

GABELLI EQUITY TRUST INC
Form N-Q
November 29, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-Q
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY
Investment Company Act file number 811-04700
The Gabelli Equity Trust Inc.**

(Exact name of registrant as specified in charter)
One Corporate Center
Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)
Bruce N. Alpert
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

(Name and address of agent for service)
Registrant's telephone number, including area code: 1-800-422-3554
Date of fiscal year end: December 31
Date of reporting period: September 30, 2010

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

The Schedule(s) of Investments is attached herewith.

The Gabelli Equity Trust Inc.

Mario J. Gabelli, CFA

Third Quarter Report

September 30, 2010

To Our Shareholders,

During the third quarter of 2010, The Gabelli Equity Trust's (the Fund) total return was 18.5% on a net asset value (NAV) basis compared with gains in the Standard & Poor's (S&P) 500 Index and the Dow Jones Industrial Average of 11.3% and 11.1%, respectively. The total return for the Fund's publicly traded shares was 14.7% during the third quarter of 2010.

Enclosed is the investment portfolio as of September 30, 2010.

Comparative Results**Average Annual Returns through September 30, 2010 (a) (Unaudited)**

| | Year to | | | | | | | Since |
|------------------------------------|---------|--------|--------|---------|--------|---------|---------|------------|
| | Quarter | Date | 1 Year | 3 Year | 5 Year | 10 Year | 15 Year | Inception |
| | | | | | | | | (08/21/86) |
| Gabelli Equity Trust | | | | | | | | |
| NAV Total Return (b) | 18.54% | 11.96% | 20.36% | (6.57)% | 2.96% | 4.85% | 8.15% | 10.10% |
| Investment Total Return (c) | 14.70 | 6.83 | 11.17 | (7.73) | 2.57 | 4.13 | 8.23 | 9.50 |
| S&P 500 Index | 11.30 | 3.91 | 10.18 | (7.15) | 0.64 | (0.43) | 6.45 | 8.94(d) |
| Dow Jones Industrial Average | 11.13 | 5.57 | 14.12 | (5.37) | 3.11 | 2.54 | 7.92 | 10.34(d) |
| Nasdaq Composite Index | 12.30 | 4.38 | 11.60 | (4.29) | 1.94 | (4.29) | 5.62 | 7.87 |

- (a) **Returns represent past performance and do not guarantee future results.** Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.
- (b) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, adjustments for rights offerings, spin-offs, and taxes paid on undistributed long-term capital gains and are net of expenses. Since inception return is based on an initial NAV of \$9.34.
- (c) Total returns and average annual returns reflect changes in closing market values on the New York Stock Exchange, reinvestment of distributions, and adjustments for rights offerings, spin-offs, and taxes paid on undistributed long-term capital gains. Since inception return is based on an initial offering price of \$10.00.
- (d) From August 31, 1986, the date closest to the Fund's inception for which data is available.

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are

mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

THE GABELLI EQUITY TRUST INC.
PORTFOLIO CHANGES
Quarter Ended September 30, 2010 (Unaudited)

| | Shares/ Units | Ownership at September 30, 2010 |
|--|------------------|---------------------------------------|
| NET PURCHASES | | |
| Common Stocks | | |
| Accor SA (a) | 14,770 | 20,000 |
| AMR Corp. | 100,000 | 300,000 |
| Baxter International Inc. | 3,000 | 38,000 |
| Becton, Dickinson and Co. | 500 | 3,500 |
| Bel Fuse Inc., Cl. A | 4,000 | 20,000 |
| Cincinnati Bell Inc. | 25,000 | 825,000 |
| Citigroup Inc. | 140,000 | 380,000 |
| CNH Global NV | 5,000 | 25,000 |
| Covidien plc | 30,000 | 55,000 |
| Edenred (a) | 5,230 | 5,230 |
| Frontier Communications Corp. (b) | 20,000 | 20,000 |
| Gerber Scientific Inc. | 5,000 | 90,000 |
| GrafTech International Ltd. | 5,000 | 90,000 |
| Hellenic Telecommunications Organization SA | 4,000 | 44,000 |
| Hellenic Telecommunications Organization SA, ADR | 3,000 | 16,000 |
| Media General Inc., Cl. A | 20,000 | 200,000 |
| MEMC Electronic Materials Inc. | 2,000 | 20,000 |
| Millicom International Cellular SA | 10,000 | 10,000 |
| NCR Corp. | 5,000 | 105,000 |
| NextEra Energy Inc. | 9,000 | 32,000 |
| Noble Corp. | 20,000 | 20,000 |
| Northeast Utilities | 15,000 | 205,000 |
| NSTAR | 10,000 | 10,000 |
| Remy Cointreau SA (c) | 4,673 | 40,673 |
| Research In Motion Ltd. | 5,000 | 5,000 |
| Safeway Inc. | 10,000 | 10,000 |
| Superior Industries International Inc. | 3,000 | 45,000 |
| TECO Energy Inc. | 20,000 | 20,000 |
| The Bank of New York Mellon Corp. | 15,000 | 185,038 |
| The Boeing Co. | 13,000 | 123,000 |
| The Kroger Co. | 10,000 | 10,000 |
| UltraShort Dow30 ProShares | 200,000 | 200,000 |
| Vodafone Group plc, ADR | 30,000 | 66,000 |
| Waddell & Reed Financial Inc., Cl. A | 10,000 | 100,000 |
| Wisconsin Energy Corp. | 4,000 | 4,000 |
| Xerox Corp. | 60,000 | 60,000 |
| Rights | | |
| Deutsche Bank AG, expire 10/05/10 (d) | 140,000 | 140,000 |
| NET SALES | | |
| Common Stocks | | |

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| | | |
|---|----------|-----------|
| Alcoa Inc. | (15,000) | 53,000 |
| Alibaba.com Ltd. | (8,000) | |
| American Express Co. | (7,000) | 527,000 |
| AMETEK Inc. | (3,000) | 243,000 |
| Baldor Electric Co. | (12,000) | 143,000 |
| Bell Aliant Regional Communications Income Fund | (3,000) | 5,000 |
| Berkshire Hathaway Inc., Cl. A | (1) | 133 |
| BorgWarner Inc. | (2,000) | 84,000 |
| Boston Scientific Corp. | (10,000) | 215,000 |
| BP plc, ADR | (2,000) | 118,000 |
| Brasil Telecom SA, Cl. C, ADR | (10,000) | 15,801 |
| Brookfield Asset Management Inc., Cl. A | (2,000) | |
| Cablevision Systems Corp., Cl. A | (20,000) | 1,410,000 |
| Caterpillar Inc. | (5,000) | 15,000 |
| CBS Corp., Cl. A, Voting | (5,000) | 350,000 |
| CLARCOR Inc. | (7,000) | 158,000 |
| Clorox Co. | (3,000) | 9,000 |
| CMS Energy Corp. | (16,000) | 39,000 |
| Commerzbank AG, ADR | (10,000) | 126,000 |
| ConocoPhillips | (16,000) | 244,000 |
| Cooper Industries plc | (3,000) | 202,000 |
| Corn Products International Inc. | (1,000) | 44,000 |
| Corning Inc. | (3,000) | 465,000 |
| Dean Foods Co. | (22,000) | 150,000 |
| Deere & Co. | (3,000) | 432,000 |
| Del Monte Foods Co. | (15,000) | 45,000 |
| Deutsche Bank AG (d) | (2,000) | 140,000 |
| DIRECTV, Cl. A | (85,000) | 615,000 |
| Discovery Communications Inc., Cl. A | (2,500) | 129,500 |
| Discovery Communications Inc., Cl. C | (2,500) | 129,500 |
| Dr. Pepper Snapple Group Inc. | (20,000) | 100,000 |
| Duke Energy Corp. | (20,000) | 115,000 |
| Eastman Kodak Co. | (17,000) | 158,000 |
| Fedders Corp. | (50,000) | |
| Ferro Corp. | (50,000) | 465,000 |
| Fortress Investment Group LLC, Cl. A | (10,000) | 10,000 |
| GATX Corp. | (7,000) | 158,000 |
| GlaxoSmithKline plc, ADR | (4,000) | |
| Great Plains Energy Inc. | (25,000) | 25,000 |

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.
PORTFOLIO CHANGES (Continued)
Quarter Ended September 30, 2010 (Unaudited)

| | Shares | Ownership at September 30, 2010 |
|---|---------------|--|
| NET SALES (Continued) | | |
| Common Stocks (Continued) | | |
| Grupo Bimbo SAB de CV, Cl. A | (20,000) | 680,000 |
| H.J. Heinz Co. | (6,000) | 84,000 |
| Hitachi Ltd., ADR | (1,000) | 4,000 |
| IDEX Corp. | (3,000) | 304,000 |
| Il Sole 24 Ore | (57,400) | 1,152,600 |
| Independent News & Media plc | (1) | 28,323 |
| Interactive Brokers Group Inc., Cl. A | (12,000) | 17,000 |
| Interval Leisure Group Inc. | (3,000) | 37,000 |
| ITT Corp. | (10,000) | 240,000 |
| Janus Capital Group Inc. | (25,000) | 185,000 |
| Johnson & Johnson | (10,000) | 45,000 |
| JPMorgan Chase & Co. | (6,000) | 64,088 |
| Kraft Foods Inc., Cl. A | (10,000) | 172,278 |
| Macy's Inc. | (5,000) | 390,000 |
| Marathon Oil Corp. | (8,000) | 12,000 |
| Marsh & McLennan Companies Inc. | (10,000) | 180,000 |
| Meredith Corp. | (3,000) | 117,000 |
| MGM Resorts International | (5,000) | 55,000 |
| Modine Manufacturing Co. | (10,000) | 300,000 |
| Monsanto Co. | (3,000) | 28,000 |
| Monster Worldwide Inc. | (25,000) | 30,000 |
| News Corp., Cl. A | (20,000) | 1,330,000 |
| Northrop Grumman Corp. | (5,000) | 45,000 |
| Pernod-Ricard SA | (4,000) | 46,000 |
| PetroChina Co. Ltd., ADR | (300) | 500 |
| Petroleo Brasileiro SA, ADR | (3,500) | |
| Precision Castparts Corp. | (6,000) | 98,000 |
| Qwest Communications International Inc. | (150,000) | 50,000 |
| Rockwell Automation Inc. | (10,000) | 30,000 |
| Rogers Communications Inc., Cl. B, New York | (1,000) | 489,690 |
| Rolls-Royce Group plc, Cl. C (e) | (108,000,000) | |
| SSL International plc | (50,000) | 50,000 |
| SUPERVALU Inc. | (9,000) | |
| Swedish Match AB | (10,000) | 940,000 |
| T. Rowe Price Group Inc. | (10,000) | 140,000 |
| Telecom Italia SpA | (50,000) | 800,000 |
| Telefonica SA, ADR | (5,000) | 198,000 |
| The Blackstone Group LP | (10,000) | |
| The Great Atlantic & Pacific Tea Co. Inc. | (15,000) | 185,000 |
| The Hershey Co. | (6,000) | 56,000 |

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|--------------------------------------|----------|---------|
| The McGraw-Hill Companies Inc. | (10,500) | 133,500 |
| The Phoenix Companies Inc. | (3,000) | 24,000 |
| The Weir Group plc | (20,000) | 70,000 |
| Time Warner Cable Inc. | (5,000) | 75,000 |
| Trinity Industries Inc. | (10,000) | 60,000 |
| Tyco International Ltd. | (5,810) | 220,000 |
| UnitedHealth Group Inc. | (5,000) | 95,000 |
| Watts Water Technologies Inc., Cl. A | (10,000) | 180,000 |
| Whole Foods Market Inc. | (10,000) | 22,000 |

- (a) Spin-off 1 share of Edenred for every 1 share of Accor SA held. 14,770 shares of Accor SA were purchased after the spin-off.
- (b) Spin-off 0.240039731 shares of Frontier Communications for every 1 share of Verizon Communications Inc. held. 15,526 shares of Frontier Communications Corp. were sold after the spin-off.
- (c) Stock Dividend 0.0168306 shares for every 1 share held. 4,000 shares were purchased prior to the stock dividend.
- (d) Rights Exercised 1 share of Deutsche Bank AG, Rights expire 10/15/10 for every 1 share of Deutsche Bank AG held. 2,000 shares of Deutsche Bank AG were sold prior to the rights exercised.
- (e) Tender Offer \$0.001 for every 1 share held.

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS
September 30, 2010 (Unaudited)

| Shares | | Market Value |
|---------------|---|---------------------|
| | COMMON STOCKS 99.5% | |
| | Food and Beverage 10.6% | |
| 32,000 | Brown-Forman Corp., Cl. A | \$ 1,969,920 |
| 6,250 | Brown-Forman Corp., Cl. B | 385,250 |
| 70,000 | Campbell Soup Co. | 2,502,500 |
| 50,000 | China Mengniu Dairy Co. Ltd. | 154,662 |
| 15,000 | Coca-Cola Enterprises Inc. | 465,000 |
| 100,000 | Constellation Brands Inc., Cl. A | 1,769,000 |
| 44,000 | Corn Products International Inc. | 1,650,000 |
| 225,000 | Danone | 13,457,855 |
| 600,000 | Davide Campari Milano SpA | 3,588,761 |
| 150,000 | Dean Foods Co. | 1,531,500 |
| 45,000 | Del Monte Foods Co. | 589,950 |
| 203,000 | Diageo plc, ADR | 14,009,030 |
| 100,000 | Dr. Pepper Snapple Group Inc. | 3,552,000 |
| 70,000 | Flowers Foods Inc. | 1,738,800 |
| 92,000 | Fomento Economico Mexicano SAB de CV, ADR | 4,667,160 |
| 50,000 | General Mills Inc. | 1,827,000 |
| 680,000 | Grupo Bimbo SAB de CV, Cl. A | 4,964,429 |
| 84,000 | H.J. Heinz Co. | 3,979,080 |
| 36,000 | Heineken NV | 1,866,892 |
| 150,000 | ITO EN Ltd. | 2,463,464 |
| 20,000 | ITO EN Ltd., Preference | 245,089 |
| 14,000 | Kellogg Co. | 707,140 |
| 66,000 | Kerry Group plc, Cl. A | 2,330,343 |
| 172,278 | Kraft Foods Inc., Cl. A | 5,316,499 |
| 11,500 | LVMH Moet Hennessy Louis Vuitton SA | 1,686,888 |
| 1,000 | MEIJI Holdings Co. Ltd. | 47,077 |
| 70,000 | Morinaga Milk Industry Co. Ltd. | 300,192 |
| 25,000 | Nestlé SA | 1,331,858 |
| 210,000 | PepsiCo Inc. | 13,952,400 |
| 46,000 | Pernod-Ricard SA | 3,840,963 |
| 64,000 | Ralcorp Holdings Inc. | 3,742,720 |
| 40,673 | Remy Cointreau SA | 2,739,386 |
| 10,000 | Safeway Inc. | 211,600 |
| 600,000 | Sara Lee Corp. | 8,058,000 |
| 75,000 | The Coca-Cola Co. | 4,389,000 |
| 20,000 | The Hain Celestial Group Inc. | 479,600 |
| 56,000 | The Hershey Co. | 2,665,040 |
| 2,000 | The J.M. Smucker Co. | 121,060 |
| 10,000 | The Kroger Co. | 216,600 |
| 129,429 | Tootsie Roll Industries Inc. | 3,220,194 |
| 75,000 | Tyson Foods Inc., Cl. A | 1,201,500 |

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|-----------|--|-------------|
| 380,000 | YAKULT HONSHA Co. Ltd. | 11,735,026 |
| | | 135,670,428 |
| | Cable and Satellite 8.6% | |
| 1,410,000 | Cablevision Systems Corp., Cl. A | 36,927,900 |
| 105,000 | Comcast Corp., Cl. A, Special | 1,786,050 |
| 615,000 | DIRECTV, Cl. A | 25,602,450 |
| 100,000 | DISH Network Corp., Cl. A | 1,916,000 |
| 30,740 | EchoStar Corp., Cl. A | 586,519 |
| 176,770 | Liberty Global Inc., Cl. A | 5,446,284 |
| 139,001 | Liberty Global Inc., Cl. C | 4,247,871 |
| 489,690 | Rogers Communications Inc., Cl. B, New York | 18,329,097 |
| 19,310 | Rogers Communications Inc., Cl. B, Toronto | 722,741 |
| 120,000 | Scripps Networks Interactive Inc., Cl. A | 5,709,600 |
| 160,000 | Shaw Communications Inc., Cl. B, New York | 3,521,600 |
| 40,000 | Shaw Communications Inc., Cl. B, Toronto | 880,941 |
| 75,000 | Time Warner Cable Inc. | 4,049,250 |
| | | 109,726,303 |
| | Financial Services 7.9% | |
| 527,000 | American Express Co. (a) | 22,149,810 |
| 5,000 | Ameriprise Financial Inc. | 236,650 |
| 19,452 | Argo Group International Holdings Ltd. | 675,763 |
| 95,000 | Artio Global Investors Inc. | 1,453,500 |
| 88,000 | Banco Santander SA, ADR | 1,114,080 |
| 133 | Berkshire Hathaway Inc., Cl. A | 16,558,500 |
| 10,000 | Calamos Asset Management Inc., Cl. A | 115,000 |
| 380,000 | Citigroup Inc. | 1,482,000 |
| 126,000 | Commerzbank AG, ADR | 1,033,200 |
| 140,000 | Deutsche Bank AG | 7,690,200 |
| 10,000 | Fortress Investment Group LLC, Cl. A | 35,900 |
| 22,000 | H&R Block Inc. | 284,900 |
| 17,000 | Interactive Brokers Group Inc., Cl. A | 292,570 |
| 185,000 | Janus Capital Group Inc. | 2,025,750 |
| 64,088 | JPMorgan Chase & Co. | 2,439,830 |
| 30,000 | Kinnevik Investment AB, Cl. A | 640,471 |
| 178,000 | Legg Mason Inc. | 5,395,180 |
| 130,000 | Leucadia National Corp. | 3,070,600 |
| 5,000 | Loews Corp. | 189,500 |
| 180,000 | Marsh & McLennan Companies Inc. | 4,341,600 |
| 20,000 | Moody's Corp. | 499,600 |
| 22,000 | Och-Ziff Capital Management Group LLC, Cl. A | 327,800 |
| 120,000 | State Street Corp. | 4,519,200 |
| 20,000 | SunTrust Banks Inc. | 516,600 |
| 140,000 | T. Rowe Price Group Inc. | 7,009,100 |
| 3,000 | The Allstate Corp. | 94,650 |
| 185,038 | The Bank of New York Mellon Corp. | 4,835,043 |

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (Continued)
September 30, 2010 (Unaudited)

| Shares | | Market Value |
|---------|---------------------------------------|-----------------|
| | COMMON STOCKS (Continued) | |
| | Financial Services (Continued) | |
| 43,000 | The Charles Schwab Corp. | \$ 597,700 |
| 15,000 | The Dun & Bradstreet Corp. | 1,112,100 |
| 24,000 | The Phoenix Companies Inc. | 50,400 |
| 100,000 | Waddell & Reed Financial Inc., Cl. A | 2,736,000 |
| 290,000 | Wells Fargo & Co. | 7,287,700 |
| | | 100,810,897 |
| | Energy and Utilities 7.1% | |
| 3,500 | AGL Resources Inc. | 134,260 |
| 68,000 | Allegheny Energy Inc. | 1,667,360 |
| 36,000 | Anadarko Petroleum Corp. | 2,053,800 |
| 68,000 | Apache Corp. | 6,647,680 |
| 118,000 | BP plc, ADR | 4,858,060 |
| 61,000 | CH Energy Group Inc. | 2,693,760 |
| 39,000 | CMS Energy Corp. | 702,780 |
| 244,000 | ConocoPhillips | 14,012,920 |
| 80,000 | Constellation Energy Group Inc. | 2,579,200 |
| 3,000 | Diamond Offshore Drilling Inc. | 203,310 |
| 60,000 | DPL Inc. | 1,567,800 |
| 115,000 | Duke Energy Corp. | 2,036,650 |
| 280,000 | El Paso Corp. | 3,466,400 |
| 265,000 | El Paso Electric Co. | 6,301,700 |
| 75,000 | Exxon Mobil Corp. | 4,634,250 |
| 25,000 | Great Plains Energy Inc. | 472,500 |
| 210,000 | Halliburton Co. | 6,944,700 |
| 12,000 | Marathon Oil Corp. | 397,200 |
| 10,000 | Mirant Corp. | 99,600 |
| 140,000 | Mirant Corp., Escrow (b) | 0 |
| 32,000 | NextEra Energy Inc. | 1,740,480 |
| 2,000 | Niko Resources Ltd., New York | 196,832 |
| 1,000 | Niko Resources Ltd., Toronto | 98,416 |
| 10,000 | NiSource Inc. | 174,000 |
| 20,000 | Noble Corp. | 675,800 |
| 205,000 | Northeast Utilities | 6,061,850 |
| 10,000 | NSTAR | 393,500 |
| 19,000 | Oceaneering International Inc. | 1,023,340 |
| 500 | PetroChina Co. Ltd., ADR | 58,210 |
| 100,000 | Progress Energy Inc., CVO | 15,000 |
| 190,000 | Rowan Companies Inc. | 5,768,400 |
| 5,000 | SJW Corp. | 123,150 |

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| 20,000 | Southwest Gas Corp. | 671,800 |
| 130,000 | Spectra Energy Corp. | 2,931,500 |
| 20,000 | TECO Energy Inc. | 346,400 |
| 60,000 | The AES Corp. | 681,000 |
| 16,000 | Transocean Ltd. | 1,028,640 |
| 265,000 | Westar Energy Inc. | 6,420,950 |
| 4,000 | Wisconsin Energy Corp. | 231,200 |
| | | 90,114,398 |
| | Diversified Industrial 6.9% | |
| 3,000 | Acuity Brands Inc. | 132,720 |
| 158,000 | Ampco-Pittsburgh Corp. | 3,921,560 |
| 143,000 | Baldor Electric Co. | 5,777,200 |
| 202,000 | Cooper Industries plc | 9,883,860 |
| 250,000 | Crane Co. | 9,485,000 |
| 220,000 | General Electric Co. | 3,575,000 |
| 185,000 | Greif Inc., Cl. A | 10,885,400 |
| 18,000 | Greif Inc., Cl. B | 1,033,200 |
| 420,000 | Honeywell International Inc. | 18,454,800 |
| 240,000 | ITT Corp. | 11,239,200 |
| 10,000 | Jardine Strategic Holdings Ltd. | 268,000 |
| 30,000 | Material Sciences Corp. | 133,800 |
| 98,000 | Park-Ohio Holdings Corp. | 1,303,400 |
| 1,000 | Pentair Inc. | 33,630 |
| 21,000 | Sulzer AG | 2,436,269 |
| 60,000 | Trinity Industries Inc. | 1,336,200 |
| 220,000 | Tyco International Ltd. | 8,080,600 |
| | | 87,979,839 |
| | Equipment and Supplies 5.6% | |
| 243,000 | AMETEK Inc. | 11,608,110 |
| 4,000 | Amphenol Corp., Cl. A | 195,920 |
| 94,000 | CIRCOR International Inc. | 2,970,400 |
| 192,000 | Donaldson Co. Inc. | 9,048,960 |
| 114,500 | Flowserve Corp. | 12,528,590 |
| 23,000 | Franklin Electric Co. Inc. | 762,680 |
| 90,000 | Gerber Scientific Inc. | 555,300 |
| 90,000 | GrafTech International Ltd. | 1,406,700 |
| 304,000 | IDEX Corp. | 10,795,040 |
| 40,000 | Ingersoll-Rand plc | 1,428,400 |
| 204,000 | Lufkin Industries Inc. | 8,955,600 |
| 11,000 | Mueller Industries Inc. | 291,390 |
| 2,000 | Sealed Air Corp. | 44,960 |
| 70,000 | Tenaris SA, ADR | 2,689,400 |
| 4,000 | The Manitowoc Co. Inc. | 48,440 |
| 70,000 | The Weir Group plc | 1,564,768 |
| 180,000 | Watts Water Technologies Inc., Cl. A | 6,129,000 |
| | | 71,023,658 |

| Entertainment 5.5% | | |
|---------------------------|--------------------------------------|------------|
| 32,000 | Canal+ Groupe | 233,389 |
| 2,002 | Chestnut Hill Ventures (b) | 91,191 |
| 129,500 | Discovery Communications Inc., Cl. A | 5,639,725 |
| 129,500 | Discovery Communications Inc., Cl. C | 4,945,605 |
| 500 | DreamWorks Animation SKG Inc., Cl. A | 15,955 |
| 690,000 | Grupo Televisa SA, ADR | 13,054,800 |
| 29,000 | Liberty Media Corp. Starz, Cl. A | 1,881,520 |
| 359,500 | Madison Square Garden Inc., Cl. A | 7,578,260 |
| 10,000 | Regal Entertainment Group, Cl. A | 131,200 |

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (Continued)
September 30, 2010 (Unaudited)

| Shares/ Units | | Market Value |
|------------------|--|-----------------|
| | COMMON STOCKS (Continued) | |
| | Entertainment (Continued) | |
| 10,000 | The Walt Disney Co. | \$ 331,100 |
| 280,000 | Time Warner Inc. | 8,582,000 |
| 110,000 | Tokyo Broadcasting System Holdings Inc. | 1,415,189 |
| 125,000 | Universal Entertainment Corp. | 2,722,209 |
| 300,000 | Viacom Inc., Cl. A | 12,027,000 |
| 400,000 | Vivendi | 10,933,282 |
| | | 69,582,425 |
| | Telecommunications 4.9% | |
| 65,000 | BCE Inc. | 2,112,500 |
| 5,000 | Bell Aliant Regional Communications Income Fund | 125,717 |
| 45,480 | Brasil Telecom SA, ADR | 902,778 |
| 15,801 | Brasil Telecom SA, Cl. C, ADR | 136,205 |
| 1,100,000 | BT Group plc | 2,419,177 |
| 7,040,836 | Cable & Wireless Jamaica Ltd. (c) | 30,442 |
| 825,000 | Cincinnati Bell Inc. | 2,202,750 |
| 155,000 | Deutsche Telekom AG, ADR | 2,112,650 |
| 5,000 | Fastweb SpA | 122,216 |
| 20,000 | Frontier Communications Corp. | 163,400 |
| 44,000 | Hellenic Telecommunications Organization SA | 316,711 |
| 16,000 | Hellenic Telecommunications Organization SA, ADR | 56,480 |
| 95,000 | Koninklijke KPN NV | 1,469,279 |
| 50,000 | Qwest Communications International Inc. | 313,500 |
| 1,150,000 | Sprint Nextel Corp. | 5,324,500 |
| 184,000 | Tele Norte Leste Participacoes SA, ADR | 2,590,720 |
| 38,000 | Telecom Argentina SA, ADR | 804,840 |
| 800,000 | Telecom Italia SpA | 1,117,867 |
| 198,000 | Telefonica SA, ADR | 14,681,700 |
| 52,000 | Telefonos de Mexico SAB de CV, Cl. L, ADR | 776,360 |
| 265,000 | Telephone & Data Systems Inc. | 8,692,000 |
| 350,000 | Telephone & Data Systems Inc., Special | 9,922,500 |
| 15,000 | TELUS Corp. | 666,537 |
| 148,000 | Verizon Communications Inc. | 4,823,320 |
| | | 61,884,149 |
| | Consumer Products 4.5% | |
| 65,000 | Avon Products Inc. | 2,087,150 |
| 17,000 | Christian Dior SA | 2,222,047 |
| 12,000 | Church & Dwight Co. Inc. | 779,280 |

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| | | |
|---------|---------------------------------|------------|
| 9,000 | Clorox Co. | 600,840 |
| 158,000 | Eastman Kodak Co. | 663,600 |
| 105,000 | Energizer Holdings Inc. | 7,059,150 |
| 120,000 | Fortune Brands Inc. | 5,907,600 |
| 2,266 | Givaudan SA | 2,315,233 |
| 60,000 | Hanesbrands Inc. | 1,551,600 |
| 30,000 | Harley-Davidson Inc. | 853,200 |
| 4,000 | Jarden Corp. | 124,520 |
| 8,000 | Mattel Inc. | 187,680 |
| 13,000 | National Presto Industries Inc. | 1,384,110 |
| 10,000 | Oil-Dri Corp. of America | 215,100 |
| 78,000 | Pactiv Corp. | 2,572,440 |
| 56,000 | Reckitt Benckiser Group plc | 3,079,832 |
| 33,000 | Svenska Cellulosa AB, Cl. B | 501,829 |
| 940,000 | Swedish Match AB | 25,074,662 |
| | | 57,179,873 |

Automotive: Parts and Accessories 3.6%

| | | |
|---------|--|------------|
| 84,000 | BorgWarner Inc. | 4,420,080 |
| 158,000 | CLARCOR Inc. | 6,103,540 |
| 215,000 | Dana Holding Corp. | 2,648,800 |
| 275,000 | Genuine Parts Co. | 12,262,250 |
| 195,000 | Johnson Controls Inc. | 5,947,500 |
| 135,000 | Midas Inc. | 1,027,350 |
| 300,000 | Modine Manufacturing Co. | 3,891,000 |
| 128,000 | O Reilly Automotive Inc. | 6,809,600 |
| 175,000 | Standard Motor Products Inc. | 1,842,750 |
| 45,000 | Superior Industries International Inc. | 777,600 |
| | | 45,730,470 |

Health Care 3.5%

| | | |
|---------|----------------------------|-----------|
| 12,000 | Abbott Laboratories | 626,880 |
| 14,046 | Allergan Inc. | 934,480 |
| 38,000 | Amgen Inc. | 2,094,180 |
| 38,000 | Baxter International Inc. | 1,812,980 |
| 3,500 | Becton, Dickinson and Co. | 259,350 |
| 35,000 | Biogen Idec Inc. | 1,964,200 |
| 215,000 | Boston Scientific Corp. | 1,317,950 |
| 85,000 | Bristol-Myers Squibb Co. | 2,304,350 |
| 1,000 | Cephalon Inc. | 62,440 |
| 55,000 | Covidien plc | 2,210,450 |
| 30,000 | Henry Schein Inc. | 1,757,400 |
| 15,000 | Hospira Inc. | 855,150 |
| 45,000 | Johnson & Johnson | 2,788,200 |
| 74,000 | Life Technologies Corp. | 3,455,060 |
| 56,000 | Mead Johnson Nutrition Co. | 3,186,960 |
| 100,000 | Merck & Co. Inc. | 3,681,000 |
| 10,000 | Nobel Biocare Holding AG | 179,616 |
| 98,000 | Novartis AG, ADR | 5,651,660 |

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| | | |
|--------|-----------------------------|-----------|
| 50,000 | SSL International plc | 909,548 |
| 95,000 | UnitedHealth Group Inc. | 3,335,450 |
| 8,000 | Watson Pharmaceuticals Inc. | 338,480 |

See accompanying notes to schedule of investments.

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THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (Continued)
September 30, 2010 (Unaudited)

| Shares | | Market Value |
|---------------|--|---------------------|
| | COMMON STOCKS (Continued) | |
| | Health Care (Continued) | |
| 65,000 | William Demant Holding A/S | \$ 4,796,407 |
| 7,000 | Zimmer Holdings Inc. | 366,310 |
| | | 44,888,501 |
| | Machinery 2.5% | |
| 15,000 | Caterpillar Inc. | 1,180,200 |
| 25,000 | CNH Global NV | 916,000 |
| 432,000 | Deere & Co. | 30,144,960 |
| | | 32,241,160 |
| | Publishing 2.4% | |
| 10,000 | Idearc Inc. (b) | 33 |
| 1,152,600 | Il Sole 24 Ore | 2,077,238 |
| 28,323 | Independent News & Media plc | 24,518 |
| 200,000 | Media General Inc., Cl. A | 1,792,000 |
| 117,000 | Meredith Corp. | 3,897,270 |
| 1,330,000 | News Corp., Cl. A | 17,369,800 |
| 20,000 | News Corp., Cl. B | 301,200 |
| 332 | Seat Pagine Gialle SpA | 69 |
| 27,000 | The E.W. Scripps Co., Cl. A | 212,760 |
| 133,500 | The McGraw-Hill Companies Inc. | 4,413,510 |
| | | 30,088,398 |
| | Consumer Services 2.3% | |
| 100,000 | IAC/InterActiveCorp. | 2,627,000 |
| 198,000 | Liberty Media Corp. Interactive, Cl. A | 2,714,580 |
| 1,010,000 | Rollins Inc. | 23,613,800 |
| | | 28,955,380 |
| | Retail 2.1% | |
| 100,000 | AutoNation Inc. | 2,325,000 |
| 500 | AutoZone Inc. | 114,455 |
| 40,000 | Coldwater Creek Inc. | 210,800 |
| 50,000 | Costco Wholesale Corp. | 3,224,500 |
| 115,000 | CVS Caremark Corp. | 3,619,050 |
| 10,108 | Denny's Corp. | 31,436 |
| 29,000 | HSN Inc. | 867,100 |

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| | | |
|-----------|--|------------|
| 390,000 | Macy's Inc. | 9,005,100 |
| 50,000 | Sally Beauty Holdings Inc. | 560,000 |
| 185,000 | The Great Atlantic & Pacific Tea Co. Inc. | 732,600 |
| 50,000 | Wal-Mart Stores Inc. | 2,676,000 |
| 90,000 | Walgreen Co. | 3,015,000 |
| 22,000 | Whole Foods Market Inc. | 816,420 |
| | | 27,197,461 |
| | Business Services 2.1% | |
| 6,000 | ACCO Brands Corp. | 34,500 |
| 18,000 | Ascent Media Corp., Cl. A | 480,780 |
| 140,000 | Clear Channel Outdoor Holdings Inc., Cl. A | 1,600,200 |
| 180,000 | Contax Participacoes SA, ADR | 565,200 |
| 100,000 | Diebold Inc. | 3,109,000 |
| 200,000 | G4S plc | 799,899 |
| 1,000 | Hertz Global Holdings Inc. | 10,590 |
| 12,000 | Jardine Matheson Holdings Ltd. | 541,680 |
| 92,000 | Landauer Inc. | 5,761,960 |
| 40,500 | MasterCard Inc., Cl. A | 9,072,000 |
| 30,000 | Monster Worldwide Inc. | 388,800 |
| 340,000 | The Interpublic Group of Companies Inc. | 3,410,200 |
| 8,000 | Visa Inc., Cl. A | 594,080 |
| | | 26,368,889 |
| | Aerospace 2.0% | |
| 630,000 | BBA Aviation plc | 1,864,526 |
| 30,899 | Kaman Corp. | 809,863 |
| 4,000 | Lockheed Martin Corp. | 285,120 |
| 45,000 | Northrop Grumman Corp. | 2,728,350 |
| 1,200,000 | Rolls-Royce Group plc | 11,376,414 |
| 123,000 | The Boeing Co. | 8,184,420 |
| | | 25,248,693 |
| | Hotels and Gaming 2.0% | |
| 20,000 | Accor SA | 730,294 |
| 200,000 | Gaylord Entertainment Co. | 6,100,000 |
| 70,000 | Genting Singapore plc | 99,004 |
| 37,000 | Interval Leisure Group Inc. | 498,390 |
| 1,500,087 | Ladbrokes plc | 3,162,393 |
| 90,000 | Las Vegas Sands Corp. | 3,136,500 |
| 3,900,000 | Mandarin Oriental International Ltd. | 6,669,000 |
| 55,000 | MGM Resorts International | 620,400 |
| 42,000 | Orient-Express Hotels Ltd., Cl. A | 468,300 |
| 100,000 | Pinnacle Entertainment Inc. | 1,115,000 |
| 34,000 | Starwood Hotels & Resorts Worldwide Inc. | 1,786,700 |
| 200,000 | The Hongkong & Shanghai Hotels Ltd. | 352,114 |
| 2,000 | Wynn Resorts Ltd. | 173,540 |

| | | |
|---------|--|------------|
| | | 24,911,635 |
| | Aviation: Parts and Services 1.9% | |
| 350,000 | Curtiss-Wright Corp. | 10,605,000 |
| 330,000 | GenCorp Inc. | 1,623,600 |
| 98,000 | Precision Castparts Corp. | 12,480,300 |
| | | 24,708,900 |

See accompanying notes to schedule of investments.

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THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (Continued)
September 30, 2010 (Unaudited)

| Shares | | Market Value |
|---------|---|-----------------|
| | COMMON STOCKS (Continued) | |
| | Specialty Chemicals 1.8% | |
| 13,000 | Ashland Inc. | \$ 634,010 |
| 30,000 | E.I. du Pont de Nemours and Co. | 1,338,600 |
| 465,000 | Ferro Corp. | 5,993,850 |
| 4,000 | FMC Corp. | 273,640 |
| 45,000 | H.B. Fuller Co. | 894,150 |
| 70,000 | International Flavors & Fragrances Inc. | 3,396,400 |
| 275,000 | Omnova Solutions Inc. | 1,977,250 |
| 240,000 | Sensient Technologies Corp. | 7,317,600 |
| 100,000 | Zep Inc. | 1,744,000 |
| | | 23,569,500 |
| | Communications Equipment 1.5% | |
| 465,000 | Corning Inc. | 8,500,200 |
| 75,000 | Motorola Inc. | 639,750 |
| 250,000 | Thomas & Betts Corp. | 10,255,000 |
| | | 19,394,950 |
| | Metals and Mining 1.4% | |
| 15,000 | Agnico-Eagle Mines Ltd. | 1,065,450 |
| 53,000 | Alcoa Inc. | 641,830 |
| 88,000 | Barrick Gold Corp. | 4,073,520 |
| 4,000 | Freeport-McMoRan Copper & Gold Inc. | 341,560 |
| 74,000 | Ivanhoe Mines Ltd. | 1,732,340 |
| 52,000 | New Hope Corp. Ltd. | 253,816 |
| 155,000 | Newmont Mining Corp. | 9,735,550 |
| | | 17,844,066 |
| | Wireless Communications 1.4% | |
| 88,000 | America Movil SAB de CV, Cl. L, ADR | 4,693,040 |
| 16,070 | Clearwire Corp., Cl. A | 130,006 |
| 10,000 | Millicom International Cellular SA | 959,500 |
| 1,500 | NTT DoCoMo Inc. | 2,497,604 |
| 32,165 | Tim Participacoes SA, ADR | 1,061,123 |
| 115,400 | United States Cellular Corp. | 5,304,938 |
| 56,938 | Vivo Participacoes SA, ADR | 1,547,005 |
| 66,000 | Vodafone Group plc, ADR | 1,637,460 |
| | | 17,830,676 |

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| | | |
|---------|--|------------|
| | Electronics 1.2% | |
| 4,000 | Advanced Micro Devices Inc. | 28,440 |
| 20,000 | Bel Fuse Inc., Cl. A | 418,600 |
| 4,000 | Hitachi Ltd., ADR | 175,120 |
| 180,000 | Intel Corp. | 3,461,400 |
| 35,000 | Koninklijke Philips Electronics NV | 1,096,200 |
| 75,000 | LSI Corp. | 342,000 |
| 20,000 | MEMC Electronic Materials Inc. | 238,400 |
| 20,000 | Molex Inc., Cl. A | 349,600 |
| 2,000 | Rovi Corp. | 100,820 |
| 275,000 | Texas Instruments Inc. | 7,463,500 |
| 62,000 | Tyco Electronics Ltd. | 1,811,640 |
| | | 15,485,720 |
| | Environmental Services 1.1% | |
| 220,000 | Republic Services Inc. | 6,707,800 |
| 190,000 | Waste Management Inc. | 6,790,600 |
| | | 13,498,400 |
| | Agriculture 0.9% | |
| 285,000 | Archer-Daniels-Midland Co. | 9,097,200 |
| 28,000 | Monsanto Co. | 1,342,040 |
| 15,000 | Syngenta AG, ADR | 746,850 |
| 10,000 | The Mosaic Co. | 587,600 |
| | | 11,773,690 |
| | Broadcasting 0.9% | |
| 350,000 | CBS Corp., Cl. A, Voting | 5,565,000 |
| 2,000 | Cogeco Inc. | 61,230 |
| 25,334 | Corus Entertainment Inc., Cl. B, New York | 529,227 |
| 6,666 | Corus Entertainment Inc., Cl. B, Toronto | 139,941 |
| 40,000 | Gray Television Inc. | 80,400 |
| 5,000 | Gray Television Inc., Cl. A | 9,500 |
| 77,000 | Liberty Media Corp. Capital, Cl. A | 4,008,620 |
| 45,000 | LIN TV Corp., Cl. A | 199,800 |
| 100,000 | Television Broadcasts Ltd. | 570,961 |
| | | 11,164,679 |
| | Automotive 0.8% | |
| 125,000 | Navistar International Corp. | 5,455,000 |
| 96,750 | PACCAR Inc. | 4,658,513 |
| | | 10,113,513 |
| | Computer Software and Services 0.6% | |
| 45,000 | AOL Inc. | 1,113,750 |

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| | | |
|---------|--|-----------|
| 10,000 | Check Point Software Technologies Ltd. | 369,300 |
| 105,000 | NCR Corp. | 1,431,150 |
| 5,000 | Research In Motion Ltd. | 243,450 |
| 30,000 | Rockwell Automation Inc. | 1,851,900 |
| 165,000 | Yahoo! Inc. | 2,338,050 |
| | | 7,347,600 |
| | Transportation 0.5% | |
| 300,000 | AMR Corp. | 1,881,000 |
| 158,000 | GATX Corp. | 4,632,560 |
| 3,000 | Grupo TMM SA, Cl. A, ADR | 8,790 |
| | | 6,522,350 |

See accompanying notes to schedule of investments.

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THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (Continued)
September 30, 2010 (Unaudited)

| Shares | | Market Value |
|---------|--|----------------------|
| | COMMON STOCKS (Continued) | |
| | Real Estate 0.4% | |
| 55,500 | Griffin Land & Nurseries Inc. | \$ 1,467,420 |
| 170,000 | The St. Joe Co. | 4,227,900 |
| | | 5,695,320 |
| | Closed-End Funds 0.4% | |
| 31,500 | Royce Value Trust Inc. | 382,410 |
| 104,000 | The Central Europe and Russia Fund Inc. | 3,886,480 |
| 70,957 | The New Germany Fund Inc. | 1,022,490 |
| | | 5,291,380 |
| | Exchange Traded Funds 0.4% | |
| 200,000 | UltraShort Dow30 ProShares | 4,900,000 |
| | Real Estate Investment Trusts 0.1% | |
| 2,000 | Camden Property Trust | 95,940 |
| 24,984 | Rayonier Inc. | 1,252,198 |
| | | 1,348,138 |
| | Manufactured Housing and Recreational Vehicles 0.1% | |
| 6,400 | Martin Marietta Materials Inc. | 492,608 |
| 10,000 | Nobility Homes Inc. | 97,250 |
| 33,000 | Skyline Corp. | 668,580 |
| | | 1,258,438 |
| | Computer Hardware 0.0% | |
| 60,000 | Xerox Corp. | 621,000 |
| | Commercial Services 0.0% | |
| 5,230 | Edenred | 103,596 |
| | TOTAL COMMON STOCKS | 1,268,074,473 |
| | CONVERTIBLE PREFERRED STOCKS 0.1% | |
| | Telecommunications 0.1% | |
| 23,000 | Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B | 897,000 |
| | RIGHTS 0.1% | |

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| | | |
|---------------------------------|--|------------------|
| | Financial Services 0.1% | |
| 140,000 | Deutsche Bank AG, expire 10/05/10 | 695,800 |
| | WARRANTS 0.0% | |
| | Retail 0.0% | |
| 169,811 | Talbots Inc., expire 04/06/15 | 475,471 |
| | Energy and Utilities 0.0% | |
| 12,183 | Mirant Corp., Ser. A, expire 01/03/11 | 184 |
| | TOTAL WARRANTS | 475,655 |
| Principal Amount | | |
| | CONVERTIBLE CORPORATE BONDS 0.3% | |
| | Diversified Industrial 0.2% | |
| \$ 2,000,000 | Griffon Corp., Sub. Deb. Cv., 4.000%, 01/15/17 (d) | 2,130,000 |
| | Retail 0.1% | |
| 2,000,000 | The Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11 | 1,457,500 |
| | TOTAL CONVERTIBLE CORPORATE BONDS | 3,587,500 |
| | CORPORATE BONDS 0.0% | |
| | Consumer Products 0.0% | |
| 1,000,000 | Pillowtex Corp., Sub. Deb., 9.000%, 12/15/10 (b) | 0 |
| | U.S. GOVERNMENT OBLIGATIONS 0.0% | |
| 300,000 | U.S. Treasury Bills, 0.135% to 0.145% , 11/18/10 to 12/23/10 | 299,929 |
| TOTAL INVESTMENTS 100.0% | | |
| (Cost \$985,467,557) | | \$ 1,274,030,357 |
| | Aggregate tax cost | \$ 1,004,609,090 |
| | Gross unrealized appreciation | \$ 409,619,932 |
| | Gross unrealized depreciation | (140,198,665) |
| | Net unrealized appreciation/depreciation | \$ 269,421,267 |

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (Continued)
September 30, 2010 (Unaudited)

| Number of Contracts | | Expiration Date | Unrealized Depreciation |
|---------------------------|--|--------------------|----------------------------|
| | FUTURES CONTRACTS SHORT POSITION 0.0% | | |
| 375 | S & P 500 Emini Futures | 12/17/2010 | \$ (177,025) |

- (a) Security, or a portion thereof, with a value of \$4,203,000 were pledged as collateral for futures contracts.
- (b) Security fair valued under procedures established by the Board of Directors. The procedures may include reviewing available financial information about the company and reviewing the valuation of comparable securities and other factors on a regular basis. At September 30, 2010, the market value of fair valued securities amounted to \$91,224 or 0.01% of total investments.
- (c) At September 30, 2010, the Fund held an investment in a restricted security amounting to \$30,442 or 0.00% of total investments, which was valued under methods approved by the Board of Directors as follows:

| Acquisition Shares | Issuer | Acquisition Date | Acquisition Cost | 09/30/10 Carrying Value Per Unit |
|-----------------------|-------------------------------|---------------------|---------------------|---|
| 7,040,836 | Cable & Wireless Jamaica Ltd. | 09/30/93 | \$ 128,658 | \$ 0.0043 |

- (d) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. This security may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2010, the market value of the Rule 144A security amounted to \$2,130,000 or 0.17% of total investments.

Non-income producing security.

Represents annualized yield at date of purchase.

ADR American Depositary Receipt

CVO Contingent Value Obligation

| Geographic Diversification | % of Market Value | Market Value |
|----------------------------|-------------------------|------------------|
| North America | 80.0% | \$ 1,019,647,388 |
| Europe | 14.7 | 186,867,597 |
| Latin America | 2.9 | 37,214,956 |
| Japan | 1.7 | 21,600,970 |
| Asia/Pacific | 0.7 | 8,699,446 |
| Total Investments | 100.0% | \$ 1,274,030,357 |

See accompanying notes to schedule of investments.

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THE GABELLI EQUITY TRUST INC. (the Fund)
NOTES TO SCHEDULE OF INVESTMENTS (Unaudited)

The Fund's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP), which may require the use of management estimates and assumptions. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

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

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of sixty days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than sixty days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. U.S. government obligations with maturities greater than sixty days are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

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

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

Level 1 quoted prices in active markets for identical securities;

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and

Level 3 significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

THE GABELLI EQUITY TRUST INC.**NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)**

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities and other financial instruments by inputs used to value the Fund's investments as of September 30, 2010 is as follows:

| | Valuation Inputs | | | Total Market Value at 9/30/10 |
|---|-----------------------------|---|--|-------------------------------------|
| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | |
| INVESTMENTS IN SECURITIES: | | | | |
| ASSETS (Market Value): | | | | |
| Common Stocks: | | | | |
| Energy and Utilities | \$ 90,099,398 | \$ 15,000 | \$ 0 | \$ 90,114,398 |
| Entertainment | 69,491,234 | | 91,191 | 69,582,425 |
| Telecommunications | 61,853,707 | 30,442 | | 61,884,149 |
| Publishing | 30,088,365 | | 33 | 30,088,398 |
| Other Industries (a) | 1,016,405,103 | | | 1,016,405,103 |
| Total Common Stocks | 1,267,937,807 | 45,442 | 91,224 | 1,268,074,473 |
| Convertible Preferred Stocks (a) | 897,000 | | | 897,000 |
| Rights (a) | 695,800 | | | 695,800 |
| Warrants (a) | 475,655 | | | 475,655 |
| Convertible Corporate Bonds | | 3,587,500 | | 3,587,500 |
| Corporate Bonds | | | 0 | 0 |
| U.S. Government Obligations | | 299,929 | | 299,929 |
| TOTAL INVESTMENTS IN SECURITIES ASSETS | \$1,270,006,262 | \$ 3,932,871 | \$ 91,224 | \$1,274,030,357 |
| OTHER FINANCIAL INSTRUMENTS: | | | | |
| ASSETS (Unrealized Appreciation): * | | | | |
| EQUITY CONTRACT | | | | |
| Contract for Difference Swap Agreement | \$ | \$ 57,955 | \$ | \$ 57,955 |
| LIABILITIES (Unrealized Depreciation): * | | | | |
| EQUITY CONTRACTS | | | | |
| Futures Contracts Sold (b) | (177,025) | | | (177,025) |
| | \$ (177,025) | \$ 57,955 | \$ | \$ (119,070) |

**TOTAL OTHER FINANCIAL
INSTRUMENTS**

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

(b) Represents cumulative unrealized depreciation of futures contracts as reported in the Notes to the SOI.

* Other financial instruments are derivatives not reflected in the SOI, such as futures, forwards, and swaps, which are valued at the unrealized appreciation/depreciation of the instrument.

The Fund did not have significant transfers between Level 1 and Level 2 during the period ended September 30, 2010.

THE GABELLI EQUITY TRUST INC.
NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)

The following table reconciles Level 3 investments for which significant unobservable inputs were used to determine fair value:

| | Balance as of 12/31/09 | Change in accrued discounts/ premiums | Realized unrealized gain/ loss | Net transfers into Level 3 (sales) | Transfers out of Level 3 | Balance as of 9/30/10 | Net change in unrealized appreciation/ depreciation during the period on Level 3 investments held at 9/30/10 |
|--|------------------------------|---|---|--|-----------------------------------|-----------------------------|--|
| INVESTMENTS IN SECURITIES: | | | | | | | |
| ASSETS (Market Value): | | | | | | | |
| Common Stocks: | | | | | | | |
| Energy and Utilities | \$ 0 | \$ | \$ | \$ | \$ | \$ 0 | \$ |
| Entertainment | 67,527 | | 23,664 | | | 91,191 | 23,664 |
| Equipment and Supplies | 0 | | (71,252) | 71,252 | (0) | | |
| Publishing | | | | | 33 | 33 | |
| Total Common Stocks | 67,527 | | (71,252) | 94,916 | (0) | 33 | 91,224 |
| Corporate Bonds | 0 | | | | | 0 | |
| TOTAL INVESTMENTS IN SECURITIES | \$67,527 | \$ | \$(71,252) | \$94,916 | \$(0) | \$33 | \$ \$91,224 |

The Fund's policy is to recognize transfers into and transfers out of Level 3 as of the beginning of the reporting period.

In January 2010, the Financial Accounting Standards Board (FASB) issued amended guidance to improve disclosure about fair value measurements which requires additional disclosures about transfers between Levels 1 and 2 and separate disclosures about purchases, sales, issuances, and settlements in the reconciliation of fair value measurements using significant unobservable inputs (Level 3). FASB also clarified existing disclosure requirements relating to the levels of disaggregation of fair value measurement and inputs and valuation techniques used to measure fair value. The amended guidance is effective for financial statements for fiscal years beginning after December 15, 2009 and interim periods within those fiscal years. Management has adopted the amended guidance and determined that there was no material impact to the Fund's financial statements except for additional disclosures made in the notes. Disclosures about purchases, sales, issuances, and settlements in the rollforward of activity in Level 3 fair value measurements are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. Management is currently evaluating the impact of the additional disclosure requirements on the Fund's

financial statements.

Investments in other Investment Companies. The Fund may invest, from time to time, in shares of other investment companies (or entities that would be considered investment companies but are excluded from the definition pursuant to certain exceptions under the 1940 Act) (the Acquired Funds) in accordance with the 1940 Act and related rules. As a shareholder in the Fund, you would bear the pro rata portion of the periodic expenses of the Acquired Funds in addition to the Fund's expenses. Investments in other investment companies at September 30, 2010 are reported in the Schedule of Investments.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at the current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency

THE GABELLI EQUITY TRUST INC.

NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)

translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/loss on investments.

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

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

Restricted and Illiquid Securities. The Fund may invest up to 10% of its net assets in securities for which the markets are illiquid. Illiquid securities include securities the disposition of which is subject to substantial legal or contractual restrictions. The sale of illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity. The Fund held no illiquid securities at September 30, 2010. For the restricted security the Fund held as of September 30, 2010, refer to the Schedule of Investments.

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

The Fund's derivative contracts held at September 30, 2010, if any, are not accounted for as hedging instruments under GAAP.

THE GABELLI EQUITY TRUST INC.

NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)

Options. The Fund may purchase or write call or put options on securities or indices for the purpose of achieving additional return or for hedging the value of the Fund's portfolio. As a writer of put options, the Fund receives a premium at the outset and then bears the risk of unfavorable changes in the price of the financial instrument underlying the option. The Fund would incur a loss if the price of the underlying financial instrument decreases between the date the option is written and the date on which the option is terminated. The Fund would realize a gain, to the extent of the premium, if the price of the financial instrument increases between those dates. If a written call option is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether there has been a realized gain or loss. If a written put option is exercised, the premium reduces the cost basis of the security.

As a purchaser of put options, the Fund pays a premium for the right to sell to the seller of the put option the underlying security at a specified price. The seller of the put has the obligation to purchase the underlying security upon exercise at the exercise price. If the price of the underlying security declines, the Fund would realize a gain upon sale or exercise. If the price of the underlying security increases or stays the same, the Fund would realize a loss upon sale or at the expiration date, but only to the extent of the premium paid.

In the case of call options, these exercise prices are referred to as in-the-money, at-the-money, and out-of-the-money, respectively. The Fund may write (a) in-the-money call options when the Adviser expects that the price of the underlying security will remain stable or decline, during the option period, (b) at-the-money call options when the Adviser expects that the price of the underlying security will remain stable, decline or advance moderately during the option period, and (c) out-of-the-money call options when the Adviser expects that the premiums received from writing the call option will be greater than the appreciation in the price of the underlying security above the exercise price. By writing a call option, the Fund limits its opportunity to profit from any increase in the market value of the underlying security above the exercise price of the option. Out-of-the-money, at-the-money, and in-the-money put options (the reverse of call options as to the relation of exercise price to market price) may be utilized in the same market environments that such call options are used in equivalent transactions. During the period ended September 30, 2010, the Fund had no investments in options.

Swap Agreements. The Fund may enter into equity, contract for difference, and interest rate swap or cap transactions for the purpose of increasing the income of the Fund or hedging or protecting its exposure to interest rate movements and movements in the securities markets. The use of swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. In an interest rate swap, the Fund would agree to pay periodically to the other party (which is known as the counterparty) a fixed rate payment in exchange for the counterparty agreeing to pay to the Fund periodically a variable rate payment that is intended to approximate the Fund's variable rate payment obligation on Series C Cumulative Preferred Stock and Series E Cumulative Preferred Stock. In an interest rate cap, the Fund would pay a premium to the counterparty and, to the extent that a specified variable rate index exceeds a predetermined fixed rate, would receive from that counterparty payments of the difference based on the notional amount of such cap. Swap and cap transactions introduce additional risk because the Fund would remain obligated to pay preferred stock dividends when due in accordance with the Articles Supplementary even if the counterparty defaulted. In a swap, a set of future cash flows is exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at the time a swap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction.

THE GABELLI EQUITY TRUST INC.**NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)**

During the period ended September 30, 2010, the Fund had no investments in interest rate swap agreements.

The Fund has entered into an equity contract for difference swap agreement with The Goldman Sachs Group, Inc. Details of the swap at September 30, 2010 are as follows:

| Notional Amount | Equity Security Received Market Value Appreciation on: Rolls-Royce Group plc | Interest Rate/ Equity Security Paid One month LIBOR plus 90 bps plus Market Value Depreciation on: Rolls-Royce Group plc | Termination Date 6/27/11 | Net Unrealized Appreciation \$ 57,955 |
|------------------------------|---|---|---|--|
| \$1,643,254 (180,000 Shares) | | | | |

The Fund's volume of activity in equity contract for difference swap agreements during the period ended September 30, 2010 had an average monthly notional amount of approximately \$1,563,623.

Futures Contracts. The Fund may engage in futures contracts for the purpose of hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the initial margin. Subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are included in unrealized appreciation/depreciation on futures contracts. The Fund recognizes a realized gain or loss when the contract is closed.

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. Open positions in futures contracts that were held at September 30, 2010 are presented within the Schedule of Investments.

The Fund's volume of activity in equity futures contracts sold during the period ended September 30, 2010 had an average monthly notional value of approximately \$3,296,669.

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

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts. During the period ended September 30, 2010, the Fund had no investments in forward foreign exchange contracts.

THE GABELLI EQUITY TRUST INC.
NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)

The following table summarizes the net unrealized appreciation/depreciation of derivatives held at September 30, 2010 by primary risk exposure:

| | Net Unrealized Appreciation/(Depreciation) at September 30, 2010 |
|-------------------------------|---|
| Asset Derivatives: | |
| Equity Contract | \$ 57,955 |
| Liability Derivatives: | |
| Equity Contracts | \$ (177,025) |

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

At December 31, 2009, the Fund had net capital loss carryforwards for federal income tax purposes of \$59,042,461 which are available to reduce future required distributions of net capital gains to shareholders. \$5,677,941 of the loss carryforward is available through 2016; and \$53,364,520 is available through 2017.

**AUTOMATIC DIVIDEND REINVESTMENT
AND VOLUNTARY CASH PURCHASE PLANS**

Enrollment in the Plan

It is the policy of The Gabelli Equity Trust Inc. (the Fund) to automatically reinvest dividends payable to common shareholders. As a registered shareholder you automatically become a participant in the Fund's Automatic Dividend Reinvestment Plan (the Plan). The Plan authorizes the Fund to credit shares of common stock to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund. Plan participants may send their stock certificates to Computershare Trust Company, N.A. (Computershare) to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distribution in cash must submit this request in writing to:

The Gabelli Equity Trust Inc.
c/o Computershare
P.O. Box 43010
Providence, RI 02940-3010

Shareholders requesting this cash election must include the shareholder's name and address as they appear on the share certificate. Shareholders with additional questions regarding the Plan or requesting a copy of the terms of the Plan, may contact Computershare at (800) 336-6983.

If your shares are held in the name of a broker, bank, or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of street name and re-registered in your own name. Once registered in your own name your dividends will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in street name at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of shares of common stock distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Fund's common stock is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued shares of common stock valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Fund's common stock. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange (NYSE) trading day, the next trading day. If the net asset value of the common stock at the time of valuation exceeds the market price of the common stock, participants will receive shares from the Fund valued at market price. If the Fund should declare a dividend or capital gains distribution payable only in cash, Computershare will buy common stock in the open market, or on the NYSE or elsewhere, for the participants' accounts, except that Computershare will endeavor to terminate purchases in the open market and cause the Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the common stock exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

Voluntary Cash Purchase Plan

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to Computershare for investments in the Fund's shares at the then current market price. Shareholders may send an amount from \$250 to \$10,000. Computershare will use these funds to purchase shares in the open market on or about the 1st

and 15th of each month. Computershare will charge each shareholder who participates \$0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to Computershare, P.O. Box 43010, Providence, RI 02940-3010 such that Computershare receives such payments approximately 10 days before the 1st and 15th of the month. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by Computershare at least 48 hours before such payment is to be invested.

Shareholders wishing to liquidate shares held at Computershare must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address, and account number. The cost to liquidate shares is \$2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

For more information regarding the Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, brochures are available by calling (914) 921-5070 or by writing directly to the Fund.

The Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by Computershare on at least 90 days written notice to participants in the Plan.

DIRECTORS AND OFFICERS
THE GABELLI EQUITY TRUST INC.
One Corporate Center, Rye, NY 10580-1422

Directors

Mario J. Gabelli, CFA
Chairman & Chief Executive Officer,
GAMCO Investors, Inc.

Dr. Thomas E. Bratter
President & Founder, John Dewey Academy

Anthony J. Colavita
President,
Anthony J. Colavita, P.C.

James P. Conn
Former Managing Director &
Chief Investment Officer,
Financial Security Assurance Holdings Ltd.

Frank J. Fahrenkopf, Jr.
President & Chief Executive Officer,
American Gaming Association

Arthur V. Ferrara
Former Chairman & Chief Executive Officer,
Guardian Life Insurance Company of America

Anthony R. Pustorino
Certified Public Accountant,
Professor Emeritus, Pace University

Salvatore J. Zizza
Chairman, Zizza & Co., Ltd.

Officers

Bruce N. Alpert
President

Carter W. Austin
Vice President

Peter D. Goldstein
Chief Compliance Officer

Molly A.F. Marion
Vice President & Ombudsman

Agnes Mullady
Treasurer & Secretary

Investment Adviser

Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

Custodian

The Bank of New York Mellon

Counsel

Willkie Farr & Gallagher LLP

Transfer Agent and Registrar

Computershare Trust Company, N.A.

Stock Exchange Listing

| | | | |
|---------------------|-------------|-----------|-----------|
| | | 5.875% | 6.20% |
| | Common | Preferred | Preferred |
| NYSE-Symbol: | GAB | GAB PrD | GAB PrF |
| Shares Outstanding: | 180,862,988 | 2,363,860 | 5,850,402 |

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading General Equity Funds, in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading General Equity Funds.

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting www.gabelli.com. For general information about the Gabelli Funds, call **800-GABELLI** (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds Internet homepage at: www.gabelli.com, or e-mail us at: closedend@gabelli.com

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase shares of its common stock in the open market when the Fund's shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also, from time to time, purchase shares of its preferred stock in the open market when the preferred shares are trading at a discount to the liquidation value.

Item 2. Controls and Procedures.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act) (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) The Gabelli Equity Trust Inc.

By (Signature and Title)* /s/ Bruce N. Alpert

Bruce N. Alpert, Principal
Executive Officer

Date 11/26/10

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)* /s/ Bruce N. Alpert

Bruce N. Alpert, Principal
Executive Officer

Date 11/26/10

By (Signature and Title)* /s/ Agnes Mullady

Agnes Mullady, Principal
Financial Officer and Treasurer

Date 11/26/10

* Print the name and title of each signing officer under his or her signature.