

# The Gabelli Dividend Growth Fund

## Shareholder Commentary December 31, 2016



**Barbara G. Marcin, CFA**  
Portfolio Manager

### **To Our Shareholders,**

For the quarter ended December 31, 2016, the net asset value (“NAV”) per Class AAA Share of The Gabelli Dividend Growth Fund increased 5.1% compared with an increase of 3.8% for the Standard & Poor’s (“S&P”) 500 Index. See page 2 for additional performance information.

### **Performance**

The S&P 500 and Dow Jones Industrials market averages closed out the quarter with returns of 3.8% and 8.6% respectively, for returns of 12.0 % and 16.4% for the year. The Gabelli Dividend and Income Fund gained 5.1% in the fourth quarter for a return of 11.0% year to date.

The S&P 500 now has 11 sectors, after adding a new sector, real estate, late in the third quarter. The top two performing sectors for the quarter, financials and energy, with gains of 21% and 7%, respectively, were also the top performers for the year with returns of 22% and 26%, respectively. The energy sector rose strongly in the fourth quarter, after OPEC reached a surprise agreement to reintroduce quotas and reduce oil production, surprising the market; and the election of Donald Trump as president meant the likelihood of more drilling and less regulation in the United States. Of the 11 sectors in the S&P 500, only the health care sector posted a loss in 2016, declining by 2%.

The top contributors to performance in the Fund in the fourth quarter and for the year were positions in the top two performing sectors, financials and energy, including Morgan Stanley (2.5% of net assets as of December 31, 2016), JP Morgan (3.6%), Citigroup (3.3%), Halliburton (1.5%), U.S. Bancorp (0.9%), Anadarko Petroleum (2.2%) and Chevron (0.8%). Strong contributions to performance outside these two sectors came from Best Buy (1.5%), International Paper (3.1%) and the Kraft Heinz Company (2.4%). The contribution of a position to performance is a function of the position’s size and its gains in the quarter.

S&P 500 dividends have been estimated to have increased at a rate of 5% in the third quarter over the second. Yields on U.S. Treasury bonds rose strongly in the fourth quarter with the yield on the ten year Treasury bond jumping from 1.6% to 2.5% finally overtaking the dividend yield on the S&P 500 after trailing it for several years.

## Comparative Results

### Average Annual Returns through December 31, 2016 (a) (Unaudited)

	<u>Quarter</u>	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	Since Inception (8/26/99)
<b>Class AAA (GABBX)</b> .....	5.12%	10.96%	10.34%	4.76%	5.42%	5.54%
S&P 500 Index .....	3.82	11.96	14.66	6.95	6.69	4.90
Lipper Large Cap Value Fund Average .....	7.02	16.37	13.95	5.53	6.24	5.03
<b>Class A (GBCAX)</b> .....	5.09	10.93	10.35	4.76	5.44	5.56
With sales charge (b) .....	(0.96)	4.55	9.05	4.14	5.03	5.20
<b>Class C (GBCCX)</b> .....	4.86	10.09	9.50	3.97	4.74	4.95
With contingent deferred sales charge (c) ..	3.86	9.09	9.50	3.97	4.74	4.95
<b>Class I (GBCIX)</b> .....	5.37	11.44	10.66	5.04	5.66	5.74

**In the current prospectuses dated April 29, 2016, the expense ratios for Class AAA, A, C, and I Shares are 1.91%, 1.91%, 2.66%, and 1.66% respectively, and effective October 1, 2016, the net expense ratios for these share classes after contractual reimbursements by Gabelli Funds, LLC, (the “Adviser”) are 1.91%, 1.91%, 2.66%, and 1.00%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum Sales Charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.**

- (a) Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Returns would have been lower had the Adviser not reimbursed certain expenses of the Fund. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at [www.gabelli.com](http://www.gabelli.com). The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. The Lipper Large Cap Value Fund Average reflects the average performance of mutual funds classified in this particular category. Dividends are considered reinvested. You cannot invest directly in an index. The Class AAA Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 31, 2003 and the Class I Shares on June 30, 2004. The actual performance of the Class A and Class C Shares would have been lower due to the additional fees and expenses associated with these classes of shares. The actual performance for the Class I Shares would have been higher due to the 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.

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](http://www.gabelli.com).

## The Economy and Markets

The U.S. economy expanded at an annual rate of 2.9% in the third quarter of 2016. Economists had been expecting a somewhat lower growth rate of 2.5%. This was a pickup from the 1.4% growth pace of the second quarter and marked the strongest quarter of growth in two years. Consumer spending, which accounts for the majority of U.S. economic output, slowed to a 2.1% annual growth rate, while business spending rose for the second consecutive quarter. Soft business investment in recent quarters has been concerning, attributed to some degree by the weakness to the energy sector, which now appears poised to rebound. The housing sector remained soft.

The improvement in third quarter GDP growth was narrowly based on two items: a sharp increase in net exports, which contributed 0.83% to overall growth, and the reversal of recent inventory destocking as inventory accumulation added 0.61% to growth.

Data released during the fourth quarter appears to indicate a moderately strong quarter, with consumer confidence picking up. Given that Donald Trump lost the popular vote by a particularly wide margin, you might think that confidence would come down. However, the opposite happened, perhaps because the stock market rallied on the expectation of pro-business policies such as reduced taxes and regulation, and increased government spending. The direction and strength of the stock market is one of the biggest determinants of consumer confidence, with over 50% of U.S. households owning stocks.

Growth expectations for 2017 have been revised upward due to the anticipation of these pro-growth policies, from less than 2%, to 2%-2.5%. However, the incoming president has promised to deliver growth of 4%. It is possible that the increased confidence and higher stock market will give a boost to the economy, now in its eighth year of slow growth expansion. However, much remains to be seen.

Donald Trump campaigned with a promise to increase manufacturing jobs by forcing companies to move overseas operations to the United States. He immediately began to claim successes, including responsibility for Carrier Industries (a unit of United Technologies) reversing a decision to move some jobs to Mexico. He then took credit for Ford's announcement that a planned Mexico plant would now be located in the United States. It remains to be seen whether these small amounts of jobs are strong enough "optics" to appease those who elected him on this promise, or whether he will feel compelled to take bigger steps. These somewhat interventionist moves have been well received by the Republicans, who have long stood for leaving business decisions to the companies and their shareholders.

Global growth rates appeared to improve in the fourth quarter, with Japan, Europe, and China also showing solid economic gains in the fourth quarter.

The Federal Reserve also made the long anticipated hike in the federal funds rate in the fourth quarter.

## 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. For the following holdings, the share prices are listed first in United States dollars (USD) and second in the local currency, where applicable, and are presented as of December 31, 2016.

*Alphabet (3.5% of net assets as of December 31, 2016) (GOOGL – \$771.82 – NASDAQ)* is the parent company of Google, which is widely recognized as the world's leading Internet search engine. Google's stated mission is to organize the world's information and make it universally accessible and useful. Google generates revenue by providing advertisers with the opportunity to deliver targeted and measurable advertising. Alphabet's healthy core search business gives the Company the unique opportunity to pursue new market opportunities within streaming video (YouTube Red), life sciences, self-driving automobiles and a variety of other "moonshot" projects.

*Apple (4.4%) (AAPL – \$115.82 – Nasdaq)* designs Macs, arguably the best personal computers in the world, along with OS X, iLife, iWork, and professional software. Apple inspired the digital music revolution with the iPod and iTunes, redefined the mobile phone with the iPhone and App Store, invented an entirely new category (tablets) with the iPad, and continues to be at the forefront of mobile technology with the Apple Watch and Apple Pay. Perhaps Apple's greatest innovation has been its integrated ecosystem, which retains customers and produces a "halo effect" for other Apple devices. Apple's less cyclical Services business is growing at a 24% run rate and now comprises 14% of total revenue.

*Citigroup Inc. (3.3%) (C – \$59.43 – NYSE)* is a leading global bank, with approximately 100 million customer accounts. The firm conducts business in more than 100 countries and jurisdictions. Citigroup provides consumers, corporations, governments, and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management. The firm should be well positioned to capitalize on the growth of global personal wealth.

*General Electric Co. (2.0%) (GE – \$31.60 – NYSE)* is an industrial conglomerate based in Fairfield, Connecticut, with leading positions in power, energy, healthcare, and aviation equipment, services, and financing. GE has materially downsized its finance business through the 2014 spinoff of Synchrony Financial and the sale of finance businesses that do not support industrial verticals. The company recently became the first institution to be de-designated as a Systemically Important Financial Institution (SIFI), providing more balance sheet flexibility and allowing GE to buy back upwards of \$50 billion of stock. GE Industrial is integrating its \$10 billion acquisition of Alstom's power assets, broadening its scale and capabilities. GE has also announced a highly synergistic combination of its oil and gas business with Baker Hughes through a reorganization, which will maintain GE control. GE is also ramping production of its efficient H-turbine for power plants and its LEAP engine for next generation narrowbody aircraft, while investing in 3D printing capabilities to simplify component manufacturing. On the services side, GE is aggressively building out its digital capabilities, focusing on the remote monitoring and optimization of its installed base. The transformation of GE is creating a focused industrial company capable of driving high single digit earnings growth while paying a progressive dividend.

*Halliburton Co. (1.5%) (HAL – \$54.09 – NYSE)*, based in Houston, Texas, is one of the leading providers of services and products to the energy industry related to the exploration, development, and production of oil and natural gas. As the market leader in pressure pumping, as well as completion equipment and services, HAL should be well positioned to benefit from the recovery from higher oil prices and a pickup in drilling activity,; first on U.S. land, followed by international land, and finally offshore. With WTI crude prices near \$55 per barrel, we expect exploration and production operators to ramp up drilling activity in 2017. Our Private Market Value for Halliburton is near \$70 per share.

*Honeywell International Inc. (3.2%) (HON – \$115.85 – NYSE)* operates as a diversified technology company with highly engineered products, including turbine propulsion engines, auxiliary power units, turbochargers, brake pads, environmental and combustion controls, sensors, security and life safety products, resins and chemicals, nuclear services, and process technology for the petrochemical and refining industries. One of the key drivers of HON's growth is acquisitions that increase the company's growth profile globally, creating both organic and inorganic opportunities. The company recently acquired Elster Industries, a leading provider of thermal gas solutions, smart meters, software and data analytics for the commercial, industrial and residential heating market. Elster's gas business offers products in high demand among natural gas customers and brings a strong, global distribution network and numerous cross-selling opportunities for existing HON technologies to new customers. Elster's gas, electric, and water meters are highly valued for their reliability, safety and accuracy. The company maintains an installed base of more than 200 million meter modules deployed over the course of the last 10 years that generate significant recurring revenues. We believe acquisitions such as Elster should drive meaningful and sustained growth for HON spurred by global energy efficiency initiatives and natural resource management.

*JPMorgan Chase & Co. (3.6%) (JPM – \$86.29 – NYSE)* is one of the oldest financial institutions in the U.S. The firm, with assets of over \$2.5 trillion, provides services to millions of consumers, small businesses, and many of the world's largest corporate, institutional, and government clients. The bank is divided into several reporting segments, including investment banking, commercial banking, financial transaction processing, asset management, and private equity. CEO Jamie Dimon is well regarded among corporate leaders, and he has positioned the company for future growth, despite the recent challenges related to the financial crisis, increased regulations, and low interest rates.

*Mondelēz International Inc. (1.9%) (MDLZ – \$44.33 – NASDAQ)*, headquartered in Deerfield, Illinois, is the renamed Kraft Foods Inc. following the tax-free spin-off to shareholders of the North American grocery business on October 1, 2012. Following the contribution of coffee into a new joint venture, nearly 85% of Mondelēz's \$27 billion of revenue is derived from snacking, including leading brands such as Oreo, LU and Ritz biscuits, Trident gum, and Cadbury and Milka chocolates. On July 2, 2015, Mondelēz combined its coffee business with D.E Master Blenders 1753 to form a new coffee company, Jacobs Douwe Egberts. Subsequently, MDLZ exchanged part of its stake in this coffee joint venture for 24% ownership in Keurig Green Mountain, which was acquired by an investor group led by JAB Holding Co. in March 2016. This narrows the company's product focus, as only 15% of revenue will be outside snacks – mostly Tang beverages and other products including Philadelphia cream cheese, which management may look to divest in the future as it executes on its plan to accelerate growth and improve margins in the faster growing snack business. On June 30, Hershey confirmed that it received and rejected a preliminary indication of interest from Mondelēz to

acquire Hershey for \$107 per share in cash and stock, demonstrating Mondelez's continued interest in pursuing acquisitions while remaining an independent company.

*Twenty-First Century Fox Inc. (2.4%) (FOXA – \$28.04 – NASDAQ)* is a diversified media company with operations in cable network television, television broadcasting, filmed entertainment, and direct broadcast satellite television. Cable networks account for 70% of the company's EBITDA, and benefit from contractually recurring affiliate fees and exposure to the fast growing global pay television market. We also expect the company to benefit from rising demand for premium content, driven by emerging distribution platforms such as Netflix, retransmission revenue, and aggressive share repurchases.

*Xylem Inc. (1.4%) (XYL – \$49.52 – NYSE)* is a global leader in the design, manufacturing, and application of highly engineered technologies for the transportation, treatment, measurement, and testing of water. The company is expected to benefit from favorable long term fundamentals in the water industry, driven by scarcity, population growth, aging of the infrastructure, and the need to improve water quality. Further, with a large installed base of pumps and systems, the company is well positioned to increase aftermarket revenue, which currently represents roughly 40% of total revenues. XYL is expected to generate 8%-12% earnings per share growth through 2020, as it accelerates its capital deployment strategy globally. The company recently acquired Sensus, a leading manufacturer of smart metering equipment and technologies, for \$1.7 billion.

## **Looking Ahead**

Minutes from the December 13 – 14 meeting of the Federal Reserve were released in the first week of the new year. Overall, while the officials did note the possibility that potential big tax cuts and infrastructure spending could boost growth, the minutes mostly reflected just how unclear the coming year is, as the Fed officials have no idea what will actually emerge from Congress over the coming months. Anything that was routine or accepted a few months ago no longer applies and a new framework has yet to emerge. "Many participants emphasized that the greater uncertainty about these policies made it more challenging to communicate to the public about the likely path of the federal funds rate," the minutes stated.

Prior to the election in November, corporate earnings estimates for 2016 and 2017 had been continually revised down all year due to slowing global growth. Corporate earnings, as represented by the S&P 500, were flat in 2016, showing no growth for the second year in a row. Prior to November, the consensus estimate for corporate earnings growth in 2017 was for a gain of 0%-5%, and it seemed unlikely that investors would reward this sub-par earnings growth with higher valuations.

A surprising outcome of Donald Trump's win was the quick gain in the stock markets of about 6% and a corresponding loss in the bond markets, as investors quickly priced in stronger growth from campaign promises of lower taxes, less regulation, big infrastructure spending, and repatriation of foreign cash returns. A balanced look must also acknowledge campaign suggestions of trade and currency wars, and also the drag on sales and earnings which will come in the next year assuming the strong dollar maintains the gains it has made. The direction and magnitude of interest rate moves, and the effect this will have on the economy, is particularly unknown. While a rise in interest rates has been part of a long anticipated move to normalization after the past

several years of extraordinary monetary easing, both public and private balance sheets are very stretched and would suffer greatly should rates rise meaningfully.

The market is fully valued, with the S&P 500 selling at a 17.5 multiple of 2017 consensus earnings. While the value of the equity market says nothing about the returns over the next year, it does determine what value investors will reap over the next three to five years.

Smoothing out the quarterly volatility, the GDP growth averaged about 1.7% for the first three quarters of the year. Next year appears to be on track for about 2%-2.5% growth. Growth here is still the envy of much of the developing economies in the world. Economic growth has been strong enough to put Americans back to work—we closed out the year with an unemployment rate of 4.9% and we expect a new low for the unemployment rate in this business cycle in the next few months. Growth is showing signs of fraying a little around the edges with lackluster residential construction (homes), weaker than expected consumer spending, and no new business investment in equipment, and it remains to be seen if the new administration's policies can jump start the economy out of its aging cycle.

Everyone can agree that American infrastructure is in woeful shape and that in the context of low interest rates, debt financed public investment in it would be a sound investment in our future. However, the plan laid out so far by Donald Trump's advisors is for an approach that offers tax credits for investment and for private sector participation. Unfortunately the infrastructure investments that would yield the highest return to our economy and growth, investments to improve roads, repair bridges, modernize air traffic control or upgrade schools, do not generate a commercial return. It remains to be seen if this goal, boosting growth with infrastructure projects, will be carried out in an effective way.

The election means that we have huge uncertainty about tax and energy policies, about foreign policy, and about government spending. The president-elect has already publicly targeted and criticized a number of companies, industries and organizations including Carrier, Ford Motor, General Motors, Toyota, Pepsi, the United Steelworkers, the CIA and the FBI, Vanity Fair and Saturday Night Live. It remains to be seen what Donald Trump's priorities will be and what will be possible.

## **In Conclusion**

The rise in the stock market over the past two months will ultimately only be justified by a very positive effect from new policies on corporate earnings. The trailing price earnings ratio on the S&P 500 stood at 18.5 on election eve. It is now at 20, its highest since the tech bubble (excluding the brief period when earnings collapsed in 2008 and 2009). The forward earnings multiple of 17.5 is similarly at the upper end of a longer term range. However, forward earnings estimates have yet to move up, although we have had strong upwards adjustments for financials and energy, two sectors expected to be winners under Trump, and downward revisions for rate sensitive sectors such as utilities and real estate.

We will have to wait to see what plans or priorities emerge from the president's first 100 days. At the same time, when companies report their fourth quarter and full year earnings, they will have to brief shareholders about their 2017 outlook. While they will not have enough information to make precise statements, they will

have to give some guidance as to how corporate tax changes, infrastructure spending, changes in regulations, new tariffs, or health insurance reforms, will affect their sales and earnings. That will be a small start towards making it clearer whether the forward rally in forward earnings multiple makes sense.

We will remain hopeful of the idea that the current aging business cycle and bull market can be extended.

We continue to find good value in many companies that have some combination of long term growth prospects, strong cash flow generation, and good balance sheets, as well as shareholder friendly management teams. We thank you for your investment in the Fund and we look forward to serving you in the future.

January 12, 2017

**Top Ten Holdings (Percent of Net Assets)**  
**December 31, 2016**

American International Group Inc.	4.8%	The Walt Disney Co.	3.3%
Apple Inc.	4.4%	Pfizer Inc.	3.2%
JPMorgan Chase & Co.	3.6%	Honeywell International Inc.	3.2%
Alphabet Inc.	3.5%	International Paper Co.	3.1%
Citigroup Inc.	3.3%	Microsoft Corp.	3.0%

**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.

**Minimum Initial Investment – \$1,000**

The Fund's minimum initial investment for regular accounts is \$1,000. There are no subsequent investment minimums. No initial minimum is required for those establishing an Automatic Investment Plan. Additionally, the Fund and other Gabelli/GAMCO Funds are available through the no-transaction fee programs at many major brokerage firms. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days after the date of purchase. See the prospectuses for more details.

## **www.gabelli.com**

Please visit us on the Internet. Our homepage at [www.gabelli.com](http://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 [info@gabelli.com](mailto:info@gabelli.com).

The Fund's daily NAVs are 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.

You may sign up for our e-mail alerts at [www.gabelli.com](http://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. 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](http://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. 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 will enhance the ability of the Fund to attract additional investors.

## **Gabelli/GAMCO Funds and Your Personal Privacy**

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### **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](http://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.

## **Portfolio Manager Biography**

**Barbara G. Marcin, CFA**, joined GAMCO Investors, Inc. in 1999 and currently serves as a portfolio manager of Gabelli Funds, LLC and manages several funds within the Gabelli/GAMCO Funds Complex. Prior to joining GAMCO, Ms. Marcin was head of value investments at Citibank Global Asset Management. Ms. Marcin graduated with Distinction as an Echols Scholar from the University of Virginia and holds an MBA degree from Harvard University's Graduate School of Business.

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GABELLI  
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# THE GABELLI DIVIDEND GROWTH FUND

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*December 31, 2016*