THE GABELLI

GLOBAL UTILITY & INCOME TRUST

Shareholder Commentary
September 30, 2011

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GLOBAL UTILITY & INCOME TRUST

Our cover icon represents the underpinnings of Gabelli. The Teton mountains in Wyoming represent what we believe in in America – that creativity, ingenuity, hard work, and a global uniqueness provide enduring values. They also stand out in an increasingly complex, interconnected, and interdependent economic world.

Investment Objective:

The Gabelli Global Utility & Income Trust is a non-diversified, closed-end management investment company. The Fund's investment objective is to seek a consistent level of after-tax total return for its investors with an emphasis on tax advantaged dividend income under current tax law. Under normal market conditions, the Fund invests at least 80% of its assets in equity securities of domestic and foreign companies involved in the utilities industry and other industries that are expected to pay periodic dividends.

We have separated the portfolio manager's 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 manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, are available on our website at www.gabelli.com.

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To Our Shareholders,

For the quarter ended September 30, 2011, the net asset value ("NAV") total return of The Gabelli Global Utility & Income Trust (the "Fund") was (8.87)%, compared with the total return of the Standard & Poor's ("S&P") 500 Utilities Index of 1.55 %. The total return for the Fund's publicly traded shares was (5.67)%. On September 30, 2011, the Fund's NAV per share was $19.45, while the price of the publicly traded shares closed at $19.41 on the NYSE Amex.

THE GABELLI GLOBAL UTILITY & INCOME TRUST


Mario J. Gabelli, CFA

Introduction

Through the first nine months of 2011, the S&P 500 Utilities Index returned 10.74%, compared with a (8.68)% return for the S&P 500 Index. Utility stock performance was flat in the third quarter, while the S&P 500 Index declined 14%. True to their nature, utility stocks delivered solid returns though continued volatile markets, challenging economic times, and natural disasters. The third quarter was highlighted by a U.S. budget crisis and an historical downgrade of the U.S. credit rating, as well as ongoing European debt concerns. Disappointing economic data showed that the economic recovery was much weaker than thought, which led to renewed concerns of another recession. Global investors looking for safety turned to U.S. Treasury bonds, sending yields to ever lower lows, including a 10 year Treasury yield below 2.0%. We attribute the utility group's solid performance to its strong fundamentals, defensive appeal, and to an increased appetite for income, given historically low interest rates.

Comparative Results

Average Annual Returns through September 30, 2011 (a)

	Quarter	Year to Date	1 Year	3 Year	5 Year	Since Inception (05/28/04)
Gabelli Global Utility & Income Trust						
NAV Total Return (b)	(8.87)%	(0.89)%	2.62%	4.09%	3.03%	6.50%
Investment Total Return (c)	(5.67)	(0.09)	2.25	11.89	6.04	6.33
S&P 500 Utilities Index	1.55	10.74	11.95	5.20	3.88	9.17
Lipper Utility Fund Average	(6.15)	3.42	8.58	5.32	3.27	8.96
S&P 500 Index	(13.87)	(8.68)	1.14	1.23	(1.18)	2.19

(a) ***Returns represent past performance and do not guarantee future results.*** *Investment 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 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 S&P 500 Utilities Index is an unmanaged indicator of electric and gas utility stock performance. The Lipper Utility Fund Average reflects the average performance of open-end mutual funds classified in this particular category. The S&P 500 Index is an unmanaged indicator of stock market performance. Dividends are considered reinvested. 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 NYSE Amex and reinvestment of distributions. Since inception return is based on an initial offering price of $20.00.*

While no major merger transactions were announced in the third quarter, utility stocks continue to benefit from anticipated deal activity. The fourth quarter of 2011 began with a blockbuster energy pipeline transaction announcement. On October 16, Kinder Morgan, one of the larger energy pipeline and storage companies in North America, agreed to buy El Paso Corporation, a major energy pipeline and exploration & production company, at a 37% premium. Several other high profile mergers were announced this year, including Duke Energy/Progress Energy, Exelon/Constellation Energy, AES Corp/DPL, and Energy Transfer Partners appears to have won a bidding war with Williams Company for Southern Union Gas. The first nine months of 2011 also saw several smaller deals announced at meaningful premiums, including Central Vermont agreeing to a cash offer by Gaz Metro at a 44% premium. We expect utility stocks to continue to benefit from deal activity.

Finally, the group continues to benefit from the extension of 15% qualified dividend tax through 2012, and favorable legislation allowing for 100% tax deduction (or bonus depreciation) for certain capital investments.

Investment Outlook

We expect utility stocks to provide solid, low risk, total return potential over the next few years. The sector's 4.4% current return, or yield, represents an attractive investment consideration, given ten year and thirty year U.S. Treasury yields of 2.0% and 3.1%, respectively. The dividends not only provide current and modestly growing income, but also support stock prices.

We continue to expect electric utilities to grow earnings 4% - 6% annually, with less volatility than many other industry groups. Over the last few years, the sector's earnings and dividend track records have reinforced its position as one of the more stable sectors of the stock market. Electric utilities reported positive earnings growth through the great recession, with growth of 0.8% in 2008 and 3.8% in 2009. Growth accelerated to 8.7% in 2010, driven partially by more favorable weather, but also by recovering industrial sales, recent rate increases, and cost control efforts.

Our expectation for weather normalized earnings growth of 4% - 6% over the next several years is driven primarily by 6% - 8% annual growth in rate base, or infrastructure investment. Current 2011 consensus estimates call for 3% earnings growth, given the assumption of a return to a more normal summer weather pattern following an unusually hot 2010 summer. Whether the economy continues to recover slowly or stagnates further, we expect utility earnings growth to be modestly higher than both the GDP growth rate and retail electric demand growth rate, primarily due to higher rates necessary to recognize heavy investment in rate base.

The positive impact of modestly higher electric sales, higher rates, and cost control efforts will be partially offset by financing costs associated with a continuation of heavy capital investment and potentially lower allowed profit levels. The electric utility industry expects to spend roughly $80 billion per year over the next few years, which is double the amount spent in 2004. The bulk of investment is for environmental control equipment, transmission lines, and renewable energy generation. Given healthy balance sheets, solid credit ratings (with stable ratings outlooks), and the benefits of bonus depreciation, we do not see any challenges to raising capital.

Further, we expect these investments to be recognized through the regulatory process with relatively timely returns. Higher base rates have been made more politically palatable by depressed fuel prices. Utilities adjust customer bills to pass through the lower fuel costs, primarily natural gas, mitigating the net impact. Rate increases authorized in 2010-2011, various cost tracker mechanisms, and strong cash flows related to accelerated depreciation have provided some flexibility to delay general rate case filings. Regulators continued to award allowed ROEs (profit levels) near the three year average of 10.5% in the latest round of decisions, despite low U.S. Treasury yields and borrowing costs. We expect to see some downward pressure on state regulated profit levels in future cases, should interest rates remain at historical lows. However, we expect the Federal Energy Regulatory Commission ("FERC") to continue to encourage transmission investment via

12%-plus allowed ROEs on forward looking test years. As a result, electric utilities have ample opportunity to invest and earn returns on a growing rate base.

While utilities and power companies with non-regulated power plants face earnings challenges through 2012, we anticipate a power market recovery in 2013-2014, driven by recovering electric demand and coal plant retirements. One, two, and three year forward power prices in the Northeast have risen modestly in recent quarters, with 2012, 2013, and 2014 prices showing 3%, 5%, and 5% improvement year over year, respectively. We believe many non regulated nuclear and gas fired power plants offer material long-term value despite a lack of near-term visibility.

Current dividends represent a healthy average payout of approximately 60% of forecast 2011 earnings, which provides a comfortable margin for dividend maintenance and growth. Over the next several years, investors can expect dividend growth above recent historical inflation rates.

Through the first half of 2011, 65% of electric utilities paid higher annual dividend rates by a median of 4.7%; 75% of gas utilities by a median of 5.3%; and 90% of water utilities by a median of 2.8%. Including utilities that maintained annual dividend rates, the overall electric, gas, and water utility annual dividend rates were 2.4%, 3.8%, and 2.8% higher, respectively.

Our U.S. electric utility universe of sixty electric utilities and power companies currently trades at reasonable multiples, including 14.4X, 13.6X, and 12.8X for 2011, 2012, and 2013 earnings estimates, respectively. Forward P/E multiples have ranged between 10X and 17X forward earnings over the past twenty years. Utilities with more regulated assets continue to trade at higher multiples than utilities with higher risk merchant power assets, given stronger near term growth potential at a significantly lower risk. As interest rates are at historical lows and the sector's fundamentals appear strong, we believe the regulated utility sector is reasonably valued.

While there are fewer European utilities, they are significantly larger than the U.S. based utilities and are often more geographically diversified. European utilities such as Iberdrola, Electricidade de Portugal, and Endesa are among the global leaders in renewable generation development. Electricité de France is the world's largest nuclear operator, and National Grid is among the world's better transmission operators. Developing global regions, such as Latin America, offer greater demand growth, infrastructure investment opportunities, and potentially greater return potential.

We expect continued investment and consolidation from abroad to provide opportunities in the sector and allow for cross integration of certain valuable core competencies, such as nuclear and renewable generation technological advancement. However, we also note that, while in the past large European utilities looked for investments in the U.S., they have also demonstrated, through divestitures and reorganizations, that they may not view regulated U.S. operations as favorably as potential investments in other developing power markets.

Deal Activity

Over the past couple of years, consolidation has re-emerged as an investment theme. This most recent round of consolidation is driven by increased pressure to deliver cleaner energy at reasonable prices. Environmental compliance, the need for cleaner large baseload generating plants, and the benefits of new transmission lines require significant investment. Larger players with greater financial resources and portfolios of assets are better equipped to meet these challenges. Economies of scale can help minimize the customer rate impact. The recent and growing success in developing the significant shale natural gas reserves in the U.S. requires new pipeline routes and more midstream infrastructure. These forces are driving mergers and placing greater value on strategic assets. We highlight some of the more significant or notable consolidation activity over the past twelve months on the following page:

- Kinder Morgan, one of the larger energy pipeline and storage companies in North America, agreed to buy El Paso Corporation, a major energy pipeline and exploration & production company, at a 37% premium. The October 16, 2011 announcement highlights the value of owning pipeline footprints to connect new shale supplies and major consumption markets as well as supporting the long-term viability of shale production.
- Energy Transfer Equity (ETE), a Dallas based diversified energy partnership, emerged as the winning bidder for Southern Union Gas (SUG), a Houston based diversified gas pipeline/distribution/midstream company, following a two month and five round bidding war with Williams Company (WMB), a Tulsa based pipeline/midstream company. SUG agreed to be purchased by ETE for $44.25 per share in cash and/or ETE stock (1-for-1 exchange ratio) on July 19, 2011. As a result, WMB's final bid of $44 per share in cash was withdrawn. The agreement represented over a 55% premium from SUG's pre-merger activity trading range.
- Central Vermont Public Service ("CV") agreed to accept a $35.25 per share cash bid from Montreal based Gaz Metro on July 12, 2011. CV had initially agreed to be acquired by Fortis, another large Canadian utility, for $35.10 per share. The bids represented 44% premiums to CV's pre-merger announcement stock price
- Exelon, the nation's largest nuclear owner and Illinois/Pennsylvania electric utility, agreed to acquire Baltimore based Constellation Energy for an enterprise value of $10.5 billion, or $38.59 per share, on April 28, 2011. The bid represented a 12.5% premium to the pre-merger announcement stock price.
- DPL Inc, the holding company for Dayton Power & Light, agreed to be acquired by Virginia based AES Corporation, a global power company and owner of Indianapolis Power & Light, for $30 in cash on April 20, 2011. The bid represented a 9% premium.
- FirstEnergy, a multi state electric utility based in Akron, OH, completed its acquisition of Allegheny Energy on February 25, 2011, in a stock for stock transaction at a 32% premium.
- Progress Energy, based in Raleigh, NC and serving the Carolinas and central Florida, agreed to be acquired by Duke Energy, a multi state utility based in Charlotte, NC, on January 10, 2011. The merger of equals will be accomplished in a stock for stock transaction at a modest 3% premium.
- Nova Scotia based Emera completed an acquisition of the small distribution utility, Maine & Maritimes, in December 2010, in an all cash transaction at a 40% premium.
- In December 2010, AGL, a multi state gas utility based in Atlanta, announced an agreement to acquire the northern Illinois gas utility Nicor in a cash and stock transaction at a 22% premium.
- Mirant merged with its power merchant peer RRI Energy to form the nation's second largest independent power company, now called GenOn Energy, in December 2010.
- PPL Corp. completed its acquisition of the Kentucky utilities of German based E.ON at over 9X EBITDA on November 1, 2010.
- Spanish company Iberdrola sold its non-core gas distribution utilities in Connecticut and Massachusetts to UIL Holdings on November 17, 2010.
- In October 2010, Northeast Utilities and NSTAR agreed to a merger of equals to create the largest energy delivery company in New England.

COMMENTARY

During the third quarter and year to date, some of the best performers among the major holdings of the Fund were involved in merger activity discussed above. Southern Union, DPL Inc., Constellation Energy, and Progress Energy have all agreed to be acquired at significant premiums. National Fuel Gas was one of the weaker performers in the third quarter, primarily due to its decision not to joint venture with a larger player. The stock had advanced strongly in anticipation that a transaction would accelerate development of its considerable and highly valuable Marcellus Shale acreage position. We remain excited about NFG's financial outlook and potential to achieve shareholder returns.

Future Green World Policies a Key Long-Term Consideration

Global warming remains an important public policy concern, but recessionary and economic challenges have indefinitely delayed federal climate change legislation. However, the Environmental Protection Agency ("EPA") is taking aggressive action to reduce greenhouse gases and other pollutants, including sulfur and nitrogen oxides (SOx and NOx), and mercury, as well as more stringently regulating coal ash disposal, cooling towers, and water. In March, 2011, the EPA issued proposed rules to reduce fossil fired plant emissions of mercury by 91%, SO_2 by 53%, and to restrict other hazardous air pollutants (HAP). The long anticipated HAP rules are scheduled to be finalized by November 16, 2011, with compliance required three years later. In July of 2011, the EPA finalized the Cross State Air Pollution (CSAP) rule to accelerate SOx and NOx reductions in the eastern U.S. to address air pollution in "downwind" states, as well as eventual ozone attainment standards. In addition, the agency is considering several other sets of rules and regulations.

We consider it likely that Congress will more closely evaluate the economic implications of forthcoming compliance obligations, and political pressure could cause the EPA to moderate its aggressive agenda. Nonetheless, utilities and power generators will continue significant efforts to address the inevitable change by retiring less efficient fossil plants and replacing the capacity with gas or renewable generation. We expect 30,000-40,000 megawatts of older and less efficient coal fired generation to be retired over the next several years, and minimal new coal capacity to come online.

Environmental concerns, as well as the recent events at Fukushima Daiichi, shine the spotlight on the long term challenges that the power industry faces in meeting the public's demand for low cost and reliable electricity. Coal fired generation provides roughly 45% of U.S. electricity, natural gas 25%, nuclear 20%, and hydro, oil, wind, solar, and other sources contribute approximately 10%. However, output from coal fired generation is likely to diminish due to global warming and other health concerns, and near term hopes for a nuclear renaissance have been tempered. As a result, we expect natural gas to increase as a percentage of overall generation and represent the majority of new build.

Fortunately for utility customers, most regions of the U.S. have adequate generating capacity for the next couple of years, and natural gas prices remain depressed. Advances in drilling technology have made the enormous natural gas shale reserves drillable, and it appears that natural gas prices will remain low for some time. However, natural gas prices have historically proven to be volatile, and the marginal cost of gas fired generation is highly sensitive to changes in natural gas prices. Natural gas supply and prices also face ongoing environmental challenges associated with potential water table contamination caused by fracking.

While research and development efforts to capture carbon and sequester it underground continue to move forward, the technology has yet to be proven economically viable for commercial use. Over the long term, we expect new nuclear generation to be added. Actual construction of the first new nuclear plants in Georgia and South Carolina could begin as early as late 2011/early 2012, with commercial operation expected in 2016 and 2017. We believe that the value of existing nuclear plants, as well as those currently being developed, will only increase as the number of coal fired plants diminishes over time.

Over the long term, we anticipate increased utility investment in renewable generation, specifically wind and solar plants, smart grid technology, and long haul transmission lines. Smart grid technology and advanced meters allow for real time communication between power users and providers, which will ultimately lead to efficiencies, lower utility bills, and higher margins.

Advancing efforts and technology improvements offer longer term potential to develop an electric vehicle, which could lead to substantial increases in future electric consumption. Widespread use of an electric vehicle would provide a significant boon to the sector, given that a material portion of higher electric demand would take place in off-peak hours. In other words, power plants that normally sit unused at night would run around the clock and produce returns with minimal new investment.

Growing the Nation's Power Highway

Expanding the archaic U.S. electric grid to free up existing "bottlenecks" in the system, as well as moving power from unpopulated wind regions to load centers, represents one of the better investment opportunities for the sector. The FERC, not state public utility commissions, regulates transmission, and it wants more investment in the grid. Transmission investment generally receives higher profit levels, more incentives, and easier recovery than investment in the jurisdictions regulated by state public utility commissions. Utilities are building and have proposed billions of dollars in projects for longer "power highways" that will enhance future earnings growth potential.

Today's Investment Results in Tomorrow's Earnings

The utility sector remains in the early stages of another round of investment and consolidation. Utilities build, own, and operate infrastructure: power plants, transmission lines, gas pipelines, distribution systems, gas storage facilities, and water treatment plants. Utilities have increased capital investment to operate in a more environmentally friendly manner and replace aging infrastructure while meeting growing demand. The politicians and general public are supportive, if not at least understanding, of the need for infrastructure investment.

Regulated utilities generate income when regulators set rates that allow utilities a reasonable opportunity to earn a return on their investment or rate base. Therefore, there is a direct correlation between accelerating capital budgets and long-term earnings prospects. The number of rate increase requests picked up significantly over the past couple of years, and resulting rate awards as well as future awards will drive earnings growth in the sector.

Our Approach

For several decades, utility companies have acquired other utilities and utility assets for the sake of gaining economies of scale and efficiency. The same forces that resulted in more than one hundred utility takeover announcements over the past two decades remain in place and new forces have come into play, continuing to drive this long-term trend. Climate change and environmental policy have pressured marginal players. The pickup in merger activity reinforces the long-term bias of utilities to increase scale or gain a strategic benefit. The small companies are selling out at premium prices as the cost of staying in the game rises. The historical lengthy merger review and approval process appears to have eased as policy makers understand the new economic dynamics.

Despite over ninety completed utility mergers/acquisitions since 1993, the electric and gas utility sector remains fragmented, with over sixty electric utilities and thirty gas utilities. This is fifty more than we need from the standpoint of economic efficiency.

Our investments in regulated companies have primarily, though not exclusively, focused on fundamentally sound, reasonably priced mid cap and small cap utilities that are likely acquisition targets for large utilities seeking increased bulk. We prefer utilities that operate in more constructive regulatory environments, possess lower carbon footprints, and/or access to strategic geographies. We favor utilities with pending transmission line developments, and we focus on natural gas pipelines and storage operators as a way to take advantage of the growing demand for natural gas in the U.S.

The sector does face some headwinds. Should the low interest rate environment persist, public utility company allowed profit levels (allowed ROEs) could decline. The potential for interest rates to rise would diminish investor demand for utility dividends. While utility stocks are sensitive to changes in interest rates, as are most investments, current valuations provide some cushion for higher rates. Further, unlike fixed income investments, growing dividend and earnings streams work to offset the negative impact of higher interest rates.

Let's Talk Stocks

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. The share prices of the following holdings are stated in U.S. dollars or U.S. dollar equivalent terms as of September 30, 2011.

DPL (DPL - $30.14 - NYSE) is a regulated electric utility based in Dayton, OH, serving 500,000 customers in West Central Ohio with 3,800 MWs of generation. Other subsidiaries of DPL include DPL Energy, which operates merchant peaking generation plants, and DPL Energy Resources, a competitive retail electric supplier in Ohio, selling to major industrial and commercial customers. On April 20, 2011, DPL agreed to be acquired by AES Corp. for $30 per share, which represented a 9% premium to the pre-announcement price, in a transaction expected to close in early 2012. AES owns 30,000 MWs of generation capacity in 28 countries and utility distribution systems serving over 12 million people, primarily in Latin America. The transaction requires approval from the Public Utilities Commission of Ohio (PUCO), FERC, and Hart-Scott-Rodino.

Enel SpA (ENEL IM - $4.45 - Milan Stock Exchange) is the largest electric utility in Italy and second largest electric utility in Europe. The company owns 97 GW of generation globally. Further integration of its diverse ownership of assets, including its 92% ownership of Spain's largest utility, Endesa, will position Enel to expand its presence in the growing South American market and in Europe. Enel continues to strengthen its balance sheet and simplify its corporate structure. In late 2010, Enel raised roughly 2.3 billion euros ($3.1 billion) in an initial public offering of its renewable energy unit, Enel Green Power SpA which owns over 5,900 MWs of generation, of which Enel SpA owns 70% of the renewable unit.

Great Plains Energy Inc. (GXP - $19.30 - NYSE) is a mid-sized traditional regulated utility serving eastern Kansas and western Missouri as Kansas City Power & Light and KCP&L Greater Missouri Operations (GMO). In mid 2011, GXP received Missouri rate recognition of its recently completed clean coal plant, Iatan 2. Recognition of this highly efficient plant and other investments in environmental equipment are expected to lead to strongly enhanced earnings power. Over the long term, GXP has significant opportunity to invest in wind generation and transmission lines, given its strategic location in the wind rich Midwest. Shares of GXP offer an attractive current return and solid near and long term earnings growth potential.

Iberdrola SA (IBE SM - $6.79 - Madrid Stock Exchange) is a large international utility that provides electric distribution service to 10.7 million electric customers in Spain, 1.9 million electric and 0.6 million gas customers in the U.S., 10.1 million electric customers in Latin America, and 3.2 million electric and 2.0 million gas customers in the U.K. Its generation portfolio consists of 45,000 megawatts of capacity, including over 50% of Spain's hydroelectric generation capacity and 25% of overall capacity. The company derives roughly 47% of its EBITDA from its regulated businesses, 32% from its liberalised (deregulated) businesses, 20% from the renewables business, and 1% from all others. In November, 2010, the Spanish government eliminated its feed-in tariffs for solar array construction, sharply reducing the growth prospects of the solar energy sector in Spain. In May 2011, shareholders of Iberdrola approved the buyback of all outstanding shares of its Iberdrola Renovables subsidiary, and the transaction closed during the second quarter. The company continues to use the funds from the securitization of renewable tariff related deficits to offset its investment spending. The company is still entitled to receive over €3.5 billion of proceeds from future securitizations.

National Fuel Gas Co. (NFG - $48.68 - NYSE) is a diversified natural gas company. NFG owns a regulated gas utility serving the region around Buffalo, NY, gas pipelines that move gas from the Midwest and Canada down to New York City and to New England, and an oil and gas exploration and production business. NFG's ownership of 800,000 acres in the Marcellus Shale, including 745,000 acres in the shale fairway of Pennsylvania, holds enormous natural gas reserve potential that was made recoverable by recent advances in drilling technology. We expect significant earnings and cash flow growth from gas production and believe the position could be worth well over $4 billion based on recent comparable transactions. NFG's August 2011 decision not to sell an ownership position or joint venture that could have accelerated shareholder value creation was disappointing, but we remain excited about the company's unrecognized value. The company has increased its dividend for forty consecutive years.

NSTAR (NST - $44.81 - NYSE) is primarily an electric transmission and distribution utility serving the Boston and Cape Cod regions of Massachusetts, and it also owns a small gas utility. NST has agreed to merge with Northeast Utilities to create one of the strongest and faster growing utilities in the Northeast. NST shareholders will receive 1.312 shares of NU when the merger closes, which was originally expected in mid-2011 but has been delayed until year end 2011. The company has benefitted from a relatively strong Boston economy and modest annual rate adjustments. Merger synergies and transmission projects, including the Northern Pass project designed to bring enormous hydro capacity from Quebec into New England, offer long-term growth potential. We believe NST warrants a premium multiple based on its "highest in industry" credit ratings, strong cash flow position, low risk business model, and long-term transmission growth potential.

Severn Trent plc (SVT - $24.03 - London Stock Exchange) is an international provider of water and wastewater services. Severn Trent Water, a UK based regulated water and wastewater utility, serves over 3.7 million households in the Midlands and Mid-Wales. Severn Trent Services, the non-regulated water and wastewater service company, has growing presence in Europe, the Middle East, and Asia. Severn Trent is well positioned to provide duly needed expertise and infrastructure investment opportunities in the water and wastewater industries both in the UK and abroad.

Southern Union Co. (SUG - $40.57 - NYSE) operates in the gathering, processing, transportation, storage, and distribution of natural gas in southern United States. The company distributes gas to 550,000 customers through its Missouri Gas Energy and New England Gas subsidiaries. It also has interests in gas storage facilities, including a large LNG terminal in Lake Charles, LA and over 20,000 miles of pipeline, mostly through its Panhandle Energy subsidiary and its 50% ownership of Florida Gas. Southern Union Gas Services is the company's transmission and gathering unit, which operates 5,500 miles of natural gas and NGL pipelines in Texas and New Mexico. Following a two month and five round bidding war between Williams Company (WMB) and Energy Transfer Equity (ETE), SUG agreed to be purchased by ETE for $44.25 per share in cash and/or ETE stock (1-for-1 exchange ratio) on July 19, 2011. As a result, WMB's final bid of $44 per share in cash was withdrawn. The winning bid represented over a 55% premium from SUG's pre-merger activity trading range.

Southwest Gas Corp. (SWX - $36.17 - NYSE) is a natural gas distribution utility serving 1,837,000 customers in geographically diverse portions of Arizona (991,000 customers), Nevada (664,000 customers), and California (182,000 customers). SWX also owns NPL Construction Company, a full service underground piping contractor that provides trenching and installation, replacement, and maintenance services for energy distribution systems. The gas utility business contributed 88% of 2010 operating income and the non-regulated pipeline construction business contributed 12%. Over the past few years, customer growth levels have slowed due to the overall slowdown in the new housing market and increase in idle/vacant homes resulting from foreclosures and challenging economic conditions. However, in the long term, we expect the service area to return to higher growth rates as the favorable regional climate and lower housing prices attract customers to inhabit vacant homes. In addition, the pipeline construction business is growing strongly, given the industry's focus on safety related pipeline replacement programs. SWX is a high quality gas utility with a solid earnings outlook and a focused, low risk strategy.

Westar Energy Inc. (WR - $26.42 - NYSE) is an electric utility serving 687,000 customers in central and northeastern Kansas. WR is well positioned to finance its extensive capital investment and grow its earnings, given constructive regulatory mechanisms in environmental and transmission investment, favorable regional dynamics, and eventual rate recognition of larger environmental investments. A favorable FERC and Southwest Power Pool rate setting process for transmission development investment offers exciting long term growth opportunity. WR is expanding its 6,300 miles of transmission infrastructure by constructing smaller transmission projects in Kansas, and it is a 50% partner in a joint venture to build a large $225 million transmission project in southern Kansas. WR shares yield an attractive 4.7% on the $1.28 annual dividend, which we consider secure and with growth potential.

Sincerely,

Mario J. Gabelli, CFA
Portfolio Manager and
Chief Investment Officer

October 17, 2011

Top Ten Holdings
September 30, 2011

The Southern Co.	DIRECTV
NSTAR	Millicom International Cellular SA
Progress Energy Inc.	Severn Trent plc
DPL Inc.	American Electric Power Co. Inc.
Integrys Energy Group Inc.	Nicor Inc.

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Manager and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Portfolio Manager Compensation

Mr. Gabelli's incentive-based, variable compensation structure and dollar amount have been fully disclosed each year since April of 2000 in the annual proxy statement for GAMCO Investors, Inc. (NYSE:GBL). Mr. Gabelli receives no base salary, no annual bonus, and no stock options.

As founder and portfolio manager of The Gabelli Global Utility & Income Trust, Mr. Gabelli received $108,735 in calendar year 2010. For the Fund's first twelve months of operation starting in May 2004, Mr. Gabelli received less than $130,000. Mario J. Gabelli and various entities he is deemed to control owned 171,491 common shares of the Fund with a total value of $3,328,637, as of September 30, 2011. Mr. Gabelli may not have one hundred percent pecuniary interest in some of the entities he is deemed to control.

Monthly Distribution Policy

The Board of Trustees of the Fund (the "Board") has reaffirmed the continuation of the Fund's monthly distribution policy for the fourth quarter of 2011. Pursuant to its distribution policy, the Fund paid $0.10 per share cash distributions on July 22, 2011, August 24, 2011, and September 23, 2011 to common shareholders of record on July 15, 2011, August 17, 2011, and September 16, 2011, respectively, for a total distribution of $0.30 per share during the third quarter of 2011.

Under the Fund's initial distribution policy, the Fund pays a minimum annual distribution of 6% of the initial public offering price of $20.00 per share. Pursuant to this policy, the Fund intends to pay a distribution of $0.10 per share each month and, if necessary, an adjusting distribution in December which includes any additional income and net realized capital gains in excess of the monthly distributions for that year to satisfy the minimum distribution requirements of the Internal Revenue Code.

Each quarter, the Board reviews the amount of any potential distribution and the income, capital gain, or capital available. The Board will continue to monitor the Fund's distribution level, taking into consideration the Fund's net asset value and the financial market environment. The Fund's distribution policy is subject to modification by the Board at any time.

If the Fund does not generate sufficient earnings from dividends and interest received and net realized capital gains to satisfy the aggregate distributions paid by the Fund in a given year, then the amount distributed in excess of the Fund's investment income and net realized capital gains would be deemed a return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is generally not taxable and is treated as a reduction in the shareholder's cost basis. Under federal tax regulations, some or all of the return of capital distributed by the Fund may be taxable as ordinary income in certain circumstances. This may occur when the Fund has a capital loss carry forward, net capital gains are realized in a fiscal year, and distributions are made in excess of investment company taxable income. Despite the challenges of the extra record keeping, a distribution that is occasionally supplemented with a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders. A portion of the distribution may be treated as long-term capital gain and qualified dividend income for individuals, each subject to the maximum federal income tax rate, which is currently 15% in taxable accounts for individuals. Long-term capital gains, qualified dividend income, ordinary income, and paid-in capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the year. Based on the accounting records of the Fund as of September 16, 2011, each of the distributions paid in 2011 would include approximately 45% from net investment income, 24% from net capital gains and 31% from paid-in capital. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website (www.gabelli.com). The final determination of the sources of all distributions in 2011 will be made after year end and can vary from the quarterly estimates. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2011 distributions in early 2012 via Form 1099-DIV.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at closedend@gabelli.com.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Shareholders of our closed-end funds can now elect to receive e-mail announcements regarding available materials, including shareholder commentaries and fund reports. For more information or to register for e-delivery, please visit our website at www.gabelli.com.

THE GABELLI GLOBAL UTILITY & INCOME TRUST
AND YOUR PERSONAL PRIVACY

Who are we?

The Gabelli Global Utility & Income Trust (the "Fund") is a closed-end management investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC, which is affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries that provide investment advisory or brokerage services for a variety of clients.

What kind of non-public information do we collect about you if you become a Fund shareholder?

When you purchase shares of the Fund on the New York Stock Exchange, you have the option of registering directly with our transfer agent in order, for example, to participate in our dividend reinvestment plan.

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us.* This would include information about the shares that you buy or sell; it may also include information about whether you sell or exercise rights that we have issued from time to time. If we hire someone else to provide services—like a transfer agent—we will also have information about the transactions that you conduct through them.

What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, *www.sec.gov*.

What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the Fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

TRUSTEES AND OFFICERS
THE GABELLI GLOBAL UTILITY & INCOME TRUST
One Corporate Center, Rye, NY 10580-1422

Investment Adviser
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

Custodian
State Street Bank and Trust Company

Counsel
Skadden, Arps, Slate, Meagher & Flom, LLP

Transfer Agent and Registrar
Computershare Trust Company, N.A.

Stock Exchange Listing

	Common
NYSE Amex–Symbol:	GLU
Shares Outstanding:	3,075,794

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "Specialized Equity Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "Specialized Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting www.gabelli.com.

The NASDAQ symbol for the Net Asset Value per share is "XGLUX."

For general information about the Gabelli Funds, call **800-GABELLI** (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: **www.gabelli.com,** or e-mail us at: closedend@gabelli.com

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase its common shares in the open market when the Fund's shares are trading at a discount of 10% or more from the net asset value of the shares.

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Shareholder Commentary
September 30, 2011