

GABELLI EQUITY TRUST INC

Form 497

March 28, 2016

Table of Contents

THE INFORMATION IN THIS PROSPECTUS SUPPLEMENT IS NOT COMPLETE AND MAY BE CHANGED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES WAS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AND BECAME EFFECTIVE. THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS ARE NOT AN OFFER TO SELL THESE SECURITIES AND ARE NOT SOLICITING OFFERS TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED MARCH 28, 2016

THE GABELLI EQUITY TRUST INC.

Filed Pursuant to Rule 497(c)

Registration Statement No. 333-195247

PRELIMINARY PROSPECTUS SUPPLEMENT

(To Prospectus dated March 18, 2016)

\$

Shares

% Series J Cumulative Preferred Stock

(Liquidation Preference \$25.00 per share)

The Gabelli Equity Trust Inc. (the Fund, we, us or our) is offering shares of % Series J Cumulative Preferred Stock, par value \$0.001 per share (the Series J Preferred Shares). The Series J Preferred Shares will constitute a separate series of the Fund s preferred stock. Investors in Series J Preferred Shares will be entitled to receive cumulative cash dividends at a rate of % per annum. Dividends and distributions on Series J Preferred Shares will be payable quarterly on March 26, June 26, September 26 and December 26 in each year commencing on June 26, 2016.

The Series J Preferred Shares are redeemable at our option on or after , 2021 and are subject to mandatory redemption by us in certain circumstances. See Special Characteristics and Risks of the Series J Preferred Shares Redemption.

The Fund is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act). The Fund s primary investment objective is to achieve long term growth of capital by investing primarily in a portfolio of equity securities consisting of common stock, preferred stock, convertible or exchangeable securities, and warrants and rights to purchase such securities. Income is a secondary objective. The Fund s investment adviser is Gabelli Funds, LLC (the Investment Adviser).

The Fund s common shares are listed on the New York Stock Exchange (NYSE) under the symbol GAB. Currently, the Fund s 5.875% Series D Cumulative Preferred Stock (Series D Preferred), Series G Cumulative Preferred Stock (Series G Preferred) and 5.00% Series H Cumulative Preferred Stock (Series H Preferred) are listed on the NYSE under the symbol GAB PrD, GAB PrG and GAB PrH, respectively. Any future series of fixed rate preferred stock would also likely be listed on a stock exchange. On March 24, 2016, the last reported NYSE sale price of shares of our common stock was \$5.32 per share. The net asset value of shares of the Fund s common stock at the close of business on March 24, 2016 was \$5.64 per share.

Application will be made to list the Series J Preferred Shares on the NYSE. If the application is approved, the Series J Preferred Shares are expected to commence trading on the NYSE within thirty days of the date of issuance.

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An investment in the Fund is not appropriate for all investors. We cannot assure you that the Fund's investment objectives will be achieved. You should read this Prospectus Supplement and the accompanying Prospectus before deciding whether to invest in Series J Preferred Shares and retain it for future reference. The Prospectus Supplement and the accompanying Prospectus contain important information about us. Material that has been incorporated by reference and other information about us can be obtained from us by calling 800-GABELLI (422-3554) or from the Securities and Exchange Commission's (SEC) website (<http://www.sec.gov>).

Investing in Series J Preferred Shares involves certain risks that are described in the Special Characteristics and Risks of the Series J Preferred Shares section of this Prospectus Supplement and the Risk Factors and Special Considerations section beginning on page 32 of the accompanying Prospectus.

NEITHER THE SEC NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS SUPPLEMENT IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Per Share	Total
Public offering price	\$ 25.00	\$
Underwriting discounts and commissions	\$	\$
Proceeds, before expenses, to the Fund ⁽¹⁾	\$	\$

(1) The aggregate expenses of the offering (excluding underwriting discounts and commissions) are estimated to be \$325,000. The Underwriters are expected to deliver the Series J Preferred Shares in book-entry form through The Depository Trust Company on or about _____, 2016.

UBS Investment Bank

G.research, LLC

Wells Fargo Securities

The date of this Prospectus Supplement is _____, 2016.

Table of Contents

You should rely only on the information contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. Neither the Fund nor the underwriters have authorized anyone to provide you with different information. The Fund is not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this Prospectus Supplement and the accompanying Prospectus is accurate as of any date other than the date of this Prospectus Supplement and the accompanying Prospectus, respectively. Our business, financial condition, results of operations and prospects may have changed since those dates. In this Prospectus Supplement and in the accompanying Prospectus, unless otherwise indicated, Fund, us, our and we refer to The Gabelli Equity Trust Inc., a Maryland corporation. This Prospectus Supplement also includes trademarks owned by other persons.

TABLE OF CONTENTS**Prospectus Supplement**

	Page
<u>CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS</u>	P-3
<u>SUMMARY OF THE TERMS OF THE SERIES J PREFERRED SHARES</u>	P-4
<u>DESCRIPTION OF THE SERIES J PREFERRED SHARES</u>	P-7
<u>USE OF PROCEEDS</u>	P-8
<u>CAPITALIZATION</u>	P-9
<u>DESCRIPTION OF THE CAPITAL STOCK</u>	P-10
<u>ASSET COVERAGE RATIO</u>	P-11
<u>SPECIAL CHARACTERISTICS AND RISKS OF THE SERIES J PREFERRED SHARES</u>	P-11
<u>U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE OFFERING</u>	P-16
<u>EMPLOYEE BENEFIT PLAN AND IRA CONSIDERATION</u>	P-17
<u>UNDERWRITING</u>	P-18
<u>LEGAL MATTERS</u>	P-20
<u>FINANCIAL STATEMENTS</u>	P-20

Prospectus

<u>Prospectus Summary</u>	1
<u>Summary of Fund Expenses</u>	14
<u>Financial Highlights</u>	16
<u>Use of Proceeds</u>	22
<u>The Fund</u>	22
<u>Investment Objectives and Policies</u>	22
<u>Risk Factors and Special Considerations</u>	32
<u>How the Fund Manages Risk</u>	42
<u>Management of The Fund</u>	43
<u>Portfolio Transactions</u>	47
<u>Dividends and Distributions</u>	47
<u>Issuance of Common Stock</u>	49
<u>Automatic Dividend Reinvestment and Voluntary Cash Purchase Plan</u>	49
<u>Description of the Capital Stock</u>	51
<u>Anti-Takeover Provisions of the Fund's Governing Documents</u>	61
<u>Closed-End Fund Structure</u>	64
<u>Repurchase of Common Stock</u>	64
<u>Rights Offerings</u>	65
<u>Net Asset Value</u>	65
<u>Limitation on Directors' and Officers' Liability</u>	66
<u>Taxation</u>	66
<u>Custodian, Transfer Agent and Dividend Disbursing Agent</u>	70
<u>Plan of Distribution</u>	70

<u>Legal Matters</u>	72
<u>Independent Registered Public Accounting Firm</u>	72
<u>Additional Information</u>	72
<u>Privacy Principles of the Fund</u>	72
<u>Table of Contents of Statement of Additional Information</u>	73

P-2

Table of Contents

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, the accompanying Prospectus and the Statement of Additional Information contain forward-looking statements. Forward-looking statements can be identified by the words may, will, intend, expect, estimate, continue, plan, anticipate, and similar, the negative of such terms. Such forward-looking statements may be contained in this Prospectus Supplement as well as in the accompanying Prospectus. By their nature, all forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Several factors that could materially affect our actual results are the performance of the portfolio of securities we hold, the price at which our shares (including the Series J Preferred Shares) will trade in the public markets and other factors discussed in our periodic filings with the SEC.

Although we believe that the expectations expressed in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in the Risk Factors and Special Considerations section of the accompanying Prospectus and Special Characteristics and Risks of the Series J Preferred Shares in this Prospectus Supplement. All forward-looking statements contained or incorporated by reference in this Prospectus Supplement or the accompanying Prospectus are made as of the date of this Prospectus Supplement or the accompanying Prospectus, as the case may be. Except for our ongoing obligations under the federal securities laws, we do not intend, and we undertake no obligation, to update any forward-looking statement. The forward-looking statements contained in this Prospectus Supplement, the accompanying Prospectus and the Statement of Additional Information are excluded from the safe harbor protection provided by Section 27A of the Securities Act of 1933, as amended (the Securities Act).

Currently known risk factors that could cause actual results to differ materially from our expectations include, but are not limited to, the factors described in the Risk Factors and Special Considerations section of the accompanying Prospectus as well as in the Special Characteristics and Risks of the Series J Preferred Shares section of this Prospectus Supplement. We urge you to review carefully those sections for a more detailed discussion of the risks of an investment in the Series J Preferred Shares.

Table of Contents

SUMMARY OF THE TERMS OF THE SERIES J PREFERRED SHARES

The Fund

The Gabelli Equity Trust Inc. is a non-diversified, closed-end management investment company registered under the 1940 Act. The Fund's primary investment objective is to achieve long term growth of capital by investing primarily in a portfolio of equity securities consisting of common stock, preferred stock, convertible or exchangeable securities, and warrants and rights to purchase such securities. Income is a secondary investment objective. Gabelli Funds, LLC serves as investment adviser to the Fund. Under normal market conditions, the Fund will invest at least 80% of the value of its total assets in equity securities. The Fund was organized as a Maryland corporation on May 20, 1986 and commenced its investment operations on August 21, 1986. Shares of the Fund's common stock are traded on the NYSE under the symbol GAB.

Securities Offered

Series J Preferred Shares. Series J Preferred Shares shall constitute a separate series of preferred stock of the Fund. The Series J Preferred Shares have the same priority with respect to payment of distributions and liquidation preference as the Series C Auction Rate Cumulative Preferred Stock (the Series C Preferred), Series D Preferred, Series E Auction Rate Cumulative Preferred Stock (the Series E Preferred), Series G Preferred and Series H Preferred.

Dividend Rate

Dividends and distributions on Series J Preferred Shares are cumulative from their original issue date at the annual rate of % of the \$25.00 per-share liquidation preference on the Series J Preferred Shares.

Dividend Payment Date

Holders of Series J Preferred Shares shall be entitled to receive, when, as and if authorized by, or under authority granted by, the Board of Directors and declared by the Fund, out of funds legally available therefor, cumulative cash dividends and distributions. Dividends and distributions will be paid quarterly on March 26, June 26, September 26 and December 26 in each year, commencing on June 26, 2016.

Liquidation Preference

\$25.00 per share.

Use of Proceeds

The Investment Adviser anticipates that the investment of the proceeds will be made in accordance with the Fund's investment objectives and policies as appropriate investment opportunities are identified, which is expected to be substantially completed within approximately three months of the issue date; however, the identification of appropriate investment opportunities pursuant to the Fund's investment style or changes in market conditions may cause the investment period to extend as long as six months from the issue date. The proceeds may also be used to call shares of existing series of the Fund's preferred stock.

Pending such investment and/or redemption, the proceeds of the offering of the Series J Preferred Shares will be held in high quality short term debt securities and similar instruments. See *Use of Proceeds*.

Table of Contents

Non-Call Period/Redemption

The Series J Preferred Shares generally may not be called for redemption at the option of the Fund prior to _____, 2021. The Fund reserves the right, however, to redeem the Series J Preferred Shares at any time if it is necessary, in the judgment of the Board of Directors, to maintain its status as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). The Fund also may be required under certain circumstances to redeem Series J Preferred Shares, before or after _____, 2021, in order to meet certain regulatory or rating agency asset coverage requirements.

Commencing _____, 2021, and thereafter, to the extent permitted by the 1940 Act and Maryland law, the Fund may at any time, upon notice of redemption, redeem the Series J Preferred Shares in whole or in part at the liquidation preference per share plus accumulated unpaid dividends through the date of redemption.

Stock Exchange Listing

Application will be made to list the Series J Preferred Shares on the NYSE. Prior to the offering, there has been no public market for Series J Preferred Shares. If the application is approved, it is anticipated that trading on the NYSE will begin within thirty days from the date of this Prospectus Supplement. Before the Series J Preferred Shares are listed on the NYSE, the underwriters may, but are not obligated to, make a market in Series J Preferred Shares. Consequently, it is anticipated that, prior to the commencement of trading on the NYSE, an investment in Series J Preferred Shares will be illiquid.

Taxation

The Fund expects that distributions made on the Series J Preferred Shares will consist of (i) long term capital gain (gain from the sale of a capital asset held longer than one year), (ii) qualified dividend income (dividend income from certain domestic and foreign corporations, provided certain holding period and other requirements are met by both the Fund and the stockholder), and (iii) investment company taxable income (other than qualified dividend income, including interest income, short term capital gain and income from certain hedging and interest rate transactions). Distributions paid to investors by the Fund from its investment company taxable income which includes the excess of net short term capital gains over net long term capital losses (together referred to hereinafter as "ordinary income dividends") are generally taxable to investors as ordinary income to the extent of the earnings and profits of the Fund. Such distributions (if reported by the Fund) may, however, qualify (provided holding periods and other requirements are met) (i) for the dividends received deduction in the case of corporate stockholders to the extent that the income of the Fund consists of dividend income from U.S. corporations, and (ii) as qualified dividend income generally eligible for the reduced maximum federal tax rate to individuals applicable to net long term capital gains. Distributions made to investors from an excess of net long term capital gains over net short term capital losses ("capital gain dividends"), including capital gain dividends credited to investors but retained by the Fund, are taxable to investors as long term capital gains if they have been

Table of Contents

properly designated by the Fund, regardless of the length of time investors have owned shares of stock of the Fund. The maximum federal income tax rate on net long term capital gain of individuals is generally either 15% or 20% depending on whether an individual's income exceeds certain threshold amounts. In addition, certain U.S. stockholders who are individuals, estates or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surcharge on their net investment income. We cannot assure you, however, as to what percentage of future distributions made on the Series J Preferred Shares will consist of long term capital gain and qualified dividend income. *See U.S. Federal Income Tax Consequences of the Offering.*

ERISA

See Employee Benefit Plan and IRA Considerations.

Dividend Paying Agent

Computershare Trust Company, N.A.

Table of Contents**DESCRIPTION OF THE SERIES J PREFERRED SHARES**

The following is a brief description of the terms of the Series J Preferred Shares. This is not a complete description and is subject to and entirely qualified by reference to the Fund's Articles Supplementary creating and fixing the rights of the Series J Preferred Shares (the "Articles"). The Articles are attached as an exhibit to post-effective amendment number [redacted] to the Fund's registration statement. Copies may be obtained as described under "Additional Information" in the accompanying Prospectus. Any capitalized terms in this section and the "Special Characteristics and Risks of the Series J Preferred Shares" section of this Prospectus Supplement that are not defined have the meaning assigned to them in the Articles.

The Fund's charter (the "Charter") authorizes its Board of Directors to reclassify any authorized but unissued shares of the Fund's capital stock, \$0.001 par value per share, without the approval of common stockholders. The Articles authorize the issuance of up to 4,500,000 Series J Preferred Shares. All Series J Preferred Shares will have a liquidation preference of \$25.00 per share. Holders of Series J Preferred Shares shall be entitled to receive cumulative cash dividends and distributions at the rate of [redacted] % per annum (computed on the basis of a 360-day year consisting of twelve 30-day months) of the \$25.00 per-share liquidation preference on the Series J Preferred Shares. Dividends and distributions on Series J Preferred Shares will accumulate from the date of their original issue, which is [redacted], 2016.

The Series J Preferred Shares, when issued by the Fund and paid for pursuant to the terms of this Prospectus Supplement and the accompanying Prospectus, will be fully paid and non-assessable and will have no preemptive, exchange or conversion rights. Any Series J Preferred Shares purchased or redeemed by the Fund will be reclassified as authorized and unissued shares of preferred stock of the Fund without further designation as to class or series. The Board of Directors may by resolution classify or reclassify any authorized and unissued Series J Preferred Shares from time to time by setting or changing the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends and distributions, qualifications or terms or conditions of redemption of such shares. The affirmative vote of the holders of a majority, as defined in the 1940 Act, of the outstanding Series J Preferred Shares (or shares of any other series of the Fund's preferred stock), voting separately from the holders of any other series of the Fund's preferred stock (to the extent its rights are affected differently), shall be required with respect to any matter that materially and adversely affects the rights, preferences or powers of that series in a manner different from that of other series or classes of the Fund's capital stock. The affirmative vote of the holders of a majority, as defined in the 1940 Act, of the outstanding shares of the Fund's preferred stock, voting separately as one class (including the Series J Preferred Shares), shall be required to amend, alter or repeal the provisions of the Fund's Charter or bylaws, whether by merger, consolidation or otherwise, if such amendment, alteration or repeal would affect adversely the rights, preferences or powers expressly set forth in any articles supplementary of the Fund's preferred stock, including the Articles, unless, in each case, the Fund obtains written confirmation from any rating agency then rating the Series J Preferred Shares at the Fund's request that such amendment, alteration or repeal would not impair the rating then assigned by such rating agency to the Series J Preferred Shares, in which case the vote or consent of the holders of the Series J Preferred Shares is not required. No matter shall be deemed to adversely affect any rights, preferences or powers of the Series J Preferred Shares unless such matter (i) adversely alters or abolishes any preferential right of such series; (ii) creates, adversely alters or abolishes any right in respect of redemption of such series; or (iii) creates or adversely alters (other than to abolish) any restriction on transfer applicable to such series. An increase in the number of authorized shares of preferred stock of the Fund pursuant to the Charter or the issuance of additional shares of any series of preferred stock of the Fund (including the Series J Preferred Shares) pursuant to the Charter shall not in and of itself be considered to adversely affect the rights, preferences or powers of the Series J Preferred Shares.

The disclosure set forth in this Description of the Series J Preferred Shares and under the heading "Special Characteristics and Risks of the Series J Preferred Shares" is intended to be a summary of the material provisions of the Series J Preferred Shares. Since this Description of the Series J Preferred Shares is only a summary, you should refer to the Articles for a complete description of the obligations of the Fund and your

Table of Contents

rights. The disclosure set forth in this Description of the Series J Preferred Shares and under the heading Special Characteristics and Risks of the Series J Preferred Shares supplements the description of the preferred stock set forth under the caption Description of the Capital Stock Preferred Stock in the accompanying Prospectus, and in the event that any provision described in the disclosure set forth in this Description of the Series J Preferred Shares and under the heading Special Characteristics and Risks of the Series J Preferred Shares is inconsistent with any description contained in the accompanying Prospectus, the disclosure set forth in this Description of the Series J Preferred Shares and under the heading Special Characteristics and Risks of the Series J Preferred Shares will apply and supersede the description in the accompanying Prospectus.

USE OF PROCEEDS

The Fund estimates the total net proceeds of the offering to be \$ based on the public offering price of \$25.00 per Series J Preferred Share and after deduction of the underwriting discounts and commissions and estimated offering expenses payable by the Fund.

The Investment Adviser anticipates that the investment of the proceeds will be made in accordance with the Fund's investment objectives and policies as appropriate investment opportunities are identified, which is expected to be substantially completed within approximately three months of the issue date; however, the identification of appropriate investment opportunities pursuant to the Fund's investment style or changes in market conditions may cause the investment period to extend as long as six months from the issue date. The proceeds may also be used to call shares of existing series of the Fund's preferred stock. Pending such investment and/or redemption, the proceeds of the offering of the Series J Preferred Shares will be held in high quality short term debt securities and similar instruments.

Table of Contents**CAPITALIZATION**

The following table sets forth (i) the audited capitalization of the Fund as of December 31, 2015 and (ii) the unaudited adjusted capitalization of the Fund assuming the acceptance for record of the Articles with the State Department of Assessments and Taxation of Maryland (SDAT) and the issuance of the Series J Preferred Shares offered in this Prospectus Supplement and the use of proceeds thereof.

	As of December 31, 2015	
	Actual	As adjusted
Preferred stock, \$0.001 par value per share (The Actual column reflects the Fund's outstanding capitalization as of December 31, 2015; the As adjusted column assumes the issuance of 3,200,000 Series J Preferred Shares at \$25.00 liquidation preference per share)	\$ 333,665,850	\$ 413,665,850
Stockholders' equity applicable to common shares:		
Common stock, \$0.001 par value per share (The Actual and As adjusted columns reflect the Fund's outstanding capitalization of 219,244,891 shares of common stock as of December 31, 2015)	219,245	219,245
Paid-in surplus*	671,269,218	668,424,218
Distributions in excess of net investment income, net realized gain on investments, futures contracts, and foreign currency transactions	(11,799,419)	(11,799,419)
Net unrealized appreciation on investments and foreign currency translations	589,467,913	589,467,913
Net assets applicable to common stock	1,249,156,957	1,246,311,957
Liquidation preference of preferred stock	333,665,850	413,665,850
Net assets, plus the liquidation preference of preferred stock	1,582,822,807	1,659,977,807

* As adjusted paid-in surplus reflects a deduction for the estimated underwriting discounts of \$2,520,000 and estimated offering costs of \$325,000 for the Series J Preferred Shares.

For financial reporting purposes, the Fund will deduct the liquidation preference of its outstanding preferred shares from net assets, so long as the senior securities have redemption features that are not solely within the control of the Fund. For all regulatory purposes, shares of the Fund's preferred stock will be treated as equity (rather than debt).

Table of Contents**DESCRIPTION OF THE CAPITAL STOCK**

The following table shows (i) the classes of capital stock authorized, (ii) the number of shares outstanding in each class, and (iii) the number of shares authorized in each class as of the completion of this offering.

Title Of Class	Amount Outstanding	Amount Authorized
Common Stock	219,244,891	237,024,900
Series C Preferred	2,880	5,200
Series D Preferred	2,363,860	3,000,000
Series E Preferred	1,120	2,000
Series G Preferred	2,797,001	3,280,477
Series H Preferred	4,185,773	4,198,880
Series J Preferred Shares(1)	0	4,500,000
Preferred Stock(2)	0	17,988,543

- (1) Before the completion of this offering, the Fund will file the Articles setting forth the terms of the Series J Preferred Shares with the SDAT.
- (2) Of these shares, 5,367,900 shares are classified and designated as shares of the Fund's 7.25% Cumulative Preferred Stock and 6,600,000 shares are classified and designated as shares of the Fund's 7.20% Tax Advantaged Series B Cumulative Preferred Stock, none of which remain outstanding.

Table of Contents

ASSET COVERAGE RATIO

Pursuant to the 1940 Act, the Fund generally will not be permitted to declare any dividend, or declare any other distribution, upon any outstanding shares of common stock, or purchase any such common stock, unless, in every such case, all shares of preferred stock issued by the Fund have at the time of declaration of any such dividend or distribution or at the time of any such purchase an asset coverage of at least 200% (1940 Act Asset Coverage Requirement) after deducting the amount of such dividend, distribution, or purchase price, as the case may be. As of the date of this Prospectus Supplement, all of the Fund's outstanding shares of preferred stock are expected to have asset coverage on the date of issuance of the Series J Preferred Shares of approximately 402%.

In addition to the 1940 Act Asset Coverage Requirement, the Fund is subject to certain restrictions on investments imposed by guidelines of one or more rating agencies, which have issued ratings for certain of the preferred shares and may issue a rating for the Series J Preferred Shares. See Special Characteristics and Risks of the Series J Preferred Shares Risks Credit Rating Risk in this Prospectus Supplement.

SPECIAL CHARACTERISTICS AND RISKS OF THE SERIES J PREFERRED SHARES

Dividends

Holders of Series J Preferred Shares shall be entitled to receive cumulative cash dividends and distributions at the rate of % per annum (computed on the basis of a 360-day year consisting of twelve 30-day months) of the \$25.00 per-share liquidation preference on the Series J Preferred Shares. Dividends and distributions on Series J Preferred Shares will accumulate from the date of their original issue, which is , 2016.

Dividends and distributions will be payable quarterly on March 26, June 26, September 26 and December 26 in each year (each a Dividend Payment Date) commencing on June 26, 2016 (or, if any such day is not a business day, then on the next succeeding business day) to holders of record of Series J Preferred Shares as they appear on the stock register of the Fund at the close of business on the fifth preceding business day. Dividends and distributions on Series J Preferred Shares shall accumulate from the date on which the Series J Preferred Shares are originally issued. Each period beginning on and including a Dividend Payment Date (or the date of original issue, in the case of the first dividend period after the first issuance of the Series J Preferred Shares) and ending on but excluding the next succeeding Dividend Payment Date is referred to herein as a Dividend Period. Dividends and distributions on account of arrears for any past Dividend Period or in connection with the redemption of Series J Preferred Shares may be declared and paid at any time, without reference to any Dividend Payment Date, to holders of record on such date as shall be fixed by the Board of Directors that is not more than 30 days before the Dividend Payment Date.

No full dividends or distributions will be declared or paid on Series J Preferred Shares for any Dividend Period or part thereof unless full cumulative dividends and distributions due through the most recent Dividend Payment Dates therefor on all outstanding shares of any series of preferred stock of the Fund ranking on a parity with the Series J Preferred Shares as to the payment of dividends and distributions have been or contemporaneously are declared and paid through the most recent Dividend Payment Dates therefor. If full cumulative dividends and distributions due have not been paid on all outstanding shares of the Fund's preferred stock, any dividends and distributions being paid on such shares of preferred stock (including the Series J Preferred Shares) will be paid as nearly pro rata as possible in proportion to the respective amounts of dividends and distributions accumulated but unpaid on each such series of preferred stock on the relevant Dividend Payment Date.

Restrictions on Dividend, Redemption and Other Payments

Under the 1940 Act, the Fund is not permitted to issue preferred stock (such as the Series J Preferred Shares) unless immediately after such issuance the Fund will have an asset coverage of at least 200% (or such

Table of Contents

other percentage as may in the future be specified in or under the 1940 Act as the minimum asset coverage for senior securities representing stock of a closed-end investment company as a condition of declaring distributions, purchases or redemptions of its stock). In general, the term **asset coverage** for this purpose means the ratio which the value of the total assets of the Fund, less all liabilities and indebtedness not represented by senior securities, bears to the aggregate amount of senior securities representing indebtedness of the Fund plus the aggregate of the involuntary liquidation preference of the preferred stock. The involuntary liquidation preference refers to the amount to which the preferred stock would be entitled on the involuntary liquidation of the Fund in preference to a security junior to them. The Fund also is not permitted to declare any cash dividend or other distribution on its common stock or purchase its common stock unless, at the time of such declaration or purchase, the Fund satisfies this 200% asset coverage requirement after deducting the amount of the distribution or purchase price, as applicable.

In addition, the Fund may be limited in its ability to declare any cash distribution on its capital stock (including the Series J Preferred Shares) or purchase its capital stock (including the Series J Preferred Shares) unless, at the time of such declaration or purchase, the Fund has an asset coverage on its indebtedness, if any, of at least 300% after deducting the amount of such distribution or purchase price, as applicable. The 1940 Act contains an exception, however, that permits dividends to be declared upon any preferred stock issued by the Fund (including the Series J Preferred Shares) if the Fund's indebtedness has an asset coverage of at least 200% at the time of declaration after deducting the amount of the dividend. In general, the term **asset coverage** for this purpose means the ratio which the value of the total assets of the Fund, less all liabilities and indebtedness not represented by senior securities, bears to the aggregate amount of senior securities representing indebtedness of the Fund.

The term **senior security** does not include any promissory note or other evidence of indebtedness in any case where such a loan is for temporary purposes only and in an amount not exceeding 5% of the value of the total assets of the Fund at the time when the loan is made. A loan is presumed under the 1940 Act to be for temporary purposes if it is repaid within 60 days and is not extended or renewed; otherwise it is presumed not to be for temporary purposes. For purposes of determining whether the 200% and 300% asset coverage requirements described above apply in connection with dividends or distributions on or purchases or redemptions of Series J Preferred Shares, the asset coverages may be calculated on the basis of values calculated as of a time within 48 hours (not including Sundays or holidays) next preceding the time of the applicable determination.

Voting Rights

Except as otherwise provided in the Fund's governing documents (including the Articles) or a resolution of the Board of Directors, or as required by applicable law, holders of Series J Preferred Shares shall have no power to vote on any matter except matters submitted to a vote of the Fund's common stock. In any matter submitted to a vote of the holders of the common stock, each holder of Series J Preferred Shares shall be entitled to one vote for each Series J Preferred Share held and the holders of all outstanding shares of preferred stock, including Series J Preferred Shares, and the shares of common stock shall vote together as a single class; provided, however, that at any meeting of the stockholders of the Fund held for the election of Directors, the holders of the outstanding shares of preferred stock, including Series J Preferred Shares, shall be entitled, as a class, to the exclusion of the holders of all other classes of capital stock of the Fund, to elect a number of the Fund's directors, such that, following the election of directors at the meeting of the stockholders, the Fund's Board of Directors shall contain two directors elected by the holders of the outstanding shares of preferred stock, including the Series J Preferred Shares.

During any period in which any one or more of the conditions described below shall exist (such period being referred to herein as a **Voting Period**), the number of directors constituting the Fund's Board of Directors shall be increased by the smallest number of additional directors that, when added to the two directors elected exclusively by the holders of outstanding shares of preferred stock, would constitute a simple majority of the Fund's Board of Directors as so increased by such smallest number, and the holders of outstanding shares of

Table of Contents

preferred stock, including the Series J Preferred Shares, voting separately as one class (to the exclusion of the holders of all other classes of capital stock of the Fund) shall be entitled to elect such smallest number of additional directors and the two directors the holders of shares of preferred stock, including the Series J Preferred Shares, are otherwise entitled to elect. The Fund and the Fund's Board of Directors shall take all necessary actions, including amending the Fund's bylaws, to effect an increase in the number of directors as described in the preceding sentence. A Voting Period shall commence:

(i) if at any time accumulated dividends and distributions on the outstanding Series J Preferred Shares equal to at least two full years' dividends and distributions shall be due and unpaid and sufficient cash or specified securities shall not have been deposited with Computershare Trust Company, N.A., and its successors or any other dividend-disbursing agent appointed by the Fund, for the payment of such accumulated dividends and distributions; or

(ii) if at any time holders of any other shares of preferred stock are entitled to elect a majority of the Directors of the Fund under the 1940 Act or articles supplementary creating such shares.

Redemption

Mandatory Redemption. Under certain circumstances, the Series J Preferred Shares will be subject to mandatory redemption by the Fund out of funds legally available therefor in accordance with the Articles and applicable law.

If the Fund fails to have asset coverage, as determined in accordance with Section 18(h) of the 1940 Act, of at least 200% with respect to all outstanding senior securities of the Fund which are stock, including all outstanding Series J Preferred Shares (or such other asset coverage as may in the future be specified in or under the 1940 Act as the minimum asset coverage for senior securities which are stock of a closed-end investment company as a condition of declaring dividends on its common stock), and such failure is not cured as of the cure date specified in the Articles, (i) the Fund shall give a notice of redemption with respect to the redemption of a sufficient number of shares of its preferred stock, which at the Fund's determination (to the extent permitted by the 1940 Act and Maryland law) may include any proportion of Series J Preferred Shares, to enable it to meet the asset coverage requirements, and, at the Fund's discretion, such additional number of Series J Preferred Shares or shares of any other series of preferred stock of the Fund in order for the Fund to have asset coverage with respect to the Series J Preferred Shares and any other series of preferred stock of the Fund remaining outstanding after such redemption as great as 210%, and (ii) deposit an amount with Computershare Trust Company, N.A., and its successors or any other dividend-disbursing agent appointed by the Fund, having an initial combined value sufficient to effect the redemption of the Series J Preferred Shares or other series of preferred stock of the Fund to be redeemed.

On such cure date, the Fund shall redeem, out of funds legally available therefor, the number of shares of its preferred stock, which, to the extent permitted by the 1940 Act and Maryland law, at the option of the Fund may include any proportion of Series J Preferred Shares or shares of any other series of preferred stock of the Fund, is equal to the minimum number of shares the redemption of which, if such redemption had occurred immediately prior to the opening of business on such cure date, would have resulted in the Fund having asset coverage immediately prior to the opening of business on such cure date in compliance with the 1940 Act or, if asset coverage cannot be so restored, all of the outstanding Series J Preferred Shares, at a price equal to \$25.00 per share plus accumulated but unpaid dividends and distributions (whether or not earned or declared by the Fund) through and including the date of redemption. See "Description of the Capital Stock Preferred Stock Redemption" in the Prospectus for a discussion of the consequences that would arise if the Fund fails to maintain the asset coverage requirements as calculated in accordance with the applicable rating agency guidelines set forth in the Articles as of any monthly valuation date.

Table of Contents

Optional Redemption. Prior to _____, 2021, the Series J Preferred Shares are not subject to optional redemption by the Fund unless the redemption is necessary, in the judgment of the Board of Directors, to maintain the Fund's status as a regulated investment company under Subchapter M of the Code. Commencing _____, 2021, and thereafter, to the extent permitted by the 1940 Act and Maryland law, the Fund may at any time upon notice in the manner provided in the Articles redeem the Series J Preferred Shares in whole or in part at a price equal to the liquidation preference per share plus accumulated but unpaid dividends through and including the date of redemption.

Liquidation

In the event of any liquidation, dissolution or winding up of the affairs of the Fund, whether voluntary or involuntary, the holders of Series J Preferred Shares shall be entitled to receive out of the assets of the Fund available for distribution to stockholders, after satisfying claims of creditors but before any distribution or payment shall be made in respect of the Fund's common stock or any other stock of the Fund ranking junior to the Series J Preferred Shares as to liquidation payments, a liquidation distribution in the amount of \$25.00 per share (the Liquidation Preference), plus an amount equal to all unpaid dividends and distributions accumulated to and including the date fixed for such distribution or payment (whether or not earned or declared by the Fund, but excluding interest thereon), and such holders shall be entitled to no further participation in any distribution or payment in connection with any such liquidation, dissolution or winding up of the Fund.

If, upon any liquidation, dissolution or winding up of the affairs of the Fund, whether voluntary or involuntary, the assets of the Fund available for distribution among the holders of all outstanding Series J Preferred Shares and all outstanding shares of any other series of the Fund's preferred stock ranking on a parity with the Series J Preferred Shares as to payment upon liquidation shall be insufficient to permit the payment in full to such holders of Series J Preferred Shares of the Liquidation Preference plus accumulated and unpaid dividends and distributions and the amounts due upon liquidation with respect to all outstanding shares of such other series of preferred stock of the Fund, then such available assets shall be distributed among the holders of Series J Preferred Shares and such other series of preferred stock of the Fund ratably in proportion to the respective preferential liquidation amounts to which they are entitled. Unless and until the Liquidation Preference plus accumulated and unpaid dividends and distributions has been paid in full to the holders of Series J Preferred Shares, no dividends or distributions will be made to holders of the Fund's common stock or any other stock of the Fund ranking junior to the Series J Preferred Shares as to liquidation.

Stock Exchange Listing

Application will be made to list the Series J Preferred Shares on the NYSE. If the application is approved, the Series J Preferred Shares are expected to commence trading on the NYSE within thirty days of the date of issuance.

Risks

Risk is inherent in all investing. Therefore, before investing in the Series J Preferred Shares you should consider the risks carefully. See Risk Factors and Special Considerations in the Prospectus. Primary risks associated with an investment in the Series J Preferred Shares include:

Market Price Risk. The market price for the Series J Preferred Shares will be influenced by changes in interest rates, the perceived credit quality of the Series J Preferred Shares and other factors, and may be higher or lower than the liquidation preference of the Series J Preferred Shares. There is currently no market for the Series J Preferred Shares.

Liquidity Risk. Currently, there is no public market for the Series J Preferred Shares. As noted above, an application will be made to list the Series J Preferred Shares on the NYSE. However, during an initial period

Table of Contents

which is not expected to exceed thirty days after the date of its issuance, the Series J Preferred Shares will not be listed on any securities exchange. Before the Series J Preferred Shares are listed on the NYSE, the underwriters may, but are not obligated to, make a market in the Series J Preferred Shares. No assurances can be provided that listing on any securities exchange or market making by the underwriters will result in the market for Series J Preferred Shares being liquid at any time.

Redemption Risk. The Fund may at any time redeem Series J Preferred Shares to the extent necessary to meet regulatory asset coverage requirements or requirements imposed by credit rating agencies. For example, if the value of the Fund's investment portfolio declines, thereby reducing the asset coverage for the Series J Preferred Shares, the Fund may be obligated under the terms of the Series J Preferred Shares to redeem some or all of the Series J Preferred Shares. In addition, commencing _____, 2021, the Fund will be able to call the Series J Preferred Shares at the option of the Fund. Investors may not be able to reinvest the proceeds of any redemption in an investment providing the same or a higher dividend rate than that of the Series J Preferred Shares.

The Series J Preferred Shares are not a debt obligation of the Fund. The Series J Preferred Shares are junior in respect of distributions and liquidation preference to any indebtedness incurred by the Fund, and have the same priority with respect to payment of distributions and liquidation preference as the Series C Preferred, Series D Preferred, Series E Preferred, Series G Preferred and Series H Preferred. Although unlikely, precipitous declines in the value of the Fund's assets could result in the Fund having insufficient assets to redeem all of the Series J Preferred Shares for the full redemption price.

Credit Rating Risk. The Fund is seeking a credit rating on the Series J Preferred Shares. Any credit rating that is issued on the Series J Preferred Shares could be reduced or withdrawn while an investor holds Series J Preferred Shares. A reduction or withdrawal of the credit rating would likely have an adverse effect on the market value of the Series J Preferred Shares. In addition, a credit rating does not eliminate or mitigate the risks of investing in the Series J Preferred Shares.

Distribution Risk. The Fund may not meet the asset coverage requirements or earn sufficient income from its investments to make distributions on the Series J Preferred Shares.

Interest Rate Risk. The Series J Preferred Shares pay dividends at a fixed rate. Prices of fixed income investments tend to vary inversely with changes in market yields. The market yields on securities comparable to the Series J Preferred Shares may increase, which would likely result in a decline in the value of the Series J Preferred Shares. Additionally, if interest rates rise, securities comparable to the Series J Preferred Shares may pay higher dividend rates and holders of the Series J Preferred Shares may not be able to sell the Series J Preferred Shares at their liquidation preference and reinvest the proceeds at market rates.

Table of Contents

U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE OFFERING

Preferred Stock Distributions. In accordance with the Fund's Charter, and as required by the 1940 Act, all preferred stock of the Fund must have the same seniority with respect to distributions. Accordingly, no full distribution will be declared or paid on any series of preferred stock of the Fund for any dividend period, or part thereof, unless full cumulative dividends and distributions due through the most recent dividend payment dates for all series of outstanding preferred stock of the Fund are declared and paid. If full cumulative distributions due have not been declared and made on all outstanding preferred stock of the Fund, any distributions on such preferred stock will be made as nearly pro rata as possible in proportion to the respective amounts of distributions accumulated but unmade on each such series of preferred stock on the relevant dividend payment date.

In the event that for any calendar year the total distributions on shares of the Fund's preferred stock exceed the Fund's current and accumulated earnings and profits allocable to such shares, the excess distributions will generally be treated as a tax-free return of capital (to the extent of the stockholder's tax basis in the shares). The amount treated as a tax-free return of capital will reduce a stockholder's adjusted tax basis in the preferred stock, thereby increasing the stockholder's potential taxable gain or reducing the potential taxable loss on the sale or redemption of the stock. The Fund did not make return of capital distributions to its preferred stockholders during the year ended December 31, 2015.

The Fund expects that distributions made on the Series J Preferred Shares will consist of (i) long term capital gain (gain from the sale of a capital asset held longer than one year), (ii) qualified dividend income (dividend income from certain domestic and foreign corporations, provided certain holding period and other requirements are met by both the Fund and the stockholder), and (iii) investment company taxable income (other than qualified dividend income, including interest income, short term capital gain and income from certain hedging and interest rate transactions). Distributions paid to investors by the Fund from its investment company taxable income which includes the excess of net short term capital gains over net long term capital losses (together referred to hereinafter as "ordinary income dividends") are generally taxable to investors as ordinary income to the extent of the earnings and profits of the Fund. Such distributions (if reported by the Fund) may, however, qualify (provided holding periods and other requirements are met) (i) for the dividends received deduction in the case of corporate stockholders to the extent that the income of the Fund consists of dividend income from U.S. corporations, and (ii) as qualified dividend income generally eligible for the reduced maximum federal tax rate to individuals applicable to net long term capital gains. Distributions made to investors from an excess of net long term capital gains over net short term capital losses ("capital gain dividends"), including capital gain dividends credited to investors but retained by the Fund, are taxable to investors as long term capital gains if they have been properly designated by the Fund, regardless of the length of time investors have owned shares of the Fund's stock. The maximum federal income tax rate on net long term capital gain of individuals is generally either 15% or 20% depending on whether an individual's income exceeds certain threshold amounts. In addition, certain U.S. stockholders who are individuals, estates or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surcharge on their net investment income. We cannot assure you, however, as to what percentage of future distributions made on the Series J Preferred Shares will consist of long term capital gain and qualified dividend income.

Please refer to the "Taxation" sections in the accompanying Prospectus and in the Statement of Additional Information for a description of additional consequences of investing in shares of the preferred stock of the Fund.

Table of Contents

EMPLOYEE BENEFIT PLAN AND IRA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the Series J Preferred Shares by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (ERISA), plans, individual retirement accounts (IRAs) and other arrangements that are subject to Section 4975 of the Code, and entities whose underlying assets are considered to include plan assets of any such plan, account or arrangement (each, a Benefit Plan).

ERISA and the Code impose certain duties on persons who are fiduciaries of a Benefit Plan and prohibit certain transactions involving the assets of a Benefit Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Benefit Plan or the management or disposition of the assets of such a Benefit Plan, or who renders investment advice for a fee or other compensation to such a Benefit Plan, is generally considered to be a fiduciary of the Benefit Plan.

In considering an investment in the Series J Preferred Shares of a portion of the assets of any Benefit Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Benefit Plan and the applicable provisions of ERISA and Section 4975 of the Code relating to a fiduciary's duties to the Benefit Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA and the Code. The purchase of Series J Preferred Shares by a fiduciary for a Benefit Plan should be considered in light of such fiduciary requirements.

In addition, Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Benefit Plan and certain persons (referred to as parties in interest for purposes of ERISA and disqualified persons for purposes of the Code) having certain relationships to such Benefit Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a nonexempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code (or with respect to certain Benefit Plans, such as IRAs, a prohibited transaction may cause the Benefit Plan to lose its tax-exempt status). In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions (PTCEs) that may apply to the purchase of the Series J Preferred Shares. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers, PTCE 84-24 governing purchases of shares in investment companies) and PTCE 75-1 respecting sales of securities. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code each provides a limited exemption, commonly referred to as the service provider exemption, from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions between a Benefit Plan and a person that is a party in interest and/or a disqualified person (other than a fiduciary or an affiliate that, directly or indirectly, has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any Benefit Plan involved in the transaction) solely by reason of providing services to the Benefit Plan or by relationship to a service provider, provided that the Benefit Plan receives no less, nor pays no more, than adequate consideration. There can be no assurance that all of the conditions of any such exemptions or any other exemption will be satisfied at the time that the Series J Preferred Shares are acquired, or thereafter while the Series J Preferred Shares are held, if the facts relied upon for utilizing a prohibited transaction exemption change.

The foregoing discussion is general in nature and is not intended to be all inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Series J Preferred Shares on behalf of, or with the assets of, any Benefit Plan, consult with their counsel regarding the potential applicability of ERISA and Section 4975 of the Code to such investment and whether an exemption would be applicable to the purchase of the Series J Preferred Shares.

Table of Contents**UNDERWRITING**

UBS Securities LLC and Wells Fargo Securities, LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among the Fund, the Investment Adviser and the underwriters, the Fund has agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from the Fund, the number of Series J Preferred Shares set forth opposite its name below.

Underwriter	Number of Series J Preferred Shares
UBS Securities LLC	
Wells Fargo Securities, LLC	
G.research, LLC	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the Series J Preferred Shares sold pursuant to the underwriting agreement if any of the Series J Preferred Shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

The Fund and the Investment Adviser have each agreed to indemnify the underwriters and their controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the Series J Preferred Shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Series J Preferred Shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers' certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the Series J Preferred Shares to the public at the public offering price set forth on the cover page of this Prospectus Supplement and to certain dealers at such price less a concession not in excess of \$ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The expenses of the offering, not including the underwriting discount, are estimated at \$325,000 and are payable by the Fund.

Application will be made to list the Series J Preferred Shares on the NYSE. Prior to the offering, there has been no public market for the Series J Preferred Shares. If the application is approved, the Series J Preferred Shares are expected to commence trading on the NYSE within thirty days of the date of issuance. Before the Series J Preferred Shares are listed on the NYSE, the underwriters may, but are not obligated to, make a market in the Series J Preferred Shares. Consequently, it is anticipated that, prior to the commencement of trading on the NYSE, an investment in Series J Preferred Shares will be illiquid.

Table of Contents

If a secondary trading market develops prior to the commencement of trading on the NYSE, holders of the Series J Preferred Shares may be able to sell such shares, however, such shares may trade at discounts from the liquidation preference of the Series J Preferred Shares.

No Sales of Similar Securities

The Fund and the Investment Adviser have agreed that the Fund will not, for a period of 90 days from the date of this Prospectus Supplement, without the prior written consent of UBS Securities LLC and Wells Fargo Securities, LLC, directly or indirectly, issue, sell, offer to contract or grant any option to sell, pledge, transfer or otherwise dispose of, any of its shares of preferred stock or securities exchangeable for or convertible into its shares of preferred stock, except for the Series J Preferred Shares sold to the underwriters pursuant to the underwriting agreement.

Short Positions

In connection with the offering, the underwriters may purchase and sell Series J Preferred Shares in the open market. These transactions may include short sales and purchases on the open market to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of Series J Preferred Shares than they are required to purchase in the offering. The underwriters must close out any short position by purchasing Series J Preferred Shares in the open market. A short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Series J Preferred Shares in the open market after pricing that could adversely affect investors who purchase in the offering.

The underwriters may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when a representative repurchases Series J Preferred Shares originally sold by that syndicate member in order to cover syndicate short positions or make stabilizing purchases.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of the Series J Preferred Shares or preventing or retarding a decline in the market price of the Series J Preferred Shares. As a result, the price of the Series J Preferred Shares may be higher than the price that might otherwise exist in the open market.

None of the Fund, the Investment Adviser or any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Series J Preferred Shares. In addition, none of the Fund, the Investment Adviser or any of the underwriters makes any representation that a representative will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other Relationships

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Fund, the Investment Adviser or their respective affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Fund, the Investment Adviser or their respective affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Table of Contents

The Fund anticipates that, from time to time, certain underwriters may act as brokers or dealers in connection with the execution of the Fund's portfolio transactions after they have ceased to be underwriters and, subject to certain restrictions, may act as brokers while they are underwriters.

G.research, LLC is a wholly owned subsidiary of Gabelli Securities, Inc., which is a majority-owned subsidiary of Associated Capital Group, Inc., an affiliate of the Investment Adviser, which is, in turn, indirectly majority-owned by Mario J. Gabelli. As a result of these relationships, Mr. Gabelli is a controlling person of G.research, LLC.

The principal business address of UBS Securities LLC is 1285 Avenue of the Americas, New York, New York 10019. The principal business address of Wells Fargo Securities, LLC is 550 South Tryon Street, Charlotte, North Carolina 28202. The principal business address of G.research, LLC is One Corporate Center, Rye, New York 10580.

LEGAL MATTERS

Certain legal matters will be passed on by Willkie Farr & Gallagher LLP, counsel to the Fund in connection with the offering of the Series J Preferred Shares. Certain legal matters in connection with this offering will be passed upon for the underwriters by Dechert LLP. Willkie Farr & Gallagher LLP and Dechert LLP may rely as to certain matters of Maryland law on the opinion of Venable LLP.

FINANCIAL STATEMENTS

The audited financial statements of the Fund are incorporated by reference into this Prospectus Supplement, the accompanying Prospectus and the Statement of Additional Information

Table of Contents**The Gabelli Equity Trust Inc.****Annual Report December 31, 2015****(Y)our Portfolio Management Team**

Mario J. Gabelli, CFA Christopher J. Marangi Kevin V. Dryer Robert D. Leininger,
CFA Daniel M. Miller

To Our Shareholders,

For the year ended December 31, 2015, the net asset value (NAV) total return of The Gabelli Equity Trust Inc. (the Fund) was (6.9)%, compared with total returns of 1.4% and 0.2% 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 (8.5)%. The Fund s NAV per share was \$5.70, while the price of the publicly traded shares closed at \$5.31 on the New York Stock Exchange (NYSE). See below for additional performance information.

Enclosed are the financial statements, including the schedule of investments, as of December 31, 2015.

Comparative Results**Average Annual Returns through December 31, 2015 (a) (Unaudited)**

	1 Year	5 Year	10 Year	15 Year	20 Year	25 Year	Since Inception (08/21/86)
Gabelli Equity Trust							
NAV Total Return (b)	(6.85)%	10.21%	8.26%	7.76%	9.30%	10.31%	10.53%
Investment Total Return (c)	(8.54)	9.63	7.67	6.70	9.11	9.88	10.00
S&P 500 Index	1.38	12.57	7.31	5.00	8.19	9.33	9.86(d)
Dow Jones Industrial Average	0.22	11.24	7.72	5.79	8.77	10.47	10.69(d)
Nasdaq Composite Index	7.13	15.00	9.78	5.86	8.99	10.93	9.51(e)

(a) *Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.*

(b) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, adjustments for rights offerings, spin-offs, and taxes paid on undistributed long

term capital gains and are net of expenses. Since inception return is based on an initial NAV of \$9.34.

- (c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings, spin-offs, and taxes paid on undistributed long term capital gains. Since inception return is based on an initial offering price of \$10.00.
- (d) From August 31, 1986, the date closest to the Fund's inception for which data is available.
- (e) From September 30, 1986, the date closest to the Fund's inception for which data is available.

Table of Contents**Summary of Portfolio Holdings (Unaudited)**

The following table presents portfolio holdings as a percent of total investments as of December 31, 2015:

The Gabelli Equity Trust Inc.

Food and Beverage	11.9%
Financial Services	8.7%
Entertainment	6.6%
Cable and Satellite	6.4%
Equipment and Supplies	5.4%
Health Care	5.1%
Diversified Industrial	5.0%
Consumer Products	4.5%
Automotive: Parts and Accessories	4.5%
Telecommunications	4.0%
Consumer Services	3.9%
Energy and Utilities	3.8%
Retail	3.6%
Business Services	3.2%
Specialty Chemicals	2.3%
Broadcasting	2.2%
Aerospace and Defense	2.1%
Machinery	2.1%
Hotels and Gaming	1.7%
Wireless Communications	1.4%
Aviation: Parts and Services	1.4%
Electronics	1.4%
Publishing	1.3%
Environmental Services	1.3%
U.S. Government Obligations	1.1%
Telecommunication Services	0.8%
Computer Software and Services	0.7%
Agriculture	0.6%
Automotive	0.6%
Communications Equipment	0.5%
Real Estate	0.5%
Metals and Mining	0.4%
Transportation	0.4%
Building and Construction	0.3%
Closed-End Funds	0.2%
Manufactured Housing and Recreational Vehicles	0.1%
Real Estate Investment Trusts	0.0%*
	100.0%

* Amount represents less than 0.05%.

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

Proxy Voting

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

Table of Contents**The Gabelli Equity Trust Inc.****Portfolio Changes Quarter Ended December 31, 2015 (Unaudited)**

	Shares	Ownership at December 31, 2015
NET PURCHASES		
Common Stocks		
Advance Auto Parts Inc.	5,000	5,000
Alere Inc.	80,000	117,450
Alphabet Inc., Cl. C	1,002	1,002
Ascent Capital Group Inc., Cl. A	2,550	18,550
Avon Products Inc.	50,000	150,000
Barnes & Noble Inc.	175,000	175,000
BBA Aviation plc(a)	739,938	1,356,553
Bel Fuse Inc., Cl. A	1,510	20,610
Cempra Inc.	15,409	33,509
Chemtura Corp.	7,500	70,000
Comcast Corp., Cl. A	90,000	90,000
Corning Inc.	20,000	450,000
CST Brands Inc.	10,000	98,500
DigitalGlobe Inc.	8,000	32,000
EchoStar Corp., Cl. A	10,860	50,300
Edgewell Personal Care Co.	29,500	177,500
Energizer Holdings Inc.	10,000	153,000
Fortinet Inc.	25,000	25,000
Gogo Inc.	70,000	70,000
Hertz Global Holdings Inc.	110,000	185,000
Kellogg Co.	10,000	22,800
Kennametal Inc.	12,000	20,000
Methanex Corp.	65,000	85,000
MSG Networks Inc., Cl. A(b)	297,400	297,400
National Fuel Gas Co.	1,000	19,000
Navistar International Corp.	20,000	242,874
Patterson Companies Inc.	20,000	20,000
Rolls-Royce Holdings plc(c)	48,000	1,209,000
Rolls-Royce Holdings plc, Cl. C(c)	107,624,700	107,624,700
Telefonica SA, ADR	17,021	595,736
Telesites SAB	105,000	105,000
The Madison Square Garden Co, Cl. A(b)	101,133	101,133
The PNC Financial Services Group Inc.	10,000	10,000
TimkenSteel Corp.	9,000	60,000
United Natural Foods Inc.	45,000	55,000

NET SALES**Common Stocks**

AMC Networks Inc., Cl. A	(6,500)	258,600
American International Group Inc.	(11,500)	38,500
AMETEK Inc.	(5,000)	445,000
AT&T Inc.	(102,340)	379,114
Becton, Dickinson and Co.	(2,500)	10,000
Biogen Inc.	(6,785)	12,415
Blyth Inc.	(199,000)	
Cablevision Systems Corp., Cl. A	(35,000)	1,065,000
Canadian Solar Inc.	(20,000)	
Check Point Software Technologies Ltd.	(1,000)	6,000
Church & Dwight Co. Inc.	(1,000)	19,000
CMS Energy Corp.	(2,000)	16,000
Comcast Corp., Cl. A, Special	(91,400)	
CONSOL Energy Inc.	(10,000)	40,000
Constellation Brands Inc., Cl. A	(600)	30,000
Costco Wholesale Corp.	(1,000)	39,000
Crane Co.	(20,000)	175,100
Deere & Co.	(12,000)	283,000
Diageo plc, ADR	(9,000)	188,000
Discovery Communications Inc., Cl. A	(25,000)	91,600
DISH Network Corp., Cl. A	(29,000)	49,900
		Ownership at December 31, 2015
	Shares	
Donaldson Co. Inc.	(9,000)	358,800
El Paso Electric Co.	(10,000)	207,500
Electronic Arts Inc.	(2,000)	
Endo International plc	(11,500)	
Eversource Energy	(5,000)	25,000
Flowserve Corp.	(19,319)	243,181
Fortune Brands Home & Security Inc.	(6,000)	80,000
Freeport-McMoRan Inc.	(4,000)	36,000
Genuine Parts Co.	(1,600)	243,400
Google Inc., Cl. C	(1,002)	
Graham Holdings Co., Cl. B	(300)	1,500
Grupo Televisa SAB, ADR	(4,000)	588,500
H&R Block Inc.	(13,000)	27,400
Hanesbrands Inc.	(5,000)	95,000
Henry Schein Inc.	(800)	28,000
Honeywell International Inc.	(15,000)	338,000
IDEX Corp.	(9,000)	259,000
Ingredion Inc.	(4,000)	12,000
Integrated Device Technology Inc.	(19,500)	55,500
Intel Corp.	(6,000)	54,000
Jarden Corp.	(9,000)	
Ladbrokes plc	(100,000)	679,400
Macy's Inc.	(5,000)	336,000
MasterCard Inc., Cl. A	(4,000)	318,000

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Medtronic plc	(4,200)	27,800
Modine Manufacturing Co.	(8,000)	180,000
NextEra Energy Inc.	(2,000)	16,000
O Reilly Automotive Inc.	(5,500)	83,500
PepsiCo Inc.	(15,000)	198,000
Post Holdings Inc.	(2,500)	38,500
Precision Castparts Corp.	(70,000)	8,000
Rockwell Automation Inc.	(1,000)	20,900
Rogers Communications Inc., New York, Cl. B	(10,000)	471,890
Rollins Inc.	(57,500)	1,738,000
Sensient Technologies Corp.	(2,800)	189,800
T. Rowe Price Group Inc.	(7,500)	120,900
TE Connectivity Ltd.	(1,600)	41,000
Texas Instruments Inc.	(5,000)	240,000
The ADT Corp.	(15,000)	110,000
The Boeing Co.	(23,000)	70,000
The Chemours Co.	(2,000)	2,000
The Madison Square Garden Co., Cl. A(b)	(303,400)	
Time Warner Cable Inc.	(2,000)	63,000
Twenty-First Century Fox Inc., Cl. A	(10,000)	571,200
Vivendi SA	(21,666)	325,000
Wells Fargo & Co.	(35,000)	235,000
Xylem Inc.	(25,000)	286,000

- (a) Rights Issuance - 6 shares of BBA Aviation plc, rights (BYNFF26) for every 5 shares of BBA Aviation plc (B1FP891) held. 739,938 shares of BBA Aviation plc, rights (BYNFF26) were exercised after rights issuance. 1 new share of BBA Aviation plc (B1FP891) was fully paid for every 1 share of BBA Aviation plc, rights (BYNFF26) exercised.
- (b) Spin off and name change - 1 share of The Madison Square Garden Co., Cl. A (55825T103) for every 3 shares of The Madison Square Garden Co., Cl. A (55826P100) held. The Madison Square Garden Co., Cl. A (55826P100) changed its name to MSG Networks Inc., Cl. A (553573106). 6,000 shares of MSG Networks Inc., Cl. A were sold after name change.
- (c) Stock dividend - 92.7 shares of Rolls-Royce Holdings plc, Cl. C for every 1 share of Rolls-Royce Holdings plc held. 48,000 shares of Rolls-Royce Holdings plc were purchased after stock dividend.

See accompanying notes to financial statements.

Table of Contents**The Gabelli Equity Trust Inc.****Schedule of Investments December 31, 2015**

Shares		Cost	Market Value
COMMON STOCKS 98.6%			
Food and Beverage 11.9%			
3,000	Ajinomoto Co. Inc.	\$ 52,866	\$ 71,871
50,000	Boulder Brands Inc.	419,270	549,000
53,541	Brown-Forman Corp., Cl. A	1,853,123	5,895,399
17,975	Brown-Forman Corp., Cl. B	1,036,424	1,784,558
63,800	Campbell Soup Co.	1,781,130	3,352,690
65,000	Chr. Hansen Holding A/S	2,725,303	4,086,163
15,000	Coca-Cola Enterprises Inc.	275,290	738,600
100,000	ConAgra Foods Inc.	3,489,586	4,216,000
30,000	Constellation Brands Inc., Cl. A	376,266	4,273,200
18,000	Crimson Wine Group Ltd.	91,848	158,400
201,500	Danone SA	9,779,634	13,638,154
652,800	Davide Campari-Milano SpA	3,566,380	5,675,473
188,000	Diageo plc, ADR	11,808,561	20,505,160
89,800	Dr Pepper Snapple Group Inc.	2,874,367	8,369,360
80,000	Flowers Foods Inc.	263,976	1,719,200
76,200	Fomento Economico Mexicano SAB de CV, ADR	1,680,884	7,037,070
50,000	General Mills Inc.	1,563,162	2,883,000
1,848,400	Grupo Bimbo SAB de CV, Cl. A	2,624,248	4,908,832
41,300	Heineken NV	1,962,995	3,535,435
12,000	Ingredion Inc.	177,840	1,150,080
105,000	ITO EN Ltd.	2,422,898	2,725,571
22,800	Kellogg Co.	1,142,751	1,647,756
64,000	Kerry Group plc, Cl. A	735,609	5,344,404
10,600	LVMH Moet Hennessy Louis Vuitton SE	365,943	1,669,192
45,000	Maple Leaf Foods Inc.	828,035	772,711
287,000	Mondelēz International Inc., Cl. A	8,756,441	12,869,080
70,000	Morinaga Milk Industry Co. Ltd.	299,202	321,478
42,900	Nestlé SA	1,832,393	3,193,086
198,000	PepsiCo Inc.	12,495,858	19,784,160
39,200	Pernod Ricard SA	3,228,300	4,481,607
38,500	Post Holdings Inc.	942,372	2,375,450
43,000	Remy Cointreau SA	2,567,361	3,084,680
55,333	The Kraft Heinz Co.	2,028,347	4,026,029

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117,600	The Coca-Cola Co.	3,597,844	5,052,096
32,000	The Hain Celestial Group Inc.	214,736	1,292,480
3,000	The J.M. Smucker Co.	149,101	370,020
42,000	The WhiteWave Foods Co.	696,348	1,634,220
125,186	Tootsie Roll Industries Inc.	1,771,739	3,954,626
50,000	Tyson Foods Inc., Cl. A	421,291	2,666,500
341,000	Yakult Honsha Co. Ltd.	9,700,538	16,908,856
		102,600,260	188,721,647

Financial Services 8.7%

416,000	American Express Co.	27,431,146	28,932,800
38,500	American International Group Inc.	2,088,093	2,385,845
13,200	Argo Group International Holdings Ltd.	389,834	789,888
72,000	Banco Santander SA, ADR	545,542	350,640
123	Berkshire Hathaway Inc., Cl. A	560,399	24,329,400

Market

Shares		Cost	Value
10,000	Calamos Asset Management Inc., Cl. A	\$ 88,164	\$ 96,800
18,800	CIT Group Inc.	776,644	746,360
88,000	Citigroup Inc.	3,161,659	4,554,000
16,000	Cullen/Frost Bankers Inc.	1,212,267	960,000
12,777	Deutsche Bank AG	542,318	308,565
6,000	Financial Engines Inc.	224,960	202,020
50,000	Fortress Investment Group LLC, Cl. A	296,068	254,500
27,400	H&R Block Inc.	580,912	912,694
20,000	Hennessy Capital Acquisition Corp. II	200,000	196,000
40,000	Interactive Brokers Group Inc., Cl. A	643,310	1,744,000
340,100	Janus Capital Group Inc.	3,838,574	4,792,009
56,800	JPMorgan Chase & Co.	1,944,615	3,750,504
32,400	Kinnevik Investment AB, Cl. A	531,784	1,011,366
125,000	Legg Mason Inc.	3,312,972	4,903,750
95,900	Leucadia National Corp.	1,340,120	1,667,701
14,000	Loews Corp.	558,454	537,600
125,000	Marsh & McLennan Companies Inc.	3,772,923	6,931,250
9,000	Moody's Corp.	312,150	903,060
22,000	Och-Ziff Capital Management Group LLC, Cl. A	206,639	137,060
20,000	PayPal Holdings Inc.	651,955	724,000
50,000	Quinpario Acquisition Corp. 2	500,000	490,000
124,100	State Street Corp.	4,346,707	8,235,276
17,000	SunTrust Banks Inc.	358,050	728,280
120,900	T. Rowe Price Group Inc.	3,871,890	8,643,141
210,500	The Bank of New York Mellon Corp.	6,707,443	8,676,810
20,000	The Charles Schwab Corp.	292,250	658,600
12,300	The Dun & Bradstreet Corp.	292,691	1,278,339
10,000	The PNC Financial Services Group Inc.	956,448	953,100
13,000	W. R. Berkley Corp.	476,775	711,750
57,000	Waddell & Reed Financial Inc., Cl. A	2,152,241	1,633,620
235,000	Wells Fargo & Co.	6,995,954	12,774,600

82,161,951 136,905,328

Entertainment 6.6%			
91,600	Discovery Communications Inc., Cl. A	2,528,113	2,443,888
244,800	Discovery Communications Inc., Cl. C	2,766,202	6,173,856
588,500	Grupo Televisa SAB, ADR	8,585,390	16,013,085
143,123	Media General Inc.	1,369,940	2,311,436
71,700	Starz, Cl. A	311,175	2,401,950
101,133	The Madison Square Garden Co, Cl. A	4,390,920	16,363,373
186,800	Time Warner Inc.	8,054,928	12,080,356
40,000	Tokyo Broadcasting System Holdings Inc.	796,181	642,290
571,200	Twenty-First Century Fox Inc., Cl. A	5,964,904	15,513,792
367,000	Twenty-First Century Fox Inc., Cl. B	7,939,416	9,993,410
70,000	Universal Entertainment Corp.	1,103,319	1,287,075

See accompanying notes to financial statements.

Table of Contents**The Gabelli Equity Trust Inc.****Schedule of Investments (Continued) December 31, 2015**

Shares		Cost	Market Value
COMMON STOCKS (Continued)			
Entertainment (Continued)			
275,500	Viacom Inc., Cl. A	\$ 13,035,317	\$ 12,119,245
325,000	Vivendi SA	8,069,067	7,014,465
		64,914,872	104,358,221
Cable and Satellite 6.4%			
258,600	AMC Networks Inc., Cl. A	12,184,768	19,312,248
2,100	Cable One Inc.	681,991	910,686
1,065,000	Cablevision Systems Corp., Cl. A	33,001,976	33,973,500
90,000	Comcast Corp., Cl. A	1,107,950	5,078,700
49,900	DISH Network Corp., Cl. A	1,292,492	2,853,282
50,300	EchoStar Corp., Cl. A	1,840,199	1,967,233
3,545	Liberty Global plc LiLAC, Cl. A	31,731	146,657
5,750	Liberty Global plc LiLAC, Cl. C	132,109	247,250
471,890	Rogers Communications Inc., New York, Cl. B	4,325,569	16,261,329
19,310	Rogers Communications Inc., Toronto, Cl. B	137,424	665,949
108,800	Scripps Networks Interactive Inc., Cl. A	3,513,944	6,006,848
120,000	Shaw Communications Inc., New York, Cl. B	354,632	2,062,800
40,000	Shaw Communications Inc., Toronto, Cl. B	52,983	688,010
63,000	Time Warner Cable Inc.	7,930,400	11,692,170
		66,588,168	101,866,662
Equipment and Supplies 5.4%			
445,000	AMETEK Inc.	7,155,088	23,847,550
7,000	Amphenol Corp., Cl. A	12,928	365,610
94,000	CIRCOR International Inc.	1,246,366	3,962,100
358,800	Donaldson Co. Inc.	3,584,382	10,283,208
243,181	Flowserve Corp.	4,249,333	10,233,056
37,400	Franklin Electric Co. Inc.	215,706	1,010,922
259,000	IDEX Corp.	7,890,868	19,841,990
49,000	Ingersoll-Rand plc	1,050,094	2,709,210
43,300	Mueller Industries Inc.	1,014,578	1,173,430
13,000	Sealed Air Corp.	208,280	579,800

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45,000	Tenaris SA, ADR	1,981,220	1,071,000
10,000	The Greenbrier Companies Inc.	198,206	326,200
4,000	The Manitowoc Co. Inc.	25,450	61,400
81,000	The Timken Co.	3,055,909	2,315,790
59,600	The Weir Group plc	250,790	878,628
125,000	Watts Water Technologies Inc., Cl. A	3,970,158	6,208,750
		36,109,356	84,868,644

Health Care 5.1%

6,000	Agilent Technologies Inc.	247,707	250,860
117,450	Alere Inc.	4,881,382	4,591,121
8,000	Allergan plc	1,312,353	2,500,000
34,000	Amgen Inc.	2,201,978	5,519,220
22,000	Baxalta Inc.	538,996	858,660
27,000	Baxter International Inc.	774,119	1,030,050
10,000	Becton, Dickinson and Co.	803,922	1,540,900
12,415	Biogen Inc. .	1,721,662	3,803,335

Market

Shares		Cost	Value
270,000	Boston Scientific Corp.	\$ 1,927,086	\$ 4,978,800
76,300	Bristol-Myers Squibb Co.	3,406,674	5,248,677
33,509	Cempra Inc.	720,707	1,043,135
15,000	DaVita HealthCare Partners Inc.	944,551	1,045,650
20,000	Express Scripts Holding Co.	1,359,191	1,748,200
28,000	Henry Schein Inc.	981,845	4,429,320
46,800	Indivior plc	28,408	129,569
37,000	Johnson & Johnson	2,400,670	3,800,640
5,000	Laboratory Corp. of America Holdings	600,358	618,200
25,000	Mead Johnson Nutrition Co.	1,123,205	1,973,750
27,800	Medtronic plc	2,085,556	2,138,376
95,200	Merck & Co. Inc.	2,219,590	5,028,464
11,000	Mylan NV	739,037	594,770
88,200	Novartis AG, ADR	3,993,309	7,588,728
20,000	Patterson Companies Inc.	884,908	904,200
15,000	Teva Pharmaceutical Industries Ltd., ADR	581,414	984,600
87,000	UnitedHealth Group Inc.	4,489,729	10,234,680
4,000	Waters Corp.	285,470	538,320
54,500	William Demant Holding A/S	2,483,169	5,214,134
8,600	Zimmer Biomet Holdings Inc.	435,897	882,274
35,000	Zoetis Inc.	1,122,327	1,677,200
		45,295,220	80,895,833

Diversified Industrial 4.8%

500	Acuity Brands Inc.	12,751	116,900
160,000	Ampco-Pittsburgh Corp.	2,128,534	1,641,600
175,100	Crane Co.	4,573,755	8,376,784
149,000	General Electric Co.	3,595,665	4,641,350

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138,300	Greif Inc., Cl. A	1,499,216	4,261,023
12,800	Greif Inc., Cl. B	637,917	547,456
32,000	Griffon Corp.	298,790	569,600
338,000	Honeywell International Inc.	15,956,823	35,006,660
122,000	ITT Corp.	1,468,866	4,431,040
11,000	Jardine Strategic Holdings Ltd.	222,951	300,630
20,000	Kennametal Inc.	530,164	384,000
50,000	Myers Industries Inc.	818,952	666,000
86,000	Park-Ohio Holdings Corp.	897,680	3,163,080
9,666	Rayonier Advanced Materials Inc.	160,768	94,630
30,000	Rexnord Corp.	630,867	543,600
15,000	Sulzer AG	739,785	1,412,989
100,000	Toray Industries Inc.	771,663	940,139
12,000	Tredegar Corp.	171,530	163,440
46,000	Trinity Industries Inc.	619,878	1,104,920
217,000	Tyco International plc	5,493,446	6,920,130
		41,230,001	75,285,971
Consumer Products 4.5%			
150,000	Avon Products Inc.	1,536,978	607,500
15,300	Christian Dior SE	579,339	2,606,339
19,000	Church & Dwight Co. Inc.	63,039	1,612,720
105,000	Coty Inc., Cl. A	1,848,810	2,691,150
5,000	Crocs Inc.	73,888	51,200
177,500	Edgewell Personal Care Co.	12,416,890	13,910,675
153,000	Energizer Holdings Inc.	3,700,591	5,211,180
2,100	Givaudan SA	725,396	3,822,185
95,000	Hanesbrands Inc.	834,707	2,795,850

See accompanying notes to financial statements.

Table of Contents**The Gabelli Equity Trust Inc.****Schedule of Investments (Continued) December 31, 2015**

Shares		Cost	Market Value
COMMON STOCKS (Continued)			
Consumer Products (Continued)			
23,800	Harley-Davidson Inc.	\$ 1,105,662	\$ 1,080,282
1,270	Hermes International	444,999	430,271
5,000	Mattel Inc.	76,720	135,850
11,000	National Presto Industries Inc.	529,994	911,460
10,000	Oil-Dri Corp. of America	171,255	368,300
46,800	Reckitt Benckiser Group plc	1,391,995	4,333,448
30,000	Svenska Cellulosa AB, Cl. B	404,760	876,034
823,800	Swedish Match AB	9,761,453	29,296,479
2,800	The Estee Lauder Companies Inc., Cl. A	131,792	246,568
		35,798,268	70,987,491
Automotive: Parts and Accessories 4.5%			
107,600	BorgWarner Inc.	4,288,790	4,651,548
109,900	CLARCOR Inc.	1,559,283	5,459,832
244,100	Dana Holding Corp.	2,118,851	3,368,580
243,400	Genuine Parts Co.	10,618,755	20,905,626
160,600	Johnson Controls Inc.	3,803,198	6,342,094
180,000	Modine Manufacturing Co.	3,811,513	1,629,000
83,500	O Reilly Automotive Inc.	9,276,267	21,160,570
115,000	Standard Motor Products Inc.	1,247,021	4,375,750
73,000	Superior Industries International Inc.	1,462,789	1,344,660
14,000	Visteon Corp.	1,372,450	1,603,000
		39,558,917	70,840,660
Telecommunications 3.9%			
379,114	AT&T Inc.	12,973,281	13,045,313
55,400	BCE Inc.	1,226,373	2,139,548
954,200	BT Group plc, Cl. A	3,945,717	6,635,357
750,000	Cincinnati Bell Inc.	3,613,473	2,700,000
100,000	Deutsche Telekom AG, ADR	1,656,300	1,788,000
70,000	Gogo Inc.	1,074,271	1,246,000
25,002	Harris Corp.	1,983,730	2,172,630

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36,000	Hellenic Telecommunications Organization SA	452,922	361,498
15,000	Hellenic Telecommunications Organization SA, ADR	91,062	71,250
264,732	Koninklijke KPN NV	448,166	1,004,645
7,040,836	LIME	128,658	76,292
22,000	Oi SA, ADR	1,739,813	10,197
31,053	Sprint Corp.	176,071	112,412
21,000	Telecom Argentina SA, ADR	127,554	337,470
575,000	Telecom Italia SpA	2,238,769	734,239
70,000	Telefonica Brasil SA, ADR	726,827	632,100
595,736	Telefonica SA, ADR	8,915,134	6,588,840
570,300	Telephone & Data Systems Inc.	23,927,921	14,765,067
105,000	Telesites SAB	79,714	68,479
25,000	TELUS Corp.	233,734	691,263
125,000	Verizon Communications Inc.	5,239,043	5,777,500
40,027	Vodafone Group plc, ADR	1,849,397	1,291,271

72,847,930 62,249,371

Market

Shares		Cost	Value
	Consumer Services 3.9%		
20,000	eBay Inc.	\$ 416,823	\$ 549,600
43,000	IAC/InterActiveCorp.	1,098,767	2,582,150
205,000	Liberty Interactive Corp. QVC Group, Cl. A	3,282,467	5,600,600
21,000	Liberty TripAdvisor Holdings Inc., Cl. A	247,059	637,140
58,330	Liberty Ventures, Cl. A	962,379	2,631,266
1,738,000	Rollins Inc.	12,297,083	45,014,200
110,000	The ADT Corp.	4,239,209	3,627,800
5,500	TripAdvisor Inc.	194,460	468,875
		22,738,247	61,111,631

	Energy and Utilities 3.8%		
11,000	ABB Ltd., ADR	171,270	195,030
39,000	Anadarko Petroleum Corp.	2,262,604	1,894,620
59,000	Apache Corp.	2,771,519	2,623,730
80,000	BP plc, ADR	3,952,168	2,500,800
30,000	Cleco Corp.	1,603,080	1,566,300
16,000	CMS Energy Corp.	102,219	577,280
185,100	ConocoPhillips	8,559,949	8,642,319
40,000	CONSOL Energy Inc.	1,457,102	316,000
207,500	El Paso Electric Co.	5,785,311	7,988,750
25,000	Eversource Energy	587,334	1,276,750
58,600	Exxon Mobil Corp.	2,043,648	4,567,870
140,000	GenOn Energy Inc., Escrow	0	0
196,400	Halliburton Co.	3,831,496	6,685,456
4,000	Marathon Oil Corp.	111,366	50,360
8,000	Marathon Petroleum Corp.	142,402	414,720
20,000	Murphy USA Inc.	886,754	1,214,800

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19,000	National Fuel Gas Co.	1,315,725	812,250
16,000	NextEra Energy Inc.	975,275	1,662,240
1,000	Niko Resources Ltd., OTC	54,403	41
3,000	Niko Resources Ltd., Toronto	923	141
32,400	Oceaneering International Inc.	437,629	1,215,648
15,100	Phillips 66	1,113,603	1,235,180
140,000	Rowan Companies plc, Cl. A	5,221,015	2,373,000
28,000	RPC Inc.	363,509	334,600
5,000	SJW Corp.	68,704	148,250
17,000	Southwest Gas Corp.	389,070	937,720
108,900	Spectra Energy Corp.	2,721,643	2,607,066
101,000	The AES Corp.	947,543	966,570
35,000	Weatherford International plc	503,432	293,650
164,000	Westar Energy Inc.	3,002,615	6,955,240
		51,383,311	60,056,381
	Retail 3.6%		
5,000	Advance Auto Parts Inc.	759,888	752,550
73,300	AutoNation Inc.	1,047,416	4,373,078
175,000	Barnes & Noble Inc.	1,797,075	1,524,250
10,000	Bed Bath & Beyond Inc.	701,260	482,500
39,000	Costco Wholesale Corp.	2,028,794	6,298,500
98,500	CST Brands Inc.	3,318,283	3,855,290
117,800	CVS Health Corp.	7,425,711	11,517,306
185,000	Hertz Global Holdings Inc.	3,192,051	2,632,550
22,100	HSN Inc.	597,444	1,119,807

See accompanying notes to financial statements.

Table of Contents**The Gabelli Equity Trust Inc.****Schedule of Investments (Continued) December 31, 2015**

Shares		Cost	Market Value
COMMON STOCKS (Continued)			
Retail (Continued)			
50,000	J.C. Penney Co. Inc.	\$ 644,777	\$ 333,000
336,000	Macy's Inc.	6,619,761	11,753,280
30,000	Penske Automotive Group Inc.	1,279,948	1,270,200
33,300	Sally Beauty Holdings Inc.	264,056	928,737
17,000	The Cheesecake Factory Inc.	553,064	783,870
3,000	Tiffany & Co.	171,090	228,870
55,000	United Natural Foods Inc.	2,278,985	2,164,800
52,000	Walgreens Boots Alliance Inc.	1,540,167	4,428,060
33,200	Wal-Mart Stores Inc.	1,677,713	2,035,160
35,000	Whole Foods Market Inc.	423,349	1,172,500
		36,320,832	57,654,308
Business Services 3.2%			
14,334	Allegion plc	232,677	944,897
7,500	Aramark	194,037	241,875
18,550	Ascent Capital Group Inc., Cl. A	823,045	310,156
157,000	Clear Channel Outdoor Holdings Inc., Cl. A	1,092,453	877,630
33,000	Contax Participacoes SA	67,778	3,003
96,000	Diebold Inc.	3,425,314	2,888,640
32,000	DigitalGlobe Inc.	789,949	501,120
3,000	Edenred	38,786	56,892
170,400	G4S plc	0	566,468
17,300	Jardine Matheson Holdings Ltd.	565,935	843,029
88,000	Landauer Inc.	2,472,818	2,896,960
16,600	Macquarie Infrastructure Corp.	1,063,589	1,205,160
318,000	MasterCard Inc., Cl. A	8,229,826	30,960,480
309,200	The Interpublic Group of Companies Inc.	3,879,391	7,198,176
10,000	Vectrus Inc.	106,200	208,900
12,800	Visa Inc., Cl. A	140,800	992,640
		23,122,598	50,696,026

Specialty Chemicals 2.3%

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10,000	Ashland Inc.	979,500	1,027,000
70,000	Chemtura Corp.	1,868,486	1,908,900
20,000	E. I. du Pont de Nemours and Co.	854,362	1,332,000
420,000	Ferro Corp.	3,892,584	4,670,400
8,000	FMC Corp.	136,430	313,040
39,000	H.B. Fuller Co.	1,131,051	1,422,330
11,000	Huntsman Corp.	254,859	125,070
73,000	International Flavors & Fragrances Inc.	4,002,818	8,733,720
85,000	Methanex Corp.	2,984,692	2,805,850
250,000	OMNOVA Solutions Inc.	1,510,743	1,532,500
189,800	Sensient Technologies Corp.	4,825,924	11,923,236
6,000	SGL Carbon SE	141,557	84,343
2,000	The Chemours Co.	22,594	10,720
		22,605,600	35,889,109

Market

Shares		Cost	Value
	Broadcasting 2.2%		
253,300	CBS Corp., Cl. A, Voting	\$ 7,617,840	\$ 13,201,996
2,000	Cogeco Inc.	39,014	74,077
17,334	Corus Entertainment Inc., OTC, Cl. B	30,215	136,765
6,666	Corus Entertainment Inc., Toronto, Cl. B	12,406	52,029
16,000	Gray Television Inc.	14,422	260,800
19,250	Liberty Broadband Corp., Cl. A	608,060	994,263
62,047	Liberty Broadband Corp., Cl. C	1,953,620	3,217,757
89,000	Liberty Media Corp., Cl. A	1,858,571	3,493,250
171,000	Liberty Media Corp., Cl. C	5,210,812	6,511,680
297,400	MSG Networks Inc., Cl. A	1,689,946	6,185,920
85,200	Television Broadcasts Ltd.	339,712	351,242
		19,374,618	34,479,779

	Aerospace and Defense 2.1%		
275,000	Aerojet Rocketdyne Holdings Inc.	2,370,094	4,306,500
1,356,553	BBA Aviation plc	3,003,621	3,781,702
35,800	Kaman Corp.	881,634	1,460,998
17,500	Northrop Grumman Corp.	900,365	3,304,175
1,209,000	Rolls-Royce Holdings plc	9,301,551	10,248,330
107,624,700	Rolls-Royce Holdings plc, Cl. C	165,942	158,661
70,000	The Boeing Co.	7,980,581	10,121,300
		24,603,788	33,381,666