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BLACKROCK ENHANCED CAPITAL & INCOME FUND, INC  
 Form N-Q  
 May 29, 2007

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.

Fund Address: P.O. Box 9011  
 Princeton, NJ 08543-9011

Name and address of agent for service: Robert C. Doll, Jr., Chief Executive  
 Officer, BlackRock Enhanced Capital and Income Fund, Inc., 800 Scudders  
 Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011,  
 Princeton, NJ, 08543-9011

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 12/31/2007

Date of reporting period: 01/01/07 - 03/31/07

Item 1 - Schedule of Investments

BlackRock Capital and Income Strategies Fund, Inc.

Schedule of Investments as of March 31, 2007

Preferred Securities

| Industry                | Face<br>Amount | Capital Trusts                                |
|-------------------------|----------------|---|
| Commercial Banks - 2.7% | \$ 1,000,000   | Dresdner Funding Trust I, 8.151% due 6/30     |
|                         | 2,000,000      | Mizuho JGB Investment LLC, 9.87% (c) (g) (j)  |
|                         | 2,000,000      | SB Treasury Co. LLC, 9.40% (c) (g) (j)        |
|                         | 2,000,000      | Westpac Capital Trust III, 5.819% (c) (g) (j) |
|                         |                | Total Capital Trusts (Cost - \$7,688,667)     |

| Industry               | Shares<br>Held | Preferred Stocks                          |
|------------------------|----------------|---|
| Capital Markets - 2.8% | 25,000         | The Bear Stearns Cos., Inc. Series E, 6.1 |
|                        | 10,000         | Deutsche Bank Capital Funding Trust VIII, |
|                        | 80,000         | Goldman Sachs Group, Inc. Series A, 3.91% |

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|                                       |         |   |
|---------------------------------------|---------|---|
|                                       | 40,000  | Lehman Brothers Holdings, Inc., 6.50%       |
|                                       | 40,000  | Lehman Brothers Holdings, Inc. Series G,    |
|                                       | 80,000  | Morgan Stanley Group, Inc. Series A, 6.18%  |
| Commercial Banks - 5.7%               | 27,734  | First Republic Bank, 6.25%                  |
|                                       | 1,674   | First Tennessee Bank NA, 3.90% (c) (g)      |
|                                       | 80,000  | HSBC USA, Inc. Series F, 3.50%              |
|                                       | 20,000  | HSBC USA, Inc. Series H, 6.50%              |
|                                       | 60,000  | Royal Bank of Scotland Group Plc Series N   |
|                                       | 2,000   | SG Preferred Capital II, 6.302%             |
|                                       | 50,000  | Santander Finance Preferred SA Unipersona   |
|                                       | 60,000  | Santander Finance Preferred SA Unipersona   |
|                                       | 40,000  | Sovereign Bancorp, Inc. Series C, 7.30% (   |
|                                       | 90,000  | SunTrust Banks, Inc., 5.92%                 |
|                                       | 40,000  | US Bancorp Series B, 5.56%                  |
| Consumer Finance - 0.1%               | 5,000   | SLM Corp. Series A, 6.97%                   |
| Diversified Financial Services - 0.8% | 9,200   | Bank of America Corp. Series D, 6.20%       |
|                                       | 29,400  | Bank of America Corp. Series E, 5.718%      |
|                                       | 50,000  | CIT Group, Inc. Series A, 6.35%             |
| Electric Utilities - 3.3%             | 11,109  | Connecticut Light & Power, 5.28%            |
|                                       | 6,800   | Entergy Arkansas, Inc., 6.45%               |
|                                       | 12,000  | Entergy Louisiana LLC, 6.95%                |
|                                       | 125,000 | Interstate Power & Light Co. Series B, 8.   |
|                                       | 20,000  | PPL Electric Utilities Corp., 6.25%         |
|                                       | 10,000  | Peco Energy Co. Series D, 4.68%             |
|                                       | 20,000  | Southern California Edison Co., 5.349%      |
| Food Products - 1.5%                  | 2,000   | General Mills, Inc., 4.50%                  |
|                                       | 20      | H.J. Heinz Finance Co., 6.226% (g)          |
| Gas Utilities - 0.3%                  | 35,000  | Southern Union Co., 7.55%                   |
| Insurance - 5.2%                      | 40,000  | ACE Ltd. Series C, 7.80%                    |
|                                       | 80,000  | Aegon NV, 6.375%                            |
|                                       | 40,000  | Arch Capital Group Ltd., 8%                 |
|                                       | 10,000  | Aspen Insurance Holdings Ltd., 7.401%       |
|                                       | 8,000   | Axis Capital Holdings Ltd. Series A, 7.25%  |
|                                       | 48,000  | Endurance Specialty Holdings Ltd. Series    |
|                                       | 30,000  | Genworth Financial, Inc. Series A, 5.25%    |
|                                       | 25,000  | Metlife, Inc. Series B, 6.50%               |
|                                       | 72,000  | Principal Financial Group Series B, 6.518%  |
|                                       | 80,000  | Prudential Plc, 6.75%                       |
|                                       | 2,200   | Zurich RegCaPS Funding Trust, 6.58% (c) (g) |
| Multi-Utilities - 0.8%                | 80,000  | Pacific Gas & Electric Co. Series A, 6%     |
| Oil, Gas & Consumable Fuels - 0.7%    | 19,500  | Apache Corp. Series B, 5.68% (b)            |

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|  |              |   |
|--|--------------|---|
| Thrifts & Mortgage Finance - 6.6%            | 25,000       | Fannie Mae Series I, 5.375%   |
|  | 59,350       | Fannie Mae Series L, 5.125%   |
|  | 45,000       | Fannie Mae Series O, 7% (c)   |
|  | 150,000      | Freddie Mac Series M, 3.93%   |
|  | 25,000       | Freddie Mac Series Q, 3.85%   |
|  | 40,000       | Freddie Mac Series S, 5.87%   |
|  | 30,000       | Freddie Mac Series V, 5.57%   |
|  | 40,000       | Washington Mutual Capital Trust 2001 Series                                       |
|  |              | Total Preferred Stocks (Cost - \$74,999,533)                                      |
|  |              | Real Estate Investment Trusts   |
| Real Estate Investment Trusts (REITs) - 0.2% | 25,000       | Public Storage, Inc. Series L, 6.75%  |
|  |              | Total Real Estate Investment Trusts (Cost - \$625,000) - 0.2%                     |
|  |              | Trust Preferreds  |
|  | Face Amount  |   |
| Gas Utilities - 0.4%                         | \$ 1,000,000 | Southwest Gas Capital II, 7.70% due 9/15/2010                                     |
| Insurance - 0.7%                             | 2,000,000    | ABN AMRO North America Capital Funding Trust 2007-1, 6.968% due 9/15/2010 (c) (g) |
| Thrifts & Mortgage Finance - 0.2%            | 625,000      | Countrywide Capital V, 7% due 11/01/2066  |
|  |              | Total Trust Preferreds (Cost - \$3,737,327)                                       |
|  |              | Total Preferred Securities (Cost - \$87,053,860)                                  |
|  |              | Corporate Bonds   |
| Commercial Banks - 2.3%                      | 200,000      | ATF Capital B.V., 9.25% due 2/21/2014 (g)   |
|  | 700,000      | Export-Import Bank of Korea, 4.25% due 11/15/2008                                 |
|  | 750,000      | ICICI Bank Ltd., 4.75% due 10/22/2008   |
|  | 750,000      | Kazkommerts International B.V., 10.125% due 11/15/2008                            |
|  | 200,000      | Kazkommerts International B.V., 8.50% due 11/15/2008                              |
|  | 100,000      | Kazkommerts International B.V., 8% due 11/15/2008                                 |
|  | 2,000,000    | Lloyds TSB Bank Plc, 6.90% (j)  |
|  | 220,000      | RSHB Capital SA for OJSC Russian Agriculture Bank, 7.175% due 5/16/2013           |
|  | 225,000      | SunTrust Preferred Capital I, 5.853% (c) (g)                                      |
|  | 190,000      | TuranAlem Finance B.V., 8.25% due 1/22/2008                                       |
|  | 1,200,000    | VTB Capital SA for Vneshtorgbank, 5.96% due 8/01/2008 (c) (g)                     |

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|   |           |  |
|---|-----------|--|
| Diversified Financial Services - 0.3%               | 900,000   | AC International Finance Ltd., 8.125% due                        |
| Diversified Telecommunication Services - 0.7%       | 750,000   | Empresa Brasileira de Telecom SA Series B due 12/15/2008         |
|   | 1,000,000 | Excelcomindo Finance Co. B.V., 8% due 1/2                        |
| Electric Utilities - 0.2%                           | 500,000   | Tenaga Nasional Bhd, 7.20% due 4/29/2007                         |
| Independent Power Producers & Energy Traders - 0.1% | 150,000   | Aes Dominicana Energia Finance SA, 11% due 12/13/2015 (g)        |
| Industrial Conglomerates - 0.1%                     | 250,000   | SM Investments Corp., 8% due 10/16/2007                          |
| Insurance - 0.5%                                    | 350,000   | AXA SA, 6.379% (c) (g) (j)                                       |
|   | 395,000   | Financial Security Assurance Holdings Ltd due 12/15/2066 (c) (g) |
|   | 600,000   | Metlife, Inc., 6.40% due 12/15/2066                              |
| Metals & Mining - 0.1%                              | 300,000   | Vale Overseas Ltd., 6.875% due 11/21/2036                        |
| Oil, Gas & Consumable Fuels - 2.3%                  | 215,000   | Gaz Capital For Gazprom, 6.51% due 3/07/2                        |
|   | 550,000   | Morgan Stanley Bank AG for OAO Gazprom, 9.625% due 3/01/2013     |
|   | 900,000   | Pemex Project Funding Master Trust, 8.85%                        |
|   | 300,000   | Pemex Project Funding Master Trust, 6.125% due 8/15/2008         |
|   | 500,000   | Petrobras Energia SA, 9% due 5/01/2009                           |
|   | 175,000   | Petroliam Nasional Bhd, 7.75% due 8/15/20                        |
|   | 1,920,000 | Salomon Brothers AG for OAO Gazprom, 9.125% due 4/25/2007        |
|   | 1,750,000 | YPF SA Series A, 7.75% due 8/27/2007                             |
| Paper & Forest Products - 0.1%                      | 250,000   | SINO-FOREST Corp., 9.125% due 8/17/2011 (                        |
| Wireless Telecommunication Services - 0.7%          | 625,000   | Mobile Telesystems Finance SA, 9.75% due                         |
|   | 1,000,000 | UBS Luxembourg SA for OJSC Vimpel Communi 10% due 6/16/2009      |
|   | 163,000   | UBS Luxembourg SA for OJSC Vimpel Communi 8.25% due 5/23/2016    |
|   |           | Total Corporate Bonds (Cost - \$20,517,019                       |
|   |           | Foreign Government Obligations                                   |
| Foreign Government Obligations - 15.4%              | 3,078,750 | Argentina Bonos, 5.475% due 8/03/2012 (c)                        |
|   | 402,444   | Argentina Bonos, 3.821% due 2/04/2018 (c)                        |
|   | 600,000   | Argentina Government International Bond, due 12/15/2035 (f)      |
|   | 2,290,000 | Brazilian Government International Bond, due 3/12/2008           |
|   | 1,300,000 | Brazilian Government International Bond,                         |

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|           |   |
|-----------|---|
|           | due 10/22/2010  |
| 1,000,000 | Brazilian Government International Bond, due 6/17/2013              |
| 1,450,000 | Brazilian Government International Bond, due 7/14/2014              |
| 450,000   | Brazilian Government International Bond, due 1/15/2018              |
| 55,000    | Brazilian Government International Bond, due 1/20/2034              |
| 110,000   | Chile Government International Bond, 5.50% due 1/15/2013            |
| 1,420,000 | Colombia Government International Bond, 8.625% due 4/01/2008        |
| 2,000,000 | Colombia Government International Bond, 10.50% due 7/09/2010        |
| 385,000   | Colombia Government International Bond, 7.375% due 9/18/2037        |
| 250,000   | Credit Suisse First Boston International Ukraine, 8% due 11/06/2015 |
| 142,087   | Dominican Republic International Bond, 9.5% due 1/23/2018           |
| 230,000   | Ecuador Government International Bond, 10.5% due 8/15/2030          |
| 350,000   | Federative Republic of Brazil, 12.50% due 1/15/2018                 |
| 400,000   | Indonesia Government International Bond, 6.75% due 3/10/2014        |
| 325,000   | Indonesia Government International Bond, 7.50% due 1/15/2016 (g)    |
| 150,000   | Indonesia Government International Bond, 6.625% due 2/17/2037 (g)   |
| 1,219,001 | Mexico Government International Bond Series A, 6.75% due 9/27/2034  |
| 450,000   | Panama Government International Bond, 8.25% due 4/22/2008           |
| 135,000   | Panama Government International Bond, 8.8% due 9/30/2027            |
| 1,590,000 | Peru Government International Bond, 9.125% due 1/15/2008            |
| 135,000   | Peru Government International Bond, 9.875% due 2/06/2015            |
| 1,499,040 | Peru Government International Bond, 8.375% due 5/03/2016            |
| 175,000   | Peru Government International Bond, 8.75% due 11/21/2033            |
| 396,271   | Peru Government International Bond, 6.55% due 3/14/2037             |
| 1,700,000 | Philippine Government International Bond, 7.50% due 9/11/2007       |
| 1,300,000 | Philippine Government International Bond, 9.875% due 3/16/2010      |
| 250,000   | Philippine Government International Bond, 8.375% due 2/15/2011      |
| 1,405,000 | Philippine Government International Bond, due 2/15/2013             |
| 1,200,000 | Republic of Turkey, 12.375% due 6/15/2009                           |
| 1,295,000 | Russia Government International Bond, 10% due 6/26/2007             |
| 375,000   | Russia Government International Bond, 11% due 7/24/2018             |
| 530,000   | Russia Government International Bond, 7.5% due 3/31/2030            |
| 300,000   | Turkey Government International Bond, 10% due 1/15/2018             |

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|                            |             |  |
|----------------------------|-------------|--|
|                            |             | due 9/19/2007  |
|                            | 1,300,000   | Turkey Government International Bond, 9% due 6/30/2011                 |
|                            | 715,000     | Turkey Government International Bond, 11. due 1/23/2012                |
|                            | 340,000     | Turkey Government International Bond, 7%                               |
|                            | 500,000     | Turkey Government International Bond, 7.3 due 2/05/2025                |
|                            | 790,000     | Turkey Government International Bond, 6.8 due 3/17/2036                |
|                            | 50,000      | Ukraine Government International Bond, 7. due 6/11/2013 (g)            |
|                            | 125,000     | Ukraine Ministry of Finance, 6.58% due 11                              |
|                            | 200,000     | Uruguay Government International Bond, 9. due 5/17/2017                |
|                            | 274,711     | Uruguay Government International Bond, 7.875% due 1/15/2033 (h)        |
|                            | 1,710,000   | Venezuela Government International Bond, 9.125% due 6/18/2007          |
|                            | 2,160,000   | Venezuela Government International Bond, 5.375% due 8/07/2010          |
|                            | 1,125,000   | Venezuela Government International Bond, 10.75% due 9/19/2013          |
|                            | 40,000      | Venezuela Government International Bond, 7.65% due 4/21/2025           |
|                            | 395,000     | Venezuela Government International Bond, 9.25% due 9/15/2027           |
|                            | 190,444     | Venezuela Government International Bond S 6.25% due 12/18/2007 (a) (c) |
|                            |             | Total Foreign Government Obligations (Cost - \$42,091,038) - 15.4%     |
|                            |             | Municipal Bonds  |
| Municipal Bonds - 0.6%     | 1,100,000   | Dresdner Bank AG for City of Kiev, 8.75% due 8/08/2008                 |
|                            | 450,000     | Dresdner Bank AG for Kyivstar GSM, 10.375 due 8/17/2009                |
|                            | 100,000     | Dresdner Bank AG for Kyivstar GSM, 7.75% due 4/27/2012                 |
|                            |             | Total Municipal Bonds (Cost - \$1,719,538)                             |
|                            | Shares Held | Common Stocks  |
| Aerospace & Defense - 5.3% | 57,100      | Honeywell International, Inc.  |
|                            | 30,000      | Lockheed Martin Corp.  |
|                            | 60,700      | Northrop Grumman Corp.   |
|                            | 91,800      | Raytheon Co.   |
| Beverages - 0.6%           | 77,700      | Coca-Cola Enterprises, Inc.  |
| Capital Markets - 3.4%     | 125,000     | The Bank of New York Co., Inc.   |

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|   |         |   |
|---|---------|---|
|   | 56,600  | Morgan Stanley                            |
| Chemicals - 1.3%                              | 19,000  | The Dow Chemical Co.                      |
|   | 57,400  | E.I. du Pont de Nemours & Co.             |
| Commercial Banks - 2.3%                       | 182,600 | Wells Fargo & Co.                         |
| Communications Equipment - 1.1%               | 121,800 | Alcatel SA (b)                            |
|   | 87,800  | Motorola, Inc.                            |
| Computers & Peripherals - 4.4%                | 55,800  | Hewlett-Packard Co.                       |
|   | 76,600  | International Business Machines Corp.     |
|   | 439,200 | Sun Microsystems, Inc. (e)                |
| Consumer Finance - 0.3%                       | 21,600  | SLM Corp.                                 |
| Diversified Financial Services - 6.5%         | 82,726  | Bank of America Corp.                     |
|   | 121,290 | Citigroup, Inc.                           |
|   | 158,772 | JPMorgan Chase & Co.                      |
| Diversified Telecommunication Services - 4.0% | 131,170 | AT&T Inc.                                 |
|   | 199,200 | Qwest Communications International Inc. ( |
|   | 107,400 | Verizon Communications, Inc.              |
| Electric Utilities - 2.7%                     | 60,800  | FPL Group, Inc.                           |
|   | 100,900 | The Southern Co.                          |
| Energy Equipment & Services - 2.9%            | 40,300  | BJ Services Co.                           |
|   | 79,100  | GlobalSantaFe Corp.                       |
|   | 60,700  | Halliburton Co.                           |
| Food Products - 3.3%                          | 77,500  | General Mills, Inc.                       |
|   | 159,300 | Unilever NV (b)                           |
| Health Care Equipment & Supplies - 1.7%       | 87,800  | Baxter International, Inc.                |
| Hotels, Restaurants & Leisure - 1.3%          | 77,000  | McDonald's Corp.                          |
| Household Durables - 1.7%                     | 58,000  | Koninklijke Philips Electronics NV        |
|   | 46,800  | Sony Corp. (b)                            |
| Household Products - 1.4%                     | 58,600  | Kimberly-Clark Corp.                      |

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|  |         |   |
|--|---------|---|
| IT Services - 1.1%                                 | 361,600 | Unisys Corp. (e)                            |
| Industrial Conglomerates - 3.5%                    | 114,200 | General Electric Co.                        |
|  | 182,500 | Tyco International Ltd.                     |
| Insurance - 5.3%                                   | 29,600  | The Allstate Corp.                          |
|  | 51,200  | American International Group, Inc.          |
|  | 31,600  | Hartford Financial Services Group, Inc.     |
|  | 79,500  | The Travelers Cos., Inc.                    |
|  | 33,000  | XL Capital Ltd. Class A                     |
| Machinery - 1.0%                                   | 26,200  | Deere & Co.                                 |
| Media - 5.3%                                       | 142,750 | Comcast Corp. Special Class A (e)           |
|  | 18,200  | Gannett Co., Inc.                           |
|  | 143,600 | Interpublic Group of Cos., Inc. (e)         |
|  | 267,600 | Time Warner, Inc.                           |
|  | 90,400  | Walt Disney Co.                             |
| Metals & Mining - 2.1%                             | 37,400  | Alcan, Inc.                                 |
|  | 116,900 | Alcoa, Inc.                                 |
| Multi-Utilities - 1.5%                             | 47,200  | Consolidated Edison, Inc.                   |
|  | 20,800  | Dominion Resources, Inc.                    |
| Office Electronics - 1.1%                          | 188,400 | Xerox Corp. (e)                             |
| Oil, Gas & Consumable Fuels - 5.7%                 | 43,600  | Chevron Corp.                               |
|  | 19,900  | Consol Energy, Inc.                         |
|  | 9,800   | Devon Energy Corp.                          |
|  | 121,000 | Exxon Mobil Corp.                           |
|  | 48,200  | Peabody Energy Corp.                        |
| Pharmaceuticals - 7.0%                             | 100,700 | Bristol-Myers Squibb Co.                    |
|  | 68,000  | GlaxoSmithKline Plc (b)                     |
|  | 42,300  | Johnson & Johnson                           |
|  | 195,600 | Pfizer, Inc.                                |
|  | 137,100 | Schering-Plough Corp.                       |
|  | 36,000  | Wyeth                                       |
| Semiconductors & Semiconductor<br>Equipment - 3.8% | 131,300 | Fairchild Semiconductor International, Inc. |
|  | 179,000 | Intel Corp.                                 |
|  | 373,800 | LSI Logic Corp. (e)                         |
|  | 96,700  | Micron Technology, Inc. (e)                 |



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|  |                     |  |
|--|---------------------|--|
| Wireless Telecommunication Services - 1.1% | 164,100             | Sprint Nextel Corp.  |
|  |                     | Total Common Stocks (Cost - \$192,094,605)                                 |
|  | Beneficial Interest | Short-Term Securities  |
|  | \$ 5,115,384        | BlackRock Liquidity Series, LLC<br>Cash Sweep Series, 5.26% (d) (i)        |
|  |                     | Total Short-Term Securities (Cost - \$5,115,384)                           |
|  | Number of Contracts | Options Purchased  |
| Put Options Purchased                      | 110                 | International Business Machines Corp., expiring at USD 90                  |
|  |                     | Total Options Purchased (Premiums Paid - \$110,000)                        |
|  |                     | Total Investments (Cost - \$348,597,049) - 139.8%                          |
|  |                     | Options Written  |
| Call Options Written                       | 280                 | Baxter International, Inc., expiring May 2007                              |
|  | 438                 | Comcast Corp. Special Class A, expiring June 2007<br>USD 28.333            |
|  | 110                 | International Business Machines Corp., expiring at USD 100                 |
|  | 88                  | Northrop Grumman Corp., expiring May 2007                                  |
|  | 2,000               | Wells Fargo & Co., expiring April 2007 at USD 100                          |
|  |                     | Total Options Written (Premiums Received - \$633,797) - (0.1%)             |
|  |                     | Total Investments, Net of Options Written (Cost - \$347,963,252*) - 139.8% |
|  |                     | Liabilities in Excess of Other Assets - (0.1%)                             |
|  |                     | Net Assets - 100.0%  |

\* The cost and unrealized appreciation (depreciation) of investments, net of options written, as of March 31, 2007, as computed for federal income tax purposes, were as follows:

|                               |    |             |
|-------------------------------|----|-------------|
| Aggregate cost                | \$ | 348,695,963 |
|                               |    | =====       |
| Gross unrealized appreciation | \$ | 41,976,174  |
| Gross unrealized depreciation |    | (2,216,693) |
|                               |    | -----       |
| Net unrealized appreciation   | \$ | 39,759,481  |

=====

- (a) Brady Bonds are securities which have been issued to refinance commercial bank loans and other debt. The risk associated with these instruments is the amount of any uncollateralized principal or interest payments since there is a high default rate of commercial bank loans by countries issuing these securities.
- (b) Depositary receipts.
- (c) Floating rate security.
- (d) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate  | Net<br>Activity | Interest<br>Income |
|--|-----------------|--------------------|
| BlackRock Liquidity Series, LLC<br>Cash Sweep Series | \$ (6,895,022)  | \$ 131,197         |

- (e) Non-income producing security.
- (f) Non-income producing security; issuer filed for bankruptcy or is in default of interest payments.
- (g) The security may be offered and sold to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933.
- (h) Represents a pay-in-kind security which may pay interest/dividends in additional face/shares.
- (i) Represents the current yield as of March 31, 2007.
- (j) The security is a perpetual bond and has no definite maturity date.
  - o Swaps outstanding as of March 31, 2007 were as follows:

|   | Notional<br>Amount | Unrealized<br>Appreciation |
|---|--------------------|----------------------------|
| Pay a fixed rate of 5.076% and receive a floating rate based on 3-month LIBOR |                    |                            |
| Broker, Lehman Brothers Special Finance<br>Expires December 2016              | \$ 1,800,000       | \$ 13,169                  |

- o 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 ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease. Industries are shown as a percent of net assets.

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- 2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.
- 2(b) - As of September 29, 2006, with the conclusion of the combination of Merrill Lynch's asset management business with BlackRock, the registrant was migrated to BlackRock's trading and compliance monitoring systems, and various personnel changes occurred. In conjunction with these business improvements, there were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to 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 Capital and Income Strategies Fund, Inc.

By: /s/ Robert C. Doll, Jr.  
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Robert C. Doll, Jr.  
Chief Executive Officer  
BlackRock Enhanced Capital and Income Fund, Inc.

Date: May 21, 2007

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/ Robert C. Doll, Jr.  
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Robert C. Doll, Jr.  
Chief Executive Officer  
BlackRock Enhanced Capital and Income Fund, Inc.

Date: May 21, 2007

By: /s/ Donald C. Burke  
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Donald C. Burke

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Chief Financial Officer  
BlackRock Enhanced Capital and Income Fund, Inc.

Date: May 21, 2007