



FPA U.S. Core Equity Fund, Inc. Second Quarter 2021 Commentary

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

Average Annual Total Returns (%)

As of Date: 6/30/2021	QTD	YTD	1 Year	3 Years	5 Years	10 Years*
FPA U.S. Core Equity Fund, Inc. ('Fund')	12.46	13.90	38.67	19.29	14.42	10.88
S&P 500	8.55	15.25	40.79	18.67	17.65	14.84

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. An investor cannot invest directly in an index. 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. These data represent 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 total expense ratio is 1.34% and the net expense ratio is 1.22%, as of its most recent prospectus. Current month-end performance data, which may be lower or higher than the performance data quoted, may be obtained at www.fpa.com or by calling toll-free, 1-800-982-4372.

The Investment Advisory Agreement ("IAA") between the Fund and First Pacific Advisors, LP (the "Adviser" or "FPA"), the Fund's investment adviser, requires FPA to reduce its investment advisory fee to the extent necessary to reimburse the Fund for any annual expenses (exclusive of interest, taxes, the cost of brokerage and research services, legal expenses related to portfolio securities, and extraordinary expenses such as litigation, merger, reorganization or recapitalization) in excess of 1.50% of the first \$30 million and 1% of the remaining average net assets of the Fund for the year. This agreement is coterminous with the IAA, and Fund's Board of Trustees reviews the IAA annually as of Oct. 1 each year. The IAA may be terminated by the Fund's Board of Trustees, by the vote of a majority of the Fund's shareholders, or by the Adviser.

* On September 1, 2015, the Fund changed its name to FPA U.S. Value Fund, Inc. The current portfolio manager assumed management of the Fund on September 1, 2015. Contemporaneous with this change, the Fund transitioned to its current investment strategy. Performance prior to September 1, 2015 reflects the performance of the prior portfolio manager and investment strategy. Performance prior to September 1, 2015 is not indicative of performance for any subsequent periods. The transition took place during the time period from September 1, 2015 to September 30, 2015.

Effective December 28, 2020, the Fund changed its name to FPA U.S. Core Equity Fund, Inc., from FPA U.S. Value Fund, Inc. and adopted the S&P 500 as its formal benchmark.

Please see important disclosures at the end of the commentary.

Introduction

In the second quarter, the FPA U.S. Core Equity Fund, Inc.'s ("Fund") performance was 12.46% compared to the 8.55% total return of the S&P 500 Index ("Index" or "S&P 500").

More importantly, the Fund has outperformed the S&P 500, the Fund's benchmark, over the past three years. The Fund's annualized return over this time period is 19.29% (20.75% before fees and expenses) compared to the Index's 18.67%. We accomplished this outperformance in a relatively low-risk manner with a reasonably diversified portfolio that had an approximate 40% overlap with the Index.

We believe we have created a portfolio that is better positioned than the Index by overweighting what we think is good, avoiding what is bad and adding other high quality foreign and U.S. companies that are not in the Index. We think there is a portion of the Index that is high quality and worthy of investing in, but at the same time there is an even larger portion that one should avoid due to our view that those companies will struggle to grow at an above average rate. The reason why this is so important is that earnings per share (EPS) growth is the greatest factor in stock price performance over the long run.

We continue to believe secularly growing mid- to large-capitalization companies trading at compelling valuations will remain a favorable place to invest for the long-term—especially relative to U.S. Treasuries and other investment alternatives.

Portfolio Commentary

During the second quarter, we continued to make some changes to the portfolio to best position it for future success. To that end we eliminated three positions that made up 0.4% of the March 31, 2021 portfolio, reduced the weighting of the 81 remaining positions by 1.0% to 98.7%, and added six new positions representing 1.0% of the June 30, 2021 portfolio. These new positions are in companies we have been following and that were on our wish list to purchase. Most are not at full position sizes yet due to valuation, and thus we are prepared to add to them should we get the opportunity.

As of June 30, 2021, the Fund was invested in 87 companies (68 of which are disclosed), including 53 disclosed investments that are in the S&P 500, which made up 87.0% of the portfolio. Moreover, those 53 common positions made up 42.5% of the S&P 500's weighting as of June 30, 2021. A majority of those 53 positions were overweight in the Fund relative to the Index. The Fund's remaining 15 disclosed investments were large-cap foreign and U.S. companies. Combined, those 15 companies made up 9.6% of the portfolio.

In terms of geography, 89.9% of the disclosed portfolio was in U.S. companies, while 5.9% was in foreign equities, as of June 30, 2021. By market capitalization, 94.8% of the disclosed portfolio was invested in large-cap companies with market values above \$10 billion, with nearly 67% invested in mega-caps (companies with market values above \$200 billion). The Fund's portfolio companies weighted average market cap was approximately \$803 billion, while the median market cap was approximately \$96 billion.

Regarding portfolio concentration, the Fund's top five positions made up 38.1% of the Fund compared to approximately 22.7% for the S&P 500. The Fund's top 10 positions made up approximately 50% of the portfolio versus approximately 26% for the Index. Over time, our goal is to reduce the weighting of some of the Fund's largest positions and to increase some of the Fund's smallest ones as our conviction grows.

From an industry exposure standpoint, the portfolio had disclosed investments in seven of the 11 sectors in the S&P 500. Combined, those seven sectors made up approximately 90% of the S&P 500 and 96% of the Fund's disclosed portfolio. Relative to the S&P 500, the portfolio is overweight information technology, communication services and consumer discretionary, and underweight financials, health care, industrials, and consumer staples. At the end of the quarter, the Fund did not have any disclosed investments in utilities, energy, materials and real estate. Collectively, those four sectors made up approximately 10% of the S&P 500.

Sector	FPA U.S. Core Equity Fund	S&P 500
Information Technology	37.5%	26.2%
Communication Services	25.2%	11.1%
Consumer Discretionary	17.7%	12.1%
Health Care	10.6%	13.0%
Financials	2.1%	11.9%
Consumer Staples	1.3%	6.0%
Industrials	1.1%	8.9%
Materials	0.0%	2.8%
Energy	0.0%	2.8%
Utilities	0.0%	2.6%
Real Estate	0.0%	2.5%
Total	95.5%	100.0%
Other	4.1%	
Cash and equivalents (net of liabilities)	0.3%	

Source: FPA and Mellon. As of June 30, 2021. Totals might not add up to 100% due to rounding. The "Other" category is the Fund's undisclosed positions. Portfolio composition will change due to ongoing management of the Fund.

Compared to the broader market, we believe the Fund's portfolio is of higher quality and has greater potential for revenue and earnings growth.¹

	FPA U.S. Core Equity Fund	S&P 500
Large Capitalization Holdings % of Portfolio	94.8%	99.0%
Top 5 Holdings % of Portfolio	38.1%	22.7%
Top 10 Holdings % of Portfolio	50.0%	26.4%
Foreign Securities % of Portfolio	5.9%	0.0%
12-Month Forward P/E ²	33.1x	22.3x
Price/Book ³	10.8x	4.7x
Return on Equity ⁴	33.9%	29.8%
EPS ⁵ Growth Historical (2-year, \$-weighted median)	27.8%	16.5%
EPS Growth Forecast (2-year, median)	16.7%	11.4%
Revenue Growth Historical (2-year, \$-weighted median)	16.1%	8.1%
Revenue Growth Forecast (2-year, median)	17.7%	13.1%
Debt/Equity ⁶	1.1x	1.4x

¹ The portfolio manager believes a high-quality company is one that is able to generate a return on capital in excess of its cost of capital for sustained periods of time.

² The forward price-to-earnings (P/E) ratio is derived by dividing the price of the stock by the estimated one year of future per-share earnings and is used as a relative value comparison for a company's shares. Forward P/E numbers are estimates and subject to change.

³ Price/Book ratio is the current closing price of the stock divided by the latest quarter's book value per share.

⁴ Return on Equity measures a portfolio company's profitability by dividing net income before taxes less preferred dividends by the value of stockholders' equity.

⁵ EPS, or Earnings per Share, is the portion of a company's profit allocated to each share of common stock.

⁶ Debt/Equity (D/E) Ratio is calculated by dividing a company's total liabilities by its shareholder equity. These numbers are available on the balance sheet of a company's financial statements. The ratio is used to evaluate a company's financial leverage.

Median Market Capitalization ⁷ (billions)	\$95.7	\$30.2
Weighted Average Market Cap (billions)	\$802.7	\$542.7

Source: FPA, Mellon, and Capital IQ. Data as of June 30, 2021. Data excludes undisclosed holdings. Fund statistics for '% of Portfolio' holdings are based on net assets. Portfolio composition will change due to ongoing management of the Fund.

Q2'21 Winners and Losers⁸

Winners	Performance Contribution	Losers	Performance Contribution
Alphabet	1.71%	Tencent	-0.13%
Microsoft	1.33%	Walt Disney	-0.05%
Facebook	1.28%	Undisclosed	-0.05%
Amazon.com	0.87%	Alibaba	-0.03%
Apple	0.74%	Sprouts Farmers Market	-0.03%

One of the largest detractors this quarter was Sprouts Farmers Market (NASDAQ: SFM). We highlighted this company as a new purchase in our first quarter commentary. While SFM trades at a relatively low valuation, we like it primarily for its long-term growth potential. Nothing company specific caused SFM to lag the Index during the quarter. SFM trades at a below market P/E multiple of approximately 12x forward EPS and therefore has characteristics of a “value” stock. “Growth” stocks generally outperformed “value” ones in the quarter in part due to the 10-year U.S. Treasury declining from 1.75% to 1.44% as inflation fears wane. We took advantage of the stock price weakness by adding to the position during the second quarter.

Among the Fund’s biggest winners was Facebook (NASDAQ: FB), which appreciated 18.1% during the second quarter. Government scrutiny on Facebook, Amazon, Alphabet, Apple and Microsoft (FAAAM) has been an overhang on these stocks for some time. Towards the end of the second quarter, a federal judge dismissed antitrust lawsuits against FB filed by the U.S. government and most states.⁹ Lawsuits filed in December 2020 by the Federal Trade Commission and state attorneys general were also dismissed. Judge James Boasberg said the FTC’s lawsuit was “legally insufficient” to support monopolization claims.

We have stated in prior commentaries that we believe FAAAM faces competition in all of their businesses—in many cases from one another. Additionally, we felt in the worst-case scenario where the government is successful in breaking up these companies, shareholders would ultimately not be impacted much and in some cases, possibly better off. That is because several pure play competitors trade at higher P/E multiples and at the same time, we believe certain businesses like Amazon’s AWS would be able to reclaim some lost market share over the past couple years by being an independent company.

Closing

We are optimistic that the Fund will generate good absolute and relative returns compared to the S&P 500 going forward.

⁷ Market Capitalization, or Market Cap, refers to the total dollar market value of a company's outstanding shares.

⁸ Reflects top contributors and top detractors to the Fund's performance based on contribution-to-return. Contribution is presented 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. 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 at crm@fpa.com. The portfolio holdings as of the most recent quarter-end may be obtained at www.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. For a full list of holdings and weights by percentage of total assets please view the holdings report at the end of this Commentary.

Past performance is no guarantee, nor is it indicative, of future results. Please see Important Disclosures at the end of this commentary.

⁹ Source: <https://www.washingtonpost.com/technology/2021/06/28/ftc-facebook-antitrust-complaint-dismissed/>

We look forward to delivering value for our fellow shareholders over the coming years. Thank you for your confidence and continued support.

Respectfully submitted,

Gregory R. Nathan
Portfolio Manager
July 2021

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 of 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. This Commentary does not constitute an investment management agreement or offering circular.

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 or sectors are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio manager, the Adviser, or the distributor. It should not be assumed that future investments will be profitable or will equal the performance of the security or sector examples discussed. The portfolio holdings as of the most recent quarter-end may be obtained at www.fpa.com.

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The information contained herein is not complete, may change, and is subject to, and is qualified in its entirety by, the more complete disclosures, risk factors, and other information contained in the Fund's Prospectus and Statement of Additional Information. The information is furnished as of the date shown. No representation is made with respect to its completeness or timeliness. The information is not intended to be, nor shall it be construed as, investment advice or a recommendation of any kind.

Certain statements contained in this presentation may be forward-looking and/or based on current expectations, projections, and information currently available. Actual events or results may materially differ from those we anticipate, or the actual performance of any investments described herein may differ from those reflected or contemplated in such forward-looking statements, due to various risks and uncertainties. We cannot assure future results and disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise. Such statements may or may not be accurate over the long-term. Statistical data or references thereto were taken from sources which we deem to be reliable, but their accuracy cannot be guaranteed.

The reader is advised that the Fund's investment strategy includes active management with corresponding changes in allocations from one period of time to the next. Therefore, any data with respect to investment allocations as of a given date is of limited use and may not be reflective of the portfolio manager's more general views with respect to proper geographic, instrument and/or sector allocations. The data is presented for indicative purposes only and, as a result, may not be relied upon for any purposes whatsoever.

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; these risks may be heightened 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.

Small and mid-cap stocks involve greater risks and may 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.

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 manager considers the true business value or because the portfolio manager 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.

Please refer to the **Fund's Prospectus** for a complete overview of the primary risks associated with the Fund.

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 / Other Definitions

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 may 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 and which would reduce the performance in an actual account. An investor cannot invest directly in an index.

The **S&P 500 Index** includes a representative sample of 500 hundred companies in leading industries of the U.S. economy. The index focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, but is also considered a proxy for the total market.

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



FPA U.S.CORE EQUITY FUND, INC.
Portfolio Holdings

6/30/2021

TICKER	PRINCIPAL/ SHARES	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE (\$)	MKT VALUE (\$)	% OF NET ASSET VALUE
COMMON STOCK (LONG)							
ABT	3,829	ABBOTT LABORATORIES			115.93	443,896	0.6%
ACN	6,245	ACCENTURE PLC-CL A*			294.79	1,840,964	2.3%
ATVI	6,693	ACTIVISION BLIZZARD INC			95.44	638,780	0.8%
ADS GY	4,942	ADIDAS AG*			372.21	1,839,447	2.3%
ADBE	3,292	ADOBE SYSTEMS INC			585.64	1,927,927	2.4%
BABA	1,690	ALIBABA GROUP HOLDING-SP ADR*			226.78	383,258	0.5%
GOOG	2,694	ALPHABET INC-CL C			2,506.32	6,752,026	8.6%
AMZN	1,750	AMAZON.COM INC			3,440.16	6,020,280	7.6%
ANTM	1,915	ANTHEM INC			381.80	731,147	0.9%
AON	839	AON PLC			238.76	200,320	0.3%
AAPL	34,617	APPLE INC			136.96	4,741,144	6.0%
ADSK	5,560	AUTODESK INC			291.90	1,622,964	2.1%
BLK	305	BLACKROCK INC			874.97	266,866	0.3%
BX	4,146	BLACKSTONE GROUP INC/THE-A			97.14	402,742	0.5%
CHTR	430	CHARTER COMMUNICATIONS INC-A			721.45	310,224	0.4%
CMCSA	28,460	COMCAST CORP-CLASS A			57.02	1,622,789	2.1%
STZ	451	CONSTELLATION BRANDS INC-A			233.89	105,484	0.1%
CRWD	1,055	CROWDSTRIKE HOLDINGS INC - A			251.31	265,132	0.3%
DHR	2,134	DANAHER CORP			268.36	572,680	0.7%
EW	1,818	EDWARDS LIFESCIENCES CORP			103.57	188,290	0.2%
EA	1,520	ELECTRONIC ARTS INC			143.83	218,622	0.3%
EL	897	ESTEE LAUDER COMPANIES-CL A			318.08	285,318	0.4%
FB	15,993	FACEBOOK INC-CLASS A			347.71	5,560,926	7.0%
GDDY	5,435	GODADDY INC - CLASS A			86.96	472,628	0.6%
HCA	965	HCA HEALTHCARE INC			206.74	199,504	0.3%
HD	5,460	HOME DEPOT INC			318.89	1,741,139	2.2%
HON	1,540	HONEYWELL INTERNATIONAL INC			219.35	337,799	0.4%
HUM	1,678	HUMANA INC			442.72	742,884	0.9%
INFO	2,376	IHS MARKIT LTD*			112.66	267,680	0.3%
ILMN	368	ILLUMINA INC			473.21	174,141	0.2%
INTU	555	INTUIT INC			490.17	272,044	0.3%
ISRG	592	INTUITIVE SURGICAL INC			919.64	544,427	0.7%
IQV	3,385	IQVIA HOLDINGS INC			242.32	820,253	1.0%
KKR	6,174	KKR & CO INC -A			59.24	365,748	0.5%
LPSN	2,231	LIVEPERSON INC			63.24	141,088	0.2%
LMT	594	LOCKHEED MARTIN CORP			378.35	224,740	0.3%
OR FP	550	L'OREAL*			445.60	245,083	0.3%
LOW	4,300	LOWE'S COS INC			193.97	834,071	1.1%
LULU	540	LULULEMON ATHLETICA INC*			364.97	197,084	0.2%
MC FP	413	LVMH MOET HENNESSY LOUIS VUI*			784.14	323,848	0.4%
MA	4,950	MASTERCARD INC - A			365.09	1,807,196	2.3%
MTCH	1,990	MATCH GROUP INC			161.25	320,888	0.4%
MDT	2,900	MEDTRONIC PLC*			124.13	359,977	0.5%
MSFT	25,937	MICROSOFT CORP			270.90	7,026,333	8.9%
MCO	385	MOODY'S CORP			362.37	139,512	0.2%
MSCI	480	MSCI INC			533.08	255,878	0.3%
NFLX	2,536	NETFLIX INC			528.21	1,339,541	1.7%
NKE	11,795	NIKE INC -CL B			154.49	1,822,210	2.3%
NVDA	1,474	NVIDIA CORP			800.10	1,179,347	1.5%
ORLY	848	O'REILLY AUTOMOTIVE INC			566.21	480,146	0.6%
PYPL	7,345	PAYPAL HOLDINGS INC			291.48	2,140,921	2.7%
QCOM	2,788	QUALCOMM INC			142.93	398,489	0.5%
SPGI	70	S&P GLOBAL INC			410.45	28,732	0.0%
CRM	7,515	SALESFORCE.COM INC			244.27	1,835,689	2.3%
NOW	3,142	SERVICENOW INC			549.55	1,726,686	2.2%
SFM	15,680	SPROUTS FARMERS MARKET INC			24.85	389,648	0.5%
SBUX	2,910	STARBUCKS CORP			111.81	325,367	0.4%
SYK	815	STRYKER CORP			259.73	211,680	0.3%
TTWO	650	TAKE-TWO INTERACTIVE SOFTWARE			176.86	114,959	0.1%
TCEHY	21,946	TENCENT HOLDINGS LTD-UNS ADR*			75.30	1,652,534	2.1%
TMO	2,279	THERMO FISHER SCIENTIFIC INC			504.47	1,149,687	1.5%
TWTR	5,626	TWITTER INC			68.81	387,125	0.5%
UNH	4,535	UNITEDHEALTH GROUP INC			400.44	1,815,995	2.3%
V	7,916	VISA INC-CLASS A SHARES			233.82	1,850,919	2.3%



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COMMON STOCK (LONG)							
VIVHY	6,547	VIVENDI SA-UNSPON ADR*			33.63	220,176	0.3%
DIS	4,340	WALT DISNEY CO/THE			175.77	762,842	1.0%
WDAY	1,484	WORKDAY INC-CLASS A			238.74	354,290	0.4%
ZTS	2,405	ZOETIS INC			186.36	448,196	0.6%
		OTHER COMMON STOCK (LONG)				3,265,560	4.1%
		TOTAL COMMON STOCK (LONG)				78,655,910	99.7%
		TOTAL INVESTMENT SECURITIES				78,655,910	99.7%
		REPURCHASE AGREEMENTS					
	1,393,000	STATE STREET BANK/FICC REPO	0.000	07/01/2021		1,393,000	1.8%
		TOTAL REPURCHASE AGREEMENTS				1,393,000	1.8%
		CASH & EQUIVALENTS				(1,128,832)	-1.4%
		TOTAL CASH & EQUIVALENTS				264,168	0.3%
		TOTAL NET ASSETS				78,920,078	100.0%
		NUMBER OF LONG EQUITY POSITIONS					68

* Indicates foreign security.

Portfolio Holding Disclosures

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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; this may be enhanced when investing in emerging markets. 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 equity strategies to underperform other equity strategies. 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.

On September 1, 2015, the Fund changed its name to FPA U.S. Value Fund, Inc., and the current portfolio manager assumed management of the Fund on that date. Contemporaneous with this change, the Fund transitioned to its current investment strategy. Effective December 28, 2020, the Fund's name was changed from FPA U.S. Value Fund, Inc. to FPA U.S. Core Equity Fund, Inc.

Please refer to the Fund's Prospectus for a complete overview of the primary risks associated with the Fund.

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