

# GABELLI FOCUSED GROWTH & INCOME FUND\*

Quarter End – June 30, 2021



## STRATEGY OVERVIEW

- The Gabelli Focused Growth & Income Fund is a concentrated, actively managed strategy launched in January, 2021.
- The Fund invests in a global portfolio of common and preferred equities, convertible bonds, and other securities that have the potential for capital appreciation, while also emphasizing a high level of current investment income.
- Investment ideas are primarily derived from Gabelli Funds' team of 35 fundamental research analysts.

## PORTFOLIO MANAGEMENT



Daniel M. Miller  
Portfolio Manager

- B.A. University of Miami
- Fund manager since 2012

## PORTFOLIO HIGHLIGHTS

Total Net Assets	\$40 million
NAV (Class I)	\$17.67
Inception Date	1/21
Minimum initial investment is \$1,000.	

Share Class	Symbol
Class AAA	<a href="#">GWSVX</a>
Class A	<a href="#">GWSAX</a>
Class C	<a href="#">GWSCX</a>
Class I	<a href="#">GWSIX</a>

## DISTRIBUTION POLICY

Monthly Distribution \$0.06/share\*

\*Monthly Distribution beginning on January 27, 2021. Shareholders should be aware that a portion of the distribution may represent a non-taxable return of capital. Distributions of capital reduce the cost basis of your shares if you hold them in a taxable account. The distributions should not be confused with the yield or total return of the Fund. The distribution policy may be changed by the Fund's Board of Directors at any time.

## INDUSTRY BREAKDOWN

Energy & Utilities	19.7%
Real Estate Investment Trusts	15.4%
Financial Services	13.1%
Food & Beverage	9.5%
Health Care	6.4%
Telecommunications	3.7%
Entertainment	3.2%
Automotive (Parts & Accs.)	3.1%
Building & Construction	3.1%
Computer Software & Svcs.	2.8%

## TOP FIVE HOLDINGS

	% of AUM	Dividend Yield
MGM Growth Properties	8.4%	5.6%
NextEra Energy Ptrs.	6.7%	3.3%
Apollo Global Mngmt. Inc.	6.6%	3.2%
Enterprise Products Ptrs.	4.8%	7.5%
Kinder Morgan Inc.	4.8%	5.9%

**\*Effective January 21, 2021, The Gabelli Focus Five Fund changed its name to the Gabelli Focused Growth & Income Fund.** The top five holdings and sectors listed are not necessarily representative of the entire portfolio and are subject to change. The most recent semiannual report, which contains a more extensive list of holdings, is available from your financial adviser or by contacting the distributor, G. distributors, LLC.

The Fund's share price will fluctuate with changes in the market value of the Fund's portfolio securities. Stocks are subject to market, economic and business risks that cause their prices to fluctuate. When you sell Fund shares, they may be worth less than what you paid for them. Consequently, you can lose money by investing in the Fund.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus, which contains more complete information about these and other matters, should be read carefully before investing. To obtain a prospectus, please call 800-GABELLI or visit [www.gabelli.com](http://www.gabelli.com).

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## PORTFOLIO UPDATE

The Fund's largest position on January 1 was MGM Growth Properties (MGP – 8.4% of AUM), a REIT that was spun off from MGM Resorts. We began buying shares of MGP a year ago given its' world class assets, strong balance sheet, long-term contracts, and opportunities for accretive M&A. Shares are currently trading about 40% higher than our average cost of \$22, but still about 20% below our estimate of the firm's value. In addition to significant capital appreciation, MGP pays tax-advantaged dividends of \$1.95 annually, representing a 6.2% current return. We think the dividend should grow over time along with rent escalators.

NextEra Energy Partners (NEP – 6.7% of AUM) is a pure-play clean energy growth vehicle with a terrific portfolio of wind and solar assets. Supported by the strong balance sheet of its majority shareholder, NextEra Energy (NYSE: NEE), we believe NEP will continue to benefit from renewable project development, particularly given anticipated regulatory incentives. Shares are currently trading about 32% higher than our average cost, but still 30% below our estimate of Private Market Value. In addition to significant capital appreciation, NEP will likely have the ability to increase its annual distribution from the current level of \$2.38 per share (~3.7% return).

## AVERAGE ANNUAL RETURNS AS OF 6/30/21

	1 Yr	3 Yr	5 Yr	10 Yr	Inception	Annualized Strategy Inception to Date**
Class I	53.88%	9.84%	8.15%	7.19%	7.90%	7.16%
Class AAA	52.91%	9.41%	7.79%	6.88%	7.68%	6.88%
Class A	52.96%	9.42%	7.79%	6.87%	7.70%	6.89%
Class C	51.71%	8.61%	6.99%	6.08%	6.91%	6.09%
Blended Index*	48.75%	14.89%	15.58%	11.65%	11.25%	13.19%
Load Adjusted						
Class A	44.16%	7.28%	6.52%	6.24%	7.34%	6.18%
Class C	50.71%	8.61%	6.99%	6.08%	6.91%	6.09%
		Class AAA	Class A	Class C	Class I	
Gross Expense Ratio <sup>1</sup>		1.71%	1.71%	2.46%	1.46%	
Expense Ratio after Reimbursement from Adviser <sup>2</sup>		1.71%	1.71%	2.46%	0.80%	
Maximum Sales Charge		None	5.75%	1.00%	None	

<sup>1</sup>Expense ratio based on prospectus dated January 28, 2021.

<sup>2</sup>Net expense ratio after reimbursement by the Adviser. Good through January 28, 2022 unless terminated early by the Fund's Board of Directors

\*The Blended Index is comprised of 50% Russell 2500, 25% Russell 1000, and 25% MSCI ACWI Ex-US

\*\* 1/1/12-6/30/21

## CHARACTERISTICS AND VALUATIONS AS OF 6/30/21

Dividend Yield	3.2%
Price/Earnings Trailing*	20.9
Price/Earnings FY1*	18.4
Estimated 3-5 Yr EPS Growth	17.4

\*Weighted harmonic Average

## PORTFOLIO BREAKDOWN

Domestic Equity	83.0%
Foreign Equity	3.9%
Preferred Securities	11.7%
Cash	1.4%
Fixed Income	0.0%

## MARKET CAPITALIZATION

Large Cap > \$12 Bil.	49%
Mid Cap \$3.0 - \$12 Bil.	33%
Small Cap < \$3 Bil.	18%

Returns represent past performance and do not guarantee future results. Due to market volatility, current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so, upon redemption, shares may be worth more or less than their original cost. To obtain the most recent month end performance information and a prospectus, please call 800-GABELLI or visit [www.gabelli.com](http://www.gabelli.com).

\*The inception date of the Fund was December 31, 2002. The Class AAA Shares' net asset values 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 Class I Shares on January 11, 2008. The actual performance for Class A and Class C Shares would have been lower and Class I Shares higher due to the different expenses associated with those classes of shares. Performance for periods less than one year is not annualized. Class A Shares (load adjusted) includes the effect of the maximum 5.75% sales charge at the beginning of the period. Class C Shares (load adjusted) includes the effect of the applicable 1% contingent deferred sales charge for shares redeemed up to and including the last day of the twelfth month after purchase. The Adviser reimbursed certain expenses to limit the expense ratio during the period from inception. Had such limitation not been in place, returns would have been lower. The fund imposes a 2% redemption fee on shares sold or exchanged in seven days or less after the date of purchase. The S&P 500 Index is an unmanaged indicator of stock market performance, it's returns do not reflect any fees, expenses, or sales charges, and it is not available for direct deposit.

The Fund is classified as a "non-diversified" mutual fund, which means that a greater proportion of its assets may be invested in the securities of a single issuer than a "diversified" mutual fund. As a non-diversified mutual fund, more of the Fund's assets may be focused in the common stocks of a small number of issuers, which may make the value of the Fund's shares more sensitive to changes in the market value of a single issuer or industry than shares of a diversified mutual fund. Not FDIC Insured. Not Bank Guaranteed. May Lose Value.

The Gabelli Mutual Funds are distributed by G.Distributors, LLC., a registered broker-dealer and member of FINRA.

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