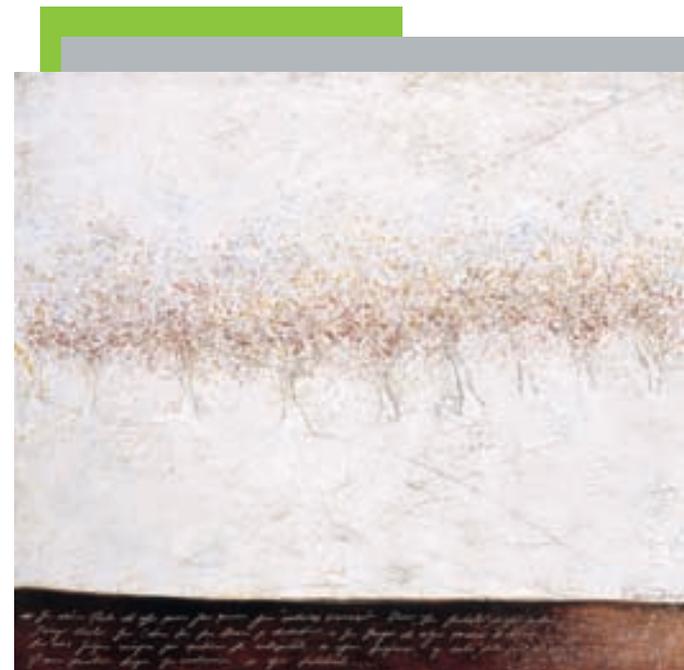
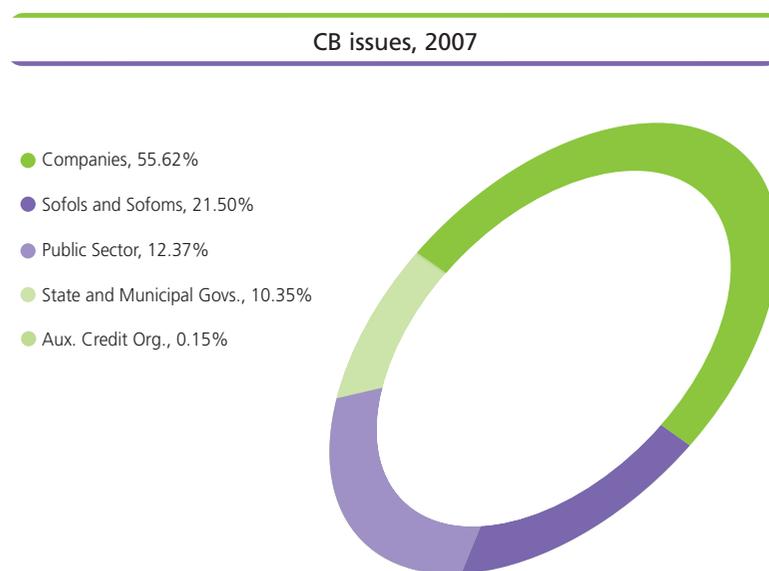
The fixed-income market was once again a popular option among companies seeking project financing and securitization of mortgage portfolios, which was reflected in the creation of new types of securities, like the first issue of what are called "BONHITOS", which are backed by mortgage loans from various originators and issued by the recently-created Hipotecaria Total (HITO).

In 2007 there were 134 issues of medium- and long-term debt totaling 165.01 billion pesos, 17.4% more than was placed in 2006. Securities certificates accounted for 98.05% of the total issued.

Instruments	2006	2007
Debentures	2,500,000	1,450,000
Debt Instruments from Multilateral Orgs.	-	1,230,000
Bank Bonds	-	350,000
Notes/W Yield Payable at Maturity, CD'S	40,000	176,640
Participation Certificates	-	-
Medium-Term and Financial Notes	-	-
Securities Certificates	137,996,727	161,803,798
Total	\$140,536,727	\$165,010,438

Figures in thousand pesos

The breakdown of fixed-income offerings by type of issuer was as follows:



The following is a listing of the most important fixed-income offerings of 2007:

- BBVA Bancomer, S.A., offered bank securities certificates totaling 8.55 billion pesos.
- Structured issue securitizing loan contracts from Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte, for a total of 5.23 billion pesos.
- Securitization of payroll tax revenues by the Free and Sovereign State of Chiapas, for a total of 5 billion pesos.

In 2007, state and municipal governments raised 16.75 billion pesos in financing, using various payment sources:

Entity	Amount	Payment Source
State of Hidalgo	2,450,000	Federal Allocations
State of Chiapas	800	Payroll Tax Revenues
State of Chiapas	4,200	Payroll Tax Revenues
State of Michoacan	3,500	Payroll Tax Revenues
State of Oaxaca	2,800	Vehicle Tax and Payroll Taxes
Mexico City Government	575	Credit Rights
Mexico City Government	2,425	Credit Rights
Total	16,750	

Million pesos

In 2007, state and municipal governments raised 16.75 billion pesos in financing, using various payment sources:

Entity	Amt Issued*
CFE	7,450.00
INFONACOT	3,500.00
INFONAVIT	7,461.25
Total	18,411.25

Million pesos

II.2 Short-term debt

The amount of current short-term debt outstanding at the close of 2007 was 144.41 billion pesos, 98% of which was in the form of short-term securities certificates, and the remaining 2% in commercial paper

In the year covered by this report, 71.66 billion pesos were authorized. The biggest issuers of short-term securities certificates were Teléfonos de México, GE Capital Internacional México Holdings, Hipotecaria Crédito and Casa, Metrofinanciera, and Hipotecaria Su Casita; for commercial paper, the principal issuer was America Movil.

Instrument	2006		2007	
	No.	Amount	No.	Amount
Comercial Paper	2	3,500	1	500
Short-Term Securities Certificates	60	97,352	43	63,657
Total	62	100,852	44	64,157

Million pesos

There were 1,083 issues of short-term debt in 2007, totaling 294.08 billion pesos, which break down as follows:

- Commercial paper: 10 issues, 10.00 billion pesos
- Short-term securities certificates: 1,073 issues, 284.08 billion pesos

Outstanding among these issues were those made by GE Capital Internacional Mexico Holdings, which under a dual program, placed weekly issues averaging 900 million pesos, and Casa de Bolsa Finamex, through two short-term trust programs, with and without guaranteed capital, under a mechanism that combined investment in high-credit-quality debt instruments with one or more financial derivatives that offer the possibility of higher returns.

III. Securities listing authorization activity

According to this Exchange's internal regulations, the Securities Listing Committee and Office of the Associate General Director are the two bodies responsible for approving securities listings. The following section describes the role of each of these in greater detail.

Twenty-one listing were presented to the Securities Listing Committee for authorization, as follows:

Equity Market:

- Banco Compartamos, S.A.
- Maxcom Telecomunicaciones, S.A.B. de C.V.
- Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R.
- Megacable Holdings, S.A.B. de C.V.

Long-term Debt:

Structured securities certificates totaling 292.15 billion pesos in 15 requested issues, which will be funded by securities assets like accounts receivable and federal allocations in the case of states and municipalities, and vehicle asset tax).

Short-term Debt:

The Committee approved two applications for structured securities certificates by Casa de Bolsa Finamex, which combine investment in fixed income securities with one or more derivative products.

According to this Exchange's internal regulations, the Securities Listing Committee and Office of the Associate General Director are the two bodies responsible for approving securities listings.

The Office of the Associate General Director authorized:

- 19 requests for listing of mutual funds, including one specialized retirement fund (SIEFORE).
- Two applications for the listing of stocks in spinoff companies (DINE and GMD Resorts).
- One Warrant totaling 500,000 certificates.
- 103 foreign issuers on the BMV Global Market or International Quotations System (SIC): 50 companies and 53 stock-referenced TRACs in its equity segment. 113 fixed-income issues, including re-openings, were also authorized.
- 41 requests for issues of medium- and long-term debt (37 securities certificates, 2 debentures, 1 issue of notes, and 1 bond).
- 44 requests for listing of short-term debt securities, 99% of which were securities certificates.

Instrument	2006		2007	
	No.	Amount	No.	Amount
Comercial Paper	2	3,500	1	500
Short-Term Securities Certificates	60	97,352	43	63,657
Total	62	100,852	44	64,157

Million pesos

IV. Warrants

A total of 16 warrant issues were placed, worth 4.595 billion pesos. The most active brokerage firm was Scotia Inverlat Casa de Bolsa which placed 11 IPC-referenced issues for 4.35 billion pesos.

V. Mutual Funds and Retirement Funds (SIEFORES)

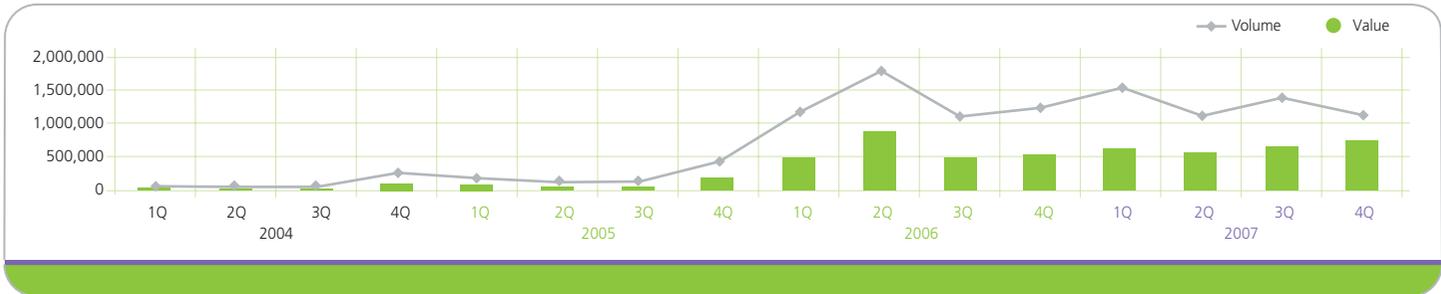
There were 18 new mutual funds listed on the market, with a total authorized capital stock of 593 billion pesos. The breakdown by type of fund was as follows: 5 fixed-income and 13 stock funds. Also, 1 specialized retirement mutual fund (SIEFORE) was listed with a total authorized capital stock of 100 billion pesos.

VI. BMV Global Market

In the International Quotations System (also known as SIC or the BMV Global Market), trading value was 157.72 billion pesos traded, 8.78% more than in the previous year. Trading volume was 317.4 million shares, 2.1% less than in 2006.

The daily average value traded on this market was 633 million pesos, 11.24% of the total average value traded on the domestic stock market, with an average of 172 trades a day; the amount of foreign securities held in custody came to 14.40 billion dollars (49% in stocks and 51% in fixed-income securities).

Global Market Trading Activity



Thousand pesos

VII. Foreign Investment

Foreign investment in the stock market increased in 2007. As of December 30, 2007, the balance stood at US\$154.44 billion, 0.13% higher than in the previous year, made up of American Depository Receipts (ADRs) (60.75%), stocks and unrestricted-investment Ordinary Participation Certificates (36%), Neutral Fund shares (3.3%) and an unrepresentative percentage of warrants.

Foreign Investment as a Percentage of Total Value Traded in the Stock Market



Million dollars

Throughout the year there was a steady decline in the presence of foreign investment in the total value of the stock market.

Over the course of the year, the weight of this type of investment in total market cap remained close to its annual average of 39.83%. At the close of December, this percentage was 38.6%.

Main Activities in 2007



• 018

The strategic guidelines laid out for the institution, approved and continuously monitored by the Board of Directors, focus primarily on: (i) technological innovation in trading and in interaction with issuing companies, (ii) completing markets with more products and better services; (ii) responsibly exercising supervisory faculties over issuers and brokerage firms, within a self-regulatory climate; (iv) encouraging the development of the markets and attraction of new companies, and (v) strengthening efforts to promote the institution.

This is the climate in which the BOLSA MEXICANA DE VALORES carried out its institutional activities in 2007, in an exercise of internal and external coordination with the securities and financial industry at large.

The following section highlights the most important results of the execution of these strategic lines.

I. Technological Innovation

I.1 On the trading side

I.1.1 New SENTRA Operador Electronic Trading System

Key changes were made to the trading platform, with new hardware, a new architecture using state-of-the-art technology based on a centralized model for trading and execution whose benefits include:

- A high-quality transactional service with efficient, functional operating processes.
- A communication platform that uses standardized protocols in wide use in other markets.
- An increased capacity for order transmission and receipt, increasing transmission, processing and round-trip speed.
- Equitable processing of bids and offers entered by brokerage firms.
- Optimized functions for various trading and information screens.

The BMV acquired 210 Citrix licenses for users to access the trading platform, and the same number of tokens to allow users to enter SENTRA via Internet under more secure conditions in the event of some contingency situation at the brokerage firms. The new SENTRA Operador will be available at some point in January 2008.

I.1.2 Version 6.2 of the BMV Sentra Captales system

On March 12, version 6.2 of this system was launched. The new version optimizes procedures applicable to securities in the International Quotations System. One of these is the creation of a table of ticks (at different price levels) for cross trades, and automatic start of a 2-minute auction when brokerage firms enter bids or asks at price more than 15% above or below the previous day's close in the market of origin, or compared to the most recent trade of the day.

Auctions conducted in response to significant price changes have significantly narrowed the likelihood of brokers suffering some economic loss due to human error, and also contribute to proper price formation.

I.1.3 Version 6.3 of the BMV Sentra Capitaes System

Version 6.3 was installed on November 12, introducing new trading and security measures and offering users a more robust platform for entering the Electronic Trading System, in keeping with the provisions of the National Banking and Securities Commission.

I.1.4 New Trading System Order Routing System (H2H)

Continuing the strategy of developing a new system to distribute and receive information that consolidates the services supplied by the BOLSA MEXICANA DE VALORES, on November 15, the Bolsa concluded the migration to the Host to Host platform of the system called SETRIB Tradicional, with satisfactory results. On December 4 it completed the installation corresponding to SETRIB+, which issued by the BMV and brokers for electronic order routing.

I.1.5 Technology Improvements

In August, the Bolsa changed the terminals used in brokerage firm offices for trading and lookup in the Electronic Trading System for the equity market, installing equipment with greater processing capacity, consistent with the recently developed trading platform.

I.1.6 Technical Trade Monitor Center

In the second half of 2007, this new Monitoring Center was installed in the trading floor, in order to reinforce monitoring of daily trading in the equity market, to provide reliable, secure and prompt information on installed technological capacity, improve the service the BMV provides brokerage firms, and modernize the image of the trading floor.

The Technical Trade Monitor Center will begin operating in January 2008.

I.1.7 Automation of trading reports

In October 2007 the first phase of a project called "Business Intelligence" was released. This tool allows users to search and use information from the institutional data base, to generate real-time and historic reports, on the activities of brokers that use program trading, on trading in the BMV Global Market, and trading by brokerage firms in general, as well as the corresponding close-of-session trading report.

I.1.8 BMV-Bursatec plan for a better response to IT problems

In January, an internal control system was introduced that will allow the BMV to provide better services to brokerage firms through follow-up on the technological incidents they report, until they are resolved. This serves as a basis for establishing preventive measures and for generating capacity indicators.



II. Completing Markets, Products and Services

II.1 Transactional Services

Harmonization of Settlement Terms.

As of March 5, the settlement terms of transactions on the BOLSA MEXICANA DE VALORES with stocks in companies in the domestic market (including the Nafrac and warrants) was extended to three business days (72 hours).

This extension of settlement terms for 48 to 72 hours was intended primarily to bring settlement periods in the Mexican market into line with those of other markets, like the NYSE and NASDAQ in the U.S., Canada's TSC, and Brazil's Bovespa, which settle in T+3.

Calculation of the Weighted Average Price (PPP) on the Market

With the expiration of the IPC future on June 15, the PPP calculated by the Bolsa to determine market-on-close prices now incorporates the last 30 minutes of trading only on days that this contract expires (four times a year). In the remaining trading session, the calculation is done as in the past, based on the last 20 minutes of trading.

Development of the Market Maker Function

In April and May, the BMV conducted a study of the characteristics this market participant in various international markets. Based on the information gleaned from this study, and bearing in mind the specific needs of the Mexican securities industry, the BOLSA MEXICANA DE VALORES then developed the trading rules that would apply to such participants in the equity market, and the necessary adjustments to the Electronic Trading System.

The plan was presented to the National Banking and Securities Commission, which expressed its interest and support of the project's implementation as soon as possible. Startup is now slated for the first four months of 2008.

Certification of Trading Control Processes

In June, we conducted a gap analysis as the starting point for obtaining ISO 9001-2000 certification on the processes of our Trading Control area, specifically in the equity market. This certification would allow the BMV to strengthen the quality of its services and continuously improve its organization, promoting an attitude of service toward internal and external clients. The ISO 9001-2000 certification process will be completed in July 2008.

II.2 BMV Global Market

The BMV Global Market, or International Quotation System, continued to grow in terms of the number of securities listed, in their characteristics, and in trading statistics, becoming an increasingly widely-used alternative, primarily for institutional and qualified investors that take advantage of this mechanism for diversification and coverage offered by the BMV.

At the close of 2007, there were 346 foreign securities listed in the equity segment of this market: 238 shares and 108 TRACs (ETFs)--stock-referenced shares or "exchange traded funds"--98.5% of which have their market of origin in the United States. Another 128 foreign securities are listed in the debt segment of that system.

In the year covered by this report, 59 new shares were incorporated into the inventory of the equity segment, coming from the following countries: 39 from the United States, 10 from Brazil, 4 from Canada, 2 from South Africa, 1 from China, 1 from Italy, 1 from Panama and one more from Bermuda.

Within the equity segment 37 ETFs also joined the market: 13 Dow Jones iShares, 11 Vanguard ETFs, 4 S&P iShares, 3 Asian iShares, 4 MSCI iShares (Brazil, BRIC, Singapore and South Africa), 1 IBOXX iShare, and 1 ETF iShare (Russia).

We should note that in the case of the MSCI Brazil iShare, called the EWZ (MSCI Brazil Index Fund iShares), its incorporation into the International Quotation System is part of the work the BOLSA MEXICANA DE VALORES has been carrying out together with the Sao Paulo Stock Exchange (Bovespa), within the context a pilot plan for operating integration of the two Exchanges.

In the fixed-income segment, 108 issues were listed this year for 57,035 pesos, which is 132.5% of the amount issued in 2006, when there were 46 issues totaling 42.20 billion pesos.

The three most active brokerage firms in debt issues, out of a total of 10, were: Ixe with 23.4% of the amount placed, Merrill Lynch with 17.3% and Deutsche with 15.8%.

Among the brokerage firms involved in foreign issues, the most active were Merrill Lynch & Co (7.78 billion pesos), Santander (5.7 billion pesos) and JP Morgan Chase & Co (5.66 billion pesos).

This type of issue guarantees 100% of the invested capital and its structure includes various forms of investment, like inflation-indexed investment units (UDIs), the Interbank Equilibrium Interest Rate (TIIE), trends in dollars and interest rates, equity indices and individual stocks. Debt issues included in the SIC are listed mainly in organized markets in London and Luxembourg.

II.3 Comprehensive Issuer Services

II.3.1 Program of issuer facilities and services

The Board of Directors of this Stock Exchange approved a continuation in 2007 of its Program of Facilities and Services for new issuers, which it began the year before. The program offers certain discounts and benefits for new companies that list their shares on this Stock Exchange.

The BOLSA MEXICANA DE VALORES established the program to further its corporate purpose, which includes, among other aims, encouraging the development of the securities market and providing efficient and competitive services. The program also provides an additional tool for facilitating access to this Stock Exchange, and to support the promotion and awareness of the securities market.

In short-term issues, the following new issues benefited from the program:

- Arrendadora BanRegio, S.A. de C.V., S.F.O.M., E.R. (ABREGIO)
- Arrendadora Financiera Navistar, S.A. de C.V., O.A.C. (NAVARRE)
- FICEIN, S.A. de C.V., O.A.C. (FICEIN)
- Financiera Finsol, S.A. de C.V., S.F.O.M., E.N.R. (FINSOL)
- GE Capital Internacional México Holdings, S. de R.L. de C.V. (GECB)
- Hipotecaria Vértice, S.A. de C.V., S.F.O.L. (VÉRTICE)
- Promotora de Casas y Edificios, S. A. de C. V. (PMCASA)

In long-term issues, the following issuers benefited:

- Banco Invex, S.A., I.B.M. (ACOSTCB).
- Banco Invex, S.A., I.B.M. (PLANFCB).
- Banco Regional de Monterrey, S.A., I.B.M. (BAREGIO).

In June, we conducted a gap analysis as the starting point for obtaining ISO 9001-2000 certification on the processes of our Trading Control area, specifically in the equity market. This certification would allow the BMV to strengthen the quality of its services and continuously improve its organization, promoting an attitude of service toward internal and external clients. The ISO 9001-2000 certification process will be completed in July 2008.

- Grupo Actinver, S.A. de C.V. (ACTINVR).
- Volkswagen Leasing, S.A. de C.V. (VWLEASE).

In the stock market, the only company to receive this benefit was Megacable Holdings. S.A.B. de C.V. (MEGA).

II.3.2 In-forming the Market

As part of its strategy of supporting and promoting listed companies, the Bolsa has been pursuing a practice it calls “In-forming the Market”, as a forum for placing Mexican companies in contact with various prospective investors, allowing them to present their operating and financial results, main achievements, strategies and prospects. This is intended to generate more interest in investment and thus contribute to trading activity and price formation.

Two of these forums were held during the year: the first, on March 13, involved recent issuers GAP, GFAMSA and OMA, which presented their present figures and projections.

The second “In-forming the Market” session involved issuers in the Telecom industry, and was held on August 14. The invited companies were AMX, AXTEL, CABLE, CEL and TELMEX, and the special guest was the Federal Telecommunications Commission (COFETEL).

These events were attended by more than 120 high-level executives, among them issuers, analysts, brokers, fund managers, retirement fund managers, institutional investors, promoters and independent investment consultants.

II.3.3 EMISNET

In the past year, issuer and market participants send 31,363 files of financial and corporate information via the Emisnet, compared to 30,517 in 2006.

In the first quarter of 2007 a new version of Emisnet was launched, which incorporated changes to the catalog of accounts relating to the entry into force of new Financial Information Reporting Standards (known as NIF), which basically overhauled the format for income statements. The system also added a new function to make it easier for common representatives to identify the issues for which they are responsible.

The BMV intends to keep all the issuers involved in the study of NIF-related projects. To this end, in 2007 it created a work group with various issuers to analyze the impact of the NIF Bulletins on the account catalog, like “B-10, Inflation Effects,” “B-2, Statement of Cash Flow,” “D-8, Stock-Based Payments,” and “B-15, conversion of foreign currencies.” The comments and suggestions of issuers and the work group were channeled to the Council for Investigation of Financial Information Standards (CINIF).

A number of training sessions were held as well, in order to keep issuers up to date on Emisnet-related topics. In March 2007 the BMV visited the cities of Chihuahua, Culiacán, Guadalajara and Monterrey, to present improvements in the system and changes in the account catalog, which took effect in the month of May.

Looking ahead to 2008, various participants (including analysts and issuers) negotiated changes to the new financial information catalog applicable to industrial, commercial and service companies, to be included in the new NIF, bringing these reports to the forefront of international reporting standards.

In an inspection visit carried out by the National Banking and Securities Commission, 44 requirements were addressed promptly and satisfactorily, and a result of that visit only 4 observations were made, all of them relating to systems in the process of development.

II.3.4 Promotion and Service Activities

In 2007, this institution strengthened its activities to promote new and potential issuers, under a strategy of joining forces with various national organizations to forge closer ties with the country’s business community.

The main objective is to keep high-level executives in organizations fully informed, via case studies, presentations, and information, of the advantages and benefits that the securities market offers, in addition to offering them close

consultation during the entire process of deciding on issuing debt or equity in order to raise financing through the market.

In 2007, alliances and joint promotion agreements were forged with various institutions, like:

- Consulting companies with whom the BMV visited cities like Mexico City, Guadalajara, Hermosillo, León, Monterrey and Tijuana, contacting more than 350 entrepreneurs from various regions where these firms have a presence.
- Universities like the Instituto Panamericano de Alta Dirección de Empresa, the Escuela de Graduados en Administración y Dirección de Empresas (EGADE) of the Instituto Tecnológico y de Estudios Superiores de Monterrey, the Escuela de Postgrados de la Universidad Panamericana, and Universidad de las Américas, among others, in which more than 2,500 professionals from many fields were contacted. In these university and business forums testimonial videos by top executive were presented, telling of their experiences before joining the Bolsa, and the results they obtained after their entry into that market.
- In the second half of the year, we participated together with the College of Accountants at forums in the cities of Acapulco, Mexico City, Puebla, Tapachula, Tlaxcala and Villahermosa, contacting 450 representatives of the College.
- We continued our participation in the Consulting Councils of Nacional Financiera on a regional basis, in Aguascalientes, Campeche, Coahuila, México State, Guerrero, Mérida, Tlaxcala, Veracruz and Zacatecas, and were able to contact the 100 more representative entrepreneurs in this field.
- We also participated actively in the Mexican Bar Association and Mexican Academy of Financial Law, in order to discuss changes in the new Securities Market Act with outstanding lawyers, and communicate to them the benefits of the programs on Facilities and Corporate Governance.
- In November, in collaboration with BMV-Educación and the Mexican Securities Industry Association (AMIB), we held a forum or seminar entitled "Toward a Securities Market culture in Mexico," with the successful participation of more than 200 company directors and executives.
- We have established ties with the representative offices of various Mexican states so that through their corresponding Ministries for Economic Development, informational forums could be held for leading business organizations in their regions. The first state in which we held such a forum was Tlaxcala, in December 2007, as part of its support program for small- and mid-sized businesses.
- We participated in the annual convention of the Mexican Finance Executives' Institute (IMEF), in which we reported on the evolution of the market, its trends and performance, to 350 members, informing them as well of the facilities and promotional programs offered by the BOLSA MEXICANA DE VALORES.

Also as a part of these promotional activities, we met privately with more than 120 potential issuers that meet the profile for our target market, as well as some that came out of larger events or forums in which they participated.

To complement these efforts, we designed and developed a Guide and Qualitative/Quantitative Questionnaire for potential companies, in order to more thoroughly analyze the history, evolution and management of the organization and their capacity to successfully issue debt or equity instruments. The purpose of the questionnaire is to precisely determine the variables or factors that make it more likely or easier for a company to enter and qualify, obtaining feedback in advance from the Bolsa regarding its strengths and weaknesses, and suggestions and guidelines it should follow. This would facilitate and expedite the process of their entry into the market.

Because one of the most important aspects for a company going public is its institutionalization, the BMV worked on a corporate government promotion program that includes training sessions, economic support for companies that decide to join the Exchange as Investment Promotion Corporations (SAPIBs) can hire external consultants to guide and support their gradual conformance to corporate governance standards, and the publication of guides and supporting documentation on the topic. It also developed a Guide and Calendar for adoption of corporate governance measures that will allow entrepreneurs to simply plan their activities, times and process of transition to institutionalization by adopting the standards mandated by the regulations. The Guide and Calendar are organized into four phases, which describe the process of accessing and gradually complying with the regulations, degrees of compliance and ensuring the process of incorporation into the market.

II.3.5 Operating improvements to securities listings

A new type of security called the BONHITO was created, and the necessary adjustments were made to the SIV and TANDEM systems, the Bolsa's webpage and Emisnet (public offering notice formats).

Also during the year, iShares were introduced as a new type of security, and requests were handled from companies for the application of special rights (EKCO, GBM, GFMULTI, KUO, TVAZTCA). The information sent by the companies was processed and disseminated in the correct time and fashion, and any problems were communicated to the internal Market Oversight area when necessary.

Other activities worth mentioning include the release of a new section of the BMV webpage on issuer companies and digital information with the required functionality, and the development of a new technological platform suggested by BURSATEC, the News of Interest bulletin, significantly simplifying the process of editing by eliminating manual intervention and errors in its publication.



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III. Oversight, Self-Regulation and Rules

III.1 Issuer Oversight

III.1.1 Monitoring of Domestic Market and BMV Global Market

In accordance with the BMV's strategic guidelines, in 2007 we continued work on monitoring issuers in the domestic and global markets, both with regard to news in specialized periodicals and in various news media, as well as unusual movements or suspensions during trading.

In order to safeguard market transparency, issuers were asked to supply more information that would allow the Exchange to oversee the transparency of the market in the following circumstances: whenever there is an unusual movement in the market price of their stock; when there is some news in the public domain that had not been distributed through EMISNET and which could possibly influence the price of the stock; or when there is some material event reported to the BMV but considered incomplete or confusing or when, in the opinion of this Exchange, financial or corporate information requires further clarification.

In the previous year, there had been 1,160 requests for clarification and/or additional remarks from the companies or brokerage firms, while in 2007 there were 1,299 such requests, meaning that 10.70% more cases were detected, reviewed, and followed to completion.

Information Requests from Issuers and Brokerage firms 2004 - 2007

	Information Requests				2007 vs 2006	
	2004	2005	2006	2007	#	%
Number of Requests	386	707	1,160	1,299	139	10.70

All of our contacts with Mexican issuers or brokerage firms are intended to guarantee that the market has timely information and that current regulations are fully enforced, but in some cases our contact with the company does not necessarily result in the announcement of a material event.

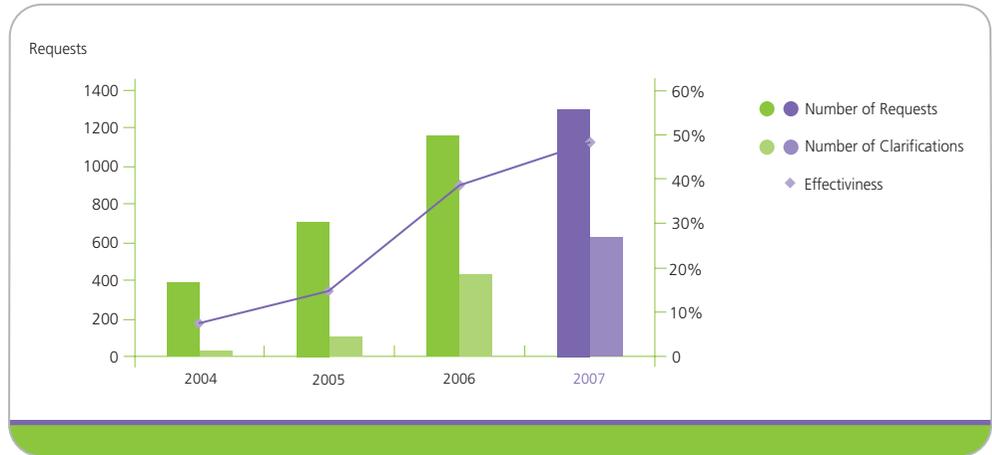
Clarifications Resulting in Material Events 2004 - 2007

	Material Events - Clarifications				2007 vs 2006	
	2004	2005	2006	2007	#	%
Number of M.E. (clarifications)	31	106	429	629	200	31.80

In comparison, in 2006, issuers submitted clarifications on 429 material events, a figure that rose to 629 in 2007, which means they received 31.80% more such clarifications in the previous year.



Degree of Effectiveness of Information Requests



In 2007, out of a total of 1,299 requests for information, the number of clarifications rose to 629, which is an effectiveness ratio of 48%.

With the same purpose, we worked to reduce the response time from the moment the request is made to the Integral Issuer Services area until the issuer receives notice of that request, from a total average time of 21:27 minutes in 2006 to 15:43 minutes in 2007, almost 6 minutes less. This was largely because the Market Oversight Area requested information on price changes, various minutes before the quotation of the securities in question was suspended due to a violation of established parameters.

At the same time, due to an increase in the number of companies listed in the BMV Global market, the spectrum of news, processes and markets to monitor also increased proportionately.

Average Time from Suspension to Issuer Notification

Suspension	Mkt. Oversight Requests Information	Issuer Services Notifies Company	Total Time
2006	1:06 minutes	20:21 minutes	21:27 minutes
	2:49 minutes	12:54 minutes	15:43 minutes

III.1.2 Results of 2007 Annual Review

The results of the annual evaluation conducted in June identified a total of 163 series listed, of which 147 were evaluated, and the remaining 13 were inactive and not subject to this revision, plus 3 series whose placement was too recent for revision. Of the 147 series evaluated, 105 (71%) showed no failures, 25 (17%) one failure, and 17 (12%) two failures. To complement this identification of failures in maintenance requirements, and according to the regulatory framework, some issuers were designated for trading under a Continuous Auction Scheme. Those that had resolved the failures returned to trading through the Continuous Trading Scheme, as stipulated in provision 4.040.01 of the BMV's Internal Regulations.

Once these changes were made, there were a total of 34 series in Continuous Auction mode, 103 in Continuous Trading, and 10 issuer-series suspended. Over the course of July, August and September, however, changes were made to these figures, following close tracking and follow-up by the Exchange and the resolution of failures by some companies that allowed them to return to Continuous Trading.

Issuer - Serie	Failure Resolved	Date of Change in Status to Continuous Trading
GISSA *	- Minimum float of 12% of Capital Stock	July 3, 2007
BACHOCO B	- Minimum 100 shareholders in Investing Public	July 9, 2007
DERMET B	- Minimum float of 12% of Capital Stock - Minimum 100 shareholders in Investing Public	September 3, 2007
GENSEG *	- Minimum 100 shareholders in Investing Public	September 4, 2007

Following these changes, we obtained a final list of issuers who were in default of listing maintenance requirements: out of a total of 147 issuer-series evaluated, 109 (74%) showed no failures, 22 (15%) showed one, and 16 (11%) showed two.

Comparing these figures against those of the preceding year, we found a 3% reduction in the number of issuer-series with no failures, and a 15% reduction in those with one failure; those with two failures remained unchanged.

Item	2006		2007		2007 vs 2006	
Total Issuer-Series	195	100%	189	100%	(6)	3%
Unlisted Issuer-Series	27	14%	26	14%	(1)	4%
Total listed Issuer-Series	168	86%	163	86%	(5)	3%
Unevaluated Issuer-Series	14		16		2	(13%)
Total Evaluated Issuer-Series	154	100%	147	100%	(7)	5%
Issuer-Series W/O Defaults	112	73%	109	74%	(3)	(3%)
Issuer-Series with 1 Default	26	68%	22	58%	(4)	(15%)
Issuer-Series with 2 Defaults	16	42%	16	42%	0	0
Issuer-Series W/ Defaults	42	27%	38	26%	(4)	(10%)
Suspended Issuer-Series	11		10		(1)	(9%)

Once the defaults were identified, 34 issuers were asked to present corrective programs to correct the failures. Out of the total number of programs requested, 29 responded, meaning 85.29% of the total (this is the ratio of responses to default requests received); 2 of them (5.88%) did not respond due to cancellation of their listing; and the remaining 3 (8.82%) pertain to suspended companies.

In order to assist companies that presented concrete measures really directed at resolving the defaults, we approached various companies, offering to assist in analyzing their plans and providing sufficient detail on their corrective measures.

In our follow-up and review of corrective programs, we requested a new program from those issuers we did not consider to have presented a satisfactory plan, with concrete measures to resolve their defaults; in response we received a more detailed program from each of these companies.

III.1.3 Suspensions

The total number of suspensions rose from 112 in 2006 to 121 in 2007 (8.04%); this change is due to an increased number of suspensions due to brokerage firm error (7), and suspensions resulting from spin-offs and pricing procedures (2). There were also suspensions for reasons that did not occur the year before, such as those applied at the request of the issuer, due to the announcement of a material event, or suspension in the issue's market of origin.

On this last point, we would like to highlight the effort made to continuously track and monitor the issuers and series that are included in the BMV's International Quotations System, which has allows us to detect on a timely basis any issuers listed in the BMV Global Market, or SIC, that are suspended in some other securities market where they trade, generally in their market of origin, as a result of information pending publication or the release of financial information.



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Reason for Suspension	2006		2007	
	Total Issue-Series Suspended	% of Total	Total Issue-Series Suspended	% of Total
Surpassed Limits	103	91.96%	95	78.51%
Failure to deliver financial information	-	-	2	1.65%
Fixed Income Issuer Failing to Deliver Financial Information (Notice)	-	-	-	-
Technical Problems and/or Brokerage Firm Errors	3	2.68%	10	8.26%
Spinoffs, Public Offerings and Price Fixing	2	1.79%	4	3.31%
Issuers' Requests	-	-	2	1.65%
Failure to Meet Maintenance Requirements	-	-	1	0.83%
Elimination of Series	4	3.57%	-	-
Material Events	-	-	1	0.83%
CNBV Order	-	-	-	-
Prevent Disorderly Conditions	-	-	-	-
Unusual Movements	-	-	-	-
Suspension in Market of Origin	-	-	6	4.96%
Total	112	100%	121	100%

III.1.4 Continuous Auctions

From the time this form of trading took effect, these auctions have been reviewed on a daily basis, and each month listing maintenance requirements are reviewed (number of investors and float).

This has benefited companies by significantly reducing the number of issuers trading in Continuous Auction, from 33 series in 2006 to 24 series in 2007.

Changes in Trading Mode 2007		
	2006	2007
Total Series in Continuous Auction at Start of Period	52	33
Changes from Continuous Trading to Continuous Auction	24	7
Changes from Continuous Auction to Continuous Trading	5	8
Series not Traded While in Continuous Auction	5	4
Total Series Canceled at End of Period	1	10
Total Series in Continuous Auction at End of Period	33	24

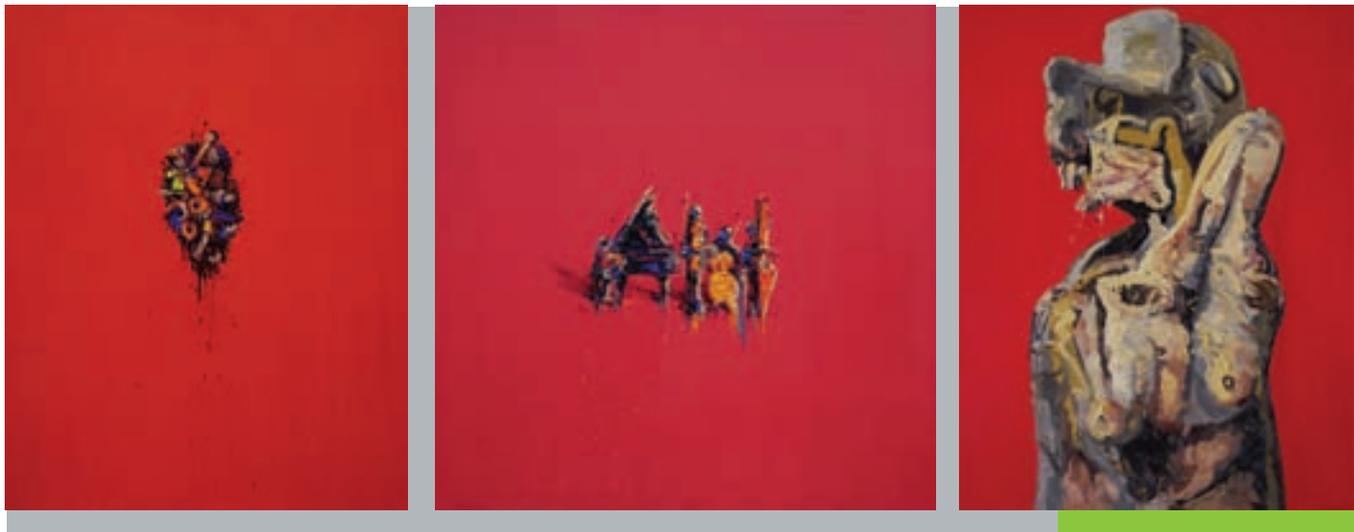
The auction scheme has allowed 7 of the 33 series that began the period in continuous auction to increase their trading volume, resolving the defaults and resuming continuous trading.

Issuer-Series Traded in Continuous Auction in January-December 2007	
Issuer-Series in Continuous Auction at Start of Period	33
Issuer-Series in Continuous Auction at End of Period	24
Total Issuer-Series in Continuous Auction Throughout the Period	41
Issuer-Series that Remain in Continuous Auction Mode	20
Issuer-Series that Resumed Continuous Trading and Remain in this Mode	7
Issuer-Series that are in Continuous Trading Mode and Present no Transactions in the Period	4
Issuer-Series that were in Continuous Trading Mode and were Canceled	10

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III.1.5 Financial Information

In connection with financial reporting obligations for 2007, the securities of two issuers were suspended due to a default on this line, in contrast to 2006, when all of them met their obligations for financial disclosure.

Despite this, the BMV's efforts to prevent issuers from defaulting on these obligations intensified significantly over the previous year, due to improvements in the process of following up on information delivery, supervising more thoroughly and in greater detail issuers' compliance with delivery of new and various company and corporate reports that must be included in the audited annual financial information, as established by the new Securities Market Act, and which began being submitted in 2007.

Suspension for Failure to Deliver Financial Information 2006 vs. 2007

Date	Type of Financial Information	2006		2007	
		Total Suspended Issuers	Total Suspended Series	Total Suspended Issuers	Total Suspended Series
February	4th Qtr. Preliminary	-	-	-	-
	Fixed Income Issuers	-	-	-	-
	Notice of Failure to Deviler Information	-	-	-	-
April	1st Qtr.	-	-	-	-
	Fixed Income Issuers	-	-	-	-
	Notice of Failure to Deviler Information	-	-	-	-
May	Audited 4th Qtr.	-	-	-	-
	Exceptions	-	-	-	-
	Fixed Income Issuers	-	-	-	-
June	Annual Report	-	-	-	-
	Code of Best Corporate Practices	-	-	1	1
	Fixed Income Issuers	-	-	-	-
July	A.R. & CBCP Notice	-	-	-	-
	2nd Qtr.	-	-	-	-
	Fixed Income Issuers	-	-	-	-
October	Notice of Failure to Deviler Information	-	-	-	-
	3rd Qtr.	-	-	1	1
	Fixed Income Issuers	-	-	-	-
	Notice of Failure to Deviler Information	-	-	-	-
	Total	-	-	2	2

III.1.6 Exceptions

In 2007, pursuant to the application of the Unified Issuers' Bulletin, in the months of April and May, the BMV examined the opinion of external auditors on the annual information presented by market issuers. As a result, out of a total of 105 auditor's opinions reviewed, 25 stated no exceptions, 68 presented notes or clarifications, 12 contained paragraphs of exception, and none expressed an abstention.

Under the provisions of the Unified Bulletin, and in keeping with the faculties of the BMV regarding dissemination of information, in 2007 the BMV did not suspend any issuer from listing as a result of a failure in the transcription or submission of the auditors' opinion.

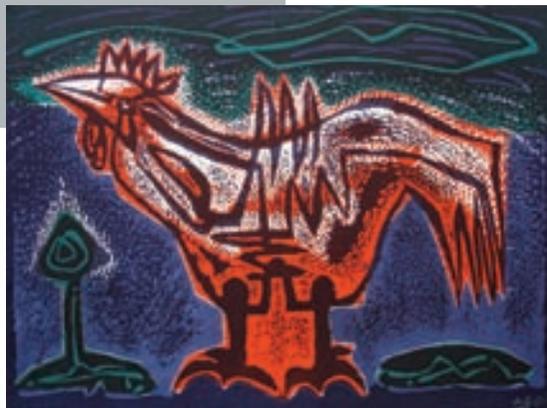
Evaluation of Opinion	Total	Transcription Requested via M.E.	M.E. Received Without Being Requested
Mentions or Notes	68	26	42
Exceptions	12	3	9
Abstentions	n	-	-
Total	80	29	51

M.E.: Material Event

The comparative table below shows a reduction of 22.33% (23) in the number of issuers that presented some note, clarification, or exception in their opinion of the financial statements for the period ended December 2006. In 2007, all of the companies that were asked to provide a transcription of the auditors' opinion through a material event responded correctly.

Item	2006	2007
Total Number of Issuers whose Auditors' Statement Included:	103	80
- Notes of Clarifications	100	68
- Exceptions	3	12
- Abstention	-	-
Issuers that only Presented Notes or Exceptions in one of the Two Years	54	30
Issuers that Presented Notes or Exceptions in Both Years		50
Issuers that did not send Transcription of Auditors Report	1	-

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III.1.7 Repurchases

The table below compares the number of repurchase transactions in 2006 and 2007, showing an increase of 4.74% (142) in the number of such transactions. The number of defaults in the repurchase process, whether in the form of a late notification (more than one business day) or by repurchasing through two different brokerage firms in a single day, remained basically unchanged, with a slight increase of 2.86% (1 instance).

Follow-up on Repurchase Transactions	2006	2007	2007 vs 2006
Total Repurchases Reported	2,993	3,135	4.74%
Total Default on Repurchase Reporting	35	36	2.86%
Reported Late	32	35	-
Repurchasing through two Brokerage Firms on one day	3	1	-

Through various preventive and corrective actions, like notification documents and meetings with the companies in question, the Bolsa worked to keep the market efficient by encouraging issuers to comply promptly with their obligations.

III.1.8 Strengthening Operating Mechanisms for Market Oversight

As part of our ongoing search for better market oversight practices, in 2007 we continued internal efforts to improve existing procedures. Based on our diagnosis, the monitoring and oversight we conduct is perfected and aligned with best international practices. Concretely, we worked on making the changes necessary to earn some form of quality certification for our market monitoring and surveillance processes.

Another aspect of our work in 2007 was the development of the optimized version of the VIGIA system, which included various additions and improvements and will function more in keeping with the response times needed in our market. These new needs are largely the result of what is called program trading, so the new version will run on a more robust platform. All of this should bring a better execution of monitoring and surveillance functions, which will also be reflected in more transparency and benefits for the market.

III.1.9 Short sales

We continued to work on verification and analysis of transactions and cancellations of short sales, preparing a monthly report that will allow us to identify the short positions of each brokerage firm by issuer-series. In addition, in order to maintain greater control over the balances of short sales, this year a major change was made to the Automated Integral Securities System (SIVA), creating a module through which participants can input modifications to their short balances. Additionally, this year, as one of the internal requirements of our institutional Business Intelligence project, through the COGNOS tool we were able to automate the monthly report and obtain daily information on short sales.

III.2 Oversight of Brokerage Firms

This past year we continued the work of contacting Compliance Officers of brokerage firms in cases in which our monitoring of trading in the market revealed unusual transactions in which there was the presumption of some violation of sound market practice. In 2007 we addressed a total of 18 requests by brokers or ex officio investigations. In four cases we held meetings and exchanged document with the parties involved to correctly conclude the investigation. In each of these cases we proceeded according to current market regulations and followed up on each investigation, with none left open by the end of the year.

The practices that may be flagged for special observation are those in which there may have been order fragmentation, pre-arranging trades, churning, cancellation of orders or trades, market manipulation and minimum number of traders. To enrich these functions, work has begun on creating more specific rules for each of these cases, which are planned for incorporation as self-regulatory rules.

In addition, based on the new Securities Market Act, the BMV will conduct audits on the basis of which it can explore areas of opportunity, similar to the way self-regulatory organizations of other exchanges act with regard to their members.

III.3 Self-regulation and Rules

III.3.1 Complete reform of BMV Corporate Charter

In 2007, the company amended its Internal Regulations, as approved by its Compliance committee in the November 30 meeting, in pursuit of the following objectives:

- a. **Market Makers** - To comply with the terms of section VII of article 247 of the Securities Market Act, which stipulate that the internal regulations of brokerage firms must contain "operating rules governing members that choose to participate as market makers".
- b. **FIBRAS** - To incorporate the various requirements for trust institutions involved in the acquisition or construction of real-estate primarily for leasing, known as FIBRAS (the equivalent of REITs in the United States), which intend to list securities issued from those trusts, in a manner consistent with the provisions of the Income Tax Law.
- c. **Market Investment Promotion Companies, International Quotations System, and other trading matters** - To update and expand the requirements for listing and maintenance of securities authorized for trading on the BMV, including those applicable to what are called Market Investment Promotion Companies.

To incorporate certain specific points in the procedure for listing foreign securities in the International Quotation System, and some terms and definitions of scope for the rules contained in the BMV's Internal Regulations, to bring them into line with the new Securities Market Act and modifications to the general provisions arising from it.

These amendments are in the process of being authorized by the National Banking and Securities Commission.

III.3.2 Modification of General Provisions

In this area, the BMV provided its comments and observations to the National Banking and Securities Commission on the activities inherent to the Institution, on the draft of a resolution to modify the general provisions applicable to issuers of securities and other participants in the securities market (the Unified Issuer Bulletin), which were changed to conform to the needs of the market and to provisions stemming from the new Securities Market Act.

IV. Development of Markets and Information Products

IV.1 Registry of brokerage firms

In 2007, two brokerage firms began activities in the market as Full Members, having concluded the access process which includes legal, administrative, operating and technical requirements.

Among the resolutions based on the BMV's Board of Directors Meeting held on January 25 of this year, Intercam Casa de Bolsa, S.A. de C.V., changed its status from Limited Member to Full Non-Shareholder Member. The brokerage firm began to operate in this capacity on June 26, 2007.

Also, at the request of Deutsche Securities, S.A. de C.V., Casa de Bolsa, the Board of Directors voted on June 21 to approve a change in its status from Limited Member to Full Shareholding Member. This firm began trading on the equity market as of July 24, 2007.

Finally, on February 22 the Executive Committee approved the admission of Vanguardia Casa de Bolsa, S.A. de C.V., as Full Non-Shareholding Member, having met all the legal, administrative, technical and operating requirements established by the BMV for it to begin trading.

Changes in Securities Brokerage in Mexico, 2002-2007						
	2002	2003	2004	2005	2006	2007
New Full Member Brokerage Firms		- UBS				- Vanguardia
New Limited Member Brokerage Firms	- Bank of America - Credit Suisse		- ABN AMRO	- Protego	- Barclays - Base Internacional - Intercam	
Expansion to Full Member Brokerage Firms				- Credit Suisse - JP Morgan		- Deutsche Securities - Intercam

IV.2 Information Sales

One of the responsibilities of the Stock Exchange is to provide market and financial information to investors and the general public in a timely fashion.

This is why year after year, we face the challenge of increasing the number of distribution channels and information products, to be able to serve a growing number of individuals and institutions.

Given the wide variety of needs for historical and real-time information, the goal is to create different products, each designed to meet a specific part of the range of needs. The more information and the greater detail we are able to display, the more interest we can attract in the Mexican securities market.

In 2007 revenues from information sales rose by 32.41%, the sharpest increase in the last 5 years.

To achieve this growth, we worked very closely with our information vendors in supervising real-time information reports and in assembling new data content from our market in their terminals, to take advantage of the growing interest in Mexico by providing investors more value-added information.

We also released 10 new information formats with added value, including information on multiples, ratios, and proportions, market cap and issuer influence within the indices, mutual fund portfolios, coupon catalog for debt securities, and others.

Our work in forging closer ties with information vendors in recent years was reflected last year in a growth in the number of information terminals showing real-time information on the Bolsa, from 9,600 in January to 12,400 in December, a 22% increase in the number of terminals installed throughout the world showing real-time information on our Exchange.

In the same area of real-time information, in 2007 the Mexican Stock Exchange strengthened its in-house SiBolsa system, which is designed to distribute information on the Mexican market at competitive and accessible prices, promoting investment and financial awareness in our country. The system opened January 2007 with 650 terminals and closed the year with 710.

The commitment the Bolsa has placed in this new system will allow more people in Mexico to access real-time information and decide on what shares or instruments to invest in. The platform is in place so that in 2008 we can add more information on mutual funds and reach even more investors.

To bolster the infrastructure we use to distribute this real-time information, we introduced a new H2H platform for mass delivery of messages and bids and asks in real time to vendors. This alternative is designed in such a way that regardless of how intense trading activity becomes, the information can be delivered promptly and without delay at the moment the trades are recorded. This allows our clients to view the information on their terminals in real time, without the slightest lag.

This new service should bring in new clients in 2008, who are interested in receiving information in real time to feed into risk systems or systems that generate automatic bids and asks by brokerage firms.

IV.3 Maintenance and licensing of Stock Exchange Indices

We concluded the analytical work on reclassifying all the issuers listed on the stock market by industry group, a task carried out together with the Index Methodology Technical Committee of the BMV. The work is intended to standardize the classification of companies listed on the Mexican Exchange with international practice, into categories with which local and international analysts are already familiar. This will make it easier to analyze stocks in a given industry and compare their performance against their own industry but in a different country.

The work on establishing the industry groups concluded in December 2007, and the new classification will take effect in the first half of 2008, allowing for the generation of new sectorial and branch indices by year-end.

The Committee also worked jointly on the bases for a new indicator intended to reflect the efforts each issuer makes to keep its stock active in trading month by month. The indicator would allow analysts to keep track of mid- and low-marketability stocks that have made the greatest effort in trading terms.

In the month of July, the BMV received recognition from the National Retirement Savings System (CONSAR) to include the IPC CompMx and IRT CompMx indices in the group of indices in which retirement funds (SIEFORES) may invest.

The most important achievement in index licensing in 2007 was a contract signed with Barclays, under which the Exchange licensed the new family of the IPC CompMx, the Habita Index and the INMEX.

This contract allowed Barclays to list 4 new TRACs pegged to the IPC CompMx, the IPLargeCap, the IPCMidCap and Habita, as of October 19, 2007. The Bolsa thus became the first Latin American exchange to have 5 Tracs on its own indices listed.

Strong performance by the Bolsa's leading indicators permitted a substantial increase in the number of indexed products in 2007, raising revenues from this area by 35.28% in the year.

In order to create a single internal repository for information and a single tool for generating daily and historic information reports, in 2007 we worked on installing a data warehouse exploitation tool that will give the BMV access to its information more efficiently and in an automated fashion.

IV.4 Project planning and management



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As a result of the constant and aggressive pace of global change in stock markets, and based on the Strategic Plan of Grupo BMV, the institution made a decision to bolster its strategic planning efforts in order to support its response to this environment and align its investment decisions with this strategy. These actions will allow the BMV:

- To have an up-to-date strategic plan that allows the organization to focus on achieving its goals, vision and strategic objectives.
- To generate new initiative and projects aligned with the resulting strategic objectives.
- To establish clearer priorities, that facilitate the evaluation and selection of the right initiatives and projects.

To reinforce planning processes, the directors of BMV developed a medium-term strategic plan (2008-2010) intended to establish a frame or reference that will allow it to focus efforts under a common strategy.

The result was a new strategic plan made up of the following elements:

- BMV mission
- General and detailed vision
- Analysis of current situation (Strengths, Weaknesses, Threats and Opportunities)
- Strategies to be formulated
- Strategic objectives

We also followed up on projects that were authorized during the 2006 planning year, as well as many initiatives and projects that arose during the current year, as follows:

PROJECT	DESCRIPTION
New SENTRA operator	In 2007, we concluded the work of building the new SENTRA Operator system. This application now has greater capacity for processing information and is more robust, secure, and scalable. The launch of the new terminal is scheduled for the first quarter of 2008.
Host to Host	Testing and installation of the project intended to improve the capacity and performance of the order routing system and the real-time distribution of market information, through renovation of the technological infrastructure
Re-engineering of VIGIA 5.0	The purpose of this project is to migrate the current system to a new technological architecture. The Market Oversight area will thus have a new, up-to-date tool to efficiently carry out its work. Release of the new application is slated for mid-2008
Emisnet Phase 2 - Stage B	The aim of this project was to incorporate a new function and improvements to existing functions in some sections and formats of the Emisnet Site. Adjustments were also made to the BMV's internal systems to prepare, transmit, process and publish financial information from the companies such as ICS, SAPIB, SOFOLES, insurance companies, banks, and financial groups.
SAVE - New monitor for Bulletin Information and administration	The purpose of this project is to develop a new Securities and Issuer Administration System that has a general information monitor, and which can serve as a basis for the subsequent integration of new automated information processes developed on the new BMV system architecture.
Renovation of online publications	Within this project, we worked on re-designing the virtual store page under institutional standards, incorporating changes in its content, functionality and organization, retaining the same functions but adopting a new infrastructure.
Business Intelligence	In order to introduce a business intelligence system at the BMV, aimed at maintaining centralized, up-to-date and available information, we developed the first version of a business intelligence project. One of the main benefits is that it will optimize the processes of lookup, access and exploitation of information.
Monitoring Center	This monitoring center will address the need for market information in a reliable, secure and prompt form, in real time, that provides alerts on the performance of technological and trading capacities.

PROJECT	DESCRIPTION
Market Maker	The project will incorporate the position of Market Maker into transactional systems in the equity market, in an effort to improve stock liquidity, particularly among less marketable issues.
BMV Webpage Optimization	The purpose is to create a stable page through improvements focused on strengthening infrastructure and capacity performance, specifically in certain types of lookups through the site.
ISO 9000 Certification	To contribute to the BMV's transition to an attitude of total quality, the goal of this project is to introduce a quality management system in the Departments of Transactional Services and Market Oversight of the BMV, according to international quality standard ISO 9001-2000.
Update and Maturation of the Business Continuity Plan (BCP)	This project formalizes the procedures and responsibilities for updating the BMV's Business Continuity Plan, including a definition of the scheme for management documentation and development of a new campaign to raise awareness of the plan among newly-hired personnel. BCP update activities were also carried out.
Introduction of Project Portfolio Management and Change Management processes	In the first phase of this project, with the support of a consulting company, we carried out a gap analysis of the BMV's portfolio management process. As a result of this analysis, and to bring an integral focus to our Project Portfolio Management, in keeping with the standards of the Project Management Institute (PMI), we strengthened processes relating to project management, drafting a manual of policies and procedures. We also trained a management group to lead projects in the area of project management. In the second phase, we introduced the processes, sub-processes and control formats defined in the Project Management Manual of Policies and Procedures. As a complement to these actions we generated a change management program which will facilitate an understanding and acceptance of new projects when they are defined.
Analysis of Risks and Threats	To correction identify the main risks and threats that may affect the continuity of critical processes to the BMV, we decided on actions and priorities for risk management and implementation of controls, incorporating the best industry practices and standards.
Corporate citizenship and sustainability	The purpose of this project is to establish a corporate citizenship and sustainability program within the BMV. The program incorporates the definition and dissemination of our philosophy and principles of corporate citizenship, quality of life within the institution, our ethics and values, actions toward economic development, and our contributions to community development.

V. Institutional Promotion

In the area of institutional promotion, one of the biggest events of last year was the creation of the Securities Market Business Promotion Council, which began its work on April 17. The committee is made up of high-level representatives from leading financial institutions like the Mexican Bankers' Association, the Mexican Securities Industry Association, the National Bank for Public Works and Services, the Mexican Bar Association, the Stock Exchange Issuers' Committee, the Business Coordinating Council, the Mexican Institute of Public Accountancy, the Mexican Finance Executives' Institute, Nacional Financiera and the BOLSA MEXICANA DE VALORES. The Under Secretary of Finance and Public Credit and the Chairman of the National Banking and Securities Commission are permanent guest members.

The Committee's objective is to identify and nourish the initiatives necessary to support companies in the following aspects:

- Providing information, disseminating and building a market image.
- Facilitating the provision of services to new issuing companies.
- Granting support and encouraging institutionalization of companies.
- Improving conditions for participation and issues by new issuers.
- Bringing the experiences and concerns of all the Committee's members to bear on the task of building up the market by bringing in more companies.

In addition to the promotional activities described in other parts of this report, particularly the attraction of prospective companies to list their shares, and to address the needs of existing issuers, the Mexican Stock Exchange kept up an active presence in a number of forums in Mexico and abroad to increase the general awareness of the securities market and the products and services it offers.

Additionally, and in keeping with its ongoing efforts in this area, the BMV has continued its participation in the technical committees and leadership of international organizations like the Federación Iberoamericana de Bolsas and the World Exchange Federation. This institutional participation is part of a strategy of keeping the world abreast of trends in the Mexican securities market, as well as taking advantage of the technical and practical experiences of other exchanges. This is particularly important in today's climate, in which the global stock exchange industry is changing rapidly, not only in technical and trading terms, but in its structure, as a result of constant mergers and acquisitions between exchanges. This process is changing the global map and competitive conditions in the industry.

Vision for 2008



Strategic Goals for 2008

- Incorporate technical solutions that will allow us to address the various lines of business.
- Improve and expand our supply of services and products.
- Position the BMV as an institutional means of financing and saving for more participants.
- Incorporate marketing methods and strategies that maintain and expand the client base.
- Improve its employees' sense of belonging.
- Standard processes in keeping with international practices.
- Increase our share in the markets we serve.

Medium-term strategies

- Bring in information technology that meets the requirements of the securities market.
- Planning, administrating and monitoring capacities.
- Developing new products and diversifying revenues.
- Remaining competitive in service quality and costs.
- Strengthening our image and reliability.
- Promoting the market to bring in new participants
- Structuring a plan for human capital development.
- Updating and standardizing processes
- Taking advantage of our relationship with other exchanges and participants abroad.
- Strengthening our coordination with local market participants and authorities.

Shareholders and Members

Corporate Name	Shareholder	Full Member ¹	Limited Member ²
ABN AMRO Securities (México), S.A. de C.V., Casa de Bolsa			◆
Acciones y Valores Banamex, S.A. de C.V., Casa de Bolsa, integrante del Grupo Financiero Banamex	◆	◆	
Actinver Casa de Bolsa, S.A. de C.V.	◆	◆	
Banc of America Securities Casa de Bolsa, S.A. de C.V., Grupo Financiero Bank of America			◆
Banco Multiva, S.A., Institución de Banca Múltiple, Multivalores Grupo Financiero	◆		
Banco Ve por Más, S.A., Institución de Banca Múltiple, Grupo Financiero Ve por Más.	◆		
Barclays Capital Casa de Bolsa, S.A. de C.V., Grupo Financiero Barclays México			◆
Base Internacional Casa de Bolsa, S.A. de C.V.			◆
Casa de Bolsa Arka, S.A. de C.V., Arka Grupo Financiero		◆	
Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte	◆	◆	
Casa de Bolsa BBVA Bancomer, S.A. de C.V., Grupo Financiero BBVA Bancomer	◆	◆	
Casa de Bolsa Credit Suisse (México), S.A. de C.V., Grupo Financiero Credit Suisse (México)		◆	
Casa de Bolsa Finamex, S.A.B. de C.V.	◆	◆	
Casa de Bolsa Santander Serfin, S.A. de C.V., Grupo Financiero Santander Serfin	◆	◆	
Deutsche Securities, S.A. de C.V., Casa de Bolsa	◆	◆	
GBM Grupo Bursátil Mexicano, S.A.B. de C.V. Casa de Bolsa	◆	◆	
HSBC Casa de Bolsa, S.A. de C.V., Grupo Financiero HSBC	◆	◆	
ING Bank (México), S.A. de C.V., Institución de Banca Múltiple, ING Grupo Financiero	◆		
ING (México), S.A. de C.V., Casa de Bolsa, ING Grupo Financiero		◆	
Interacciones Casa de Bolsa, S.A. de C.V., Grupo Financiero Interacciones	◆	◆	
Intercam Casa de Bolsa, S.A. de C.V.		◆	
Inversora Bursátil, S.A. de C.V., Casa de Bolsa, Grupo Financiero Inbursa	◆	◆	
Invex Casa de Bolsa, S.A. de C.V., Invex Grupo Financiero	◆	◆	
IXE Banco, S.A., Institución de Banca Múltiple, IXE Grupo Financiero	◆		
IXE Casa de Bolsa, S.A. de C.V., IXE Grupo Financiero		◆	
J.P. Morgan Casa de Bolsa, S.A. de C.V., J.P. Morgan Grupo Financiero	◆	◆	
Merrill Lynch México, S.A. de C.V., Casa de Bolsa	◆	◆	
Monex Casa de Bolsa, S.A. de C.V.	◆	◆	
Multivalores Casa de Bolsa, S.A. de C.V., Multivalores Grupo Financiero		◆	
Protego Casa de Bolsa, S.A. de C.V.			◆
Scotia Inverlat Casa de Bolsa, S.A. de C.V., Grupo Financiero Scotiabank Inverlat	◆	◆	
UBS Casa de Bolsa, S.A. de C.V.	◆	◆	
Valores Mexicanos Casa de Bolsa, S.A. de C.V.	◆	◆	
Value, S.A. de C.V., Casa de Bolsa, Value Grupo Financiero	◆	◆	
Vector Casa de Bolsa, S.A. de C.V.	◆	◆	

¹ Full member. Authorized to engage in equity and fixed-income market trading activity.

² Limited member. Authorized only to engage in fixed-income market trading activity.

Corporate Officers



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Guillermo Prieto Treviño
Chairman of the Board

Pedro Zorrilla Velasco
Chief Executive Officer

José Manuel Allende Zubiri
Issuers and Securities

Catalina Clavé Almeida
Information and Products

Pedro Díez Sánchez
Market Oversight

Alfredo Guillén Lara
Trading Services

Sandra Gómez Bessa
Public Relations

Salvador Herrera Montiel
Statistics

Guillermo Medina Arellano
Communications

Clementina Ramírez de Arellano M.
Legal Affairs

Facts and Figures

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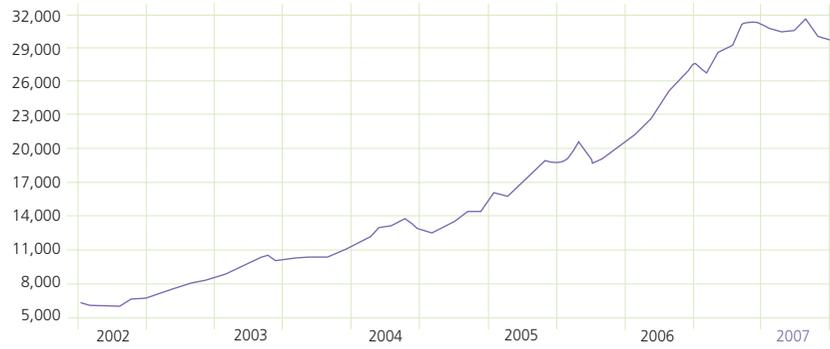


Stock Market Indexes

Index	Record High		Nominal Change %						Accrued 02 / 07	High	2007	
			2002	2003	2004	2005	2006	2007			Low	Last
IPC	32,836.12	18-Oct-07	(3.85)	43.55	46.87	37.81	48.56	11.68	363.52	32,836.12	25,783.04	29,536.83
INMEX	1,893.68	05-Jun-07	(6.39)	46.93	52.70	38.54	47.66	8.85	367.65	1,893.68	1,500.05	1,668.35
IMC30	535.22	19-Jul-07	4.98	66.21	37.95	9.50	46.28	18.83	358.20	535.22	392.08	475.47
IRT	36,327.23	18-Oct-07	(3.32)	46.86	49.73	41.11	51.04	14.17	417.30	36,327.23	28,145.77	32,963.78
IDIPC	115.40	18-Dic-06	0.53	2.31	1.91	2.41	1.68	2.23	11.57	111.57	109.14	111.57
HABITA	1,051.46	16-Abr-07	1.58	115.61	60.68	43.07	62.89	(20.69)	550.48	1,051.46	672.59	712.08
HABITA RT	1,067.41	16-Abr-07	1.58	115.61	60.68	43.41	64.97	(20.57)	561.31	1,067.41	683.80	723.94
INTRA 20	306.75	10-Oct-07	-	-	48.82	21.19	35.44	6.33	-	306.75	238.30	259.74
									05 / 07			
IPC CompMX	250.72	18-Oct-07	-	-	-	34.79	48.83	13.12	126.94	250.72	195.88	226.94
IPC LargeCap	259.96	18-Oct-07	-	-	-	38.88	48.84	13.44	134.50	259.96	201.69	234.50
IPC MidCap	218.14	19-Jul-07	-	-	-	11.62	50.97	6.61	79.65	218.14	164.68	179.65
IPC SmallCap	195.87	09-Jul-07	-	-	-	6.58	40.81	23.84	85.84	195.87	145.83	185.84
IRT CompMX	262.43	18-Oct-07	-	-	-	37.47	50.77	15.51	139.41	262.43	202.38	239.41
IRT LargeCap	272.00	18-Oct-07	-	-	-	41.51	50.67	16.15	147.65	272.00	208.09	247.65
IRT MidCap	231.99	19-Jul-07	-	-	-	14.90	54.66	7.85	91.65	231.99	173.68	191.65
IRT SmallCap	202.01	09-Jul-07	-	-	-	8.66	41.80	24.60	91.98	202.01	149.72	191.98
									02 / 07			
I Mining	81,345.63	31-Oct-07	59.68	165.11	60.59	21.14	62.16	89.54	2,431.15	81,345.63	30,970.95	62,127.34
II Manufacturing	7,916.28	16-Jul-07	8.09	18.46	41.08	10.87	55.43	6.10	230.26	7,916.28	6,749.59	7,604.41
III Construction	48,390.33	18-Jun-07	3.49	42.56	45.90	43.98	31.14	(13.72)	250.71	48,390.33	33,927.39	34,786.44
IV Retail	50,198.88	18-Oct-07	(8.41)	35.79	30.77	38.38	59.63	0.77	262.04	50,198.88	40,375.44	44,609.67
V Comm. & Transp.	169,053.57	06-Jul-07	(9.49)	48.96	53.40	42.66	51.01	27.83	469.51	169,053.57	118,477.32	155,118.77
VI Services *	4,316.28	31-Jul-07	(4.07)	31.91	68.37	15.40	55.38	23.91	373.39	4,316.28	3,284.07	4,127.59
VII Miscellaneous	8,330.12	23-Jul-07	5.02	46.32	37.56	22.87	26.41	3.82	240.86	8,330.12	6,438.63	7,093.96

*Includes banks, brokerage firms, financial groups, bonded warehouses and other services

Price and Quotations Index



Price and Quotations Index



Market Capitalization

Stock Market							
Year	Issuers Listed	Series Listed	Market Cap*		% Change		
			Pesos	Dollars	Pesos	Dollars	
2002	169	233	1,079,221	104,652	(6.77)	(17.35)	
2003	158	215	1,376,927	122,546	27.59	17.10	
2004	151	201	1,916,618	170,142	39.20	38.84	
2005	150	198	2,543,771	236,022	32.72	38.72	
2006	132	163	3,771,498	346,613	48.26	46.86	
2007	125	153	4,340,886	399,485	15.10	15.25	

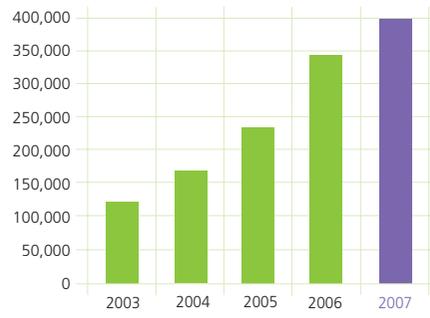
(*) Excluding mutual funds
Fx Rate Dec. 2007: 10.8662

Largest Issuers						
Issuer	Series	Pesos	Market Cap		% Market Share	Yield **
			Dollars			
AMX	L	757,798	69,739		17.46	37.33
WALMEX	V	319,358	29,390		7.36	(20.75)
CEMEX	CPO	221,698	20,403		5.11	(22.73)
TELECOM	A1	178,216	16,401		4.11	28.97
GMEXICO	B	177,142	16,302		4.08	73.17
TLEVISA	CPO	128,202	11,798		2.95	10.96
TELMEX	L	126,458	11,638		2.91	31.72
GCARSO	A1	96,152	8,849		2.22	3.20
PE&OLES	*	91,407	8,412		2.11	132.06
FEMSA	UBD	90,121	8,294		2.08	(66.69)

(**) Yield is nominal and includes ex rights adjustments
Considering only high and medium - liquidity stocks
Million pesos and million dollars
Fx Rate Dec. 2007: 10.8662



Market Cap of Stock Market (*)

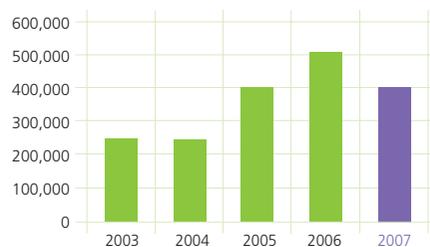


Million dollars
(*) Excluding mutual funds
Fx Rate Dec. 2007: 10.8662

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Market Cap Foreign Stocks



Million dollars
Fx Rate Dec. 2007: 10.8662

Foreign Companies

Year	Issuers Listed	Series Listed	Market Cap*		% Change	
			Pesos	Dollars	Pesos	Dollars
2003	2	2	2,798,084	249,028	49.35	37.07
2004	2	2	2,778,310	246,636	(0.71)	(0.96)
2005	4	4	4,296,442	398,642	54.64	61.63
2006	4	4	5,522,833	507,567	28.54	27.32
2007	4	4	4,295,038	395,266	(22.23)	(22.13)

(*) Excluding mutual funds
Fx Rate Dec. 2007: 10.8662

Stock Series

Issuer	Series	Market Cap		Market Share	Yield 2007 **
		Pesos	Dollars		
TS	*	288,500	26,550	6.72	(9.15)
BBVA	*	889,081	81,821	20.70	0.49
SAN	*	1,483,519	136,526	34.54	17.46
C	*	1,633,938	150,369	38.04	(46.56)

(**) Yield is nominal and includes ex rights adjustments
Million pesos and million dollars

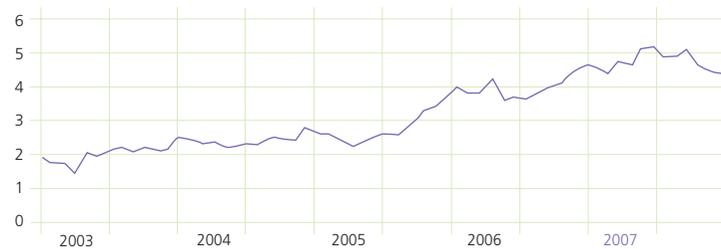
Stock Market Multiples: Price - Earnings and Price - Book Value

	Monthly Record High	2003	2004	2005	2006	2007	High	2007 Monthly Low	Last
Price / Earnings	22.65 Abr-95	17.91	14.57	17.32	17.74	18.58	20.10	18.14	18.58
Price / Book Value	4.68 Dic-06	2.20	2.82	3.70	4.68	4.42	5.18	4.40	4.42

Price / Earnings Ratio



Price / Book Value Ratio



Securities Market Trading Activity

Value Traded												
	Stock Market (1)		Fixed-Income Market		BMV Global Stock Market		Total Capital Market (2)		Money Market* (3)		Total	
	Pesos	Dollars	Pesos	Dollars	Pesos	Dollars	Pesos	Dollars	Pesos	Dollars	Pesos	Dollars
2003	273,915	25,402	9,709	902	2,537	230	290,376	26,926	76,341,382	7,078,609	76,631,759	7,105,535
2004	496,577	44,111	2,042	182	12,665	1,122	516,735	45,898	62,225,023	5,512,835	62,741,758	5,558,733
2005	576,492	52,965	2,237	205	24,835	2,296	611,087	56,157	68,473,428	6,285,714	69,084,514	6,341,871
2006	906,254	83,125	4,282	391	144,985	13,254	1,066,231	97,752	79,663,327	7,307,221	80,729,557	7,404,973
2007	1,414,774	129,528	2,950	268	157,717	14,445	1,586,952	145,297	158,056,284	14,464,879	159,643,236	14,610,175

Stock Market Trading Volume			
	Volume (1)	Daily Average	% Annual Change
2003	18,818,405	74,974	(10.96)
2004	25,041,709	97,439	29.96
2005	26,664,841	104,568	7.32
2006	33,557,474	134,230	28.37
2007	41,373,994	164,837	22.80

(1) Does not include mutual funds, warrants, indexed bank bonds or public stock offerings

(2) Includes mutual funds, warrants, indexed bank bonds and BMV Global Stock market

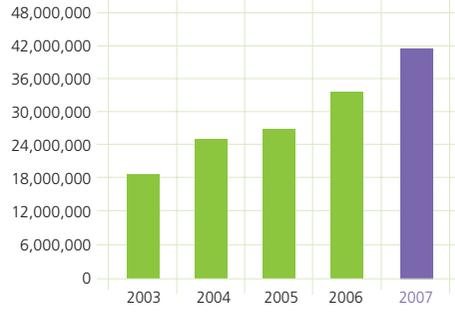
(3) Includes metals market

(*) Amount traded Sif Icap

Million pesos and thousand shares

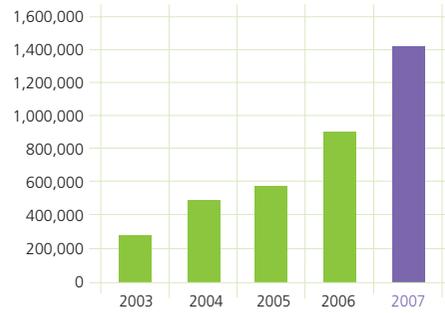
BMV Global Stock Market Trading Volume			
	Volume (1)	Daily Average	% Annual Change
2003	5,561	40	N.A.
2004	28,105	112	178.76
2005	58,016	229	105.61
2006	324,115	230	0.44
2007	317,442	231	0.43

Traded Volume



Thousand shares

Traded Value



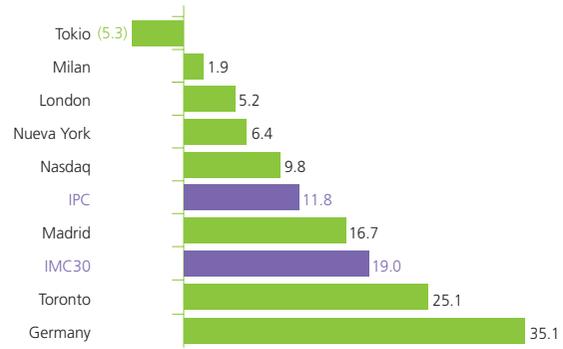
Million pesos

International Market Indexes

		31-Dec-07	29-Dec-06	Nominal	% Change	Dollars
Mexico	IPC	29,536.83	26,448.32	11.68		11.83
	IMC30	475.47	400.11	18.83		19.00
Developed Markets						
Germany	Xetra Dax PF	8,067.32	6,596.92	22.29		35.15
London	FTSE 100	6,456.90	6,220.80	3.80		5.19
Madrid	General	1,642.01	1,554.93	5.60		16.70
Milan	MIBTel	29,402.00	31,892.00	(7.81)		1.89
Nasdaq	Composite	2,652.28	2,415.29	9.81		9.81
Nueva York	DJ Industrial	13,264.82	12,463.15	6.43		6.43
Tokio	Nikkei 225	15,307.78	17,225.83	(11.13)		(5.32)
Toronto	S&P/TSX Compuesto	13,833.06	12,914.20	7.12		25.06
Emerging Markets						
Buenos Aires	Merval	2,151.73	2,090.46	2.93		0.02
Korea	KOSPI	1,897.13	1,434.46	32.25		31.40
Lima	General	17,524.79	12,884.20	36.02		44.96
Santiago	IGPA	14,076.25	12,375.99	13.74		21.83
Sao Paulo	Bovespa	63,886.10	44,473.71	43.65		72.45
Taiwán	TSE Weighted	8,506.28	7,823.72	8.72		9.27

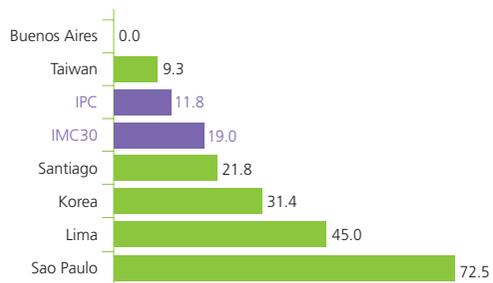


Developed Markets



% in dollars

Emerging Markets



% in dollars

Market Capitalization of International Markets

		2006 December	High	2007 Low	December	% Change Dec 07 / Dec 06
Mexico	IPC	346.6	426.4	345.9	399.5	15.25
Developed Markets						
Germany	Xetra Dax PF	1,637.6	2,119.1	1,659.7	2,105.2	28.55
U.S.	DJ Industrial	15,421.2	16,603.6	15,467.7	15,650.8	1.49
Japan	Nikkei 225	4,614.1	4,893.1	4,330.9	4,330.9	(6.14)
U.K.	FTSE 100	3,794.3	4,207.0	3,744.4	3,851.7	1.51
Canada	S&P/TSX Compuesto	1,700.7	2,294.5	1,675.6	2,186.6	28.57
Italy	MIBTel	1,026.5	1,146.8	1,032.4	1,072.5	4.48
Emerging Markets						
Brasil	Bovespa	710.2	1,402.6	725.3	1,369.7	92.85
Chile	IPSA	174.4	232.1	177.1	212.9	22.07
Korea	KOSPI	834.4	1,255.6	787.1	1,122.6	34.54
Philippines	PSE Compuesto	67.9	102.9	73.4	102.9	51.58
Greece	ATHEX General	208.3	269.7	204.1	265.0	27.23
Taiwan	TSE Weighted	594.7	747.8	578.4	663.7	11.61

Billion dollars

Capitalization Developed Markets



Billion dollars

Capitalization Emerging Markets



Billion dollars



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International Markets Trading Statistics



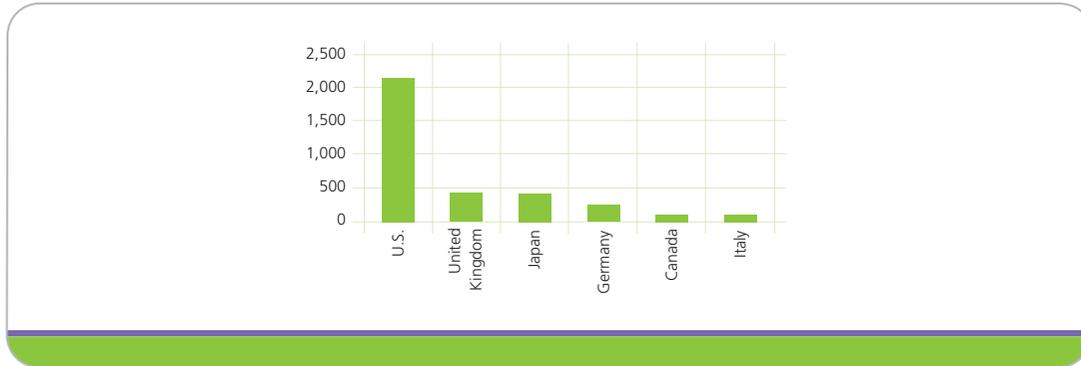
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Monthly Value Traded					
		2006 December	High	2007 Low	December
Mexico	IPC	8.1	14.2	7.0	7.0
Developed Markets					
Germany	Xetra Dax PF	205.4	428.4	262.4	262.4
U.S.	DJ Industrial	1,645.0	3,258.1	1,913.8	2,158.0
Japan	Nikkei 225	440.2	668.8	429.1	440.6
U.K.	FTSE 100	653.1	1,109.6	441.4	441.4
Canada	S&P/TSX Compuesto	91.6	179.6	108.5	123.6
Italy	MIBTel	123.6	271.0	117.1	117.1
Emerging Markets					
Brazil	Bovespa	28.2	81.0	29.5	61.8
Chile	IPSA	4.8	8.1	2.1	5.4
Korea	KOSPI	95.0	254.7	102.2	136.3
Philippines	PSE Compuesto	1.4	3.5	1.7	1.7
Greece	ATHEX General	8.8	21.6	11.0	11.5
Taiwan	TSE Weighted	70.9	151.2	33.4	67.7

Billion dollars



Developed Markets



Billion dollars

Emerging Markets



Billion dollars





Issue	Series	Opening	High	Low Pesos	Last	Issue Price	Nominal	Cum. % Chge. *	
								Real	Dollars
IPC710R	DC208	99,440.00 16-Jan-07	117,460.00 10-Oct-07	99,440.00 16-Jan-07	117,460.00 10-Oct-07	100,000.00	18.12	13.84	19.40
IPC711R	DC207	25,180.00 02-Jan-07	32,730.00 19-Jul-07	24,940.00 09-Jan-07	28,635.00 07-Nov-07	24,288.06	13.72	9.60	15.25
IPC711R	DC206	102,000.00 17-Jan-07	113,500.00 19-Jul-07	101,675.00 18-Jan-07	113,500.00 19-Jul-07	100,000.00	11.27	7.24	13.13
IPC703R	DV036	1,200.00 05-Jan-07	1,520.00 10-Jan-07	200.00 27-Feb-07	527.00 02-Mar-07	1,200.00	(56.08)	(57.67)	(57.65)
IPC706R	DV037	1,500.00 19-Feb-07	2,600.00 05-Mar-07	18.00 31-May-07	18.00 31-May-07	1,500.00	(98.80)	(98.84)	(98.78)

*Change vs. offering date

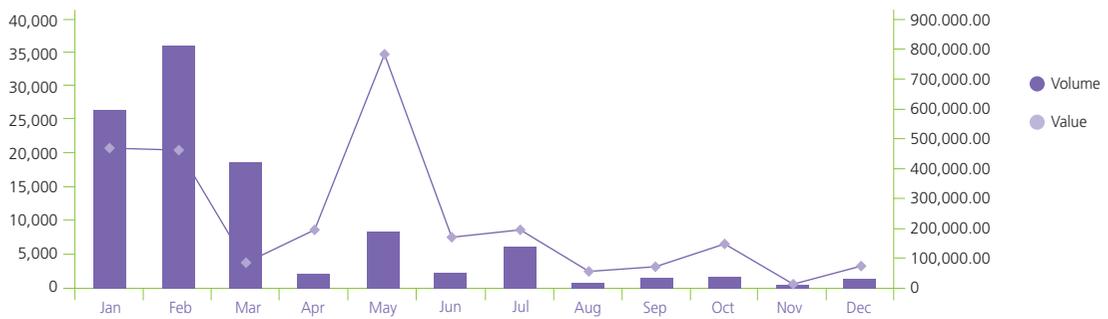
Trading in Warrants						
	Total Issued (A)	Number of Trades (B)	Trading Volume (C)	Value Traded*	Turnover (C)/(A)	Average Cert. Per Trade (C)/(B)
Global Total	356,400	4,046	105,350	2,705,394	0.30	26
Total / Stocks	-	-	-	-	-	-
Buy	-	-	-	-	-	-
Sell	-	-	-	-	-	-
Total / Indexes	356,400	4,046	105,350	2,705,394	0.30	26
Buy	316,400	3,771	37,300	2,625,252	0.12	10
Sell	40,000	275	68,050	80,142	1.70	247
Total / Basket	-	-	-	-	-	-
Buy	-	-	-	-	-	-
Sell	-	-	-	-	-	-

Market trading activity does not include public offerings

*Thousand pesos



Monthly Trading in Warrants



Thousand pesos

Short Sales*

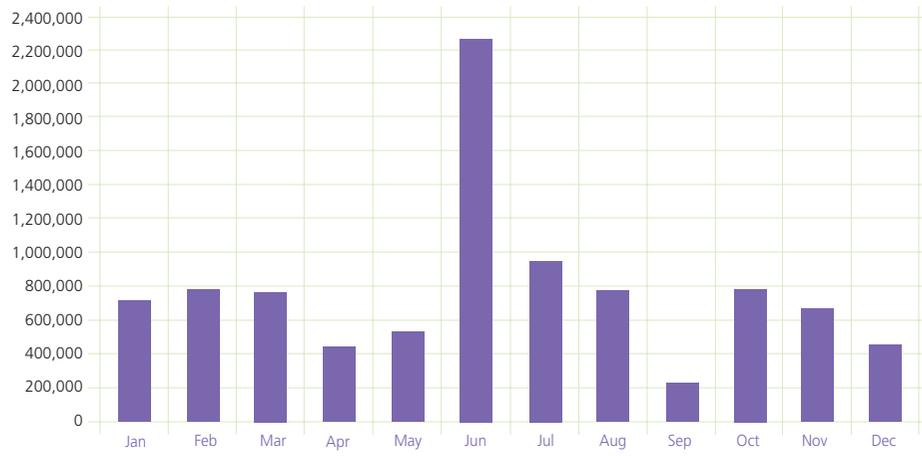
Participation in Total Traded		
Main Issuers	Value Traded	% Share
NAFRAC	6,186,507	65.94
AMX	687,705	7.33
GMEXICO	267,721	2.85
URBI	250,224	2.67
TELECOM	242,220	2.58
Main Brokerage Firms		
GBM	4,448,236	47.41
SCTIA	2,167,708	23.10
BCOMR	1,028,531	10.96
UBS	446,087	4.75
MNXCB	380,307	4.05

Cumulative Short Sales			
	Trading Volume	Valued Traded	Trades
January	26,165	726,845	527
February	26,544	777,701	610
March	27,118	769,594	664
April	14,989	440,667	416
May	16,455	539,566	640
June	66,311	2,277,679	1,911
July	27,725	947,123	783
August	24,838	772,964	673
September	5,970	224,682	337
October	22,629	781,203	621
November	19,045	673,394	720
December	13,697	450,688	234
Total 2007	291,485	9,382,107	8,136
% Annual Change	70.64	118.37	24.35

Thousand pesos, thousand shares

*Includes transactions in the international quotation system SIC

Value Traded in Short Sales



Thousand Pesos



• 008

Money Market Yield Rates

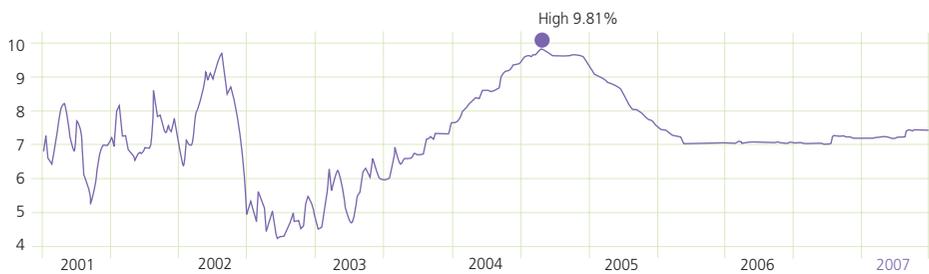
28 Day Federal Treasury Certificates (Cetes)	%	Date
Highest rate in 2002 - 2007	9.81	12-May-05
Lowest rate in 2002 - 2007	4.14	31-Jul-03

	2002 Last %	2003 Last %	2004 Last %	2005 Last %	2006 Last %	High %	2007 Low %	Last %
Government Instruments								
28 - day Cetes	7.56	6.04	8.61	8.02	7.02	7.46	7.00	7.44
91 - day Cetes	8.08	6.17	8.81	8.01	7.17	7.64	7.14	7.62
182 - day Cetes	7.80	6.74	8.66	7.90	7.20	7.75	7.20	7.71
364 - day Cetes	8.38	6.95	8.58	7.92	7.25	7.86	7.36	7.85
28 - day Bondes	-	-	-	-	7.05	7.77	7.00	7.51
91 - day Bondes	-	-	-	-	-	-	-	-
182 - day Bondes	9.10	5.81	7.80	9.69	-	-	-	-
Quarterly payment Bondes	6.94	-	-	-	-	-	-	-
3Y Fixed - rate development bonds	10.50	9.00	-	8.00	-	-	-	-
5Y Fixed - rate development bonds	14.50	8.00	9.00	8.00	8.50	7.50	7.50	7.50
7Y Fixed - rate development bonds	9.00	8.00	9.00	9.00	9.00	-	-	-
10Y Fixed - rate development bonds	-	8.00	9.50	8.00	7.25	-	-	-
20Y Fixed - rate development bonds	-	8.00	10.00	-	7.50	-	-	-
Udibonos	-	3.50	-	4.50	5.00	3.25	3.25	3.25
Monetary Regulation Bonds (BREMS)	6.99	6.13	8.61	8.50	7.02	-	-	-
IPAB Bonds	6.98	6.13	8.37	8.50	7.04	7.50	7.00	7.44
Quarterly payment IPAB Bonds	6.99	6.17	8.81	8.01	7.17	7.62	7.15	7.62
Biyearly payment IPAB bonds	-	-	8.59	7.98	7.21	7.72	7.28	7.72
Private Instruments								
Commercial Paper	8.64	6.45	10.09	9.64	7.25	7.82	7.34	7.82
Short - term securities certificates	10.67	9.20	8.79	8.35	7.33	7.72	7.21	7.72



• 009

28 - day Federal Treasury Certificates (Cetes)



Money Market Instruments (Balance Outstanding)

	2007		Annual Chge. %	Change in Dollars
	Pesos	Dollars		
Government Instruments				
Detachable Securities Certificate	28,645	2,627	(2.32)	(2.58)
Government Securities Certificates	43,983	4,034	23.25	22.92
Federal Government Securities Certificates	125,524	11,511	1.61	1.35
Short - term Government Securities Certificates *	500	46	-	(0.26)
Bank Securities Certificate	21,031	1,929	105.78	105.24
Notes	3,176	291	(35.79)	(35.95)
Private Instruments				
Debentures	369	34	(19.49)	(19.70)
Compoundable debentures	-	-	-	-
Convertible debentures	420	39	(46.16)	(46.30)
Unsecured debentures	542	50	3.85	3.58
Subordinated debentures	4,442	407	8.08	7.80
Convertible subordinated debentures	-	-	-	-
Short - term promissory notes	-	-	-	-
Trust - backed promissory notes	-	-	-	-
Financial promissory notes	-	-	-	-
Unsecured promissory notes	1,339	123	(77.37)	(77.43)
Promissory notes with yield payable at maturity	-	-	-	-
Private Securities Certificate	237,825	21,810	18.05	17.74
Short - term private securities certificates*	38,982	3,575	25.17	24.84
Redeemable Ordinary Participation Certificates	8,260	758	(11.29)	(11.52)
Residential Mortgage - Backed Securities (RMBS)	37,774	3,435	-	-
Securities Certificate (HITO)	10	1	-	-
Bank Bonds	350	32	-	-
Commercial Paper	10,000	915	(16.76)	815.17
Total	563,143	51,616	(89.45)	(90.31)

*Current lines
Million pesos

Balance Outstanding

- Private S.C. 42%
- FED. Government S.C. 22%
- Government S.C. 8%
- Short Term Private S.C. 7%
- RMBS S.C. 7%
- Detachable S.C. 5%
- Bankers S.C. 4%
- Others 3%
- Commercial Paper 2%



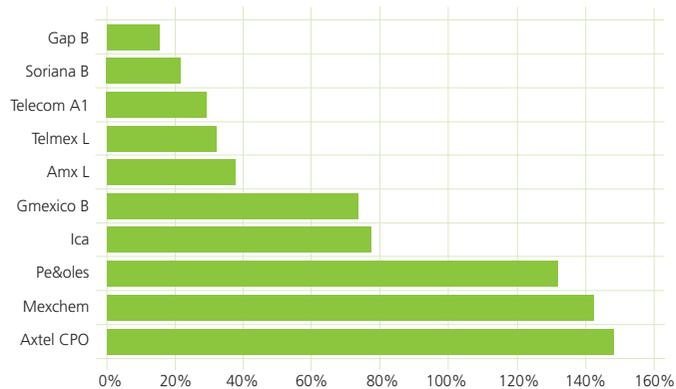
• 010

Stock Market Series with Highest Yield

Issuer	Series	Nominal	% Yield Real	Dollars
1 Axtel	CPO	148.24	139.25	148.58
2 Mexchem	*	142.60	133.81	142.93
3 Pe&oles	*	132.06	123.65	132.37
4 Ica	*	76.98	70.57	77.22
5 Gmexico	B	73.17	66.89	73.40
6 Amx	L	37.33	32.35	37.51
7 Telmex	L	31.72	26.95	31.90
8 Telecom	A1	28.97	24.30	29.14
9 Soriana	B	21.20	16.81	21.36
10 Gap	B	15.24	11.06	15.40

*Counting only high liquidity stocks

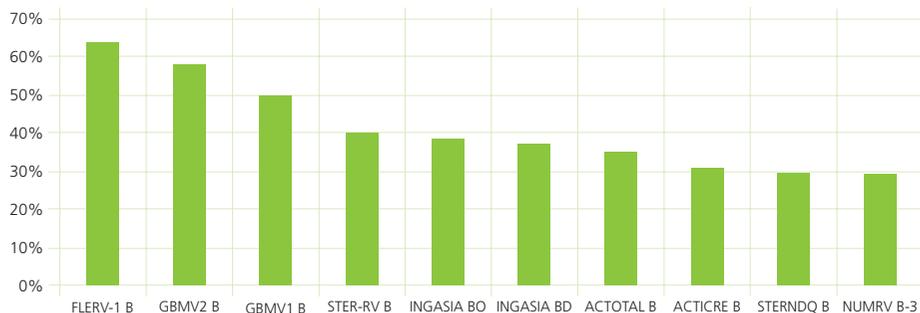
Series with Highest Nominal Yields



Highest - Yielding Mutual Funds

	Nominal	% Yield Real	Dollars
Equities			
FLERV-1 B	63.68	57.75	63.91
GBMV2 B	57.93	52.21	58.15
GBMV1 B	49.99	44.56	50.20
STER-RV B	39.58	34.53	39.77
INGASIA BO	38.29	33.28	38.48
INGASIA BD	37.02	32.05	37.21
ACTOTAL B	35.09	30.19	35.27
ACTICRE B	30.51	25.78	30.69
STERNDQ B	29.42	24.73	29.59
NUMRV B-3	29.04	24.36	29.21
Fixed - Income			
ST&ER5E B	13.31	9.21	13.47
ST&ER5E M	9.68	5.71	9.83
HSBC-DH B-7	8.63	4.69	8.78
HSBC-DH B-6	8.42	4.49	8.57
HSBC-DH B-5	8.09	4.17	8.23
SEUROSF BM	7.80	3.89	7.95
FLE-D1 NC	7.78	3.88	7.93
NTE-FD1 C	7.68	3.78	7.83
NTE-FD3 C	7.67	3.77	7.81
SK-EURB B	7.66	3.76	7.80

Highest - Yielding Mutual Funds



Nominal Yield



• 011

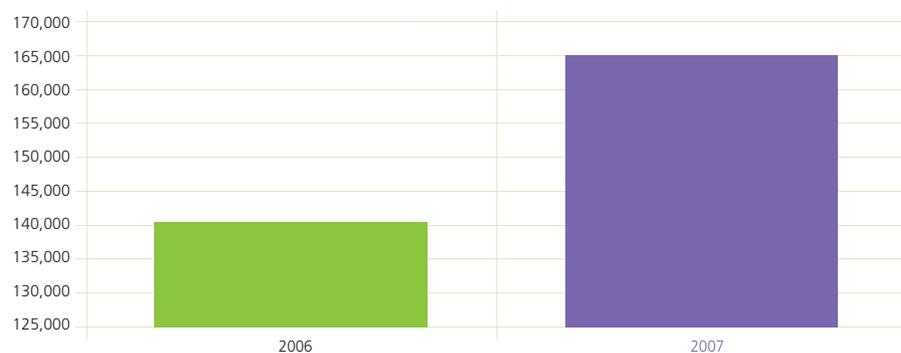
	Nominal	% Yield Real	Dollars
<i>Fixed - Income for Individuals</i>			
IXEEURO BE	14.15	10.01	14.30
IXEEURO BF	13.57	9.46	13.73
IXEEURO BM	13.56	9.45	13.72
INTEURO M1	11.62	7.57	11.77
INTEURO B1	11.36	7.32	11.51
VALUEF2 B3	9.54	5.57	9.69
VALUEF2 B1	9.21	5.26	9.36
VALUEF2 B2	9.14	5.19	9.29
VALMX17 B0	8.94	4.99	9.09
VALMX17 B2	8.62	4.69	8.77
<i>Fixed - Income for Corporations</i>			
HZEURO C	14.96	10.79	15.11
HZEURO B-3	14.52	10.37	14.68
HZEURO M	14.42	10.28	14.58
ACTIEUR B5	14.15	10.01	14.31
ACTIEUR B4	13.72	9.60	13.88
ACTIEUR B3	13.34	9.24	13.50
ACTIEUR B2	12.94	8.85	13.09
HZEURO B	12.94	8.84	13.09
ACTIEUR B1	12.30	8.23	12.45
NTE-ID+ C	10.99	6.97	11.14

Public Offerings

	2006		2007	
	Pesos	Dollars	Pesos	Dollars
Equities				
Stock Market	13,595	1,253	16,928	1,566
TRACs	-	-	3,698	342
Warrants	5,963	546	4,596	419
Mutual Funds	337,000	31,070	593,000	54,381
Retirement Funds	4,524,013	407,852	100,000	9,098
Total	4,880,570	440,721	718,222	65,806
Medium - and - Long - Term Debt				
Debentures	2,500	226	1,450	132
Certificates of Deposit (CD's)	40	3	-	-
Participation Certificates	-	-	-	-
Bank Bonds	-	-	350	32
Medium - term and Financial Notes	-	-	-	-
Notes with Yield Payable at Expiration	-	-	177	16
Securities Certificates	137,997	12,540	161,804	14,939
Notes	-	-	1,230	113
Total	140,537	12,770	165,010	15,232
Short - Term Debt				
Commercial Paper	12,014	1,102	10,000	915
Short- Term Securities Certificates	243,509	22,336	162,704	14,890
Total	255,523	23,438	172,704	15,805

Million pesos and million dollars

Medium and Long Term Debt Offerings



Million pesos

Foreign Investment in the Stock Market

	29-Dec-2006	31-Dec-2007	% Change
Unrestricted Subscription (1)	50,122.13	55,557.87	10.85
Neutral Fund (2)	4,637.95	5,056.42	9.02
ADR's (3)	99,478.68	93,830.23	(5.68)
Warrants	0.32	0.05	(86.03)
Total	154,239.08	154,444.57	0.13

Million dollars

(1) Includes Third - Party accounts at Citibank, Fondo Mexico and Mutual Funds

(2) Excludes CPO's backing ADR's

(3) Includes GDR's

Foreign Investment Breakdown

- ADR's 60.75%
- Unrestricted Subscription 35.97%
- Neutral Fund 3.27%
- Warrants 0.00%

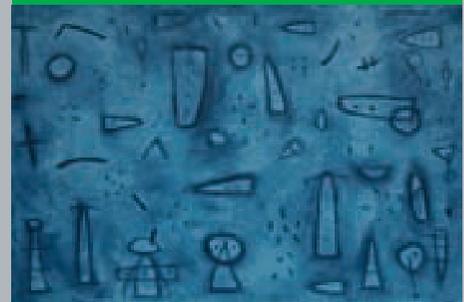
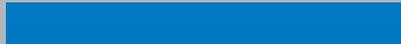




S.D. INDEVAL



• 001



• 003



• 002





S.D. INDEVAL, INSTITUCIÓN PARA EL DEPÓSITO DE VALORES, S.A. DE C.V. (S.D. INDEVAL) is the company authorized in Mexico to operate as a securities depository, as established in the Securities Market Act.

Mission

To provide services for the benefit of the public, relating to the custody, administration, clearing and settlement of securities, in order to meet the needs of participants in the financial markets reliably, securely and efficiently, in keeping with the best international practices.

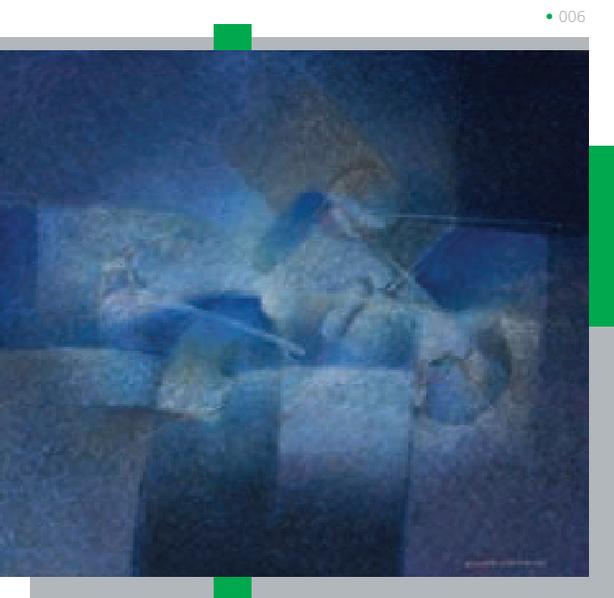
To avail itself of the experience and ongoing development of its human resources, its own financial solidity, and the technology appropriate to the pursuit of its purposes, in a continuous effort to improve its productivity and the quality of its services.

Vision

To strengthen its position as an internationally competitive central depository and institution with world-class, state-of-the-art settlement systems, to contribute to the development of the securities market, and to provide the financial industry with services based on a technology that ensures reliability, security and efficiency.



Message from the Chief Executive Officer



• 006

In 2007, the efforts begun in earlier years to develop a new system for securities custody, administration and settlement finally crystallized. This new system is intended to offer our depositors better quality industry services, ensuring the integrity of the information and guaranteeing business continuity in scenarios that might otherwise interrupt it, in keeping with the best international practices, mitigating trading risk through totally automated Straight Through Processing (STP).

Using a new technology based on service-oriented architecture, in February we introduced the Indeval Financial Protocol (PFI, by its initials in Spanish) that adopts the ISO 15022 financial protocol for messages relating to securities settlement. As issuing institution, Banco de Mexico was the first to connect to S.D. Indeval through this protocol.

Gradually, banks, brokerage firms and transaction-intensive electronic trading posts were certified with our institution to use the Protocol. By the close of 2007 we had 3 trading posts and 36 institutions sending instructions through the FPI, accounting for 80% of the transactions we receive. This placed INDEVAL in a privileged position internationally, because so far few central depositories have migrated to this ISO standard.

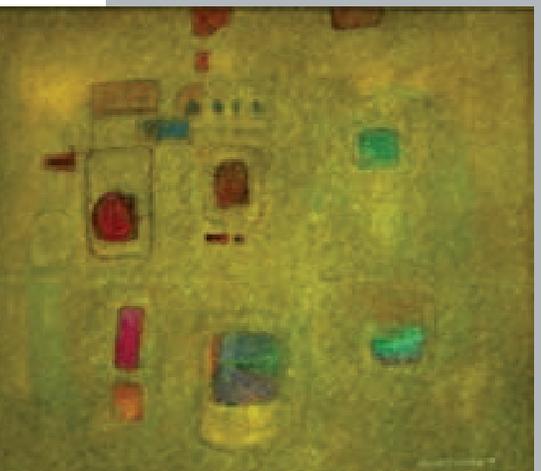
In addition, in May we launched the new Indeval Portal on the web, mainly to serve institutions with lower trading volume. S.D. INDEVAL's website includes all the lines of business in the legacy system, but with the benefits of a significant reduction in the number of screens and the shutdown of more than 300 remote terminals among our depositors.

The new portal also has more robust security measures, like the use of electronic signatures, tokens and digital certificates.

Also during the year, we introduced a new Securities Administration Module, which automates the processes of securities deposit and withdrawal and the payment of any period, principal or interest.

This brings us steadily closer to what will be a new system at S.D. INDEVAL, which we are calling The System for Securities Deposit, Administration and Settlement (Sistema para el Depósito, Administración y Liquidación de Valores, or "DALI").

The DALI system will only recognize institutions that have the ISO-15022 standard now being used in the Indeval Financial Protocol. This means the instructions received through our portal will be transformed into messages according that standards, in the early months of 2008.



• 007

To create DALI, we began building a new and unique mechanism for pre-settlement, clearing and settlement, which will eliminate the current mechanisms of the legacy system and make more efficient use of resources for processing securities settlement. In addition, we will be introducing a new securities account structure without the trading structures of our depositors, and we have developed cash messages that also meet the ISO standard.

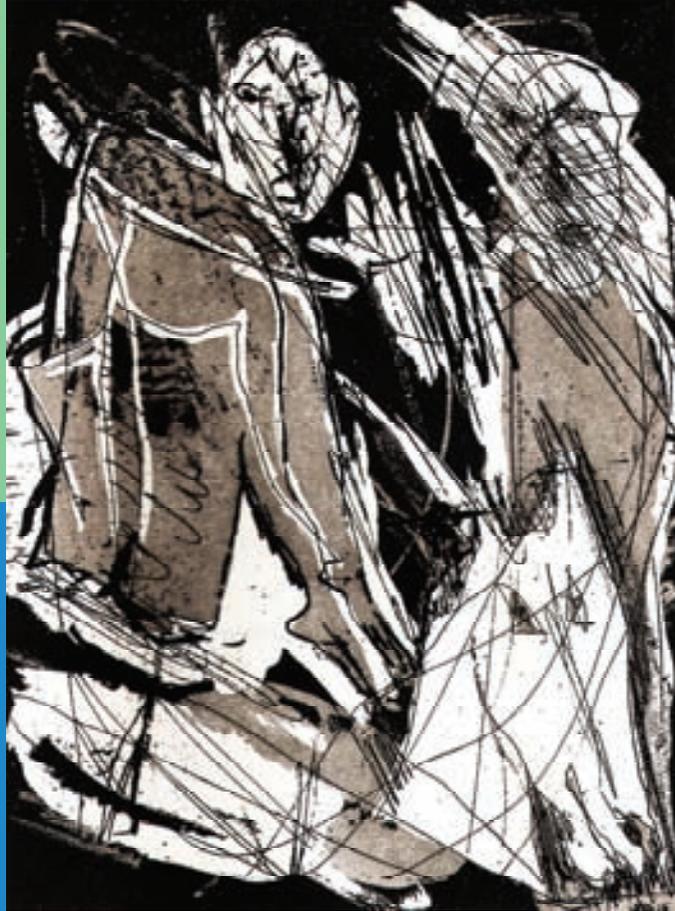
Beginning in the second quarter of 2008, and with the progress made this year, we will begin robust testing of the DALI system and its components. The texts will include the daily input of all the transactions recorded in the legacy system, and the gradual integration of our depositors through training in the use of DALI and through joint testing. In the second half of 2008 we will decide, together with depositors and authorities, the right time to migrate to the new platform.

The achievements of this past year were not solely the product of efforts by this institution's personnel. Shareholders, authorities, the securities and banking industries, and most financial institutions, all played a part in taking firm steps toward what is today a reality: the DALI system.

To all of them I express my deep gratitude, and I reiterate once again the commitment of the personnel of S.D. INDEVAL to redouble efforts to the benefit of our depositors, shareholders, the financial market, and this Institution, which I am proud to lead.

Héctor J. Anaya Doll





Board of Directors 2007 - 2008

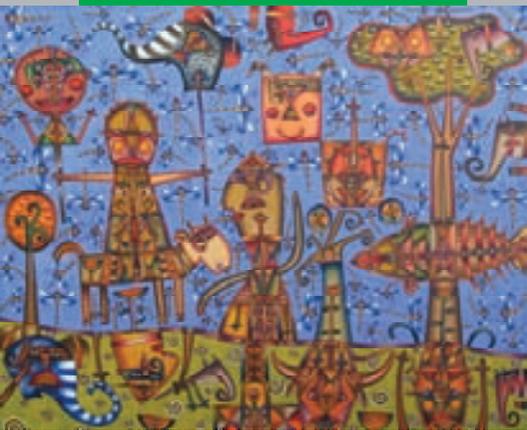
Institutional Board Members

Regular Members

José Ignacio de Abiega Pons
Estanislao de la Torre Álvarez
Felipe de Yturbe Bernal
Roberto González Barrera
Juan Carlos González Orozco
Ernesto Ortega Arellano
Carlos Pérez Flores
Guillermo Prieto Treviño
Clemente Reyes Retana V.

Respective Alternates

Germán Angulo Vega
Jorge Fernández García Travesí
Juan Carlos Rosales Hernández
Francisco Emilio Molina Viamonte
Eligio Esquivel Llantada
José Ponce Hernández
Leonardo Serrano Gómez
Claudio F. Curtius S.
Alfonso Henkel Hernández



• 010



• 009

Independent Members

Regular Members

José Luis Acuña Contreras
Pedro Alonso Angulo
David A. Margolín Schabes
Alberto Navarro Rodríguez

Respective Alternates

Enrique Carrillo Águila
María Cristina Hernández Trejo
Ricardo Medina Álvarez
Jaime Ulises Barbosa Valencia

Chairman

Guillermo Prieto Treviño

Vice Chairman

Ernesto Ortega Arellano

Regular Statutory Auditor

Martha González Caballero

Alternate Statutory Auditor

Francisco Xavier Hoyos Hernández

Regular Secretary

Hugo Arturo Contreras Pliego

Secretary Pro Tem

Gabriela Flores Salamanca

Executive Committee

Among the central activities of this Committee is to propose to the Board of Directors strategies and trading mechanisms for increasing the range of service supplied by the company, as well as programs for promoting and disseminating information on the market relating to the custody, administration, service clearing, settlement and transfer of securities.

Members

Guillermo Prieto Treviño (Chairman)
José Luis Acuña Contreras
Roberto González Barrera
Ricardo Medina Álvarez
Ernesto Ortega Arellano
Carlos Pérez Flores
Clemente Reyes Retana Valdés

• 011



Main Activities in 2007



• 012

In its basic lines of business, S.D. INDEVAL provides central securities depository services, custody and administration of securities, as well as trade clearing, settlement and securities transfer services. It also offers value-added services, including securities lending, administration of guarantees, and custody and settlement of international securities through transnational depositories and global custodians.

The following are the highlights of this institution's achievements in 2007.

I. Securities Deposit, Custody and Administration

All of the instruments associated with securities that have been publicly offered and traded in the securities market must be previously listed in the National Securities Registry maintained by the National Banking and Securities Commission. To effectively safeguard and administer the securities entrusted to it, S.D. INDEVAL must keep its issue records up to date.

Issue records contain a variety of information, mainly general data supplied by the issuing institution and the salient aspects of the securities associated with the issue, such as type of security, expiration dates, underwriter, common representative, etc.

Securities deposit is carried out by delivering securities to S.D. INDEVAL, which opens different types of accounts for the depositors. The securities may be withdrawn by returning to the depositor securities of the same par value, type and class as those that were originally deposited, or by transferring them from the account of one depositor to that of another.

Securities administration services facilitate the efficient transmission of corporate and equity rights to the appropriate party.

These administration services are made easier by the existence of a centralized list of depositors, even though there is no central record of investors or final beneficiaries.

Among the tasks involved in securities administration are the correct application of exercised equity rights, either in cash (payment of dividends, interest or amortizations), in kind (capitalizations, exchanges, conversions) or mixed (subscriptions). They also include segregation or reconstitution of securities, mergers and spinoffs, and splits.

The total value of all issues deposited rose 14% from 2006 to 2007, composed of a 16% increase in equity certificates and a 9% increase in fixed-income securities issued by the Mexican government and financial institutions.

The fastest-growing category of deposited securities, in terms of value, was fixed-income issues on the capital market, amid a rise in debt instrument issues by private corporations, which were met with broad acceptance by Mexico's institutional investors.

The amount of physical certificates held in S.D. INDEVAL's vaults grew by only 2% because an increasingly steady flow of electronic issue deposits.

At the close of the year, there were 5,520 issues registered with the Institution. Deposits of fixed-income securities issued by private financial institutions and corporations rose by 18% and 27%, respectively, growing by a total of 14%.

International Custody

Mexican investors and brokers are constantly looking for ways to diversify their investment portfolios and build new lines of business. This was one reason for the launch of foreign security listings on the Mexican Stock Exchange (BOLSA MEXICANA DE VALORES, S.A. DE C.V., or BMV), through the International Quotations System (SIC). To help participants take advantage of this new system, in 2001 this Institution developed the infrastructure for offering custody of securities issued abroad, and cross-border settlement through free and DVP schemes in their local currency equivalent: dollars, euros, sterling pounds and, recently, europesos.

For the sixth year in a row, the deposited value of these instrument rose significantly, by close to 80 billion pesos. The fastest-growing instruments were Eurobonds and foreign indices.

There was a 66% reduction in deposits of foreign equities, primarily because of withdrawals of certificates and a decline in the market price of shares issued by institutions affected by the worldwide slump in mortgage-backed securities.

S.D. INDEVAL maintains 6 custody accounts with foreign firms, the most important of which are Euroclear and Clearstream, which provide custody of Eurobonds, and Deutsche Securities in New York for all the securities listed in the SIC.

Custody of Eurobonds was sharply higher last year, up 107%. Mexican institutional investors are the beneficial owners of these bonds, which are issued by private domestic and foreign corporations, and largely traded in Mexican pesos.

Having the infrastructure needed to trade international instruments has allowed 52 Mexican financial institutions to expand the range of services they offer the investing public.

In general terms, at the close of 2007 S.D. Indeval had custody of more than 700 international issues and was processing a monthly average of nearly 2,000 securities delivery and receipt transactions, 20% of which were made with cash payment in various currencies.

Current regulations oblige Mexican financial institutions to segregate domestic securities held by foreign investors into specific securities accounts. At the close of 2007, the value of Mexican securities held by foreign investors and in custody at S.D. INDEVAL was 8% higher than the previous year, with the growth led by government securities.

For the sixth year in a row, the deposited value of the foreign securities listing, rose significantly, by close to 80 billion pesos.



II. Trading and Settlement

Settlement of securities transactions involves the definitive transfer of securities and/or cash between the two parties. S.D. INDEVAL transfers securities through account annotations. At present, the cash accounts reside with this Institution and use money from the central bank, in keeping with the best international practices for securities settlement.

The definitive transfer of one security from the transferor to the recipient constitutes delivery. The definitive transfer of cash from the buyer to the seller constitutes payment. When the delivery and payment have been performed, the settlement process is complete. At the moment S.D. INDEVAL confirms that the transfer of the securities and cash have been completed, the transfer is considered definitive, the transaction irrevocable and unconditional, and the obligation extinguished.

In 2007 more than 10 million transactions were received, 78% more than in 2006.

The Institution's current system has been able to withstand the steady growth in securities transactions by efforts made since 2005 to fortify it while the new system is developed and placed in operation.

The daily average value of received transactions, in Mexican currency terms, is now more than 2 billion pesos, rising 16% over 2006.

The greatest operating risk this Institution faces is in its daily securities settlement activity. S.D. INDEVAL's securities settlement system is the largest in the country, and one of the largest in the world. For this reason, many of our institutional activities focus on avoiding and mitigating operating risk in our daily settlements.

In international or cross-border transactions, the amount of securities traded in the SCI and UMS bonds diminished sharply during the year, but as the table in the next section shows, transactions with Eurobonds in European deposits rose substantially.

Finally, payments of cash rights on foreign securities doubled during the past year.

Securities Lending

In 2004, S.D. INDEVAL, together with authorities and the financial industry, developed a financial securities lending system that makes this process easier.

The securities lending service is offered to allow lenders to obtain a "premium" for delivering their securities for a certain period of time. The borrower pays the "premium" in order to dispose of the securities, which may be used for obtaining additional revenues, replicating hedge positions, managing short sale strategies in the market, structuring financial products, resolving administrative "shorts", etc.

The service also allows for processing of the guarantees that the borrower provide to the lender to mitigate the risk the latter entails in lending the securities, and to reduce the risk of a default due to a shortfall in the delivered securities.

The S.D. INDEVAL system, known as Valpre FV, provides facilities for participants to enter their bids, offering or asking securities on loan, establishing and administering the necessary guarantees, consulting movements and setting the premium, number of securities and term needed for each bid or request.

The valuation of lending and borrowing bids rose by 50% and 48%, respectively, in 2007, with more than 10,000 loans transacted.

Despite the increase, the securities lending market remains very small compared to levels transacted and settled daily in international securities and financial centers. This year, this Institution and the authorities promoted the use of this system among institutional investors like specialized retirement funds (Siefors) and Insurance Companies, stressing the advantages of a deep and diversified lending market for investors and for the securities market in general.

III. Highlights of the New System's Consolidation

A number processes were launched in 2007 as part of our technological upgrade project, with significant results. The most important of these were the receipt of trades through the Indeval Financial Protocol (PFI) and the Indeval Portal.

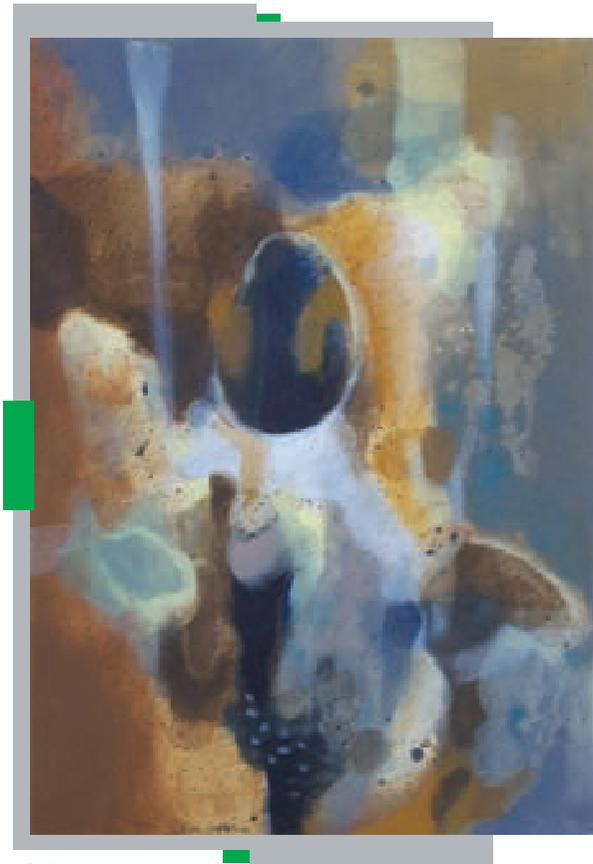
Indeval Financial Protocol (PFI)

The Indeval Financial Protocol was created in response to the need to adopt international standards that improve trading interactions and make execution of financial instructions less complex.

The Indeval Financial Protocol was modeled after the recommendations of Grupo Giovannini, which involved incorporating and implementing a new model for communications between S.D. INDEVAL and its participating institutions.

The Protocol allows access to securities administration, pre-settlement, clearing and settlement services. It uses financial instructions transmitted through an automated start-to-finish processing mechanism--Straight Through Processing, or STP--and it notifies participants through various notices of the status of their instructions.

The Indeval Financial Protocol uses a subset of SWIFT/ISO 15022 messages, which introduces a new, business-oriented focus on the definition of securities messages.



In 2006, S.D. INDEVAL took on the task of building the protocol together with technology vendors. Banco de Mexico was the first institution to send messages for the settlement of primary issues, principal and interest on government paper, as well as the settlement of Repos for Payment Systems (RSP) in the first quarter of 2007.

Beginning in April, the process of protocol certification began, mandatory for institutions that were using the H2H Tuxedo connection, and voluntary for others that wanted to use this new communication scheme.

In August, 3 electronic trading posts that deal in fixed-income securities were incorporated to the PFI, and in November 36 brokerage firms and banks completed the process.

The final result was that today, S.D. INDEVAL receives about 80% of the securities transactions executed on our markets each day through this protocol. The markets' central securities counterparty, CONTRAPARTE CENTRAL DE VALORES DE MÉXICO also obtained certification for its system at the end of 2007.

Indeval Portal

As with the Financial Protocol, since 2006 S.D. INDEVAL has been working on the creation of a graphic interface that will support all its lines of business, in keeping with the Institution's technological vision.

In May 2007 the new Portal was launched to handle transactional activity in custody, securities administration and trade settlement, aimed at brokerage firms with lower transactional volume.

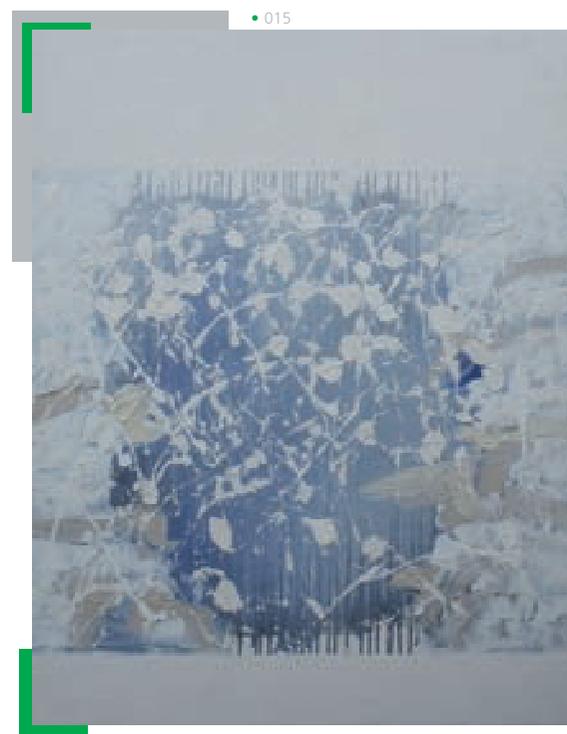
The Portal's launch implied the elimination of more than 140 systems that used the legacy system, and the removal of 300 remote terminals that our depositors had been using.

The Indeval Portal adopted the latest communications and security technology, including digital certificates and the use of access tokens. At the close of 2007, the Indeval Portal had more than 600 users.

In addition to new communications schemes, other services were developed and implemented which are operating partly today, and which will together be an integral part of the new system.

The most important of these are:

- A securities administration module, partially operating, that automates entries, deposits and withdrawals of securities, in addition to cash or in-kind payments resulting from corporate actions or interest and principal payments on fixed-income securities.
- A new confirmation mechanism (Match) that compares the values in the fields of an instruction against the values in the field of another complementary instruction. If the values in the fields of both instructions are equivalent, then we can say that the instructions sent by the two parties have been "matched."
- The Match Module is used to find matches for instructions by comparing their characteristics, and it receives instructions through the Communications Module.





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- The complementary systems Valpre FV, Valpre Especializado and SAVAR for administering guarantees on repo transactions, are accessed through the Indeval Portal, and will be re-designed in 2008.
- The start of construction of a unique tool for pre-settlement, clearing and settlement of securities, which will replace the current tools of the legacy system; along with the creation of an account statement that facilitates reconciliation and review of depositors' transactions.

IV. International Presence

As in previous years, S.D. INDEVAL continues to actively participate in international forums. First, we chair the Work Committee of the Association of Central Securities Depositories of America (ACSDA), which groups together 24 depositories in the region. We also coordinate the activities of the work groups on Cross-Border Links, and Auditing and Risks.

S.D. INDEVAL also participates on a continuous bases in the world group of clearinghouses and central counterparties (CCP-12) that reviews and suggests risk management processes.

Finally, the institution coordinates the Mexican activities of the Securities Market Practice Group (SPMG), through SWIFT, which is aimed at applying international standards to the specific data in any post-transactional securities process.

Vision for 2008



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Some changes will be made in operating processes, but they will not affect migration to the new system:

- In the first quarter, in coordination with the National Retirement Savings System Commission and depositors, a new cross-cut will be made for SIEFORES in order to re-group their assets.
- A service will be provided through a database for controlling tax forms of end users who hold securities issued by American corporations, in order to make dividend payment and tax rate reduction processes more efficient.
- Automated processes of cross-border settlement of delivery-versus-payment for foreign securities, improving the interface between the new system and the SWIFT system.
- Re-design of the Valpre Especializado and Valpre FV systems, in the latter to allow it to publicize its services in electronic trading posts, attracting more participants to the system.

Of course, our institutional efforts will focus on gradually migrating all the lines of business to the new system, with due attention to ongoing daily operations.

During the first quarter of 2008, all the instructions received through the Indeval Portal, the Valpre FV system, and the SAVAR system for administration of guarantees, and the Securities Administration Module, will be converted to the ISO 15022 standard.

Also in that period we will implement the use of that standards for cash messages, and with the exception of some securities transfers free of payment, all transactions received will have to flow toward the Match mechanism.

When this is completed, we will have a totally "armored" legacy system, meaning all transactions received, regardless of their source or type of instruction, will enter the system in the form of messages, which will then allow for us to begin a process of parallel operation of the new system. This will entail inputting--with a one-day delay--all of the real trades settled in the current system. This will allow us to thoroughly verify the correct functioning of the new system and correct any problems that may arise.

Initially, the process will be run on a parallel, internal basis, and will gradually incorporate all of the depositors and clients.

We have also already begun the process of training users in the new system, providing them with instructional material about all the important aspects of securities settlement and the procedures for using the system.

Toward the second half of 2008, and once the new system has been proved 100% functional, a date will be set for shutting down the legacy system, in coordination with authorities and depositors.

We are confident that the new System for Deposit, Administration and Settlement of Securities (DALI) will be a very useful tool that will facilitate the work of depositors, align the Institution's practices with the best international standards in the area of securities settlement, and mitigate systematic risk to the benefit of all participants in the financial markets.

Financial Information

Summary Balance Sheet as of December 31 2007 and 2006				
Assets	2007	2006	Nominal Change	Change % 07/06
Current	387,294	328,108	59,186	18.0
Fixed	191,414	185,629	5,785	3.1
Others	158	164	(6)	(3.7)
Total Assets	578,866	513,901	64,965	12.6
Liabilities and Stockholder's Equity				
Short-term	33,705	39,402	(5,697)	(14.5)
Total Liabilities	33,705	39,402	(5,697)	(14.5)
Stockholder's Equity	545,161	474,499	70,662	14.9
Total Liabilities and Stockholder's Equity	578,866	513,901	64,965	12.6
Memorandum Accounts				
Third-party Cash and Banks	9,967	1,584	8,383	529.2
Securities Received in Custody	9,361,892,044	8,578,831,089	783,060,955	9.1
Coined Metals Received in Custody	15,417	12,863	2,554	19.9

Thousand pesos as december 2007

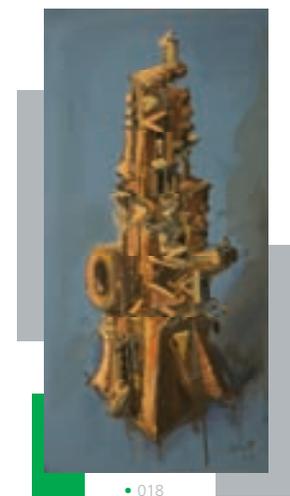
Summary Income Statement as of December 31, 2007 and 2006				
Results	2007	2006	Nominal Change	Change % 07/06
Operating Revenues	259,829	219,211	40,618	18.5
Operating Expense	199,555	169,401	30,154	17.8
Operating Income	60,274	49,810	10,464	21.0
Total Financing Cost, Net	9,695	7,791	1,904	24.4
Other Income and Expense	(2,058)	(739)	(1,319)	178.5
Income Before Tax and Equity in the Results of Unconsolidated Subsidiaries and Affiliates	67,911	56,862	11,049	19.4
Income Tax Provision	17,444	2,663	14,781	555.1
Tax Before Equity in the Results of Unconsolidated Subsidiaries and Affiliates	50,467	54,199	(3,732)	(6.9)
Equity in the Results of Unconsolidated Subsidiaries and Affiliates	31,435	29,277	2,158	7.4
Net Income	81,902	83,476	(1,574)	(1.9)

Thousand pesos as december 2007

	2007	2006
Share Yield	17.7%	21.4%

Shareholders

Brokerage Firms



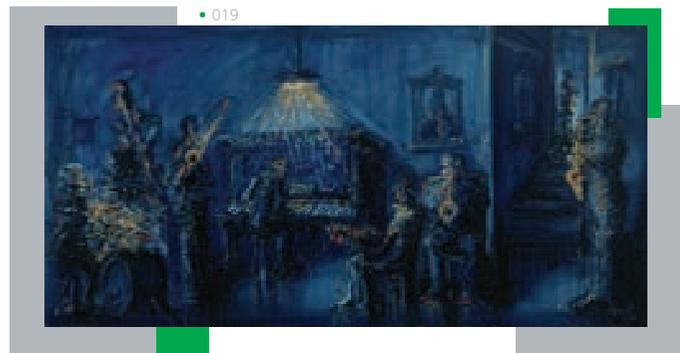
- ABN AMRO Securities (México), S.A. de C.V., Casa de Bolsa
- Acciones y Valores Banamex, S.A. de C.V., Casa de Bolsa, Integrante del Grupo Financiero Banamex
- Actinver Casa de Bolsa, S.A. de C.V.
- Casa de Bolsa Arka, S.A. de C.V.
- Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte
- Casa de Bolsa BBVA Bancomer, S.A. de C.V., Grupo Financiero BBVA Bancomer
- Casa de Bolsa Finamex, S.A.B. de C.V.
- Casa de Bolsa Santander, S.A. de C.V., Grupo Financiero Santander
- Deutsche Securities, S.A. de C.V., Casa de Bolsa
- GBM Grupo Bursátil Mexicano, S.A.B. de C.V., Casa de Bolsa
- HSBC Casa de Bolsa, S.A. de C.V., Grupo Financiero HSBC
- Interacciones Casa de Bolsa, S.A. de C.V., Grupo Financiero Interacciones
- Inversora Bursátil, S.A. de C.V., Casa de Bolsa, Grupo Financiero Inbursa
- Invex Casa de Bolsa, S.A. de C.V., Invex Grupo Financiero
- J.P. Morgan Casa de Bolsa, S.A. de C.V., J.P. Morgan Grupo Financiero
- Merrill Lynch México, S.A. de C.V., Casa de Bolsa
- Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero
- Multivalores Casa de Bolsa, S.A. de C.V., Multivalores Grupo Financiero
- Scotia Inverlat Casa de Bolsa, S.A. de C.V., Grupo Financiero Scotiabank Inverlat
- Valores Mexicanos Casa de Bolsa, S.A. de C.V.
- Value, S.A. de C.V., Casa de Bolsa, Value Grupo Financiero
- Vector Casa de Bolsa, S.A. de C.V.

Banks

- Banco Credit Suisse (México), S.A., Institución de Banca Múltiple, Grupo Financiero Credit Suisse (México)
- Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero
- Banco J.P. Morgan, S.A., Institución de Banca Múltiple, J.P. Morgan Grupo Financiero
- Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte
- Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex
- Banco Santander, S.A., Institución de Banca Múltiple, Grupo Financiero Santander
- BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer
- HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC
- ING Bank (México), S.A., Institución de Banca Múltiple, ING Grupo Financiero
- Ixe Banco, S.A. Institución de Banca Múltiple, IXE Grupo Financiero
- Scotiabank Inverlat, S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat

Insurance and Bonding Firms

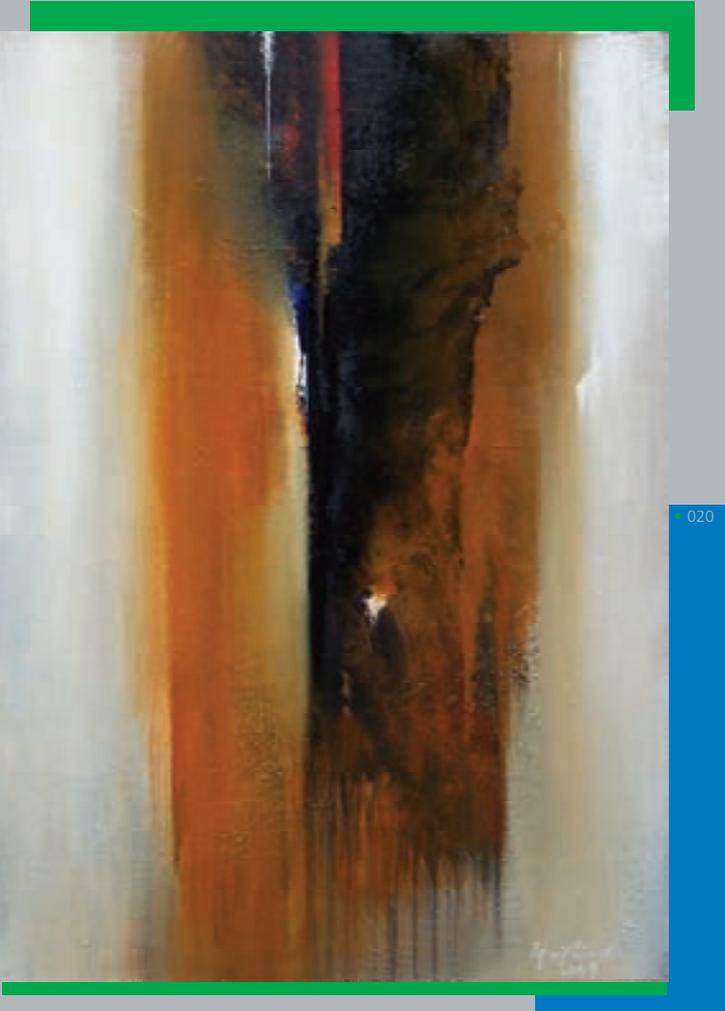
- AIG México Seguros Interamericana, S.A. de C.V.
- Grupo Nacional Provincial, S.A.
- Seguros Inbursa, S.A., Grupo Financiero Inbursa
- Seguros Monterrey New York Life, S.A. de C.V.



Other Institutions

- Banco de México
- Bolsa Mexicana de Valores, S.A. de C.V.
- Impulsora de Fondos Banamex, S.A. de C.V., Sociedad Operadora de Sociedades de Inversión
- Nacional Financiera, S.N.C.

Corporate Officers



Héctor J. Anaya Doll
Chief Executive Officer

Francisco Herrería Valdés
Settlement and Treasury

Jesús Mondragón Osorio
Administration and Custody

Arturo Navarro Plascencia
Operations
and International Division

Mario Sáenz Luján
Process Development

Jaime Villaseñor Zertuche
Risk Management

Gabriela Flores Salamanca
Legal Affairs

Facts and Figures

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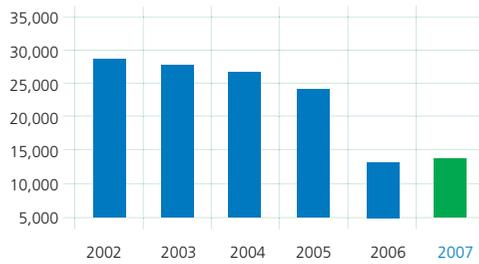


Custody and Administration of Securities

Total Deposit Value

	2002	2003	2004	2005	2006	2007	Change % 06/07
Capital Market	2,003,956	2,529,521	3,129,624	3,991,957	5,349,206	6,197,064	16
Stocks	1,857,140	2,249,967	2,775,591	3,510,331	4,774,174	5,367,175	12
Fixed-Income	146,816	279,554	354,033	481,626	575,032	829,889	44
Money Market	2,126,115	2,068,980	2,181,136	2,545,478	2,897,328	3,164,828	9
Government Securities	1,690,818	1,627,903	1,718,733	2,026,744	519,498	529,515	2
Bank Securities	435,297	441,077	462,371	518,734	2,377,831	2,635,313	11
Metals Market	8	7	9	11	12	15	25
Total Value	4,130,079	4,598,508	5,310,770	6,537,446	8,246,547	9,361,907	14
<i>Figures in million pesos as of December 31</i>							
Securities in Custody	29,060	28,434	27,114	23,657	12,275	12,472	2
<i>Units</i>							

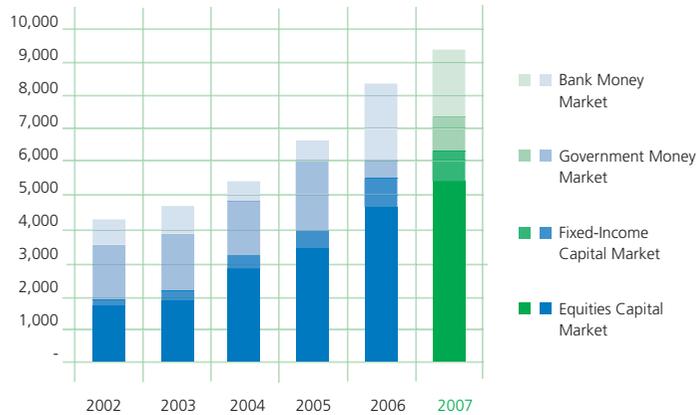
Certificates in Custody



Units



Breakdown of Deposit Value



Million pesos



• 022

Current Issues

	2002	2003	2004	2005	2006	2007	Change % 06/07
Capital Market (Equities)							
Issues	1,436	1,544	1,930	2,554	2,854	3,161	11
Units	476,053	499,986	854,695	950,973	1,072,627	1,200,896	12
Value	2,059,363	2,608,490	2,775,591	3,510,331	4,774,174	5,367,175	12
Equities Market (Fixed Income)							
Issues	387	543	649	734	943	1,196	27
Units	3,177	4,204	5,168	6,119	6,438	8,110	26
Value	146,824	234,873	354,033	481,626	575,032	829,889	44
Money Market (Government)							
Issues	216	246	237	328	358	371	4
Units	16,069	38,310	41,398	49,121	61,936	64,679	4
Value	1,218,020	1,643,519	1,718,766	2,026,744	2,377,831	2,635,313	11
Money Market (Bank Securities)							
Issues	628	709	707	715	670	790	18
Units	285,709	232,834	223,546	218,030	252,021	292,925	16
Value	435,297	407,665	462,371	518,734	519,498	529,515	2
Total Issues	2,667	3,042	3,523	4,333	4,827	5,520	14
Total Units	781,008	775,335	1,224,243	1,224,243	1,393,023	1,566,610	12
Total Valuation	3,859,504	4,894,546	6,537,446	6,537,446	8,246,547	9,361,907	14

Figures as of December 31
Units in millions
Value in million pesos

Deposit Value of Instruments Issued Abroad

	2002	2003	2004	2005	2006	2007	Change % 06/07
Foreign Stocks	32,334	35,508	35,508	35,072	37,118	12,771	(66)
VEMEX	-	1,174	3,959	4,266	4,884	4,649	(5)
STOXX-50	-	-	395	598	2,114	2,661	26
Foreign Indexes	-	-	617	6,400	51,898	69,304	34
BBVA	-	-	-	1,676	3,785	3,622	(4)
SAN	-	-	-	214	1,634	2,248	38
WE	-	-	-	238	-	-	-
UMS	6,652	9,301	31,172	23,437	29,015	34,224	18
Eurobonds	604	4,695	7,996	13,752	75,015	155,613	107
T-Bills	-	125	438	309	3,459	2,772	(20)
Total	39,590	50,803	80,085	85,963	208,921	287,865	38

Figures as of december 31 in million pesos

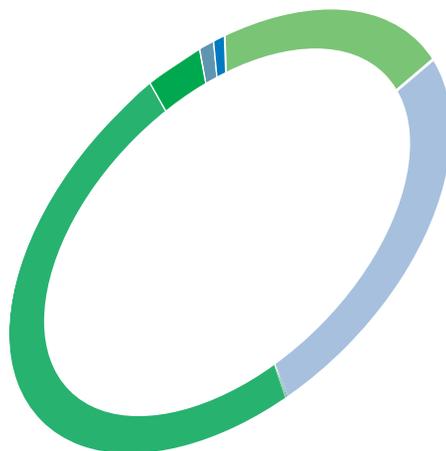
Deposit Value in Foreign Accounts

	2002	2003	2004	2005	2006	2007	Change % 06/07
Unrestricted Subscription	252,368	323,776	424,490	518,053	804,848	809,186	1
ADR's	120,825	159,087	226,809	327,946	473,461	424,487	(10)
Neutral Fund	16,834	22,547	32,421	33,520	49,711	56,275	13
Government Securities	4,863	3,535	32,537	182,705	149,066	308,631	107
Total	394,890	508,945	716,257	1,062,224	1,477,086	1,598,578	8

Figures as of december 31 in million pesos.

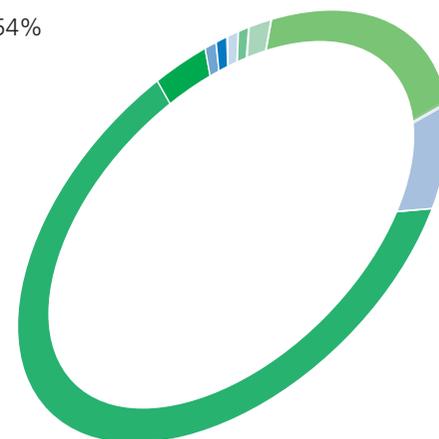
Instruments Held in Custody Abroad

- Euroclear 47%
- Deutsche Bank 30%
- Clearstream 17%
- The Bank of New York 4%
- Banco Bilbao Vizcaya 1% Argentaria
- Santander Investment 1% Services



Deposit Value Abroad by Instrument

- Eurobonds (CBL, ECLR) 54%
- ETF's (DBAG) 24%
- UMS (CBL, ECRL) 12%
- Citigroup (BNY) 4%
- VEMEX (DBAG) 2%
- BBVA (BBVA) 1%
- T-Bills (BNY, DBAG) 1%
- STOXX (DBAG) 1%
- Tenaris (ECLR) 1%
- San (SIS) 1%



Average Valuation as of december 2007: 287,865 million pesos

Average Valuation as of december 2007: 287,865 million pesos

Number of participant with holdings: 52

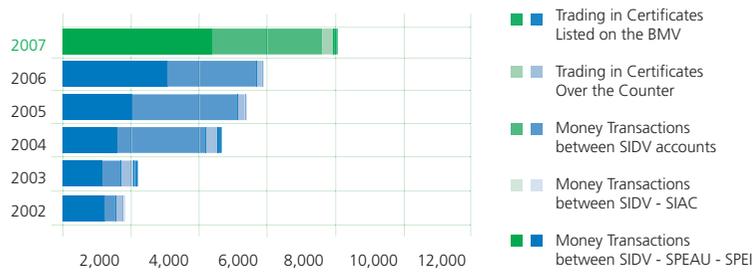
Ums: 36, Tenaris: 20, Citigroup: 22, VEMEX: 27, Eurobonds: 45, ETFs: 26, STOXX 50: 23, T-Bills: 9, BBVA: 19, SAN: 15, DB: 39, WE: 0, 56: 0, 57: 0

Trading Activity

Transactions Processed

	2002	2003	2004	2005	2006	2007	Change % 06/07
Trading in Certificates Listed on the BMV	1,308,632	1,165,124	1,609,804	2,017,647	2,901,588	4,136,409	43
Trading in Certificates Over the Counter	469,061	1,007,611	2,809,637	2,844,079	2,558,408	5,674,892	122
Money Transactions between SIDV accounts	101,661	76,481	86,841	100,095	108,157	128,183	19
Money Transactions between SIDV - SIAC	35,751	31,599	39,187	54,026	50,538	52,517	4
Money Transactions between SIDV - SPEAU - SPEI	25,546	16,025	13,631	230	-	15,698	-
Total Transactions	1,940,651	2,296,840	4,559,100	5,016,077	5,618,691	10,007,699	78

Transactions Processed



Thousand Trades

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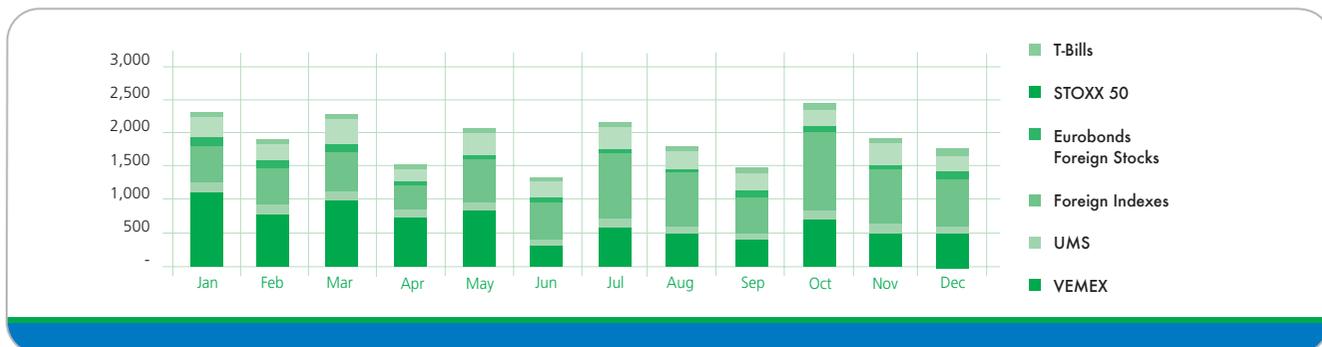


Trading of Instruments Issued Abroad							
	2002	2003	2004	2005	2006	2007	Change % 06/07
Foreign Stocks	607	673	726	590	720	712	(1)
VEMEX	-	4,340	9,450	10,885	14,135	7,949	(44)
STOXX-50	-	-	1,714	1,971	2,996	3,161	6
Foreign Indexes	-	-	269	1,094	4,624	7,571	64
BBVA	-	-	-	62	123	91	(26)
SAN	-	-	-	76	178	216	21
UMS	1,470	3,188	3,372	2,606	2,093	1,224	(42)
Eurobonds	272	636	457	744	978	1,290	32
T Bills	-	8	32	201	877	242	7
Total	2,349	8,572	16,020	18,229	26,724	23,156	(13)

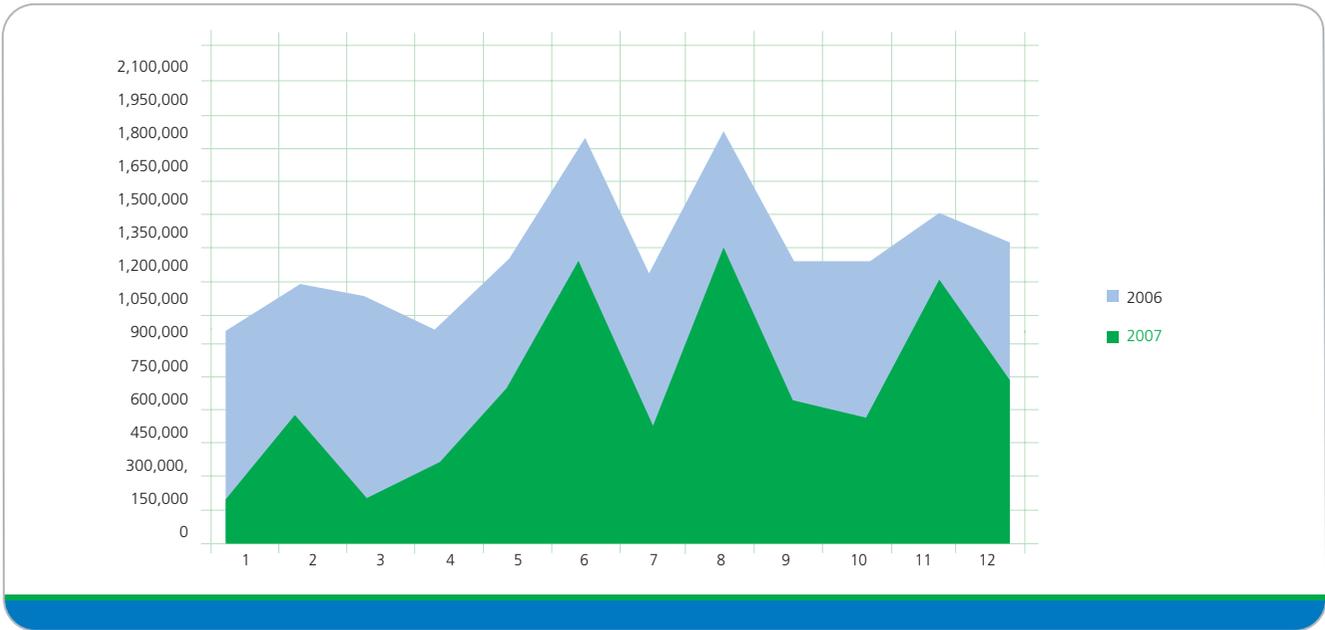


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Trading of Instruments Issued Abroad



Payment of Cash Rights on Instruments Issued Abroad

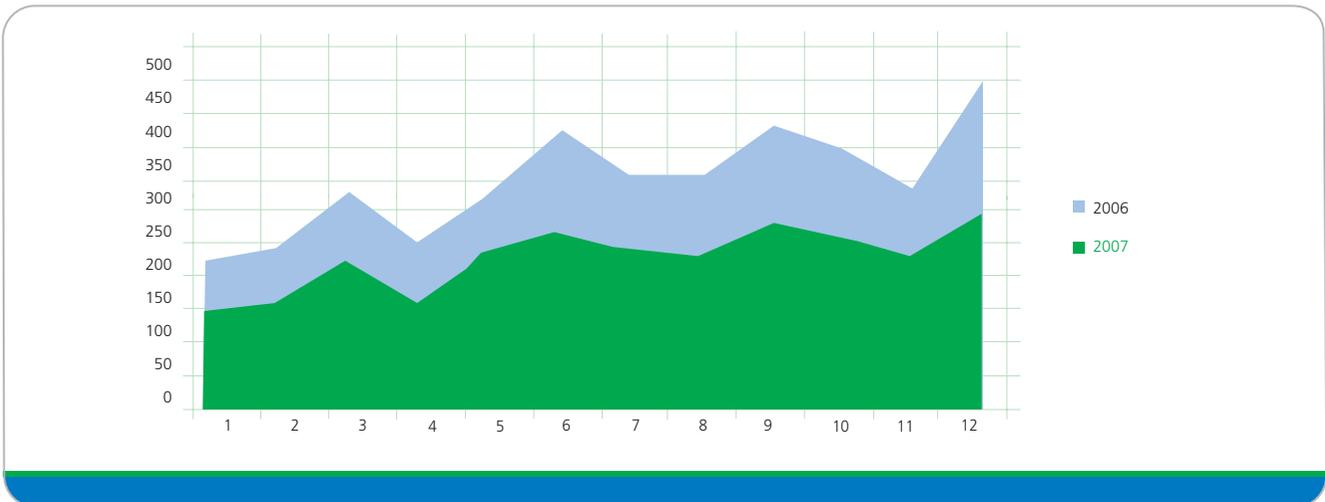


Thousand Dollars



• 025

Payment of Cash Rights on Instruments Issued Abroad

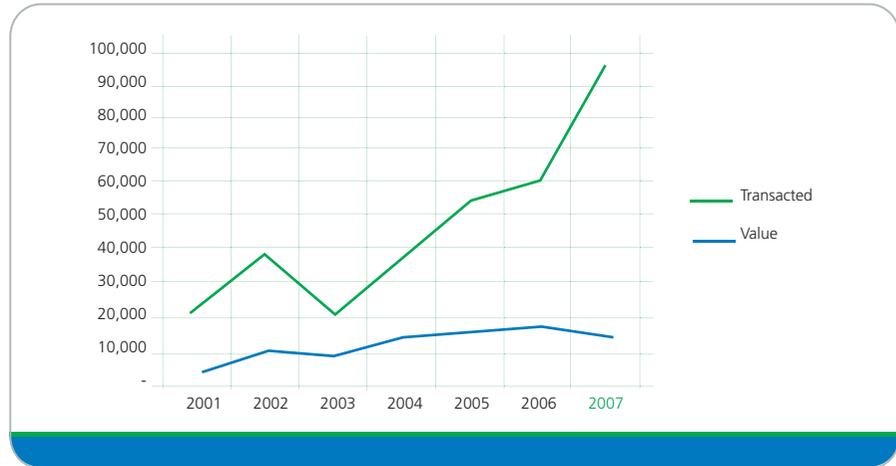


Rights

Securities Lending



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• 027

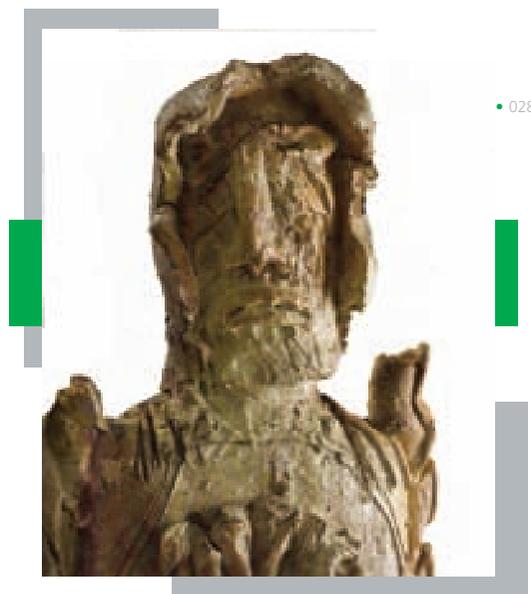
	2002		2003		2004		2005		2006		2007		Change % 06/07	
	Units	Value	Units	Value	Units	Value	Units	Value	Units	Value	Units	Value	Units	Value
Loans Negotiated	9,409	36,702	8,494	21,419	13,033	35,987	15,189	53,247	16,773	61,162	15,739	91,904	(6)	50
Lending Bids	9,062	35,303	8,241	19,828	11,612	26,750	14,726	47,901	15,881	56,961	14,533	84,056	(8)	48

Value in million pesos

Settlement

Value Settled							
	2002	2003	2004	2005	2006	2007	Change% 06/07
Bank Certificates	384,440	305,424	293,376	336,481	353,196	360,310	2
Government Certificates	511,312	645,300	1,052,427	1,280,656	1,375,730	1,642,496	19
Capital Market	2,557	2,497	2,028	2,086	4,215	6,488	54
Total Settled	898,309	998,221	1,347,831	1,619,223	1,733,141	2,009,294	16
Flows between SIDV-SIAC-SPEAU	655,735	618,694	713,223	886,805	1,025,833	1,185,228	16

Daily average in million pesos

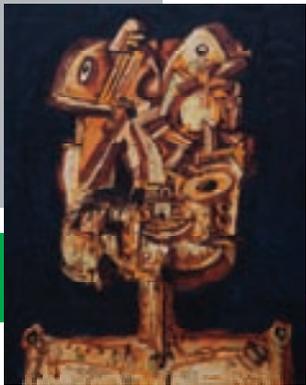
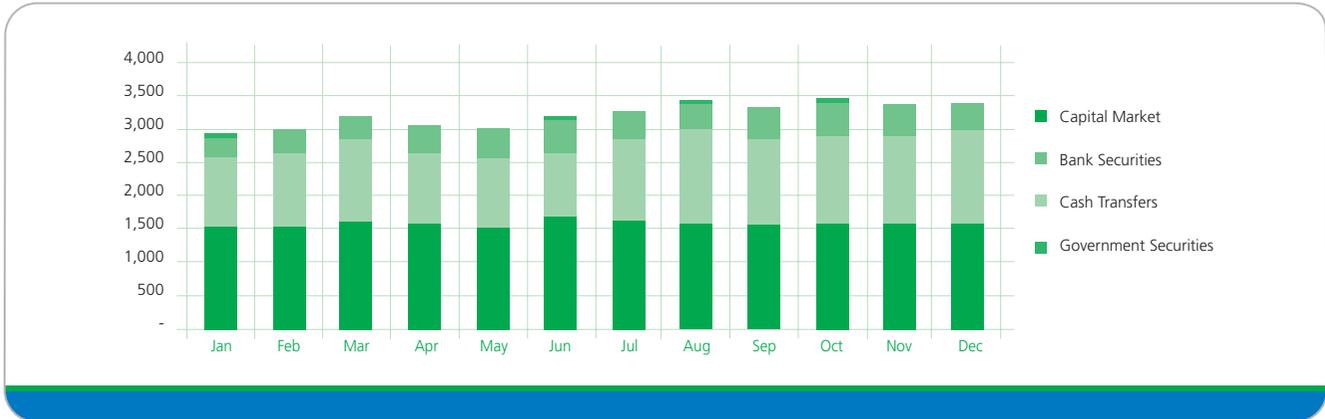


Daily Average Settlement



Billion Pesos

Daily Average Settlement Breakdown



• 030



• 031



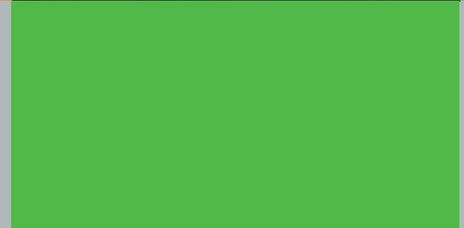
• 029



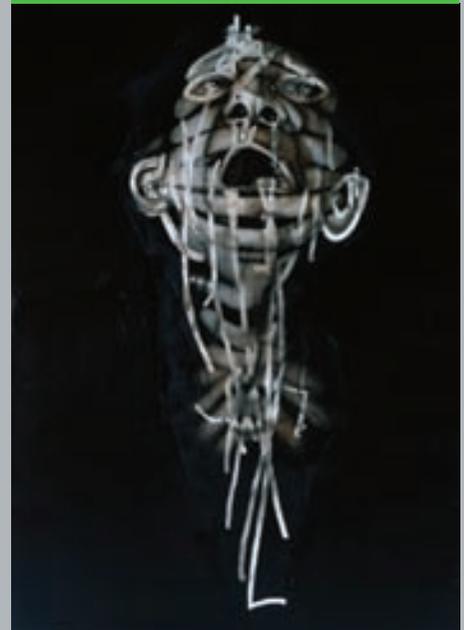
*Contraparte Central
de Valores
de México, S.A de C.V.*



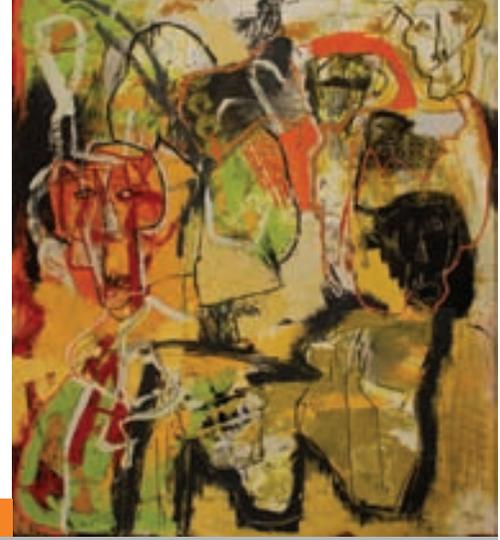
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• 002



• 003



• 004

CONTRAPARTE CENTRAL DE VALORES DE MÉXICO, S.A. DE C.V. is the company authorized to act as central counterparty in all trades in the Mexican securities market, in order to reduce the risk of default on the obligations assumed by brokerage firms in the market. To this end, it acts in the capacity of reciprocal creditor and debtor of the rights and obligations stemming from previously-arranged securities transactions between those brokers, on their own behalf or on behalf of third parties, in keeping with the Securities Market Act.

Mission

To provide counterparty, clearing and settlement services in relation to transactions performed on the Mexican Stock Exchange (BOLSA MEXICANA DE VALORES, S.A. DE C.V.), under the most secure and efficient financial and operational scenarios.

CONTRAPARTE CENTRAL DE VALORES pursues its business objectives within the best internationally recognized corporate practices in the area of counterparty settlement systems. It is particularly mindful of practices pertaining to trading, the handling and mitigation of any type of risk, and business administration, while keeping in mind the unique characteristics of the financial markets in Mexico.



• 005

Message from the Chief Executive Officer

In its four years of existence, CONTRAPARTE CENTRAL DE VALORES DE Mexico, S.A. DE C.V. (CCV), has grown alongside the stock market, becoming a robust and operatively efficient institution, and from the standpoint of risk management and technological infrastructure, adaptable to the needs of its environment.

The financial solidity with which the CCV is able to face its responsibilities was evident in the level of guarantee funds supplied by Clearing Agents, which are the primary resource in the risk system, and the equivalent of the financial safeguard system in the former Securities MarketAct. In 2007, these funds exceeded by almost three times the amount required for the CCV to be covered against potential losses, with a confidence level of at least 99% resulting from defaults or failures among its Agents.

In 2007, we continued our efforts to eliminate defaults in the market stemming from failure to deliver securities. On average we covered more than half of the defaults in T+3, by taking our securities loans. In September, the coverage supplied by this mechanism reached 90%.

In the year on average, the percentage of transactions that did not meet securities delivery at the end of T+3 was only 0.36% of the total amount traded on the BOLSA MEXICANA DE VALORES (BMV). If this amount, 84% was delivered in T+4 and the rest, except for 10 trades, at the end of T+5.

In 2007, two new non-Clearing Agents joined our firm: Deutsche Securities, S.A. de C.V., Casa de Bolsa; and Vanguardia Casa de Bolsa, S.A. de C.V., which reaffirms our commitment to continue supporting the market's development.

Among our other activities in 2007, following S.D. Indeval's overhaul of its technological infrastructure, we significantly modified the structure of securities accounts for CCV Clearing Agents, removing from S.D. Indeval's current system and registering them in the Central Counterparty's Transaction Clearing System (known as the SCO).

More important still is the certification of our company with S.D. INDEVAL for sending securities settlement instructions to that institution through messages with ISO 15022 standard, within the new "Indeval Financial Protocol" communications scheme. Certification was obtained in December of last year, and now CCV's system is equipped to handle the technological demands of the central securities depository.

Finally, in 2007 we also began building what will be the new Module for Administration of Risks and Collateral (MARC), which is basically a set of independent, scalable services through which users can calculate risk, determine collateral, and make data inquiries.

The coming year will bring new challenges for this company, like the conclusions and startup of the Risk Module and certification of messages for cash handling with S.D. INDEVAL, and an in-depth evaluation of our technological strategy following the changes in that institution's infrastructure.

As in every year, we are grateful to our shareholders, Clearing Agents and authorities for the unconditional support they gave to the Central Counterparty, and we reiterate the commitment of all those who work in this Institution to continue improving, day after day, the services we provide.

Héctor J. Anaya Doll

Board of Directors 2007-2008

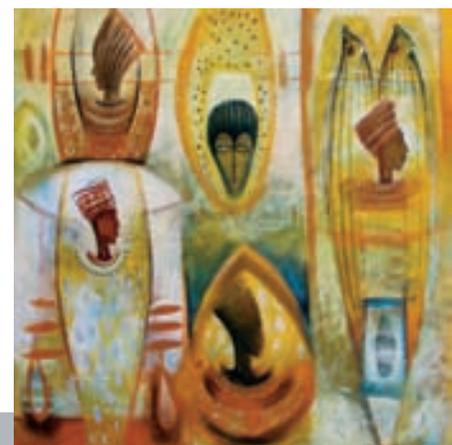
Institutional Board Members

Regular Members

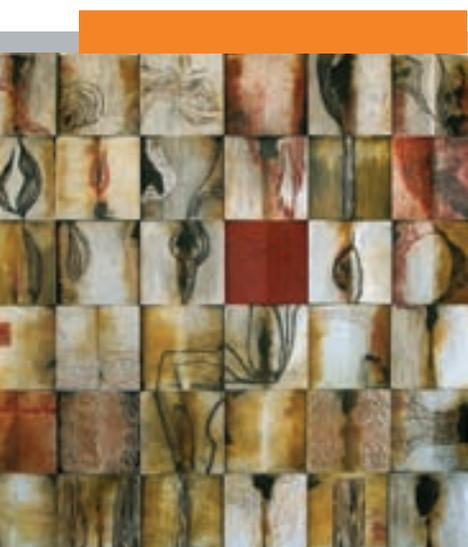
Roberto González Barrera
Ernesto Ortega Arellano
Guillermo Prieto Treviño
Marcos Ramírez Miguel
Clemente Reyes Retana V.
Gonzalo Rojas Ramos
Moisés Tiktin Nickin
Pedro Zorrilla Velasco

Respective Alternates

Francisco Emilio Molina Viamonte
José Ponce Hernández
Gerardo J. Gamboa Ortiz
Jorge Alegría Formoso
Alfonso Henkel Hernández
Juan Carlos Rosales Hernández
Jacobo Martínez Flores
Alejandro Reynoso del Valle



• 006



• 007

Independent Board Members

Regular Members

José Luis Acuña Contreras
Pedro Alonso Angulo
Hernán Sabau García

Respective Alternates

Jorge Arboleya Ancira
María Cristina Hernández Trejo
Luis Perezcano Díaz

Chairman

Guillermo Prieto Treviño

Vice Chairman

Ernesto Ortega Arellano

Regular Statutory Auditor

Martha González Caballero

Alternate Statutory Auditor

Jorge Tapia del Barrio

Regular Secretary

Hugo Arturo Contreras Pliego

Secretary Pro Tem

Gabriela Flores Salamanca



Risk Committe

The basic activities of this committee are to create and apply a system of financial safeguards for the company, meaning a set of measures that allow the company to comply with the obligations resulting from the transactions in which it engages as reciprocal creditor and debtor, and to propose the issue of operating and prudential rules as well as the adoption of self-regulatory standards applicable to the Company and its reciprocal debtors and creditors.

Institutional Members

Regular Members

Alfonso de Lara Haro
Jaime Díaz Tinoco
Octavio Mieres Hermosillo
Antonio Nava Tamez
Grocio Soldevilla Canales

Respective Alternates

Ariel Padilla Jara
Jiyouji Ueda Ordoñez
Edgar Orlando Castillo López
María Begoña Guerra Vargas
José Gómez Vigil

Independent Members

Regular Members

Jorge Galindo Flores
Sergio García Quintana

Respective Alternates

Paloma Silva de Anzorena
Alejandro Diosdado Rodríguez

Members

Regular Members

Fernando Morales Gutiérrez
Iñigo Ruiz Bada
Bernardo Ernesto Reyes Retana

Respective Alternates

Antonio Quezada Palacios
Nidia Mendoza Díaz
Julio Arturo Sánchez Díaz

Audit Committee

This committee oversees compliance with the rules that constitute the company's system of financial safeguards.

Disciplinary Committee

Its main functions include applying disciplinary measures in cases of breach of the rules issued by the Company.

Members

Regular Members

Alejandro Athié Morales
Leonel Pereznieta Castro
Julián Treviño Meixueiro

Facts and Figures

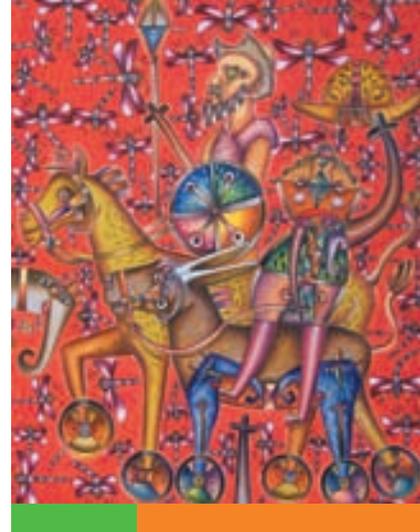
Transactions through the Mexican Stock Exchange	2004	2005	2006	2007	Change % 06/07
Number of Trades	1,466,645	2,023,124	2,903,169	4,038,726	39.11
Number of Certificates	26,370,022,555	23,263,167,573	35,227,414,191	44,035,300,541	25.00
Value	522,086	646,758	1,086,064	1,627,968	49.90
Clearing in the CCV					
Number of certificates cleared	15,200,195,137	16,722,132,418	19,381,137,930.25	26,049,397,135	34.41
Amount cleared	299,229	372,389	644,769	963,357	49.41
Net settlement through CCV					
Number of settlements netted	387,405	489,334	605,941	688,995	13.71
Number of certificates settled	11,169,827,418	12,541,035,155	15,846,276,261	17,985,903,405	13.50
Value	222,857	274,369	441,295	664,611	50.60
VaR and guarantee funds					
Value at Risk (average)	70,035,266	65,724,621	159,210,796	371,394,631	133.27
Contribution Fund (average)	249,529,749	316,479,232	541,745,626	1,086,308,462	100.52
Clearing Fund (average)	13,600,450	14,258,194	19,580,576	37,185,894	89.91
Past due trades					
Total trades	1,466,645	2,023,124	2,903,169	4,038,726	39.11
No. trades past due	3,828	10,585	13,112	14,581	11.20
% of trades past due	0.26	0.52	0.45	0.36	(20.06)
Total Settlement Agents in Trading	22	22	24	27	12.50
Total Settlement Agents past due	12	12	15	12	(20.00)
% of Settlement Agents past due	55	55	63	44	(28.89)
Value Traded	522,086	646,758	1,069,899	1,627,965	52.16
Value of past-due trades	1,187	4,067	5,778	5,916	2.39
% of Trades past due	0.23	0.63	0.54	0.36	(32.71)
Total days traded	237	259	254	254	0.00
Total days past due	191	235	246	252	2.44
% of days past due	80.59	90.73	96.85	99.21	2.44
Settled in T+3	3,597	9,355	11,279	12,270	8.79
Settled in T+4	222	1,208	1,823	2,303	26.33
Cash settlement	9	22	10	8	(20.00)
Total past-due trades	3,828	10,585	13,112	14,581	11.20
Amounts invested					
Daily average amount	235,728,206	305,594,177	545,050,387	1,093,397,134	78.36
Daily average rate	6.79	9.25	7.43	7.15	(19.68)

Value in million Pesos



• 007.1

Main Activities in 2007



• 008

1. Trading

The steady growth in trading volume on the Mexican Stock Exchange in recent years continued in 2007. The number of transactions completed on the stock market and received for clearing and settlement through the Central Counterparty exceeded 4 million last year, 39% more than in 2006.

The value of those transactions increased by nearly 50%. Of the total amount, 48% was cleared in the CCV's daily overnight cycle at the end of T+2, so trade settlement was 42% of the total amount transacted.

Transactions Performed on the BMV					
	2004	2005	2006	2007	Change % 06/07
Number of Trades	1,466,645	2,023,124	2,903,169	4,038,726	39.11
Number of Certificates	26,370,022,555	29,263,167,573	35,227,414,191	44,035,300,541	25.00
Value	522,086	646,758	1,086,064	1,627,968	49.90
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Number of Certificates Cleared	15,200,195,137	16,722,132,418	19,381,137,930.25	26,049,397,135	34.41
Amount Cleared	299,229	372,389	644,769	963,357	49.41
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Number of nets settled	387,405	489,334	605,941	688,995	13.71
Number of certificates settled	11,169,827,418	12,541,035,155	15,846,276,261	17,985,903,405	13.50
Amount settled	222,857	274,369	441,295	664,611	50.60

Million pesos

Of the 4 million trades executed during 2007, only 114,581 exceeded the T+3 settlement time because of a failure to deliver securities by Clearing Agent members of the Counterparty. The value of those past-due trades was almost 6 billion pesos, 2.39% higher than in 2006, but only 0.36% of the total amount traded. Of these delayed transactions, 84% were completed in T+4, leaving 2,303 trades for settlement in T+5 and only 8 in which the Clearing Agent failed to deliver altogether and the Counterparty had to negotiate a cash settlement with the affected Agent.

Delayed Trades					
	2004	2005	2006	2007	Change % 06/07
Total Trades	1,466,645	2,023,124	2,903,169	4,038,726	39.11
No. Trades Past Due	3,828	10,585	13,112	14,581	11.20
% of Trades Past Due	0.26	0.52	0.45	0.36	(20.06)
Total Settlement Agents in Trading	22	22	24	27	12.50
Total Settlement Agents Past Due	12	12	15	12	(20.00)
% of Settlement Agents Past Due	55	55	63	44	(28.89)
Value Traded	522,086	646,758	1,069,899	1,627,965	52.16
Value of Past-Due Trades	1,187	4,067	5,778	5,916	2.39
% of Trades past due	0.23	0.63	0.54	0.36	(32.71)
Total Days Traded	237	259	254	254	0.00
Total Days Past Due	191	235	246	252	2.44
% of Days Past Due	80.59	90.73	96.85	99.21	2.44
Settled in T+3	3,597	9,355	11,279	12,270	8.79
Settled in T+4	222	1,208	1,823	2,303	26.33
Cash Settlement	9	22	10	8	(20.00)
Total Past-Due Trades	3,828	10,585	13,112	14,581	11.20

Values in million Pesos

To complete full and on-time delivery of securities to Clearing Agents in cases of a failure to deliver at the end of T+3, CONTRAPARTE CENTRAL DE VALORES negotiated 644 securities loans, basically with 2 brokerage firms.

The daily average amount invested by the CCV using the liquid guarantee funds submitted by Clearing Agents was more than 1 billion pesos; the average interest rate on those investments was 7.15%.

Invested Amounts					
	2004	2005	2006	2007	Change % 06/07
Average Daily Amount	235,728,206	305,594,177	545,050,387	1,093,397,134	78.36
Average Daily Rate	6.79	9.25	7.43	7.15	(19.68)

2. Risk Management

In the area of risk management, the Risk Committee approved a major change in the parameters used for the calculation of guarantee funds. That modification eliminated a factor applied in 2006 to provide an additional buffer against turbulence in the election year, and fortified guarantee sufficiency during the period of novation, through extinction of the obligations.

The daily average amount invested by the CCV using the liquid guarantee funds submitted by Clearing Agents was more than 1 billion pesos; the average interest rate on those investments was 7.15%.

• 009

• 010

This had little impact on market participants, resulting in approximately a 30% increase in guarantee requirements when sufficiency has been exceeded by around 300%.

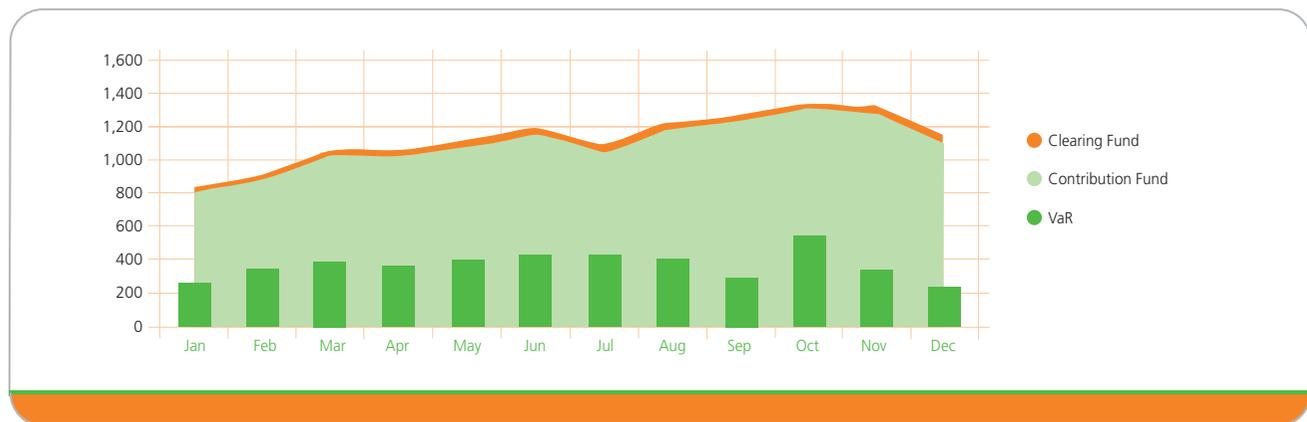
Transaction novation is the process by which the CCV becomes the reciprocal creditor and debtor of the securities and cash, rights and obligations originally acquired by the buyer and seller of the securities through trades on the Mexican stock exchange.

The Risk area kept the Risk Committee apprised of levels of trading and market risk, and monitored and followed up on the operating risks the Company faces. The industry and the authorities commented on the need to incorporate new elements into the CCV Regulations and Manual, so we have been working on the issues that will be involved in those changes, which are expected to take effect next year.

As in earlier years, the Risk Management area's activities included operating the systems used to monitor and quantify market risk and keep the three guarantee funds at adequate levels: (i) the Contribution Fund, which covers potential losses in the event of suspension of one or more Agent; (ii) the Clearing Fund, which complements the first category and can be mutualized; and (iii) the Reserve Fund, which is made up of the remainders of fines applied to agents involved in delayed trades with the CCV. In addition, the area is in charge of applying extraordinary settlement procedures in the event of default by or suspension of some Agent.

The following are some statistics on the Risk Management area's activities in 2007.

The first graph compares levels of value at risk, or VaR (bar) and the amounts of the Contribution and Clearing Funds (surface). As the graph shows, the funds have exceeded VaR for the entire year, by an average of 294%.



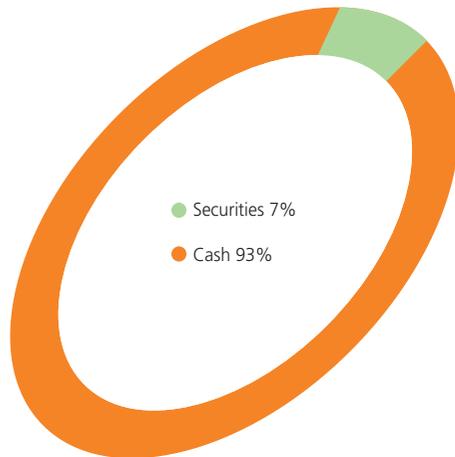
• 011



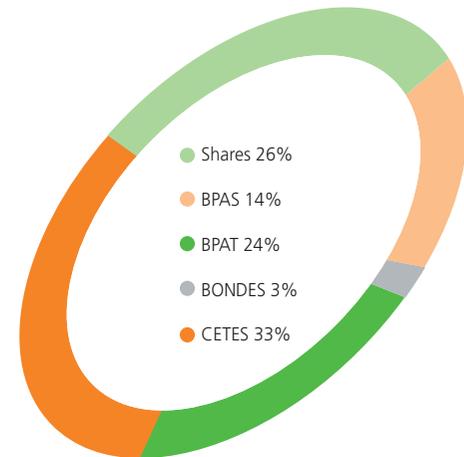
VaR and Guarantee Funds					
	2004	2005	2006	2007	Change % 06/07
Risk Value (Average)	70,035,266	65,724,621	159,210,796	371,394,631	133.27
Margin Fund (Average)	249,529,749	316,479,232	541,745,626	1,086,308,462	100.52
Clearing Fund (Average)	13,600,450	14,250,194	19,580,576	37,185,894	89.91

Guarantee funds can be provided in either cash or securities (government securities and highly liquid stock), in accordance with certain restrictions imposed by the Risk Committee. Last year, cash was the predominant medium, and the breakdown of the securities deposited was as follows:

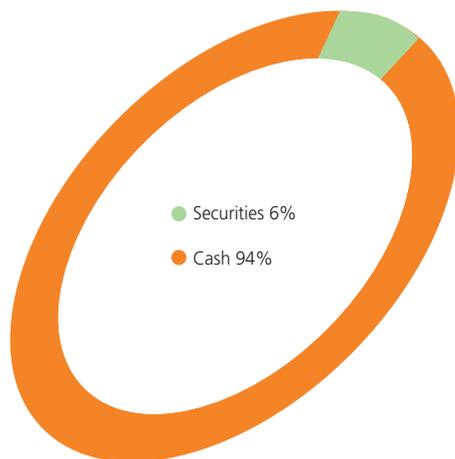
Contribution Fund



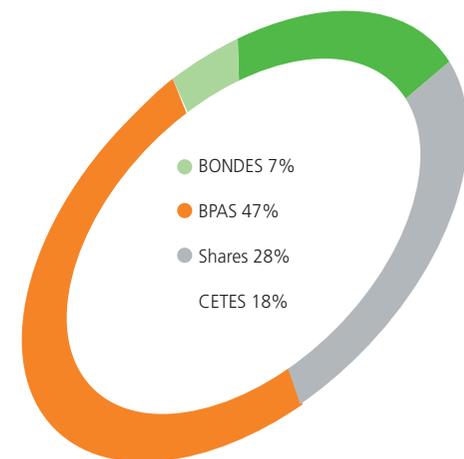
Securities in Contribution Fund



Clearing Fund



Securities in Clearing Fund



The value of securities traded on the BMV rose sharply in 2007, while delayed trades and defaults accounted for an average of 0.4%. The graphs below show the monthly trend in both areas, and the percentage of obligations contained by the Securities Lending program that CCV has in place for this purpose.

Value Traded and Past-Due



Billions



• 012

Percentage of Delayed Obligations Resolved by Securities Lending 2007



3. Other Activities

CONTRAPARTE CENTRAL DE VALORES made two major changes to its systems to keep up with the technological upgrade and startup of the new system at S.D. INDEVAL:

- a) In September, we modified our account structure for securities settlement with the central securities depository, transferring the accounts of our Clearing Agents to the transaction clearing system managed by the CCV. The modification meant that all clearing and pre-settlement processes for cash and securities are now conducted within the CCV. Once these processes are completed, the CCV notifies S.D. INDEVAL of the daily settlement result and requests the movement of the cash or securities. CCV therefore becomes one more depositor with S.D. INDEVAL, and segregates its own settlement processes from those of that institution.
- b) CCV Certification in the Indeval Financial Protocol (PFI). At the close of 2007, the Counterparty's system was certified with S.D. INDEVAL within the new financial protocol for sending messages with instructions for securities transfer, adopting the ISO 15022 standard. This certification allows the CCV to align its systems within the technological upgrade taking place at S.D. INDEVAL

The drive to upgrade CCV's technological infrastructure, begun in 2007, will continue in 2008. A new module called Module for Administration of Risks and Collateral (MARC) has already been analyzed and designed. MARC is a set of independent, scalable services through which users can calculate risk, determine collateral, and make data inquiries. It can be used not just by CCV but by any line of business whose activities include risk management and collateral administration.

The MARC system is therefore intended to provide added value both to CCV and to other units or businesses that are its clients. Construction of the module will begin in the first quarter of 2008, and it will be released into production during the same year.



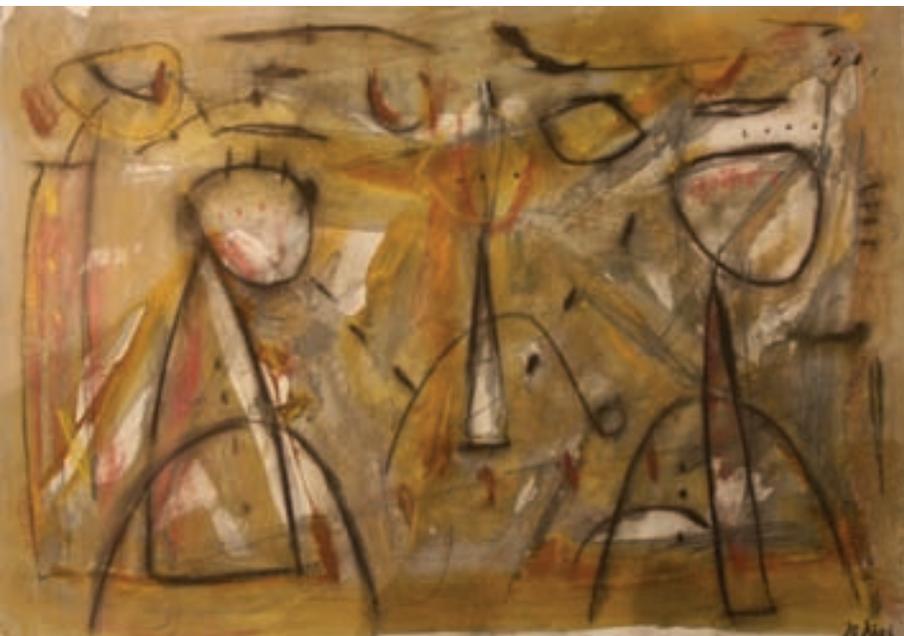
• 013

Vision 2008

The last quarter of was marked by international financial turbulence, which affected the Mexican market to some extent. We can assume that the volatility will continue on into 2008, so we will have to keep a very close watch on what is happening in the global economy, and its possible impact on the local economy and financial system.

If necessary, closer communication will be established between the Board Members, the Risk Management Committee and Clearing Agents in order to take the measures necessary to allow CCV to continue serving as a central access for settling the trades performed in the Mexican market.

We will also continue the process of certifying the SCO system that CCV uses for sending messages with cash instructions, and we will conduct an in-depth review of the technological strategy to be developed by this Counterparty in the years ahead.



• 014



• 015

Summary Balance Sheet as of December 31 2007 and 2006

	2007	2006	Change	Change % 07/06
Assets				
Current	1,375,211	985,417	389,794	39.6
Others	95	74	21	28.4
Total Assets	1,375,306	985,491	389,815	39.6
Liabilities and Stockholders' Equity				
Short-term	1,200,735	854,430	346,305	40.5
Total Liabilities	1,200,735	854,430	346,305	40.5
Stockholders' Equity	174,571	131,061	43,510	33.2
Total Liabilities and Stockholders' Equity	1,375,306	985,491	389,815	39.6
Memorandum Accounts				
Securities Transactions				
Transactions entered	3,811,654	4,326,956	(515,302)	(11.9)
Pending obligations	3,811,654	4,326,956	(515,302)	(11.9)
Past-due obligations	5,192	8,132	(2,940)	(36.2)

Figures as of december 31 in thousand pesos

Summary Income Statement as of December 31, 2007 and 2006

	2007	2006	Change	Change % 07/06
Results				
Service Revenues	88,895	65,689	23,206	35.3
Administrative Expenses	33,879	29,017	4,862	16.8
Operating Income	55,016	36,672	18,344	50.0
Net Interest	5,252	3,476	1,776	51.1
Other Revenues	0	147	(147)	100.0
Income Before Tax	60,268	40,295	19,973	49.6
Tax	16,758	11,622	5,136	44.2
Net Income	43,510	28,673	14,837	51.7

Figures as of december 31 in thousand pesos

Share Yield %

33.2

33.1

Shareholders

Brokerage Firms

- Acciones y Valores Banamex, S.A. de C.V., Casa de Bolsa, Integrante del Grupo Financiero Banamex*
- Actinver, Casa de Bolsa, S.A. de C.V.*
- Casa de Bolsa Arka, S.A. de C.V.*
- Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte*
- Casa de Bolsa BBVA Bancomer, S.A. de C.V., Grupo Financiero BBVA Bancomer*
- Casa de Bolsa Credit Suisse (México), S.A. de C.V., Grupo Financiero Credit Suisse (México)*
- Casa de Bolsa Finamex, S.A.B. de C.V.*
- Casa de Bolsa Santander, S.A. de C.V., Grupo Financiero Santander*
- GBM Grupo Bursátil Mexicano, S.A.B. de C.V., Casa de Bolsa*
- HSBC Casa de Bolsa, S.A. de C.V., Grupo Financiero HSBC*
- ING (Mexico), S.A. de CV., Casa de Bolsa, ING Grupo Financiero*
- Interacciones Casa de Bolsa, S.A. de C.V., Grupo Financiero Interacciones*
- Inversora Bursátil, S.A. de C.V., Casa de Bolsa, Grupo Financiero Inbursa*
- Invex Casa de Bolsa, S.A. de C.V., Invex Grupo Financiero*
- IXE Casa de Bolsa, S.A. de C.V., IXE Grupo Financiero*
- J.P. Morgan Casa de Bolsa, S.A. de C.V., J.P. Morgan Grupo Financiero*
- Merrill Lynch México, S.A. de C.V., Casa de Bolsa*
- Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero*
- Multivalores Casa de Bolsa, S.A. de C.V., Multivalores Grupo Financiero*
- Scotia Inverlat Casa de Bolsa, S.A. de C.V., Grupo Financiero Scotiabank Inverlat*
- Valores Mexicanos Casa de Bolsa, S.A. de C.V.*
- Value, S.A. de C.V., Casa de Bolsa, Value Grupo Financiero*
- Vector Casa de Bolsa, S.A. de C.V.*

Banks

- Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex*

Other Institutions

- Bolsa Mexicana de Valores, S.A. de C.V.
- S.D. Ineval Institución para el Depósito de Valores, S.A. de C.V.

*These shareholders also act as Clearing Members in relation to CCV.

Corporate Officers



Héctor J. Anaya Doll
Chief Executive Officers

Arturo Navarro Plascencia
Operations

Jaime Villaseñor Zertuche
Risk Management

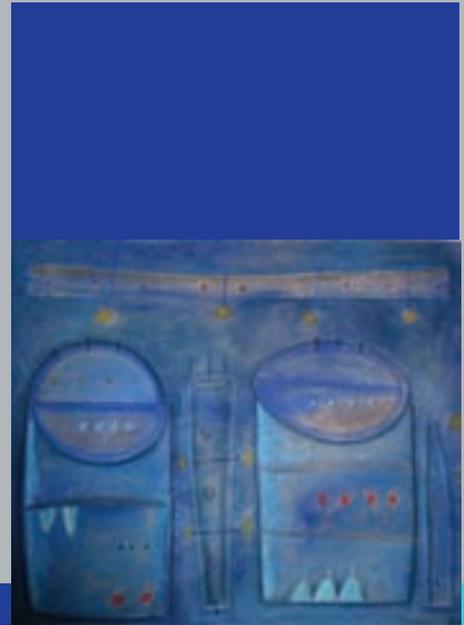
Gabriela Flores Salamanca
Legal Affairs

Juan Antonio González Arredondo
Treasury

Oscar López Nava
Equity

Luis Jorge Pelayo Camacho
Risk Management

MexDer



001



002



003



• 004

MEXDER, MERCADO MEXICANO DE DERIVADOS, S.A. DE C.V. (MEXDER) is the Mexican derivatives exchange. It began operations on December 15, 1998, and its basic purpose is to provide the mechanisms and establish the procedures necessary for the orderly trading of futures and option contracts, in strict compliance with the regulatory framework. MEXDER is a self-regulated institution that functions under the supervision of the Ministry of Finance and Public Credit (SCHP), the National Banking and Securities Commission (CNBV) and Banco de Mexico.

Mission

To encourage the growth of the Mexican derivatives market in keeping with the needs of companies, investors and the financial system in general, developing tools to facilitate hedging, risk management and efficient management of investment portfolios, in an overall context of transparency and equal opportunity for all participants.



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Vision

- To position MEXDER as the best alternative in Mexico for trading financial derivatives.
- To encourage professionalism and quality in our work, which is the basis of MEXDER's good reputation and image.
- To communicate to the public the solidity and security this market offers those who participate in it, and its usefulness to society as a whole, as a dynamic component of Mexico's growth and competitiveness.

Message from the Chief Executive Officer

We can define the year behind us, briefly, as “a year of contrasts”, marked by ups and downs in trading activity and results alongside qualitative achievements that will be the basis for our future growth.

In this period, MEXDER obtained two distinctions by the industry's most important organizations, which we are proud to mention. In recognition for the growth in trading volume on MEXDER in recent years, along with the promotional plan executed on both the local and foreign markets, we were made Emerging Exchange of the Year - 2007 by Futures and Options World (FOW). This signals that that the path we chose to position MEXDER globally was the right one.

We are also distinguished with the honor of hosting the International Options Markets Association (IOMA), a trade organization that gathers together most of the world's Derivative Exchanges, and is part of the World Federation of Exchanges (WFE). The meetings were held from May 20th to the 23rd, attended by 46 Derivatives Exchanges and 22 Clearinghouses, represented by their presidents and general directors--a total of 91 delegates from 25 countries.

This opportunity brought us broad international exposure and opened more opportunities for building ties with colleagues in other markets.

Among the most outstanding of our achievements in 2007 were the following:

- In fiscal matters, we applied for and obtained exemption for stock-based equity derivatives trading, incorporating this principle into the Income Tax Law.
- The release of Give Ups, a trading mode that has gained increasing importance in the industry, and adoption of the standard contract issued by the Futures Industry Association (FIA) for this type of agreement.
- The release of block trades.
- The formalities necessary for Mutual Funds to trade in the derivatives market. By early next year we expect to be seeing the first trades by these institutional investors on MEXDER.
- Listing of the 10-year futures contract on 28-day Interbank Equilibrium Interest Rate (TIIE) Swaps.
- Acceptance of Members acting from abroad, to trade third-party accounts.

Looking back over the considerable progress we have made over the past five years, we can divide the results into two major phases.

In the first, the regulatory framework was restructured to allow direct access to the market by Banks and Brokerage Firms, and to create the category of Market Maker, which will become a key figure for money and equity desks.

In the second phase, we concentrated on forging a strategic alliance with the Spanish derivatives exchange (MEFF), developing an options market, and adjusting the regulatory and fiscal framework to the new market conditions so that Members located outside of Mexican territory could participate. This process will expand the number of participants by facilitating access to a swift and efficient electronic market.



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The third phase begins this year, and will focus on conforming to international industry standards, inserting and positioning ourselves in the global climate--including Mexico, of course--as a highly competitive market, both in terms of its products and its technological infrastructure.

In recent years, but particularly in 2007, the consolidation of the exchange industry has brought sweeping changes to the world markets with significant medium-term repercussions. MEXDER cannot remain immune to these trends. The battle for markets, based on an aggressive reduction of trading costs and efficiency, will reach the local markets and our international clients very soon, so we must focus our actions and plans on this issue as well. Local Brokerage Firms and Banks will be demanding the same from this market as their peers receive on other exchanges abroad, and end users must be provided with the most versatile, efficient and transparent ways possible to access the market.

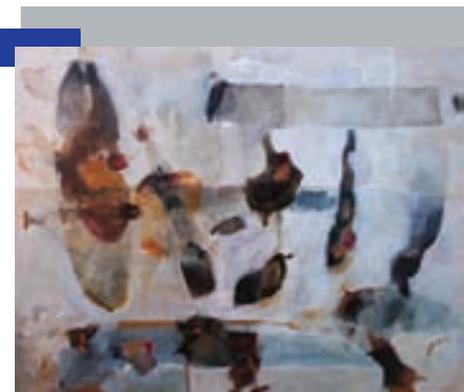
We therefore envision three basic goals for the years ahead:

- Expanding the base of both local and foreign Market Makers for futures contracts on the TIIE and the M10 bond, futures and options on the Price and Quotations Index (IPC) of the BOLSA MEXICANA DE VALORES, S.A. DE C.V. (BMV), and options on individual stocks, stressing the advantages of these instruments.
- Encouraging local participants to promote MEXDER.
- Working to ensure that the preceding two points stir up interest among foreign investors and domestic end investors.

We know we have a lot to do, and we must be ready to take advantage of the opportunities and challenges that our industry faces in this worldwide process of consolidation and integration.

Jorge P. Alegría Formoso

• 007





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Board of Directors 2007 - 2008

Institucional Board Members

Regular Members

José Antonio Aguirre Fernández
Francisco de Oña Navarro
Felipe de Yturbe Bernal
Rafael Mac Gregor Anciola
Guillermo Prieto Treviño
Jaime Robles Gil Bueno
Gerardo Vargas Ateca

Alternates

Alfonso García Macías
Fernando Centelles Martín
Federico Flores-Parkman Noriega
Alfredo González Rivera
Héctor Lagos Dondé
Gerardo Minjares Calderón
Alejandro del Valle Morales



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Independent Board Members

Regular Members

Raúl Feliz Ortiz
Salvi Folch Viadero
Carlos García Moreno
Alejandro Hernández Delgado
Eduardo Reyes Esparza
Alberto Saavedra Olavarrieta
Hernán Sabau García
Fernando Solís Soberón

Alternates

Efrén del Rosal Calzada
Pablo Kiehnle Zárata
Humberto Moreira Rodríguez
Gerardo Gamboa Ortiz
José Salce Zambrano
Mario Arreguín Frade
Luis Pérezcano Díaz
Juan Carlos Delgado Díaz

Chairman

Guillermo Prieto Treviño

Vice Chairman

Rafael Mac Gregor Anciola

Regular Statutory Auditor

Guillermo Roa Luvianos

Alternate Statutory

Roni García Dorantes

Regular Secretary

Hugo A. Contreras Pliego



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Committees

Executive Committee

Members:

Guillermo Prieto Treviño (*Chairman*)
 Fernando Centelles Martín
 Alfonso García Macías
 Rafael Mac Gregor Anciola
 Jaime RoblesGil Bueno
 Alberto Saavedra Olavarrieta
 Hernán Sabau García
 Gerardo Vargas Ateca

Promotion Committee

Members:

Alejandro Hernández Delgado (*Chairman*)
 Alfonso de Lara Haro
 Jaime Díaz Tinoco
 Alfonso García Araneda
 José Antonio Ordás Porras
 Jaime Villaseñor Zertuche
 Sergio Zermeño Romero

Certification Committee

Members:

José Abraham Garfías (*Chairman*)
 Patricio Avendaño Castellón
 Ángela Balmori Iglesias
 Guillermo Camou Hernández
 Alfonso de Lara Haro
 Amílcar Antonio Elorza y Alegría
 Karla Siller Ojeda
 Sergio Zermeño Romero

Auditing Committee

Members:

Fernando Morales Gutiérrez (*Chairman*)
 Jerónimo Curto de la Calle
 José Luis García Ramírez
 Nicolás Olea Zazueta
 Tomás Peraza Prieto

Compliance and Ethics Committee

Members:

Alberto Saavedra Olavarrieta (*Chairman*)
 Luis Enrique Estrada Rivero
 José Antonio Ordás Porras
 Jorge Peón Segura
 Hernán Sabau García

Admission and New Products Committee

Members:

Sergio Alejandro Islas Pérez (*Chairman*)
 Salvador Covarrubias Chávez
 Jorge del Valle Hernández
 Alfonso García Araneda
 Ramón Antonio Ojeda del Valle
 Antonio Orvañanos Amaro
 Francisco Rivera Solórzano
 Rocío Vázquez Matute
 Agustín Villareal Brena

Discipline and Arbitration Committee

Members:

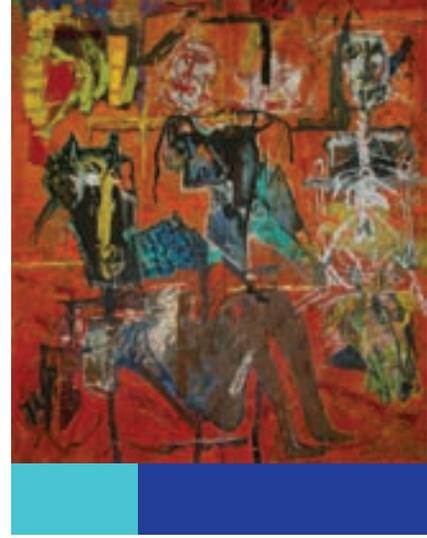
Eduardo Facha García (*Chairman*)
 Agustín Gutiérrez Espinosa
 Jorge Lazalde Psihas

Clearinghouse Committee

Members:

Gloria Roa Béjar (*Chairman*)
 Aurelio Cervantes Lupián
 Jaime Ledesma Rodarte
 Francisco Mejía Ortega
 Alejandra Tietzsch Duran
 Rocío Vázquez Matute

Main Activities in 2007



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The 2007 Business Plan established four strategic guidelines, which were approved by our Board of Directors. The following is a report on the principal activities carried out, along with the results obtained.

I. Consolidating current products

One of the main objectives in this area was to increase the diversity of our products and reduce the over-dependence on the 28-day TIE contract. To address this point, we held a number of meetings with the heads of money, equity, and forex desks of our Members, inviting them to trade in other products that had thus far been left on the sidelines.

One issue that was frequently brought up by desk traders was market trading and settlement fees, so together with ASIGNA, the clearing and settlement institution, MEXDER analyzed the matter, resulting in various modifications to ASIGNA's fee scheme and a one-peso reduction in IPC futures contract fees by MEXDER.

Over the course of the year, we worked together with the authorities to make some changes to the tax rules that apply to participants in the derivatives market. On June 22, the Ministry of Finance and Public Credit (SHCP) issued a set of miscellaneous tax rules, including a provision that will allow Global Account Managers to withhold taxes, making it easier for them to trade in our market.

Also, in mid-September the Income Tax Law was augmented by an exemption on income from equity derivative trading when the derivatives are linked to stocks listed on concessioned securities exchanges mentioned in the Securities Market Act (LMV) or to stock indices that represent those shares, provided they pertain to recognized markets (Articles 109 and 1092 of the Income Tax Law).

An important part of this Derivatives Exchange's business plan was the training of Members and institutional clients, both current and prospective. In 2007, we held a number of events to support this aim and to promote institutional products, such as a course entitled "Option Pricing and Trading in the Real World," given by renowned specialist Sheldon Natenberg. This was the second time Mr. Natenberg was invited by MEXDER to participate in such an event.

In June, we sponsored a course on Bond futures, given by George Panos, which introduced brokerage firms and clients to trading in this type of derivatives, where there is considerable potential for growth. The event was attended by 120 persons.

Finally, in November, MEXDER joined forces with Bloomberg to hold a course called Volatility Trading, given by Bruno Dupire, one of the world's most respected and widely renowned experts on the topic.

II. Increasing the number of market participants, both Members and clients

In order to expand the base of Members and end clients participating in the market, both local and foreign, we pursued a number of promotional activities which are detailed below.

For the second year in a row, we held a road show at Bloomberg headquarters in New York, where the guest speaker was Dr. Alejandro Werner, Under Secretary of Finance and Public Credit. The purpose of the event was to attract a larger base of participants to the market, either as Members or as end clients.

At the end of March, in response to the interest expressed by various institutions, our Board of Directors formally approved a measure that would allow institutions established outside of Mexican territory to join MEXDER as broker trading members of the Exchange.

We see this as the outcome of our intensive efforts to promote the market abroad in the two preceding years, which was initially intended to attract only dealer trading members to the market.

As a result of this process, the following Trading Members joined our Exchange last year:

- Acciones y Valores Banamex, S.A. de C.V., Casa de Bolsa, integrante del Grupo Financiero Banamex. Market Maker
- Banco Interacciones, S.A., Institución de Banca Múltiple, Grupo Financiero Interacciones. Market Maker
- Casa de Bolsa Arka, S.A. de C.V. Dealer
- Cohen y Asociados, S.A. de C.V. Broker/Dealer
- Exchange Connectivity, Inc. Dealer
- Interactive Brokers UK LTD. Broker
- Inversora Bursátil, Casa de Bolsa, S.A. de C.V., Grupo Financiero Inbursa. Dealer
- Morgan Stanley & Co. Incorporated Broker/Dealer
- Newedge Financial Inc. (antes Calyon Financial Inc.) Broker
- Rand Financial Services Inc. Broker/Dealer
- Timber Hill, LLC. Broker

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Continuing our effort to promote and attract interest in the Mexican derivatives market, MEXDER representatives were asked to participate in a number of forums as invited speakers, among which were the annual conventions of the Mexican Association of Retirement Fund Managers (AMAFORE), the Insurance Industry Officers (FUSA). These are the two most important events in Mexico in the pension funds and insurance industries, respectively.

Similarly, and because of the importance of staying in contact with colleagues in the industry and keeping an eye on what is happening elsewhere in the world, AMIB participated in the annual convention of the Futures Industry Association (FIA), the annual Expo organized by this association, which brings the industry together in the most representative event of its type in the world. In the European market, we were present at the annual event of the Futures and Options Association (FOA), at the FIA and Futures and Options World (FOW).

Continuing the effort made in earlier years to disseminate and stir up interest in the field of derivatives, for the fourth year in a row, MEXDER sent out the call for entries in the National Derivatives Prize, in conjunction with ASIGNA, which recognizes those who develop new areas of research and contribute to the market's overall development.

III. Developing and adapting instruments according to market needs

On September 17, MEXDER began listing futures on 28-day TIIE Swaps, at a term of 10 years. This contract is intended to restore the trading volume lost in the TIIE future contract, and to reinvigorate and create more liquidity in long-term trades (10 years) by packaging these futures into a single instrument that is easy to administer and value on a daily basis. Further details about this product and the results of trading in the last quarter of the year can be found in the section of this report that describes trading activity.

On April 23, when SENTRA Derivados version 6.3 was released into production, it incorporated a type of transaction called the Give Up. A Give Up is a transaction executed by one trader that may be settled by a Clearing Member other than the original trader. From that point on, both MEXDER and ASIGNA were prepared to receive this type of transaction, which was introduced in response to the needs of foreign investors, and is an increasingly common practice among institutional investors that work with a global settlement agent.

To ensure that the solution offered by the Mexican market meets international standards we adopted the standard form agreement put out by the FIA.

On August 1, block trades also began being performed on the market, following changes in the Internal Regulations and Operating Manual of MEXDER. This type of trade can be used for futures on the TIIE, bonds and the dollar. It will also help some brokerage firms to respond to the demands of their clients, particularly institutional and foreign investors.

One of the fastest-growing market segments worldwide is that of commodity and energy hedges. The possibility of MEXDER listing this type of product has been raised a number of times, particularly white corn and natural gas. In order to study the feasibility of creating a market or a special section devoted to commodities, a small group of representatives from MEXDER, ASIGNA and Trading Members analyzed the regulatory, trading and fiscal framework of such a market. The SHCP and Banco de Mexico are also working on the project, are interested in having MEXDER continue its formal analysis.

By next year we will probably have a clearer idea of the scope of the project and the commitment of some agencies, since it is a highly complex proposition. With the commitment of the authorities, however, and given the vigor of this segment internationally, this Derivatives Exchange will continue to formally explore the matter.

IV. Strengthening trading structures

One of the most important areas of activity for this Derivatives Exchange is technology. Our institutional plan for 2007 touched on a number of projects intended to improve our infrastructure to keep pace with industry trends.

Throughout the year, we held meetings with technology companies that supply trading screens and use the FIX protocol. The purpose was to invite these independent software vendors (ISVs) to develop their connection through MexFix. At the close of the year we had 4 certified ISVs and 10 Members operating through MexFix.

Additionally, as part of the institutional plan to migrate the primary computer site, now located in Mexico, while maintaining the secondary site in the state of Hidalgo, during the first two weeks of April we successfully concluded that migration on time and without problems.

Parallel to this migration, BOLSA MEXICANA DE VALORES, S.A. DE C.V. updated the data communications infrastructure it maintains with its members, which meant that MEXDER also had to migrate to this new network. In order to ensure equal access to all participants, we worked on a complementary solution during the year that would allow members of the Derivatives Exchange who were not connected to this financial network to access it. This mechanism is expected to be in production by January 2008.

Also as part of the established technological plan, and in accordance with the licensing contract for the S/MART® options trading system, which MEXDER signed with the Spanish Financial Options and Futures Market (MEFF) in 2003, on December 10, a new version was placed into production.

Because MEXDER is the institution that supplies the central trading system within which trades converge and bids, offers and trades are reported to the market, and given the increasing use of algorithmic trading by some Members, which substantially increased the number of orders administered, we addressed two important tasks: 1) monitoring equipment in use more closely in order to detect in advance a need for capacity expansion; and 2) developing a capacity expansion plan based on a certain utilization percentage.

We saw a particularly substantial increase in the number of orders received in 2007, attributable to this type of program trading. To illustrate this point, suffice it to mention that in November 2006 we received around 11,000 bids and offers on IPC options, and by January 2007 this number had risen to 78,000, and then to more than 300,000 by October of the same year.

Although this demonstrates both the increase in the number of participants and its benefits for liquidity, it also makes patently clear the systems demand this Exchange will face in coming years, particularly when recent regulatory and fiscal changes allow for the listing of stock options in 2008. This will mean an increase in information requirements in order to keep our trading systems reliable.

Finally, we successfully tested our contingency plans and made the adjustments necessary at some identified points of improvement.

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Compliance Activities

During the fiscal year covered by this report, our Compliance area continued its work on bolstering the self-regulatory image of this Exchange, through daily use of the System for Derivatives Market Supervision and Oversight (SUVIMED), reviewing and regularly analyzing the information it receives from participants, and performing audits as necessary.

As a result of its supervision and oversight, the Compliance area asked MEXDER to impose a total of 33 disciplinary measures upon various market participants, 10 of which were warnings and 23 were fines.

Eight audits were performed in 2007: two of Clearing Members, five of Trading Members and one of the Asociación Mexicana de Intermediarios Bursátiles, A.C. (AMIB), in its capacity as certifying institution. This time, in addition to remarks and findings, we included various suggestions for improvement in the general audit reports, as part of the added value of the audits performed.

Finally, in order to make our daily market supervision and oversight more efficient, we began compiling system requirements for the second version of SUVIMED, which is slated for launch in the second half of 2008.

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Market Facts and Figures

Net earnings for MEXDER totaled 34.4 million pesos at the end of 2007, 21.7% higher than initially projected but still 23.46% below 2006. Revenues closed 1.7% above budget, while expense controls were successful in lowering this line to 8.2% below our initial estimates.

The breakdown of this institution's revenues are shown below, identifying the products that generated the most revenues in 2007 and in 2006.

	2007	2006	Var %
TIIE28 Future	61.2	81.7	(25.1)
IPC Future	17.2	12.8	34.4
M10 Fond Future	9.7	4.0	142.5
Information Sales	5.8	4.6	26.1
CETE91 Future	4.3	5.3	(18.9)
Dollar future	3.7	7.0	(47.1)
IPC Option	3.1	2.9	6.9

Figures in millions of pesos



• 017

Daily average traded during the year:

- **M10 Future** - Up 157% vs. 2006, closing at \$507 million pesos.
- **IPC Future** - Up 115% vs. 2006, closing at \$1.14 million pesos, equivalent to 24% of daily average trading volume on the BMV stock market in 2007.
- **IPC Option Future** - Up 59% vs. 2006, closing at \$147 million pesos.
- **M3 Future** - Up 28% vs. 2006, closing at \$16 million pesos.
- **CETE Future** - Down 15% vs. 2006, closing at \$1 billion pesos.
- **TIIE Future** - Down 17% vs. 2006, closing at \$87 billion pesos.
- **Dollar Future** - Down 47% vs. 2006, closing at 129 million dollars a day.
- **Euro Future** - daily average of 82,000 euros traded.
- **Swap Future** - Began listing in September 2007, closing at \$98 million pesos.

The global daily value traded on MEXDER was \$92 billion pesos.



• 018

Analysis of trading activity by product in 2007

If we analyze the individual performance of the various products listed on MEXDER during 2007, in the context of the Business Plan we established for the year, we find the following results.

In trading in the 28-day TIE future, trading volume (expressed in the number of contracts traded) was 220.6 million, equivalent to a daily average of 878,916 contracts, which is 16.82% lower than the year before.

The decline in volume was due mainly to a reduction in trading of STRIPS in the longer periods, because of back office difficulties with this type of trade, and lower activity among institutional investors at the long end of the yield curve. Our strategy to counter this trend was to list the future on the 28-day TIE Swap, which we will explain later on.

Still, the 28-day TIE future thus remains the most liquid and heavily-traded product on the market, and the leading source of revenues for this company.

Daily Average Trading Volume (TIE 28)



Figures in thousands of contracts



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As the graph shows, the growth between June and October occurred when some participants with substantial open positions closed those positions.

Open interest rose 24.7% from the close of the previous fiscal year, and peaked on September 19 at 56,742,449 open contracts. The average daily value traded in 2007, expressed in pesos, was Ps87 billion.

As we mentioned earlier, the 10-year interest rate Swap future began listing on September 17.

At MEXDER's request, Banco de Mexico gave Brokerage Firms and Banks that were not authorized to trade Swaps futures a four-month grace period to meet that institution's 31-point list of requirements. This removed an obstacle for those institutions to begin trading starting on its launch date in January of the following year.

We should mention that for the purposes of comparing this contract against the TIIE future, in terms of trading volume, one Swap future is equivalent to 1,200 TIIE future contracts, because this new instrument has a nominal value 10 times greater than the former one, and 120 monthly expirations that cover the 10 years of TIIE STRIP.

Average Daily Trading Volume
10-year TIIE Swap Future

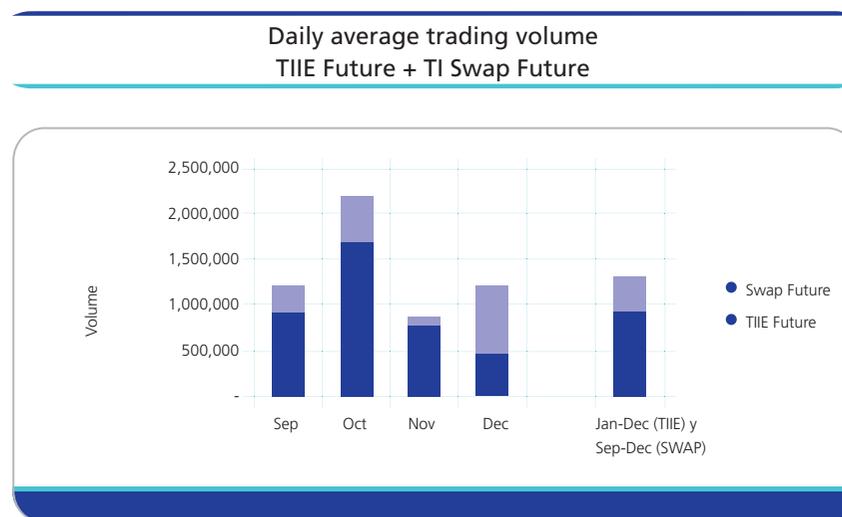


Figures in Contracts

• 020



Therefore, if we look at the daily average volume of the TIIE, which was 878,916 contracts, and the daily average volume of TIIE Swap futures in September-December, which was 300 contracts, equivalent to 360,000 TIIE contracts, we would arrive at an “adjusted” cumulative volume of 1,238,916 contracts, a 17.25% increase in volume (for the purposes of this comparison) over what was traded in 28-day TIIE futures last year.



At the beginning of this report, we said that the strongest area of growth for our revenues, in percentage terms, was in the future contract on the 10-year federal government bond (M10), which was one of our goals for 2007.

In this instrument, daily average trading volume was 4,709 contracts, which is 149.4% more than in 2006, and the average daily notional amount traded was \$506.7 million pesos.

In March 2007, monthly trading volume in this contract reached a record high of 176,050 contracts, and also a record level for a single trading session, which 84,150 contracts were traded on the first of that month. The graph shows that except in November, average monthly trading volume was well above the daily average levels in 2006.

Open interest reached its highest point on July 24, at 60,166 contracts.

Daily Average Trading Volume M10 Bond Futures



Figures in thousands of contacts

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• 022

Daily Average Trading Volume M3 Bond Futures



Figures in Contracts

• 023

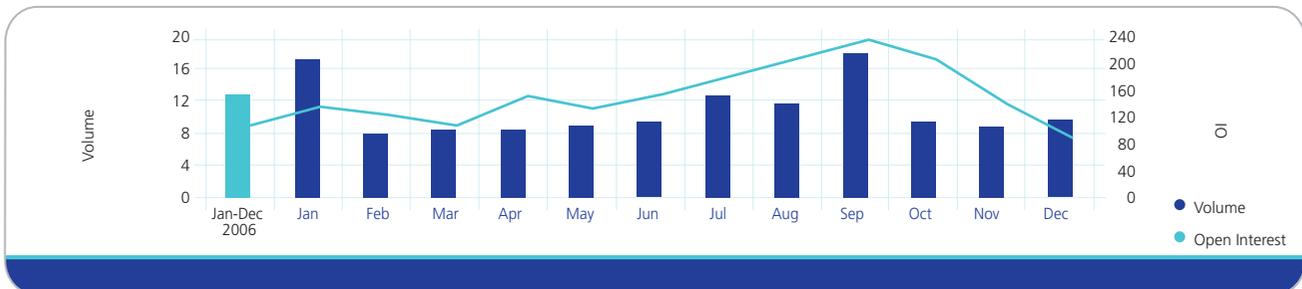


The future contract on 3-year Federal Government Development Bonds (BONDES) rose from a daily average value traded of \$12.6 million pesos in 2006 to \$16 million pesos in 2007. Daily volume in that instrument went from 114 contracts in 1006 to 145 in 2007.

Generally speaking, trading volume in futures on Federal Treasury Certificates (CETES) at 91 days was lower than the average for the previous year. Open interest, however, reached a record high of 278,000 contracts on October 12. This level does not appear on the graph above because it only shows closing levels for each period of month.

The 91-day Cete future remains active because it is counted as part of trading activity for SHCP Market Makers, although in practical terms it is no longer used as a benchmark in the Mexican debt market.

Daily Average Trading Volume (CETE 91)



Figures in thousands of contracts

The second biggest contributor to MEXDER's revenues was the future contract on the Price and Quotations Index (IPC) of the BOLSA MEXICANA DE VALORES, S.A. DE C.V.

Daily Average Amounts Traded (IPC)



Figures in thousands of contracts

Trading in the IPC future rose for the third year in a row, both in terms of volume and in open interest. Volume averaged 3,793 contracts daily, 52.8% more than in 2006, while open interest reached its highest point in history on August 31, at 60,639 contracts.

Trading activity intensified considerably during the year, to a daily average of 246 transactions, which is 85% higher than the average in 2006.

Trading in the IPC future option was erratic, and was more intense in the first half of the year: a daily average of 520 contracts, 10.6% higher than the year before, when it was 470 contracts, and a daily value traded of \$147 million pesos, 59.8% higher than in 2006. The reason that value grew by more than volume was that the level of the IPC itself--and hence the notional value of the contract--rose over the course of the year.

The number of transactions increased by more than six times, from 4 in 2006 to 25 in 2007.

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Daily Average Amounts Traded IPC Option Contract



Figures in thousands of contracts

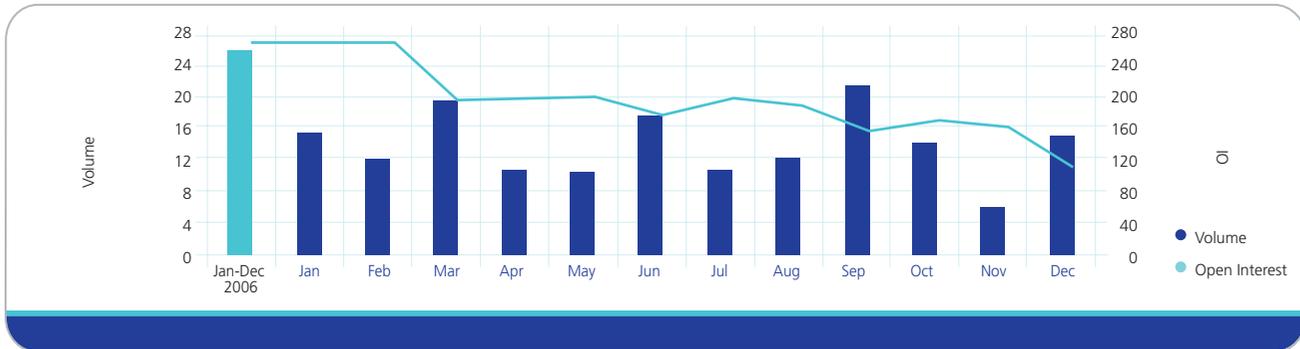
Trading in the dollar future weakened in 2007, and came in well below our estimates (48% under budget).

Although one might naturally expect this instrument to be heavily in demand due to fluctuations in the peso/dollar exchange rate, there is actually little interest among participants and not much promotion of the product, which is basically traded by end clients. We should make note that although it saw substantial growth last year, coming in higher than the peso contract listed on the Chicago Mercantile Exchange (CME), its position slipped gradually throughout 2007.

This downward trend was also evident in the Euro future, as can be seen in the following graph of the dollar future. As for the dollar option, trading is still incipient, as few participants are interested in the contract at the moment. For both products we established a plan of action, which involved assigning a full-time executive to them and to detect opportunities to restore volume. We expect to see the results of these efforts in the first quarter of 2008.



Daily Average Amounts Traded (US Dollar)



Figures in thousands of contracts



• 026

Daily Average Amounts Traded (Euro)



Figures in contracts

	2007	2006	% Change 2007 vs. 2006
Volume			
Futures	228,841,531	274,651,676	(16.68%)
Options	130,498	565,994	(76.94%)
Global	228,972,029	275,217,670	(16.80)
Notional Amount (Pesos)			
Futures	23.00 Billion	27.42 Billion	(16.13%)
Options	36,936.16 Millon	23,972.76 Million	54.08%
Number of trades			
Futures	125,360	125,466	(0.08%)
Options	6,203	980	532.96%
Global	131,563	126,446	4.05%
Open interest*			
Futures	55,097,082	44,381,029	24.15%
Options	4,155	9,967	(58.31%)
Global	55,101,237	44,390,996	24.13%

* At the close of the period.



• 027

MexDer Trading Activity: Futures 1999 - December 2007



Figures in millions of contracts

	2007		2006		% Change 2007 vs. 2006
	2007 Contracts	%	2006 Contracts	%	
FUTURES					
TIE 28	220,608,024	96.40	264,160,131	96.18	(16.49)
CETES 91	2,812,500	1.23	3,290,100	1.20	(14.52)
SW10	25,332	0.01	*		*
DEUA	3,223,044	1.41	3,026,940	2.19	(46.52)
EURO	2,105	-	50,469	0.02	(95.83)
IPC	951,955	0.42	620,557	0.23	53.40
M3	36,500	0.02	28,600	1.01	27.62
M10	1,182,069	0.52	471,879	0.17	150.50
AXL	2	-	-	-	-
CXC	-	-	3,000	-	(100.00)
Subtotal	228,531		274,651,676		(16.68)
Options					
IP	130,410	99.93	117,568	20.77	10.92
NA	-	-	438,120	77.41	(100.00)
AX	78	0.06	10,000	1.77	(99.22)
DA	10	0.01	306	0.05	(96.73)
Subtotal	130,498		565,994		(76.94)
Total	228,972,029		275,217,670		(16.80)

* Futures on the 10-year Swap were listed as of September 17, 2007

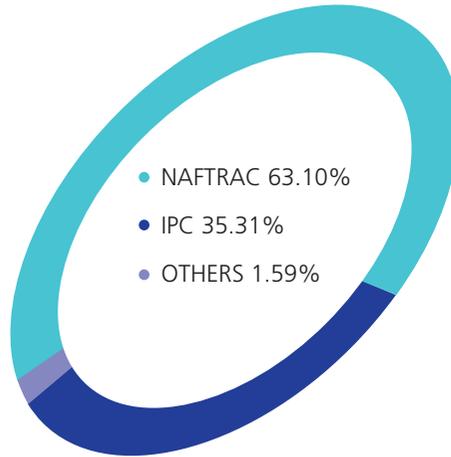
Open Interest						
	December 2007		November 2007		% Chge. Dec. 07 vs. Nov. 07	
	Contracts	%	Contracts	%		
TIE 28	54,826,075	99.51	52,003,500	99.27	5.43	
CETES 91	90,000	0.16	139,000	0.27	(35.25)	
SW10	5,330	0.01	5,666	0.01	(5.93)	
DEUA	105,142	0.19	156,152	0.30	(32.67)	
EURO	64	-	50	-	28.00	
IPC	48,731	0.09	55,327	0.11	(11.92)	
M3	-	-	1,000	-	(100.00)	
M10	21,740	0.04	23,945	0.05	(9.21)	
Subtotal	55,097,082		52,384,640		5.18	
Options						
IP	4,155	100.00	9,905	99.95	(58.05)	
DA	-	-	5	0.05	(100.00)	
Subtotal	4,155		9,910		(58.07)	
Total	55,101,237		52,294,550		5.17	

Futures on the 10-year Swap were listed as of September 17, 2007
Open Interest at end of period

Options Trading Activity										
	No. Trades		Calls		Puts		Volume (Contracts)		Open Interest*	
	November	December	November	December	November	December	November	December	November	December
IP	491	364	2,091	1,646	3,242	2,525	5,333	4,171	9,905	4,155
DA	0	1	0	5	0	0	0	5	5	0
AX	0	0	0	0	0	0	0	0	0	0
NA	0	0	0	0	0	0	0	0	0	0
IVV	0	0	0	0	0	0	0	0	0	0
QQQQ	0	0	0	0	0	0	0	0	0	0
Total	491	365	2,091	1,651	3,242	2,525	5,333	4,176	9,910	4,155

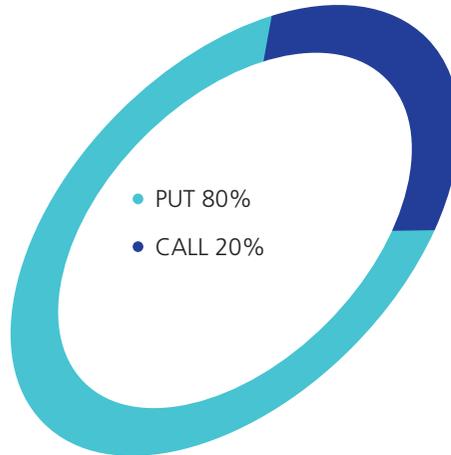
* At end of period

Breakdown by Trading Volume

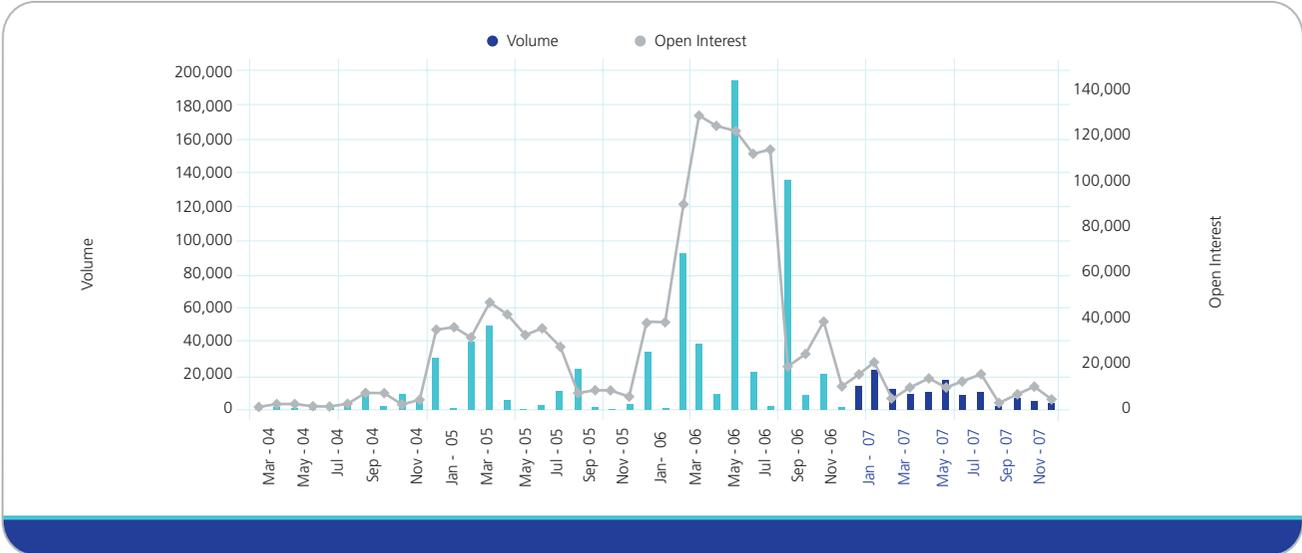


* March 22, 2004 - December 31, 2007

Option Trading in MEXDER



Option Trading in MexDer March 22, 2004 - December 31, 2007



Option Trading in MEXDER



Amount in Millions of pesos

The most active firms in the market in January-December 2007, by asset class, were the following:

TIE Futures

1. Santander
2. ING Bank
3. Valmex Casa de Bolsa
4. JP Morgan
5. BBVA Bancomer

CETE Futures

1. Santander
2. Grupo Financiero Banamex
3. BBVA Bancomer
4. Valmex Casa de Bolsa
5. Deutsche Bank

IPC Futures

1. Santander
2. BBVA Bancomer
3. Grupo Financiero Scotiabank Inverlat
4. Grupo Financiero Banamex
5. Monex

U.S. Dollar Futures

1. Santander
2. BBVA Bancomer
3. ING Bank
4. IXE
5. Bank of America

Euro Futures

1. Grupo Financiero Scotiabank Inverlat
2. IXE
3. Monex
4. Gamaa Derivados

3-year Bond Futures

1. Finamex
2. ING Bank

10-year Bond Futures

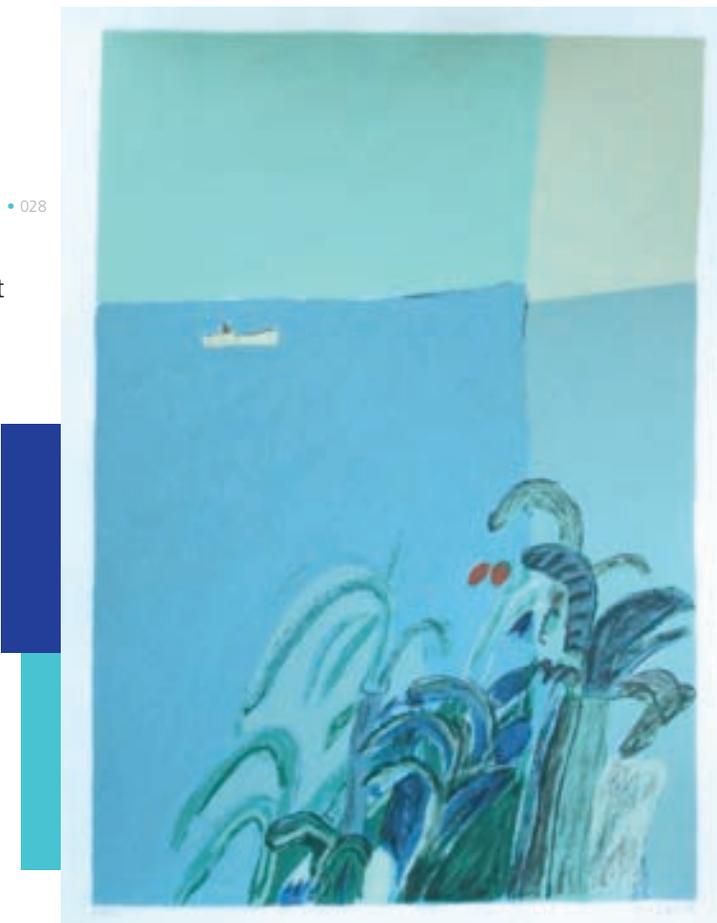
1. Santander
2. BBVA Bancomer
3. Finamex
4. ING Bank
5. Invex

Stock Futures

1. BBVA Bancomer
2. Grupo Financiero Banamex

IPC Options

1. Santander
2. Grupo Financiero Scotiabank Inverlat
3. Grupo Financiero Banamex
4. Timber Hill
5. BBVA Bancomer



• 028



• 029

Vision for 2008

2008 Business Plan

In its meeting in November 2007, the Board of Directors approved the budget for fiscal year 2008 and ratified the objectives established and pursued by MEXDER since 2005:

- To position MEXDER as the obligatory reference for trading of derivative products in Mexico.
- To make MEXDER a totally electronic market, offering speed, efficiency and transparency in trading processes.
- To encourage the active participation of members both locally and abroad.

Based on these goals, the strategic lines of action for 2008-2010 remain the following:

- Consolidating current products..
- Increasing the number of participants in the market, both Members and clients.
- Developing and adapting instruments in rules to keep up with the needs of the market.
- Strengthening trading structures.

MEXDER's business plan for the coming years addresses the need to expand the number of Traders and clients in the market, a goal that requires constant promotion, development and maintenance of a world-class technological infrastructure and competitive costs for all participants. The projects described below are the backbone of this plan to continue growing locally and internationally, where making MEXDER the best alternative for trading Mexican derivatives has become a daily task.

Strategic Projects

- MEXDER Screen: provide Members with a more modern trading screen that integrates both markets (futures and options). Hiring an independent software vendor (ISV).
- Migration to S/MART: conclude the formal evaluation of the feasibility of a consolidation of trading platforms..
- Migration of peripherals (databases, SIVA, billing, MEXDER Accounts, etc.)
- Listing of options on individual stocks (Cemex and Walmex) based on the new fiscal regime.
- Plan for a commodities market (conclude the formal analysis for listing corn and natural gas).

Technological Projects

- Comprehensive drills and contingency plans.
- Telephone project: migration to a new switchboard.
- Change of MEXDER trading desk towers.
- MEXDER server at BT Radianz (in New York, for data distribution).
- MEXDER hub in the U.S. (connection point for Members located abroad)
- Migration to People Soft for accounting.

Promotion

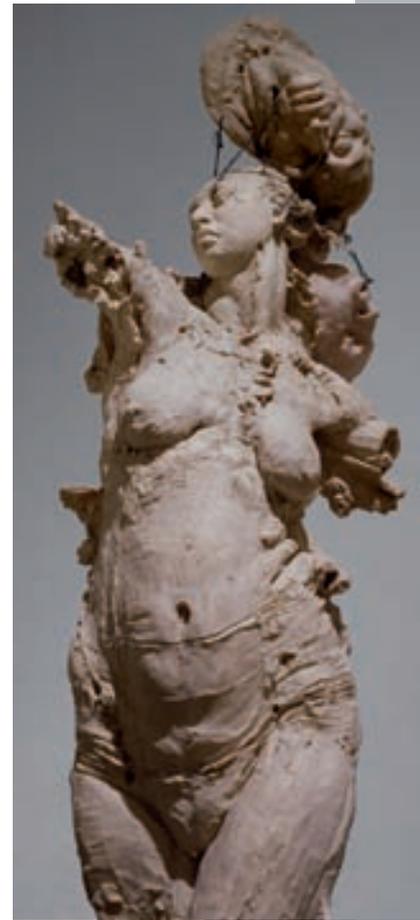
- Promotional events (Issuers, Mutual Funds and AFORES).
- Attendance at international forms like the Managed funds Association (MFA), the annual FIA convention in Boca Raton, the International Derivatives Expos (UDX), the Futures and Options Association (FOA) and the annual FIA Expo.
- Roadshow in Chicago
- MEXDER 10 year commemorative event
- National Derivatives Prize (in conjunction with the BMV Financial Markets Prize)
- Agreements with system providers (SIPO, MEI, VAR and Decimales) for price dissemination.

Training/Certification

- Options course
- Bonds course
- Trading volatility course
- Fellowship training program
- Update and/or review of scope of MEXDER Certification

Regulatory Framework

- Complete review of Internal Regulations and Operating Manual (emphasis on expediting processes for market admission and personnel certification)
- No action letter from the Securities and Exchange Commission for options on individual stocks.



• 030

Shareholders

- Arbitraje Derivados, S.A. de C.V.
- Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex
- Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, Fideicomiso 13928-7
- Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, Fideicomiso 14016-1
- Banco Santander, S.A., Institución de Banca Múltiple, Grupo Financiero Santander
- Banco Santander, S.A., Institución de Banca Múltiple, Grupo Financiero Santander, Fideicomiso GFSSLPT
- Banco Santander, S.A., Institución de Banca Múltiple, Grupo Financiero Santander, Fideicomiso 100,740
- BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, Fideicomiso F/29763-0
- BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, Fideicomiso F/29764-8
- Bolsa Mexicana de Valores, S.A. de C.V.
- Carson & Brasch Trading Company, S.A. de C.V.
- Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte
- Casa de Bolsa Finamex, S.A.B. de C.V.
- Dalami Corredores, S.A. de C.V.
- Darka, S.A. de C.V.
- Delta Derivados, S.A. de C.V.
- Derfin, S.A. de C.V.
- Deutsche Securities, S.A. de C.V., Casa de Bolsa
- Fopsa, Futuros y Opciones de México, S.A. de C.V.
- Futuros y Opciones de la Serna y Asociados, S.A. de C.V.
- García, Macías, Araneda y Asociados, Gamaa Derivados, S.A. de C.V.
- GBM, Grupo Bursátil Mexicano, S.A.B. de C.V., Casa de Bolsa
- Grupo Especializado en Futuros y otros Derivados S.A. de C.V.
- HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC
- Interactive Brokers Group, LLC
- Inversora Bursátil, S.A. de C.V., Casa de Bolsa, Grupo Financiero Inbursa
- Invex, Casa de Bolsa, S.A. de C.V., Invex Grupo Financiero
- IXE Casa de Bolsa S.A. de C.V., IXE Grupo Financiero
- Maxder, S.A. de C.V.
- MEFF AIAF SENAF Holding de Mercados Financieros, S.A.
- Merrill Lynch México, S.A. de C.V., Casa de Bolsa
- Mexinder, S.A. de C.V.
- Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero
- Multivalores Casa de Bolsa, S.A. de C.V., Multivalores Grupo Financiero
- Opciones y Futuros de México, S.A. de C.V.
- Operadora de Derivados Santander, S.A. de C.V.
- Operadora de Derivados Tíber, S.A. de C.V.
- Plusder, S.A. de C.V.
- Scotia Inverlat Derivados, S.A. de C.V.
- Scotiabank Inverlat, S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, Fideicomiso No. 101667
- Scotiabank Inverlat, S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, Fideicomiso No. 101776
- Servicios y Asesoramientos Financieros, S.A. de C.V.
- Sociedad Operadora de Futuros y Opciones, S.A. de C.V.
- Stock & Price, S.A. de C.V.
- Valores Mexicanos Casa de Bolsa, S.A. de C.V.
- Value, S.A. de C.V., Casa de Bolsa, Value Grupo Financiero
- Vertex, S.A. de C.V.

Mexder

Participants



Trading Members

- Acciones y Valores Banamex, S.A. de C.V., Casa de Bolsa, integrante del Grupo Financiero Banamex
- Actinver Casa de Bolsa, S.A. de C.V.
- Banco Credit Suisse (México), S.A., Institución de Banca Múltiple, Grupo Financiero Credit Suisse (México)
- Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa
- Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero
- Banco J.P. Morgan, S.A., Institución de Banca Múltiple, J.P. Morgan Grupo Financiero
- Banco Nacional de Comercio Exterior, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo
- Barclays Bank México, S.A., Institución de Banca Múltiple, Grupo Financiero Barclays México
- Calyon Financial Inc.
- Casa de Bolsa Arka, S.A. de C.V.
- Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte
- Casa de Bolsa Finamex, S.A.B. de C.V.
- Cohen y Asociados, S.A. de C.V.
- Derfin, S.A. de C.V.
- Enlace Derivados, S.A. de C.V.
- Exchange Connectivity, Inc.
- García, Macías, Araneda y Asociados, GAMMA Derivados, S.A. de C.V.
- GBM, Grupo Bursátil Mexicano, S.A.B. de C.V. Casa de Bolsa
- Grupo Especializado en Futuros y otros Derivados, S.A. de C.V.
- ING Bank (México), S.A., Institución de Banca Múltiple, ING Grupo Financiero
- Interacciones Casa de Bolsa, S.A. de C.V., Grupo Financiero Interacciones
- Interactive Brokers UK LTD.
- Intercam Derivados, S.A. de C.V.
- Inversora Bursátil, Casa de Bolsa, S.A. de C.V., Grupo Financiero Inbursa
- Invex Casa de Bolsa, S.A. de C.V., Invex Grupo Financiero
- IXE Banco, S.A., Institución de Banca Múltiple, IXE Grupo Financiero
- Merrill Lynch México, S.A. de C.V., Casa de Bolsa
- Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero
- Morgan Stanley & Co. Incorporated
- Multivalores Casa de Bolsa, S.A. de C.V., Multivalores Grupo Financiero
- Operadora de Derivados Santander, S.A. de C.V.
- Rand Financial Services Inc.
- Scotia Inverlat Derivados, S.A. de C.V.
- Stock & Price, S.A. de C.V.
- Timber Hill LLC.
- UBS Casa de Bolsa, S.A. de C.V.
- Valores Mexicanos Casa de Bolsa, S.A. de C.V.
- Vector Casa de Bolsa, S.A. de C.V.

Clearing Members

- Banco J.P. Morgan, S.A. Institución de Banca Múltiple, J.P. Morgan Grupo Financiero, Fideicomiso F/00265, Socio Liquidador de Posición de Terceros.
- Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, Fideicomisos No. 13928-7 y No. 14016-1.
- Banco Santander, S.A., Institución de Banca Múltiple, Grupo Financiero Santander, Fideicomisos No. GFSSLPT y No. 100740.
- BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, Fideicomisos No. F/29763-0 y No. F/29764-8.
- Scotiabank Inverlat, S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, Fideicomisos No. 101667 y No. 101776.



Corporate Officers



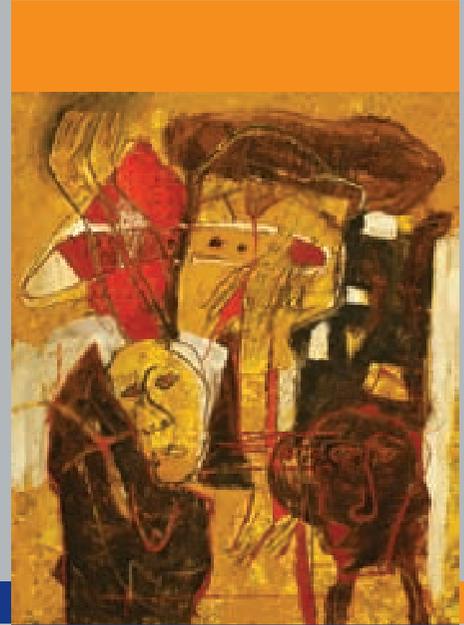
Jorge P. Alegría Formoso
Chief Executive Officer

Luis Armando Acevedo Gómez
Trading Director

Rodolfo Liaño Gabilondo
Administration and Planning

Iñigo Ruiz Bada
Compliance Officer

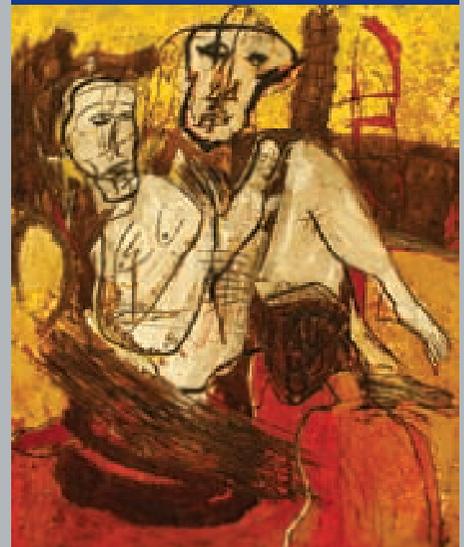
Nami Ueda Higareda
Legal Affairs



• 001



• 002



• 003



• 004

ASIGNA, Compensación y Liquidación (ASIGNA) is an administration and payment trust created in December 1998 at BBVA Bancomer, in order to act as counterparty to trades on the Mexican derivative market (MEXDER, MERCADO MEXICANO DE DERIVADOS, S.A. DE C.V., or MEXDER).

The trustors of ASIGNA are institutions belonging to the four main financial groups of the country and one top-level international financial institution: Banamex-Citigroup, BBVA Bancomer, J.P. Morgan, Santander-Serfín, and Scotiabank Inverlat, which act as clearing members in the Mexican derivatives market. Within the trust, BBVA Bancomer and S.D. INDEVAL, S.A. DE C.V., INSTITUCIÓN PARA EL DEPÓSITO DE VALORES (S.D. INDEVAL) also participate as equity trustors.

The primary functions of Asigna are:

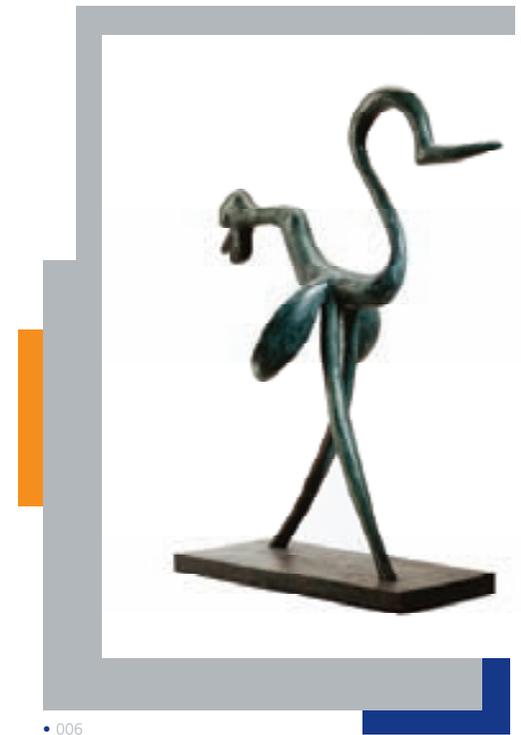
- To act as counterparty for banks, brokerage firms or their clients, in the transactions performed on behalf of these clients by Clearing Members on MEXDER.
- To record and clear trades on MEXDER
- To settle on a daily basis and at the expiration of the contracts in which it functions as counterparty, all the financial obligations and obligations to deliver and receive securities and/or currency that stem from these contracts.
- To calculate and administer initial margins, limit positions, haircuts, and any other risk management policy it deems appropriate.
- To administer, keep custody of and invest the financial resources that make up the Clearing Fund and the Margin Fund.
- To administer and oversee market risk.
- To oversee Clearing Members.
- To apply measures in the event of default or bankruptcy by a Clearing Member



• 005

Mission

To offer clearing, settlement and risk management services, acting as a central counterparty in derivative financial trading. To provide participants with an increased degree of security, transparency and creditworthiness at competitive prices, and thus to guarantee the orderly development of the derivatives market and thus contribute to strengthening the Mexican financial system; with efficient and profitable trading and with the highest standards of technology and personnel qualifications.



Vision

To become a clearinghouse for standardized derivative products with the highest credit rating both domestically and abroad, by providing services that are up to international standards, while managing and controlling risk.



Message from the Chairman of the Technical Committee

At the close of 2007, the Mexican derivatives market reported total trading volume of 229 million contracts, the second heaviest year of trading for the market. This volume required that Asigna prove its technical and financial capacity to record, clear and settle cash and securities transactions as part of this process. In the past year, the Clearinghouse amply demonstrated its capability and solvency, and this was reflected in a continuing rating of “AAA” from all three leading rating agencies.

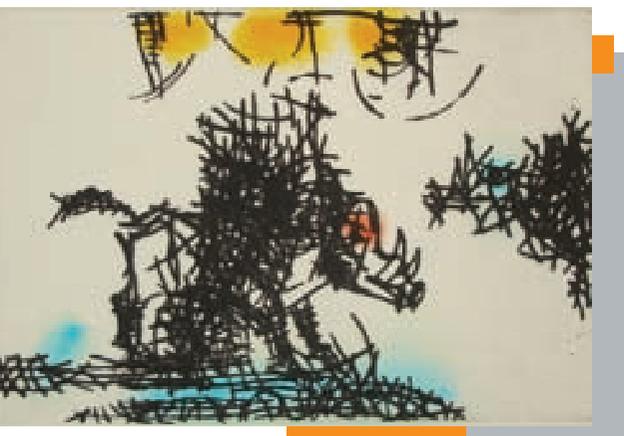
In recent years, we in the Technical Committee of Asigna have seen a substantial growth in the institution’s results, resulting in an equity well above the minimum level established by market regulations. In light of this situation, the Technical Committee and Board of Trustors approved a payout of around 120 million pesos of Asigna’s equity to Clearing and Equity Members, in proportion to the value of their contribution to that equity. These funds were entered on the books as accrued earnings from previous fiscal years. The decision was made after ensuring that the withdrawal would not affect the financial security of the Clearinghouse, because Asigna’s equity, like that of the Clearing Members, is considered last-recourse financial support in the Safety Net.

In meetings of the Technical Committee in 2007, we witnessed a great deal of technological progress. First, we approved the budgets and later received reports on the implementation of projects authorized for funding. This year, Asigna started up the development of a system to centralize data functions, whose benefits include reduction of platforms, fewer connections between systems of various types, and the use of cutting-edge, open-system technology. This development will conclude in 2008 and will involve local experts in its design, programming and operations. The fact that it is being developed in-house also means it will cost less than licensing a system from a foreign clearinghouse.

In conclusion, I would like to express my complete confidence in the projects set forth in our Strategic Plan for 2008. I would also like to state my certainty that all of the institutions involved in the various securities markets will have the wisdom to choose the corporate changes the market requires to facilitate their development, transparency and competitiveness.

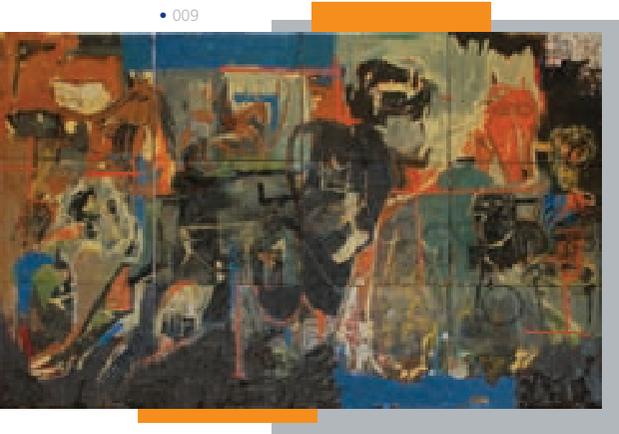
Finally, I congratulate the staff at Asigna for their intense professional efforts, and the members of the various governance bodies for the keen interest they have shown in keeping the market functioning properly.

Gerardo Vargas Ateca



• 008

Message from the Chief Executive Officer



The volume of contracts traded in 2007 was the second highest in the nine-year history of our standardized derivatives market, after 2006. The incorporation of new brokers, including foreign firms, is beginning to be reflected in the growth of trading volume. For the moment, their involvement and hedging needs are focused on the leading contract on the market.

The main challenge to attaining new thresholds of growth in our market is diversification. We must encourage trading in other already-listed contracts that can satisfy different hedge needs than those offered by the highly popular Interbank Equilibrium Interest Rate (TIIE).

The largest potential market for listed products is in contracts on the Price and Quotations Index (IPC) and the BOLSA MEXICANA DE VALORES, S.A. DE C.V. (the Mexican Stock Exchange, or BMV), which allow participants to hedge real positions, replicate and share the same tax exemption qualities are their underlying securities. There is another major unexploited vein in FX contracts. The exchange of currencies and hedging of FX risk is one of the largest and fastest-growing markets in the world.

In 2007, ASIGNA's financial situation was affected in some ways that will necessarily be seen in its financial statements and traditional performance indicators. First, there was a restructuring of the types of services for which it charges Clearing Members. Second it adjusted commissions on some contracts and added administrative fees on cash margins, in the same way as it charges for administration of securities margins. Third, based on the financial results of ASIGNA, the Technical Committee and Board of Trustors agreed that a distribution of profits was in order.

In the area of technology, we have been keeping up with the goals we established for ourselves. At this time we are halfway through our plan to design and develop a new central system, which will execute all ASIGNA's data processes. This is the largest data project undertaken by this Clearinghouse to date. In 2007 we completed the risk management module, and next year we will turn our attention to the clearing and settlement module.

Additionally, we are always seeking our new business lines, information sales, remote processing, and clearing and settlement of over-the-counter (OTC) products or currencies.

Finally, I cannot help but mention the new increase in our credit rating by Standard & Poor's in 2007, in response to our meticulous operations, financial efficiency, and compliance with risk management procedures, which have been practiced for some time by all the personnel to Asigna. To all of these people I extend my congratulations and I thank the Technical Committee for its support and confidence in our execution of these projects.

Jaime Díaz Tinoco

Technical Committee

Institutional Members

Regular Members

Roberto González Barrera
Gerardo Minjares Calderón
Guillermo Prieto Treviño
Juan Carlos Rosales Hernández
Gerardo Vargas Ateca
Ricardo Zapata de la Garza
Sergio Martín Zermeño Romero

Alternates

Francisco Molina Viamonte
Jorge Alegría Formoso
Alejandro Reynoso del Valle
Jaime Ledesma Rodarte
José Antonio Ordás Porras
Paola Rodríguez Segura
Jorge Miguel Fernández García Travesí



• 010



• 006

Independent Members

Regular Members

Luis González Pérez-Yáñez
Fernando Morales Gutiérrez
Alberto Saavedra Olavarrieta
Hernán Sabau García

Alternates

Teresita Flores Flores
José Antonio Quezada Palacios
Juan Pablo Rosas Pérez
Luis Pérezcano Díaz

Chairman

Gerardo Vargas Ateca

Vicechairman

Sergio Martín Zermeño Romero

Regular Secretary

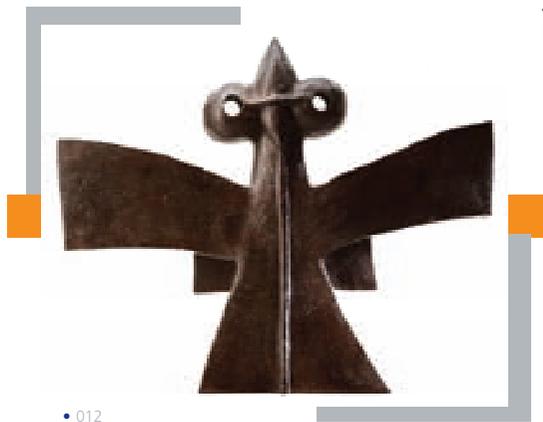
Hugo A. Contreras Pliego

Subcommittees

Administration Sub-Committee

Members:

Gloria Roa Béjar (Chairwoman)
 Aurelio Cervantes Lupián
 Jaime Ledesma Rodarte
 Francisco Mejía Ortega
 Alejandra Tietzsch Durán



• 012

Compliance and Ethics Sub-Committee

Members:

Alberto Saavedra Olavarrieta (Chairman)
 Luis Enrique Estrada Rivero
 José Antonio Ordás Porras
 Jorge Peón Segura
 Hernán Sabau García

Admission and Risk Management Sub-Committee

Members:

Alfonso de Lara Haro (Chairman)
 Adriana Katia Dobbertin Félix
 María Kharitonova
 Octavio Mieres Hermosillo
 María Eugenia Palomera Mancilla

Discipline and Arbitration Sub-Committee

Members:

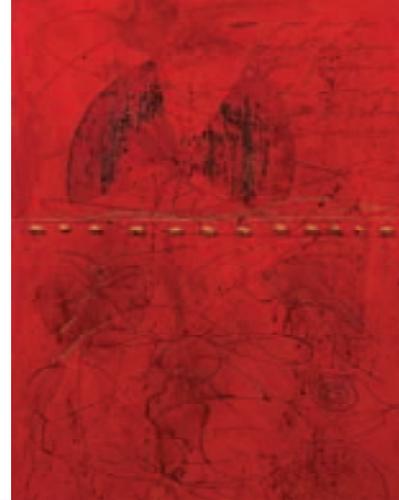
Eduardo Facha García (Chairman)
 Agustín Gutiérrez Espinosa
 Jorge Lazalde Psihas

Auditing Sub-Committee

Members:

Fernando Morales Gutiérrez (Chairman)
 Jerónimo Curto de la Calle
 José Luis García Ramírez
 Nicolás Olea Zazueta
 Tomás Peraza Prieto

Main Activities of 2007



• 013

I. Trading

In 2007, ASIGNA received almost 299 million futures and options contracts for registry, clearing and settlement. This is 8% less than in 2006, when the total was 275 million contracts. The notional value of the contracts traded was 23 billion pesos.

As has been the case for several years now, the future on the 28-day TIIE was the leading product on the market, accounting for 96.4% of the total volume, with more than 220.6 million contracts traded. The second most active instrument was the future on the U.S. dollar, which made up 1.4% of trading, with volume of 3.2 million contracts, down from 6 million contracts in 2006, for two series types: monthly expiration and daily expiration. The third leading product was the contract on the 91-day Federal Treasury Certificate (CETE), which accounted for 1.3% of trading with 2.8 million contracts. This is lower than the 2006 amount.

In 2007, the fourth most important project was the M10 bond future, of which 1.2 million contracts were traded, or 0.5% of total trading. In the year before, it accounted for only 0.2% of trading activity.

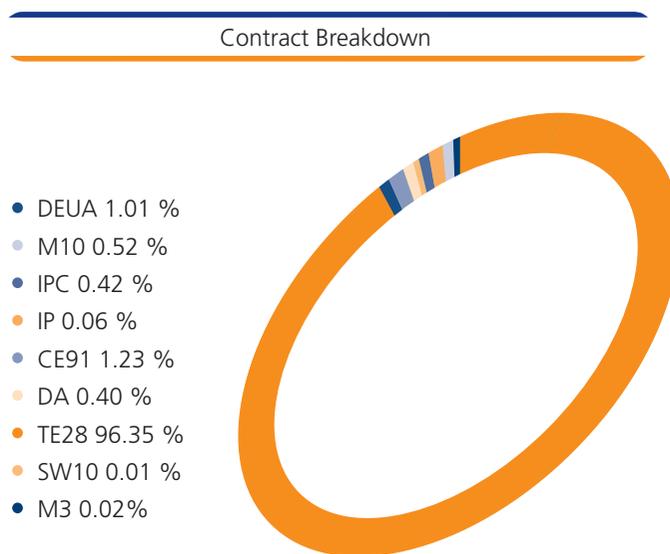
Finally, the future contract on the BMV's IPC index saw trading of nearly a million contracts--951,000--coming in higher in both absolute and relative terms than the year before, when it traded 620,000.

Also important is the fact that 25,300 contracts were traded in the 10-year interest rate swap future (referred to as the 28-day TIIE), since a single trade is equivalent to 130 successive 28-day expirations in STRIP form.

In options, 130,000 contracts were received for registry, clearing and settlement on the IPC, 2,000 on the euro, and some on the U.S. dollar. As of December 31, 2007, open interest totaled 55.1 million contracts, much higher than the 44.4 million reported on December 31, 2006.

Trading in 2007					
2007	Transactions	Volume (Contracts)	Value (Pesos)	Value (Dollars)	Open Interest (End of Period)
January	8,241	15,423,829	1,548,762.44	141,346.39	44,647,617
February	7,156	7,783,795	786,214.25	71,509.60	45,808,179
March	8,893	12,623,527	1,274,442.90	114,596.52	46,475,119
April	6,351	10,672,940	1,069,358.52	97,310.77	47,230,256
May	10,612	20,054,345	2,015,858.06	186,329.89	48,657,262
June	12,571	30,978,213	3,099,515.32	286,012.44	37,750,926
July	13,119	21,994,704	2,200,129.74	203,669.09	42,112,204
August	16,283	25,257,338	2,533,308.42	229,062.10	50,329,651
September	12,040	19,480,707	1,960,539.13	177,397.65	54,472,274
October	14,934	39,134,796	3,916,983.50	361,604.59	48,278,246
November	12,468	17,030,086	1,716,858.26	157,806.55	52,294,550
December	8,895	8,537,749	875,207.93	80,546.70	55,101,237
Total	131,563	228,972,029	22,997,178.47	2,107,165.29	

Figures in million pesos and million dollars



II. Administration and Treasury

Management of funds

Among Asigna's functions is to administer the equity and resources submitted by Clearing Members to the Margin Fund and the clearing Fund to cover the primary trading risks. As of December 31, 2007, the Margin Fund totaled 11.34 billion pesos, 11.01 billion of which was in cash and 332 million in securities. As of the same date, the Clearing Fund totaled 1.19 billion pesos and our equity 197 million pesos. In July, our equity was more than 290 million pesos but this was reduced to 179 million in August as a result of a distribution of earnings to Trust Beneficiaries, as approved by the Technical Committee. As of December 31, the total amount of funds managed by ASIGNA in the Margin Fund, Clearing Fund, and its own equity, was 12.73 billion pesos.

Managed Resources

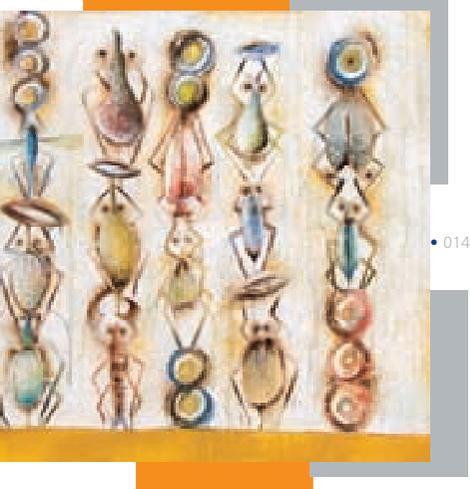


Million pesos
Figures at end of month

The resources administered by ASIGNA were invested in keeping with the investment rules contained in the applicable regulations. The return on investment of Margin and Clearing Fund resources outperformed the weighed average overnight rate on government securities, as published by Banco de Mexico. Although the spread varied from month to month, the highest was in April, when the return was 14 basis points higher than the weighted benchmark; the lowest spread as in January and February, only 5 basis points.

Asigna's liquid equity was invested during the year for longer terms than those used for other funds. Its liquid equity has been invested at up to 18 basis points above Banco de Mexico's weighted benchmark.

Asigna Yield vs Weighted Average Market Yield



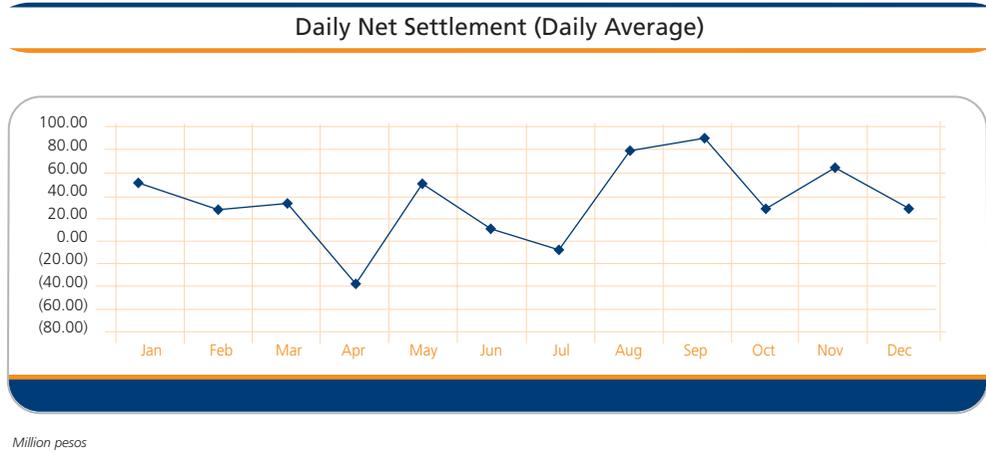
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Daily Market Settlement

In 2007, the net amount of daily settlements was more than 80 million pesos, including submission of margins and payment of losses by Clearing Members to ASIGNA, and more than 53 million for returns of margins, interest payments and payments of gains by the Clearinghouse to Clearing Members. Graph 4 shows the trend average net daily settlement in each month of the year.



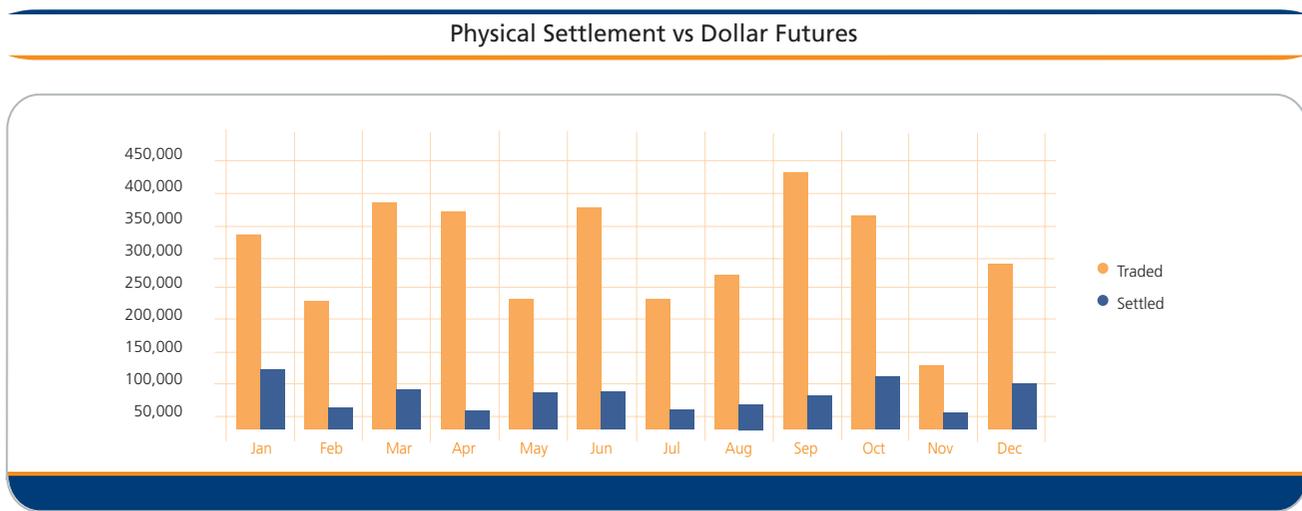
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Physical Settlement

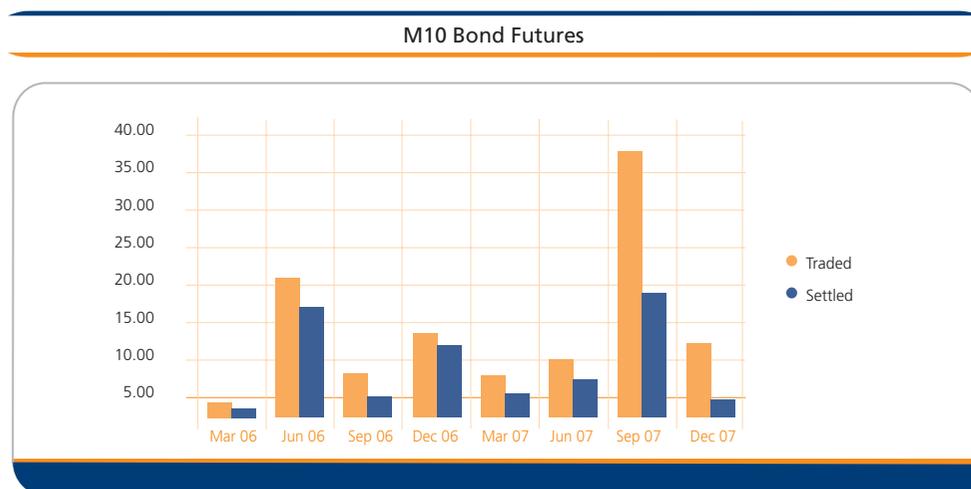
Physical settlement of U.S. dollar futures

In 2007, around 3.2 million futures and options on the U.S. dollar were traded, and a little more than 700,000 of these were settled in kind: 22% of the total. The settlement generated the delivery of 7.0 billion U.S. dollars. In 2006 a little more than 1 million contracts were traded, involving the delivery of 10 billion dollars.

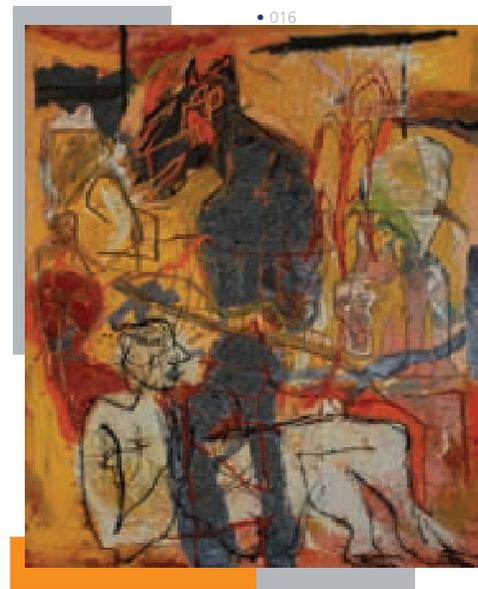


Physical settlement of M10 bond future contracts

A total of 68,000 future contracts on the M10 bonds were traded in 2007. Of these, 31,000 were settled at expiration, or 45%. The value of these settlements was more than 3 billion pesos, and involved the physical delivery of 31 million bonds.



Thousand Contracts



III. Financial position

The total revenues generated by ASIGNA's operations in 2007 were 105 million pesos. After subtracting operating expenses and taxes, the net result of its operations was more than 44 million pesos, higher than in any previous fiscal year except for 2006.

At the close of 2007, the Clearinghouse's equity totaled almost 204 million pesos, after the payout of profits to Trustors and Trust Beneficiaries during the year. This amount is equivalent to nearly 52 million inflation-indexed Investment Units (UDIs), more than the minimum stipulated by the Rules, which is 15 million UDIs.

This brought the value of the Equity Contribution Certificates of ASIGNA's Clearing Members to 16 million pesos in 2007.

The primary profitability indicators were all lower than in 2006, because total revenues declined amid slower trading activity, and rates were adjusted which also meant lower revenues. ROA (net earnings to total assets) was 15.5% in 2007, compared to 24.7% in 2006 (subtracting total Clearing Fund assets, which are third-party resources). ROE, which is the ratio of net earnings to equity, was 21.6% in 2007 and 25.1% in 2006. Finally, ROI, or return on investment, was 40.9% in 2007, compared to a record level of 62.5% in 2006.

IV. Risk Control

Safety Net

ASIGNA has a safety net made up of a set of resources and preventive faculties that allow it to deal with possible failures or defaults by participants in the derivatives market. The resources break down into various categories: excess margins held for Members, Margin and Clearing Funds, funds administered by the Clearinghouse, and the equity of Clearing Members and of ASIGNA, which may be used when all the other resources are insufficient.

Throughout 2007, the total size of the Safety Net hovered between 12 billion and 16 billion pesos, as open interest fluctuated between 40 and 54 million contracts.

Security Net Resources								
	Open Interest	Excess Margin	Margin Fund	Clearing Fund	Prop. Pos. Clearing Mem.	Third Party Pos. Clearing	Asigna	Total
	Contracts	Million Pesos						
January	44,428,387	1,276.6	11,509.9	1,408.8	606.1	744.4	268.1	15,813.8
February	45,073,015	1,337.7	11,773.7	1,295.7	600.2	813.4	272.1	16,092.8
March	46,837,777	560.8	11,907.4	1,242.1	587.8	816.3	273.8	15,388.2
April	46,926,443	522.9	9,989.9	1,146.4	522.9	724.6	277.4	13,184.2
May	48,041,895	519.7	10,207.5	1,059.4	525.8	738.6	279.2	13,330.3
June	49,016,865	547.7	10,650.1	1,111.4	540.0	784.9	284.2	13,918.3
July	40,740,099	546.3	9,318.5	1,034.4	512.6	727.0	290.9	12,429.7
August	46,350,551	519.5	10,403.1	1,070.0	503.2	768.3	291.1	13,555.2
September	54,050,927	534.4	11,653.9	1,215.4	534.6	822.1	187.6	14,948.0
October	50,189,095	725.3	11,224.2	1,207.4	628.3	886.7	191.3	14,863.1
November	51,679,371	651.3	11,246.4	1,174.1	593.7	849.5	200.0	14,714.9
December	53,286,766	608.7	11,325.7	1,181.1	593.6	814.5	203.3	14,726.9

Daily average each month

The Sub-Committee on Admission and Risk Management for ASIGNA continually monitors the sufficiency of funds contributed as Margins, and decides whether or not it is necessary to adjust requirements, requesting ratification from the Technical Committee. Sufficiency is evaluated by means of simulations involving extreme situations or stress tests. Prompt adjustments in response to these evaluations has allowed the market to remain financially solid.

Safety Net Resources



Figures at end of month
 Thousand contracts and million pesos

Credit Ratings

ASIGNA has made an effort to raise its credit risk rating by improving preventive procedures and supervision methods and adjustments in its methodology. In response, the leading risk rating agencies have favorably rated the performance of this Clearinghouse.

In 2007, Standard & Poor's (S&P) raised its long- and short-term rating in foreign currency for Asigna, Compensación y Liquidación, from BBB/A-3 to BBB/A-2. The rating on a local scale remained at mxAA/MxA-1+. S&P's ratings were assigned a stable outlook. Meanwhile, the ratings from Fitch México (AAMx) and from Moody's (Aaa.mx) for 2007 were unchanged from the previous year, and are also assigned a stable outlook.



• 017

<i>Fitch México</i>	Ratings on domestic scale AAA (mex) local scale
<i>Moody's Investors Service</i>	Ratings on domestic scale Aaa.MX (long term) domestic scale Domestic currency, global scale A1 global scale
<i>Standards & Poor's Ratings Service</i>	Foreign currency, global scale BBB+ "stable" (long term) / A-2 "stable" (short term) Domestic currency, global scale BBB+ "stable" (long term) / A-2 "stable" (short term) Ratings on domestic scale (CaVal) mxAAA "stable" (long term) / mxA-1 + "stable" (short term)

V. Other 2007 highlights

This past year, ASIGNA achieved most of the goals set in its annual strategic plan, and kept up with the medium-term objectives of its Technological Plan, which includes intermediate goals in various years.

In the labor area, ASIGNA firmly supported the professional training of its employees by financing courses and post-graduate studies, and supported the advancement of young professionals by accepting them in educational internships required for their degrees.

We also took part in international events on derivatives and in activities to promote this market. This included joint financing (together with MEXDER) of an exhibition stand at an annual event for the Futures Industry Association (FIA) in Chicago, and a promotional event organized jointly with Bloomberg in New York City. We also attended the FIA's annual meeting in Boca Raton, Florida.

During the year, ASIGNA established a few new lines of business, among them a scheme for selling information on risk parameters to various international back office service bureaus: Rolf and Nolan, Sungard and GL Trade.

In August we introduced a new schedule of commissions, offering discounts to institutions that trade the 28-day TIE future under the new Liquidity Terms and conditions, and extended the charge for securities margin management (collected since 2005) to cash margins as well. We also adjusted commissions on IPC future contracts.

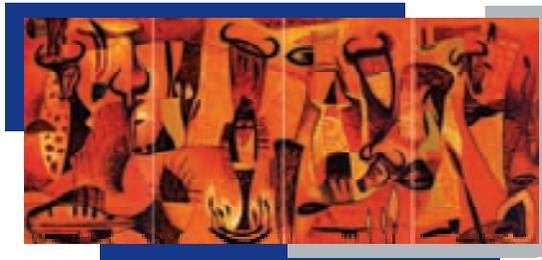
ASIGNA kept a balanced budget of revenues and expenditures in 2007 and persisted in its policy of investing in self-financing projects. Additionally, technological projects carried out with budget support have proven very efficient compared to the expense of similar projects of the same or smaller size.

The growing volume of trading activity, efficient expense management and strong profits in recent years substantially increased our equity. In light of this situation, our Technical Committee decided to distribute some of these profits to our Trustors, paying each Clearing Member a total of 9.1 million pesos, and to our equity trustors (BBVA Bancomer and S.D. INDEVAL), 9.1 and 23.9 million pesos, respectively.

Last year a new Third-Party Position Clearing Member was authorized to participate in the market, created by GBM Grupo Bursátil Mexicano, S.A. de C.V., Casa de Bolsa, which will pay in its equity contribution in order to begin trading in 2008.

ASIGNA now recognizes the dollar as legal tender for paying initial margins, in order to facilitate the involvement of foreign brokerage firms, adding the already-accepted Treasury Notes and Treasury Bills.

In September 2007, the first 10-year Swap future contract referenced to the 28-day TIIE was listed; similar contracts at 2 and 5 years are planned.



• 018

VI. 2007 Projects

In 2007, ASIGNA continued to develop the projects defined in its annual Strategic Plan and Technological Plan, which include intermediate short, medium and long-term goals.

In accordance with these plans, we began designing and developing a new central system that will combine risk management function with the registry, clearing and settlement of trades. This system will be open and run on a new platform with web access. The project will have a duration of two years; in 2007 the prototype design phase was completed, along with 80% of the risk management module.

In mid-2007, we started up a securities administration module for creating margins in the Intracs 400 clearing and settlement system. This module allows users to record and administer foreign currency, stocks, and trackers, as well as government securities authorized for this purpose. This development replaces former system used for administration, reducing the number of interfaces and technological platforms that support ASIGNA's activities.

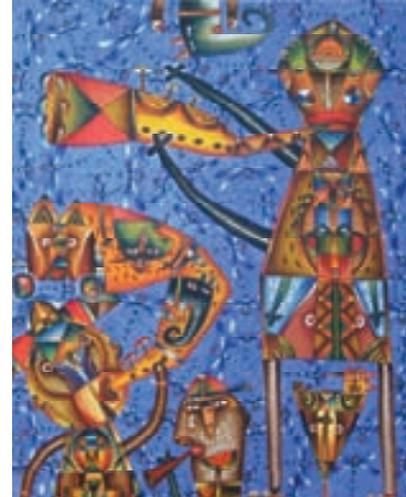
In July 2007, we completed the final phase of the project to create a data base out of information generated by various areas of the Clearinghouse, which can be exploited through a Business Intelligence. This guarantees the availability of consistent, secure and prompt information for generating indicators.

BBVA Bancomer, Institución Fiduciaria, installed a new version of its treasury and bookkeeping system at ASIGNA, so that it can issue financial statements and consolidate information on the trusts it administers.

Finally, we established ties with two Chilean exchanges with the potential to develop standardized derivative products, in order to offer them Clearinghouse services.

¹ En el momento de distribuir utilidades, la Cámara contaba con nueve fideicomitentes Socios Liquidadores y dos fideicomitentes patrimoniales.

Vision for 2008



• 019

The group of companies related to BOLSA MEXICANA DE VALORES, S.A. DE C.V. began to restructure and change their business focus in 2007, a process intended to culminate in the first half of 2008 with the initial public offering of shares representing the capital stock of the BMV on the stock exchange. This listing entails a responsibility to comply with the standards imposed on publicly-owned companies, and will also make the price of its shares more susceptible to economic trends, political decisions and corporate changes.

In this scenario, which includes ASIGNA, the Clearinghouse must strive to meet the goals established in its Strategic Plan and Technological Plan, maintain or increase its service standards, and preserve its credit ratings, all for the purpose of remaining a profitable, attractive business.

By the end of next year, we intend to complete the development of a new central system, re-designing and reprogramming the functions of the registry, clearing and settlement module. The development of this new system is highly important for technological reasons, because its complexities require extensive learning for both programmers and Clearinghouse administrators. The fact that it is being developed in-house also saves us the cost of external licensing, which may have run into the millions of the dollars. From a technological standpoint, this is the most important project of the year.

Another of our endeavors in 2008 will be to expand our sale of information on risk parameters to other international back office service bureaus, like Interactive Brokers, with whom we are already negotiating.

We will also continue to promote this institution among more financially solid institutions to encourage them to join the market as Clearing Members.

Finally, we are currently reviewing the possibility of creating a clearinghouse for derivative instruments traded on the OTC market.

Trustors

- Banco J.P. Morgan, S.A. Institución de Banca Múltiple, Member of J.P. Morgan Grupo Financiero, Trust No. F/00265, Third-Party Position Clearing Member.
- Banco Nacional de México, S.A., Member of Grupo Financiero Banamex, Trust No. 13928-7, Property Position Clearing Member.
- Banco Nacional de México, S.A., Member of Grupo Financiero Banamex, Trust No. 14016-1, Third-Party Position Clearing Member.
- Banco Santander, S.A., Institución de Banca Múltiple, Grupo Financiero Santander, Trust GFSSLPT, Proprietary Position Clearing Member.
- Banco Santander, S.A., Institución de Banca Múltiple, Grupo Financiero Santander, Trust 100,740, Third-Party Position Clearing Member.
- BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer.
- BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, Trust No. F/29763-0, Property Position Clearing Member.
- BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, Trust No. F/29764-8, Third-Party Position Clearing Member.
- Scotiabank Inverlat, S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, Trust No. 101667, Property Position Clearing Member.
- Scotiabank Inverlat, S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, Trust No. 101776, Third-Party Position Clearing Member.
- S.D. INDEVAL Institución para el Depósito de Valores, S.A. de C.V.

Corporate Officers



Jaime Díaz Tinoco
Chief Executive Officer

Mario D. Solano Flores
Trading and Operations

Amílcar A. Elorza y Alegría
Trading

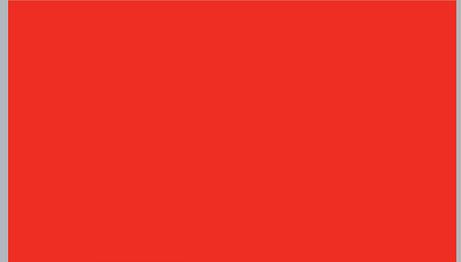
Mireya Suárez Flores
Treasury and Settlement

Nami Ueda Higareda
Legal Affairs

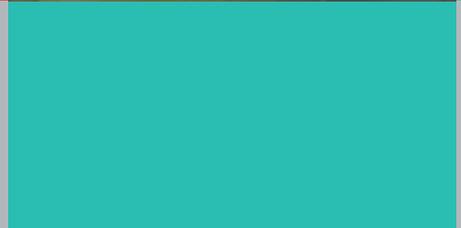
Jiyouji Ueda Ordoñez
Risk Management



SIF
ICAP



• 001



• 002



• 003



SIF ICAP, S.A. DE C.V. (SIF ICAP) is the leading brokerage company in Mexico. It offers a full range of services for trading all the financial products or instruments through electronic and voice systems, and maintains an active participation in each of these, offering advanced technology, efficiency, speed and reliability.

SIF ICAP specializes in facilitating bank trading in the money market, foreign-exchange market and over-the-counter (OTC) trading in derivatives. With support of our highly specialized brokers and sophisticated electronic voice and data systems, we have established a broad-based and active involvement in the Mexican market and a high level of recognition.

The activities of SIF ICAP are regulated and supervised by the National Banking and Securities Commission.

Mission

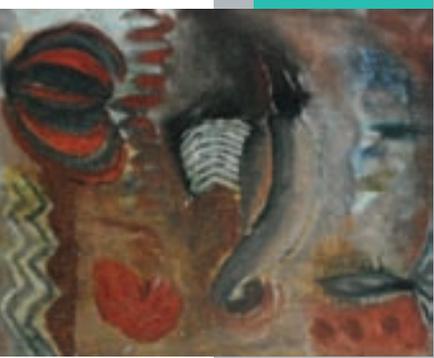
To provide electronic services for the trading of fixed-income and foreign-exchange instruments, forwards and swaps, with the highest standards of efficiency, speed and reliability, maximizing the benefits to our clients and working under the highest ethical and professional standards at all times.

Our Principles

SIF ICAP facilitates trading for its clients by working to conduct trades accurately, simply and reliably, with the lowest cost and highest quality possible.

We strive continually to satisfy our clients in real time and to act in advance of their needs, while working under the following set of principles:

- We work as a team to provide the best service possible at all times.
- We hire only personnel with a broad knowledge of the market and with an ethical and responsible approach to their work.
- We remain a step ahead of the competition in developing solutions for our clients.
- We develop systems backed by the best technology available to guarantee the security and efficiency of trading.
- We always keep channels of communication open with clients to make sure they are fully aware of the advantages of our products and services.
- We protect the confidentiality of our clients' information under all circumstances.



• 004

Message from the Chief Executive Officer

As we had expected, 2007 was the toughest year in the history of SIF ICAP. An excess of brokers supplying Mexican product services, both locally and internationally, made the level of the commissions we charge unsustainable for healthy profits and growth in the industry over the long term.

Unfortunately, we were under pressure from the major market players, who for various reasons were obliged to cap their monthly trading costs through brokers. We do not blame them--perhaps they were in turn influenced by very short-term strategies among some competitors seeking solely to gain market share. The end result of this, as I warned last year, was a reduction in our revenues and our net earnings, which fell 31% in real terms.

Despite all this, our results in terms of market share, productivity and efficiency were very encouraging. We continue to lead in all the markets we serve: government bonds, repos and spot trading; bank and corporate debt, both repo and spot; overnight debt securities, interest-rate swaps (IRS), interest-rate forwards, requests-for-quote (RFQ) for financial institutions, treasuries and institutional investors; and primary auctions in the fixed-income market.

For the second year in a row, trading volume and terms grew substantially, primarily in the spot government bond market and interest rates swaps (IRS).

Once again, we scaled back our work force by 15%, so despite the drop in revenues we kept up the level of productivity per employee that our shareholders expect.

In our commitment to developing 100% electronic markets, we concluded the migration of our trading on SIFo to a new platform equipped to operate without broker intermediation. We now maintain voice service only as a support tool, and it will be eliminated in the first few months of 2008. In a single day, this product brought us past 200 billion pesos in trades, setting a new record for trading through brokerage firms in Mexico. An increasing number of long-term instruments are being traded in SIFo, primarily federal government bonds. Because of their transparency, efficiency, and state-of-the-art technology, once again the Corporate Finance and Investment Banking areas of the leading financial brokers of our country chose SIFo Auctions to make more than 80% of the primary offerings of securities certificates in Mexico.

We still have alliances with the Colombian Stock Exchange for the FX and derivatives markets; with the Lima Stock Exchange for the FX and local debt market, and the Chilean Electronic Market for the local FX market.

We continue to maintain an extraordinary commercial relationship with ICAP in New York, with which we jointly cover the interest rate swaps and forwards markets, being the dominant broker in both areas.



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We are very satisfied with these results, and optimistic that, together with our clients, we can continue to contribute to the growth and transparency of the financial markets in our company.

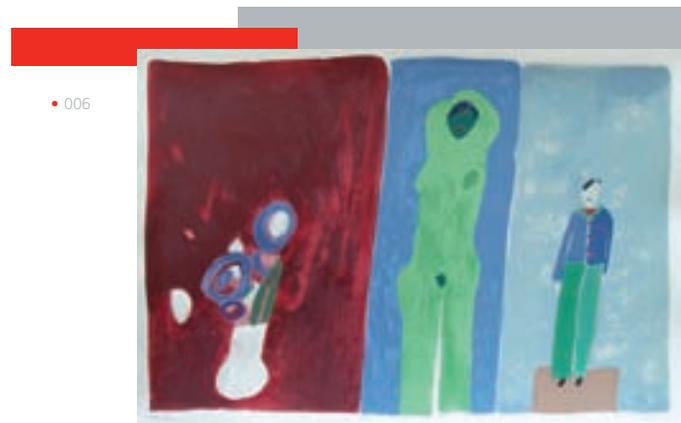
A majority of the costs and inefficiencies of the over-the-counter market usually occur after trading, where transactions frequently need to be confirmed and input manually to the assignment and administration systems of our clients. This is why one of our goals is to integrate the SIF ICAP network and systems with theirs. Unfortunately, setting up these links and applications has been a slow and complex process, because it also involves every client and various areas within each firm, which translates into an investment of time and resources that will only pay off when the integration is complete.

Fully electronic trading, along with systems and post trade information links, will facilitate the entire cycle of trades, confirmation, assignment, and settlement, allowing for more transactions and reducing back-office costs.

We are the only brokerage company in Mexico that has a backup site for 100% of its trades, along with an business continuity and recovery plan that meets the needs of our clients, guaranteeing them the level of quality and service that they demand.

We continue to proudly offer our clients, employees and shareholders what each expects from us: added value, opportunities for professional growth, and profitability.

Rodolfo Sánchez-Arriola Luna



• 006



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Board of Directors 2007 - 2008

Series A Board Members

Regular Members

Patrick Doucet Leautaud
Rafael Mac Gregor Anciola
Guillermo Prieto Treviño

Alternates

Eligio Esquivel Llantada
Federico Flores Parkman Noriega
Alejandro Reynoso del Valle

• 007



Series B Board Members

Regular Members

Harry Fry
Donald Marshall
Douglas Rhoten

Alternates

Steve McDermott
Vladica Nelson
Alan Schwarz

Chairman

Guillermo Prieto Treviño

Statutory Auditors

Carlos García Cardoso
Fernando Morales Gutiérrez

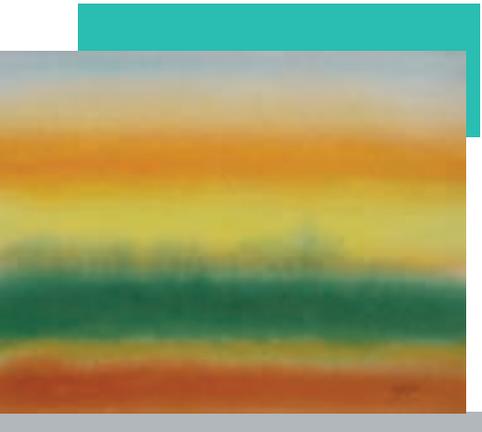
Regular Secretary

Hugo A. Contreras Pliego

Secretary Pro Tem

Oscar Valle Portilla

• 008



Investment Committee

Members:

Rodolfo Sánchez-Arriola Luna
Alfredo Prieto Harris
Gabriel Rodríguez Bas
Malinali Arroyo López

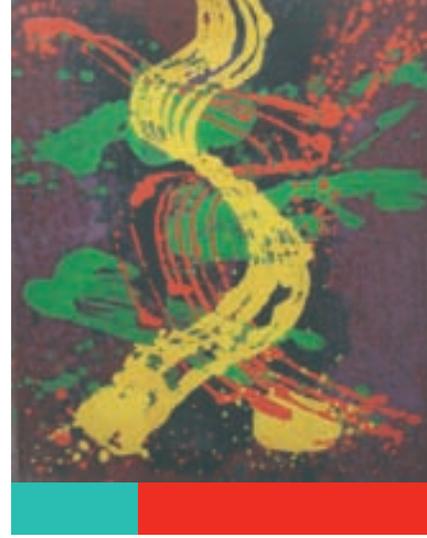


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Main Activities in 2007



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Toward the end of the year, we successfully concluding the full technological overhaul of communications equipment, bringing SIF ICAP to the cutting edge of market technology.

Our central post-trade systems were modernized, as part of the goal of integrating our back-office systems with those of our clients, and with the new security requirements established by Banco de México and S.D. Indeval.

An electronic signature application was created for all client trades.

With regard to the link with S.D. Indeval, we set up more secure communications, using the ISO 15022 international protocol standard, providing secure trading and more information for the end user on the status of each trade.

The “Assignment” application was completely renovated, making it more versatile and integrating it with this protocol and electronic signatures. This not only made the application more robust, but at the same time made SIF ICAP technologically independent, because we now administer all our communications systems and networks with our own resources, meaning a more efficient and flexible IT area.

In the year covered by this report, we established two additional alliances with ICAP to promote two products. The first, EBS, is the leading electronic FX broker in Europe, and the second, RESET, allows interest-rate swap clients to eliminate the daily risks associated with fluctuations in the Interbank Equilibrium Interest Rate (TIIE).



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Vision for 2008

In 2008, we will continue to invest in technology, an essential vehicle for the competitiveness of this company.

We will be working on the design of a new trading platform and the integration of SIF ICAP's systems with those of our clients.

We will also seek out new alliances or strategic acquisitions to defend our position in the market and insure greater profitability for our clients, as well professional opportunities for our personnel, in a highly competitive climate.

Finally, we should mention that the BOLSA MEXICANA DE VALORES, S.A. DE C.V. (BMV) has planned an initial public offering of its stock early in 2008. The BMV is 50% owner of the capital stock of SIF ICAP.

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• 014.1

Shareholders

- THE MEXICAN STOCK EXCHANGE (BOLSA MEXICANA DE VALORES, S.A. DE C.V.)
- ICAP (Garban Latin American Holdings, B.V.)

ICAP is the largest interdealer broker in the world in voice and electronic trading platforms, and supplies specialized brokerage services to intermediaries in all financial markets. The group covers a wide range of OTC products and financial services relating to energy, foreign exchange, interest rates, credit, equity markets, and data and indices.

ICAP is active in both developed and emerging markets. It has global scope and organization, allowing it to offer a local response to clients' needs. Its electronic networks supply global connectivity to clients seeking unparalleled liquidity and cash flow, in an organized market. ICAP has established new standards for both voice and electronic brokerage, from the pre-trading to the post-trading environment.

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Corporate Officers



Rodolfo Sánchez-Arriola Luna
Chief Executive Officer

Jorge Livingstone Vaught Ortiz
Technology and Systems

Alfredo Prieto Harris
Corporate Bonds and SET TD

Gabriel Rodríguez Bas
SIPO

Pedro A. Ruiz Noriega
Government Bonds

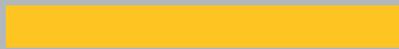
Oscar Valle Portilla
Legal Affairs



Valor de Mercado



• 001



• 003



• 002



VALUACIÓN OPERATIVA Y REFERENCIAS DE MERCADO, S.A. DE C.V. (VALMER) supplies updated prices for valuing financial instruments on a daily basis, as well as comprehensive risk management services.

VALMER is a Mexican company, founded in the year 2000 by the BOLSA MEXICANA DE VALORES, S.A. DE C.V. (BMV), and Algorithmics, Inc. Its authorization to offer these services was granted in public document number DGSM 178/00 folio 5178, issued by the National Banking and Securities Commission (CNBV) and dated July 31, 2000. In addition, it was authorized to offer risk management services in document number 601-I-DGDIL-143205/02, on November 12, 2002.



• 004

Mission

To contribute information on the valuation of financial instruments independently, reliably and promptly; to create a more transparent climate for the valuation of financial assets of various financial institutions in Mexico; to maintain strategies consistent with this aim; and to strengthen the image and profitability of the business.

Vision

To be a leading price vendor by offering efficient valuation processes under the highest standards of transparency, reliability, and speed.

Quality Policy

We at VALMER are committed to the strictest international standards of quality in our services, and pursue a continuous process of improvement in close communication and understanding with all levels of the organization. This ensures that our price vector is transparent, up to date, and reliable. We also manage our human and technological resources in a manner consistent with the development of the Mexican financial system.

The Quality Management System developed and applied by Valmer ensures that each activity is carried out correctly and that our services are supplied with the necessary quality and in the right amount of time. This system has been audited by Bureau Veritas Quality International, which certified that it was in accordance with the requirements of the ISO 9001:2000 international standard for this field, and issued certificate number 160601 in November 2004, and ratified in 2005, 2006 and 2007.



• 005

Message from the Chief Executive Officer

In recent years, Valuación Operativa y Referencias de Mercado, S.A. de C.V. (VALMER), a member of GRUPO BMV, has pursued a strategy of growth and development through diversification of its business lines, complementing price vendor products through financial and operational risk management services, as well as specialized data bases. To these ends, VALMER focused particularly on two important projects in 2007.

The first of these was to strengthen our risk services, and the second was to expand our business in international markets.

In the area of risk, VALMER dedicated itself to complying with regulatory requirements established for the various financial institutions. Here we incorporated various systems from Algorithmics, one of the two shareholders of this company, that strengthened the technological platform using cutting-edge technology.

For market risk, we began adjustments to the Algo Risk Application system, which provides real-time portfolio simulation metrics, in addition to reports and alarms for risk limits. The SIARGAF system was also adjusted to conform to the new Unified Mutual Funds Bulletin and with various indicators requested for retirement fund managers (AFORES).

In the field of operational risk, we updated and installed the OpVar system, which fully complies with the guidelines established by the regulatory authorities for this type of risk, for specialized retirement mutual funds (SIEFORES), mutual funds and banks.

The second project involved the expansion of VALMER's businesses to Latin America, an effort led by its purchase of the Brazilian firm Rocca, Prandini & Rabat, Financial Services S/S Ltda., known as "Risk Office", the main activity of which is to supply risk management and portfolio valuations services for Brazilian pension funds, mutual funds, and corporate treasuries.

With the purchase of this company, VALMER becomes the largest risk vendor in Latin America, with a combined base of 550 clients, generating consolidated revenues of 11 million dollars and working with a team of 125 specialists in financial asset risk and valuation.

The presence VALMER gained in Latin America through this acquisition complements Grupo BMV's business strategies in Brazil, and will be the basis for evaluating an incursion into other markets of the region. Clearly, this line of business will allow us to participate more actively in other countries, where a number of activities have been imitative to promote and attract new interest in our services.

The expansion of the price vendor business, added to the incorporation of new products and services in Mexico (like the supply of risk management services) has substantially increased this company's revenues and profits, something that will be even more evident with the consolidation of financial information on the Brazilian company we acquired in late 2007.

At the close of this fiscal year, we can conclude that VALMER has sustained its efforts by a commitment to the highest standards of product and service quality and reliability, which allows us to proudly offer our clients, shareholders and employees, the results that can be expected from a company whose specialization brings it solidly into the Mexican financial system, and which is staging a decisive entry into Central and South America.

Gerardo Gamboa Ortiz

Board of Directors 2007-2008

Institutional Board Members

Regular

Jaime Díaz Tinoco
Marcos Jacobsen
Guillermo Prieto Treviño
Natan Rosen
Pedro Zorrilla Velasco

Alternate

José Manuel Allende Zubirí
Marco Antonio Hernández Jiménez
Alejandro Reynoso del Valle
Michael Spragge
Michael Zerbs



Chairman

Guillermo Prieto Treviño

Statutory Auditor

Carlos García Cardoso

Regular Secretary

Hugo A. Contreras Pliego

Secretary Pro Tem

Oscar Valle Portilla

Valuation Committee

Voting Members

Francisco Venegas Martínez
Dan Rosen
José Carlos Alberto Sánchez Cerón

Members without Vote

Jaime Díaz Tinoco
Gerardo Gamboa Ortiz
Nicolás Olea Zazueta

Operating Committee

Gerardo Javier Gamboa Ortiz
Alejandro Rodríguez Ruiz
Miguel Ángel Torres Canseco

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Main Activities in 2007

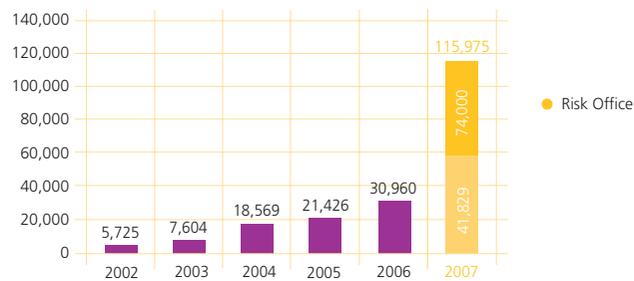


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I. Commercial and Strategic planning

In 2007 we fortified our client base, to a total of 201 institutions, with revenues of 42 million pesos. This meant a 40% increase in VALMER's annual billing, 35% of which corresponds to risk management services (reports, UAIR, market and operational risk outsourcing) and the remaining 65% to regular price vendor services (vector, curves, databases, valuation of derivatives and structured notes).

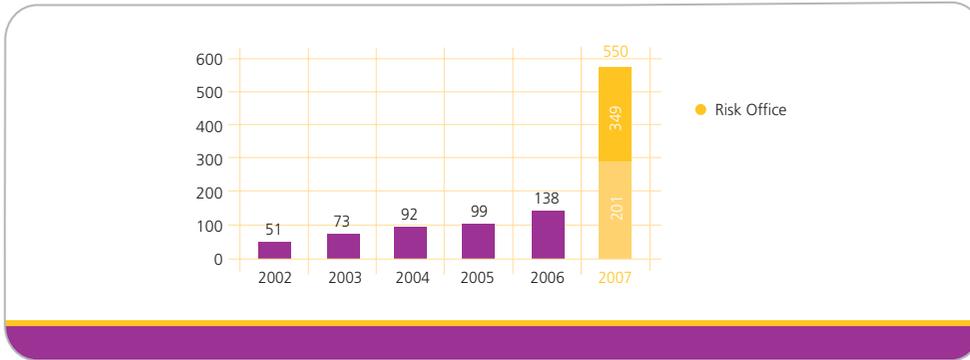
Annual Billing



Thousand pesos at current prices

With the purchase of Risk Office, Valmer's consolidated revenues totaled 116 million pesos, and it now has 550 clients.

Client Base



• 010

This gives VALMER a market share of 60%, making it the leading vendor in the market, covering 70% of the mutual fund managers. It is also particularly success among AFORES, where this year it had a 55% market share.

With the purchase of Risk Office, Valmer's consolidated revenues totaled 116 million pesos, and it now has 550 clients.

Market Share	
	2007
Bonding Companies	57%
Retirement Fund Managers	55%
Insurance Companies	45%
Banks	52%
Brokerage Firms	55%
Others	81%
Mutual Fund Managers	70%

By number of institutions

As a risk management services vendor in the outsourcing category, VALMER is a leading presence among AFORES and mutual funds, with close to 20%. Counting the clients of Algorithmics its presence is even greater, making it the leading supplier of risk management services in Mexico.

In our efforts to develop and introduce price vendor services in Central America, particularly Panama, we face a substantial challenge in the specific nature of its financial system, because it does not have a regulatory framework that obliges institutions to hire the services a price vendor. Nevertheless, we were able to sign our first valuation services provision contract in that country. We also reached an agreement with the Panamanian newspaper El Financiero, to publish Panama's sovereign curve calculated by VALMER. In the rest of the region's markets, we established the groundwork for negotiation for an entry into Costa Rica and El Salvador.

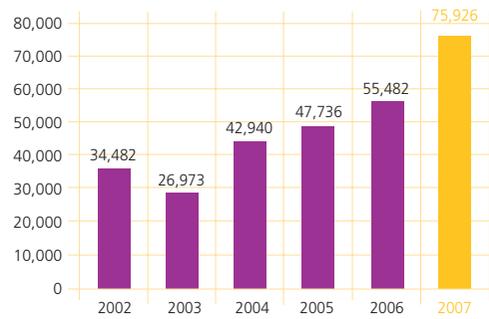
• 011

Promotion and Customer Service

Through the VALMER User Service Center (CAU-VALMER), we paid close attention to our customers' needs. In 2007 we received more than 1,700 requests, which were attended satisfactorily by the corresponding areas in less than one day.

The average monthly number of hits on Valmer's web page in 2007 was 75,926, 44% more than its average in 2006.

Hits www.valmer.com



2002, 2003, 2004, 2005, 2006 Annual Average

Valmer Comprehensive Services



II. Operations

Valuation

We were active in the valuation of structured notes, covering 70% of the local market, as well as the valuation of securities certificates prior to their placement. This year VALMER's involvement was fundamental in covering various requirements of the trading, back- and middle-office areas, which required special valuations such as intraday vectors, specialized databases and basic information, which required VALMER to release a steady stream of new products over the course of the year.

It was also able to expand its price vendor services in Central America, releasing the definitive vector for the Panamanian securities market.

A growing demand for new products allowed the company to expand its services toward new business niches, with an emphasis on the following products:

1. Liquid vector for mutual funds.
2. Volatilities module (indices, TRACs, stocks, and ADRs, FX, interest rates, delta and options volatilities, Caps, Floor and Swaptions on the TIIE).
3. Specialized market indicators for clients.
4. Price and intraday curve vector (10:30, 12:30).
5. Latin American forwards curve.
6. New brokers report (government trading).
7. Bank base (structured CD's).
8. New application for historic lookups on the price vector and curves.
9. Risk report (mutual fund report by manager).
10. Price vector and sovereign curve for Panama.

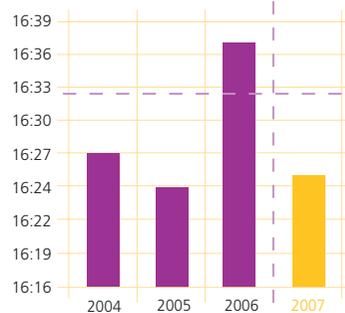


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Technological Innovation

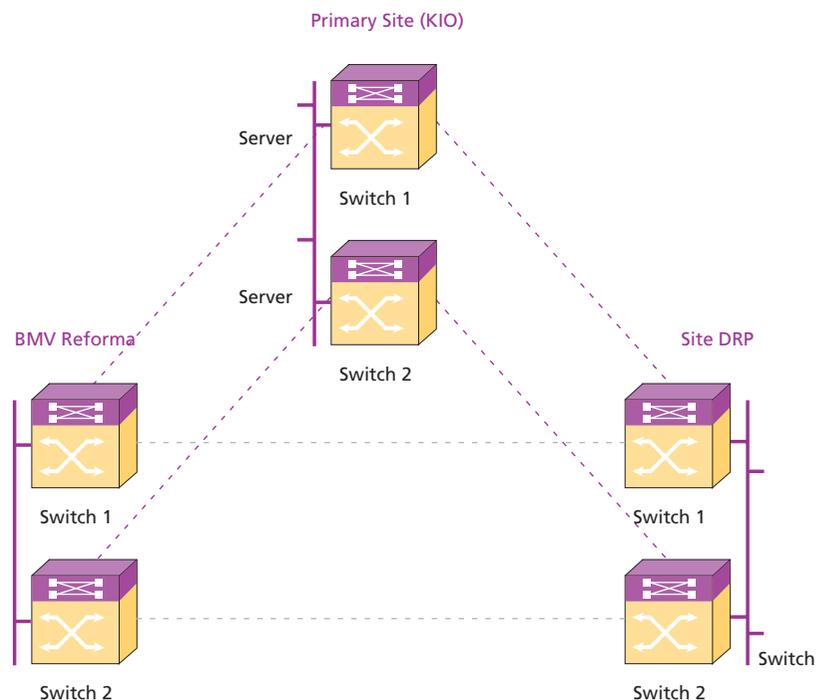
This year we worked together with Algorithmics to strengthen VALMER's infrastructure as well as its products. We released the generation of price database inquiries through MicroStrategy and two new risk products (ARA and OPvantage). We also worked on improving execution of the production prices of the price vector and curves, which meant faster delivery times.

Delivery Times



2004, 2005, 2006 Monthly average

In 2007, we lowered the delivery time for the definitive price vector by 25%, and therefore of all the additional products like specialists databases and scenario matrixes, which was reflected in improved data processing time for our clients, despite the substantial increase in the number of instruments valued, to 11,500; the average delivery time remains faster than the quality target (4:30 p.m.).



Additionally, we introduced an autonomous redundancy system in data transmission by Internet, and transferred the main data center to another location, and also enhanced the security of the company's information.

Valuation Committee

The most important methodological changes made by this body were:

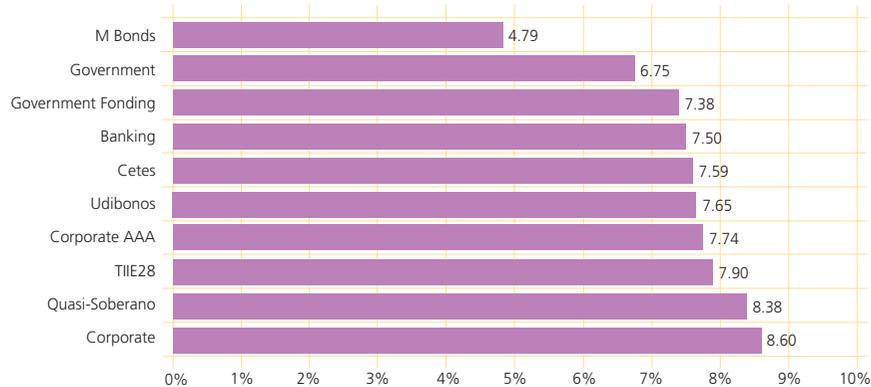
- Methodology for determining the theoretic price of swap futures on the Interbank Equilibrium Interest Rate (TIIE) listed on MEXDER.
- Adjustment of the valuation methodology for M bonds for issues with maturities of less than a year.
- Updates to Chapter 1, "Curve Construction" in the Valuation Methodology Manual.
- Approval of a method called "cubic interpolation with lineal slope(pendientes) estimation".
- New curves for valuing cross-currency swaps in non-dollar currencies.
- New valuation model for "reverse convertible" structured notes.
- Inclusion of technical notes on various topics such as credit risk, liquidity risk, stress testing, back testing, and parametric VaR, among others.

Indexes and benchmarks

At the close of 2007, VALMER had close to 100 different indices and benchmarks, 51 of which were for government debt, 12 for UMS bonds, 34 for corporate issues, 4 bank indices, and 10 money market indices. It also prepares daily personalized indices on two of the largest banking institutions and the Mexican Social Security Institute. Some of these indices are republished directly by brokerage firms and distributed directly to the general public.

Also during the year, we prepared tailor-made indices and benchmarks for the internal use of various of our clients, particularly for AFORES.

Indexes and Benchmarks



Annual yields

III. Risks

This year we consolidated our risk business, concluding the installation and startup of the OpVar System owned by Algorithmics, which allows us to cover the operational risk needs of our AFORE clients. We also nearly doubled the number of risk clients, positioning VALMER as the leading company in outsourcing services and risk report generation in Mexico, meeting the demands of clients amidst a changing regulatory climate, like the Unified Mutual Funds Bulletin (11 clients) and regulations by the National Retirement Savings System (CONSAR) in the area of operational risk (7 AFORES).

We worked throughout the year on a platform to start up a new application for market risk, called ARA (Algo Risk Application). The ARA system is a pre-integrated application with access through a safe Internet connection, which will allow clients to conduct real-time analysis of the risk profile of their investments, as well as the effect at both the instrument and aggregate level, that various securities transactions would have on their investment portfolios.



The ARA system is a tool that was developed for use in all the securities markets, so in addition to being used to value and analyze instruments traded in Mexico, it can be used to value and measure risks on instruments traded in other markets--North America, Asia, Europe and the Caribbean, which is a benefit VALMER can transfer to its clients.



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Income Breakdown by Product



Vision for 2008



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As in previous years, in 2008 VALMER will focus its efforts on consolidating the various projects it is developing, like:

1. Expansion of services to Latin America.
2. Consolidation of the financial risk business in various applications (ARA and SIARGAF).
3. In Operational risk (OpVantage) we will include new models like Data Handling and Capital Modeling.

VALMER is also committed to obtaining certification of other processes, as a complement to its current Quality Management System, and to expanding its involvement in the areas of risks and derivatives. This company is renowned for its highly trained personnel, which allow it to face the new challenges posed by the market in maintaining quality with the required speed of response.

VALMER is also distinguished by the quality of its customer service, by its value-added services, and the wide range of services it offers in a comprehensive manner.

Its purchase of Risk Office will be the basis for the generation of a price vector for Brazil (a concept that does not yet exist in that country), using the Algorithmics-RiskWatch software to expand its services in this market. This is consistent with the expansion of services in Central America, which will allow VALMER to incorporate a range of services not offered in Mexico, such as asset liability management, valuation, and investment project consulting (agribusiness), as well as consultancy on operational risk.

Finally, in 2008 we will continue to explore alternatives for making the company's operations more efficient both in Mexico and in Brazil, and will seek out ways to expand our business lines, from asset valuation to risk management services, in which we make the most efficient and optimum use of our human and material resources.

Shareholders

- BOLSA MEXICANA DE VALORES, S.A. DE C.V.
- Algorithmics.

Algorithmics is the world leader in enterprise risk solutions for financial organizations, which use the applications, analytical services and consultancy of this company. Backed by an international team of risk management experts in the world's leading financial centers, Algorithmics offers proven, renowned, and award-winning solutions for market risk, credit risk, and the administration of collateral and equity guarantees. Algorithmics is a member of the Fitch Group.





• 017.1

Corporate Officers



Gerardo Javier Gamboa Ortiz
Chief Executive Officer

Francisco José Murillo Rivas
Risks

Miguel Ángel Torres Canseco
Valuation

Alejandro Castro Gallardo
Commercial

María Concepción Delgado Savorio
Derivatives

Salvador Saavedra González
Systems

Oscar Valle Portilla
Legal Affairs

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Grupo Bolsa Mexicana de Valores

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(025) "Detrás de la ausencia", **Irma Grizá**

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(018) **Alejandro Santiago**

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(051) **Alejandro Santiago**

(052) **Alejandro Santiago**

(028) **Joy Laville**

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(014) "Impulsado por una emoción", **Amador Montes**

(015) "Mariposa de luz", **Amador Montes**

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(078) **Alejandro Santiago**

(079) **Alejandro Santiago**

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Realization

Área de Diseño de la Bolsa Mexicana de Valores

Concept

Bolsa Mexicana de Valores

Art

Ana E. Ruíz González
Yazmín Gómez Caballero
Johana García Ibarra
Luis Ricardo Castro Herrera

