

Edgar Filing: GABELLI EQUITY TRUST INC - Form N-Q

GABELLI EQUITY TRUST INC
Form N-Q
May 30, 2008

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: March 31, 2008

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 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. ss. 3507.

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ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

[LOGO]
THE GABELLI
EQUITY TRUST INC.

THE GABELLI EQUITY TRUST INC.

First Quarter Report
March 31, 2008

TO OUR SHAREHOLDERS,

The Gabelli Equity Trust's (the "Fund") net asset value ("NAV") total return was (11.7)% during the first quarter of 2008, compared with declines of 9.4% and 6.9% for the Standard & Poor's ("S&P") 500 Index and the Dow Jones Industrial Average, respectively. The total return for the Fund's publicly traded shares was (6.3)% during the first quarter. On March 31, 2008, the Fund's NAV per share was \$7.94, while the price of the publicly traded shares closed at \$8.50 on the New York Stock Exchange.

Enclosed is the investment portfolio as of March 31, 2008.

COMPARATIVE RESULTS

AVERAGE ANNUAL RETURNS THROUGH MARCH 31, 2008 (a)

| | Quarter | 1 Year | 3 Year | 5 Year | 10 Year | 15 Year |
|------------------------------|----------|---------|--------|--------|---------|---------|
| GABELLI EQUITY TRUST | | | | | | |
| NAV TOTAL RETURN (b) | (11.70)% | (4.35)% | 10.68% | 19.49% | 8.01% | 10.9 |
| INVESTMENT TOTAL RETURN (c) | (6.25) | (1.29) | 10.57 | 15.92 | 8.58 | 10.9 |
| S&P 500 Index | (9.44) | (5.08) | 5.84 | 11.32 | 3.50 | 9.4 |
| Dow Jones Industrial Average | (6.92) | 1.57 | 7.75 | 11.46 | 5.51 | 11.2 |
| Nasdaq Composite Index | (14.07) | (5.89) | 4.46 | 11.19 | 2.19 | 8.2 |

(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 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,

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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 MARCH 31, 2008 (UNAUDITED)

NET PURCHASES

COMMON STOCKS

American International Group Inc.
Baxter International Inc.
BEA Systems Inc.
Becton Dickinson & Co.
BP plc
BPW Acquisition Corp.
British American Tobacco plc
ChoicePoint Inc.
Citadel Broadcasting Corp.
Citigroup Inc.
CNH Global NV
Constellation Brands Inc., Cl. A
Corus Entertainment Inc., Cl. B, New York (a)
Corus Entertainment Inc., Cl. B, Toronto (a)
Diamond Offshore Drilling Inc.
Diebold Inc.
DISH Network Corp., Cl. A
E.I. du Pont de Nemours and Co.
EchoStar Corp., Cl. A
Federal National Mortgage Association
Flowserve Corp.
Fortress Investment Group LLC, Cl. A
FPL Group Inc.

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General Motors Corp.
Heineken NV
IDEX Corp.
Il Sole 24 Ore
Johnson & Johnson
Legg Mason Inc.

Liberty Media Corp. - Entertainment, Cl. A (b)
Loews Corp.
Macy's Inc.
Mandarin Oriental International Ltd.
MGM Mirage
Monster Worldwide Inc.
O'Reilly Automotive Inc.
PepsiAmericas Inc.
Pernod-Ricard SA (a)
Pfizer Inc.
Pinnacle Entertainment Inc.
Rohm & Haas Co.
Rolls-Royce Group plc, Cl. B (c)
Sara Lee Corp.
Schering-Plough Corp.
Schroders plc
Sprint Nextel Corp.
SUPERVALU Inc.
Swire Pacific Ltd., Cl. A
Syngenta AG
Tenaris SA, ADR
Tesco plc
The Bear Stearns Companies Inc.
Time Warner Inc.
Tokyo Broadcasting System Inc.
Tootsie Roll Industries Inc. (d)
Transocean Inc.
UnitedHealth Group Inc.
Visa Inc., Cl. A
Vivendi
Walgreen Co.
Wal-Mart Stores Inc.
Wells Fargo & Co.
Whole Foods Market Inc.
Yahoo! Inc.

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NET SALES

COMMON STOCKS

ABG Sundal Collier ASA
Altadis SA (e)
Assa Abloy AB, Cl. B
China Petroleum & Chemical Corp., Cl. H
Clear Channel Communications Inc.
Cognos Inc. (f)
Consolidated Minerals Ltd. (g)
EchoStar Communications Corp., Cl. A
EMI Group plc, ADR (h)
Guangzhou R&F Properties Co. Ltd., Cl. H
Harrah's Entertainment Inc. (i)
Lighthouse Caledonia ASA
Marine Harvest
MasterCard Inc., Cl. A
Northrop Grumman Corp.
Rowan Companies Inc.
SCMP Group Ltd. (j)
Standard Chartered plc
The Mosaic Co.
UBS AG
UniCredito Italiano SpA

- (a) 2 for 1 stock split
- (b) Spin-off - 4 new of Liberty Media Corp. - Entertainment, Cl. A shares for every 1 Liberty Media Corp. - Capital, Cl. A share held
- (c) Spin-off - 89.6 new of Rolls-Royce Group redeemable "B" shares for every 1 Rolls-Royce Group share held
- (d) 3.00% stock dividend
- (e) Tender Offer - \$50.00 for every 1 share
- (f) Cash Merger - \$58.00 for every 1 share
- (g) Tender Offer - \$5.00 for every 1 share
- (h) Cash Merger - \$10.713246 for every 1 share
- (i) Cash Merger - \$90.00 for every 1 share
- (j) Tender Offer - \$2.75 for every 1 share

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SHARES

| COMMON STOCKS -- 97.7% | |
|----------------------------|--|
| FOOD AND BEVERAGE -- 13.9% | |
| 85,000 | Ajinomoto Co. Inc. |
| 40,000 | Anheuser-Busch Companies Inc. |
| 36,000 | ARIAKE JAPAN Co. Ltd. |
| 24,000 | Brown-Forman Corp., Cl. A |
| 110,000 | Cadbury Schweppes plc |
| 180,000 | Cadbury Schweppes plc, ADR |
| 80,000 | Campbell Soup Co. |
| 32,000 | Cermaq ASA |
| 40,000 | China Mengniu Dairy Co. Ltd. |
| 20,000 | Coca-Cola Enterprises Inc. |
| 57,000 | Coca-Cola Hellenic Bottling Co. SA |
| 104,000 | Constellation Brands Inc., Cl. A+ |
| 55,000 | Corn Products International Inc. |
| 300,000 | Davide Campari-Milano SpA |
| 40,000 | Dean Foods Co.+ |
| 60,000 | Del Monte Foods Co. |
| 80,000 | Diageo plc |
| 224,000 | Diageo plc, ADR |
| 90,000 | Flowers Foods Inc. |
| 99,000 | Fomento Economico Mexicano SAB de CV, ADR |
| 180,000 | General Mills Inc. |
| 368,000 | Groupe Danone |
| 1,000,000 | Grupo Bimbo SAB de CV, Cl. A |
| 100,000 | H.J. Heinz Co. |
| 20,000 | Hain Celestial Group Inc.+ |
| 25,000 | Heineken NV |
| 200,000 | ITO EN Ltd. |
| 60,000 | ITO EN Ltd., Preference |
| 90,000 | Kellogg Co. |
| 75,000 | Kerry Group plc, Cl. A |
| 200,000 | Kraft Foods Inc., Cl. A |
| 12,100 | LVMH Moet Hennessy Louis Vuitton SA |
| 10,000 | Meiji Seika Kaisha Ltd. |
| 70,000 | Morinaga Milk Industry Co. Ltd. |
| 5,000 | Nestle SA |
| 300,000 | Nissin Food Products Co. Ltd. |
| 600,000 | PepsiAmericas Inc. |
| 315,000 | PepsiCo Inc. |
| 51,200 | Pernod-Ricard SA |
| 68,200 | Ralcorp Holdings Inc.+ |
| 26,000 | Remy Cointreau SA |
| 330,000 | Sara Lee Corp. |
| 110,000 | Tesco plc |
| 200,000 | The Coca-Cola Co. |
| 70,000 | The Hershey Co. |
| 2,000 | The J.M. Smucker Co. |

SHARES

| | |
|---------|-----------------------------------|
| 122,385 | Tootsie Roll Industries Inc. |
| 170,000 | Wm. Wrigley Jr. Co. |
| 42,500 | Wm. Wrigley Jr. Co., Cl. B |

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| | |
|---------|--|
| 550,000 | YAKULT HONSHA Co. Ltd. |
| | FINANCIAL SERVICES -- 9.0% |
| 2,800 | Allianz SE |
| 575,000 | American Express Co. |
| 60,000 | American International Group Inc. |
| 8,000 | Ameriprise Financial Inc. |
| 19,452 | Argo Group International Holdings Ltd.+ |
| 80,000 | Aviva plc |
| 158,600 | AXA Asia Pacific Holdings Ltd. |
| 90,000 | Banco Santander SA, ADR |
| 143 | Berkshire Hathaway Inc., Cl. A+ |
| 7,500 | Calamos Asset Management Inc., Cl. A |
| 350,000 | Citigroup Inc. |
| 155,000 | Commerzbank AG, ADR |
| 148,000 | Deutsche Bank AG |
| 40,000 | Federal National Mortgage Association |
| 20,000 | Fortress Investment Group LLC, Cl. A |
| 20,000 | H&R Block Inc. |
| 20,000 | Interactive Brokers Group Inc., Cl. A+ |
| 180,000 | Janus Capital Group Inc. |
| 52,000 | JPMorgan Chase & Co. |
| 55,000 | Legg Mason Inc. |
| 133,000 | Leucadia National Corp. |
| 5,000 | Loews Corp. |
| 265,000 | Marsh & McLennan Companies Inc. |
| 65,000 | Moody's Corp. |
| 2,000 | Och-Ziff Capital Management Group LLC, Cl. A |
| 2,500 | Prudential Financial Inc. |
| 45,000 | Schroders plc |
| 45,000 | Standard Chartered plc |
| 80,000 | State Street Corp. |
| 20,000 | SunTrust Banks Inc. |
| 150,000 | T. Rowe Price Group Inc. |
| 5,000 | The Allstate Corp. |
| 146,038 | The Bank of New York Mellon Corp. |
| 50,000 | The Bear Stearns Companies Inc. |
| 5,000 | The Blackstone Group LP |
| 44,500 | The Charles Schwab Corp. |
| 18,000 | The Dun & Bradstreet Corp. |
| 188,000 | The Midland Co. |
| 135,000 | The Phoenix Companies Inc. |
| 3,000 | The Travelers Companies Inc. |
| 100,000 | Waddell & Reed Financial Inc., Cl. A |

See accompanying notes to schedule of investments.

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SHARES

COMMON STOCKS (CONTINUED)
FINANCIAL SERVICES (CONTINUED)

| | |
|---------|----------------------------|
| 230,000 | Wells Fargo & Co. |
| 50,000 | Westpac Banking Corp. |

ENERGY AND UTILITIES -- 7.5%

| | |
|---------|--------------------------------------|
| 5,000 | AGL Resources Inc. |
| 68,000 | Allegheny Energy Inc. |
| 70,000 | Apache Corp. |
| 800,000 | Aquila Inc.+ |
| 100,000 | BP plc |
| 247,000 | BP plc, ADR |
| 105,000 | CH Energy Group Inc. |
| 70,000 | CMS Energy Corp. |
| 315,000 | ConocoPhillips |
| 8,000 | Constellation Energy Group Inc. |
| 2,000 | Diamond Offshore Drilling Inc. |
| 60,000 | DPL Inc. |
| 14,000 | DTE Energy Co. |
| 230,000 | Duke Energy Corp. |
| 270,000 | El Paso Corp. |
| 280,000 | El Paso Electric Co.+ |
| 50,000 | Energy East Corp. |
| 80,000 | Exxon Mobil Corp. |
| 25,000 | FPL Group Inc. |
| 210,000 | Halliburton Co. |
| 32,000 | Imperial Oil Ltd. |
| 20,000 | Marathon Oil Corp. |
| 10,000 | Mirant Corp.+ |
| 140,000 | Mirant Corp., Escrow+ (a) |
| 2,000 | Niko Resources Ltd., New York |
| 1,000 | Niko Resources Ltd., Toronto |
| 10,000 | NiSource Inc. |
| 240,000 | Northeast Utilities |
| 19,000 | Oceaneering International Inc.+ |
| 1,300 | PetroChina Co. Ltd., ADR |
| 27,000 | Petroleo Brasileiro SA, ADR |
| 100,000 | Progress Energy Inc., CVO+ (a) |
| 200,000 | Rowan Companies Inc. |
| 65,000 | Saipem SpA |
| 5,000 | SJW Corp. |
| 20,000 | Southwest Gas Corp. |
| 120,000 | Spectra Energy Corp. |
| 60,000 | The AES Corp.+ |
| 24,128 | Total SA |
| 3,000 | Transocean Inc.+ |
| 270,000 | Westar Energy Inc. |

SHARES/
UNITS

DIVERSIFIED INDUSTRIAL -- 6.6%

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| | |
|----------------------------|--|
| 9,000 | Acuity Brands Inc. |
| 163,000 | Ampco-Pittsburgh Corp. |
| 155,000 | Baldor Electric Co. |
| 24,000 | Bayer AG |
| 25,000 | Bouygues SA |
| 245,000 | Cooper Industries Ltd., Cl. A |
| 260,000 | Crane Co. |
| 77,500 | CRH plc |
| 300,000 | Enodis plc |
| 150,000 | General Electric Co. |
| 210,000 | Greif Inc., Cl. A |
| 18,000 | Greif Inc., Cl. B |
| 450,000 | Honeywell International Inc. |
| 253,000 | ITT Corp. |
| 100,000 | Park-Ohio Holdings Corp.+ |
| 1,000 | Pentair Inc. |
| 2,000 | Sulzer AG |
| 69,000 | Swire Pacific Ltd., Cl. A |
| 30,000 | Technip SA |
| 75,000 | Trinity Industries Inc. |
| 200,000 | Tyco International Ltd. |
| TELECOMMUNICATIONS -- 5.3% | |
| 85,000 | BCE Inc. |
| 1,000 | Bell Aliant Regional Communications Income Fund |
| 16,000 | Bell Aliant Regional Communications Income Fund (a)(b) |
| 30,000 | Brasil Telecom Participacoes SA, ADR |
| 1,700,000 | BT Group plc |
| 4,440,836 | Cable & Wireless Jamaica Ltd. (c) |
| 900,000 | Cincinnati Bell Inc.+ |
| 90,000 | Citizens Communications Co. |
| 110,000 | Compania de Telecomunicaciones de Chile SA, ADR |
| 168,000 | Deutsche Telekom AG, ADR |
| 5,000 | France Telecom SA, ADR |
| 100,000 | Koninklijke KPN NV |
| 15,000 | Orascom Telecom Holding SAE, GDR |
| 540,000 | Qwest Communications International Inc. |
| 700,000 | Sprint Nextel Corp. |
| 186,554 | Tele Norte Leste Participacoes SA, ADR |
| 60,000 | Tele2 AB, Cl. B |
| 48,000 | Telecom Argentina SA, ADR+ |
| 1,450,000 | Telecom Italia SpA |
| 228,000 | Telefonica SA, ADR |

See accompanying notes to schedule of investments.

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| | |
|-----------|--|
| ----- | |
| | COMMON STOCKS (CONTINUED) |
| | TELECOMMUNICATIONS (CONTINUED) |
| 60,000 | Telefonos de Mexico SAB de CV, Cl. L, ADR |
| 254,000 | Telephone & Data Systems Inc. |
| 355,000 | Telephone & Data Systems Inc., Special |
| 15,000 | TELUS Corp. |
| 180,000 | Verizon Communications Inc. |
| 5,169 | Windstream Corp. |
| | |
| | CONSUMER PRODUCTS -- 5.1% |
| 84,000 | Avon Products Inc. |
| 25,000 | British American Tobacco plc |
| 42,000 | Christian Dior SA |
| 15,000 | Church & Dwight Co. Inc. |
| 30,000 | Clorox Co. |
| 69,000 | Compagnie Financiere Richemont SA, Cl. A |
| 112,000 | Energizer Holdings Inc.+ |
| 60,000 | Fortune Brands Inc. |
| 2,000 | Givaudan SA |
| 60,000 | Hanesbrands Inc.+ |
| 32,000 | Harley-Davidson Inc. |
| 175 | Japan Tobacco Inc. |
| 2,000 | Jarden Corp.+ |
| 35,000 | Lenox Group Inc.+ |
| 15,000 | Matsushita Electric Industrial Co. Ltd., ADR |
| 15,000 | Mattel Inc. |
| 21,000 | National Presto Industries Inc. |
| 2,000 | Nintendo Co. Ltd. |
| 10,000 | Oil-Dri Corp. of America |
| 112,000 | Pactiv Corp.+ |
| 300,000 | Procter & Gamble Co. |
| 60,000 | Reckitt Benckiser Group plc |
| 30,000 | Svenska Cellulosa AB, Cl. B+ |
| 1,000,000 | Swedish Match AB |
| 37,500 | The Swatch Group AG |
| | |
| | ENTERTAINMENT -- 5.0% |
| 100,000 | Aruze Corp. |
| 32,000 | Canal+ Groupe |
| 2,002 | Chestnut Hill Ventures+ (a) |
| 269,000 | Discovery Holding Co., Cl. A+ |
| 3,000 | DreamWorks Animation SKG Inc., Cl. A+ |
| 600,603 | Gemstar-TV Guide International Inc.+ |
| 700,000 | Grupo Televisa SA, ADR |

SHARES

| | |
|---------|---|
| ----- | |
| 308,000 | Liberty Media Corp. - Entertainment, Cl. A+ |
| 125 | Live Nation Inc.+ |
| 50,000 | Pinnacle Entertainment Inc.+ |
| 500,000 | Rank Group plc |
| 12,000 | Regal Entertainment Group, Cl. A |
| 75,000 | Six Flags Inc.+ |

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| | |
|-----------|--|
| 65,000 | The Walt Disney Co. |
| 920,000 | Time Warner Inc. |
| 110,000 | Tokyo Broadcasting System Inc. |
| 20,200 | Triple Crown Media Inc.+ |
| 370,000 | Viacom Inc., Cl. A+ |
| 453,900 | Vivendi |
| | |
| | CABLE AND SATELLITE -- 4.6% |
| 1,550,000 | Cablevision Systems Corp., Cl. A+ |
| 65,000 | Comcast Corp., Cl. A |
| 127,500 | Comcast Corp., Cl. A, Special |
| 133,700 | DISH Network Corp., Cl. A+ |
| 26,740 | EchoStar Corp., Cl. A+ |
| 156,770 | Liberty Global Inc., Cl. A+ |
| 139,001 | Liberty Global Inc., Cl. C+ |
| 500,690 | Rogers Communications Inc., Cl. B, New York |
| 19,310 | Rogers Communications Inc., Cl. B, Toronto |
| 160,000 | Shaw Communications Inc., Cl. B, New York |
| 40,000 | Shaw Communications Inc., Cl. B, Toronto |
| 300,000 | The DIRECTV Group Inc.+ |
| | |
| | HEALTH CARE -- 4.4% |
| 8,000 | Abbott Laboratories |
| 130,000 | Advanced Medical Optics Inc.+ |
| 14,046 | Allergan Inc. |
| 7,000 | Alpharma Inc., Cl. A+ |
| 52,000 | Amgen Inc.+ |
| 19,146 | AstraZeneca plc |
| 17,000 | Baxter International Inc. |
| 2,000 | Becton Dickinson & Co. |
| 35,000 | Biogen Idec Inc.+ |
| 160,000 | Boston Scientific Corp.+ |
| 135,000 | Bristol-Myers Squibb Co. |
| 12,000 | Cochlear Ltd. |
| 20,000 | Covidien Ltd. |
| 45,036 | GlaxoSmithKline plc |
| 4,000 | GlaxoSmithKline plc, ADR |
| 5,000 | Greatbatch Inc.+ |

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.
 SCHEDULE OF INVESTMENTS (CONTINUED)
 MARCH 31, 2008 (UNAUDITED)

SHARES

COMMON STOCKS (CONTINUED)

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| HEALTH CARE (CONTINUED) | |
|-------------------------|-------------------------------------|
| 30,000 | Henry Schein Inc.+ |
| 18,000 | Hospira Inc.+ |
| 40,000 | Invitrogen Corp.+ |
| 120,000 | Johnson & Johnson |
| 95,000 | Merck & Co. Inc. |
| 2,000 | Nobel Biocare Holding AG |
| 39,000 | Novartis AG |
| 102,000 | Novartis AG, ADR |
| 450,000 | Pfizer Inc. |
| 16,400 | Roche Holding AG |
| 10,000 | Sanofi-Aventis |
| 110,000 | Schering-Plough Corp. |
| 80,000 | Smith & Nephew plc |
| 50,000 | SSL International plc |
| 5,250 | Straumann Holding AG |
| 12,500 | Synthes Inc. |
| 19,000 | Takeda Pharmaceutical Co. Ltd. |
| 100,000 | UnitedHealth Group Inc. |
| 82,000 | William Demant Holding A/S+ |
| 100,000 | Wyeth |
| 3,500 | Zimmer Holdings Inc.+ |

| EQUIPMENT AND SUPPLIES -- 4.1% | |
|--------------------------------|--|
| 265,000 | AMETEK Inc. |
| 4,000 | Amphenol Corp., Cl. A |
| 94,000 | CIRCOR International Inc. |
| 194,900 | Donaldson Co. Inc. |
| 50,000 | Fedders Corp.+ |
| 150,000 | Flowserve Corp. |
| 23,000 | Franklin Electric Co. Inc. |
| 90,000 | Gerber Scientific Inc.+ |
| 75,000 | GrafTech International Ltd.+ |
| 320,000 | IDEX Corp. |
| 40,000 | Ingersoll-Rand Co. Ltd., Cl. A |
| 102,000 | Lufkin Industries Inc. |
| 11,000 | Mueller Industries Inc. |
| 2,000 | Sealed Air Corp. |
| 80,000 | Tenaris SA, ADR |
| 4,000 | The Manitowoc Co. Inc. |
| 100,000 | The Weir Group plc |
| 190,000 | Watts Water Technologies Inc., Cl. A |

| PUBLISHING -- 3.8% | |
|--------------------|------------------------------------|
| 4,000 | Idearc Inc. |
| 2,000,000 | Il Sole 24 Ore+ |
| 348,266 | Independent News & Media plc |
| 9,000 | McClatchy Co., Cl. A |

SHARES/
UNITS

| | |
|-----------|---------------------------------|
| 320,000 | Media General Inc., Cl. A |
| 122,000 | Meredith Corp. |
| 1,540,000 | News Corp., Cl. A |
| 20,000 | News Corp., Cl. B |

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| | |
|---------|-------------------------------------|
| 63,666 | PRIMEDIA Inc. |
| 66,585 | Seat Pagine Gialle SpA |
| 160,000 | The E.W. Scripps Co., Cl. A |
| 182,000 | The McGraw-Hill Companies Inc. |
| 55,000 | The New York Times Co., Cl. A |

BUSINESS SERVICES -- 2.5%

| | |
|---------|--|
| 7,050 | ACCO Brands Corp.+ |
| 14,000 | Avis Budget Group Inc.+ |
| 300,000 | BW Acquisition Corp.+ |
| 30,500 | Canon Inc. |
| 215,000 | ChoicePoint Inc.+ |
| 101,300 | Clear Channel Outdoor Holdings Inc., Cl. A+ |
| 186,554 | Contax Participacoes SA, ADR |
| 80,000 | Diebold Inc. |
| 200,000 | G4S plc |
| 57,000 | Jardine Matheson Holdings Ltd. |
| 94,000 | Landauer Inc. |
| 54,000 | MasterCard Inc., Cl. A |
| 50,000 | Monster Worldwide Inc.+ |
| 72,500 | Nashua Corp.+ |
| 25,000 | Secom Co. Ltd. |
| 40,000 | The Interpublic Group of Companies Inc.+ |
| 8,000 | Visa Inc., Cl. A+ |

AUTOMOTIVE: PARTS AND ACCESSORIES -- 2.4%

| | |
|---------|---|
| 2,000 | BERU AG |
| 86,000 | BorgWarner Inc. |
| 182,000 | CLARCOR Inc. |
| 82,500 | Earl Scheib Inc.+ |
| 340,000 | Genuine Parts Co. |
| 205,000 | Johnson Controls Inc. |
| 130,000 | Midas Inc.+ |
| 317,500 | Modine Manufacturing Co. |
| 110,000 | O'Reilly Automotive Inc.+ |
| 160,000 | Proliance International Inc.+ |
| 175,000 | Standard Motor Products Inc. |
| 35,000 | Superior Industries International Inc. |

MACHINERY -- 2.1%

| | |
|--------|-----------------------|
| 20,000 | Caterpillar Inc. |
| 15,000 | CNH Global NV |

See accompanying notes to schedule of investments.

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SHARES

COMMON STOCKS (CONTINUED)

MACHINERY (CONTINUED)

425,000
8,000

Deere & Co.
SMC Corp.

HOTELS AND GAMING -- 1.9%

1,200
100,000
190,000
20,000
46,160
1,247,116
6,000
3,811,000
135,788
16,000
34,000

Accor SA
Crown Ltd.+
Gaylord Entertainment Co.+
Home Inns & Hotels Management Inc., ADR+
InterContinental Hotels Group plc
Ladbrokes plc
Las Vegas Sands Corp.+
Mandarin Oriental International Ltd.
MGM Mirage+
Orient-Express Hotels Ltd., Cl. A
Starwood Hotels & Resorts Worldwide Inc.

SPECIALTY CHEMICALS -- 1.7%

41,000
5,400
30,000
350,000
4,000
45,000
175,000
70,000
230,000
40,000
275,000
165,000
4,032
100,000

Ashland Inc.
Ciba Holding AG, ADR
E.I. du Pont de Nemours and Co.
Ferro Corp.
FMC Corp.
H.B. Fuller Co.
Hercules Inc.
International Flavors & Fragrances Inc.
Omnova Solutions Inc.+
Rohm and Haas Co.
Sensient Technologies Corp.
Tokai Carbon Co. Ltd.
Tronox Inc., Cl. B
Zep Inc.

CONSUMER SERVICES -- 1.5%

200,000
210,000
1,110,000

IAC/InterActiveCorp+
Liberty Media Corp. - Interactive, Cl. A+
Rollins Inc.

AGRICULTURE -- 1.5%

490,000
30,000
3,500
15,000
17,000

Archer-Daniels-Midland Co.
Monsanto Co.
Syngenta AG
Syngenta AG, ADR
The Mosaic Co.+

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SHARES

| | |
|-------------|---|
| | AVIATION: PARTS AND SERVICES -- 1.5% |
| 350,000 | Curtiss-Wright Corp. |
| 200,000 | GenCorp Inc.+ |
| 96,500 | Precision Castparts Corp. |
| 160,000 | The Fairchild Corp., Cl. A+ |
| | AEROSPACE -- 1.4% |
| 105,000 | Boeing Co. |
| 25,899 | Kaman Corp. |
| 10,000 | Lockheed Martin Corp. |
| 78,000 | Northrop Grumman Corp. |
| 1,200,000 | Rolls-Royce Group plc+ |
| 107,520,000 | Rolls-Royce Group plc, Cl. B |
| | RETAIL -- 1.4% |
| 100,000 | AutoNation Inc.+ |
| 4,000 | AutoZone Inc.+ |
| 40,000 | Coldwater Creek Inc.+ |
| 40,000 | Costco Wholesale Corp. |
| 70,000 | CVS Caremark Corp. |
| 10,108 | Denny's Corp.+ |
| 21,500 | Hennes & Mauritz AB, Cl. B |
| 135,000 | Macy's Inc. |
| 27,000 | Next plc |
| 50,000 | Sally Beauty Holdings Inc.+ |
| 50,000 | SUPERVALU Inc. |
| 115,000 | The Great Atlantic & Pacific Tea Co. Inc.+ |
| 50,000 | Wal-Mart Stores Inc. |
| 65,000 | Walgreen Co. |
| 20,000 | Whole Foods Market Inc. |
| 73,000 | Woolworths Ltd. |
| | BROADCASTING -- 1.3% |
| 95,000 | British Sky Broadcasting Group plc |
| 433,000 | CBS Corp., Cl. A |
| 10,343 | Citadel Broadcasting Corp. |
| 174,000 | Clear Channel Communications Inc. |
| 2,000 | Cogeco Inc. |
| 25,334 | Corus Entertainment Inc., Cl. B, New York |
| 6,666 | Corus Entertainment Inc., Cl. B, Toronto |
| 120,000 | Gray Television Inc. |
| 27,000 | Gray Television Inc., Cl. A |
| 77,000 | Liberty Media Corp. - Capital, Cl. A+ |
| 85,000 | Lin TV Corp., Cl. A+ |
| 120,000 | Mediaset SpA |

See accompanying notes to schedule of investments.

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THE GABELLI EQUITY TRUST INC.
 SCHEDULE OF INVESTMENTS (CONTINUED)
 MARCH 31, 2008 (UNAUDITED)

SHARES

| | |
|---------|--|
| | COMMON STOCKS (CONTINUED) |
| | BROADCASTING (CONTINUED) |
| 29,000 | Modern Times Group MTG AB, Cl. B |
| 100,000 | Television Broadcasts Ltd. |
| 100,000 | Young Broadcasting Inc., Cl. A+ |
| | METALS AND MINING -- 1.3% |
| 22,000 | Alcoa Inc. |
| 30,030 | Anglo American plc |
| 89,148 | Barrick Gold Corp. |
| 52,500 | Harmony Gold Mining Co. Ltd.+ |
| 35,000 | Harmony Gold Mining Co. Ltd., ADR+ |
| 75,000 | Ivanhoe Mines Ltd.+ |
| 52,000 | New Hope Corp. Ltd. |
| 155,000 | Newmont Mining Corp. |
| 23,000 | Rio Tinto plc |
| 69,666 | Xstrata plc |
| | COMMUNICATIONS EQUIPMENT -- 1.3% |
| 480,000 | Corning Inc. |
| 90,000 | Motorola Inc. |
| 180,000 | Nortel Networks Corp.+ |
| 235,000 | Thomas & Betts Corp.+ |
| | WIRELESS COMMUNICATIONS -- 1.1% |
| 96,000 | America Movil SAB de CV, Cl. L, ADR |
| 65,000 | China Mobile Ltd. |
| 14,000 | Clearwire Corp., Cl. A+ |
| 2,000 | NTT DoCoMo Inc. |
| 3,340 | Tele Norte Celular Participacoes SA, ADR |
| 8,350 | Telemig Celular Participacoes SA, ADR |
| 32,165 | Tim Participacoes SA, ADR |
| 100,000 | United States Cellular Corp.+ |
| 270 | Vivo Participacoes SA+ |
| 174,122 | Vivo Participacoes SA, ADR+ |
| 5,845 | Vivo Participacoes SA, Preference+ |
| 50,000 | Vodafone Group plc, ADR |
| | ENVIRONMENTAL SERVICES -- 1.1% |
| 97,500 | Republic Services Inc. |
| 500,000 | Waste Management Inc. |

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SHARES

| | |
|---------|---|
| | ELECTRONICS -- 1.1% |
| 5,000 | Advanced Micro Devices Inc.+ |
| 12,800 | Bel Fuse Inc., Cl. A |
| 13,000 | Fanuc Ltd. |
| 5,000 | Hitachi Ltd., ADR |
| 180,000 | Intel Corp. |
| 4,920 | Keyence Corp. |
| 80,000 | LSI Corp.+ |
| 20,000 | Molex Inc., Cl. A |
| 7,500 | NEC Corp., ADR |
| 38,000 | Royal Philips Electronics NV |
| 265,000 | Texas Instruments Inc. |
| 62,000 | Tyco Electronics Ltd. |
| | COMPUTER SOFTWARE AND SERVICES -- 0.9% |
| 8,000 | Alibaba.com Ltd.+ |
| 450,000 | BEA Systems Inc.+ |
| 10,000 | Check Point Software Technologies Ltd.+ |
| 24,100 | Square Enix Co. Ltd. |
| 25,256 | Telecom Italia Media SpA+ |
| 190,000 | Yahoo! Inc.+ |
| 2,000 | Yahoo! Japan Corp. |
| | AUTOMOTIVE -- 0.8% |
| 150,000 | General Motors Corp. |
| 125,000 | Navistar International Corp.+ |
| 96,750 | PACCAR Inc. |
| | REAL ESTATE -- 0.5% |
| 70,000 | Cheung Kong (Holdings) Ltd. |
| 55,500 | Griffin Land & Nurseries Inc. |
| 145,000 | The St. Joe Co. |
| | TRANSPORTATION -- 0.5% |
| 100,000 | AMR Corp.+ |
| 165,000 | GATX Corp. |
| 15,000 | Grupo TMM SA, Cl. A, ADR+ |
| 70,000 | Toll Holdings Ltd. |
| | CLOSED-END FUNDS -- 0.4% |
| 31,500 | Royce Value Trust Inc. |
| 104,000 | The Central Europe and Russia Fund Inc. |
| 70,000 | The New Germany Fund Inc. |

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See accompanying notes to schedule of investments.

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THE GABELLI EQUITY TRUST INC.
 SCHEDULE OF INVESTMENTS (CONTINUED)
 MARCH 31, 2008 (UNAUDITED)

SHARES

COMMON STOCKS (CONTINUED)

MANUFACTURED HOUSING AND

RECREATIONAL VEHICLES -- 0.1%

| | |
|--------|--------------------------------------|
| 70,000 | Champion Enterprises Inc.+ |
| 50,000 | Fleetwood Enterprises Inc.+ |
| 31,000 | Huttig Building Products Inc.+ |
| 7,000 | Martin Marietta Materials Inc. |
| 10,000 | Nobility Homes Inc. |
| 20,000 | Skyline Corp. |

REAL ESTATE INVESTMENT TRUSTS -- 0.1%

| | |
|--------|-----------------------------|
| 2,000 | Camden Property Trust |
| 2,187 | Prosperity REIT |
| 24,984 | Rayonier Inc. |

TOTAL COMMON STOCKS

CONVERTIBLE PREFERRED STOCKS -- 0.2%

AEROSPACE -- 0.1%

| | |
|--------|---|
| 13,500 | Northrop Grumman Corp., 7.000% Cv. Pfd., Ser. B |
|--------|---|

TELECOMMUNICATIONS -- 0.1%

| | |
|--------|---|
| 25,000 | Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B |
|--------|---|

TOTAL CONVERTIBLE PREFERRED STOCKS

PRINCIPAL
 AMOUNT

CONVERTIBLE CORPORATE BONDS -- 0.2%

RETAIL -- 0.1%

| | |
|--------------|--|
| \$ 3,000,000 | The Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11 |
|--------------|--|

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| | |
|-----------|---|
| | AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.1% |
| 1,000,000 | Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09 |
| | CONSUMER PRODUCTS -- 0.0% |
| 1,000,000 | Pillowtex Corp., Sub. Deb. Cv., 9.000%, 12/15/17 (a) |
| | TOTAL CONVERTIBLE CORPORATE BONDS |

SHARES

| | |
|--------|--|
| | WARRANTS -- 0.0% |
| | ENERGY AND UTILITIES -- 0.0% |
| 12,183 | Mirant Corp., Ser. A, expire 01/03/11+ |

PRINCIPAL
AMOUNT

| | |
|---------------|--|
| | U.S. GOVERNMENT OBLIGATIONS -- 1.9% |
| \$ 34,521,000 | U.S. Treasury Bills, 1.017% to 2.515%+, 04/03/08 to 09/18/08 (d) |

| | |
|--|--|
| TOTAL INVESTMENTS -- 100.0% | |
| (Cost \$1,408,836,848) | |
| Aggregate book cost | |
| Gross unrealized appreciation | |
| Gross unrealized depreciation | |
| Net unrealized appreciation/depreciation | |

NUMBER OF
CONTRACTS

| | |
|-----|-------------------------------|
| | FUTURES CONTRACTS -- |
| | SHORT POSITION -- 0.0% |
| 128 | S & P 500 Index Futures |

- (a) 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 March 31, 2008, the market value of fair valued securities amounted to \$569,196 or 0.03% of total investments.
- (b) 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 March 31,

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2008, the market value of Rule 144A security amounted to \$479,840 or 0.03% of total investments.

- (c) At March 31, 2008, the Fund held an investment in a restricted security amounting to \$48,873 or 0.00% of total investments, which were valued under methods approved by the Board of Directors as follows:

| ACQUISITION SHARES | ISSUER | ACQUISITION DATE |
|-----------------------|------------------------------------|---------------------|
| 4,440,836 | Cable & Wireless Jamaica Ltd. | 03/29/01 |

- (d) At March 31, 2008, \$400,000 of the principal amount was pledged as collateral for futures contracts.

+ Non-income producing security.

++ Represents annualized yield at date of purchase.

ADR American Depositary Receipt

CVO Contingent Value Obligation

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
MARCH 31, 2008 (UNAUDITED)

| GEOGRAPHIC DIVERSIFICATION | % OF MARKET VALUE | MARKET VALUE |
|---------------------------------------|-------------------------|------------------|
| LONG POSITIONS | | |
| North America | 73.3% | \$ 1,298,487,657 |
| Europe | 18.2 | 321,722,834 |
| Latin America | 4.7 | 83,989,626 |
| Japan | 3.1 | 54,633,732 |
| Asia/Pacific | 0.6 | 9,699,391 |
| South Africa/Africa/Middle East | 0.1 | 2,079,830 |
| Total Investments | 100.0% | \$ 1,770,613,070 |

See accompanying notes to schedule of investments.

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

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1. 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 60 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 60 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. 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.

ADOPTION OF STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 157 "FAIR VALUE MEASUREMENTS" ("SFAS 157")

On January 1, 2008, the Fund adopted SFAS 157 that clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

- o Level 1 - quoted prices in active markets for identical securities;
- o Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- o Level 3 - significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

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 inputs used to value the Fund's net assets as of March 31, 2008 is as follows:

| VALUATION INPUTS | INVESTMENTS IN SECURITIES (MARKET VALUE) | OTHER FINANCIAL INSTRU (UNREALIZED DEPRECIATION) * |
|------------------|--|--|
|------------------|--|--|

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| | | |
|---|------------------|--------------|
| Level 1 - Quoted Prices | \$ 1,733,130,529 | \$ (142,125) |
| Level 2 - Other Significant Observable Inputs | 37,393,185 | (35,151) |
| Level 3 - Significant Unobservable Inputs | 89,356 | |
| Total | \$ 1,770,613,070 | \$ (177,276) |

* Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as futures, forwards and swaps which are valued at the unrealized appreciation/depreciation on the investment.

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THE GABELLI EQUITY TRUST INC.
NOTES TO SCHEDULE OF INVESTMENTS (CONTINUED) (UNAUDITED)

Following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

| | INVESTMENTS IN SECURITIES (MARKET VALUE) |
|--|--|
| BALANCE AS OF 12/31/07 | \$ 89,356 |
| Accrued discounts/premiums | -- |
| Realized gain (loss) | -- |
| Change in unrealized appreciation/depreciation | -- |
| Net purchases (sales) | -- |
| Transfers in and/or out of Level 3 | -- |
| BALANCE AS OF 3/31/08 | \$ 89,356 |

2. SWAP AGREEMENTS. The Fund may enter into equity, contract for difference, and interest rate swap or cap transactions. The use of swaps and caps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio transactions. In an interest rate swap, the Fund would agree to pay to the other party to the interest rate swap (which is known as the "counterparty") periodically 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 Preferred Stock and Series E 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. In a swap, a set of future cash flows are 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. 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. If there is a default by the counterparty to a swap contract, the Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that the swap

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contract counterparties will be able to meet their obligations pursuant to a swap contract or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to a swap contract. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize this risk. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time a swap or cap 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 use of derivative instruments may involve, to varying degrees, elements of market and counterparty risk in excess of the amount recognized below.

At March 31, 2008, there were no open interest rate swap agreements.

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THE GABELLI EQUITY TRUST INC.
NOTES TO SCHEDULE OF INVESTMENTS (CONTINUED) (UNAUDITED)

The Fund has entered into a contract for difference swap agreement with Bear, Stearns International Limited. Details of the swap at March 31, 2008 as follows:

| NOTIONAL AMOUNT | EQUITY SECURITY RECEIVED | INTEREST RATE/ EQUITY SECURITY PAID | TERMINAT DATE |
|------------------------------|---|--|------------------|
| \$1,690,183 (200,000 shares) | Market Value Appreciation on: Rolls-Royce Group plc | Overnight LIBOR plus 40 bps plus Market Value Depreciation on: Rolls-Royce Group plc | 09/15/0 |

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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
ATTORNEY-AT-LAW,

OFFICERS

Bruce N. Alpert
PRESIDENT

Carter W. Austin
VICE PRESIDENT

Peter D. Goldstein
CHIEF COMPLIANCE OFFICER

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ANTHONY J. COLAVITA, P.C.

Agnes Mullady
TREASURER AND SECRETARY

James P. Conn
FORMER MANAGING DIRECTOR &
CHIEF INVESTMENT OFFICER,
FINANCIAL SECURITY ASSURANCE HOLDINGS LTD.

LoAn P. Nguyen
VICE PRESIDENT & OMBUDSMAN

Frank J. Fahrenkopf, Jr.
PRESIDENT & CHIEF EXECUTIVE OFFICER,
AMERICAN GAMING ASSOCIATION

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

Arthur V. Ferrara
FORMER CHAIRMAN & CHIEF EXECUTIVE OFFICER,
GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

CUSTODIAN
Mellon Trust of New England, N.A.

Anthony R. Pustorino
CERTIFIED PUBLIC ACCOUNTANT,
PROFESSOR EMERITUS, PACE UNIVERSITY

COUNSEL
Willkie Farr & Gallagher LLP

Salvatore J. Zizza
CHAIRMAN, ZIZZA & CO., LTD.

TRANSFER AGENT AND REGISTRAR
Computershare Trust Company, N.A.

STOCK EXCHANGE LISTING

| | | |
|---------------------|-------------|--------------------|
| | Common | 5.875% Preferre |
| | ----- | ----- |
| NYSE-Symbol: | GAB | GAB PrD |
| Shares Outstanding: | 172,955,093 | 2,949,70 |

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.

THE GABELLI EQUITY TRUST INC.
ONE CORPORATE CENTER
RYE, NY 10580-1422
(914) 921-5070
WWW.GABELLI.COM

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FIRST QUARTER REPORT
MARCH 31, 2008

GAB Q1/2008

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 May 29, 2008

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

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Bruce N. Alpert, Principal Executive Officer

Date May 29, 2008

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

Agnes Mullady,
Principal Financial Officer and Treasurer

Date May 29, 2008

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