

GABELLI EQUITY TRUST INC  
Form N-CSR  
March 09, 2012

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANIES**

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: **December 31, 2011**

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR 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 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. Reports to Stockholders.**

The Report to Shareholders is attached herewith.

# The Gabelli Equity Trust Inc.

## Annual Report

December 31, 2011

Mario J. Gabelli, CFA

Zahid Siddique

### To Our Shareholders,

The Sarbanes-Oxley Act requires a fund's principal executive and financial officers to certify the entire contents of the semiannual and annual shareholder reports in a filing with the Securities and Exchange Commission (SEC) on Form N-CSR. This certification would cover the portfolio managers' commentary and subjective opinions if they are attached to or a part of the financial statements. Many of these comments and opinions would be difficult or impossible to certify.

Because we do not want our portfolio managers to eliminate their opinions and/or restrict their commentary to historical facts, we have separated their commentary from the financial statements and investment portfolio and have sent it to you separately. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

### Investment Performance

For the year ended December 31, 2011, the net asset value (NAV) total return of The Gabelli Equity Trust Inc. (the Fund) was (1.5)%, compared with total returns of 2.1% and 8.3% 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 (2.2)%. On December 31, 2011, the Fund's NAV per share was \$5.20, while the price of the publicly traded shares closed at \$4.99 on the New York Stock Exchange (NYSE).

Enclosed are the schedule of investments and financial statements as of December 31, 2011.

Sincerely yours,

Bruce N. Alpert

President

February 22, 2012

**Comparative Results**

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Average Annual Returns through December 31, 2011 (a) (Unaudited)

	1 Year	5 Year	10 Year	20 Year	Since Inception (08/21/86)
<b>Gabelli Equity Trust</b>					
<b>NAV Total Return (b)</b>	(1.45)%	0.90%	6.68%	9.42%	10.10%
<b>Investment Total Return (c)</b>	(2.15)	(0.01)	4.03	9.26	9.56
S&P 500 Index	2.11	(0.25)	2.92	7.81	9.02(d)
Dow Jones Industrial Average	8.28	2.35	4.57	9.52	10.48(d)
Nasdaq Composite Index	(0.78)	2.50	3.72	7.74	7.86(d)

- (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](http://www.gabelli.com) for performance information as of the most recent month end. **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 NYSE, 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.

**THE GABELLI EQUITY TRUST INC.****Summary of Portfolio Holdings (Unaudited)**

The following table presents portfolio holdings as a percent of total investments as of December 31, 2011:

Food and Beverage	12.0%
Cable and Satellite	7.4%
Energy and Utilities	7.4%
Financial Services	6.7%
Equipment and Supplies	6.2%
Diversified Industrial	6.0%
Entertainment	5.3%
Telecommunications	4.1%
Consumer Products	4.1%
Automotive: Parts and Accessories	4.0%
Health Care	3.9%
Consumer Services	3.2%
Machinery	3.0%
Aerospace	2.6%
Retail	2.6%
Business Services	2.4%
Publishing	2.3%
Aviation: Parts and Services	2.1%
Specialty Chemicals	1.7%
Communications Equipment	1.6%
Hotels and Gaming	1.6%
Metals and Mining	1.3%
Broadcasting	1.2%
Wireless Communications	1.2%
Electronics	1.1%
Environmental Services	0.9%
Computer Software and Services	0.8%
Agriculture	0.8%
Automotive	0.7%
Transportation	0.6%
Real Estate	0.3%
Closed-End Funds	0.3%
Building and Construction	0.2%
Real Estate Investment Trusts	0.1%
Computer Hardware	0.1%
U.S. Government Obligations	0.1%
Manufactured Housing and Recreational Vehicles	0.1%
	100.0%

*The Fund files a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. Shareholders may obtain this information at [www.gabelli.com](http://www.gabelli.com) or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's form N-Q is available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.*

**Proxy Voting**

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The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30th, no later than August 31st of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

**THE GABELLI EQUITY TRUST INC.**

**PORTFOLIO CHANGES**

**Quarter Ended December 31, 2011**

**(Unaudited)**

	Shares	Ownership at December 31, 2011
<b>NET PURCHASES</b>		
<b>Common Stocks</b>		
Banco Santander SA, ADR	50,000	122,000
Beam Inc. (a)	130,000	130,000
Brunswick Corp.	30,000	30,000
Clear Channel Outdoor Holdings Inc., Cl. A	9,000	190,000
Exelis Inc. (b)	240,000	240,000
Expedia Inc. (c)	70,000	70,000
Fortune Brands Home & Security Inc. (a)	139,692	139,692
GrafTech International Ltd.	21,484	76,484
H.B. Fuller Co.	27,000	72,000
Hospira Inc.	7,000	22,000
ITT Corp. (b)	135,000	135,000
Kennametal Inc.	1,000	1,000
Las Vegas Sands Corp.	15,000	65,000
Liberty Media Corp. - Liberty Capital, Cl. A (d)	12,000	80,000
Navistar International Corp.	5,000	138,000
NII Holdings Inc.	15,000	30,000
Onyx Pharmaceuticals Inc.	20,000	20,000
Rolls-Royce Holdings plc, Cl. C (e)	82,800,000	82,800,000
SGL Carbon SE	1,000	1,000
Skyline Corp.	3,500	30,000
Telefonica Brasil SA, ADR (f)	88,253	88,253
The Boeing Co.	4,000	168,000
The Greenbrier Companies Inc.	25,000	50,000
The St. Joe Co.	60,000	185,000
Transocean Ltd.	2,000	21,000
TripAdvisor Inc. (c)	105,000	105,000
WPX Energy Inc.	20,000	20,000
Xylem Inc. (b)	270,000	270,000
Yahoo! Inc.	44,000	380,000
<b>NET SALES</b>		
<b>Common Stocks</b>		
Abbott Laboratories	(1,000)	10,000
Alcoa Inc.	(3,000)	50,000
Allergan Inc.	(1,046)	13,000
America Movil SAB de CV, Cl. L, ADR	(3,000)	145,000
American Express Co.	(15,000)	495,000
AMETEK Inc.	(5,000)	330,000
Ampco-Pittsburgh Corp.	(1,000)	157,000
AMR Corp.	(443,000)	
AOL Inc.	(11,000)	19,000
Artio Global Investors Inc.	(17,000)	45,000
Ascent Capital Group Inc., Cl. A	(2,000)	3,500
AutoNation Inc.	(23,000)	77,000
AutoZone Inc.	(400)	100
Avon Products Inc.	(1,000)	60,000



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Bel Fuse Inc., Cl. A	(500)	19,500
Berkshire Hathaway Inc., Cl. A	(1)	128
BorgWarner Inc.	(1,000)	78,000
Boston Scientific Corp.	(5,000)	330,000
BP plc, ADR	(2,000)	101,000
Brasil Telecom SA, ADR	(1,500)	41,500
BT Group plc	(3,000)	1,082,000
Cablevision Systems Corp., Cl. A	(25,000)	1,130,000
CBS Corp., Cl. A, Voting	(20,000)	285,000
Check Point Software Technologies Ltd.	(1,000)	8,000
Cimarex Energy Co.	(7,000)	
Cincinnati Bell Inc.	(10,000)	660,000
		<b>Ownership at</b>
		<b>December 31,</b>
	<b>Shares</b>	<b>2011</b>
CLARCOR Inc.	(7,000)	150,000
CMS Energy Corp.	(3,000)	29,000
Commerzbank AG, ADR	(15,000)	
ConocoPhillips	(1,000)	211,000
CONSOL Energy Inc.	(4,000)	35,000
Constellation Brands Inc., Cl. A	(9,000)	59,000
Constellation Energy Group Inc.	(16,000)	15,000
Contax Participacoes SA, ADR	(1,500)	168,500
Cooper Industries plc	(3,000)	187,000
Corus Entertainment Inc., Cl. B, OTC	(1,000)	22,334
Crane Co.	(8,000)	212,000
Curtiss-Wright Corp.	(6,000)	320,000
Danone	(1,000)	224,000
Davide Campari - Milano SpA	(1,000)	599,000
Dean Foods Co.	(10,000)	80,000
Deere & Co.	(1,500)	381,500
Deutsche Bank AG	(36,000)	46,000
Devon Energy Corp.	(4,000)	10,000
Diageo plc, ADR	(1,000)	202,000
Diamond Offshore Drilling Inc.	(5,000)	
Diebold Inc.	(8,000)	90,000
DIRECTV, Cl. A	(19,000)	505,000
Discovery Communications Inc., Cl. A	(1,000)	84,000
Discovery Communications Inc., Cl. C	(1,000)	84,000
Donaldson Co. Inc.	(1,000)	190,000
DPL Inc. (g)	(20,000)	
E.I. du Pont de Nemours and Co.	(2,800)	24,000
Eastman Kodak Co.	(80,000)	
El Paso Corp.	(5,000)	220,000
El Paso Electric Co.	(2,000)	242,000
Energizer Holdings Inc.	(1,000)	94,000
Expedia Inc. (c)	(170,000)	
Ferro Corp.	(15,000)	425,000
Fomento Economico Mexicano SAB de CV, ADR	(1,000)	83,000
Fortune Brands Inc. (a)	(130,000)	
GATX Corp.	(3,000)	163,000
GenCorp Inc.	(5,000)	275,000
General Electric Co.	(10,000)	170,000
Genuine Parts Co.	(1,000)	264,000
Gilead Sciences Inc.	(500)	4,500
Gray Television Inc.	(4,000)	30,000
Great Plains Energy Inc.	(10,000)	
Greif Inc., Cl. A	(5,000)	165,000
Grupo Bimbo SAB de CV, Cl. A	(40,000)	2,300,000
H.J. Heinz Co.	(9,000)	75,000
Halliburton Co.	(2,000)	198,000
Harley-Davidson Inc.	(1,000)	29,000
Hellenic Telecommunications Organization SA	(4,000)	40,000
Hellenic Telecommunications Organization SA, ADR	(1,000)	15,000
Henry Schein Inc.	(1,000)	29,000
Honeywell International Inc.	(9,000)	405,000

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HSN Inc.	(1,000)	43,000
IAC/InterActiveCorp.	(3,000)	72,000
IDEX Corp.	(1,500)	295,000
Il Sole 24 Ore SpA	(80,000)	200,000
Intel Corp.	(3,000)	94,000
Interactive Brokers Group Inc., Cl. A	(1,000)	13,000
Interval Leisure Group Inc.	(2,500)	32,000
ITO EN Ltd.	(10,000)	110,000

See accompanying notes to financial statements.

**THE GABELLI EQUITY TRUST INC.****PORTFOLIO CHANGES (Continued)****Quarter Ended December 31, 2011****(Unaudited)**

	Shares	Ownership at December 31, 2011
ITT Corp. (b)	(270,000)	
Ivanhoe Mines Ltd.	(2,350)	54,000
Janus Capital Group Inc.	(2,000)	180,000
Johnson Controls Inc.	(3,000)	148,000
Ladbrokes plc	(50,087)	1,400,000
Legg Mason Inc.	(3,000)	121,000
Leucadia National Corp.	(4,000)	123,000
Liberty Global Inc., Cl. A	(4,000)	88,000
Liberty Global Inc., Cl. C	(4,000)	88,000
Liberty Interactive Corp., Cl. A	(3,000)	170,000
Liberty Media Corp. - Liberty Starz, Cl. A (d)	(19,000)	
Life Technologies Corp.	(2,500)	67,500
LIN TV Corp., Cl. A	(3,000)	24,000
LSI Corp.	(5,000)	70,000
Lufkin Industries Inc.	(4,500)	190,000
Macy's Inc.	(8,000)	382,000
Marsh & McLennan Companies Inc.	(8,000)	140,000
MasterCard Inc., Cl. A	(800)	38,200
Media General Inc., Cl. A	(45,000)	135,000
Meredith Corp.	(3,000)	111,000
MGM China Holdings Ltd.	(10,000)	90,000
Modine Manufacturing Co.	(15,000)	260,000
Monster Worldwide Inc.	(3,000)	24,000
National Fuel Gas Co.	(3,000)	15,000
National Presto Industries Inc.	(1,700)	6,800
News Corp., Cl. A	(70,000)	710,000
Nobel Biocare Holding AG	(400)	9,600
Northeast Utilities .	(17,000)	90,000
Northrop Grumman Corp.	(1,000)	29,000
O'Reilly Automotive Inc.	(7,000)	91,000
PACCAR Inc.	(750)	81,000
Park-Ohio Holdings Corp.	(3,000)	95,000
Precision Castparts Corp.	(300)	86,200
Ralcorp Holdings Inc.	(500)	65,500
Reckitt Benckiser Group plc	(1,000)	55,000
Regal Entertainment Group, Cl. A	(1,000)	7,000
Rockwell Automation Inc.	(500)	26,500
Rogers Communications Inc., Cl. B, New York	(1,000)	481,690
Rollins Inc.	(22,000)	1,350,000
Rowan Companies Inc.	(3,000)	181,000
Sara Lee Corp.	(11,000)	680,000
Scripps Networks Interactive Inc., Cl. A	(1,000)	118,000
Sensient Technologies Corp.	(7,000)	225,000
Shaw Communications Inc., Cl. B, New York	(1,000)	154,000
Spectra Energy Corp.	(3,000)	127,000
Sprint Nextel Corp.	(40,000)	910,000
Standard Motor Products Inc.	(8,000)	167,000
Sulzer AG	(100)	15,400

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Suncor Energy Inc.	(22,000)	
Superior Industries International Inc.	(3,000)	49,000
Svenska Cellulosa AB, Cl. B	(600)	32,400
		<b>Ownership at</b>
		<b>December 31,</b>
	<b>Shares</b>	<b>2011</b>
Swedish Match AB	(2,000)	855,000
Tele Norte Leste Participacoes SA, ADR	(2,000)	154,000
Telecom Argentina SA, ADR	(1,000)	25,000
Telecom Italia SpA	(20,000)	580,000
Telecomunicacoes de Sao Paulo SA, Preference, ADR (f)	(88,253)	
Telefonica SA, ADR	(2,000)	582,000
Telefonos de Mexico SAB de CV, Cl. L, ADR (h)	(32,000)	4,000
Tenaris SA, ADR	(2,000)	68,000
Texas Instruments Inc.	(5,000)	270,000
The Bank of New York Mellon Corp.	(15,000)	180,000
The Central Europe and Russia Fund Inc.	(2,500)	97,000
The Clorox Co.	(20,000)	9,000
The Dun & Bradstreet Corp.	(500)	14,500
The Interpublic Group of Companies Inc.	(5,000)	315,000
The McGraw-Hill Companies Inc.	(4,000)	116,000
Time Warner Cable Inc.	(3,000)	67,000
Time Warner Inc.	(10,000)	225,000
Tokyo Broadcasting System Holdings Inc.	(10,000)	65,000
Tyco International Ltd.	(7,000)	188,000
Tyson Foods Inc., Cl. A	(3,000)	67,000
UnitedHealth Group Inc.	(1,000)	94,000
Viacom Inc., Cl. A	(1,000)	294,000
Walter Energy Inc.	(5,000)	10,000
Waste Management Inc.	(6,000)	175,000
Watts Water Technologies Inc., Cl. A	(8,000)	155,000
Westar Energy Inc.	(3,000)	217,000
Xerox Corp.	(40,000)	80,000
	<b>Principal</b>	
	<b>Amount</b>	
<b>Corporate Bonds:</b>		
Pillowtex Corp., Sub. Deb., 9.000%, 12/15/11	\$ (1,000,000)	
The Great Atlantic & Pacific Tea Co. Inc., 5.125%, 06/15/12	(1,900,000)	

- (a) Spin-off 1 share of Beam Inc. plus 1 share of Fortune Brands Home & Security Inc. for every 1 share of Fortune Brands Inc. held. 9,692 shares of Fortune Brands Home & Security Inc. were purchased after the spin-off.
- (b) Spin-off 1 share of Exelis Inc. plus 0.5 share of new ITT Corp. plus 1 share of Xylem Inc. for every 1 share of ITT Corp. held. 30,000 shares of Exelis Inc. were sold after the spin-off.
- (c) Spin-off 0.5 share of new Expedia Inc. plus 0.5 share of TripAdvisor Inc. for every 1 share of Expedia Inc. held. 15,000 shares of new Expedia Inc. were sold and 20,000 shares of TripAdvisor Inc. were purchased after the spin-off.
- (d) Spin-off 0.88129 share of Liberty Media Corp. - Liberty Capital, Cl. A for every 1 share of Liberty Media Corp. - Liberty Starz, Cl. A held. 4,745 shares of Liberty Media Corp. - Liberty Capital, Cl. A were sold after the spin-off.
- (e) Stock dividend 69 shares of Rolls-Royce Holdings plc, Cl. C for every 1 share of Rolls-Royce Holdings plc held.
- (f) Name and Identifier change from Telecomunicacoes de Sao Paulo SA, Preference, ADR (87929A102) to Telefonica Brasil SA, ADR (87936R106)
- (g) Tender Offer \$30 for every 1 share held.
- (h) Tender Offer 33,000 shares were tendered at 10.50 MXN per share. 1,000 shares were purchased after the tender offer.

See accompanying notes to financial statements.



**THE GABELLI EQUITY TRUST INC.**

**SCHEDULE OF INVESTMENTS**

**December 31, 2011**

Shares		Cost	Market Value
<b>COMMON STOCKS 99.7%</b>			
<b>Food and Beverage 12.0%</b>			
130,000	Beam Inc.	\$ 4,971,168	\$ 6,659,900
35,000	Brown-Forman Corp., Cl. A	1,761,167	2,774,450
6,250	Brown-Forman Corp., Cl. B	410,925	503,187
75,000	Campbell Soup Co.	2,084,700	2,493,000
15,000	Coca-Cola Enterprises Inc.	275,289	386,700
59,000	Constellation Brands Inc., Cl. A	739,990	1,219,530
30,000	Corn Products International Inc.	412,116	1,577,700
224,000	Danone	10,721,674	14,080,994
599,000	Davide Campari - Milano SpA	3,115,159	3,988,682
80,000	Dean Foods Co.	1,552,394	896,000
202,000	Diageo plc, ADR	8,413,233	17,658,840
100,000	Dr Pepper Snapple Group Inc.	2,291,138	3,948,000
72,000	Flowers Foods Inc.	356,368	1,366,560
83,000	Fomento Economico Mexicano SAB de CV, ADR	1,109,710	5,785,930
40,000	General Mills Inc.	967,929	1,616,400
2,300,000	Grupo Bimbo SAB de CV, Cl. A	1,749,673	4,697,342
75,000	H.J. Heinz Co.	2,623,919	4,053,000
46,000	Heineken NV	2,164,444	2,129,580
110,000	ITO EN Ltd.	2,537,808	1,892,166
14,000	Kellogg Co.	502,615	707,980
66,000	Kerry Group plc, Cl. A	758,380	2,421,666
160,000	Kraft Foods Inc., Cl. A	4,773,465	5,977,600
11,500	LVMH Moet Hennessy Louis Vuitton SA	397,547	1,628,292
70,000	Morinaga Milk Industry Co. Ltd.	299,202	271,015
25,000	Nestlé SA	513,610	1,437,240
210,000	PepsiCo Inc.	11,513,352	13,933,500
46,000	Pernod-Ricard SA	3,968,283	4,266,304
65,500	Ralcorp Holdings Inc.	1,477,200	5,600,250
40,673	Remy Cointreau SA	2,357,660	3,268,474
680,000	Sara Lee Corp.	9,924,242	12,865,600
65,000	The Coca-Cola Co.	2,905,350	4,548,050
20,000	The Hain Celestial Group Inc.	267,663	733,200
2,000	The J.M. Smucker Co.	52,993	156,340
131,000	Tootsie Roll Industries Inc.	1,519,168	3,100,770
67,000	Tyson Foods Inc., Cl. A	625,344	1,382,880
365,000	Yakult Honsha Co. Ltd.	10,317,423	11,499,610
		100,432,301	151,526,732
<b>Cable and Satellite 7.4%</b>			
292,000	AMC Networks Inc., Cl. A	5,219,842	10,973,360
1,130,000	Cablevision Systems Corp., Cl. A (a)	13,506,172	16,068,600
90,000	Comcast Corp., Cl. A, Special	545,321	2,120,400
505,000	DIRECTV, Cl. A	11,386,340	21,593,800
100,000	DISH Network Corp., Cl. A	2,524,679	2,848,000
30,740	EchoStar Corp., Cl. A	923,528	643,696

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88,000	Liberty Global Inc., Cl. A	1,600,010	3,610,640
88,000	Liberty Global Inc., Cl. C	1,727,277	3,477,760
481,690	Rogers Communications Inc., Cl. B, New York	3,993,639	18,549,882
19,310	Rogers Communications Inc., Cl. B, Toronto	137,424	743,968
118,000	Scripps Networks Interactive Inc., Cl. A	3,787,615	5,005,560
154,000	Shaw Communications Inc., Cl. B, New York	316,962	3,059,980
40,000	Shaw Communications Inc., Cl. B, Non-Voting, Toronto	52,983	795,092

Shares		Cost	Market Value
67,000	Time Warner Cable Inc.	\$ 3,851,950	\$ 4,259,190
		49,573,742	93,749,928

<b>Energy and Utilities 7.4%</b>			
34,000	Anadarko Petroleum Corp.	1,465,861	2,595,220
63,000	Apache Corp.	2,455,803	5,706,540
101,000	BP plc, ADR	5,766,952	4,316,740
60,000	CH Energy Group Inc.	2,474,048	3,502,800
29,000	CMS Energy Corp.	185,272	640,320
211,000	ConocoPhillips	12,699,180	15,375,570
35,000	CONSOL Energy Inc.	1,580,805	1,284,500
15,000	Constellation Energy Group Inc.	461,853	595,050
10,000	Devon Energy Corp.	841,797	620,000
105,000	Duke Energy Corp.	1,899,786	2,310,000
220,000	El Paso Corp.	1,980,458	5,845,400
242,000	El Paso Electric Co.	4,152,653	8,382,880
75,000	Exxon Mobil Corp.	2,571,862	6,357,000
15,000	GenOn Energy Inc.	141,261	39,150
140,000	GenOn Energy Inc., Escrow (b)	0	0
198,000	Halliburton Co.	3,391,894	6,832,980
12,000	Marathon Oil Corp.	291,255	351,240
6,000	Marathon Petroleum Corp.	186,212	199,740
15,000	National Fuel Gas Co.	1,127,626	833,700
22,000	NextEra Energy Inc.	1,153,471	1,339,360
2,000	Niko Resources Ltd.	110,842	94,470
5,000	NiSource Inc.	107,750	119,050
16,000	Noble Corp.	605,030	483,520
90,000	Northeast Utilities	1,721,754	3,246,300
38,000	Oceaneering International Inc.	512,207	1,752,940
100,000	Progress Energy Inc., CVO	52,000	73,400
181,000	Rowan Companies Inc.	6,591,557	5,489,730
50,000	RPC Inc.	973,685	912,500
5,000	SJW Corp.	68,704	118,200
20,000	Southwest Gas Corp.	451,132	849,800
127,000	Spectra Energy Corp.	3,195,561	3,905,250
60,000	The AES Corp.	342,617	710,400
21,000	Transocean Ltd.	1,299,914	806,190
10,000	Walter Energy Inc.	842,598	605,600
217,000	Westar Energy Inc.	3,651,944	6,245,260
20,000	WPX Energy Inc.	363,080	363,400
		65,718,424	92,904,200

<b>Financial Services 6.7%</b>			
495,000	American Express Co. (a)	23,226,845	23,349,150
18,000	Argo Group International Holdings Ltd.	683,002	521,280
45,000	Artio Global Investors Inc.	949,471	219,600
122,000	Banco Santander SA, ADR	725,308	917,440
128	Berkshire Hathaway Inc., Cl. A	375,826	14,688,640
10,000	Calamos Asset Management Inc., Cl. A	88,164	125,100
23,000	Citigroup Inc.	933,997	605,130
46,000	Deutsche Bank AG	2,097,214	1,741,560
10,000	Fortress Investment Group LLC, Cl. A	49,694	33,800
22,000	H&R Block Inc.	369,710	359,260

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13,000	Interactive Brokers Group Inc., Cl. A	271,224	194,220
180,000	Janus Capital Group Inc.	2,901,201	1,135,800
49,088	JPMorgan Chase & Co.	1,540,997	1,632,176
30,000	Kinnevik Investment AB, Cl. A	450,841	581,513
121,000	Legg Mason Inc.	2,387,027	2,910,050
123,000	Leucadia National Corp.	1,523,790	2,797,020
5,000	Loews Corp.	183,078	188,250
140,000	Marsh & McLennan Companies Inc.	4,243,239	4,426,800
11,000	Moody's Corp.	427,219	370,480
22,000	Och-Ziff Capital Management Group LLC, Cl. A	214,559	185,020
120,000	State Street Corp.	4,047,374	4,837,200

See accompanying notes to financial statements.



**THE GABELLI EQUITY TRUST INC.**

**SCHEDULE OF INVESTMENTS (Continued)**

**December 31, 2011**

Shares		Cost	Market Value
<b>COMMON STOCKS (Continued)</b>			
<b>Financial Services (Continued)</b>			
20,000	SunTrust Banks Inc.	\$ 419,333	\$ 354,000
140,000	T. Rowe Price Group Inc.	4,303,432	7,973,000
180,000	The Bank of New York Mellon Corp.	5,625,322	3,583,800
40,000	The Charles Schwab Corp.	584,500	450,400
14,500	The Dun & Bradstreet Corp.	323,896	1,085,035
65,000	Waddell & Reed Financial Inc., Cl. A	1,470,109	1,610,050
270,000	Wells Fargo & Co.	8,051,764	7,441,200
		68,468,136	84,316,974
<b>Equipment and Supplies 6.2%</b>			
330,000	AMETEK Inc.	3,570,352	13,893,000
4,000	Amphenol Corp., Cl. A	14,775	181,560
94,000	CIRCOR International Inc.	974,241	3,319,140
190,000	Donaldson Co. Inc.	2,973,673	12,935,200
99,000	Flowserve Corp.	3,077,246	9,832,680
22,000	Franklin Electric Co. Inc.	242,405	958,320
60,000	Gerber Scientific Inc., Escrow (b)	0	600
76,484	GrafTech International Ltd.	708,541	1,044,007
295,000	IDEX Corp.	7,060,957	10,947,450
40,000	Ingersoll-Rand plc	795,378	1,218,800
190,000	Lufkin Industries Inc.	901,451	12,788,900
11,000	Mueller Industries Inc.	485,034	422,620
2,000	Sealed Air Corp.	17,404	34,420
68,000	Tenaris SA, ADR	2,989,903	2,528,240
50,000	The Greenbrier Companies Inc.	997,792	1,214,000
4,000	The Manitowoc Co. Inc.	25,450	36,760
70,000	The Weir Group plc	294,552	2,208,970
155,000	Watts Water Technologies Inc., Cl. A	2,253,306	5,302,550
		27,382,460	78,867,217
<b>Diversified Industrial 5.9%</b>			
3,000	Acuity Brands Inc.	76,507	159,000
157,000	Ampco-Pittsburgh Corp.	2,045,788	3,036,380
30,000	Brunswick Corp.	562,728	541,800
187,000	Cooper Industries plc	4,714,444	10,126,050
212,000	Crane Co.	5,034,756	9,902,520
170,000	General Electric Co.	3,062,767	3,044,700
165,000	Greif Inc., Cl. A	1,790,911	7,515,750
15,000	Greif Inc., Cl. B	674,933	675,750
405,000	Honeywell International Inc.	13,369,154	22,011,750
135,000	ITT Corp.	1,552,834	2,609,550
10,000	Jardine Strategic Holdings Ltd.	190,495	276,700
1,000	Kennametal Inc.	35,610	36,520
30,000	Material Sciences Corp.	30,306	244,800
95,000	Park-Ohio Holdings Corp.	974,355	1,694,800
1,000	Pentair Inc.	31,908	33,290
70,000	Smiths Group plc	1,326,915	994,689
15,400	Sulzer AG	470,222	1,646,077

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30,000	Trinity Industries Inc.	428,108	901,800
188,000	Tyco International Ltd.	8,450,752	8,781,480
		44,823,493	74,233,406
<b>Entertainment 5.3%</b>			
2,002	Chestnut Hill Ventures (b)	54,500	132,288
84,000	Discovery Communications Inc., Cl. A	1,534,853	3,441,480
84,000	Discovery Communications Inc., Cl. C	1,071,501	3,166,800
<b>Shares</b>		<b>Cost</b>	<b>Market Value</b>
500	DreamWorks Animation SKG Inc., Cl. A	\$ 10,535	\$ 8,297
645,000	Grupo Televisa SA, ADR	7,487,837	13,583,700
7,000	Regal Entertainment Group, Cl. A	89,752	83,580
32,000	Societe d Edition de Canal+	34,011	177,591
381,000	The Madison Square Garden Co., Cl. A	6,313,347	10,911,840
225,000	Time Warner Inc.	8,872,058	8,131,500
65,000	Tokyo Broadcasting System Holdings Inc.	1,668,264	836,040
108,000	Universal Entertainment Corp.	2,340,916	2,987,294
294,000	Viacom Inc., Cl. A	13,603,137	15,679,020
370,000	Vivendi SA	10,957,562	8,102,504
		54,038,273	67,241,934
<b>Consumer Products 4.1%</b>			
60,000	Avon Products Inc.	1,635,859	1,048,200
17,000	Christian Dior SA	643,155	2,015,622
24,000	Church & Dwight Co. Inc.	79,628	1,098,240
94,000	Energizer Holdings Inc.	4,395,004	7,283,120
2,100	Givaudan SA	608,272	2,000,958
60,000	Hanesbrands Inc.	1,376,148	1,311,600
29,000	Harley-Davidson Inc.	1,347,236	1,127,230
4,000	Jarden Corp.	91,909	119,520
7,000	Mattel Inc.	126,000	194,320
6,800	National Presto Industries Inc.	202,738	636,480
10,000	Oil-Dri Corp. of America	171,255	202,400
55,000	Reckitt Benckiser Group plc	1,688,933	2,716,176
32,400	Svenska Cellulosa AB, Cl. B	441,093	480,206
855,000	Swedish Match AB	9,447,474	30,350,913
9,000	The Clorox Co.	663,172	599,040
1,000	The Estee Lauder Companies Inc., Cl. A	72,260	112,320
		22,990,136	51,296,345
<b>Telecommunications 4.0%</b>			
65,000	BCE Inc.	1,607,839	2,708,550
41,500	Brasil Telecom SA, ADR	1,313,060	738,285
14,000	Brasil Telecom SA, Cl. C, ADR	225,384	86,800
1,082,000	BT Group plc	4,474,184	3,207,756
7,040,836	Cable & Wireless Jamaica Ltd. (c)	128,658	16,360
660,000	Cincinnati Bell Inc.	3,712,593	1,999,800
130,000	Deutsche Telekom AG, ADR	2,137,750	1,488,500
40,000	Hellenic Telecommunications Organization SA	714,033	149,097
15,000	Hellenic Telecommunications Organization SA, ADR	117,820	25,950
95,000	Koninklijke KPN NV	221,092	1,136,705
30,000	NII Holdings Inc.	1,030,122	639,000
910,000	Sprint Nextel Corp.	7,331,216	2,129,400
154,000	Tele Norte Leste Participacoes SA, ADR	2,045,383	1,464,540
25,000	Telecom Argentina SA, ADR	147,932	447,000
580,000	Telecom Italia SpA	2,370,177	623,801
88,253	Telefonica Brasil SA, ADR	2,232,998	2,411,954
582,000	Telefonica SA, ADR	8,956,549	10,004,580

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4,000	Telefonos de Mexico SAB de CV, Cl. L, ADR	46,372	57,760
270,000	Telephone & Data Systems Inc.	12,543,458	6,990,300
318,000	Telephone & Data Systems Inc., Special	13,903,803	7,571,580
15,000	TELUS Corp.	280,203	848,687
155,000	Verizon Communications Inc.	5,107,783	6,218,600