

The Gabelli Healthcare & Wellness^{Rx} Trust

Shareholder Commentary – September 30, 2017

(Y)our Portfolio Management Team



Mario J. Gabelli, CFA
Chief Investment Officer



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Portfolio Manager
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To Our Shareholders,

For the quarter ended September 30, 2017, the net asset value (“NAV”) total return of The Gabelli Healthcare & Wellness^{Rx} Trust (the “Fund”) was (2.7)%, compared with a total return of 3.7% for the Standard & Poor’s (“S&P”) 500 Health Care Index. The total return for the Fund’s publicly traded shares was (5.6)%. The Fund’s NAV per share was \$11.52, while the price of the publicly traded shares closed at \$10.11 on the New York Stock Exchange (“NYSE”).

Comparative Results

Average Annual Returns through September 30, 2017 (a)

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception (06/28/07)</u>
Gabelli Healthcare & Wellness^{Rx} Trust						
NAV Total Return (b)	(2.68)%	2.32%	6.37%	12.14%	9.79%	9.72%
Investment Total Return (c)	(5.62)	2.11	6.21	11.75	8.06	7.92
S&P 500 Health Care Index	3.65	15.49	10.38	17.30	10.86	10.64
S&P 500 Index	4.48	18.61	10.81	14.22	7.44	7.44
S&P 500 Consumer Staples Index	(1.35)	4.42	8.99	11.46	9.79	10.03
50% S&P 500 Health Care Index and 50% S&P 500 Consumer Staples Index	1.15	9.96	9.69	14.38	10.33	10.34

(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 Health Care Index is an unmanaged indicator of health care equipment and services, pharmaceuticals, biotechnology, and life sciences stock performance. The S&P 500 Index is an unmanaged indicator of stock market performance. The S&P 500 Consumer Staples Index is an unmanaged indicator of food and staples retailing, food, beverage and tobacco, and household and personal products stock 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, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of \$8.00.

(c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings. Since inception return is based on an initial offering price of \$8.00.

Our Approach

The Fund focuses specifically on investing in two long term trends: the aging of the population, which is driving sustained rapid increases in healthcare expenditures; and consumers, who are increasingly taking their health into their own hands through improved diet and exercise. As the baby boomer generation ages, we anticipate that spending in these areas will grow faster than the overall economy for many years to come. Today, the United States spends 18% of gross domestic product on healthcare; this number could increase to 20% in the next ten years.

The Fund will invest in equity securities of domestic and foreign companies in the healthcare and wellness industries, specifically, companies that are primarily engaged in providing products, services, and/or equipment related to healthcare, medical, or lifestyle needs. Sector investments may include dental, orthopedics, cardiology, hearing aid, life science, in vitro diagnostics, medical supplies and products, aesthetics and plastic surgery, veterinary, pharmacy benefits management, healthcare distribution, healthcare imaging, pharmaceuticals, biotechnology, healthcare plans, healthcare services, and healthcare equipment, as well as food, beverages, nutrition, and weight management. The Fund will focus on companies that are growing globally due to favorable demographic trends, while at the same time seeking to invest at a meaningful discount to Private Market Value. We believe the Fund will allow you to participate more directly in the growing investment opportunities presented in these global industries.

Commentary

The global economy and stock markets climbed steadily higher in the third quarter, shrugging off geopolitical tensions, natural disasters, and rising interest rates. Manufacturing and service growth is broadening and accelerating across Europe, Asia, and the Americas, as the final lingering effects of the financial crisis get put to rest. Wage growth has accelerated towards a healthier 3% annual rate, and commodity prices continue to increase, pushing inflation closer to policymakers' 2% goal. Severe hurricanes in the United States clearly had a negative impact on the economy late in the quarter, but will be a positive going forward as the rebuilding process commences, financed by ample insurance reserves and government deficit spending. Congress is pivoting towards corporate and individual tax reform, and while there is no guarantee that they will agree on a bill, this could be a powerful tailwind to earnings and economic growth in the coming years. Steady growth and slightly higher inflation are allowing the Federal Reserve to normalize interest rate policy and gradually reduce its quantitative easing program, two long held but much delayed goals of the bank, and the European Central Bank is beginning to consider similar actions. While this has been an unusually long economic cycle, expansion looks set to continue for at least the next few quarters, barring any unforeseen shocks.

Healthcare

After a strong start to the year, healthcare stocks lagged the market due to renewed political uncertainty and disruption from three major hurricanes. All three of the major hurricanes that hit the United States had a significant impact on our country's health care system. Texas and Florida are major markets for the industry, especially for-profit hospitals, representing over 5% of domestic demand. Few facilities incurred significant damage, but many hospitals were evacuated and many medical centers were closed for a week or more.

Companies such as Kindred (-42%) have quantified the impact at \$20 million in the quarter, while others including HCA (-9%), Envision Health (-28%), and Tenet (-15%) have said that it will be negative, but have yet to provide a dollar estimate. This uncertainty in an already weak volume environment weighed heavily on providers this quarter.

Puerto Rico is home to significant amounts of medical device and pharmaceutical manufacturing, dating back to when the territory offered more significant tax benefits. While the island was hit very hard, most of the manufacturing facilities suffered only minor damage and can operate at partial capacity on backup power. Medtronic (-11%) was the hardest hit, estimating a \$250 million impact in lost sales and production inefficiencies as it struggles to meet demand. Others, including Cooper Companies (-1%) and Zimmer Biomet (-9%), have restored at least partial production and have sufficient inventory to maintain supply. We believe these storms should be treated as a one time event with little lasting impact on the businesses, but they did impact the portfolio at the end of the quarter.

As September wound to a close, Republicans made one final push to repeal and replace health care reform. Their ability to pass a bill with 50 votes in the Senate under budget reconciliation rules expired on September 30, spurring the latest effort. The Senate attempted to unite behind a bill sponsored by Senators Bill Cassidy and Lindsay Graham that would have turned healthcare funding into block grants to the states, with fewer strings attached and significant flexibility in how to regulate the insurance industry. It would have resulted in a modest cut to health spending, growing at a projected 4% annual rate instead of 6% under current law, while distributing the money more evenly amongst all states, regardless of whether they had previously chosen to expand their Medicaid programs. While there would have been considerable uncertainty regarding how the states would have spent the money, we believe this proposed legislation was significantly better for the industry than previous repeal bills. Ultimately, the bill changed Medicaid too much to win moderate Republican votes while preserving too much of health care reform to win conservative votes, failing again in the Senate. While some bipartisan talks continue to try to temporarily stabilize the exchanges, we believe Republican leaders are finally moving on to tax and budget issues.

One quarter after significantly disrupting the grocery industry, Amazon is now threatening the pharmaceutical distribution industry. Amazon has been hiring staff and studying how it could participate in the pharmacy and pharmacy benefits management (PBM) sectors, with a final decision expected by the end of the year. Exact details are very unclear, but would likely involve integrating a mail order pharmacy with its strong consumer facing technology platform. Mail order prescriptions have been around for decades, but, despite their convenience and cost savings, have not caught on significantly in the market. Amazon could improve the user interface, offer additional price transparency, and operate at very low or negative profit margins in order to disrupt the industry. There is also speculation that the company may acquire or partner with a smaller PBM to offer a more complete back-end solution to employers and health plans. Given the highly regulated nature of this industry, it will take Amazon as much as two years to build the infrastructure and compliance systems needed to fully enter this space, but the threat of competition weighed heavily on companies including CVS Health (+2%), Walgreens (-1%), and AmerisourceBergen (-12%).

Consumer

The third quarter was largely uneventful for the Fund's consumer holdings. The top consumer contributor was Post Holdings (+14%), which in September announced it agreed to acquire Bob Evans for \$77 per share. The \$1.7 billion transaction provides Post with the iconic Bob Evans brand, as well as a foothold in the attractive breakfast side and sausage categories, and the company expects \$25 million of synergies from the deal. United Natural Foods (+13%) was another top contributor after posting results and reversing the decline in the second quarter following the announcement of the Whole Foods-Amazon transaction. Ingredients companies Kerry Group (+12%) and International Flavors & Fragrances (+6%) both continue to post strong results as food and beverage manufacturers look to ingredients providers for solutions to maintain and enhance the taste profile of their food and beverage products while also increasing their health profile. Finally, food and consumer goods giant Unilever (+8%) was a contributor, as the company continues to execute on its growth and margin enhancement plan following the overture from Kraft Heinz to buy the company.

On the negative side, most top detractors continued to suffer from the "Amazon effect" of negative sentiment regarding consumer packaged goods companies, as investors are increasingly fearful that the sector will have impaired margins, pricing power, or both as Amazon gains importance as a customer. While Amazon is of course a customer of growing importance, we note that Whole Foods has less than 2% share of the food retailing market in the U.S., and the industry has dealt with powerful customers in the past (such as Walmart) who ultimately have proven to be more efficient to serve compared to traditional retailers. Amazon may be different, but we expect companies with strong brands to be able to effectively navigate the move to purchasing food online. For now, however, the stock prices continue to suffer, with Kellogg (-9%), Kraft Heinz (-9%), JM Smucker (-11%), and General Mills (-6%) being the top consumer packaged goods detractors. Kroger (-14%) was another top detractor over concerns of its ability to effectively shift its business towards e-commerce and compete with Amazon, Walmart, and others.

Deals, Deals, and More Deals

- On July 7, 2017, Ultra Electronics agreed to acquire Sparton Corporation for \$23.50 per share in cash, for a total deal value of \$310 million. While the majority of Sparton's revenue comes from manufacturing and assembling medical devices for larger partners, Ultra is primarily interested in Sparton's defense business, manufacturing Sonobuoys and other products for the military. While Ultra only paid a modest premium for Sparton, it brings a lengthy sales process to a positive conclusion for shareholders.
- Cooper Companies agreed to acquire the ParaGard Intrauterine Device (IUD) from Teva Pharmaceuticals for \$1.1 billion in cash. This long term, implantable birth control device is highly complementary to Cooper's business in women's health and fertility. This deal makes strong strategic and financial sense for Cooper, and should add \$0.70-\$0.75 per share to earnings in its first full year.
- On September 19, 2017, Walgreens finally secured antitrust approval to acquire almost 2000 Rite Aid pharmacies for \$4.375 billion in cash. Walgreens will acquire the stores in phases beginning in October and finishing in the spring of 2018. This deal will ultimately be accretive to Walgreens, and will significantly improve their store network in the northeast United States, but the delayed closing means it will have minimal impact on earnings until fiscal 2019.

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 September 30, 2017.

Abbott Laboratories (ABT – \$53.36 – NYSE) is one of the largest, most diversified health care companies across medical devices, diagnostics, generic pharmaceuticals, and nutritionals. The company closed its contentious acquisition of diagnostic products company Alere just after the quarter closed, and continues to make progress in integrating its acquisition of St. Jude earlier this year. Abbott received several key product approvals from the Food and Drug Administration this quarter, including an MRI-safe defibrillator, a revolutionary new continuous glucose monitor for diabetes and a new system for laboratory based diagnostic tests. Next year should be a breakout year for Abbott as growth accelerates and the company reaps the full benefit of this year's two major acquisitions.

ConAgra Brands Inc. (CAG – \$33.74 – NYSE), headquartered in Chicago, Illinois, is a manufacturer and marketer of food products, with brands including Healthy Choice meals, Hebrew National hot dogs, Orville Redenbacher's popcorn, PAM cooking spray, Reddi-wip, and Slim Jim. The company has undergone tremendous change since CEO Sean Connolly, formerly of Hillshire, took over in 2015. The company sold its private label business to TreeHouse Foods for \$2.7 billion in February 2016, and spun off its Lamb Weston potato business later that year. Now, as a pure-play branded food company, ConAgra is focusing on better innovation and marketing, especially in on-trend health and wellness areas. At the same time, it is delivering improved profitability through pricing and operating efficiency. New products include Healthy Choice Power Bowls, cage free Egg Beaters, coconut and almond milk Reddi Wip, and Slim Jim Premium. The company is also making selective divestments of lower margin, low growth products, such as its recent agreement to sell Wesson cooking oil. The net result of this is a significantly improved company from the "old" ConAgra of just a few years ago, with a more relevant brand portfolio and strong earnings growth. We also expect ConAgra to use M&A to further bolster earnings and enhance its portfolio.

Evolent Health Inc. (EVH – \$17.80 – NYSE) is a rapidly growing technology company that offers a broad range of services to physicians and insurers to operate in this rapidly changing health care environment. Evolent helps its partners with population health, identifying the most at-risk patients, and intervening early to provide the most cost effective care. It helps insurance companies build high performing, cost effective networks of physicians and providers in their local markets. In addition, EVH helps Medicare Advantage plans accurately assess the health status of their members to optimize their reimbursement. Evolent should almost double its revenue this year and begin leveraging its expense base to turn profitable in 2018.

Integer Holdings Corp. (ITGR – \$51.15 – NYSE) is the largest medical device manufacturing outsourcer in the industry. Last year's acquisition of Lake Region Medical continues to go well, and the company is completing its final manufacturing plant consolidations. Integer has replaced and upgraded its entire management team to better reflect the larger, more global company it has become. Integer is also benefiting from the shift to MRI-safe implantable devices and from a rebound in its business supplying batteries and sensors to the oil and gas industry. Management remains focused on generating strong cash flow and paying down debt, while continuing to post steadier, more predictable financial results.

Post Holdings Inc. (POST – \$88.27 – NYSE), based in St. Louis, Missouri, became an independently traded company on February 3, 2012, following the tax-free spin-off from Ralcorp Holdings. The company began as a manufacturer and marketer of ready-to-eat cereal, but has since added to its portfolio through acquisitions including: Attune Foods organic and Hearthside non-GMO granolas, cereals and snacks; Michaels Foods value-added egg products; Premier Nutrition and PowerBar active nutrition products; and MOM Brands cereals. In July 2017, Post acquired another cereal business in the UK, Weetabix, which not only increased its presence in the large and profitable cereal category, but also created a platform for growth in Europe. The latest target is Bob Evans (BOBE), which is predominantly a potato side dish and sausage company that Post agreed to acquire for \$77 per share. The transaction is expected to close in the March 2018 quarter, and complements Post's existing side dish business in foodservice with a well positioned retail business. Post continues to generate excellent cash flow, providing management with the flexibility to pursue additional acquisition opportunities.

Thermo Fisher Scientific Inc. (TMO – \$189.20 – NYSE) is the largest manufacturer and distributor of research and laboratory products in the world. The company continues to benefit from a robust research funding environment from both government sources and the private sector. Investors sometimes fail to appreciate that almost a third of TMO's business goes to industrial, food, and environmental safety end markets, all of which are accelerating this year with the global economic recovery. The company's recent acquisition of Patheon, announced earlier this year and closed during the quarter, gets TMO deeper into pharmaceutical manufacturing, and should contribute over \$0.30 to earnings next year.

United Natural Foods Inc. (UNFI – \$41.59 – NASDAQ) is the largest distributor of natural and organic foods in the U.S., with roughly 12% share of the domestic market. Natural and organic food is over \$100 billion at retail and growing by high single digits. UNFI has invested heavily in its capabilities and is well positioned to take advantage of its scale and the secular growth of the sector. The company recently completed two acquisitions, Haddon House Food Products and Nor-Cal Produce, which will expand its presence in the growing ethnic gourmet and produce categories. The company's stock price declined upon the announcement of the takeover of Whole Foods Market by Amazon on fears that UNFI's margins will be squeezed (or worse, that it will be replaced) by the new owner of its largest customer. While we do agree there is risk in dealing with Amazon, we note that it is already a UNFI customer, UNFI has a contract with Whole Foods through 2025, and, as a stand-alone entity within Amazon, we highly doubt that Whole Foods will look to make significant changes with its most important supplier. Some uncertainty may hang over UNFI for some time, but we believe the company will eventually demonstrate that it can continue to deliver sales and earnings growth along with the natural and organic market, and could also be an attractive takeover candidate for a larger food distributor seeking to enter the natural and organic sector – or even Amazon itself.

October 31, 2017

Top Ten Holdings
September 30, 2017

CVS Health Corp.	Abbott Laboratories
Alere Inc.	Envision Healthcare Corp.
Thermo Fisher Scientific Inc.	Yakult Honsha Co. Ltd.
Allergan plc	Nestlé SA
HCA Healthcare Inc.	Danone SA

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 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. Beneficial ownership of shares held in the Fund by Mr. Gabelli and various entities he is deemed to control are disclosed in the Fund's annual proxy statement.

Common Share Repurchase Plan

On February 22, 2007, the Board voted to authorize the repurchase of the Fund's common shares in the open market from time to time when such shares are trading at a discount of 10% or more from NAV. In total through September 30, 2017, the Fund has repurchased and retired 199,427 common shares in the open market under this share repurchase plan, at an average investment of \$9.63 per share and an average discount of approximately 13% from its NAV. No shares were repurchased during the third quarter of 2017.

Quarterly Distribution Policy for Common Shareholders

The Board of Trustees of the Fund (the "Board") has reaffirmed the continuation of the Fund's quarterly distribution policy. Pursuant to its distribution policy, the Fund paid a \$0.13 per share cash distribution on September 22, 2017, to common shareholders of record on September 15, 2017. The Fund plans to pay a distribution determined each quarter by the Board. The Board may change the amount of the quarterly distribution at any time. In addition to the quarterly distributions, and in accordance with the minimum distribution requirements of the Internal Revenue Code, the Fund may pay an adjusting distribution in December which includes any additional income and net realized capital gains in excess of the quarterly distributions for that year.

Each quarter, the Board will review 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 distribution rate should not be considered the dividend yield or total return on an investment in the Fund.

If the Fund does not generate sufficient earnings (dividends and interest income and realized net capital gain) equal to or in excess of the aggregate distributions paid by the Fund in a given year, then the amount distributed in excess of the Fund's earnings would be deemed a return of capital. Because this would be considered a return of a portion of a shareholder's original investment, it is generally not taxable and would be treated as a reduction in the shareholder's cost basis. Despite the challenges of the extra record keeping, a distribution that incorporates a return of capital serves as a smoothing mechanism resulting in a more stable and consistent cash flow available to shareholders.

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 currently available, the current distribution paid to common shareholders in 2017 would include approximately 100% from net capital gains on a book basis. 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). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2017 distributions in early 2018 via Form 1099-DIV.

5.76% Series A Cumulative Preferred Shares

The Fund's Series A Cumulative Preferred Shares paid a \$0.36 per share cash distribution on September 26, 2017, to preferred shareholders of record on September 19, 2017. The Series A Preferred Shares, which trade on the NYSE under the symbol "GRX Pr A," are rated "A2" by Moody's Investors Service and have an annual dividend rate of \$1.44 per share. The Series A Preferred Shares were issued on August 20, 2010, at \$25 per share and pay distributions quarterly. After five years of call protection, the Series A Preferred Shares became callable at any time at the liquidation value of \$25 per share plus accrued dividends. The next distribution is scheduled for December 2017. The Fund is authorized to purchase its Series A Preferred Shares in the open market from time to time when such shares are trading at a discount to the liquidation value of \$25.00 per share. No Series A Preferred Shares have been repurchased to date.

5.875% Series B Cumulative Preferred Shares

The Fund's Series B Cumulative Preferred Shares paid a \$0.3671875 per share cash distribution on September 26, 2017, to preferred shareholders of record on September 19, 2017. The Series B Preferred Shares, which trade on the NYSE under the symbol "GRX Pr B," are rated "A2" by Moody's Investors Service and have an annual dividend rate of \$1.46875 per share. The Series B Preferred Shares will be callable at any time at the liquidation value of \$25.00 per share plus accrued dividends following the expiration of the five year call protection on September 24, 2019. The next distribution is scheduled for December 2017. The Fund is authorized to purchase its Series B Preferred Shares in the open market from time to time when such shares are trading at a discount to the liquidation value of \$25.00 per share. No Series B Preferred Shares have been repurchased to date. When the Series B Preferred Shares are trading at a premium to their liquidation preference of \$25.00 plus accrued interest, the Fund may issue shares pursuant to its prospectus supplement in "at the market" offerings. Through September 30, 2017, the Fund has issued 81,443 Series B Preferred Shares.

The Board shares the view of Gabelli Funds, LLC (the “Investment Adviser”) that the issuance of the Preferred Shares is designed to benefit the common shareholders. To the extent that the Fund earns in excess of the dividend rate on the Preferred Shares, additional value will thereby be created for its common shareholders.

Long term capital gains, qualified dividend income, and ordinary income, if any, will be allocated on a pro-rata basis to all distributions to preferred shareholders for the year. Based on the accounting records of the Fund currently available, the current distribution paid to preferred shareholders represents approximately 100% from net capital gains on a book basis. 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). All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2017 distributions in early 2018 via Form 1099-DIV.

Tax Treatment of Distributions to Common and Preferred Shareholders

All or part of the distribution may be treated as long term capital gain or qualified dividend income (or a combination of both) for individuals, each subject to the maximum federal income tax rate, which is currently 20% in taxable accounts for individuals. In addition, certain U.S. shareholders who are individuals, estates, or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surcharge on their “net investment income,” which includes dividends received from the Fund and capital gains from the sale or other disposition of shares of the Fund.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Closed-End Funds and 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 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 HEALTHCARE & WELLNESS^{Rx} TRUST AND YOUR PERSONAL PRIVACY

Who are we?

The Gabelli Healthcare & Wellness^{Rx} 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 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?

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.

THE GABELLI HEALTHCARE & WELLNESS^{Rx} TRUST
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Portfolio Management Team Biographies

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

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

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

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

The 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 "XXGRX."

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. The Fund may also from time to time purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

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THE GABELLI HEALTHCARE & WELLNESS^{Rx} TRUST

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THE GABELLI HEALTHCARE & WELLNESS^{Rx} TRUST

GRX

Shareholder Commentary
September 30, 2017

The Gabelli Healthcare & Wellness^{Rx} Trust

Third Quarter Report — September 30, 2017

(Y)our Portfolio Management Team



Mario J. Gabelli, CFA
Chief Investment Officer



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



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

To Our Shareholders,

For the quarter ended September 30, 2017, the net asset value (“NAV”) total return of The Gabelli Healthcare & Wellness^{Rx} Trust (the “Fund”) was (2.7)%, compared with a total return of 3.7% for the Standard & Poor’s (“S&P”) 500 Health Care Index. The total return for the Fund’s publicly traded shares was (5.6)%. The Fund’s NAV per share was \$11.52, while the price of the publicly traded shares closed at \$10.11 on the New York Stock Exchange (“NYSE”). See below for additional performance information.

Enclosed is the schedule of investments as of September 30, 2017.

Comparative Results

Average Annual Returns through September 30, 2017 (a) (Unaudited)

	Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception (06/28/07)
Gabelli Healthcare & Wellness^{Rx} Trust						
NAV Total Return (b)	(2.68)%	2.32%	6.37%	12.14%	9.79%	9.72%
Investment Total Return (c)	(5.62)	2.11	6.21	11.75	8.06	7.92
S&P 500 Health Care Index	3.65	15.49	10.38	17.30	10.86	10.64
S&P 500 Index	4.48	18.61	10.81	14.22	7.44	7.44
S&P 500 Consumer Staples Index	(1.35)	4.42	8.99	11.46	9.79	10.03
50% S&P 500 Health Care Index and 50% S&P 500 Consumer Staples Index (“The Blended Index”)	1.15	9.96	9.69	14.38	10.33	10.34

- (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 Health Care Index is an unmanaged indicator of health care equipment and services, pharmaceuticals, biotechnology, and life sciences stock performance. The S&P 500 Index is an unmanaged indicator of stock market performance. The S&P 500 Consumer Staples Index is an unmanaged indicator of food and staples retailing, food, beverage and tobacco, and household and personal products stock performance. The Blended Index consists of a 50% blend of each of the S&P 500 Health Care Index and S&P 500 Consumer Staples Index. 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, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of \$8.00.
- (c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings. Since inception return is based on an initial offering price of \$8.00.

The Gabelli Healthcare & Wellness^{Rx} Trust

Schedule of Investments — September 30, 2017 (Unaudited)

Shares		Market Value	Shares		Market Value
COMMON STOCKS — 93.9%					
Beverages — 5.8%					
60,000	China Mengniu Dairy Co. Ltd.	\$ 167,827	60,000	Nestlé SA	\$ 5,025,043
64,000	Danone SA	5,020,305	60,000	Pinnacle Foods Inc.	3,430,200
40,000	Dr Pepper Snapple Group Inc.	3,538,800	55,000	Post Holdings Inc.†	4,854,850
31,000	ITO EN Ltd.	1,045,501	50,000	Snyder's-Lance Inc.	1,907,000
29,000	Massimo Zanetti Beverage Group SpA	298,192	50,000	The Kraft Heinz Co.	3,877,500
7,000	Morinaga Milk Industry Co. Ltd.	267,496	15,000	The Hain Celestial Group Inc.†	617,250
300,000	Parmalat SpA	1,099,161	27,000	The J.M. Smucker Co.	2,833,110
20,000	PepsiCo Inc.	2,228,600	110,000	Tingyi (Cayman Islands) Holding Corp.	165,600
30,000	Suntory Beverage & Food Ltd.	1,335,703	10,000	TreeHouse Foods Inc.†	677,300
30,000	The Coca-Cola Co.	1,350,300	75,000	Unilever plc, ADR	4,347,000
424,000	Vitasoy International Holdings Ltd.	944,442	70,000	Yakult Honsha Co. Ltd.	5,045,101
		<u>17,296,327</u>			<u>67,660,659</u>
Biotechnology — 3.2%					
3,000	Agilent Technologies Inc.	192,600	91,000	CVS Health Corp.	7,400,120
11,200	Alexion Pharmaceuticals Inc.†	1,571,248	30,000	Ingles Markets Inc., Cl. A	771,000
12,500	Charles River Laboratories International Inc.†	1,350,250	250,000	Rite Aid Corp.†	490,000
2,000	Idorsia Ltd.†	35,731	20,000	Sprouts Farmers Market Inc.†	375,400
4,000	Illumina Inc.†	796,800	90,000	The Kroger Co.	1,805,400
14,000	Invitae Corp.†	131,180	109,000	United Natural Foods Inc.†	4,533,310
20,000	Ligand Pharmaceuticals Inc.†	2,723,000	10,000	Walgreens Boots Alliance Inc.	772,200
170,000	NeoGenomics Inc.†	1,892,100			<u>16,147,430</u>
600	Regeneron Pharmaceuticals Inc.†	268,272			
24,000	Tetraphase Pharmaceuticals Inc.†	164,160			
1,600	Waters Corp.†	287,232			
		<u>9,412,573</u>			
Electronics — 2.2%					
35,000	Thermo Fisher Scientific Inc.	6,622,000			
Financial Services — 0.2%					
36,400	Bankrate Inc.†	507,779			
Food — 22.9%					
10,000	B&G Foods Inc.	318,500	57,829	Baxter International Inc.	3,628,770
15,000	Calavo Growers Inc.	1,098,000	13,000	Becton, Dickinson and Co.	2,547,350
35,000	Campbell Soup Co.	1,638,700	42,000	Boston Scientific Corp.†	1,225,140
3,200	Chr. Hansen Holding A/S	274,449	105,000	Cardiovascular Systems Inc.†	2,955,750
120,000	Conagra Brands Inc.	4,048,800	18,000	Cutera Inc.†	744,299
25,000	Dean Foods Co.	272,000	29,000	Exactech Inc.†	955,550
67,500	Flowers Foods Inc.	1,269,675	45,000	Gerritshimer AG	3,483,099
83,500	General Mills Inc.	4,321,960	21,000	Globus Medical Inc., Cl. A†	624,120
80,000	Inventure Foods Inc.†	375,200	22,000	Henry Schein Inc.†	1,803,780
5,400	John B Sanfilippo & Son Inc.	363,474	1,000	ICU Medical Inc.†	185,850
67,500	Kellogg Co.	4,209,975	175,165	InfuSystems Holdings Inc.†	359,088
35,000	Kerry Group plc, Cl. A	3,383,761	90,000	Integer Holdings Corp.†	4,603,500
150,000	Kikkoman Corp.	4,612,308	7,000	K2M Group Holdings Inc.†	148,470
38,333	Lamb Weston Holdings Inc.	1,797,434	35,000	Medtronic plc	2,721,950
68,302	Lifeway Foods Inc.†	607,888	10,000	NuVasive Inc.†	554,600
23,000	Maple Leaf Foods Inc.	626,912	47,574	Orthofix International NV†	2,247,872
15,000	MEIJI Holdings Co. Ltd.	1,189,069	17,000	Patterson Cos., Inc.	657,050
110,000	Mondelēz International Inc., Cl. A	4,472,600	5,000	Smith & Nephew plc, ADR	182,000
			60,000	Sparton Corp.†	1,392,600
			40,000	Stericycle Inc.†	2,864,800
			15,000	Stryker Corp.	2,130,300
			67,633	SurModics Inc.†	2,096,623
			15,000	The Cooper Companies Inc.	3,556,650
			148,420	VWR Corp.†	4,914,186
			37,400	Zimmer Biomet Holdings Inc.	4,379,166
					<u>50,962,563</u>
Food and Staples Retailing — 5.5%					
			627,499	AdCare Health Systems Inc.†	571,024
Health Care Equipment and Supplies — 17.2%					
Health Care Providers and Services — 16.4%					

See accompanying notes to schedule of investments.

The Gabelli Healthcare & Wellness^{Rx} Trust
Schedule of Investments (Continued) — September 30, 2017 (Unaudited)

<u>Shares</u>		<u>Market Value</u>	<u>Shares</u>		<u>Market Value</u>
	COMMON STOCKS (Continued)			Specialty Chemicals — 1.5%	
	Health Care Providers and Services (Continued)		31,000	International Flavors & Fragrances Inc.	\$ 4,430,210
143,852	Alere Inc.†	\$ 7,335,013		TOTAL COMMON STOCKS	<u>277,303,163</u>
60,000	AmerisourceBergen Corp.	4,965,000		PREFERRED STOCKS — 0.0%	
10,000	Anthem Inc.	1,898,800		Pharmaceuticals — 0.0%	
400	Chemed Corp.	80,820	146	BioScrip Inc., Zero Coupon†	9,921
20,000	Cigna Corp.	3,738,800		RIGHTS — 0.0%	
55,000	DaVita Inc.†	3,266,450		Biotechnology — 0.0%	
115,000	Envision Healthcare Corp.†	5,169,250	6,907	Tobira Therapeutics Inc.†(a)	414
250,000	Evolent Health Inc., Cl. A†	4,450,000		Health Care Equipment and Supplies — 0.0%	
15,000	Express Scripts Holding Co.†	949,800	40,000	American Medical Alert Corp., CPR†(a)	400
70,000	HCA Healthcare Inc.†	5,571,300		TOTAL RIGHTS	<u>814</u>
278,700	Kindred Healthcare Inc.	1,895,160		WARRANTS — 0.0%	
22,200	Laboratory Corp. of America Holdings†	3,351,534	420	Pharmaceuticals — 0.0%	
15,000	McKesson Corp.	2,304,150	420	BioScrip Inc., Cl. A, expire 07/27/25†	174
5,000	Tenet Healthcare Corp.†	82,150		BioScrip Inc., Cl. B, expire 07/27/25†	154
13,900	UnitedHealth Group Inc.	2,722,315			<u>328</u>
		<u>48,351,566</u>		TOTAL WARRANTS	<u>328</u>
	Hotels and Gaming — 0.2%			U.S. GOVERNMENT OBLIGATIONS — 6.1%	
8,800	Ryman Hospitality Properties Inc.	549,912		U.S. Treasury Bills,	
	Household and Personal Products — 4.5%			0.977% to 1.143%††,	
30,000	Avon Products Inc.†	69,900		10/12/17 to 12/28/17	17,939,099
44,000	Church & Dwight Co. Inc.	2,131,800	Principal Amount		
30,000	Colgate-Palmolive Co.	2,185,500	\$17,966,000	TOTAL INVESTMENTS — 100.0%	
50,000	Coty Inc., Cl. A	826,500		(Cost \$223,318,482)	<u>\$295,253,325</u>
50,000	Edgewell Personal Care Co.†	3,638,500			
30,000	Energizer Holdings Inc.	1,381,500			
25,000	Sally Beauty Holdings Inc.†	489,500			
12,000	The Estee Lauder Companies Inc., Cl. A	1,294,080			
13,000	The Procter & Gamble Co.	1,182,740			
		<u>13,200,020</u>			
	Pharmaceuticals — 14.3%				
100,000	Abbott Laboratories	5,336,000			
11,800	Achaogen Inc.†	188,210			
120,000	Akorn Inc.†	3,982,800			
29,000	Allergan plc	5,943,550			
668,734	BioScrip Inc.†	1,839,019			
42,000	Bristol-Myers Squibb Co.	2,677,080			
42,000	Cempra Inc.†	136,500			
15,000	Endo International plc†	128,475			
37,000	Johnson & Johnson	4,810,370			
55,000	Mallinckrodt plc†	2,055,350			
75,000	Merck & Co. Inc.	4,802,250			
30,000	Mylan NV†	941,100			
1,000	Ophthotech Corp.†	2,820			
68,000	Pfizer Inc.	2,427,600			
12,000	Roche Holding AG, ADR	384,000			
30,000	Shire plc, ADR	4,594,200			
30,000	Zoetis Inc.	1,912,800			
		<u>42,162,124</u>			

See accompanying notes to schedule of investments.

The Gabelli Healthcare & Wellness^{Rx} Trust
Schedule of Investments (Continued) — September 30, 2017 (Unaudited)

	<u>Market Value</u>	<u>Geographic Diversification</u>	<u>% of Total Investments</u>	<u>Market Value</u>
Aggregate tax cost	\$224,526,515	North America	80.7%	\$238,315,042
Gross unrealized appreciation	\$ 82,860,295	Europe	13.5	39,917,365
Gross unrealized depreciation	(12,133,485)	Japan	4.6	13,495,179
Net unrealized appreciation/depreciation	<u>\$ 70,726,810</u>	Latin America	0.9	2,581,298
		Asia/Pacific	0.3	944,441
		Total Investments	<u>100.0%</u>	<u>\$295,253,325</u>

(a) Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.

† Non-income producing security.

†† Represents annualized yield at date of purchase.

ADR American Depository Receipt

CPR Contingent Payment Right

See accompanying notes to schedule of investments.

The Gabelli Healthcare and Wellness^{Rx} Fund

Notes to Schedule of Investments (Unaudited)

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

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

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt obligations for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one or more dealers in the instrument in question by the Adviser.

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

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

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

The Gabelli Healthcare and Wellness^{Rx} Fund

Notes to Schedule of Investments (Unaudited) (Continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of September 30, 2017 is as follows:

	Valuation Inputs			Total Market Value at 9/30/17
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
INVESTMENTS IN SECURITIES:				
ASSETS (Market Value):				
Common Stocks (a)	\$277,303,163	—	—	\$277,303,163
Preferred Stocks (a)	—	\$ 9,921	—	9,921
Rights (a)	—	—	\$814	814
Warrants (a)	—	328	—	328
U.S. Government Obligations	—	17,939,099	—	17,939,099
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$277,303,163	\$17,949,348	\$814	\$295,253,325

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

Additional Information to Evaluate Qualitative Information.

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

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

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

Derivative Financial Instruments. The Fund may engage in various portfolio investment strategies by investing in derivative financial instruments for the purposes of increasing the income of the Fund, hedging against changes

The Gabelli Healthcare and Wellness^{Rx} Fund

Notes to Schedule of Investments (Unaudited) (Continued)

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

The Fund's derivative contracts held at September 30, 2017, if any, are not accounted for as hedging instruments under GAAP and are disclosed in the Schedule of Investments together with the related counterparty.

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

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. At September 30, 2017, the Fund held no investments in forward foreign exchange contracts.

Limitations on the Purchase and Sale of Futures Contracts, Certain Options, and Swaps. Subject to the guidelines of the Board, the Fund may engage in "commodity interest" transactions (generally, transactions in futures, certain options, certain currency transactions, and certain types of swaps) only for bona fide hedging or other permissible transactions in accordance with the rules and regulations of the Commodity Futures Trading Commission ("CFTC"). Pursuant to amendments by the CFTC to Rule 4.5 under the Commodity Exchange Act ("CEA"), the Adviser has filed a notice of exemption from registration as a "commodity pool operator" with respect to the Fund. The Fund and the Adviser are therefore not subject to registration or regulation as a commodity pool operator under the CEA. In addition, certain trading restrictions are now applicable to the Fund as of January 1, 2013. These trading restrictions permit the Fund to engage in commodity interest transactions that include (i) "bona fide hedging" transactions, as that term is defined and interpreted by the CFTC and its staff, without regard to the percentage of the Fund's assets committed to margin and options premiums and (ii) non-bona fide hedging transactions, provided that the Fund does not enter into such non-bona fide hedging transactions if, immediately thereafter, either (a) the sum of the amount of initial margin deposits on the Fund's existing futures positions or swaps positions and option or swaption premiums would exceed 5% of the market

The Gabelli Healthcare and Wellness^{Rx} Fund

Notes to Schedule of Investments (Unaudited) (Continued)

value of the Fund's liquidating value, after taking into account unrealized profits and unrealized losses on any such transactions, or (b) the aggregate net notional value of the Fund's commodity interest transactions would not exceed 100% of the market value of the Fund's liquidating value, after taking into account unrealized profits and unrealized losses on any such transactions. Therefore, in order to claim the Rule 4.5 exemption, the Fund is limited in its ability to invest in commodity futures, options, and certain types of swaps (including securities futures, broad based stock index futures, and financial futures contracts). As a result, in the future, the Fund will be more limited in its ability to use these instruments than in the past, and these limitations may have a negative impact on the ability of the Adviser to manage the Fund, and on the Fund's performance.

Investments in Other Investment Companies. The Fund may invest, from time to time, in shares of other investment companies (or entities that would be considered investment companies but are excluded from the definition pursuant to certain exceptions under the 1940 Act) (the "Acquired Funds") in accordance with the 1940 Act and related rules. Shareholders in the Fund would bear the pro rata portion of the periodic expenses of the Acquired Funds in addition to the Fund's expenses. At September 30, 2017, the Fund's pro rata portion of the periodic expenses charged by the Acquired Funds was less than 1 basis point.

Securities Sold Short. The Fund may enter into short sale transactions. Short selling involves selling securities that may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace such borrowed securities at a later date. The proceeds received from short sales are recorded as liabilities and the Fund records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of an open short position on the day of determination. The Fund records a realized gain or loss when the short position is closed out. By entering into a short sale, the Fund bears the market risk of an unfavorable change in the price of the security sold short. Dividends on short sales are recorded as an expense by the Fund on the ex-dividend date and interest expense is recorded on the accrual basis. The broker retains collateral for the value of the open positions, which is adjusted periodically as the value of the position fluctuates. At September 30, 2017, there were no short sales outstanding.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

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

The Gabelli Healthcare and Wellness^{Rx} Fund

Notes to Schedule of Investments (Unaudited) (Continued)

many foreign issuers and their markets may be less liquid and their prices more volatile than securities of comparable U.S. issuers.

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

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

THE GABELLI HEALTHCARE & WELLNESS^{Rx} TRUST
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Portfolio Management Team Biographies

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

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

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

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

The 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 is "XXGRX."

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. The Fund may also, from time to time, purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

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