GURUFOLIO

GAMCO INVESTORS

MARIO GABELLI PORTFOLIO

Portfolio Date: 2018-12-31
Updated on 2019-01-30

Portfolio Overview

Portfolio:	GAMCO Investors
Fund Type:	Mutual Fund Company
Portfolio Date:	2018-12-31
Number of Stocks:	779
Equity Value:	$11.81 Billion
Number of New Buys:	33
Q/Q Turnover:	4%

GuruFocus.com, LLC
3400 Silverstone Dr., Suite 172
Plano, TX 75023-7843
Phone: 469-248-6885
Website: http://www.gurufocus.com
E-mail: gurufocus@gurufocus.com

I. Portfolio Overview, Profile

Portfolio Overview

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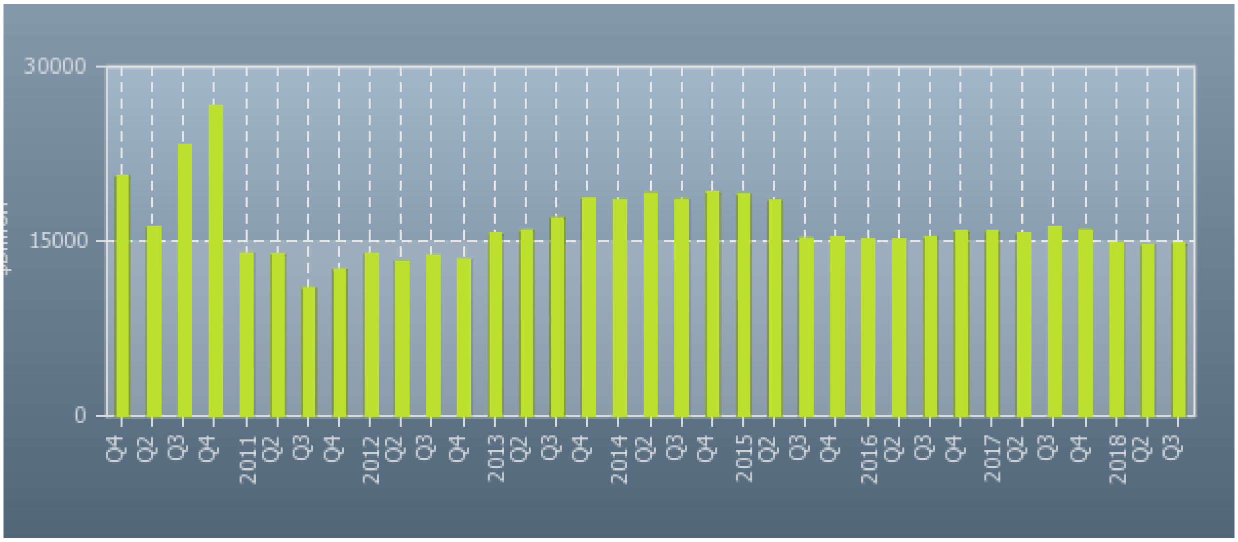
Profile

He is the founder, chairman, and CEO of Gabelli Asset Management Company Investors (GAMCO Investors) a $30 billion dollar global investment firm headquartered in Rye, New York. Forbes magazine's 2006 Forbes 400 rankings listed him as #346 on the list of wealthiest Americans and estimated his net worth at $1.0 billion.

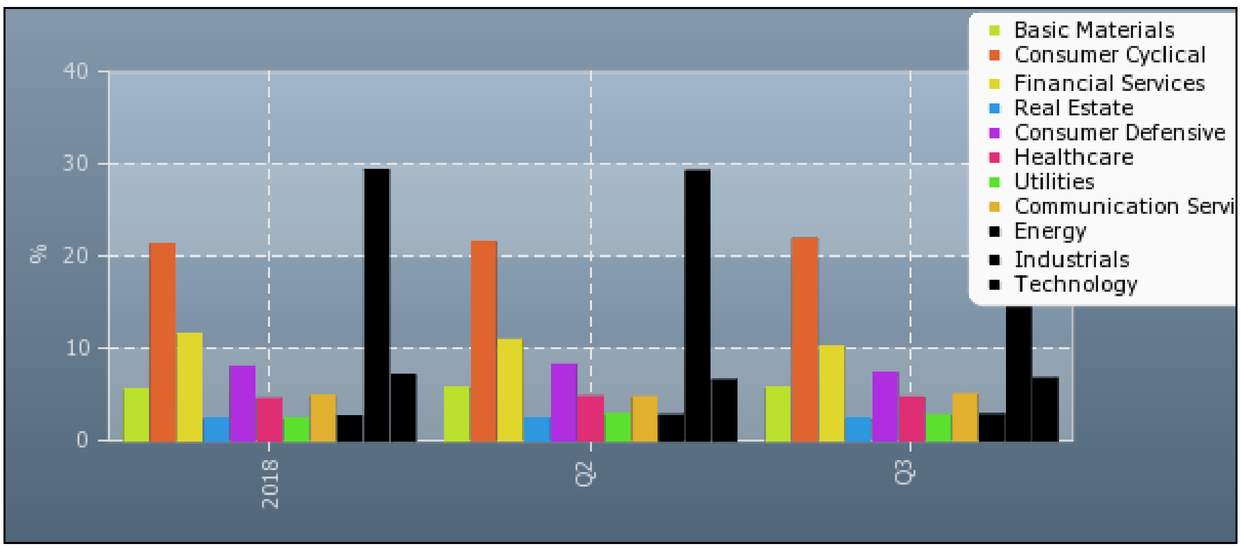
II. Performance of Asset Fund Class AAA

Year	Return (%)	S&P 500 (%)	Excess Gain (%)
2017	20.16	21.71	-1.5
2016	11.58	11.99	-0.4
2015	-5.87	1.24	-7.1
2014	4.89	13.47	-8.6
2013	32.37	32.3	0.1
5-Year Cumulative (Average)	**75.2 (11.9%/year)**	**107.2 (15.7%/year)**	**-32 (-3.8%/year)**
2012	16	15.99	0.0
2011	-0.43	1.9	-2.3
2010	23.07	15.05	8.0
2009	30.54	26.35	4.2
2008	-37.2	-36.79	-0.4
10-Year Cumulative (Average)	**104.2 (7.4%/year)**	**125 (8.4%/year)**	**-20.8 (-1%/year)**
2007	11.84	5.14	6.7
2006	21.84	15.85	6.0
2005	4.42	4.83	-0.4
2004	16.5	10.7	5.8
2003	30.57	28.19	2.4
15-Year Cumulative (Average)	**342 (10.4%/year)**	**307.7 (9.8%/year)**	**34.3 (0.6%/year)**
2002	-14.27	-21.58	7.3
2001	0.16	-11.76	11.9
2000	-2.37	-9.75	7.4
1999	28.49	20.4	8.1
1998	15.93	28.7	-12.8
20-Year Cumulative (Average)	**451.9 (8.9%/year)**	**294.5 (7.1%/year)**	**157.4 (1.8%/year)**
1997	38.07	33.47	4.6
1996	13.36	22.49	-9.1
1995	24.94	38.04	-13.1
1994	-0.15	0.4	-0.6
1993	21.84	10.08	11.8
25-Year Cumulative (Average)	**1213 (10.8%/year)**	**883.9 (9.6%/year)**	**329.1 (1.2%/year)**
1992	14.89	7.62	7.3
1991	18.14	30.47	-12.3
1990	-5.8	-3.1	-2.7
1989	27.22	31.69	-4.5
1988	31.11	16.61	14.5
30-Year Cumulative (Average)	**2700.1 (11.7%/year)**	**1955.8 (10.6%/year)**	**744.3 (1.1%/year)**
1987	16.2	5.1	11.1

III. Historical Total Value ($Billion) of Filings



IV. Industry/Sector Shift in Past 12 Months



V. ETF Holdings

These are the ETF stocks in the portfolio of Mario Gabelli.

Ticker	ETF	Shares (1000)	Value ($Mil) ↓	Weighting as of 2018-12-31 (%)	Share # Change from Last Period
DRIV	Global X Autonomous & Electric Vehicles ETF	74.0	1.8	0.01%	New Buy
KRE	SPDR S&P Regional Banking	40.0	1.6	0.01%	
SDS	ProShares UltraShort S&P500	55.0	1.2	0.01%	+17.02%
VCSH	Vanguard Short-Term Corporate Bond ETF	9.7	0.8	0%	
XLF	SPDR Select Sector Fund - Financial	29.0	0.7	0%	
GCVRZ	Sanofi Contingent Value Right (Expiring 12/31/2020	179.4	0.1	0%	-40.88%

VI. Comments by Mario Gabelli on Stocks in the Portfolio

Mario Gabelli Comments on Xylem

Xylem (XYL) (1.2%) (XYL â€“ $79.87 â€“ 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 expects to generate mid-teens earnings per share growth through 2020 as it accelerates its capital deployment strategy globally. The company is currently building out its infrastructure analytics capabilities as it integrates companies it has acquired in the past several years such as Sensus, Hypack, and Pure Technologies.

From Mario Gabelli (Trades, Portfolio)'s third-quarter 2018 Gabelli Asset Funds shareholder letter.

Mario Gabelli Comments on Viacom

Viacom (VIA) (0.7%) (VIA â€“ $36.55, VIAB â€“ $33.76 â€“ NASDAQ) is a pure-play content company that owns a global stable of cable networks, including MTV, Nickelodeon, Comedy Central, VH1, BET, and the Paramount movie studio. Viacomâ€™s cable networks generate revenue from advertising sales, fixed monthly subscriber fees, and ancillary revenue from toy licensing, etc. We believe a low valuation and M&A potential outweigh the secular risks of cord-cutting.

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Mario Gabelli Comments on Twenty-First Century Fox Inc.

Twenty-First Century Fox Inc. (NASDAQ:FOXA) (3.3%) (FOXA â€“ $46.33, FOX â€“ $45.82 â€“ NASDAQ) is a diversified media company with operations in cable network television, television broadcasting, and filmed entertainment. FOX is in the process of selling the companyâ€™s cable, international, and entertainment assets to Disney for $72 billion or ~$38 per share. Following the transaction, FOXA will consist of Fox News and The Fox Broadcasting Company. The companyâ€™s concentration in live news and sports programming will be a significant advantage as it negotiates with both traditional and entrant distributors. Pro forma for the Disney transaction, FOXA is trading at 7.2x EBITDA, which we view as attractive.

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Mario Gabelli Comments on Sony

Sony (NYSE:SNE) (2.0%) (SNE â€“ $60.65 â€“ NYSE) is a diversified electronics and entertainment company based in Tokyo, Japan. The company manufactures image sensors, televisions, PlayStation game consoles, mobile phone handsets, and cameras. It also operates the Columbia film studio and Sony Music entertainment group. We expect growth opportunity in image sensor and game businesses and operational improvements in consumer electronics and entertainment to generate EBITDA growth through 2018. We also think the potential spinoff of the entertainment assets could be a catalyst.

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Mario Gabelli Comments on MGM Resorts International

MGM Resorts International (NYSE:MGM) (0.4%) (MGM â€“ $27.91 â€“ NYSE) is the Las Vegas-based owner and operator of 17 casino resorts, 73% of an associated REIT MGM Growth Properties (MGP), 56% of MGM China (2282-HK) and 50% of CityCenter Las Vegas. Following a weak 2018, MGM will have easy performance comparisons immediately following the openings of capital projects in Las Vegas and Massachusetts, and as VIP operations ramp at its second Macau casino, MGM Cotai. We continue to believe that an inflection in free cash flow generation, which we expect to begin in the fourth quarter of 2018, is the key to closing a large gap between the current stock price and our Private Market Value estimate, which is based on a sum of the parts valuation of its assets.

From Mario Gabelli (Trades, Portfolio)'s third-quarter 2018 Gabelli Asset Funds shareholder letter.

Mario Gabelli Comments on Madison Square Garden

Madison Square Garden Co. (NYSE:MSG) (1.6%) (MSG â€“ $315.32 â€“ NYSE) is an integrated sports and entertainment company that owns the New York Knicks, the New York Rangers, the Radio City Christmas Spectacular, The Forum, and that iconic New York venue, Madison Square Garden. These evergreen content and venue assets benefit from sustainable barriers to entry and long term secular growth. MSG completed the separation of its associated regional sports networks in September 2015, leaving a reliable cash flow stream for MSG to reinvest and repurchase shares. In June 2018, the company disclosed that it was exploring the spin-off of its teams, which we think could further surface value, especially as MSG expands its venue portfolio.

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Mario Gabelli Comments on Flowers Foods Inc.

Flowserve (NYSE:FLS) (1.1%) (FLS â€“ $54.69 â€“ NYSE) is a leading manufacturer of pumps, valves, and seals for the oil and gas, chemical, power generation, water treatment, and general industrial markets. Flowserve is benefiting from increasing project activity across its core oil and gas, petrochemical, and chemical end markets in the U.S., Middle East, and Asia. As one of the largest providers of pumps and valves into these end markets, Flowserve stands to benefit from the release of budgetary dollars on these long-cycle capital projects. The companyâ€™s operating performance is also beginning to show early signs of improvement under the leadership of CEO Scott Rowe, who took the helm in April 2017.

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Mario Gabelli Comments on Flowers Foods Inc.

Flowers Foods Inc. (NYSE:FLO) (0.2%) (FLO â€“ $18.66 â€“ NYSE) is the second-leading manufacturer and marketer in the fresh bread category. Fresh bakery is one of the largest retail categories generating $24 billion in retail sales. The bread category has undergone considerable consolidation over the last decade as the three largest manufacturersâ€™ branded products represent approximately 51% of the market. Flowers continues to shift its portfolio to faster-growing segments of the baking industry, including premium, specialty, in-store bakery and organics. In 2015, the company acquired Daveâ€™s Killer Bread, which is the leading organic bread brand in the U.S. with nearly 60% market share growing strong double-digits. In conjunction with growing sales, the company is implementing its multiyear cost savings initiatives associated with Project Centennial, which is expected to contribute to EBITDA margin improvement of 250 basis points through 2021.

From Mario Gabelli (Trades, Portfolio)'s third-quarter 2018 Gabelli Asset Funds shareholder letter.

Mario Gabelli Comments on Discovery Communications

Discovery Communications (NASDAQ:DISCA) (0.8%) (DISCA â€“ $32.00, DISCK â€“ $29.58 â€“ NASDAQ) located in Silver Spring, Maryland, is a global nonfiction media & entertainment company that provides programming to pay-TV distributors through network brands such as the Discovery Channel, TLC, Animal Planet, HGTV, Food Network, and ID. On September 12, 2018, Discovery reached a vMVPD distribution agreement with Hulu and announced a contract renewal with Dish Network which includes carriage on Dishâ€™s Sling TV. In addition to providing ~2.5 million additional subscribers, the agreements highlight the value of Discoveryâ€™s content. The news should reduce investor concerns that Discovery is losing relevance in U.S. markets. Separately, management believes 1) Scripps synergies, estimated at $600 million, are tracking ahead of expectations, 2) affiliate fees should see a significant step-up in 2019, and 3) the company will be at or below 4.0x debt to EBITDA by year-end. Discovery has an enviable business model. About 50% of revenue is generated from long-term agreements with pay-TV distributors and the company is exposed to secular growth in the international pay-TV industry. Industry leading margins are especially attractive given the low capital intensity of the cable network business. We expect the acquisition of Scripps Networks to provide meaningful cost synergies as well as improved scale. We also believe Discovery could be an attractive acquisition target for a number of larger media companies given the acceleration in industry consolidation. DISCA trades at 9.0x 2019P EBITDA, which compares favorably to recent transactions: Time Warner was purchased at 13x EBITDA; Disney is paying 15.5x EBITDA for FOXâ€™s assets.

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Mario Gabelli Comments on Clear Channel Outdoor Holdings

Clear Channel Outdoor Holdings (NYSE:CCO) (0.1%) (CCO â€“ $5.95 â€“ NYSE) located in San Antonio, Texas, is an outdoor advertising company with billboards, street furniture, transit, and digital displays in global markets. Outdoor advertising represents 4%-6% of total advertising, reaches consumers outside of the home where the propensity to spend is greater, and it cannot be skipped or blocked. iHeart Communication controls CCO with ~87% of the economic and 99% of the vote. iHeart is currently negotiating a bankruptcy exit with its creditors, which include CCO. CCO has businesses in both the U.S. and international markets that could be attractive to a global outdoor operator. We expect that the exit of iHeart from bankruptcy and distribution of iHeartâ€™s stake in CCO to creditors could be a catalyst for shares.

From Mario Gabelli (Trades, Portfolio)'s third-quarter 2018 Gabelli Asset Funds shareholder letter.

Mario Gabelli Comments on Brown-Forman Corp

Brown-Forman Corp. (BFA) (2.3%) (BFA/BFB â€“ $50.80/$50.55 â€“ NYSE) is a leading global distilled spirits producer. Spirits is an advantaged category that enjoys high margins, low capital requirements, strong free cash flow generation, and good pricing power. The companyâ€™s global brands include Jack Danielâ€™s Tennessee whiskey, Finlandia vodka, Woodford Reserve bourbon, and el Jimador and Herradura tequilas. Jack Danielâ€™s is one of the worldâ€™s most valuable spirits brands, enjoying strong growth both in the U.S. and internationally as consumers increasingly choose to drink American whiskies. The company has also successfully expanded the brand into the fast growing flavored whiskey category. While Brown-Forman does face some near term headwinds from ongoing trade disputes, emerging market sales have returned to growth, and the company is positioned to grow revenues and profits substantially over the next several years, and has significant balance sheet flexibility. While the company is family controlled, we believe that if it ever became available for sale it would be highly coveted by other large global spirits players.

From Mario Gabelli (Trades, Portfolio)'s third-quarter 2018 Gabelli Asset Funds shareholder letter.

Mario Gabelli Comments on AMETEK

AMETEK (NYSE:AME) (2.1% of net assets as of September 30, 2018) (AME â€“ $79.12 â€“ NYSE) is a diversified supplier of highly engineered equipment used in a broad array of industrial end markets. The company offers a diverse product portfolio including test and measurement, metrology, and precision motion control equipment in addition to specialty materials and aftermarket services. Through July 2018, AMETEK has spent $370 million acquiring three businesses (following $560 million spent on three acquisitions during full-year 2017). As of June 30, 2018, the company had $560 million of cash on its balance sheet and over $700 million of availability on its revolver and management expects to remain active on the acquisition front. Organic sales growth has also been strong, up 8% year-over-year during the first half of 2018 and AMETEK finished Q2 2018 with a record backlog of $1.6 billion.

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Viacom Inc. (5.6%) (NASDAQ:VIA) (VIA â€“ $36.55 â€“ NASDAQ) is a pure-play content company that owns a global stable of cable networks, including MTV, Nickelodeon, Comedy Central, VH1, BET, and the Paramount movie studio. Viacomâ€™s cable networks generate revenue from advertising sales, fixed monthly subscriber fees, and ancillary revenue from toy licensing, etc. We believe a low valuation and M&A potential outweigh the secular risks of cord-cutting.

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Twenty-First Century Fox, Inc Fox (2.9%) (NASDAQ:FOXA) (FOXA â€“ $46.33, FOX â€“ $45.82 â€“ NASDAQ) is a diversified media company with operations in cable network television, television broadcasting, and filmed entertainment. FOX is in the process of selling the companyâ€™s cable, international, and entertainment assets to Disney for $72 billion or ~$38 per share. Following the transaction, FOXA will consist of Fox News and The Fox Broadcasting Company. The companyâ€™s concentration in live news and sports programming will be a significant advantage as it negotiates with both traditional and entrant distributors. Pro forma for the Disney transaction, FOXA is trading at 7.2x EBITDA, which we view as attractive.

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Mario Gabelli Comments on Sony Corp

Sony Corp. (6.3%) (NYSE:SNE) (SNE â€“ $60.65 â€“ NYSE) is a diversified electronics and entertainment company based in Tokyo, Japan. The company manufactures image sensors, televisions, PlayStation game consoles, mobile phone handsets, and cameras. It also operates the Columbia film studio and Sony Music entertainment group. We expect growth opportunity in image sensor and game businesses and operational improvements in consumer electronics and entertainment to generate EBITDA growth through 2018. We also think the potential spinoff of the entertainment assets could be a catalyst.

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Mario Gabelli Comments on Ryman Hospitality Properties

Ryman Hospitality Properties Inc. (2.2%) (NYSE:RHP) (RHP â€“ $86.17 â€“ NYSE) is the owner of five large convention-centric hotels under the Gaylord brand. It also owns the Opryland brand and entertainment complex in Nashville, the city of its origin. As such, it has benefited from the growth in country music and consumer preference for live entertainment. The company is structured as a REIT (real estate investment trust), providing an extra level of tax efficiency to enhance its investment attraction. The companyâ€™s hotels are group-centric, and revenues and bookings have remained strong due to its long and steady economic expansion in the United States. Future growth should come from new hotels (probably established as joint ventures) as well as development of additional live entertainment venues, one of which will open in Orlando later this year, and development of country music-focused content.

From Mario Gabelli (Trades, Portfolio)'s third-quarter 2018 shareholder letter.

Mario Gabelli Comments on Republic Services

Republic Services Inc. (3.9%) (NYSE:RSG) (RSG â€“ $72.66 â€“ NYSE), based in Phoenix, Arizona, became the second largest solid waste company in North America after its acquisition of Allied Waste Industries in December 2008. Republic provides nonhazardous solid waste collection services for commercial, industrial, municipal, and residential customers in 39 states and Puerto Rico. Republic serves more than 2,800 municipalities and operates 194 landfills, 209 transfer stations, 349 collection operations, and 92 recycling facilities. Since the Allied merger, Republic has benefited from synergies driven by route density, beneficial use of acquired assets, and reduction in redundant corporate overhead. Republic is committed to its core solid waste business. While other providers have strayed into alternative waste resource technologies and strategies, we view Republicâ€™s plan to remain steadfast in the traditional solid waste business positively. We expect continued solid waste growth acquisitions, earnings improvement, and incremental route density and internalization growth in already established markets to generate real value in the near to medium term, highlighting the companyâ€™s potential.

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Mario Gabelli Comments on Newmont Mining Corp

Newmont Mining Corp. (NYSE:NEM) (2.9%) (NEM â€“ $30.20 â€“ NYSE) based in Denver, Colorado, is one of the largest gold mining companies in the world. Founded in 1921 and publicly traded since 1925, NEM is the only gold company included in the S&P 500 Index and Fortune 500. We expect the company to produce approximately 5.2 million ounces of gold and 120 million pounds of copper in 2018, with approximately 70% of this production coming from the United States and Australia. Newmont undertook company wide cost cutting measures during the period 2013 â€“ 2017, lowering its average unit costs base by over 20% during this period. The company has sold non-core assets and has deployed the proceeds from these sales into repaying debt and building new projects which it expects will generate superior rates of return for shareholders. Given Newmontâ€™s largely fixed cost base, every increase (or decrease) in the gold price will flow directly to the companyâ€™s bottom line.

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Mario Gabelli Comments on Liberty Braves Group

Liberty Braves Group (NASDAQ:BATRA) (0.8%) (BATRA â€“ $27.28 / BATRK â€“ $27.25 â€“ NASDAQ), located in Cobb County, Georgia, was founded in 1871 and is the oldest continuously operating professional sports franchise in the U.S. The Atlanta Bravesâ€™ second season at the 41,500 seat SunTrust Park resulted in a 2% increase in average attendance to 31,553 as the young team returned to the playoffs after an absence of five years. The Braves have benefited from the increase in sports team valuations with Forbesâ€™ Braves valuation increasing 41% over the last three years to $1.65 billion, in-line with MLBâ€™s 39% increase. Continued team performance combined with a low payroll effectively locked in for three/four years with a young â€œcontrollableâ€ core and a top farm system could drive valuation further. The Braves continue to benefit from MLB broadcast contracts with new broadcasters such as Facebook and potential legal sports (PAPSA) betting revenue. The high stadium attendance supports the 66 acre mixed use real estate development, which is continuing to expand with the new Thyssenkrupp Elevator Americas and Aloft Hotel. The residential property was recently sold for $155 million which bodes well for the $600 million mixed use development which is â€œhiddenâ€ within the group.

From Mario Gabelli (Trades, Portfolio)'s third-quarter 2018 shareholder letter.

Mario Gabelli Comments on Honeywell International

Honeywell International Inc. (NYSE:HON)(3.3%) (HON â€“ $166.40 â€“ NYSE) operates as a diversified technology company with highly engineered products, including turbine propulsion engines, auxiliary power units, aircraft brake pads, environmental control systems, engine controls, communications and navigation systems, sensors, home automation, catalysts and absorbents and process technology for the petrochemical and refining industries and warehouse automation equipment and software. One of the key drivers of HONâ€™s growth is acquisitions that increase the companyâ€™s growth profile globally, creating both organic and inorganic opportunities. The company recently announced its plan to spin-off its Homes product portfolio and ADI Global Distribution businesses as well as its Transportation Systems business into two publicly-traded companies.

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Discovery Communications Inc. (NASDAQ:DISCA)(1.6%) (DISCA â€“ $32.00, DISCK â€“ $29.58 â€“ NASDAQ) is a global nonfiction media and entertainment company that provides programming to pay-TV distributors through network brands such as the Discovery Channel, TLC, Animal Planet, HGTV, Food Network, and ID. On September 12, 2018, Discovery reached a vMVPD distribution agreement with Hulu and announced a contract renewal with Dish Network which includes carriage on Dishâ€™s Sling TV. In addition to providing ~2.5 million additional subscribers, the agreements highlight the value of Discoveryâ€™s content. The news should reduce investor concerns that Discovery is losing relevance in U.S. markets. Separately, management believes 1) Scripps synergies, estimated at $600 million, are tracking ahead of expectations, 2) affiliate fees should see a significant step-up in 2019, and 3) the company will be at or below 4.0x debt to EBITDA by year-end. Discovery has an enviable business model. About 50% of revenue is generated from long-term agreements with pay-TV distributors and the company is exposed to secular growth in the international pay-TV industry. Industry leading margins are especially attractive given the low capital intensity of the cable network business. We expect the acquisition of Scripps Networks to provide meaningful cost synergies as well as improved scale. We also believe Discovery could be an attractive acquisition target for a number of larger media companies given the acceleration in industry consolidation. DISCA trades at 9.0x 2019P EBITDA, which compares favorably to recent transactions: Time Warner was purchased at 13x EBITDA; Disney is paying 15.5x EBITDA for FOXâ€™s assets.

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Mario Gabelli Comments on Bank of New York Mellon Corp

Bank of New York Mellon Corp. (NYSE:BK) (3.2% net assets as of September 30,2018) (BK â€“ $50.99 â€“ NYSE) is a global leader in providing financial services to institutions and individuals. The company operates in more than 100 markets worldwide and strives to be the global provider of choice for investment management and investment services. As of September 2018, the firm had $34.5 trillion in assets under custody and $1.8 trillion in assets under management. Going forward, we expect BK to benefit from rising global incomes and the cross border movement of financial transactions. We believe BK is also well positioned to grow earnings in a rising interest rate environment, given its large customer cash deposits and significant loan book.

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Mario Gabelli Comments on Xylem Inc.

XylemInc. (NYSE:XYL) (1.1%)(XYLâ€“$67.38â€“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 expects to generate mid-teens earnings per share growth through 2020 as it accelerates its capital deployment strategy globally. The company is currently building out its infrastructure analytics capabilities as it integrates companies it has acquired in the past several years such as Sensus, Hypack, and Pure Technologies.

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Mario Gabelli Comments on Twenty-First Century Fox Inc.

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Mario Gabelli Comments on Republic Services Inc.

RepublicServicesInc. (NYSE:RSG) (1.5%)(RSGâ€“$68.36â€“NYSE) based in Phoenix, Arizona, became the second largest solid waste company in North America after its acquisition of Allied Waste Industries in December 2008. Republic provides nonhazardous solid waste collection services for commercial, industrial, municipal, and residential customers in thirty-nine states and Puerto Rico. Republic serves more than 2,800 municipalities and operates 195 landfills, 204 transfer stations, 343 collection operations, and 90 recycling facilities. Since the Allied merger, Republic has benefited from synergies driven by route density, beneficial use of acquired assets, and reduction in redundant corporate overhead. Republic is committed to its core solid waste business. While other providers have strayed into alternative waste resource technologies and strategies, we view Republicâ€™s plan to remain steadfast in the traditional solid waste business positively. We expect continued solid waste growth acquisitions, earnings improvement, and incremental route density and internalization growth in already established markets to generate real value in the near to medium term, highlighting the companyâ€™s potential.

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From Mario Gabelli (Trades, Portfolio)'s Gabelli Asset Fund second quarter 2018 shareholder letter.

Mario Gabelli Comments on Discovery Communications

DiscoveryCommunications,Inc. (NASDAQ:DISCK) (0.8%)(DISCK/DISCAâ€“$25.50/$27.50â€“NASDAQ) located in Silver Spring, Maryland, is a global nonfiction media and entertainment company that provides programming to pay-TV distributors through network brands such as the Discovery Channel, TLC, Animal Planet, HGTV, Food Network, and ID. Discovery has an enviable business model. About 50% of revenue is generated from long-term agreements with pay-TV distributors and the company is exposed to secular growth in the international pay-TV industry. Industry leading margins are especially attractive given the low capital intensity of the cable network business. We expect the acquisition of Scripps Networks to provide meaningful cost synergies as well as improved scale. We also believe Discovery could be an attractive acquisition target for a number of larger media companies given the acceleration in industry consolidation. DISCA trades at 7.5x 2019P EBITDA which compares favorably to recent transactions: TWX was purchased at 13x EBITDA; Disney is bidding 15.5x EBITDA for FOXâ€™s assets.

From Mario Gabelli (Trades, Portfolio)'s Gabelli Asset Fund second quarter 2018 shareholder letter.

Mario Gabelli Comments on CNH Industrial NV

CNH Industrial NV (NYSE:CNHI) (0.7%) (CNHI â€“ $10.53/â‚¬9.10 â€“ NYSE/Borsa Italiana) with headquarters in London, England, and Burr Ridge, Illinois, is a global capital equipment manufacturer that was demerged from parent Fiat in 2013. CNHI is unique in that it has leading positions in a variety of global machinery markets. It is best known for its agricultural equipment business, consisting of Case IH, New Holland Agriculture, and Steyr brands. The companyâ€™s other businesses include Iveco, a leading global truck and bus manufacturer, as well as Case and New Holland construction machinery. Finally, FPT Industrial provides engines and transmissions for the companyâ€™s captive businesses and also sells to other machinery manufacturers. CNHI is well positioned, not only for a cyclical recovery in its agricultural and equipment end markets, but also for significant cash flow generation in the years ahead.

From Mario Gabelli (Trades, Portfolio)'s Gabelli Asset Fund second quarter 2018 shareholder letter.

Mario Gabelli Comments on Brown-Forman Corp

Brown-FormanCorp. (BFA) (2.3%)(BFA/BFBâ€“$48.86/$49.01â€“NYSE) is a leading global distilled spirits producer. Spirits is an advantaged category that enjoys high margins, low capital requirements, strong free cash flow generation, and good pricing power. The companyâ€™s global brands include Jack Danielâ€™s Tennessee whiskey, Finlandia vodka, Woodford Reserve bourbon, and el Jimador and Herradura tequilas. Jack Danielâ€™s is one of the worldâ€™s most valuable spirits brands, enjoying strong growth both in the U.S. and internationally as consumers increasingly choose to drink American whiskies. The company has also successfully expanded the brand into the fast growing flavored whiskey category. While Brown-Forman does face some near term headwinds from negative foreign currency exposure, emerging market sales have returned to growth, and the company is positioned to grow revenues and profits substantially over the next several years, and has significant balance sheet flexibility. While the company is family controlled, we believe that if it ever became available for sale it would be highly coveted by other large global spirits players.

From Mario Gabelli (Trades, Portfolio)'s Gabelli Asset Fund second quarter 2018 shareholder letter.

Mario Gabelli Comments on Bank of New York Mellon Corp

*Bank of New York Mellon Corp (NYSE:BK) (1.4%)(BK â€“$53.93 â€“NYSE)*is a global leader in providing financial services to institutions and individuals. The company operates in more than 100 markets worldwide and strives to be the global provider of choice for investment management and investment services. As of June 30, 2018, the firm had $33.6 trillion in assets under custody and $1.9 trillion in assets under management. Going forward, we expect BK to benefit from rising global incomes and the cross border movement of financial transactions. We believe BK is also well positioned to grow earnings in a rising interest rate environment, given its large customer cash deposits and significant loan book.

From Mario Gabelli (Trades, Portfolio)'s Gabelli Asset Fund second quarter 2018 shareholder letter.

Mario Gabelli Comments on AMETEK Inc.

AMETEK Inc. (NYSE:AME) (2.0%)(AMEâ€“$72.16â€“NYSE) is a diversified supplier of highly engineered equipment used in a broad array of industrial end markets. The company offers a diverse product portfolio including test and measurement, metrology, and precision motion control equipment in addition to specialty materials and aftermarket services. Thus far in 2018, AMETEK has spent $270 million acquiring two businesses (following $560 million spent on three acquisitions during full-year 2017). The company currently has over $550 million of cash on its balance sheet and over $800 million of availability on its revolver and expects to remain active on the acquisition front. While the stock traded down during Q2 as concerns have heightened around trade barriers and input cost inflation, AMETEK has demonstrated consistent pricing power and expects to more than offset cost inflation via price increases this year.

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Mario Gabelli Comments on American Express

AmericanExpress (NYSE:AXP) (1.1%ofnetassetsasofJune30,2018)(AXP â€"$98.00 â€"NYSE) â€" is the largest closed loop credit card company in the world. The company operates its eponymous premiere branded payment network and lends to its largely affluent customer base. American Express has 113 million cards in force and nearly $70 billion in loans, while its customers charged over $1.1 trillion of spending on their cards in 2017. The companyâ€™s strong consumer brand has allowed American Express to enter the deposit gathering market as an alternate source of funding, while the companyâ€™s affluent customers have picked up spending. Longer term, American Express should capitalize on its higher spending customer base and continue to expand into other payment related businesses, such as corporate purchasing, while also growing in emerging markets. Similarly, the company is looking at the growing success of social media as an opportunity to expand its product base and payment options.

From Mario Gabelli (Trades, Portfolio)'s Gabelli Asset Fund second quarter 2018 shareholder letter.

Mario Gabelli Comments on Viacom Inc.

Viacom Inc. (NASDAQ:VIA) (5.5%)(VIAâ€"$35.45â€"NASDAQ) is a pure-play content company that owns a global stable of cable networks, including MTV, Nickelodeon, Comedy Central, VH1, BET, and the Paramount movie studio. Viacomâ€™s cable networks generate revenue from advertising sales, fixed monthly subscriber fees, and ancillary revenue from toy licensing, etc. We believe a low valuation and M&A potential outweigh the secular risks of cord-cutting.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on Twenty-First Century Fox

Twenty-First Century Foxâ€"(3.0%) (NASDAQ:FOXA)(FOXA/FOXâ€"$49.69/$49.27â€"NASDAQ) is a diversified media company with operations in cable network television, television broadcasting, and filmed entertainment. FOX is in the process of selling the companyâ€™s cable, international, and entertainment assets to Disney for $72 billion or ~$38 per share. Following the transaction, FOXA will consist of Fox News and The Fox Broadcasting Company. The companyâ€™s concentration in live news and sports programming will be a significant advantage as it negotiates with both traditional and entrant distributors. Pro forma for the Disney transaction, FOXA is trading at 7.2x EBITDA, which we view as attractive.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on Sony Corp

Sony Corp. (NYSE:SNE) (5.6%)(SNEâ€“$51.26â€“NYSE) is a diversified electronics and entertainment company based in Tokyo, Japan. The company manufactures image sensors, televisions, PlayStation game consoles, mobile phone handsets, and cameras. It also operates the Columbia film studio and Sony Music entertainment group. We expect growth opportunity in image sensor and Game business and operational improvements in consumer electronics and entertainment to generate EBITDA growth through 2018. We also think the potential spinoff of the entertainment assets could be a catalyst.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on Republic Services Inc.

Republic Services Inc. (NYSE:RSG) (4.0%)(RSGâ€“$68.36â€“NYSE) based in Phoenix, Arizona, became the second largest solid waste company in North America after its acquisition of Allied Waste Industries in December 2008. Republic provides nonhazardous solid waste collection services for commercial, industrial, municipal, and residential customers in 39 states and Puerto Rico. Republic serves more than 2,800 municipalities and operates 195 landfills, 204 transfer stations, 343 collection operations, and 90 recycling facilities. Since the Allied merger, Republic has benefited from synergies driven by route density, beneficial use of acquired assets, and reduction in redundant corporate overhead. Republic is committed to its core solid waste business. While other providers have strayed into alternative waste resource technologies and strategies, we view Republicâ€™s plan to remain steadfast in the traditional solid waste business positively. We expect continued solid waste growth acquisitions, earnings improvement, and incremental route density and internalization growth in already established markets to generate real value in the near to medium term, highlighting the companyâ€™s potential.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on Newmont Mining Corp

*Newmont Mining Corp. (NYSE:NEM) (3.7%)(NEMâ€“$37.71â€“NYSE)*based in Denver, Colorado, is one of the largest gold mining companies in the world. Founded in 1921 and publicly traded since 1925, NEM is the only gold company included in the S&P 500 Index and Fortune 500. We expect the company to produce approximately 5.2 million ounces of gold and 120 million pounds of copper in 2018, with approximately 70% of this production coming from the United States and Australia. Newmont undertook company wide cost cutting measures during the period 2013 â€“ 2017, lowering its average unit costs base by over 20% during this period. The company has sold non-core assets and has deployed the proceeds from these sales into repaying debt and building new projects which it expects will generate superior rates of return for shareholders. Given Newmontâ€™s largely fixed cost base, every increase (or decrease) in the gold price will flow directly to the companyâ€™s bottom line.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on Madison Square Garden Co.

Madison Square Garden Co. (NYSE:MSG)(5.2%) (MSG â€“ $310.19 â€“ NYSE) is an integrated sports and entertainment company that owns the New York Knicks, the New York Rangers, the Radio City Christmas Spectacular, The Forum, and that iconic New York venue, Madison Square Garden. These evergreen content and venue assets benefit from sustainable barriers to entry and long term secular growth. MSG completed the separation of its associated regional sports networks in September 2015, leaving a reliable cash flow stream for MSG to reinvest and repurchase shares. In June 2018, the company disclosed that it was exploring the spin-off of its teams, which we think could further surface value, especially as MSG expands its venue portfolio.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on Honeywell International Inc.

Honeywell International Inc (NYSE:HON)(3.0%)(HONâ€“$144.05â€“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 HONâ€™s growth is acquisitions that increase the companyâ€™s growth profile globally, creating both organic and inorganic opportunities. The company recently announced its plan to spin-off its Homes product portfolio and ADI Global Distribution businesses as well as its Transportation Systems business into two publicly-traded companies.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on CBS Corp

CBS Corp. (NYSE:CBS) (6.9%) (CBS â€“ $56.64 â€“ NYSE) operates the CBS television network and the premium cable network Showtime. It also owns 29 local television stations and 130 radio stations. We believe that CBS has a number of opportunities to generate incremental non-advertising revenue from the sale of existing content through its OTT platforms, online video distributors and retransmission agreements with traditional distributors. In addition, we expect a continued recovery in advertising to contribute to earnings growth. Finally, we believe a combination with Viacom could act as a catalyst.

From Mario Gabelli (Trades, Portfolio)'s Value 25 Fund second-quarter 2018 shareholder letter.

Mario Gabelli Comments on Bank of New York Mellon Corp

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