Comstock Capital Value Fund

Shareholder Commentary
April 30, 2017

To Our Shareholders,

For the quarter ended April 30, 2017, the net asset value ("NAV") per Class A Share of the Comstock Capital Value Fund decreased 6.1% compared with an increase of 5.2% for the Standard & Poor's ("S&P") 500 Index. See page 2 for additional performance information.

The management of Comstock Capital Value Fund remains deeply committed to its long held belief that the U.S. stock market is extremely overpriced, relative to past and future earnings prospects. This overpricing is the direct result of the largest financial experiment in history, i.e., the growth in the Federal Reserve balance sheet from $800 billion to $4.5 trillion and the setting of the overnight Federal Reserve Funds target rate to near zero from December of 2008 to December of 2015. Today, seventeen months after the first rate increase in seven years, the daily effective Federal Reserve Funds rate typically comes in at a mere 91 basis points. We have repeatedly referred to this period as the "Central Bank Bubble," as asset values have inflated.

By growing its balance sheet and keeping interest rates low, the Fed reasoned asset prices would be backstopped and stimulated. The increase in asset prices would create a "wealth effect" as those in our society, fortunate enough to own these assets, would feel wealthier and spend money. This, in turn, would result in economic growth that would benefit society as a whole, including those at the bottom end of the economic ladder. The result has not been what the Federal Reserve intended, and in fact, has caused some unintended consequences. The economy has grown at the most anemic rate ever, around 2% per year, when recovering from any recession. Wealth disparity in our society is at an all-time high. At the same time, by many different valuation metrics, the stock market is near or in excess of the highest valuations in history. As of this writing, the trailing 12 month P/E based on generally accepted accounting principles (GAAP) is approximately 23.5, a historically very high number when the economy is not in a recession, and earnings have already dropped more than prices.

We believe that in the long run, corporate earnings should grow about as fast as the economy. The stock market, in our view, is imputing a higher growth rate to future earnings than we think is likely, or even possible, for the following reasons:

1) We believe that the debt outstanding in the U.S., which consists of federal, state, local, corporate, household, and student loans, has been a major factor in the anemic growth of the past several years. This number currently stands at $66 trillion, or about 330% of GDP. The servicing of this debt

Average Annual Total Returns
For the Periods Ended April 30, 2017†

Comstock Capital Value Fund	Three Months	One Year	Five Years	Ten Years	Fifteen Years	Since (4/28/87)(a)	Since Fund's Inception (10/10/85)
Class A (DRCVX)							
Without sales charge	(6.05)%	(25.27)%	(17.91)%	(12.22)%	(11.09)%	(6.40)%	(4.72)%
With sales charge (b)	(11.45)	(29.56)	(18.88)	(12.74)	(11.44)	(6.59)	(4.90)
Class AAA (COMVX)††	(6.20)	(25.23)	(17.89)	(12.20)	(11.08)	(6.40)	(4.71)
Class C (CPCCX)††							
Without contingent deferred sales charge	(6.35)	(25.88)	(18.45)	(12.89)	(11.75)	(6.96)	(5.25)
With contingent deferred sales charge (c)	(7.29)	(26.67)	(18.45)	(12.89)	(11.75)	(6.96)	(5.25)
Class I (CPCRX)††	(6.23)	(25.13)	(17.65)	(11.98)	(10.88)	(6.22)	(4.54)
S&P 500 Index	5.16	17.92	13.68	7.15	7.61	9.74(d)	11.02(e)

In the current prospectuses dated August 26, 2016, the expense ratios for Comstock Capital Value Fund Class AAA, A, C, and I Shares are 2.94%, 2.94%, 3.69%, and 2.69%, respectivley. Class AAA and Class I Shares have no sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

(a) On April 28, 1987, Comstock Partners, Inc., the Comstock Capital Value Fund's previous investment adviser assumed investment responsibilities and the Fund changed its investment objective to the current investment objective.
(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) Since April 30, 1987, the date closest to the Fund's inception date for which data is available.
(e) Since September 30, 1985, the date closest to the Fund's current investment objective inception date for which data is available.
† *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 October 31, 2002. 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, sales 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 Comstock Capital Value Fund utilizes short selling and derivatives. Short selling of securities and use of derivatives pose special risks and may not be suitable for certain investors. Short selling is a sale of a borrowed security and losses are realized if the price of the security increases between the date the security is sold and the date the Fund replaces it. Derivatives may be riskier than other types of investments because they may respond more to changes in economic conditions than other investments. 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. Dividends are considered reinvested. You cannot invest directly in an index.
†† The Class A Share NAVs are used to calculate performance for the periods prior to the issuance of Class AAA Shares on December 8, 2008, and Class C Shares and Class I Shares on August 22, 1995. The actual performance of the Class C Shares would have been lower and the Class AAA Shares and Class I Shares would have been higher due to the expenses associated with the Class A Shares.

diverts resources from otherwise productive uses. In addition, given the artificially low level of interest rates, the exposure to rising rates is enormous and a major risk that is not, in our view, universally appreciated. There is also the non-trivial matter of the unwinding of the Federal Reserve's balance sheet. Selling bonds in the market does not appear to be a consideration as that could cause a stampede out of fixed income markets here and around the world. We would like to point out that the "running off" of the balance sheet (letting bonds mature) is another "experiment". In addition, estimates of the size of the U.S. government's unfunded liabilities and entitlements range from $80 trillion to $150 trillion; and that is not even in the above numbers. (More on this below.)

2) The European Central Bank, Bank of Japan, and Bank of England have also adopted "whatever it takes" policy. They too have greatly expanded their balance sheets and have even "upped the ante" with previously unheard of negative interest rate policies. Because of the liquidity of currency spot and forward markets, much of that money has come into the U.S. to "chase yield." This has further inflated and distorted asset prices in the U.S. Also, the world's second largest economy, China, has inflated a credit bubble with breathtaking speed that, relative to its banking system, is the largest in the world. All of this further adds fuel to the worldwide credit bubble fire.

3) The growth rate in GDP is a function of the change in total hours worked and the output per hour. With the economy at, or near, full employment there is not much room for growth in the total hours worked. In addition, we are now at the point that the Baby Boomers are retiring at the rate of about 10,000 people per day, while new employees entering the work force number much less than that. In its most recent study, the U.S. Bureau of Labor Statistics projects that the U.S. labor force will grow at an average of .5% per year, its slowest growth in decades. Immigration of skilled workers could potentially help the problem, but thus far we see no rush on the part of the Trump administration to address this meaningfully.

4) On the productivity side, the alarm was recently sounded by former Federal Reserve Chairman, Alan Greenspan. He contends that the growth in entitlements has crowded out savings, which in turn, means less capital flowing into productive assets. He calls entitlement reform the third rail of U.S. politics as our leaders are afraid to confront the problem head on, for fear of being voted out of office. We completely agree.

Thus, given the level of debt and commensurate interest rate exposure, along with negative population demographics, and the lack of addressing entitlement reform as it relates to long term productivity growth, it is our strong belief that the U.S. economy will not grow at rates that will vindicate current equity market valuations. We remain committed to the thesis that the experimental Federal Reserve policies of the past years have inflated and distorted equity and other asset prices tremendously (while generating unintended consequences).

We continue to position our portfolio to benefit from the bear market that we have expected for some time. We thank you for staying with us through these difficult times.

May 31, 2017

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Portfolio Managers' Shareholder Commentary represents the opinions of the individual Portfolio Managers 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 Managers 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.

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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.

The Fund's daily net asset value ("NAV") is available in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). Please call us during the business day, between 8:00 AM – 7:00 PM (Eastern Time), for further information.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our mutual funds can elect to receive their Annual and Semiannual Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information or to sign up for e-delivery, please visit our website at www.gabelli.com.

Multi-Class Shares

Class AAA Shares are no-load shares offered directly through selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. On May 17, 2016, the Fund's Board of Trustees approved the renaming of Class R Shares to Class I Shares. Class I Shares are available directly through the Fund's distributor or brokers that have entered into selling agreements specifically with respect to Class I Shares. The Board of Trustees determined that expanding the types of Fund shares available through various distribution options would enhance the ability of the Fund to attract additional investors.

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. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

Gabelli/GAMCO Funds and Your Personal Privacy

Who are we?

The Gabelli/GAMCO Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC and GAMCO Asset Management Inc., which are affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries and affiliates that provide investment advisory services for a variety of clients.

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

If you apply to open an account directly with us, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *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, any transactions with our affiliates, and transactions with the entities we hire to provide services to you.* This would include information about the shares that you buy or redeem. 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.

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Portfolio Management Team Biographies

Charles L. Minter joined Gabelli Funds, LLC in 2000, when the management of the Gabelli Comstock Capital Value Fund was assumed by Gabelli Funds, LLC. Mr. Minter is currently a Director of the Fund and Co-Portfolio Manager.

Mr. Minter was one of the founders of Comstock Partners, Inc. which was formed in 1986. Prior to forming Comstock Partners, Inc., Mr. Minter worked for Merrill Lynch in Institutional Sales as a Vice President from 1976 - 1986. Mr. Minter received an M.B.A. degree with distinction from New York University's Graduate School of Business and a B.S. degree from Florida State University.

Dennis J. DeCore joined Gabelli Funds, LLC in 2014 as Co-Portfolio Manager of the Fund. Mr. DeCore has more than forty years of experience in the brokerage business. Prior to joining Gabelli Funds, he held positions at Merrill Lynch and Nomura Securities. Mr. DeCore received a B.S. degree in Finance and Economics from Rider University and an M.B.A. degree in Finance from New York University.

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