

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

GABELLI EQUITY TRUST INC  
Form N-Q  
November 09, 2006

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  
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Date of fiscal year end: December 31  
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Date of reporting period: September 30, 2006  
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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.

ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

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THE GABELLI EQUITY TRUST INC.  
SCHEDULE OF INVESTMENTS  
SEPTEMBER 30, 2006 (UNAUDITED)

| SHARES<br>----- |   | MARKET<br>VALUE*<br>----- |
|-----------------|---|---------------------------|
|                 | COMMON STOCKS -- 91.2%                        |                           |
|                 | FINANCIAL SERVICES -- 9.3%                    |                           |
| 7,000           | Allianz AG .....                              | \$ 1,211,448              |
| 575,000         | American Express Co. ....                     | 32,246,000                |
| 10,000          | American International<br>Group Inc.          | 662,600                   |
| 100,000         | Ameriprise Financial Inc. ...                 | 4,690,000                 |
| 30,000          | Argonaut Group Inc.+ .....                    | 930,900                   |
| 95,000          | Aviva plc .....                               | 1,392,743                 |
| 90,000          | Banco Santander Central<br>Hispano SA, ADR    | 1,421,100                 |
| 100,000         | Bank of Ireland .....                         | 1,955,339                 |
| 55,000          | Barclays plc .....                            | 694,078                   |
| 260             | Berkshire Hathaway Inc.,<br>Cl. A+ .....      | 24,908,000                |
| 7,500           | Calamos Asset Management<br>Inc., Cl. A ..... | 219,900                   |
| 30,000          | Capitalia SpA .....                           | 248,412                   |
| 250,000         | Citigroup Inc. ....                           | 12,417,500                |
| 185,000         | Commerzbank AG, ADR .....                     | 6,261,806                 |
| 150,000         | Deutsche Bank AG .....                        | 18,105,000                |
| 20,000          | H&R Block Inc. ....                           | 434,800                   |
| 65,000          | Irish Life & Permanent plc ..                 | 1,628,688                 |
| 184,000         | Janus Capital Group Inc. ....                 | 3,628,480                 |
| 55,000          | JPMorgan Chase & Co. ....                     | 2,582,800                 |
| 275,000         | Landesbank Berlin Holding AG+                 | 2,074,853                 |
| 2,000           | Legg Mason Inc. ....                          | 201,720                   |
| 135,000         | Leucadia National Corp. ....                  | 3,532,950                 |
| 45,000          | Mediobanca SpA .....                          | 981,474                   |
| 100,000         | Mellon Financial Corp. ....                   | 3,910,000                 |
| 65,000          | Moody's Corp. ....                            | 4,249,700                 |
| 108,750         | Nikko Cordial Corp. ....                      | 1,261,270                 |
| 2,500           | Prudential Financial Inc. ...                 | 190,625                   |
| 50,000          | Standard Chartered plc .....                  | 1,280,683                 |
| 80,000          | State Street Corp. ....                       | 4,992,000                 |
| 20,000          | SunTrust Banks Inc. ....                      | 1,545,600                 |
| 150,000         | T. Rowe Price Group Inc. ....                 | 7,177,500                 |
| 5,000           | The Allstate Corp. ....                       | 313,650                   |
| 80,000          | The Bank of New York Co. Inc.                 | 2,820,800                 |
| 45,000          | The Charles Schwab Corp.....                  | 805,500                   |
| 18,000          | The Dun & Bradstreet Corp.+                   | 1,349,820                 |
| 189,000         | The Midland Co. ....                          | 8,187,480                 |
| 140,000         | The Phoenix Companies Inc. ..                 | 1,960,000                 |
| 80,000          | The Shizuoka Bank Ltd .....                   | 869,587                   |
| 3,000           | The St. Paul Travelers<br>Companies Inc. .... | 140,670                   |
| 40,000          | UBS AG .....                                  | 2,392,739                 |
| 120,000         | UniCredito Italiano SpA .....                 | 995,930                   |
| 100,000         | Waddell & Reed Financial<br>Inc., Cl. A ..... | 2,475,000                 |
| 53,000          | Westpac Banking Corp. ....                    | 897,067                   |

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|                              |   | -----       |
|------------------------------|---|-------------|
|                              |   | 170,246,212 |
|                              |   | -----       |
| FOOD AND BEVERAGE -- 8.7%    |   |             |
| 85,000                       | Ajinomoto Co. Inc. ....                           | 915,302     |
| 40,000                       | Anheuser-Busch Companies Inc.                     | 1,900,400   |
|                              |   | MARKET      |
| SHARES                       |   | VALUE*      |
| -----                        |   | -----       |
| 36,000                       | ARIAKE JAPAN Co. Ltd. .... \$                     | 725,333     |
| 110,000                      | Cadbury Schweppes plc .....                       | 1,170,870   |
| 60,000                       | Cadbury Schweppes plc, ADR ..                     | 2,566,200   |
| 80,000                       | Campbell Soup Co. ....                            | 2,920,000   |
| 20,000                       | Coca-Cola Enterprises Inc. ..                     | 416,600     |
| 40,000                       | Coca-Cola Hellenic Bottling<br>Co. SA .....       | 1,378,628   |
| 93,000                       | Corn Products International<br>Inc. ....          | 3,026,220   |
| 60,000                       | Del Monte Foods Co. ....                          | 627,000     |
| 10,108                       | Denny's Corp.+ .....                              | 34,468      |
| 80,000                       | Diageo plc .....                                  | 1,413,245   |
| 224,000                      | Diageo plc, ADR .....                             | 15,912,960  |
| 75,000                       | Flowers Foods Inc. ....                           | 2,016,000   |
| 36,000                       | Fomento Economico Mexicano<br>SA de CV, ADR ..... | 3,489,840   |
| 180,000                      | General Mills Inc. ....                           | 10,188,000  |
| 50,000                       | Gold Kist Inc.+ .....                             | 1,042,000   |
| 200,000                      | Groupe Danone .....                               | 28,074,714  |
| 1,000,000                    | Grupo Bimbo SA de CV, Cl. A..                     | 3,511,006   |
| 110,000                      | H.J. Heinz Co. ....                               | 4,612,300   |
| 20,000                       | Hain Celestial Group Inc.+...                     | 511,200     |
| 5,000                        | Heineken NV.....                                  | 228,694     |
| 130,000                      | Kellogg Co. ....                                  | 6,437,600   |
| 75,000                       | Kerry Group plc, Cl. A .....                      | 1,773,199   |
| 12,100                       | LVMH Moet Hennessy Louis<br>Vuitton SA .....      | 1,246,655   |
| 2,500                        | Nestle SA .....                                   | 871,686     |
| 465,000                      | PepsiAmericas Inc. ....                           | 9,923,100   |
| 355,000                      | PepsiCo Inc. ....                                 | 23,167,300  |
| 6,750                        | Pernod-Ricard SA .....                            | 1,404,592   |
| 68,200                       | Ralcorp Holdings Inc.+ .....                      | 3,289,286   |
| 100,000                      | Sara Lee Corp. ....                               | 1,607,000   |
| 190,000                      | The Coca-Cola Co.....                             | 8,489,200   |
| 45,000                       | The Hershey Co. ....                              | 2,405,250   |
| 2,000                        | The J.M. Smucker Co. ....                         | 95,900      |
| 115,360                      | Tootsie Roll Industries Inc.                      | 3,381,202   |
| 170,000                      | Wm. Wrigley Jr. Co. ....                          | 7,830,200   |
| 42,500                       | Wm. Wrigley Jr. Co., Cl. B ..                     | 1,955,000   |
|                              |   | -----       |
|                              |   | 160,558,150 |
|                              |   | -----       |
| ENERGY AND UTILITIES -- 7.6% |   |             |
| 10,000                       | AGL Resources Inc. ....                           | 365,000     |
| 120,000                      | Allegheny Energy Inc.+ .....                      | 4,820,400   |
| 70,000                       | Apache Corp. ....                                 | 4,424,000   |
| 10,000                       | Aquila Inc.+ .....                                | 43,300      |
| 247,000                      | BP plc, ADR .....                                 | 16,198,260  |
| 115,000                      | CH Energy Group Inc. ....                         | 5,919,050   |
| 80,000                       | CMS Energy Corp.+ .....                           | 1,155,200   |
| 322,739                      | ConocoPhillips .....                              | 19,212,653  |

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|         |                               |           |
|---------|-------------------------------|-----------|
| 8,000   | Constellation Energy Group .. | 473,600   |
| 60,000  | DPL Inc. ....                 | 1,627,200 |
| 14,000  | DTE Energy Co. ....           | 581,140   |
| 280,000 | Duke Energy Corp. ....        | 8,456,000 |
| 100,000 | Duquesne Light Holdings Inc.  | 1,966,000 |

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THE GABELLI EQUITY TRUST INC.  
SCHEDULE OF INVESTMENTS (CONTINUED)  
SEPTEMBER 30, 2006 (UNAUDITED)

| SHARES    |   | MARKET      |
|-----------|---|-------------|
| -----     |   | VALUE*      |
|           |   | -----       |
|           | COMMON STOCKS (CONTINUED)                     |             |
|           | ENERGY AND UTILITIES (CONTINUED)              |             |
| 270,000   | El Paso Corp. .... \$                         | 3,682,800   |
| 340,000   | El Paso Electric Co.+ .....                   | 7,595,600   |
| 50,000    | Energy East Corp. ....                        | 1,186,000   |
| 80,000    | Eni SpA .....                                 | 2,370,753   |
| 80,000    | Exxon Mobil Corp. ....                        | 5,368,000   |
| 20,000    | FPL Group Inc. ....                           | 900,000     |
| 10,000    | Giant Industries Inc.+ .....                  | 812,000     |
| 160,000   | Halliburton Co. ....                          | 4,552,000   |
| 27,000    | Imperial Oil Ltd. ....                        | 905,113     |
| 150,000   | Kinder Morgan Inc. ....                       | 15,727,500  |
| 10,000    | Marathon Oil Corp. ....                       | 769,000     |
| 10,000    | Mirant Corp.+ .....                           | 273,100     |
| 3,000     | Niko Resources Ltd .....                      | 178,483     |
| 10,000    | NiSource Inc. ....                            | 217,400     |
| 300,000   | Northeast Utilities .....                     | 6,981,000   |
| 20,000    | Oceaneering International<br>Inc.+ .....      | 616,000     |
| 2,000     | PetroChina Co. Ltd., ADR ...                  | 215,300     |
| 16,000    | Petroleo Brasileiro SA, ADR                   | 1,341,280   |
| 100,000   | Progress Energy Inc., CVO+ ..                 | 33,000      |
| 60,000    | Saipem SpA .....                              | 1,304,067   |
| 13,000    | Sasol Ltd. ....                               | 427,283     |
| 60,000    | SJW Corp. ....                                | 1,794,600   |
| 20,000    | Southwest Gas Corp. ....                      | 666,400     |
| 70,000    | The AES Corp.+ .....                          | 1,427,300   |
| 32,628    | Total SA .....                                | 2,141,108   |
| 12,000    | Transocean Inc.+ .....                        | 878,760     |
| 84,000    | TXU Corp. ....                                | 5,251,680   |
| 290,000   | Westar Energy Inc. ....                       | 6,817,900   |
|           |   | -----       |
|           |   | 139,675,230 |
|           |   | -----       |
|           | TELECOMMUNICATIONS -- 6.7%                    |             |
| 5,000     | ALLTEL Corp. ....                             | 277,500     |
| 450,000   | AT&T Inc. ....                                | 14,652,000  |
| 220,000   | BCE Inc. ....                                 | 5,959,800   |
| 30,000    | Brasil Telecom Participacoes<br>SA, ADR ..... | 901,800     |
| 1,700,000 | BT Group plc.....                             | 8,530,399   |
| 4,440,836 | Cable & Wireless Jamaica<br>Ltd.+ .....       | 50,499      |
| 820,000   | Cincinnati Bell Inc.+.....                    | 3,952,400   |
| 60,000    | Citizens Communications Co.                   | 842,400     |
| 170,000   | Commonwealth Telephone                        |             |

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|           |  |             |
|-----------|--|-------------|
|           | Enterprises Inc. ....                                    | 7,009,100   |
| 110,000   | Compania de Telecomunicaciones<br>de Chile SA, ADR ..... | 777,700     |
| 170,000   | Deutsche Telekom AG, ADR ....                            | 2,697,900   |
| 26,619    | Embarq Corp. ....  | 1,287,561   |
| 15,000    | Embratel Participacoes SA,<br>ADR .....                  | 237,600     |
| 5,000     | France Telecom SA, ADR .....                             | 116,550     |
| 100,000   | KPN NV .....   | 1,275,662   |
| 800,000   | Qwest Communications<br>International Inc.+ .....        | 6,976,000   |
|           |  |             |
|           | SHARES   | MARKET      |
|           | -----  | VALUE*      |
|           |  | -----       |
| 550,000   | Sprint Nextel Corp. .... \$                              | 9,432,500   |
| 186,554   | Tele Norte Leste<br>Participacoes SA, ADR .....          | 2,557,656   |
| 48,000    | Telecom Argentina SA,<br>Cl. B, ADR+ .....               | 660,000     |
| 1,488,075 | Telecom Italia SpA .....                                 | 4,226,789   |
| 248,000   | Telefonica SA, ADR .....                                 | 12,848,880  |
| 62,000    | Telefonos de Mexico<br>SA de CV, Cl. L, ADR .....        | 1,585,960   |
| 310,000   | Telephone & Data Systems Inc.                            | 13,051,000  |
| 370,000   | Telephone & Data Systems Inc.,<br>Special .....          | 15,114,500  |
| 25,000    | TELUS Corp., ADR .....                                   | 1,409,492   |
| 190,000   | Verizon Communications Inc.                              | 7,054,700   |
| 5,169     | Windstream Corp. ....                                    | 68,179      |
|           |  | -----       |
|           |  | 123,554,527 |
|           |  | -----       |
|           | DIVERSIFIED INDUSTRIAL -- 5.8%                           |             |
| 145,000   | Acuity Brands Inc. ....                                  | 6,583,000   |
| 55,000    | Amano Corp. ....   | 704,931     |
| 195,000   | Ampco-Pittsburgh Corp. ....                              | 6,031,350   |
| 26,000    | Bayer AG .....   | 1,325,370   |
| 25,000    | Bouygues SA.....   | 1,337,163   |
| 185,000   | Cooper Industries Ltd., Cl. A                            | 15,765,700  |
| 260,000   | Crane Co. ....   | 10,868,000  |
| 77,500    | CRH plc .....  | 2,617,041   |
| 228,000   | Greif Inc., Cl. A .....                                  | 18,265,080  |
| 5,000     | Greif Inc., Cl. B .....                                  | 368,700     |
| 455,500   | Honeywell International Inc..                            | 18,629,950  |
| 260,000   | ITT Corp. ....   | 13,330,200  |
| 101,000   | Park-Ohio Holdings Corp.+ ...                            | 1,392,790   |
| 4,000     | Sulzer AG .....  | 3,187,653   |
| 30,000    | Technip SA .....   | 1,705,025   |
| 74,000    | The Lamson & Sessions Co.+ ..                            | 1,762,680   |
| 75,000    | Trinity Industries Inc. ....                             | 2,412,750   |
|           |  | -----       |
|           |  | 106,287,383 |
|           |  | -----       |
|           | CONSUMER PRODUCTS -- 4.7%                                |             |
| 24,000    | Altadis SA .....   | 1,139,423   |
| 90,000    | Avon Products Inc. ....                                  | 2,759,400   |
| 43,000    | Christian Dior SA .....                                  | 4,476,611   |
| 15,000    | Church & Dwight Co. Inc. ....                            | 586,650     |
| 33,000    | Clorox Co. ....  | 2,079,000   |
| 10,000    | Colgate-Palmolive Co. ....                               | 621,000     |

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|         |   |            |
|---------|---|------------|
| 69,000  | Compagnie Financiere<br>Richemont AG, Cl. A ..... | 3,321,844  |
| 115,000 | Energizer Holdings Inc.+ ....                     | 8,278,850  |
| 50,000  | Fortune Brands Inc. ....                          | 3,755,500  |
| 60,000  | Gallaher Group plc .....                          | 981,857    |
| 232,000 | Gallaher Group plc, ADR .....                     | 15,165,840 |
| 2,000   | Givaudan SA .....                                 | 1,601,024  |
| 25,000  | Hanesbrands Inc.+ .....                           | 562,750    |
| 36,000  | Harley-Davidson Inc. ....                         | 2,259,000  |

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THE GABELLI EQUITY TRUST INC.  
SCHEDULE OF INVESTMENTS (CONTINUED)  
SEPTEMBER 30, 2006 (UNAUDITED)

| SHARES<br>----- |   | MARKET<br>VALUE*<br>----- |
|-----------------|---|---------------------------|
|                 | COMMON STOCKS (CONTINUED)                             |                           |
|                 | CONSUMER PRODUCTS (CONTINUED)                         |                           |
| 40,000          | Lenox Group Inc.+ .....                               | \$ 242,000                |
| 15,000          | Matsushita Electric Industrial<br>Co. Ltd., ADR ..... | 316,950                   |
| 15,000          | Mattel Inc. ....                                      | 295,500                   |
| 25,000          | National Presto Industries<br>Inc. ....               | 1,381,750                 |
| 300,000         | Procter & Gamble Co. ....                             | 18,594,000                |
| 60,000          | Reckitt Benckiser plc .....                           | 2,487,222                 |
| 7,500           | Swatch Group AG .....                                 | 1,449,078                 |
| 890,000         | Swedish Match AB .....                                | 14,482,850                |
|                 |   | -----                     |
|                 |   | 86,838,099                |
|                 |   | -----                     |
|                 | ENTERTAINMENT -- 4.6%                                 |                           |
| 32,000          | Canal+ Groupe .....                                   | 323,810                   |
| 2,002           | Chestnut Hill Ventures+ (a)..                         | 42,991                    |
| 220,000         | Discovery Holding Co., Cl. A+                         | 3,181,200                 |
| 3,000           | DreamWorks Animation SKG<br>Inc., Cl. A+ .....        | 74,730                    |
| 110,000         | EMI Group plc .....                                   | 547,848                   |
| 79,500          | EMI Group plc, ADR.....                               | 790,023                   |
| 630,000         | Gemstar-TV Guide<br>International Inc.+ .....         | 2,091,600                 |
| 675,000         | Grupo Televisa SA, ADR.....                           | 14,350,500                |
| 125             | Live Nation Inc.+.....                                | 2,552                     |
| 17,500          | Oriental Land Co. Ltd. ....                           | 982,222                   |
| 160,000         | Publishing & Broadcasting<br>Ltd. ....                | 2,222,786                 |
| 1,629,500       | Rank Group plc.....                                   | 7,162,186                 |
| 12,000          | Regal Entertainment Group,<br>Cl. A .....             | 237,840                   |
| 75,000          | Six Flags Inc.+ .....                                 | 392,250                   |
| 260,000         | The Walt Disney Co. ....                              | 8,036,600                 |
| 810,000         | Time Warner Inc. ....                                 | 14,766,300                |
| 19,750          | Triple Crown Media Inc.+ ....                         | 143,780                   |
| 460,000         | Viacom Inc., Cl. A+ .....                             | 17,158,000                |
| 353,900         | Vivendi .....   | 12,758,369                |
|                 |   | -----                     |
|                 |   | 85,265,587                |
|                 |   | -----                     |

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| PUBLISHING -- 4.4%          |  |               |
|-----------------------------|--|---------------|
| 50,000                      | Dow Jones & Co. Inc. ....                            | 1,677,000     |
| 348,266                     | Independent News & Media plc.                        | 1,051,056     |
| 14,212                      | McClatchy Co., Cl. A.....                            | 599,604       |
| 320,000                     | Media General Inc., Cl. A....                        | 12,070,400    |
| 122,000                     | Meredith Corp.....                                   | 6,018,260     |
| 21,000                      | Metro International SA, SDR,<br>Cl. A+ .....         | 23,928        |
| 42,000                      | Metro International SA, SDR,<br>Cl. B+ .....         | 51,009        |
| 80,000                      | New York Times Co., Cl. A ...                        | 1,838,400     |
| 1,744,800                   | News Corp., Cl. A .....                              | 34,285,320    |
| 20,000                      | News Corp., Cl. B .....                              | 412,800       |
| 200,000                     | Penton Media Inc.+ .....                             | 112,000       |
| 382,000                     | PRIMEDIA Inc.+ .....                                 | 580,640       |
| 261,319                     | SCMP Group Ltd. ....                                 | 92,578        |
| 66,585                      | Seat Pagine Gialle SpA .....                         | 33,309        |
| 150,000                     | The E.W. Scripps Co., Cl. A..                        | 7,189,500     |
|                             |  | MARKET        |
| SHARES                      |  | VALUE*        |
| -----                       |  | -----         |
| 200,000                     | The McGraw-Hill Companies<br>Inc. ....               | \$ 11,606,000 |
| 175,000                     | The Reader's Digest<br>Association Inc. ....         | 2,268,000     |
| 45,000                      | Tribune Co.....                                      | 1,472,400     |
|                             |  | -----         |
|                             |  | 81,382,204    |
|                             |  | -----         |
| CABLE AND SATELLITE -- 4.4% |  |               |
| 1,590,000                   | Cablevision Systems Corp.,<br>Cl. A+ .....           | 36,108,900    |
| 160,000                     | Comcast Corp., Cl. A+.....                           | 5,896,000     |
| 85,000                      | Comcast Corp., Cl. A, Special+                       | 3,128,850     |
| 55,000                      | EchoStar Communications Corp.,<br>Cl. A+ .....       | 1,800,700     |
| 156,770                     | Liberty Global Inc., Cl. A+..                        | 4,035,260     |
| 139,001                     | Liberty Global Inc., Cl. C+..                        | 3,483,365     |
| 365,345                     | Rogers Communications Inc.,<br>Cl. B, New York ..... | 20,046,480    |
| 9,655                       | Rogers Communications Inc.,<br>Cl. B, Toronto .....  | 528,639       |
| 80,000                      | Shaw Communications Inc.,<br>Cl. B, New York .....   | 2,401,600     |
| 20,000                      | Shaw Communications Inc.,<br>Cl. B, Toronto .....    | 598,881       |
| 153,444                     | The DIRECTV Group Inc.+.....                         | 3,019,778     |
|                             |  | -----         |
|                             |  | 81,048,453    |
|                             |  | -----         |
| HEALTH CARE -- 3.7%         |  |               |
| 10,000                      | Abbott Laboratories .....                            | 485,600       |
| 7,023                       | Allergan Inc. ....                                   | 790,860       |
| 52,000                      | Amgen Inc.+ .....                                    | 3,719,560     |
| 19,146                      | AstraZeneca plc .....                                | 1,192,682     |
| 27,000                      | Biogen Idec Inc.+ .....                              | 1,206,360     |
| 135,000                     | Bristol-Myers Squibb Co. ....                        | 3,364,200     |
| 7,000                       | Cochlear Ltd. ....                                   | 276,507       |
| 65,036                      | GlaxoSmithKline plc .....                            | 1,731,566     |
| 4,000                       | GlaxoSmithKline plc, ADR ....                        | 212,920       |

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|         |   |            |
|---------|---|------------|
| 30,000  | Henry Schein Inc.+ .....                  | 1,504,200  |
| 38,300  | Hisamitsu Pharmaceutical<br>Co. Inc. .... | 1,060,241  |
| 25,000  | Hospira Inc.+ .....                       | 956,750    |
| 40,000  | Invitrogen Corp.+ .....                   | 2,536,400  |
| 15,000  | Johnson & Johnson .....                   | 974,100    |
| 100,000 | Merck & Co. Inc. ....                     | 4,190,000  |
| 2,000   | Nobel Biocare Holding AG ....             | 492,223    |
| 39,000  | Novartis AG. ....                         | 2,276,780  |
| 105,000 | Novartis AG, ADR .....                    | 6,136,200  |
| 400,000 | Pfizer Inc. ....                          | 11,344,000 |
| 16,400  | Roche Holding AG .....                    | 2,835,523  |
| 15,108  | Sanofi-Aventis .....                      | 1,344,875  |
| 100,000 | Schering-Plough Corp. ....                | 2,209,000  |
| 80,000  | Smith & Nephew plc .....                  | 735,831    |
| 5,250   | Straumann Holding AG .....                | 1,130,443  |
| 10,000  | Synthes Inc. ....                         | 1,111,600  |
| 23,000  | Takeda Pharmaceutical Co.<br>Ltd. ....    | 1,435,005  |
| 20,000  | UnitedHealth Group Inc. ....              | 984,000    |

6

THE GABELLI EQUITY TRUST INC.  
SCHEDULE OF INVESTMENTS (CONTINUED)  
SEPTEMBER 30, 2006 (UNAUDITED)

| SHARES<br>----- |   | MARKET<br>VALUE* |
|-----------------|---|------------------|
|                 |   | -----            |
|                 | COMMON STOCKS (CONTINUED)                     |                  |
|                 | HEALTH CARE (CONTINUED)                       |                  |
| 82,000          | William Demant Holding A/S+.. \$              | 6,296,589        |
| 100,000         | Wyeth .....                                   | 5,084,000        |
| 3,500           | Zimmer Holdings Inc.+ .....                   | 236,250          |
|                 |   | -----            |
|                 |   | 67,854,265       |
|                 |   | -----            |
|                 | EQUIPMENT AND SUPPLIES -- 2.9%                |                  |
| 185,000         | AMETEK Inc. ....                              | 8,056,750        |
| 2,000           | Amphenol Corp., Cl. A .....                   | 123,860          |
| 42,000          | Assa Abloy AB, Cl. B .....                    | 780,893          |
| 94,000          | CIRCOR International Inc. ...                 | 2,871,700        |
| 200,000         | Donaldson Co. Inc. ....                       | 7,380,000        |
| 70,000          | Fedders Corp.+ .....                          | 87,500           |
| 110,000         | Flowserve Corp.+ .....                        | 5,564,900        |
| 24,000          | Franklin Electric Co. Inc. ..                 | 1,275,360        |
| 100,000         | Gerber Scientific Inc.+ .....                 | 1,498,000        |
| 75,000          | GrafTech International Ltd.+                  | 438,000          |
| 210,000         | IDEX Corp. ....                               | 9,040,500        |
| 40,000          | Ingersoll-Rand Co. Ltd.,<br>Cl. A .....       | 1,519,200        |
| 105,000         | Lufkin Industries Inc. ....                   | 5,556,600        |
| 11,000          | Mueller Industries Inc. ....                  | 386,870          |
| 1,000           | Sealed Air Corp. ....                         | 54,120           |
| 2,000           | The Manitowoc Co. Inc. ....                   | 89,580           |
| 100,000         | The Weir Group plc .....                      | 900,129          |
| 230,000         | Watts Water Technologies Inc.,<br>Cl. A ..... | 7,304,800        |
|                 |   | -----            |
|                 |   | 52,928,762       |



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|           |   |              |        |
|-----------|---|--------------|--------|
|           |   | -----        |        |
|           | AUTOMOTIVE: PARTS AND ACCESSORIES -- 2.5% |              |        |
| 48,000    | BorgWarner Inc. ....                      | 2,744,160    |        |
| 197,300   | CLARCOR Inc. ....                         | 6,015,677    |        |
| 430,000   | Dana Corp. ....                           | 447,200      |        |
| 80,500    | Earl Scheib Inc.+ .....                   | 289,800      |        |
| 350,000   | Genuine Parts Co. ....                    | 15,095,500   |        |
| 112,000   | Johnson Controls Inc. ....                | 8,034,880    |        |
| 116,000   | Midas Inc.+ .....                         | 2,398,880    |        |
| 317,500   | Modine Manufacturing Co. ....             | 7,724,775    |        |
| 180,000   | Proliance International Inc.+             | 822,600      |        |
| 160,000   | Standard Motor Products Inc.              | 1,918,400    |        |
| 35,000    | Superior Industries                       |              |        |
|           | International Inc. ....                   | 587,650      |        |
|           |   | -----        |        |
|           |   | 46,079,522   |        |
|           |   | -----        |        |
|           | HOTELS AND GAMING -- 2.4%                 |              |        |
| 38,000    | Aztar Corp.+ .....                        | 2,014,380    |        |
| 190,000   | Gaylord Entertainment Co.+ ..             | 8,331,500    |        |
| 28,000    | Greek Organization of                     |              |        |
|           | Football Prognostics SA ...               | 940,896      |        |
| 6,000     | Harrah's Entertainment Inc...             | 398,580      |        |
| 550,000   | Hilton Hotels Corp. ....                  | 15,317,500   |        |
| 1,344,116 | Ladbrokes plc .....                       | 9,789,759    |        |
| 6,000     | Las Vegas Sands Corp.+ .....              | 410,100      |        |
|           |   |              |        |
|           |   |              | MARKET |
|           | SHARES                                    |              | VALUE* |
|           | -----                                     |              | -----  |
| 118,000   | MGM Mirage+ .....                         | \$ 4,659,820 |        |
| 38,000    | Starwood Hotels & Resorts                 |              |        |
|           | Worldwide Inc. ....                       | 2,173,220    |        |
| 16,000    | Wyndham Worldwide Corp.+ ....             | 447,520      |        |
|           |   | -----        |        |
|           |   | 44,483,275   |        |
|           |   | -----        |        |
|           | AVIATION: PARTS AND SERVICES -- 2.3%      |              |        |
| 396,000   | Curtiss-Wright Corp. ....                 | 12,018,600   |        |
| 200,000   | GenCorp Inc.+ .....                       | 2,568,000    |        |
| 180,000   | Precision Castparts Corp. ...             | 11,368,800   |        |
| 88,230    | Sequa Corp., Cl. A+ .....                 | 8,281,268    |        |
| 74,600    | Sequa Corp., Cl. B+ .....                 | 7,028,812    |        |
| 200,100   | The Fairchild Corp., Cl. A+               | 520,260      |        |
|           |   | -----        |        |
|           |   | 41,785,740   |        |
|           |   | -----        |        |
|           | SPECIALTY CHEMICALS -- 2.1%               |              |        |
| 815       | Arkema+ .....                             | 38,455       |        |
| 300,000   | Ashland Inc. ....                         | 19,134,000   |        |
| 5,400     | Ciba Specialty Chemicals AG,              |              |        |
|           | ADR .....                                 | 163,134      |        |
| 20,000    | E.I. du Pont de Nemours and               |              |        |
|           | Co. ....                                  | 856,800      |        |
| 325,000   | Ferro Corp. ....                          | 5,778,500    |        |
| 1,000     | FMC Corp. ....                            | 64,070       |        |
| 50,000    | H.B. Fuller Co. ....                      | 1,172,000    |        |
| 190,000   | Hercules Inc.+ .....                      | 2,996,300    |        |
| 232,300   | Omnova Solutions Inc.+ .....              | 971,014      |        |
| 300,000   | Sensient Technologies Corp.               | 5,871,000    |        |
| 10,000    | Syngenta AG, ADR .....                    | 301,800      |        |

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|         |                               |            |
|---------|-------------------------------|------------|
| 165,000 | Tokai Carbon Co. Ltd. ....    | 1,050,413  |
| 4,032   | Tronox Inc., Cl. B .....      | 51,489     |
|         |                               | -----      |
|         |                               | 38,448,975 |
|         |                               | -----      |
|         | CONSUMER SERVICES -- 1.9%     |            |
| 230,000 | IAC/InterActiveCorp+ .....    | 6,614,800  |
| 550,000 | Liberty Media Holding Corp.   |            |
|         | - Interactive, Cl. A+ .....   | 11,209,000 |
| 810,000 | Rollins Inc. ....             | 17,099,100 |
|         |                               | -----      |
|         |                               | 34,922,900 |
|         |                               | -----      |
|         | METALS AND MINING -- 1.7%     |            |
| 10,000  | Alcoa Inc. ....               | 280,400    |
| 33,000  | Anglo American plc .....      | 1,379,711  |
| 89,148  | Barrick Gold Corp. ....       | 2,738,626  |
| 72,500  | Harmony Gold Mining Co. Ltd.+ | 936,322    |
| 35,000  | Harmony Gold Mining Co. Ltd., |            |
|         | ADR+ .....                    | 452,550    |
| 200,000 | Inco Ltd. ....                | 15,246,701 |
| 75,000  | Ivanhoe Mines Ltd.+ .....     | 469,500    |
| 105,000 | Newmont Mining Corp. ....     | 4,488,750  |
| 110,000 | Novelis Inc. ....             | 2,814,900  |
| 50,000  | Xstrata plc .....             | 2,066,132  |
|         |                               | -----      |
|         |                               | 30,873,592 |
|         |                               | -----      |

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THE GABELLI EQUITY TRUST INC.  
SCHEDULE OF INVESTMENTS (CONTINUED)  
SEPTEMBER 30, 2006 (UNAUDITED)

| SHARES  |                                  | MARKET     |
|---------|----------------------------------|------------|
| -----   |                                  | VALUE*     |
|         |                                  | -----      |
|         | COMMON STOCKS (CONTINUED)        |            |
|         | COMMUNICATIONS EQUIPMENT -- 1.6% |            |
| 48,000  | Agere Systems Inc.+ .....        | \$ 716,640 |
| 10,000  | Andrew Corp.+ .....              | 92,300     |
| 480,000 | Corning Inc.+ .....              | 11,716,800 |
| 180,000 | Lucent Technologies Inc.+ ...    | 421,200    |
| 100,000 | Motorola Inc. ....               | 2,500,000  |
| 150,000 | Nortel Networks Corp.+ .....     | 345,000    |
| 290,000 | Thomas & Betts Corp.+ .....      | 13,835,900 |
|         |                                  | -----      |
|         |                                  | 29,627,840 |
|         |                                  | -----      |
|         | BROADCASTING -- 1.6%             |            |
| 422,500 | CBS Corp., Cl. A .....           | 11,922,950 |
| 1,000   | Clear Channel Communications     |            |
|         | Inc. ....                        | 28,850     |
| 2,000   | Cogeco Inc.....                  | 42,049     |
| 16,666  | Corus Entertainment Inc.,        |            |
|         | Cl. B .....                      | 635,477    |
| 120,000 | Gray Television Inc. ....        | 769,200    |
| 27,000  | Gray Television Inc., Cl. A..    | 186,570    |
| 200,000 | ION Media Networks Inc.+.....    | 162,000    |
| 120,000 | Liberty Media Holding Corp. -    |            |

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|           |  |              |        |
|-----------|--|--------------|--------|
|           | Capital, Cl. A+ .....                          | 10,028,400   |        |
| 85,000    | Lin TV Corp., Cl. A+ .....                     | 661,300      |        |
| 120,000   | Mediaset SpA .....                             | 1,289,611    |        |
| 30,000    | Modern Times Group AB,<br>Cl. B+ .....         | 1,551,551    |        |
| 100,000   | Television Broadcasts Ltd. ..                  | 539,108      |        |
| 10,000    | Univision Communications<br>Inc., Cl. A+ ..... | 343,400      |        |
| 125,000   | Young Broadcasting Inc.,<br>Cl. A+ .....       | 287,500      |        |
|           |  | -----        |        |
|           |  | 28,447,966   |        |
|           |  | -----        |        |
|           | AEROSPACE -- 1.3%                              |              |        |
| 105,000   | Boeing Co. ....                                | 8,279,250    |        |
| 10,000    | Lockheed Martin Corp. ....                     | 860,600      |        |
| 95,000    | Northrop Grumman Corp. ....                    | 6,466,650    |        |
| 1,000,000 | Rolls-Royce Group plc+ ....                    | 8,481,718    |        |
|           |  | -----        |        |
|           |  | 24,088,218   |        |
|           |  | -----        |        |
|           | AGRICULTURE -- 1.3%                            |              |        |
| 550,000   | Archer-Daniels-Midland Co. ..                  | 20,834,000   |        |
| 50,000    | Delta & Pine Land Co. ....                     | 2,025,000    |        |
| 8,000     | Monsanto Co. ....                              | 376,080      |        |
| 10,000    | The Mosaic Co.+ .....                          | 169,000      |        |
|           |  | -----        |        |
|           |  | 23,404,080   |        |
|           |  | -----        |        |
|           | ELECTRONICS -- 1.2%                            |              |        |
| 10,000    | Advanced Micro Devices Inc.+                   | 248,500      |        |
| 5,000     | Hitachi Ltd., ADR.....                         | 291,350      |        |
| 60,000    | Intel Corp.....                                | 1,234,200    |        |
| 4,920     | Keyence Corp.....                              | 1,132,902    |        |
| 20,000    | Molex Inc., Cl. A.....                         | 658,200      |        |
| 7,500     | NEC Corp., ADR.....                            | 40,875       |        |
| 38,000    | Royal Philips Electronics<br>NV, ADR .....     | 1,330,380    |        |
|           |  |              |        |
|           |  |              | MARKET |
| SHARES    |  |              | VALUE* |
|           |  |              | -----  |
| 500,000   | Symbol Technologies Inc.....                   | \$ 7,430,000 |        |
| 265,000   | Texas Instruments Inc. ....                    | 8,811,250    |        |
|           |  | -----        |        |
|           |  | 21,177,657   |        |
|           |  | -----        |        |
|           | MACHINERY -- 1.1%                              |              |        |
| 20,000    | Caterpillar Inc. ....                          | 1,316,000    |        |
| 235,000   | Deere & Co. ....                               | 19,718,850   |        |
|           |  | -----        |        |
|           |  | 21,034,850   |        |
|           |  | -----        |        |
|           | ENVIRONMENTAL SERVICES -- 1.1%                 |              |        |
| 65,000    | Republic Services Inc. ....                    | 2,613,650    |        |
| 470,000   | Waste Management Inc. ....                     | 17,239,600   |        |
|           |  | -----        |        |
|           |  | 19,853,250   |        |
|           |  | -----        |        |
|           | BUSINESS SERVICES -- 1.1%                      |              |        |
| 7,050     | ACCO Brands Corp.+ .....                       | 156,933      |        |

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|         |  |            |
|---------|--|------------|
| 60,000  | ANC Rental Corp.+ .....                              | 6          |
| 40,000  | Avis Budget Group Inc. ....                          | 731,600    |
| 22,500  | Canon Inc. ....                                      | 1,173,333  |
| 1,000   | CheckFree Corp.+ .....                               | 41,320     |
| 95,800  | Clear Channel Outdoor Holdings<br>Inc., Cl. A+ ..... | 1,954,320  |
| 186,554 | Contax Participacoes SA, ADR                         | 160,698    |
| 200,000 | Group 4 Securicor plc .....                          | 632,852    |
| 94,000  | Landauer Inc. ....                                   | 4,770,500  |
| 119,000 | MasterCard Inc., Cl. A .....                         | 8,371,650  |
| 72,500  | Nashua Corp.+ .....                                  | 506,775    |
| 25,000  | Secom Co. Ltd .....                                  | 1,238,095  |
|         |  | -----      |
|         |  | 19,738,082 |
|         |  | -----      |

WIRELESS COMMUNICATIONS -- 1.0%

|         |   |            |
|---------|---|------------|
| 190,000 | America Movil SA de CV,<br>Cl. L, ADR .....       | 7,480,300  |
| 1,500   | NTT DoCoMo Inc. ....                              | 2,311,111  |
| 3,340   | Tele Norte Celular<br>Participacoes SA, ADR ..... | 29,392     |
| 8,350   | Telemig Celular Participacoes<br>SA, ADR .....    | 308,115    |
| 32,165  | Tim Participacoes SA, ADR. ..                     | 895,795    |
| 100,000 | United States Cellular Corp.+                     | 5,970,000  |
| 270     | Vivo Participacoes SA+ .....                      | 1,465      |
| 174,122 | Vivo Participacoes SA, ADR ..                     | 543,261    |
| 5,845   | Vivo Participacoes SA, Pfd.+                      | 18,011     |
| 70,000  | Vodafone Group plc, ADR .....                     | 1,600,200  |
|         |   | -----      |
|         |   | 19,157,650 |
|         |   | -----      |

REAL ESTATE -- 0.9%

|         |  |            |
|---------|--|------------|
| 70,000  | Cheung Kong (Holdings) Ltd.                | 751,606    |
| 98,000  | Florida East Coast Industries<br>Inc. .... | 5,593,840  |
| 55,000  | Griffin Land & Nurseries<br>Inc.+ .....    | 1,664,850  |
| 20,000  | Realogy Corp.+ .....                       | 453,600    |
| 154,000 | The St. Joe Co. ....                       | 8,449,980  |
|         |  | -----      |
|         |  | 16,913,876 |
|         |  | -----      |

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THE GABELLI EQUITY TRUST INC.  
SCHEDULE OF INVESTMENTS (CONTINUED)  
SEPTEMBER 30, 2006 (UNAUDITED)

| SHARES  |                               | MARKET     |
|---------|-------------------------------|------------|
| -----   |                               | VALUE*     |
| -----   |                               | -----      |
|         | COMMON STOCKS (CONTINUED)     |            |
|         | AUTOMOTIVE -- 0.8%            |            |
| 35,000  | General Motors Corp. .... \$  | 1,164,100  |
| 360,000 | Navistar International Corp.+ | 9,295,200  |
| 64,500  | PACCAR Inc. ....              | 3,677,790  |
|         |                               | -----      |
|         |                               | 14,137,090 |
|         |                               | -----      |

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|         |                               |           |
|---------|-------------------------------|-----------|
|         | RETAIL -- 0.8%                |           |
| 169,252 | AutoNation Inc.+ .....        | 3,537,367 |
| 4,000   | AutoZone Inc.+ .....          | 413,200   |
| 35,000  | Coldwater Creek Inc.+ .....   | 1,006,600 |
| 40,000  | Costco Wholesale Corp. ....   | 1,987,200 |
| 17,500  | Hennes & Mauritz AB, Cl. B .. | 731,938   |
| 50,000  | Matsumotokiyoshi Co. Ltd. ... | 1,202,116 |
| 30,000  | Next plc .....                | 1,064,989 |
| 39,800  | Seven & I Holdings Co. Ltd... | 1,280,339 |
| 50,960  | SUPERVALU Inc. ....           | 1,510,964 |
| 10,000  | The Home Depot Inc. ....      | 362,700   |
| 63,000  | Woolworths Ltd. ....          | 951,287   |

-----  
14,048,700  
-----

|         |  |           |
|---------|--|-----------|
|         | COMPUTER SOFTWARE AND SERVICES -- 0.5%           |           |
| 146     | CA Inc. ....                                     | 3,459     |
| 10,000  | Check Point Software<br>Technologies Ltd.+ ..... | 190,500   |
| 830     | NIWS Co. HQ Ltd. ....                            | 599,356   |
| 24,100  | Square Enix Co. Ltd. ....                        | 584,521   |
| 25,256  | Telecom Italia Media SpA ....                    | 11,641    |
| 120,000 | The Reynolds & Reynolds Co.,<br>Cl. A .....      | 4,741,200 |
| 140,000 | Yahoo! Inc.+.....                                | 3,539,200 |

-----  
9,669,877  
-----

SHARES/  
UNITS  
-----

|         |  |           |
|---------|--|-----------|
|         | CLOSED-END FUNDS -- 0.4%                           |           |
| 17,762  | Bell Aliant Regional<br>Communications Income Fund | 555,385   |
| 31,500  | Royce Value Trust Inc.....                         | 643,860   |
| 107,785 | The Central Europe and Russia<br>Fund Inc. ....    | 4,995,835 |
| 70,000  | The New Germany Fund Inc. ...                      | 890,400   |

-----  
7,085,480  
-----

SHARES  
-----

|         |                               |           |
|---------|-------------------------------|-----------|
|         | TRANSPORTATION -- 0.4%        |           |
| 100,000 | AMR Corp.+ .....              | 2,314,000 |
| 110,000 | GATX Corp. ....               | 4,550,700 |
| 15,000  | Grupo TMM SA, Cl. A, ADR+ ... | 43,500    |

-----  
6,908,200  
-----

|         |                                      |           |
|---------|--------------------------------------|-----------|
|         | PAPER AND FOREST PRODUCTS -- 0.2%    |           |
| 115,000 | Pactiv Corp.+ .....                  | 3,268,300 |
| 10,000  | Svenska Cellulosa AB,<br>Cl. B ..... | 458,506   |

-----  
3,726,806  
-----

SHARES  
-----

MARKET  
VALUE\*  
-----

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|   |   |               |
|---|---|---------------|
| MANUFACTURED HOUSING AND                  |   |               |
| RECREATIONAL VEHICLES -- 0.1%             |   |               |
| 70,000                                    | Champion Enterprises Inc.+ .. \$  | 483,000       |
| 35,000                                    | Fleetwood Enterprises Inc.+..   | 235,550       |
| 31,000                                    | Huttig Building Products Inc.+  | 171,430       |
| 7,000                                     | Martin Marietta Materials Inc.  | 592,340       |
| 10,000                                    | Nobility Homes Inc. ....  | 268,100       |
| 22,000                                    | Skyline Corp. ....  | 840,620       |
| 4,600                                     | Southern Energy Homes Inc.+..   | 38,732        |
|   | -----   |               |
|   |   | 2,629,772     |
|   |   | -----         |
| REAL ESTATE INVESTMENT TRUSTS -- 0.1%     |   |               |
| 5,000                                     | Camden Property Trust. ....   | 380,050       |
| 1,500                                     | Equity Residential .....  | 75,870        |
| 15,000                                    | Host Hotels & Resorts Inc. ..   | 343,950       |
| 2,187                                     | Prosperity REIT+ .....  | 553           |
| 24,984                                    | Rayonier Inc. ....  | 944,395       |
|   | -----   |               |
|   |   | 1,744,818     |
|   |   | -----         |
|   | TOTAL COMMON STOCKS .....   | 1,675,627,088 |
|   |   | -----         |
| CONVERTIBLE PREFERRED STOCKS -- 0.2%      |   |               |
| AEROSPACE -- 0.1%                         |   |               |
| 13,500                                    | Northrop Grumman Corp.,<br>7.000% Cv. Pfd., Ser. B ...                    | 1,795,500     |
|   | -----   |               |
| TELECOMMUNICATIONS -- 0.1%                |   |               |
| 26,000                                    | Cincinnati Bell Inc.,<br>6.750% Cv. Pfd., Ser. B ...                      | 1,144,000     |
|   | -----   |               |
| BROADCASTING -- 0.0%                      |   |               |
| 90  | Gray Television Inc.,<br>8.000% Cv. Pfd.,<br>Ser. C (a) (b) (c) .....     | 900,000       |
|   | -----   |               |
|   | TOTAL CONVERTIBLE<br>PREFERRED STOCKS .....                               | 3,839,500     |
|   |   | -----         |
| PRINCIPAL<br>AMOUNT<br>-----              |   |               |
| CONVERTIBLE CORPORATE BONDS -- 0.1%       |   |               |
| AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.1% |   |               |
| \$ 1,000,000                              | Standard Motor Products Inc.,<br>Sub. Deb. Cv.,<br>6.750%, 07/15/09 ..... | 950,000       |
| 500,000                                   | The Pep Boys -<br>Manny, Moe & Jack,<br>Cv., 4.250%, 06/01/07 .....       | 499,375       |
|   | -----   |               |
|   |   | 1,449,375     |
|   |   | -----         |
| AEROSPACE -- 0.0%                         |   |               |
| 669,000                                   | Kaman Corp., Sub. Deb. Cv.,<br>6.000%, 03/15/12 .....                     | 652,275       |
|   | -----   |               |
|   | TOTAL CONVERTIBLE<br>CORPORATE BONDS .....                                | 2,101,650     |

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THE GABELLI EQUITY TRUST INC.  
 SCHEDULE OF INVESTMENTS (CONTINUED)  
 SEPTEMBER 30, 2006 (UNAUDITED)

| SHARES<br>-----              |   | MARKET<br>VALUE*<br>----- |
|------------------------------|---|---------------------------|
|                              | WARRANTS -- 0.0%  |                           |
|                              | ENERGY AND UTILITIES -- 0.0%  |                           |
| 12,183                       | Mirant Corp.,<br>Ser. A, expire 01/03/11+ .. \$   | 124,267                   |
|                              |   | -----                     |
| PRINCIPAL<br>AMOUNT<br>----- |   |                           |
|                              | SHORT-TERM OBLIGATIONS -- 8.5%  |                           |
|                              | REPURCHASE AGREEMENTS -- 8.4%   |                           |
| \$100,000,000                | ABN Amro, 4.850%,<br>dated 09/29/2006,<br>due 10/02/06, proceeds at<br>maturity, \$100,040,417 (d)            | 100,000,000               |
| 54,685,000                   | Barclays Capital Inc., 4.950%,<br>dated 09/29/2006,<br>due 10/02/06 proceeds at<br>maturity, \$54,707,558 (e) | 54,685,000                |
|                              |   | -----                     |
|                              |   | 154,685,000               |
|                              |   | -----                     |
| 1,000,000                    | U.S. TREASURY BILLS -- 0.1%<br>U.S. Treasury Bill,<br>5.100%+, 03/08/07 .....                                 | 979,014                   |
|                              |   | -----                     |
| 300,000                      | U.S. TREASURY NOTES -- 0.0%<br>U.S. Treasury Notes,<br>3.500%, 11/15/06 .....                                 | 300,141                   |
|                              |   | -----                     |
|                              | TOTAL SHORT-TERM OBLIGATIONS  | 155,964,155               |
|                              |   | -----                     |
| TOTAL INVESTMENTS -- 100.0%  | (Cost \$1,441,910,341) .....  | \$1,837,656,660           |
|                              |   | =====                     |
| -----                        |   |                           |
|                              | Aggregate book cost.....  | \$1,441,910,341           |
|                              |   | =====                     |
|                              | Gross unrealized appreciation...  | \$ 469,257,015            |
|                              | Gross unrealized depreciation...  | (73,510,696)              |
|                              |   | -----                     |
|                              | Net unrealized appreciation<br>(depreciation) .....   | \$ 395,746,319            |
|                              |   | =====                     |

-----  
 INTEREST RATE SWAP

FLOATING

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| NOTIONAL AMOUNT | FIXED RATE PAID | RATE RECEIVED+++ (RATE RESET MONTHLY) | TERMINATION DATE | UNREALIZED APPRECIATION |
|-----------------|-----------------|---------------------------------------|------------------|-------------------------|
| \$130,000,000   | 4.494%          | 5.33000%                              | July 2, 2007     | \$906,399               |

- (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, 2006, the market value of fair valued securities amounted to \$942,991 or 0.05% 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, 2006, the market value of the Rule 144A security amounted to \$900,000 or 0.05% of total investments.
- (c) At September 30, 2006, the Fund held an investment in a restricted and illiquid security amounting to \$900,000 or 0.05% of total investments, which was valued under methods approved by the Board as follows:

| ACQUISITION SHARES | ISSUER  | ACQUISITION DATE | ACQUISITION COST | 09/30/06 CARRYING VALUE PER UNIT |
|--------------------|---|------------------|------------------|----------------------------------|
| 90                 | Gray Television Inc.,<br>8.000% Cv. Pfd.,<br>Ser. C ..... | 04/23/02         | \$900,000        | \$10,000.0000                    |

- (d) Collateralized by \$88,495,000 U.S. Treasury Bond, 4.850%, due 02/15/26, market value \$102,000,000.
- (e) Collateralized by \$41,915,000 U.S. Treasury Bond, 8.125%, due 08/15/19, market value \$55,778,700.

+ Non-income producing security.

++ Represents annualized yield at date of purchase.

+++ Based on Libor (London Interbank Offered Rate).

ADR American Depository Receipt

CVO Contingent Value Obligation

SDR Special Drawing Rights

\* Portfolio securities are valued at the last quoted sale price or closing values. If these are unavailable, then the average of the closing bid and asked prices is used. If there is no asked price, the security is valued at the closing bid price on that day. Debt instruments are valued at the average of the closing bid and asked prices. If the security matures in 60 days or less and is not credit impaired, it is valued at amortized cost. All securities and assets for which market quotations are not readily available or any security that the Board determines does not reflect its fair market value are valued in good faith under procedures established by the Board.

|                            | % OF MARKET VALUE | MARKET VALUE    |
|----------------------------|-------------------|-----------------|
| GEOGRAPHIC DIVERSIFICATION |                   |                 |
| North America .....        | 79.9%             | \$1,468,548,969 |
| Europe .....               | 15.5              | 284,506,071     |
| Latin America .....        | 3.1               | 57,200,614      |
| Japan .....                | 1.0               | 19,175,806      |
| Asia/Pacific .....         | 0.4               | 6,409,045       |
| South Africa .....         | 0.1               | 1,816,155       |
| Total Investments .....    | 100.0%            | \$1,837,656,660 |



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ITEM 2. CONTROLS AND PROCEDURES.

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

ITEM 3. EXHIBITS.

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

SIGNATURES

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

(Registrant) The Gabelli Equity Trust Inc.

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

-----  
Bruce N. Alpert, Principal Executive Officer

Date 11/03/06  
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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

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Date 11/03/06  
-----

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

Agnes Mullady,  
Principal Financial Officer & Treasurer

Date 11/03/06  
-----

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