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: 3/31/17	Since 9/1/13	1 Year	YTD	QTD	10 Years	5 Years
FPA Paramount Fund, Inc.	4.78	14.03	7.48	7.48	6.21	7.49
MSCI ACWI	8.14	15.04	6.91	6.91	4.00	8.37

Periods greater than one year are annualized. Performance is calculated on a total return basis which includes reinvestment of all distributions.

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%. A redemption fee of 2% will be imposed on redemptions within 90 days. 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.

FPA Paramount Fund, Inc.
First Quarter 2017 Commentary

Dear Fellow Shareholders,

During the first quarter of 2017, the Fund gained 7.48% (in U.S. currency) compared to an increase of 6.91% for the MSCI All Country World Index (Net) (the “Index”).

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 toward 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.

Q1 2017 Winners[1]	Performance Contribution	Q1 2017 Losers[1]	Performance Contribution
Oracle Corporation	0.69%	Signet Jewelers Ltd.	-0.63%
Page Group plc	0.59%	Robert Half Intl Inc.	-0.07%
Britvic plc	0.56%	Prosegur Seguridad	-0.07%

Key performers

Our worst-performing holding this quarter was **Signet Jewelers**, which declined 26.3% (in U.S. currency).[2] The company, which is domiciled in Bermuda, is the largest operator of chain jewelry stores in the United States with popular banners like Kay, Jared and Zales. The group also operates the leading chains in the UK and Canada.

During the period, Signet reported lackluster holiday 2016 results, mirroring the tepid reports of most other U.S. mall-based retailers. With the cost of diamonds and precious metals already embedded in cost-of-goods expense, and with labor and store lease expenses difficult to shift in the short term, declining sales squeezed margins. Offsetting a portion of the deleveraging are synergies from the Zale acquisition. Going forward, there should be additional benefits at Zale, and the company has recently announced plans to close its U.S. regional chains. These locations have been the biggest drag on sales and margins.

Based on these actions, we expect the company will continue to have relatively strong profitability and generate good cash flow. Balance sheet leverage remains reasonable, and a potential disposal of the credit card portfolio could free up significant working capital. Following the recent decline, with the potential for sales to recover over the next several years, the shares are trading at about 8.5x normalized operating profit, and subject to remaining at sufficient margin of safety[3], we remain invested in the company.

[1] Reflects the top contributors and top detractors to the Fund’s performance based on contribution to return for the quarter. Contribution is presented as gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. This is not a recommendation for a specific security and these securities may not be in the fund at the time you receive this report. Past performance does not guarantee future results.
[2] Worst performer based on the percentage of Signet’s share price change from 12/31/16 to 3/31/17 in U.S. currency. This share price change does not necessarily equate with the performance of the holding in the Fund’s portfolio. As of 3/31/17, Signet represented 1.23% of the Fund’s total assets.
[3] 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 in part 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.

Canadian-based **Empire** gained about 31.5% (in U.S. currency) this quarter. The Fund's performance was not significantly impacted by the gain, since our position was established at the end of the period. The next-best performer was **Prada**, which gained about 24.1% (in U.S. currency), and was the Fund's best performer held during the quarter.[4] The company is a leading global retailer of luxury goods, including handbags, shoes and apparel.

During the period from 2014 through June 2016, Prada's sales slowed markedly. The main cause was a retrenchment by Chinese consumers due to the cooling Chinese economy and government anti-corruption initiatives. This slowdown followed a period of rapid store expansion for Prada, particularly in Asia. The company was not the only luxury goods retailer to have expanded its store base only to face these slowing sales, but its response to the changed environment was unique. Competitors systematically reduced their fixed costs to mitigate the impact of declining sales on margins. In Prada's case, the cost adjustment was nonexistent. Margins contracted significantly over the multi-year period, which greatly pressured the share price.

During the first quarter, the company reported sales for the second half of 2016, which declined less than in recent periods. The company also commented that January sales were positive. This improving trend, particularly in sales to Chinese consumers, was similar to those reported in the period by its luxury peers, and was seen by the market as evidence of a positive turn for the business.

The company maintains a strong global brand, and we believe that improving sales results should lead to margin improvement in future periods. There continues to be ample balance sheet strength. Following the operational performance of the last few years, our assessment of management has changed, however, and we now view the team as detrimental to long-term value creation. Despite this view, the business remains undervalued and we continue to hold Prada, assuming a sufficient margin of safety.

Portfolio Activity

Despite global market buoyancy during the quarter, we found opportunities to make new purchases in the following companies: **Empire**, a leading grocery store operator and wholesale food distributor in Canada; Denmark-based **Novo Nordisk**, a leading global manufacturer of pharmaceutical products to treat diabetes; and **Philips**, a leading global manufacturer of health care equipment based in the Netherlands.

In the period, we also completely sold out of six companies. They included U.S.-based **Omnicom**, which manages leading global advertising and marketing agencies; **Robert Half**, based in the U.S. and a leading provider of temporary and permanent staffing recruitment services; **Sandvik**, based in the Sweden and a leading producer of mining equipment and other cutting tools; and **Taiwan Semiconductor**, the world's largest foundry semiconductor manufacturer. In all four instances, the stock prices had converged with our assessment of intrinsic value, and we believed the businesses no longer offered an appropriate margin of safety.

We also increased or trimmed existing positions as necessary during the quarter.

Portfolio profile

We owned 45 disclosed positions at the end of the quarter, which remains within the range of the 25 to 50 businesses that we would expect to own at any given time. The top 10 holdings represented about 30% of Fund assets. Our cash balance ended the quarter at about 10%.

At quarter end, about 24% of the Fund's assets were invested in companies domiciled in the United States. The non-U.S. portion was made up of companies domiciled in Europe (about 58%) the Asia-Pacific region

[4] Best performer based on the percentage of Prada's share price change from 12/31/16 to 3/31/17 in U.S. currency. This total shareholder return does not necessarily equate with the performance of the holding in the Fund's portfolio. As of 3/31/17, Prada represented 1.65% of the Fund's total assets.

(about 5%), with 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 meaningful.

Most of the Fund's positions are in large-cap companies (with a median capitalization of approximately $12 billion), including several businesses that are considered mega-caps. That is consistent with our mandate, which focuses on companies with market caps in excess of $2 billion.

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	Pierre O. Py
Portfolio Manager	Portfolio Manager

March 31, 2017

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.

FPA Paramount Fund, Inc.
Portfolio Holdings

03/31/17

TICKER	SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
ADEN VX	33,360	ADECCO GROUP AG REG*	71.03	2,369,654	1.5%
AGK LN	209,537	AGGREKO PLC*	11.07	2,319,444	1.5%
GOOG	3,834	ALPHABET INC CL C	829.56	3,180,533	2.0%
ALQ AU	543,230	ALS LIMITED*	4.69	2,548,269	1.6%
ANN AU	140,440	ANSELL LTD*	18.39	2,582,618	1.7%
BIDU	16,210	BAIDU INC SPON ADR	172.52	2,796,549	1.8%
BVIC LN	796,580	BRITVIC PLC*	8.11	6,462,279	4.1%
BRBY LN	106,060	BURBERRY GROUP PLC *	21.60	2,290,896	1.5%
CARLB DC	31,430	CARLSBERG AS B*	92.35	2,902,507	1.9%
CFR VX	29,860	CIE FINANCIERE RICHEMON REG*	79.07	2,361,016	1.5%
CSCO	57,630	CISCO SYSTEMS INC	33.80	1,947,894	1.2%
CVS	25,000	CVS HEALTH CORP	78.50	1,962,500	1.3%
DGE LN	82,420	DIAGEO PLC*	28.61	2,358,035	1.5%
DKSH SW	33,544	DKSH HOLDING LTD*	77.37	2,595,378	1.7%
DG	34,280	DOLLAR GENERAL CORP	69.73	2,390,344	1.5%
EMP/A CN	137,140	EMPIRE CO LTD A*	15.28	2,095,488	1.3%
FUR NA	210,405	FUGRO NV*	15.58	3,278,238	2.1%
HWDN LN	671,780	HOWDEN JOINERY GROUP PLC	5.43	3,650,338	2.3%
BOSS GY	35,060	HUGO BOSS AG ORD*	72.98	2,558,671	1.6%
IMI LN	161,810	IMI PLC*	14.95	2,418,591	1.5%
JOY	165,900	JOY GLOBAL INC	28.25	4,686,675	3.0%
PHIA NA	106,320	KONINKLIJKE PHILIPS NV*	32.14	3,417,409	2.2%
LH	16,560	LABORATORY CORP AMER HLDGS	143.47	2,375,863	1.5%
LUX IM	48,260	LUXOTTICA GROUP SPA*	55.21	2,664,284	1.7%
MD	36,570	MEDNAX INC	69.38	2,537,227	1.6%
MGGT LN	505,330	MEGGITT PLC*	5.58	2,819,320	1.8%
METSO FH	78,040	METSO OYJ*	30.28	2,362,722	1.5%
MSFT	60,310	MICROSOFT CORP	65.86	3,972,017	2.5%
NESN VX	35,690	NESTLE SA*	76.72	2,738,258	1.8%
NOVOB DC	74,880	NOVO NORDISK A/S B*	34.34	2,571,665	1.6%
ORCL	130,270	ORACLE CORPORATION	44.61	5,811,345	3.7%
PAGE LN	1,353,082	PAGEGROUP PLC*	5.36	7,254,091	4.6%
PDCO	26,050	PATTERSON COS INC	45.23	1,178,241	0.8%
1913 HK	615,820	PRADA SPA*	4.20	2,587,213	1.7%
PCLN	1,000	PRICELINE GROUP INC/THE	1,779.97	1,779,970	1.1%
PSG SM	487,182	PROSEGUR COMP SEGURIDAD*	6.02	2,931,253	1.9%
PUB FP	48,450	PUBLICIS GROUPE*	69.89	3,385,979	2.2%
RYA ID	257,150	RYANAIR HOLDINGS PLC*	15.50	3,984,608	2.5%
SAN FP	34,650	SANOFI*	90.27	3,127,946	2.0%
SAP GY	37,250	SAP AG*	98.12	3,655,128	2.3%

TICKER	SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
SCL CN	89,620	SHAWCOR LTD*	29.27	2,623,534	1.7%
SIG	28,020	SIGNET JEWELERS LTD	69.27	1,940,945	1.2%
SUN SW	26,914	SULZER AG*	104.63	2,815,941	1.8%
UHR VX	7,237	SWATCH GROUP AG*	358.11	2,591,636	1.7%
FOX	150,000	TWENTY FIRST CENTURY FOX B	31.78	4,767,000	3.0%
		OTHER		5,757,281	3.7%
		TOTAL EQUITIES:		**141,406,793**	**90.2%**
		CASH & EQUIVALENTS (NET OF LIABILITIES):		**15,354,744**	**9.8%**
		TOTAL NET ASSETS:		**$ 156,761,537**	**100.0%**
		NO. OF EQUITY POSTIONS:		**45**	

* Indicates Foreign Security

<u>Portfolio Holding Submission Disclosure</u>

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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 Fund, the Portfolio Managers or Distributor.

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