

FOR IMMEDIATE RELEASE

**The Mexico Equity and Income Fund, Inc.
Announces Cash Dividend
Results of the Annual Meeting of Stockholders and
Earnings for the Three Months Ended October 31, 2010.**

Business Editors

New York -- (BUSINESS WIRE) — December 13, 2010 -- The Mexico Equity and Income Fund, Inc. (the “Fund”) (NYSE: MXE; MXEPR) today announced that its Board of Directors has declared a cash dividend of \$0.023 per share payable on December 31, 2010 to stockholders of record on December 28, 2010. The dividend on each class of stock will consist entirely of ordinary income.

The Fund also announced the results of the Annual Meeting of Stockholders of the Fund, which was held on November 26, 2010. At the Annual Meeting of Stockholders, the common and preferred stockholders, voting together, elected Gerald Hellerman and Maria Pichardo and the preferred stockholders voting separately elected Glenn Goodstein as Directors of the Fund to serve until the 2013 Annual Meeting of Stockholders.

The Fund also announced that, in accordance with its previously announced share repurchase program, the Fund repurchased 795,804 shares of its common stock during the period from December 1, 2009 to October 31, 2010 at a cost of \$6,922,318, approximately \$1,112,000 below net asset value.

On October 31, 2010, the net assets of the Fund were \$83,911,107 and the net asset value (“NAV”) for the common and preferred stock was \$11.91 per share, based on 6,968,166 and 68,939 shares outstanding, respectively. The Fund’s common stock closed on the New York Stock Exchange on that date at \$10.56.

For the three month period ended October 31, 2010, the Fund’s net realized and unrealized gains totaled \$10,116,784 and the Fund’s net investment loss was \$(183,187).

On October 31, 2010, the Fund’s investments in equity and fixed income securities of Mexican companies totaled \$82,978,537 or 98.89% of the Fund’s net assets, while cash and cash equivalents (excluding foreign currency) totaled \$1,069,067 or 1.27% of the Fund’s net assets and other liabilities in excess of assets totaled \$(136,497) or (0.16)% of the Fund’s net assets.

As of October 31, 2010, the Fund’s 10 largest equity investments represented 68.5% of the Fund’s net assets were:

1. America Movil, S.A. de C.V. – Class – L	21.8%
2. Genomma Lab Internacional S.A.	8.2%
3. Grupo Mexico, S.A.	6.9%
4. Wal-Mart de Mexico	5.0%
5. Grupe Sab de C.V.	4.9%
6. Corp Geo S.A.B. de C.V.	4.9%
7. Promotora y Operadora de Infraestructura, S.A. de C.V	4.5%
8. Kimberly-Clark MXC	4.2%
9. Mexichem S.A.B. de C.V.	4.1%
10. Alfa, S.A. de C.V. – Class A	4.0%

The Fund is a closed-end management investment company that seeks high total return through capital appreciation and current income by investing primarily in equity and convertible debt securities issued by

Mexican companies and debt securities of Mexican issuers. Pichardo Asset Management, S.A. de C.V. is the investment adviser to the Fund. 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 or by visiting the Fund's website at www.mxefund.com. Information includes a recorded update providing the Fund's net asset value. 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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