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

The Delafield Fund

October 17, 2018

Dear Fellow Shareholders:

During the quarter, the Delafield Fund's net asset value was virtually unchanged, versus increases of 7.71% for the Standard & Poor's 500 Index ("S&P 500") and 3.58% for the Russell 2000 Index ("Russell 2000"), each on a total return basis.* The Fund's net asset value as of September 30, 2018 was $22.79 per share. The total net asset value amounted to $279,735,314, of which 66.73% was invested in equities, with the balance held in reserve.

Year to date the Fund's net asset value has increased 0.71% versus increases of 10.56% in the S&P 500 and 11.51% in the Russell 2000 each on a total return basis.

The divergence in performance between growth and value stocks has continued. In fact, in mid-July J.P. Morgan reported that 75% of the rise in the S&P 500 was attributable to the FAANGs and 24% to Amazon alone. In the most recent quarter, momentum also seemed to shift in favor of large cap over small. While we have trailed the market for a frustratingly long period of time, the companies in which we are invested have, for the most part, continued to show progress. They are generating cash, increasing earnings and, in some cases, making strategic acquisitions to accelerate their growth. We remain convinced that this progress will be reflected in higher market values over time.

The U.S. economy has continued to show strength. Wages are rising, unemployment continues to decline, consumer debt as a percentage of nominal disposable income is declining, the savings rate (recently revised by the government) has improved and consumer net worth increased to a new high. On the negative side, while the nominal inflation rate remains modest, virtually all of our companies have seen increased raw material inflation, which is likely to continue as energy prices increase. Eventually, we expect these higher input costs to be reflected in consumer prices. Furthermore, the acrimonious divide between Republicans and Democrats, the leadership style of President Trump and uncertain outcome of the upcoming mid-term elections give us cause for caution.

On the international front, frictions remain high in many parts of the world, especially in the Middle East. North Korea disarmament negotiations are opaque and tensions with China seem to be rising. The European economy is only slowly recovering; and the ramifications of Britain's Brexit is unknowable. Severe economic weakness has hit Turkey, while Italy's outlook is clouded. In Latin America, Argentina and Venezuela are in chaos while the election in Brazil was very contentious. Although the NAFTA negotiations between the U.S., Mexico and Canada seem to be resolved, growing tariff escalation between the U.S. and China make it very difficult for many companies to plan for the long term.

As usual the balance of this letter will be dedicated to brief comments on several of our investments.

During the quarter we invested in Mohawk Industries, Inc. (MHK) the world's largest flooring company with $10 billion in annual sales. Products include ceramics, carpeting, vinyl, laminates and wood flooring. This has been a well-run company, with sales, earnings and returns growing nicely through 2017. However, the stock has declined sharply in 2018 owing to a pause in growth in North America and a number of issues, albeit temporary in our opinion, specific to Mohawk. Margins in 2018 have compressed owing to the rise in raw material and transportation costs. Recent price hikes hopefully will produce a better balance for 2019. Also, importantly, the industry is in the midst of very rapid growth of a new product, luxury vinyl tile (LVT). Industrywide LVT revenues have grown from virtually zero a few years ago to an estimated $2.5

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* *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) to obtain the most recent month-end performance data.

billion in 2018, and now represents roughly 10% of the flooring market. As the name suggests, LVT is a vinyl product which can be made to imitate a number of hard surfaces including wood and ceramics. It is waterproof and, importantly, fully installed, it is considerably less expensive than the alternatives. The majority of the product is sourced from China. Mohawk was late developing their own LVT product and has also witnessed some cannibalization of its ceramic and vinyl products. The company is in the process of building two state of the art facilities in Europe and the United States which should make them an important LVT supplier, but not until 2019.

Also, they have been selling quartz countertops sourced from Asia. The quartz category has been taking share from natural stone and growing rapidly. They will shortly be bringing on their own domestic facility which should increase volumes and profitability. For 2018 start-up costs across the company should approximate $70 million. In 2019 this should decline to roughly $30 million.

We view the recent share price decline as an opportunity since Mohawk has an extensive global reach and will be in a good position to take advantage of the growing LVT and quartz markets. The company is generating nearly $10 per share in free cash flow with the expectation of a return to earnings growth in 2019.

We exited our position in Diebold Nixdorf, Incorporated (DBD) during the quarter. While new CEO Gerrard Schmid may ultimately be able to improve on the challenging situation that he inherited, his tenure got off to a rough start with a substantial earnings miss. Our investment thesis had been predicated on cost savings and debt repayment. Meaningful costs have indeed been taken out of the business, yet we failed to anticipate the possibility that topline results could deteriorate to the extent that they have, effectively negating the incremental profits and cash flow that we had been expecting.

Newell Brands, Inc. (NWL) is a company in transition. Over the years this consumer products company was built through a series of acquisitions. In 2016 they acquired Jarden, also a consumer products company, with brands such as Yankee Candle, Jostens and Coleman. It was a very large deal which more than doubled revenues but also increased their debt fourfold. On the heels of this acquisition, the North American markets weakened. This was exacerbated by the bankruptcy of a major customer in the baby segment, Toys"R"Us, and a pricing dispute with Office Depot in their very profitable writing instruments segment. In addition, questions have arisen regarding the implementation of the integration of Jarden, leading to a sharp decline in the stock.

With this as a backdrop, Martin Franklin, the former CEO and major shareholder of Jarden resigned from the board and started a campaign to unseat Michael Polk, Newell's CEO. Adding to the mix Carl Icahn and activist group Starboard Value LP wanted change at the board level and a plan to highlight the value of the company. The outside investors appear to have gained traction in moving their agenda forward as the board has been significantly changed. Today, the 12-person board of directors includes 5 new members from Icahn and Starwood, and 2 new independent candidates. The Chairman of the board is an Icahn nominee.

The reorganization strategy which had been initiated by the CEO has been expanded to include plans to raise $10 billion in after-tax proceeds from asset sales and to allocate the money to debt reduction and share repurchase. The goal is to lower leverage to about 3 times debt/EBITDA and to buy back up to 30% of the current outstanding shares. Pro forma for expected asset sales, the remaining businesses should generate 15% operating margins and strong free cash flow.

To date, roughly $2.5 billion of after-tax proceeds have been realized with debt repayment the initial focus. While much still needs to be accomplished, with bumps likely in the road ahead, we are comforted knowing that Icahn will be overseeing the capital allocation process which could produce meaningful returns. If the company's 2020 goals are accomplished, the shares are trading at less than 7 times EBITDA, which appears a very reasonable valuation.

With net sales approximating $3.6 billion, Acuity Brands, Inc. (AYI) is among the largest global providers of indoor and outdoor lighting fixtures and related controls. Following a multi-year period of exceptionally strong growth driven primarily by commercial conversion of incandescent to LED luminaires, sales trends began to moderate in calendar 2017, especially in the large project space where Acuity has been dominant. At the same time, increasing price pressure at the more basic end of their markets, expense inflation, as well as a ramp in R&D spending to develop an internet of things (IoT) based platform pressured earnings and profits. As a result, the shares, traded off substantially through much of the first half of calendar 2018, creating an opportunity, in our opinion, to own the shares at an attractive value.

Our analysis suggests that Acuity has reached an inflection point. In our opinion, the LED relight opportunity remains robust. According to the U.S. Department of Energy, as of 2016, the LED installed penetration rate for all indoor lighting applications was only 12.3%. In outdoor lighting applications, where the energy saving payback is more immediate and adoption was earliest, LED penetration is still under 30%. As the penetration rate expands, we expect that Acuity will continue to garner their fair share. With respect to competitive pressure at the lower end of the market, Acuity has been most impacted in the so called "stock and flow" segment of the market, where overseas imports have managed to take share. In response, the company recently introduced entirely new and price competitive products at Lowe's and refreshed their lineup at Home Depot this past summer. Additionally, we believe that Acuity could benefit from acceleration in adoption of its tier 3 products, and eventually, tier 4 services. Tier 3 products consist of networked lights, controls and software to enable a "smart" control and monitoring solution. The "smart" luminaries comprise just north of 10% of company sales today, but they have above average margins and have been growing on average 30% year over year for the last 18 months. Tier 4 services consist of analytics and IoT applications that will be driven by the data generated in the "smart" luminaire. Target

Corporation has engaged with Acuity and recently began an estimated $200 million tier 3 and 4 implementation. We believe that Acuity is running active pilot programs at multiple other customers. We expect that as sales momentum of these applications builds, Acuity and its shareholders will benefit from the associated pickup in margins and profits. Input cost inflation remains an ongoing challenge, but Acuity and their North American competitors have announced price increases, which we believe could help mitigate the cost imbalance over the next several quarters. We also believe that a repurchase authorization for up to 6 million shares, or 15% of those outstanding, should offer strong support for the stock while we wait for management's strategic initiatives to be reflected in Acuity's financial performance.

We made a new investment in Cross Country Healthcare Inc. (CCRN) during the quarter. The company is the third largest provider of travel nurses, per diem nurses, allied health professionals and locum tenens physicians, within the United States. They go to market under the brands, Cross Country Staffing, Advantage RN, Mediscan Staffing Services, Medical Doctor Associates and Cejka Search. Under the leadership of a new executive management team since 2013, the company has impressively doubled revenues to approximately $850 million and improved EBITDA margins from breakeven to 5%. In addition, they have won numerous master service agreements (MSAs) that entitle the company to be the exclusive recruiter for a healthcare network, providing a more stable base of revenue. While we forecast growth to be more moderate moving forward we expect continued progress towards an 8% EBITDA margin target which is still meaningfully below the nearest public competitor. To accelerate progress towards improved margins, in January 2018 the company transitioned the Chief Financial Officer to a newly created Chief Operating Officer position and began the process of structurally reducing operating costs within the organization. The Travel Nurse and Branch Per Diem business were separated to improve accountability; a plan was put forth to improve profits at Medical Doctor Associates and Cejka Search, which are operating well below historical profit levels; and a new front-end computer system will be installed to enable the Travel Nurse business to process information offshore and automate more manual processes.

While growth and margin initiatives are ongoing, Cross Country was significantly disrupted in late 2017 and throughout 2018 by Hurricane Irma which made landfall in Florida where the company's main recruiting operation is based. Numerous recruiting days were lost in last year's third and fourth quarters, as the company's office was closed and employees were recovering from the personal devastation caused by such a major storm. This did not immediately impact revenues in 2017, but instead, has negatively affected 2018 results as travel nurses (approximately 50% of CCRN's revenues) are traditionally placed on 13-week assignments with approximately 50% of these nurses choosing to extend the assignment for another 13 weeks (26 weeks total). Due to this disruption Cross Country failed to win the initial placement of the nurses in Q4 2017, thus has been unable to book revenues from that placement throughout 2018. We expect that over time the company will recover these lost placements and continue to make progress on margin improvement initiatives creating significant gains for shareholders.

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
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Vincent Sellecchia
Tel. 212.698.0751

Joshua Kaufthal
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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 September 30, 2018	(0.26)%	7.71%	3.58%
Nine months ended September 30, 2018	0.71	10.56	11.51
Inception, November 19, 1993 to September 30, 2018	1,044.28	925.64	845.48
Annual Average			
One year ended September 30, 2018	0.93	17.91	15.24
Three years ended September 30, 2018	10.32	17.31	17.12
Five years ended September 30, 2018	2.40	13.95	11.07
Ten years ended September 30, 2018	7.52	11.97	11.11
Inception, November 19, 1993 to September 30, 2018	10.30	9.82	9.46

TEN LARGEST HOLDINGS‡

Security Name	% of Total Assets
TTM Technologies, Inc.	5.01%
Eastman Chemical Co.	3.42%
U.S. Concrete, Inc.	3.11%
WESCO International, Inc.	2.64%
Fabrinet	2.56%
Crane Co.	2.46%
HB Fuller Co.	2.22%
PolyOne Corp.	2.19%
Commercial Metals Co.	2.16%
TEGNA, Inc.	2.14%
TOTAL	**27.91%**

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	0.78%
Distribution and Service (12b-1) Fee	0.25%
Other Expenses	0.29%
Total Annual Fund Operating Expenses	**1.32%**
Less: Fee Waiver/Expense Reimbursement	-0.06%
Total Annual Fund Operating Expenses after Fee Waiver/Expense Reimbursement	**1.26%**

ASSET MIX

	9/30/18	6/30/18	3/31/18	12/31/17	9/30/17
Equities	66.73	73.95	71.49	73.90	73.55
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	33.27	26.05	28.51	26.10	26.45
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, 2018. 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 3/1/2019. In the absence of these fee waivers, total returns would be lower.**

STATEMENT OF NET ASSETS
September 30, 2018
(Unaudited)

Common Stocks - 66.73%	Shares	Value
Aerospace & Defense - 1.31%		
Ducommun, Inc. (a)	90,000	$ 3,675,600
Auto Components - 1.20%		
Gentex Corp.	115,000	2,467,900
Horizon Global Corp. (a)	125,120	892,105
		3,360,005
Building Products - 1.40%		
Apogee Enterprises, Inc.	95,000	3,925,400
Chemicals - 13.60%		
Eastman Chemical Co.	100,000	9,572,000
GCP Applied Technologies, Inc. (a)	190,000	5,044,500
HB Fuller Co.	120,000	6,200,400
Minerals Technologies, Inc.	85,000	5,746,000
PolyOne Corp.	140,000	6,120,800
WR Grace & Co.	75,000	5,359,500
		38,043,200
Commercial Services & Supplies - 1.50%		
Pitney Bowes, Inc.	100,000	708,000
Team, Inc. (a)	155,000	3,487,500
		4,195,500
Construction and Engineering - 1.18%		
Aegion Corp. (a)	130,000	3,299,400
Construction Materials - 3.12%		
U.S. Concrete, Inc. (a)	190,000	8,711,500
Electrical Equipment - 1.80%		
Acuity Brands, Inc.	32,000	5,030,400
Electronic Equipment, Instruments & Components - 12.24%		
Avnet, Inc.	55,000	2,462,350
Fabrinet (a)(b)	155,000	7,170,300
Flex Ltd. (a)(b)	400,000	5,248,000
IPG Photonics Corp. (a)	10,000	1,560,700
Plexus Corp. (a)	65,000	3,803,150
TTM Technologies, Inc. (a)	880,000	14,000,800
		34,245,300
Energy Equipment & Services - 1.81%		
McDermott International, Inc. (a)(b)	275,000	5,068,256

Common Stocks - 66.73%	Shares	Value
Health Care Providers & Services - 0.47%		
Cross Country Healthcare, Inc. (a)	150,000	$ 1,309,500
Household Durables - 2.97%		
Mohawk Industries, Inc. (a)	22,500	3,945,375
Newell Brands, Inc.	215,000	4,364,500
		8,309,875
Machinery - 6.42%		
Barnes Group, Inc.	40,000	2,841,200
Crane Co.	70,000	6,884,500
Harsco Corp. (a)	165,000	4,710,750
REV Group, Inc.	225,000	3,532,500
		17,968,950
Media - 3.77%		
Cars.com, Inc. (a)	165,000	4,555,650
TEGNA, Inc.	500,000	5,980,000
		10,535,650
Metals & Mining - 2.79%		
Commercial Metals Co.	295,000	6,053,400
Schnitzer Steel Industries, Inc. - Class A	65,000	1,758,250
		7,811,650
Professional Services - 1.77%		
TrueBlue, Inc. (a)	190,000	4,949,500
Technology Hardware, Storage & Peripherals - 1.34%		
Electronics For Imaging, Inc. (a)	50,000	1,704,000
Hewlett Packard Enterprise Co.	125,000	2,038,750
		3,742,750
Textiles, Apparel & Luxury Goods - 3.72%		
Hanesbrands, Inc.	215,000	3,962,450
PVH Corp.	40,000	5,776,000
Sequential Brands Group, Inc. (a)	400,000	668,000
		10,406,450
Trading Companies & Distributors - 4.32%		
Rush Enterprises, Inc. - Class A	120,000	4,717,200
WESCO International, Inc. (a)	120,000	7,374,000
		12,091,200
Total Common Stocks (Cost $137,048,327)		**186,680,086**

STATEMENT OF NET ASSETS, continued
September 30, 2018
(Unaudited)

Short-Term Investments - 33.39%	Shares	Value
Money Market Fund - 5.00%		
STIT - Treasury Portfolio - Institutional Class, 1.895% (c)	14,000,000	$ 14,000,000
	Principal Amount	
Money Market Deposit Account - 3.43%		
U.S. Bank Money Market Deposit Account, 0.300% (d)	$9,594,747	9,594,747
U.S. Treasury Bills - 24.96%		
2.168%, 12/27/2018 (e)	20,000,000	19,896,204
1.981%, 11/01/2018 (e)	50,000,000	49,911,413
		69,807,617
Total Short-Term Investments (Cost $93,407,790)		**93,402,364**
Total Investments (Cost $230,456,117) - 100.12%		**280,082,450**
Liabilities in Excess of Other Assets - (0.12)%		**(347,136)**
Total Net Assets - 100.00%		**$ 279,735,314**

Percentages are stated as a percent of net assets.
(a) Non-income producing security.
(b) Foreign issued Security. Foreign Concentration (including ADR's) was as follows: Cayman Islands 2.56%; Singapore 1.88%; Panama 1.81%.
(c) Rate listed is the 7-day effective yield.
(d) Variable rate security. The rate shown is as of 9/30/2018.
(e) Rate shown is the effective yield based on purchased price. The calculation assumes the security is held to maturity.