TOCQUEVILLE
*40 West 57th Street*
*New York, NY 10019*
*800.697.3863*

**The Delafield Fund**

July 17, 2017

Dear Fellow Shareholders:

During the quarter, the Delafield Fund's net asset value increased 1.58%, versus increases of 3.09% for the Standard & Poor's 500 Index ("S&P 500") and 2.46% for the Russell 2000 Index ("Russell 2000"), each on a total return basis.* The Fund's net asset value as of June 30, 2017 was $25.71 per share. The total net asset value amounted to $390,155,447, of which 78.27% was invested in equities, with the balance held in reserve.

Year to date, the Fund's net asset value has increased 4.26% versus increases of 9.34% in the S&P 500 and 4.99% in the Russell 2000, each on a total return basis.

By and large, there has been little change on the political and economic fronts since we last wrote in April. While the stock market anticipates incrementally positive developments, we observe no real tangible progress, and in this environment, we feel our performance in the quarter was modestly satisfactory given our large reserves. As we had cautioned, implementation of President Trump's agenda has indeed been delayed. President Trump's team is still not fully in place, the issues of Obamacare, restructuring of the tax code and repatriation of international cash have not yet been resolved and no infrastructure program has been proposed. The divide between Democrats and Republicans, and Republican in-fighting continue as acute as ever.

Despite the political morass, our economy remains stable. Consumers are growing increasingly healthy, unemployment is low and the savings rate has increased. Interest rates have risen and additional modest increases by the Federal Reserve Board are scheduled later this year, which we continue to believe will be good for the economy as savers will begin to receive some return on their nest eggs. Energy prices, until recently buoyed by the continued restraint in sales of the OPEC nations, have more recently come under pressure due to above normal worldwide inventories and an increase in domestic shale oil production, and so have retraced a good part of their increase. Lower energy prices are, of course, a boost to consumers.

As was the case when we wrote in April, the situation outside the U.S. is unsettled. The U.K. is struggling with Brexit, many of the Latin American countries are politically and economically stressed, the Mideast remains in a quagmire and in Asia, North Korea continues to rattle its saber.

Through the second quarter, the stock market's rise has been heavily influenced by the increase in value of a handful of large technology companies, such as Facebook, Amazon and Apple. Price movements of individual stocks have remained volatile since the preponderance of trading is increasingly driven by computer and ETF activity. It remains difficult to predict the direction of the market with any conviction since valuations are high by historical standards (though such notable and respected pundits as Robert Schiller and Jeremy Grantham have altered their positions and now predict large potential upside to the market).

---

* *The performance data quoted above represents past performance. Past performance does not guarantee future results. The investment return and principle value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. The current performance may be lower or higher than performance data quoted.*

*Please visit our website (www.tocquevillefunds.com/mutual-funds/delafield-fund/performance.com) to obtain the most recent month-end performance data.*

With all this in mind, we will remain conservative and continue to hold larger reserves in order to take advantage of any market weakness should it occur. We are very comfortable with our core holdings and expect them to increase in value over time. We will invest in new opportunities when we uncover them.

We have begun to invest in Avnet, Inc., primarily a distributor of semiconductor products, with sales of $17 billion to the industrial and automotive markets. It is in the initial stages of a major turnaround which could make it a formidable challenger to its largest competitor Arrow Electronics. These two companies dominate this industry. The transformation is expected to take two years to be fully accomplished during which time we expect modest organic growth (though the end demand is cyclical) and margin improvement.

Cars.com Inc. (CARS) became a new stand-alone position in the quarter following its tax-free spinoff from one of our existing investments, TEGNA, Inc. CARS is one of the preeminent online auto marketplaces, generating revenue of nearly $650 million. The company is highly profitable with EBITDA margins in the 35% range. Their website acts as an intermediary, matching consumers interested in buying new and used cars, with automotive dealers who have inventory available in each local market. In addition, the website offers car reviews and ratings, news, research, and service repair shop locations. Over 20,000 dealers pay, on average $2,000 per month, for an annual subscription to list their inventory, run display ads, and generate leads. Auto manufacturers are also customers paying to advertise their brands and generate leads for their dealers. Management is currently transitioning their go-to market approach as well as re-architecting their website. While these efforts have hurt profits in the short term, if management is successful, we expect revenue and EPS growth to accelerate accompanied by a rising valuation.

Harsco Corporation was among our better performers in the second quarter. The company reported results that exceeded expectations and raised their outlook for the calendar year. Harsco's metals & minerals segment exhibited particularly strong gains, evidence of the success that CEO Nick Grasberger has had in turning around the company's largest division. In the two years since he initiated the so-called "Project Orion" transformation plan to address the segment's operational issues profitability has improved meaningfully. To put this in perspective, in 2017 we expect metals & minerals segment revenues to be almost 15% lower than they were in 2015, largely owing to Harsco's decision to shut down underperforming sites, industry steel production declines, and a far more selective bidding process on new business. Despite this revenue decline, we estimate that metals & minerals will generate close to $95 million in segment operating income in 2017, nearly 150% more than in 2015 and have close to a 10% operating margin, up from about 5.5% in 2015. Within the rail segment, though two Swiss rail contracts continue to negatively impact reported profitability, underlying business trends have stabilized and operating margins excluding those two troubled contracts are in a healthy double digit range. Revenues remain muted in the company's industrial segment, with both the IKG Industries metal grating and Air-X-Changers heat exchanger businesses still suffering from the energy market malaise. However, cost reductions in both businesses have helped to shore up profitability and the segment's Patterson-Kelley commercial boiler business has begun to see demand improve in its core non-residential construction market.

Looking forward, Harsco management has halted, at least for the near term in our opinion, the search for strategic alternatives for the metals & minerals business. Instead, they have begun to develop a roadmap for growth for that segment, including increased emerging market penetration and expansion of the derivative applied products side of the business. In rail, new leadership is developing a plan to further develop aftermarket and service offerings and reported operating margins should expand exiting 2018, as the Swiss rail contracts are completed. Within industrial, we expect improving trends in the commercial boiler end markets to continue and the grating operations to benefit from industrywide price increases. The heat exchanger business, however, is likely to face continued pressure from weak energy markets. Despite the recent strength in the shares, the stock still trades at a reasonable multiple, the balance sheet is in greatly improved condition and the prospects for future growth and the monetization of non-strategic assets are favorable. Therefore, we have maintained our position.

As we wrote last quarter Hewlett Packard Enterprise Company (HPE) distributed shares of the newly formed DXC Technology Company to us on April 1st and we expect to receive shares of Micro Focus on Sept 1st. DXC Technology is a merger between HPE's legacy enterprise services business and Computer Science Corp. The combination will have annual revenues of $24 billion providing end-to-end information technology services. They are the world's largest ServiceNow and Red Hat integrator, second largest SAP integrator and the largest provider of engineering system support for Oracle. Through 2020, we expect DXC to have low single digit revenue growth while improving margins by 700 to 800 basis points from the elimination of duplicate service offerings and realization of cost synergies. If successful, we believe earnings could grow by over 40% during the same time period. At only 12 times this year's earnings we believe the shares represent sound value and we have elected to retain the distributed shares. Looking forward to the expected September 1st transaction, the combination of HPE's software business with Micro Focus will create one of the largest pure play enterprise software companies in the world. Annual revenues will approximate $4.5 billion, spanning IT operations, security, information management, big data analytics and cloud computing. Micro Focus expects to improve HPE's operating margins by 20 percentage points within three years of ownership by curtailing certain investments and through operational synergies. We believe the transaction when completed will create further value for HPE shares.

Invacare Corporation continues to make the transition from selling standard medical equipment to clinically complex products for home care and extended care markets. The transition, as expected, has been painful as sales have declined due to the exit of commodity products. New product rollout will accelerate later this year. At the same time the company's main power wheelchair plant remains under FDA review and is operating at less than 25% of capacity. Hopefully the FDA issue will be resolved by the end of this year, which should be a positive for 2018. The company will continue to be cash flow negative into 2018 and, though the balance sheet is in good shape, they have recently raised $120 million in a convertible debenture. Including the cost to expand the conversion price to $21.44 per share the interest rate is a reasonable 6.3% for 5 years. This should provide Invacare with additional flexibility to accelerate facility restructuring and ultimately improve profitability.

We are aware that many shareholders have not been receiving our quarterly letter since it is not distributed to those who are not direct shareholders of the Fund. Accordingly, anyone who wishes to be on our mailing list should either call Cleo Kotis (212-698-0750) or write to us and we will be happy to add you to the distribution list.

With very best wishes.

Sincerely,

J. Dennis Delafield
Tel. 212.698.0752

Vincent Sellecchia
Tel. 212.698.0751

Joshua Kaufthal
Tel. 646.467.6512

James Maxwell
Tel. 646.467.6513

P.S. The net asset value per share of the Fund is determined as of the close of regular trading on the New York Stock Exchange (normally 4:00 P.M., Eastern Time) on each Fund Business Day (as fully described in the Fund prospectus). In addition to the Fund's published NASDAQ listing (symbol: DEFIX), you may check its net asset value by calling 800.697.3863 to speak directly to a Fund representative during the normal business hours of 8:00 A.M.-7:00 P.M., Central Standard Time. During off business hours, you may use the same telephone numbers for a pre-recorded message. The 3-digit code number for The Delafield Fund is 924.

Our website address is: www.tocquevillefunds.com

## TOTAL RETURN WITH INCOME*

| Cumulative | Delafield Fund** | S&P 500 Total Index† | Russell 2000 Total Index† |
|---|---|---|---|
| Quarter ended June 30, 2017 | 1.58% | 3.09% | 2.46% |
| Six months ended June 30, 2017 | 4.26 | 9.34 | 4.99 |
| Inception, November 19, 1993 to June 30, 2017 | 1,004.92 | 732.55 | 676.44 |
| **Annual Average** | | | |
| One year ended June 30, 2017 | 21.94 | 17.90 | 24.60 |
| Three years ended June 30, 2017 | -1.43 | 9.61 | 7.36 |
| Five years ended June 30, 2017 | 7.80 | 14.63 | 13.70 |
| Ten years ended June 30, 2017 | 5.07 | 7.18 | 6.92 |
| Inception, November 19, 1993 to June 30, 2017 | 10.71 | 9.39 | 9.07 |

## TEN LARGEST HOLDINGS‡

| Security Name | % of Total Assets |
|---|---|
| Diebold Nixdorf, Inc. | 3.80% |
| Eastman Chemical Co. | 3.55% |
| U.S. Concrete, Inc. | 3.42% |
| TrueBlue, Inc. | 3.16% |
| TTM Technologies, Inc. | 2.91% |
| G-III Apparel Group Ltd. | 2.40% |
| Korn/Ferry International | 2.30% |
| Harsco Corp. | 2.27% |
| Dover Corp. | 2.26% |
| TEGNA, Inc. | 2.18% |
| **TOTAL** | **28.25%** |

## FEES[(a)]

| Shareholder Fees | |
|---|---|
| **(fees paid directly from your investment)** | |
| Maximum Sales Charge Imposed on Purchases | None |
| Maximum Deferred Sales Charge | None |
| Maximum Sales Charge Imposed on Reinvested Dividends/Distributions | None |
| Exchange Fee | None |
| **Annual Fund Operating Expenses** | |
| **(expenses that are deducted from Fund assets)** | |
| Management Fees | 0.77% |
| Distribution and Service (12b-1) Fee | 0.25% |
| Other Expenses | 0.28% |
| **Total Annual Fund Operating Expenses** | **1.30%** |
| Less: Fee Waiver/Expense Reimbursement | -0.04% |
| **Total Annual Fund Operating Expenses after Fee Waiver/Expense Reimbursement** | **1.26%** |

## ASSET MIX

| | *6/30/17* | *3/31/17* | *12/31/16* | *9/30/16* | *6/30/16* |
|---|---|---|---|---|---|
| Equities | 78.27 | 76.87 | 76.54 | 80.42 | 77.48 |
| Corporate Bonds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Real Estate Investment Trust | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Cash Equivalents | 21.73 | 23.13 | 23.46 | 19.58 | 22.52 |
| **TOTAL** | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

* **The performance data quoted above represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. The current performance may be lower or higher than performance data quoted.**
**Please visit our website (www.tocquevillefunds.com/mutual-funds/delafield-fund/performance) to obtain the most recent month-end performance data.**
**The Delafield Fund may invest in the stocks of smaller companies which carry special risks including narrower markets, limited financial and management resources, less liquidity, and greater volatility than the stocks of larger companies. The Fund's investments, which are often value or special situations, are likely to not correlate with the overall market averages. Hence, there may be periods when the Fund's performance may lag these measures.**
***Kindly consider the investment objectives, risks, and charges and expenses of the Fund carefully before investing. The prospectus contains this and other information about the Fund. Please contact us to obtain a prospectus, which should be read carefully before investing. The Tocqueville Mutual Funds may be offered only to persons in the United States and by way of a prospectus. This letter should not be considered a solicitation or offering of any investment products or services to investors residing outside of the United States.***
**The Delafield Fund is distributed by Tocqueville Securities L.P., 40 West 57th Street, 19th Floor, New York, NY 10019.**

** **The Delafield Fund performance is stated after fees.**
**Returns for the periods prior to 9/27/09 reflect the performance of Delafield Fund, Inc. (the "Predecessor Delafield Fund"), which was reorganized into the Delafield Fund on 9/28/09. The Predecessor Delafield Fund had the same Portfolio Managers, investment objectives and investment strategies as the Delafield Fund. Performance since 9/28/09 reflects actual Delafield Fund performance.**

† **The S&P 500 Index is an unmanaged broad market-weighted average of U.S. blue-chip companies and the Russell 2000 Index is an unmanaged, market-weighted index, with dividends reinvested, of 2,000 small companies, formed by taking the largest 3,000 companies and eliminating the largest 1,000 of those companies. You may not invest directly in the S&P 500 Index or the Russell 2000 Index and, unlike the Fund, they do not incur fees and expenses.**

‡ **Holdings are expressed as a percentage of total investments and will vary over time. Because the Fund is actively managed there can be no assurances the Fund continues to invest in the securities referenced. Additionally, references to specific securities or industries should not be considered a recommendation for investors.**

(a) **Represents information from the prospectus, dated February 28, 2017. Effective November 1, 2016, the Advisor has contractually agreed to waive management fees and/or reimburse expenses in order to ensure that Fund's expense ratio does not exceed 1.25% (excluding taxes, interest expense, acquired fund fees and expenses, or extraordinary expenses such as litigation) until at least 3/1/2018. In the absence of these fee waivers, total returns would be lower.**

# STATEMENT OF NET ASSETS
## June 30, 2017
## (Unaudited)

| Common Stocks - 78.27% | Shares | Value |
|---|---|---|
| **Aerospace & Defense - 2.65%** | | |
| Ducommun, Inc. (a) | 180,000 | $ 5,684,400 |
| Honeywell International, Inc. | 35,000 | 4,665,150 |
| | | 10,349,550 |
| **Auto Components - 3.15%** | | |
| Gentex Corp. | 200,000 | 3,794,000 |
| Gentherm, Inc. (a) | 15,000 | 582,000 |
| Horizon Global Corp. (a) | 550,000 | 7,898,000 |
| | | 12,274,000 |
| **Chemicals - 10.57%** | | |
| Calgon Carbon Corp. | 225,000 | 3,397,500 |
| Eastman Chemical Co. | 165,000 | 13,858,350 |
| GCP Applied Technologies, Inc. (a) | 60,000 | 1,830,000 |
| HB Fuller Co. | 160,000 | 8,177,600 |
| Minerals Technologies, Inc. | 85,000 | 6,222,000 |
| PolyOne Corp. | 200,000 | 7,748,000 |
| | | 41,233,450 |
| **Commercial Services & Supplies - 1.41%** | | |
| Team, Inc. (a) | 235,000 | 5,510,750 |
| **Construction & Engineering - 3.66%** | | |
| KBR, Inc. | 500,000 | 7,610,000 |
| Aegion Corp. (a) | 305,000 | 6,673,400 |
| | | 14,283,400 |
| **Construction Materials - 3.42%** | | |
| U.S. Concrete, Inc. (a) | 170,000 | 13,353,500 |
| **Electronic Equipment, Instruments & Components - 7.92%** | | |
| Avnet, Inc. | 100,000 | 3,888,000 |
| Electro Scientific Industries, Inc. (a) | 351,350 | 2,895,124 |
| Fabrinet (a)(b) | 50,000 | 2,133,000 |
| Flex Ltd. (a)(b) | 425,000 | 6,931,750 |
| Plexus Corp. (a) | 70,000 | 3,679,900 |
| TTM Technologies, Inc. (a) | 655,000 | 11,370,800 |
| | | 30,898,574 |
| **Energy Equipment & Services - 2.07%** | | |
| Aspen Aerogels, Inc. (a) | 600,000 | 2,670,000 |
| Frank's International NV (b) | 220,000 | 1,823,800 |
| McDermott International, Inc. (a)(b) | 250,000 | 1,792,500 |
| Tesco Corp. (a)(b) | 400,000 | 1,780,000 |
| | | 8,066,300 |
| **Health Care Equipment & Supplies - 2.64%** | | |
| Abbott Laboratories | 110,000 | 5,347,100 |
| Invacare Corp. | 375,000 | 4,950,000 |
| | | 10,297,100 |
| **Internet Software & Services - 1.34%** | | |
| Cars.com, Inc. (a) | 196,666 | 5,237,216 |
| **IT Services - 0.84%** | | |
| DXC Technology Co. | 42,952 | 3,295,277 |
| **Machinery - 11.33%** | | |
| Barnes Group, Inc. | 95,000 | 5,560,350 |
| Crane Co. | 85,000 | 6,747,300 |
| Dover Corp. | 110,000 | 8,824,200 |
| Harsco Corp. (a) | 550,000 | 8,855,000 |
| Stanley Black & Decker, Inc. | 55,000 | 7,740,150 |
| Xerium Technologies, Inc. (a)(c) | 900,000 | 6,471,000 |
| | | 44,198,000 |

| Common Stocks - 78.27% | Shares | Value |
|---|---|---|
| **Media - 2.18%** | | |
| TEGNA, Inc. | 590,000 | $ 8,501,900 |
| **Metals & Mining - 0.81%** | | |
| Real Industry, Inc. (a)(c) | 225,000 | 652,500 |
| Schnitzer Steel Industries, Inc. - Class A | 100,000 | 2,520,000 |
| | | 3,172,500 |
| **Oil, Gas & Consumable Fuels - 3.60%** | | |
| Boardwalk Pipeline Partners LP | 445,000 | 8,014,450 |
| Marathon Petroleum Corp. | 115,000 | 6,017,950 |
| | | 14,032,400 |
| **Professional Services - 5.46%** | | |
| Korn/Ferry International | 260,000 | 8,977,800 |
| TrueBlue, Inc. (a) | 465,000 | 12,322,500 |
| | | 21,300,300 |
| **Specialty Retail - 0.40%** | | |
| Ascena Retail Group, Inc. (a) | 725,000 | 1,558,750 |
| **Technology Hardware, Storage & Peripherals - 5.93%** | | |
| Diebold Nixdorf, Inc. | 530,000 | 14,840,000 |
| Hewlett Packard Enterprise Co. | 500,000 | 8,295,000 |
| | | 23,135,000 |
| **Textiles, Apparel & Luxury Goods - 5.75%** | | |
| G-III Apparel Group Ltd. (a) | 375,000 | 9,356,250 |
| Hanesbrands, Inc. | 125,000 | 2,895,000 |
| PVH Corp. | 47,000 | 5,381,500 |
| Sequential Brands Group, Inc. (a) | 815,000 | 3,251,850 |
| Unifi, Inc. (a) | 50,000 | 1,540,000 |
| | | 22,424,600 |
| **Trading Companies & Distributors - 3.14%** | | |
| Rush Enterprises, Inc. - Class A (a) | 145,000 | 5,391,100 |
| WESCO International, Inc. (a) | 120,000 | 6,876,000 |
| | | 12,267,100 |
| **Total Common Stocks (Cost $222,654,361)** | | **305,389,667** |

# STATEMENT OF NET ASSETS, continued
**June 30, 2017**
**(Unaudited)**

| Short-Term Investments - 21.71% | Shares | Value |
|---|---|---|
| **Money Market Fund - 4.90%** | | |
| STIT - Treasury Portfolio - Institutional Class - 0.840% (d) | 19,095,597 | $ 19,095,597 |
| | **Principal Amount** | |
| **Money Market Deposit Account - 16.81%** | | |
| U.S. Bank Money Market Deposit Account, 0.30% (e) | $65,579,501 | 65,579,501 |
| **Total Short-Term Investments (Cost $84,675,098)** | | **84,675,098** |
| **Total Investments (Cost $307,329,459) - 99.98%** | | **390,064,765** |
| **Other Assets in Excess of Liabilities - 0.02%** | | **90,682** |
| **Total Net Assets - 100.00%** | | **$ 390,155,447** |

Percentages are stated as a percent of net assets.
(a) Non-income producing security.
(b) Foreign issued security. Foreign concentration was as follows: Canada 0.46%; Cayman Islands 0.55%; Netherlands 0.47%; Panama 0.46%; Singapore 1.78%.
(c) Affiliated company.
(d) Rate listed is the 7-day effective yield.
(e) Variable rate security. The rate listed is as of 06/30/2017.