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Graduate Student Managed Investment Fund
Research Report

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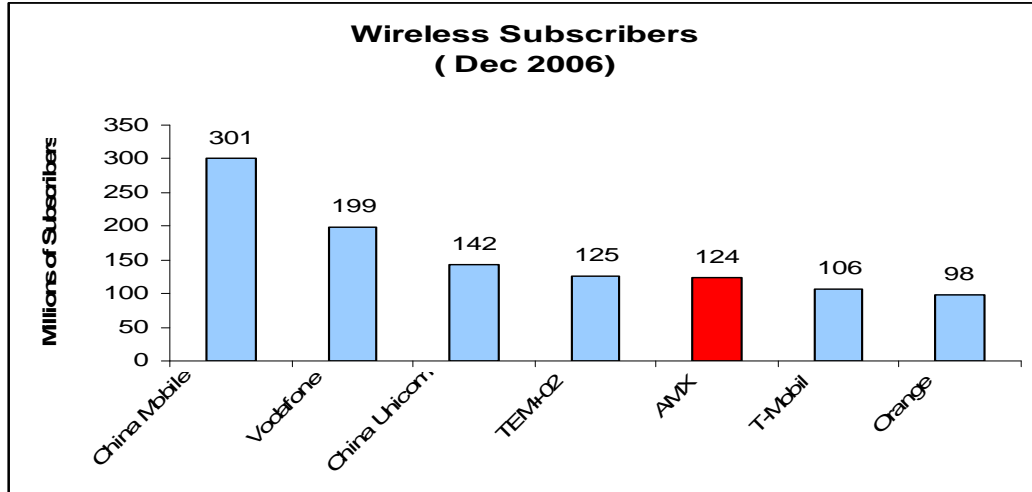
Executive Summary

Based on the research compiled in this report it is the class consensus to purchase 400 shares of America Movil corp. (ADR), ticker symbol AMX, at the current market price. After performing several forward-looking financial projections, we arrive at a stock price of \$81.38 a share. This represents the price that we believe is its value today, and what we would be willing to pay for a share in America Movil stock today. Comparing this to where the stock price has actually been trading during the past few weeks, (\$61.00 to \$62.00 range), it is at a very good value.

America Movil has proven to be a worthy competitor within the telecommunications industry since its inception in 2000. AMX has managed to stay under the radar of major companies like AT&T, Sprint, and Verizon. Focusing on underdeveloped countries has allowed them to make a strong name for themselves throughout Latin America. They are beginning to utilize advanced wireless technologies such as WiMAX to expand the customer base while minimizing the amount of infrastructure normally needed to support large markets. The following is a company overview and analysis giving further reasons why St. Johns University should invest in America Movil.

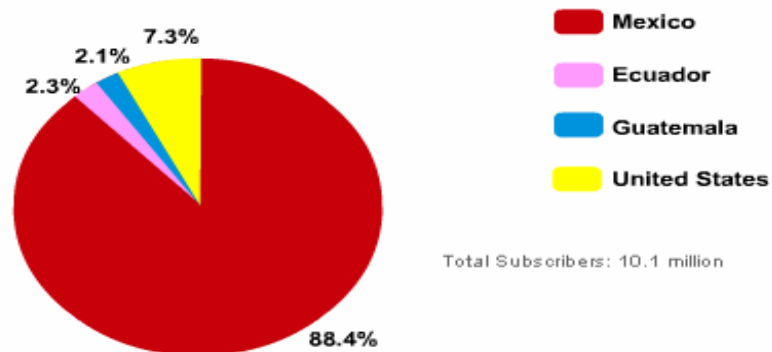
Business Description

America Movil, S.A.B. de C.V. (AMX), is a corporation organized under the laws of Mexico. It is Latin America's largest wireless company and, in terms of subscribers, the fifth largest wireless provider in the world.

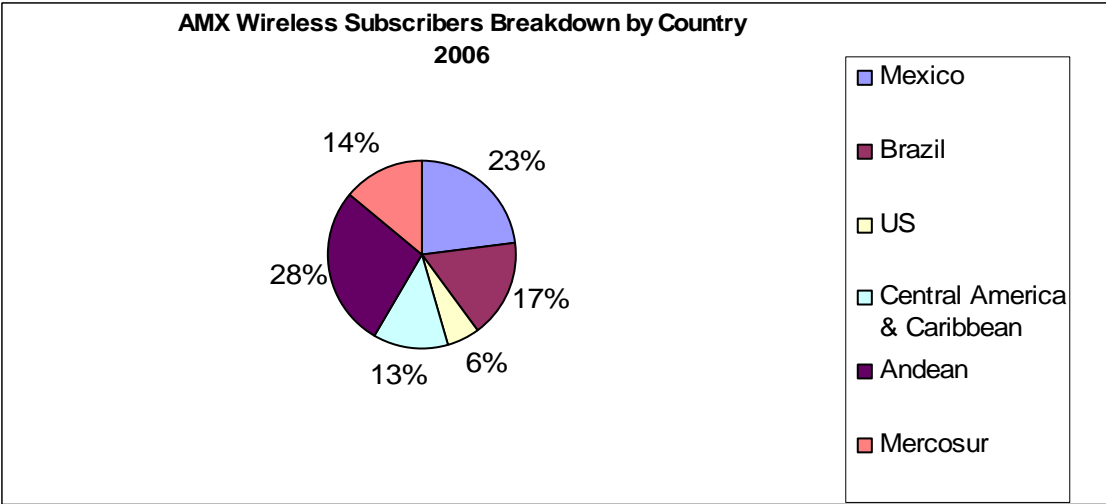


The company was formed in September 2000 as a result of a spin-off from Telmex, (Telefonos de Mexico, S.A. de C.V.), Mexico's largest provider of local and long distance telephone services. At that time, America Movil had operations in Mexico, Guatemala, Ecuador, and the United States and was serving approximately 10.1 million customers.

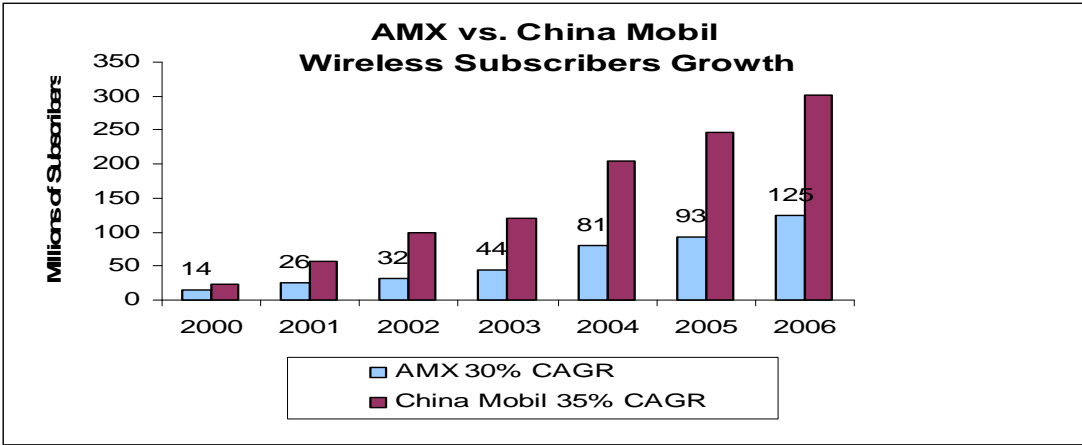
América Movil Wireless Subscriber Breakdown by Country
September 30, 2000



America Movil now operates in fifteen countries and has a total subscriber base of 124.8 million. The break down by country is given in the chart below. The Company's principal markets of operations are Mexico and Brazil, the two largest economies in Latin America.



Since its beginning, the company has expanded quickly through a combination of organic growth and acquisitions. Almost three quarters of AMX’s present subscriber base was obtained through organic growth alone. America Movil had averaged above 30 % subscriber growth per year for the last six years. The company has increased its market share in the region from the low twenties in 2000 to more than 48% in 2006.



The wireless penetration in Latin America has increased significantly since America Movil began expanding its footprint in the region. In 2000, at the time of the spin-off,

penetration was at 13%. Today it is above 55%. The region as a whole could add up to more than 100 million new subscribers in the next three years, out of which America Movil could get more than half.

In an effort to offer incomparable coverage and service to its customers, America Movil has invested considerable resources in providing an extensive wireless voice and data network throughout Latin America. Since its commencement, America Movil has invested 14.5 billion dollars across its operations. SMS (short message service), MMS (multimedia message service), mobile connection, localization services, “info-entertainment”, internet access, and Blackberry service are just some of the wireless voice and data services that America Movil provides. In October 2002 the company launched GSM (Global System for Mobile communications) and GPRS (General Packet Radio Service) technology throughout Mexico and followed suit throughout its other operations in 2003. Today, America Movil is the only wireless company that offers a common GSM and GPRS platform throughout its operations in Latin America, allowing for seamless GSM roaming for voice and data. In 2004, AMX adopted EDGE (Enhanced Data Rates for GSM Evolution) technology in order to expand the breath of value-added products available to corporate and mass-market clients.

Subscriber and usage growth has driven the strong increase in America Movil’s revenue, EBITDA and operating profits. Revenues increased 38% per year on average from 2000 to 2006 while EBITDA soared 11.5 times in the same period. In six years operating profits totaled 160.5 billion pesos.

Today, America Movil is the largest privately held public company in Latin America, with a market value that has grown six times since the spin-off in 2000. The company

distinguishes itself from its competitors through its broad coverage, superior-quality services, cutting-edge products, and diligent attention to the needs of its customers.

Recent Activities

America Movil has continued to expand its operations throughout Latin America and has consolidated its leadership position in the regions wireless market. In December 2006, America Movil acquired 100% ownership in Verizon Dominicana from Verizon Communications Inc. It is the largest telecommunications services provider in Dominican Republic with over 750 thousand fixed lines and 2.1 Million wireless subscribers. The company was fully consolidated in December. Also in December 2006, America Movil and Telecom's Shareholders Assemblies approved the merger of America Movil. The merger became official on December 13th.

Management

1) Carlos Slim Helu

Honorary Chairman

Carlos Slim Helú (born January 28, 1940 in Mexico City) is a Mexican businessman. He is the second richest person in the world according to *Forbes* with an estimated fortune of US\$53.1 billion. Slim has a substantial influence over the telecommunications industry in Mexico and indeed the whole Latin American region. He has controlled *Teléfonos de México* (Telmex), Telcel and *América Móvil* companies. Slim has been vice-president of the Mexican Stock Exchange and president of the Mexican Association of Brokerage Houses. He was the

first president of the Latin-American Committee of the New York Stock Exchange Administration Council, and was in office from 1996 through 1998. He was on the Board of Directors of the Altria (Previously Philip Morris) Group (resigned in April, 2006) and Alcatel. He was on the Board of Directors of SBC Communications until July 2004 to devote more time to the World Education & Development Fund, which focused on infrastructure, health and education projects. He built an important Mexican financial-industrial empire, Grupo Carso, which owns, among other companies the CompUSA electronic retail chain.

After 28 years he became the Honorary Lifetime Chairman of the business. He is also Honorary Chairman of *Teléfonos de Mexico*, *América Móvil* and Grupo Financiero Inbursa. On March 29th, 2007, Slim overtook Warren Buffett to become the second richest man in the world. His fortune stands at an estimated \$53.1 billion, compared with Warren Bufett's \$52.4 billion. Slim gained notoriety when he led a group of investors that included France Télécom and Southwestern Bell Corporation in buying *Telmex* from the Mexican government in 1990 in a public tender during the presidency of Carlos Salinas. Today, ninety percent of the telephone lines in Mexico are operated by Telmex. The mobile company, Telcel, which Carlos Slim Helú also controls, operates almost eighty percent of all the country's cellphones.

These operations have financed Mr. Slim's expansion abroad. Over the past five years, his wireless carrier América Móvil has bought cellphone companies across Latin America, and is now the region's dominant company, with more than 100 million subscribers. Slim was once MCI's largest shareholder, with 13 percent ownership. On April 11, 2005, The Wall Street Journal announced that he had sold his stake in MCI to Verizon Communications of the United States. Slim also is a common shareholder of US Commercial, SA de CV which wholly owns CompUSA Inc.

Slim has been awarded the Entrepreneurial Merit Medal of Honor from Mexico's Chamber of Commerce; he received the "Golden Plate Award", granted by the American Academy of Achievement, and the Belgian Government awarded him the Leopold II Commander Medal. In the year 2000, Carlos Slim Helú organized the Fundación del Centro Histórico de la Ciudad de México A.C. (Mexico City Historic Downtown Foundation), whose objective is to revitalize and rescue Mexico City's historic downtown, for more people to live, work and find entertainment in this area. He is Chairman of the Executive Committee for the Restoration of the Historic Center since the year 2001. Additionally, as part of his philanthropic work, he heads the Latin America Development Fund project.

2) Patrick Slim Domit

Chairman and member of the executive committee

Patrick Slim Domit has been Chairman and member of the executive committee since 2004. He is the son of honorary lifetime chairman Carlos Slim Helu. Some of the other directorships he holds include Director of Carso Global Telecom, S.A., América Telecom, S.A., U.S. Commercial Corp., S.A. de C.V. and Grupo Sanborns, S.A. de C.V.

His business experience includes Chief Executive Officer of Grupo Carso, S.A. de C.V.

3) Daniel Hajj Aboumrad

Chief Executive Officer

Daniel Hajj Aboumrad has been a director of America Movil since 2000 and is a member of its executive committee. Aboumrad serves as a director of Radiomvil Dipsa. He also serves as the chief executive officer of America Movil. He is a director of Carso Global

Telecom, America Telecom, and Grupo Carso. He is the CEO of Huelera Euzkadi. His experience in the telecommunications market makes him well suited in his role as CEO of America Movil. His strategies for this company have included heavy investment, excellent coverage, a quality network, extensive distribution, great marketing, and continued competitiveness in pricing. He is the son in law of honorary lifetime chairman Carlos Slim Helu.

Industry Analysis

For the most part the telecom sector has been doing significantly better and appears to be more capable of progressing to the next level than it was just a few years ago. It is important to know a little history about the industry to know more about the current state it is in today. During the early 2000's there were collapses on a worldwide level that greatly damaged a number of the telecommunication firms. There have also been some mergers involving industry leaders that have drastically impacted the sector. Another large factor that has heightened levels of competition is the widespread use of these technologies throughout the world. Issues that are expected to have long lasting effects on the telecommunications sector are the reduction of government control and privatization. The final factor that is expected to affect the market is the revolutionary advancements in technology.

Cell phones have caught on so quickly on a worldwide level that they have become the fastest selling electronic product the consumers buy today. There have been estimates made that an excess of 800 million cell phones are purchased each year. Another positive fact about

the industry is that since cell phones now have digital cameras built into them, the sales of these phones exceed the sales of digital cameras. Revolutionary advancements with technology are allowing new products to be more compact and are equipped with more features. Features such as being Internet capable and Personal Digital Assistants (PDA's) with computer applications. Other advancements in this sector deal with the wireless Internet and networking that has been growing at a fast pace throughout the world. Meanwhile, wireless networking and wireless Internet access are developing and expanding on a global basis at a rapid rate. Some of the more current technologies that have been popping up in the industry are Wi-Fi, Wi-Max, Ultra Wide Band (UWB), as well as Bluetooth. There is also a technology called Telematics, which is intelligent transportation systems (ITS) and satellite radio will also create a new form of entertainment.

There is going to be all sorts of advancement with navigation and communication systems that will change the entertainment capabilities in cars and trucks. Another new technology is Radio Frequency Identification (RFID), which will help to advance the way wireless tracking works. This will help companies with monitoring inventory levels as well as monitoring manufacturing, shipping, and retailing. While technological advancements can help an industry, they can also hurt industries that are using the technology. Existing companies are put at a disadvantage by having to upgrade their systems while companies entering the industry can start up using the latest technologies.

The telecommunications sector probably reaches out to the vast majority of businesses whether they are technology related or not. This includes local and long distance telephone services, wireless communications, Internet, satellites and fiber optics. One of the other industries that telecom had become involved with is the cable TV industry. Both are offering

similar products in relation to phone and Internet services. As time goes by these two sectors are beginning to grow more closely together due to the fact that phone companies are offering television service through Internet technologies in an attempt to expand their business.

There are several factors that will help take the telecom sector to the next level by the end of 2007. Innovation and ingenuity, along with a sensible method of spending and investing will play a large role in this. Also, advanced technologies with cell phones, cable telephony, wireless systems, and VOIP will greatly contribute to this evolving industry. Another factor that is coming into the sectors favor is that the cost of cellular phone calls are becoming less expensive and the makers of cell phones are constantly equipping the phones with new features.

One of the threats that are facing this sector is that Internet access through wireless connections is becoming more advanced and more readily available. One of the ways that this is causing problems is because government agencies are providing free wireless Internet to the public. Some of the advances taking place may allow for one location to be able to provide an entire city with wireless access. Currently Wi-Fi has a range of approximately 100 feet. WiMAX on the other hand is more advanced and not widely used yet. This allows for a wireless connection of approximately 30 miles. This new technology is not only threatening broadband suppliers, it is also placing landline and cell phone companies in jeopardy. However, at the same time this is helping newer companies like America Movil who don't already have existing infrastructure. They are capable of using these wireless devices to reach out to new customers and having them subscribe to services without running lines directly to them. This gives America Movil the advantage of establishing networks in other areas quicker and cheaper.

More and more consumers are realizing the reliability and value that can be provided by using a phone service via the Internet. As the demand for these services continues to grow so does the number of service providers. Both homes and businesses are utilizing these technologies that are contributing to the fast paced expansion that the sector is experiencing. Its not just startup companies that are providing these services like Vonage and Skype, industry leaders such as AT&T, Qwest, and Comcast are also beginning to enter this segment of the market. In other market segments such as the local phone companies, fiber optic cable is being installed in neighborhoods, homes, and businesses to provide faster Internet connections and superior entertainment features in an attempt to retain their customer base.

Within the United States, telecom companies are in the process of upgrading the existing networks to 3G. This will provide the customer with an enhanced level of service to where other countries already are. There have also been a number of mergers and acquisitions within the industry. In 2004 there was a merger in which AT&T acquired Cingular. There were also mergers that took place in 2005 and 2006. One of those mergers was when AT&T merged with SBC and the other was when Verizon merged with MCI WorldCom. As a result of these mergers the entire composition of this sector has shifted.

Legislation and new policies are being created in the United States and have the potential to create extreme changes to the way business is conducted within the industry. As a whole, the telecommunications industry will remain in a continuous state of technological advancements and economic fluctuation.

In the grand scheme of things America Movil is in a good position for further growth. By focusing primarily on regions with significantly less advanced technologies, they are able

to develop infrastructures and capture a good portion of the market share for both wireless customers and fixed line customers.

SWOT Analysis

Strengths

America Movil is the largest mobile network operator in Latin America and the largest corporation in Latin America. The founder of the company is Carlos Slim Helú, the richest man in Mexico and the 2nd richest in the world. In 2005 AMX was ranked the number 1 Information Technology company by Business Week magazine. In February of 2007, AMX became the biggest corporation in Latin America. Through its subsidiary Telcel it is the largest mobile operator in Mexico. Having over 75 percent wireless market share in Mexico, competitive positioning is strong for America Movil. Some other America Movil facts (as of 12/31/2006) are:

- Operations in 15 countries (including U.S)
- 124.8 million mobile customers
- More than 2.2 million fixed lines in Central America
- Coverage for a combined population of 770 million
- State-of-the-art products and quality services
- Fitch's has its Issuer Default Rating (IDR) at 'BBB+', with positive outlook

We feel that America Movil should continually strengthen as the Latin American currency gets stronger. AMX has become a very widely known name and carries large weight

in both the Mexican and Latin America markets. Many top analysts including Merrill Lynch currently rate AMX a strong buy for the future. According to Merrill Lynch, there is significant growth potential going forward for America Movil. Management plans to maintain the company's capex figure stable at around 3.3 billion dollars per year during the next few years. This indicates that the free cash flow generation should substantially improve.

Weaknesses

Although America Movil is one of the largest company's within the mobile market, it possesses some flaws in comparison to its competitors. Emerging market weakness is its primary near-term risk. Persistent currency weakness is likely to continue to hurt AMX since all its revenues along with its costs, are in local currencies. In addition, AMX has become a very widely held name in both the Mexican and Latin American markets. Therefore, added redemptions or liquidity shocks could have an adverse affect on its name. The volatility around elections in Latin America can have a negative effect on AMX as well. Increased competition is another weakness; this is due to AMX being in a very popular industry. Slower subscriber growth and falling ARPUs (Average Revenue per User) is a rising concern. This is only relevant of course should consumption patterns change. In addition, churn rates being higher than US wireless service providers is seen a hurdle that AMX must overcome.

Opportunities

America Movil has a huge presence in Latin America and it also continues to expand worldwide. We believe that the Telefonica-Telecom Italia merger transaction is an opportunity for them to further their presence in Brazil and Argentina. It was seen as a threat to some but

we believe that TEF could face regulatory issues in both countries. AMX's Brazilian subsidiary could also eventually get more aggressive in order to accelerate its market share gains, although we do not expect to see any irrational behavior. America Movil continues to look for acquisition opportunities in Latin America, in particular Venezuela, Panama, Bolivia, and the Caribbean. It is also open to expanding into other regions if the price is reasonable. AMX has also launched an Edge- based push to talk services for individual clients in Mexico and expects to have 3G services available by the end of the year in about 45 of Mexico's largest cities. America Movil is on the cutting edge of wireless technology this is evident by the speed of which they delivery new products to the market.

Threats

Naturally, since America Movil is one of the leaders in its industry, it faces constant threats especially from its competitors. AMX's top 3 Latin American competitors are Lusacell, NII Holdings and Telefonica Moviles.

Lusacell is Mexico's #2 mobile provider. The company offers cellular services for about 90% of Mexico's population, including Mexico City. It has 1.5 million subscribers in which 75% are prepaid. The company also offers local and long-distance telephone, paging, and data carry services.

NII Holdings spreads its former parent's description of wireless communications beyond US borders. Previously known as Nextel International, the wireless carrier was formed in 1996 as a subsidiary of Nextel Communications. NII Holdings exports the Nextel brand to Latin America, which has approximately 3.4 million subscribers. Their service includes cellular phone, numeric and text messaging, two-way radio, and Internet access service.

The Spanish carrier *Telefónica* provides services to nearly 100 million customers. In Spain, it is the #1 mobile carrier with more than 20 million customers. It operates in 15 countries across three continents and also manages operations in Chile and Puerto Rico. Telefónica owns about 93% of Telefónica Móviles.

The occurrence of a macroeconomic slowdown or depreciation of Latin American currencies versus the U.S. dollar is always a factor that can impact America Movil. Being based in Mexico City, Mexico, brings upon a couple future possible threats. The sheer size and growth potential of the Mexican market may finally draw interest in a circumstance that large amounts of capital are chasing a fast decreasing number of opportunities in the budding market. At the same time, AMX struggles to keep up with new, more functional products or technology. There is always the likelihood of risk from the Global regulatory sector of the wireless industry.

AMX Main Risks

America Movil faces many regulatory changes. As in the case of many Mexican industries in Mexico, telecommunications seems to be under close analysis following the inception of the new administration. It also faces increased competitive pressures or infiltration into the very low-income areas of the market in Mexico, Brazil, Colombia and Argentina. Outdated technological is also a threat. A major factor that we must take into affect is how the volatility in the rate exchange between the US dollar, the Mexican peso and the Brazilian real affects the evaluation of the company stock.

New market entrants in Mexico could possibly present a medium term risk to profits as well. Specific risks also relate to the turnaround of the company's Brazilian business as a possible slowdown in the Mexican business could hurt AMX. Another very significant risk that can affect the target price of America Movil, is the shakiness in Brady rates, which are used by investors to set the risk-free rate. Outside Mexico, there could be some downside risk if a new company succeeds in entering the Brazilian market. Overall America Movil seems to be in a good position to alleviate several of its industry risks in the future and continue to thrive in the Telecom market.

Financial Analysis

In this section we will discuss America Movil's financial ratios and the trends that are evident in all their financial statements. The most noticeable observation is that AMX's ratios for the most part all seem to be improving as the company grows and becomes more mature with time. The ratios presented are for the 5-year time period beginning in 2002 through 2006. All data is as of the fiscal year end, which is December 31. The competitors chosen for industry trend comparisons are China Mobile, Vodafone Group, and Verizon. They were selected because each company is currently performing differently in the cellular telecom sector. China Mobile is leading the pack in several areas of analysis and is considered a very solid company. Vodafone Group portrays the opposite end of the spectrum with many ratios that are sub-par. Finally Verizon represents the Industry's moderate company which is considered by many to be performing reasonably. All are well known companies that are very recognizable in the cellular Telecom sector. The Industry composite is simply an average of the three companies shown.

Return on Invested Capital

						China Mobile*	Vodafone Group PLC*	Verizon*	
	2006	2005	2004	2003	2002	CHL	VOD	VZ	Industry
Return on assets (ROA)	17.20%	16.93%	11.46%	13.86%	5.28%	13.25%	-4.59%	3.47%	4.04%
Return on common equity (ROE)	42.93%	39.00%	24.02%	28.08%	9.30%	22.31%	-6.47%	12.80%	9.55%
Financial leverage index (ROE/ROA)	2.50	2.30	2.10	2.03	1.76	1.68	1.41	3.69	2.26
Equity growth rate	40.71%	22.37%	21.74%	26.59%	8.05%	14.57%	-15.85%	2.07%	0.26%
DuPont analysis:									
Adjusted profit margin	18.28%	17.37%	12.26%	17.49%	7.77%	22.38%	-55.86%	7.03%	-8.82%
x	x	x	x	x	x	x	x	x	x
Asset turnover	0.83	0.85	0.80	0.68	0.51	0.68	0.13	0.49	0.44
x	x	x	x	x	x	x	x	x	x
Financial leverage ratio	2.56	2.44	2.23	2.13	2.35	1.36	2.03	2.32	1.90
	42.93%	39.00%	24.02%	28.08%	9.30%	22.31%	-6.47%	12.80%	

*Most recent fiscal year end

In looking at America Movil's financial ratios, beginning first with their Return on Invested Capital ratios, we can see a steadily upward trend. This will be the case for most of the ratios we examine. ROA has been climbing since 2002 and looks as if it will continue to do so in the future. Assets have been increasing due to new additions in telephone plant & equipment as well as higher Intangible balances, from acquisitions of licenses and Goodwill. Cash and equivalents were also higher due in part to a smaller dividend declaration in 2006. ROA for AMX seems to be outpacing the competitors by a reasonable amount, this reflects management's ability to put the assets they have to good use. The Equity growth rate has also been astonishing due to net income increases coupled with lower dividends paid as discussed earlier.

The DuPont analysis is also used here to break down the different components of ROE and analyze them separately. Increased Profit margins reflect the company's steady income growth year over. The Asset turnover rate shows that assets are being used to generate sales in

a constant trend over the five-year period. The financial leverage of the firm also shows a very constant trend describing assets in 2006 being more than double the equity of the firm. In comparison to China Mobile, which has a 2.03 financial leverage ratio, AMX could have room for improvement but there is no cause for concern.

Analysis of Profit Margin

						China Mobile*	Vodafone Group PLC*	Verizon*	
	2006	2005	2004	2003	2002	CHL	VOD	VZ	Industry
Gross profit margin	53.32%	51.02%	51.45%	56.64%	57.52%	87.10%	-18.40%	60.30%	43.00%
Operating profit margin	29.16%	21.49%	21.86%	26.11%	17.64%	33.32%	-41.00%	15.17%	2.50%
Net profit margin	18.28%	17.37%	12.26%	17.49%	7.77%	22.38%	-55.86%	7.03%	-8.82%

*Most recent fiscal year end

Continuing with Profit Margins we see a gradual healthy upward trend in the Gross profit margin, since 2004, which is attributed to sales growth as well as the management effectiveness in keeping cost of sales down. Operating profits have also seen substantial growth due mostly from selling general & administrative expenses remaining constant year over year while sales and income have risen. Once again CHL leads the competitors with a very high gross profit margin, but as we look at the net margin we notice that the percentage decreases significantly. This can be attributed to CHL not controlling their costs as effectively as AMX. Vodafone has been in a bad position concerning profit margins for the past few years, which is the result of them in showing losses in their past 3 annual reports.

Capital Structure and Solvency

						China Mobile*	Vodafone Group PLC*	Verizon*	
	2006	2005	2004	2003	2002	CHL	VOD	VZ	Industry
Total debt to equity	1.01	0.80	0.81	0.77	0.96	0.11	0.23	0.47	0.27
Total debt ratio	50.33%	44.45%	44.74%	43.48%	49.04%	10.30%	18.84%	32.11%	20.42%
Long-term debt to equity	78.27%	60.16%	73.86%	58.03%	74.91%	10.52%	19.26%	37.26%	22.35%

*Most recent fiscal year end

The Total Debt to Equity ratio shows an increasing trend, which may be a small cause for concern. Equity Capital has been increasing in this time period but not as fast as total debt in 2006. This may be one risk factor for America Movil. On the positive side most of the Debt is Long Term with about 48% maturing after 2013. This gives them ample time to gather the funds needed for repayment. Also the average weighted cost of the borrowed funds at Dec 31, 2006 was approximately 6.88% down from 7.59% in 2005. All competitors here seem to have rather good solvency ratios. The consensus for the total debt to equity ratio is about .27, AMX stands at over 1, meaning that they have more debt on hand than equity capital. This might be one area to keep a closer eye on.

Asset Utilization

						China Mobile*	Vodafone Group PLC*	Verizon*	
	2006	2005	2004	2003	2002	CHL	VOD	VZ	Industry
Sales to inventories	12.11	13.75	11.98	17.86	19.08	98.22	79.92	5.82	61.32
Sales to total assets	0.73	0.77	0.69	0.62	0.51	0.60	0.15	0.47	0.40

*Most recent fiscal year end

Sales to Inventories have remained constant in the past 5 years with inventory growth being attributed to larger orders of cellular telephones, & accessories. This of course coincides with sales growth. The steady growth suggests that the inventory is not too large, and there is little stale, un-sellable inventory. In fact America Movil's reserve for obsolete slow-moving inventories has remained constant over time. Sales to total assets have also been increasing until 2006, which saw a slight downtrend. This should not cause any alarm because the downtrend is due to total assets outpacing total sales for 2006. China Mobil & Vodafone keep very little in the form of inventory on hand, that is reason for the disparaging ratios. This is not a threat for AMX however it is merely a difference due to the markets they do business in and their management's strategies. Vodafone shows a very low sales-to-total assets figure which goes along with them experiencing some financial difficulties as is portrayed in other ratios

Short-term liquidity

	2006	2005	2004	2003	2002	China Mobile*	Vodafone Group PLC*	Verizon*	Industry
						CHL	VOD	VZ	
Current ratio	0.89	0.67	1.01	0.74	0.83	1.22	0.49	0.70	0.80
Acid-test ratio	0.64	0.49	0.73	0.54	0.65	1.17	0.37	0.49	0.68
A/R turnover	6.28	7.03	8.54	10.24	11.06	27.53	2.13	8.79	12.82
Inventory turnover	6.64	7.34	8.04	9.52	12.08	14.39	73.84	21.25	36.49
Days' sales in receivables	65	62	55	44	39	13	43	44	34
Cash to current assets	38.08%	18.76%	29.86%	31.43%	42.83%	89.48%	37.03%	14.28%	46.93%
Cash to current liabilities	34.02%	12.65%	30.27%	23.34%	35.42%	109.14%	17.98%	9.97%	45.70%

*Most recent fiscal year end

In Short-term liquidity analysis, which is viewed by the current ratio, America Movil shows to have more current liabilities than it does current assets. This has been the trend for

them in every year expect for 2004, where their current assts were slightly more than their current liabilities. The Current liabilities increase is due to an increase in Accounts Payable and short-term debt. This is a reasonable increase because it signals the use of these funds for increase business activity. The growth of America Movil is very important to their success and if they do not use funds to grow the business then it will be detrimental to their profits. The acid test ratio, which shows their cash & equivalents over their current liabilities, has generally had a constant slope with the exception of 2004, which saw a spike in the ratio.

Accounts receivable turnover is on the decline in recent years signaling an increase in receivables. China Mobile has the edge in this category due to the low amount of receivables it has in comparison to its sales. Cash to current assets has been in the 32% range for the 5-year period, increasing to about 38% in 2006. When comparing it to CHL it seems small, but that is due to the extraordinarily high amount of cash CHL has on hand compared to its assets. Cash to Current liabilities has seen a spike from 2005 to 2006 due mainly from AMX keeping more cash on hand and not paying it out in the form of dividends.

Market Measures

						China Mobile*	Vodafone Group PLC*	Verizon*	
	2006	2005	2004	2003	2002	CHL	VOD	VZ	Industry
Earnings per share	2.60	1.97	0.80	1.93	0.52	2.15	-1.97	2.12	0.77
Dividend Yeild	0.30%	2.10%	0.13%	0.13%	0.25%	1.90%	4.20%	4.40%	3.50%
P/E Ratio	24.83	14.85	21.81	4.72	9.21	25.04	-	18.83	14.62

*Most recent fiscal year end

Earnings-per-share growth has been substantial throughout the above time frame. It rebounded from a low point in 2004 to hit 1.97 in 2005 and then at year-end 2006 it reached its

highest point to date at 2.60. Compared to its competitors, AMX has been above the market trend which is due in part to China Mobile having more shares outstanding than America Movil, 4 billion CHL compared to 1.7 billion AMX. The Dividend yield for AMX is not as high as its competitors, especially in 2006 where AMX did not declare as much in dividends as it did in 2005. The Price earning ratio also shows a general upward trend for the 5-year period, with 2006 seeing it hit a high of 24.83. Comparing this PE ratio with that of other companies in different sectors shows that a company with a PE in this range (19 – 25), is usually a growth stock. This can be seen here with AMX, as its earnings are expected to increase substantially in the future. China Mobile and Verizon are also in that general range which can be seen as an attribute to the Cellur Telecommunications industry as a whole.

1st Quarter 2007 Update

For the Quarter ending March 31, 2007 America Movil showed some very promising advances. They added 5.9 million subscribers through its continuing operations in all their subsidiaries and affiliates. They also added 564 thousand subscribers when they acquired a 100 percent stake in Verizon's Telecomunicaciones de Puerto Rico. This brought its total wireless subscriber base to over 131 million. The company also had additions to there total landlines, 3.9 million to be exact, coming from their operations in Central America and the Caribbean.

Revenues for the first quarter saw an increase of 28% from the previous year. America Movil's operating profits also rose significantly in the first 3 months of the year seeing a 66% jump from last years first quarter. Net profits rose as well with gains of over 52% on a year

over year basis. This continued growth is what makes America Movil such an attractive investment opportunity, in which St. Johns should take advantage of.

Financial Model

The financial model is based on projections provided by the management and Wall Street consensus. We believe that it is fairly robust.

Revenue

AMX has a leading market share in the majority of the countries it operates and given its state of the art “3G” network (superior to traditional land line), is poised for strong future growth relative to the industry. Mexico and Brazil are the two largest economies in Latin America and represent the majority of their revenue and subscriber base. Revenue in the wireless telecom sector is primarily derived from: i) subscriber fees (pre-paid and post-paid), ii) services (i.e. data), and iii) equipment (i.e. handsets). The key metric is “ARPU” or average revenue per user which combines all three variables.

Mexico is the principal geographic market accounting for ~50% of total revenues and 40% of wireless subscribers in 2005. Telcel has been tracking well above expectations (revenue growth of 20% yoy), albeit, at a slower growth rate as penetration increases in the post-paid market. Going forward, however, AMX believes the prepaid market represents a large and growing under-penetrated market in Mexico. Compared to the average postpaid plan, prepaid plans involve higher average per minute airtime charges, lower customer acquisition

costs and billing expenses, and low credit or payment risk. However, prepaid customers on average have substantially lower minutes of use than postpaid customers and do not pay monthly fees and, as a result, generate substantially lower average monthly revenues per customer.

New Growth Opportunities: AMX management also announced that its new push-to-talk (PTT) services for residential customers in Mexico have captured 200 thousand subscribers in three months of operations. We believe that both PTT services and 3G technology should help AMX to increase the amount of data transmission revenues, which currently account for around 14% of service revenue on a consolidated basis.

Brazil: 17% of AMX's revenues and 14% of wireless subscribers since 2004, but contributed practically nothing to AMX's consolidated EBITDA, mainly because of the very competitive pricing landscape. Although the number of competitors has decreased primarily as a result of consolidation, competition in the Brazilian wireless industry is substantial and varies by region. In addition to American Móvil, there are four other groups in Brazil with significant nationwide coverage. The largest is Vivo, a joint venture between Telefónica Móviles of Spain and Portugal Telecom.

The market and competitive conditions are independent in the different markets in which we operate, and they are sometimes subject to rapid change. As a result, we believe a 10% blended revenue growth through 2011 is reasonable.

Profitability

AMX management expects its EBITDA to expand to 50% margins by 2010, supported by an increase in the penetration rates from around 60% to 80-85%. This is the first time that the company has spoken about such a high level of wireless penetration. The benefits of America Movil's enormous scale is beginning to kick margins higher in company's major markets. As subscriber growth begins to slow (on a year-over-year results are benefiting from the reduction in gross CPGA expenses, as lower subsidies helping to drive margins higher).

As a result, we believe decreasing COGS by 150bps through 2011 and maintaining SG&A flat over the projection period is reasonable.

Capex

Management plans to maintain the company's capex figure stable at around US\$3.3 billion per year during the next few years, which indicates that the free cash flow generation should substantially improve. Capex requirements are necessary for organic growth in Brazil and other developing nations. Despite low capex budget (\$3Bn annually) per management projections, we assumed capex as % of revenues would decline 2% over time (~\$4Bn). This is marginally more conservative as we believe further acquisitions would require higher capex requirements.

FINANCIAL MODEL

Based on company and industry growth trends explained previously, we used the following assumption to project future financials:

- Net revenue growth of 30% in '07 and of 10% through 2011

- Cost of goods sold decreases by 150 basis points per year
- SG&A expenses remains constant at 16.5%
- Annual normalized tax rate
- D&A constant at 9.4% of revenues
- CAPEX decreases by 200bps through 2011

Common Size Income Statement

	Actual					Projected					
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Net Revenue Growth	32.9%	34.5%	50.1%	40.8%	28.3%	30.0%	10.0%	10.0%	10.0%	10.0%	
COGS, % of Revenue	(1.5)%	57.2%	60.0%	62.2%	60.7%	58.3%	56.8%	55.3%	53.8%	52.3%	50.8%
SG&A Expenses, % of Revenue	0.0%	21.3%	19.3%	20.2%	20.9%	16.5%	16.5%	16.5%	16.5%	16.5%	
Effective Tax Rate	31.1%	10.5%	41.8%	1.3%	31.2%	31.2%	31.2%	31.2%	31.2%	31.2%	
Depreciation & Amortization	850.8	1,282.3	1,579.1	1,579.1	2,490.1	\$ 2,633	\$ 2,896	\$ 3,186	\$ 3,504	\$ 3,855	
D&A, % of Revenue	14.4%	16.1%	13.2%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	
Capital Expenditures, % of Rev	(2.0)%	42.7%	26.0%	15.7%	25.7%	19.5%	17.5%	15.5%	13.5%	11.5%	9.5%

Financial Projections

America Movil						
Income Statement						
<i>(All figures in millions, except per share data)</i>						
Fiscal	Projected					
	2006	2007	2008	2009	2010	2011
Net Revenue	21,526.0	\$ 27,984	\$ 30,782	\$ 33,860	\$ 37,246	\$ 40,971
Cost of Sales	(12,556.0)	(15,903)	(17,032)	(18,227)	(19,491)	(20,825)
Gross Profit	\$ 8,970	\$ 12,081	\$ 13,751	\$ 15,634	\$ 17,756	\$ 20,146
SG&A Expenses	(3,541.6)	(4,604)	(5,064)	(5,571)	(6,128)	(6,741)
Operating Income	\$ 5,428	\$ 7,477	\$ 8,686	\$ 10,063	\$ 11,628	\$ 13,405
Net Interest Expense	(803.0)	(803)	(803)	(803)	803	803
Pre-Tax Income	\$ 4,625	\$ 6,674	\$ 7,883	\$ 9,260	\$ 12,431	\$ 14,208
Income Taxes	(1,443.4)	(2,083)	(2,460)	(2,890)	(3,879)	(4,434)
Net Income	\$ 3,182	\$ 4,591	\$ 5,423	\$ 6,370	\$ 8,551	\$ 9,774
Total Shares Outstanding	1,223.8	1,148.0	1,148.0	1,148.0	1,148.0	1,148.0
Earnings per Share	\$ 2.60	\$ 4.00	\$ 4.72	\$ 5.55	\$ 7.45	\$ 8.51
EBITDA	\$ 7,919	\$ 10,110	\$ 11,582	\$ 13,248	\$ 15,132	\$ 17,260
EBITDA Margin	36.8%	36.1%	37.6%	39.1%	40.6%	42.1%
Capital Expenditures	4,198	\$ 4,898	\$ 4,772	\$ 4,572	\$ 4,284	\$ 3,893
Simple Free Cash Flow	3,721	5,212	6,810	8,677	10,848	13,367

Variance with appendix data due to the use of Peso exchange rates to produce 2006 data.

Equity Valuation

To calculate the CAPM, we obtained the current treasury rate, calculated a three year firm beta, and an average of the yearly return on the S&P 500 over 12 years. These inputs yield a CAPM of 15.8%.

Risk Free	0.05
Return on the Market	0.114
BETA (3 YR)	1.68

CAPM 0.158

	2006	2007E	2008E	2009E	2010E	TERMINAL
FREE CASH FLOW	\$3,721	\$5,212	\$6,810	\$8,677	\$10,848	\$13,367
PV FCF		\$5,212	\$5,881	\$6,471	\$6,987	
Terminal Value						\$123,822
SUM PV FCF 2007-2010		\$24,551				
PV Terminal Value		\$68,871				
Estimated Firm Value		\$93,422				
# SHARES OUT		1,148.0				
Stock Value		\$81.38				

From the financial projections, we discount simple free cash flow for years 2007 – 2010. The firm is most likely representative of a firm in perpetual growth; thus, we have assumed a growth rate of 5%. To arrive at the terminal value of the firm, the free cash flow in the terminal year is divided by the CAPM minus the growth rate of the free cash flow. This figure is discounted using the CAPM. The present value of the terminal year free cash flow summed with the present value of the other projected years of free cash flow is the stock value of the firm.

We arrive at a stock price of **\$81.38**. This is the price we should be willing to pay for a share of stock in America Movil today.

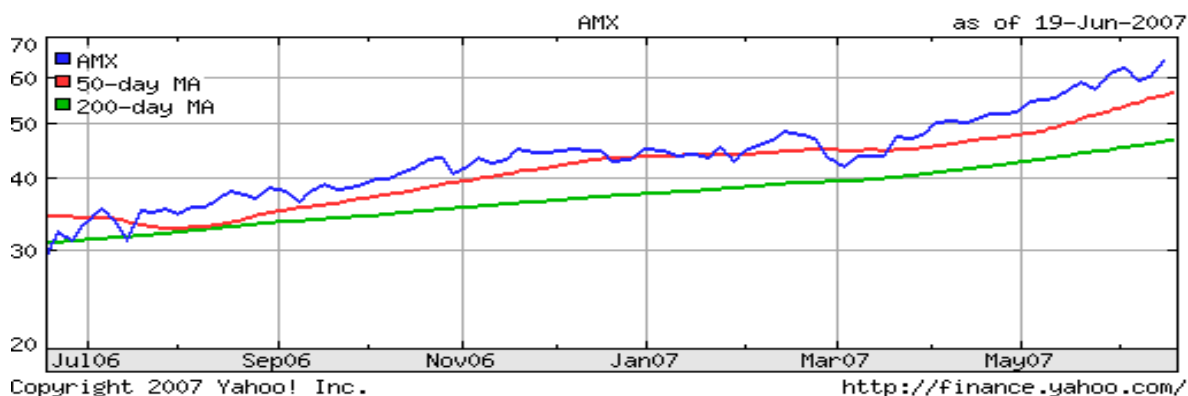
Technical Analysis

In order to support our buy-recommendation, and complete the evaluation of America Movil S.A.B. de C.V stock, we performed a valuation based on the Earnings Multiplier. The tables below will further indicate whether the stock is overvalued or undervalued. The following evaluations used the Earnings Multiplier to estimate the stock price for one year:

Estimated

Historical Price = Historical Average P/E x Current EPS x (1 + Projected EPS Growth Rate)

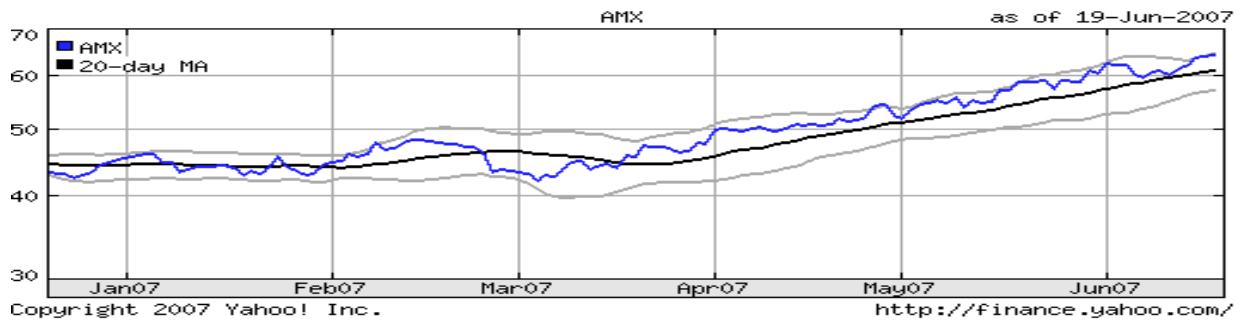
Figure 1: SIMPLE MOVING AVERAGE



Simple Moving Average (SMA):

AMX stock is compared with a 50-day Moving Average (MA) and a 200-day Moving Average (MA). In Aug'06, the 50-day MA touched the 200-day MA after which we experienced a Bull Run on the stock. AMX stock has outperformed both the averages mostly in the last year, which indicates the consistency in the stock movement over that period of time.

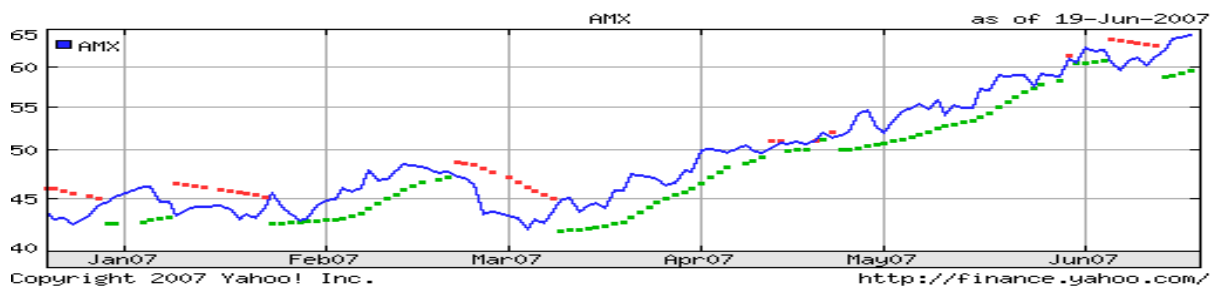
Figure 2: BOLLINGER BAND



Bollinger Bands:

BOLL is a useful technical tool to measure the degree of price changes. The line in the middle is the price of stock (blue) along with 20-day Simple moving average (black). The upper/lower line is formed by the stock plus/minus 2 times standard deviation. The gap between both the lines is the degree of price change (volatility). The higher the volatility in the stock prices, the broader the gap and vice versa. As seen in the chart the price movement has outperformed the 20-day SMA and remained in the upper band from last quarter giving the continuous signal of a strong buy. Though it has touched the upper band several times we still recommend a buy on the stock. The reason is that it has stayed in the upper band because of continuous growth.

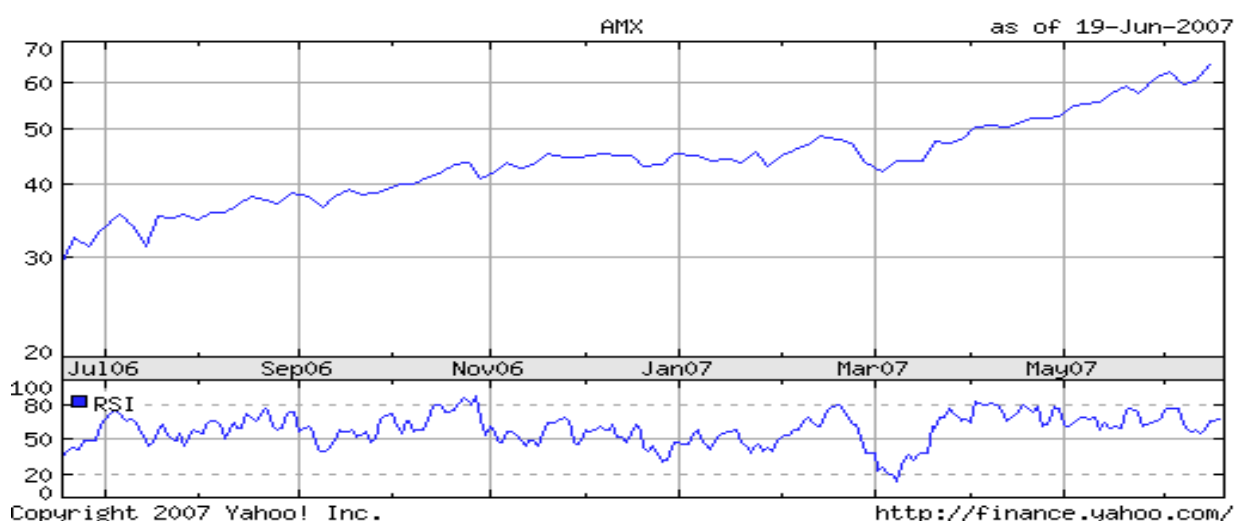
Figure 3: PARABOLIC SAR



Parabolic SAR:

This is the tool used to set trailing price stops with an upper and lower SAR. When there is a downtrend the SAR is above the price line and when there is an upward trend, the SAR is below the price line. When the Upper SAR hits the price line, it can be considered a good buy-opportunity; and when the Lower SAR hits the price line, it could be seen as a sell. As seen in the chart, the price line has hit the Upper SAR lately.

Figure 4: RELATIVE STRENGTH INDEX



Relative Strength Index:

RSI is one of the statistic indices in which investors can observe the degree of market strength by the changes in stock price. We take 80 and 20 as the overbought and oversold market ranges respectively. As seen in the chart, the RSI is slightly higher than 60. This is why the stock is considered to be at a good price at which to purchase it.

Correlation with Current Portfolio

COMPANY NAME	SYMBOL	CORRELATION
CITIGROUP INC	C	0.4500
COACH INC	COH	0.4317
COMCAST CORP	CMCSA	0.2502
DELL INC	DELL	0.4010
ELECTRONIC ARTS INC	ERTS	0.2786
EXXON MOBIL CORP	XOM	0.3947
FOREST LABORATORIES INC	FRX	0.1302
GENERAL ELECTRIC CO	GE	0.4139
HARLEY DAVIDSON INC	HOG	0.3817
ISHARES TRUST MSCI EMERGING MARKETS INDEX FUND	EEM	0.7538
ISHARES TRUST 1-3 YR TREASURY INDEX FUND	SHY	(0.1023)
ISHARES TRUST RUSSELL 2000 INDEX FUND	IWM	0.6595
KOHL'S CORP	KSS	0.2567
MCDONALDS CORP	MCD	0.3822
PEPSICO INC	PEP	0.2456
RIO TINTO PLC SPONSORED ADR	RTP	0.4964
STANDARD & POORS DEPOSITORY RECEIPTS (SPDRS) (BOOK ENTRY) UNITS UNDIVIDED BENEFICIAL INT	SPY	0.6986
STARBUCKS CORP	SBUX	0.4263
TOYOTA MOTOR CORP - ADR	TM	0.3934

The correlation coefficient was calculated by obtaining the daily returns of America Movil and the other holdings within the portfolio during a one-year time period from June 21, 2006 thru June 21, 2007. AMX has a correlation of greater than .4000 with nine of the nineteen holdings that indicates that it is not highly correlated with a lot of the securities already in the portfolio. The highest correlation is with ISHARES TRUST MSCI EMERGING MARKETS INDEX FUND and the lowest correlation, (moving in the opposite direction of), is with ISHARES TRUST 1-3 YR TREASURY INDEX FUND.

CONCLUSION

America Movil's stock has surged 40% in 2007. Investors have seen lots of pesos in the past two quarters due to continuing growth in the new wireless subscribers. In its most recent quarter, America Movil has reported 30% subscriber growth over last year primarily due to rapidly expanding markets in Latin America. Strict operational management has also kept margins expanding, which is a very impressive feature when customers are largely on prepaid wireless plans. America Movil has also been busy expanding into new markets. Even though it was unable to carry through a deal with partners AT&T and Telmex for a piece of Telecom Italia, it has recently completed the acquisition of Verizon's operations in Puerto Rico.

In conclusion, we believe America Movil is a sound investment. The wireless telecommunications industry is not a mature market segment, which means that growth potential is still high. Barriers to entry may be significant, but Movil is already a part of the market, so that concern does not rise. The figures show a sustained and rapid growth over the last five years. We expect that along with strong organic growth, America Movil will continue to acquire properties that will help position it to top the market going forward. Diversification is another key factor in purchasing America Movil. By adding America Movil to our portfolio we will be exposing our investment portfolio to the ever-going international market. Returns from international investments have skyrocketed in the past few years and St. Johns should take advantage of these markets. Through our findings, we recommend buying 400 shares of America Movil at market price. It will be a welcomed edition to the technology sector of our portfolio.

Appendix

Annual Income Statements for America Movil (AMX)

All amounts in millions of US dollars.

	Dec-06	Dec-05	Dec-04	Dec-03	Dec-02
Operating Revenue	21,526.00	17,173.00	12,496.24	8,320.27	5,572.00
Total Revenue	<u>21,526.00</u>	<u>17,173.00</u>	<u>12,496.24</u>	<u>8,320.27</u>	<u>5,572.00</u>
Adjustment to Revenue	0	0	0	0	0
Cost of Sales	10,049.35	8,412.00	6,066.59	3,607.75	2,367.00
Gross Operating Profit	<u>11,476.65</u>	<u>8,761.00</u>	<u>6,429.65</u>	<u>4,712.52</u>	<u>3,205.00</u>
SG&A Expenses	3,546.46	3,581.00	2,576.45	1,633.89	1,187.00
Operating Profit	5,437.56	3,177.00	2,178.77	1,738.79	1,211.00
Operating Profit before Depreciation (EBITDA)	<u>7,930.56</u>	<u>5,180.00</u>	<u>3,853.20</u>	<u>3,078.63</u>	<u>2,018.00</u>
Depreciation & Amortization	2,493.00	2,004.00	1,724.49	1,363.85	803.00
Depreciation Unreconciled	2,493.00	2,005.00	1,724.49	1,343.57	803.00
Operating Income	<u>5,437.56</u>	<u>3,176.00</u>	<u>2,128.71</u>	<u>1,714.78</u>	<u>1,215.00</u>
Interest Income	414.00	301.00	214.75	231.12	131.00
Earnings from Equity Interest	(4.00)	(4.00)	(8.60)	(12.55)	(389.00)
Other Income, Net	430.00	218.00	396.48	239.25	30.00
Total Income Avail for Interest Expense (EBIT)	<u>6,277.56</u>	<u>3,691.00</u>	<u>2,731.34</u>	<u>2,172.61</u>	<u>983.00</u>
Interest Expense	804.00	670.00	426.01	365.96	232.00
Income Before Tax (EBT)	<u>5,477.00</u>	<u>3,021.00</u>	<u>2,305.33</u>	<u>1,806.64</u>	<u>751.00</u>
Income Taxes & Profit Sharing	1,538.00	32.00	741.14	317.31	318.00
Minority Interest	7.72	6.62	32.77	34.06	0
Net Income from Continuing Operations	<u>3,935.04</u>	<u>2,983.00</u>	<u>1,531.42</u>	<u>1,455.27</u>	<u>433.00</u>
Net Income from Discontinued Ops.	0	0	0	0	0
Net Income from Total Operations	3,935.04	2,983.00	1,531.42	1,455.27	433.00
Extraordinary Income/Losses	0	0	0	0	0
Income from Cum. Effect of Acct Chg	0	0	0	0	0
Other Gains (Losses)	0	0	0	0	0
Total Net Income	<u>3,935.04</u>	<u>2,983.00</u>	<u>1,531.42</u>	<u>1,455.27</u>	<u>433.00</u>
Normalized Income	3,935.04	2,983.00	1,531.42	1,455.27	437.00
Net Income Available for Common	<u>3,935.04</u>	<u>2,983.00</u>	<u>1,531.42</u>	<u>1,455.27</u>	<u>433.00</u>

**Annual Balance Sheets for
America Movil (AMX)**

All amounts in millions of US dollars.

	Dec-06	Dec-05	Dec-04	Dec-03	Dec-02
Assets					
Cash and Equivalents	3,805.00	1,088.00	1,531.87	827.22	887.00
Marketable Securities	190.00	144.00	240.20	70.80	141.00
Accounts Receivable	3,882.00	2,973.00	1,911.29	1,016.72	608.00
Inventories	1,778.00	1,249.00	1,042.68	465.78	292.00
Prepaid Expenses	0	0	16.07	16.46	86.00
Current Deferred Income Taxes	0	0	0	0	0
Other Current Assets	337.00	346.00	387.50	235.38	57.00
Total Current Assets	9,992.00	5,801.00	5,129.61	2,632.35	2,071.00
Gross Fixed Assets (Plant, Prop. & Equip.)	19,425.00	16,602.00	12,386.44	9,982.30	8,553.00
Accumulated Depreciation & Depletion	(6,750.00)	(5,820.00)	(4,511.68)	(3,643.86)	(2,678.00)
Property, Plant and Equipment, net	12,675.00	10,782.00	7,874.76	6,338.44	5,875.00
Intangibles	5,983.00	3,623.00	3,248.49	3,716.14	2,709.00
Non-Current Deferred Assets & Other	124.00	1,180.00	883.19	0	0
Other Non-Current Assets	699.00	787.00	912.86	671.81	307.00
Total Non Current Assets	19,481.00	16,372.00	12,919.29	10,726.39	8,891.00
Total Assets	29,473.00	22,173.00	18,048.90	13,358.74	10,962.00
Liabilities					
Accounts Payable	5,546.00	5,133.00	2,490.35	1,776.49	1,061.00
Short Term Debt	2,322.00	1,640.00	500.09	1,078.50	992.00
Deferred Revenues	1,064.00	0	656.78	411.80	262.00
Current Deferred Income Taxes	1,955.00	435.00	901.10	0	0
Other Current Liabilities	298.00	1,392.00	512.39	276.79	189.00
Total Current Liabilities	11,185.00	8,600.00	5,060.72	3,543.59	2,504.00
Long Term Debt	7,886.00	4,968.00	5,199.61	3,313.85	3,488.00
Deferred Income Taxes	312.00	0	574.37	325.01	200.00
Other Non-Current Liabilities	14	347.00	20.66	11.53	0
Minority Interest	0	0	153.89	454.15	114.00
Total Non-Current Liabilities	8,212.00	5,315.00	5,948.53	4,104.53	3,802.00
Total Liabilities	19,397.00	13,915.00	11,009.24	7,648.12	6,306.00
Stockholder's Equity					
Common Stock Equity	10,076.00	8,258.00	7,039.65	5,710.62	4,656.00
Common Par	3,299.00	3,002.17	3,041.38	2,778.26	2,910.00
Additional Paid In Capital	-	-	-	-	-
Retained Earnings	7,979.00	6,261.28	4,889.91	4,249.15	3,239.00
Treasury Stock	-	-	-	-	-
Other Equity Adjustments	(1,202.00)	(1,005.45)	(891.64)	(1,316.78)	(1,493.00)
Total Equity	10,076.00	8,258.00	7,039.65	5,710.62	4,656.00
Total Liabilities & Stock Equity	29,473.00	22,173.00	18,048.90	13,358.74	10,962.00

America Movil S.A.B. de C.V.
(Operations)

United States – Tracfone

Population – 300 M
Wireless Penetration – 10%
Wireless Market Share – 28%
Wireless Subscribers – 7,896
Revenues – 1,301
Number of Employees – 531

Mexico - Telcel

Licensed Pop – 104 M
Wireless Penetration – 54%
Wireless Market Share – 77%
Wireless Subscribers – 43,190
Revenues – 10,005
Number of Employees – 12,350

Guatemala – Claro & Telgua

Licensed Pop – 13 M
Wireless Penetration – 46%
Fixed Line Penetration – 8%
Wireless Market Share – 44%
Fixed Line Market Share – 98%
Wireless Subscribers – 2,596
Fixed Lines – 1,062
Revenues – 651
Number of Employees – 2,765

El Salvador – Claro & Telecom

Licensed Pop – 7 M
Wireless Penetration – 53%
Fixed Line Penetration – 14%
Wireless Market Share – 34%
Fixed Line Market Share – 84%
Wireless Subscribers – 1,266
Fixed Lines – 837
Revenues – 476
Number of Employees – 2,594

Honduras – Claro

Licensed Pop – 7 M
Wireless Penetration – 25%
Wireless Market Share – 40%
Wireless Subscribers – 736
Revenues – 118
Number of Employees – 399

Nicaragua – Claro & Enitel

Licensed Pop – 5 M
Wireless Penetration – 35%
Fixed Line Penetration – 5%
Wireless Market Share – 70%
Fixed Line Market Share – 100%
Wireless Subscribers – 1,277
Fixed Lines – 260
Revenues – 245
Number of Employees – 1,812

Dominican Republic

Licensed Pop – 9 M
Wireless Penetration – 46%
Fixed Line Penetration – 10%
Wireless Market Share – 51%
Fixed Line Market Share – 83%
Wireless Subscribers – 2,140
Fixed Lines – 734
Revenues – 901
Number of Employees – 3,494

Columbia - Comcel

Licensed Pop – 42 M
Wireless Penetration – 70%
Wireless Market Share – 66%
Wireless Subscribers – 19,251
Revenues – 1,934
Number of Employees – 3,005

Ecuador - Conecel

Licensed Pop – 13 M
Wireless Penetration – 65%
Wireless Market Share – 67%
Wireless Subscribers – 5,657
Revenues – 718
Number of Employees – 1,285

Peru - Claro

Licensed Pop – 28 M
Wireless Penetration – 32%
Wireless Market Share – 38%
Wireless Subscribers – 3,369
Revenues – 409
Number of Employees – 1,781

Brazil - Claro

Licensed Pop – 170 M
Wireless Penetration – 54%
Wireless Market Share – 24%
Wireless Subscribers – 23,881
Revenues – 491
Number of Employees – 7,588

Paraguay – CTI Movil

Licensed Pop – 6 M
Wireless Penetration – 49%
Wireless Market Share – 13%
Wireless Subscribers – 376
Revenues – 33
Number of Employees – 137

Uruguay – CTI Movil

Licensed Pop – 3 M
Wireless Penetration – 61%
Wireless Market Share – 21%
Wireless Subscribers – 428
Revenues – 50
Number of Employees – 124

Argentina – CTI Movil

Licensed Pop – 39 M
Wireless Penetration – 75%
Wireless Market Share – 34%
Wireless Subscribers – 10,070
Revenues – 1,353
Number of Employees – 1,864

Chile - Claro

Licensed Pop – 16 M
Wireless Penetration – 80%
Wireless Market Share – 18%
Wireless Subscribers – 2,372
Revenues – 364
Number of Employees – 1,086

[Licensed Population: Population covered by the licenses that each of the companies manage](#)

[Wireless Penetration: The ratio of total wireless subscribers in any given country divided by the total population in that country](#)

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