

MEXICO EQUITY & INCOME FUND INC
 Form 4
 July 07, 2008

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
GOLDSTEIN PHILLIP

2. Issuer Name and Ticker or Trading Symbol
MEXICO EQUITY & INCOME FUND INC [MXE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
07/02/2008

Director 10% Owner
 Officer (give title below) Other (specify below)

60 HERITAGE DRIVE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

PLEASANTVILLE, NY 10570

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. P...
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Instr. 8)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	(Instr. 8)
Preferred Stock	(3)	07/02/2008	S	17,365 (1) (2)	(4)	(5)						Common Stock	17,365 (1) (2)	\$ 3

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GOLDSTEIN PHILLIP 60 HERITAGE DRIVE PLEASANTVILLE, NY 10570			X	

Signatures

/s/ Phillip
Goldstein

07/07/2008

Date

**Signature of
Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The reported securities were tendered by Opportunity Income Plus LP, a limited partnership; Opportunity Partners L.P., a limited partnership; and Full Value Partners LP, a limited partnership, pursuant to the terms of a Tender Offer Statement filed by the Issuer on May 30, 2008. The Reporting Person is the President of Kimball & Winthrop, Inc., the investment advisor for Opportunity Partners L.P., which has sole voting and dispositive power. The Reporting Person is a Managing Member of Spar Advisors LLC, the general partner of Opportunity Income Plus LP, which has sole voting and dispositive power. The Reporting Person is a Managing Member of Full Value Advisors LLC, the general partner of Full Value Partners LP, which has sole voting and dispositive power.
- (2) On July 2, 2008, the Issuer accepted the tender by Opportunity Income Plus LP of 1,529 shares of the Preferred Stock of the Issuer at a price of \$31.19 per share, accepted the tender by Opportunity Partners L.P. of 7,918 shares of the Preferred Stock of the Issuer at a price of \$31.19 per share and accepted the tender by Full Value Partners LP of 7,918 shares of the Preferred Stock of the Issuer at a price of \$31.19 per share. The Reporting Person disclaims beneficial ownership of the securities owned by Opportunity Income Plus LP, Opportunity Partners L.P. and Full Value Partners LP.
- (3) Each share of Preferred Stock will be automatically converted into one share of Common Stock upon the occurrence of the event described in footnote 5.
- (4) In the event the Put Warrant Program (as described in Form 497 as filed with the Securities and Exchange Commission (the "SEC") on November 17, 2005) is approved by the SEC and upon the anticipated issuance of put warrants by the Issuer, all issued and outstanding shares of Preferred Stock will automatically convert into Common Stock on a one-for-one basis.
- (5) None.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.