

# The Gabelli Asset Fund

## First Quarter Report — March 31, 2017

### (Y)our Portfolio Management Team



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#### **To Our Shareholders,**

For the quarter ended March 31, 2017, the net asset value (“NAV”) per class AAA Share of The Gabelli Asset Fund increased 5.7% compared with an increase of 6.1% for the Standard & Poor’s (“S&P”) 500 Index. See page 2 for additional performance information.

Enclosed is the schedule of investments as of March 31, 2017.

## Comparative Results

### Average Annual Returns through March 31, 2017 (a) (Unaudited)

	Quarter	1 Year	5 Year	10 Year	15 Year	Since Inception (3/3/86)
<b>Class AAA (GABAX)</b> . . . . .	5.74%	14.90%	10.31%	6.81%	8.09%	11.83%
S&P 500 Index . . . . .	6.07	17.17	13.30	7.51	7.09	10.33(d)
Dow Jones Industrial Average . . . . .	5.20	19.81	12.09	8.05	7.32	11.21(d)
Nasdaq Composite Index . . . . .	10.13	22.93	15.38	10.60	9.23	9.30(d)
<b>Class A (GATAX)</b> . . . . .	5.74	14.88	10.31	6.81	8.09	11.83
With sales charge (b) . . . . .	(0.34)	8.27	9.01	6.17	7.67	11.61
<b>Class C (GATCX)</b> . . . . .	5.53	14.03	9.48	6.01	7.38	11.48
With contingent deferred sales charge (c) . . . . .	4.53	13.03	9.48	6.01	7.38	11.48
<b>Class I (GABIX)</b> . . . . .	5.81	15.19	10.58	7.05	8.26	11.92

In the current prospectuses dated April 28, 2017, the expense ratios for Class AAA, A, C, and I Shares are 1.36%, 1.36%, 2.11%, and 1.11%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

(a) Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, 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. Returns would have been lower had Gabelli Funds, LLC (the "Adviser") not reimbursed certain expenses of the Fund for periods prior to December 31, 1988. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. 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 prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at [www.gabelli.com](http://www.gabelli.com). The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. The Dow Jones Industrial Average and the Nasdaq Composite Index are unmanaged indicators of stock market performance. Dividends are considered reinvested, except for the Nasdaq Composite Index. You cannot invest directly in an index. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 31, 2003 and Class I Shares on January 11, 2008. The actual performance of the Class A Shares and Class C Shares would have been lower due to the additional fees and expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares.

(b) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.

(c) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

(d) The S&P 500 Index, Dow Jones Industrial Average, and Nasdaq Composite Index since inception performance results are as of February 28, 1986.



# The Gabelli Asset Fund

## Schedule of Investments (Continued) — March 31, 2017 (Unaudited)

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>				
	<b>Cable and Satellite (Continued)</b>				
626,000	Rogers Communications Inc., New York, Cl. B. . . . .	\$ 27,681,720	10,000	Syrtech Corp.† . . . . .	\$ 30
50,000	Rogers Communications Inc., Toronto, Cl. B. . . . .	2,210,776	4,000	The Estee Lauder Companies Inc., Cl. A . . . . .	339,160
165,000	Scripps Networks Interactive Inc., Cl. A . . . . .	12,931,050	120,000	The Procter & Gamble Co. . . . .	10,782,000
118,000	Shaw Communications Inc., New York, Cl. B . . . . .	2,444,960	40,000	Unilever plc, ADR . . . . .	1,973,600
120,000	Shaw Communications Inc., Toronto, Cl. B . . . . .	2,487,799	35,000	Wolverine World Wide Inc. . . . .	873,950
		<u>127,569,931</u>			<u>117,785,542</u>
	<b>Closed-End Funds — 0.0%</b>			<b>Consumer Services — 1.9%</b>	
11,417	Royce Global Value Trust Inc. . . . .	100,355	5,000	Allegion plc . . . . .	378,500
79,500	Royce Value Trust Inc. . . . .	1,113,000	99,000	IAC/InterActiveCorp.† . . . . .	7,298,280
		<u>1,213,355</u>	27,200	Liberty Expedia Holdings Inc., Cl. A† . . . . .	1,237,056
			466,600	Liberty Interactive Corp. QVC Group, Cl. A† . . . . .	9,341,332
	<b>Communications Equipment — 0.5%</b>		30,000	Liberty TripAdvisor Holdings Inc., Cl. A† . . . . .	423,000
234,000	Corning Inc. . . . .	6,318,000	62,800	Liberty Ventures, Cl. A† . . . . .	2,793,344
59,000	Harris Corp. . . . .	6,564,930	774,150	Rollins Inc. . . . .	28,744,190
		<u>12,882,930</u>			<u>50,215,702</u>
	<b>Computer Hardware — 0.1%</b>			<b>Diversified Industrial — 4.7%</b>	
12,000	Apple Inc. . . . .	1,723,920	500	Acuity Brands Inc. . . . .	102,000
			5,000	Anixter International Inc.† . . . . .	396,500
	<b>Computer Software and Services — 1.6%</b>		338,700	Crane Co. . . . .	25,344,921
5,500	Alphabet Inc., Cl. C† . . . . .	4,562,580	100,000	Eaton Corp. plc . . . . .	7,415,000
6,400	CommerceHub Inc., Cl. A† . . . . .	99,072	136,000	Greif Inc., Cl. A . . . . .	7,492,240
20,400	CommerceHub Inc., Cl. C† . . . . .	316,812	284,000	Honeywell International Inc. . . . .	35,463,080
114,000	Diebold Nixdorf Inc. . . . .	3,499,800	36,000	HRG Group Inc.† . . . . .	695,520
18,000	DST Systems Inc. . . . .	2,205,000	24,000	Ingersoll-Rand plc . . . . .	1,951,680
160,000	eBay Inc.† . . . . .	5,371,200	250,000	ITT Inc. . . . .	10,255,000
51,500	Fidelity National Information Services Inc. . . . .	4,100,430	30,000	Jardine Matheson Holdings Ltd. . . . .	1,927,500
252,900	Hewlett Packard Enterprise Co. . . . .	5,993,730	124,000	Jardine Strategic Holdings Ltd. . . . .	5,208,000
265,000	Internap Corp.† . . . . .	985,800	132,000	Katy Industries Inc.† . . . . .	25,080
5,000	Microsoft Corp. . . . .	329,300	252,000	Myers Industries Inc. . . . .	3,994,200
7,992	NetScout Systems Inc.† . . . . .	303,296	30,000	Pentair plc . . . . .	1,883,400
60,000	Rockwell Automation Inc. . . . .	9,342,600	12,000	Sulzer AG . . . . .	1,255,528
125,000	Yahoo! Inc.† . . . . .	5,801,250	185,000	Textron Inc. . . . .	8,804,150
		<u>42,910,870</u>	330,000	Toray Industries Inc. . . . .	2,925,627
			230,000	Trinity Industries Inc. . . . .	6,106,500
	<b>Consumer Products — 4.5%</b>		4,000	Waters Corp.† . . . . .	625,240
30,000	Brunswick Corp. . . . .	1,836,000			<u>121,871,166</u>
11,000	Christian Dior SE . . . . .	2,555,847		<b>Electronics — 2.0%</b>	
75,000	Church & Dwight Co. Inc. . . . .	3,740,250	140,000	Cypress Semiconductor Corp. . . . .	1,926,400
17,000	Coty Inc., Cl. A . . . . .	308,210	2,335	Fortive Corp. . . . .	140,614
421,000	Edgewell Personal Care Co.† . . . . .	30,791,940	8,000	Kyocera Corp., ADR . . . . .	449,040
257,000	Energizer Holdings Inc. . . . .	14,327,750	1,500	Mettler-Toledo International Inc.† . . . . .	718,365
3,400	Givaudan SA . . . . .	6,123,496	2,200	Samsung Electronics Co. Ltd., GDR† . . . . .	2,018,500
30,000	Harley-Davidson Inc. . . . .	1,815,000	910,000	Sony Corp., ADR . . . . .	30,694,300
2,000	Hermes International . . . . .	947,535	40,000	TE Connectivity Ltd. . . . .	2,982,000
6,000	National Presto Industries Inc. . . . .	613,200	110,000	Texas Instruments Inc. . . . .	8,861,600
47,000	Reckitt Benckiser Group plc . . . . .	4,290,447	25,000	Thermo Fisher Scientific Inc. . . . .	3,840,000
100,000	Sally Beauty Holdings Inc.† . . . . .	2,044,000			<u>51,630,819</u>
10,000	Svenska Cellulosa AB, Cl. A . . . . .	329,217		<b>Energy and Utilities — 3.8%</b>	
42,000	Svenska Cellulosa AB, Cl. B . . . . .	1,354,589		Anadarko Petroleum Corp. . . . .	682,000
1,006,400	Swedish Match AB . . . . .	32,739,321	11,000		

See accompanying notes to schedule of investments.

# The Gabelli Asset Fund

## Schedule of Investments (Continued) — March 31, 2017 (Unaudited)

Shares		Market Value	Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>				
	<b>Energy and Utilities (Continued)</b>				
9,000	Baker Hughes Inc.	\$ 538,380	92,000	CIRCOR International Inc.	\$ 5,468,480
130,000	BP plc, ADR	4,487,600	110,000	Crown Holdings Inc.†	5,824,500
108,000	Chevron Corp.	11,595,960	166,000	CTS Corp.	3,535,800
170,000	ConocoPhillips	8,477,900	4,670	Danaher Corp.	399,425
50,000	CONSOL Energy Inc.†	839,000	563,900	Donaldson Co. Inc.	25,668,728
113,000	Devon Energy Corp.	4,714,360	545,000	Flowserve Corp.	26,388,900
4,000	Edison International	318,440	54,000	Graco Inc.	5,083,560
204,000	El Paso Electric Co.	10,302,000	262,400	IDEX Corp.	24,537,024
34,500	Enbridge Inc.	1,443,480	80,000	Interpump Group SpA	1,860,505
90,000	EOG Resources Inc.	8,779,500	16,000	Lawson Products Inc.†	359,200
152,000	Exxon Mobil Corp.	12,465,520	130,000	Mueller Industries Inc.	4,449,900
130,000	GenOn Energy Inc., Escrow†	0	180,000	Sealed Air Corp.	7,844,400
167,000	Halliburton Co.	8,218,070	93,000	The Manitowoc Co. Inc.†	530,100
65,000	Kinder Morgan Inc.	1,413,100	50,000	The Timken Co.	2,260,000
13,000	Marathon Petroleum Corp.	657,020	26,000	The Toro Co.	1,623,960
244,000	National Fuel Gas Co.	14,547,280	75,000	The Weir Group plc	1,801,353
56,400	Oceaneering International Inc.	1,527,312	23,000	Valmont Industries Inc.	3,576,500
5,000	Phillips 66	396,100	244,000	Watts Water Technologies Inc., Cl. A	15,213,400
48,000	Rowan Companies plc, Cl. A†	747,840			<u>179,300,055</u>
53,000	Southwest Gas Holdings Inc.	4,394,230		<b>Financial Services — 11.0%</b>	
95,000	The AES Corp.	1,062,100	13,400	Alleghany Corp.†	8,236,444
10,000	Wartsila OYJ Abp	535,002	70,000	AllianceBernstein Holding LP	1,599,500
190,000	Weatherford International plc†	1,263,500	418,600	American Express Co.	33,115,446
		<u>99,405,694</u>	3,400	Ameriprise Financial Inc.	440,912
			32,000	Argo Group International Holdings Ltd.	2,169,600
	<b>Entertainment — 7.1%</b>		60,000	Bank of America Corp.	1,415,400
195,500	Discovery Communications Inc., Cl. A†	5,687,095	168	Berkshire Hathaway Inc., Cl. A†	41,974,800
515,000	Discovery Communications Inc., Cl. C†	14,579,650	5,970	BKF Capital Group Inc.†	43,521
706,000	Grupo Televisa SAB, ADR	18,313,640	65,000	Citigroup Inc.	3,888,300
17,000	Liberty Media Corp. - Liberty Braves, Cl. A†	406,980	4,000	Credit Acceptance Corp.†	797,640
103,028	Liberty Media Corp. - Liberty Braves, Cl. C†	2,436,612	170,000	Fortress Investment Group LLC, Cl. A	1,351,500
70,121	Lions Gate Entertainment Corp., Cl. B†	1,709,544	100,000	GAM Holding AG	1,232,966
137,833	The Madison Square Garden Co, Cl. A†	27,526,628	254,000	H&R Block Inc.	5,905,500
225,000	Time Warner Inc.	21,984,750	50,000	Interactive Brokers Group Inc., Cl. A	1,736,000
2,068,900	Twenty-First Century Fox Inc., Cl. A	67,011,671	400,000	Janus Capital Group Inc.	5,280,000
85,000	Twenty-First Century Fox Inc., Cl. B	2,701,300	247,300	JPMorgan Chase & Co.	21,722,832
435,500	Viacom Inc., Cl. A	21,230,625	84,500	Kinnevik AB, Cl. A	2,519,728
25,000	Viacom Inc., Cl. B	1,165,500	109,000	Kinnevik AB, Cl. B	2,907,267
50,000	Vivendi SA	972,124	186,500	KKR & Co. LP	3,399,895
		<u>185,726,119</u>	247,000	Legg Mason Inc.	8,919,170
			29,000	LendingTree Inc.†	3,635,150
	<b>Environmental Services — 2.6%</b>		35,000	Leucadia National Corp.	910,000
614,300	Republic Services Inc.	38,584,183	40,000	Loews Corp.	1,870,800
58,000	Waste Connections Inc.	5,116,760	39,000	M&T Bank Corp.	6,034,470
345,000	Waste Management Inc.	25,157,400	112,000	Marsh & McLennan Companies Inc.	8,275,680
		<u>68,858,343</u>	44,000	Northern Trust Corp.	3,809,520
			147,000	PayPal Holdings Inc.†	6,323,940
	<b>Equipment and Supplies — 6.8%</b>		28,500	Popular Inc.	1,160,805
766,000	AMETEK Inc.	41,425,280	134,200	State Street Corp.	10,683,662
12,000	Amphenol Corp., Cl. A	854,040	20,000	SunTrust Banks Inc.	1,106,000
10,000	AZZ Inc.	595,000	51,000	T. Rowe Price Group Inc.	3,475,650

See accompanying notes to schedule of investments.











## The Gabelli Asset Fund

### Notes to Schedule of Investments (Unaudited)

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As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“GAAP”) that may require the use of management estimates and assumptions in the preparation of its schedule of investments. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its schedule of investments.

**Security Valuation.** Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market’s official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt obligations for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Such debt obligations are valued through prices provided by a Pricing Service approved by the Board. Certain securities are valued principally using dealer quotations.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

The inputs and valuation techniques used to measure fair value of the Fund’s investments are summarized into three levels as described in the hierarchy below:

- Level 1 — quoted prices in active markets for identical securities;
- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 — significant unobservable inputs (including the Board’s determinations as to the fair value of investments).

## The Gabelli Asset Fund

### Notes to Schedule of Investments (Unaudited) (Continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of March 31, 2017 is as follows:

	Valuation Inputs			Total Market Value at 3/31/17
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
<b>INVESTMENTS IN SECURITIES:</b>				
<b>ASSETS (Market Value):</b>				
Common Stocks:				
Airlines	—	\$ 132,000	—	\$ 132,000
Consumer Products	\$ 117,785,512	—	\$ 30	117,785,542
Diversified Industrial	121,846,086	25,080	—	121,871,166
Financial Services	286,817,419	43,521	—	286,860,940
Manufactured Housing and Recreational Vehicles	3,972,750	316,500	—	4,289,250
Specialty Chemicals	46,511,087	1,186	—	46,512,273
Other Industries (a)	2,040,291,849	—	—	2,040,291,849
<b>Total Common Stocks</b>	<b>2,617,224,703</b>	<b>518,287</b>	<b>30</b>	<b>2,617,743,020</b>
Corporate Bonds (a)	—	648,375	—	648,375
Preferred Stocks (a)	573,376	—	—	573,376
Rights (a)	—	—	200	200
Warrants (a)	612	392,000	—	392,612
<b>TOTAL INVESTMENTS IN SECURITIES – ASSETS</b>	<b>\$2,617,798,691</b>	<b>\$1,558,662</b>	<b>\$230</b>	<b>\$2,619,357,583</b>

(a) Please refer to the Schedule of Investments for the industry classifications of these portfolio holdings.

#### Additional Information to Evaluate Qualitative Information.

**General.** The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds are ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

**Fair Valuation.** Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

## The Gabelli Asset Fund

### Notes to Schedule of Investments (Unaudited) (Continued)

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The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These may include back testing the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

**Derivative Financial Instruments.** The Fund may engage in various portfolio investment strategies by investing in derivative financial instruments for the purposes of increasing the income of the Fund, hedging against changes in the value of its portfolio securities and in the value of the securities it intends to purchase or hedging against a specific transaction with respect to either the currency in which the transaction is denominated or another currency. Investing in certain derivative financial instruments, including participation in the options, futures, or swap markets, entails certain execution, liquidity, hedging, tax, and securities, interest, credit, or currency market risks. Losses may arise if the Adviser's prediction of movements in the direction of the securities, foreign currency, and interest rate markets is inaccurate. Losses may also arise if the counterparty does not perform its duties under a contract, or that, in the event of default, the Fund may be delayed in or prevented from obtaining payments or other contractual remedies owed to it under derivative contracts. The creditworthiness of the counterparties is closely monitored in order to minimize these risks. Participation in derivative transactions involves investment risks, transaction costs, and potential losses to which the Fund would not be subject absent the use of these strategies. The consequences of these risks, transaction costs, and losses may have a negative impact on the Fund's ability to pay distributions.

The Fund's derivative contracts held at March 31, 2017, if any, are not accounted for as hedging instruments under GAAP and are disclosed in the Schedule of Investments together with the related counterparty.

**Forward Foreign Exchange Contracts.** The Fund may engage in forward foreign exchange contracts for the purpose of hedging a specific transaction with respect to either the currency in which the transaction is denominated or another currency as deemed appropriate by the Adviser. Forward foreign exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is included in unrealized appreciation/depreciation on investments and foreign currency translations. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. At March 31, 2017, the Fund held no investments in forward foreign exchange contracts.

**Foreign Currency Translations.** The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade

## The Gabelli Asset Fund

### Notes to Schedule of Investments (Unaudited) (Continued)

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date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

**Foreign Securities.** The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than securities of comparable U.S. issuers.

**Foreign Taxes.** The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

**Restricted Securities.** The Fund may invest up to 10% of its net assets in securities for which the markets are restricted. Restricted securities include securities whose disposition is subject to substantial legal or contractual restrictions. The sale of restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity. At March 31, 2017, the Fund held no restricted securities.

**Tax Information.** The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

**THE GABELLI ASSET FUND**  
**One Corporate Center**  
**Rye, NY 10580-1422**

**Portfolio Management Team Biographies**

**Mario J. Gabelli, CFA**, is Chairman, Chief Executive Officer, and Chief Investment Officer - Value Portfolios of GAMCO Investors, Inc. that he founded in 1977, and Chief Investment Officer - Value Portfolios of Gabelli Funds, LLC and GAMCO Asset Management Inc. He is also Executive Chairman of Associated Capital Group, Inc. Mr. Gabelli is a summa cum laude graduate of Fordham University and holds an MBA degree from Columbia Business School and Honorary Doctorates from Fordham University and Roger Williams University.

**Christopher J. Marangi** joined Gabelli in 2003 as a research analyst. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Marangi graduated magna cum laude and Phi Beta Kappa with a BA in Political Economy from Williams College and holds an MBA degree with honors from Columbia Business School.

**Kevin V. Dreyer** joined Gabelli in 2005 as a research analyst covering companies within the consumer sector. Currently he is a Managing Director and Co-Chief Investment Officer for GAMCO Investors, Inc.'s Value team. In addition, he serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Dreyer received a BSE from the University of Pennsylvania and an MBA degree from Columbia Business School.

**Jeffrey J. Jonas, CFA**, joined Gabelli in 2003 as a research analyst focusing on companies across the healthcare industry. In 2006, he began serving as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Fund Complex. Mr. Jonas was a Presidential Scholar at Boston College, where he received a BS in Finance and Management Information Systems.

We have separated the portfolio managers' commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentary is unrestricted. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

## THE GABELLI ASSET FUND

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by calling 800-GABELLI after 7:00 P.M.

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Flom LLP

This report is submitted for the general information of the shareholders of The Gabelli Asset Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.



GABELLI  
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# THE GABELLI ASSET FUND

*First Quarter Report  
March 31, 2017*