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GABELLI DIVIDEND & INCOME TRUST

Form N-Q

November 28, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21423

The Gabelli Dividend & Income Trust
(Exact name of registrant as specified in charter)

One Corporate Center
Rye, New York 10580-1422
(Address of principal executive offices) (Zip code)

Bruce N. Alpert
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-422-3554

Date of fiscal year end: December 31

Date of reporting period: September 30, 2008

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

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

ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

(THE GABELLI LOGO)
DIVIDEND & INCOME TRUST

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THE GABELLI DIVIDEND & INCOME TRUST

Third Quarter Report
September 30, 2008

TO OUR SHAREHOLDERS,

During the third quarter of 2008, The Gabelli Dividend & Income Trust's (the "Fund") total return was down 14.68% on a net asset value ("NAV") basis, compared to a loss of 8.36% for the Standard & Poor's ("S&P") 500 Index. The Fund's market price, adjusted for distributions, declined 20.31% during the third quarter of 2008. The Fund's market price on September 30, 2008 was \$13.78, which equates to a 20.44% discount to its NAV of \$17.32 at the end of the quarter.

Enclosed is the investment portfolio as of September 30, 2008.

COMPARATIVE RESULTS

AVERAGE ANNUAL RETURNS THROUGH SEPTEMBER 30, 2008 (A)

	Quarter	1 Year	3 Year	Since Inception (11/28/03)
	-----	-----	-----	-----
GABELLI DIVIDEND & INCOME TRUST				
NAV TOTAL RETURN (b).....	(14.68)%	(25.04)%	(0.11)%	4.43%
INVESTMENT TOTAL RETURN (c).....	(20.31)	(30.00)	(2.16)	(0.63)
S&P 500 Index.....	(8.36)	(21.96)	0.22	3.96
Dow Jones Industrial Average.....	(3.72)	(19.85)	3.31	4.58
Nasdaq Composite Index.....	(8.77)	(22.57)	(0.94)	1.35

- (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

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

THE GABELLI DIVIDEND & INCOME TRUST SCHEDULE OF INVESTMENTS SEPTEMBER 30, 2008 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS -- 93.5%	
	AEROSPACE -- 1.3%	
40,000	Boeing Co.	\$ 2,294,000
60,000	DRS Technologies Inc.	4,605,000
10,000	Goodrich Corp.	416,000
55,000	Kaman Corp.	1,566,400
145,000	Rockwell Automation Inc.	5,414,300
2,000,000	Rolls-Royce Group plc+	11,964,870
		26,260,570
	AGRICULTURE -- 0.1%	
115,000	Archer-Daniels-Midland Co.	2,519,650
	AUTOMOTIVE -- 0.3%	
4,000	Copart Inc.+	152,000
440,000	General Motors Corp.	4,158,000
10,000	Navistar International Corp.+	541,800
		4,851,800
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.8%	
386,000	Genuine Parts Co.	15,521,060
	BUILDING AND CONSTRUCTION -- 0.0%	
15,000	Layne Christensen Co.+	531,450
	BUSINESS SERVICES -- 0.5%	
165,000	Diebold Inc.	5,463,150
20,000	IKON Office Solutions Inc.	340,200
120,000	Intermec Inc.+	2,356,800
40,000	Lender Processing Services Inc.	1,220,800
30,000	PHH Corp.+	398,700
277,000	Trans-Lux Corp.+ (a)	753,440
		10,533,090
	CABLE AND SATELLITE -- 2.4%	
670,000	Cablevision Systems Corp., Cl. A	16,857,200
14,200	Cogeco Inc.	416,293
230,000	DISH Network Corp., Cl. A+	4,830,000
46,000	EchoStar Corp., Cl. A+	1,108,600
81,734	Liberty Global Inc., Cl. A+	2,476,540
34,318	Liberty Global Inc., Cl. C+	963,993

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2,000	Pentair Inc.....	69,140
2,000	Textron Inc.....	58,560
1,051,000	Tomkins plc.....	2,872,836
205,000	Tyco International Ltd.....	7,179,100
2,229,765	WHX Corp.+.....	3,121,671

		61,507,342

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2008 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
	COMMON STOCKS (CONTINUED)	
	ELECTRONICS -- 1.2%	
1,000	Epcos AG	\$ 25,115
1,000,000	Intel Corp.	18,730,000
190,000	Tyco Electronics Ltd.	5,255,400
1,000	Xantrex Technology Inc.+	14,076

		24,024,591

	ENERGY AND UTILITIES: ELECTRIC -- 5.2%	
30,000	Allegheny Energy Inc.	1,103,100
85,000	ALLETE Inc.	3,782,500
250,000	American Electric Power Co. Inc.	9,257,500
720	Brookfield Infrastructure Partners LP	11,326
15,000	CMS Energy Corp.	187,050
410,000	DPL Inc.	10,168,000
20,000	Edison International	798,000
270,000	Electric Power Development Co. Ltd.	8,606,083
220,000	FPL Group Inc.	11,066,000
804,698	Great Plains Energy Inc.	17,880,390
370,000	Integrays Energy Group Inc.	18,477,800
120,000	Pepco Holdings Inc.	2,749,200
240,000	Pinnacle West Capital Corp.	8,258,400
100,000	Southern Co.	3,769,000
225,000	Unisource Energy Corp.	6,567,750

		102,682,099

	ENERGY AND UTILITIES: INTEGRATED -- 9.5%	
12,000	Alliant Energy Corp.	386,520
140,000	Ameren Corp.	5,464,200
50,000	Avista Corp.	1,085,500
15,000	Black Hills Corp.	466,050
40,000	CH Energy Group Inc.	1,742,800
108,000	Chubu Electric Power Co. Inc.	2,523,436

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150,000	CONSOL Energy Inc.	6,883,500
205,000	Consolidated Edison Inc.	8,806,800
60,000	Dominion Resources Inc.	2,566,800
200,000	Duke Energy Corp.	3,486,000
430,000	Edison SpA	706,446
500,000	El Paso Corp.	6,380,000
80,000	Endesa SA	2,896,682
300,000	Enel SpA	2,487,576
47,000	Enel SpA, ADR	1,961,961
20,000	Exelon Corp.	1,252,400
162,000	FirstEnergy Corp.	10,852,380
150,000	Hawaiian Electric Industries Inc.	4,366,500
250,000	Hera SpA	683,837
121,500	Hokkaido Electric Power Co. Inc.	2,513,281
121,500	Hokuriku Electric Power Co.	2,907,409
10,000	Iberdrola SA	100,517
100,000	Iberdrola SA, ADR	4,011,690

SHARES

MARKET
VALUE

85,000	Korea Electric Power Corp., ADR	\$ 1,053,150
121,500	Kyushu Electric Power Co. Inc.	2,513,281
22,000	Maine & Maritimes Corp.+	724,900
80,000	MGE Energy Inc.	2,844,000
35,102	National Grid plc, ADR	2,254,250
255,000	NiSource Inc.	3,763,800
600,000	NSTAR	20,100,000
440,000	OGE Energy Corp.	13,587,200
30,000	Ormat Technologies Inc.	1,089,900
320,000	Progress Energy Inc.	13,801,600
300,000	Public Service Enterprise Group Inc.	9,837,000
121,500	Shikoku Electric Power Co. Inc.	3,038,785
15,000	TECO Energy Inc.	235,950
121,500	The Chugoku Electric Power Co. Inc.	2,484,721
45,000	The Empire District Electric Co.	960,750
121,500	The Kansai Electric Power Co. Inc.	2,684,641
108,000	The Tokyo Electric Power Co. Inc.	2,630,060
121,500	Tohoku Electric Power Co. Inc.	2,598,961
205,000	Vectren Corp.	5,709,250
470,000	Westar Energy Inc.	10,828,800
85,000	Wisconsin Energy Corp.	3,816,500
200,000	Xcel Energy Inc.	3,998,000

185,087,784

ENERGY AND UTILITIES: NATURAL GAS -- 3.7%

8,000	AGL Resources Inc.	251,040
50,000	Atmos Energy Corp.	1,331,000
20,000	Delta Natural Gas Co. Inc.	512,200
6,000	Energen Corp.	271,680
2,000	EnergySouth Inc.	122,860
20,000	Kinder Morgan Energy Partners LP	1,040,600
350,000	National Fuel Gas Co.	14,763,000
210,000	Nicor Inc.	9,313,500
220,000	ONEOK Inc.	7,568,000
200,000	Sempra Energy	10,094,000
35,000	South Jersey Industries Inc.	1,249,500

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100,000	Southern Union Co.	2,065,000
190,000	Southwest Gas Corp.	5,749,400
600,000	Spectra Energy Corp.	14,280,000
60,000	The Laclede Group Inc.	2,909,400
		71,521,180
	ENERGY AND UTILITIES: OIL -- 10.9%	
40,000	Anadarko Petroleum Corp.	1,940,400
39,000	Apache Corp.	4,066,920
45,000	BG Group plc, ADR	4,062,618
160,000	BP plc, ADR	8,027,200
80,000	Cameron International Corp.+	3,083,200
85,000	Chesapeake Energy Corp.	3,048,100
243,000	Chevron Corp.	20,042,640

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST SCHEDULE OF INVESTMENTS (CONTINUED) SEPTEMBER 30, 2008 (UNAUDITED)

SHARES		MARKET VALUE
	COMMON STOCKS (CONTINUED)	
	ENERGY AND UTILITIES: OIL (CONTINUED)	
1,000	Cimarex Energy Co.	\$ 48,910
330,000	ConocoPhillips	24,172,500
78,000	Devon Energy Corp.	7,113,600
170,000	Eni SpA, ADR	9,001,500
210,000	Exxon Mobil Corp.	16,308,600
2,000	First Calgary Petroleums Ltd.+	6,352
30,000	Hess Corp.	2,462,400
475,000	Marathon Oil Corp.	18,938,250
140,000	Murphy Oil Corp.	8,979,600
1,000	Niko Resources Ltd.	53,756
295,000	Occidental Petroleum Corp.	20,782,750
18,000	PetroChina Co. Ltd., ADR	1,849,140
60,000	Petroleo Brasileiro SA, ADR	2,637,000
270,000	Repsol YPF SA, ADR	8,008,200
200,000	Royal Dutch Shell plc, Cl. A, ADR	11,802,000
845,000	StatoilHydro ASA, ADR	20,111,000
180,000	Sunoco Inc.	6,404,400
190,000	Total SA, ADR	11,529,200
		214,480,236
	ENERGY AND UTILITIES: SERVICES -- 3.5%	
120,000	ABB Ltd., ADR	2,328,000
500	Awilco Offshore ASA+	7,192
20,000	Baker Hughes Inc.	1,210,800
110,000	Diamond Offshore Drilling Inc.	11,336,600

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10,000	Exterran Holdings Inc.+	319,600
590,000	Halliburton Co.	19,110,100
4,000	Nabors Industries Ltd.+	99,680
10,000	Noble Corp.	439,000
30,000	Oceaneering International Inc.+	1,599,600
210,000	Rowan Companies Inc.	6,415,500
120,000	Schlumberger Ltd.	9,370,800
45,000	Transocean Inc.+	4,942,800
421,000	Weatherford International Ltd.+	10,583,940

		67,763,612

	ENERGY AND UTILITIES: WATER -- 0.8%	
11,000	American States Water Co.	423,500
340,000	American Water Works Co. Inc.	7,310,000
63,333	Aqua America Inc.	1,126,061
6,000	Artesian Resources Corp., Cl. A	101,580
3,000	California Water Service Group	115,500
11,500	Connecticut Water Service Inc.	332,925
1,000	Consolidated Water Co. Ltd.	17,020
6,000	Middlesex Water Co.	104,820
60,000	Pennichuck Corp.	1,380,000
82,000	SJW Corp.	2,457,540
16,800	Southwest Water Co.	214,200
		MARKET
		VALUE

SHARES		

5,000	Suez SA	\$ 243,971
168,000	Suez SA, Strips+	2,365
27,818	United Utilities Group plc, ADR	689,216
9,000	York Water Co.	111,420

		14,630,118

	ENTERTAINMENT -- 1.0%	
8,000	Grupo Televisa SA, ADR	174,960
360,000	Take-Two Interactive Software Inc.	5,904,000
500,000	Time Warner Inc.	6,555,000
200,000	Vivendi	6,199,935

		18,833,895

	ENVIRONMENTAL SERVICES -- 0.7%	
1,000	Hyflux Ltd.	1,684
12,375	Veolia Environnement	502,871
420,000	Waste Management Inc.	13,225,800

		13,730,355

	EQUIPMENT AND SUPPLIES -- 1.4%	
99,000	CIRCOR International Inc.	4,299,570
30,000	Lufkin Industries Inc.	2,380,500
60,000	Mueller Industries Inc.	1,380,600
420,000	RPC Inc.	5,905,200
240,000	Tenaris SA, ADR	8,949,600
465,000	Xerox Corp.	5,361,450

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		28,276,920

	FINANCIAL SERVICES -- 14.2%	
150,000	Aflac Inc.	8,812,500
200,000	AllianceBernstein Holding LP	7,402,000
440,000	American Express Co.	15,589,200
80,000	Astoria Financial Corp.	1,658,400
150,000	Bank of America Corp.	5,250,000
4,000	BlackRock Inc.	778,000
130,000	Capital One Financial Corp.	6,630,000
200,000	CIT Group Inc.	1,392,000
250,000	Citigroup Inc.	5,127,500
25,000	CME Group Inc.	9,287,750
120,000	Deutsche Bank AG	8,734,800
595,000	Discover Financial Services	8,222,900
300,400	Federal National Mortgage Association	459,612
78,909	Fidelity National Financial Inc., Cl. A	1,159,962
86,496	Fidelity National Information Services Inc.	1,596,716
70,000	Flushing Financial Corp.	1,225,000
60,000	Hilb Rogal & Hobbs Co.	2,804,400
160,000	HSBC Holdings plc, ADR	12,932,800
90,000	Hudson City Bancorp Inc.	1,660,500
125,000	Invesco Ltd.	2,622,500

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2008 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
	COMMON STOCKS (CONTINUED)	
	FINANCIAL SERVICES (CONTINUED)	
420,000	JPMorgan Chase & Co.	\$ 19,614,000
130,000	Legg Mason Inc.	4,947,800
26,000	M&T Bank Corp.	2,320,500
180,000	Marshall & Ilsley Corp.	3,627,000
520,000	Merrill Lynch & Co., Inc.	13,156,000
175,000	Moody's Corp.	5,950,000
110,000	National Australia Bank Ltd., ADR	2,104,993
65,000	Nationwide Financial Services Inc., Cl. A	3,206,450
275,000	New York Community Bancorp Inc.	4,617,250
270,000	NewAlliance Bancshares Inc.	4,058,100
62,000	Philadelphia Consolidated Holding Co.+	3,631,340
220,000	PNC Financial Services Group Inc.	16,434,000
285,000	SLM Corp.+	3,516,900
150,000	State Street Corp.	8,532,000
95,050	Sterling Bancorp	1,374,423
120,000	T. Rowe Price Group Inc.	6,445,200
105,000	The Allstate Corp.	4,842,600
400,000	The Bank of New York Mellon Corp.	13,032,000

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50,000	The Blackstone Group LP	767,000
290,000	The Travelers Companies Inc.	13,108,000
1,000	UnionBanCal Corp.	73,290
62,522	Valley National Bancorp	1,310,461
250,000	Wachovia Corp.	875,000
400,000	Waddell & Reed Financial Inc., Cl. A	9,900,000
60,000	Webster Financial Corp.	1,515,000
560,000	Wells Fargo & Co.	21,016,800
180,000	Wilmington Trust Corp.	5,189,400

278,512,047

FOOD AND BEVERAGE -- 12.2%

350,000	Anheuser-Busch Companies Inc.	22,708,000
200,000	Cadbury plc, ADR	8,188,000
80,000	Campbell Soup Co.	3,088,000
140,000	China Mengniu Dairy Co. Ltd.	142,797
230,000	ConAgra Foods Inc.	4,475,800
960,000	Davide Campari-Milano SpA	7,710,219
200,000	Dr. Pepper Snapple Group Inc.+	5,296,000
285,000	General Mills Inc.	19,585,200
270,000	Groupe Danone	19,005,251
90,000	H.J. Heinz Co.	4,497,300
220,000	ITO EN Ltd.	2,811,151
50,000	ITO EN Ltd., Preference	515,256
1,000	Kellogg Co.	56,100
210,000	Kikkoman Corp.	2,807,766
400,000	Kraft Foods Inc., Cl. A	13,100,000

SHARES

MARKET VALUE

170,000	Morinaga Milk Industry Co. Ltd.	\$ 479,526
270,000	Nissin Food Products Co. Ltd.	9,545,390
500,000	Parmalat SpA	1,168,471
339,450	Parmalat SpA, GDR (b) (c)	791,496
320,000	PepsiAmericas Inc.	6,630,400
59,000	Pernod-Ricard SA	5,131,446
8,000	Remy Cointreau SA	373,686
1,200,000	Sara Lee Corp.	15,156,000
300,000	The Coca-Cola Co.	15,864,000
404,000	The Hershey Co.	15,974,160
500,000	Wm. Wrigley Jr. Co.	39,700,000
3,000	Wm. Wrigley Jr. Co., Cl. B	237,000
465,000	YAKULT HONSHA Co. Ltd.	14,296,930

239,335,345

HEALTH CARE -- 3.8%

25,000	Advanced Medical Optics Inc.+	444,500
100,000	Alpharma Inc., Cl. A+	3,689,000
13,000	Apria Healthcare Group Inc.+	237,120
200,000	Boston Scientific Corp.+	2,454,000
115,000	Bristol-Myers Squibb Co.	2,397,750
55,000	Covidien Ltd.	2,956,800
1,000	CryoCath Technologies Inc.+	7,733
500	Datascope Corp.	25,815
150,000	Eli Lilly & Co.	6,604,500

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6,000	Fresenius Kabi Pharmaceuticals Holding Inc., CVR+	3,900
61,000	Genentech Inc.+	5,409,480
3,000	ImClone Systems Inc.+	187,320
100,000	IMS Health Inc.	1,891,000
50,000	Johnson & Johnson	3,464,000
200,000	Merck & Co. Inc.	6,312,000
120,000	Owens & Minor Inc.	5,820,000
1,050,000	Pfizer Inc.	19,362,000
26,000	Schiff Nutrition International Inc.+	177,580
19,300	Sciele Pharma Inc.+	594,247
25,000	St. Jude Medical Inc.+	1,087,250
20,000	Vital Signs Inc.	1,478,000
130,000	Wyeth	4,802,200
75,000	Zimmer Holdings Inc.+	4,842,000

		74,248,195

	HOTELS AND GAMING -- 0.3%	
80,000	Boyd Gaming Corp.	748,800
690,000	Ladbrokes plc	2,287,815
45,000	Las Vegas Sands Corp.+	1,624,950
70,000	Pinnacle Entertainment Inc.+	529,200

		5,190,765

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2008 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
	COMMON STOCKS (CONTINUED)	
	MACHINERY -- 0.3%	
186,400	CNH Global NV	\$ 4,108,256
44,000	Deere & Co.	2,178,000
1,000	Gehl Co.+	29,430

		6,315,686

	MANUFACTURED HOUSING AND RECREATIONAL VEHICLES -- 0.0%	
17,000	Skyline Corp.	449,310

	METALS AND MINING -- 0.7%	
200,000	Alcoa Inc.	4,516,000
10,000	Alliance Holdings GP LP	200,300
7,500	Alpha Natural Resources Inc.+	385,725
17,000	Arch Coal Inc.	559,130

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	8,000 BHP Billiton Ltd., ADR	415,920
	1,000 Fording Canadian Coal Trust	83,000
	98,000 Freeport-McMoRan Copper & Gold Inc.	5,571,300
	10,000 Massey Energy Co.	356,700
	20,000 Peabody Energy Corp.	900,000
	2,000 Rio Tinto plc, ADR	499,000
	3,000 Westmoreland Coal Co.+	47,400

		13,534,475

	PAPER AND FOREST PRODUCTS -- 0.6%	
415,000	International Paper Co.	10,864,700

	PUBLISHING -- 0.4%	
35,000	Idearc Inc.	43,750
1,750,000	Il Sole 24 Ore	7,415,567

		7,459,317

	REAL ESTATE -- 0.0%	
18,000	Brookfield Asset Management Inc., Cl. A	493,920

	RETAIL -- 2.1%	
210,000	CVS Caremark Corp.	7,068,600
142,000	Ingles Markets Inc., Cl. A	3,241,860
25,000	Longs Drug Stores Corp.	1,891,000
410,000	Safeway Inc.	9,725,200
22,000	Saks Inc.+	203,500
310,000	Sally Beauty Holdings Inc.+	2,666,000
85,000	SUPERVALU Inc.	1,844,500
130,000	The Great Atlantic & Pacific Tea Co. Inc.+	1,406,600
360,000	Walgreen Co.	11,145,600
90,000	Whole Foods Market Inc.	1,802,700
500	Zones Inc.+	4,125

		40,999,685

SHARES/ UNITS		MARKET VALUE

	SPECIALTY CHEMICALS -- 2.1%	
5,000	Arkema, ADR	\$ 180,849
100,000	Ashland Inc.	2,924,000
170,000	E.I. du Pont de Nemours & Co.	6,851,000
260,000	Ferro Corp.	5,226,000
240,000	Hercules Inc.	4,749,600
300	Nevada Chemicals Inc.	3,954
100,000	Olin Corp.	1,940,000
180,000	Rohm & Haas Co.	12,600,000
230,000	The Dow Chemical Co.	7,309,400

		41,784,803

	TELECOMMUNICATIONS -- 5.5%	
585,000	AT&T Inc.	16,333,200
240,000	BCE Inc.	8,330,400
47,125	Bell Aliant Regional Communications	

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	Income Fund+ (b) (d)	1,177,654
71,000	BT Group plc, ADR	2,059,710
30,000	CenturyTel Inc.	1,099,500
55,000	Compania de Telecomunicaciones de Chile SA, ADR	374,550
645,000	Deutsche Telekom AG, ADR	9,823,350
24,959	FairPoint Communications Inc.	216,395
55,000	France Telecom SA, ADR	1,540,550
31,700	Hellenic Telecommunications Organization SA	563,195
219,800	Hellenic Telecommunications Organization SA, ADR	1,978,200
215,000	Portugal Telecom SGPS SA	2,150,515
250,000	Qwest Communications International Inc.	807,500
1,000,000	Sprint Nextel Corp.	6,100,000
20,000	Telecom Corp. of New Zealand Ltd., ADR	183,800
190,000	Telecom Italia SpA, ADR	2,834,800
16,000	Telefonica SA, ADR	1,143,840
196,000	Telefonos de Mexico SAB de CV, Cl. L, ADR	5,047,000
70,000	Telephone & Data Systems Inc., Special	2,513,000
196,000	Telmex Internacional SAB de CV, ADR	2,548,000
130,000	Telstra Corp. Ltd., ADR	2,143,167
76,100	TELUS Corp., Non-Voting, ADR	2,706,116
1,000,000	Verizon Communications Inc.	32,090,000
170,000	Vodafone Group plc, ADR	3,757,000

		107,521,442

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2008 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
	COMMON STOCKS (CONTINUED)	
	TRANSPORTATION -- 0.6%	
3,000	Frontline Ltd.	\$ 144,210
250,000	GATX Corp.	9,892,500
24,000	Golden Ocean Group Ltd.	57,437
27,000	Kansas City Southern+	1,197,720
3,000	Ship Finance International Ltd.	64,680
22,000	Teekay Corp.	580,360

		11,936,907

	WIRELESS COMMUNICATIONS -- 0.3%	
5,000	Crown Castle International Corp.+	144,850
111,030	United States Cellular Corp.+	5,209,528
14,000	Vimpel-Communications, ADR	284,200

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		5,638,578

	TOTAL COMMON STOCKS	1,829,817,361

	CONVERTIBLE PREFERRED STOCKS -- 0.9%	
	AGRICULTURE -- 0.0%	
12,000	Archer-Daniels-Midland Co., 6.250% Cv. Pfd.	358,440

	BROADCASTING -- 0.0%	
21,460	Emmis Communications Corp., 6.250% Cv. Pfd., Ser. A	394,864

	BUILDING AND CONSTRUCTION -- 0.0%	
200	Fleetwood Capital Trust, 6.000% Cv. Pfd.	2,050

	DIVERSIFIED INDUSTRIAL -- 0.0%	
34,000	Smurfit-Stone Container Corp., 7.000% Cv. Pfd., Ser. A	443,360

	ENERGY AND UTILITIES -- 0.3%	
5,000	Chesapeake Energy Corp., 5.000% Cv. Pfd. (b)	527,500
129,000	El Paso Energy Capital Trust I, 4.750% Cv. Pfd.	4,295,700

		4,823,200

	FINANCIAL SERVICES -- 0.2%	
1,500	Doral Financial Corp., 4.750% Cv. Pfd.	124,875
110,000	Newell Financial Trust I, 5.250% Cv. Pfd.	4,269,375

		4,394,250

	HEALTH CARE -- 0.0%	
6,000	Omnicare Inc., 4.000% Cv. Pfd., Ser. B	240,000

		MARKET
		VALUE

	TELECOMMUNICATIONS -- 0.4%	
50,000	Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B	\$ 1,727,500
110,000	Crown Castle International Corp., 6.250% Cv. Pfd.	4,702,500

		6,430,000

	TRANSPORTATION -- 0.0%	
1,500	GATX Corp., \$2.50 Cv. Pfd.	312,765

	TOTAL CONVERTIBLE PREFERRED STOCKS	17,398,929

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	RIGHTS -- 0.0%	
	ENERGY AND UTILITIES: WATER -- 0.0%	
5,000	Suez Environnement SA+	31,605

	WARRANTS -- 0.0%	
	FOOD AND BEVERAGE -- 0.0%	
650	Parmalat SpA, GDR, expire 12/31/15+ (b) (c) (d)	407

PRINCIPAL		
AMOUNT		

	CONVERTIBLE CORPORATE BONDS -- 1.2%	
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.0%	
500,000	Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09	478,750

	BROADCASTING -- 0.5%	
10,000,000	Sinclair Broadcast Group Inc., Sub. Deb. Cv., 6.000%, 09/15/12	8,562,500

	COMMUNICATIONS EQUIPMENT -- 0.5%	
10,000,000	Agere Systems Inc., Sub. Deb. Cv., 6.500%, 12/15/09	10,150,000

	REAL ESTATE -- 0.0%	
1,100,000	Palm Harbor Homes Inc., Cv., 3.250%, 05/15/24	664,125

	RETAIL -- 0.2%	
5,200,000	The Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11	3,789,500

	TOTAL CONVERTIBLE CORPORATE BONDS	23,644,875

See accompanying notes to schedule of investments.

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-----		-----	
	U.S. GOVERNMENT OBLIGATIONS -- 4.4%		
\$86,753,000	U.S. Treasury Bills, 0.150% to 1.957%+, 10/02/08 to 01/29/09	\$	86,644,321
-----		-----	
TOTAL INVESTMENTS -- 100.0%			
(Cost \$1,946,413,637)		\$1,957,537,498	
		=====	
Aggregate book cost		\$1,946,413,637	
		=====	
Gross unrealized appreciation		\$ 240,239,138	
Gross unrealized depreciation		(229,115,277)	

Net unrealized appreciation/(depreciation)		\$ 11,123,861	
		=====	

-
- (a) Security considered an affiliated holding because the Fund owns at least 5% of its outstanding shares.
 - (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 September 30, 2008, the market value of Rule 144A securities amounted to \$2,497,057 or 0.13% of total investments. Except as noted in (c), these securities are liquid.
 - (c) At September 30, 2008, the Fund held investments in restricted and illiquid securities amounting to \$791,903 or 0.04% of total investments, which were valued under methods approved by the Board of Trustees as follows:

ACQUISITION SHARES	ISSUER	ACQUISITION DATE	ACQUISITION COST	09/30/08 CARRYING VALUE PER UNIT
-----	-----	-----	-----	-----
339,450	Parmalat SpA, GDR	12/02/03	\$981,615	\$2.3317
650	Parmalat SpA, GDR warrants expire 12/31/15	11/09/05	--	0.6262

- (d) Security fair valued under procedures established by the Board of Trustees. The procedures may include reviewing available financial information about the company and reviewing the valuation of comparable securities and other factors on a regular basis. At September 30, 2008, the market value of fair valued securities amounted to \$1,178,061 or 0.06% of total investments.

+ Non-income producing security.

++ Represents annualized yield at date of purchase.

ADR American Depositary Receipt

GDR Global Depositary Receipt

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GEOGRAPHIC DIVERSIFICATION	% OF MARKET VALUE	MARKET VALUE
North America	80.3%	\$1,571,431,800
Europe	12.9	251,838,206
Latin America	3.2	62,978,600
Japan	3.2	62,956,678
Asia/Pacific	0.4	8,332,214
Total Investments	100.0%	\$1,957,537,498
	=====	=====

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST NOTES TO SCHEDULE OF INVESTMENTS (UNAUDITED)

1. SECURITY VALUATION. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the "Board") so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC, the Adviser.

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of 60 days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than 60 days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board.

On January 1, 2008, the Fund adopted Statement of Financial Accounting Standard No. 157, "Fair Value Measurements" ("SFAS 157") that clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair

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value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

- Level 1 - quoted prices in active markets for identical securities;
- Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 - significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used to value the Fund's net assets as of September 30, 2008 is as follows:

VALUATION INPUTS	INVESTMENTS IN SECURITIES (MARKET VALUE)	OTHER FINANCIAL INSTRUMENTS (UNREALIZED DEPRECIATION) *
Level 1 - Quoted Prices	\$1,847,726,644	--
Level 2 - Other Significant Observable Inputs	109,810,854	\$(1,283,859)
Total	\$1,957,537,498	\$(1,283,859)
	=====	=====

* Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as futures, forwards, and swaps, which are valued at the unrealized appreciation/depreciation on the investment.

In March 2008, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standard No. 161, "Disclosures about Derivative Instruments and Hedging Activities" ("SFAS 161") that is effective for fiscal years beginning after November 15, 2008. SFAS 161 is intended to improve financial reporting for derivative instruments by requiring enhanced disclosure that enables investors to understand how and why an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operations and financial position. Management is currently evaluating the implications of SFAS 161 on the Fund's financial statement disclosures.

THE GABELLI DIVIDEND & INCOME TRUST
NOTES TO SCHEDULE OF INVESTMENTS (CONTINUED) (UNAUDITED)

2. SWAP AGREEMENTS. The Fund may enter into equity, contract for difference, and interest rate swap or cap transactions. The use of swaps and caps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio transactions. Swap agreements may involve, to varying degrees, elements of market and counterparty risk, and

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exposure to loss in excess of the related amounts reflected in the Statement of Assets and Liabilities. In an interest rate swap, the Fund would agree to pay to the other party to the interest rate swap (which is known as the "counterparty") periodically a fixed rate payment in exchange for the counterparty agreeing to pay to the Fund periodically a variable rate payment that is intended to approximate the Fund's variable rate payment obligation on Series B Preferred Shares. In an interest rate cap, the Fund would pay a premium to the counterparty and, to the extent that a specified variable rate index exceeds a predetermined fixed rate, would receive from that counterparty payments of the difference based on the notional amount of such cap. In a swap, a set of future cash flows are exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. Swap and cap transactions introduce additional risk because the Fund would remain obligated to pay preferred share dividends when due in accordance with the Statement of Preferences even if the counterparty defaulted. If there is a default by the counterparty to a swap contract, the Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that the swap contract counterparties will be able to meet their obligations pursuant to a swap contract or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to a swap contract. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize this risk. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time a swap or a cap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the Fund's ability to make dividend payments.

The use of derivative instruments involves, to varying degrees, elements of market and counterparty risk in excess of the amount recognized below.

The Fund has entered into an interest rate swap agreement with Citibank N.A. Under the agreement the Fund receives a variable rate of interest and pays a respective fixed rate of interest on the nominal value of the swap. Details of the swap at September 30, 2008 are as follows:

NOTIONAL AMOUNT	FIXED RATE	FLOATING RATE* (RATE RESET MONTHLY)	TERMINATION DATE	NET UNREALIZED DEPRECIATION
\$100,000,000	4.01%	2.48563%	06/02/10	\$(1,019,941)

* Based on LIBOR (London Interbank Offered Rate).

The Fund has entered into a contract for difference swap agreements with Bear, Stearns International Limited. Details of the swap at September 30, 2008 are as follows:

NOTIONAL AMOUNT	EQUITY SECURITY RECEIVED	INTEREST RATE/ EQUITY SECURITY PAID	TERMINATION DATE	NET UNR DEPRECIATION
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	Market Value	Overnight LIBOR plus		
	Appreciation on:	40 bps plus Market Value		
\$2,318,911 (204,803 Shares)	Cadbury plc	Depreciation on:		
		Cadbury plc	02/16/09	\$(263

3. TAX INFORMATION. Under the current tax law, capital and currency losses realized after October 31 and prior to the Fund's fiscal year end may be deferred as occurring on the first day of the following fiscal year. Post October currency losses at the fiscal year ended December 31, 2007 were \$99,471.

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TRUSTEES AND OFFICERS
THE GABELLI DIVIDEND & INCOME TRUST
ONE CORPORATE CENTER, RYE, NY 10580-1422

TRUSTEES

Mario J. Gabelli, CFA
CHAIRMAN & CHIEF EXECUTIVE OFFICER,
GAMCO INVESTORS, INC.

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

James P. Conn
FORMER MANAGING DIRECTOR &
CHIEF INVESTMENT OFFICER,
FINANCIAL SECURITY ASSURANCE HOLDINGS LTD.

Mario d'Urso
FORMER ITALIAN SENATOR

Frank J. Fahrenkopf, Jr.
PRESIDENT & CHIEF EXECUTIVE OFFICER,
AMERICAN GAMING ASSOCIATION

Michael J. Melarkey
ATTORNEY-AT-LAW,
AVANSINO, MELARKEY, KNOBEL & MULLIGAN

Salvatore M. Salibello
CERTIFIED PUBLIC ACCOUNTANT,
SALIBELLO & BRODER, LLP

Edward T. Tokar
SENIOR MANAGING DIRECTOR,
BEACON TRUST COMPANY

Anthonie C. van Ekris
CHAIRMAN, BALMAC INTERNATIONAL, INC.

Salvatore J. Zizza
CHAIRMAN, ZIZZA & CO., LTD.

OFFICERS

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Bruce N. Alpert
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Carter W. Austin
VICE PRESIDENT

Peter D. Goldstein
CHIEF COMPLIANCE OFFICER

Agnes Mullady
TREASURER AND SECRETARY

INVESTMENT ADVISER
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

CUSTODIAN
State Street Bank and Trust Company

COUNSEL
Skadden, Arps, Slate, Meagher & Flom LLP

TRANSFER AGENT AND REGISTRAR
Computershare Trust Company, N.A.

STOCK EXCHANGE LISTING

	Common	5.875% Preferred	6.00% Preferred
	-----	-----	-----
NYSE-Symbol:	GDV	GDV PrA	GDV PrD
Shares Outstanding:	83,782,037	3,199,000	2,600,000

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "General Equity Funds," 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 per share may be obtained each day by calling (914) 921-5070 or visiting www.gabelli.com.

For general information about the Gabelli Funds, call 800-GABELLI (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: 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 Fund may, from time to time, purchase its common shares in the open market when the Fund's shares are trading at a discount of 7.5% or more from the net asset value of the shares. The Fund may also, from time to time, purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

THE GABELLI DIVIDEND & INCOME TRUST
ONE CORPORATE CENTER
RYE, NY 10580-1422

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(914) 921-5070
WWW.GABELLI.COM

THIRD QUARTER REPORT
SEPTEMBER 30, 2008

GDV Q3/2008

ITEM 2. CONTROLS AND PROCEDURES.

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

ITEM 3. EXHIBITS.

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

SIGNATURES

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

(Registrant) The Gabelli Dividend & Income Trust

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

Bruce N. Alpert, Principal Executive Officer

Date November 24, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

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

Bruce N. Alpert, Principal Executive Officer

Date November 24, 2008

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

Agnes Mullady,
Principal Financial Officer and Treasurer

Date November 24, 2008

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