

The Gabelli Asset Fund

First Quarter Report — March 31, 2018

(Y)our Portfolio Management Team



Mario J. Gabelli, CFA
Chief Investment Officer



Christopher J. Marangi
Co-Chief Investment Officer
BA, Williams College
MBA, Columbia
Business School



Kevin V. Dreyer
Co-Chief Investment Officer
BSE, University of
Pennsylvania
MBA, Columbia
Business School



Jeffrey J. Jonas, CFA
Portfolio Manager
BS, Boston College

To Our Shareholders,

For the quarter ended March 31, 2018, the net asset value (“NAV”) per class AAA Share of The Gabelli Asset Fund decreased 1.2% compared with a decrease of 0.8% for the Standard & Poor’s (“S&P”) 500 Index. Other classes of shares are available. See page 2 for performance information for all classes of shares.

Enclosed is the schedule of investments as of March 31, 2018.

Comparative Results

Average Annual Returns through March 31, 2018 (a) (Unaudited)

	Quarter	1 Year	5 Year	10 Year	15 Year	Since Inception (3/3/86)
Class AAA (GABAX)	(1.17)%	12.31%	9.19%	8.38%	10.71%	11.85%
S&P 500 Index	(0.76)	13.99	13.31	9.49	10.10	10.44(d)
Dow Jones Industrial Average	(1.97)	19.34	13.25	9.81	10.36	11.46(d)
Nasdaq Composite Index	2.59	20.90	18.13	13.31	12.96	9.60(d)
Class A (GATAX)	(1.18)	12.31	9.18	8.38	10.71	11.85
With sales charge (b)	(6.86)	5.85	7.90	7.74	10.27	11.63
Class C (GATCX)	(1.36)	11.48	8.37	7.58	9.93	11.48
With contingent deferred sales charge (c)	(2.35)	10.48	8.37	7.58	9.93	11.48
Class I (GABIX)	(1.12)	12.59	9.46	8.65	10.90	11.94
Class T (GALTX)	(1.17)	12.35	9.19	8.39	10.71	11.85
With sales charge (e)	(3.64)	9.54	8.64	8.11	10.53	11.61

In the current prospectuses dated April 30, 2018, the expense ratios for Class AAA, A, C, I, and T Shares are 1.35%, 1.35%, 2.10%, 1.10%, and 1.35%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares, Class C Shares, and Class T Shares is 5.75%, 1.00%, and 2.50%, 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 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. 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, Class I Shares on January 11, 2008, and Class T Shares on July 5, 2017. The actual performance of the Class A Shares, Class C Shares, and Class T 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) S&P 500 Index, Dow Jones Industrial Average, and Nasdaq Composite Index since inception performance results are as of February 28, 1986.
- (e) Performance results include the effect of the maximum 2.50% sales charge at the beginning of the period.

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Schedule of Investments (Continued) — March 31, 2018 (Unaudited)

Shares		Market Value	Shares		Market Value
	COMMON STOCKS (Continued)				
	Food and Beverage — 14.6%				
915,900	Brown-Forman Corp., Cl. A	\$ 48,844,947	5,000	Tyson Foods Inc., Cl. A	\$ 365,950
283,600	Brown-Forman Corp., Cl. B	15,427,840	75,660	United Natural Foods Inc.†	3,248,840
46,000	Campbell Soup Co.	1,992,260	158,300	Yakult Honsha Co. Ltd.	11,797,556
800,000	China Mengniu Dairy Co. Ltd.	2,742,047			<u>373,424,384</u>
35,000	Chr. Hansen Holding A/S	3,009,771	15,000	Health Care — 4.7%	
25,000	Coca-Cola European Partners plc	1,041,500	30,000	Abbott Laboratories	898,800
16,500	Coca-Cola HBC AG	609,756	8,000	Akorn Inc.†	561,300
345,000	Conagra Brands Inc.	12,723,600	30,500	Alexion Pharmaceuticals Inc.†	891,680
30,000	Constellation Brands Inc., Cl. A	6,837,600	46,500	Allergan plc	5,132,845
40,000	Crimson Wine Group Ltd.†	395,600	30,500	AmerisourceBergen Corp.	4,008,765
212,000	Danone SA	17,146,042	30,500	Amgen Inc.	5,199,640
826,200	Davide Campari-Milano SpA	6,252,083	15,000	AngioDynamics Inc.†	258,750
262,000	Diageo plc, ADR	35,480,040	49,722	Baxter International Inc.	3,233,919
64,000	Dr Pepper Snapple Group Inc.	7,576,320	7,500	Becton, Dickinson and Co.	1,625,250
80,000	Farmer Brothers Co.†	2,416,000	11,000	Biogen Inc.†	3,012,020
310,000	Flowers Foods Inc.	6,776,600	4,600	Bio-Rad Laboratories Inc., Cl. A†	1,150,368
40,000	Fomento Economico Mexicano SAB de CV, ADR	3,657,200	350,000	BioScrip Inc.†	861,000
440,000	General Mills Inc.	19,826,400	68,000	Boston Scientific Corp.†	1,857,760
1,900,000	Grupo Bimbo SAB de CV, Cl. A	4,157,426	129,000	Bristol-Myers Squibb Co.	8,159,250
10,000	Heineken Holding NV	1,029,888	70,000	Cardiovascular Systems Inc.†	1,535,100
86,500	Heineken NV	9,291,691	43,000	Chemed Corp.	11,732,980
20,000	Heineken NV, ADR	1,077,200	10,000	Cigna Corp.	1,677,400
2,000	Ingredion Inc.	257,840	23,500	CONMED Corp.	1,488,255
160,000	ITO EN Ltd.	6,217,753	25,000	DaVita Inc.†	1,648,500
11,000	John Bean Technologies Corp.	1,247,400	27,000	Eli Lilly & Co.	2,088,990
78,000	Kellogg Co.	5,070,780	30,000	Endo International plc†	178,200
74,300	Kerry Group plc, Cl. A	7,510,360	40,000	Envision Healthcare Corp.†	1,537,200
440,000	Kikkoman Corp.	17,615,714	120,000	Evolent Health Inc., Cl. A†	1,710,000
135,000	Lamb Weston Holdings Inc.	7,859,700	10,000	Express Scripts Holding Co.†	690,800
19,800	LVMH Moët Hennessy Louis Vuitton SE	6,095,606	20,000	Gerresheimer AG	1,640,191
134,000	Maple Leaf Foods Inc.	3,265,883	25,000	HCA Healthcare Inc.	2,425,000
25,000	MEIJI Holdings Co. Ltd.	1,910,155	61,400	Henry Schein Inc.†	4,126,694
435,000	Mondelēz International Inc., Cl. A	18,152,550	40,000	Indivior plc†	228,745
48,000	Morinaga Milk Industry Co. Ltd.	1,939,758	15,000	Integer Holdings Corp.†	848,250
400	National Beverage Corp.	35,608	66,500	Johnson & Johnson	8,521,975
63,000	Nestlé SA	4,983,326	50,000	Kindred Healthcare Inc.	457,500
150,000	Nissin Foods Holdings Co. Ltd.	10,347,258	8,000	Laboratory Corp. of America Holdings†	1,294,000
220,000	Parmalat SpA	810,744	15,000	McKesson Corp.	2,113,050
83,000	PepsiCo Inc.	9,059,450	25,000	Medtronic plc	2,005,500
67,000	Pernod Ricard SA	11,150,041	124,000	Merck & Co. Inc.	6,754,280
131,000	Post Holdings Inc.†	9,924,560	30,000	Mylan NV†	1,235,100
93,000	Remy Cointreau SA	13,251,221	30,432	Orthofix International NV†	1,788,793
17,000	Suntory Beverage & Food Ltd.	822,800	50,000	Osiris Therapeutics Inc.†	440,000
58,000	The Coca-Cola Co.	2,518,940	30,000	Owens & Minor Inc.	466,500
30,000	The Hain Celestial Group Inc.†	962,100	60,000	Patterson Cos., Inc.	1,333,800
21,000	The J.M. Smucker Co.	2,604,210	44,000	Quidel Corp.†	2,279,640
13,000	The Kraft Heinz Co.	809,770	400	Regeneron Pharmaceuticals Inc.†	137,744
400,000	Tingyi (Cayman Islands) Holding Corp.	829,750	75,000	Roche Holding AG, ADR	2,146,875
151,000	Tootsie Roll Industries Inc.	4,446,950	13,000	Shire plc, ADR	1,942,070
			14,500	Stryker Corp.	2,333,340
			4,000	The Cooper Companies Inc.	915,240

See accompanying notes to schedule of investments.

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Schedule of Investments (Continued) — March 31, 2018 (Unaudited)

Shares		Market Value	Shares		Market Value
	COMMON STOCKS (Continued)		84,000	Wheaton Precious Metals Corp.....	\$ 1,711,080
	Health Care (Continued)				<u>48,744,761</u>
10,000	UnitedHealth Group Inc.	\$ 2,140,000			
20,000	Valeant Pharmaceuticals International Inc.†	318,400		Publishing — 1.2%	
128,000	William Demant Holding A/S†	4,736,672	52,000	Meredith Corp.	2,797,600
94,000	Wright Medical Group NV†	1,864,960	128,000	News Corp., Cl. A.	2,022,400
42,500	Zimmer Biomet Holdings Inc.	4,634,200	70,000	News Corp., Cl. B.	1,127,000
8,000	Zoetis Inc.	668,080	120,000	S&P Global Inc.	22,927,200
		<u>120,935,371</u>	215,000	The E.W. Scripps Co., Cl. A.	2,577,850
			10,000	The New York Times Co., Cl. A.	241,000
					<u>31,693,050</u>
	Hotels and Gaming — 1.7%				
14,000	Accor SA.	755,374		Real Estate — 0.8%	
56,000	Belmond Ltd., Cl. A†	624,400	16,500	Brookfield Asset Management Inc., Cl. A.	643,500
3,500	Churchill Downs Inc.	854,175	104,000	Griffin Industrial Realty Inc.	3,903,120
350,000	Genting Singapore plc.	288,297	14,422	Host Hotels & Resorts Inc., REIT.	268,826
36,000	Hyatt Hotels Corp., Cl. A.	2,745,360	85,000	Ryman Hospitality Properties Inc., REIT.	6,583,250
88,000	ILG Inc.	2,737,680	240,500	The St. Joe Co.†	4,533,425
50,000	Las Vegas Sands Corp.	3,595,000	100,000	Weyerhaeuser Co., REIT.	3,500,000
4,650,000	Mandarin Oriental International Ltd.	11,113,500			<u>19,432,121</u>
390,000	MGM Resorts International.	13,657,800			
2,000,000	The Hongkong & Shanghai Hotels Ltd.	3,042,755		Retail — 1.9%	
39,000	Universal Entertainment Corp.	1,784,972	50,000	Aaron's Inc.	2,330,000
7,700	Wyndham Worldwide Corp.	881,111	129,000	AutoNation Inc.†	6,034,620
11,400	Wynn Resorts Ltd.	2,078,904	59,000	Costco Wholesale Corp.	11,117,370
		<u>44,159,328</u>	163,000	CVS Health Corp.	10,140,230
			400,000	Lianhua Supermarket Holdings Ltd., Cl. H†	121,812
	Machinery — 4.2%		140,000	Macy's Inc.	4,163,600
120,000	Caterpillar Inc.	17,685,600	30,000	Murphy USA Inc.†	2,184,000
1,394,000	CNH Industrial NV.	17,285,600	15,100	Penske Automotive Group Inc.	669,383
218,600	CNH Industrial NV, Borsa Italiana.	2,697,836	10,000	Rush Enterprises Inc., Cl. B†	403,800
212,000	Deere & Co.	32,927,840	45,000	The Cheesecake Factory Inc.	2,169,900
50,000	Mueller Water Products Inc., Cl. A.	543,500	26,000	The Home Depot Inc.	4,634,240
93,000	Welbilt Inc.†	1,808,850	123,000	The Kroger Co.	2,944,620
429,000	Xylem Inc.	32,998,680	35,000	Walgreens Boots Alliance Inc.	2,291,450
		<u>105,947,906</u>			<u>49,205,025</u>
	Manufactured Housing and Recreational Vehicles — 0.3%			Specialty Chemicals — 1.7%	
31,500	Cavco Industries Inc.†	5,473,125	20,000	Ashland Global Holdings Inc.	1,395,800
20,000	Nobility Homes Inc.	410,000	46,000	DowDuPont Inc.	2,930,660
32,500	Skyline Corp.†	715,000	440,000	Ferro Corp.†	10,216,800
		<u>6,598,125</u>	133,000	H.B. Fuller Co.	6,614,090
			95,000	International Flavors & Fragrances Inc.	13,006,450
	Metals and Mining — 1.9%		340,000	OMNOVA Solutions Inc.†	3,570,000
56,000	Agnico Eagle Mines Ltd.	2,355,920	9,000	Praxair Inc.	1,298,700
234,000	Barrick Gold Corp.	2,913,300	52,000	Sensient Technologies Corp.	3,670,160
30,000	Cleveland-Cliffs Inc.†	208,500	45,000	SGL Carbon SE†	633,990
90,000	Franco-Nevada Corp.	6,155,100	51,000	Valvoline Inc.	1,128,630
156,000	Freeport-McMoRan Inc.†	2,740,920			<u>44,465,280</u>
60,000	Kinross Gold Corp.†	237,000			
24,000	New Hope Corp. Ltd.	38,710		Telecommunications — 2.1%	
522,000	Newmont Mining Corp.	20,394,540	86,000	CenturyLink Inc.	1,412,980
123,000	Royal Gold Inc.	10,562,010	201,000	Cincinnati Bell Inc.†	2,783,850
57,609	TimkenSteel Corp.†	875,081	160,000	Deutsche Telekom AG, ADR.	2,622,400
180,000	Turquoise Hill Resources Ltd.†	552,600			

See accompanying notes to schedule of investments.

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Schedule of Investments (Continued) — March 31, 2018 (Unaudited)

<u>Shares</u>		<u>Market Value</u>	<u>Shares</u>		<u>Market Value</u>
	COMMON STOCKS (Continued)			CLOSED-END FUNDS — 0.4%	
	Telecommunications (Continued)		109,000	Altaba Inc.†	\$ 8,070,360
30,000	Hellenic Telecommunications Organization SA . . . \$	405,311	11,417	Royce Global Value Trust Inc.	125,244
25,000	Hellenic Telecommunications Organization SA, ADR	169,000	79,500	Royce Value Trust Inc.	<u>1,237,020</u>
75,607	Loral Space & Communications Inc.†	3,149,032		TOTAL CLOSED-END FUNDS	<u>9,432,624</u>
6,000	Orange SA, ADR	102,480		PREFERRED STOCKS — 0.0%	
400,000	Sprint Corp.†	1,952,000		Health Care — 0.0%	
2,815,600	Telecom Italia SpA†	2,671,097	31,580	The Phoenix Companies Inc., 7.450%, 01/15/32	<u>596,073</u>
175,000	Telecom Italia SpA, ADR†	1,674,750		RIGHTS — 0.0%	
39,981	Telefonica Brasil SA, ADR	614,108		Health Care — 0.0%	
245,000	Telefonica SA, ADR	2,418,150		American Medical Alert Corp.†(a)	<u>200</u>
977,510	Telephone & Data Systems Inc.	27,399,605	20,000	WARRANTS — 0.0%	
230,000	Telesites SAB de CV†	180,534		Hotels and Gaming — 0.0%	
145,000	VEON Ltd., ADR	382,800		The Indian Hotels Co. Ltd., expire 05/14/18†(b)	<u>397,000</u>
100,000	Verizon Communications Inc.	<u>4,782,000</u>	200,000		
		<u>52,720,097</u>		Principal Amount	
	Transportation — 0.8%			U.S. GOVERNMENT OBLIGATIONS — 0.1%	
283,000	GATX Corp.	19,382,670		U.S. Treasury Bills, 1.654% to 1.715%††, 06/07/18 to 06/28/18	<u>3,586,429</u>
4,000	Kansas City Southern	<u>439,400</u>		TOTAL INVESTMENTS — 100.0%	
		<u>19,822,070</u>		(Cost \$864,680,339)	<u>\$2,549,651,549</u>
	Wireless Communications — 0.9%			(a) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.	
42,000	Altice USA Inc., Cl. A†	776,160	\$ 3,600,000	(b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. This security may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2018, the market value of the Rule 144A security amounted to \$397,000 or 0.02% of total investments.	
115,000	America Movil SAB de CV, Cl. L, ADR	2,195,350		† Non-income producing security.	
14,000	Millicom International Cellular SA	968,800		†† Represents annualized yield at date of purchase.	
53,000	Millicom International Cellular SA, SDR	3,614,877		ADR American Depositary Receipt	
208,000	NTT DoCoMo Inc.	5,257,422		GDR Global Depositary Receipt	
20,000	Tim Participacoes SA, ADR	433,400		REIT Real Estate Investment Trust	
50,000	T-Mobile US Inc.†	3,052,000		SDR Swedish Depositary Receipt	
137,000	United States Cellular Corp.†	<u>5,506,030</u>			
		<u>21,804,039</u>			
	TOTAL COMMON STOCKS	<u>2,535,639,223</u>			

See accompanying notes to schedule of investments.

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Notes to Schedule of Investments (Unaudited)

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, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one or more dealers in the instrument in question by the Adviser.

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).

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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, 2018 is as follows:

	Valuation Inputs			Total Market Value at 3/31/18
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
INVESTMENTS IN SECURITIES:				
ASSETS (Market Value):				
Common Stocks:				
Airlines	—	\$ 165,000	—	\$ 165,000
Business Services	\$ 68,233,047	—	\$ 0	68,233,047
Energy and Utilities	82,799,829	—	0	82,799,829
Financial Services	271,081,163	63,663	—	271,144,826
Manufactured Housing and Recreational Vehicles	6,188,125	410,000	—	6,598,125
Other Industries (a)	2,106,698,396	—	—	2,106,698,396
Total Common Stocks	2,535,000,560	638,663	0	2,535,639,223
Closed End Funds	9,432,624	—	—	9,432,624
Preferred Stocks (a)	—	596,073	—	596,073
Rights (a)	—	—	200	200
Warrants (a)	397,000	—	—	397,000
U.S. Government Obligations	—	3,586,429	—	3,586,429
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$2,544,830,184	\$4,821,165	\$200	\$2,549,651,549

(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. Among the factors to be considered to fair value a security are 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

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Notes to Schedule of Investments (Unaudited) (Continued)

3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

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

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 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 does 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, 2018, the Fund did not hold 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.

THE GABELLI ASSET FUND

One Corporate Center
Rye, New York 10580-1422

t 800-GABELLI (800-422-3554)
f 914-921-5118
e info@gabelli.com
GABELLI.COM

Net Asset Value per share available daily
by calling 800-GABELLI after 7:00 P.M.

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LEGAL COUNSEL

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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.

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*First Quarter Report
March 31, 2018*