

GABELLI DIVIDEND & INCOME TRUST
Form N-Q
November 29, 2011

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 811-21423

The Gabelli Dividend & Income Trust

(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, 2011**

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

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

Item 1. Schedule of Investments.

The Schedule(s) of Investments is attached herewith.

The Gabelli Dividend & Income Trust

Third Quarter Report September 30, 2011

Mario J. Gabelli, CFA

Barbara G. Marcin, CFA

Robert D. Leininger, CFA

To Our Shareholders,

For the quarter ended September 30, 2011, the net asset value (NAV) total return of The Gabelli Dividend & Income Trust (the Fund) was (17.8)%, compared with the decrease of 13.9% for the Standard & Poor s (S&P) 500 Index. The total return for the Fund s publicly traded shares was (16.4)%. On September 30, 2011, the Fund s NAV per share was \$15.28, while the price of the publicly traded shares closed at \$13.69 on the New York Stock Exchange (NYSE).

Enclosed is the schedule of investments as of September 30, 2011.

Comparative Results

Average Annual Returns through September 30, 2011 (a) (Unaudited)

	Quarter	Year to Date	1 Year	3 Year	5 Year	Since Inception (11/28/03)
Gabelli Dividend & Income Trust						
NAV Total Return (b)	(17.84)%	(10.14)%	0.50%	2.25%	(0.94)%	3.59%
Investment Total Return (c)	(16.36)	(7.08)	3.93	7.72	0.96	2.48
S&P 500 Index	(13.87)	(8.68)	1.14	1.23	(1.18)	2.91
Dow Jones Industrial Average	(11.49)	(3.93)	3.78	3.14	1.36	4.03(d)
Nasdaq Composite Index	(12.70)	(8.32)	2.99	5.99	2.30	3.56

- (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 of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.
- (b) Total returns and average annual returns reflect changes in the NAV per share and reinvestment of distributions at NAV on the ex-dividend date and are net of expenses. Since inception return is based on an initial NAV of \$19.06.
- (c) Total returns and average annual returns reflect changes in closing market values on the NYSE and reinvestment of distributions. Since inception return is based on an initial offering price of \$20.00.
- (d) From November 30, 2003, the date closest to the Fund s inception for which data is available.

We have separated the portfolio managers 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 managers 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 DIVIDEND & INCOME TRUST

SCHEDULE OF INVESTMENTS

September 30, 2011 (Unaudited)

Shares		Market Value
COMMON STOCKS 92.1%		
Aerospace 2.0%		
20,000	Goodrich Corp.	\$ 2,413,600
32,000	Kaman Corp.	891,200
120,000	Rockwell Automation Inc.	6,720,000
1,344,000	Rolls-Royce Holdings plc	12,470,258
192,000	The Boeing Co.	11,617,920
		34,112,978
Agriculture 0.1%		
100,000	Archer-Daniels-Midland Co.	2,481,000
Automotive 0.5%		
250,000	Ford Motor Co.	2,417,500
123,000	General Motors Co.	2,482,140
27,100	Navistar International Corp.	870,452
98,000	PACCAR Inc.	3,314,360
		9,084,452
Automotive: Parts and Accessories 1.3%		
25,000	BorgWarner Inc.	1,513,250
411,000	Genuine Parts Co.	20,878,800
10,000	Johnson Controls Inc.	263,700
		22,655,750
Building and Construction 0.1%		
44,000	Layne Christensen Co.	1,016,400
Business Services 0.7%		
165,000	Diebold Inc.	4,539,150
130,000	Intermec Inc.	847,600
20,000	MasterCard Inc., Cl. A	6,343,200
		11,729,950
Cable and Satellite 1.5%		
85,001	AMC Networks Inc., Cl. A	2,715,782
371,000	Cablevision Systems Corp., Cl. A	5,835,830
16,000	Cogeco Inc.	671,820
230,000	DISH Network Corp., Cl. A	5,763,800
50,000	EchoStar Corp., Cl. A	1,130,500
67,000	Liberty Global Inc., Cl. A	2,424,060
33,000	Liberty Global Inc., Cl. C	1,142,130
160,000	Rogers Communications Inc., Cl. B	5,473,600

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25,157,522

	Communications Equipment	0.1%	
50,000	Thomas & Betts Corp.		1,995,500

	Computer Hardware	0.1%	
75,000	Hewlett-Packard Co.		1,683,750
19,000	SanDisk Corp.		766,650

2,450,400

Shares

Market Value

	Computer Software and Services	0.6%	
11,000	Google Inc., Cl. A		\$ 5,658,180
60,000	Microsoft Corp.		1,493,400
245,000	Yahoo! Inc.		3,224,200

10,375,780

	Consumer Products	4.2%	
15,000	Altria Group Inc.		402,150
165,000	Avon Products Inc.		3,234,000
90,000	Fortune Brands Inc.		4,867,200
50,000	Hanesbrands Inc.		1,250,500
90,000	Harman International Industries Inc.		2,572,200
192,000	Kimberly-Clark Corp.		13,633,920
100,000	Newell Rubbermaid Inc.		1,187,000
25,000	Philip Morris International Inc.		1,559,500
905,000	Swedish Match AB		30,072,799
145,000	The Procter & Gamble Co.		9,161,100
100,000	Tupperware Brands Corp.		5,374,000

73,314,369

	Consumer Services	0.0%	
11,000	Dollar Thrifty Automotive Group Inc.		619,300

	Diversified Industrial	3.2%	
100,000	Bouygues SA		3,340,657
130,000	Cooper Industries plc		5,995,600
667,000	General Electric Co.		10,165,080
300,000	Honeywell International Inc.		13,173,000
115,000	ITT Corp.		4,830,000
121,000	Owens-Illinois Inc.		1,829,520
60,000	Smiths Group plc		935,176
6,000	Sulzer AG		624,228
5,000	Texas Industries Inc.		158,700
252,000	Textron Inc.		4,445,280
255,000	Tyco International Ltd.		10,391,250

55,888,491

	Electronics	1.7%	
839,900	Intel Corp.		17,915,067
120,000	Netlogic Microsystems Inc.		5,774,400
130,000	TE Connectivity Ltd.		3,658,200
100,000	Texas Instruments Inc.		2,665,000

30,012,667

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Energy and Utilities: Electric 4.4%

85,000	ALLETE Inc.	3,113,550
217,000	American Electric Power Co. Inc.	8,250,340
269,400	DPL Inc.	8,119,716
50,000	Edison International	1,912,500
210,000	Electric Power Development Co. Ltd.	6,240,373
771,000	Great Plains Energy Inc.	14,880,300
260,000	Integrus Energy Group Inc.	12,641,200

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (Continued)**September 30, 2011 (Unaudited)**

Shares		Market Value
COMMON STOCKS (Continued)		
Energy and Utilities: Electric (Continued)		
100,000	Pepco Holdings Inc.	\$ 1,892,000
212,000	Pinnacle West Capital Corp.	9,103,280
75,000	Southern Co.	3,177,750
183,000	UniSource Energy Corp.	6,604,470
		75,935,479
Energy and Utilities: Integrated 10.5%		
12,000	Alliant Energy Corp.	464,160
110,000	Ameren Corp.	3,274,700
50,000	Avista Corp.	1,192,500
55,000	Black Hills Corp.	1,685,200
40,000	CH Energy Group Inc.	2,086,800
108,000	Chubu Electric Power Co. Inc.	2,047,141
278,000	CONSOL Energy Inc.	9,432,540
166,000	Consolidated Edison Inc.	9,465,320
67,000	Dominion Resources Inc.	3,401,590