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, 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.

Average Annual Total Returns
As of December 31, 2015

	QTR	YTD	1 Year	3 Year	Since Inception*
FPA International Value Fund	-2.20 %	-6.34 %	-6.34 %	0.12 %	5.79 %
MSCI ACWI ex US	3.24 %	-5.66 %	-5.66 %	1.50 %	4.73 %

**Annualized. Inception of FPA International Value Fund is December 1, 2011.
A redemption fee of 2.00% will be imposed on redemptions of certain shares within 90 days. Expense ratio calculated as of the date of the most recent prospectus is 1.13%.

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 MSCI ACWI ex-USA Index (Net) is a float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the United States. These indices do not reflect any commissions or fees which would be incurred by an investor purchasing the stocks they represent. The performance of the Fund and of the Averages is computed on a total return basis which includes reinvestment of all distributions.

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, 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.

The Fund is non-diversified and 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.

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

FPA International Value Fund
Fourth Quarter 2015

"Our focus is rather on the investment opportunities that angry headlines usually surface. (…) Cheap business value is a rare commodity. It warrants a certain tolerance for (…) dislocation. If it weren't for the dislocation, the value wouldn't be there for the plucking in such profusion."

Jim Grant

"It goes up by ten times but first it goes down by half. (…) This isn't the sort of ride most investors enjoy but it was (…) the essence of value investing (…) to disagree loudly with popular sentiment".

Michael Lewis

Dear fellow shareholders,

This quarter was pure madness. Our Fund returned a -2.20% (in U.S. currency), compared to a positive 3.24% in the MSCI All Country World Index's (ex-U.S.) (Net) (the "Index"). This means we gave back the circa 500 bps of outperformance we had accumulated by September 30th in these past three months, and more than half of that in the last two weeks of the year alone. As a result, the Fund ended 2015 -6.34% vs. -5.66% for the Index.

This painful year-end was primarily a function of intensified pressure on the share prices of some of our large and increasing holdings, which continue to experience challenging operating conditions and suffer from negative market sentiment. They include **Countrywide** and **LSL,** each with exposure to the UK real estate market, **Prada** with exposure to China and luxury goods, **Fenner** and **ALS** with exposure to mining, **Fugro** with exposure to oil, and **Aggreko** with exposure to power and emerging markets.

These are the cheap stocks that our value discipline entices us to own, although they do not help short-term returns in the current environment. It is not the first time we have been faced with this situation, and we think we know how it goes from here. We understand the institutional imperative to 'play' more favorable stocks. However, we cannot force ourselves to continue owning, let alone buying companies, however compelling their businesses might be, whose multiples and profit growth expectations expand as their share prices continue to rise speculatively in our view. As we sell down such names, maintain a large cash position, and increase exposure to hard-hit companies, pressure on short-term performance intensifies.

In accordance with our long-term approach, we look five years out when placing new trades, and thus would encourage shareholders to evaluate the Fund's performance over a multi-year, full-cycle period. For reference, the Fund has appreciated by an annualized return of 5.79% net and 7.18% gross from its launch on December 1st, 2011 through December 31, 2015, as compared to a 4.73% return for the Index. This is with cash having averaged close to 35% of the portfolio, as well as the effective redeployment towards hard-hit businesses. One also needs to consider the impact of the broad-based deterioration of currencies against the U.S. dollar. As a reminder, our approach to currency hedging only covers dollars at the cost of investment and thus doesn't allow us to safeguard the potential upside of our investments. Nor does it allow us to capture incremental returns that could be gained from currency fluctuations.

What this means is that the newer investments, albeit so far detrimental to returns, have not come at the expense of long-term alpha[1] while we constructed a portfolio of attractive value opportunities, much like we had a few years back. We started at the Fund's inception with a heavily discounted portfolio, and now once again own a selection of attractively-priced businesses, albeit different in nature, rather than winners

[1]Alpha - The excess returns of a fund relative to the return of a benchmark index is the fund's alpha.

at the tail end of a cycle. Fundamentally, what we've done is sold down holdings that had reached fair value and redeployed capital towards cheap stocks. We remain believers that longer-term, this is the way to create wealth.

Looking at where we stand in the market today, such value discipline seems warranted. While the prevailing views may be that prices have come down, we find that there hasn't been much of a correction yet. We attribute this misperception to currency movements, and to high dispersion in market price progression. First, the rise of the dollar has more than offset the increase in prices of international equities in the past two years. A euro-denominated asset delivering a -13% return in U.S. dollar terms went up 10% in euro terms (from an already high point) over the period. As such, opportunities to invest at significant discounts to fair value haven't expanded. The purchasing power of cash in the meantime has increased, and it can now be used to buy cheap assets in depressed currencies. Second, while many of the companies we track (yet do not own, or do not own anymore) have seen continued increases in their share prices, specific geographies and sectors have experienced big price dislocations, causing the overall market to show weaker progression.

As mentioned above, these troubled waters are where we've seen opportunities to invest. To borrow an analogy from our colleague Robert Rodriguez, as the train moved over the cliff, we've traded places from the nicely going tail-end caboose to the engine hitting the river bed. We would imagine all the cars will follow. Things are unlikely to remain highly valued forever. Whether because of increased volatility, changes in monetary policies, or weaker than expected profit growth, prices of even the best companies do fall over from high ground. In fact, we suspect sustained low rates may prove unable to suspend the natural gravity of business cycles, and they leave governments powerless to act in the face of the next downturn. If prices do fall, and discounts widen to appropriate levels, we'll gladly return to owning our old favorite businesses.

With all that being said, we do want to highlight that, as we reflect on past efforts, and continuously look for ways to improve our approach, we are paying particular attention to how we manage the "fat belly" of the portfolio (i.e. holdings which no longer offer a 30%+ discount to intrinsic value[2]), choosing to consider alternatives that would optimize the upside opportunity there, without altering the overall balance and conviction of the Fund. We seek to improve our operating efficiency and build our team further, so that we can be in a position to deliver these improvements going forward.

Key performers

Our best performing holding this quarter was **Hypermarcas**. Based in Brazil, Hypermarcas is the second largest consumer goods company in the country, and the third largest pharmaceutical company. As you may remember, Hypermarcas was the Fund's worst performing holding in the third quarter of the year. We had originally built the position in the third quarter of 2014, but substantially reduced our holding as the share price ran up to the end of the second quarter of 2015.

Subsequently, the business suffered from continued weakness in the domestic economy, including in its pharma division. Free cash flow generation lagged, and with added negative impact from currency, the balance sheet didn't improve as expected. We took advantage of the resulting short-term weakness in the stock price to buy back most of the shares we had previously sold. However, we did not fully reweight the position according to the widened discount to intrinsic value.

This was because we thought the company had departed from its stated strategy by chasing volumes at the expense of margins, rather than increasing focus on core activities, extracting efficiency gains, and

[2] Intrinsic Value - The actual value of a company or an asset based on an underlying perception of its true value including all aspects of the business, in terms of both tangible and intangible factors. This value may or may not be the same as the current market value and thus if it is less it is at a discount.

generating free cash flow in order to reduce leverage. Consequently, we had placed the company under review for a potential exit.

In the fourth quarter, however, management provided us with a demonstration of their unaltered strategic focus and financial discipline. The company announced that it had sold its beauty products business to Coty for R$[3]3.8bn. The sale will materially improve the company's positioning, will effectively free the balance sheet of debt, and was done at an attractive price. It also provides an opportunity to utilize some of Hypermarcas' valuable tax credits. As a result, the deal strongly reinforced our conviction in this management team, and in the group's attractive prospects. While we are mindful to have our holding reflect the relative discount to fair value the stock offers following its recent increase in price, we remain interested in being long-term owners of Hypermarcas, with the appropriate margin of safety[4].

Our worst performing holding was **Spotless**. As we have warned on several occasions in the past, this doesn't mean we owned the stock throughout the quarter. In this instance, we invested in the company following the sharp correction in its share price. Based in Australia, Spotless is the country's dominant provider of food catering and facility management services. The group is also a leading provider of laundry services. The business is similar to a Compass or a Sodexo on the food and facility management side (both companies which we have an history with, and which are on our "Best of Breed" list), or to an Aramark in the US.

Spotless went back to being a listed company in 2014, after less than two years of private equity ownership. During that period, management shed non-core businesses and international activities, while dramatically improving operating efficiency. Returns on capital almost tripled as a result. As free cash flow turned positive, the group went back to its historical roll-up strategy and completed multiple acquisitions. The business also experienced significant growth in the last couple of years, which all together helped boost its share price from A$[5]1.6 at the time of the initial public offering to A$2.4 at its most recent peak.

Back in August, Spotless announced the appointment of CEO Martin Sheppard, formerly a partner with accounting firm KPMG, who formally stepped into the role in December along with CFO Nigel Chadwick. The same month, the group warned on write-downs and other one-off charges, less favorable than expected market conditions, and integration challenges following the recent acquisitions. Management also advised greater caution on the business outlook. There is a general history of such service businesses re-rating hard, in particular following a change in ownership and/or management, and more recently, there were local instances of recently floated private equity owned companies disappointing. This caused the stock to fall by over 40% from A$2.2 to A$1.3 in a day. It subsequently fell below A$1.1.

The correction came after we had an on-site meeting with management on a recent trip to Australia, and we promptly took advantage of the extreme price weakness to build a position. We think Spotless is a high quality business, with a credible management team and acceptable financial leverage in light of the free cash flow that the business generates. While we expect short-term challenges and further negative normalization in operating performance post-private equity ownership, we think the acquisitions, while challenging, will eventually prove successful, and that the economics of the business will remain compelling long-term. We think the stock is currently excessively discounted, notwithstanding the weak currency, and view Spotless as a prime asset which could be attractive to other industry participants.

Portfolio activity

[3] R$ - Brazilian Real.
[4] Margin of safety - Buying with a "margin of safety," a phrase popularized by Benjamin Graham and Warren Buffet, is when a security is purchased for less than its estimated value. This helps 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.
[5] A$ - Australian Dollar.

Other than Spotless and another undisclosed holding, we did not make any new additions to the portfolio this quarter. While we continued to reduce our exposure to some of our holdings whose stock prices have come up, we did not entirely exit any position either.

Portfolio profile

While continued weakness in core holdings and the addition of two new names mechanically caused our cash exposure to further decline this quarter, we were somewhat underweight cash at the end of the period. Our cash weighting should have been in the low to mid-20% range, and we will seek to adjust back to these levels promptly. This also means that several of our holdings were not quite weighted as they should, and again will require some rebalancing based on relative discounts to intrinsic value and cash exposure. As things stood at the time of this report, however, our portfolio remained relatively concentrated, with the top 10 holdings accounting for about 50% of the Fund's assets, and the top 5 for close to 30%. At December 31st, the weighted average discount to intrinsic value of our holdings was close to 40%, up from approximately 37% at the end of the third quarter. While this is the highest level since inception, it's important to note that it reflects the fact that our holdings are heavily discounted, and offer asymmetric value opportunities, rather than the greater attractiveness of the broader opportunity set.

Overall, the general profile of the portfolio has remained relatively unchanged, with a reasonable balance in terms of market capitalizations, even though we find that smaller, overlooked companies tend to be the ones still offering compelling discounts in the current market environment. We do not consider this in itself to be very meaningful, however, since our approach is agnostic to size, as it is to geography or sectors.

The main geographical exposures of the portfolio were also broadly similar to what they were at the end of the third quarter, with large exposure to companies based in Europe, and no exposure to Japan. Not only does it appear increasingly clear that Abenomics is in fact failing to deliver the expected results, as the country falls back into recession, but a recent extended trip we took to the region also confirmed our worst fears for many Japanese companies. While financial discipline remains generally weak, managers now feel more empowered to aggressively pursue acquisitions. This often translates into significant value destruction for shareholders. It also means good businesses can find themselves durably tied to far lower quality ones, thereby often creating on-going value destruction, and possibly making them unattractive.

While exposure to Europe remains preponderant, as it has been since the inception of the Fund, the region continues to come down in weight overall in the portfolio. Areas of more recent increased exposure, on the other hand, are emerging markets, Brazil in particular, along with Australia, which increasingly suffers from a combination of slowdown in economic growth in the greater Asia Pacific region, mostly driven by China, and high exposure to commodities, mining in particular, which are currently going through a severe, prolonged down-cycle.

From a sector standpoint, the portfolio remained largely geared towards Industrials. While we think that the cycle may be about to turn, we would note that our individual holdings have underlying exposure to segments which have already experienced a sharp correction, as discussed further below. We still have no investments in banks, with Financials exposure only reflecting our holdings in LSL and Countrywide. We remain skeptical of banks' business models, and note that questions are now being raised as to their ability to capture any expansion in net interest margins as rates rise due to the imposition of new regulatory requirements. Our weight towards Healthcare is also somewhat misleading, since it only reflects our investment in Ansell, which is primarily an industrial and consumer goods-driven business.

Similarly, our exposure to Energy only includes our holdings in Fugro and Shawcor, the latter being more a provider of industrial solutions than an energy company. However, several of our holdings which are not classified as such under GICS[6], but have material underlying exposure to energy and the broader commodity market, have seen their total portfolio contribution increase in recent months, as we've taken advantage of the massive downturn and subsequent extreme price dislocations in this area of the market.

Back when we launched the Fund, we would have hardly imagined having such exposure to emerging markets and/or such businesses, because the cycle was so strong and the multiples so high, although I remember using this very possibility as an example of what the portfolio could look like if these areas were the only places where we were able to find value. With other segments of the markets, and certainly other portfolio candidates, having continued to experience increases in share prices in local currencies since our peak cash of the second quarter 2014, this is where the asymmetry in value opportunities has been.

Our exposure is to niche service or equipment businesses that are well positioned in the value chain, competitively advantaged, with acceptable levels of debt, direct exposure to volumes rather than prices of the underlying commodities, and in some cases, hedges to other markets and/or activities. Of course, little of this matters when an industry experiences such a dramatic downturn, which is what creates the opportunity to invest at cheap prices. We've been mindful of what our bottom-up approach dictates in terms of underlying exposure to a specific sector, but it's possible we could continue to hold large investments in this area if the opportunity set doesn't open up again, and/or if the prices of these assets remain highly depressed.

Beyond Industrials and Energy, the Fund is still fairly broadly invested, while geared toward businesses which are cash-generative and not very capital-intensive. These primarily include service businesses and consumer goods companies. We also continue to have meaningful investments in ERP software providers, which account for the vast majority of our sizeable exposure to Information Technology.

Cyclical impacts

We would highlight that our investment in Fugro stands out in that respect. While we've invested, as is typical for us, in companies faced with negative sentiment and declining share prices, it was not the case for Fugro. The decision to invest dates back further, and our thesis here was based on a change in management, strategy, and subsequent improvements in operations. While we were correct on that front, we were blind-sided and severely hit by the sudden and sharp fall in oil prices. As a result, the intrinsic value of the business was impaired by more than 35%, recognizing that the value may increase if oil prices recover, even partially.

The fall in oil prices also impacted Fenner, although the fair value of the business hasn't been impaired by more than 10%. With the dramatic decline in the company's share price, Fenner is a quintessential value play. As one would expect, it is also an uneasy place to be. To borrow Mike Burry's colorful analogy: *"No matter how well my needs are met, I doubt I'll ever brag about it. The 'creep' factor is off the charts".*

There are only two other main portfolio holdings where value has been impaired by 20% or more: Aggreko and Prada. The adjustment to Aggreko's value was primarily a function of new management, which took a drastically different approach to the business and the type of returns it should be expected to deliver. Prada's adjustment was a function of greater short-term weakness in demand than expected, along with management's unwillingness to taper investments in operations in the face of the slowdown. In both instances, however, the declines in the company's respective share prices far exceeded the value impairments, thus warranting incremental purchases. The impairments are also inferior to our required margin of safety, meaning we have not experienced permanent capital destruction on these investments.

[6] Global Industry Classification Standard.

In general, we believe we do a better job than the market at seeing through future business developments, in particular a few years out. While we're often directionally right, it is not uncommon for us to misjudge the precise timing and/or amplitude of a downturn in activity, which can lead to revising estimates. It's important to realize, however, that even a few years of depressed profits have limited impact on value, which is based on the long-term cash flows of the business. As such, we've not seen large impairments to the values of our other cyclical names. Short-term prices, on the other hand, tend to react widely to disappointing short-term performance, which is what creates opportunities for us as value investors.

This is in part why we are so disciplined and so demanding with the margin of safety we require when making a new investment, as we recognize not only that we could be proven wrong on some of the underlying assumptions we used to assess intrinsic value, but also that we could be blind-sided by such things as an industry sea change, or a change in management and strategic approach.

Lastly, we would point out that in the same way that fair values can be revised down, they can be adjusted up (and they naturally increase over time). In fact, value has been increased by more than 20% for five of our long standing holdings.

Prospect

As past readers will have likely noticed, we have shied away from making macro-economic comments in more recent commentaries. We had given in to the required exercise in the past, but simply do not think we as pure bottom-up investors provide much valuable incremental insight on these topics. In lieu of such comments however, we would offer the following excerpts from a September Financial Times article[7]:

"The total number of giant deals this year has climbed to 47 – one short of the record in 2006, just before the financial crisis. (…) Data from Dealogic show that sustained deal-making cycles from 1997 to 2000 and from 2005 to 2008 were followed by sharp stock market falls (…). Now, chief executives have entered into a cycle of excess. Bidders are paying an average multiple 12 times earnings – already surpassing the highs of the dotcom boom (…). Debt to finance these deals has swelled to a record high of $290bn, which is almost triple the level for the same period last year".

Given current prices, we think that owning cash and hated cheap stocks of cyclically challenged businesses is the disciplined thing to do in this environment. As we mentioned in recent commentaries, we are increasingly of the view that there are no levers left to pull to support valuations, and that operating profit expectations are likely to be challenged as we move further into the economic cycle, as growth becomes harder to come by, and few opportunities to improve margins and returns (or play financial engineering tricks) remain. We believe we could soon be presented with the opportunity to deploy more capital in a way that is consistent with our long standing investment approach.

As always, we thank you for your confidence and look forward to continue serving your interests as shareholders of the FPA International Value Fund.

Respectfully submitted,

The International Value Team

Pierre O. Py
Portfolio Manager

[7] Megadeals for 2015 hit record high September 18, 2015.

Jason Dempsey
Analyst

December 31, 2015

FPA International Value Fund, Inc.

Portfolio Holdings

12/31/15

TICKER	SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
ADS GR	15,500	ADIDAS AG*	97.06	1,504,414.90	0.52%
AGK LN	895,886	AGGREKO PLC*	13.46	12,060,158.06	4.20%
ALQ AU	4,445,805	ALS LIMITED*	2.72	12,099,178.94	4.21%
ANN AU	500,000	ANSELL LTD*	15.50	7,748,600.35	2.70%
ATEA NO	290,014	ATEA ASA*	8.26	2,395,260.71	0.83%
BXB AU	187,158	BRAMBLES LTD*	8.37	1,567,429.28	0.54%
CWD LN	2,239,248	COUNTRYWIDE PLC*	5.89	13,178,484.20	4.59%
BN FP	55,361	DANONE SA*	67.57	3,740,934.82	1.30%
DGE LN	91,879	DIAGEO PLC*	27.31	2,509,007.64	0.87%
FENR LN	10,708,089	FENNER PLC*	2.11	22,570,251.03	7.86%
FUR NA	847,403	FUGRO NV*	16.40	13,899,145.13	4.84%
GFS LN	2,520,827	G4S*	3.32	8,373,650.12	2.92%
HYPE3 BZ	437,650	HYPERMARCAS SA*	5.46	2,389,909.94	0.83%
IPL AU	792,129	INCITEC PIVOT*	2.86	2,263,457.67	0.79%
KSB3 GR	36,583	KSB AG VORZUG*	402.75	14,733,784.12	5.13%
LSL LN	3,747,062	LSL PROPERTY SERVICES PLC*	4.20	15,743,168.85	5.47%
MPI LN	713,035	MICHAEL PAGE INTERNATIONAL*	7.14	5,094,164.76	1.77%
ORCL	274,100	ORACLE CORP	36.53	10,012,873.00	3.49%
		OTHER		12,399,041.82	4.32%
1913 HK	4,387,600	PRADA SPA*	3.11	13,643,932.62	4.75%
PUB FP	13,060	PUBLICIS GROUPE*	66.50	868,428.83	0.30%
SAP GR	29,794	SAP AG*	79.35	2,364,246.63	0.82%
SCL CN	149,400	SHAWCOR LTD*	20.29	3,030,756.67	1.06%
SW FP	22,758	SODEXO*	97.70	2,223,386.03	0.77%
SPO AU	12,839,070	SPOTLESS GROUP HOLDINGS LTD*	0.78	10,059,967.70	3.50%
SUN SW	88,410	SULZER AG*	93.99	8,309,969.70	2.89%
TSM	110,700	TAIWAN SEMICONDUCTOR MFG LTD SPD ADR*	22.75	2,518,425.00	0.88%
TNTE NA	2,004,596	TNT EXPRESS NV*	8.46	16,956,537.01	5.91%
TOTS3 BZ	904,100	TOTVS SA*	7.82	7,070,997.12	2.46%
VSVS LN	165,614	VESUVIUS PLC*	4.92	815,489.77	0.29%
		TOTAL EQUITIES:	**$**	**232,145,052.44**	**80.85%**
		TOTAL DERIVATIVES/FUTURES		**1,881,657.23**	**0.66%**
	25,000,000	US TREASURY 2.375% 3/31/2016	100.46	25,116,220.00	8.75%
		TOTAL US GOVT AND AGENCIES:	**$**	**25,116,220.00**	**8.75%**
		CASH & EQUIVALENTS (NET OF LIABILITIES):		27,972,892.85	9.74%
		TOTAL CASH & EQUIVALENTS (NET OF LIABILITIES):		**53,089,112.85**	**18.49%**
		TOTAL NET ASSETS:		**$ 287,115,822.52**	**100.00%**
		NO. OF EQUITY POSTIONS:		**29**	

TICKER	SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE

* 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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