



FPA U.S. Core Equity Fund, Inc. First Quarter 2023 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: 3/31/2023	QTD	1 Year	3 Years	5 Years	10 Years*
FPA U.S. Core Equity Fund, Inc. ('Fund')	10.54	-10.13	13.66	8.33	7.48
S&P 500	7.50	-7.73	18.60	11.19	12.24

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 total expense ratio is 1.16%, 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.

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.

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.



Introduction¹

In the first quarter of 2023, the FPA U.S. Core Equity Fund, Inc.'s ("Fund") performance was 10.54% (10.86% before fees and expenses), which compares to the 7.50% total return of the S&P 500 Index ("Index" or "S&P 500").

The Fund's outperformance in the first quarter is mostly attributable to its overweight exposure to the Information Technology, Communication Services and Consumer Discretionary Sectors, which increased by 19.74%, 17.73% and 12.81%, respectively.

The 10-year U.S. Treasury yield decreased in the first quarter from approximately 3.9% to 3.5% after reaching an intra-quarter high of 4.1% in early March.² This downward move of the 10-year U.S. Treasury yield in March can help explain the index's strong performance for the month whereby it increased 3.67% and the Fund turned in an even better 5.11% return.

Additionally, the yield curve remains inverted with six-month and one-year treasuries yielding 4.86% and 4.59%, respectively. For more risk-averse investors, one gets paid to sit on the sidelines as we await a possible recession throughout this year. Therefore, the Fund has its largest exposure to U.S. Treasuries (approximately 11%, all maturing within 12 months) since I have been managing the Fund over the past seven plus years. This conservative posture, including covered calls that were sold on various securities hurt the Fund's performance in the first quarter, but I believe this defensive position could help mitigate the negative effects a potential recession may have on the Fund.

As I patiently wait (and potentially get paid a reasonable return in the meantime) for a possible recession to play out in 2023, I anticipate potentially better valuation entry points into various equities on my wish list. I believe secularly growing mid- to large-capitalization companies trading at compelling valuations will continue to be a favorable place to invest for the long-term—even relative to U.S. Treasuries and other investment alternatives.

Portfolio Commentary³

During the first quarter, I continued to make some changes to the portfolio to best position it for future success. To that end I eliminated six positions that made up 4.2% of the December 31, 2022 portfolio, increased the weighting of the 52 remaining positions by 2.6% to 88.0%, and added two new positions representing 1.0% of the March 31, 2023 portfolio. These new positions are in companies I have been following and that were on my wish list to purchase. They are not at full position sizes yet, and thus I am willing to add to them should the risk/reward make sense to do so.

¹ **Past performance in not a guarantee, nor is it indicative, of future results.** Anticipated future events or results may vary significantly from those expressed and are subject to change at any time in response to changing market and industry developments.

² Source: Bloomberg.

³ Portfolio composition will change due to ongoing management of the Fund.

As of March 31, the Fund was invested in 54 companies (all of which are disclosed), including 39 investments that are in the S&P 500, which made up 74.7% of the portfolio. Moreover, the 39 positions in common made up 36.6% of the S&P 500's weighting as of March 31. A majority of the 39 positions were overweight in the Fund relative to the Index. The Fund's remaining 15 investments were mostly large-cap U.S. and foreign companies. Combined, those 15 companies made up 14.3% of the portfolio.

In terms of geography, 84.9% of the portfolio was in U.S. companies, while 4.1% was in foreign equities, as of March 31. By market capitalization, 85.8% of the portfolio was invested in large-cap companies with market values above \$10 billion, with about 54% invested in mega-caps (companies with market values above \$200 billion). The Fund's weighted average market cap was approximately \$908 billion, while the Fund's median market cap was approximately \$96 billion.

Regarding portfolio concentration, the Fund's top five positions made up 41.6% of the Fund compared to approximately 22.4% for the S&P 500. The Fund's top 10 positions made up 50.7% of the portfolio versus 27.4% for the Index. Over time, my goal is to continue to increase the weighting of some of the Fund's smaller positions as valuations become more compelling.

From an industry exposure standpoint, the portfolio had investments in eight of the 11 sectors in the S&P 500. Combined, those eight sectors made up approximately 92% of the S&P 500 and 89% of the Fund's portfolio. Relative to the S&P 500, the portfolio is overweight communication services, consumer discretionary, and financials, while it is underweight information technology, health care, energy, industrials, and consumer staples. At the end of the quarter, the Fund did not have any investments in utilities, materials, and real estate, which made up approximately 8% of the S&P 500.

Sector	FPA U.S. Core Equity Fund	S&P 500
Information Technology	23.5%	26.1%
Communication Services	19.5%	8.1%
Consumer Discretionary	16.2%	10.1%
Financials	13.8%	12.9%
Health Care	8.9%	14.2%
Energy	3.5%	4.6%
Industrials	2.7%	8.7%
Consumer Staples	1.0%	7.2%
Utilities	0.0%	2.9%
Materials	0.0%	2.6%
Real Estate	0.0%	2.6%
Total	89.1%	100.0%
Derivatives/futures	-0.9%	
Cash and equivalents (net of liabilities)	11.8%	

Source: FPA, Capital IQ. As of March 31, 2023. Totals might not add up to 100% due to rounding.

Compared to the broader market, I believe the Fund's portfolio is of higher quality and has greater potential for revenue and earnings growth.⁴

	FPA U.S. Core Equity Fund	S&P 500
Large Capitalization Holdings % of Portfolio	85.8%	99.0%
Top 5 Holdings % of Portfolio	41.6%	22.4%
Top 10 Holdings % of Portfolio	50.7%	27.4%
Foreign Securities % of Portfolio	4.1%	0.0%
12-Month Forward P/E ⁵	18.4x	18.1x
Price/Book ⁶	3.9x	4.4x
Return on Equity ⁷	29.1%	19.3%
Earnings Per Share Growth Forecast (2-year, median)	10.6%	12.1%
Revenue Growth Historical (2-year, \$-weighted median)	15.8%	17.6%
Revenue Growth Forecast (2-year, median)	6.8%	5.8%
Debt/Equity ⁸	0.5x	0.9x
Median Market Capitalization ⁹ (billions)	\$85.9	\$29.9
Weighted Average Market Cap (billions)	\$789.1	\$529.5

Source: FPA, Capital IQ. Data as of March 31, 2023. Fund statistics for '% of Portfolio' holdings are based on net assets.

⁴ 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.

⁵ 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.

⁶ Price/Book ratio is the current closing price of the stock divided by the latest quarter's book value per share.

⁷ Return on Equity measures a portfolio company's profitability by dividing net income before taxes less preferred dividends by the value of stockholders' equity.

⁸ 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.

⁹ Market Capitalization, refers to the total dollar market value of a company's outstanding shares.

Q1'23 Winners and Losers¹⁰

Winners	Performance Contribution	Losers	Performance Contribution
Microsoft	2.22%	Cigna	-0.32%
Meta Platforms	1.67%	Elevance Health	-0.20%
Alphabet	1.58%	Bank of America	-0.18%
Apple	1.29%	UnitedHealth Group	-0.17%
Amazon	1.27%	Home Depot	-0.12%

Of the five biggest detractors to performance for the quarter, three of them were in the same industry—health insurance. In the second quarter of 2022, these companies were among the Fund's biggest winners. The Health Care sector often outperforms the market during risk-off periods such as the second quarter of 2022 and frequently underperforms the market during risk-on periods such as the first quarter of 2023. During the first quarter the Health Care sector declined by -6.08%.¹¹

In my view, nothing has materially changed to the long-term investment thesis behind the health insurers in which we remain invested. The growth algorithm for these companies is relatively straightforward. Throughout this decade the number of people in the U.S. aged 65 and over will rise at a much faster rate than the overall population growth—nearly 3% per annum compared to less than 1% per year, respectively.¹² The cost for end-of-life care and chronic diseases, such as diabetes, which more people get as they age, continue to inflate at an above average rate.

Health insurers are essentially the toll road to the Health Care industry and make a relatively consistent margin on an ever growing spend. The largest component of health care expenditures are downstream, reactive costs through local providers such as hospitals. The largest health insurers are essentially local duopolies and oligopolies and as such have a tremendous amount of negotiating leverage against these providers to maintain their margins should the current U.S. multi-payer Health Care system remain in place. However, I am cognizant that there will continue to be political risk to the industry for the foreseeable future.

Nine months ago, the Fund's exposure to the industry was 4.2%. At that time, I was finding more attractive sectors to allocate capital. Since then, the industry has sold off while earnings have risen and I expect to continue to rise in the coming years making valuations much more compelling today. As a result, the Fund's exposure stood at 4.7% at the end of the quarter. Just as I said nine months ago to not be surprised if the Fund was to have lower exposure to the industry in the future, do not be surprised if exposure increases going forward.

¹⁰ Reflects top five contributors and top five 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.

¹¹ Source: Bloomberg.

¹² Source: U.S. Census Bureau, Congressional Budget Office

Given the decline in the 10-year U.S. Treasury yield in the first quarter, faster growing, higher multiple stocks tended to outperform in this risk-on period. This in part explains MAAAM's (Microsoft, Alphabet, Apple, Amazon, Meta Platforms) outperformance in the quarter.

In last quarter's commentary I explained a large part of these companies' underperformance in 2022 was due to how certain companies mistook what was at least a partial demand pull-forward during the pandemic as a permanent business accelerant and as a result, expanded their cost structure as fast if not faster than revenue. Now companies such as Meta Platforms (NASDAQ: META) are cutting what they deem to be unnecessary costs. META's Chairman and CEO Mark Zuckerberg is now calling 2023 "the year of efficiency" while announcing another 10,000 layoffs on March 14 in addition to the previously announced 11,000 job cuts in November 2022. Additionally, META says it will no longer fill 5,000 previously open positions. META believes these efficiencies will result in \$3 billion in annual cost savings or nearly 12% of its selling, general and administrative expenses for 2022.¹³ The market responded favorably to such moves by META, Amazon and Alphabet, which sent their stock prices up 76.1%, 23.0% and 17.2%, respectively, during the first quarter.¹⁴

Closing

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

I 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
April 2023

¹³ Source: Bloomberg, LA Times; Meta to cut 10,000 jobs, 5,000 open roles in efficiency push, March 14, 2023; <https://www.latimes.com/business/story/2023-03-14/meta-to-cut-10-000-jobs-eliminate-5-000-more-vacant-positions>

¹⁴ Source: Bloomberg.

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.

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. The information and data contained herein 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.

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.

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.

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

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.

Earnings Per Share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability.

Price to Earnings is the ratio for valuing a company that measures its current share price relative to its EPS. The price-to-earnings ratio is also sometimes known as the price multiple or the earnings multiple.

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

3/31/2023

TICKER	PRINCIPAL/ SHARES	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE (\$)	MKT VALUE (\$)	% OF NET ASSET VALUE
COMMON STOCK (LONG)							
ABT	2,800	ABBOTT LABORATORIES			101.26	283,528	0.5%
ACN	1,000	ACCENTURE PLC-CL A*			285.81	285,810	0.5%
ATVI	6,693	ACTIVISION BLIZZARD INC			85.59	572,854	1.1%
EADSY	13,850	AIRBUS SE - UNSP ADR*			33.48	463,698	0.9%
GOOG	50,900	ALPHABET INC-CL C			104.00	5,293,600	9.9%
AMZN	32,400	AMAZON.COM INC			103.29	3,346,596	6.3%
AON	2,045	AON PLC*			315.29	644,768	1.2%
APO	6,000	APOLLO GLOBAL MANAGEMENT INC			63.16	378,960	0.7%
AAPL	31,850	APPLE INC			164.90	5,252,065	9.8%
AZO	280	AUTOZONE INC			2,458.15	688,282	1.3%
BAC	21,000	BANK OF AMERICA CORP			28.60	600,600	1.1%
BLK	1,400	BLACKROCK INC			669.12	936,768	1.8%
BX	6,800	BLACKSTONE INC			87.84	597,312	1.1%
AVGO	645	BROADCOM INC			641.54	413,793	0.8%
CHTR	1,165	CHARTER COMMUNICATIONS INC-A			357.61	416,616	0.8%
CI	2,650	CIGNA CORP			255.53	677,155	1.3%
CMCSA	21,000	COMCAST CORP-CLASS A			37.91	796,110	1.5%
STZ	451	CONSTELLATION BRANDS INC-A			225.89	101,876	0.2%
CSX	9,000	CSX CORP			29.94	269,460	0.5%
DHR	2,100	DANAHER CORP			252.04	529,284	1.0%
DECK	815	DECKERS OUTDOOR CORP			449.55	366,383	0.7%
ELV US	1,915	ELEVANCE HEALTH INC			459.81	880,536	1.7%
EDR	37,000	ENDEAVOR GROUP HOLD-CLASS A			23.93	885,410	1.7%
ET	75,000	ENERGY TRANSFER LP			12.47	935,250	1.8%
EPD	35,700	ENTERPRISE PRODUCTS PARTNERS			25.90	924,630	1.7%
GM	6,700	GENERAL MOTORS CO			36.68	245,756	0.5%
HCA	1,400	HCA HEALTHCARE INC			263.68	369,152	0.7%
HD	3,200	HOME DEPOT INC			295.12	944,384	1.8%
HUM	475	HUMANA INC			485.46	230,594	0.4%
IQV	3,385	IQVIA HOLDINGS INC			198.89	673,243	1.3%
JPM	4,450	JPMORGAN CHASE & CO			130.31	579,880	1.1%
KER FP	1,425	KERING*			650.70	927,247	1.7%
KKR	11,600	KKR & CO INC -A			52.52	609,232	1.1%
LOW	4,300	LOWE'S COS INC			199.97	859,871	1.6%
MC FP	896	LVMH MOET HENNESSY LOUIS VUI*			915.75	820,514	1.5%
MA	2,760	MASTERCARD INC - A			363.41	1,003,012	1.9%
META	9,000	META PLATFORMS INC-CLASS A			211.94	1,907,460	3.6%
MSFT	22,100	MICROSOFT CORP			288.30	6,371,430	11.9%
NFLX	750	NETFLIX INC			345.48	259,110	0.5%
PYPL	1,925	PAYPAL HOLDINGS INC			75.94	146,185	0.3%
PTON	1	PELTON INTERACTIVE INC-A			11.34	11	0.0%
QCOM	1,710	QUALCOMM INC			127.58	218,162	0.4%
SPGI	744	S&P GLOBAL INC			344.77	256,509	0.5%
SIX	1	SIX FLAGS ENTERTAINMENT CORP			26.71	27	0.0%
SFM	12,850	SPROUTS FARMERS MARKET INC			35.03	450,136	0.8%
TMO	650	THERMO FISHER SCIENTIFIC INC			576.37	374,641	0.7%
TDUP	1	THREDUP INC - CLASS A			2.53	3	0.0%
UHAL	500	U-HAUL HOLDING CO			59.65	29,825	0.1%
UHAL/B	4,500	U-HAUL HOLDING CO-NON VOTING			51.85	233,325	0.4%



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

3/31/2023

TICKER	PRINCIPAL/ SHARES	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE (\$)	MKT VALUE (\$)	% OF NET ASSET VALUE
ULTA	830	ULTA BEAUTY INC			545.67	452,906	0.8%
UPS	2,300	UNITED PARCEL SERVICE-CL B			193.99	446,177	0.8%
UNH	1,510	UNITEDHEALTH GROUP INC			472.59	713,611	1.3%
V	4,640	VISA INC-CLASS A SHARES			225.46	1,046,134	2.0%
DIS	2,750	WALT DISNEY CO/THE			100.13	275,358	0.5%
WTW	2,400	WILLIS TOWERS WATSON PLC*			232.38	557,712	1.0%
		TOTAL COMMON STOCK (LONG)				47,542,947	89.1%
		DERIVATIVES/FUTURES					
AAPL US 10/20/23 C165	-31,800	OCTOBER 23 CALLS ON AAPL US		10/20/2023	14.96	(475,728)	-0.9%
		TOTAL DERIVATIVES/FUTURES				(475,728)	-0.9%
		TOTAL INVESTMENT SECURITIES				47,067,219	88.2%
		U.S. GOVERNMENT AND AGENCIES (SHORT-TERM)					
	500,000	UNITED STATES TREASURY BILL	4.558	08/10/2023	98.33	491,639	0.9%
	300,000	UNITED STATES TREASURY BILL	4.416	02/22/2024	95.98	287,953	0.5%
	4,912,000	UNITED STATES TREASURY NOTE/BOND	2.875	11/30/2023	98.82	4,853,975	9.1%
		TOTAL U.S. GOVERNMENT AND AGENCIES (SHORT-TERM)				5,633,567	10.6%
		REPURCHASE AGREEMENTS					
	323,000	STATE STREET BANK/FICC REPO	1.440	04/03/2023		323,000	0.6%
		TOTAL REPURCHASE AGREEMENTS				323,000	0.6%
		CASH & EQUIVALENTS				323,929	0.6%
		TOTAL CASH & EQUIVALENTS				6,280,496	11.8%
		TOTAL NET ASSETS				53,347,715	100.0%
		NUMBER OF LONG EQUITY POSITIONS					55
		NUMBER OF LONG FIXED INCOME CREDIT POSITIONS					3

* Indicates foreign security.



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

3/31/2023

Portfolio Holding Disclosures

You should consider the FPA U.S. Core Equity 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, by email at crm@fpa.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.

The Fund's holdings are subject to change. 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 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 Depository 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.