

BLACKROCK ENHANCED CAPITAL & INCOME FUND, INC  
Form N-Q  
March 31, 2011  
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 811-21506

Name of Fund: BlackRock Enhanced Capital and Income Fund, Inc. (CII)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Enhanced Capital and Income Fund, Inc., 55 East 52<sup>nd</sup> Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 10/31/2011

Date of reporting period: 01/31/2011

Item 1 Schedule of Investments

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Schedule of Investments January  
31, 2011 (Unaudited)

**BlackRock Enhanced Capital and Income Fund, Inc. (CII)**  
(Percentages shown are based on Net Assets)

| Common Stocks                                      | Shares    | Value             |
|--|-----------|-------------------|
| <b>Aerospace &amp; Defense 4.9%</b>                |           |                   |
| Honeywell International, Inc.                      | 207,400   | \$ 11,616,474     |
| Northrop Grumman Corp.                             | 165,300   | 11,455,290        |
| Raytheon Co. (a)                                   | 180,600   | 9,028,194         |
|  |           | <u>32,099,958</u> |
| <b>Capital Markets 3.8%</b>                        |           |                   |
| Invesco Ltd. (a)                                   | 600,200   | 14,848,948        |
| Morgan Stanley (a)                                 | 332,613   | 9,778,822         |
|  |           | <u>24,627,770</u> |
| <b>Chemicals 2.6%</b>                              |           |                   |
| E.I. du Pont de Nemours & Co. (a)                  | 341,100   | 17,286,948        |
| <b>Commercial Banks 1.3%</b>                       |           |                   |
| Wells Fargo & Co. (a)                              | 273,100   | 8,853,902         |
| <b>Communications Equipment 0.8%</b>               |           |                   |
| Nokia Oyj - ADR (a)                                | 471,600   | 5,046,120         |
| <b>Diversified Financial Services 4.1%</b>         |           |                   |
| Citigroup, Inc. (a)(b)                             | 2,289,300 | 11,034,426        |
| JPMorgan Chase & Co. (a)                           | 349,800   | 15,720,012        |
|  |           | <u>26,754,438</u> |
| <b>Diversified Telecommunication Services 7.9%</b> |           |                   |
| AT&T Inc. (a)                                      | 460,800   | 12,681,216        |
| Qwest Communications International, Inc. (a)       | 3,086,400 | 22,006,032        |
| Verizon Communications, Inc. (a)                   | 482,800   | 17,197,336        |
|  |           | <u>51,884,584</u> |
| <b>Electric Utilities 2.3%</b>                     |           |                   |
| NextEra Energy, Inc.                               | 96,944    | 5,182,626         |
| The Southern Co. (a)                               | 261,500   | 9,837,630         |
|  |           | <u>15,020,256</u> |
| <b>Electrical Equipment 2.3%</b>                   |           |                   |
| Emerson Electric Co.                               | 251,100   | 14,784,768        |
| <b>Energy Equipment &amp; Services 3.2%</b>        |           |                   |

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|                     |         |            |
|---------------------|---------|------------|
| EnSCO Plc ADR (a)   | 250,900 | 13,633,906 |
| Halliburton Co. (a) | 158,200 | 7,119,000  |
|                     |         | 20,752,906 |

**Food Products 7.2%**

|                         |         |            |
|-------------------------|---------|------------|
| General Mills, Inc. (a) | 325,900 | 11,334,802 |
| Kraft Foods, Inc. (a)   | 609,600 | 18,635,472 |
| Unilever NV - ADR       | 586,300 | 17,372,069 |
|                         |         | 47,342,343 |

**Household Products 2.8%**

|                          |         |            |
|--------------------------|---------|------------|
| Kimberly-Clark Corp. (a) | 285,400 | 18,473,942 |
|--------------------------|---------|------------|

**IT Services 1.5%**

|   |        |            |
|---|--------|------------|
| International Business Machines Corp. (a) | 62,400 | 10,108,800 |
|---|--------|------------|

**Industrial Conglomerates 2.2%**

|                          |         |            |
|--------------------------|---------|------------|
| General Electric Co. (a) | 719,200 | 14,484,688 |
|--------------------------|---------|------------|

**Insurance 7.3%**

|                              |         |            |
|------------------------------|---------|------------|
| ACE Ltd.                     | 233,300 | 14,368,947 |
| MetLife, Inc. (a)            | 287,300 | 13,149,721 |
| The Travelers Cos., Inc. (a) | 361,430 | 20,334,052 |
|                              |         | 47,852,720 |

**Common Stocks**

Shares

Value

**Media 4.6%**

|                                    |         |               |
|------------------------------------|---------|---------------|
| Comcast Corp., Special Class A (a) | 688,800 | \$ 14,767,872 |
| Time Warner, Inc. (a)              | 485,700 | 15,275,265    |
|                                    |         | 30,043,137    |

**Metals & Mining 2.5%**

|                 |         |            |
|-----------------|---------|------------|
| Nucor Corp. (a) | 350,500 | 16,091,455 |
|-----------------|---------|------------|

**Multi-Utilities 1.4%**

|                              |         |           |
|------------------------------|---------|-----------|
| Dominion Resources, Inc. (a) | 215,800 | 9,395,932 |
|------------------------------|---------|-----------|

**Oil, Gas & Consumable Fuels 7.3%**

|                        |         |            |
|------------------------|---------|------------|
| Chevron Corp. (a)      | 210,100 | 19,944,793 |
| Exxon Mobil Corp.      | 212,200 | 17,120,296 |
| Marathon Oil Corp. (a) | 242,400 | 11,077,680 |
|                        |         | 48,142,769 |

**Pharmaceuticals 12.3%**

|                              |           |            |
|------------------------------|-----------|------------|
| Bristol-Myers Squibb Co. (a) | 763,000   | 19,212,340 |
| Eli Lilly & Co. (a)          | 512,100   | 17,805,717 |
| Johnson & Johnson (a)        | 143,000   | 8,547,110  |
| Merck & Co, Inc. (a)         | 489,900   | 16,249,983 |
| Pfizer, Inc. (a)             | 1,053,700 | 19,198,414 |

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|  |            |             |
|--|------------|-------------|
|  |            | 81,013,564  |
| <b>Semiconductors &amp; Semiconductor Equipment 9.5%</b>                   |            |             |
| Analog Devices, Inc. (a)   | 445,600    | 17,302,648  |
| Intel Corp. (a)  | 729,100    | 15,646,486  |
| LSI Corp. (a)(b)   | 1,272,900  | 7,879,251   |
| Maxim Integrated Products, Inc. (a)  | 836,800    | 21,606,176  |
|  |            | 62,434,561  |
| <b>Software 2.0%</b>   |            |             |
| Microsoft Corp. (a)  | 464,300    | 12,872,718  |
| <b>Specialty Retail 3.4%</b>   |            |             |
| Home Depot, Inc. (a)   | 371,100    | 13,645,347  |
| Limited Brands, Inc. (a)   | 301,300    | 8,810,012   |
|  |            | 22,455,359  |
| <b>Total Long-Term Investments</b>   |            |             |
| <b>(Cost \$649,784,740) 97.2%</b>  |            | 637,823,638 |
| <b>Short-Term Securities</b>   |            |             |
| BlackRock Liquidity Funds,<br>TempFund, Institutional Class,<br>0.17% I(d) | 18,494,223 | 18,494,223  |
| <b>Total Short-Term Securities</b>   |            |             |
| <b>(Cost \$18,494,223) 2.8%</b>  |            | 18,494,223  |
| <b>Total Investments Before Options Written</b>                            |            |             |
| <b>(Cost \$668,278,963*) 100.0%</b>  |            | 656,317,861 |

Portfolio Abbreviation

ADR American Depositary Receipts

## Schedule of Investments (continued)

BlackRock Enhanced Capital and Income Fund, Inc. (CII)  
(Percentages shown are based on Net Assets)

| Options Written   | Contracts | Value      |
|---|-----------|------------|
| <b>Exchange-Traded Call Options Written (1.0)%</b>                          |           |            |
| AT&T Inc.:  |           |            |
| Strike Price \$29, Expires<br>2/19/11                                       | 1,540     | \$ (6,930) |
| Strike Price \$29, Expires<br>3/19/11                                       | 1,000     | (12,000)   |
| Analog Devices, Inc.:   |           |            |
| Strike Price \$38, Expires<br>2/19/11                                       | 1,560     | (234,000)  |
| Strike Price \$39, Expires<br>2/19/11                                       | 120       | (10,800)   |
| Bristol-Myers Squibb Co., Strike Price<br>\$26, Expires 2/19/11             | 4,195     | (44,047)   |
| Chevron Corp., Strike Price \$95,<br>Expires 3/19/11                        | 1,570     | (334,410)  |
| Citigroup, Inc.:  |           |            |
| Strike Price \$5, Expires 2/19/11   | 4,515     | (20,317)   |
| Strike Price \$5.50, Expires<br>2/19/11                                     | 1,000     | (500)      |
| Strike Price \$5, Expires 3/19/11   | 2,500     | (26,250)   |
| Comcast Corp., Special Class A,<br>Strike Price \$20.40, Expires<br>2/07/11 | 2,410     | (260,357)  |
| Dominion Resources, Inc., Strike<br>Price \$42.50, Expires 3/14/11          | 1,067     | (162,133)  |
| E.I. du Pont de Nemours & Co.,<br>Strike Price \$50, Expires 2/19/11        | 2,560     | (285,440)  |
| Eli Lilly & Co.:  |           |            |
| Strike Price \$35, Expires<br>2/19/11                                       | 1,400     | (32,900)   |
| Strike Price \$34.85, Expires<br>3/08/11                                    | 1,415     | (67,136)   |
| EnSCO International Plc, Strike Price<br>\$55, Expires 2/19/11              | 150       | (19,500)   |
| General Electric Co.:   |           |            |
| Strike Price \$18, Expires<br>2/19/11                                       | 4,020     | (876,360)  |
| Strike Price \$19, Expires<br>2/19/11                                       | 1,280     | (161,280)  |
| General Mills, Inc., Strike Price<br>\$36.60, Expires 3/08/11               | 1,075     | (20,073)   |
| Halliburton Co.:  |           |            |
| Strike Price \$40, Expires<br>3/19/11                                       | 435       | (245,775)  |
| Strike Price \$41, Expires<br>3/19/11                                       | 435       | (208,800)  |
| Home Depot, Inc., Strike Price \$37,<br>Expires 3/19/11                     | 2,780     | (284,950)  |
| Intel Corp.:  |           |            |

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|  |       |           |
|--|-------|-----------|
| Strike Price \$21, Expires<br>2/19/11  | 300   | (16,050)  |
| Strike Price \$22, Expires<br>3/19/11  | 3,650 | (118,625) |
| International Business Machines Corp.: |       |           |
| Strike Price \$145, Expires<br>2/02/11 | 270   | (459,000) |
| Strike Price \$160, Expires<br>3/19/11 | 70    | (30,450)  |
| Invesco Ltd.:                          |       |           |
| Strike Price \$25, Expires<br>2/19/11  | 1,045 | (44,412)  |
| Strike Price \$25, Expires<br>3/19/11, | 1,055 | (79,125)  |

| Options Written | Contracts | Value |
|-----------------|-----------|-------|
|-----------------|-----------|-------|

**Exchange-Traded Call Options Written (continued)**

|  |       |              |
|--|-------|--------------|
| JPMorgan Chase & Co.:  |       |              |
| Strike Price \$41, Expires<br>2/19/11                          | 625   | \$ (256,250) |
| Strike Price \$46, Expires<br>3/19/11                          | 600   | (66,000)     |
| Johnson & Johnson, Strike Price<br>\$62.50, Expires 2/19/11    | 1,070 | (4,815)      |
| Kimberly-Clark Corp., Strike Price<br>\$64.50, Expires 2/25/11 | 1,570 | (113,729)    |
| Kraft Foods, Inc.:   |       |              |
| Strike Price \$31, Expires<br>2/19/11                          | 2,285 | (63,980)     |
| Strike Price \$32, Expires<br>2/19/11                          | 2,285 | (13,710)     |
| LSI Corp.:   |       |              |
| Strike Price \$6, Expires 2/19/11                              | 2,100 | (52,500)     |
| Strike Price \$6, Expires 3/19/11                              | 2,100 | (73,500)     |
| Limited Brands, Inc.:  |       |              |
| Strike Price \$29, Expires<br>3/19/11                          | 830   | (107,900)    |
| Strike Price \$30, Expires<br>3/19/11                          | 830   | (70,550)     |
| Marathon Oil Corp., Strike Price \$43,<br>Expires 3/19/11      | 1,350 | (455,625)    |
| Maxim Integrated Products, Inc.:                               |       |              |
| Strike Price \$25, Expires<br>2/19/11                          | 500   | (56,250)     |
| Strike Price \$26, Expires<br>3/19/11                          | 950   | (80,750)     |
| Strike Price \$27, Expires<br>3/19/11                          | 500   | (23,750)     |
| Merck & Co., Inc., Strike Price \$34,<br>Expires 2/19/11       | 2,695 | (80,850)     |
| MetLife, Inc.:   |       |              |
| Strike Price \$45, Expires<br>2/19/11                          | 505   | (83,578)     |
| Strike Price \$47, Expires<br>3/19/11                          | 500   | (61,750)     |
| Microsoft Corp.:   |       |              |
| Strike Price \$28.50, Expires<br>2/19/11                       | 2,470 | (41,242)     |
| Strike Price \$28, Expires<br>3/19/11                          | 1,010 | (65,650)     |
|  | 1,160 | (98,600)     |

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Morgan Stanley, Strike Price \$30,  
Expires 3/19/11

Nokia Oyj:

|                                    |     |          |
|------------------------------------|-----|----------|
| Strike Price \$11, Expires 2/19/11 | 825 | (19,387) |
|------------------------------------|-----|----------|

|                                    |     |          |
|------------------------------------|-----|----------|
| Strike Price \$11, Expires 3/07/11 | 825 | (23,269) |
|------------------------------------|-----|----------|

|  |       |           |
|--|-------|-----------|
| Nucor Corp., Strike Price \$45,<br>Expires 2/19/11 | 1,220 | (198,250) |
|--|-------|-----------|

|  |       |          |
|--|-------|----------|
| Pfizer, Inc., Strike Price \$18.35,<br>Expires 2/19/11 | 1,915 | (61,743) |
|--|-------|----------|

Qwest Communications International, Inc.:

|                                   |       |          |
|-----------------------------------|-------|----------|
| Strike Price \$7, Expires 2/19/11 | 1,550 | (31,000) |
|-----------------------------------|-------|----------|

|                                   |       |          |
|-----------------------------------|-------|----------|
| Strike Price \$7, Expires 3/19/11 | 1,550 | (31,000) |
|-----------------------------------|-------|----------|

Raytheon Co.:

|                                       |     |          |
|---------------------------------------|-----|----------|
| Strike Price \$50, Expires<br>2/19/11 | 690 | (63,480) |
|---------------------------------------|-----|----------|

|  |     |          |
|--|-----|----------|
| Strike Price \$52.50, Expires<br>3/19/11 | 665 | (32,585) |
|--|-----|----------|

## Schedule of Investments (continued)

BlackRock Enhanced Capital and Income Fund, Inc. (CII)  
(Percentages shown are based on Net Assets)

| Options Written   | Contracts | Value              |
|---|-----------|--------------------|
| <b>Exchange-Traded Call Options Written (concluded)</b>   |           |                    |
| The Southern Co.:   |           |                    |
| Strike Price \$38, Expires<br>2/19/11   | 985       | \$ (6,895)         |
| Strike Price \$38.40, Expires<br>3/19/11  | 970       | (16,279)           |
| Time Warner, Inc.:  |           |                    |
| Strike Price \$33, Expires<br>2/19/11   | 1,350     | (23,625)           |
| Strike Price \$33, Expires<br>3/19/11   | 1,350     | (44,550)           |
| The Travelers Cos., Inc.:   |           |                    |
| Strike Price \$55, Expires<br>2/19/11   | 635       | (107,950)          |
| Strike Price \$55, Expires<br>3/07/11   | 635       | (113,687)          |
| Verizon Communications, Inc., Strike<br>Price \$38, Expires 2/19/11                                       | 2,650     | (9,275)            |
| Wells Fargo & Co., Strike Price \$33,<br>Expires 3/19/11  | 1,500     | (135,000)          |
|   |           | <u>(6,850,574)</u> |
| <b>Over-the-Counter Call Options Written (0.5)%</b>   |           |                    |
| ACE Ltd., Strike Price \$61.50,<br>Expires 3/11/11, Broker Credit<br>Suisse International                 |           |                    |
|   | 81,000    | (143,176)          |
| Dominion Resources, Inc., Strike<br>Price \$43.25, Expires 2/04/11,<br>Broker UBS AG                      |           |                    |
|   | 55,000    | (23,802)           |
| Emerson Electric Co., Strike Price<br>\$58.60, Expires 2/07/11, Broker<br>Citibank NA                     |           |                    |
|   | 88,000    | (80,646)           |
| EnSCO International Plc, Strike Price<br>\$52.46, Expires 3/10/11, Broker<br>UBS AG                       |           |                    |
|   | 138,000   | (454,950)          |
| Exxon Mobil Corp.:  |           |                    |
| Strike Price \$75.75, Expires<br>3/11/11, Broker Goldman<br>Sachs USA                                     | 79,500    | (413,531)          |
| Strike Price \$76, Expires<br>3/17/11, Broker Goldman<br>Sachs USA  | 79,500    | (403,544)          |
| General Mills, Inc., Strike Price<br>\$36.47, Expires 2/11/11, Broker<br>JPMorgan Chase Bank NA           |           |                    |
|   | 68,500    | (1,630)            |
| Honeywell International, Inc., Strike<br>Price \$53.52, Expires 2/11/11,<br>Broker Morgan Stanley Capital | 79,000    | (207,119)          |



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|   |         |           |
|---|---------|-----------|
| Services, Inc.<br>LSI Corp., Strike Price \$6.16,<br>Expires 2/03/11, Broker Credit<br>Suisse International         | 36,000  | (1,551)   |
| Maxim Integrated Products, Inc.:<br>Strike Price \$23.35, Expires<br>2/04/11, Broker Credit Suisse<br>International | 171,000 | (422,370) |
| Strike Price \$26.48, Expires<br>3/04/11, Broker Credit Suisse<br>International                                     | 94,000  | (37,315)  |
| NextEra Energy, Inc.:<br>Strike Price \$52.94, Expires<br>2/04/11, Broker UBS AG                                    | 20,000  | (12,332)  |

| Options Written | Contracts | Value |
|-----------------|-----------|-------|
|-----------------|-----------|-------|

**Over-the-Counter Call Options Written (concluded)**

|  |         |             |
|--|---------|-------------|
| NextEra Energy, Inc. (concluded):<br>Strike Price \$51.79, Expires<br>2/11/11, Broker Goldman<br>Sachs USA     | 40,000  | \$ (72,175) |
| Northrop Grumman Corp.:<br>Strike Price \$67.52, Expires<br>3/14/11, Broker Goldman<br>Sachs USA               | 62,000  | (176,853)   |
| Strike Price \$67.68, Expires<br>3/24/11, Broker Goldman<br>Sachs USA  | 62,000  | (182,280)   |
| Pfizer, Inc.:<br>Strike Price \$18.34, Expires<br>3/14/11, Broker Credit Suisse<br>International               | 405,000 | (188,013)   |
| Strike Price \$18.82, Expires<br>3/31/11, Broker Citibank NA   | 193,500 | (66,073)    |
| Qwest Communications International, Inc.:<br>Strike Price \$7.68, Expires<br>2/03/11, Broker Brown<br>Brothers | 273,500 | (1,335)     |
| Strike Price \$7.47, Expires<br>3/07/11, Broker UBS AG   | 552,500 | (9,171)     |
| Strike Price \$7.20, Expires<br>3/16/11, Broker Credit Suisse<br>International                                 | 425,000 | (57,588)    |
| Strike Price \$7.20, Expires<br>3/25/11, Broker Credit Suisse<br>International                                 | 425,000 | (64,855)    |
| Unilever NV, Strike Price \$30.48,<br>Expires 2/24/11, Broker Morgan<br>Stanley Capital Services, Inc.         | 205,000 | (68,058)    |
|  |         | (3,088,367) |

|   |  |             |
|---|--|-------------|
| <b>Total Options Written</b><br><b>(Premiums Received \$8,147,562) (1.5)%</b> |  | (9,938,941) |
|---|--|-------------|

|   |  |                |
|---|--|----------------|
| <b>Total Investments, Net of Options Written</b><br><b>(Cost \$660,131,401) 98.5%</b> |  | 646,378,920    |
| <b>Other Assets Less Liabilities 1.5%</b>   |  | 9,595,903      |
| <b>Net Assets 100.0%</b>  |  | \$ 655,974,823 |

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\* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2011, as computed for federal income tax purposes were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$ 705,878,811  |
| Gross unrealized appreciation | \$ 10,942,495   |
| Gross unrealized depreciation | (60,503,445)    |
| Net unrealized depreciation   | \$ (49,560,950) |

(a) Security, or portion thereof, pledged/held as collateral for outstanding options written.

(b) Non-income producing security.

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BLACKROCK ENHANCED CAPITAL AND INCOME FUND, INC.

JANUARY 31, 2011

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## Schedule of Investments (concluded)

## BlackRock Enhanced Capital and Income Fund, Inc. (CII)

- (c) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate  | Shares Held at October 31, 2010 | Net Activity | Shares Held at January 31, 2011 | Income    |
|--|---------------------------------|--------------|---------------------------------|-----------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 11,668,594                      | 6,825,629    | 18,494,223                      | \$ 10,832 |

- (d) Represents the current yield as of report date.

For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Fair Value Measurements - Various inputs are used in determining the fair value of investments and derivatives, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivatives)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its annual report.

The following tables summarize the inputs used as of January 31, 2011 in determining the fair valuation of the Fund's investments and derivatives:

| Valuation Inputs                   | Level 1               | Level 2    | Level 3 | Total                 |
|------------------------------------|-----------------------|------------|---------|-----------------------|
| <b>Assets:</b>                     |                       |            |         |                       |
| Investments in Securities:         |                       |            |         |                       |
| Long-Term Investments <sup>1</sup> | \$ 637,823,638        |            |         | \$ 637,823,638        |
| Short-Term Securities              |                       | 18,494,223 |         | 18,494,223            |
| <b>Total</b>                       | <b>\$ 656,317,861</b> |            |         | <b>\$ 656,317,861</b> |

<sup>1</sup> See the above Schedule of Investments for values in each industry.

| <b>Derivative Financial Instruments<sup>2</sup></b> |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| <b>Valuation Inputs</b>                             | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>   |
| <b>Liabilities:</b>                                 |                |                |                |                |
| Equity contracts                                    | \$ (5,433,240) | \$ (4,505,701) |                | \$ (9,938,941) |

<sup>2</sup> Derivative financial instruments are options, which are shown at value.

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### Item 2 Controls and Procedures

2(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")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

2(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) 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 Attached hereto

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.

BlackRock Enhanced Capital and Income Fund, Inc.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Enhanced Capital and Income Fund, Inc.

Date: March 25, 2011

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

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Enhanced Capital and Income Fund, Inc.

Date: March 25, 2011

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Enhanced Capital and Income Fund, Inc.

Date: March 25, 2011