

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 a prospective investor. Please read the Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at [www.fpa.com](http://www.fpa.com), by calling toll-free, 1-800-982-4372, or by contacting the Fund in writing.

### Average Annual Total Returns (%)

As of Date: 3/31/2020	10 Years	Since 9/1/13*	5 Years	3 Years	1 Year	YTD	QTR
FPA Paramount Fund, Inc.	6.79	3.78	3.59	2.60	-9.87	-22.79	-22.79
MSCI ACWI (Net)	5.88	5.06	2.85	1.50	-11.26	-21.37	-21.37

\* The FPA Paramount Fund, Inc. ("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. Performance prior to September 1, 2013 is not indicative of performance for any subsequent periods.

Periods greater than one year are annualized. Fund performance is shown net of all fees and expenses. Fund performance is calculated on a total return basis which includes reinvestment of all distributions. Fund performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares, which would lower these returns. Comparison to any index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index.

**The Fund's total expense ratio is 1.36% (as of most recent prospectus).** The Adviser has contractually agreed to reimburse the Fund for Total Annual Fund Operating Expenses in excess of 1.29% of the average net assets of the Fund (excluding brokerage fees and commissions, interest, taxes, fees and expenses of other funds in which the Fund invests, and extraordinary expenses, including litigation expenses not incurred in the Fund's ordinary course of business) through January 31, 2021. This agreement may only be terminated earlier by the Fund's Board of Directors (the "Board") or upon termination of the Advisory Agreement.

**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 net expense ratio as of its most recent prospectus is 1.29%. Current month-end performance data, which may be lower or higher than the performance quoted, may be obtained at [www.fpa.com](http://www.fpa.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 2020, the Fund lost 22.79% (in U.S. currency) compared to a decrease of 21.37% for the MSCI All Country World Index (Net) (the “Index”). For the prior 12 months, the Fund fell 9.87% (in U.S. currency) compared to a decrease of 11.26% for the Index.

While the first quarter results trailed the Index, we continue to believe short-term performance is not the best way to judge investment results, particularly against the backdrop of the Covid-19 crisis, its anticipated economic impact and the government responses. Market sentiment toward an industry, or even a specific company, which often shifts significantly from one year to the next has been even more volatile in the recent period. 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

It should come as no surprise given the market backdrop that, for positions in the Fund with average weights throughout the period greater than 0.50%, all but four of those holdings were negative contributors this quarter.

The biggest performance detractor in the quarter was our long-held position in **Ryanair**, which is based in Ireland and is one of Europe’s leading passenger airlines.<sup>1</sup> Throughout the course of our ownership, the company experienced a series of challenges. A pilot scheduling error caused significant flight cancellations in 2017. The company also experienced strikes during labor negotiations and air traffic control disruptions in 2018. The uncertainties surrounding Brexit also hung over the business. Then, Boeing’s 737 Max crisis hit in 2019, delaying the company’s path for growth. Throughout this succession of events, we have argued that the business possessed a financial strength like no other European airline. It had no net debt on the balance sheet, outright ownership of more than 90% of its planes and hundreds of millions of euros a year in free cash flow. This compared to competitors with copious amounts of debt, substantial aircraft lease payments, legacy pension obligations, and meager cash flows. We also praised the Ryanair management team for generally operating the business well (including its handling of the 2008 financial crisis) and being financially astute and disciplined. For asset-heavy businesses with high fixed costs and large capital allocation needs, we believe that type of financial discipline is indispensable. Finally, we highlighted the company’s business model that we argued possessed a structural cost advantage versus competitors that has led to large gains in market share over the last two decades, a trend we expected to continue.

The Covid-19 crisis potentially changed the fundamental outlook for Ryanair in a way unlike any of the challenges of the last few years. Despite financial strength superior to its competitors, with grounded planes drastically curtailing revenues for an extended period, the fixed costs of running an airline will produce substantial losses. Competitors are already receiving capital injections from their respective governments. It’s unclear whether Ryanair, despite its relative financial strength, will ultimately have to accept similar assistance. Government intervention and potential state ownership across the industry has the potential to fundamentally change the business (load factor restrictions, reduced pricing discretion, labor obligations, new framework of relationships with air traffic control and airports). In particular, government ownership of competitors could level the competitive environment to Ryanair’s detriment. It is also very difficult to assess how consumer habits and preferences will shift in the aftermath of Covid-19, and the impact it may have on the industry. Lastly, we were concerned that Ryanair could become a “take-under” target because of the significant value of its planes (that could be leased back to the company), the group’s robust balance sheet,

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<sup>1</sup>Reflects the top detractor to the Fund’s performance based on contribution to return for the quarter. Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. See the end of this Commentary for the top/bottom five contributors to the Fund’s performance. **Past performance is no guarantee of future results.**

and its financially-minded owner-management. After contemplating these many challenges, we concluded it was very difficult to assess the future intrinsic value of Ryanair and chose to exit most of the position during the quarter and sold the remainder in April.

We will continue to follow developments with the business to determine if the advantages we previously observed get reestablished. If we can become confident enough in our ability to assess the company's intrinsic value, and the share price offers the discount we need to make a purchase, we would be interested in becoming shareholders in Ryanair once again.

Turning to positive contributions, of the companies with average weights above 0.50%, only a small group produced positive contributions. Three video game publishers, **Ubisoft**, **Tencent**, and **Activision Blizzard**, benefitted from the surge in time and money that people appear to be spending on games during the global quarantine. **Microsoft** also held up well, as the share price likely reflected its financial strength and the ongoing benefits of corporate customers shifting IT workloads to the cloud. The use of these cloud-based applications has likely accelerated as companies need more remote capabilities to accommodate employees confined to their homes for prolonged periods.

None of these companies, though, was actually the top performance contributor for the quarter.<sup>2</sup> That distinction belongs to UK-based **RELX**. The company is a global leader in providing scientific, technical, medical and legal information, as well as risk analytics to business and professional customers. This is a business we have known for many years, and after waiting patiently, the market decline in March finally gave us the opportunity to establish a position. With RELX's academic, medical, legal and insurance customers we believe likely to maintain their subscriptions to its information services despite the challenging economic outlook, the company's shares performed well enough after our purchase to make it the Fund's top contributor.

### Portfolio activity<sup>3</sup>

We have written numerous times in the last few years about how the markets seem detached from business fundamentals and driven instead by government policies and excess financial leverage. Staying true to our investment discipline in such an environment, over the past few years it was often a challenge to find businesses of sufficient quality selling at attractive discounts to our assessment of their intrinsic value. Last quarter (Q4 of 2019), for example, despite a high level of research activity from the team, we bought just one new disclosed position. In contrast, the onset of the Covid-19 crisis created numerous valuation opportunities for us -- at least for a few weeks in the first quarter as market participants indiscriminately sold shares.

As markets were falling, we attempted to analyze the impact of the virus on the Fund's portfolio companies, as well as on potential new investments. We started with the short-term cyclical impact to the businesses. For companies, the more significant the operating leverage, the greater the hit to cash flow is likely to be during the slowdown. The level of those projected cash flows is critical to our assessment of financial strength. We analyzed whether incoming cash could cover debt, other off-balance sheet obligations and working capital needs. We also contemplated the ramifications for a company if it wouldn't be able to raise additional capital from credit or equity markets. The importance of management quality is also magnified during a crisis. Even more than during normal environments, we want to have confidence in executives' decisions about how to operate their businesses and allocate capital. Finally, we needed to assess the potential fundamental impacts to the business beyond the short-term crisis. That impact is not easy to determine in many cases, but we considered things like whether manufacturing will need to be re-organized,

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<sup>2</sup> Reflects the top contributor to the Fund's performance based on contribution to return for the quarter. Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. See the end of this Commentary for the top/bottom five contributors to the Fund's performance.

<sup>3</sup> In this section, references to individual securities are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio manager, FPA, 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 information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter. The portfolio holdings as of the most recent quarter-end may be obtained at [www.fpa.com](http://www.fpa.com). Portfolio composition will change due to ongoing management of the Fund.

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the viability of existing supply chains, what could happen to customers and their preferences, as well as potential changes to competition and industry structure. While none of these concepts are new to our investment process, the Covid-19 crisis has clearly highlighted the importance of thinking through such potential business changes.

As a result of these evaluations, we made 15 new purchases. Six of those were companies previously owned in the Fund, and the other nine were on our internal Best of Breed list but were previously too expensive to buy.

Among those purchased were **Empire, GrandVision, SAP, Valmet** and the previously noted RELX.

Empire is a leading grocery store operator and wholesale food distributor based in Canada. GrandVision, based in the Netherlands, is a leading operator of optical stores across more than 40 countries. The group sells and distributes prescription eyeglasses, contacts and eyecare products. SAP, based in Germany, is a leading global enterprise software vendor. Based in Finland, Valmet is a leading global developer and supplier of technologies, automation and services for the pulp, paper and energy industries.

Our evaluation process also led us to sell our positions in 7 companies during the quarter. As we have discussed frequently in the past, the output of our investment process is a distillation of our research work into an estimate of a business' intrinsic value. In the current environment, however, it has become quite difficult to quantify those intrinsic value estimates for many companies, even for businesses for which we previously had confident estimates, including **Amadeus, Booking Holdings, Inditex**, and Ryanair.

Amadeus, based in Spain, is a leading global transaction processor for the airline and tourism industries. Booking Holdings, based in the United States, is a leading global online travel agency. Based in Spain, Inditex is a leading global retailer of fashion apparel, primarily under the Zara brand.

## Portfolio profile

At the end of the quarter, we owned 48 disclosed positions. This is within the range of the number of businesses we would expect to own at any given time.

Most of the Fund's positions are in large-cap companies (with a weighted average market capitalization of approximately \$149 billion), consistent with its mandate of investing in companies with a market capitalization of \$2 billion and above. Apart from that framework, however, we do not consider a company's size to be a relevant criterion from an investment perspective. The portfolio's median capitalization is approximately \$22 billion, reflecting our investment across a wide range of market capitalization sizes, including several businesses that are considered mega-caps.<sup>4</sup>

As of March 31, most of the Fund's assets were invested in companies domiciled in Europe (about 42%). The United States represented about 23%, the UK about 19%, Asia-Pacific about 3%, and the balance in other regions and cash. Where a company is domiciled is largely irrelevant to us, however, since many of the Fund's holdings are large companies that conduct business on a global scale. That means they often generate significant amounts of their cash flow outside their home countries, rendering traditional country classifications less useful.

### ***Phaeacian Partners***

On a separate note, we were pleased to announce on Feb. 13, 2020 that, in partnership with Polar Capital Holdings plc ("Polar"), we had reached an agreement to acquire the International Value and World Value Strategies from FPA and to lift-out the team of six professionals that supports these strategies.

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<sup>4</sup> Large-cap refers to companies with a market capitalization value of more than \$10 billion. Mega-cap refers to the biggest companies in the investment universe, as measured by market capitalization. While there is no exact definition of the term, mega-cap generally refers to companies with a market cap exceeding \$100 billion.

The objective of the proposed structure (discussed in further detail below) is to “square the circle” of what we believe can make a successful investment manager. We believe the deal creates the proper alignment of interests and thus fosters collaboration of the three parties involved to deliver a timely transition while ensuring continuity of execution and shielding both our shareholders and our research team from disruptions.

In the long run, we believe a single-purpose (one team, one philosophy, one process), independent and employee-owned entity is the model most conducive to success for talented investment professionals. The challenge, however, is that managers also face an institutional imperative to offer gold-standard operational support across the board. Providing that has become costly and requires institutional heft, especially after years of increased regulatory requirements.

The transaction contemplates that the FPA Funds we manage will be reorganized into a new U.S. series trust and renamed the Phaeacian Funds. The transaction is subject to all required regulatory, FPA Fund Board and FPA Fund shareholder approvals. The team will establish a joint venture with Polar named Phaeacian Partners, with ourselves as general partners. Polar will provide operational support and distribution capabilities in multiple jurisdictions to help the strategies’ growth, thus allowing the team to remain focused on seeking to generate positive long-term returns. Polar will also deliver to FPA, from Polar’s own interest in the venture, a share of the business’ revenues over a multi-year period. The expectation is that the transaction will be completed in the third or fourth quarter of this year.

While the right structure is important, finding the right partner is also critical. We know Polar’s CEO well, along with many of the managers at Polar and at the firm he previously led. We have had many interactions with some of Polar’s owners and board members, and with many of the professionals who run the group’s operations. Based in the UK, Polar was founded almost 20 years ago by investment managers. It currently manages \$15 billion across 26 strategies and 13 investment teams, with offices in several countries. The group is publicly listed on the London Stock Exchange and carries significant net cash on its balance sheet. Its operations include large compliance and IT departments and 24/7 trading. Polar also has values that resonate with us. The firm is a return-focused active manager with a collegiate and meritocratic culture.

As such, we couldn’t be more pleased with this arrangement, and we believe everybody on the team is excited about this new chapter of their investment careers.

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,

Gregory Herr  
Portfolio Manager

Pierre O. Py  
Portfolio Manager

March 31, 2020

## Important Disclosures

This Commentary is for informational and discussion purposes only and does not constitute, and should not be construed as, an offer or solicitation for the purchase or sale with respect to any securities, products or services discussed, and neither does it provide investment advice. Any such offer or solicitation shall only be made pursuant to the Fund's Prospectus which supersedes the information contained herein in its entirety.

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, the Adviser, 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.fpa.com](http://www.fpa.com).

Investments, including investments in mutual funds, carry risks and investors may lose principal value. Capital 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 Depositary 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.

The Fund may 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.***

**Top Five Contributors** (Contribution %, Weight %) (For the quarter-end 3/31/2020): RELX (0.3%, 0.3%); Grandvision (0.3%, 0.2%); Ubisoft Entertainment (0.2%, 4.1%); Britvic (0.2%, 0.2%); ALS (0.2%, 0.2%).

**Bottom Five Detractors** (Contribution %, Weight %) (For the quarter-end 3/31/2020): Ryanair Holdings (-1.7%, 4.0%); AIB Group (-1.6%, 1.8%); ISS (-1.4%, 3.2%); Ambev (-1.3%, 2.1%); Babcock International (-1.2%, 2.4%).

Top five detractors and contributors to Fund performance noted are based on contribution to return for the periods noted. Contributor and detractors are presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. The information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter. A copy of the methodology used and a list of every holding's contribution to the overall Fund's performance during the quarter is available by contacting FPA Client Service at [crm@fpa.com](mailto:crm@fpa.com). It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed. **Past performance is no guarantee, nor is it indicative, of future results, and there is no assurance that the Fund's investment objective will be achieved or that the strategies employed will be successful. As with any investment, there is always the potential for gain, as well as the possibility of loss.**

In making any investment decision, you must rely on your own examination of the Fund, including the risks involved in an investment. Investments mentioned herein may not be suitable for all recipients and in each case, potential investors are advised not to make any investment decision unless they have taken independent advice from an appropriately authorized advisor. An investment in any security mentioned herein does not guarantee a positive return as securities are subject to market risks, including the potential loss of principal. You should not construe the contents of this document as legal, tax, investment or other advice or recommendations.

### **Index Definitions**

Comparison to any index is for illustrative purposes only and should not be relied upon as a fully accurate measure of comparison. The Fund will be less diversified than the indices noted herein, and may hold non-index securities or securities that are not comparable to those contained in an index. Indices will hold positions that are not within the Fund's investment strategy. Indices are unmanaged and do not reflect any commissions or fees which would be incurred by an investor purchasing the underlying securities. An investor cannot invest directly in an index.

**The MSCI ACWI (Net) Index** captures large and mid-cap representation across 23 Developed Markets (DM) and 26 Emerging Markets (EM) countries. With 2,844 constituents, the index covers approximately 85% of the global investable equity opportunity set. Net index returns reinvest dividends after the deduction of withholding taxes, using (for international indexes) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

### **Key Terms**

**High-quality business** - The portfolio manager believes a high-quality business is one that is able to generate a return on capital in excess of its cost of capital for sustained periods of time.

**Full market cycle** - A cycle is a time period that contains a wide range of market conditions and usually consists of a bear market, recovery, and bull market stage.

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



**FPA Paramount Fund, Inc.**  
Portfolio Holdings

3/31/2020

TICKER	PRINCIPAL/ SHARES	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE (\$)	MKT VALUE (\$)	% OF NET ASSET VALUE
<b>COMMON STOCK</b>							
ATVI	82,000	ACTIVISION BLIZZARD INC			59.48	4,877,360	3.8%
AIBG ID	1,202,464	AIB GROUP PLC*			1.11	1,333,324	1.0%
ALC SW	73,700	ALCON INC*			51.23	3,775,705	3.0%
GOOG	4,350	ALPHABET INC-CL C			1,162.81	5,058,224	4.0%
ALQ AU	611,930	ALS LTD*			3.49	2,132,936	1.7%
ABEV3 BZ	912,596	AMBEV SA*			2.29	2,093,521	1.6%
ASML NA	8,504	ASML HOLDING NV*			263.61	2,241,778	1.8%
BAB LN	696,364	BABCOCK INTL GROUP PLC*			4.72	3,286,492	2.6%
BVIC LN	205,708	BRITVIC PLC*			8.67	1,782,834	1.4%
CAP FP	42,640	CAPGEMINI SE*			83.56	3,563,095	2.8%
CFR SW	4	CIE FINANCIERE RICHEMONT-REG*			53.45	214	0.0%
CSCO	35,000	CISCO SYSTEMS INC			39.31	1,375,850	1.1%
SGO FP	107,371	COMPAGNIE DE SAINT GOBAIN*			24.00	2,576,413	2.0%
CPG LN	122,140	COMPASS GROUP PLC*			15.58	1,902,954	1.5%
CRH ID	56,691	CRH PLC*			27.04	1,533,092	1.2%
DG	23,950	DOLLAR GENERAL CORP			151.01	3,616,690	2.8%
ECM LN	578,820	ELECTROCOMPONENTS PLC*			6.37	3,685,157	2.9%
EMP/A CN	149,290	EMPIRE CO LTD 'A'*			19.56	2,920,453	2.3%
EL FP	21,696	ESSILORLUXOTTICA*			105.87	2,297,057	1.8%
FIE GY	23,168	FIELMANN AG*			58.21	1,348,611	1.1%
GVNV NA	65,830	GRANDVISION NV*			27.34	1,799,771	1.4%
HEIO NA	40,734	HEINEKEN HOLDING NV*			77.93	3,174,338	2.5%
HEN GY	43,720	HENKEL AG & CO KGAA*			73.46	3,211,577	2.5%
ISS DC	264,303	ISS A/S*			13.68	3,615,800	2.8%
DSM NA	3,077	KONINKLIJKE DSM NV*			114.15	351,240	0.3%
PHIA NA	81,631	KONINKLIJKE PHILIPS NV*			41.06	3,351,553	2.6%
LH	21,400	LABORATORY CRP OF AMER HLDGS			126.39	2,704,746	2.1%
OR FP	5,330	L'OREAL*			258.81	1,379,460	1.1%
MSFT	43,160	MICROSOFT CORP			157.71	6,806,764	5.3%
035420 KS	21,538	NAVER CORP*			139.03	2,994,523	2.3%
NESN SW	13,650	NESTLE SA-REG*			102.37	1,397,320	1.1%
ORCL	64,250	ORACLE CORP			48.33	3,105,203	2.4%
ORLY	5,000	O'REILLY AUTOMOTIVE INC			301.05	1,505,250	1.2%
		OTHER COMMON STOCK				2,357,585	1.8%
PAGE LN	750,861	PAGEGROUP PLC*			4.49	3,371,033	2.6%
RAND NA	27,106	RANDSTAD NV*			35.29	956,622	0.7%
RB/ LN	39,820	RECKITT BENCKISER GROUP PLC*			76.18	3,033,312	2.4%
REL LN	129,740	RELX PLC*			21.34	2,768,966	2.2%
RNR	12,819	RENAISSANCERE HOLDINGS LTD*			149.32	1,914,133	1.5%
RYA ID	3	RYANAIR HOLDINGS PLC*			9.97	30	0.0%
005930 KS	32,466	SAMSUNG ELECTRONICS CO LTD*			38.88	1,262,326	1.0%
SAP GY	14,950	SAP SE*			111.65	1,669,136	1.3%
SW FP	33,090	SODEXO SA*			67.16	2,222,164	1.7%
SAX GY	45,106	STROEER SE & CO KGAA*			51.38	2,317,767	1.8%
SUN SW	20,231	SULZER AG-REG*			62.25	1,259,443	1.0%
700 HK	98,562	TENCENT HOLDINGS LTD*			49.43	4,871,683	3.8%
UBI FP	64,108	UBISOFT ENTERTAINMENT*			73.09	4,685,716	3.7%
ULVR LN	74,680	UNILEVER PLC*			50.43	3,766,127	2.9%
VALMT FH	190,050	VALMET OYJ*			19.41	3,689,471	2.9%
		<b>TOTAL COMMON STOCK</b>				<b>126,944,816</b>	<b>99.4%</b>
		<b>TOTAL INVESTMENT SECURITIES</b>				<b>126,944,816</b>	<b>99.4%</b>
		<b>REPURCHASE AGREEMENTS</b>					
	3,667,000	STATE STREET BANK/FICC REPO	0.000	04/01/2020		3,667,000	2.9%
		<b>TOTAL REPURCHASE AGREEMENTS</b>				<b>3,667,000</b>	<b>2.9%</b>



**FPA Paramount Fund, Inc.**  
**Portfolio Holdings**

3/31/2020

TICKER	PRINCIPAL/ SHARES	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE (\$)	MKT VALUE (\$)	% OF NET ASSET VALUE
		CASH & EQUIVALENTS				(2,927,257)	-2.3%
		<b>TOTAL CASH &amp; EQUIVALENTS</b>				<b>739,743</b>	<b>0.6%</b>
		<b>TOTAL NET ASSETS</b>				<b>127,684,559</b>	<b>100.0%</b>
		<b>NUMBER OF LONG EQUITY POSITIONS</b>					<b>48</b>

\* Indicates foreign security.

Portfolio Holding Disclosures

**You should consider the FPA Paramount Fund, Inc.'s ("Fund") 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 the Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at [www.fpa.com](http://www.fpa.com), by email at [crm@fpa.com](mailto:crm@fpa.com), toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.**

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 manager, FPA, or the distributor.

Investments, including investment in mutual funds, carry risks and investors may lose principal value. Capital 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. 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. Securities of smaller, less well-known companies involve greater risks and they can fluctuate in price more than larger company securities. Groups of stocks, such as value and growth, go in and out of favor which may cause certain funds to underperform other equity funds. You risk paying more for a security than you received from its sale.

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 is non- 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, and the Fund's performance may be volatile. As a result, an investor could lose all or a substantial amount of its investment.

The Fund transitioned to its current investment strategy on September 1, 2013.

**The Fund is distributed by UMB Distribution Services, LLC, 235 W. Galena Street, Milwaukee, WI, 53212.**