

GABELLI EQUITY TRUST INC  
Form N-Q  
June 01, 2009

**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, 2009

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.

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**Item 1. Schedule of Investments.**

The Schedule(s) of Investments is attached herewith.

**The Gabelli Equity Trust Inc.**

First Quarter Report

March 31, 2009

**To Our Shareholders,**

The Gabelli Equity Trust's (the Fund) net asset value (NAV) total return was (16.7)% during the first quarter of 2009, compared with declines of 11.0% and 12.4% 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 (12.6)% during the first quarter. On March 31, 2009, the Fund's NAV per share was \$3.23, while the price of the publicly traded shares closed at \$3.05 on the New York Stock Exchange.

Enclosed is the investment portfolio as of March 31, 2009.

**Comparative Results****Average Annual Returns through March 31, 2009 (a)**

	Quarter	1 Year	3 Year	5 Year	10 Year	15 Year	20 Year	Since Inception (08/21/86)
<b>Gabelli Equity Trust NAV Total Return (b)</b>	<b>(16.66)%</b>	<b>(51.85)%</b>	<b>(17.45)%</b>	<b>(5.61)%</b>	<b>0.14%</b>	<b>4.86%</b>	<b>5.99%</b>	<b>7.59%</b>
<b>Investment Total Return (c)</b>	<b>(12.58)</b>	<b>(57.86)</b>	<b>(18.88)</b>	<b>(8.06)</b>	<b>(1.09)</b>	<b>4.29</b>	<b>5.98</b>	<b>6.90</b>
S&P 500 Index	(10.98)	(38.06)	(13.05)	(4.76)	(3.00)	5.91	7.42	7.69(d)
Dow Jones Industrial Average	(12.41)	(35.90)	(9.52)	(3.61)	(0.32)	7.38	8.85	9.15(d)
Nasdaq Composite Index	(3.07)	(32.93)	(13.23)	(5.18)	(4.65)	4.92	6.84	6.34

(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.*

*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](http://www.gabelli.com).

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**THE GABELLI EQUITY TRUST INC.**  
**PORTFOLIO CHANGES**  
**Quarter Ended March 31, 2009 (Unaudited)**

	<b>Shares</b>	<b>Ownership at March 31, 2009</b>
<b>NET PURCHASES</b>		
<b>Common Stocks</b>		
Accor SA	2,500	5,000
Agnico-Eagle Mines Ltd.	10,000	10,000
Allianz SE	300	2,500
BPW Acquisition Corp. (a)	310,000	310,000
CNH Global NV	13,000	26,600
Costco Wholesale Corp.	10,000	50,000
CRH plc (b)	30,000	30,000
Experian plc	7,000	7,000
Fortune Brands Inc.	42,000	120,000
GrafTech International Ltd.	5,000	85,000
Great Plains Energy Inc.	4,000	72,480
Las Vegas Sands Corp.	50,000	90,000
Macy's Inc.	20,000	170,000
Mead Johnson Nutrition Co., Cl. A	10,000	10,000
NCR Corp.	25,000	75,000
Rockwell Automation Inc.	3,000	33,000
Sprint Nextel Corp.	40,000	790,000
State Street Corp.	60,000	140,000
Time Warner Cable Inc. (c)	76,976	76,976
Time Warner Inc. (d)	300,001	300,001
Tootsie Roll Industries Inc. (e)	3,660	125,660
Tullow Oil plc	5,000	5,000
Wells Fargo & Co. (f)	19,910	299,910
Wynn Resorts Ltd.	1,000	2,000
Xstrata plc (g)	96,532	152,298
<b>Rights</b>		
CRH plc, expire 04/09/09 (b)	17,714	17,714
Seat Pagine Gialle SpA, expire 04/17/09 (h)	333	333
<b>Warrants</b>		
BPW Acquisition Corp., expire 02/26/14 (a)	310,000	310,000
<b>NET SALES</b>		
<b>Common Stocks</b>		
Abbott Laboratories	(2,000)	2,000
Advanced Medical Optics Inc. (i)	(135,000)	
AGL Resources Inc.	(1,500)	3,500
Ajinomoto Co. Inc.	(40,000)	28,000
American Express Co.	(20,000)	540,000

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Amgen Inc.	(11,000)	40,000
Archer-Daniels-Midland Co.	(30,000)	310,000
Aruze Corp.	(10,000)	100,000
AstraZeneca plc	(8,346)	7,000
AutoNation Inc.	(80,000)	100,000
AutoZone Inc.	(500)	500
Avon Products Inc.	(5,000)	70,000
AXA Asia Pacific Holdings Ltd.	(26,900)	100,000
Bayer AG	(7,200)	12,000
Bell Aliant Regional Communications Income Fund	(1,000)	15,000
Berkshire Hathaway Inc., Cl. A	(3)	134
Boeing Co.	(2,000)	100,000
Bouygues SA	(10,000)	6,000
BP plc	(25,000)	55,000
BPW Acquisition Corp. (a)	(310,000)	
British American Tobacco plc	(40,182)	26,000
British Sky Broadcasting Group plc	(36,000)	40,000
Cablevision Systems Corp., Cl. A	(35,000)	1,475,000
Cadbury plc	(32,300)	40,000
Canon Inc.	(9,000)	15,400
CBS Corp., Cl. A	(30,000)	380,000
CH Energy Group Inc.	(900)	61,000
Cheung Kong (Holdings) Ltd.	(22,000)	34,000
China Mobile Ltd.	(20,000)	32,000
Christian Dior SA	(8,600)	27,000
Cincinnati Bell Inc.	(3,300)	885,000
Citadel Broadcasting Corp.	(10,000)	10,343
Citigroup Inc.	(40,000)	260,000
Coca-Cola Hellenic Bottling Co. SA	(37,000)	20,000
Cochlear Ltd.	(2,600)	7,000
Commerzbank AG, ADR	(10,000)	140,000
Compagnie Financiere Richemont SA, Cl. A	(20,200)	35,000
ConocoPhillips	(1,000)	314,000
Constellation Brands Inc., Cl. A	(8,000)	2,000
Crane Co.	(10,000)	250,000
CRH plc (b)	(62,000)	
Deutsche Bank AG	(2,000)	146,000
Diageo plc	(24,000)	40,000
The DIRECTV Group Inc.	(30,000)	410,000
DISH Network Corp., Cl. A	(5,000)	120,000
Dr. Pepper Snapple Group Inc.	(10,600)	120,000
Energizer Holdings Inc.	(5,000)	105,000
Exxon Mobil Corp.	(3,000)	75,000
The Fairchild Corp., Cl. A	(20,000)	140,000
FairPoint Communications Inc.	(3,394)	
Fanuc Ltd.	(5,000)	6,200
Ferro Corp.	(10,000)	340,000
Finmeccanica SpA	(32,640)	
Flowserve Corp.	(3,000)	147,000
FPL Group Inc.	(2,000)	23,000
Frontier Communications Corp.	(5,000)	45,000

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Galp Energia SGPS SA, Cl. B	(20,000)	16,000
General Electric Co.	(5,000)	165,000
General Motors Corp.	(100,000)	230,000
Genuine Parts Co.	(20,000)	280,000
GlaxoSmithKline plc	(18,036)	18,000
Gray Television Inc., Cl. A	(5,000)	18,000
Grupo Bimbo SAB de CV, Cl. A	(125,000)	775,000



**THE GABELLI EQUITY TRUST INC.**  
**PORTFOLIO CHANGES (Continued)**  
**Quarter Ended March 31, 2009 (Unaudited)**

	Shares	Ownership at March 31, 2009
<b>NET SALES (Continued)</b>		
<b>Common Stocks (Continued)</b>		
Harmony Gold Mining Co. Ltd.	(35,000)	
Harmony Gold Mining Co. Ltd., ADR	(10,000)	25,000
Hellenic Telecommunications Organization SA	(2,000)	30,000
Hennes & Mauritz AB, Cl. B	(7,200)	10,000
Honeywell International Inc.	(10,000)	440,000
HSN Inc.	(3,000)	27,000
Huttig Building Products Inc.	(7,000)	20,000
Il Sole 24 Ore	(134,713)	1,690,587
Imperial Oil Ltd.	(12,500)	13,100
ITO EN Ltd.	(35,000)	140,000
Japan Tobacco Inc.	(60)	100
Jardine Matheson Holdings Ltd.	(10,000)	38,000
Johnson & Johnson	(45,000)	60,000
Kerry Group plc, Cl. A	(4,000)	68,000
Keyence Corp.	(1,728)	2,992
Koninklijke KPN NV	(5,000)	95,000
Kraft Foods Inc., Cl. A	(30,000)	100,000
Legg Mason Inc.	(5,000)	175,000
LIN TV Corp., Cl. A	(20,000)	50,000
Media General Inc., Cl. A	(40,000)	210,000
Merck & Co. Inc.	(30,000)	55,000
MGM Mirage	(15,000)	140,000
Mitsui & Co. Ltd.	(7,000)	25,000
Motorola Inc.	(10,000)	80,000
National Presto Industries Inc.	(2,000)	14,000
Nestle SA	(10,000)	39,000
News Corp., Cl. A	(30,000)	1,400,000
Nissin Foods Holdings Co. Ltd.	(80,000)	
Northeast Utilities	(15,000)	200,000
Northrop Grumman Corp.	(20,000)	65,000
Novartis AG	(20,200)	11,000
O Reilly Automotive Inc.	(20,000)	140,000
PepsiCo Inc.	(10,000)	145,000
Pernod-Ricard SA	(5,000)	51,000
Petroleo Brasileiro SA, ADR	(25,750)	20,950
Pfizer Inc.	(450,000)	
The Phoenix Companies Inc.	(15,000)	115,000
Pinnacle Entertainment Inc.	(10,000)	100,000
Procter & Gamble Co.	(5,000)	5,000
Qwest Communications International Inc.	(90,000)	360,000

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Reckitt Benckiser Group plc	(2,000)	56,000
Roche Holding AG	(7,100)	6,000
Rohm and Haas Co.	(40,000)	
Rollins Inc.	(35,400)	1,054,600
Rolls-Royce Group plc, Cl. C	(68,640,000)	
Saipem SpA	(27,000)	25,000
Sanofi-Aventis	(4,000)	4,000
Seat Pagine Gialle SpA (h)	(66,252)	333
Secom Co. Ltd.	(10,000)	10,000
SMC Corp.	(3,000)	3,400
Smith & Nephew plc	(24,000)	40,000
Square Enix Holdings Co. Ltd.	(9,000)	10,300
The St. Joe Co.	(1,000)	137,000
Straumann Holding AG	(2,700)	1,500
The Swatch Group AG	(15,000)	15,000
Swire Pacific Ltd., Cl. A	(20,000)	35,200
Syngenta AG	(1,000)	3,000
Synthes Inc.	(6,000)	4,000
Takeda Pharmaceutical Co. Ltd.	(5,200)	10,000
Technip SA	(18,000)	6,000
Tele2 AB, Cl. B	(25,000)	23,000
Tesco plc	(28,000)	60,000
The Coca-Cola Co.	(45,000)	70,000
Tokai Carbon Co. Ltd.	(80,000)	52,000
Tokyo Broadcasting System Inc.	(8,000)	114,000
Toll Holdings Ltd.	(30,000)	26,000
Total SA	(11,328)	8,000
Tree.com Inc.	(66)	
Tyco International Ltd.	(5,000)	205,000
UnitedHealth Group Inc.	(5,000)	110,000
Verizon Communications Inc.	(10,000)	150,000
Viacom Inc., Cl. A	(15,000)	305,000
Vivendi	(24,100)	408,000
Vivo Participacoes SA, ADR	(1,377)	43,000
Wachovia Corp. (f)	(100,000)	
Waste Management Inc.	(130,000)	200,000
William Demant Holding A/S	(8,600)	71,000
Woolworths Ltd.	(28,400)	30,000
Wyeth	(90,000)	
Yahoo! Japan Corp.	(600)	1,000
YAKULT HONSHA Co. Ltd.	(15,000)	400,000

(a) Exchange 1 share  
of BPW  
Acquisition Corp.  
(055637102) and 1  
share of BPW  
Acquisition Corp.,  
Warrant expire  
02/26/14  
(055637110) for

- every 1 share of  
BPW Acquisition  
Corp.  
(055637201) held.
- (b) Issuance of Rights  
2 Rights for every  
7 shares held.
- (c) Spin off 0.08367  
share of Time  
Warner Cable Inc.  
for every 1 share  
of Time Warner  
Inc. held.
- (d) Reverse Split 1:3
- (e) Stock Dividend  
0.03 share for  
every 1 share held.
- (f) Merger 0.1991  
share of Wells  
Fargo & Co. for  
every 1 share of  
Wachovia Corp.  
held.
- (g) Issuance of Rights  
2 Rights for every  
1 share held and 1  
new share for  
every 1 Right  
exercised.
- (h) Reverse Split and  
Issuance of Rights  
1 new share and 1  
Right for every  
200 shares held.
- (i) Tender Offer  
\$22.00 for every 1  
share held.

**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS**  
**March 31, 2009 (Unaudited)**

Shares		Market Value
	<b>COMMON STOCKS 96.5%</b>	
	<b>Food and Beverage 11.8%</b>	
28,000	Ajinomoto Co. Inc.	\$ 196,595
32,000	Brown-Forman Corp., Cl. A	1,283,200
6,250	Brown-Forman Corp., Cl. B	242,687
40,000	Cadbury plc	302,465
120,000	Cadbury plc, ADR	3,636,000
70,000	Campbell Soup Co.	1,915,200
50,000	China Mengniu Dairy Co. Ltd.	69,930
15,000	Coca-Cola Enterprises Inc.	197,850
20,000	Coca-Cola Hellenic Bottling Co. SA	286,978
2,000	Constellation Brands Inc., Cl. A	23,800
45,000	Corn Products International Inc.	954,000
300,000	Davide Campari-Milano SpA	1,905,217
180,000	Dean Foods Co.	3,254,400
60,000	Del Monte Foods Co.	437,400
40,000	Diageo plc	451,402
204,000	Diageo plc, ADR	9,129,000
120,000	Dr. Pepper Snapple Group Inc.	2,029,200
70,000	Flowers Foods Inc.	1,643,600
97,000	Fomento Economico Mexicano SAB de CV, ADR	2,445,370
25,000	General Mills Inc.	1,247,000
200,000	Groupe Danone	9,741,321
775,000	Grupo Bimbo SAB de CV, Cl. A	2,899,753
100,000	H.J. Heinz Co.	3,306,000
20,000	Hain Celestial Group Inc.	284,800
48,000	Heineken NV	1,364,741
140,000	ITO EN Ltd.	1,704,299
60,000	ITO EN Ltd., Preference	520,685
16,000	Kellogg Co.	586,080
68,000	Kerry Group plc, Cl. A	1,387,700
100,000	Kraft Foods Inc., Cl. A	2,229,000
11,500	LVMH Moet Hennessy Louis Vuitton SA	722,541
10,000	Meiji Seika Kaisha Ltd. (a)	34,955
70,000	Morinaga Milk Industry Co. Ltd.	208,617
39,000	Nestlé SA	1,318,387
550,000	PepsiAmericas Inc.	9,487,500
145,000	PepsiCo Inc.	7,464,600
51,000	Pernod-Ricard SA	2,844,175
64,000	Ralcorp Holdings Inc.	3,448,320
37,000	Remy Cointreau SA	877,476
330,000	Sara Lee Corp.	2,666,400
60,000	Tesco plc	287,026

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70,000	The Coca-Cola Co.	3,076,500
70,000	The Hershey Co.	2,432,500
2,000	The J.M. Smucker Co.	74,540
125,660	Tootsie Roll Industries Inc.	2,729,335
140,000	Tyson Foods Inc., Cl. A	1,314,600
400,000	YAKULT HONSHA Co. Ltd.	7,087,943
		101,751,088
	<b>Energy and Utilities 8.5%</b>	
3,500	AGL Resources Inc.	92,855
68,000	Allegheny Energy Inc.	1,575,560
70,000	Apache Corp.	4,486,300
55,000	BP plc	372,091
247,000	BP plc, ADR	9,904,700
61,000	CH Energy Group Inc.	2,860,900
65,000	CMS Energy Corp.	769,600
314,000	ConocoPhillips	12,296,240
70,000	Constellation Energy Group Inc.	1,446,200
2,800	Diamond Offshore Drilling Inc.	176,008
60,000	DPL Inc.	1,352,400
12,000	DTE Energy Co.	332,400
200,000	Duke Energy Corp.	2,864,000
300,000	El Paso Corp.	1,875,000
265,000	El Paso Electric Co.	3,733,850
75,000	Exxon Mobil Corp.	5,107,500
23,000	FPL Group Inc.	1,166,790
16,000	Galp Energia SGPS SA, Cl. B	190,894
72,480	Great Plains Energy Inc.	976,306
220,000	Halliburton Co.	3,403,400
13,100	Imperial Oil Ltd.	475,872
20,000	Marathon Oil Corp.	525,800
10,000	Mirant Corp.	114,000
140,000	Mirant Corp., Escrow (a)	0
2,000	Niko Resources Ltd., New York	93,084
1,000	Niko Resources Ltd., Toronto	46,542
10,000	NiSource Inc.	98,000
200,000	Northeast Utilities	4,318,000
19,000	Oceaneering International Inc.	700,530
1,500	PetroChina Co. Ltd., ADR	119,550
20,950	Petroleo Brasileiro SA, ADR	638,347
100,000	Progress Energy Inc., CVO (a)	33,000
200,000	Rowan Companies Inc.	2,394,000
25,000	Saipem SpA	445,082
5,000	SJW Corp.	127,150
20,000	Southwest Gas Corp.	421,400
130,000	Spectra Energy Corp.	1,838,200
60,000	The AES Corp.	348,600
8,000	Total SA	397,784
10,000	Transocean Ltd.	588,400
5,000	Tullow Oil plc	57,609

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270,000	Westar Energy Inc.	4,733,100
		73,497,044
	<b>Financial Services 7.7%</b>	
2,500	Allianz SE	210,119
540,000	American Express Co.	7,360,200
100,000	American International Group Inc.	100,000
6,000	Ameriprise Financial Inc.	122,940

See accompanying notes to schedule of investments.

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**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**March 31, 2009 (Unaudited)**

<b>Shares</b>		<b>Market Value</b>
	<b>COMMON STOCKS (Continued)</b>	
	<b>Financial Services (Continued)</b>	
19,452	Argo Group International Holdings Ltd.	\$ 586,089
100,000	AXA Asia Pacific Holdings Ltd.	236,420
90,000	Banco Santander SA, ADR	