

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.



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 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 calling toll-free, 1-800-982-4372, or by contacting the Fund in writing.

Average Annual Total Returns (%)

As of Date: 3/31/18	10 Years*	5 Years*	Since 9/1/13*	3 Years	1 Year	YTD	QTD
FPA Paramount Fund, Inc.	8.47	8.09	7.81	9.66	19.39	0.86	0.86
MSCI ACWI	5.57	9.20	9.57	8.12	14.85	-0.96	-0.96

Periods greater than one year are annualized. Performance is calculated on a total return basis which includes reinvestment of all distributions. Comparison to any Index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives.

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. The Fund's expense ratio as of its most recent prospectus is 1.29%. Current month-end performance data may be obtained at www.fpafunds.com or by calling toll-free, 1-800-982-4372.

Please see important disclosures at the end of the commentary.



Dear Fellow Shareholders,

During the first quarter of 2018, the Fund gained 0.86% (in U.S. currency) compared to a decrease of 0.96% for the MSCI All Country World Index (Net) (the “Index”). For the last 12 months, the Fund gained 19.39% (in U.S. currency) compared to an increase of 14.85% for the Index.

The biggest performance laggards of the quarter were **Sodexo, Britvic, WPP, Nestle** and **Shawcor**.¹ Sodexo, based in France, is a world-leading provider of catering and facility management services. The recent slowdown in its business is discussed later in this commentary. WPP, based in the UK, is a leading global advertising, media management, public relations and communication services company. Along with other traditional advertising-related businesses, WPP has suffered from fears over the market shift to digital platforms. Reduced ad spending by its large consumer goods customers has also weighed on results in recent periods.

Page Group, Edenred, Booking Holdings, Scout24 and **Ambev** were the top performance contributors for the quarter.² Page Group, based in the UK, is a leading global employment recruiter for permanent and temporary staffing. Based in France, Edenred is one of the world’s leading prepaid corporate vouchers companies. Typically, these vouchers are used for restaurant meals. Strengthening economies in key markets, particularly France, are boosting the voucher business. The group’s expansion into adjacent expense management services is also generating promising results.

While we are pleased with the first quarter outcome, we continue to believe short-term performance is not the best way to judge results. As value investors, we seek to buy businesses at a discount. Stock prices can, and often do, decline after purchases. We also know that market sentiment towards an industry, or even a specific company, often shifts significantly from one year to the next. It typically takes several years for discounts to our estimates to unwind. That is why we advocate evaluating the Fund’s performance over longer periods, ideally over a market cycle.

Key performers

Our worst-performing holding this quarter was Sodexo, which declined 23.25% (in U.S. currency).³ Based in France, the company is a world-leading provider of catering and facility management services. Sodexo also operates a well-established benefits and rewards business. At the end of 2017, the company underwent a management transition with a new CEO replacing a long-tenured predecessor.

Subsequently, in advance of reporting first quarter results, the company announced lower growth and profitability than expected. In particular, the North American Health Care and Education businesses suffered. In both segments, growth declined compared to the prior year, as the company signed fewer new customers, and recent customer additions grew slower than expected. Profits were impacted due to the slower growth and the inability to offset higher-than-expected wage inflation.

¹ Worst performers based on the percentage of the issuer’s share price change from Dec. 31, 2017 to Mar. 31, 2018 in U.S. currency. This share price change does not equate with the performance of the holding in the Fund’s portfolio. As of 3/31/18, position sizes as follows: Sodexo: 2.5%; Britvic 2.6%; WPP 2.3%, Nestle 2.5% and Shawcor 1.5%.

² Best performers based on the percentage of the issuer’s share price change from Dec. 31, 2017 to Mar. 31, 2018 in U.S. currency. This share price change does not equate with the performance of the holding in the Fund’s portfolio. As of 3/31/18, position sizes as follows: Page Group: 2.4%; Edenred 2.0%; Booking Holdings 2.7%, Scout24 2.0% and Ambev 2.0%.

³ Worst performer is based on the percentage of Sodexo’s share price change from Dec. 31, 2017 to Mar. 31, 2018 in U.S. currency. This share price change does not equate with the performance of the holding in the Fund’s portfolio. As of Mar. 31, 2018, Sodexo represented 2.5% of the Fund’s total assets.

The challenges facing the business are real, but over time we expect growth to improve and higher labor costs to be passed through to customers. The foodservice outsourcing market continues to offer reasonable underlying growth prospects as well as opportunities for large companies, like Sodexo, to take share from in-house or local competitors. The business requires limited investment, generates attractive returns on capital, and has limited financial leverage and good cash flow generation. Offering a 4% dividend yield and an 8% free cash flow yield, we believe Sodexo shares trade at an attractive discount to estimated intrinsic value.

Our best-performing holding this quarter was Booking Holdings, which was up 19.72% (in U.S. currency).⁴ Based in the United States, the company is one of the world's leading online travel agencies. Slowing growth and higher marketing expenses had weighed on the shares in the second half of 2017. Results reported during the first quarter showed reaccelerating growth and improved profitability. In response to the U.S. tax code changes, the company also announced an \$8 billion share repurchase plan, utilizing cash previously held overseas.

Portfolio activity

We made several new purchases in the first quarter, including **Capgemini**, **Randstad**, **IMCD**, **ISS** and **Grandvision**. Based in France, Capgemini is a leading global information technology consulting, outsourcing and professional services company. Randstad, based in the Netherlands, is a leading global employment recruiter for temporary and permanent staffing. IMCD, based in the Netherlands, is a global distributor of specialty chemicals and food ingredients. Based in Denmark, ISS is a global facilities services company. Grandvision, based in the Netherlands, sells and distributes prescription vision correction products.

We also sold the following companies: **Worldpay**, **Howden Joinery**, **Ansell**, **Swatch** and **Novo Nordisk**. Based in the United States, Worldpay is a leading merchant acquirer and online payments processing company. Based in the UK, Howden Joinery designs, manufactures and sells fitted kitchens. Ansell, based in Australia, manufactures and sells gloves and other protective clothing. Swatch, based in Switzerland, manufactures watches, watch components and jewelry. Novo Nordisk, based in Denmark, is a leading global manufacturer of pharmaceutical products to treat diabetes. In each case, the holding was sold because the company's share price had reached its estimated intrinsic value.

Portfolio profile

We owned 48 disclosed positions as of March 31. This is similar to the number of companies held in recent quarters.

Most of the Fund's positions are in large-cap companies (with a weighted average capitalization of approximately \$75 billion). However, we do not consider a company's size to be a determinative criterion from an investment perspective. Reflecting a median capitalization of approximately \$16 billion, we are invested across a wide range of market capitalization sizes, including several businesses that are considered mega-caps.

At quarter end, most of the Fund's total assets were invested in companies domiciled in Europe (about 61%). The United States represented about 20% of the Fund's total assets, with Asia-Pacific about 5% of the Fund's total assets, and the balance in other regions and cash. Where a company is domiciled is largely irrelevant to us, however, since many of our holdings are large companies that conduct business on a global scale. That means they often generate significant amounts of their cash outside their home countries, rendering traditional country classifications less useful.

⁴ Best performer is based on the percentage of Booking Holding's share price change from Dec. 31, 2017 to Mar. 31, 2018 in U.S. currency. This share price change does not equate with the performance of the holding in the Fund's portfolio. As of Mar. 31, 2018, Booking Holdings represented 2.7% of the Fund's total assets.

It's worth noting that the 20% weighting in the United States is the lowest since we began managing the Fund. Finding high-quality companies in the United States has never been an issue. The low current weighting is a reflection of the lack of attractive valuation opportunities among those quality businesses.

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

Respectfully submitted,

The World Value Team

Gregory Herr
Portfolio Manager

Pierre O. Py
Portfolio Manager

March 31, 2018



TICKER	SHARES	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE (\$)	MKT VALUE (\$)	% OF NET ASSET VALUE
COMMON STOCKS							
AIBG ID	771,430	AIB GROUP PLC*			6.02	4,643,515	2.6%
ALICORC1 PE	1,032,118	ALICORP S.A.*			3.49	3,599,240	2.0%
GOOG	4,060	ALPHABET INC CL C			1,031.79	4,189,067	2.4%
ALQ AU	554,170	ALS LIMITED*			5.75	3,189,081	1.8%
AMS SM	30,110	AMADEUS IT GROUP SA*			74.00	2,228,234	1.2%
ABEV3 BZ	497,516	AMBEV SA*			7.29	3,627,258	2.0%
AHT LN	64,132	ASHTREAD GROUP PLC*			27.27	1,748,671	1.0%
BIDU	11,836	BAIDU INC SPON ADR			223.19	2,641,677	1.5%
BKNG	2,300	BOOKING HOLDINGS INC			2,080.39	4,784,897	2.7%
BXB AU	351,740	BRAMBLES LTD*			7.72	2,714,679	1.5%
BVIC LN	480,414	BRITVIC PLC*			9.58	4,602,219	2.6%
CAP FP	34,160	CAPGEMINI*			124.77	4,262,294	2.4%
CSCO	45,730	CISCO SYSTEMS INC			42.89	1,961,360	1.1%
SGO FP	91,760	COMPAGNIE DE SAINT GOBAIN*			52.80	4,845,387	2.7%
BN FP	33,290	DANONE S.A.*			81.08	2,699,228	1.5%
DKSH SW	22,554	DKSH HOLDING LTD*			81.32	1,834,064	1.0%
DG	34,280	DOLLAR GENERAL CORP			93.55	3,206,894	1.8%
EDEN FP	101,870	EDENRED*			34.78	3,543,298	2.0%
EMP/A CN	149,210	EMPIRE CO LTD A*			20.07	2,994,971	1.7%
EI FP	9,880	ESSILOR INTL*			134.90	1,332,818	0.7%
FEMSAUBD MM	507,961	FOMENTO ECONOMICO MEXICANO*			9.15	4,649,603	2.6%
FRUT IT	41,670	FRUTAROM*			91.95	3,831,453	2.2%
GVNV NA	203,569	GRANDVISION N.V.*			22.80	4,641,152	2.6%
IMCD NA	73,299	IMCD GROUP NV*			61.51	4,508,426	2.5%
ISS DC	108,998	ISS A/S*			37.14	4,048,127	2.3%
JE/ LN	416,499	JUST EAT PLC*			9.79	4,078,518	2.3%
PHIA NA	80,200	KONINKLIJKE PHILIPS NV*			38.29	3,071,016	1.7%
LH	13,230	LABORATORY CORP AMER HLDGS			161.75	2,139,952	1.2%
LUX IM	53,420	LUXOTTICA GROUP SPA*			62.12	3,318,696	1.9%
MD	56,570	MEDNAX INC			55.63	3,146,989	1.8%
MGMT LN	408,380	MEGGITT PLC*			6.07	2,477,449	1.4%
MSFT	56,000	MICROSOFT CORP			91.27	5,111,120	2.9%
NESN SW	57,090	NESTLE SA*			79.04	4,512,479	2.5%
ORLY	12,520	O'REILLY AUTOMOTIVE, INC.			247.38	3,097,198	1.7%
ORCL	85,770	ORACLE CORPORATION			45.75	3,923,977	2.2%
		OTHER				5,436,961	3.1%
PAGE LN	562,583	PAGEGROUP PLC*			7.54	4,239,559	2.4%
PSG SM	388,969	PROSEGUR COMP SEGURIDAD*			7.69	2,991,658	1.7%
PUB FP	37,100	PUBLICIS GROUPE*			69.63	2,583,339	1.4%
RAND NA	62,940	RANDSTAD HOLDING NV*			65.86	4,145,227	2.3%
RYA ID	265,625	RYANAIR HOLDINGS PLC*			19.70	5,233,888	2.9%
SAN FP	33,550	SANOFI*			80.24	2,692,053	1.5%
SAP GY	38,840	SAP AG*			104.98	4,077,491	2.3%
G24 GY	76,666	SCOUT24 AG*			46.63	3,574,697	2.0%
SCL CN	140,010	SHAWCOR LTD*			18.94	2,651,643	1.5%
SW FP	43,290	SODEXO*			100.65	4,357,050	2.5%
SUN SW	24,234	SULZER AG*			131.63	3,189,964	1.8%
FOX	121,500	TWENTY FIRST CENTURY FOX B			36.37	4,418,955	2.5%
WPP LN	256,680	WPP PLC (JERSEY)*			15.89	4,079,065	2.3%



TICKER	SHARES	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE (\$)	MKT VALUE (\$)	% OF NET ASSET VALUE
		TOTAL EQUITIES				174,876,557	98.2%
		REPURCHASE AGREEMENTS					
	1,124,000	STATE STREET BANK/FICC REPO	0.28	4/2/2018		1,124,000	0.6%
		TOTAL REPURCHASE AGREEMENTS				1,124,000	0.6%
		CASH & EQUIVALENTS (NET OF LIABILITIES)				2,161,715	1.2%
		TOTAL CASH & EQUIVALENTS				3,285,715	1.8%
		TOTAL NET ASSETS				178,162,272	100.0%
		NO. OF EQUITY POSTIONS				48	

* 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.

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, sales 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.

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; this may be enhanced when investing in emerging markets. 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.

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, the Portfolio Managers or Distributor.

The FPA Funds are distributed by UMB Distribution Services, LLC, 235 W. Galena Street, Milwaukee, WI, 53212.

Important Disclosures

The views expressed herein and any forward-looking statements are as of the date of this publication and are those of the portfolio management team. 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, but the accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

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 Fund, the portfolio managers, or the Distributor. It should not be assumed that future investments will be profitable or will equal the performance of the security examples discussed. The portfolio holdings as of the most recent quarter-end may be obtained at www.fpafunds.com.

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, including American Depository Receipts (ADRs) and other depository receipts, which are subject to interest rate, currency exchange rate, economic and political risks. Foreign investments, especially those of companies in emerging markets, can be riskier, less liquid, harder to value, and more volatile than investments in the United States. Adverse political and economic developments or changes in the value of foreign currency can make it more difficult for the Fund to value the securities. Differences in tax and accounting standards, difficulties in obtaining information about foreign companies, restrictions on receiving investment proceeds from a foreign country, confiscatory foreign tax laws, and potential difficulties in enforcing contractual obligations, can all add to the risk and volatility of foreign investments.

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.

Value style investing presents the risk that the holdings or securities may never reach their full market value because the market fails to recognize what the portfolio management team considers the true business value or because the portfolio management team has misjudged those values. In addition, value style investing may fall out of favor and underperform growth or other styles of investing during given periods.

The Fund transitioned to its current investment strategy on September 1, 2013. Performance prior to that date reflects performance of the prior portfolio management team and investment strategy and is not indicative of performance for any subsequent periods.

Index Definitions

The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 44 country indices comprising 23 developed and 21 emerging market country indices

Indices are unmanaged, do not reflect any commissions or fees which would be incurred by an investor purchasing the underlying securities. Investors cannot invest directly in an index.

Other Definitions

Margin of safety - buying with a “margin of safety” is when a security is purchased at a discount to the portfolio manager’s estimate of its intrinsic value. Buying a security with a margin of safety is designed to protect against permanent capital 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.

Takeout price - The estimated value of a company if it were to be taken private or acquired.

The FPA Funds are distributed by UMB Distribution Services, LLC, 235 W. Galena Street, Milwaukee, WI, 53212.