The Phaeacian Accent International Value Fund and the Phaeacian Global Value Fund (the “Phaeacian Funds”) were formerly known as the FPA International Value Fund and the FPA Paramount Fund, Inc. (the “Former Funds”), respectively, until their reorganization in October 2020. This commentary was written by the portfolio managers of the Phaeacian Funds while they were the portfolio managers of the Former Funds and employees of the Former Funds’ investment adviser. The Former Funds are no longer available for sale and these commentaries are provided for informational purposes only. The provision of these commentaries does not constitute or imply an endorsement of the Phaeacian Funds by the Former Funds’ investment adviser, and the views and opinions expressed in these commentaries are those of the portfolio managers and do not state or reflect those of the Former Funds’ investment adviser. Past performance is no guarantee, nor is it indicative, of future results. This is not an offer for sale or recommendation of any security, product or services discussed and neither does it provide investment advice.

We hope that investors will find FPA commentaries helpful to understand application of the same investment discipline in various markets, and can refer to particular items that interest them.

You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. The Prospectus details the Fund's objective and policies, charges, and other matters of interest to the prospective investor. Please read this Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at www.fpafunds.com, by email at crm@fpafunds.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.

Average Annual Total Returns
As of March 31, 2014

Fund/Index	QTD	YTD	1Year	3Years**	5 Years**	10 Years**
FPA Paramount	1.78%	1.78%	16.34%	10.88%	21.80%	8.48%
MSCI ACWI	1.08%	1.08%	16.55%	8.55%	17.80%	6.97%
Russell 2500	2.30%	2.30%	24.01%	13.95%	25.33%	9.43%

** Annualized.
A redemption fee of 2.00% will be imposed on redemptions within 90 days. Expense ratio is 1.26% as of most recent prospectus.

Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. This data represents past performance and investors should understand that investment returns and principal values fluctuate, so that when you redeem your investment it may be worth more or less than its original cost. Current month-end performance data may be obtained by calling toll-free, 1-800-982-4372.

To view portfolio holdings from the most recent quarter end, please refer to the end of this document or at www.fpafunds.com.

Portfolio composition will change due to ongoing management of the fund. References to individual securities are for informational purposes only and should not be construed as recommendations by the Funds, Advisor or Distributor.

The views expressed and any forward-looking statements are as of the date of the publication and are those of the portfolio managers and/or the Advisor. Future events or results may vary significantly from those expressed and are subject to change at any time in response to changing circumstances and industry developments. This information and data has been prepared from sources believed reliable. The accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

The Russell 2500 Index is an unmanaged index comprised of the 2,500 smallest companies in the Russell 3000 Index.

The MSCI All Country World NR Index is a float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging markets.

You cannot invest directly in an index

Fund Risks
Investments in mutual funds carry risks and investors may lose principal value. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund may purchase foreign securities which are subject to interest rate, currency exchange rate, economic and political risks. Small and mid cap stocks involve greater risks and they can fluctuate in price more than larger company stocks. Groups of stocks, such as value and growth, go in and out of favor which may cause certain funds to underperform other equity funds.

A non-diversified fund may hold fewer securities than a diversified fund because it is permitted to invest a greater percentage of its assets in a smaller number of securities. Holding fewer securities increases the risk that the value of the fund could go down because of the poor performance of a single investment.

Please consult your tax advisor regarding higher capital gains distributions due to a change in portfolio strategy.

The FPA Funds are distributed by UMB Distribution Services, LLC, 803 W. Michigan Street, Milwaukee, WI, 53233.

FPA

investors first

Dear fellow shareholders,

During the first quarter of 2014, the Fund rose 1.78% compared to the MSCI All Country World Index's (Net) (the "Index") gain of 1.08%. Since we joined the Fund as co-portfolio managers at the end of the third quarter of 2011, the Fund has appreciated 25.32% annualized versus 19.00% for the Index.

As is our usual custom, we advise shareholders to place limited weight on short-term results. Rather, we suggest evaluating Fund performance over longer periods, especially over full market cycle.

The Activists

Ever since the downturn in 2008, Central Banks have been playing outsized "activist" roles in global financial markets by pursuing ultra-low interest rate policies and directly purchasing enormous amounts of securities. We believe these actions have led to inflated asset prices and distorted investor behavior.

Interest rate policy has led us to the point in the cycle where management teams must guard against making capital allocation mistakes. Investment bankers and other "advisors" are arguing for companies to take action to lock in cheap financing now that the Fed has signaled rate increases are a possibility in 2015. CFOs have gotten anchored to Libor + 250 bps, costing 300 bps all in, and with thoughts that those levels might slip away and a slowly improving economy, they are suddenly able to convince themselves to do things they would have agreed made no sense only a short while ago.

We also worry about the potential market impact of any changes the Fed and other Banks might make to the more than $14 trillion of assets currently sitting on their balance sheets.[1] We found it particularly telling that Larry Summers, a prior advocate of such accumulation, recently opined that, "we cannot confidently predict the ultimate impacts of the unwinding of massive central bank balance sheets on markets or on the confidence of investors."[2] We would agree, and take note of his apparent candor now that Janet Yellen has become Fed Chair.

Recognizing there are many levels of distortion in the market today, we continue to position the Fund with care. Our primary method of managing risk is through security selection and an insistence on having a significant discount to intrinsic value[3] at purchase. Companies lacking advantages to weather additional competitive pressures or the financial strength to deal with possible temporary disruptions are immediately excluded from consideration. We also regularly communicate our expectations for appropriate capital allocation to the portfolio's management teams. It also helps that we manage a concentrated portfolio. By focusing intensely on a limited number of companies, we can perform the research necessary to help reduce the risk of a mistake. In addition, since we won't always be right,

[1] From 2007 through 2013, the balance sheets of the Federal Reserve, People's Bank of China, European Central Bank, Bank of Japan and Bank of England approximately doubled in size to $14 trillion.
[2] http://www.washingtonpost.com/opinions/lawrence-summers-an-agenda-for-the-imf/2014/04/06/e68a39fa-bc09-11e3-96ae-f2c36d2b1245_story.html
[3] Our estimate of the actual value of a company or an asset based on our underlying perception of its true value including all aspects of the business, in terms of both tangible and intangible factors.

buying at a discount to what we conservatively think the business is worth helps provide an additional margin of safety[4] and should enable above-average compounding of capital on a risk-adjusted basis.

We continue to believe there is still good return potential for the portfolio. As a reminder, Fund position sizes are based on the relative discount to intrinsic value of each (largest weightings correspond to the largest discounts). Our portfolio's concentration again helps in this regard. At the end of the quarter, the top ten positions represented about 49% of Fund assets. Thus, potential out-performance of our highest conviction positions can help produce superior returns. Portfolio concentration also means we are not forced to own any overvalued businesses, particularly like the recently swooning technology and healthcare companies that might reside in more diversified funds.

Key Performers

Our best quarterly performer was Zebra Technologies (up 28.35% in U.S. currency). The company designs and manufactures thermal printers used by businesses to produce bar codes and other tracking systems. We estimate that its share in this niche global market is 3.5x the next largest competitor. Zebra is nicely profitable with limited capital needs, which produces strong cash flow and returns. Zebra was profiled as one of our top performers last quarter. Our interest in the company remains subject to the limits of our valuation discipline.

Our worst performing holding in the quarter was Aggreko plc (down 12.71% in U.S. currency). Aggreko is a global provider of temporary power solutions. The market has been concerned about weaker emerging market growth and margin pressure from the decline of highly profitable military contracts. While these issues impact the company's short-term results, we believe the long-term case for the business remains strong. We believe the aging electricity grid in developed markets will require utilities to utilize Aggreko's supplemental power offerings. In emerging markets, demand for power should continue to grow faster than permanent supply can be brought on line. While we wait for demand in some regions to improve, management plans to reduce capital spending. This should allow asset utilization and free cash flow to rise. We expect the excess cash will continue to be returned to shareholders.

Activity

In the quarter we did not purchase any new positions in the Fund. Weightings in several of the companies were increased as their estimated discount to intrinsic value increased. Even though none of our research candidates entered the portfolio, we are optimistic that continuing to apply our disciplined research process will prove fruitful in future periods.

Portfolio Profile

The limited changes to the portfolio mean the overall profile is little changed from last quarter. We had 30 disclosed companies in the portfolio at the end of the quarter. This remains within the range of the 25 to 50 stocks that we would expect to own at any given point in time. Most of the positions are still large cap companies including several considered mega caps. As always, those holdings are based on each company's combination of quality and discount to intrinsic value, and size considerations have no impact as we construct the portfolio.

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[4] Buying with a "margin of safety" is when a security is purchased for less than its estimated value. This helps protect against permanent loss in the case of an unexpected event or analytical mistake. A purchase made with a margin of safety does not guarantee the security will not decline in price.

Companies domiciled in Europe and the U.S. continue to represent most of our investments, with Asia Pacific making up the balance. Where a company is domiciled generally matters little to us, however. Since many of these are large companies, they typically conduct business on a global basis. That means they often generate significant amounts of their cash flows outside their home countries, rendering traditional country classification less useful.

Cash at the end of the quarter was 8% of the Fund's assets. Cash levels are also determined on a bottom up basis. Without a large, global opportunity set to scour and an ability to concentrate the Fund's assets in our best ideas, cash levels would be significantly higher. Having cash will allow us to make investments without selling existing positions if more candidates become available.

We are grateful for your confidence as shareholders of the FPA Paramount Fund, and look forward to continuing to serve your interests.

Respectfully submitted,

Gregory Herr	Pierre O. Py
Portfolio Manager	Portfolio Manager
Jason Dempsey	Victor Liu
Analyst	Analyst

April 14, 2014

FPA Paramount Fund, Inc.

Portfolio Holdings

3/31/2014

CUSIP/SEDOL	TICKER	SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
G1151C101	ACN	64,375	ACCENTURE PLC CL A	79.72	5,131,975.00	1.76%
B4WQ2Z2	AGK LN	783,675	AGGREKO PLC*	25.02	19,611,231.77	6.71%
B1FJ0C0	BXB AU	1,125,100	BRAMBLES LTD*	8.59	9,661,008.68	3.30%
4061393	CDI FP	36,900	CHRISTIAN DIOR*	192.52	7,103,973.24	2.43%
17275R102	CSCO	467,000	CISCO SYSTEMS INC	22.41	10,465,470.00	3.58%
126650100	CVS	66,300	CVS CAREMARK CORP	74.86	4,963,218.00	1.70%
B1Y9TB3	BN FP	215,600	DANONE S.A.*	70.71	15,245,550.32	5.21%
0237400	DGE LN	311,400	DIAGEO PLC*	31.03	9,661,683.24	3.30%
278642103	EBAY	79,500	EBAY INC	55.24	4,391,580.00	1.50%
B096LW7	FUR NA	285,750	FUGRO NV*	61.49	17,570,538.90	6.01%
B01FLG6	GFS LN	3,877,450	G4S*	4.03	15,611,776.94	5.34%
6673042	IPL AU	7,759,083	INCITEC PIVOT*	2.74	21,297,131.02	7.28%
481165108	JOY	95,000	JOY GLOBAL INC	58.00	5,510,000.00	1.88%
50540R409	LH	84,500	LABORATORY CORP AMER HLDGS	98.21	8,298,745.00	2.84%
57772K101	MXIM	164,700	MAXIM INTEGRATED PRODUCTS, INC.	33.12	5,454,864.00	1.87%
580135101	MCD	43,500	MCDONALDS CORP	98.03	4,264,305.00	1.46%
3023231	MPI LN	931,722	MICHAEL PAGE INTL*	8.18	7,623,908.44	2.61%
594918104	MSFT	203,300	MICROSOFT CORP	40.99	8,333,267.00	2.85%
7123870	NESN VX	60,000	NESTLE SA*	75.28	4,516,968.00	1.54%
68389X105	ORCL	198,300	ORACLE CORPORATION	40.91	8,112,453.00	2.77%
			OTHER		8,064,973.98	2.76%
703395103	PDCO	136,000	PATTERSON COMPANIES INC	41.76	5,679,360.00	1.94%
4682329	RI FP	42,400	PERNOD RICARD*	116.41	4,935,665.28	1.69%
4380429	PUB FP	55,950	PUBLICIS GROUPE*	90.34	5,054,690.85	1.73%
778296103	ROST	63,000	ROSS STORES INC	71.55	4,507,650.00	1.54%
4846288	SAP GR	171,150	SAP AG*	81.17	13,891,937.43	4.75%
B1Q3J35	SKFB SS	181,000	SKF AB B SHARES*	25.60	4,633,781.00	1.58%
7062713	SW FP	50,300	SODEXO*	104.88	5,275,298.01	1.80%
874039100	TSM	683,000	TAIWAN SEMICONDUCTOR MFG LTD SPD ADR	20.02	13,673,660.00	4.68%
92927K102	WBC	34,100	WABCO HOLDINGS, INC.	105.56	3,599,596.00	1.23%
989207105	ZBRA	94,100	ZEBRA TECHNOLOGIES - CLASS A	69.41	6,531,481.00	2.23%
			TOTAL EQUITIES:		**268,677,741.09**	**91.87%**
			CASH & EQUIVALENTS (NET OF LIABILITIES):		**23,773,779.26**	**8.13%**
			TOTAL NET ASSETS:		**$ 292,451,520.35**	**100.00%**
			NO. OF EQUITY POSTIONS:		**30**	

* Indicates Foreign Security

Portfolio Holding Submission Disclosure

Except for certain publicly available information incorporated herein, the information contained in these materials is our confidential and proprietary information and is being submitted to you for your confidential use with the express understanding that, without our prior written permission, you will not release these materials or discuss the information contained herein or make reproductions of or use these materials for any purpose other than evaluating a potential advisory relationship with First Pacific Advisors.

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