

# GABELLI ESG FUND\*

*A Mutual Fund Adhering to a Broad Base of Environmental, Social, & Governance Responsible Criteria*

Quarter End – June 30, 2018



## STRATEGY OVERVIEW

- The Gabelli ESG Fund seeks to provide capital appreciation while employing certain ESG criteria within a fundamental stock selection process.
- The primary focus is to identify companies that are selling at substantial discounts to their intrinsic or Private Market Values (PMV) and to achieve risk-adjusted returns over the long-term.
- The Fund will seek to achieve its objective by investing substantially all, and in any case, no less than 80% of its assets in common stocks and preferred stocks of companies that meet the Fund's guidelines for ESG.

## PORTFOLIO HIGHLIGHTS

Total Net Assets	\$54 million	Share Class	<b>Symbol</b>
NAV (Class AAA)	\$15.08	Class AAA	SRIGX
Turnover	18%	Class A	SRIAX
Inception Date	6/1/07	Class C	SRICX
Minimum initial investment is \$1,000.		Class I	SRIDX

## PORTFOLIO MANAGEMENT



**KEVIN V. DREYER**  
Co-Chief Investment Officer

- M.B.A. Columbia Graduate School of Business
- B.S.E University of Pennsylvania
- Fund Manager Since 2011



**CHRIS MARANGI**  
Co-Chief Investment Officer

- M.B.A. Columbia Graduate School of Business
- B.A. Williams College
- Fund Manager Since 2011



**CHRISTOPHER C. DESMARAIS**  
Portfolio Manager

- B.A. Fairfield University
- Fund Manager Since 2007

## PERFORMANCE STATISTICS

	Return	Std Dev	Beta	Alpha	Capture Ratio	R-Squared
SRIGX	5.69%	17.27%	1.04	-1.79%	101.5 <sup>↑</sup> 110.2 <sup>↓</sup>	78.22
S&P 500	7.56%	14.72%	-	-	-	-

Since Inception ending June 30, 2018

## TOP TEN SECTORS

Food	22.2%
Financial Services	7.2%
Consumer Products	7.1%
Beverage	6.8%
Machinery	6.6%
Building & Construction	5.5%
Automotive (Parts & Acces.)	5.4%
Equipment & Supplies	5.0%
Cable & Satellite	5.0%
Broadcasting	4.7%
<b>Total % of Top Ten</b>	<b>75.5%</b>

## TOP TEN HOLDINGS

Xylem Inc.	5.0%
ConAgra Brands Inc.	4.6%
Mondelez International Inc.	4.5%
Danone SA	4.1%
Lamb Weston Holdings inc.	3.2%
PayPal Holdings Inc.	3.1%
Sony Corp.	3.0%
Johnson Controls Int'l Inc.	3.0%
Watts Water Technologies Inc.	2.9%
American Express Co.	2.5%
<b>Total % of Top Ten</b>	<b>35.9%</b>

## WHAT IS PMV WITH A CATALYST?

- Private Market Value (PMV): The price an informed industrialist would pay for the entire company
- Catalyst: An event to surface the value

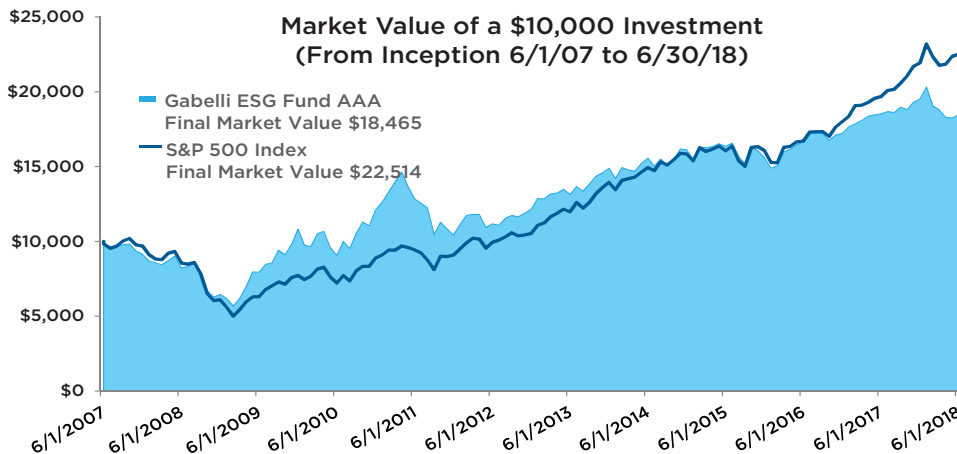
The top ten holdings and sectors listed are not necessarily representative of the entire portfolio and are subject to change. The most recent semiannual report, which contains a more extensive list of holdings, is available from your financial adviser or by contacting the distributor, G. distributors, LLC.

\*Effective May 17, 2016, The Gabelli SRI Fund has changed its name to The Gabelli ESG Fund. The Fund's share price 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. When you sell Fund shares, they may be worth less than what you paid for them. Consequently, you can lose money by investing in the Fund.

Standard deviation is a statistical measure of the volatility of a fund's returns. Beta measures a fund's risk relative to the S&P 500 Index which, by definition, has a beta of 1.00. If a fund's beta is less than 1.00, the fund is considered less risky than the market. Alpha is a measure of a fund's actual returns and expected performance, given its level of risk (as measured by beta). Upside/downside capture ratio show you whether a given fund has outperformed, gained more or less than, a broad market benchmark during periods of market strength and weakness, and if so, by how much. R-squared is a statistic that indicates how much of a fund's fluctuations were attributable to movements of the fund's benchmark index.

*Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus, which contains more complete information about these and other matters, should be read carefully before investing. To obtain a prospectus, please call 800-GABELLI or visit [www.gabelli.com](http://www.gabelli.com).*

## MARKET VALUE OF A \$10,000 INVESTMENT (CLASS AAA)



The chart above reflects an investment of \$10,000 from June 1, 2007 to June 30, 2018 and assumes that all dividends and capital gains were reinvested. The chart does not reflect the impact of any taxes. Based on The Gabelli ESG Fund's prospectus dated July 28, 2017, the Fund's expense ratio was 1.25%.

## TOTAL RETURN PERFORMANCE HISTORY

	Class AAA Shares	MSCI AC World Index	S&P 500 Index
2018 YTD	-5.4%	-0.4%	2.7%
2017	13.3%	24.0%	21.8%
2016	10.4%	7.9%	12.0%
2015	-3.3%	-2.4%	1.4%
2014	8.3%	4.2%	13.7%
2013	22.7%	22.8%	32.4%
2012	16.5%	16.1%	16.0%
2011	-14.1%	-7.4%	2.1%
2010	12.1%	12.7%	15.1%
2009	67.7%	34.6%	26.5%
2008	-29.4%	-42.2%	-37.0%
2007*	-8.6%	0.69%	5.5%

\*From Inception 6/01/07

## AVERAGE ANNUAL RETURNS AS OF 6/30/18

	1 Yr	5 Yr	10 Yr	Inception
Class AAA	-0.34%	7.05%	8.42%	5.69%
Class A	-0.41%	7.05%	8.43%	5.69%
Class C	-1.09%	6.24%	7.61%	4.90%
Class I	-0.14%	7.32%	8.68%	5.95%
MSCI AC World Index	10.73%	9.41%	5.80%	4.21%
S&P 500 Index	14.37%	13.42%	10.17%	7.56%
Load Adjusted				
Class A	-6.13%	5.79%	7.79%	5.12%
Class C	-2.08%	6.24%	7.61%	4.90%

## SOCIAL GUIDELINES

Environment	Pro-Active Approach
Alcohol	5% Revenue Screen
Gambling	5% Revenue Screen
Tobacco	5% Revenue Screen
Top 50 Defense Contractors	Will Not Invest
Fossil Fuel - Coal, Oil & Gas	Will Not Invest

	Class AAA	Class A	Class C	Class I
Gross Expense Ratio <sup>1</sup>	1.67%	1.67%	2.42%	1.42%
Expense Ratio after Reimbursement from Adviser <sup>2</sup>	1.25%	1.25%	2.00%	1.00%
Maximum Sales Charge	None	5.75%	1.00%	None

<sup>1</sup>Expense ratio based on prospectus dated July 28, 2017. <sup>2</sup>Net expense ratio after reimbursement by the Adviser. Good through July 31, 2018 unless terminated early by the Fund's Board of Directors.

Returns represent past performance and do not guarantee future results. Due to market volatility, current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so, upon redemption, shares may be worth more or less than their original cost. To obtain the most recent month end performance information and a prospectus, please call 800-GABELLI or visit [www.gabelli.com](http://www.gabelli.com).

The inception date of the Fund was June 1, 2007. Performance for periods less than one year is not annualized. Performance for periods less than one year is not annualized. Class A Shares (load adjusted) includes the effect of the maximum 5.75% sales charge at the beginning of the period. Class C Shares (load adjusted) includes the effect of the applicable contingent deferred sales charge at the end of the period. The Fund imposes a 2% redemption fee on shares sold or exchanged in seven days or less after the date of purchase. The MSCI AC World Index and the S&P 500 Index are an unmanaged indicator of stock market performance and is adjusted for reinvestment of dividends.

By concentrating in a small number of investments, the Fund's risks are increased because each investment has a greater effect on the Fund's performance than a fund which is more broadly diversified in a greater number of holdings. Investing in foreign securities involves risks not ordinarily associated with investment in domestic issues including currency fluctuations, economic, and political risks. The Fund invests substantially all of its assets in the securities of companies that meet its socially responsible and sustainability criteria. As a result, the Fund may forego opportunities to buy certain securities when it might otherwise be advantageous for it to do so, or may sell securities when it might otherwise be disadvantageous for it to do so. Not FDIC Insured. Not Bank Guaranteed. May Lose Value.

The Gabelli Mutual Funds are distributed by G.Distributors, LLC., a registered broker-dealer and member of FINRA.

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