

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

GABELLI EQUITY TRUST INC
Form N-Q
November 29, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-04700

The Gabelli Equity Trust Inc.

(Exact name of registrant as specified in charter)

One Corporate Center
Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)

Bruce N. Alpert
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-422-3554

Date of fiscal year end: December 31

Date of reporting period: September 30, 2007

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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

ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

[LOGO]
THE GABELLI
EQUITY TRUST INC.

THE GABELLI EQUITY TRUST INC.

Third Quarter Report
September 30, 2007

TO OUR SHAREHOLDERS,

During the third quarter of 2007, The Gabelli Equity Trust's (the "Fund") total return was 2.05% on a net asset value ("NAV") basis while the Standard & Poor's ("S&P") 500 Index and the Dow Jones Industrial Average rose 2.33% and 4.18%, respectively. The Fund's NAV increased 26.97% for the past twelve months, outperforming the benchmark S&P 500 Index for this period, as well as all of the longer intervals shown in the comparative results table below. The Fund's market price on September 30, 2007 was \$9.53, which equates to a 1.35% discount to its NAV of \$9.66 at the end of the quarter. The Fund's market price, adjusted for distributions, declined (1.12)% during the third quarter and was up 24.21% for the twelve month period ended September 30, 2007.

Enclosed is the investment portfolio as of September 30, 2007.

COMPARATIVE RESULTS

AVERAGE ANNUAL RETURNS THROUGH SEPTEMBER 30, 2007 (a)

| | Quarter | 1 Year | 3 Year | 5 Year | 10 Year | 15 Year | 20 |
|------------------------------------|---------|--------|--------|--------|---------|---------|-------|
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| GABELLI EQUITY TRUST | | | | | | | |
| NAV TOTAL RETURN (b) | 2.05% | 26.97% | 21.51% | 23.72% | 11.05% | 12.75% | 1 |
| INVESTMENT TOTAL RETURN (c) | (1.12) | 24.21 | 17.72 | 18.10 | 11.08 | 12.61 | 1 |
| S&P 500 Index | 2.33 | 16.78 | 13.24 | 15.51 | 6.60 | 11.12 | 1 |
| Dow Jones Industrial Average | 4.18 | 21.62 | 13.90 | 15.45 | 7.89 | 12.55 | 1 |
| Nasdaq Composite Index | 3.77 | 19.62 | 12.51 | 18.18 | 4.83 | 10.76 | |

(a) RETURNS REPRESENT PAST PERFORMANCE AND DO NOT GUARANTEE FUTURE RESULTS. INVESTMENT RETURNS AND THE PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE. WHEN SHARES ARE SOLD, THEY MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA PRESENTED. VISIT WWW.GABELLI.COM FOR PERFORMANCE INFORMATION AS OF THE MOST RECENT MONTH END. PERFORMANCE RETURNS FOR PERIODS LESS THAN ONE YEAR ARE NOT ANNUALIZED. INVESTORS SHOULD CAREFULLY CONSIDER THE INVESTMENT OBJECTIVES, RISKS, CHARGES, AND EXPENSES OF THE FUND BEFORE INVESTING. THE DOW JONES INDUSTRIAL AVERAGE IS AN UNMANAGED INDEX OF 30 LARGE CAPITALIZATION STOCKS. THE S&P 500 AND THE NASDAQ COMPOSITE INDICES ARE UNMANAGED INDICATORS OF STOCK MARKET PERFORMANCE. DIVIDENDS ARE CONSIDERED REINVESTED EXCEPT FOR THE NASDAQ COMPOSITE INDEX. YOU CANNOT INVEST DIRECTLY IN AN INDEX.

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

- (b) TOTAL RETURNS AND AVERAGE ANNUAL RETURNS REFLECT CHANGES IN NAV PER SHARE, REINVESTMENT OF DISTRIBUTIONS AT NAV ON THE EX-DIVIDEND DATE, ADJUSTMENTS FOR RIGHTS OFFERINGS, SPIN-OFFS, AND TAXES PAID ON UNDISTRIBUTED LONG-TERM CAPITAL GAINS AND ARE NET OF EXPENSES. SINCE INCEPTION RETURN IS BASED ON AN INITIAL NAV OF \$9.34.
- (c) TOTAL RETURNS AND AVERAGE ANNUAL RETURNS REFLECT CHANGES IN CLOSING MARKET VALUES ON THE NEW YORK STOCK EXCHANGE, REINVESTMENT OF DISTRIBUTIONS, AND ADJUSTMENTS FOR RIGHTS OFFERINGS, SPIN-OFFS, AND TAXES PAID ON UNDISTRIBUTED LONG-TERM CAPITAL GAINS. SINCE INCEPTION RETURN IS BASED ON AN INITIAL OFFERING PRICE OF \$10.00.
- (d) FROM AUGUST 31, 1986, THE DATE CLOSEST TO THE FUND'S INCEPTION DATE FOR WHICH DATA IS AVAILABLE.

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

THE GABELLI EQUITY TRUST INC.
 PORTFOLIO CHANGES
 QUARTER ENDED SEPTEMBER 30, 2007 (UNAUDITED)

| | SHARES | OWNERSHIP AT SEPTEMBER 30, 2007 |
|--|---------|---------------------------------------|
| | ----- | ----- |
| NET PURCHASES | | |
| COMMON STOCKS | | |
| ABG Sundal Collier ASA | 62,000 | 62,000 |
| Advanced Medical Optics Inc. | 45,000 | 100,000 |
| Alcan Inc. | 70,000 | 70,000 |
| Alltel Corp. | 5,000 | 10,000 |
| Alpharma Inc., Cl. A | 1,000 | 7,000 |
| Alcoa Inc. | 2,000 | 22,000 |
| Anglo American plc (a) | 30,030 | 30,030 |
| Aquila Inc. | 400,000 | 800,000 |
| Argo Group International | | |
| Holdings Ltd. (b) | 19,452 | 19,452 |
| AXA Asia Pacific Holdings Ltd. | 158,600 | 158,600 |
| BCE Inc. | 5,000 | 255,000 |
| BERU AG | 1,000 | 1,000 |
| Boston Scientific Corp. | 150,000 | 150,000 |
| BP plc | 90,000 | 90,000 |
| China Mobile Ltd. | 65,000 | 65,000 |
| China Petroleum & Chemical Corp., | | |
| Cl. H | 770,000 | 770,000 |
| ChoicePoint Inc. | 20,000 | 20,000 |
| Citigroup Inc. | 10,000 | 310,000 |
| Clear Channel Outdoor Holdings Inc., | | |
| Cl. A | 1,300 | 101,300 |
| Constellation Brands Inc., Cl. A | 8,400 | 14,400 |

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

| | | |
|---|---------|---------|
| Covidien Ltd. (c) | 45,000 | 45,000 |
| Dade Behring Holdings Inc. | 195,000 | 200,000 |
| Discovery Holding Co., Cl. A | 49,000 | 269,000 |
| Dow Jones & Co. Inc. | 42,500 | 100,000 |
| Flowers Foods Inc. (d) | 35,000 | 105,000 |
| FMC Corp. (e) | 2,000 | 4,000 |
| Fortress Investment Group LLC, Cl. A | 2,000 | 5,000 |
| Guangzhou R&F Properties Co. Ltd., Cl. H | 140,000 | 140,000 |
| Home Inns & Hotels Management Inc., ADR | 15,000 | 20,000 |
| ITO EN Ltd., Preference (f) | 60,000 | 60,000 |
| Jarden Corp. | 2,000 | 2,000 |
| Jardine Matheson Holdings Ltd. | 12,000 | 57,000 |
| Johnson & Johnson | 20,000 | 20,000 |
| Legg Mason Inc. | 22,000 | 42,000 |
| Lenox Group Inc. | 3,000 | 45,000 |
| Macy's Inc. | 20,000 | 20,000 |
| Marsh & McLennan Companies Inc. | 10,000 | 265,000 |

| | SHARES | OWNERSHIP AT SEPTEMBER 30, 2007 |
|--|---------|---------------------------------------|
| | ----- | ----- |
| Meiji Seika Kaisha Ltd. | 10,000 | 10,000 |
| Morinaga Milk Industry Co. Ltd. | 10,000 | 70,000 |
| Nestle SA | 2,500 | 5,000 |
| Nissin Food Products Co. Ltd. | 100,000 | 300,000 |
| Petroleo Brasileiro SA, ADR (e) | 11,000 | 27,000 |
| Pinnacle Entertainment Inc. | 3,000 | 43,000 |
| Schroders plc | 25,000 | 25,000 |
| Shaw Communications Inc., Cl. B, New York (e) | 80,000 | 160,000 |
| Shaw Communications Inc., Cl. B, Toronto (e) | 20,000 | 40,000 |
| Standard Motor Products Inc. | 20,000 | 175,000 |
| Synthes Inc. | 1,000 | 12,500 |
| Tenaris SA, ADR | 20,000 | 70,000 |
| Tesco plc | 35,000 | 100,000 |
| The Bank Of New York Mellon Corp. (h) | 146,038 | 146,038 |
| The Blackstone Group LP | 1,900 | 2,000 |
| The DIRECTV Group Inc. | 140,000 | 150,000 |
| The Fairchild Corp., Cl. A | 10,000 | 220,000 |
| The Great Atlantic & Pacific Tea Co. Inc. | 30,000 | 30,000 |
| The Manitowoc Co. Inc. (e) | 2,000 | 4,000 |
| The New York Times Co., Cl. A | 5,000 | 55,000 |
| The Swatch Group AG | 30,000 | 37,500 |
| Tokyo Broadcasting System Inc. | 20,000 | 90,000 |
| TXU Corp. | 22,200 | 245,000 |
| Tyco Electronics Ltd. (c) | 62,000 | 62,000 |
| Tyco International Ltd. (c) | 98,900 | 160,000 |
| Whole Foods Market Inc. | 10,000 | 10,000 |
| Yahoo! Inc. | 5,000 | 165,000 |
| Yahoo! Japan Corp. | 2,000 | 2,000 |
| YAKULT HONSHA Co. Ltd. | 15,000 | 550,000 |
| NET SALES COMMON STOCKS | | |
| Acuity Brands Inc. | (2,000) | 20,000 |

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

| | | |
|--------------------------------|----------|--------|
| Altadis SA | (5,000) | 20,000 |
| Amano Corp. | (55,000) | -- |
| Ameriprise Financial Inc. | (55,000) | 10,000 |
| Anglo American plc (a) | (33,000) | -- |
| aQuantive Inc. (i) | (50,000) | -- |
| Argonaut Group Inc. (b) | (30,000) | -- |
| Bank of Ireland | (75,000) | -- |
| Barclays plc | (90,000) | -- |

See accompanying notes to schedule of investments.

2

THE GABELLI EQUITY TRUST INC.
 PORTFOLIO CHANGES (CONTINUED)
 QUARTER ENDED SEPTEMBER 30, 2007 (UNAUDITED)

| | SHARES | OWNERSHIP AT SEPTEMBER 30, 2007 |
|--|-----------|---------------------------------------|
| | ----- | ----- |
| NET SALES (CONTINUED) | | |
| COMMON STOCKS (CONTINUED) | | |
| Bayer AG | (2,000) | 24,000 |
| Berkshire Hathaway Inc. Cl. A | (2) | 246 |
| Biomet Inc. (j) | (100,000) | -- |
| Cablevision Systems Corp., Cl. A | (20,000) | 1,550,000 |
| Coca-Cola Hellenic Bottling Co. SA | (2,000) | 38,000 |
| Colgate-Palmolive Co. | (10,000) | -- |
| Comcast Corp., Cl. A | (10,000) | 65,000 |
| ConocoPhillips | (5,000) | 315,000 |
| Cooper Industries Ltd., Cl. A | (19,000) | 247,000 |
| Corn Products International Inc. | (5,000) | 55,000 |
| Dana Corp. | (40,000) | 230,000 |
| Deutsche Bank AG, Germany | (9,000) | -- |
| Deutsche Bank AG | (1,000) | 148,000 |
| Donaldson Co. Inc. | (5,100) | 194,900 |
| Duke Energy Corp. | (10,000) | 230,000 |
| El Paso Electric Co. | (5,000) | 280,000 |
| EMI Group plc (l) | (110,000) | -- |
| Florida East Coast Industries Inc. (k) | (92,000) | -- |
| Genuine Parts Co. | (5,000) | 340,000 |
| Greif Inc., Cl. A | (5,000) | 215,000 |
| H.J. Heinz Co. | (5,000) | 100,000 |
| Harmony Gold Mining Co. Ltd. | (20,000) | 52,500 |
| Hercules Inc. | (5,000) | 165,000 |
| Hilton Hotels Corp. | (525,000) | -- |
| ITT Corp. | (2,000) | 253,000 |
| Kellogg Co. | (3,000) | 102,000 |
| Ladbrokes plc | (50,000) | 1,294,116 |
| MasterCard Inc., Cl. A | (8,000) | 110,000 |
| Mellon Financial Corp. (h) | (80,000) | -- |
| MGM Mirage | (96,000) | 14,000 |
| News Corp., Cl. A | (10,000) | 1,570,000 |
| Next plc | (3,000) | 27,000 |
| Nortel Networks Corp. | (5,000) | 195,000 |
| Pactiv Corp. | (2,000) | 112,000 |
| Partners Group | (4,000) | -- |
| PepsiAmericas Inc. | (10,000) | 540,000 |

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

| | | |
|--|-----------|---------|
| Precision Castparts Corp. | (10,000) | 100,000 |
| PRIMEDIA Inc. (g) | (318,334) | 63,666 |
| Qwest Communications | | |
| International Inc. | (30,000) | 540,000 |
| Rinker Group Ltd., ADR (m) | (120,000) | -- |
| Rogers Communications Inc., Cl. B, New York | (15,000) | 565,690 |

| | SHARES | OWNERSHIP AT SEPTEMBER 30, 2007 |
|---|--------------|---------------------------------------|
| | ----- | ----- |
| Rollins Inc. | (10,000) | 760,000 |
| Rolls-Royce Group plc, Cl. B | (71,040,000) | -- |
| Sanofi-Aventis | (2,000) | 10,000 |
| Sasol Ltd. | (13,000) | -- |
| Skyline Corp. | (1,000) | 20,000 |
| Standard Chartered plc | (5,000) | 55,000 |
| Telephone & Data Systems Inc. | (4,000) | 254,000 |
| The Bank of New York Co. Inc. (h) | (70,000) | -- |
| The Home Depot Inc. | (10,000) | -- |
| The Lamson & Sessions Co. | (2,000) | 72,000 |
| The Midland Co. | (1,000) | 188,000 |
| The Walt Disney Co. | (5,000) | 75,000 |
| Thomas & Betts Corp. | (65,000) | 240,000 |
| TI Automotive Ltd. (n) | (27,000) | -- |
| Total SA | (8,500) | 24,128 |
| Tyco International Ltd. (c) | (300,000) | -- |
| UBS AG | (15,000) | 25,000 |
| Viacom Inc., Cl. A | (5,000) | 365,000 |
| Westpac Banking Corp. | (13,000) | 50,000 |

-
- (a) Merger - 0.91 share of Anglo American plc (B1XZS82) for every 1 share of Anglo American plc (0490151)
 - (b) Merger - 0.6484 share of Argo Group International Holdings for every 1 share of Argonaut Group Inc.
 - (c) Spin-off - 0.25 share of Covidien Ltd. (G2552X108) and 0.25 share of Tyco Electronics Ltd. (G9144P105) for every share of Tyco International Ltd. (902124106) and a reverse 1 for 4 stock split of Tyco International Ltd. (G9143X208)
 - (d) 3 for 2 stock split
 - (e) 2 for 1 stock split
 - (f) Spin-off - 0.3 share of Preferred share for every 1 Common share held.
 - (g) Reverse Split - 1:6 and cusip change
 - (h) Merger - 0.9434 share of The Bank of New York Mellon Corp. for every share of The Bank of New York Co. Inc. and 1 share of The Bank of New York Mellon Corp. for every 1 share of Mellon Financial Corp.
 - (i) Cash Merger - \$66.50 for every 1 share
 - (j) Tender Offer - \$46.00 for every 1 share held
 - (k) Cash Merger - \$62.50 for every 1 share

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

- (l) Tender Offer - 2.65 British Pounds for every 1 share held
- (m) Tender Offer - \$79.25 for every 1 share held
- (n) Tender Offer - \$0.0113467 for every 1 share

See accompanying notes to schedule of investments.

3

THE GABELLI EQUITY TRUST INC. SCHEDULE OF INVESTMENTS SEPTEMBER 30, 2007 (UNAUDITED)

| SHARES | MARKET VALUE |
|----------------------------|---|
| COMMON STOCKS -- 95.3% | |
| FOOD AND BEVERAGE -- 11.9% | |
| 85,000 | Ajinomoto Co. Inc. \$ 1,065,599 |
| 40,000 | Anheuser-Busch Companies Inc. 1,999,600 |
| 36,000 | ARIAKE JAPAN Co. Ltd. 741,218 |
| 24,000 | Brown-Forman Corp., Cl. A 1,872,000 |
| 110,000 | Cadbury Schweppes plc 1,276,087 |
| 183,400 | Cadbury Schweppes plc, ADR 8,531,768 |
| 72,000 | Campbell Soup Co. 2,664,000 |
| 32,000 | Cermaq ASA 593,554 |
| 40,000 | China Mengniu Dairy Co. Ltd. 174,174 |
| 20,000 | Coca-Cola Enterprises Inc. 484,400 |
| 38,000 | Coca-Cola Hellenic Bottling Co. SA 2,194,527 |
| 14,400 | Constellation Brands Inc., Cl. A+ 348,624 |
| 55,000 | Corn Products International Inc. 2,522,850 |
| 300,000 | Davide Campari-Milano SpA 3,080,038 |
| 60,000 | Del Monte Foods Co. 630,000 |
| 80,000 | Diageo plc 1,757,918 |
| 224,000 | Diageo plc, ADR 19,651,520 |
| 105,000 | Flowers Foods Inc. 2,289,000 |
| 99,000 | Fomento Economico Mexicano |
| | SAB de CV, ADR 3,702,600 |
| 180,000 | General Mills Inc. 10,441,800 |
| 380,000 | Groupe Danone 29,910,593 |
| 1,000,000 | Grupo Bimbo SAB de CV, Cl. A 5,577,194 |
| 100,000 | H.J. Heinz Co. 4,620,000 |
| 20,000 | Hain Celestial Group Inc.+ 642,600 |
| 10,000 | Heineken NV 656,219 |
| 200,000 | ITO EN Ltd. 4,875,288 |
| 60,000 | ITO EN Ltd., Preference+ 1,193,575 |
| 102,000 | Kellogg Co. 5,712,000 |
| 75,000 | Kerry Group plc, Cl. A 2,212,957 |
| 215,000 | Kraft Foods Inc., Cl. A 7,419,650 |
| 12,100 | LVMH Moet Hennessy |
| | Louis Vuitton SA 1,450,537 |
| 950,000 | Marine Harvest+ 1,208,811 |
| 10,000 | Meiji Seika Kaisha Ltd. 50,320 |
| 70,000 | Morinaga Milk Industry Co. Ltd. 280,329 |
| 5,000 | Nestle SA 2,246,081 |
| 300,000 | Nissin Food Products Co. Ltd. 10,708,223 |
| 540,000 | PepsiAmericas Inc. 17,517,600 |

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

| | | |
|---------|--|--------------|
| 350,000 | PepsiCo Inc. | 25,641,000 |
| 8,100 | Pernod-Ricard SA | 1,767,518 |
| 68,200 | Ralcorp Holdings Inc.+ | 3,806,924 |
| 26,000 | Remy Cointreau SA | 1,883,386 |
| 300,000 | Sara Lee Corp. | 5,007,000 |
| 100,000 | Tesco plc | 898,703 |
| 200,000 | The Coca-Cola Co. | 11,494,000 |
| 45,000 | The Hershey Co. | 2,088,450 |
| 2,000 | The J.M. Smucker Co. | 106,840 |
| | | |
| | | MARKET |
| SHARES | | VALUE |
| ----- | | ----- |
| 118,820 | Tootsie Roll Industries Inc. | \$ 3,152,295 |
| 170,000 | Wm. Wrigley Jr. Co. | 10,919,100 |
| 42,500 | Wm. Wrigley Jr. Co., Cl. B | 2,703,425 |
| 550,000 | YAKULT HONSHA Co. Ltd. | 12,521,221 |
| | | ----- |
| | | 244,293,116 |
| | | ----- |
| | FINANCIAL SERVICES -- 9.4% | |
| 62,000 | ABG Sundal Collier ASA | 164,452 |
| 7,000 | Allianz SE | 1,635,486 |
| 575,000 | American Express Co. | 34,137,750 |
| 50,000 | American International Group Inc. | 3,382,500 |
| 10,000 | Ameriprise Financial Inc. | 631,100 |
| 19,452 | Argo Group International Holdings Ltd.+ | 846,357 |
| 95,000 | Aviva plc | 1,430,559 |
| 158,600 | AXA Asia Pacific Holdings Ltd. | 1,097,724 |
| 90,000 | Banco Santander SA, ADR | 1,737,900 |
| 246 | Berkshire Hathaway Inc., Cl. A+ | 29,153,460 |
| 7,500 | Calamos Asset Management Inc., Cl. A | 211,725 |
| 310,000 | Citigroup Inc. | 14,467,700 |
| 155,000 | Commerzbank AG, ADR | 6,275,749 |
| 148,000 | Deutsche Bank AG | 19,001,720 |
| 5,000 | Fortress Investment Group LLC, Cl. A | 106,600 |
| 20,000 | H&R Block Inc. | 423,600 |
| 25,000 | Interactive Brokers Group Inc., Cl. A+ | 656,500 |
| 180,000 | Janus Capital Group Inc. | 5,090,400 |
| 52,000 | JPMorgan Chase & Co. | 2,382,640 |
| 260,000 | Landesbank Berlin Holding AG | 2,509,946 |
| 42,000 | Legg Mason Inc. | 3,540,180 |
| 133,000 | Leucadia National Corp. | 6,413,260 |
| 265,000 | Marsh & McLennan Companies Inc. | 6,757,500 |
| 65,000 | Moody's Corp. | 3,276,000 |
| 30,000 | Nuveen Investments Inc., Cl. A | 1,858,200 |
| 2,500 | Prudential Financial Inc. | 243,950 |
| 25,000 | Schroders plc | 709,448 |
| 55,000 | Standard Chartered plc | 1,800,475 |
| 80,000 | State Street Corp. | 5,452,800 |
| 20,000 | SunTrust Banks Inc. | 1,513,400 |
| 150,000 | T. Rowe Price Group Inc. | 8,353,500 |
| 5,000 | The Allstate Corp. | 285,950 |
| 146,038 | The Bank of New York Mellon Corp. | 6,446,117 |
| 2,000 | The Blackstone Group LP+ | 50,160 |

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

| | | |
|---------|---------------------------------|------------|
| 44,500 | The Charles Schwab Corp. | 961,200 |
| 18,000 | The Dun & Bradstreet Corp. | 1,774,980 |
| 188,000 | The Midland Co. | 10,332,480 |

See accompanying notes to schedule of investments.

4

THE GABELLI EQUITY TRUST INC. SCHEDULE OF INVESTMENTS (CONTINUED) SEPTEMBER 30, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|--------------------------------|--|-----------------|
| COMMON STOCKS (CONTINUED) | | |
| FINANCIAL SERVICES (CONTINUED) | | |
| 135,000 | The Phoenix Companies Inc. | \$ 1,904,850 |
| 80,000 | The Shizuoka Bank Ltd. | 777,260 |
| 3,000 | The Travelers Companies Inc. | 151,020 |
| 25,000 | UBS AG | 1,344,213 |
| 150,000 | UniCredito Italiano SpA | 1,283,349 |
| 100,000 | Waddell & Reed Financial Inc., Cl. A | 2,703,000 |
| 50,000 | Westpac Banking Corp. | 1,264,475 |
| | | 194,541,635 |
| ENERGY AND UTILITIES -- 7.3% | | |
| 5,000 | AGL Resources Inc. | 198,100 |
| 70,000 | Allegheny Energy Inc.+ | 3,658,200 |
| 70,000 | Apache Corp. | 6,304,200 |
| 800,000 | Aquila Inc.+ | 3,208,000 |
| 90,000 | BP plc | 1,044,991 |
| 247,000 | BP plc, ADR | 17,129,450 |
| 105,000 | CH Energy Group Inc. | 5,019,000 |
| 770,000 | China Petroleum & Chemical Corp., Cl. H | 961,776 |
| 70,000 | CMS Energy Corp. | 1,177,400 |
| 315,000 | ConocoPhillips | 27,647,550 |
| 8,000 | Constellation Energy Group Inc. | 686,320 |
| 60,000 | DPL Inc. | 1,575,600 |
| 14,000 | DTE Energy Co. | 678,160 |
| 230,000 | Duke Energy Corp. | 4,298,700 |
| 270,000 | El Paso Corp. | 4,581,900 |
| 280,000 | El Paso Electric Co.+ | 6,476,400 |
| 50,000 | Energy East Corp. | 1,352,500 |
| 80,000 | Exxon Mobil Corp. | 7,404,800 |
| 20,000 | FPL Group Inc. | 1,217,600 |
| 210,000 | Halliburton Co. | 8,064,000 |
| 32,000 | Imperial Oil Ltd. | 1,585,764 |
| 20,000 | Marathon Oil Corp. | 1,140,400 |
| 10,000 | Mirant Corp.+ | 406,800 |
| 140,000 | Mirant Corp., Escrow+ (a) | 0 |
| 2,000 | Niko Resources Ltd., New York | 195,546 |
| 1,000 | Niko Resources Ltd., Toronto | 97,773 |
| 10,000 | NiSource Inc. | 191,400 |
| 240,000 | Northeast Utilities | 6,856,800 |
| 20,000 | Oceanering International Inc.+ | 1,516,000 |

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

| | | |
|--------------------------------|--|-----------------|
| 2,000 | PetroChina Co. Ltd., ADR | 370,220 |
| 27,000 | Petroleo Brasileiro SA, ADR | 2,038,500 |
| 100,000 | Progress Energy Inc., CVO+ (a) | 33,000 |
| 65,000 | Saipem SpA | 2,773,175 |
| 5,000 | SJW Corp. | 170,700 |
| 20,000 | Southwest Gas Corp. | 565,800 |
| 115,000 | Spectra Energy Corp. | 2,815,200 |
| 60,000 | The AES Corp.+ | 1,202,400 |
| | | |
| SHARES/ UNITS | | MARKET VALUE |
| ----- | | |
| 24,128 | Total SA | \$ 1,961,783 |
| 245,000 | TXU Corp. | 16,775,150 |
| 270,000 | Westar Energy Inc. | 6,631,200 |
| ----- | | |
| | | 150,012,258 |
| ----- | | |
| TELECOMMUNICATIONS -- 6.4% | | |
| 10,000 | Alltel Corp. | 696,800 |
| 255,000 | BCE Inc. | 10,212,750 |
| 16,000 | Bell Aliant Regional Communications Income Fund (a) (b) | 515,397 |
| 30,000 | Brasil Telecom Participacoes SA, ADR | 2,238,600 |
| 1,700,000 | BT Group plc | 10,678,043 |
| 4,440,836 | Cable & Wireless Jamaica Ltd.+ (c) | 49,276 |
| 850,000 | Cincinnati Bell Inc.+ | 4,199,000 |
| 90,000 | Citizens Communications Co. | 1,288,800 |
| 110,000 | Compania de Telecomunicaciones de Chile SA, ADR | 905,300 |
| 168,000 | Deutsche Telekom AG, ADR | 3,297,840 |
| 5,000 | France Telecom SA, ADR | 167,200 |
| 100,000 | Koninklijke KPN NV | 1,735,373 |
| 540,000 | Qwest Communications International Inc.+ | 4,946,400 |
| 550,000 | Sprint Nextel Corp. | 10,450,000 |
| 186,554 | Tele Norte Leste Participacoes SA, ADR | 4,190,003 |
| 60,000 | Tele2 AB, Cl. B | 1,296,535 |
| 48,000 | Telecom Argentina SA, ADR+ | 1,178,400 |
| 1,470,000 | Telecom Italia SpA | 4,470,013 |
| 230,000 | Telefonica SA, ADR | 19,269,400 |
| 62,000 | Telefonos de Mexico SAB de CV, Cl. L, ADR | 2,037,940 |
| 254,000 | Telephone & Data Systems Inc. | 16,954,500 |
| 368,000 | Telephone & Data Systems Inc., Special | 22,816,000 |
| 15,000 | TELUS Corp. | 867,139 |
| 180,000 | Verizon Communications Inc. | 7,970,400 |
| 5,169 | Windstream Corp. | 72,986 |
| ----- | | |
| | | 132,504,095 |
| ----- | | |
| DIVERSIFIED INDUSTRIAL -- 6.4% | | |
| 20,000 | Acuity Brands Inc. | 1,009,600 |
| 164,000 | Ampco-Pittsburgh Corp. | 6,458,320 |
| 155,000 | Baldor Electric Co. | 6,192,250 |
| 24,000 | Bayer AG | 1,910,308 |
| 25,000 | Bouygues SA | 2,156,383 |
| 247,000 | Cooper Industries Ltd., Cl. A | 12,619,230 |

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

| | | |
|---------|------------------|------------|
| 260,000 | Crane Co. | 12,472,200 |
| 77,500 | CRH plc | 3,077,721 |
| 400,000 | Enodis plc | 1,428,104 |

See accompanying notes to schedule of investments.

5

THE GABELLI EQUITY TRUST INC. SCHEDULE OF INVESTMENTS (CONTINUED) SEPTEMBER 30, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|------------------------------------|--|-----------------|
| COMMON STOCKS (CONTINUED) | | |
| DIVERSIFIED INDUSTRIAL (CONTINUED) | | |
| 150,000 | General Electric Co. | \$ 6,210,000 |
| 215,000 | Greif Inc., Cl. A | 13,046,200 |
| 18,000 | Greif Inc., Cl. B | 1,017,000 |
| 450,000 | Honeywell International Inc. | 26,761,500 |
| 253,000 | ITT Corp. | 17,186,290 |
| 101,000 | Park-Ohio Holdings Corp.+ | 2,620,950 |
| 1,000 | Pentair Inc. | 33,180 |
| 2,000 | Sulzer AG | 2,868,800 |
| 30,000 | Technip SA | 2,682,200 |
| 72,000 | The Lamson & Sessions Co.+ | 1,941,120 |
| 75,000 | Trinity Industries Inc. | 2,815,500 |
| 160,000 | Tyco International Ltd. | 7,094,400 |
| | | 131,601,256 |
| CABLE AND SATELLITE -- 5.3% | | |
| 1,550,000 | Cablevision Systems Corp., Cl. A+ | 54,157,000 |
| 65,000 | Comcast Corp., Cl. A+ | 1,571,700 |
| 127,500 | Comcast Corp., Cl. A, Special+ | 3,054,900 |
| 55,000 | EchoStar Communications Corp., Cl. A+ | 2,574,550 |
| 156,770 | Liberty Global Inc., Cl. A+ | 6,430,705 |
| 139,001 | Liberty Global Inc., Cl. C+ | 5,373,779 |
| 565,690 | Rogers Communications Inc., Cl. B, New York | 25,755,866 |
| 19,310 | Rogers Communications Inc., Cl. B, Toronto | 879,060 |
| 160,000 | Shaw Communications Inc., Cl. B, New York | 3,974,400 |
| 40,000 | Shaw Communications Inc., Cl. B, Toronto | 993,314 |
| 150,000 | The DIRECTV Group Inc.+ | 3,642,000 |
| | | 108,407,274 |
| HEALTH CARE -- 4.5% | | |
| 8,000 | Abbott Laboratories | 428,960 |
| 100,000 | Advanced Medical Optics Inc.+ | 3,059,000 |
| 14,046 | Allergan Inc. | 905,546 |
| 7,000 | Alpharma Inc., Cl. A | 149,520 |
| 52,000 | Amgen Inc.+ | 2,941,640 |

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

| | | |
|---------|---|--------------|
| 19,146 | AstraZeneca plc | 959,662 |
| 26,000 | Biogen Idec Inc.+ | 1,724,580 |
| 150,000 | Boston Scientific Corp.+ | 2,092,500 |
| 135,000 | Bristol-Myers Squibb Co. | 3,890,700 |
| 12,000 | Cochlear Ltd. | 830,135 |
| 45,000 | Covidien Ltd.+ | 1,867,500 |
| 200,000 | Dade Behring Holdings Inc. | 15,270,000 |
| 45,036 | GlaxoSmithKline plc | 1,195,100 |
| 4,000 | GlaxoSmithKline plc, ADR | 212,800 |
| | | |
| | | MARKET |
| SHARES | | VALUE |
| ----- | | ----- |
| 30,000 | Henry Schein Inc.+ | \$ 1,825,200 |
| 30,000 | Hospira Inc.+ | 1,243,500 |
| 40,000 | Invitrogen Corp.+ | 3,269,200 |
| 20,000 | Johnson & Johnson | 1,314,000 |
| 95,000 | Merck & Co. Inc. | 4,910,550 |
| 2,000 | Nobel Biocare Holding AG | 541,550 |
| 39,000 | Novartis AG | 2,152,244 |
| 105,000 | Novartis AG, ADR | 5,770,800 |
| 430,000 | Pfizer Inc. | 10,504,900 |
| 16,400 | Roche Holding AG | 2,973,623 |
| 10,000 | Sanofi-Aventis | 846,725 |
| 100,000 | Schering-Plough Corp. | 3,163,000 |
| 80,000 | Smith & Nephew plc | 977,985 |
| 50,000 | SSL International plc | 434,774 |
| 5,250 | Straumann Holding AG | 1,474,554 |
| 12,500 | Synthes Inc. | 1,398,969 |
| 19,000 | Takeda Pharmaceutical Co. Ltd. | 1,336,525 |
| 40,000 | UnitedHealth Group Inc. | 1,937,200 |
| 82,000 | William Demant Holding A/S+ | 7,246,504 |
| 100,000 | Wyeth | 4,455,000 |
| 3,500 | Zimmer Holdings Inc.+ | 283,465 |
| | | ----- |
| | | 93,587,911 |
| | | ----- |
| | CONSUMER PRODUCTS -- 4.4% | |
| 20,000 | Altadis SA | 1,407,121 |
| 84,000 | Avon Products Inc. | 3,152,520 |
| 42,000 | Christian Dior SA | 5,374,496 |
| 15,000 | Church & Dwight Co. Inc. | 705,600 |
| 32,000 | Clorox Co. | 1,951,680 |
| 69,000 | Compagnie Financiere Richemont SA, Cl. A | 4,572,343 |
| 114,000 | Energizer Holdings Inc.+ | 12,636,900 |
| 60,000 | Fortune Brands Inc. | 4,889,400 |
| 2,000 | Givaudan SA | 1,848,400 |
| 60,000 | Hanesbrands Inc.+ | 1,683,600 |
| 32,000 | Harley-Davidson Inc. | 1,478,720 |
| 2,000 | Jarden Corp.+ | 61,880 |
| 45,000 | Lenox Group Inc.+ | 216,000 |
| 15,000 | Matsushita Electric Industrial Co. Ltd., ADR | 278,250 |
| 15,000 | Mattel Inc. | 351,900 |
| 21,000 | National Presto Industries Inc. | 1,113,000 |
| 2,500 | Nintendo Co. Ltd. | 1,301,528 |
| 10,000 | Oil-Dri Corp. of America | 184,000 |
| 300,000 | Procter & Gamble Co. | 21,102,000 |
| 60,000 | Reckitt Benckiser plc | 3,525,657 |
| 30,000 | Svenska Cellulosa | |

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

| | | |
|-----------|---------------------------|------------|
| | Aktiebolaget, Cl. B | 559,814 |
| 1,000,000 | Swedish Match AB | 20,794,215 |
| 37,500 | The Swatch Group AG | 2,401,224 |
| | | 91,590,248 |
| | | 91,590,248 |

See accompanying notes to schedule of investments.

6

THE GABELLI EQUITY TRUST INC. SCHEDULE OF INVESTMENTS (CONTINUED) SEPTEMBER 30, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|-----------|--|-----------------|
| | | |
| | COMMON STOCKS (CONTINUED) | |
| | ENTERTAINMENT -- 4.3% | |
| 100,000 | Aruze Corp. | \$ 4,457,406 |
| 32,000 | Canal+ Groupe | 356,372 |
| 2,002 | Chestnut Hill Ventures+ (a) | 91,115 |
| 269,000 | Discovery Holding Co., Cl. A+ | 7,760,650 |
| 3,000 | DreamWorks Animation SKG Inc., Cl. A+ | 100,260 |
| 79,500 | EMI Group plc, ADR | 830,775 |
| 600,603 | Gemstar-TV Guide International Inc.+ | 4,180,197 |
| 615,000 | Grupo Televisa SA, ADR | 14,864,550 |
| 125 | Live Nation Inc.+ | 2,656 |
| 43,000 | Pinnacle Entertainment Inc.+ | 1,170,890 |
| 100,000 | Publishing and Broadcasting Ltd. | 1,748,081 |
| 1,150,000 | Rank Group plc | 3,805,805 |
| 12,000 | Regal Entertainment Group, Cl. A | 263,400 |
| 75,000 | Six Flags Inc.+ | 259,500 |
| 75,000 | The Walt Disney Co. | 2,579,250 |
| 810,000 | Time Warner Inc. | 14,871,600 |
| 90,000 | Tokyo Broadcasting System Inc. | 2,522,962 |
| 20,200 | Triple Crown Media Inc.+ | 124,634 |
| 365,000 | Viacom Inc., Cl. A+ | 14,216,750 |
| 333,900 | Vivendi | 14,093,228 |
| | | 88,300,081 |
| | PUBLISHING -- 3.8% | |
| 100,000 | Dow Jones & Co. Inc. | 5,970,000 |
| 9,000 | Idearc Inc. | 283,230 |
| 348,266 | Independent News & Media plc | 1,296,146 |
| 20,000 | McClatchy Co., Cl. A | 399,600 |
| 320,000 | Media General Inc., Cl. A | 8,803,200 |
| 122,000 | Meredith Corp. | 6,990,600 |
| 1,570,000 | News Corp., Cl. A | 34,524,300 |
| 20,000 | News Corp., Cl. B | 467,800 |
| 63,666 | PRIMEDIA Inc. | 893,871 |
| 261,319 | SCMP Group Ltd. | 87,399 |
| 66,585 | Seat Pagine Gialle SpA | 37,124 |
| 160,000 | The E.W. Scripps Co., Cl. A | 6,720,000 |

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

| | | |
|---------|---|-----------------|
| 182,000 | The McGraw-Hill Companies Inc. | 9,265,620 |
| 55,000 | The New York Times Co., Cl. A | 1,086,800 |
| 19,030 | Tribune Co. | 519,900 |
| | | 77,345,590 |
| | ----- | |
| | EQUIPMENT AND SUPPLIES -- 3.3% | |
| 265,000 | AMETEK Inc. | 11,453,300 |
| 4,000 | Amphenol Corp., Cl. A | 159,040 |
| 50,000 | Assa Abloy AB, Cl. B | 1,037,771 |
| 94,000 | CIRCOR International Inc. | 4,268,540 |
| 194,900 | Donaldson Co. Inc. | 8,139,024 |
| | | ----- |
| | | ----- |
| SHARES | | MARKET VALUE |
| ----- | | ----- |
| 60,000 | Fedders Corp.+ | \$ 2,760 |
| 110,000 | Flowserve Corp. | 8,379,800 |
| 23,000 | Franklin Electric Co. Inc. | 945,530 |
| 90,000 | Gerber Scientific Inc.+ | 976,500 |
| 75,000 | GrafTech International Ltd.+ | 1,338,000 |
| 315,000 | IDEX Corp. | 11,462,850 |
| 40,000 | Ingersoll-Rand Co. Ltd., Cl. A | 2,178,800 |
| 103,000 | Lufkin Industries Inc. | 5,667,060 |
| 11,000 | Mueller Industries Inc. | 397,540 |
| 2,000 | Sealed Air Corp. | 51,120 |
| 70,000 | Tenaris SA, ADR | 3,683,400 |
| 4,000 | The Manitowoc Co. Inc. | 177,120 |
| 100,000 | The Weir Group plc | 1,686,922 |
| 190,000 | Watts Water Technologies Inc., Cl. A | 5,833,000 |
| | | ----- |
| | | 67,838,077 |
| | | ----- |
| | AVIATION: PARTS AND SERVICES -- 3.0% | |
| 370,000 | Curtiss-Wright Corp. | 17,575,000 |
| 200,000 | GenCorp Inc.+ | 2,392,000 |
| 100,000 | Precision Castparts Corp. | 14,798,000 |
| 73,000 | Sequa Corp., Cl. A+ | 12,101,940 |
| 84,600 | Sequa Corp., Cl. B+ | 14,085,900 |
| 220,000 | The Fairchild Corp., Cl. A+ | 440,000 |
| | | ----- |
| | | 61,392,840 |
| | | ----- |
| | AUTOMOTIVE: PARTS AND ACCESSORIES -- 2.4% | |
| 1,000 | BERU AG | 104,094 |
| 43,000 | BorgWarner Inc. | 3,935,790 |
| 182,000 | CLARCOR Inc. | 6,226,220 |
| 230,000 | Dana Corp.+ | 44,850 |
| 82,500 | Earl Scheib Inc.+ | 309,375 |
| 340,000 | Genuine Parts Co. | 17,000,000 |
| 70,000 | Johnson Controls Inc. | 8,267,700 |
| 130,000 | Midas Inc.+ | 2,453,100 |
| 317,500 | Modine Manufacturing Co. | 8,451,850 |
| 180,000 | Proliance International Inc.+ | 379,800 |
| 175,000 | Standard Motor Products Inc. | 1,645,000 |
| 35,000 | Superior Industries International Inc. | 759,150 |
| | | ----- |
| | | 49,576,929 |
| | | ----- |
| | HOTELS AND GAMING -- 2.1% | |

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

| | | |
|-----------|---|------------|
| 1,200 | Accor SA | 106,535 |
| 190,000 | Gaylord Entertainment Co.+ | 10,111,800 |
| 70,000 | Harrah's Entertainment Inc. | 6,085,100 |
| 20,000 | Home Inns & Hotels Management Inc., ADR+ | 696,000 |
| 46,160 | InterContinental Hotels Group plc | 916,570 |
| 1,294,116 | Ladbrokes plc | 11,431,676 |
| 6,000 | Las Vegas Sands Corp.+ | 800,520 |

See accompanying notes to schedule of investments.

7

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|-----------|--|-----------------|
| ----- | | ----- |
| | COMMON STOCKS (CONTINUED) | |
| | HOTELS AND GAMING (CONTINUED) | |
| 3,761,000 | Mandarin Oriental International Ltd. | \$ 8,462,250 |
| 14,000 | MGM Mirage+ | 1,252,160 |
| 16,000 | Orient-Express Hotels Ltd., Cl. A | 820,320 |
| 34,000 | Starwood Hotels & Resorts Worldwide Inc. | 2,065,500 |
| | | ----- |
| | | 42,748,431 |
| | | ----- |
| | BROADCASTING -- 2.1% | |
| 95,000 | British Sky Broadcasting Group plc | 1,350,867 |
| 415,000 | CBS Corp., Cl. A | 13,076,650 |
| 6,143 | Citadel Broadcasting Corp. | 25,555 |
| 300,000 | Clear Channel Communications Inc. | 11,232,000 |
| 2,000 | Cogeco Inc. | 76,007 |
| 13,333 | Corus Entertainment Inc., Cl. B, New York | 633,051 |
| 3,333 | Corus Entertainment Inc., Cl. B, Toronto | 157,795 |
| 120,000 | Gray Television Inc. | 1,018,800 |
| 27,000 | Gray Television Inc., Cl. A | 231,930 |
| 77,000 | Liberty Media Corp. - Capital, Cl. A+ | 9,611,910 |
| 85,000 | Lin TV Corp., Cl. A+ | 1,105,850 |
| 120,000 | Mediaset SpA | 1,238,860 |
| 29,000 | Modern Times Group MTG AB, Cl. B | 1,872,100 |
| 100,000 | Television Broadcasts Ltd. | 600,732 |
| 110,000 | Young Broadcasting Inc., Cl. A+ | 242,000 |
| | | ----- |
| | | 42,474,107 |
| | | ----- |
| | MACHINERY -- 1.7% | |
| 20,000 | Caterpillar Inc. | 1,568,600 |
| 220,000 | Deere & Co. | 32,652,400 |
| 8,000 | SMC Corp. | 1,095,547 |
| | | ----- |
| | | 35,316,547 |

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

| | | |
|---------|---------------------------------|------------|
| 195,000 | Nortel Networks Corp.+ | 3,311,100 |
| 240,000 | Thomas & Betts Corp.+ | 14,073,600 |
| | | ----- |
| | | 31,022,900 |
| | | ----- |
| | METALS AND MINING -- 1.5% | |
| 70,000 | Alcan Inc. | 7,005,600 |
| 22,000 | Alcoa Inc. | 860,640 |
| 30,030 | Anglo American plc | 2,020,801 |
| 89,148 | Barrick Gold Corp. | 3,590,882 |
| 280,000 | Consolidated Minerals Ltd. | 1,219,930 |

See accompanying notes to schedule of investments.

8

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|---------|--|-----------------|
| ----- | | ----- |
| | COMMON STOCKS (CONTINUED) | |
| | METALS AND MINING (CONTINUED) | |
| 52,500 | Harmony Gold Mining Co. Ltd.+ | \$ 621,758 |
| 35,000 | Harmony Gold Mining Co. Ltd., ADR+ | 416,850 |
| 75,000 | Ivanhoe Mines Ltd.+ | 978,750 |
| 52,000 | New Hope Corp. Ltd. | 110,741 |
| 155,000 | Newmont Mining Corp. | 6,933,150 |
| 23,000 | Rio Tinto plc | 1,989,606 |
| 69,666 | Xstrata plc | 4,623,875 |
| | | ----- |
| | | 30,372,583 |
| | | ----- |
| | WIRELESS COMMUNICATIONS -- 1.2% | |
| 98,000 | America Movil SAB de CV, Cl. L, ADR | 6,272,000 |
| 65,000 | China Mobile Ltd. | 1,064,402 |
| 8,000 | Clearwire Corp., Cl. A+ | 195,520 |
| 2,000 | NTT DoCoMo Inc. | 2,855,526 |
| 3,340 | Tele Norte Celular Participacoes SA, ADR+ | 48,263 |
| 8,350 | Telemig Celular Participacoes SA, ADR | 489,310 |
| 32,165 | Tim Participacoes SA, ADR | 1,304,612 |
| 100,000 | United States Cellular Corp.+ | 9,820,000 |
| 270 | Vivo Participacoes SA+ | 2,192 |
| 174,122 | Vivo Participacoes SA, ADR | 863,645 |
| 5,845 | Vivo Participacoes SA, Preference | 28,412 |
| 70,000 | Vodafone Group plc, ADR | 2,541,000 |
| | | ----- |
| | | 25,484,882 |
| | | ----- |
| | ELECTRONICS -- 1.1% | |
| 5,000 | Advanced Micro Devices Inc.+ | 66,000 |
| 13,000 | Fanuc Ltd. | 1,325,295 |

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

| | | |
|---------|---|---------------|
| 5,000 | Hitachi Ltd., ADR | 330,700 |
| 180,000 | Intel Corp. | 4,654,800 |
| 4,920 | Keyence Corp. | 1,092,239 |
| 80,000 | LSI Corp.+ | 593,600 |
| 20,000 | Molex Inc., Cl. A | 507,200 |
| 7,500 | NEC Corp., ADR | 36,386 |
| 38,000 | Royal Philips Electronics NV | 1,707,720 |
| 265,000 | Texas Instruments Inc. | 9,696,350 |
| 62,000 | Tyco Electronics Ltd. | 2,196,660 |
| | | ----- |
| | | 22,206,950 |
| | | ----- |
| | ENVIRONMENTAL SERVICES -- 1.1% | |
| 97,500 | Republic Services Inc. | 3,189,225 |
| 500,000 | Waste Management Inc. | 18,870,000 |
| | | ----- |
| | | 22,059,225 |
| | | ----- |
| | | MARKET |
| | | VALUE |
| | | ----- |
| | SHARES | |
| | | ----- |
| | AGRICULTURE -- 1.0% | |
| 490,000 | Archer-Daniels-Midland Co. | \$ 16,209,200 |
| 30,000 | Monsanto Co. | 2,572,200 |
| 30,000 | The Mosaic Co.+ | 1,605,600 |
| | | ----- |
| | | 20,387,000 |
| | | ----- |
| | AUTOMOTIVE -- 0.7% | |
| 50,000 | General Motors Corp. | 1,835,000 |
| 125,000 | Navistar International Corp.+ | 7,712,500 |
| 64,500 | PACCAR Inc. | 5,498,625 |
| | | ----- |
| | | 15,046,125 |
| | | ----- |
| | RETAIL -- 0.7% | |
| 100,000 | AutoNation Inc.+ | 1,772,000 |
| 4,000 | AutoZone Inc.+ | 464,560 |
| 27,000 | Coldwater Creek Inc.+ | 293,220 |
| 40,000 | Costco Wholesale Corp. | 2,454,800 |
| 25,000 | CVS Caremark Corp. | 990,750 |
| 10,108 | Denny's Corp.+ | 40,432 |
| 21,500 | Hennes & Mauritz AB, Cl. B | 1,362,913 |
| 20,000 | Macy's Inc. | 646,400 |
| 27,000 | Next plc | 1,084,950 |
| 50,000 | Sally Beauty Holdings Inc.+ | 422,500 |
| 39,800 | Seven & I Holdings Co. Ltd. | 1,023,889 |
| 20,000 | SUPERVALU Inc. | 780,200 |
| 30,000 | The Great Atlantic & Pacific Tea Co. Inc.+ | 913,800 |
| 10,000 | Whole Foods Market Inc. | 489,600 |
| 73,000 | Woolworths Ltd. | 1,924,513 |
| | | ----- |
| | | 14,664,527 |
| | | ----- |
| | TRANSPORTATION -- 0.6% | |
| 100,000 | AMR Corp.+ | 2,229,000 |
| 70,000 | Asciano Group+ | 557,168 |
| 165,000 | GATX Corp. | 7,053,750 |
| 15,000 | Grupo TMM SA, Cl. A, ADR+ | 47,400 |

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

| | | |
|---------|--|------------|
| 50,000 | Laidlaw International Inc. | 1,761,000 |
| 70,000 | Toll Holdings Ltd. | 814,322 |
| | | ----- |
| | | 12,462,640 |
| | | ----- |
| | REAL ESTATE -- 0.4% | |
| 70,000 | Cheung Kong (Holdings) Ltd. | 1,154,383 |
| 55,500 | Griffin Land & Nurseries Inc.+ | 2,026,860 |
| 140,000 | Guangzhou R&F Properties Co. Ltd., Cl. H | 660,934 |
| 150,000 | The St. Joe Co. | 5,041,500 |
| | | ----- |
| | | 8,883,677 |
| | | ----- |

See accompanying notes to schedule of investments.

9

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2007 (UNAUDITED)

| SHARES | | MARKET VALUE |
|---------|---|-----------------|
| ----- | | ----- |
| | COMMON STOCKS (CONTINUED) | |
| | CLOSED-END FUNDS -- 0.4% | |
| 31,500 | Royce Value Trust Inc. | \$ 608,580 |
| 104,000 | The Central Europe and Russia Fund Inc. | 5,825,040 |
| 70,000 | The New Germany Fund Inc. | 1,230,600 |
| | | ----- |
| | | 7,664,220 |
| | | ----- |
| | COMPUTER SOFTWARE AND SERVICES -- 0.3% | |
| 10,000 | Check Point Software Technologies Ltd.+ | 251,800 |
| 24,100 | Square Enix Co. Ltd. | 797,284 |
| 25,256 | Telecom Italia Media SpA+ | 9,849 |
| 165,000 | Yahoo! Inc.+ | 4,428,600 |
| 2,000 | Yahoo! Japan Corp. | 757,411 |
| | | ----- |
| | | 6,244,944 |
| | | ----- |
| | PAPER AND FOREST PRODUCTS -- 0.2% | |
| 112,000 | Pactiv Corp.+ | 3,209,920 |
| | | ----- |
| | MANUFACTURED HOUSING AND RECREATIONAL VEHICLES -- 0.2% | |
| 70,000 | Champion Enterprises Inc.+ | 768,600 |
| 50,000 | Fleetwood Enterprises Inc.+ | 427,500 |
| 31,000 | Huttig Building Products Inc.+ | 166,780 |
| 7,000 | Martin Marietta Materials Inc. | 934,850 |
| 10,000 | Nobility Homes Inc. | 190,000 |
| 20,000 | Skyline Corp. | 601,600 |
| | | ----- |
| | | 3,089,330 |

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

| | | |
|---------------------|---|-----------------|
| | REAL ESTATE INVESTMENT TRUSTS -- 0.1% | |
| 2,000 | Camden Property Trust | 128,500 |
| 2,187 | Prosperity REIT | 464 |
| 24,984 | Rayonier Inc. | 1,200,232 |
| | | ----- |
| | | 1,329,196 |
| | | ----- |
| | TOTAL COMMON STOCKS | 1,960,793,977 |
| | | ----- |
| | CONVERTIBLE PREFERRED STOCKS -- 0.2% | |
| | AEROSPACE -- 0.1% | |
| 13,500 | Northrop Grumman Corp., 7.000% Cv. Pfd., Ser. B | 1,950,075 |
| | | ----- |
| | | MARKET VALUE |
| SHARES | | ----- |
| | TELECOMMUNICATIONS -- 0.1% | |
| 25,000 | Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B | \$ 1,137,250 |
| | | ----- |
| | TOTAL CONVERTIBLE PREFERRED STOCKS | 3,087,325 |
| | | ----- |
| PRINCIPAL AMOUNT | | ----- |
| | CONVERTIBLE CORPORATE BONDS -- 0.1% | |
| | AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.1% | |
| \$ 1,000,000 | Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09 | 957,500 |
| | | ----- |
| | AEROSPACE -- 0.0% | |
| 605,000 | Kaman Corp., Sub. Deb. Cv., 6.000%, 03/15/12 | 894,644 |
| | | ----- |
| | CONSUMER PRODUCTS -- 0.0% | |
| 1,000,000 | Pillowtex Corp., Sub. Deb. Cv., 9.000%, 12/15/07 (a) | 0 |
| | | ----- |
| | TOTAL CONVERTIBLE CORPORATE BONDS | 1,852,144 |
| | | ----- |
| SHARES | | ----- |
| | WARRANTS -- 0.0% | |
| | ENERGY AND UTILITIES -- 0.0% | |
| 12,183 | Mirant Corp., Ser. A, expire 01/03/11+ | 258,889 |
| | | ----- |
| PRINCIPAL AMOUNT | | ----- |

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

| | | |
|--------------|---|------------------------------|
| | SHORT-TERM OBLIGATIONS -- 4.4% | |
| | REPURCHASE AGREEMENTS -- 4.1% | |
| \$51,580,000 | Barclays Capital Inc., 3.900%, dated 09/28/07, due 10/01/07, proceeds at maturity, \$51,596,764 (d) | 51,580,000 |
| 33,000,000 | Daiwa Securities America Inc., 3.850%, dated 09/28/07, due 10/01/07, proceeds at maturity, \$33,010,588 (e) | 33,000,000 |
| | | ----- 84,580,000 ----- |

See accompanying notes to schedule of investments.

10

THE GABELLI EQUITY TRUST INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2007 (UNAUDITED)

| PRINCIPAL AMOUNT | | MARKET VALUE |
|---------------------|--|--------------------|
| ----- | | ----- |
| | SHORT-TERM OBLIGATIONS (CONTINUED) | |
| | U.S. TREASURY BILLS -- 0.3% | |
| \$ 5,500,000 | U.S. Treasury Bills, 3.684% to 4.065%+, 12/27/07 to 03/20/08 (f) | \$ 5,421,826 |
| | | ----- |
| | TOTAL SHORT-TERM OBLIGATIONS | 90,001,826 |
| | | ----- |
| | TOTAL INVESTMENTS -- 100.0% | |
| | (Cost \$1,418,283,991) | \$2,055,994,161 |
| | | ===== |
| | Aggregate book cost | \$1,418,283,991 |
| | | ===== |
| | Gross unrealized appreciation | \$ 703,533,342 |
| | Gross unrealized depreciation | (65,823,172) |
| | | ----- |
| | Net unrealized appreciation (depreciation) | \$ 637,710,170 |
| | | ===== |
| | | |
| | NUMBER OF CONTRACTS | EXPIRATION DATE |
| | ----- | ----- |
| | FUTURES CONTRACTS -- SHORT POSITION | |
| 250 | S & P 500 Index Futures | 12/20/07 |
| | | \$ (2,512,500) |
| | | ===== |

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

-
- (a) Security fair valued under procedures established by the Board of Directors. The procedures may include reviewing available financial information about the company and reviewing valuation of comparable securities and other factors on a regular basis. At September 30, 2007, the market value of fair valued securities amounted to \$639,512 or 0.03% of total investments.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. This security may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2007, the market value of the Rule 144A security amounted to \$515,397 or 0.03% of total investments.
- (c) At September 30, 2007, the Fund held an investment in a restricted security amounting to \$49,276 or 0.00% of total investments, which was valued under methods approved by the Board as follows:

| ACQUISITION SHARES | ISSUER | ACQUISITION DATE | ACQUISITION COST | 09/30/07 CARRYING VALUE PER UNIT |
|-----------------------|------------------------------------|---------------------|---------------------|--|
| 4,440,836 | Cable & Wireless Jamaica Ltd. | 03/29/01 | \$101,639 | \$0.0111 |

- (d) Collateralized by \$49,285,000 U.S. Treasury Bond, 5.25%, due 11/15/28, market value \$52,611,600.
- (e) Collateralized by \$10,347,000 and \$23,000,000 U.S. Treasury Notes, 4.875% and 3.375%, due 10/31/08 and 10/15/09, market value \$10,631,543 and \$23,028,075, respectively.
- (f) At September 30, 2007, \$5,500,000 of the principal amount was pledged as collateral for futures contracts.

+ Non-income producing security.

++ Represents annualized yield at date of purchase.

ADR American Depository Receipt

CVO Contingent Value Obligation

| | % OF MARKET VALUE | MARKET VALUE |
|----------------------------|-------------------------|-----------------|
| GEOGRAPHIC DIVERSIFICATION | | |
| North America | 76.6% | \$1,574,024,705 |
| Europe | 16.3 | 335,712,241 |
| Latin America | 3.1 | 64,409,265 |
| Japan | 2.7 | 56,163,182 |
| Asia/Pacific | 1.2 | 24,646,160 |
| South Africa | 0.1 | 1,038,608 |
| | 100.0% | \$2,055,994,161 |

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

See accompanying notes to schedule of investments.

11

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

1. SECURITY VALUATION. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (the "Board") so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC.

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of 60 days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than 60 days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board.

12

THE GABELLI EQUITY TRUST INC. AND YOUR PERSONAL PRIVACY

WHO ARE WE?

The Gabelli Equity Trust Inc. (the "Fund") is a closed-end management investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC, which is affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries that provide investment advisory or brokerage services for a variety of clients.

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

WHAT KIND OF NON-PUBLIC INFORMATION DO WE COLLECT ABOUT YOU IF YOU BECOME A SHAREHOLDER?

When you purchase shares of the Fund on the New York Stock Exchange, you have the option of registering directly with our transfer agent in order, for example, to participate in our dividend reinvestment plan.

- o INFORMATION YOU GIVE US ON YOUR APPLICATION FORM. This could include your name, address, telephone number, social security number, bank account number, and other information.
- o INFORMATION ABOUT YOUR TRANSACTIONS WITH US. This would include information about the shares that you buy or sell; it may also include information about whether you sell or exercise rights that we have issued from time to time. If we hire someone else to provide services--like a transfer agent--we will also have information about the transactions that you conduct through them.

WHAT INFORMATION DO WE DISCLOSE AND TO WHOM DO WE DISCLOSE IT?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, WWW.SEC.GOV.

WHAT DO WE DO TO PROTECT YOUR PERSONAL INFORMATION?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the Fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

[This page intentionally left blank.]

DIRECTORS AND OFFICERS
THE GABELLI EQUITY TRUST INC.
ONE CORPORATE CENTER, RYE, NY 10580-1422

DIRECTORS

Mario J. Gabelli, CFA
CHAIRMAN & CHIEF EXECUTIVE OFFICER,
GAMCO INVESTORS, INC.

Dr. Thomas E. Bratter
PRESIDENT & FOUNDER, JOHN DEWEY ACADEMY

Anthony J. Colavita
ATTORNEY-AT-LAW,
ANTHONY J. COLAVITA, P.C.

James P. Conn
FORMER MANAGING DIRECTOR &

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

CHIEF INVESTMENT OFFICER,
FINANCIAL SECURITY ASSURANCE HOLDINGS LTD.

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

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

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

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

OFFICERS

Bruce N. Alpert
PRESIDENT

Carter W. Austin
VICE PRESIDENT

Peter D. Goldstein
CHIEF COMPLIANCE OFFICER

James E. McKee
SECRETARY

Agnes Mullady
TREASURER

LoAn P. Nguyen
VICE PRESIDENT & OMBUDSMAN

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

CUSTODIAN
Mellon Trust of New England, N.A.

COUNSEL
Willkie Farr & Gallagher LLP

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

STOCK EXCHANGE LISTING

| | Common | 5.875% Preferred | 6.20% Preferred |
|---------------------|-------------|---------------------|--------------------|
| NYSE-Symbol: | GAB | GAB PrD | GAB PrF |
| Shares Outstanding: | 170,948,248 | 2,949,700 | 6,000,000 |

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

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

"General Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting www.gabelli.com.

For general information about the Gabelli Funds, call 800-GABELLI (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: WWW.GABELLI.COM, or e-mail us at: closedend@gabelli.com

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase shares of its common stock in the open market when the Fund's shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also, from time to time, purchase shares of its Series D and Series F Cumulative Preferred Stock in the open market when the shares are trading at a discount to the Liquidation Value of \$25.00.

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

THIRD QUARTER REPORT
SEPTEMBER 30, 2007

GAB Q3/2007

ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

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

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

SIGNATURES

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

(Registrant) The Gabelli Equity Trust Inc.

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

Bruce N. Alpert, Principal Executive Officer

Date November 29, 2007

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

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

Bruce N. Alpert, Principal Executive Officer

Date November 29, 2007

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

Agnes Mullady,
Principal Financial Officer and Treasurer

Date November 29, 2007

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