

GABELLI DIVIDEND & INCOME TRUST
Form N-Q
June 01, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-Q
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT
INVESTMENT COMPANY
Investment Company Act file number **811-21423**
The Gabelli Dividend & Income Trust**

(Exact name of registrant as specified in charter)
One Corporate Center
Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)
Bruce N. Alpert
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

(Name and address of agent for service)
Registrant's telephone number, including area code: 1-800-422-3554
Date of fiscal year end: December 31
Date of reporting period: March 31, 2010

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

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

Item 1. Schedule of Investments.

The Schedule(s) of Investments is attached herewith.

**The Gabelli Dividend &
Income Trust**

First Quarter Report
March 31, 2010

Mario J. Gabelli, CFA Barbara G. Marcin,
CFA

To Our Shareholders,

The Gabelli Dividend & Income Trust's (the Fund) net asset value (NAV) total return was 4.5% during the first quarter of 2010, compared with increases of 5.4%, 4.8%, and 5.7% for the Standard & Poor's (S&P) 500 Index, the Dow Jones Industrial Average, and the Nasdaq Composite Index, respectively. The total return for the Fund's publicly traded shares was 6.5% during the first quarter.

Enclosed is the investment portfolio as of March 31, 2010.

Comparative Results

Average Annual Returns through March 31, 2010 (a) (Unaudited)

	Quarter	1 Year	3 Year	5 Year	Since Inception (11/28/03)
Gabelli Dividend & Income Trust					
NAV Total Return (b)	4.48%	71.19%	(5.83)%	2.58%	4.11%
Investment Total Return (c)	6.47	77.46	(5.93)	2.88	1.81
S&P 500 Index	5.39	49.73	(4.16)	1.92	3.66
Dow Jones Industrial Average	4.81	46.87	(1.48)	3.33	4.27
Nasdaq Composite Index	5.68	56.87	(0.33)	3.70	3.23

(a) **Returns**
represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance

information as of the most recent month end.

Performance returns for periods of less than one year are not annualized.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. *The*

Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance.

Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.

- (b) *Total returns and average annual returns reflect changes in the NAV per share and reinvestment of distributions at NAV on the ex-dividend date and are net of*

expenses. Since inception return is based on an initial NAV of \$19.06.

- (c) *Total returns and average annual returns reflect changes in closing market values on the New York Stock Exchange and reinvestment of distributions. Since inception return is based on an initial offering price of \$20.00.*

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

THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS
March 31, 2010 (Unaudited)

Shares		Market Value
	COMMON STOCKS 91.0%	
	Aerospace 1.9%	
10,000	Goodrich Corp.	\$ 705,200
40,000	Kaman Corp.	1,000,400
164,000	Rockwell Automation Inc.	9,243,040
2,000,000	Rolls-Royce Group plc	18,073,389
77,000	The Boeing Co.	5,590,970
		34,612,999
	Agriculture 0.2%	
105,000	Archer-Daniels-Midland Co.	3,034,500
2,000	Terra Industries Inc.	91,520
		3,126,020
	Automotive 0.0%	
20,000	Navistar International Corp.	894,600
	Automotive: Parts and Accessories 0.9%	
30,000	BorgWarner Inc.	1,145,400
370,000	Genuine Parts Co.	15,628,800
		16,774,200
	Building and Construction 0.0%	
15,000	Layne Christensen Co.	400,650
	Business Services 0.8%	
180,000	Diebold Inc.	5,716,800
120,000	Intermec Inc.	1,701,600
34,000	Lender Processing Services Inc.	1,283,500
20,000	MasterCard Inc., Cl. A	5,080,000
18,000	PHH Corp.	424,260
8,000	Rewards Network Inc.	107,200
186,600	Trans-Lux Corp. (a)	158,610
		14,471,970
	Cable and Satellite 2.3%	
580,000	Cablevision Systems Corp., Cl. A	14,001,200
16,000	Cogeco Inc.	530,104
315,000	DIRECTV, Cl. A	10,650,150

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235,000	DISH Network Corp., Cl. A	4,892,700
50,000	EchoStar Corp., Cl. A	1,014,000
80,000	Liberty Global Inc., Cl. A	2,332,800
33,000	Liberty Global Inc., Cl. C	953,370
180,000	Rogers Communications Inc., Cl. B	6,143,400
20,000	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA	102,542
		40,620,266
		Market Value
Shares		
	Communications Equipment 0.1%	
30,000	Thomas & Betts Corp.	\$ 1,177,200
	Computer Hardware 0.1%	
30,000	SanDisk Corp.	1,038,900
	Computer Software and Services 0.2%	
60,000	Microsoft Corp.	1,756,200
95,000	Yahoo! Inc.	1,570,350
		3,326,550
	Consumer Products 3.7%	
185,000	Alberto-Culver Co.	4,837,750
20,000	Altria Group Inc.	410,400
50,000	Avon Products Inc.	1,693,500
440,000	Eastman Kodak Co.	2,547,600
85,000	Fortune Brands Inc.	4,123,350
50,000	Hanesbrands Inc.	1,391,000
76,000	Harman International Industries Inc.	3,555,280
200,000	Kimberly-Clark Corp.	12,576,000
25,000	Philip Morris International Inc.	1,304,000
1,000,000	Swedish Match AB	23,903,831
160,000	The Procter & Gamble Co.	10,123,200
		66,465,911
	Diversified Industrial 3.5%	
100,000	Bouygues SA	5,027,148
166,000	Cooper Industries plc	7,958,040
490,000	General Electric Co.	8,918,000
280,000	Honeywell International Inc.	12,675,600
95,000	ITT Corp.	5,092,950
130,000	Owens-Illinois Inc.	4,620,200
1,000	Sulzer AG	97,212
300,000	Textron Inc.	6,369,000
950,000	Tomkins plc	3,402,228
225,000	TyCo International Ltd.	8,606,250

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100,000	WHX Corp.	242,000
		63,008,628
	Electronics 1.5%	
960,000	Intel Corp.	21,369,600
185,000	TyCo Electronics Ltd.	5,083,800
		26,453,400

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (Continued)
March 31, 2010 (Unaudited)

Shares		Market Value
	COMMON STOCKS (Continued)	
	Energy and Utilities: Electric 5.2%	
40,000	Allegheny Energy Inc.	\$ 920,000
85,000	ALLETE Inc.	2,845,800
240,000	American Electric Power Co. Inc.	8,203,200
720	Brookfield Infrastructure Partners LP	12,665
315,000	DPL Inc.	8,564,850
33,000	Edison International	1,127,610
270,000	Electric Power Development Co. Ltd.	8,895,069
220,000	FPL Group Inc.	10,632,600
740,000	Great Plains Energy Inc.	13,741,800
365,000	Integrus Energy Group Inc.	17,293,700
105,000	PepCo Holdings Inc.	1,800,750
230,000	Pinnacle West Capital Corp.	8,677,900
100,000	The Southern Co.	3,316,000
222,000	UniSource Energy Corp.	6,979,680
		93,011,624
	Energy and Utilities: Integrated 9.5%	
12,000	Alliant Energy Corp.	399,120
140,000	Ameren Corp.	3,651,200
50,000	Avista Corp.	1,035,500
55,000	Black Hills Corp.	1,669,250
40,000	CH Energy Group Inc.	1,633,600
108,000	Chubu Electric Power Co. Inc.	2,699,711
150,000	CONSOL Energy Inc.	6,399,000
188,000	Consolidated Edison Inc.	8,373,520
70,000	Dominion Resources Inc.	2,877,700
160,000	Duke Energy Corp.	2,611,200
430,000	Edison SpA	655,123
630,000	El Paso Corp.	6,829,200
112,000	Endesa SA	3,200,951
450,000	Enel SpA	2,516,275
60,000	Exelon Corp.	2,628,600
135,000	FirstEnergy Corp.	5,277,150
116,000	Hawaiian Electric Industries Inc.	2,604,200
250,000	Hera SpA	587,874
121,500	Hokkaido Electric Power Co. Inc.	2,331,490
121,500	Hokuriku Electric Power Co.	2,671,986
8,000	Iberdrola SA	67,803
100,000	Iberdrola SA, ADR	3,385,000
85,000	Korea Electric Power Corp., ADR	1,380,400

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121,500	Kyushu Electric Power Co. Inc.	2,644,695
22,000	Maine & Maritimes Corp.	965,800
72,000	MGE Energy Inc.	2,545,920
35,102	National Grid plc, ADR	1,711,223
240,000	NiSource Inc.	3,792,000
530,000	NSTAR	18,772,600
		Market
Shares		Value
416,000	OGE Energy Corp.	\$ 16,199,040
30,000	Ormat Technologies Inc.	844,200
300,000	Progress Energy Inc.	11,808,000
280,000	Public Service Enterprise Group Inc.	8,265,600
121,500	Shikoku Electric Power Co. Inc.	3,442,652
15,000	TECO Energy Inc.	238,350
121,500	The Chugoku Electric Power Co. Inc.	2,414,665
50,000	The Empire District Electric Co.	901,000
121,500	The Kansai Electric Power Co. Inc.	2,783,752
108,000	The Tokyo Electric Power Co. Inc.	2,878,768
121,500	Tohoku Electric Power Co. Inc.	2,568,018
200,000	Vectren Corp.	4,944,000
455,000	Westar Energy Inc.	10,146,500
85,000	Wisconsin Energy Corp.	4,199,850
160,000	Xcel Energy Inc.	3,392,000
		170,944,486
	Energy and Utilities: Natural Gas 4.1%	
28,000	Atmos Energy Corp.	799,960
22,000	Delta Natural Gas Co. Inc.	652,960
6,000	Energen Corp.	279,180
160,356	GDF Suez, Strips	217
20,000	Kinder Morgan Energy Partners LP	1,308,400
350,000	National Fuel Gas Co.	17,692,500
200,000	Nicor Inc.	8,384,000
212,000	ONEOK Inc.	9,677,800
188,000	Sempra Energy	9,381,200
35,000	South Jersey Industries Inc.	1,469,650
140,000	Southern Union Co.	3,551,800
190,000	Southwest Gas Corp.	5,684,800
610,000	Spectra Energy Corp.	13,743,300
43,000	The Laclede Group Inc.	1,449,960
		74,075,727
	Energy and Utilities: Oil 10.3%	
44,000	Anadarko Petroleum Corp.	3,204,520
37,000	Apache Corp.	3,755,500
44,000	BG Group plc, ADR	3,817,000
160,000	BP plc, ADR	9,131,200
80,000	Chesapeake Energy Corp.	1,891,200

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225,000	Chevron Corp.	17,061,750
318,000	ConocoPhillips	16,272,060
78,000	Devon Energy Corp.	5,025,540
168,000	Eni SpA, ADR	7,884,240
205,000	Exxon Mobil Corp.	13,730,900
36,000	Hess Corp.	2,251,800
470,000	Marathon Oil Corp.	14,870,800
136,000	Murphy Oil Corp.	7,641,840

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (Continued)
March 31, 2010 (Unaudited)

Shares		Market Value
	COMMON STOCKS (Continued)	
	Energy and Utilities: Oil (Continued)	
245,000	Occidental Petroleum Corp.	\$ 20,712,300
16,000	PetroChina Co. Ltd., ADR	1,875,520
100,000	Petroleo Brasileiro SA, ADR	4,449,000
270,000	Repsol YPF SA, ADR	6,420,600
185,000	Royal Dutch Shell plc, Cl. A, ADR	10,704,100
800,000	Statoil ASA, ADR	18,664,000
165,000	SunoCo Inc.	4,902,150
185,000	Total SA, ADR	10,733,700
		184,999,720
	Energy and Utilities: Services 3.5%	
210,000	ABB Ltd., ADR	4,586,400
74,000	Cameron International Corp.	3,171,640
102,000	Diamond Offshore Drilling Inc.	9,058,620
550,000	Halliburton Co.	16,571,500
5,000	Nabors Industries Ltd.	98,150
10,000	Noble Corp.	418,200
38,000	Oceaneering International Inc.	2,412,620
195,000	Rowan Companies Inc.	5,676,450
120,000	Schlumberger Ltd.	7,615,200
46,000	Transocean Ltd.	3,973,480
650,000	Weatherford International Ltd.	10,309,000
		63,891,260
	Energy and Utilities: Water 0.8%	
11,000	American States Water Co.	381,700
365,000	American Water Works Co. Inc.	7,942,400
72,033	Aqua America Inc.	1,265,620
6,000	Artesian Resources Corp., Cl. A	105,960
3,000	California Water Service Group	112,830
11,500	Connecticut Water Service Inc.	267,605
2,000	Consolidated Water Co. Ltd.	27,160
6,000	Middlesex Water Co.	102,300
60,000	Pennichuck Corp.	1,410,600
90,000	SJW Corp.	2,287,800
25,000	Southwest Water Co.	261,000
9,000	The York Water Co.	123,750
25,000	United Utilities Group plc, ADR	423,000

14,711,725

Entertainment 1.0%

8,000	Grupo Televisa SA, ADR	168,160
126,600	Madison Square Garden Inc., Cl. A	2,751,018
270,000	Take-Two Interactive Software Inc.	2,659,500
200,000	Time Warner Inc.	6,254,000
210,000	Vivendi	5,620,290

17,452,968

Shares**Market Value****Environmental Services 0.7%**

1,250	Suez Environnement Co. SA	\$ 28,769
12,375	Veolia Environnement	429,226
350,000	Waste Management Inc.	12,050,500

12,508,495

Equipment and Supplies 1.2%

95,000	CIRCOR International Inc.	3,154,950
28,500	Lufkin Industries Inc.	2,255,775
65,000	Mueller Industries Inc.	1,741,350
420,000	RPC Inc.	4,674,600
215,000	Tenaris SA, ADR	9,232,100
100,000	Xerox Corp.	975,000

22,033,775

Financial Services 12.3%

168,000	Aflac Inc.	9,120,720
80,000	AllianceBernstein Holding LP	2,452,800
450,000	American Express Co.	18,567,000
50,000	Artio Global Investors Inc.	1,237,000
10,000	Astoria Financial Corp.	145,000
590,000	Bank of America Corp.	10,531,500
23,000	BlackRock Inc.	5,008,480
1,500,000	Citigroup Inc.	6,075,000
18,000	CME Group Inc.	5,689,980
97,000	Deutsche Bank AG	7,456,390
470,000	Discover Financial Services	7,003,000
78,909	 	