GABELLI EQUITY TRUST INC
Form N-30B-2
June 20, 2001

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(LOGO)
THE GABELLI
EQUITY TRUST INC.

[GRAPHIC OMITTED]

FIRST QUARTER REPORT
MARCH 31, 2001

(LOGO)

THE GABELLI
EQUITY TRUST INC.

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Our cover icon represents the underpinnings of Gabelli. The Teton mountains in Wyoming represent what we believe in America -- that creativity, ingenuity, hard work and a global uniqueness provide enduring values. They also stand out in an increasingly complex, interconnected and interdependent economic world.

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STATE FLAGS

INVESTMENT OBJECTIVE:

The Gabelli Equity Trust Inc. is a closed-end, non-diversified management investment company whose primary objective is long-term growth of capital, with income as a secondary objective.

THIS REPORT IS PRINTED ON RECYCLED PAPER.

(LOGO)
THE GABELLI
EQUITY TRUST INC.
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TO OUR SHAREHOLDERS,

A rapidly decelerating economy and widespread corporate earnings distress continued to plague the stock market in the first quarter of 2001. Richly valued growth sectors, particularly technology, sustained most of the damage early in the quarter. But, in March, more reasonably priced sectors were dragged lower as equity investors headed for the exits.

Buoyed by the strong relative performance of media and selected industrial stocks, and takeover profits from one of our largest portfolio holdings, The

Gabelli Equity Trust (the "Trust") was able to preserve shareholder capital in this truly miserable stock market environment.

INVESTMENT PERFORMANCE

For the first quarter ended March 31, 2001, the Trust's net asset value ("NAV") total return declined 4.28% after adjusting for the reinvestment of the $0.27 per share distribution paid on March 26, 2001 and an adjustment of $0.56 per share attributable to the intrinsic value of the rights distributed during this period. The Standard & Poor's ("S&P") 500 Index, Nasdaq Composite Index, and Dow Jones Industrial Average declined 11.85%, 25.51%, and 8.02%, respectively, over the same period. Each index is an unmanaged indicator of stock market performance. The Trust fell 10.02% over the trailing twelve-month period after adjusting for the reinvestment of the $1.31 per share in distributions and an adjustment of $0.56 per share attributable to the rights offering. The S&P 500, Nasdaq Composite Index, and Dow Jones Industrial Average declined 21.67%, 59.76%, and 8.06%, respectively, over the same twelve-month period.

For the two-year period ended March 31, 2001, the Trust's total return averaged 6.89% annually, including reinvestments of $2.48 per share in distributions, an adjustment of $0.56 per share attributable to the rights offering, and an adjustment of $0.75 per share attributable to the spin-off of The Gabelli Utility Trust. The S&P 500 Index and Nasdaq Composite Index declined 3.88% and 13.53%, respectively, while the Dow Jones Industrial Average rose 2.10%, over the same two-year period. For the five-year period ended March 31, 2001, the Trust's total return averaged 12.04% annually, including reinvestments of $5.71 per share in distributions, an adjustment of $0.56 per share attributable to the rights offering, and an adjustment of $0.75 per share attributable to the spin-off of The Gabelli Utility Trust, versus average annual total returns of 14.18%, 10.81%, and 14.10% for the S&P 500, Nasdaq Composite Index, and Dow Jones Industrial Average, respectively.

For the ten-year period ended March 31, 2001, the Trust's total return averaged 12.70% annually, including reinvestments of $11.05 per share in distributions, adjustments of $2.21 per share attributable to rights offerings, and adjustments of $1.50 per share attributable to the spin-off of The Gabelli Utility Trust and The Gabelli Global Multimedia Trust, versus average annual total returns of 14.41%, 14.33%, and 15.62% for the S&P 500, Nasdaq Composite Index, and Dow Jones Industrial Average, respectively. Since inception on August 21, 1986 through March 31, 2001, the Trust had a cumulative total return of 505.80%, including adjustments of $19.43 per share for distributions, rights offerings, spin-offs and taxes paid on undistributed long term capital gains, which equates to an average annual total return of 13.11%.

INVESTMENT RESULTS (a)

		Quarter			
		1st	2nd	3rd	4th
2001:	Net Asset Value	$9.64	--	--	--
	Total Return	(4.3)%	--	--	--
2000:	Net Asset Value	$12.68	$12.07	$11.71	$10.89
	Total Return	1.7%	(2.7)%	(0.7)%	(2.7)%

1999:	Net Asset Value	$11.64	$12.58	$11.11	$12.75
	Total Return	3.7%	10.5%	(4.3)%	18.0%
1998:	Net Asset Value	$12.60	$12.35	$10.29	$11.47
	Total Return	11.2%	0.2%	(14.6)%	15.1%
1997:	Net Asset Value	$9.68	$10.73	$11.49	$11.56
	Total Return	1.7%	13.6%	9.5%	3.1%
1996:	Net Asset Value	$10.14	$10.10	$9.72	$9.77
	Total Return	4.6%	2.2%	(1.2)%	3.2%
1995:	Net Asset Value	$9.71	$9.92	$10.65	$9.95
	Total Return	5.3%	4.7%	7.4%	1.9%
1994:	Net Asset Value	$10.66	$10.42	$10.80	$9.46
	Total Return	(2.9)%	0.1%	6.1%	(2.5)%
1993:	Net Asset Value	$11.02	$11.33	$11.39	$11.23
	Total Return	6.5%	5.1%	7.5%	1.7%
1992:	Net Asset Value	$10.84	$10.47	$10.42	$10.58
	Total Return	4.5%	(1.1)%	5.5%	4.6%
1991:	Net Asset Value	$11.29	$10.91	$10.90	$10.61
	Total Return	10.0%	(1.2)%	2.2%	4.7%
1990:	Net Asset Value	$11.96	$11.96	$10.07	$10.49
	Total Return	(8.5)%	2.1%	(13.8)%	8.4%
1989:	Net Asset Value	$12.80	$13.94	$14.37	$13.34
	Total Return	16.6%	10.9%	4.9%	(1.8)%
1988:	Net Asset Value	$10.56	$11.27	$11.15	$11.22
	Total Return	7.5%	6.7%	1.5%	4.4%
1987:	Net Asset Value	$10.80	$11.62	$11.58	$9.82
	Total Return	16.5%	7.6%	4.7%	(10.7)%
1986:	Net Asset Value	--	--	$9.37	$9.40
	Total Return	--	--	0.3% (b)	0.3%

AVERAGE ANNUAL RETURNS - MARCH 31, 2001

	NAV Average Annual Return (a)	Average Annual Investment Return (c)
1 Year	(10.02)%	4.35%
5 Year	12.04%	15.28%
10 Year	12.70%	14.17%
Life of Fund (b) ...	13.11%	13.38%

(a) Total returns and average annual returns reflect changes in net asset value, reinvestment of distributions, adjustments for rights offerings, spin-offs and taxes paid on undistributed long term capital gains, and are net of expenses. Life of Fund return based on initial net asset value of $9.34. Of course, the returns noted 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.

(b) From commencement of investment operations on August 21, 1986.

(c) Life of Fund return based on initial offering price of $10.00. Total returns and average annual returns reflect changes in closing market values on the New York Stock Exchange, reinvestment of distributions, adjustments for rights offerings, spin-offs and taxes paid on undistributed long-term capital gains.

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The Trust's common shares ended the first quarter at $10.69 per share on the New York Stock Exchange, a premium to the net asset value of 10.89% and a total return of 1.07% for the first quarter. The Trust's common shares rose 4.35% over the trailing twelve-month period after adjusting for all distributions and the rights offering.

RIGHTS OFFERING 2001 - AN OUTSTANDING SUCCESS - THANK YOU

The Equity Trust Rights Offering proved once again to be an overwhelming success. Rights offerings have historically been a fair and efficient method to raise additional capital. This method is widely used in England. The traditional rights offering allows an issuer's shareholders to participate directly in the growth of that issuer by purchasing additional common shares at a set subscription price.

Shareholders of record on January 10, 2001 were issued one Right for each share of the Trust. Six Rights were required to purchase one additional share of the Trust at $7 per share without incurring commission costs. Shareholders remitted over $226 million in subscription requests, of which the Trust retained $126 million for the 18,114,735 shares offered. This compares favorably to our four previous Rights Offerings in 1991, 1992, 1993 and 1995.

Furthermore, since these Rights were transferable, shareholders who chose not to exercise their Rights, could sell their Rights. The market value of the Rights during the subscription period was such that sellers of the Rights would have regained a portion of the ultimate decline in the value of their holdings that resulted from the Offering. Our subscription agent, EquiServe, sold Rights submitted by shareholders in the open market through Gabelli & Company, Inc. at a nominal commission through February 12, 2001.

We appreciate the efforts of the brokerage community in explaining the offering to their clients, resulting in a high level of participation.

COMMENTARY

MONETARY POLICY + FISCAL POLICY + LEVELING OF ENERGY + ROUND OF INVENTORY CORRECTIONS = CONSUMER LEAD ECONOMIC RECOVERY AND EARNINGS GAINS IN 2002

Federal Reserve Board ("Fed") Chairman Alan Greenspan was a superhero to Wall Street through a decade-long economic expansion and bull market. Suddenly, he is on the verge of becoming public enemy number one, raising interest rates too aggressively when the economy and stock market were roaring, and failing to reverse course fast enough as the economy flagged and the stock market went into a tailspin. In reality, Mr. Greenspan has always been a mere mortal, and a very smart guy who has done a good job tuning monetary policy to the natural rhythms of the business cycle.

It took a series of six Federal Funds rate hikes to put the brakes on a runaway economy. The Fed has already cut rates three times in the first quarter, once again in April, and it will probably continue easing to help the economy regain momentum. Fed rate cuts will eventually put the economy back on a growth path, albeit not as rapidly as Wall

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Street might like. While the stock market decline has been painful for everyone, much if not all the excesses in the market have been eliminated, providing a much more solid foundation to build upon.

YES VIRGINIA, THERE IS A BUSINESS CYCLE

Where are we today? Where are we headed tomorrow? Most of us with gray hair (or no hair) have been around long enough to recognize an old-fashioned inventory correction when we see one. During the good times, businesses expand capacity and production to meet rising demand. When demand slackens, production must be cut. The pipeline has to be brought into balance. Corporate earnings suffer until demand firms and excess inventories are worked off. This is Economics 101. The only difference in this otherwise classic inventory correction is that it developed much quicker than most expected and had an exaggerated impact on a grossly overvalued stock market.

AND THE QUESTION IS ...

Let us revisit what we articulated in our 2000 annual report. "OVER THE NEXT SEVERAL MONTHS, THE OVERALL MARKET NEEDS TO UNDERSTAND WHETHER MONETARY POLICY (GREENSPAN'S RATE CUTS) MARRIED WITH FISCAL POLICY (BUSH'S TAX CUTS) WILL PROVIDE THE BALLAST TO OVERCOME THE ECONOMIC DRAG CREATED BY: A CONSUMER SPENDING BINGE (TIED TO THE STOCK MARKET'S WEALTH EFFECT); OVERSPENDING ON CAPITAL EQUIPMENT; AND A TRADE DEFICIT OF GIGANTIC PROPORTIONS."

In our opinion, this inventory correction will also end faster than most folks are anticipating. Demand appears to be flattening out, and with lower variable rate mortgage payments, adjustments to higher gasoline prices and higher home heating/cooling costs (but not for California residents where a catch-up is in process), and some extra money in paychecks coupled with a renewed belief that things will get better from lower federal income taxes headed our way this summer, demand should begin recovering. It may take time for inventories to get worked off, and past over-investment in capital equipment will dampen the recovery. Yet, we believe corporate earnings should begin rebounding in the first quarter of 2002.

MARKET LIMBO--HOW LOW CAN IT GO?

Just because we see light at the end of the economic tunnel, does not mean the market has bottomed. Investors overreact to good and bad news. We will continue to see some bad economic news over the next several quarters such as rising unemployment and concerns over the dollar imbalance. So, we suggest that investors keep their seat belts buckled in expectation of further market turbulence, while we invest in terrific opportunities that Mr. Market has provided.

[GRAPHIC OMITTED]

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

EURO VS. U.S. DOLLAR

	1999	2000	2001
Jan	1.18	1.02	0.95
	1.18	1.03	0.95
	1.16	1.03	0.95
	1.17	1.03	0.95
	1.16	1.03	0.95
	1.15	1.03	0.94
	1.15	1.03	0.94
	1.17	1.03	0.95
	1.17	1.03	0.95
	1.16	1.01	0.94
	1.16	1.01	0.94
	1.16	1.01	0.93
	1.16	1.01	0.94
	1.16	1.01	0.94
	1.16	1.00	0.94
	1.16	1.00	0.94
	1.15	1.00	0.93
	1.14	0.99	0.92
	1.14	0.98	0.92
	1.13	0.98	0.92
Feb	1.13	0.97	0.93
	1.13	0.98	0.93
	1.13	0.99	0.94
	1.13	0.98	0.94
	1.13	0.98	0.94
	1.13	0.99	0.93
	1.13	0.99	0.93
	1.13	0.99	0.92
	1.13	0.98	0.93
	1.12	0.98	0.93
	1.12	0.98	0.92
	1.12	0.98	0.92
	1.11	0.99	0.91
	1.10	0.99	0.92
	1.10	1.01	0.92
	1.10	1.00	0.91
	1.11	0.99	0.91
	1.10	0.98	0.91
	1.09	0.97	0.91
	1.09	0.96	0.91
	1.09	0.97	0.91
Mar	1.08	0.96	0.92
	1.08	0.96	0.93
	1.09	0.96	0.93
	1.09	0.96	0.93
	1.10	0.96	0.93
	1.09	0.97	0.93
	1.09	0.97	0.93
	1.09	0.96	0.93
	1.09	0.96	0.93
	1.10	0.97	0.92
	1.10	0.97	0.91
	1.09	0.97	0.90
	1.09	0.97	0.89
	1.09	0.97	0.90
	1.09	0.96	0.91
	1.09	0.97	0.90
	1.07	0.97	0.89
	1.07	0.96	0.89
	1.07	0.96	0.90

	1.08	0.95	0.89
	1.08	0.96	0.89
	1.08	0.96	0.88
	1.07	0.96	0.88
Apr	1.08	0.96	0.88
	1.08	0.96	0.89
	1.08	0.96	0.90
	1.08	0.96	0.90
	1.08	0.96	0.90
	1.08	0.96	0.90
	1.08	0.96	0.89
	1.07	0.95	0.89
	1.07	0.96	0.89
	1.06	0.96	0.89
	1.06	0.95	0.88
	1.06	0.94	0.88
	1.06	0.94	0.89
	1.06	0.94	0.90
	1.06	0.94	0.90
	1.06	0.93	0.89
	1.06	0.92	0.90
	1.06	0.91	0.90
	1.06	0.91	0.89
	1.06	0.91	0.89
	1.06	0.91	0.89
	1.07	0.89	0.89
May	1.08	0.89	0.89
	1.08	0.90	0.89
	1.08	0.90	0.89
	1.07	0.90	0.88
	1.07	0.91	
	1.06	0.90	
	1.07	0.91	
	1.07	0.91	
	1.07	0.91	
	1.06	0.89	
	1.06	0.90	
	1.06	0.89	
	1.06	0.90	
	1.06	0.90	
	1.05	0.91	
	1.04	0.91	
	1.04	0.93	
	1.04	0.93	
	1.04	0.93	
	1.04	0.93	
	1.03	0.94	
	1.03	0.95	
Jun	1.04	0.96	
	1.05	0.96	
	1.05	0.95	
	1.05	0.95	
	1.04	0.95	
	1.04	0.96	
	1.03	0.96	
	1.03	0.95	
	1.04	0.96	
	1.03	0.96	
	1.03	0.96	
	1.03	0.95	
	1.04	0.94	
	1.04	0.94	

	1.04	0.94
	1.03	0.94
	1.03	0.94
	1.02	0.95
	1.02	0.95
	1.02	0.95
	1.02	0.95
	1.02	0.95
Jul	1.02	0.95
	1.01	0.95
	1.02	0.95
	1.02	0.94
	1.02	0.93
	1.02	0.94
	1.02	0.94
	1.04	0.93
	1.05	0.92
	1.05	0.93
	1.05	0.93
	1.07	0.93
	1.06	0.94
	1.06	0.94
	1.07	0.93
	1.07	0.92
	1.07	0.93
	1.07	0.92
	1.08	0.91
	1.08	0.90
	1.08	0.91
	1.07	0.91
Aug	1.08	0.90
	1.07	0.90
	1.06	0.91
	1.06	0.90
	1.06	0.90
	1.05	0.91
	1.05	0.91
	1.06	0.92
	1.07	0.91
	1.06	0.90
	1.05	0.90
	1.05	0.90
	1.04	0.90
	1.05	0.90
	1.04	0.90
	1.06	0.90
	1.06	0.89
	1.07	0.89
	1.06	0.90
	1.06	0.89
	1.06	0.87
	1.05	0.87
Sep	1.04	0.87
	1.04	0.86
	1.04	0.86
	1.04	0.86
	1.04	0.86
	1.04	0.86
	1.04	0.85
	1.05	0.85
	1.05	0.85
	1.04	0.86

	1.05	0.88
	1.04	0.87
	1.05	0.88
	1.06	0.88
	1.06	0.88
	1.07	0.88
	1.07	0.88
	1.07	0.87
	1.07	0.87
	1.07	0.87
	1.06	0.87
Oct	1.07	0.87
	1.08	0.87
	1.08	0.86
	1.09	0.86
	1.09	0.85
	1.08	0.85
	1.08	0.84
	1.08	0.84
	1.07	0.84
	1.07	0.84
	1.06	0.84
	1.05	0.83
	1.05	0.83
	1.05	0.84
	1.05	0.84
	1.05	0.85
	1.05	0.86
	1.04	0.86
	1.04	0.86
	1.04	0.86
	1.04	0.86
Nov	1.04	0.86
	1.03	0.86
	1.03	0.86
	1.03	0.86
	1.04	0.86
	1.03	0.85
	1.03	0.85
	1.03	0.85
	1.03	0.85
	1.02	0.84
	1.01	0.84
	1.01	0.84
	1.01	0.85
	1.01	0.85
	1.00	0.86
	1.00	0.87
	1.03	0.88
	1.02	0.89
	1.03	0.88
	1.02	0.89
Dec	1.02	0.89
	1.01	0.88
	1.01	0.88
	1.01	0.88
	1.02	0.88
	1.01	0.89
	1.01	0.90
	1.01	0.89
	1.01	0.89
	1.02	0.91

1.01	0.91
1.01	0.92
1.01	0.93
1.00	0.93
1.00	0.94
1.01	

Today, we can buy pieces of terrific businesses run by good managers at 3, 4, and 5 times free cash flow. We believe we can earn good long-term returns as these businesses grow and periodically receive windfall profits as corporate acquirers take advantage of portfolio bargains.

GREAT EXPECTATIONS

Although we believe the stock market will rebound in the second half and continue to deliver better long-term returns than other asset classes, we caution investors not to expect too much. Over the next decade, we see Gross World Product ("GWP") growing 3.0% to 3.5% annually with inflation running at 2% to 3%. Companies are still cutting costs and improving productivity. So, on a secular basis, we think 8% to 9% average annualized earnings gains are realistic. However, going forward, we do not expect equity returns to nearly double earnings gains as they did over the last decade. We think it is more likely for stock returns to approximate earnings growth. This may be disappointing to a generation of investors who have become accustomed to annual percentage gains in the mid to high teens. But, to put it in perspective, it translates into 20,000 on the Dow Jones Industrial Average in ten years. We suggest that doubling your money over the next decade is not such a bad deal.

COURT TV

On March 3, 2001, the U.S. Court of Appeals for the District of Columbia Circuit ruled that federal regulations preventing companies from serving more than 30% of the nation's total cable television or satellite television markets violated their First Amendment Rights of free speech. The court also struck down rules barring cable television companies from controlling more than 40% of the channels and programming assets they offer to the public. This is a big win for big cable and for investors who own smaller Community Access Television and cable network stocks, which are likely targets in the next round of consolidation in the industry.

The court's decision may be the death knell for other restrictive Federal Communications Commission ("FCC") regulations, such as rules preventing broadcasters from owning TV stations reaching more than 35% of the total population, and barring companies from owning television stations and newspapers in the same markets. We suspect the court's decision will encourage the FCC to consider sweeping changes in existing regulations that have prevented multimedia giants from expanding their turf.

ADDITIONAL CATALYSTS

Going forward, new full disclosure regulations (so-called FD rules) should compel Wall Street to focus more on fundamentals in the future. Too many Wall Street analysts have been serving as investment bankers in drag -- tailoring their stock recommendations to please existing investment banking clients and attract new ones, rather than providing an honest appraisal of companies' fundamental prospects. In addition, too much focus was placed on short-term earnings dynamics rather than long-term fundamentals. To wit, you could have filled a small library with Wall Street's dot-com stock recommendations when the new issues market was at its hottest in early 2000. In addition, momentum investors needed early insights into monthly data, which were not available to the general investor, to maintain their game. Consequently, investors concentrating on fundamentals, particularly those focusing on the long ignored and undervalued small cap sector, should receive more support from Wall Street going forward. We believe this will benefit value-oriented fundamentalists such as yours truly. Some have described our research process as "going belly to belly" with management, and seeing customers and competitors. This will help Wall Street refocus its research on smaller companies as they provide good insights into larger companies in an industry.

Currently, the Financial Accounting Standards Board ("FASB") is in the process of substantially altering APB 17, which is an accounting rule that focuses on the amortization of goodwill. Under the original APB 17, when a company makes an acquisition under the purchase method of accounting, the excess of cost over the fair value of the net assets acquired is recorded as goodwill and put on the balance sheet. The goodwill is then amortized over a period of no longer than 40 years - impacting reported earnings. Under the new proposal by the FASB (which is still being drafted by the FASB), goodwill would still be recognized and placed on the balance sheet, but it would no longer be amortized over 40 years. Instead, goodwill would be reviewed for impairment and periodically written down when necessary. Simply stated, using purchase accounting will no longer be a deterrent to transactions. This should fuel the propensity for deal activity.

[GRAPHIC OMITTED]

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

U.S. DEAL ACTIVITY
$ BILLIONS

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
$135	$150	$234	$340	$511	$652	$919	$1,620	$1,745	$1,833

An added element spurring on Mergers & Acquisitions ("M&A") activity is the change in the Hart-Scott-Rodino ("HSR") Act. HSR was enacted to provide the public with adequate visibility to a corporate transaction. Previously, any stock purchase larger than $15 million required a notice filing under HSR. Effective February 1, 2001, this "bar" has been raised to $50 million - permitting more "involuntary" deals to take place. Our portfolio is full of small companies trading at discounts to Private Market Value, defined as the price an informed industrialist would be willing to pay for the company's assets. We expect takeover lightning to hit more of these small cap portfolio holdings in the year ahead.

Finally, banking company regulations are also in transition. One element affecting their reported earnings are new accounting rules which require companies to record derivative instruments and certain hedging activities at fair market value. Changes in the fair market values of these items will flow through a bank's Profit & Loss ("P&L"), creating volatility in earnings. Formerly, these transactions had no effect on earnings. The same may apply to debt instruments.

FLOW OF FUNDS ($ Billions)

SOURCES	1997	1998	1999
U.S. Deals	$919	$1,620	$1,745
Stock Buybacks	181	207	176
Mutual Funds	232	159	222
Dividends	335	352	371
TOTAL SOURCES:	$1,667	$2,338	$2,514

SOURCE: THOMSON FINANCIAL SECURITIES DATA, BIRINYI ASSOCIATES

DEAL ACTIVITY

A component of our investment methodology is to identify industry and sector trends and themes ahead of the curve and position ourselves to take advantage of these developments. Consolidation in a particular industry is one such dynamic. As we have shared with you in previous quarterly letters, the continued high level of activity in mergers and acquisitions contributed significantly to the solid performance of the Trust. The accompanying table illustrates how deal activity surfaced value in a small sample of the portfolio holdings.

2001 COMPLETED DEALS

FUND HOLDING	NUMBER OF SHARES (a)	AVERAGE COST PER SHARE (b)	CLOSING PRICE (c)	CLOSING DATE
FIRST QUARTER 2001 ANNOUNCED DEALS				
Time Warner Inc.	285,000	30.67	71.19	01/12/01
Telefonos de Mexico SA, Cl. L, ADR	36,000	10.82	32.66	02/08/01
FIRST QUARTER 2001 FINANCIAL ENGINEERING				
Cablevision Systems Corp., Cl. A	420,000	11.28	83.36	03/30/01

REPUBLICANS TO THE RESCUE

Putting aside political preferences and other important political issues, Republican George W. Bush's victory may foreshadow a period of relaxed federal regulation. We believe that the new Federal Trade Commission ("FTC") Chairman will be somewhat less sensitive to antitrust issues, and the Justice Department will be somewhat more reluctant to prosecute companies whose business success has translated into dominant market shares. We are not suggesting monopolies are a good thing. In fact, we hope the government continues to protect American consumers from the abuses that can result from too much pricing power being concentrated in too few hands. However, we are now in a truly global marketplace in which technology continues to knock down competitive barriers. We do not think it is productive to handcuff large American companies trying to improve their competitive position on the global economic stage.

INTERNATIONAL OUTLOOK

A portion of the Trust's portfolio continues to be managed by Caesar Bryan. Caesar is the portfolio manager of the Gabelli International Growth Fund and the co-portfolio manager of The Gabelli Global Opportunity Fund. Caesar's thoughts on international markets and global economies are provided below:

The last year has been a humbling experience for many portfolio managers. Certainly it has been for this one. Losing money is not fun, but a loss is only realized when a position is sold. We do not think this is a time for selling. On the contrary, markets have suffered a very nasty but probably necessary cleansing. We believe that this is a good

time to be committing assets to both Europe and Japan. The long-term bullish case for Europe remains unchanged. European companies are becoming more competitive as the cost of doing business on a pan-European basis declines. Governments are cutting taxes and instituting reforms, which will result in increased savings and investment at the retail level. The introduction of the Euro will result in a more efficient capital market.

We believe Japan offers some interesting investment opportunities. The necessity of meaningful reform is overwhelming and we believe this has been recognized by the Japanese authorities. For example, the text of the recent Bank of Japan statement, in which they announced a return to the zero interest rate policy on March 19, 2001, is revealing. It reads, "in order to make this monetary easing totally effective in restoring Japan's economy on a sustainable growth path, progress in structural reforms with respect to the financial system...is essential...The Bank OF Japan strongly hopes that decisive action be taken to address fundamental problems...under a strong leadership of thE government of Japan." We expect that Japan's new Prime Minister will undertake meaningful structural reforms.

This portion of the Trust's portfolio invests in established companies in developed markets outside the United States. We look for companies that have the ability to grow faster than the average. We favor companies whose business has a competitive advantage, franchise business, large market share and a high barrier to entry. We like to back managements that have a stake in the company and who have a strong track record. And finally we look for companies that are self-financing and have a strong balance sheet.

These criteria tend to result in the portfolio not having a very heavy exposure to the technology sector. Most technology companies do not maintain market leadership for an extended period of time, and those that do are mostly American. There are exceptions such as Nokia, which has built a global brand, and Rohm, a Japanese electronic components company. We own shares in both these companies. So although we mostly avoided the sell off in this sector, some of our media, telecommunications and consumer durable holdings performed just as poorly.

These companies have a strong franchise, limited competition and generate free cash flow. However, the shares have been beaten down to levels that we believe are very attractive. Maybe the market has been a little indiscriminate in its treatment of some companies within the Technology, Media and Telecommunications sector.

The contrast between the actions taken by the Fed and the lack of action from the European Central Bank ("ECB") is stark. Since the start of 2001, the Fed has reduced short-term rates by 200 basis points to 4.50%. The Fed cited weak capital expenditures and the effect that this and the fall in the stock market might have on the American consumer as reasons to be so aggressive. The ECB, during the same time frame, has stood pat and done nothing. This is despite signs of a slowdown that are appearing all over Europe. Instead, the ECB has concentrated its statements on the high and rising level of inflation in Europe. Inflation in Europe is running at about 2.8% and short-term interest rates are 4.75%. Are conditions in Europe so different than the U.S.? The capital expenditure excesses were less pronounced in Europe. Clearly, Europeans are less exposed to the stock market and their personal savings levels are higher than their American counterparts, but it's hard to believe that a slowdown in the U.S. will not have some impact on Europe -- especially corporate Europe.

Looking ahead, the balance of probabilities point to the ECB lowering rates from their current level. This should help to support the equity market in general and growth stocks in particular. A recovery in European equity markets could also be accompanied by a strengthening Euro, which will bolster returns for an U.S. dollar investor.

HOW MUCH IS THAT DOGGIE IN THE WINDOW?

When you buy great businesses at bargain prices, takeover lightning will bolster returns. Sometimes lightning strikes a bunch of smaller portfolio trees. This quarter it hit one of our largest positions, Ralston Purina, which on January 16, 2001 agreed to be acquired by Nestle for $33.50 per share.

In recent years, while all Wall Street's analytical expertise (a new oxymoron?) was focused on technology, we were studying more prosaic businesses -- the kind of things you didn't need an advanced computer sciences degree from MIT to understand. When we started researching the pet products industry, we saw positive growth demographics and some wonderful companies trading at very attractive valuations. Among our favorites was Ralston Purina, the number one pet-food company in the world. The Ralston Purina/Nestle deal is scheduled to close by the end of this year, with a takeout premium approximately twice that of the Trust's average cost; proving that the best investments are often right under your nose, or in this case, digging holes in the backyard or scratching the living room furniture.

INVESTMENT SCORECARD

Among this quarter's best performers were telecommunications/cable television giant AT&T, small group broadcaster Gray Communications, broadcaster/newspaper publisher Media General, and auto parts manufacturers Standard Motor Products, Modine, Sealed Air, Dana, and GenCorp. Services conglomerate Cendant also generated solid returns. There was a definite "worst to first" flavor to the first page of our performance rankings list, with some beaten down portfolio companies rebounding strongly.

The reverse characterized our biggest losers list, with wireless services provider Nextel Communications and financial services giant American Express retreating after strong gains in recent years.

LET'S TALK STOCKS

The following are stock specifics on selected holdings of our Trust. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend which we believe will develop over time.

BERKSHIRE HATHAWAY INC. (BRK'A - $65,450 - NYSE) is Warren Buffett. The company has interests in insurance (notably GEICO and General Re), publishing, aviation, retailing, and manufacturing. Its investment portfolio includes over $37 billion of marketable equity securities. Berkshire has grown rapidly through acquisitions over the past 15 years, including Kirby vacuum cleaners; World Book encyclopedias; H. H. Brown, Dexter and Justin footwear; Executive Jet aviation; Dairy Queen restaurants and snack treats; Johns Manville building products; Benjamin Moore paints; Shaw Industries carpets; GEICO insurance; and General Re reinsurance. GEICO, the sixth largest auto insurer in the U.S., contributes 19% of revenues while General Re, the fourth largest reinsurer globally, contributes 30% of revenues.

CABLEVISION SYSTEMS CORP. (CVC - $83.36 - NYSE) is one of the nation's leading communications and entertainment companies, with a portfolio of operations that spans state-of-the-art cable television services, championship professional sports teams and national cable television networks. Headquartered in Bethpage, N.Y., Cablevision serves nearly 3 million cable customers in the most important cable TV market -- New York. Cablevision also owns and operates New York City's famed Madison Square Garden ("MSG"), which includes the arena complex, the N.Y. Knicks, the N.Y. Rangers and the MSG network. MSG operates Radio City Entertainment and holds a long-term lease for Radio City Music Hall, home of the world-famous Rockettes. On March 30th, shares that track the performance of the firm's national cable programming subsidiary, Rainbow Media Group (RMG - $26.00 - NYSE), began trading on the NYSE. Rainbow manages growing content offerings such as American Movie Classics, Bravo and The Independent Film Channel.

CHRIS-CRAFT INDUSTRIES INC. (CCN - $63.25 - NYSE), through its 80% ownership of BHC Communications (BHC - $121.00 - AMEX), is primarily a television broadcaster. BHC owns and operates UPN affiliated stations in New York (WWOR), Los Angeles (KCOP) and Portland, Oregon (KPTV). BHC also owns 58% of United Television Inc. (UTVI - $113.75 - Nasdaq), which operates an NBC affiliate, an ABC affiliate and five UPN affiliates. Chris-Craft's television stations constitute one of the nation's largest television station groups, reaching approximately 22% of U.S. households. Chris-Craft is a major beneficiary of the recent FCC ruling allowing television duopoly, or ownership of two stations in a single market. The Chris-Craft complex is debt free, with roughly $1.5 billion in cash and marketable securities. On August 14, 2000, News Corp. (NWS - $31.40 - NYSE) announced that it would purchase Chris-Craft (along with BHC and United Television) in a deal worth $5.35 billion. According to the terms of the deal, CCN shareholders will receive a package of cash and securities having an "initial" stated value of $85 per share.

LIBERTY MEDIA GROUP (LMG'A - $14.00 - NYSE), run by savvy media investor John Malone, is engaged in businesses that provide programming services (including production, acquisition, and distribution through all media formats) as well as businesses engaged in electronic retailing, direct marketing and other services. Liberty Media holds interests in globally-branded entertainment networks such as Discovery Channel, USA Network, QVC, Encore and STARZ! Liberty's investment portfolio also includes interests in international video distribution businesses, international telephony and domestic wireless companies, plant and equipment manufacturers, and other businesses related to broadband services.

Liberty Media Group Class A and Class B common stock are tracking stocks of AT&T, though they are scheduled to be spun off to the tracking stock shareholders in mid-2001.

MEDIA GENERAL INC. (MEG'A - $46.10 - AMEX) is a Richmond, Virginia-based communications company that is primarily focused on the Southeast. Its newspaper publishing operations include the Richmond Times-Dispatch, the Winston-Salem Journal, The Tampa Tribune, and 22 other daily newspapers. This includes 5 daily newspapers, clustered in Alabama and South Carolina, which the company bought from Thomson Corp. for $237 million in August 2000. The company also owns a 20 percent interest in the Denver Post. Media General also operates twenty-six television stations primarily located in Southeastern markets, including eight purchased from Spartan Communications on March 27, 2000 for $605 million. The company sold its Garden State Paper Co. to Enron Corp. (ENE - $58.10 - NYSE) for $72 million in August 2000, but still owns 33% of SP Newsprint Company.

TELEPHONE & DATA SYSTEMS INC. (TDS - $93.50 - AMEX) provides mobile and local phone services to 3.6 million customers in 35 states. TDS conducts its cellular operations through an 81% owned United States Cellular Corp. (USM - $63.50 - AMEX) and its wireline telephone operations through its wholly-owned TDS Telecommunications Corp. ("TDS Telecom") subsidiary, a full-service local exchange carrier. Having completed a merger of its 82%-owned PCS subsidiary Aerial Communications with VoiceStream Wireless Corp. (VSTR - $92.375 - Nasdaq), TDS now owns 35.6 million shares of VoiceStream valued at over $4.0 billion. VoiceStream is in the process of being acquired by Deutsche Telekom (DT - $23.19 - NYSE), a former German phone monopoly, for 3.2 DT shares plus $30 in cash per VSTR share.

UNITED TELEVISION INC. (UTVI - $113.75 - NASDAQ), headquartered in Beverly Hills, California, is a television broadcasting group which owns and operates seven of the stations (one ABC, one NBC and five UPN affiliates) that comprise Chris-Craft's (CCN - $63.25 - NYSE) television division. UTVI stations cover approximately nine percent of the U.S. population. UTVI is 58%-owned by BHC Communications (BHC - $121.00 - AMEX). United Television is a beneficiary of the recent FCC ruling allowing television duopoly, or ownership of two stations in a single market. On August 14, 2000, News Corp. (NWS - $31.40 - NYSE) announced it would purchase United Television (along with Chris-Craft and BHC) in a deal worth $5.35 billion.

VIACOM INC. (VIA - $44.50 - NYSE) is a diversified media company with businesses across many media platforms. The firm operates cable networks (including VH1, MTV, Showtime and Nickelodeon), television networks and stations (including the CBS and UPN Television networks and numerous affiliated TV stations in major markets), major market radio stations and outdoor advertising (through Infinity Broadcasting), a movie studio (Paramount), a publishing house (Simon and Schuster), amusement parks (Paramount Parks) and video rental operations (Blockbuster Inc). The company focuses on high growth businesses and aims to deliver cash flow growth that is above the industry average.

COMMON STOCK 10% DISTRIBUTION POLICY

The Trust continues to maintain its 10% Distribution Policy whereby the Trust pays out to common stock shareholders 10% of its average net assets each year. Pursuant to this policy, the Trust distributed $0.27 per share on March 26, 2001. The next distribution is scheduled for June 2001.

7.25% TAX ADVANTAGED CUMULATIVE PREFERRED STOCK - DIVIDENDS

The Trust's 7.25% Tax Advantaged Cumulative Preferred Stock paid a cash distribution on March 26, 2001 of $0.453125 per share. For the twelve-months ended March 31, 2001, Preferred Stock shareholders received distributions totaling $1.8125, the annual dividend rate per share of Preferred Stock. The next distribution is scheduled for June 2001.

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WWW.GABELLI.COM

Please visit us on the Internet. Our homepage at http://www.gabelli.com contains information about Gabelli Asset Management Inc., the Gabelli Mutual Funds, IRAs, 401(k)s, quarterly reports, closing prices and other current news. You can send us e-mail at closedend@gabelli.com.

In our efforts to bring our shareholders more timely portfolio information, Gabelli Fund's portfolio managers regularly participate in chat sessions at www.gabelli.com as reflected below.

	WHO	WHEN
Special Chats:	Mario J. Gabelli	First Monday of each month
	Howard Ward	First Tuesday of each month

In addition, every Wednesday will feature a different portfolio manager. The Upcoming Wednesday chat schedule is as follows:

	MAY	JUNE	JULY
1st Wednesday	Ivan Arteaga	Caesar Bryan	July 4th
2nd Wednesday	Walter Walsh	Kellie Stark	Charles M
3rd Wednesday	Jeff Fahrenbruch	Ivan Arteaga	Walter Wa
4th Wednesday	Tim O'Brien	Barbara Marcin	Barbara M

All chat sessions start at 4:15 ET. Please arrive early, as participation is limited.

You may sign up for our HIGHLIGHTS email newsletter at www.gabelli.com and receive early notice of chat sessions, closing mutual fund prices, news events and media sightings.

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IN CONCLUSION

There is still a business cycle that impacts corporate profits. When earnings disappoint, the most richly valued stocks decline the most. These simple economic/investment truths should be self-evident. We believe we are in the midst of what will prove to be a relatively short-lived inventory correction and that corporate earnings will begin recovering next year. If history is to be the prologue to the future, the stock market should begin anticipating a profit recovery later this year. In the interim, the market will remain volatile, frightening off inexperienced equity investors. Savvy investors will hold the fort, recognizing that buying good businesses at reasonable prices will be satisfactorily rewarding over the long term.

Sincerely,

/s/ MARIO J. GABELLI

MARIO J. GABELLI, CFA
Portfolio Manager and
Chief Investment Officer

May 8, 2001

TOP TEN HOLDINGS
MARCH 31, 2001

Chris-Craft Industries Inc.
Telephone & Data Systems Inc.
Viacom Inc.
Cablevision Systems Corp.
United Television Inc.

Ralston Purina Group
Liberty Media Group
Media General Inc.
Berkshire Hathaway Inc.
Telecom Italia SpA

NOTE: The views expressed in this report reflect those of the portfolio managers only through the end of the period stated in this report. The managers' views are subject to change at any time based on market and other conditions.

THE GABELLI EQUITY TRUST INC.
PORTFOLIO CHANGES
QUARTER ENDED MARCH 31, 2001
(UNAUDITED)

	SHARES	OWNERSHIP AT MARCH 31, 2001
NET PURCHASES		
COMMON STOCKS		
America Movil, SA de CV, ADR (a)	45,000	45,000
AOL Time Warner Inc. (b)	380,000	380,000
Apogent Technologies Inc.	33,000	34,000
ArvinMeritor Inc.	7,000	20,000
AT&T Canada Inc., Cl. B	6,000	10,000
AT&T Corp.	270,006	640,000
BAE Systems plc	25,000	125,000
BroadWing Inc.	3,000	25,000
Burlington Resources Inc.	20,000	130,000
Cadbury Schweppes plc, ADR	1,000	1,000
Capcom Co. Ltd.	10,000	20,000
Cendant Corp.	80,000	200,000
Compass Group plc (c)	150,940	150,940
Conoco Inc., Cl. A	5,000	155,000
Corn Products International Inc.	5,000	90,000
Corning Inc.	30,000	30,000

Crane Co.	120,000	270,000
CRH plc	22,500	112,500
EMC Corp.	10,000	10,000
First Union Corp.	15,000	125,000
General Motors Corp., Cl. H	4,000	180,323
Gerber Scientific Inc.	5,000	110,000
Gillette Co.	70,000	250,000
Gray Communications Systems Inc., Cl. B	7,000	7,000
Heinz (H.J.) Co.	7,000	22,000
Hercules Inc.	70,000	70,000
Litton Industries Inc.	80,000	100,000
Loral Space & Communications Ltd.	20,000	160,000
Lucent Technologies Inc.	30,000	70,000
Lufkin Industries Inc.	7,500	60,000
Mattel Inc.	20,000	65,000
MGM Mirage Inc.	15,000	20,000
Midas Inc.	20,000	90,000
Molex Inc., Cl. A	5,000	9,000
Morgan (J.P.) Chase & Co. Inc. (d)	48,100	48,100
Motorola Inc.	10,000	50,000
National Presto Industries Inc. .	2,000	42,000
Newmont Mining Corp.	35,000	105,000
Nextel Communications Inc., Cl. A	75,000	100,000
Nikko Securities Co. Ltd.	16,500	116,500
Nokia Corp., Cl. A, ADR	5,000	27,000
Northeast Utilities	15,000	65,000
PepsiAmericas Inc. (e)	491,595	491,595
Philips Electronics NV	10,000	26,640
Placer Dome Inc.	25,000	50,000
Powertel Inc. (f)	5,038	5,038
Procter & Gamble Co.	110,000	110,000
Ralston Purina Group	175,000	800,000
Rogers Wireless Communications Inc., Cl. B	33,000	73,000
Rohm Co. Ltd.	3,100	5,100
Shimano Inc.	20,000	20,000

	SHARES	OWNERSHIP AT MARCH 31, 2001
SJW Corp.	100	3,000
Sodexho Marriott Services Inc. ..	1,000	1,000
Sony Corp., ADR	2,000	34,000
Stanley Electric Co. Ltd.	30,000	72,000
Sulzer AG	3,000	3,000
Sybron Dental Specialties Inc. ..	9,667	10,000
Takeda Chemical Industries Ltd. .	4,000	18,000
Telefonica SA, ADR (g)	10,300	265,250
Telefonica SA, BDR (g)	631	16,257
THK Co. Ltd.	6,000	35,000
Thomas & Betts Corp.	88,000	200,000
Tootsie Roll Industries Inc. (h)	2,937	100,831
UCAR International Inc.	5,500	70,000
UnitedGlobalCom Inc., Cl. A	70,000	130,000
UtiliCorp United Inc. (i)	5,000	5,000
VoiceStream Wireless Corp. (f) ..	3,037	4,992
Westvaco Corp.	2,000	102,000
Willamette Industries Inc.	57,800	180,000
Wrigley (Wm.) Jr. Co. (j)	76,000	152,000

XO Communications Inc., Cl. A ...	7,000	15,000
RIGHTS		
Rogers Wireless Communications Inc.(k)	73,000	73,000
	PRINCIPAL AMOUNT	
CORPORATE BONDS		
Hilton Hotels Corp., Sub. Deb. Cv. 5.00%, 05/15/06	$ 30,000	$230,000
NET SALES		
COMMON STOCKS		
ACNielsen Corp.	(100,000)	--
Albertson's Inc.	(65,100)	155,000
Allstate Corp.	(10,000)	100,000
ALLTEL Corp.	(30,000)	30,000
Amphenol Corp., Cl. A	(4,500)	125,000
AMR Corp.	(1,000)	72,000
Block (H&R) Inc.	(65,000)	25,000
Cablevision Systems Corp., Cl. A	(95,000)	420,000
Carter--Wallace Inc.	(5,000)	515,000
Coldwater Creek Inc.	(2,000)	14,000
Computer Associates International Inc	(25,000)	15,000
Credit Suisse Group	(6,000)	--
Curtiss--Wright Corp.	(2,000)	98,000
DDI Corp.	(89)	--
Delphi Automotive Systems Corp. .	(5,000)	70,000
Fortune Brands Inc.	(10,000)	90,000
France Growth Fund Inc.	(6,408)	18,592
General Mills Inc.	(25,000)	135,000
Genuine Parts Co.	(5,000)	195,000
Genuity Inc.	(10,000)	150,000

THE GABELLI EQUITY TRUST INC.
PORTFOLIO CHANGES (CONTINUED)
QUARTER ENDED MARCH 31, 2001
(UNAUDITED)

	SHARES	OWNERSHIP AT MARCH 31, 2001
NET SALES (CONTINUED)		
COMMON STOCKS (CONTINUED)		
Gray Communications Systems Inc.	(4,500)	33,000
Hilton Hotels Corp.	(13,000)	550,000
Honeywell Inc.	(93,000)	--
Ingersoll--Rand Co.	(30,000)	20,000
Keebler Foods Co.	(21,800)	--
Lehman Brothers Holdings Inc. ...	(42,000)	--
MCN Energy Group Inc.	(70,000)	30,000
Meredith Corp.	(3,000)	125,000
Morgan (J.P.) & Co. Inc. (d)	(13,000)	--

National Service Industries Inc.	(5,000)	125,000
Navistar International Corp.	(10,000)	430,000
Neiman Marcus Group Inc., Cl. B .	(30,000)	320,000
Nortek Inc.	(6,000)	144,000
Obic Co. Ltd.	(800)	2,500
Pacific Century CyberWorks Ltd., ADR	(20,000)	10,000
Pactiv Corp.	(15,000)	180,000
Pearson plc	(25,000)	57,727
PepsiCo Inc.	(40,000)	280,000
Quaker Oats Co.	(25,000)	70,000
RAS SpA	(50,000)	50,000
Rohm & Haas Co.	(20,000)	200,000
Ryder System Inc.	(15,000)	30,000
Schibsted ASA	(50,000)	--
Sealed Air Corp.	(20,000)	5,000
Shaw Industries Inc.	(400,000)	--
Societe Generale, Cl. A	(15,000)	--
Sony Corp.	(5,000)	11,000
St. Joseph Light & Power Co. (i)	(15,000)	--
Telecom Italia SpA, ADR	(1,000)	123,000
Time Warner Inc. (b)	(285,000)	--
Tyco International Ltd.	(25,000)	--
Tyler Technologies Inc.	(25,000)	35,000
Unilever NV, New York	(15,000)	--
USA Networks Inc.	(25,000)	575,000
Verizon Communications	(20,000)	295,000
Viacom Inc., Cl. A	(20,000)	900,000
Vivendi Universal SA, ADR	(15,000)	205,000
Vodafone Group plc	(70,000)	553,888
Waste Management Inc.	(10,000)	350,000
Whitman Corp. (e)	(491,595)	--
PREFERRED STOCKS		
News Corp. Ltd., Pfd., ADR	(32,000)	10,000

(a) Spinoff - 1 share of America Movil, SA de CV, ADR for every 1 share of Telefonos de Mexico SA, Cl. L, ADR
(b) Merger - 1.5 shares of AOL Time Warner Inc. for every 1 share of Time Warner Inc.
(c) Spinoff - 1 share of Compass Group plc for every 1 share of Granada Compass plc
(d) Merger - 3.7 shares of Morgan (J.P.) Chase & Co. Inc. for every 1 share of Morgan (J.P.) & Co. Inc.
(e) Merger - 1 share of PepsiAmericas Inc. for every 1 share of Whitman Corp.
(f) 0.75% stock dividend
(g) 2.00% stock dividend on (ex-date) 01/05/01 and 03/05/01
(h) 3.00% stock dividend
(i) Merger - 0.7933 shares of UtiliCorp United Inc. for every 1 share of St. Joseph Light & Power Co.
(j) 2 for 1 stock split
(k) Rights Offering - 1 Rogers Wireless Communications Inc. Right issued for every 1 share of Rogers Wireless Communications Inc., Cl. B

MARCH 31, 2001 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS -- 86.0%	
	TELECOMMUNICATIONS -- 7.9%	
8,132	Aliant Inc.	$ 185,148
7,500	Allegiance Telecom Inc.+	110,625
30,000	ALLTEL Corp.	1,573,800
10,000	AT&T Canada Inc., Cl. B+	292,500
640,000	AT&T Corp.	13,632,000
3,333	Avaya Inc.+	43,329
230,000	BCE Inc.	5,177,300
33,400	Brasil Telecom Participacoes SA, ADR	1,307,610
25,000	BroadWing Inc.+	478,750
2,893,090	Cable & Wireless Jamaica Ltd.	120,091
95,000	Cable & Wireless plc	641,547
145,000	Cable & Wireless plc, ADR	2,987,000
60,000	CenturyTel Inc.	1,725,000
25,000	Citizens Communications Co.	316,250
255,466	Commonwealth Telephone Enterprises Inc.+	8,813,577
20,000	Commonwealth Telephone Enterprises Inc., Cl. B+	695,000
35,000	Compania de Telecomunicaciones de Chile SA, ADR	462,000
21,600	Elisa Communications Oyj, Cl. A	294,065
167,000	Embratel Participacoes SA, ADR+	1,553,100
32	Japan Telecom Co. Ltd.	571,996
10,000	Pacific Century CyberWorks Ltd., ADR+	39,500
155,000	RCN Corp.+	934,844
9,655	Rogers Communications Inc., Cl. B+	143,483
110,345	Rogers Communications Inc., Cl. B, ADR+	1,637,520
115,000	SBC Communications Inc.	5,132,450
330,000	Sprint Corp.+	7,256,700
186,554	Tele Norte Leste Participacoes SA, ADR	3,037,099
8,000	Telecom Argentina Stet France Telecom SA, ADR	124,800
400,040	Telecom Italia SpA	4,031,592
123,000	Telecom Italia SpA, ADR	12,287,700
265,250	Telefonica SA, ADR	12,705,474
16,257	Telefonica SA, BDR+	251,401
36,000	Telefonos de Mexico SA, Cl. L, ADR	1,135,440
12,750	TELUS Corp.	278,144
52,500	TELUS Corp., ADR	1,145,298
4,250	TELUS Corp., Non-Voting	84,212
27,500	TELUS Corp., Non-Voting, ADR	554,675
295,000	Verizon Communications	14,543,500
15,000	XO Communications Inc., Cl. A+	105,000
		106,409,520
	BROADCASTING -- 7.6%	
50,000	Ackerley Group Inc.	602,500
336,192	Chris-Craft Industries Inc.+	21,264,144

SHARES	MARKET VALUE

592,897	Chris-Craft Industries Inc., Cl. B+ (a)	$ 37,500,735
16,666	Corus Entertainment Inc., Cl. B+	391,621
33,000	Gray Communications Systems Inc.	587,070
7,000	Gray Communications Systems Inc., Cl. B	113,400
138,000	Grupo Televisa SA, GDR+	4,610,580
200,000	Liberty Corp.	6,798,000
4,000	Nippon Broadcasting System Inc.	136,296
50,375	NRJ Groupe+	935,196
120,700	Paxson Communications Corp., Cl. A+ ..	1,176,825
17,700	RTL Group (New York)	1,001,432
100,000	Television Broadcasting Ltd.	546,226
245,009	United Television Inc.	27,869,774
		103,533,799
	ENTERTAINMENT -- 7.3%	
380,000	AOL Time Warner Inc.+	15,257,000
160,000	Canal Plus, ADR+	109,200
150,000	Disney (Walt) Co.	4,290,000
100,000	EMI Group plc, ADR	1,281,670
25,000	Fox Entertainment Group Inc.	490,000
50,000	GC Companies Inc.+	111,500
18,432	Gemstar-TV Guide International Inc.+ .	529,920
150,940	Granada Compass plc+	371,782
24,000	Liberty Livewire Corp., Cl. A+	83,625
1,550,000	Liberty Media Group, Cl. A+	21,700,000
145,000	Publishing & Broadcasting Ltd.	690,292
10,000	Six Flags Inc.	193,500
575,000	USA Networks Inc.+	13,764,063
900,000	Viacom Inc., Cl. A+	40,050,000
		98,922,552
	CONSUMER PRODUCTS -- 6.4%	
70,000	Altadis SA	866,352
515,000	Carter-Wallace Inc.	12,828,650
43,000	Christian Dior SA	1,528,139
45,000	Church & Dwight Co. Inc.	977,850
1,100	Compagnie Financiere Richemont AG, Cl. A	2,484,936
35,000	Department 56 Inc.+	311,500
285,601	Energizer Holdings Inc.+	7,140,025
90,000	Fortune Brands Inc.	3,096,000
250,000	Gallaher Group plc, ADR	6,037,500
250,000	Gillette Co.	7,792,500
100,000	Harley Davidson Inc.	3,795,000
15,000	Matsushita Electric Industrial Co. ... Ltd., ADR	276,750
65,000	Mattel Inc.	1,153,100
25,000	Maytag Corp.	806,250
42,000	National Presto Industries Inc.	1,257,900
10,500	Nintendo Co. Ltd.	1,718,501

THE GABELLI EQUITY TRUST INC.
PORTFOLIO OF INVESTMENTS (CONTINUED)
MARCH 31, 2001 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS (CONTINUED)	
	CONSUMER PRODUCTS (CONTINUED)	
20,000	Philip Morris Companies Inc.	$ 949,000
110,000	Procter & Gamble Co.	6,886,000
800,000	Ralston Purina Group	24,920,000
20,000	Shimano Inc.	306,586
1,500	Swatch Group AG	1,568,692
10,425	Syratech Corp.+	71,672
		86,772,903
	FINANCIAL SERVICES -- 6.4%	
26,000	Aegon NV	766,775
4,100	Allianz AG	1,197,908
100,000	Allstate Corp.	4,194,000
185,000	American Express Co.	7,640,500
30,000	Argonaut Group Inc.	476,250
175,000	Banca Intesa SpA	671,423
90,000	Banco Santander Central Hispano SA, ADR	816,300
84,000	Bank of Ireland, Dublin	698,775
15,000	Bank of Ireland, London	125,709
56,000	Bank of Scotland	557,310
105,000	Bank One Corp.	3,798,900
282,000	Bankgesellschaft Berlin AG	2,418,183
260	Berkshire Hathaway Inc., Cl. A+	17,017,000
25,000	Block (H&R) Inc.	1,251,500
50,000	Commerzbank AG, ADR	1,396,770
150,000	Deutsche Bank AG, ADR	11,470,320
15,000	Dun and Bradstreet Corp.+	353,400
125,000	First Union Corp.	4,125,000
25,000	Hibernia Corp., Cl. A	349,250
20,000	Invik & Co. AB, Cl. B	1,182,271
100,000	Irish Life & Permanent plc, Dublin ...	1,096,200
64,000	Leucadia National Corp.	2,058,880
60,000	Mellon Financial Corp.	2,431,200
110,000	Midland Co.	3,492,500
30,000	Moody's Corp.	826,800
48,100	Morgan (J.P.) Chase & Co.	2,159,690
116,500	Nikko Securities Co. Ltd.	818,094
50,000	Prudential plc	534,918
50,000	RAS SpA	614,403
60,000	Riggs National Corp.	952,500
40,000	State Street Corp.	3,736,000
30,000	Stilwell Financial Inc.+	804,600
20,000	SunTrust Banks Inc.	1,296,000
510	Swiss Re	1,031,252
38,000	T. Rowe Price Group Inc.	1,189,875
50,000	Unitrin Inc.	1,818,750
30,000	Waddell & Reed Financial Inc., Cl. A .	850,500
		86,219,706

SHARES		MARKET VALUE

	EQUIPMENT AND SUPPLIES -- 6.2%	
100,000	AMETEK Inc.	$ 2,760,000
125,000	Amphenol Corp., Cl. A+	3,937,500
10,000	Caterpillar Inc.	443,800
95,000	CIRCOR International Inc.+	1,406,000
107,000	CLARCOR Inc.	2,471,700
320,000	Deere & Co.	11,628,800
255,000	Donaldson Co. Inc.	6,805,950
130,000	Flowserve Corp.+	2,917,200
6,500	Franklin Electric Co.	465,563
110,000	Gerber Scientific Inc.	733,700
298,000	IDEX Corp.	8,636,040
20,000	Ingersoll-Rand Co.	794,200
100,000	Litton Industries Inc.+	8,033,000
60,000	Lufkin Industries Inc.	1,196,250
1,000	Manitowoc Co. Inc.	24,800
430,000	Navistar International Corp.+	9,804,000
20,000	PACCAR Inc.	896,250
84,500	Sequa Corp., Cl. A+	3,295,500
75,000	Sequa Corp., Cl. B+	4,162,500
170,000	SPS Technologies Inc.+	7,660,200
10,000	Sybron Dental Specialties Inc.+	210,000
35,000	THK Co. Ltd.	795,990
70,000	UCAR International Inc.+	812,000
250,000	Watts Industries Inc., Cl. A	4,175,000
100,000	Weir Group plc	357,560
		84,423,503
	FOOD AND BEVERAGE -- 4.9%	
10,108	Advantica Restaurant Group Inc.+	9,160
1,000	Cadbury Schweppes plc, ADR	26,200
15,000	Coca-Cola Co.	677,400
50,000	Coca-Cola Enterprises Inc.	889,000
150,940	Compass Group plc+	1,077,256
90,000	Corn Products International Inc.	2,309,400
120,000	Diageo plc, ADR	4,854,000
135,000	General Mills Inc.	5,806,350
20,000	Hain Celestial Group Inc.+	580,000
22,000	Heinz (H.J.) Co.	884,400
25,000	Interbrew SA+	640,703
270,000	Kellogg Co.	7,298,100
60,500	LVMH Moet Hennessy Louis Vuitton, ADR	608,781
650,000	Parmalat Finanziaria SpA	919,394
491,595	PepsiAmericas Inc.	7,668,882
280,000	PepsiCo Inc.	12,306,000
70,000	Quaker Oats Co.	6,860,000
60,000	Ralcorp Holdings Inc.+	1,074,000
100,831	Tootsie Roll Industries Inc.	4,653,342
152,000	Wrigley (Wm.) Jr. Co.	7,334,000
		66,476,368

THE GABELLI EQUITY TRUST INC.
PORTFOLIO OF INVESTMENTS (CONTINUED)

MARCH 31, 2001 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS (CONTINUED)	
	WIRELESS COMMUNICATIONS -- 4.9%	
45,000	America Movil, SA de CV, Cl. L, ADR+	$ 659,250
60,000	AT&T Wireless Group+	1,150,800
12,500	Leap Wireless International Inc.+	350,781
100,000	Nextel Communications Inc., Cl. A+ ...	1,437,500
5,038	Powertel Inc.+	277,063
73,000	Rogers Wireless Communications Inc., Cl. B+	956,300
220,000	Sprint Corp. (PCS Group)+	4,180,000
16,700	Tele Celular Sul Participacoes SA, ADR	297,260
55,666	Tele Centro Oeste Celular Participacoes SA, ADR	450,338
3,340	Tele Leste Celular Participacoes SA, ADR	121,576
8,350	Tele Nordeste Celular Participacoes SA, ADR	224,615
3,340	Tele Norte Celular Participacoes SA, ADR	93,520
1,200,000	Telecom Italia Mobile SpA	8,104,811
8,350	Telemig Celular Participacoes SA, ADR	334,418
450,000	Telephone & Data Systems Inc.	42,075,000
66,800	Telesp Celular Participacoes SA, ADR .	989,308
553,888	Vodafone Group plc	1,519,813
100,000	Vodafone Group plc, ADR	2,715,000
4,992	VoiceStream Wireless Corp.+	461,151
		66,398,504
	PUBLISHING -- 4.8%	
11,000	Dow Jones & Co. Inc.	575,850
150,000	Harcourt General Inc.	8,350,500
646,000	Independent News & Media plc, Dublin	1,456,267
97,000	McGraw-Hill Companies Inc.	5,786,050
400,000	Media General Inc., Cl. A	18,440,000
125,000	Meredith Corp.	4,363,750
115,000	New York Times Co., Cl. A	4,711,550
145,000	News Corp. Ltd.	1,099,511
5,000	News Corp. Ltd., ADR	157,000
57,727	Pearson plc	1,009,474
400,000	Penton Media Inc.	5,820,000
50,000	PRIMEDIA Inc.+	315,000
27,000	Pulitzer Inc.	1,495,800
160,000	Reader's Digest Association Inc., Cl .B	3,840,000
91,842	Seat-Pagine Gialle SpA	110,339
400,000	South China Morning Post Holdings	287,217
75,000	Thomas Nelson Inc.	485,250
160,000	Tribune Co.	6,518,400
		64,821,958

SHARES		MARKET VALUE

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	CABLE -- 3.3%	
420,000	Cablevision Systems Corp., Cl. A+	$ 35,011,200
40,000	Comcast Corp., Cl. A	1,647,500
90,000	Comcast Corp., Cl. A, Special	3,774,375
42,625	NTL Inc.+	1,072,019
20,000	Shaw Communications Inc., Cl. B	385,497
80,000	Shaw Communications Inc., Cl. B, Non-Voting+	1,584,000
130,000	UnitedGlobalCom Inc., Cl. A+	1,706,250
		45,180,841
	ENERGY AND UTILITIES -- 3.2%	
73,400	AGL Resources Inc.	1,608,194
34,000	Apache Corp.	1,958,740
120,000	BP Amoco plc	992,922
248,800	BP Amoco plc, ADR	12,345,456
130,000	Burlington Resources Inc.	5,817,500
155,000	Conoco Inc., Cl. A	4,355,500
400,000	El Paso Electric Co.+	5,840,000
20,000	Energy East Corp.	347,000
55,000	Halliburton Co.	2,021,250
30,000	MCN Energy Group Inc.	774,000
210,000	Niagara Mohawk Holdings Inc.+	3,549,000
100,000	NiSource Inc.+	276,000
65,000	Northeast Utilities	1,129,700
75,000	Pennzoil-Quaker State Co.+	1,050,000
100,000	Progress Energy Inc.	44,500
3,000	SJW Corp.	239,250
14,000	Southwest Gas Corp.	291,900
4,907	Total Fina Elf SA	665,875
5,000	UtiliCorp United Inc.	161,800
		43,468,587
	DIVERSIFIED INDUSTRIAL -- 2.5%	
195,000	Ampco-Pittsburgh Corp.	2,291,250
50,000	Cooper Industries Inc.	1,672,500
270,000	Crane Co.	7,033,500
102,000	GATX Corp.	4,330,920
150,000	GenTek Inc.	1,950,000
142,500	ITT Industries Inc.+	5,521,875
390,000	Lamson & Sessions Co.+	2,854,800
125,000	National Service Industries Inc.	2,931,250
78,715	Park-Ohio Holdings Corp.+	364,057
12,420	Smith Industries plc	136,317
3,000	Sulzer AG	1,941,528
82,000	Swire Pacific Ltd., Cl. A	507,836
75,000	Thomas Industries Inc.	1,552,500
50,000	Trinity Industries Inc.	975,000
		34,063,333

PORTFOLIO OF INVESTMENTS (CONTINUED)
MARCH 31, 2001 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS (CONTINUED)	
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 2.4%	
20,000	ArvinMeritor Inc.	$ 274,600
25,802	Borg-Warner Automotive Inc.	1,033,886
34,161	Dana Corp.	586,886
70,000	Delphi Automotive Systems Corp.+	991,900
260,000	GenCorp Inc.	2,761,200
195,000	Genuine Parts Co.	5,052,450
117,000	Johnson Controls Inc.	7,307,820
90,000	Midas Inc.	1,179,000
330,000	Modine Manufacturing Co.	8,497,500
80,000	Scheib (Earl) Inc.+	200,000
163,000	Standard Motor Products Inc.	1,727,800
70,000	Superior Industries International Inc.	2,419,900
105,000	TransPro Inc.	278,250
		32,311,192
	HEALTH CARE -- 2.0%	
40,000	American Home Products Corp.	2,350,000
60,000	Amgen Inc.+	3,611,250
34,000	Apogent Technologies Inc.+	688,160
10,000	AstraZeneca plc, London	477,695
35,146	AstraZeneca plc, Stockholm	1,672,302
10,000	Aventis SA	777,065
26,000	Biogen Inc.+	1,646,125
75,036	GlaxoSmithKline plc+	1,963,968
4,000	GlaxoSmithKline plc, ADR	209,200
56,011	Invitrogen Corp.+	3,072,203
1,150	Novartis AG	1,804,995
108,000	Novartis AG, Registered	4,247,640
45,000	Pfizer Inc.	1,842,750
140	Roche Holding AG	1,013,928
20,000	Sanofi-Synthelabo SA	1,117,417
18,000	Takeda Chemical Industries Ltd.	869,006
		27,363,704
	PAPER AND FOREST PRODUCTS -- 1.9%	
260,000	Greif Bros. Corp., Cl. A	7,312,500
3,400	Greif Bros. Corp., Cl. B	91,481
180,000	Pactiv Corp.+	2,179,800
5,000	Sealed Air Corp.+	166,650
253,000	St. Joe Co.	5,770,930
102,000	Westvaco Corp.	2,471,460
180,000	Willamette Industries Inc.	8,280,000
		26,272,821
	HOTELS AND GAMING -- 1.7%	
120,000	Aztar Corp.+	1,273,200
90,000	Boca Resorts Inc., Cl. A+	1,044,000
234,500	Gaylord Entertainment Co.	6,237,700
5,000	GTECH Holdings Corp.+	136,250

SHARES		MARKET VALUE
1,045,000	Hilton Group plc	$ 3,030,801
550,000	Hilton Hotels Corp.	5,747,500
20,000	MGM Mirage Inc.+	502,000
430,000	Park Place Entertainment Corp.+	4,407,500
		22,378,951
	BUSINESS SERVICES -- 1.6%	
60,000	ANC Rental Corp.+	180,000
200,000	Cendant Corp.+	2,918,000
1,000	CheckFree Corp.+	29,437
100,000	Landauer Inc.	2,089,000
58,500	Nashua Corp.+	257,400
10,833	Reuters Holdings plc, ADR	809,767
13,000	Secom Co. Ltd.	736,540
250,000	Securicor Group plc	548,247
1,000	Sodexho Marriott Services Inc.	29,050
3,500	SYNAVANT Inc.+	15,750
30,900	Vivendi Universal SA	1,880,748
205,000	Vivendi Universal SA, ADR	12,433,250
		21,927,189
	RETAIL -- 1.4%	
155,000	Albertson's Inc.	4,932,100
286,000	AutoNation Inc.+	2,574,000
14,000	Coldwater Creek Inc.+	314,160
45,000	Delhaize America Inc., Cl. A	920,250
100,000	Lillian Vernon Corp.	730,000
320,000	Neiman Marcus Group Inc., Cl. B+	9,664,000
		19,134,510
	SPECIALTY CHEMICALS -- 1.2%	
5,400	Ciba Specialty Chemicals, ADR+ (b) ...	159,560
10,000	du Pont de Nemours (E.I.) & Co.	407,000
315,000	Ferro Corp.	6,403,950
12,000	Fuller (H.B.) Co.	505,500
130,000	General Chemical Group Inc.	104,000
70,000	Hercules Inc.+	909,300
210,000	Omnova Solutions Inc.	1,394,400
200,000	Rohm & Haas Co.	6,162,000
11,697	Syngenta AG, ADR+	121,649
		16,167,359
	AGRICULTURE -- 1.0%	
1,000,000	Archer-Daniels-Midland Co.	13,150,000
5,000	Delta & Pine Land Co.	120,500
		13,270,500
	REAL ESTATE -- 0.9%	
450,000	Catellus Development Corp.+	7,087,500
75,000	Cheung Kong (Holdings) Ltd.	786,162
44,000	Florida East Coast Industries Inc., Cl. A	1,478,400

THE GABELLI EQUITY TRUST INC.
PORTFOLIO OF INVESTMENTS (CONTINUED)
MARCH 31, 2001 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS (CONTINUED)	
	REAL ESTATE (CONTINUED)	
58,451	Florida East Coast Industries Inc., Cl. B	$ 1,791,523
55,000	Griffin Land & Nurseries Inc.+	1,017,500
4,753	HomeFed Corp.+	4,099
		12,165,184
	ELECTRONICS -- 0.8%	
38,000	Fujitsu Ltd.	506,401
3,000	Hitachi Ltd., ADR	261,750
9,000	Molex Inc., Cl. A	250,313
1,500	NEC Corp., ADR	119,063
26,640	Philips Electronics NV	732,425
38,800	Philips Electronics NV, ADR	1,035,960
5,100	Rohm Co. Ltd.	854,642
11,000	Sony Corp.	781,228
34,000	Sony Corp., ADR	2,456,500
72,000	Stanley Electric Co. Ltd.	545,822
200,000	Thomas & Betts Corp.	3,472,000
		11,016,104
	AEROSPACE -- 0.8%	
125,000	BAE Systems plc	558,021
100,000	Lockheed Martin Corp.	3,565,000
75,000	Northrop Grumman Corp.	6,525,000
		10,648,021
	CONSUMER SERVICES -- 0.7%	
40,000	Loewen Group Inc.	3,200
510,000	Rollins Inc.	9,843,000
		9,846,200
	ENVIRONMENTAL SERVICES -- 0.7%	
60,000	Republic Services Inc.+	1,125,000
350,000	Waste Management Inc.	8,645,000
		9,770,000
	COMMUNICATIONS EQUIPMENT -- 0.6%	
68,000	Acterna Corp.+	408,000
290,000	Allen Telecom Inc.+	3,741,000
30,000	Corning Inc.	620,700
70,000	Lucent Technologies Inc.	697,900
50,000	Motorola Inc.	713,000
27,000	Nokia Corp., Cl. A, ADR	648,000

44,000	Scientific-Atlanta Inc.	1,829,960
		8,658,560

SHARES		MARKET VALUE
	AUTOMOTIVE -- 0.6%	
10,000	Ford Motor Co.	$ 281,200
157,942	General Motors Corp.	8,189,293
		8,470,493
	AVIATION: PARTS AND SERVICES -- 0.5%	
98,000	Curtiss-Wright Corp.	4,728,500
110,000	Fairchild Corp., Cl. A+	541,200
44,000	Precision Castparts Corp.	1,454,200
		6,723,900
	BUILDING AND CONSTRUCTION -- 0.5%	
112,500	CRH plc	1,730,494
32,222	Huttig Building Products Inc.+	134,366
15,000	Martin Marietta Materials Inc.	640,500
144,000	Nortek Inc.+	3,938,400
5,000	Nortek Inc., Special Common+ (a)	136,750
		6,580,510
	SATELLITE -- 0.3%	
180,323	General Motors Corp., Cl. H+	3,516,299
340,000	Liberty Satellite & Technology Inc., Cl. A+	573,750
160,000	Loral Space & Communications Ltd+	350,400
		4,440,449
	TRANSPORTATION -- 0.3%	
72,000	AMR Corp.+	2,528,640
7,500	Kansas City Southern Industries Inc. .	106,500
31,273	MIF Ltd.+	394,826
30,000	Ryder System Inc.	539,700
		3,569,666
	CLOSED END FUNDS -- 0.2%	
59,000	Central European Equity Fund Inc.	664,340
70,000	Dresdner RCM Europe Fund Inc.	640,500
18,592	France Growth Fund Inc.	163,981
40,250	Italy Fund Inc.	382,375
68,000	New Germany Fund Inc.	492,320
45,942	Royce Value Trust Inc.	645,485
		2,989,001
	METALS AND MINING -- 0.2%	
72,500	Harmony Gold Mining Co. Ltd.	349,386
12,500	Harmony Gold Mining Co. Ltd., ADR	60,156
105,000	Newmont Mining Corp.	1,692,600
50,000	Placer Dome Inc.	432,500

		2,534,642

THE GABELLI EQUITY TRUST INC.
PORTFOLIO OF INVESTMENTS (CONTINUED)
MARCH 31, 2001 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS (CONTINUED)	
	COMPUTER SOFTWARE AND SERVICES -- 0.2%	
20,000	Capcom Co. Ltd.	$ 571,357
15,000	Computer Associates International Inc.	408,000
10,000	EMC Corp.+	294,000
150,000	Genuity Inc.+	323,438
2,500	Obic Co. Ltd.	461,834
35,000	Tyler Technologies Inc.	66,500
		2,125,129
	COMPUTER HARDWARE -- 0.1%	
44,000	Hewlett-Packard Co.	1,375,880
15,000	Xerox Corp.	89,850
		1,465,730
	EDUCATIONAL SERVICES -- 0.0%	
10,000	Benesse Corp.	363,083
	TOTAL COMMON STOCKS	1,166,884,472
	PREFERRED STOCKS -- 0.1%	
	TELECOMMUNICATIONS -- 0.1%	
15,000	Citizens Communications Co., 5.00% Cv. Pfd.	820,275
	BROADCASTING -- 0.0%	
40,000	ProSieben Sat.1 Media AG, Pfd.	707,226
	PUBLISHING -- 0.0%	
10,000	News Corp. Ltd., Pfd., ADR	267,000
	WIRELESS COMMUNICATIONS -- 0.0%	
10,760,547	Telesp Celular Participacoes SA, Pfd.+	63,017
	TOTAL PREFERRED STOCKS	1,857,518

PRINCIPAL AMOUNT		
	CORPORATE BONDS -- 0.1%	

	AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.1%	
$1,500,000	Standard Motor Products Inc., Sub. Deb. Cv. 6.75%, 07/15/09	885,000
	AVIATION: PARTS AND SERVICES -- 0.0%	
1,000,000	Kaman Corp., Sub. Deb. Cv. 6.00%, 03/15/12	861,250
	PUBLISHING -- 0.0%	
200,000	News America Holdings Inc., Sub. Deb. Cv. Zero Coupon, 03/31/02	275,500
	HOTELS AND GAMING -- 0.0%	
$ 230,000	Hilton Hotels Corp., Sub. Deb. Cv. 5.00%, 05/15/06	$ 198,663
	CONSUMER PRODUCTS -- 0.0%	
1,000,000	Pillowtex Corp., Sub. Deb. Cv. 6.00%, 03/15/12+	313
	TOTAL CORPORATE BONDS	2,220,726
SHARES		
	WARRANTS -- 0.0%	
	FOOD AND BEVERAGE -- 0.0%	
62,463	Advantica Restaurant Group Inc., expire 01/07/05+	1,249
	RIGHTS -- 0.0%	
	WIRELESS COMMUNICATIONS -- 0.0%	
73,000	Rogers Wireless Communications Inc.+ .	2,190
PRINCIPAL AMOUNT		
	U.S. GOVERNMENT OBLIGATIONS -- 10.7%	
$145,300,000	U.S. Treasury Bills, 4.75% to 5.47%++, due 04/05/01 to 05/24/01 (c)	144,759,795
	REPURCHASE AGREEMENT -- 3.3%	
44,742,000	Agreement with State Street Bank & Trust Co., 5.27%, dated 03/30/01, due 04/02/01, proceeds at maturity $44,761,649 (d)	44,742,000
TOTAL INVESTMENTS -- 100.2% (Cost $939,695,346)		1,360,467,950
OTHER ASSETS, LIABILITIES AND LIQUIDATION VALUE OF CUMULATIVE PREFERRED STOCK -- (10.1)%		(137,585,491)

NET ASSETS -- COMMON STOCK -- 90.1% (126,803,143 common shares outstanding)	1,222,882,459
NET ASSETS -- PREFERRED STOCK -- 9.9% (5,368,900 preferred shares outstanding)	134,222,500
TOTAL NET ASSETS -- 100.0%	$1,357,104,959
NET ASSET VALUE PER COMMON SHARE ($1,222,882,459 / 126,803,143 shares outstanding)	$9.64

THE GABELLI EQUITY TRUST INC.
PORTFOLIO OF INVESTMENTS (CONTINUED)
MARCH 31, 2001 (UNAUDITED)

PRINCIPAL AMOUNT		SETTLEMENT DATE	UNREALIZED APPRECIATION
FORWARD FOREIGN EXCHANGE CONTRACTS			
$6,627,723 (e)	Deliver Hong Kong Dollars in exchange for USD 851,441	08/03/01	$ 4,586

NUMBER OF CONTRACTS		
FUTURES CONTRACTS -- SHORT POSITION		
200	S&P 500 Index Futures 06/14/01	$ 795,445

For Federal tax purposes:	
Aggregate cost	$939,695,346
Gross unrealized appreciation	$463,628,115
Gross unrealized depreciation	(42,855,511)
Net unrealized appreciation	$420,772,604

(a) Security fair valued under procedures established by the Board of Directors.

(b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2001, the market value of Rule 144A securities amounted to $159,560 or 0.0% of total net assets.

(c) At March 31, 2001, $6,500,000 of the principal amount was pledged as collateral for futures contracts.

(d) Collateralized by U.S. Treasury Bond, 8.50%, due 02/15/20, market value

$45,643,487.
(e) Principal amount denoted in Hong Kong Dollars.
+ Non-income producing security.
++ Represents annualized yield at date of purchase.
ADR - American Depositary Receipt BDR - Brazilian Depositary Receipt
USD - United States Dollars
GDR - Global Depositary Receipt

	% OF MARKET VALUE	MARKET VALUE
GEOGRAPHIC DIVERSIFICATION		
United States	85.3%	$1,161,123,720
Europe	11.0	149,577,895
Asia/Pacific Rim	1.5	20,095,184
Latin America	1.1	15,584,021
Canada	1.0	13,253,588
South Africa	0.1	833,542
Total Investments	100.0%	$1,360,467,950

AUTOMATIC DIVIDEND REINVESTMENT AND VOLUNTARY CASH PURCHASE PLAN

ENROLLMENT IN THE PLAN

It is the policy of The Gabelli Equity Trust Inc. ("Equity Trust") to automatically reinvest dividends. As a "registered" shareholder you automatically become a participant in the Equity Trust's Automatic Dividend Reinvestment Plan (the "Plan"). The Plan authorizes the Equity Trust to issue shares to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Equity Trust. Plan participants may send their stock certificates to State Street Bank and Trust Company ("State Street") to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distribution in cash must submit this request in writing to:

The Gabelli Equity Trust Inc.
c/o State Street Bank and Trust Company
P.O. Box 8200
Boston, MA 02266-8200

Shareholders requesting this cash election must include the shareholder's name and address as they appear on the share certificate. Shareholders with additional questions regarding the Plan may contact State Street at 1 (800) 336-6983.

SHAREHOLDERS WISHING TO LIQUIDATE REINVESTED SHARES held at State Street Bank must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address and account number. The cost to liquidate shares is $2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

If your shares are held in the name of a broker, bank or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of "street name" and re-registered in your own name. Once registered in your own name your dividends will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in "street name" at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of shares of Common Stock distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Equity Trust's Common Stock is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued shares of Common Stock valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Equity Trust's Common Stock. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange trading day, the next trading day. If the net asset value of the Common Stock at the time of valuation exceeds the market price of the Common Stock, participants will receive shares from the Equity Trust valued at market price. If the Equity Trust should declare a dividend or capital gains distribution payable only in cash, State Street will buy Common Stock in the open market, or on the New York Stock Exchange or elsewhere, for the participants' accounts, except that State Street will endeavor to terminate purchases in the open market and cause the Equity Trust to issue shares at net asset value if, following the commencement of such purchases, the market value of the Common Stock exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for Federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

The Equity Trust reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by State Street on at least 90 days' written notice to participants in the Plan.

VOLUNTARY CASH PURCHASE PLAN

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Equity Trust. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to State Street for investments in the Equity Trust's shares at the then current market price. Shareholders may send an amount from $250 to $10,000. State Street will use these funds to purchase shares in the open market on or about the 15th of each month. State Street will charge each shareholder who participates $0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to State Street Bank and Trust Company, P.O. Box 8200, Boston, MA 02266-8200 such that State Street receives such payments approximately 10 days before the 15th of the month. Funds not received at least five days before the investment date shall be held for investment in the following month. A payment may be withdrawn without charge if notice is received by State Street at least 48 hours before such payment is to be invested.

For more information regarding the Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, brochures are available by calling (914) 921-5070 or by writing directly to the Equity Trust.

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THE GABELLI EQUITY TRUST INC.
AND YOUR PERSONAL PRIVACY

WHO ARE WE?

The Gabelli Equity Trust (the "Trust") is a closed-end 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 Gabelli Asset Management Inc. Gabelli Asset Management is a publicly-held company that has subsidiaries that provide investment advisory or brokerage services for a variety of clients.

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

When you purchase shares of the Trust 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 web site, 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 perform their jobs or provide services to you 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.

DIRECTORS AND OFFICERS

THE GABELLI EQUITY TRUST INC.
ONE CORPORATE CENTER, RYE, NY 10580-1434

DIRECTORS

Mario J. Gabelli, CFA
CHAIRMAN & CHIEF INVESTMENT OFFICER,
GABELLI ASSET MANAGEMENT INC.

Dr. Thomas E. Bratter
PRESIDENT, JOHN DEWEY ACADEMY

Felix J. Christiana
FORMER SENIOR VICE PRESIDENT,
DOLLAR DRY DOCK SAVINGS BANK

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

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FORMER MANAGING DIRECTOR AND CHIEF INVESTMENT OFFICER,
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CHAIRMAN, THE BETHLEHEM CORP.

OFFICERS

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PRESIDENT & CHIEF INVESTMENT OFFICER

Bruce N. Alpert
VICE PRESIDENT & TREASURER

Carter W. Austin
VICE PRESIDENT

James E. McKee
SECRETARY

INVESTMENT ADVISOR

Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1434

CUSTODIAN

Boston Safe Deposit and Trust Company

COUNSEL

Willkie Farr & Gallagher

TRANSFER AGENT AND REGISTRAR

State Street Bank and Trust Company

STOCK EXCHANGE LISTING

	COMMON	7.25% PREFERRED
NYSE-Symbol:	GAB	GAB Pr
Shares Outstanding:	126,803,143	5,368,900

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

The Net Asset Value may be obtained each day by calling (914) 921-5071.

For general information about the Gabelli Funds, call 1-800-GABELLI (1-800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: HTTP://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 Equity Trust may, from time to time, purchase shares of its common stock in the open market when the Equity Trust shares are trading at a discount of 10% or more from the net asset value of the shares. The Equity Trust may also, from time to time, purchase shares of its Cumulative Preferred Stock in the open market when the shares are trading at a discount to the Liquidation Value of $25.00.

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ONE CORPORATE CENTER
RYE, NY 10580-1434
(914) 921-5070
HTTP://WWW.GABELLI.COM

FIRST QUARTER REPORT
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