SOURCE CAPITAL, INC.

FIRST QUARTER REPORT
March 31, 2021

SOURCE CAPITAL, INC.
SHAREHOLDER LETTER

Dear Shareholders:

Overview

Source Capital Inc.'s ("Source" or "Fund") net asset value (NAV) increased 6.14% in 2021's first quarter and 39.55% for the trailing twelve months.

Over the last five years, while the Fund has performed roughly in-line with its closed-end fund category and indices, it has done so with less risk and thus is rated 4-stars over the trailing 5-years by Morningstar.[1]

The Fund's positive performance in late 2020 has endured thus far into 2021. The stock prices of many underappreciated, good businesses that had been left behind in the market's rally since the pandemic lows of last year continued to capture investor interest. Source's performance and that of its underlying equity exposure are captured in the following table:

Exhibit A: Performance versus Indices[2]

	Q1 2021	Trailing 12-month
Source Capital (NAV)	6.14%	39.55%
Source Capital – Equity (Gross)	7.35%	54.77%
60% MSCI ACWI/40% BB U.S. Agg	1.35%	30.75%
60% S&P 500/40% BB U.S. Agg	2.31%	31.71%

Exhibit B: Portfolio Exposure[3]

	Q1 2021
Equity	55.9%
Credit	
Public	20.0%
Private (Invested assets only)	9.5%
Total Credit	29.5%
Cash	14.6%
Total	**100%**

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1 Source: Morningstar Direct. As of March 31, 2021. Category and indices referenced are the Morningstar U.S. Closed-End Allocation – 50-70% Equity ("Category"), 60% MSCI ACWI/40% BB U.S. Agg, and 60% S&P 500/40% BB U.S. Agg. The Morningstar star-rating is based on risk-adjusted returns. For the 5-year period ending March 31, 2021, there were seven funds in the Category. Star ratings are subject to change. **Please see Important Disclosures for more information about the Fund's Morningstar star ratings**, and for Category and index definitions.

2 Comparison to the indices is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index. No representation is being made that any account, product or strategy will or is likely to achieve profits, losses, or results similar to those shown. The *Equity (Gross)* return of the Fund is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. *Equity (Gross)* includes common and preferred stocks. Gross equity performance does not represent the return an investor in the Fund can or should expect to receive. Fund shareholders may only invest or redeem their shares at market value (NYSE: SOR), which may be higher or lower than the Fund's net asset value (NAV).

3 Source: FPA, Morningstar, as of March 31, 2021. Portfolio composition will change due to ongoing management of the Fund. Cash includes the non-invested portion of private credit investments.

Past results are no guarantee, nor are they indicative, of future results.

Portfolio discussion

Equity

Reflecting on the past year, we submit that we are probably not as dumb as we appeared to be last March; however, we also don't believe we are as smart as we may now appear. The truth lies somewhere in between. This is one of the reasons we continue to encourage our shareholders to think in terms of market cycles and rolling five-year periods and to block out the inevitable noise, however unsettling, in between.

Although Source's showing in the first quarter was not unexpected, we had no idea that the strong performance of its underlying securities would occur when it did. After having increased our allocation to risk securities during the Q1 2020 selloff, by the time Fall rolled around we found ourselves holding a collection of companies that we considered to be some combination of relatively and absolutely cheap. Although the broader market seems to have recognized in recent months that a segment of the market was mispriced, these shares could have remained unappreciated for longer.

The top contributors to and detractors from the Fund's trailing 12-month returns are listed below.

Exhibit C: Trailing Twelve Month Contributors and Detractors as of March 31, 2021[4]

Contributors	Perf. Cont.	Avg. % of Port.	Detractors	Perf. Cont.	Avg. % of Port.
Alphabet	2.82%	4.2%	Windstream Services	-0.07%	0.0%
AIG	2.18%	2.6%	Jardine Strategic	-0.04%	0.2%
Broadcom	2.15%	2.6%	Ginnie Mae Multifamily	-0.03%	1.1%
TE Connectivity	1.86%	2.3%	Natwest (Formerly RBS)	-0.02%	0.1%
Analog Devices	1.66%	2.6%	Just Eat Takeaway	-0.01%	0.0%
	10.68%	14.2%		-0.17%	1.4%

There were no substantive changes in the business prospects in any of the major contributors and detractors. AIG, one of the better contributors for the trailing twelve months, was amongst the largest detractors for the year ago Q1 2020 trailing twelve-month period. The subsequent rebound in its share price speaks to what we have previously maintained: that the business of this company has not changed enough to warrant its stock price decline. This has been demonstrated true for much of the portfolio.

We are pleased with the improvement in the overall quality of businesses that we hold, but we cannot ignore the rally in both the market and in many of our companies. As seen in the charts

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[4] Reflects the top five contributors and detractors to the Fund's performance based on contribution to return for the trailing twelve months ("TTM"). Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. The information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter. A copy of the methodology used and a list of every holding's contribution to the overall Fund's performance during the TTM is available by contacting FPA Client Service at crm@fpa.com. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed.

Past results are no guarantee, nor are they indicative, of future results.

below, the rising tide has lifted most stocks – both growth and value, but a significant valuation gap remains. Despite a strong recent run for many out of favor companies, some of the "growthier" names have risen even more.

Exhibit D: Price/Sales: S&P 500 Growth Index vs S&P 500 Value Index[5]

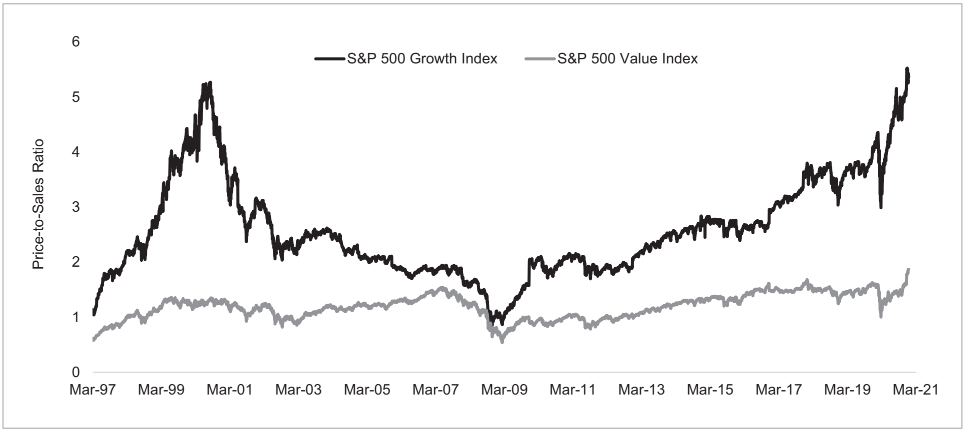
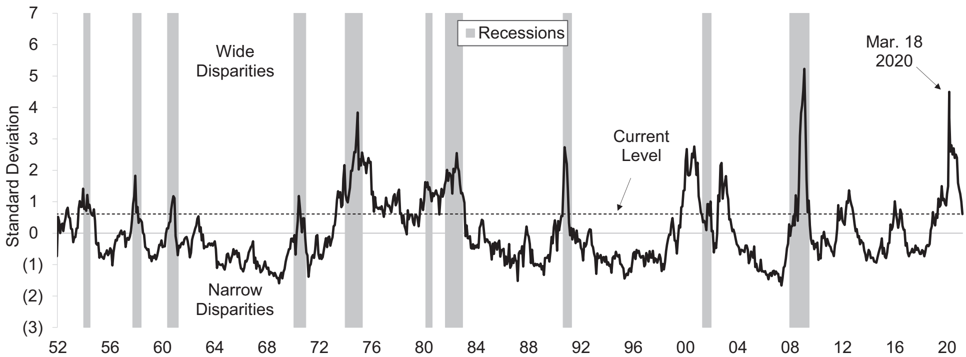


Exhibit E: Valuation Spreads – The Cheapest Quintile Compared to the Market Average January 1, 1952 – March 31, 2021[6]



While we don't "own the market", many of our companies aren't as cheap as they were. This leaves less "gas in the tank" over the near-term. However, we have sought to avoid owning names in the more speculative pockets of the market, not necessarily because we don't think the business models are interesting, but rather because in the majority of instances it strikes us that valuations already incorporate optimistic expectations. While these names may not look attractively valued

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[5] Source: Bloomberg. As of March 31, 2021.

[6] Source: Empirical Research Analysis, National Bureau of Economic Research. As of March 31, 2021. Cheapest quintile refers to the most undervalued 20% of stocks in an analysis of large-capitalization US stocks. Standard Deviation is a measure of dispersion of a data set from its mean. *Current Level* refers to the valuation spread as of March 31, 2021 which is 0.6 standard deviations above the mean. *Large-capitalization U.S. stocks* are those companies with market capitalization of $10 billion or more.

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today, we are nonetheless actively studying and researching tomorrow's leaders so that we will be able to act opportunistically whenever the next market swoon arrives.

This brings us full circle to our actions over the last twelve months, where we strategically used market weakness to upgrade the portfolio, and to own what we believe are those better-quality global businesses where investors are not willing to look past temporary challenges, as well as those companies that we think are reasonably priced but should "grow and throw" (earnings and cash flow) for years to come. As such we now find ourselves with a portfolio whose underlying quality is higher than at any point we can recall, and for this reason, we feel comfortable being more invested than has been our average over the past three to five years.

Markets will do what they'll do over the short-term, but our focus will continue to be on the long-term, for which we believe we are well-positioned, with a focus on quality, growing businesses at fair to good prices.

Fixed income

Traditional

The Fund's fixed income portfolio remains conservatively positioned. While it's unclear which direction interest rates will go, the market can provide guidance. The yield curve helps frame our view on how the market looks at the direction of Treasury rates and inflation. When a yield curve is steep (longer term rates substantially higher than short rates), the next general direction for interest rates is typically up. That said, this indicator does not tell you the magnitude nor the timing of this move. The difference between the yield of the 10-year Treasury note and the 2-year Treasury note doubled from 79 basis points on Dec. 31, 2020 to 158 basis points on Mar. 31, 2021, suggesting yields are set to rise at some point.[7] However, the Fed's large presence in the Treasury market muddies the value of the signal that yield curve steepness sends. Moreover, there are other actions the Federal Reserve could take that would further avoid expected yield curve changes. For example, yield curve controls were used from April 1942 to March 1951 to support financing of the United States' participation in World War II. Today, yield curve control could be used to control the interest cost on a burgeoning government debt taken in the war against COVID-19. Yield curve control is currently used in both Australia and Japan to some degree. Again, we cannot quantify the probability, but we recognize it is a possibility.

Though long-term inflation is a question mark, the steeper yield curve suggests that higher yields on high-quality bonds are more likely than lower yields. A decline in high-quality bond yields is more associated with deflation and an economy that does not have a sustained recovery. The current administration appears to be trying to implement a fiscal policy strategy designed to create some level of sustained economic growth. The amount of fiscal stimulus and the sustainability of its impact are open issues. In our view, current fixed income valuations do not support betting on the outcome.

Private credit

The Fund's private credit holdings continue to ramp. The Fund's exposure (committed + invested capital) increased to 15.6% at quarter end vs. 11.7% at the end of 2020.

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[7] Source: Bloomberg.

Corporate and other

Distribution and yield

On May 10, 2021, the Fund's Board announced that the Fund would continue to pay monthly distributions at the current rate of 18.5 cents per share through August 2021. This equates to an annualized 5.1% unlevered distribution rate based on the Fund's closing market price on March 31, 2021. We currently expect the vast majority of the year's distribution to be in the form of income and capital gains, rather than return of capital.

Share buyback

During the quarter, a total of 18,618 shares of Source were repurchased, representing 0.22% of the outstanding shares, at an average price of $41.48 per share and at an average discount to net asset value ("NAV") of 11.18%.

Discount to NAV

Since the March 5, 2021 press release, the average discount to NAV was 9.11% from that date through the end of the quarter. This compares favorably to the average 10.65% Q1 discount and 12.56% over the trailing twelve months.[8]

Closing

We don't know.

That is generally our answer to the regular questions that are posed to us about our macroeconomic view or the future performance of stocks. The only confident response we can offer is that we will continue to seek those reasonably priced businesses in the hopes that they will provide a reasonable real rate of return over time and offer some respite from the spendthrift policies of the U.S. and other sovereign nations.

Respectfully submitted,

Source Capital Portfolio Management Team
May 20, 2021

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[8] Source: FPA. The averages are calculated using daily discount rates. https://fpa.com/docs/default-source/FPA-News-Documents/source-capital-pr-march-2021-(03-04-2021).pdf?sfvrsn=4.

Past results are no guarantee, nor are they indicative, of future results.

Important Disclosures

This Commentary is for informational and discussion purposes only and does not constitute, and should not be construed as, an offer or solicitation for the purchase or sale with respect to any securities, products or services discussed, and neither does it provide investment advice. This Commentary does not constitute an investment management agreement or offering circular.

On December 1, 2015, a new portfolio management team assumed management of the Fund and the Fund transitioned to a balanced strategy. Performance prior to December 1, 2015 reflects the performance of the prior portfolio manager and investment strategy and is not indicative of performance for any subsequent periods.

Current performance information is updated monthly and is available by calling 1-800-982-4372 or by visiting www.fpa.com. Performance data quoted represents past performance, which is no guarantee of future results. Current performance may vary from the performance quoted. The returns shown for Source Capital are calculated at net asset value per share, including reinvestment of all distributions. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions, which would lower these figures. Since Source Capital is a closed-end investment company and its shares are bought and sold on the New York Stock Exchange, your performance may also vary based upon the market price of the common stock.

The Fund is managed according to its investment strategy which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the comparative indices. Overall Fund performance, characteristics and volatility may differ from the comparative indices shown.

There is no guarantee the Fund's investment objectives will be achieved. You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. You can obtain additional information by visiting the website at www.fpa.com, by email at crm@fpa.com, toll free by calling 1-800-279-1241 (option 1), or by contacting the Fund in writing.

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 financial instruments or sectors are for informational purposes only and should not be construed as recommendations by the Fund or the portfolio managers. It should not be assumed that future investments will be profitable or will equal the performance of the financial instrument or sector examples discussed. The portfolio holdings as of the most recent quarter-end may be obtained atwww.fpa.com.

Investing in closed-end funds involves risk, including loss of principal. Closed-end fund shares may frequently trade at a discount (less than) or premium (more than) to their net asset value. If the Fund's shares trade at a premium to net asset value, there is no assurance that any such premium will be sustained for any period of time and will not decrease, or that the shares will not trade at a discount to net asset value thereafter.

Capital markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. It is important to remember that there are risks inherent in any investment and there is no assurance that any investment or asset class will provide positive performance over time.

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; these risks may be heightened when investing in emerging markets. Non-U.S. investing presents additional risks, such as the potential for adverse political, currency, economic, social or regulatory developments in a country, including lack of liquidity, excessive taxation, and differing legal and accounting standards. Non-U.S. securities, including American Depository Receipts (ADRs) and other depository receipts, are also subject to interest rate and currency exchange rate risks.

The return of principal in a fund that invests in fixed income securities is not guaranteed. The Fund's investments in fixed income securities have the same issuer, interest rate, inflation and credit risks that are associated with underlying bonds owned by the Fund. Such investments may be secured, partially secured or unsecured and may be unrated, and whether or not rated, may have speculative characteristics. The market price of the Fund's fixed income investments will change in response to changes in interest rates and other factors.

Generally, when interest rates go up, the value of fixed income securities, such as bonds, typically go down (and vice versa) and investors may lose principal value. Credit risk is the risk of loss of principle due to the issuer's failure to repay a loan. Generally, the lower the quality rating of a security, the greater the risk that the issuer will fail to pay interest fully and return principal in a timely manner. If an issuer defaults, the security may lose some or all its value. Lower rated bonds, convertible securities and other types of debt obligations involve greater risks than higher rated bonds.

Mortgage securities and collateralized mortgage obligations (CMOs) are subject to prepayment risk and the risk of default on the underlying mortgages or other assets; such derivatives may increase volatility. Convertible securities are generally not investment grade and are subject to greater credit risk than higher-rated investments. High yield securities can be volatile and subject to much higher instances of default. The Fund may experience increased costs, losses and delays in liquidating underlying securities should the seller of a repurchase agreement declare bankruptcy or default.

The ratings agencies that provide ratings are Standard and Poor's, Moody's, and Fitch. Credit ratings range from AAA (highest) to D (lowest). Bonds rated BBB or above are considered investment grade. Credit ratings of BB and below are lower-rated securities (junk bonds). High-yielding, non-investment grade bonds (junk bonds) involve higher risks than investment grade bonds. Bonds with credit ratings of CCC or below have high default risk.

Private placement securities are securities that are not registered under the federal securities laws, and are generally eligible for sale only to certain eligible investors. Private placements may be illiquid, and thus more difficult to sell, because there may be relatively few potential purchasers for such investments, and the sale of such investments may also be restricted under securities laws.

The Fund may use leverage. While the use of leverage may help increase the distribution and return potential of the Fund, it also increases the volatility of the Fund's net asset value (NAV), and potentially increases volatility of its distributions and market price. There are costs associated with the use of leverage, including ongoing dividend and/or interest expenses. There also may be expenses for issuing or administering leverage. Leverage changes the Fund's capital structure through the issuance of preferred shares and/or debt, both of which are senior to the common shares in priority of claims. If short-term interest rates rise, the cost of leverage will increase and likely will reduce returns earned by the Fund's common stockholders.

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.

Distribution Rate

Distributions may include ordinary income, net capital gains and/or returns of capital. Generally, a return of capital would occur when the amount distributed by the Fund includes a portion of (or is comprised entirely of) your investment in the Fund in addition to (or rather than) your pro-rata portion of the Fund's net income or capital gains. The Fund's distributions in any period may be more or less than the net return earned by the Fund on its investments, and therefore should not be used as a measure of performance or confused with "yield" or "income." A return of capital is not taxable; rather it reduces a shareholder's tax basis in his or her shares of the Fund. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a separate written Section 19 notice. Such notices are provided for informational purposes only, and should not be used for tax reporting purposes. Final tax characteristics of all Fund distributions will be provided on Form 1099-DIV, which is mailed after the close of the calendar year.

The Fund's distribution rate may be affected by numerous factors, including changes in realized and projected market returns, Fund performance, and other factors. There can be no assurance that a change in market conditions or other factors will not result in a change in the Fund's distribution rate at a future time.

Index Definitions

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

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.

S&P 500 Value Index is a subset of the S&P 500 index. Companies within the index are ranked based on growth and value factors including three-year change in earnings price/share, three-year sales/share growth rate, momentum, book value/price ratio, earnings/price ratio, sales/price ratio. The companies at the bottom of this list, which have a higher Value Rank, comprising 33% of the total index market capitalization are designated as the Value basket.

S&P 500 Growth Index is a subset of the S&P 500 index. Companies within the index are ranked based on growth and value factors including three-year change in earnings price/share, three-year sales/share growth rate, momentum, book value/price ratio, earnings/price ratio, sales/price ratio. The companies at the top of this list, which have a higher Growth Rank, comprising 33% of the total index market capitalization are designated as the Growth basket.

MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets.

Consumer Price Index (CPI) is an unmanaged index representing the rate of the inflation of U.S. consumer prices as determined by the U.S. Department of Labor Statistics. The CPI is presented to illustrate the Fund's purchasing power against changes in the prices of goods as opposed to a benchmark, which is used to compare the Fund's performance. There can be no guarantee that the CPI will reflect the exact level of inflation at any given time.

Bloomberg Barclays U.S. Aggregate Bond Index provides a measure of the performance of the US investment grade bonds market, which includes investment grade US Government bonds, investment grade corporate bonds, mortgage pass-through securities and asset-backed securities that are publicly offered for sale in the United States. The securities in the Index must have at least 1-year remaining in maturity. In addition, the securities must be denominated in US dollars and must be fixed rate, nonconvertible, and taxable.

60% S&P500/ 40% Bloomberg Barclays U.S. Aggregate Bond Index is a hypothetical combination of unmanaged indices and comprises 60% S&P 500 Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index.

60% MSCI ACWI/ 40% Bloomberg Barclays U.S. Aggregate Bond Index is a hypothetical combination of unmanaged indices and comprises 60% MSCI ACWI Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index.

Other Definitions

Discount to Net Asset Value (NAV) is a pricing situation when an exchange-trade fund (ETF) or mutual fund's market trading price is lower than its daily net asset value (NAV).

Market Capitalization refers to the total dollar market value of a company's outstanding shares of stock. Commonly referred to as "market cap," it is calculated by multiplying the total number of a company's outstanding shares by the current market price of one share.

Market Cycles, also known as stock market cycles, is a wide term referring to trends or patterns that emerge during different markets or business environments.

Net Asset Value (NAV) represents the net value of a mutual fund and is calculated as the total value of the fund's assets minus the total value of its liabilities, and is shown as a per share price.

Net Risk Exposure is a measure of the extent to which a fund's trading book is exposed to market fluctuations. In regards to the Fund, it is the percent of the portfolio exposed to Risk Assets.

Treasury inflation-protected securities (TIPS) are a type of Treasury security issues by the U.S. government. TIPS are indexed to inflation in order to protect investors from a decline in the purchasing power of their money. As inflation rises, TIPS adjust in price to maintain its real value.

Price to Sales is a valuation ratio that compares a company's stock price to its revenues. It is an indicator of the value that financial markets have placed on each dollar of a company's sales or revenues.

Risk Assets is any asset that carries a degree of risk. Risk asset generally refers to assets that have a significant degree of price volatility, such as equities, commodities, high-yield bonds, real estate and currencies, but does not include cash and cash equivalents.

Standard Deviation is a measure of the dispersion of a set of data from its mean.

Volatility is a statistical measure of the dispersion of returns for a given security or market index. In most cases, the higher the volatility, the riskier the security. Volatility is often measured as either the standard deviation or variance between returns from that same security or market index.

Morningstar Categories and Star Ratings

Morningstar U.S. Closed-End Fund Allocation – 50-70% Equity Category. Funds in balanced categories offer investors a mix of stocks and bonds to provide capital appreciation, income, diversification, or specific allocations based on planned retirement dates.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% 3-year rating for 36-59 months of total returns; 60% 5-year rating/40% 3-year rating for 60-119 months; and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods.

As of March 31, 2021, the Fund's overall rating was 4-stars. As of March 31, 2021, the Fund earned the following ratings against the following numbers of Morningstar U.S. Closed-End Allocation – 50-70% Equity category funds over the following time periods: two stars out of seven funds in the last three years; four stars out of seven funds in the last five years; and three stars out of seven funds in the last ten years. **Past performance is no guarantee of future results.** The star ratings are based upon risk-adjusted returns. Star ratings are subject to change.

You can obtain additional information by visiting the website at www.fpa.com, by email at crm@fpa.com, toll free by calling 1-800-279-1241 (option 1), or by contacting the Fund in writing.

SOURCE CAPITAL, INC.
TOP TEN HOLDINGS
March 31, 2021
(Unaudited)

	Percentage of Net Assets
Comcast Corp. (Class A)	3.31%
LafargeHolcim Ltd. (Switzerland)	2.93%
American International Group, Inc.	2.89%
Broadcom, Inc.	2.80%
Analog Devices, Inc.	2.69%
TE Connectivity, Ltd. (Switzerland)	2.63%
Groupe Bruxelles Lambert SA (Belgium)	2.58%
Citigroup, Inc.	2.47%
Naspers, Ltd. (N Shares) (South Africa)	2.16%
Aon plc (Class A) (Britain)	2.10%
Total	26.56%

SOURCE CAPITAL, INC.
PORTFOLIO SUMMARY

March 31, 2021
(Unaudited)

Common Stocks		**55.3%**
Internet Media	7.0%	
Semiconductor Devices	6.4%	
Cable & Satellite	4.5%	
Cement & Aggregates	4.0%	
Diversified Banks	2.9%	
P&C Insurance	2.9%	
Electrical Components	2.6%	
Investment Companies	2.6%	
Industrial Distribution & Rental	2.1%	
Insurance Brokers	2.1%	
Banks	1.9%	
Application Software	1.7%	
Railroad Rolling Stock	1.6%	
Midstream – Oil & Gas	1.3%	
Apparel, Footwear & Accessory Design	1.1%	
Base Metals	1.1%	
Telecom Carriers	1.0%	
Infrastructure Software	0.9%	
Commercial & Residential Building Equipment & Systems	0.9%	
Internet Based Services	0.8%	
Real Estate Owners & Developers	0.7%	
Hotels, Restaurants & Leisure	0.6%	
E-Commerce Discretionary	0.5%	
Integrated Utilities	0.3%	
Medical Equipment	0.3%	
Oil & Gas Services & Equipment	0.3%	
Energy	0.3%	
Retailing	0.1%	
Other Common stocks	2.8%	
Limited Partnerships		**3.0%**
Closed End Fund		**0.5%**
Preferred stock		**0.1%**
Rights / Warrants		**0.0%**
Bonds & Debentures		**26.5%**
Asset-Backed Securities	9.0%	
Corporate Bonds & Notes	7.8%	
Corporate Bank Debt	6.5%	
Residential Mortgage-Backed Securities	3.1%	
Commercial Mortgage-Backed Securities	0.1%	
Short-term Investments		**17.4%**
Other Assets And Liabilities, Net		**(2.8)%**
Net Assets		**100.0%**

SOURCE CAPITAL, INC.
COMPOSITION OF NET ASSETS*

March 31, 2021

Investment securities (cost $277,187,179):	
Common stocks	$221,962,318
Limited Partnerships	12,021,502
Preferred Stock	497,760
Closed End Fund	2,062,190
Rights / Warrants	139,975
Bonds, debentures and other investments	106,562,343
	$343,246,088
Cash, receivables, short-term corporate notes, less liabilities	58,188,670
Net assets at March 31, 2021	$401,434,758

SUMMARY FINANCIAL INFORMATION*

	Three Months Ended March 31, 2021	
	Total Net Assets	Per Common Share
Beginning of period	$381,947,968	$45.35
Net gain (loss) on investments, realized and unrealized	$ 21,475,421	$ 2.57
Net investment income	1,706,625	0.20
Distributions to Common shareholders	(2,951,829)	(0.35)
Cost of Capital Stock repurchased	(743,427)	(0.01)
Net changes during period	$ 19,486,790	$ 2.41
End of period	$401,434,758	$47.76

	Beginning of Quarter	End of Quarter
Common market price per share	$39.91	$43.75
Common net asset value	$45.35	$47.76
Common market discount from net asset value	12.00%	8.40%

* *The financial information included in this report has been taken from the records of the Company without examination by independent auditors. Securities are carried at fair value.*

SOURCE CAPITAL, INC.

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