

GABELLI EQUITY TRUST INC  
Form N-Q  
November 30, 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: September 30, 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.**

Third Quarter Report

September 30, 2009

**To Our Shareholders,**

During the third quarter of 2009, The Gabelli Equity Trust's (the "Fund") total return was 25.1% on a net asset value (NAV) basis compared with the Standard & Poor's (S&P) 500 Index and the Dow Jones Industrial Average of 15.6% and 15.8%, respectively.

Enclosed is the investment portfolio as of September 30, 2009.

**Comparative Results****Average Annual Returns through September 30, 2009 (a)**

|  | Quarter       | Year to<br>Date | 1 Year         | 3 Year         | 5 Year       | 10 Year      | 15 Year      | 20 Year      | Since<br>Inception<br>(08/21/86) |
|--|---------------|-----------------|----------------|----------------|--------------|--------------|--------------|--------------|----------------------------------|
| <b>Gabelli Equity Trust<br/>NAV Total Return (b)</b> | <b>25.10%</b> | <b>34.93%</b>   | <b>(4.26)%</b> | <b>(4.89)%</b> | <b>3.98%</b> | <b>4.46%</b> | <b>7.86%</b> | <b>7.76%</b> | <b>9.68%</b>                     |
| <b>Investment Total<br/>Return (c)</b>               | <b>14.76</b>  | <b>55.25</b>    | <b>(12.50)</b> | <b>(4.26)</b>  | <b>2.88</b>  | <b>4.25</b>  | <b>7.77</b>  | <b>7.87</b>  | <b>9.43</b>                      |
| S&P 500 Index  | 15.59         | 19.27           | (6.91)         | (5.43)         | 1.01         | (0.15)       | 7.62         | 7.99         | 8.88(d)                          |
| Dow Jones Industrial<br>Average                      | 15.79         | 13.56           | (7.35)         | (3.34)         | 1.88         | 1.66         | 8.75         | 9.27         | 10.17(d)                         |
| Nasdaq Composite Index                               | 15.66         | 34.58           | 1.46           | (2.05)         | 2.27         | (2.54)       | 7.05         | 7.80         | 7.71                             |

(a) *R e t u r n s  
represent past  
performance and  
do not guarantee  
future results.*

*I n v e s t m e n t  
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.  
C u r r e n t  
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 September 30, 2009 (Unaudited)**

|   | Shares        | Ownership at<br>September<br>30,<br>2009           |
|---|---------------|--|
| <b>NET PURCHASES</b>                    |               |  |
| <b>Common Stocks</b>                    |               |  |
| Artio Global Investors Inc.             | 100,000       | 100,000  |
| BBA Aviation plc                        | 600,000       | 603,000  |
| Cenveo Inc.                             | 55            | 55   |
| Citigroup Inc.                          | 90,000        | 250,000  |
| Cooper Industries plc, Cl. A            | 225,000       | 225,000  |
| Covidien plc                            | 5,000         | 25,000   |
| Dana Holding Corp.                      | 200,000       | 200,000  |
| Fastweb                                 | 5,000         | 5,000  |
| General Electric Co.                    | 20,000        | 220,000  |
| Gray Television Inc., Cl. A             | 2,000         | 20,000   |
| Grupo TMM SA, Cl. A, ADR (a)            | 3,000         | 3,000  |
| GVT (Holding) SA                        | 20,000        | 20,000   |
| Ingersoll-Rand plc                      | 40,000        | 40,000   |
| Macy's Inc.                             | 10,000        | 240,000  |
| Media General Inc., Cl. A               | 6,200         | 218,000  |
| MEMC Electronic Materials Inc.          | 5,000         | 5,000  |
| Rovi Corp.                              | 60,000        | 60,000   |
| Sara Lee Corp.                          | 100,000       | 450,000  |
| Sprint Nextel Corp.                     | 410,000       | 1,200,000  |
| Superior Industries International Inc.  | 2,000         | 37,000   |
| The Boeing Co.                          | 7,000         | 110,000  |
| The Interpublic Group of Companies Inc. | 13,000        | 340,000  |
| Time Warner Cable Inc.                  | 6,024         | 83,000   |
| Viacom Inc., Cl. A                      | 5,000         | 310,000  |
| Vivo Participacoes SA, ADR (b)          | 13,938        | 56,938   |
| Walgreen Co.                            | 10,000        | 100,000  |
| Watson Pharmaceuticals Inc.             | 6,000         | 6,000  |
|   |               | <b>Ownership at<br/>September<br/>30,<br/>2009</b> |
|   | <b>Shares</b> |  |
| <b>NET SALES</b>                        |               |  |
| <b>Common Stocks</b>                    |               |  |
| Accor SA                                | (40)          | 5,230  |
| Acuity Brands Inc.                      | (1,000)       | 3,000  |
| American International Group Inc. (c)   | (95,000)      | 5,000  |

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|   |               |           |
|---|---------------|-----------|
| AMETEK Inc.                               | (2,000)       | 252,000   |
| Cooper Industries Ltd., Cl. A             | (225,000)     |           |
| Danone                                    | (4)           | 249,370   |
| Flowserve Corp.                           | (1,000)       | 146,000   |
| Givaudan SA                               | (1)           | 2,266     |
| Gray Television Inc.                      | (68,000)      | 42,000    |
| Grupo TMM SA, Cl. A, ADR (a)              | (15,000)      |           |
| Ingersoll-Rand Co. Ltd., Cl. A            | (40,000)      |           |
| Macrovision Solutions Corp.               | (65,341)      |           |
| Moody's Corp.                             | (20,000)      | 45,000    |
| Nashua Corp.                              | (72,500)      |           |
| Omnova Solutions Inc.                     | (6,018)       | 285,000   |
| O'Reilly Automotive Inc.                  | (20,000)      | 130,000   |
| Pactiv Corp.                              | (2,000)       | 78,000    |
| PepsiCo Inc.                              | (2,000)       | 138,000   |
| Proliance International Inc.              | (100,000)     |           |
| Rollins Inc.                              | (5,000)       | 1,044,600 |
| Rolls-Royce Group plc, Cl. C (d)          | (102,960,000) |           |
| State Street Corp.                        | (7,000)       | 123,000   |
| Telemig Celular Participacoes SA, ADR (b) | (5,087)       |           |
| The Fairchild Corp., Cl. A                | (12,900)      | 120,000   |
| Vivendi                                   | (576)         | 400,000   |

- (a) Reverse Split  
1:5
- (b) Merger 2.74  
shares of Vivo  
Participacoes  
SA, ADR for 1  
share of  
Telemig Celular  
Participacoes  
SA, ADR
- (c) Reverse Split  
1:20
- (d) Tender Offer  
£0.001 for every  
1 share

See accompanying notes to schedule of investments.

**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS**  
**September 30, 2009 (Unaudited)**

| Shares                         |   | Market Value |
|--------------------------------|---|--------------|
| <b>COMMON STOCKS 99.0%</b>     |   |              |
| <b>Food and Beverage 12.0%</b> |   |              |
| 32,000                         | Brown-Forman Corp., Cl. A                 | \$ 1,634,240 |
| 6,250                          | Brown-Forman Corp., Cl. B                 | 301,375      |
| 120,000                        | Cadbury plc, ADR                          | 6,145,200    |
| 70,000                         | Campbell Soup Co.                         | 2,283,400    |
| 50,000                         | China Mengniu Dairy Co. Ltd.              | 127,999      |
| 15,000                         | Coca-Cola Enterprises Inc.                | 321,150      |
| 100,000                        | Constellation Brands Inc., Cl. A          | 1,515,000    |
| 45,000                         | Corn Products International Inc.          | 1,283,400    |
| 249,370                        | Danone                                    | 15,027,301   |
| 300,000                        | Davide Campari - Milano SpA               | 2,691,114    |
| 190,000                        | Dean Foods Co.                            | 3,380,100    |
| 60,000                         | Del Monte Foods Co.                       | 694,800      |
| 204,000                        | Diageo plc, ADR                           | 12,543,960   |
| 120,000                        | Dr. Pepper Snapple Group Inc.             | 3,450,000    |
| 70,000                         | Flowers Foods Inc.                        | 1,840,300    |
| 97,000                         | Fomento Economico Mexicano SAB de CV, ADR | 3,690,850    |
| 25,000                         | General Mills Inc.                        | 1,609,500    |
| 775,000                        | Grupo Bimbo SAB de CV, Cl. A              | 4,316,274    |
| 100,000                        | H.J. Heinz Co.                            | 3,975,000    |
| 36,000                         | Heineken NV                               | 1,659,711    |
| 140,000                        | ITO EN Ltd.                               | 2,592,102    |
| 60,000                         | ITO EN Ltd., Preference                   | 653,038      |
| 16,000                         | Kellogg Co.                               | 787,680      |
| 68,000                         | Kerry Group plc, Cl. A                    | 1,940,412    |
| 100,000                        | Kraft Foods Inc., Cl. A                   | 2,627,000    |
| 11,500                         | LVMH Moet Hennessy Louis Vuitton SA       | 1,156,630    |
| 1,000                          | MEIJI Holdings Co. Ltd.                   | 42,667       |
| 70,000                         | Morinaga Milk Industry Co. Ltd.           | 349,357      |
| 25,000                         | Nestlé SA                                 | 1,065,329    |
| 540,000                        | PepsiAmericas Inc.                        | 15,422,400   |
| 138,000                        | PepsiCo Inc.                              | 8,095,080    |
| 50,587                         | Pernod-Ricard SA                          | 4,017,438    |
| 64,000                         | Ralcorp Holdings Inc.                     | 3,742,080    |
| 37,000                         | Remy Cointreau SA                         | 1,547,713    |
| 450,000                        | Sara Lee Corp.                            | 5,013,000    |
| 75,000                         | The Coca-Cola Co.                         | 4,027,500    |
| 20,000                         | The Hain Celestial Group Inc.             | 383,400      |
| 70,000                         | The Hershey Co.                           | 2,720,200    |
| 2,000                          | The J.M. Smucker Co.                      | 106,020      |
| 125,660                        | Tootsie Roll Industries Inc.              | 2,988,195    |

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|         |                         |             |
|---------|-------------------------|-------------|
| 140,000 | Tyson Foods Inc., Cl. A | 1,768,200   |
| 400,000 | YAKULT HONSHA Co. Ltd.  | 10,672,311  |
|         |                         | 140,208,426 |

| Shares  |  | Market Value  |
|---------|--|---------------|
|         | <b>Financial Services 9.3%</b>               |               |
| 540,000 | American Express Co.                         | \$ 18,306,000 |
| 5,000   | American International Group Inc.            | 220,550       |
| 6,000   | Ameriprise Financial Inc.                    | 217,980       |
| 19,452  | Argo Group International Holdings Ltd.       | 655,143       |
| 100,000 | Artio Global Investors Inc.                  | 2,615,000     |
| 90,000  | Banco Santander SA, ADR                      | 1,453,500     |
| 134     | Berkshire Hathaway Inc., Cl. A               | 13,534,000    |
| 10,000  | Calamos Asset Management Inc., Cl. A         | 130,600       |
| 250,000 | Citigroup Inc.                               | 1,210,000     |
| 140,000 | Commerzbank AG, ADR                          | 1,778,000     |
| 146,000 | Deutsche Bank AG                             | 11,208,420    |
| 50,000  | Federal National Mortgage Association        | 76,000        |
| 20,000  | Fortress Investment Group LLC, Cl. A         | 104,000       |
| 20,000  | H&R Block Inc.                               | 367,600       |
| 25,000  | Interactive Brokers Group Inc., Cl. A        | 496,750       |
| 210,000 | Janus Capital Group Inc.                     | 2,977,800     |
| 70,088  | JPMorgan Chase & Co.                         | 3,071,256     |
| 220,000 | Legg Mason Inc.                              | 6,826,600     |
| 132,000 | Leucadia National Corp.                      | 3,263,040     |
| 5,000   | Loews Corp.                                  | 171,250       |
| 260,000 | Marsh & McLennan Companies Inc.              | 6,429,800     |
| 45,000  | Moody's Corp.                                | 920,700       |
| 22,000  | Och-Ziff Capital Management Group LLC, Cl. A | 267,740       |
| 2,500   | Prudential Financial Inc.                    | 124,775       |
| 123,000 | State Street Corp.                           | 6,469,800     |
| 20,000  | SunTrust Banks Inc.                          | 451,000       |
| 150,000 | T. Rowe Price Group Inc.                     | 6,855,000     |
| 5,000   | The Allstate Corp.                           | 153,100       |
| 160,038 | The Bank of New York Mellon Corp.            | 4,639,502     |
| 10,000  | The Blackstone Group LP                      | 142,000       |
| 43,000  | The Charles Schwab Corp.                     | 823,450       |
| 15,000  | The Dun & Bradstreet Corp.                   | 1,129,800     |
| 115,000 | The Phoenix Companies Inc.                   | 373,750       |
| 3,000   | The Travelers Companies Inc.                 | 147,690       |
| 100,000 | Waddell & Reed Financial Inc., Cl. A         | 2,845,000     |
| 299,910 | Wells Fargo & Co.                            | 8,451,464     |
|         |  | 108,908,060   |



See accompanying notes to schedule of investments.

**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2009 (Unaudited)**

| <b>Shares</b>                    |                                 | <b>Market Value</b> |
|----------------------------------|---------------------------------|---------------------|
| <b>COMMON STOCKS (Continued)</b> |                                 |                     |
| <b>Energy and Utilities 7.7%</b> |                                 |                     |
| 3,500                            | AGL Resources Inc.              | \$ 123,445          |
| 68,000                           | Allegheny Energy Inc.           | 1,803,360           |
| 70,000                           | Apache Corp.                    | 6,428,100           |
| 247,000                          | BP plc, ADR                     | 13,147,810          |
| 61,000                           | CH Energy Group Inc.            | 2,702,910           |
| 65,000                           | CMS Energy Corp.                | 871,000             |
| 314,000                          | ConocoPhillips                  | 14,180,240          |
| 70,000                           | Constellation Energy Group Inc. | 2,265,900           |
| 2,800                            | Diamond Offshore Drilling Inc.  | 267,456             |
| 60,000                           | DPL Inc.                        | 1,566,000           |
| 12,000                           | DTE Energy Co.                  | 421,680             |
| 200,000                          | Duke Energy Corp.               | 3,148,000           |
| 300,000                          | El Paso Corp.                   | 3,096,000           |
| 265,000                          | El Paso Electric Co.            | 4,682,550           |
| 75,000                           | Exxon Mobil Corp.               | 5,145,750           |
| 23,000                           | FPL Group Inc.                  | 1,270,290           |
| 68,000                           | Great Plains Energy Inc.        | 1,220,600           |
| 220,000                          | Halliburton Co.                 | 5,966,400           |
| 20,000                           | Marathon Oil Corp.              | 638,000             |
| 10,000                           | Mirant Corp.                    | 164,300             |
| 140,000                          | Mirant Corp., Escrow (a)        | 0                   |
| 2,000                            | Niko Resources Ltd., New York   | 156,061             |
| 1,000                            | Niko Resources Ltd., Toronto    | 78,224              |
| 10,000                           | NiSource Inc.                   | 138,900             |
| 200,000                          | Northeast Utilities             | 4,748,000           |
| 19,000                           | Oceaneering International Inc.  | 1,078,250           |
| 1,500                            | PetroChina Co. Ltd., ADR        | 170,625             |
| 3,500                            | Petroleo Brasileiro SA, ADR     | 160,650             |
| 100,000                          | Progress Energy Inc., CVO       | 23,000              |
| 200,000                          | Rowan Companies Inc.            | 4,614,000           |
| 5,000                            | SJW Corp.                       | 114,250             |
| 20,000                           | Southwest Gas Corp.             | 511,600             |
| 130,000                          | Spectra Energy Corp.            | 2,462,200           |
| 60,000                           | The AES Corp.                   | 889,200             |
| 10,000                           | Transocean Ltd.                 | 855,300             |
| 270,000                          | Westar Energy Inc.              | 5,267,700           |
|                                  |                                 | <b>90,377,751</b>   |

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| <b>Cable and Satellite 7.2%</b>    |  |                         |
|------------------------------------|--|-------------------------|
| 1,475,000                          | Cablevision Systems Corp., Cl. A                       | 35,031,250              |
| 110,000                            | Comcast Corp., Cl. A, Special                          | 1,768,800               |
| 120,000                            | DISH Network Corp., Cl. A                              | 2,311,200               |
| 26,740                             | EchoStar Corp., Cl. A                                  | 493,620                 |
| 176,770                            | Liberty Global Inc., Cl. A                             | 3,989,699               |
| 139,001                            | Liberty Global Inc., Cl. C                             | 3,121,962               |
| 495,690                            | Rogers Communications Inc., Cl. B, New York            | 13,978,458              |
| <b>Shares/<br/>Units</b>           |  | <b>Market<br/>Value</b> |
| 19,310                             | Rogers Communications Inc., Cl. B, Toronto             | \$ 545,221              |
| 125,000                            | Scripps Networks Interactive Inc., Cl. A               | 4,618,750               |
| 160,000                            | Shaw Communications Inc., Cl. B, New York              | 2,881,600               |
| 40,000                             | Shaw Communications Inc., Cl. B, Toronto               | 724,046                 |
| 410,000                            | The DIRECTV Group Inc.                                 | 11,307,800              |
| 83,000                             | Time Warner Cable Inc.                                 | 3,576,470               |
|                                    |  | 84,348,876              |
| <b>Diversified Industrial 6.7%</b> |  |                         |
| 3,000                              | Acuity Brands Inc.                                     | 96,630                  |
| 160,000                            | Ampco-Pittsburgh Corp.                                 | 4,254,400               |
| 160,000                            | Baldor Electric Co.                                    | 4,374,400               |
| 225,000                            | Cooper Industries plc, Cl. A                           | 8,453,250               |
| 250,000                            | Crane Co.  | 6,452,500               |
| 220,000                            | General Electric Co.                                   | 3,612,400               |
| 190,000                            | Greif Inc., Cl. A                                      | 10,459,500              |
| 18,000                             | Greif Inc., Cl. B                                      | 939,060                 |
| 440,000                            | Honeywell International Inc.                           | 16,346,000              |
| 250,000                            | ITT Corp.  | 13,037,500              |
| 30,000                             | Material Sciences Corp.                                | 58,500                  |
| 100,000                            | Park-Ohio Holdings Corp.                               | 872,000                 |
| 1,000                              | Pentair Inc.   | 29,520                  |
| 19,000                             | Sulzer AG  | 1,640,934               |
| 70,000                             | Trinity Industries Inc.                                | 1,203,300               |
| 205,000                            | Tyco International Ltd.                                | 7,068,400               |
|                                    |  | 78,898,294              |
| <b>Telecommunications 6.0%</b>     |  |                         |
| 65,000                             | BCE Inc.   | 1,603,550               |
| 15,000                             | Bell Aliant Regional Communications Income Fund (a)(b) | 391,177                 |
| 30,000                             | Brasil Telecom Participacoes SA, ADR                   | 1,599,000               |
| 1,700,000                          | BT Group plc   | 3,531,931               |
| 7,040,836                          | Cable & Wireless Jamaica Ltd. (c)                      | 28,616                  |
| 835,000                            | Cincinnati Bell Inc.                                   | 2,922,500               |
| 170,000                            | Deutsche Telekom AG, ADR                               | 2,322,200               |

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|        |  |         |
|--------|--|---------|
| 5,000  | Fastweb  | 140,482 |
| 5,000  | France Telecom SA, ADR                           | 134,600 |
| 45,000 | Frontier Communications Corp.                    | 339,300 |
| 20,000 | GVT (Holding) SA                                 | 458,117 |
| 30,000 | Hellenic Telecommunications Organization SA      | 496,078 |
| 8,500  | Hellenic Telecommunications Organization SA, ADR | 71,060  |

See accompanying notes to schedule of investments.

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**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2009 (Unaudited)**

| <b>Shares</b>                         |  | <b>Market Value</b> |
|---------------------------------------|--|---------------------|
| <b>COMMON STOCKS (Continued)</b>      |  |                     |
| <b>Telecommunications (Continued)</b> |  |                     |
| 95,000                                | Koninklijke KPN NV                         | \$ 1,575,780        |
| 360,000                               | Qwest Communications International Inc.    | 1,371,600           |
| 1,200,000                             | Sprint Nextel Corp.                        | 4,740,000           |
| 184,000                               | Tele Norte Leste Participacoes SA, ADR     | 3,457,360           |
| 48,000                                | Telecom Argentina SA, ADR                  | 767,520             |
| 1,000,000                             | Telecom Italia SpA                         | 1,754,566           |
| 205,000                               | Telefonica SA, ADR                         | 16,996,550          |
| 55,000                                | Telefonos de Mexico SAB de CV, Cl. L, ADR  | 959,200             |
| 265,000                               | Telephone & Data Systems Inc.              | 8,217,650           |
| 360,000                               | Telephone & Data Systems Inc., Special     | 10,684,800          |
| 60,000                                | Telmex Internacional SAB de CV, ADR        | 837,000             |
| 15,000                                | TELUS Corp.                                | 483,912             |
| 150,000                               | Verizon Communications Inc.                | 4,540,500           |
| 5,169                                 | Windstream Corp.                           | 52,362              |
|                                       |  | 70,477,411          |
| <br>                                  |  |                     |
|                                       | <b>Entertainment 5.9%</b>                  |                     |
| 137,700                               | Aruze Corp.                                | 2,253,454           |
| 32,000                                | Canal+ Groupe                              | 261,110             |
| 2,002                                 | Chestnut Hill Ventures (a)                 | 67,527              |
| 134,500                               | Discovery Communications Inc., Cl. A       | 3,885,705           |
| 134,500                               | Discovery Communications Inc., Cl. C       | 3,501,035           |
| 3,000                                 | DreamWorks Animation SKG Inc., Cl. A       | 106,710             |
| 690,000                               | Grupo Televisa SA, ADR                     | 12,827,100          |
| 430,000                               | Liberty Media Corp. - Entertainment, Cl. A | 13,377,300          |
| 125                                   | Live Nation Inc.                           | 1,024               |
| 100,000                               | Pinnacle Entertainment Inc.                | 1,019,000           |
| 10,000                                | Regal Entertainment Group, Cl. A           | 123,200             |
| 10,000                                | The Walt Disney Co.                        | 274,600             |
| 300,000                               | Time Warner Inc.                           | 8,634,000           |
| 114,000                               | Tokyo Broadcasting System Holdings Inc.    | 1,939,264           |
| 310,000                               | Viacom Inc., Cl. A                         | 9,129,500           |
| 400,000                               | Vivendi                                    | 12,377,078          |
|                                       |  | 69,777,607          |
|                                       |  | <b>Market</b>       |

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| Shares  |                                      | Value        |
|---------|--------------------------------------|--------------|
|         | <b>Equipment and Supplies 5.2%</b>   |              |
| 252,000 | AMETEK Inc.                          | \$ 8,797,320 |
| 4,000   | Amphenol Corp., Cl. A                | 150,720      |
| 94,000  | CIRCOR International Inc.            | 2,656,440    |
| 193,000 | Donaldson Co. Inc.                   | 6,683,590    |
| 50,000  | Fedders Corp. (a)                    | 0            |
| 146,000 | Flowserve Corp.                      | 14,386,840   |
| 23,000  | Franklin Electric Co. Inc.           | 659,410      |
| 95,000  | Gerber Scientific Inc.               | 568,100      |
| 85,000  | GrafTech International Ltd.          | 1,249,500    |
| 318,000 | IDEX Corp.                           | 8,888,100    |
| 40,000  | Ingersoll-Rand plc                   | 1,226,800    |
| 102,000 | Lufkin Industries Inc.               | 5,424,360    |
| 11,000  | Mueller Industries Inc.              | 262,570      |
| 2,000   | Sealed Air Corp.                     | 39,260       |
| 75,000  | Tenaris SA, ADR                      | 2,671,500    |
| 4,000   | The Manitowoc Co. Inc.               | 37,880       |
| 90,000  | The Weir Group plc                   | 974,477      |
| 190,000 | Watts Water Technologies Inc., Cl. A | 5,747,500    |
|         |                                      | 60,424,367   |
|         | <b>Consumer Products 4.1%</b>        |              |
| 70,000  | Avon Products Inc.                   | 2,377,200    |
| 17,000  | Christian Dior SA                    | 1,679,203    |
| 12,000  | Church & Dwight Co. Inc.             | 680,880      |
| 12,000  | Clorox Co.                           | 705,840      |
| 140,000 | Eastman Kodak Co.                    | 669,200      |
| 105,000 | Energizer Holdings Inc.              | 6,965,700    |
| 120,000 | Fortune Brands Inc.                  | 5,157,600    |
| 2,266   | Givaudan SA                          | 1,699,008    |
| 60,000  | Hanesbrands Inc.                     | 1,284,000    |
| 32,000  | Harley-Davidson Inc.                 | 736,000      |
| 4,000   | Jarden Corp.                         | 112,280      |
| 8,000   | Mattel Inc.                          | 147,680      |
| 14,000  | National Presto Industries Inc.      | 1,211,140    |
| 10,000  | Oil-Dri Corp. of America             | 145,000      |
| 78,000  | Pactiv Corp.                         | 2,031,900    |
| 56,000  | Reckitt Benckiser Group plc          | 2,736,815    |
| 33,000  | Svenska Cellulosa AB, Cl. B          | 447,331      |
| 975,000 | Swedish Match AB                     | 19,580,139   |
| 5,000   | The Procter & Gamble Co.             | 289,600      |
|         |                                      | 48,656,516   |

See accompanying notes to schedule of investments.



**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2009 (Unaudited)**

| Shares  |                                   | Market Value |
|---|-----------------------------------|--------------|
| <b>COMMON STOCKS (Continued)</b>              |                                   |              |
| <b>Health Care 3.4%</b>                       |                                   |              |
| 12,000  | Abbott Laboratories               | \$ 593,640   |
| 14,046  | Allergan Inc.                     | 797,251      |
| 40,000  | Amgen Inc.                        | 2,409,200    |
| 20,000  | Baxter International Inc.         | 1,140,200    |
| 2,000   | Becton, Dickinson and Co.         | 139,500      |
| 35,000  | Biogen Idec Inc.                  | 1,768,200    |
| 120,000                                       | Boston Scientific Corp.           | 1,270,800    |
| 85,000  | Bristol-Myers Squibb Co.          | 1,914,200    |
| 2,000   | Cephalon Inc.                     | 116,480      |
| 25,000  | Covidien plc                      | 1,081,500    |
| 4,000   | GlaxoSmithKline plc, ADR          | 158,040      |
| 30,000  | Henry Schein Inc.                 | 1,647,300    |
| 18,000  | Hospira Inc.                      | 802,800      |
| 60,000  | Johnson & Johnson                 | 3,653,400    |
| 80,000  | Life Technologies Corp.           | 3,724,000    |
| 10,000  | Mead Johnson Nutrition Co., Cl. A | 451,100      |
| 55,000  | Merck & Co. Inc.                  | 1,739,650    |
| 10,000  | Nobel Biocare Holding AG          | 330,985      |
| 98,000  | Novartis AG, ADR                  | 4,937,240    |
| 100,000                                       | Schering-Plough Corp.             | 2,825,000    |
| 50,000  | SSL International plc             | 511,411      |
| 110,000                                       | UnitedHealth Group Inc.           | 2,754,400    |
| 6,000   | Watson Pharmaceuticals Inc.       | 219,840      |
| 66,000  | William Demant Holding A/S        | 4,904,218    |
| 7,000   | Zimmer Holdings Inc.              | 374,150      |
|   |                                   | 40,264,505   |
| <br>  |                                   |              |
| <b>Automotive: Parts and Accessories 3.2%</b> |                                   |              |
| 2,000   | BERU AG                           | 222,401      |
| 86,000  | BorgWarner Inc.                   | 2,602,360    |
| 173,000                                       | CLARCOR Inc.                      | 5,425,280    |
| 200,000                                       | Dana Holding Corp.                | 1,362,000    |
| 280,000                                       | Genuine Parts Co.                 | 10,656,800   |
| 200,000                                       | Johnson Controls Inc.             | 5,112,000    |
| 135,000                                       | Midas Inc.                        | 1,269,000    |
| 330,000                                       | Modine Manufacturing Co.          | 3,059,100    |
| 130,000                                       | O Reilly Automotive Inc.          | 4,698,200    |
| 175,000                                       | Standard Motor Products Inc.      | 2,660,000    |



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|               |  |                     |
|---------------|--|---------------------|
| 37,000        | Superior Industries International Inc.     | 525,400             |
|               |  | 37,592,541          |
|               | <b>Publishing 2.9%</b>                     |                     |
| 10,000        | Idearc Inc.                                | 250                 |
| 1,690,587     | Il Sole 24 Ore                             | 5,900,331           |
| 348,266       | Independent News & Media plc               | 101,928             |
| 218,000       | Media General Inc., Cl. A                  | 1,863,900           |
| 122,000       | Meredith Corp.                             | 3,652,680           |
| 1,400,000     | News Corp., Cl. A                          | 16,786,000          |
|               |  | <b>Market Value</b> |
| <b>Shares</b> |  |                     |
| 20,000        | News Corp., Cl. B                          | \$ 279,800          |
| 332           | Seat Pagine Gialle SpA                     | 112                 |
| 50,333        | The E.W. Scripps Co., Cl. A                | 377,497             |
| 182,000       | The McGraw-Hill Companies Inc.             | 4,575,480           |
|               |  | 33,537,978          |
|               | <b>Business Services 2.2%</b>              |                     |
| 6,000         | ACCO Brands Corp.                          | 43,320              |
| 16,850        | Ascent Media Corp., Cl. A                  | 431,360             |
| 310,000       | BPW Acquisition Corp.                      | 3,034,900           |
| 55            | Cenveo Inc.                                | 381                 |
| 120,000       | Clear Channel Outdoor Holdings Inc., Cl. A | 840,000             |
| 186,554       | Contax Participacoes SA, ADR               | 408,553             |
| 100,000       | Diebold Inc.                               | 3,293,000           |
| 200,000       | G4S plc                                    | 705,108             |
| 1,000         | Hertz Global Holdings Inc.                 | 10,830              |
| 12,000        | Jardine Matheson Holdings Ltd.             | 364,800             |
| 92,000        | Landauer Inc.                              | 5,058,160           |
| 40,500        | MasterCard Inc., Cl. A                     | 8,187,075           |
| 50,000        | Monster Worldwide Inc.                     | 874,000             |
| 340,000       | The Interpublic Group of Companies Inc.    | 2,556,800           |
| 8,000         | Visa Inc., Cl. A                           | 552,880             |
|               |  | 26,361,167          |
|               | <b>Aviation: Parts and Services 2.1%</b>   |                     |
| 350,000       | Curtiss-Wright Corp.                       | 11,945,500          |
| 300,000       | GenCorp Inc.                               | 1,608,000           |
| 104,000       | Precision Castparts Corp.                  | 10,594,480          |
| 120,000       | The Fairchild Corp., Cl. A                 | 1,440               |
|               |  | 24,149,420          |

|           |  |            |
|-----------|--|------------|
|           | <b>Consumer Services 2.0%</b>            |            |
| 100,000   | IAC/InterActiveCorp.                     | 2,019,000  |
| 210,000   | Liberty Media Corp. - Interactive, Cl. A | 2,303,700  |
| 1,044,600 | Rollins Inc.                             | 19,690,710 |
|           |  | 24,013,410 |
|           | <b>Retail 1.9%</b>                       |            |
| 100,000   | AutoNation Inc.                          | 1,808,000  |
| 500       | AutoZone Inc.                            | 73,110     |
| 40,000    | Coldwater Creek Inc.                     | 328,000    |
| 50,000    | Costco Wholesale Corp.                   | 2,823,000  |
| 75,000    | CVS Caremark Corp.                       | 2,680,500  |
| 10,108    | Denny's Corp.                            | 26,887     |
| 27,000    | HSN Inc.                                 | 439,560    |
| 240,000   | Macy's Inc.                              | 4,389,600  |
| 50,000    | Sally Beauty Holdings Inc.               | 355,500    |
| 50,000    | SUPERVALU Inc.                           | 753,000    |

See accompanying notes to schedule of investments.

**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2009 (Unaudited)**

| <b>Shares</b>                    |   | <b>Market Value</b> |
|----------------------------------|---|---------------------|
| <b>COMMON STOCKS (Continued)</b> |   |                     |
| <b>Retail (Continued)</b>        |   |                     |
| 225,000                          | The Great Atlantic & Pacific Tea Co. Inc. | \$ 2,004,750        |
| 50,000                           | Wal-Mart Stores Inc.                      | 2,454,500           |
| 100,000                          | Walgreen Co.                              | 3,747,000           |
| 32,000                           | Whole Foods Market Inc.                   | 975,680             |
|                                  |   | 22,859,087          |
| <br>                             |   |                     |
| <b>Aerospace 1.8%</b>            |   |                     |
| 603,000                          | BBA Aviation plc                          | 1,525,521           |
| 30,899                           | Kaman Corp.                               | 679,160             |
| 8,000                            | Lockheed Martin Corp.                     | 624,640             |
| 65,000                           | Northrop Grumman Corp.                    | 3,363,750           |
| 1,200,000                        | Rolls-Royce Group plc                     | 9,028,959           |
| 110,000                          | The Boeing Co.                            | 5,956,500           |
|                                  |   | 21,178,530          |
| <br>                             |   |                     |
| <b>Specialty Chemicals 1.7%</b>  |   |                     |
| 13,000                           | Ashland Inc.                              | 561,860             |
| 30,000                           | E.I. du Pont de Nemours and Co.           | 964,200             |
| 500,000                          | Ferro Corp.                               | 4,450,000           |
| 4,000                            | FMC Corp.                                 | 225,000             |
| 45,000                           | H.B. Fuller Co.                           | 940,500             |
| 70,000                           | International Flavors & Fragrances Inc.   | 2,655,100           |
| 285,000                          | Omnova Solutions Inc.                     | 1,846,800           |
| 260,000                          | Sensient Technologies Corp.               | 7,220,200           |
| 100,000                          | Zep Inc.                                  | 1,625,000           |
|                                  |   | 20,488,660          |
| <br>                             |   |                     |
| <b>Machinery 1.7%</b>            |   |                     |
| 20,000                           | Caterpillar Inc.                          | 1,026,600           |
| 20,000                           | CNH Global NV                             | 341,600             |
| 435,000                          | Deere & Co.                               | 18,670,200          |
|                                  |   | 20,038,400          |

|                                      |  | <b>Market Value</b> |
|--------------------------------------|--|---------------------|
| <b>Shares</b>                        |  | <b>Value</b>        |
| <b>Hotels and Gaming 1.6%</b>        |  |                     |
| 5,230                                | Accor SA                                 | 291,134             |
| 200,000                              | Gaylord Entertainment Co.                | 4,020,000           |
| 45,000                               | Interval Leisure Group Inc.              | 561,600             |
| 1,100,058                            | Ladbrokes plc                            | 3,294,619           |
| 90,000                               | Las Vegas Sands Corp.                    | 1,515,600           |
| 3,900,000                            | Mandarin Oriental International Ltd.     | 5,187,000           |
| 140,000                              | MGM Mirage                               | 1,685,600           |
| 44,000                               | Orient-Express Hotels Ltd., Cl. A        | 506,440             |
| 34,000                               | Starwood Hotels & Resorts Worldwide Inc. | 1,123,020           |
| 200,000                              | The Hongkong & Shanghai Hotels Ltd.      | 259,095             |
| 2,000                                | Wynn Resorts Ltd.                        | 141,780             |
|                                      |  | 18,585,888          |
| <b>Electronics 1.3%</b>              |  |                     |
| 6,000                                | Advanced Micro Devices Inc.              | \$ 33,960           |
| 16,000                               | Bel Fuse Inc., Cl. A                     | 296,160             |
| 5,000                                | Hitachi Ltd., ADR                        | 152,900             |
| 180,000                              | Intel Corp.                              | 3,522,600           |
| 80,000                               | LSI Corp.                                | 439,200             |
| 5,000                                | MEMC Electronic Materials Inc.           | 83,150              |
| 20,000                               | Molex Inc., Cl. A                        | 375,800             |
| 7,500                                | NEC Corp., ADR (a)                       | 23,567              |
| 60,000                               | Rovi Corp.                               | 2,016,000           |
| 35,000                               | Royal Philips Electronics NV             | 852,600             |
| 275,000                              | Texas Instruments Inc.                   | 6,514,750           |
| 62,000                               | Tyco Electronics Ltd.                    | 1,381,360           |
|                                      |  | 15,692,047          |
| <b>Communications Equipment 1.3%</b> |  |                     |
| 480,000                              | Corning Inc.                             | 7,348,800           |
| 80,000                               | Motorola Inc.                            | 687,200             |
| 100                                  | Nortel Networks Corp.                    | 9                   |
| 250,000                              | Thomas & Betts Corp.                     | 7,520,000           |
|                                      |  | 15,556,009          |
| <b>Wireless Communications 1.3%</b>  |  |                     |
| 95,000                               | America Movil SAB de CV, Cl. L, ADR      | 4,163,850           |
| 14,000                               | Clearwire Corp., Cl. A                   | 113,820             |
| 1,700                                | NTT DoCoMo Inc.                          | 2,715,758           |
| 32,165                               | Tim Participacoes SA, ADR                | 791,259             |

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|         |                                     |            |
|---------|-------------------------------------|------------|
| 115,400 | United States Cellular Corp.        | 4,508,678  |
| 56,938  | Vivo Participacoes SA, ADR          | 1,437,684  |
| 45,000  | Vodafone Group plc, ADR             | 1,012,500  |
|         |                                     | 14,743,549 |
|         | <b>Metals and Mining 1.2%</b>       |            |
| 15,000  | Agnico-Eagle Mines Ltd.             | 1,017,750  |
| 70,000  | Alcoa Inc.                          | 918,400    |
| 88,000  | Barrick Gold Corp.                  | 3,335,200  |
| 4,000   | Freeport-McMoRan Copper & Gold Inc. | 274,440    |
| 75,000  | Ivanhoe Mines Ltd.                  | 959,250    |
| 52,000  | New Hope Corp. Ltd.                 | 263,778    |
| 155,000 | Newmont Mining Corp.                | 6,823,100  |
|         |                                     | 13,591,918 |
|         | <b>Agriculture 1.0%</b>             |            |
| 295,000 | Archer-Daniels-Midland Co.          | 8,619,900  |
| 31,000  | Monsanto Co.                        | 2,399,400  |
| 15,000  | Syngenta AG, ADR                    | 689,250    |
| 10,000  | The Mosaic Co.                      | 480,700    |
|         |                                     | 12,189,250 |

See accompanying notes to schedule of investments.

**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2009 (Unaudited)**

| <b>Shares</b> |  | <b>Market Value</b> |
|---------------|--|---------------------|
|               | <b>COMMON STOCKS (Continued)</b>           |                     |
|               | <b>Environmental Services 0.7%</b>         |                     |
| 97,000        | Republic Services Inc.                     | \$ 2,577,290        |
| 200,000       | Waste Management Inc.                      | 5,964,000           |
|               |  | 8,541,290           |
|               | <b>Automotive 0.7%</b>                     |                     |
| 125,000       | Navistar International Corp.               | 4,677,500           |
| 96,750        | PACCAR Inc.                                | 3,648,442           |
|               |  | 8,325,942           |
|               | <b>Broadcasting 0.7%</b>                   |                     |
| 380,400       | CBS Corp., Cl. A, Voting                   | 4,587,624           |
| 10,343        | Citadel Broadcasting Corp.                 | 641                 |
| 2,000         | Cogeco Inc.                                | 47,616              |
| 25,334        | Corus Entertainment Inc., Cl. B, New York  | 430,425             |
| 6,666         | Corus Entertainment Inc., Cl. B, Toronto   | 113,440             |
| 42,000        | Gray Television Inc.                       | 97,440              |
| 20,000        | Gray Television Inc., Cl. A                | 46,400              |
| 77,000        | Liberty Media Corp. - Capital, Cl. A       | 1,610,840           |
| 50,000        | LIN TV Corp., Cl. A                        | 236,500             |
| 100,000       | Television Broadcasts Ltd.                 | 430,965             |
|               |  | 7,601,891           |
|               | <b>Computer Software and Services 0.6%</b> |                     |
| 8,000         | Alibaba.com Ltd.                           | 18,581              |
| 10,000        | Check Point Software Technologies Ltd.     | 283,500             |
| 100,000       | NCR Corp.                                  | 1,382,000           |
| 40,000        | Rockwell Automation Inc.                   | 1,704,000           |
| 25,256        | Telecom Italia Media SpA                   | 4,731               |
| 185,000       | Yahoo! Inc.                                | 3,294,850           |
|               |  | 6,687,662           |
|               | <b>Real Estate 0.5%</b>                    |                     |

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|               |  |                      |
|---------------|--|----------------------|
| 2,000         | Brookfield Asset Management Inc., Cl. A                    | 45,420               |
| 55,500        | Griffin Land & Nurseries Inc.                              | 1,776,000            |
| 145,000       | The St. Joe Co.  | 4,222,400            |
|               |  | 6,043,820            |
|               | <b>Transportation 0.5%</b>                                 |                      |
| 100,000       | AMR Corp.  | 795,000              |
| 165,000       | GATX Corp.   | 4,611,750            |
| 3,000         | Grupo TMM SA, Cl. A, ADR                                   | 11,730               |
|               |  | 5,418,480            |
|               | <b>Closed-End Funds 0.4%</b>                               |                      |
| 31,500        | Royce Value Trust Inc.                                     | 325,080              |
|               |  |                      |
| <b>Shares</b> |  | <b>Market Value</b>  |
| 104,000       | The Central Europe and Russia Fund Inc.                    | \$ 3,380,000         |
| 70,000        | The New Germany Fund Inc.                                  | 838,600              |
|               |  | 4,543,680            |
|               | <b>Manufactured Housing and Recreational Vehicles 0.1%</b> |                      |
| 150,000       | Champion Enterprises Inc.                                  | 69,000               |
| 20,000        | Huttig Building Products Inc.                              | 16,400               |
| 7,000         | Martin Marietta Materials Inc.                             | 644,490              |
| 10,000        | Nobility Homes Inc.  | 90,800               |
| 30,000        | Skyline Corp.  | 676,800              |
|               |  | 1,497,490            |
|               | <b>Real Estate Investment Trusts 0.1%</b>                  |                      |
| 2,000         | Camden Property Trust                                      | 80,600               |
| 24,984        | Rayonier Inc.  | 1,022,095            |
|               |  | 1,102,695            |
|               | <b>TOTAL COMMON STOCKS</b>                                 | <b>1,162,682,617</b> |
|               | <b>CONVERTIBLE PREFERRED STOCKS 0.1%</b>                   |                      |
|               | <b>Telecommunications 0.1%</b>                             |                      |
| 25,000        | Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B              | 862,500              |

|                         |  |           |
|-------------------------|--|-----------|
|                         | <b>TOTAL CONVERTIBLE PREFERRED STOCKS</b>                        | 862,500   |
|                         | <b>WARRANTS 0.0%</b>   |           |
|                         | <b>Business Services 0.0%</b>                                    |           |
| 310,000                 | BPW Acquisition Corp., expire 02/26/14                           | 150,350   |
|                         |  | 150,350   |
|                         | <b>Energy and Utilities 0.0%</b>                                 |           |
| 12,183                  | Mirant Corp., Ser. A, expire 01/03/11                            | 18,031    |
|                         | <b>TOTAL WARRANTS</b>  | 168,381   |
| <b>Principal Amount</b> |  |           |
|                         | <b>CONVERTIBLE CORPORATE BONDS 0.3%</b>                          |           |
|                         | <b>Retail 0.3%</b>   |           |
| \$ 3,300,000            | The Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11 | 3,159,750 |
|                         | <b>TOTAL CONVERTIBLE CORPORATE BONDS</b>                         | 3,159,750 |

See accompanying notes to schedule of investments.



**THE GABELLI EQUITY TRUST INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2009 (Unaudited)**

| <b>Principal<br/>Amount</b>        |   | <b>Market<br/>Value</b>            |
|------------------------------------|---|------------------------------------|
|                                    | <b>CORPORATE BONDS 0.0%</b>   |                                    |
|                                    | <b>Consumer Products 0.0%</b>                                       |                                    |
| \$ 1,000,000                       | Pillowtex Corp., Sub. Deb., 9.000%, 12/15/17 (a)                    | \$ 0                               |
|                                    | <b>TOTAL CORPORATE BONDS</b>  | <b>0</b>                           |
|                                    | <b>U.S. GOVERNMENT OBLIGATIONS 0.6%</b>                             |                                    |
|                                    | <b>U.S. Treasury Bills 0.6%</b>                                     |                                    |
| 6,990,000                          | U.S. Treasury Bills, 0.152% to 0.305% ,<br>10/15/09 to 03/25/10 (d) | 6,986,239                          |
|                                    |   | 6,986,239                          |
| <b>TOTAL INVESTMENTS 100.0%</b>    |   |                                    |
| (Cost \$1,075,255,620)             |   | \$ 1,173,859,487                   |
|                                    | Aggregate book cost   | \$ 1,075,255,620                   |
|                                    | Gross unrealized appreciation                                       | \$ 275,820,023                     |
|                                    | Gross unrealized depreciation                                       | (177,216,156)                      |
|                                    | Net unrealized appreciation/depreciation                            | \$ 98,603,867                      |
| <b>Number<br/>of<br/>Contracts</b> |   | <b>Expiration<br/>Date</b>         |
|                                    | <b>FUTURES CONTRACTS</b>  | <b>Unrealized<br/>Depreciation</b> |
|                                    | <b>SHORT POSITION 0.0%</b>  |                                    |
| 190                                | S & P 500 Emini Futures   | 12/18/2009 \$ (72,675)             |

(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 September 30, 2009, the market value of fair valued securities amounted to \$482,271 or 0.04% 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 September 30, 2009, the market value of the Rule 144A security amounted to \$391,177 or 0.03% of total investments.

(c)

At September 30, 2009, the Fund held an investment in a restricted security amounting to \$28,616 or 0.00% of total investments, which was valued under methods approved by the Board of Directors as follows:

| <b>Acquisition Shares</b> | <b>Issuer</b>                 | <b>Acquisition Date</b> | <b>Acquisition Cost</b> | <b>09/30/09 Carrying Value Per Unit</b> |
|---------------------------|-------------------------------|-------------------------|-------------------------|---|
| 7,040,836                 | Cable & Wireless Jamaica Ltd. | 09/30/93                | \$ 128,658              | \$ 0.0041                               |

(d) At September 30, 2009, \$1,500,000 of the principal 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

| <b>Geographic Diversification</b> | <b>% of Market Value</b> | <b>Market Value</b> |
|-----------------------------------|--------------------------|---------------------|
|-----------------------------------|--------------------------|---------------------|

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|                   |        |                  |
|-------------------|--------|------------------|
| North America     | 77.3%  | \$ 906,929,703   |
| Europe            | 17.2   | 201,636,177      |
| Latin America     | 3.6    | 42,774,727       |
| Japan             | 1.8    | 21,394,417       |
| Asia/Pacific      | 0.1    | 1,124,463        |
| <br>              |        |                  |
| Total Investments | 100.0% | \$ 1,173,859,487 |

See accompanying notes to schedule of investments.

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

**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 sixty days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than sixty days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. 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.

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

Level 1 quoted prices in active markets for identical securities;

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

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

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

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments and other financial instruments by inputs used to value the Fund's investments as of September 30, 2009 is as follows:

|   | Valuation Inputs         |  |  | Total Market Value<br>at 9/30/09 |
|---|--------------------------|--|--|----------------------------------|
|   | Level 1<br>Quoted Prices | Level 2 Other<br>Significant<br>Observable<br>Inputs | Level 3<br>Significant<br>Unobservable<br>Inputs |                                  |
| <b>INVESTMENTS IN SECURITIES:</b>               |                          |  |  |                                  |
| <b>ASSETS (Market Value):</b>                   |                          |  |  |                                  |
| Common Stocks                                   |                          |  |  |                                  |
| Energy and Utilities                            | \$ 90,377,751            | \$   | \$ 0   | \$ 90,377,751                    |
| Entertainment                                   | 69,710,080               |  | 67,527   | 69,777,607                       |
| Equipment and Supplies                          | 60,424,367               |  | 0  | 60,424,367                       |
| Electronics                                     | 15,668,480               | 23,567   |  | 15,692,047                       |
| Other Industries (a)                            | 926,410,845              |  |  | 926,410,845                      |
| Total Common Stocks                             | 1,162,591,523            | 23,567   | 67,527   | 1,162,682,617                    |
| Convertible Preferred Stocks (a)                | 862,500                  |  |  | 862,500                          |
| Warrants (a)                                    | 168,381                  |  |  | 168,381                          |
| Convertible Corporate Bonds                     |                          | 3,159,750  |  | 3,159,750                        |
| Corporate Bonds                                 |                          |  | 0  | 0                                |
| U.S. Government Obligations                     |                          | 6,986,239  |  | 6,986,239                        |
| <b>TOTAL INVESTMENTS IN SECURITIES</b>          | <b>\$ 1,163,622,404</b>  | <b>\$ 10,169,556</b>                                 | <b>\$ 67,527</b>                                 | <b>\$ 1,173,859,487</b>          |
| <b>OTHER FINANCIAL INSTRUMENTS:</b>             |                          |  |  |                                  |
| <b>LIABILITIES (Unrealized Depreciation): *</b> |                          |  |  |                                  |
| Futures Contracts - Short Position              | \$ (72,675)              | \$   | \$   | \$ (72,675)                      |
| Contract for Difference Swap Agreement          |                          | (41,505)   |  | (41,505)                         |
| <b>TOTAL OTHER FINANCIAL INSTRUMENTS</b>        | <b>\$ (72,675)</b>       | <b>\$ (41,505)</b>                                   | <b>\$</b>  | <b>\$ (114,180)</b>              |

(a) Security and industry classifications for these categories are detailed in the Schedule of Investments.

\* 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 of the investment.

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

**Net change  
in  
unrealized  
appreciation/  
depreciation**

|  | Balance           | Accrued   | Realized  | Change<br>in<br>unrealized | Net       | Transfers<br>in<br>and/or out<br>of Level 3 | Balance<br>as of<br>9/30/09 | Balance<br>as of<br>12/31/08 | during the<br>period on<br>Level 3<br>investments<br>held<br>at 9/30/09 |
|--|-------------------|-----------|-----------|----------------------------|-----------|---|-----------------------------|------------------------------|---|
| <b>INVESTMENTS IN SECURITIES:</b>      |                   |           |           |                            |           |   |                             |                              |   |
| <b>ASSETS (Market Value):</b>          |                   |           |           |                            |           |   |                             |                              |   |
| Common Stocks                          |                   |           |           |                            |           |   |                             |                              |   |
| Energy and Utilities                   | \$ 33,000         | \$        | \$        | \$                         | \$        | \$(33,000)                                  | \$ 0                        | \$                           | \$  |
| Entertainment                          | 67,427            |           |           | 100                        |           |   | 67,527                      |                              | 100   |
| Equipment and Supplies                 | 0                 |           |           |                            |           |   | 0                           |                              |   |
| Total Common Stocks                    | 100,427           |           |           | 100                        |           | (33,000)                                    | 67,527                      |                              | 100   |
| Corporate Bonds                        | 0                 |           |           |                            |           |   | 0                           |                              |   |
| <b>TOTAL INVESTMENTS IN SECURITIES</b> | <b>\$ 100,427</b> | <b>\$</b> | <b>\$</b> | <b>\$ 100</b>              | <b>\$</b> | <b>\$(33,000)</b>                           | <b>\$ 67,527</b>            |                              | <b>\$ 100</b>   |

**THE GABELLI EQUITY TRUST INC.**

**NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)**

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

Current notional amounts are an indicator of the volume of the Fund's derivative activities during the period.

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

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

In the case of call options, these exercise prices are referred to as *in-the-money*, *at-the-money*, and *out-of-the-money*, respectively. The Fund may write (a) *in-the-money* call options when the Adviser expects that the price of the underlying security will remain stable or decline during the option period, (b) *at-the-money* call options when the Adviser expects that the price of the underlying security will remain stable, decline or advance moderately during the option period, and (c) *out-of-the-money* call options when the Adviser expects that the premiums received from writing the call option will be greater than the appreciation in the price of the underlying security above the exercise price. By writing a call option, the Fund limits its opportunity to profit from any increase in the market value of the underlying security above the exercise price of the option. *Out-of-the-money*, *at-the-money*, and *in-the-money* put options (the reverse of call options as to the relation of exercise price to market price) may be utilized in the same market environments that such call options are used in equivalent transactions. There were no open option contracts at September 30, 2009.



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

*Swap Agreements.* The Fund may enter into equity, contract for difference, and interest rate swap or cap transactions for the purpose of increasing the income of the Fund or to hedge or protect its exposure to interest rate movements and movements in the securities markets. The use of swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. In a swap, a set of future cash flows is exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at the time a swap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction.

At September 30, 2009, there were no open interest rate swap agreements.

The Fund has entered into an equity contract for difference swap agreement with The Goldman Sachs Group, Inc. Details of the swap at September 30, 2009 is as follows:

| <b>Notional Amount</b>       | <b>Equity Security Received</b> | <b>Interest Rate/Equity Security Paid</b> | <b>Termination Date</b> | <b>Net Unrealized Depreciation</b> |
|------------------------------|---------------------------------|---|-------------------------|------------------------------------|
|                              | Market Value                    | One month LIBOR plus 90 bps plus          |                         |                                    |
|                              | Appreciation on:                | Market Value Depreciation on:             |                         |                                    |
| \$1,395,139 (180,000 Shares) | Rolls-Royce Group plc           | Rolls-Royce Group plc                     | 6/25/10                 | \$(41,505)                         |

For open derivative instruments as of September 30, 2009, see the preceding tables, which are also indicative of activity for the year ended December 31, 2008.

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

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. Open futures contracts at September 30, 2009 are reflected within the Schedule of Investments.

**THE GABELLI EQUITY TRUST INC.**

**NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)**

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

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts. At September 30, 2009, there were no open forward foreign exchange contracts.

**3. Tax Information.** At December 31, 2008, the Fund had net capital loss carryforwards for federal income tax purposes of \$5,677,238 which are available to reduce future required distributions of net capital gains to shareholders through 2016.

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

**Directors**

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

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

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

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

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

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

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

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

**Officers**

Bruce N. Alpert  
*President*

Carter W. Austin  
*Vice President*

Peter D. Goldstein  
*Chief Compliance Officer*

Molly A.F. Marion  
*Vice President & Ombudsman*

Agnes Mullady  
*Treasurer & Secretary*

**Investment Adviser**

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

**Custodian**

The Bank of New York Mellon

**Counsel**

Willkie Farr & Gallagher LLP

**Transfer Agent and Registrar**

Computershare Trust Company, N.A.

**Stock Exchange Listing**

|                     |             |           |           |
|---------------------|-------------|-----------|-----------|
|                     |             | 5.875%    | 6.20%     |
|                     | Common      | Preferred | Preferred |
| NYSE Symbol:        | GAB         | GAB PrD   | GAB PrF   |
| Shares Outstanding: | 179,572,034 | 2,363,860 | 5,850,402 |

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

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://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](http://www.gabelli.com), or e-mail us at: [closedend@gabelli.com](mailto:closedend@gabelli.com)

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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.

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**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.

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**SIGNATURES**

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

(Registrant) The Gabelli Equity Trust Inc.

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

Bruce N. Alpert, Principal Executive Officer

Date 11/27/09

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

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

Bruce N. Alpert, Principal Executive Officer

Date 11/27/09

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

Agnes Mullady, Principal Financial Officer and Treasurer

Date 11/27/09

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