

GABELLI EQUITY TRUST INC
Form N-Q
May 28, 2013

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: March 31, 2013

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

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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 Equity Trust Inc.

First Quarter Report March 31, 2013

Portfolio Management Team

Mario J. Gabelli, CFA

Zahid Siddique

To Our Shareholders,

For the quarter ended March 31, 2013, the net asset value (NAV) total return of The Gabelli Equity Trust Inc. (the Fund) was 14.4%, compared with total returns of 10.6% and 12.0% for the Standard & Poor's (S&P) 500 Index and the Dow Jones Industrial Average, respectively. The total return for the Fund's publicly traded shares was 18.8%. The Fund's NAV per share was \$6.26, while the price of the publicly traded shares closed at \$6.48 on the New York Stock Exchange (NYSE). See below for additional performance information.

Enclosed is the schedule of investments as of March 31, 2013.

Comparative Results

Average Annual Returns through March 31, 2013 (a) (Unaudited)

	Quarter	1 Year	5 Year	10 Year	20 Year	25 Year	Since Inception (08/21/86)
Gabelli Equity Trust							
NAV Total Return (b)	14.35%	21.56%	7.57%	13.37%	10.06%	10.64%	10.88%
Investment Total Return (c)	18.78	24.33	6.76	11.25	9.87	11.37	10.68
S&P 500 Index	10.61	13.96	5.81	8.53	8.53	9.91	9.60(d)
Dow Jones Industrial Average	11.99	13.33	6.47	8.94	10.02	11.12	10.84(d)
Nasdaq Composite Index	8.51	7.38	8.69	10.29	8.08	9.05	8.39(d)

(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, reinvestment of distributions at NAV on the ex-dividend date, adjustments for rights offerings, spin-offs, and taxes paid on undistributed long term capital gains and are net of expenses. Since inception return is based on an initial NAV of \$9.34.

(c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings, spin-offs, and taxes paid on undistributed long term capital gains. Since inception return is based on an initial offering price of \$10.00.

(d) From August 31, 1986, the date closest to the Fund's inception for which data is available.

The Gabelli Equity Trust Inc.

Portfolio Changes Quarter Ended March 31, 2013 (Unaudited)

	Shares	Ownership at March 31, 2013
NET PURCHASES		
Common Stocks		
Actavis Inc.(a)	12,000	12,000
Avon Products Inc.	10,000	105,000
Blyth Inc.	13,000	38,000
Cable & Wireless Communications plc	850,000	850,000
CIT Group Inc.	5,000	15,000
Citigroup Inc.	8,000	115,000
CNH Global NV	4,000	14,000
Crimson Wine Group Ltd.(b)	16,500	16,500
Crocs Inc.	20,000	20,000
Discovery Communications Inc., Cl. A	9,000	89,000
Endo Health Solutions Inc.	21,000	33,000
Ferro Corp.	10,000	420,000
Franklin Electric Co. Inc.(c)	22,000	44,000
H.J. Heinz Co.	20,000	40,000
Hillshire Brands Co.	21,000	161,000
Hospira Inc.	5,000	35,000
Interactive Brokers Group Inc., Cl. A	3,000	40,000
Jarden Corp.(d)	2,000	6,000
J.C. Penney Co. Inc.	10,000	10,000
JPMorgan Chase & Co.	10,000	59,088
Kinnevik Investment AB, Cl. A	5,000	35,000
Liberty Media Corp.(e)	87,000	87,000
Mandarin Oriental International Ltd.	50,000	3,650,000
Mueller Industries Inc.	1,000	22,000
Niko Resources Ltd., Toronto	500	1,000
Nobility Homes Inc.	5,000	15,000
Rexnord Corp.	40,000	40,000
Starz - Liberty Capital(e)	90,000	90,000
Superior Industries International Inc.	5,000	70,000
Teva Pharmaceutical Industries Ltd., ADR	5,000	15,000
The New Germany Fund Inc.	2,694	75,175
The Western Union Co.	50,000	50,000
Tootsie Roll Industries Inc.(f)	4,048	138,978
VeriFone Systems Inc.	20,000	20,000
Vodafone Group plc, ADR	5,000	70,000
Zoetis Inc.	16,000	16,000
NET SALES		
Common Stocks		
ABB Ltd., ADR	(2,000)	16,000
Abbott Laboratories	(10,000)	-
Abercrombie & Fitch Co., Cl. A	(3,000)	4,000
AMETEK Inc.	(1,000)	470,000
Beam Inc.	(2,000)	107,000
		Ownership at March 31, 2013
	Shares	
Bel Fuse Inc., Cl. A	(500)	18,000
Biogen Idec Inc.	(1,000)	30,000
CH Energy Group Inc.	(10,000)	45,000

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Cincinnati Bell Inc.	(20,000)	600,000
CLARCOR Inc.	(2,000)	120,000
CMS Energy Corp.	(1,000)	28,000
Coldwater Creek Inc.	(5,000)	-
Comcast Corp. Cl. A, Special	(9,000)	78,000
Constellation Brands Inc., Cl. A	(14,000)	40,000
Crane Co.	(3,000)	204,000
Curtiss-Wright Corp.	(4,000)	316,000
Deere & Co.	(3,000)	373,000
Deutsche Bank AG	(2,000)	18,000
Deutsche Telekom AG, ADR	(10,000)	120,000
Diageo plc, ADR	(1,000)	198,000
DIRECTV	(30,000)	430,000
Discovery Communications Inc., Cl. C	(3,000)	79,000
DreamWorks Animation SKG Inc., Cl. A	(500)	-
Eaton Corp. plc	(4,787)	143,973
Emerson Electric Co.	(19,000)	20,000
Flowers Foods Inc.	(2,000)	63,000
Ford Motor Co.	(5,000)	25,000
Fortune Brands Home & Security Inc.	(5,000)	116,000
Gardner Denver Inc.	(3,000)	12,000
GATX Corp.	(1,000)	138,000
Genuine Parts Co.	(11,000)	245,000
Greif Inc., Cl. A	(2,000)	152,000
Grupo Televisa SAB, ADR	(10,000)	635,000
Hanesbrands Inc.	(3,000)	52,000
Honeywell International Inc.	(4,000)	385,000
Huntsman Corp.	(3,000)	20,000
IDEX Corp.	(1,000)	284,000
Il Sole 24 Ore SpA	(20,000)	100,000
Ingredion Inc.	(4,000)	21,000
InterXion Holding NV	(1,000)	27,000
ITO EN Ltd.	(5,000)	105,000
Janus Capital Group Inc.	(5,000)	297,000
Johnson Controls Inc.	(4,000)	143,000
Ladbrokes plc	(260,000)	1,070,000
Landauer Inc.	(1,000)	88,000
Las Vegas Sands Corp.	(3,000)	51,000
Leucadia National Corp.	(14,000)	122,000
Liberty Global Inc., Cl. A	(4,000)	80,000
Liberty Global Inc., Cl. C	(4,000)	80,000
Liberty Media Corp. - Liberty Capital, Cl. A(e)	(78,000)	-
Marathon Oil Corp.	(2,000)	10,000

See accompanying notes to schedule of investments.

The Gabelli Equity Trust Inc.

Portfolio Changes (Continued) Quarter Ended March 31, 2013 (Unaudited)

	Shares	Ownership at March 31, 2013
MasterCard Inc., Cl. A	(500)	36,000
Meredith Corp.	(6,000)	104,000
MGM Resorts International	(5,000)	25,000
Modine Manufacturing Co.	(5,000)	225,000
Monster Worldwide Inc.	(9,000)	10,000
News Corp., Cl. A	(20,000)	610,000
Northeast Utilities	(8,000)	52,000
Northrop Grumman Corp.	(5,000)	20,000
NRG Energy Inc.	(1,824)	-
OMNOVA Solutions Inc.	(7,000)	253,000
Park-Ohio Holdings Corp.	(500)	94,500
Phillips 66	(18,000)	82,000
Precision Castparts Corp.	(500)	85,500
Ralcorp Holdings Inc.(g)	(70,500)	-
Regal Entertainment Group, Cl. A	(6,000)	-
Regeneron Pharmaceuticals Inc.	(1,000)	2,000
Rollins Inc.	(14,000)	1,323,000
RPC Inc.	(4,000)	28,000
Ryman Hospitality Properties Inc.	(9,784)	186,000
Sealed Air Corp.	(1,000)	13,000
Skyline Corp.	(1,000)	33,000
Smiths Group plc	(10,000)	20,000
Sprint Nextel Corp.	(50,000)	700,000
Standard Motor Products Inc.	(14,338)	137,662
Sunrise Senior Living Inc.(h)	(100,000)	-
Tenaris SA, ADR	(4,000)	56,000
The ADT Corp.	(2,000)	110,500
The Boeing Co.	(20,000)	120,000
The Central Europe and Russia Fund Inc.(i)	(4,029)	95,971
The Madison Square Garden Co., Cl. A	(19,000)	307,000
The McGraw-Hill Companies Inc.	(4,000)	112,000
Tiffany & Co.	(1,000)	4,000
Time Warner Inc.	(6,000)	200,000
Tredegar Corp.	(5,000)	10,000
		Ownership at March 31, 2013
	Shares	2013
Trinity Industries Inc.	(7,000)	30,000
TripAdvisor Inc.	(2,000)	15,000
True Religion Apparel Inc.	(30,000)	55,000
Tyson Foods Inc., Cl. A	(2,000)	65,000
United States Cellular Corp.	(3,000)	115,000
Verizon Communications Inc.	(2,000)	143,000
Viacom Inc., Cl. A	(500)	289,500
Waddell & Reed Financial Inc., Cl. A	(6,000)	52,000
Walgreen Co.	(2,000)	64,000
Watson Pharmaceuticals Inc.(a)	(12,000)	-
Watts Water Technologies Inc., Cl. A	(2,000)	148,000
Westar Energy Inc.	(5,000)	195,000
Yahoo! Inc.	(35,000)	320,000

Warrants

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Kinder Morgan Inc., expire 05/25/17

(4,800)

136,000

- (a) Name change from Watson Pharmaceuticals Inc. to Actavis Inc.
- (b) Spin-off - 0.1 shares of Crimson Wine Group Ltd. for every 1 share of Leucadia National Corp. held. 2,900 shares were purchased after spin-off.
- (c) Stock Split - 2 shares for every 1 share held.
- (d) Stock Split - 3 shares for every 2 shares held.
- (e) Spin-off - 1 share of Starz - Liberty Capital plus 1 share of Liberty MediaCorp. for every 1 share of Liberty Media Corp. - Liberty Capital, Cl. A held.15,000 shares of Liberty Media Corp. - Liberty Capital, Cl. A were purchased before spin-off. 6,000 shares of Liberty Media Corp. and 3,000 shares of Starz - Liberty Capital were sold after spin-off.
- (f) Stock Dividend - 0.03 shares for every 1 share held.
- (g) Tender Offer - \$90.00 for every 1 share held.
- (h) Tender Offer - \$12.40 plus \$2.10 special cash dividend for every 1 share held.
- (i) Tender Offer - 7,076 shares were tendered at \$36.82 per share. 3,047 shares were purchased before tender offer.

See accompanying notes to schedule of investments.

The Gabelli Equity Trust Inc.

Schedule of Investments March 31, 2013 (Unaudited)

<u>Shares</u>		<u>Market Value</u>
	COMMON STOCKS 99.0%	
	Food and Beverage 12.4%	
107,000	Beam Inc.(a)	\$ 6,798,780
52,500	Brown-Forman Corp., Cl. A	3,864,000
9,375	Brown-Forman Corp., Cl. B	669,375
75,000	Campbell Soup Co.	3,402,000
15,000	Coca-Cola Enterprises Inc.	553,800
40,000	Constellation Brands Inc., Cl. A	1,905,600
16,500	Crimson Wine Group Ltd.	153,450
222,000	Danone SA	15,446,547
599,000	Davide Campari - Milano SpA	4,660,732
670,000	DE Master Blenders 1753 NV	10,349,049
70,000	Dean Foods Co.	1,269,100
198,000	Diageo plc, ADR	24,916,320
40,000	Dole Food Co. Inc.	436,000
100,000	Dr Pepper Snapple Group Inc.	4,695,000
63,000	Flowers Foods Inc.	2,075,220
83,000	Fomento Economico Mexicano SAB de CV, ADR	9,420,500
40,000	General Mills Inc.	1,972,400
2,000,000	Grupo Bimbo SAB de CV, Cl. A	6,394,391
40,000	H.J. Heinz Co.	2,890,800
44,000	Heineken NV	3,316,413
161,000	Hillshire Brands Co.	5,659,150
21,000	Ingredion Inc.	1,518,720
105,000	ITO EN Ltd.	2,532,002
15,000	Kellogg Co.	966,450
64,000	Kerry Group plc, Cl. A	3,814,388
53,333	Kraft Foods Group Inc.	2,748,249
11,500	LVMH Moet Hennessy Louis Vuitton SA	1,973,863
220,000	Mondelez International Inc., Cl. A	6,734,200
70,000	Morinaga Milk Industry Co. Ltd.	215,648
26,000	Nestlé SA	1,880,228
210,000	PepsiCo Inc.	16,613,100
46,000	Pernod-Ricard SA	5,732,016
37,000	Post Holdings Inc.	1,588,410
40,673	Remy Cointreau SA	4,700,658
130,000	The Coca-Cola Co.	5,257,200
20,000	The Hain Celestial Group Inc.	1,221,600
2,000	The J.M. Smucker Co.	198,320
138,978	Tootsie Roll Industries Inc.	4,156,829
65,000	Tyson Foods Inc., Cl. A	1,613,300
350,000	Yakult Honsha Co. Ltd.	14,091,464
		188,405,272
	Cable and Satellite 8.2%	
282,000	AMC Networks Inc., Cl. A	17,816,760
1,170,000	Cablevision Systems Corp., Cl. A	17,503,200
78,000	Comcast Corp., Cl. A, Special	3,090,360

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430,000	DIRECTV	24,342,300
100,000	DISH Network Corp., Cl. A	3,790,000
30,740	EchoStar Corp., Cl. A	1,197,938
80,000	Liberty Global Inc., Cl. A	5,872,000

Market

Shares		Value
80,000	Liberty Global Inc., Cl. C	\$ 5,490,400
481,690	Rogers Communications Inc., Cl. B, New York	24,595,091
19,310	Rogers Communications Inc., Cl. B, Toronto	986,362
118,000	Scripps Networks Interactive Inc., Cl. A	7,592,120
154,000	Shaw Communications Inc., Cl. B, New York	3,806,880
40,000	Shaw Communications Inc., Cl. B, Toronto	990,697
67,000	Time Warner Cable Inc.	6,436,020

123,510,128

Financial Services 7.9%

459,000	American Express Co.(a)	30,964,140
14,000	Argo Group International Holdings Ltd.	579,320
13,000	Artio Global Investors Inc.	35,360
72,000	Banco Santander SA, ADR	490,320
128	Berkshire Hathaway Inc., Cl. A	20,003,840
10,000	Calamos Asset Management Inc., Cl. A	117,700
15,000	CIT Group Inc.	652,200
115,000	Citigroup Inc.	5,087,600
18,000	Deutsche Bank AG	704,160
10,000	Fortress Investment Group LLC, Cl. A	64,000
24,000	H&R Block Inc.	706,080
40,000	Interactive Brokers Group Inc., Cl. A	596,400
297,000	Janus Capital Group Inc.	2,791,800
59,088	JPMorgan Chase & Co.	2,804,317
35,000	Kinnevik Investment AB, Cl. A	858,276
121,000	Legg Mason Inc.	3,890,150
122,000	Leucadia National Corp.	3,346,460
10,000	Loews Corp.	440,700
135,000	Marsh & McLennan Companies Inc.	5,125,950
11,000	Moody's Corp.	586,520
22,000	Och-Ziff Capital Management Group LLC, Cl. A	205,700
120,000	State Street Corp.	7,090,800
20,000	SunTrust Banks Inc.	576,200
140,000	T. Rowe Price Group Inc.	10,481,800
200,000	The Bank of New York Mellon Corp.	5,598,000
40,000	The Charles Schwab Corp.	707,600
14,500	The Dun & Bradstreet Corp.	1,212,925
50,000	The Western Union Co.	752,000
52,000	Waddell & Reed Financial Inc., Cl. A	2,276,560
270,000	Wells Fargo & Co.	9,987,300
13,000	WR Berkley Corp.	576,810

119,310,988

Equipment and Supplies 6.6%

470,000	AMETEK Inc.	20,379,200
3,500	Amphenol Corp., Cl. A	261,275
94,000	CIRCOR International Inc.	3,995,000
375,000	Donaldson Co. Inc.	13,571,250
98,000	Flowserve Corp.	16,435,580
44,000	Franklin Electric Co. Inc.	1,477,080
60,000	Gerber Scientific Inc., Escrow (b)	600
95,000	GrafTech International Ltd.	729,600
284,000	IDEX Corp.	15,171,280

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See accompanying notes to schedule of investments.

The Gabelli Equity Trust Inc.**Schedule of Investments (Continued) March 31, 2013 (Unaudited)**

<u>Shares</u>		<u>Market Value</u>
	COMMON STOCKS (Continued)	
	Equipment and Supplies (Continued)	
40,000	Ingersoll-Rand plc	\$ 2,200,400
178,000	Lufkin Industries Inc.	11,817,420
22,000	Mueller Industries Inc.	1,172,380
13,000	Sealed Air Corp.	313,430
56,000	Tenaris SA, ADR	2,283,680
15,000	The Greenbrier Companies Inc.	340,650
4,000	The Manitowoc Co. Inc.	82,240
70,000	The Weir Group plc	2,406,972
148,000	Watts Water Technologies Inc., Cl. A	7,102,520
		99,740,557
	Diversified Industrial 5.9%	
3,000	Acuity Brands Inc.	208,050
152,000	Ampco-Pittsburgh Corp.	2,874,320
204,000	Crane Co.	11,395,440
143,973	Eaton Corp. plc	8,818,346
12,000	Gardner Denver Inc.	901,320
200,000	General Electric Co.	4,624,000
152,000	Greif Inc., Cl. A	8,150,240
15,000	Greif Inc., Cl. B	841,500
28,000	Griffon Corp.	333,760
385,000	Honeywell International Inc.	29,009,750
128,000	ITT Corp.	3,639,040
11,000	Jardine Strategic Holdings Ltd.	435,380
2,000	Kennametal Inc.	