

FOR IMMEDIATE RELEASE

**The Mexico Equity and Income Fund, Inc.
Announces Earnings for the Semi-Annual Period Ended January 31, 2007.**

Business Editors

NEW YORK – (BUSINESS WIRE) - April 12, 2007 – The Mexico Equity and Income Fund, Inc. (the “Fund”) (NYSE: MXE; MXEPR), today announced unaudited results for the semi-annual period ended January 31, 2007.

On January 31, 2007, total net assets of the Fund were \$117,422,201 and the net asset value (“NAV”) for common and preferred stock was \$28.96 per share, based on 2,626,019 and 1,429,336 shares outstanding, respectively. The Fund’s common stock closed at \$26.40 per share and its preferred stock closed at \$23.78 per share on the New York Stock Exchange on January 31, 2007.

For the semi-annual period ended January 31, 2007, the Fund’s net realized and unrealized gains totaled \$38,960,280 and the Fund’s net investment loss was \$536,045.

On January 31, 2007, the Fund’s investments in equity securities of Mexican companies totaled \$115,441,190 (or 98.3% of the Fund’s net assets), while cash and cash equivalents (including foreign currency) totaled \$92,540 (or 0.1% of the Fund’s net assets) and other assets in excess of liabilities totaled \$1,888,471 (or 1.6% of the Fund’s net assets). Additional information regarding the Fund’s investments may be obtained by calling the Fund’s Administrator at (414) 765-4499.

As of January 31, 2007, the Fund’s 10 largest common stock investments represented 52.2% of the Fund’s net assets and are listed below in descending order:

1. Promotora y Operadora de Infraestructura, S.A. de C.V.	7.6%
2. Wal-Mart de Mexico, S.A. de C.V. - Class V	6.5%
3. Carso Infraestructura y Construccion, S.A. de C.V.	5.8%
4. Grupo Mexico, S.A. de C.V. - Class B	5.7%
5. America Movil, S.A. de C.V. - Class L	5.1%
6. Mexichem, S.A. de C.V.	4.9%
7. Impulsora del Desarrollo y el Empleo en America Latina, S.A. de C.V.	4.7%
8. Grupo Financiero Banorte, S.A. de C.V. – Class O	4.0%
9. Axtel, S.A. de C.V. CPO	4.0%
10. SARE Holding, S.A. de C.V.	3.9%

The Fund’s common and preferred stocks are traded on the New York Stock Exchange under the trading symbol “MXE” and “MXEPR”, respectively.

Periodically updated information on the Fund can be obtained by calling the Fund’s dedicated telephone line. Information provided includes a recorded update reviewing the Fund’s top holdings, net asset value and other information. The Fund’s toll free number is (866) 700-6104. Inquiries regarding change of address, transfer of shares, lost certificates, and non-receipt of dividend checks or reinvestment statements should be directed to Computershare Investor Services, P.O. Box A35014, Chicago, IL 60690-3504; (888) 294-8217.

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