



16 January 2009

International Accounting Standards Board
30 Cannon Street,
London EC4M 6XH,
United Kingdom

Dear Sirs:

Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera, A.C. (CINIF), the accounting standards setting body in México, welcomes the opportunity to submit our comments on the exposure draft of proposed Amendments to IFRIC 9 and IAS 39, that addresses "Embedded derivatives".

Our comments on the questions you raise are the following:

Question 1 – The exposure draft proposes that an entity must assess whether an embedded derivative is required to be separated from a host contract when the entity reclassifies a hybrid (combined) financial asset out of the fair value through profit or loss category.

We agree with this proposal.

Question 2 – The exposure draft requires the assessment to be made on the basis of the circumstances that existed when the entity first became a party to the contract.

We believe that the assessment should be made considering the circumstances at the date the transfer is made, as the original circumstances may have changed. Furthermore, if the financial asset has been fair valued up to the date of transfer, the effects of the embedded derivative on the financial asset have been recognized up to that date. Also, the derivative will be valued on such date and the financial asset will be transferred out at a fair value that does not longer contain the effect of the embedded derivative.

Question 3 – The exposure draft proposes that if the fair value of an embedded derivative that would have to be separated cannot be reliably measured, the entire hybrid (combined) financial instrument must remain in the fair value through profit or loss category.

We agree with this proposal.

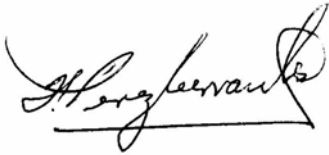
Question 4 – The proposal establishes an effective date that would be earlier than the date in which the final amendment is issued.

We agree that if the final amendment is issued before most of the financial statements for the fiscal year ending on December 2008 are issued, the effective date of the amendments to IFRS 7 may be earlier than its date of issuance. Also, as the exposure draft was issued in December 2008, the entities are already aware that this information will be required.

Question 5 – This question refers to transition requirements. However there are no transition requirements in the proposed amendment.

Should you require additional information on our comments listed above, please contact me at 00-52-55-5596 5633/26/34 or by e-mail at fperezcervantes@cinif.org.mx

Sincerely,

A handwritten signature in black ink, appearing to read 'Felipe Perez Cervantes', with a horizontal line underneath the name.

C.P.C. Felipe Perez Cervantes
President of the Mexican Accounting Standards Board
Consejo Mexicano para la Investigacion y Desarrollo
de Normas de Informacion Financiera (CINIF)