

GRUPO FINANCIERO

monex

Your Future. Our Present.

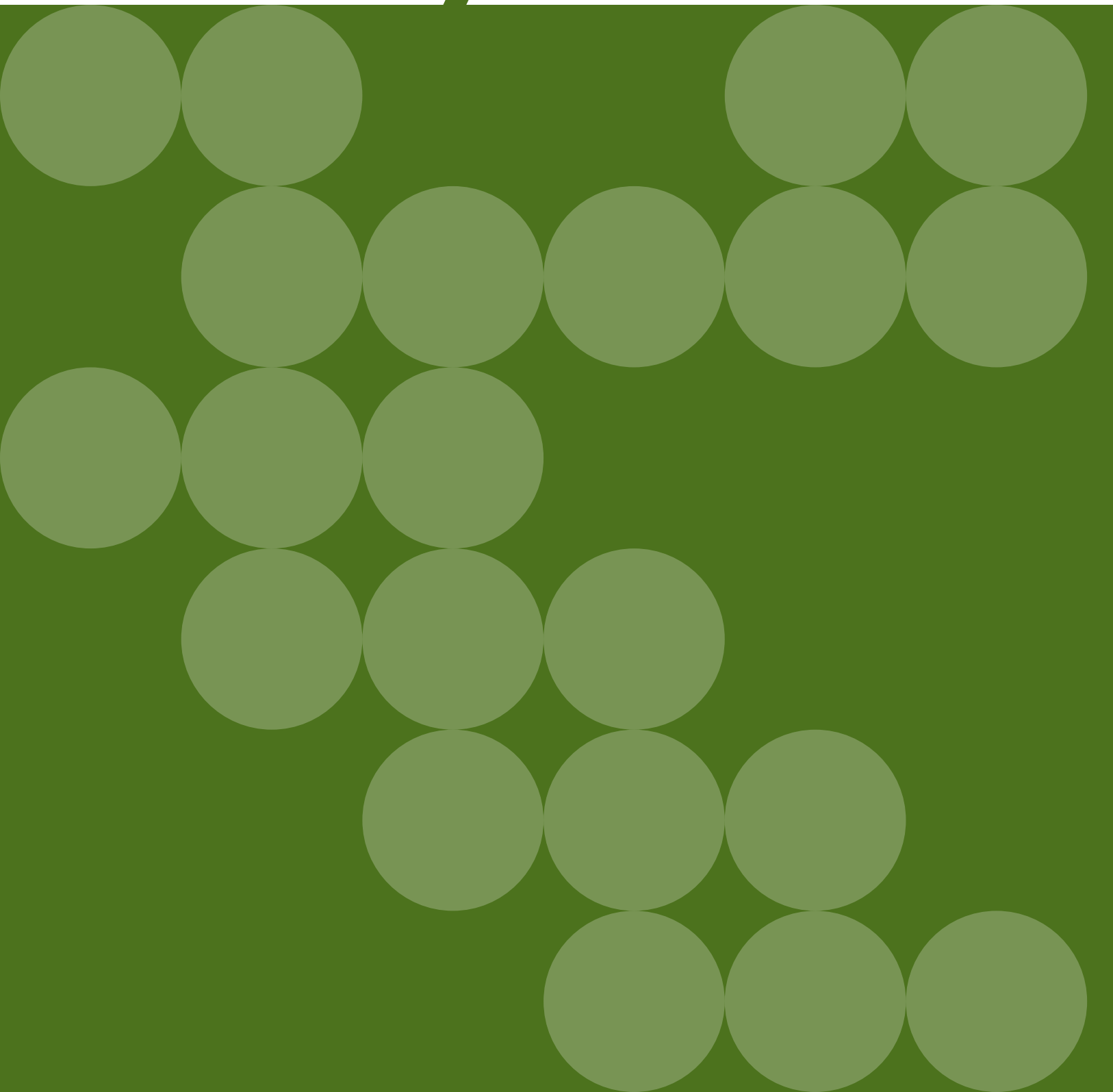
2007

Annual Report

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I. Message from the Chairman of the Board

For Grupo Financiero Monex, 2007 was a very important year, during which we continued expanding our range of products and services, as well as our presence in the financial markets:

- In December, 2007 we transferred the Monex Casa de Bolsa's foreign exchange operation to Banco Monex.
- We continued to make major investments in technology and systems to make our operation more efficient and improve the quality of the services we provide.
- Monex Casa de Bolsa maintained its Common Representative leadership, with an "Above Standard" S&P rating.
- We received the Great Place to Work award as one of Mexico's best employers for fifth consecutive year.
- We were also recognized as a Socially Responsible Business by the Mexican Philanthropy Center (CEMEFI) for fourth consecutive year.
- S&P ratified its ratings on Monex Casa de Bolsa and Banco Monex.
- We renewed the ISO9001:2000 certification for our Anti-Money Laundering process, a certification that spans all of our products nationwide.

In 2007, we achieved highly satisfactory financial results:

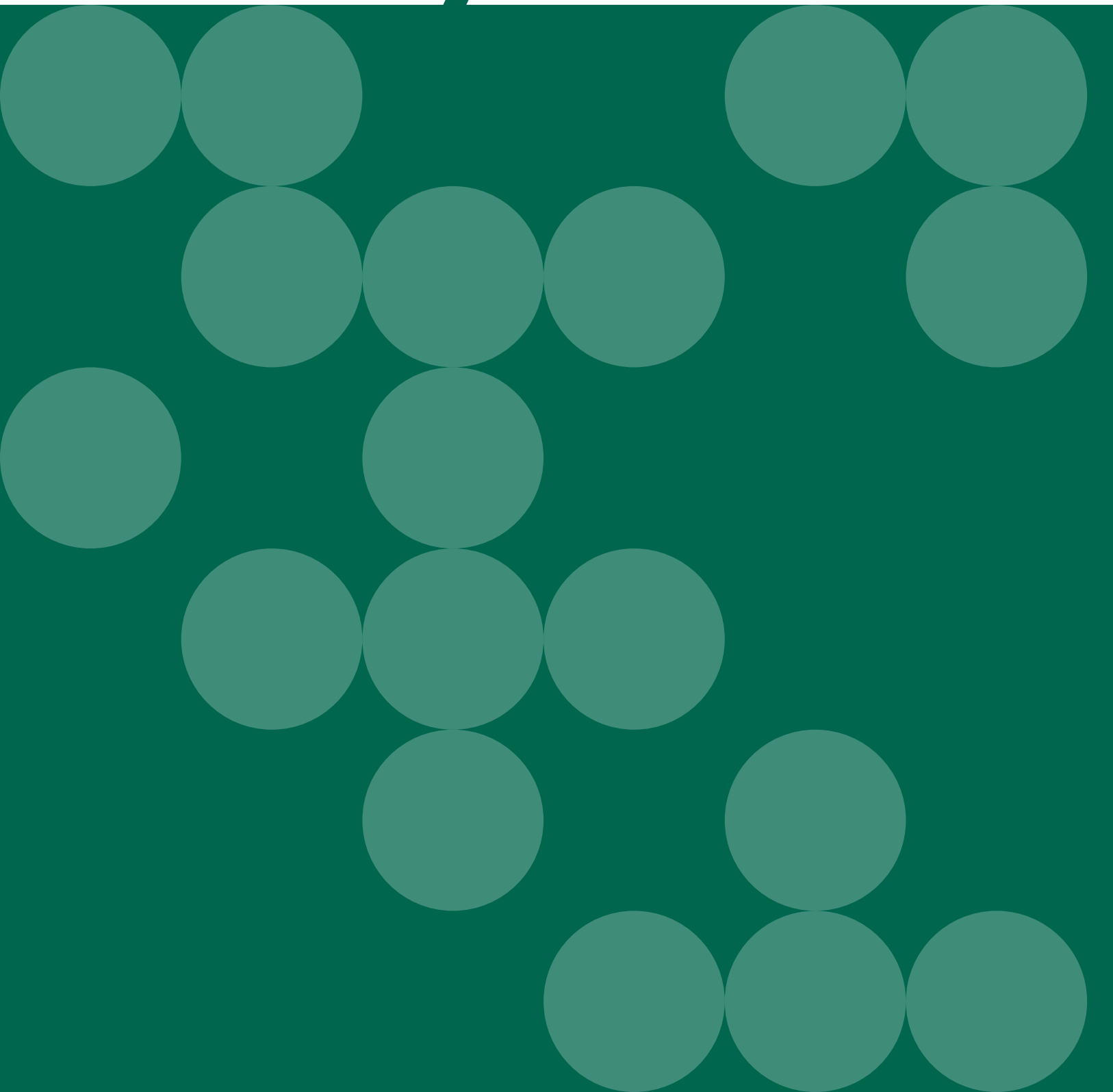
- Total revenue was \$ 1.85 billion pesos, which represents a growth of 11.5% compared to 2006 (in Mexican pesos, as of December, 2007).
- Pretax net income was \$ 527 million pesos.
- Consolidated net income was \$ 366 million pesos.
- Total stockholders' equity was \$ 831 million pesos.

We reiterate our commitment to continue innovating and improving our service, as well as our conviction to create long-term customer relationships based on honest dialog and a win/win focus.

Sincerely,

Héctor Lagos Dondé
Chairman and CEO
Grupo Financiero Monex

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2. Soundness and Profitability

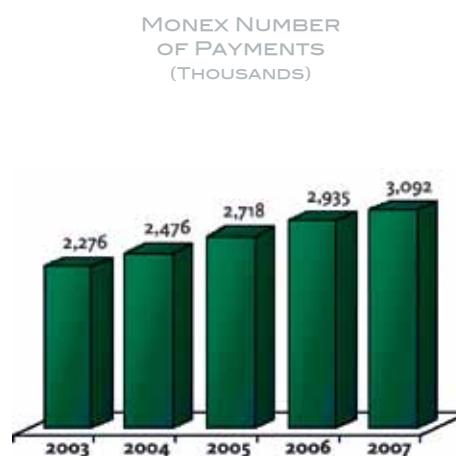
Grupo Financiero Monex is a Mexican company made up of three financial entities: Banco Monex, Monex Casa de Bolsa, and Monex Operadora de Fondos, through which it offers its customers the following products: Foreign Exchange, Investment Funds, Securities (fixed income securities, equity securities, and investment banking), Derivatives, International Investments, Trust Funds and Inventory-Secured Loans, Ex-Im Bank Import Loans, and Letters of Credit.

Monex has over 20 years of financial market experience. Throughout its history, the company has demonstrated consistent growth in trading volume and number of customers, both in our foreign exchange operation as well as our other product lines.

- In 2007, Monex was the leading player in the foreign exchange market in terms of revenue from foreign exchange transactions.¹
- In 2007, Monex had a 13.9% share in the foreign exchange market by volume.
- In 2007, Monex reported major trading volume increases in the various markets in which it operates.

FOREIGN EXCHANGE:

In 2007, Monex traded over US\$140.14 billion (including interbank transactions), a 1.9 percent growth over 2006. The number of customer transactions also increased by 10.4 percent.



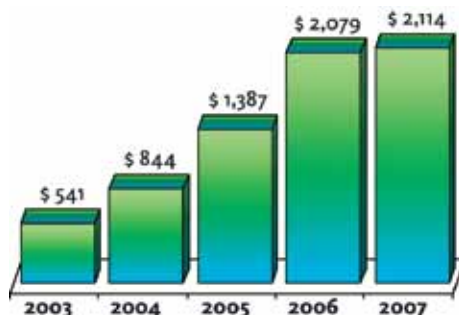
In 2007, Monex traded, on average, over 257,000 payments every month with a repeat customer base, a 5 percent increase over 2006.

¹ The Foreign Exchange market is defined as: Non-financial and non-governmental local customers.
Source: Monex, based on data from Mexico's Central Bank (Banxico).

DERIVATIVES:

Concerning derivatives transactions, Monex traded US\$2.11 billion in 2007, 2 percent more than it did in 2006.

DERIVATIVES TRADING VOLUME
(MILLIONS OF US\$)

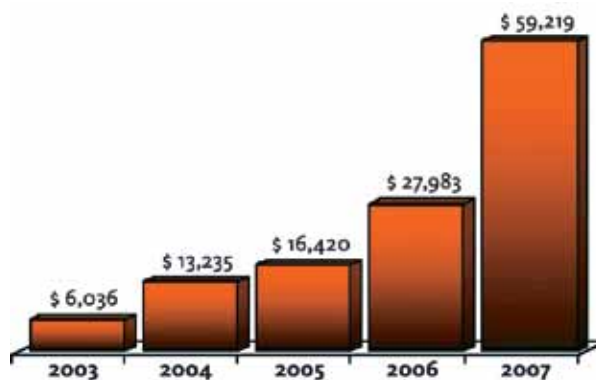


EQUITY SECURITIES

In 2007, the volume traded by Monex in equity securities increased by 111 percent, reaching \$59.05 billion pesos.

At the end of 2007, Monex had over 17,000 active securities customers.²

CAPITAL MARKET VOLUME
(MILLIONS OF PESOS)



Monex's operation is backed by a strong stockholders' equity foundation and excellent counterparty risk ratings.

- In 2007, Standard & Poor's raised its nationwide ratings on Monex Casa de Bolsa and Banco Monex –CaVal— to 'mxA-/mxA-2', a reflection of Monex's solid payment capacity.
- The improvement of the rating on Monex Casa de Bolsa is based on its business and revenue diversification, its good financial profile, and the

² AMIB trading survey.

solid performance of its primary business; it is also based on its good risk management practices and capitalization level.

- With regard to Banco Monex's rating, S&P believes that the acquisition adds value to Grupo Financiero Monex's business strategy, while supplementing its service offering. It will also allow the Group to move forward towards its revenue diversification goal. The bank's transactional orientation is expected to complement that of Casa de Bolsa.
- Fitch Ratings confirmed Monex Casa de Bolsa's A (mex) rating, which denotes high credit quality. It also granted an F1(mex) rating on short-term counterparty risk, and revised its rating outlook to "positive".
 - In Fitch's view, these ratings reflect Monex Casa de Bolsa's advantageous position in the Mexican foreign exchange market, its solid financial performance, and the steady diversification of its revenue structure. It is also a reflection of sound risk management policies and capitalization level.
- In May, 2008, Fitch Ratings granted Banco Monex an A- (mex) rating, recognizing the bank's ability to generate recurring revenue, its brand recognition in foreign currency transactions, its adequate capitalization level and liquidity, as well as its experienced foreign exchange management team. Fitch also granted Monex an F2 (mex) rating on short-term counterparty risk, with a "stable" outlook.
- According to data provided by the CNBV, at the end of 2007 Monex was ranked 10th among securities firms as measured by stockholders' equity.
- At the end of 2007, Monex's stockholders' equity was \$831 million pesos.

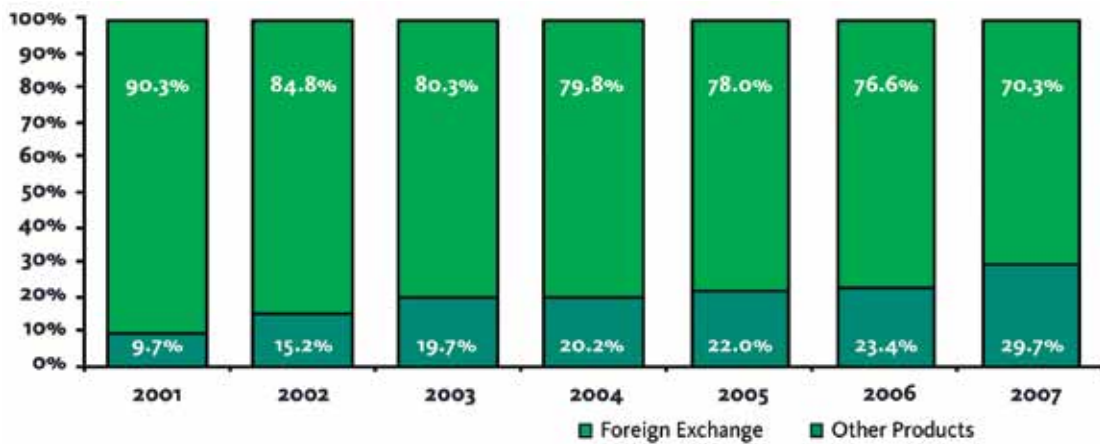
For the past few years, Monex has consistently achieved double-digit weighted average growth rates in total operating revenue.



² AMIB trading survey.

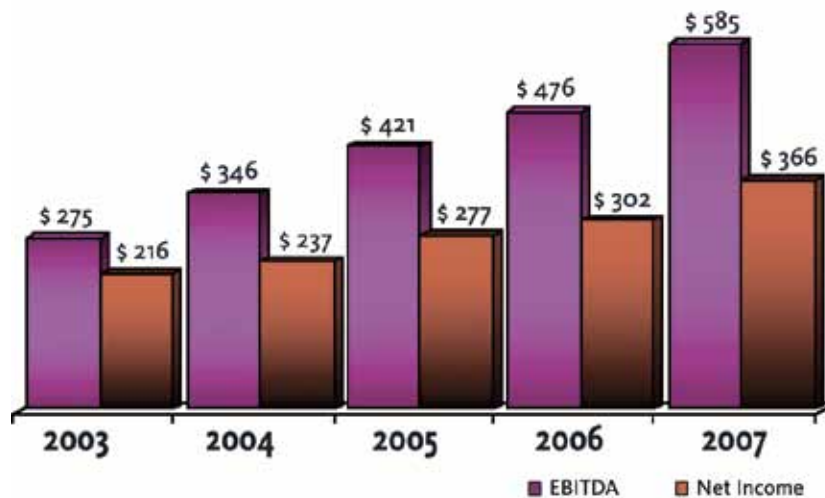
Monex has diversified its operating revenue by offering its customers financial products and services that complement our value offering.

REVENUE MIX



Monex has demonstrated solid, consistent revenue growth by optimizing the use of its infrastructure and achieving clear synergies.

EBITDA AND NET INCOME
(MILLIONS OF PESOS)



Monex has made continued progress in its institutionalization process, while maintaining its personalized customer service.

- Monex's management model incorporates Corporate Governance Best Practices.
- Grupo Financiero Monex is also actively involved in various industry forums, including:
 - The Mexican Banks Association.
 - The Mexican Association of Securities Intermediaries (AMIB).
- Each Monex branch is well acquainted with its respective market and tailors its service offering to suit specific customer types.

Monex continues to bolster its self-regulation practices.

- Monex has obtained an ISO 9001:2000 certification for its Anti-Money Laundering process. This certification spans Monex's operations nationwide and all of its products.
- Five years ago, Monex established a training program on Corporate Ethics for all employees.

Monex monitors its customer satisfaction performance and has implemented process improvement mechanisms.

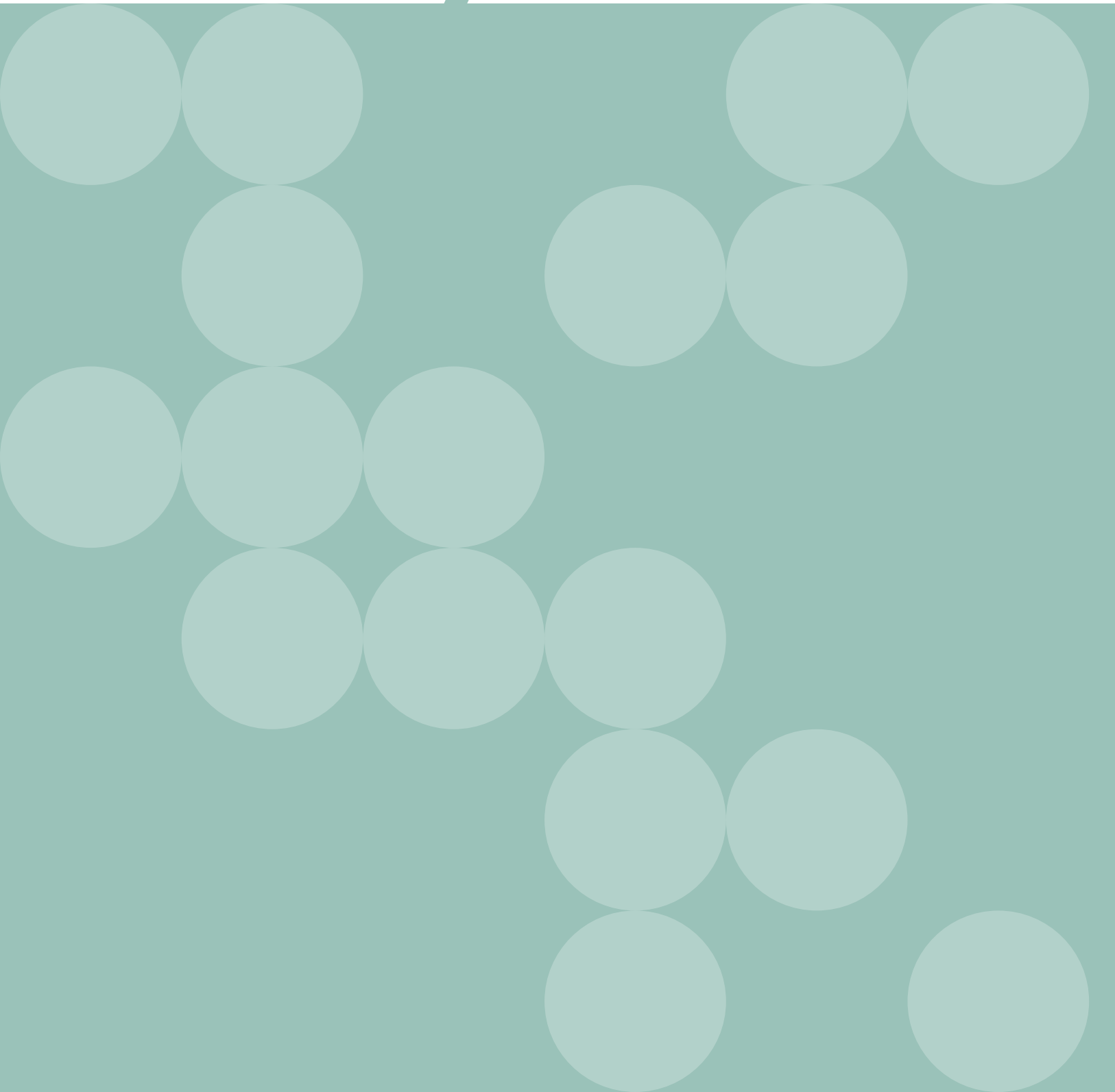
- Monex uses customer service evaluation surveys to obtain customer feedback with the purpose of improving its processes on an ongoing basis.
- In November of 2006, Monex received a Corporate Social Responsibility Best Practices award (UN Global Compact category) from the Mexican Philanthropy Center recognizing its "Securities Performance Measurement – Yield Adjustment by Customer Risk" practice.
- In 2007, Monex received once again the Corporate Social Responsibility Best Practices award for its "Protection Initiatives for Protected Natural Areas" practice.
- At Monex, every area has clearly defined efficiency and process optimization goals.

Monex has a highly trained team.

- Five years ago, Monex implemented a graduate degree scholarship program for its employees.
- Monex has an in-house Ethics instructor authorized by the AMIB, and has been an AMIB-certified Training Institute since 2004.



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3. Our Products and Services

Using our sales force, which has nationwide coverage, we deliver financial products aimed at meeting our customers' foreign exchange, investment, hedging, and financial advice needs. Our goal is to provide specialized, fast, and efficient service, and constantly refine our product offering.



FOREIGN EXCHANGE

In 2007, Monex's foreign exchange operation traded US\$66.52 billion, a 10.4 percent improvement over 2006, and attained a 13.9% market share.

In terms of revenue¹, Monex accounted for 16.0 percent of the total foreign exchange market², ranking first.

At the end of 2007, Monex had over 39,000 active foreign exchange customers.

At Monex, our team of 480 foreign exchange advisors has access to highly competitive rates, enabling us to serve our customers efficiently and offer faster, customized service.

We have developed state-of-the-art technologies and procedures that allow us to handle a large volume of transactions with thousands of customers. In 2007, we processed nearly 3.1 million payment transactions.

One of Monex's distinguishing traits when it comes to foreign exchange trading is that our trading desk focuses on serving our customers, whereas other intermediaries strive mainly to profit by managing their own interbank market positions. A reflection of this is the number of customers we serve. More than 19,000 business and corporate customers carry out their foreign exchange transactions with Monex. **Three out of five businesses among Mexico's Top 500 companies trade with Monex.**

FIXED INCOME SECURITIES

Monex offers all local debt instruments in all available time horizons, including government, bank, and corporate bonds, both in pesos and UDIS. We also offer to our customers UMS bonds, which are foreign currency-denominated bonds issued by Mexico's federal government.

In 2007, Monex's fixed income custody grew to \$15.07 billion pesos, a 19.5 percent increase over the previous year.



¹ Foreign Exchange market defined as: non-financial and non-governmental local customers.

Source: Monex, based on data from Mexico's Central Bank (Banxico).

² Source: Prepared based on financial statements of banking, foreign exchange, and securities trading companies published by Mexico's National Banking and Securities Commission (CNBV).



In line with a growing dedication to supporting our customers' needs, we maintained the efforts of our Fixed Income Desk and Analysis areas to provide timely and accurate advice. As a result, our fixed income securities revenue reached \$90 million in 2007.

The volume of transactions conducted by electronic means in 2006 increased to \$9.9 trillion pesos, a 34 percent increase over the previous year.

EQUITY SECURITIES

We strive to safeguard and increase our customers' wealth by providing all-encompassing advisory services, and by conducting securities transactions under conditions that are advantageous for our customers.

At the end of 2007, Monex's average holdings in custody amounted to \$11.79 billion pesos, a 56 percent increase over the previous year. Revenue, in turn, grew by 50 percent to \$153 million pesos.

In 2007, Monex traded 1.78 billion shares in the stock market. The volume traded in the stock market was \$59.05 billion pesos, a 111 percent year-over-year growth.

Particularly noteworthy is the amount traded through SIC (International Quotes System), which grew by 1836% in 2007 over the previous year.

Monex was actively involved in primary, secondary, and mixed placings, including issuances by COMPART, URBI, FINDEP, ICA, and MEGACABLE.

INVESTMENT FUNDS

With the primary objective of giving our customers access to the best investment options available in the market, Monex's philosophy is to offer both Monex's own funds as well as third party funds. In either case, our main concern is to ensure that they are managed according to the highest quality standards.

At the end of 2007, Monex managed nine investment funds. Seven of them are Monex's own fixed income funds --the kind of investments preferred by most customers--, and two are variable income funds.

Monex's investment funds have offered excellent yields, making them a great choice that is ranked highly in the market:

- MONEXCP cemented a position as one of the top government funds, ranking 5th among 43 funds in its class.

- MONEX28 maintains an excellent position among the highest-credit quality (AAA), lowest-risk funds in the market, ranking third in its category for individual investors and 2nd for corporate investors.
- MONEXUS continues to be a great alternative for investing in US dollars while maintaining liquidity, ranking 1st overall among currency hedging funds and 3rd among all US dollar-denominated funds.



Monex has agreements in place with seven investment fund operators to sell 30 complementary funds listed on the Mexican stock exchange but aimed primarily at foreign investments, both in fixed income and equity securities.

As of the end of 2007, Monex's total investment fund holdings were \$5.57 billion pesos, a 20.5 percent increase over the previous year. The number of accounts reached 15,859, 11.6% percent more than 2006.

In addition, Monex investment funds have agreements in place for distribution by two investment fund operators.

CORPORATE SAVINGS

Monex has developed an area devoted exclusively to managing corporate savings plans, in order to offer companies the option of outsourcing the management of their employees' savings funds, including investment, account individualization, online queries, and loan management, among other services.

The number of savings funds under management grew from 564 in 2006 to 667 in 2007. The average assets managed in 2007 was \$764 million pesos, a 34 percent increase over the previous year. The total number of participants enjoying Monex's account management and individualization services was 123,000.

DERIVATIVES

Monex's mission on the derivatives scene is to meet the investment and hedging needs of our customers, both individuals and companies. Managing its own position plays a subordinate role.

Both our focus and the actions we have implemented have yielded positive results.

1. Total traded volume reached US\$2.11 billion during the year.
2. Currency derivatives accounted for 94 percent of the total transaction volume.
Monex has also become a relevant player in the IPC, and is currently ranked 5th at the MEXDER. In 2007, our derivatives trading revenue was \$35 million.

In 2008, we will be offering MEXDER global account services.

Monex is currently offering forwards and options on several currencies and the IPC, as well as brokerage of all products traded at MEXDER.

INTERNATIONAL

Through Monex Securities, we offer high-quality, personalized financial advice, providing a wide range of international products and services whose common characteristics are security and transparency.

Monex Securities is a member of FINRA (Financial Industry Regulatory Authority) and registered before the US Securities and Exchange Commission (SEC). Monex Securities settles all transactions through Pershing LLC, a Bank of New York subsidiary, who is responsible for the safekeeping of our customers' assets.



As a result of a strategy focused on improving our products and services, there has been significant growth in the customer assets we manage. It is important to note that we have strengthened our ability to attract deposits, which went from \$2.14 billion pesos in 2006 to \$2.97 billion pesos in 2007, a 39 percent increase. In 2006, Monex Securities managed approximately 620 accounts; by December, 2007, this figure had grown by 50 percent to 930. In 2007, our gross revenue was \$72 million pesos, a 68 percent increase over the previous year.

INVESTMENT BANKING AND TRUST FUNDS

In 2007, we continued to build upon our Common Representative leadership in the debt issuance arena, capturing a 50 percent market share. We also maintained our leading position in collateral agent services for transactions guaranteed via securities (caución bursátil), expanding the coverage of this type of collateral to new transactions, such as derivatives and securities loans.

Concerning our trust services, we entered a phase of strong growth, attaining a steady rate that will turn this business into a major revenue stream for coming years.

Finally, in terms of our Investment Banking services, we were able to further our market presence through active involvement in stock and debt placement syndicates, and by strengthening our corporate advisory services, while pursuing various projects aimed at obtaining financing from non-traditional sources.

As a result, we achieved an 18 percent growth in total revenue, reaching \$39.9 million.



BANKING PRODUCTS

In December, 2007, Monex Financiera, formerly a SOFOL, merged with Banco Monex.

Since then, the bank became the sole provider for all of the Group's credit activities.

In 2007, Banco Monex continued to strengthen the Group's presence in the financial markets by starting to receive deposits from the general public while, at the same time, offering credit products specifically aimed at foreign trade, with particular emphasis on Mexico's entrepreneurial sector.

Today, Banco Monex offers the following products:

- Short- and medium-term US Ex-Im Bank loans.
- Domestic sales and export loans.
- Domestic purchases and import loans.
- International Factoring.
- Working capital loans with inventory as collateral.
- Letters of Credit.
- Securities-guaranteed loans (*Caución Bursátil*).



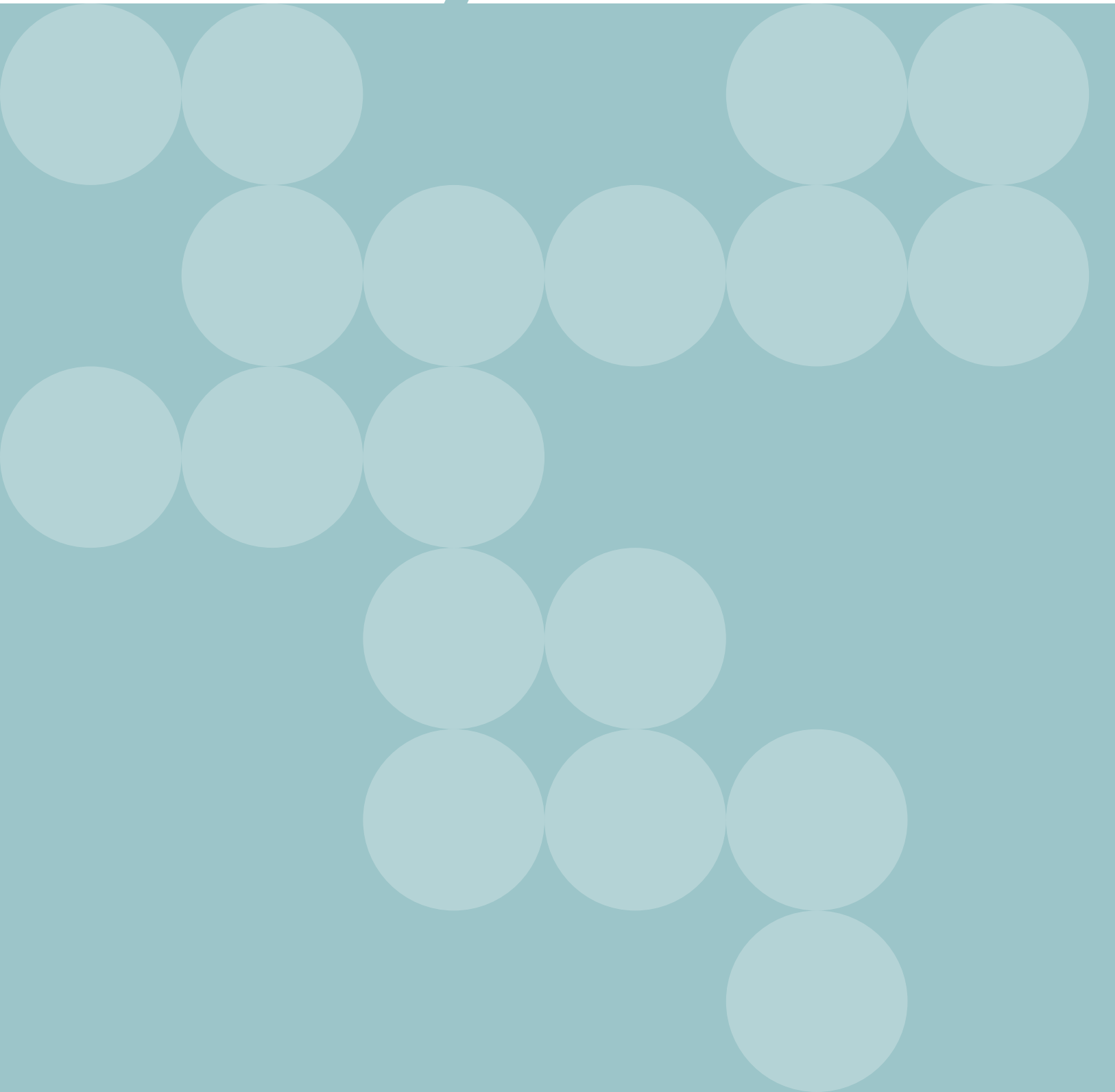
We also offer our Monex Digital Account, with the following features:

- Immediate availability sight account.
- Multi-currency transaction capability, allowing the holder to maintain a balance in the main convertible currencies.
- Excellent yields in the main convertible currencies.
- Foreign exchange capability.
- Ability to define payment recipients.
- Online self-service.
- No management fees or minimum balance requirements.

With these products, Banco Monex achieved the following results during the year:

- Our credit portfolio exceeded \$950 million pesos, as a result of granting the following credit facilities:
 - Ex-Im Bank lines for USD\$49.5 million.
 - Working capital lines for \$542 million pesos.
 - Securities-guaranteed lines for \$43 million pesos.
- We secured reliable, competitive funding sources offering favorable terms and conditions:
 - Ex-Im Bank discount facilities for USD\$80 million.
 - Various facilities with development banks and funds for \$639 million pesos.
 - Foreign bank facilities for letters of credit and working capital lending for USD\$8.5 million.
- Traditional deposits through our Digital Account product Cuenta Digital accounted for \$73.7 million pesos, a significant result considering the figure was virtually non-existent in July.

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4. Execution and Operation



Monex has a centralized, highly automated Treasury function combined with service standards that enable us to be responsive while meeting stringent security parameters.

Monex's operation is concentrated in Mexico City. Checks are issued to the branches under strict control. This allows us to centralize the processing of third party payments, transfers, and checks.

In its foreign exchange trading operation, Monex handles electronically more than 46,370 domestic and 47,595 international payments every month. Additionally, we receive over 8,950 collection transactions from foreign countries and 79,828 from domestic banks.

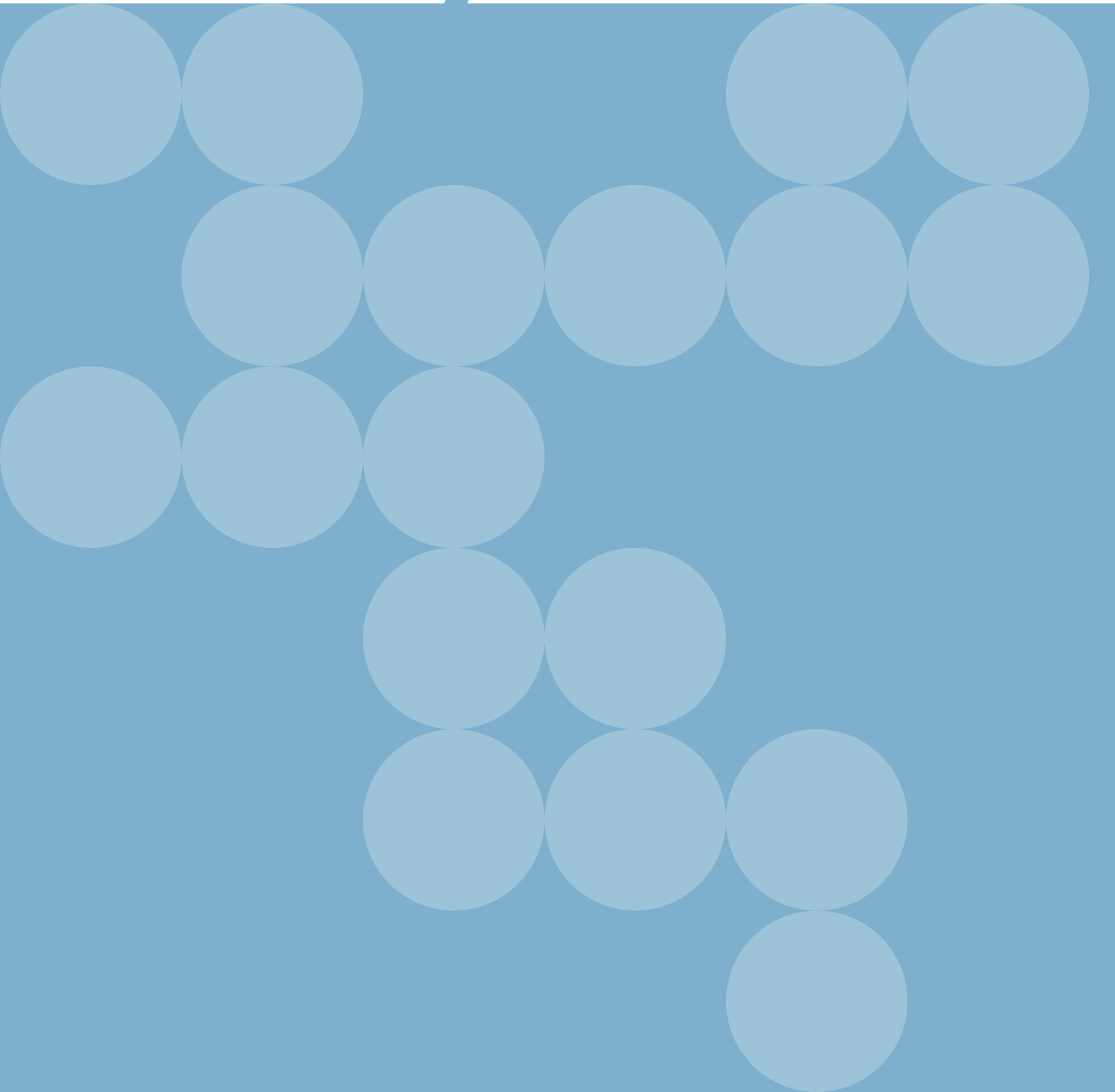
Additionally, for the securities operation, Monex's Treasury handles an average of 9,280 payments and 8,544 collection transactions every month.

Monex maintains relations with major US banks and, through SWIFT, with all major banks around the world. Monex has access to all banks in the Mexican banking industry, to Indeval, and also to SPEI (Interbank Electronic Payments System).

Our Treasury received two awards from foreign banking institutions in recognition of its outstanding performance in international funds transfers during 2007:

- For the second year in a row, JPMorgan recognized us with its *JPMorgan Chase Quality Recognition Award – US Dollar Clearing MT 103*. According to JPMorgan, less than 1 percent of its funds transfer customers worldwide meet these stringent standards.
- Deutsche Bank presented us with its *USD STP Excellence Award*, also for the second consecutive year. Monex was one of only two Latin American companies that received this award from Deutsche Bank.
- For the first time, Deutsche Bank recognized Monex with its *EUR STP Excellence Award*. According to information provided by Deutsche Bank, we were the best-performing Latin American financial institution and we are ranked among the top 30 on a global basis.

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5. Technology and Information Systems

Monex integrates the best technology to meet the needs of its customers in a timely, reliable, and secure fashion.

Monex's information technology infrastructure is housed in a world-class Data Center that ensures the necessary security and data protection levels so that customer information may only be accessed by authorized users, safeguarding the confidentiality of all transaction and customer data.

Monex also has a robust telecommunications network that provides coverage to all branches in Mexico as well as its Monex Securities subsidiary in Houston, Texas.

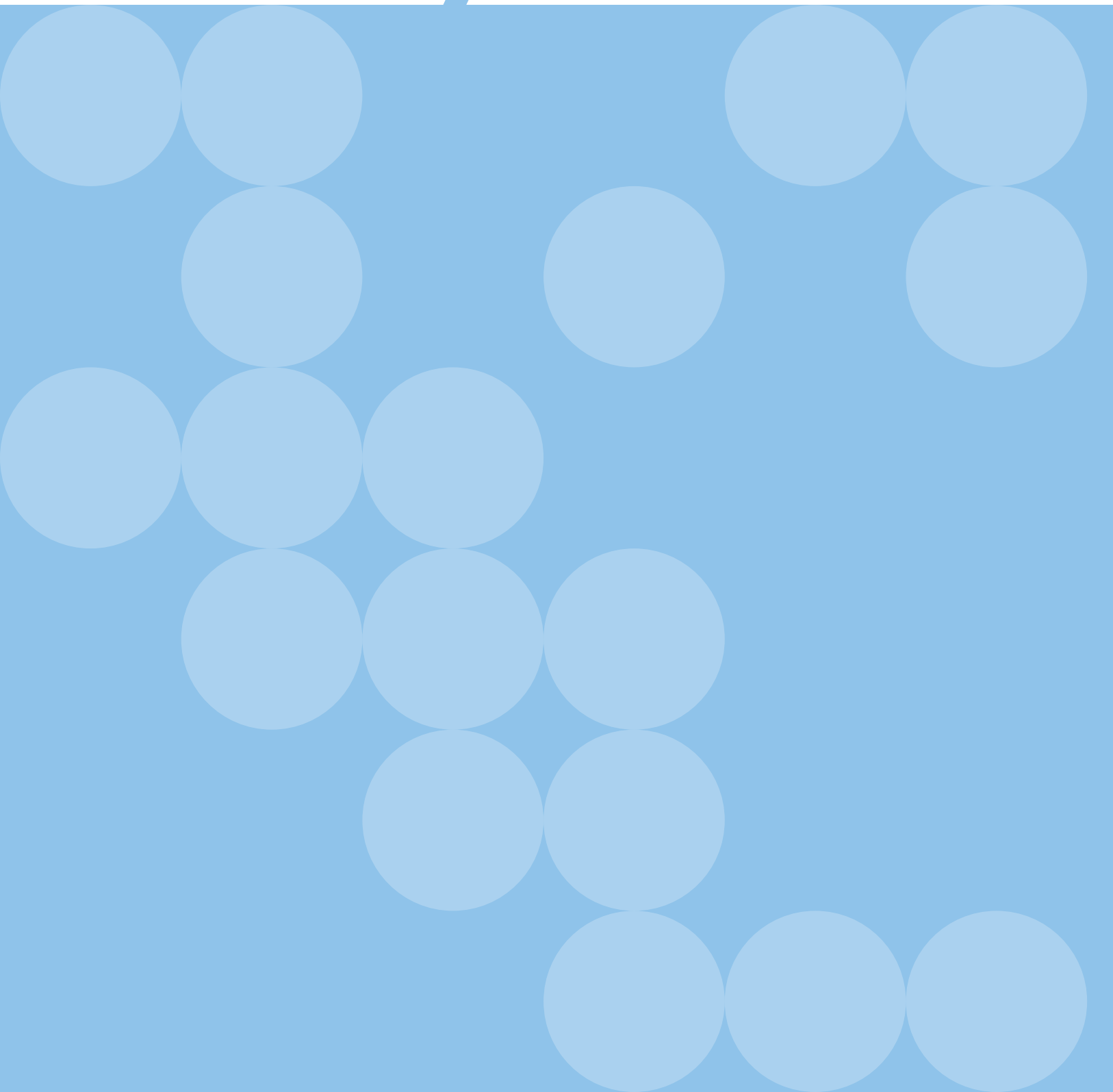
2007 was a year of major changes and challenges aimed at strengthening our technology infrastructure by deploying the applications needed to meet our expansion objectives and launch services that contributed to enhance our competitive position.

- We integrated the information systems acquired during the acquisition of the Commerica Bank México S.A. subsidiary to Grupo Financiero Monex's enterprise systems.
- We deployed the foreign exchange trading system at Banco Monex.
- We undertook several improvements to the Anti-Money Laundering (AML) system
- All services related to our new Monex Digital Account product were made available through our website.

Monex will remain at the forefront by allocating considerable investments to information technology and systems in order to maximize its efficiency and provide a better service.



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6. Integrated Risk Management



At Monex, risk management is a very important component of the group's overall management and decision-making processes, because it ensures that the operation of our business units conforms to the risk management guidelines approved by the Board of Directors.

Our Integrated Risk Management Unit informs the Board of Directors on a regular basis about the current risk exposure status. Using global risk reports, the CEO and members of the Risk Committee are kept abreast of the latest risk exposure information.

In order to track risks on an ongoing basis, we have two Risk Committees:

- a) Our Global Risk Committee, which reviews and reports on the global exposure to market, credit, and liquidity risks, and tracks capitalization levels.
- b) A Counterparty Risk Committee, concerned with assessing the cases of customers requesting authorization to transact with foreign currencies and reviewing special cases for customers wishing to transact with derivatives in non-securities markets.

In order to keep track of Monex's ongoing risk exposure, reports are issued throughout the day by the Integrated Risk Management Unit, reflecting the market conditions as well as the operations and positions of Monex's various business units.

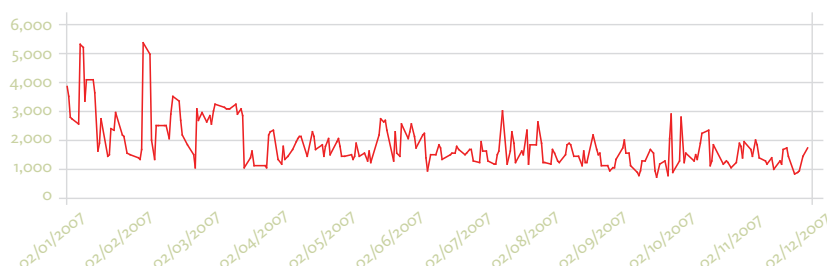
I. MARKET RISK

Market risk estimates are prepared using VAR (Value at Risk), defined as the potential loss in the value of the business units' market positions as a result of adverse variations in risk factors for a given timeframe, with a specific confidence level. In addition to this measurement, Monex also evaluates the effect of extreme variations in risk factors on the value of the business unit's market positions.

We monitor global and business unit risks by comparing the risk exposure to the risk thresholds approved by the Board of Directors on a daily basis.

2007 GLOBAL VAR *

DAILY VALUE AT RISK (THOUSANDS OF PESOS)



* INCLUDES FIXED INCOME DESK, OTC DERIVATIVES, EQUITY SECURITIES AND FOREIGN EXCHANGE.

The average global VAR during 2007 was \$1.7 million pesos.

The average VAR / average basic capital ratio was 0.24% in 2007.

II. CREDIT RISK

Credit risk represents the loss that Monex Casa de Bolsa could potentially incur in the event it failed to meet the obligations of the counterparties with which the transactions are conducted due to a weakening of its credit ratings.

II.1 FIXED INCOME DESK TRANSACTIONS

In the case of transactions conducted at the fixed income desk, issuer risk and counterparty risk may occur. The former is associated to the issuer of the securities being traded at the fixed income desk. Since most of the repo transactions involve government-issued securities, issuer risk is nonexistent. Our Risk Committee made a decision that the underlying securities for repo transactions conducted with corporate bonds are all titles of the highest credit quality.

Counterparty risk relates to the market value of the repo transactions and the counterparties involved. Repo transactions pose a credit risk for Monex only when they have a positive market value. Because the parties involved in Monex's money market desk transactions are primarily financial intermediaries or institutional customers, this risk is very small.

II.2 OTC DERIVATIVES TRANSACTIONS

Based on policies approved by the Risk Committee, all OTC derivatives transactions take place in organized markets, which lessens the exposure to adverse fluctuations in the risk factors.

In order to reduce credit risk, Monex only trades with customers who have been subjected to a thorough credit evaluation. As a result of the analysis, an agreed guaranteed facility is established, limiting the total amount corresponding to open positions a customer can maintain at any given time.

In order to mitigate the credit risk originating from adverse market variations and counterparty non-compliance, Monex asks its customers for an initial margin and, in the event major losses occur, it makes margin calls according to the guidelines approved by the Risk Committee. The minimum margin asked from customers is 4 percent, but it can be higher depending on the customer's credit standing. Depending on market conditions, the minimum initial margin percentage may be increased, or margin calls may be made same day.

II.3 PRIVATE SECURITIES RISK

Additionally, as part of its integrated risk management processes, Monex has an area that assesses the level of risk and credit quality of private securities.

Using valuation techniques and appropriate securities valuation methods, recommendations are made to the sales force with regard to the current and future risk of these private securities, as well as how advisable it is to acquire such instruments. As a matter of policy, all private paper instruments purchases must undergo a risk analysis beforehand, unless they have a rating higher than AA.



II.4 FOREIGN EXCHANGE TRANSACTIONS

The risk area assesses the level of risk for foreign exchange customers, based on a quantitative and qualitative analysis, the most important aspect of which is financial information. The customer's transaction is approved or declined by the appropriate committee which, based on the analysis results, makes a joint decision.

The risk area systematically verifies that the transactions conducted by customers who have been authorized by the committee comply with applicable policy at all times. The customer's authorization is valid for one year, meaning that each customer is re-evaluated on an annual basis, ensuring that adequate decisions are made in the event the customer's financial situation weakens.

III. LIQUIDITY RISK

Monex maintains its full inventory in securities offering the highest credit ratings and high liquidity, such as revisable rate securities, CETES, and fixed rate bonds. The latter two offer high liquidity, because they are traded in the secondary market and there are intermediaries acting as market makers, which gives the market considerable depth. Thanks to these characteristics, should an extreme liquidity situation arise, the instruments could be sold without incurring extreme price penalties. In spite of the above, it must be noted that, as a result of a strategic decision, the fixed income desk was transformed into a service desk for the sales area, which reduced our own risk positions considerably.

Additionally, there are liquidity lines that other financial institutions have granted to Monex, which facilitate the settlement of day-to-day transactions, particularly when the trading volume is very high.

On a daily basis, the risk management unit monitors liquidity risk for all fixed income desk and derivatives transactions (organized markets and OTC) by comparing the maturity of the assets and liabilities for various time horizons.

IV. OPERATING AND LEGAL RISK

Monex's Integrated Risk Management Handbook establishes policies and procedures to mitigate these risks: The main purpose is to improve the operating processes and procedures being used by the business areas that entail legal and operating risk.

The Integrated Risk Management Unit keeps a log of all events occurring at the business units that involve operating risk. In turn, the Risk Committee receives qualitative information with regard to legal risk.

In addition, it must be noted that we are in the process of implementing an Operating Risk Management project for all business units, which will enable us to systematically identify, quantify, monitor, and limit operating risk derived from the various activities performed at every business unit.



7. Transparency and Trustworthiness

At Monex, we are committed to safeguarding our customers' information by enforcing the highest confidentiality and security standards.

CORPORATE GOVERNANCE

At Monex, we have implemented corporate practices aimed at achieving proper Corporate Governance that allows our customers, the public at large, and our shareholders access to transparent and timely information.

Our senior management and shareholders have adopted applicable recommendations from the Code of Corporate Best Practices, from market issuers or public companies, with the purpose of supplementing existing provisions aimed at promoting management transparency and third party information disclosure.

- The Board of Directors of Monex Grupo Financiero, S. A. de C.V. and all of its financial entities have members who are not involved in the daily operation and provide an external, independent view.
- Monex also has intermediate management entities called Committees, whose primary responsibility is to address any issue that may arise in order to ensure the company's operational and business agility, and see to the security and oversight of the activities pertaining to each of the financial entities that make up the group.

The following Committees are currently in place:

- a) Audit Committee
- b) Communication and Control Committee
- c) Credit Committee
- d) Evaluation and Compensation Committee
- e) Counterparty Risk Committee
- f) Risk Committee



SELF REGULATION

We are part of self-regulating entities recognized by Mexico's financial authorities, and we are actively involved in various committees of the Mexican Banks Association and the Mexican Securities industry Association (AMIB).

EXTERNAL AUDITORS

The Board of Directors appoints auditing firms based on their experience, professionalism, and reputation.

Specifically, the financials of the Group and its various financial entities have been audited by internationally renowned firms, which, as of this date, have never issued any resolutions with exceptions nor refrained from issuing an opinion about the financial information published by the entities that make up Grupo Financiero Monex.

CODE OF ETHICS

At Monex, we have a simple, actionable tool to guide the decisions of everyone within the Group.

Our Code of Ethics explicitly states the values of our institution and contains Monex's commitments to its multiple stakeholders – our customers, employees, shareholders, suppliers, counterparties, the environment, the community, and our competitors.

INFORMATION STEWARDSHIP

Our customers' information is confidential and protected by legal secrecy provisions (Article 192 of Mexico's Securities Market Law and Article 117 of Mexico's Credit Institutions Law).

Monex has a special, restricted-access physical document safekeeping facility to keep customer-provided documentation, as well as an electronic customer file that can be used to make online queries.

Monex's information systems feature several modules that allow the Group's Corporate Comptrollership to monitor transactions in real time.

INTERNAL REGULATION

Monex has a solid internal audit area, separate from senior management, reporting directly to the Chairman of the Board of Directors and the Audit Committee. The internal audit unit meets all international standards and regulations. For optimum performance, it is made up of specialists trained in finance, management, regulations, legal, risks, and information systems. The area is responsible for planning and conducting administrative, financial, regulatory, and control reviews of the corporate areas (Financial, Business, and Support units) and branches, based on plans and schedules approved by the Audit Committee. It also provides advisory support to areas and/or functions as required.

ANTI- MONEY LAUNDERING

At Monex Grupo Financiero, our Anti-Money Laundering process is ISO 9001:2000-certified. This certification was granted by Det Norske Veritas México, S.A de C.V. (DNV), an RvA-accredited firm.

We are proud of having a solid quality management system capable of providing our customers with safe, reliable products and services. This system is enhanced primarily by a SAS Anti-Money Laundering monitoring solution -- used all over the world and considered one





of the best in its class--, and we have developed a robust infrastructure to protect our customers' information with world-class security standards.

Monex has a Compliance Officer who is an active and certified member of ACAMS (a US organization authorized to certify compliance officers as anti-money laundering experts). The Head of the Anti-Money Laundering Unit and the Executive Vice President of International and Equity (Monex Securities) also have this certification.

Every year, Monex welcomes supervisors from Mexico's National Banking and Securities Commission sent specifically to do AML oversight.

Since 2000, Monex has retained the services of independent auditors from highly recognized firms to look into the group's actions with regard to prevention, detection, and reporting of transactions involving illegally-sourced funds.

Finally, to comply with US regulations, Monex has a Foreign Agent who acts as our representative before US federal authorities.



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8. Presence

Monex is present in most major cities in Mexico:

CENTRAL REGION

Aguascalientes
Irapuato
León
Manzanillo
Metepec
Morelia
Pachuca
Querétaro
San Luís Potosí
San Miguel de Allende
Zacatecas

SOUTHERN REGION

Cancún
Cozumel
Cuernavaca
Mérida
Playa del Carmen
Puebla
Tapachula
Veracruz
Villahermosa

NORTHERN REGION

Chihuahua
Ciudad Juárez
Matamoros
Monclova
Monterrey
Nuevo Laredo
Piedras Negras
Reynosa
Saltillo
Tampico
Torreón
Houston

WESTERN REGION

Los Cabos
Culiacán
Ensenada
Guadalajara
Hermosillo
Mexicali
Puerto Vallarta
Puerto Peñasco
Tijuana

METRO REGION

México



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9. Corporate and Social Responsibility

At Monex, Social Responsibility is a strategy aimed at achieving business excellence by creating a positive impact on all our stakeholders.



Social Responsibility means adopting a win/win approach within all the groups in which we relate with: customers, employees, regulators, shareholders, counterparties, suppliers, and society. For us, enforcing high ethical standards is an essential requirement to provide the service our customers demand, and we believe that these principles must be applied consistently in every activity our company undertakes.

For the fourth consecutive year, we have been recognized as a Socially Responsible Business (Empresa Socialmente Responsable, or ESR) by the Mexican Philanthropy Center (CEMEFI) and by the Alliance for Social Responsibility in Mexico (AliaRSE).

This honor is awarded by the CEMEFI after careful reviewing evidence of 120 Corporate Social Responsibility indicators, as well as the results of a diagnosis of our company's performance on four basic areas of Corporate Social Responsibility.

At Monex, we have an internal continuous improvement process that seeks to strengthen the four major areas of Corporate Social Responsibility:

- Quality of life at the company.
- Corporate ethics.
- Environmental protection and conservation.
- Community outreach.

Every year, CEMEFI and AliaRSE organize a process named "Best Practices of Corporate Social Responsibility", which is open to any company (regardless of whether they have been recognized as socially responsible businesses). Companies submit exemplary practices for review. These practices must bring benefits for both the company and society, and must include original, replicable elements.

In November of 2006, we received a Corporate Social Responsibility Best Practices Award, along with 14 other companies. Monex was the only awarded company in the financial industry.

This award recognizes our "Securities Performance Measurement – Yield Adjustment by Customer Risk" practice.

In terms of Community Outreach, we have identified immigrant communities around Mexico as a major target group to receive support in various productive projects. Thus, we continued to build on our partnership with the Bajío Community Foundation (Acción Comunitaria del Bajío, A.C).





The Bajío Community Foundation's projects are based on the principle of self-help, using a sustainable development approach.

In June of 2005, we joined the UN Global Compact, because the values it seeks to uphold are fully consistent with ours.

At Monex, our team is a critical success factor. The Great Place to Work Institute has recognized Grupo Financiero Monex as one of the "Best Places to Work For" in Mexico for five years in a row.

For us at Monex, customer service and financial success are important, but equally important are the satisfaction of our employees and behaving in a socially responsible manner, because we consider these important indicators to bring a balance to the company. In line with our philosophy, we strive to forge long-term relationships with our customers, and the only way to accomplish that is by making sure everyone at Monex feels well and acts in accordance with rigorous ethical standards.

In order for a company to be considered a great place to work, human resources practices and policies are considered, but so is the perception of the employees with regard to five dimensions that include credibility, respect, fairness, pride, and camaraderie.

In July, 2008, the Great Place to Work Institute presented Monex with an award as one of the Best Companies For Women to Work For. Only 35 companies were chosen as recipients of the award among the top 100 Companies to Work For in Mexico. At Monex, 43 percent of our coworkers are women, a very high ratio considering the general standard of businesses in Mexico. This makes us proud, because the contributions women make to every area of our company are and will continue to be extremely valuable.



WE SUPPORT
THE GLOBAL COMPACT

10. Board of Directors

MONEX GRUPO FINANCIERO, S.A. DE C.V. BOARD OF DIRECTORS

PROPRIETARY MEMBERS

Héctor Pío Lagos Dondé, *Chairman of the Board*
Héctor Lagos Cué, *Founder and Honorary Chairman*
Pedro Dondé Escalante
Jesús Remberto Loaiza Rodríguez

INDEPENDENT MEMBERS

Hernando Carlos Luis Sabau García
Jorge Jesús Galicia Romero

EXAMINER

José Carlos Rivera Nava

SECRETARY

Jacobo G. Martínez Flores

ALTERNATES

Patricia García Gutiérrez
Moisés Tiktin Nickin
Arturo Acevedo Aceves
Carlos González Juanes

A. INDEPENDENT MEMBERS

Carlos Ayón Cárdenas
Manuel Galicia Alcalá

A. EXAMINER

Alejandro de Alba Mora

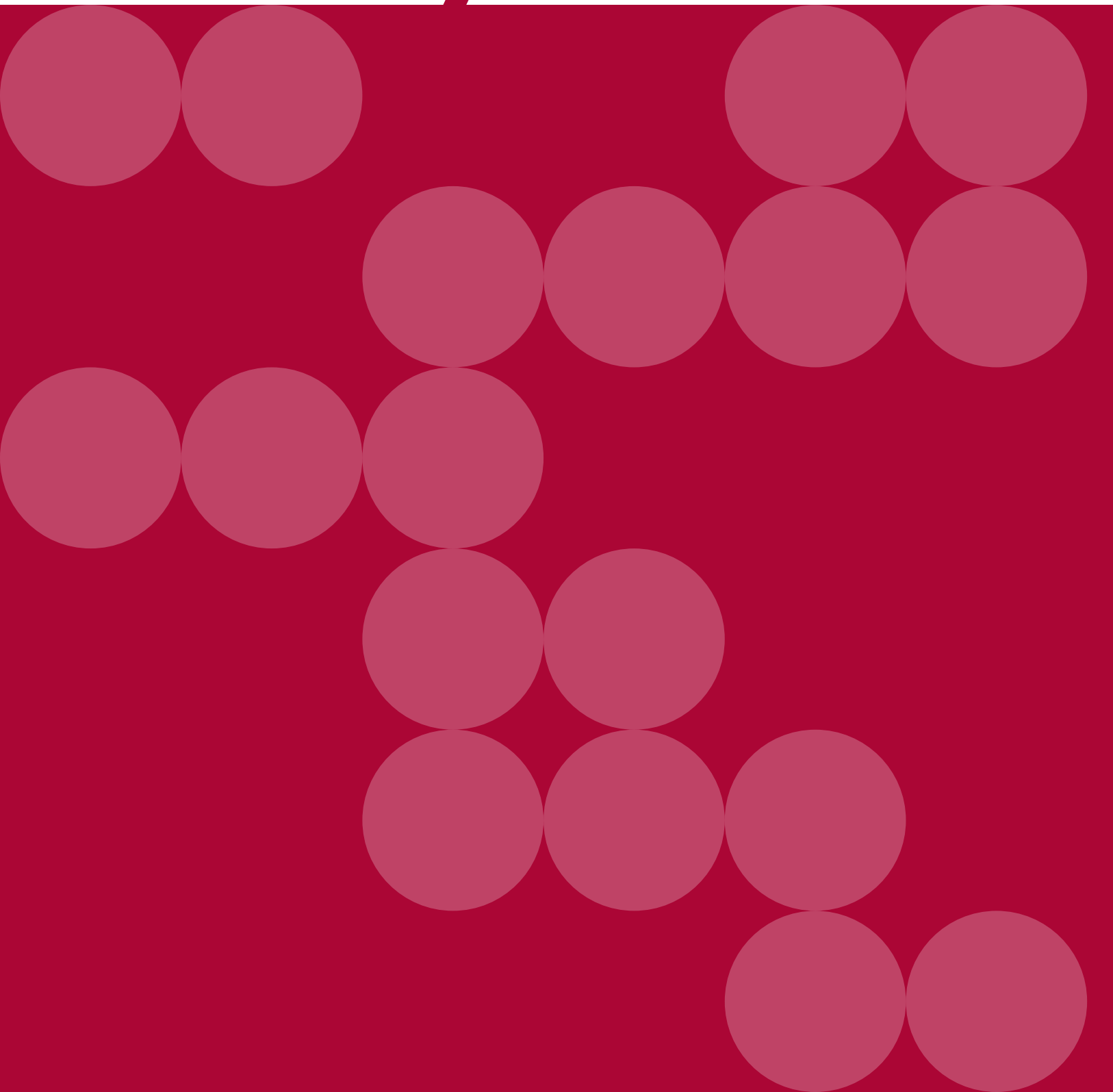
A. SECRETARY

Erik Alberto García Tapia

Monex also has intermediate management entities called Committees, whose primary responsibility is to address any issue that may arise in order to ensure the company's ongoing operation, and see to the security and oversight of the activities pertaining to each of the financial entities that make up the group.

- Evaluation and Compensation Committee
- Auditing Committee
- Planning, Systems, and Finance Committee
- Communication and Control Committee
- Risk Committee
- Credit Committee

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II. Executive Team

MONEX GRUPO FINANCIERO

Héctor Lagos Dondé
CHIEF EXECUTIVE OFFICER

BUSINESS AREAS

Moisés Tiktin Nickin
EXECUTIVE MANAGING DIRECTOR OF
BUSINESS DEVELOPMENT

Enrique Robles Señkowski
CENTRAL REGION MANAGING DIRECTOR

Ernesto López Quezada
METRO REGION MANAGING DIRECTOR

José Luis Rosiñol Morando
NORTHERN REGION MANAGING DIRECTOR

Mauricio Robles Señkowski
WESTERN REGION MANAGING DIRECTOR

Rodolfo Beguerisse Demongin
REGIONAL MANAGING DIRECTOR, SOUTHERN REGION

Alejandro Hernández Treviño
EXECUTIVE VICE PRESIDENT SECURITIES SALES

Carlos E. González Juanes
EXECUTIVE MANAGING DIRECTOR, BANKING PRODUCTS

Fernando J. Vizcaya Ramos
EXECUTIVE VICE PRESIDENT INVESTMENT BANKING
AND FIDUCIARY TRUST

Juan Pablo Diaque Dondé
EXECUTIVE VICE PRESIDENT, BANKING PRODUCT SALES

CORPORATE FUNCTIONS

Arturo Acevedo Aceves
MANAGING DIRECTOR PRODUCTS

José Antonio García León
MANAGING DIRECTOR ADMINISTRATION

Patricia García Gutiérrez
MANAGING DIRECTOR HUMAN RESOURCES
AND COMMUNICATION

Rafael Chávez Sánchez
MANAGING DIRECTOR CUSTOMER SERVICE

David Mejía Rodríguez
MANAGING DIRECTOR IT

Jacobo Martínez Flores
MANAGING DIRECTOR GENERAL COUNSEL

Miriam Álvarez del Castillo Mercado
MANAGING DIRECTOR COMPLIANCE AND
INTERNAL CONTROL

Grocio Soldevilla Canales
EXECUTIVE VICE PRESIDENT RISK MANAGEMENT

Enrique Monroy Pacheco
EXECUTIVE VICE PRESIDENT FOREIGN EXCHANGE
AND FIXED INCOME SECURITIES

Rubén Fernández de la Torre
EXECUTIVE VICE PRESIDENT FOREIGN
EXCHANGE TRADING

Tomás Noriega Noriega
EXECUTIVE VICE PRESIDENT FIXED INCOME DESK
AND CORROS

Jorge Ramos Landero
EXECUTIVE VICE PRESIDENT INTERNATIONAL
AND EQUITY

Ricardo Güido Williamson
EXECUTIVE VICE PRESIDENT DERIVATIVES TRADING

Adolfo M. Negrete García
EXECUTIVE VICE PRESIDENT CORPORATE SAVINGS

Carlos Capetillo Cervera
EXECUTIVE VICE PRESIDENT CREDIT PRODUCTS

Iván Brito Castañeda
INTERNAL AUDITING

Management Team at Our Branches

AGUASCALIENTES	Javier Martínez Huerta
CANCÚN	Ma. Teresa González Díaz
CIUDAD JUÁREZ	Ramiro Coss Castillo
COZUMEL	Silvia Beatriz Cuevas Chuc
CULIACÁN	César Hernández León
CUERNAVACA	Mónica Escobar González
CHIHUAHUA	David Arturo Huereca Beltrán
ENSENADA	Juan Carlos Escobar
GUADALAJARA	Mauricio Robles Seńkowski
HERMOSILLO	Javier Humberto Rocha Ruíz
HOUSTON	Jesús Heiras Garibay
IRAPUATO	Luis Ernesto Martínez García
LEÓN	Armando Humberto Castro Rosas
LOS CABOS	Eduardo García Muñoz
MANZANILLO	Armando Ávila González
MATAMOROS	Ma. Teresa Hernández Danache
MÉRIDA	Luis García Rosado
METEPEC	Jesús Castillo Loya
MEXICALI	Isela Landeros Valle
MORELIA	Alejandra Pérez Cortés
MONTERREY	José Luis Rosińol Morando
MONCLOVA	Mauricio Cantú Garza
NUEVO LAREDO	Héctor Lazcano Perea
PACHUCA	Carlos Alberto Martínez Herrejón
PIEDRAS NEGRAS	Jorge Alberto Gutiérrez Trueba
PLAYA DEL CARMEN	Pablo Watson Rincón
PUEBLA	Rodolfo A. Beguerisse Demongin
PUERTO PEÑASCO	Jorge Adolfo López Celaya
PUERTO VALLARTA	Esteban Peña Pelayo
QUERÉTARO	Javier Benítez Cortina
REYNOSA	Armando Arturo Benavides Valadez
SALTILLO	Hilda Sofía Pamanes Recio
SAN LUIS POTOSÍ	Francisco Granados Espinosa
SAN MIGUEL ALLENDE	Fernando Ibarra Avilés
TAMPICO	Sandra Olivia Peralta Martínez
TAPACHULA	Rodolfo A. Beguerisse Demongin
TIJUANA	Gilberto Salazar Salazar
TORREÓN	Ma. del Carmen Barrientos Zamora
VERACRUZ	José Alfredo Mendoza Diez
VILLAHERMOSA	José Luis Orozco Hernández
ZACATECAS	Oscar Villaseńor López

I 2. Relevant financial Information

MONEX GRUPO FINANCIERO, S.A. DE C.V. AND SUBSIDIARIES

RELEVANT FIGURES TAKEN FROM THE
AUDITED BALANCE SHEET
AS OF DECEMBER 31ST, 2006 AND 2007
(MILLIONS OF PESOS)



ASSETS

	2007	2006
Cash and cash equivalents	\$2,988	\$1,279
Marketable Securities	692	914
Securities and derivatives transactions	10	23
Credit portfolio, net	663	287
Other receivables, net	2,989	182
Property, plant, and equipment, net	148	150
Permanent stock investments	84	73
Deferred taxes, net	45	36
Other assets	111	126
Total Assets	\$7,730	\$3,070

NOTE: AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2006
ARE AVAILABLE FOR REVIEW AT WWW.MONEX.COM.MX,

**MONEX GRUPO FINANCIERO, S.A. DE C.V.
AND SUBSIDIARIES**

RELEVANT FIGURES TAKEN FROM THE
AUDITED BALANCE SHEET
AS OF DECEMBER 31ST, 2007 AND 2006
(MILLIONS OF PESOS)

LIABILITIES AND EQUITY

	2007	2006
Deposits	\$1,364	\$32
Bank borrowings	167	118
Securities and derivatives transactions	7	15
Other accounts payable		
Income Tax and PTU tax, payable	159	30
Various creditors and other accounts payable	5,202	1,963
	5,361	1,993
Total Liabilities	\$6,899	\$2,158

STOCKHOLDERS' EQUITY

	2007	2006
STOCKHOLDERS' EQUITY		
Contributed capital	394	528
Earned capital		
Accumulated	399	333
From non-monetary assets	-1	-2
Subtotal	398	331
Minority interest	39	53
Total Stockholders' Equity	831	912
Total Liabilities & Equity	\$7,730	\$3,070

NOTE: AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2006
ARE AVAILABLE FOR REVIEW AT WWW.MONEX.COM.MX,

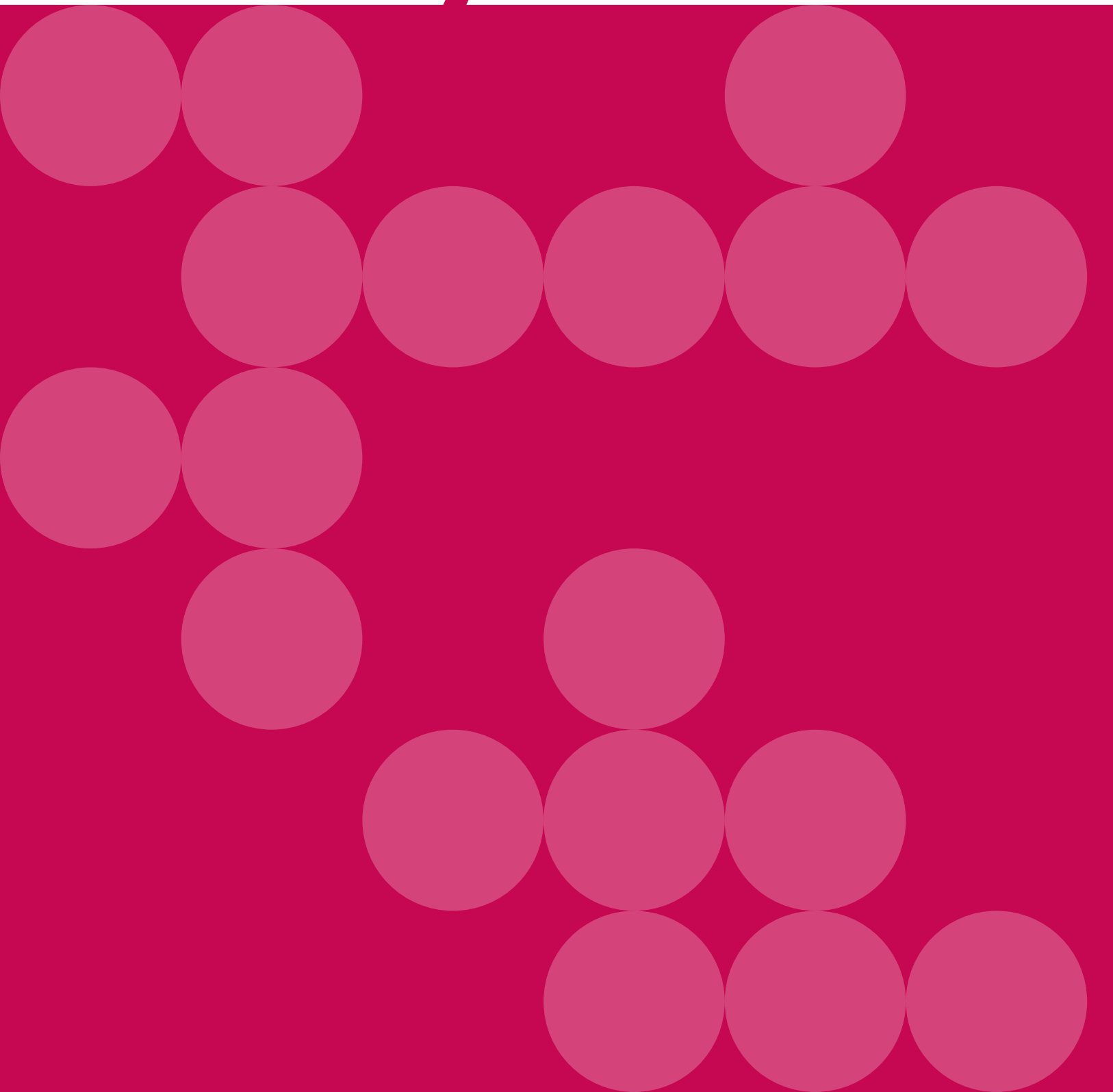
MONEX GRUPO FINANCIERO, S.A. DE C.V.

RELEVANT FIGURES
JANUARY 1ST – DECEMBER 31ST, 2007

	Amount	% Var
Amounts traded and holdings		
Foreign exchange traded (millions of US dollars)	140,146	
Foreign exchange traded with customers (millions of US dollars)	66,616	
Derivatives (millions of US dollars)	2,114	
Equity (millions of pesos)	59,219	
Holdings (millions of pesos)		
Funds	5,524	
International	2,973	
CREDIT		
Amount placed		
Inventories	177,777,291	
Imports (US dollars)	33,374,171	
OPERATING REVENUE (thousands of pesos)	1,852,482	100.00%
Trading and valuation results	1,753,223	94.64%
Foreign exchange	1,302,592	70.32%
Securities	373,181	20.14%
Fixed income	89,693	4.84%
Investment Funds	59,152	3.19%
International	71,642	3.87%
Equity	152,694	8.24%
Derivatives	35,168	1.90%
Corporate funding	42,281	2.28%
Credit placement	28,712	1.55%
Commissions on Siefore balances	40,012	2.16%
Other operating revenue (Net)	30,535	1.65%
Operating income	693,916	37.46%
Income before taxes	526,459	28.42%
Net income	366,371	19.78%

NOTE: AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2006
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Grupo Financiero Monex

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