

# The GDL Fund

March 31, 2011

Symbol GDL

CUSIP 361570104

Exchange NYSE

## INVESTMENT OBJECTIVE

The GDL Fund (formerly Global Deal Fund) is a non-diversified, closed-end management investment company. The Fund's investment objective is to achieve absolute returns in various market conditions without excessive risk of capital. Absolute returns are defined as positive total returns, regardless of the direction of securities markets. The Fund will seek to achieve its objective by investing primarily in merger arbitrage transactions and, to a lesser extent, in corporate reorganizations involving stubs, spin-offs, and liquidations.

## PORTFOLIO MANAGEMENT



**Mario J. Gabelli, CFA**, is Chairman and Chief Executive Officer of GAMCO Investors, Inc. that he founded in 1976 and Chief Investment Officer - Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia University Graduate School of Business.

## PORTFOLIO HIGHLIGHTS

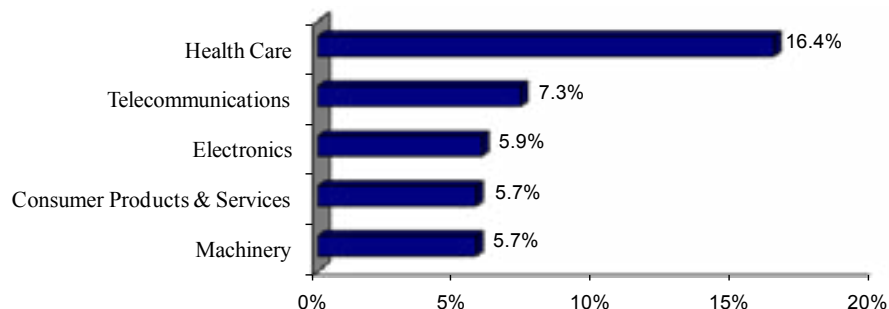
Net Assets:	\$418 million
Number of Holdings:	145
NAV:	\$15.22
NYSE Market Price:	\$13.53
Premium (Discount):	(11.10)%
Expense Ratio 12/31/10:*	4.39%
Turnover 12/31/10:	365%
Inception Date:	01/31/07
Cash & Equivalents:	16.50%

\*Ratio of operating expenses including interest and offering costs to average net assets attributable to common shares.

## TOP TEN HOLDINGS

Genzyme Corp.  
Lubrizol Corp.  
Alberto-Culver Co.  
Bucyrus International Inc.  
Beckman Coulter Inc.  
Atheros Communications Inc.  
Dionex Corp.  
Emergency Medical Services Corp.  
Hughes Communications Inc.  
Danisco A/S

## TOP SECTORS % OF PORTFOLIO



The top ten holdings and top sectors listed are not necessarily representative of the entire portfolio and are subject to change. The most recent quarterly report, which contains a more extensive list of holdings, is available from your financial adviser or by calling 1-800-GABELLI (1-800-422-3554) or visiting [www.gabelli.com](http://www.gabelli.com).

The Fund's net asset value ("NAV") per share will fluctuate with changes in the market value of the Fund's portfolio securities. Stocks are subject to market, economic, and business risks that cause their prices to fluctuate. Investors acquire shares of the Fund on a securities exchange at market value, which fluctuates according to the dynamics of supply and demand. When Fund shares are sold, they may be worth more or less than their original cost. Consequently, you can lose money by investing in the Fund.

**Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. Important information, including performance history and disclosures, on reverse.**

## PERFORMANCE

Average Annual Returns through March 31, 2011 (a)

	Quarter	1 Year	3 Year	Since Inception (01/31/07)
<b>The GDL Fund</b>				
<b>NAV Total Return (b)</b>	<b>3.50%</b>	<b>5.95%</b>	<b>3.00%</b>	<b>2.76%</b>
<b>Investment Total Return (c)</b>	<b>3.60%</b>	<b>3.93%</b>	<b>4.11%</b>	<b>(0.24)%</b>
3 Month U.S. Treasury Bill Index	0.03%	0.14%	0.40%	1.35%

(a) **Returns represent past performance and do not guarantee future results.** Investments returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The 3 Month U.S. Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month, that issue is sold and rolled into the outstanding Treasury Bill that matures closest to, but not beyond three months from the re-balancing date. To qualify for selection, an issue must have settled on or before the re-balancing (month end) date. Dividends are considered reinvested except for the 3 Month U.S. Treasury Bill Index. You cannot invest directly in an index.

(b) Total returns and average annual returns reflect changes in the NAV per share and reinvestment of distributions at NAV on the ex-dividend date and are net of expenses. Since inception return is based on an initial NAV of \$19.06.

(c) Total returns and average annual returns reflect changes in closing market values on the New York Stock Exchange and reinvestment of distributions. Since inception return is based on an initial offering price of \$20.00.

**Merger Arbitrage Risk.** The principal risk associated with the Fund's investment strategy is that certain of the proposed reorganizations in which the Fund invests may be renegotiated, terminated or involve a longer time frame than originally contemplated, in which case losses may be realized. The investment policies of the Fund are expected to lead to frequent changes in investments, which increase transaction costs to the Fund, and may also result in accelerated recognition of short-term capital gain, which will be taxable to shareholders when distributed by the Fund.