

BLACKROCK ENHANCED CAPITAL & INCOME FUND, INC.

Form N-Q

May 23, 2016

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: 12/31/2016

Date of reporting period: 03/31/2016

Item 1 Schedule of Investments

## Schedule of Investments March 31, 2016 (Unaudited)

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

| Common Stocks                                                  | Shares        | Value        |
|----------------------------------------------------------------|---------------|--------------|
| <b>Aerospace &amp; Defense 1.3%</b>                            |               |              |
| Raytheon Co. (a)                                               | 67,400        | \$ 8,265,262 |
| <b>Air Freight &amp; Logistics 0.7%</b>                        |               |              |
| FedEx Corp. (a)                                                | 27,131        | 4,414,756    |
| <b>Airlines 2.9%</b>                                           |               |              |
| Delta Air Lines, Inc. (a)                                      | 120,200       | 5,851,336    |
| Southwest Airlines Co. (a)                                     | 229,713       | 10,291,142   |
| United Continental Holdings, Inc. (a)(b)                       | 39,080        | 2,339,329    |
|                                                                |               | 18,481,807   |
| <b>Auto Components 2.2%</b>                                    |               |              |
| Goodyear Tire & Rubber Co. (a)                                 | 122,900       | 4,053,242    |
| Lear Corp. (a)                                                 | 92,353        | 10,266,883   |
|                                                                |               | 14,320,125   |
| <b>Banks 10.4%</b>                                             |               |              |
| Bank of America Corp. (a)                                      | 1,234,548     | 16,691,089   |
| Citigroup, Inc. (a)                                            | 180,687       | 7,543,682    |
| JPMorgan Chase & Co. (a)                                       | 343,755       | 20,357,171   |
| SunTrust Banks, Inc. (a)                                       | 192,320       | 6,938,906    |
| U.S. Bancorp. (a)                                              | 371,615       | 15,083,853   |
|                                                                |               | 66,614,701   |
| <b>Beverages 1.6%</b>                                          |               |              |
| Dr Pepper Snapple Group, Inc. (a)                              | 81,100        | 7,251,962    |
| Molson Coors Brewing Co., Class B (a)                          | 29,270        | 2,815,189    |
|                                                                |               | 10,067,151   |
| <b>Biotechnology 3.6%</b>                                      |               |              |
| Amgen, Inc. (a)                                                | 83,170        | 12,469,678   |
| Gilead Sciences, Inc. (a)                                      | 116,310       | 10,684,237   |
|                                                                |               | 23,153,915   |
| <b>Building Products 0.6%</b>                                  |               |              |
| Owens Corning (a)                                              | 76,800        | 3,631,104    |
| <b>Capital Markets 1.7%</b>                                    |               |              |
| Goldman Sachs Group, Inc. (a)                                  | 70,223        | 11,023,607   |
| <b>Chemicals 1.5%</b>                                          |               |              |
| Dow Chemical Co. (a)                                           | 82,102        | 4,175,708    |
| Eastman Chemical Co. (a)                                       | 76,950        | 5,558,100    |
|                                                                |               | 9,733,808    |
| <b>Communications Equipment 3.0%</b>                           |               |              |
| Brocade Communications Systems, Inc. (a)                       | 315,801       | 3,341,175    |
| Cisco Systems, Inc. (a)                                        | 554,922       | 15,798,629   |
|                                                                |               | 19,139,804   |
| <b>Construction &amp; Engineering 0.2%</b>                     |               |              |
| EMCOR Group, Inc. (a)                                          | 27,300        | 1,326,780    |
| <b>Consumer Finance 0.8%</b>                                   |               |              |
| SLM Corp. (b)                                                  | 794,916       | 5,055,666    |
| <b>Containers &amp; Packaging 1.2%</b>                         |               |              |
| Avery Dennison Corp. (a)                                       | 43,900        | 3,165,629    |
| <b>Common Stocks</b>                                           | <b>Shares</b> | <b>Value</b> |
| <b>Containers &amp; Packaging (continued)</b>                  |               |              |
| Packaging Corp. of America (a)                                 | 79,543        | \$ 4,804,397 |
|                                                                |               | 7,970,026    |
| <b>Electronic Equipment, Instruments &amp; Components 0.7%</b> |               |              |

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|                                                      |         |            |
|------------------------------------------------------|---------|------------|
| CDW Corp. (a)                                        | 102,480 | 4,252,920  |
| <b>Energy Equipment &amp; Services 0.5%</b>          |         |            |
| Schlumberger Ltd. (a)                                | 28,969  | 2,136,464  |
| Weatherford International PLC (b)                    | 133,545 | 1,038,980  |
|                                                      |         | 3,175,444  |
| <b>Food &amp; Staples Retailing 2.9%</b>             |         |            |
| CVS Health Corp. (a)                                 | 181,287 | 18,804,901 |
| <b>Food Products 1.3%</b>                            |         |            |
| Pilgrim's Pride Corp. (a)(b)                         | 55,500  | 1,409,700  |
| Tyson Foods, Inc., Class A (a)                       | 105,886 | 7,058,361  |
|                                                      |         | 8,468,061  |
| <b>Health Care Providers &amp; Services 9.9%</b>     |         |            |
| Aetna, Inc. (a)(c)                                   | 142,808 | 16,044,479 |
| Centene Corp. (b)                                    | 110,000 | 6,772,700  |
| Cigna Corp. (a)                                      | 85,400  | 11,720,296 |
| Humana, Inc. (a)                                     | 27,818  | 5,089,303  |
| Laboratory Corp. of America Holdings (a)(b)          | 53,889  | 6,312,019  |
| UnitedHealth Group, Inc. (a)                         | 100,620 | 12,969,918 |
| Universal Health Services, Inc., Class B (a)         | 35,490  | 4,426,313  |
|                                                      |         | 63,335,028 |
| <b>Hotels, Restaurants &amp; Leisure 2.3%</b>        |         |            |
| Carnival Corp. (a)                                   | 274,768 | 14,499,507 |
| <b>Household Durables 1.4%</b>                       |         |            |
| DR Horton, Inc. (a)                                  | 114,348 | 3,456,740  |
| Lennar Corp., Class A (a)                            | 53,320  | 2,578,555  |
| NVR, Inc. (b)                                        | 942     | 1,631,921  |
| Toll Brothers, Inc. (b)                              | 44,277  | 1,306,614  |
|                                                      |         | 8,973,830  |
| <b>Insurance 2.6%</b>                                |         |            |
| American International Group, Inc. (a)               | 159,650 | 8,629,084  |
| Travelers Cos., Inc. (a)                             | 68,048  | 7,941,882  |
|                                                      |         | 16,570,966 |
| <b>Internet &amp; Catalog Retail 0.7%</b>            |         |            |
| Priceline Group, Inc. (a)(b)                         | 3,696   | 4,763,996  |
| <b>Internet Software &amp; Services 5.2%</b>         |         |            |
| Alphabet, Inc., Class A(a)(b)                        | 35,458  | 27,050,908 |
| Facebook, Inc., Class A(a)(b)                        | 57,393  | 6,548,541  |
|                                                      |         | 33,599,449 |
| <b>IT Services 2.9%</b>                              |         |            |
| Amdocs Ltd. (a)                                      | 94,691  | 5,721,230  |
| Cognizant Technology Solutions Corp., Class A (a)(b) | 176,734 | 11,081,222 |

## Portfolio Abbreviations

|            |                             |             |                                      |            |             |
|------------|-----------------------------|-------------|--------------------------------------|------------|-------------|
| <b>ADR</b> | American Depositary Receipt | <b>SPDR</b> | Standard & Poor's Depositary Receipt | <b>USD</b> | U.S. Dollar |
|------------|-----------------------------|-------------|--------------------------------------|------------|-------------|

MARCH 31, 2016

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## Schedule of Investments (continued)

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

| Common Stocks                                            | Shares  | Value        |
|----------------------------------------------------------|---------|--------------|
| <b>IT Services (continued)</b>                           |         |              |
| Total System Services, Inc.                              | 31,148  | \$ 1,482,022 |
|                                                          |         | 18,284,474   |
| <b>Leisure Products 0.2%</b>                             |         |              |
| Vista Outdoor, Inc. (a)(b)                               | 23,568  | 1,223,415    |
| <b>Machinery 0.9%</b>                                    |         |              |
| Parker-Hannifin Corp. (a)                                | 29,700  | 3,299,076    |
| WABCO Holdings, Inc. (b)                                 | 21,700  | 2,320,164    |
|                                                          |         | 5,619,240    |
| <b>Media 4.0%</b>                                        |         |              |
| Comcast Corp., Class A (a)                               | 316,505 | 19,332,125   |
| Omnicom Group, Inc. (a)                                  | 79,213  | 6,592,898    |
|                                                          |         | 25,925,023   |
| <b>Multi-Utilities 1.0%</b>                              |         |              |
| Public Service Enterprise Group, Inc. (a)                | 142,511 | 6,717,969    |
| <b>Oil, Gas &amp; Consumable Fuels 4.1%</b>              |         |              |
| Anadarko Petroleum Corp. (a)                             | 31,190  | 1,452,518    |
| BP PLC ADR (a)                                           | 142,630 | 4,304,573    |
| Chevron Corp. (a)                                        | 40,900  | 3,901,860    |
| Hess Corp. (a)                                           | 46,589  | 2,452,911    |
| HollyFrontier Corp. (a)                                  | 17,200  | 607,504      |
| Marathon Oil Corp. (a)                                   | 157,170 | 1,750,874    |
| Statoil ASA ADR                                          | 84,650  | 1,317,154    |
| Suncor Energy, Inc. (a)                                  | 230,455 | 6,408,954    |
| Tesoro Corp. (a)                                         | 19,744  | 1,698,181    |
| Valero Energy Corp. (a)                                  | 40,900  | 2,623,326    |
|                                                          |         | 26,517,855   |
| <b>Paper &amp; Forest Products 0.5%</b>                  |         |              |
| Domtar Corp. (a)                                         | 71,385  | 2,891,094    |
| <b>Pharmaceuticals 4.7%</b>                              |         |              |
| Allergan PLC (a)(b)                                      | 22,400  | 6,003,872    |
| Johnson & Johnson (a)                                    | 23,900  | 2,585,980    |
| Merck & Co., Inc. (a)                                    | 17,875  | 945,766      |
| Pfizer, Inc. (a)                                         | 383,781 | 11,375,269   |
| Teva Pharmaceutical Industries Ltd. ADR (a)              | 170,310 | 9,113,288    |
|                                                          |         | 30,024,175   |
| <b>Road &amp; Rail 0.6%</b>                              |         |              |
| Norfolk Southern Corp. (a)                               | 42,313  | 3,522,557    |
| <b>Semiconductors &amp; Semiconductor Equipment 2.1%</b> |         |              |
| Intel Corp. (a)                                          | 197,855 | 6,400,609    |
| Lam Research Corp. (a)                                   | 45,800  | 3,783,080    |
| NVIDIA Corp. (a)                                         | 83,310  | 2,968,335    |
|                                                          |         | 13,152,024   |
| <b>Software 4.8%</b>                                     |         |              |
| Activision Blizzard, Inc. (a)                            | 346,680 | 11,731,651   |
| Microsoft Corp. (a)(c)                                   | 348,384 | 19,241,248   |
|                                                          |         | 30,972,899   |
| <b>Specialty Retail 6.0%</b>                             |         |              |
| GNC Holdings, Inc., Class A                              | 71,200  | 2,260,600    |
| Home Depot, Inc. (a)                                     | 112,849 | 15,057,442   |
| Lowe's Cos., Inc. (a)                                    | 206,049 | 15,608,212   |
| Ross Stores, Inc. (a)                                    | 91,890  | 5,320,431    |

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|                                                                        |               |                |
|------------------------------------------------------------------------|---------------|----------------|
|                                                                        |               | 38,246,685     |
| <b>Technology Hardware, Storage &amp; Peripherals 4.7%</b>             |               |                |
| Apple, Inc. (a)(c)                                                     | 201,667       | 21,979,686     |
| EMC Corp. (a)                                                          | 247,372       | 6,592,464      |
| Western Digital Corp. (a)                                              | 40,010        | 1,890,068      |
|                                                                        |               | 30,462,218     |
| <b>Common Stocks</b>                                                   | <b>Shares</b> | <b>Value</b>   |
| <b>Textiles, Apparel &amp; Luxury Goods 0.2%</b>                       |               |                |
| Fossil Group, Inc. (a)(b)                                              | 31,495        | \$ 1,399,008   |
| <b>Tobacco 2.3%</b>                                                    |               |                |
| Altria Group, Inc. (a)                                                 | 239,185       | 14,987,332     |
| <b>Total Common Stocks 98.2%</b>                                       |               | 629,588,582    |
| <b>Investment Companies</b>                                            |               |                |
| <b>Investment Companies 0.4%</b>                                       |               |                |
| Utilities Select Sector SPDR Fund (a)                                  | 55,500        | 2,753,910      |
| <b>Total Long-Term Investments</b>                                     |               |                |
| <b>(Cost \$627,917,789) 98.6%</b>                                      |               | 632,342,492    |
| <b>Short-Term Securities</b>                                           |               |                |
| <b>Money Market Funds</b>                                              |               |                |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.37% (d)(e) | 16,292,088    | 16,292,088     |
|                                                                        | <b>Par</b>    |                |
| <b>Time Deposits</b>                                                   | <b>(000)</b>  |                |
| Brown Brothers Harriman & Co., 0.25%, 1/04/16                          | \$ 60         | 59,704         |
| <b>Total Short-Term Securities</b>                                     |               |                |
| <b>(Cost \$16,351,792) 2.5%</b>                                        |               | 16,351,792     |
| <b>Total Investments Before Options Written</b>                        |               |                |
| <b>(Cost \$644,269,581*) 101.1%</b>                                    |               | 648,694,284    |
| <b>Options Written</b>                                                 |               |                |
| <b>(Premiums Received \$6,818,289) (1.5)%</b>                          |               | (9,719,575)    |
| <b>Total Investments Net of Options Written 99.6%</b>                  |               | 638,974,709    |
| <b>Other Assets Less Liabilities 0.4%</b>                              |               | 2,508,203      |
| <b>Net Assets 100.0%</b>                                               |               | \$ 641,482,912 |

## Schedule of Investments (continued)

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

## Notes to Schedule of Investments

\* As of period end, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows:

|                               |                |
|-------------------------------|----------------|
| Tax cost                      | \$ 647,041,517 |
| Gross unrealized appreciation | \$ 28,423,897  |
| Gross unrealized depreciation | (26,771,130)   |
| Net unrealized appreciation   | \$ 1,652,767   |

(a) All or a portion of security has been pledged and/or segregated as collateral in connection with outstanding exchange-traded options written.

(b) Non-income producing security.

(c) All or a portion of security has been pledged as collateral in connection with outstanding OTC derivatives.

(d) Current yield as of period end.

(e) During the period ended March 31, 2016, investments in issuers considered to be affiliates of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate                                                | Shares                          |                 | Shares                       |                     |
|----------------------------------------------------------|---------------------------------|-----------------|------------------------------|---------------------|
|                                                          | Held at<br>December 31,<br>2015 | Net<br>Activity | Held at<br>March 31,<br>2016 | Income              |
| BlackRock Liquidity Funds, TempFund, Institutional Class | 15,619,710                      | 672,378         | 16,292,088                   | \$ 19,419           |
| BlackRock Liquidity Series, LLC Money Market Series      |                                 |                 |                              | \$ 689 <sup>1</sup> |
| <b>Total</b>                                             |                                 |                 |                              | \$ 20,108           |

<sup>1</sup> Represents securities lending income earned from the reinvestment of cash collateral from loaned securities, net of fees and collateral investment expenses, and other payments to and from borrowers of securities.

For Trust compliance purposes, the Trust'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 the investment advisor. These definitions may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease.

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Derivative Financial Instruments Outstanding as of Period End  
Exchange-Traded Options Written

|                                               | Put/ | Expiration | Strike     |           |             |  |
|-----------------------------------------------|------|------------|------------|-----------|-------------|--|
| Description                                   | Call | Date       | Price      | Contracts | Value       |  |
| Activision Blizzard, Inc.                     | Call | 4/01/16    | USD 33.00  | 353       | \$ (31,241) |  |
| Aetna, Inc.                                   | Call | 4/01/16    | USD 109.00 | 85        | (32,300)    |  |
| Aetna, Inc.                                   | Call | 4/01/16    | USD 110.00 | 83        | (22,452)    |  |
| Allergan PLC                                  | Call | 4/01/16    | USD 290.00 | 25        | (1,250)     |  |
| Anadarko Petroleum Corp.                      | Call | 4/01/16    | USD 47.00  | 77        | (3,042)     |  |
| Apple, Inc.                                   | Call | 4/01/16    | USD 103.00 | 94        | (56,400)    |  |
| Cisco Systems, Inc.                           | Call | 4/01/16    | USD 26.00  | 288       | (72,432)    |  |
| Cisco Systems, Inc.                           | Call | 4/01/16    | USD 26.50  | 288       | (56,592)    |  |
| Cognizant Technology Solutions Corp., Class A | Call | 4/01/16    | USD 57.50  | 210       | (112,350)   |  |
| CVS Health Corp.                              | Call | 4/01/16    | USD 100.00 | 73        | (27,010)    |  |
| DR Horton, Inc.                               | Call | 4/01/16    | USD 29.50  | 140       | (11,620)    |  |
| Facebook, Inc., Class A                       | Call | 4/01/16    | USD 106.00 | 120       | (97,500)    |  |
| Goodyear Tire & Rubber Co.                    | Call | 4/01/16    | USD 32.00  | 100       | (9,500)     |  |
| Home Depot, Inc.                              | Call | 4/01/16    | USD 128.00 | 77        | (44,082)    |  |
| Intel Corp.                                   | Call | 4/01/16    | USD 30.00  | 75        | (18,300)    |  |
| Intel Corp.                                   | Call | 4/01/16    | USD 31.50  | 115       | (9,948)     |  |
| Johnson & Johnson                             | Call | 4/01/16    | USD 107.00 | 60        | (7,350)     |  |
| JPMorgan Chase & Co.                          | Call | 4/01/16    | USD 59.50  | 58        | (1,160)     |  |
| JPMorgan Chase & Co.                          | Call | 4/01/16    | USD 60.00  | 129       | (903)       |  |
| JPMorgan Chase & Co.                          | Call | 4/01/16    | USD 60.50  | 138       | (414)       |  |
| JPMorgan Chase & Co.                          | Call | 4/01/16    | USD 61.00  | 137       | (274)       |  |
| Microsoft Corp.                               | Call | 4/01/16    | USD 54.00  | 176       | (22,528)    |  |
| Pfizer, Inc.                                  | Call | 4/01/16    | USD 30.50  | 509       | (509)       |  |
| Southwest Airlines Co.                        | Call | 4/01/16    | USD 44.00  | 269       | (25,555)    |  |
| Suncor Energy, Inc.                           | Call | 4/01/16    | USD 26.50  | 341       | (38,363)    |  |
| Tesoro Corp.                                  | Call | 4/01/16    | USD 90.50  | 49        | (147)       |  |
| UnitedHealth Group, Inc.                      | Call | 4/01/16    | USD 122.00 | 112       | (77,280)    |  |

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## Schedule of Investments (continued)

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

|                                         | Put/ | Expiration | Strike     |           |           |
|-----------------------------------------|------|------------|------------|-----------|-----------|
| Description                             | Call | Date       | Price      | Contracts | Value     |
| Valero Energy Corp.                     | Call | 4/01/16    | USD 66.00  | 33        | \$ (132)  |
| Aetna, Inc.                             | Call | 4/08/16    | USD 110.00 | 129       | (43,860)  |
| Alphabet, Inc., Class A                 | Call | 4/08/16    | USD 750.00 | 17        | (27,880)  |
| Altria Group, Inc.                      | Call | 4/08/16    | USD 63.00  | 131       | (4,454)   |
| Anadarko Petroleum Corp.                | Call | 4/08/16    | USD 45.00  | 77        | (18,018)  |
| Apple, Inc.                             | Call | 4/08/16    | USD 100.00 | 165       | (149,325) |
| Apple, Inc.                             | Call | 4/08/16    | USD 102.00 | 63        | (44,730)  |
| Bank of America Corp.                   | Call | 4/08/16    | USD 14.00  | 375       | (2,250)   |
| Citigroup, Inc.                         | Call | 4/08/16    | USD 44.50  | 37        | (111)     |
| Citigroup, Inc.                         | Call | 4/08/16    | USD 45.00  | 38        | (76)      |
| Comcast Corp., Class A                  | Call | 4/08/16    | USD 59.50  | 90        | (14,985)  |
| Comcast Corp., Class A                  | Call | 4/08/16    | USD 60.00  | 174       | (21,663)  |
| CVS Health Corp.                        | Call | 4/08/16    | USD 101.00 | 129       | (36,958)  |
| Delta Air Lines, Inc.                   | Call | 4/08/16    | USD 49.50  | 198       | (9,405)   |
| Facebook, Inc., Class A                 | Call | 4/08/16    | USD 113.00 | 8         | (1,692)   |
| Facebook, Inc., Class A                 | Call | 4/08/16    | USD 114.00 | 15        | (2,288)   |
| Facebook, Inc., Class A                 | Call | 4/08/16    | USD 115.00 | 7         | (728)     |
| Goldman Sachs Group, Inc.               | Call | 4/08/16    | USD 157.50 | 162       | (28,998)  |
| Goodyear Tire & Rubber Co.              | Call | 4/08/16    | USD 32.50  | 235       | (17,625)  |
| Hess Corp.                              | Call | 4/08/16    | USD 45.00  | 17        | (13,345)  |
| Home Depot, Inc.                        | Call | 4/08/16    | USD 128.00 | 78        | (44,655)  |
| Intel Corp.                             | Call | 4/08/16    | USD 31.50  | 153       | (14,688)  |
| Intel Corp.                             | Call | 4/08/16    | USD 32.50  | 429       | (11,583)  |
| JPMorgan Chase & Co.                    | Call | 4/08/16    | USD 60.00  | 194       | (4,753)   |
| JPMorgan Chase & Co.                    | Call | 4/08/16    | USD 60.50  | 194       | (2,716)   |
| JPMorgan Chase & Co.                    | Call | 4/08/16    | USD 61.00  | 163       | (1,222)   |
| Marathon Oil Corp.                      | Call | 4/08/16    | USD 9.50   | 310       | (52,545)  |
| Merck & Co., Inc.                       | Call | 4/08/16    | USD 52.50  | 3         | (220)     |
| Merck & Co., Inc.                       | Call | 4/08/16    | USD 53.00  | 2         | (86)      |
| Microsoft Corp.                         | Call | 4/08/16    | USD 54.00  | 126       | (18,018)  |
| NVIDIA Corp.                            | Call | 4/08/16    | USD 33.50  | 133       | (30,457)  |
| Pfizer, Inc.                            | Call | 4/08/16    | USD 31.50  | 15        | (30)      |
| Schlumberger Ltd.                       | Call | 4/08/16    | USD 75.00  | 135       | (6,210)   |
| Schlumberger Ltd.                       | Call | 4/08/16    | USD 76.00  | 19        | (408)     |
| Southwest Airlines Co.                  | Call | 4/08/16    | USD 45.00  | 268       | (15,410)  |
| Tesoro Corp.                            | Call | 4/08/16    | USD 90.00  | 49        | (3,454)   |
| Teva Pharmaceutical Industries Ltd. ADR | Call | 4/08/16    | USD 59.50  | 92        | (368)     |
| U.S. Bancorp.                           | Call | 4/08/16    | USD 42.00  | 211       | (739)     |
| United Continental Holdings, Inc.       | Call | 4/08/16    | USD 61.00  | 154       | (9,009)   |
| UnitedHealth Group, Inc.                | Call | 4/08/16    | USD 124.00 | 37        | (20,072)  |
| Utilities Select Sector SPDR Fund       | Call | 4/08/16    | USD 47.00  | 3         | (786)     |
| Valero Energy Corp.                     | Call | 4/08/16    | USD 68.00  | 6         | (72)      |
| Raytheon Co.                            | Call | 4/14/16    | USD 125.25 | 209       | (11,332)  |
| Activision Blizzard, Inc.               | Call | 4/15/16    | USD 34.00  | 290       | (19,285)  |
| Aetna, Inc.                             | Call | 4/15/16    | USD 115.00 | 250       | (29,625)  |
| Alphabet, Inc., Class A                 | Call | 4/15/16    | USD 745.00 | 110       | (251,900) |
| Alphabet, Inc., Class A                 | Call | 4/15/16    | USD 760.00 | 25        | (31,125)  |
| Altria Group, Inc.                      | Call | 4/15/16    | USD 62.50  | 275       | (21,588)  |
| Amdocs Ltd.                             | Call | 4/15/16    | USD 57.50  | 220       | (68,200)  |
| Amdocs Ltd.                             | Call | 4/15/16    | USD 60.00  | 255       | (28,688)  |
| Amgen, Inc.                             | Call | 4/15/16    | USD 155.00 | 142       | (10,579)  |
| Apple, Inc.                             | Call | 4/15/16    | USD 100.00 | 165       | (150,975) |
| Apple, Inc.                             | Call | 4/15/16    | USD 105.00 | 63        | (28,350)  |
| Avery Dennison Corp.                    | Call | 4/15/16    | USD 70.00  | 88        | (22,220)  |
| Bank of America Corp.                   | Call | 4/15/16    | USD 14.00  | 500       | (7,250)   |
| BP PLC ADR                              | Call | 4/15/16    | USD 32.00  | 56        | (588)     |
| Brocade Communications Systems, Inc.    | Call | 4/15/16    | USD 9.67   | 790       | (83,163)  |
| Carnival Corp.                          | Call | 4/15/16    | USD 50.00  | 750       | (230,625) |
| Carnival Corp.                          | Call | 4/15/16    | USD 52.50  | 175       | (19,688)  |
| CDW Corp.                               | Call | 4/15/16    | USD 40.00  | 256       | (51,200)  |

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|                                               |      |         |     |        |     |          |
|-----------------------------------------------|------|---------|-----|--------|-----|----------|
| Cigna Corp.                                   | Call | 4/15/16 | USD | 140.00 | 162 | (30,294) |
| Cisco Systems, Inc.                           | Call | 4/15/16 | USD | 27.00  | 635 | (96,520) |
| Citigroup, Inc.                               | Call | 4/15/16 | USD | 45.00  | 69  | (897)    |
| Cognizant Technology Solutions Corp., Class A | Call | 4/15/16 | USD | 60.00  | 200 | (62,000) |

## Schedule of Investments (continued)

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

| Description                                   | Put/ | Expiration | Strike     |  | Contracts | Value       |
|-----------------------------------------------|------|------------|------------|--|-----------|-------------|
|                                               | Call | Date       | Price      |  |           |             |
| Comcast Corp., Class A                        | Call | 4/15/16    | USD 60.00  |  | 525       | \$ (72,188) |
| CVS Health Corp.                              | Call | 4/15/16    | USD 100.00 |  | 332       | (131,140)   |
| Delta Air Lines, Inc.                         | Call | 4/15/16    | USD 50.00  |  | 183       | (14,732)    |
| DR Horton, Inc.                               | Call | 4/15/16    | USD 30.00  |  | 140       | (10,640)    |
| Dr Pepper Snapple Group, Inc.                 | Call | 4/15/16    | USD 95.00  |  | 200       | (2,500)     |
| Eastman Chemical Co.                          | Call | 4/15/16    | USD 67.50  |  | 96        | (48,480)    |
| Gilead Sciences, Inc.                         | Call | 4/15/16    | USD 92.50  |  | 198       | (26,928)    |
| Goldman Sachs Group, Inc.                     | Call | 4/15/16    | USD 160.00 |  | 45        | (6,952)     |
| Goodyear Tire & Rubber Co.                    | Call | 4/15/16    | USD 33.00  |  | 235       | (15,275)    |
| Home Depot, Inc.                              | Call | 4/15/16    | USD 125.00 |  | 255       | (224,400)   |
| Intel Corp.                                   | Call | 4/15/16    | USD 30.00  |  | 75        | (18,112)    |
| JPMorgan Chase & Co.                          | Call | 4/15/16    | USD 60.00  |  | 78        | (4,680)     |
| Laboratory Corp. of America Holdings          | Call | 4/15/16    | USD 120.00 |  | 150       | (11,625)    |
| Lam Research Corp.                            | Call | 4/15/16    | USD 77.50  |  | 44        | (22,000)    |
| Lam Research Corp.                            | Call | 4/15/16    | USD 80.00  |  | 143       | (47,190)    |
| Lear Corp.                                    | Call | 4/15/16    | USD 115.00 |  | 150       | (11,250)    |
| Lennar Corp., Class A                         | Call | 4/15/16    | USD 49.00  |  | 133       | (7,980)     |
| Lowe's Cos., Inc.                             | Call | 4/15/16    | USD 70.00  |  | 471       | (275,535)   |
| Lowe's Cos., Inc.                             | Call | 4/15/16    | USD 75.00  |  | 88        | (12,936)    |
| Merck & Co., Inc.                             | Call | 4/15/16    | USD 52.50  |  | 4         | (354)       |
| Microsoft Corp.                               | Call | 4/15/16    | USD 52.50  |  | 510       | (146,370)   |
| Microsoft Corp.                               | Call | 4/15/16    | USD 55.00  |  | 150       | (13,725)    |
| Molson Coors Brewing Co., Class B             | Call | 4/15/16    | USD 90.00  |  | 200       | (126,000)   |
| Omnicom Group, Inc.                           | Call | 4/15/16    | USD 80.00  |  | 296       | (118,400)   |
| Packaging Corp. of America                    | Call | 4/15/16    | USD 55.00  |  | 137       | (69,870)    |
| Parker-Hannifin Corp.                         | Call | 4/15/16    | USD 115.00 |  | 75        | (3,375)     |
| Pfizer, Inc.                                  | Call | 4/15/16    | USD 31.00  |  | 632       | (2,844)     |
| Pilgrim's Pride Corp.                         | Call | 4/15/16    | USD 25.00  |  | 140       | (11,900)    |
| Ross Stores, Inc.                             | Call | 4/15/16    | USD 60.00  |  | 60        | (1,350)     |
| Schlumberger Ltd.                             | Call | 4/15/16    | USD 75.00  |  | 79        | (6,122)     |
| Southwest Airlines Co.                        | Call | 4/15/16    | USD 44.00  |  | 185       | (26,362)    |
| SunTrust Banks, Inc.                          | Call | 4/15/16    | USD 36.00  |  | 217       | (16,709)    |
| SunTrust Banks, Inc.                          | Call | 4/15/16    | USD 37.00  |  | 217       | (7,704)     |
| SunTrust Banks, Inc.                          | Call | 4/15/16    | USD 38.00  |  | 526       | (6,838)     |
| Teva Pharmaceutical Industries Ltd. ADR       | Call | 4/15/16    | USD 60.00  |  | 142       | (710)       |
| Tyson Foods, Inc., Class A                    | Call | 4/15/16    | USD 62.50  |  | 68        | (29,920)    |
| Tyson Foods, Inc., Class A                    | Call | 4/15/16    | USD 67.50  |  | 234       | (17,550)    |
| U.S. Bancorp.                                 | Call | 4/15/16    | USD 41.00  |  | 296       | (10,952)    |
| U.S. Bancorp.                                 | Call | 4/15/16    | USD 42.00  |  | 346       | (3,114)     |
| UnitedHealth Group, Inc.                      | Call | 4/15/16    | USD 125.00 |  | 74        | (35,335)    |
| Universal Health Services, Inc., Class B      | Call | 4/15/16    | USD 115.00 |  | 126       | (132,300)   |
| Valero Energy Corp.                           | Call | 4/15/16    | USD 67.50  |  | 39        | (1,755)     |
| Valero Energy Corp.                           | Call | 4/15/16    | USD 68.00  |  | 28        | (1,008)     |
| Vista Outdoor, Inc.                           | Call | 4/15/16    | USD 50.00  |  | 166       | (57,685)    |
| Raytheon Co.                                  | Call | 4/19/16    | USD 124.00 |  | 41        | (4,008)     |
| Activision Blizzard, Inc.                     | Call | 4/22/16    | USD 33.00  |  | 292       | (41,172)    |
| Aetna, Inc.                                   | Call | 4/22/16    | USD 111.00 |  | 84        | (29,400)    |
| Allergan PLC                                  | Call | 4/22/16    | USD 290.00 |  | 18        | (6,660)     |
| Altria Group, Inc.                            | Call | 4/22/16    | USD 63.00  |  | 120       | (8,940)     |
| American International Group, Inc.            | Call | 4/22/16    | USD 53.00  |  | 240       | (39,840)    |
| Apple, Inc.                                   | Call | 4/22/16    | USD 104.00 |  | 158       | (89,270)    |
| BP PLC ADR                                    | Call | 4/22/16    | USD 31.50  |  | 38        | (1,102)     |
| Cisco Systems, Inc.                           | Call | 4/22/16    | USD 29.00  |  | 400       | (5,600)     |
| Citigroup, Inc.                               | Call | 4/22/16    | USD 43.50  |  | 295       | (15,193)    |
| Cognizant Technology Solutions Corp., Class A | Call | 4/22/16    | USD 61.00  |  | 100       | (24,500)    |
| CVS Health Corp.                              | Call | 4/22/16    | USD 102.00 |  | 128       | (31,488)    |
| Dow Chemical Co.                              | Call | 4/22/16    | USD 50.00  |  | 22        | (3,432)     |
| Dow Chemical Co.                              | Call | 4/22/16    | USD 52.00  |  | 96        | (4,848)     |
| Facebook, Inc., Class A                       | Call | 4/22/16    | USD 112.00 |  | 152       | (67,640)    |
| FedEx Corp.                                   | Call | 4/22/16    | USD 144.00 |  | 85        | (157,038)   |

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|                       |      |         |     |       |     |          |
|-----------------------|------|---------|-----|-------|-----|----------|
| Fossil Group, Inc.    | Call | 4/22/16 | USD | 50.50 | 78  | (1,950)  |
| Gilead Sciences, Inc. | Call | 4/22/16 | USD | 93.50 | 100 | (13,250) |
| Gilead Sciences, Inc. | Call | 4/22/16 | USD | 96.50 | 80  | (3,880)  |
| Hess Corp.            | Call | 4/22/16 | USD | 48.00 | 16  | (8,640)  |

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## Schedule of Investments (continued)

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

| Description                                   | Put/ | Expiration | Strike       |  | Contracts | Value       |
|-----------------------------------------------|------|------------|--------------|--|-----------|-------------|
|                                               | Call | Date       | Price        |  |           |             |
| Home Depot, Inc.                              | Call | 4/22/16    | USD 130.00   |  | 77        | \$ (34,650) |
| Intel Corp.                                   | Call | 4/22/16    | USD 33.00    |  | 71        | (3,905)     |
| JPMorgan Chase & Co.                          | Call | 4/22/16    | USD 60.50    |  | 139       | (7,784)     |
| Marathon Oil Corp.                            | Call | 4/22/16    | USD 13.50    |  | 50        | (650)       |
| Merck & Co., Inc.                             | Call | 4/22/16    | USD 53.50    |  | 80        | (3,920)     |
| Microsoft Corp.                               | Call | 4/22/16    | USD 54.00    |  | 207       | (47,610)    |
| Norfolk Southern Corp.                        | Call | 4/22/16    | USD 79.00    |  | 110       | (57,750)    |
| NVIDIA Corp.                                  | Call | 4/22/16    | USD 35.50    |  | 67        | (7,638)     |
| Pfizer, Inc.                                  | Call | 4/22/16    | USD 31.00    |  | 20        | (150)       |
| Southwest Airlines Co.                        | Call | 4/22/16    | USD 42.50    |  | 103       | (31,415)    |
| Tyson Foods, Inc., Class A                    | Call | 4/22/16    | USD 66.50    |  | 70        | (10,325)    |
| U.S. Bancorp.                                 | Call | 4/22/16    | USD 40.50    |  | 355       | (28,933)    |
| UnitedHealth Group, Inc.                      | Call | 4/22/16    | USD 123.00   |  | 74        | (55,315)    |
| Utilities Select Sector SPDR Fund             | Call | 4/22/16    | USD 47.50    |  | 17        | (3,816)     |
| Valero Energy Corp.                           | Call | 4/22/16    | USD 68.00    |  | 49        | (2,793)     |
| Western Digital Corp.                         | Call | 4/22/16    | USD 50.50    |  | 100       | (8,150)     |
| Public Service Enterprise Group, Inc.         | Call | 4/25/16    | USD 43.40    |  | 236       | (89,722)    |
| Activision Blizzard, Inc.                     | Call | 4/29/16    | USD 33.00    |  | 550       | (83,875)    |
| Allergan PLC                                  | Call | 4/29/16    | USD 285.00   |  | 9         | (3,510)     |
| Alphabet, Inc., Class A                       | Call | 4/29/16    | USD 780.00   |  | 12        | (20,280)    |
| Altria Group, Inc.                            | Call | 4/29/16    | USD 63.00    |  | 670       | (59,965)    |
| Amgen, Inc.                                   | Call | 4/29/16    | USD 150.00   |  | 88        | (38,280)    |
| Bank of America Corp.                         | Call | 4/29/16    | USD 14.00    |  | 1,015     | (23,853)    |
| BP PLC ADR                                    | Call | 4/29/16    | USD 33.00    |  | 56        | (812)       |
| Chevron Corp.                                 | Call | 4/29/16    | USD 96.00    |  | 118       | (26,786)    |
| Cisco Systems, Inc.                           | Call | 4/29/16    | USD 28.00    |  | 288       | (19,296)    |
| Cisco Systems, Inc.                           | Call | 4/29/16    | USD 29.00    |  | 170       | (3,315)     |
| Citigroup, Inc.                               | Call | 4/29/16    | USD 44.00    |  | 250       | (12,125)    |
| Cognizant Technology Solutions Corp., Class A | Call | 4/29/16    | USD 60.00    |  | 110       | (38,500)    |
| CVS Health Corp.                              | Call | 4/29/16    | USD 102.00   |  | 245       | (64,803)    |
| Delta Air Lines, Inc.                         | Call | 4/29/16    | USD 51.50    |  | 220       | (14,960)    |
| Dow Chemical Co.                              | Call | 4/29/16    | USD 52.00    |  | 117       | (9,770)     |
| DR Horton, Inc.                               | Call | 4/29/16    | USD 30.50    |  | 300       | (30,300)    |
| Facebook, Inc., Class A                       | Call | 4/29/16    | USD 116.00   |  | 80        | (28,600)    |
| FedEx Corp.                                   | Call | 4/29/16    | USD 165.00   |  | 51        | (11,552)    |
| Gilead Sciences, Inc.                         | Call | 4/29/16    | USD 94.00    |  | 133       | (24,538)    |
| Goodyear Tire & Rubber Co.                    | Call | 4/29/16    | USD 32.50    |  | 50        | (7,250)     |
| Hess Corp.                                    | Call | 4/29/16    | USD 57.50    |  | 33        | (2,656)     |
| HollyFrontier Corp.                           | Call | 4/29/16    | USD 35.50    |  | 100       | (16,250)    |
| Home Depot, Inc.                              | Call | 4/29/16    | USD 131.00   |  | 150       | (60,375)    |
| Humana, Inc.                                  | Call | 4/29/16    | USD 187.50   |  | 140       | (55,300)    |
| Intel Corp.                                   | Call | 4/29/16    | USD 33.00    |  | 71        | (4,366)     |
| JPMorgan Chase & Co.                          | Call | 4/29/16    | USD 61.00    |  | 110       | (5,995)     |
| JPMorgan Chase & Co.                          | Call | 4/29/16    | USD 62.00    |  | 70        | (2,135)     |
| Microsoft Corp.                               | Call | 4/29/16    | USD 55.50    |  | 232       | (35,148)    |
| Microsoft Corp.                               | Call | 4/29/16    | USD 56.00    |  | 51        | (6,528)     |
| Norfolk Southern Corp.                        | Call | 4/29/16    | USD 79.00    |  | 110       | (63,800)    |
| NVIDIA Corp.                                  | Call | 4/29/16    | USD 35.50    |  | 68        | (8,772)     |
| Priceline Group, Inc.                         | Call | 4/29/16    | USD 1,360.00 |  | 10        | (9,550)     |
| Raytheon Co.                                  | Call | 4/29/16    | USD 125.25   |  | 41        | (4,093)     |
| Southwest Airlines Co.                        | Call | 4/29/16    | USD 45.00    |  | 185       | (26,363)    |
| Tyson Foods, Inc., Class A                    | Call | 4/29/16    | USD 67.50    |  | 158       | (18,960)    |
| U.S. Bancorp.                                 | Call | 4/29/16    | USD 40.50    |  | 355       | (32,660)    |
| UnitedHealth Group, Inc.                      | Call | 4/29/16    | USD 131.00   |  | 207       | (50,405)    |
| Utilities Select Sector SPDR Fund             | Call | 4/29/16    | USD 49.50    |  | 128       | (10,816)    |
| Valero Energy Corp.                           | Call | 4/29/16    | USD 69.00    |  | 49        | (2,768)     |
| Travelers Cos., Inc.                          | Call | 5/05/16    | USD 117.01   |  | 86        | (19,985)    |
| Aetna, Inc.                                   | Call | 5/06/16    | USD 113.00   |  | 150       | (52,875)    |
| Alphabet, Inc., Class A                       | Call | 5/06/16    | USD 785.00   |  | 13        | (21,320)    |
| Amgen, Inc.                                   | Call | 5/06/16    | USD 150.00   |  | 98        | (46,795)    |

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|                       |      |         |     |       |     |          |
|-----------------------|------|---------|-----|-------|-----|----------|
| Bank of America Corp. | Call | 5/06/16 | USD | 14.50 | 945 | (13,230) |
| BP PLC ADR            | Call | 5/06/16 | USD | 32.50 | 187 | (4,488)  |
| Citigroup, Inc.       | Call | 5/06/16 | USD | 43.50 | 72  | (5,220)  |

## Schedule of Investments (continued)

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

|                                               | Put/ | Expiration | Strike       |           |                |  |
|-----------------------------------------------|------|------------|--------------|-----------|----------------|--|
| Description                                   | Call | Date       | Price        | Contracts | Value          |  |
| Cognizant Technology Solutions Corp., Class A | Call | 5/06/16    | USD 60.50    | 154       | \$ (53,130)    |  |
| Comcast Corp., Class A                        | Call | 5/06/16    | USD 62.00    | 429       | (42,900)       |  |
| Dow Chemical Co.                              | Call | 5/06/16    | USD 53.00    | 34        | (2,057)        |  |
| EMC Corp.                                     | Call | 5/06/16    | USD 26.50    | 165       | (9,405)        |  |
| Hess Corp.                                    | Call | 5/06/16    | USD 57.00    | 75        | (8,625)        |  |
| JPMorgan Chase & Co.                          | Call | 5/06/16    | USD 60.50    | 350       | (28,875)       |  |
| Marathon Oil Corp.                            | Call | 5/06/16    | USD 13.00    | 310       | (10,850)       |  |
| NVIDIA Corp.                                  | Call | 5/06/16    | USD 37.00    | 148       | (11,396)       |  |
| Pfizer, Inc.                                  | Call | 5/06/16    | USD 30.50    | 55        | (1,705)        |  |
| Schlumberger Ltd.                             | Call | 5/06/16    | USD 75.00    | 14        | (2,513)        |  |
| Suncor Energy, Inc.                           | Call | 5/06/16    | USD 27.00    | 420       | (66,150)       |  |
| United Continental Holdings, Inc.             | Call | 5/06/16    | USD 64.00    | 45        | (4,072)        |  |
| Brocade Communications Systems, Inc.          | Call | 5/12/16    | USD 10.50    | 790       | (43,718)       |  |
| Avery Dennison Corp.                          | Call | 5/16/16    | USD 71.50    | 130       | (35,247)       |  |
| Public Service Enterprise Group, Inc.         | Call | 5/16/16    | USD 44.65    | 236       | (68,326)       |  |
| Activision Blizzard, Inc.                     | Call | 5/20/16    | USD 34.00    | 408       | (67,932)       |  |
| Amgen, Inc.                                   | Call | 5/20/16    | USD 150.00   | 88        | (46,640)       |  |
| Apple, Inc.                                   | Call | 5/20/16    | USD 110.00   | 301       | (105,350)      |  |
| BP PLC ADR                                    | Call | 5/20/16    | USD 33.00    | 188       | (4,042)        |  |
| Carnival Corp.                                | Call | 5/20/16    | USD 52.50    | 175       | (34,125)       |  |
| Cisco Systems, Inc.                           | Call | 5/20/16    | USD 27.00    | 700       | (120,400)      |  |
| Citigroup, Inc.                               | Call | 5/20/16    | USD 42.50    | 71        | (9,656)        |  |
| Citigroup, Inc.                               | Call | 5/20/16    | USD 45.00    | 71        | (3,656)        |  |
| Cognizant Technology Solutions Corp., Class A | Call | 5/20/16    | USD 60.00    | 110       | (46,200)       |  |
| Comcast Corp., Class A                        | Call | 5/20/16    | USD 60.00    | 365       | (86,323)       |  |
| Domtar Corp.                                  | Call | 5/20/16    | USD 40.00    | 250       | (51,250)       |  |
| Dow Chemical Co.                              | Call | 5/20/16    | USD 52.50    | 143       | (12,942)       |  |
| Dr Pepper Snapple Group, Inc.                 | Call | 5/20/16    | USD 95.00    | 74        | (5,180)        |  |
| Eastman Chemical Co.                          | Call | 5/20/16    | USD 75.00    | 100       | (15,000)       |  |
| EMC Corp.                                     | Call | 5/20/16    | USD 27.00    | 522       | (23,490)       |  |
| EMCOR Group, Inc.                             | Call | 5/20/16    | USD 50.00    | 136       | (12,240)       |  |
| Gilead Sciences, Inc.                         | Call | 5/20/16    | USD 92.50    | 132       | (42,900)       |  |
| Hess Corp.                                    | Call | 5/20/16    | USD 50.00    | 91        | (45,272)       |  |
| JPMorgan Chase & Co.                          | Call | 5/20/16    | USD 60.00    | 111       | (14,264)       |  |
| Laboratory Corp. of America Holdings          | Call | 5/20/16    | USD 120.00   | 120       | (32,700)       |  |
| Lennar Corp., Class A                         | Call | 5/20/16    | USD 43.00    | 133       | (76,142)       |  |
| Microsoft Corp.                               | Call | 5/20/16    | USD 55.00    | 289       | (58,234)       |  |
| Owens Corning                                 | Call | 5/20/16    | USD 47.00    | 194       | (37,830)       |  |
| Parker-Hannifin Corp.                         | Call | 5/20/16    | USD 115.00   | 75        | (15,375)       |  |
| Pfizer, Inc.                                  | Call | 5/20/16    | USD 31.00    | 632       | (14,852)       |  |
| Priceline Group, Inc.                         | Call | 5/20/16    | USD 1,355.00 | 10        | (30,700)       |  |
| Southwest Airlines Co.                        | Call | 5/20/16    | USD 43.00    | 240       | (75,000)       |  |
| Teva Pharmaceutical Industries Ltd. ADR       | Call | 5/20/16    | USD 57.50    | 200       | (14,700)       |  |
| Utilities Select Sector SPDR Fund             | Call | 5/20/16    | USD 49.00    | 128       | (17,984)       |  |
| Chevron Corp.                                 | Call | 6/17/16    | USD 100.00   | 86        | (12,771)       |  |
| EMC Corp.                                     | Call | 6/17/16    | USD 27.00    | 240       | (16,320)       |  |
| <b>Total</b>                                  |      |            |              |           | \$ (8,119,452) |  |

## OTC Options Written

|                                       | Put/ |                             | Strike          |            |           |             |
|---------------------------------------|------|-----------------------------|-----------------|------------|-----------|-------------|
| Description                           | Call | Counterparty                | Expiration Date | Price      | Contracts | Value       |
| Omnicom Group, Inc.                   | Call | Citibank N.A.               | 4/04/16         | USD 79.10  | 10,000    | \$ (41,905) |
| Public Service Enterprise Group, Inc. | Call | Deutsche Bank AG            | 4/04/16         | USD 41.75  | 24,000    | (130,200)   |
| Raytheon Co.                          | Call | Citibank N.A.               | 4/04/16         | USD 125.90 | 4,600     | (104)       |
| Ross Stores, Inc.                     | Call | Credit Suisse International | 4/04/16         | USD 57.08  | 45,000    | (45,938)    |

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|               |      |                                        |         |     |        |         |          |
|---------------|------|----------------------------------------|---------|-----|--------|---------|----------|
| Cigna Corp.   | Call | Citibank N.A.                          | 4/06/16 | USD | 143.37 | 26,500  | (2,611)  |
| SLM Corp.     | Call | Deutsche Bank AG                       | 4/06/16 | USD | 6.20   | 103,000 | (29,071) |
| Centene Corp. | Call | Morgan Stanley & Co. International PLC | 4/08/16 | USD | 59.08  | 27,500  | (79,433) |
| Allergan PLC  | Call | Bank of America N.A.                   | 4/12/16 | USD | 288.86 | 6,000   | (3,982)  |
| Lear Corp.    | Call | Citibank N.A.                          | 4/19/16 | USD | 108.85 | 20,200  | (91,633) |

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## Schedule of Investments (continued)

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

|                                          | Put/ |                                        | Expiration | Strike     |           |                       |
|------------------------------------------|------|----------------------------------------|------------|------------|-----------|-----------------------|
| Description                              | Call | Counterparty                           | Date       | Price      | Contracts | Value                 |
| SLM Corp.                                | Call | JPMorgan Chase Bank N.A.               | 4/19/16    | USD 6.17   | 150,000   | \$ (67,491)           |
| Statoil ASA ADR                          | Call | Goldman Sachs International            | 4/21/16    | USD 15.73  | 42,000    | (18,934)              |
| Owens Corning                            | Call | Deutsche Bank AG                       | 4/25/16    | USD 43.43  | 19,000    | (77,489)              |
| Travelers Cos., Inc.                     | Call | Credit Suisse International            | 4/25/16    | USD 117.56 | 25,500    | (37,699)              |
| CDW Corp.                                | Call | Deutsche Bank AG                       | 4/28/16    | USD 41.45  | 25,600    | (38,901)              |
| Centene Corp.                            | Call | Morgan Stanley & Co. International PLC | 4/28/16    | USD 59.08  | 27,500    | (105,408)             |
| Domtar Corp.                             | Call | Bank of America N.A.                   | 4/28/16    | USD 38.20  | 19,500    | (52,381)              |
| Carnival Corp.                           | Call | Morgan Stanley & Co. International PLC | 4/29/16    | USD 51.44  | 35,000    | (74,143)              |
| Dr Pepper Snapple Group, Inc.            | Call | Credit Suisse International            | 4/29/16    | USD 91.97  | 16,000    | (13,635)              |
| Lear Corp.                               | Call | Deutsche Bank AG                       | 4/29/16    | USD 114.70 | 15,000    | (38,998)              |
| Universal Health Services, Inc., Class B | Call | Morgan Stanley & Co. International PLC | 4/29/16    | USD 119.67 | 12,600    | (101,266)             |
| Pilgrim s Pride Corp.                    | Call | Morgan Stanley & Co. International PLC | 5/03/16    | USD 25.37  | 14,000    | (13,270)              |
| Teva Pharmaceutical Industries Ltd. ADR  | Call | Barclays Bank PLC                      | 5/03/16    | USD 58.27  | 21,000    | (8,654)               |
| Eastman Chemical Co.                     | Call | Credit Suisse International            | 5/04/16    | USD 74.76  | 19,000    | (17,827)              |
| Total System Services, Inc.              | Call | Morgan Stanley & Co. International PLC | 5/05/16    | USD 46.91  | 7,750     | (15,936)              |
| Johnson & Johnson                        | Call | Citibank N.A.                          | 5/09/16    | USD 109.19 | 6,000     | (9,412)               |
| WABCO Holdings, Inc.                     | Call | Morgan Stanley & Co. International PLC | 5/09/16    | USD 106.00 | 5,500     | (24,829)              |
| Packaging Corp. of America               | Call | Bank of America N.A.                   | 5/10/16    | USD 53.02  | 12,500    | (106,024)             |
| GNC Holdings, Inc., Class A              | Call | Morgan Stanley & Co. International PLC | 5/12/16    | USD 31.84  | 17,900    | (32,564)              |
| SLM Corp.                                | Call | Morgan Stanley & Co. International PLC | 5/12/16    | USD 6.55   | 144,400   | (48,228)              |
| Total System Services, Inc.              | Call | Morgan Stanley & Co. International PLC | 5/12/16    | USD 46.91  | 7,750     | (17,184)              |
| Lam Research Corp.                       | Call | Deutsche Bank AG                       | 5/13/16    | USD 81.42  | 4,200     | (16,609)              |
| Lowe s Cos., Inc.                        | Call | Bank of America N.A.                   | 5/17/16    | USD 75.85  | 47,100    | (99,874)              |
| Packaging Corp. of America               | Call | Goldman Sachs International            | 5/26/16    | USD 57.29  | 13,600    | (65,845)              |
| WABCO Holdings, Inc.                     | Call | Morgan Stanley & Co. International PLC | 5/26/16    | USD 106.00 | 5,500     | (29,223)              |
| GNC Holdings, Inc., Class A              | Call | Morgan Stanley & Co. International PLC | 6/01/16    | USD 31.84  | 17,900    | (43,422)              |
| <b>Total</b>                             |      |                                        |            |            |           | <b>\$ (1,600,123)</b> |

## Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that the Trust has the ability to access

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)

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The significant unobservable inputs used by the Global Valuation Committee in determining the price for Fair Valued Investments are typically categorized as Level 3.

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Trust's most recent financial statements as contained in its annual report.

## Schedule of Investments (concluded)

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

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|                            | Level 1        | Level 2 | Level 3 | Total       |
|----------------------------|----------------|---------|---------|-------------|
| <b>Assets:</b>             |                |         |         |             |
| Investments:               |                |         |         |             |
| Long-Term Investments:     |                |         |         |             |
| Common Stocks <sup>1</sup> | \$ 629,588,582 |         | \$      | 629,588,582 |
| Investment Companies       | 2,753,910      |         |         | 2,753,910   |
| Short-Term Securities      | 16,292,088     |         |         | 16,292,088  |
| Time Deposits              | 59,704         |         |         | 59,704      |
| <b>Total</b>               | \$ 648,694,284 |         | \$      | 648,694,284 |

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

|                                               | Level 1        | Level 2        | Level 3 | Total       |
|-----------------------------------------------|----------------|----------------|---------|-------------|
| Derivative Financial Instruments <sup>2</sup> |                |                |         |             |
| <b>Liabilities:</b>                           |                |                |         |             |
| Equity contracts                              | \$ (7,759,858) | \$ (1,959,717) | \$      | (9,719,575) |

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

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial reporting purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                                | Level 1    | Level 2      | Level 3 | Total     |
|------------------------------------------------|------------|--------------|---------|-----------|
| <b>Assets:</b>                                 |            |              |         |           |
| Foreign currency at value                      | \$ 1,931   |              | \$      | 1,931     |
| Cash pledged as collateral for OTC derivatives | 420,000    |              |         | 420,000   |
| <b>Liabilities:</b>                            |            |              |         |           |
| Bank overdraft                                 |            | \$ (316,967) |         | (316,967) |
| <b>Total</b>                                   | \$ 421,931 | \$ (316,967) | \$      | 104,964   |

During the period ended March 31, 2016, there were no transfers between levels.

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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: May 23, 2016

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: May 23, 2016

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

Date: May 23, 2016