

NUVEEN QUALITY PREFERRED INCOME FUND 2
Form N-Q
November 29, 2004

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21137

Nuveen Quality Preferred Income Fund 2

(Exact name of registrant as specified in charter)

333 West Wacker Drive, Chicago, Illinois, 60606

(Address of principal executive offices) (Zip code)

Jessica R. Droeger Vice President and Secretary

333 West Wacker Drive, Chicago, Illinois, 60606

(Name and address of agent for service)

Registrant's telephone number, including area code: 312-917-7700

Date of fiscal year end: 12/31

Date of reporting period: 09/30/04

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

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments

Portfolio of Investments (Unaudited)
Nuveen Quality Preferred Income Fund 2 (JPS)
September 30, 2004

Ratings*

Market

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| Shares | Description ⁽¹⁾ | Coupon | Moody's | S&P | Value |
|--|--|---------|---------|------|---------------|
| \$25 PAR (or similar) SECURITIES - 63.9% (45.1% of Total Investments) | | | | | |
| Auto Components - 1.3% | | | | | |
| 916,800 | Delphi Trust I | 8.250% | Baa3 | NR | \$ 23,690,112 |
| Automobiles - 0.1% | | | | | |
| 20,000 | DaimlerChrysler Corp. (PPLUS) | 7.250% | A3 | BBB | 517,500 |
| 14,500 | Ford Motor Company (SATURNS) | 8.125% | Baa1 | BBB- | 379,175 |
| 38,000 | Ford Motor Company, Series F (CORTS) | 8.000% | Baa1 | BBB- | 995,980 |
| Beverages - 0.1% | | | | | |
| 106,100 | Grand Metropolitan Delaware LP | 9.420% | NR | BBB+ | 2,716,160 |
| Chemicals - 0.2% | | | | | |
| 68,000 | Federal Home Loan Mortgage Corporation (a) | 5.100% | Aa3 | AA- | 2,979,760 |
| Commercial Banks - 12.9% | | | | | |
| 152,060 | ASBC Capital I | 7.625% | Baa1 | BBB- | 4,075,208 |
| 135,900 | BAC Capital Trust I | 7.000% | Aa3 | A- | 3,561,939 |
| 168,500 | BAC Capital Trust II | 7.000% | Aa3 | A- | 4,448,400 |
| 218,300 | BAC Capital Trust III | 7.000% | Aa3 | A- | 5,778,401 |
| 680,000 | Banco Santander SA, 144A | 6.410% | A2 | BBB+ | 16,764,720 |
| 44,100 | Banco Totta & Acores Finance, Series A | 8.875% | A3 | NR | 1,178,299 |
| 81,600 | BancWest Capital I | 9.500% | A3 | A- | 2,219,520 |
| 621,000 | Banesto Holdings, Series A, 144A | 10.500% | A2 | NR | 19,522,688 |
| 9,400 | Bank One Capital I | 8.000% | A1 | A- | 238,572 |
| 85,800 | Bank One Capital II | 8.500% | A1 | A- | 2,266,836 |
| 198,500 | Bank One Capital Trust VI | 7.200% | A1 | A- | 5,280,100 |
| 47,400 | Bank One Capital V | 8.000% | A1 | A- | 1,263,210 |
| 57,300 | BankNorth Capital Trust II | 8.000% | Baa1 | BB+ | 1,535,640 |
| 42,900 | BBVA Preferred Capital Ltd., Series B | 7.750% | A1 | A- | 1,130,415 |
| 340,500 | BCH Capital Ltd., Series B | 9.430% | A2 | BBB+ | 9,016,440 |
| 19,300 | BNY Capital Trust IV, Series E | 6.875% | A1 | A- | 487,325 |
| 46,200 | BNY Capital Trust V, Series F | 5.950% | A1 | A- | 1,137,444 |
| 446,100 | BSCH Finance Ltd., Series Q | 8.625% | A2 | BBB+ | 11,777,040 |
| 73,800 | Chase Capital Trust VIII, Series H | 8.300% | A1 | A- | 1,944,630 |
| 105,000 | Chittenden Capital Trust I | 8.000% | Baa1 | BB+ | 2,826,600 |
| 33,200 | CIT Group Incorporated (CORTS) | 7.750% | A3 | BBB+ | 899,388 |
| 1,800 | Citigroup Capital Trust IX | 6.000% | Aa2 | A | 44,640 |
| 32,300 | Citigroup Capital Trust VI | 6.875% | Aa2 | A | 815,898 |
| 258,800 | Citigroup Capital Trust VII | 7.125% | Aa2 | A | 6,824,556 |
| 415,000 | Citigroup Capital Trust VIII | 6.950% | Aa2 | A | 10,868,850 |
| 36,900 | Citigroup Inc., Series H (a) | 6.231% | Aa3 | NR | 2,027,655 |
| 225,500 | Cobank ABC, 144A (a) | 7.000% | NR | NR | 12,369,126 |
| 239,700 | Comerica Capital Trust I | 7.600% | A3 | BBB+ | 6,246,582 |
| 380,125 | Compass Capital Trust III | 7.350% | A3 | BBB- | 10,088,518 |
| 24,300 | CSFB USA, Series 2002-10 (SATURNS) | 7.000% | Aa3 | A+ | 643,464 |
| 85,800 | Fannie Mae (a) | 5.125% | Aa3 | NR | 3,852,420 |
| 63,300 | First Union Capital II, Series II (CORTS) | 7.500% | A1 | BBB+ | 1,671,753 |
| 31,300 | First Union Institutional Capital II (CORTS) | 8.200% | A1 | BBB+ | 892,050 |
| 128,300 | Fleet Capital Trust VI | 8.800% | Aa3 | A- | 3,348,630 |
| 16,800 | Harris Preferred Capital Corporation, Series A | 7.375% | A1 | A | 423,864 |
| 88,300 | JPM Capital Trust (CORTS) | 7.200% | A2 | A- | 2,321,407 |
| 10,600 | JPM Capital Trust I, Series 2001-1, Class A-1 (CORTS) | 7.850% | A1 | NR | 281,854 |
| 221,100 | JPMorgan Chase Capital Trust IX, Series I | 7.500% | A1 | A- | 5,859,150 |
| 120,500 | JPMorgan Chase Capital Trust X | 7.000% | A1 | NR | 3,161,920 |
| 49,600 | JPMorgan Chase Trust, Series 2002-6, Class A (SATURNS) | 7.125% | A1 | A- | 1,301,752 |
| 34,400 | KeyCorp (PCARS) | 7.500% | A3 | NR | 927,768 |
| 30,400 | KeyCorp, Series 2001-7 (CORTS) | 7.750% | A3 | BBB | 803,168 |
| 91,300 | KeyCorp, Series B (CORTS) | 8.250% | A3 | BBB | 2,437,710 |
| 239,800 | National Commerce Capital Trust II | 7.700% | A1 | A- | 6,417,048 |
| 112,200 | National Westminster Bank plc, Series A | 7.875% | Aa2 | A+ | 2,883,540 |
| 38,100 | Regions Finance Trust I | 8.000% | A2 | BBB+ | 1,017,270 |
| 139,600 | SunTrust Capital Trust IV | 7.125% | A1 | A- | 3,665,896 |
| 108,300 | SunTrust Capital Trust V | 7.050% | A1 | A- | 2,829,879 |

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|--|--|---------|------|------|------------|
| 658,100 | USB Capital Trust III | 7.750% | A1 | A- | 17,472,555 |
| 225,400 | USB Capital Trust IV | 7.350% | A1 | A- | 5,966,338 |
| 95,900 | USB Capital Trust V | 7.250% | A1 | A- | 2,515,457 |
| 90,800 | VNB Capital Trust I | 7.750% | Baa1 | BBB | 2,413,464 |
| 41,400 | Washington Mutual Capital Trust I, Series 2001-22, Class A-1 (CORTS) | 7.650% | Baa1 | BBB | 1,092,132 |
| 10,200 | Well Fargo Capital Trust IX | 5.625% | Aa2 | A | 238,782 |
| 16,700 | Wells Fargo Capital Trust IV | 7.000% | Aa2 | A | 441,047 |
| 182,200 | Wells Fargo Capital Trust V | 7.000% | Aa2 | A | 4,751,776 |
| 25,700 | Wells Fargo Capital Trust VI | 6.950% | Aa2 | A- | 672,569 |
| 539,200 | Zions Capital Trust B | 8.000% | Baa1 | BB+ | 14,677,024 |
| Consumer Finance - 1.7% | | | | | |
| 528,700 | Household Capital Trust V, Series X | 10.000% | A3 | BBB+ | 13,931,245 |
| 620,196 | Household Capital Trust VI | 8.250% | A3 | BBB+ | 16,751,494 |
| 61,200 | Household Capital Trust VII | 7.500% | A3 | BBB+ | 1,639,548 |
| Diversified Financial Services - 6.0% | | | | | |
| 101,400 | Bear Stearns Capital Trust III | 7.800% | A2 | BBB | 2,706,366 |
| 40,490 | Citigroup Inc., Series M (a) | 5.864% | Aa3 | A | 2,105,480 |
| 1,043,000 | Countrywide Capital Trust IV | 6.750% | Baa1 | BBB+ | 26,314,890 |
| 80,000 | Federal Home Loan Mortgage Corporation (a) | 5.000% | Aa3 | AA- | 3,496,000 |
| 300,000 | General Electric Capital Corporation | 6.100% | Aaa | NR | 7,620,000 |
| 199,700 | General Electric Capital Corporation | 6.625% | Aaa | AAA | 5,254,107 |
| 360,600 | Household Finance Corporation | 6.875% | A1 | A | 9,483,780 |
| 11,000 | JPMorgan Chase Capital Trust XI | 5.875% | A1 | A- | 262,020 |
| 5,000 | JPMorgan Chase Capital Trust XII | 6.250% | A1 | A- | 125,550 |
| 278,100 | Lehman Brothers Holdings Capital Trust III, Series K | 6.375% | A2 | BBB+ | 6,952,500 |
| 102,900 | Lehman Brothers Holdings Capital Trust IV, Series L | 6.375% | A2 | BBB+ | 2,582,790 |
| 37,300 | Lehman Brothers Holdings Capital Trust V, Series M | 6.000% | A2 | BBB+ | 894,827 |
| 42,000 | Lehman Brothers Holdings Inc., Series C (a) | 5.940% | NR | BBB+ | 2,140,950 |
| 156,200 | Merrill Lynch Capital Trust | 7.000% | A1 | A- | 4,100,250 |
| 117,500 | Merrill Lynch Capital Trust II | 8.000% | A1 | A- | 3,217,150 |
| 103,500 | Merrill Lynch Preferred Capital Trust | 7.750% | A1 | A- | 2,783,115 |
| 80,800 | Merrill Lynch Preferred Capital Trust IV | 7.120% | A1 | A- | 2,142,008 |
| 135,200 | Merrill Lynch Preferred Capital Trust V | 7.280% | A1 | A- | 3,650,400 |
| 47,700 | Morgan Stanley (PPLUS) | 7.050% | Aa3 | A+ | 1,222,074 |
| 161,408 | Morgan Stanley Capital Trust II | 7.250% | A1 | A- | 4,241,802 |
| 457,500 | Morgan Stanley Capital Trust III | 6.250% | A1 | A- | 11,359,725 |
| 380,000 | Morgan Stanley Capital Trust IV | 6.250% | A1 | A- | 9,378,400 |
| 18,600 | Morgan Stanley Capital Trust V | 5.750% | A1 | NR | 437,100 |
| Diversified Telecommunication Services - 0.2% | | | | | |
| 12,400 | BellSouth Corporation | 7.125% | NR | A | 325,872 |
| 10,100 | BellSouth Inc. (CORTS) | 7.000% | Aa3 | NR | 265,832 |
| 9,100 | BellSouth Telecommunications (PPLUS) | 7.300% | Aa3 | A | 242,515 |
| 31,800 | SBC Communications Inc. | 7.000% | A1 | A | 828,072 |
| 28,400 | Verizon Communications (CORTS) | 7.625% | A2 | A+ | 773,900 |
| 62,200 | Verizon Global Funding Corporation (SATURNS) | 7.500% | A2 | A+ | 1,671,625 |
| 4,000 | Verizon South Inc., Series F | 7.000% | A1 | A+ | 104,520 |
| Electric Utilities - 4.6% | | | | | |
| 189,500 | Alabama Power Company (a) | 5.830% | Baa1 | BBB+ | 4,718,550 |
| 17,200 | Consolidated Edison Company of New York Inc. | 7.500% | A1 | A | 456,316 |
| 1,000 | Detroit Edison Company | 7.540% | Baa2 | BBB- | 25,430 |
| 9,500 | Detroit Edison Company | 7.625% | Baa2 | BBB- | 241,300 |
| 92,500 | Dominion CNG Capital Trust I | 7.800% | Baa1 | BBB- | 2,474,375 |
| 46,200 | Dominion Resources Capital Trust II | 8.400% | Baa2 | NR | 1,244,628 |
| 27,400 | DTE Energy Trust I | 7.800% | Baa3 | BBB- | 728,018 |
| 5,500 | Entergy Arkansas Inc. | 6.700% | Aaa | AAA | 146,685 |
| 49,000 | Entergy Louisiana Inc. | 7.600% | Baa1 | A- | 1,309,280 |
| 1,298,000 | Entergy Mississippi Inc. | 7.250% | Baa2 | A- | 34,526,800 |
| 3,000 | Georgia Power Capital Trust V | 7.125% | A3 | BBB+ | 79,020 |
| 942,120 | Interstate Power & Light Company, Series B (a) | 8.375% | Baa3 | NR | 30,289,158 |
| 41,000 | OGE Energy Capital Trust I | 8.375% | Baa2 | BBB- | 1,045,500 |
| 51,000 | Public Service Company of Oklahoma, Series B | 6.000% | Aaa | AAA | 1,287,750 |
| 56,700 | Tennessee Valley Authority, Series D | 6.750% | Aaa | NR | 1,419,768 |
| 254,000 | Virginia Power Capital Trust | 7.375% | Baa1 | BBB | 6,832,600 |

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|---|--|--------|------|------|------------|
| Food Products - 0.7% | | | | | |
| 125,000 | Dairy Farmers of America Inc., 144A (a) | 7.875% | Baa3 | NR | 13,000,000 |
| Gas Utilities - 0.3% | | | | | |
| 51,700 | AGL Capital Trust II | 8.000% | Baa2 | BBB | 1,373,669 |
| 151,900 | TransCanada Pipeline | 8.250% | A3 | BBB | 3,926,615 |
| Healthcare Providers & Services - 0.1% | | | | | |
| 53,700 | Aetna Incorporated | 8.500% | Baa2 | BBB | 1,445,067 |
| Industrial Conglomerates - 0.0% | | | | | |
| 16,000 | Philadelphia Authority for Industrial Development, Pennsylvania, Pension Funding Bonds, Series 1999C | 6.550% | NR | AAA | 401,600 |
| Insurance - 16.7% | | | | | |
| 972,600 | Ace Ltd., Series C | 7.800% | Baa2 | BBB- | 26,162,940 |
| 30,500 | AMBAC Financial Group Inc. | 5.950% | Aa2 | AA | 750,910 |
| 33,900 | American General Capital III | 8.050% | Aa1 | AA | 906,825 |
| 472,557 | Delphi Financial Group Inc. | 8.000% | Ba1 | BBB | 12,527,486 |
| 20,000 | EverestRe Capital Trust II | 6.200% | Baa1 | BBB | 469,400 |
| 2,827,000 | EverestRe Group Limited | 7.850% | Baa1 | BBB | 77,459,800 |
| 43,400 | Financial Security Assurance Holdings | 6.875% | Aa2 | AA | 1,129,702 |
| 693,000 | Financial Security Assurance Holdings | 6.250% | Aa2 | AA | 17,519,040 |
| 25,900 | Great-West L&A Capital Trust I, Series A | 7.250% | A3 | A- | 651,385 |
| 258,000 | Hartford Capital Trust III, Series C | 7.450% | Baa1 | BBB | 6,731,220 |
| 62,700 | Hartford Life Capital Trust II, Series B | 7.625% | Baa1 | BBB | 1,653,399 |
| 63,600 | ING Capital Funding Trust II | 9.200% | A2 | A- | 1,695,576 |
| 5,000 | ING Groep NV | 6.200% | A2 | A- | 122,650 |
| 1,406,955 | ING Group NV | 7.050% | NA | A- | 36,763,734 |
| 1,476,400 | ING Group NV | 7.200% | A2 | A- | 39,272,240 |
| 78,300 | Lincoln National Capital Trust V, Series E | 7.650% | Baa1 | BBB | 2,074,950 |
| 34,100 | Lincoln National Capital Trust VI | 6.750% | Baa1 | BBB | 895,125 |
| 22,200 | MBIA Inc. | 8.000% | Aa2 | AA | 592,962 |
| 7,500 | Metlife Inc. | 5.875% | A2 | A | 181,500 |
| 233,681 | PartnerRe Limited | 7.900% | A3 | BBB+ | 6,286,019 |
| 449,720 | PartnerRe Limited, Series C | 6.750% | Baa1 | NR | 11,436,380 |
| 104,200 | PLC Capital Trust III | 7.500% | Baa1 | BBB+ | 2,736,292 |
| 440,940 | PLC Capital Trust IV | 7.250% | Baa1 | BBB+ | 11,636,407 |
| 10,200 | PLC Capital Trust V | 6.125% | Baa1 | BBB+ | 247,758 |
| 143,000 | Prudential plc | 6.750% | Baa1 | A | 3,636,490 |
| 304,360 | RenaissanceRe Holdings Ltd., Series A | 8.100% | NR | NR | 8,175,110 |
| 138,400 | RenaissanceRe Holdings Ltd., Series B | 7.300% | Baa2 | NR | 3,660,680 |
| 5,400 | RenaissanceRe Holdings Ltd., Series C | 6.080% | Baa2 | BBB+ | 127,332 |
| 12,100 | Safeco Capital Trust I (CORTS) | 8.750% | Baa2 | BBB- | 363,000 |
| 78,900 | Safeco Capital Trust I (CORTS) | 8.700% | Baa2 | BBB- | 2,116,098 |
| 59,700 | Safeco Capital Trust I, Series 2001-4 (CORTS) | 8.750% | Baa2 | BBB- | 1,596,975 |
| 1,200 | Safeco Corporation, Series 2002-5 (SATURNS) | 8.250% | Baa2 | BBB- | 32,160 |
| 63,200 | Torchmark Capital Trust I | 7.750% | Baa1 | A- | 1,701,344 |
| 17,900 | W.R. Berkley (CORTS) | 8.250% | NR | BBB- | 489,923 |
| 558,900 | XL Capital Ltd., Series A | 8.000% | A3 | NR | 15,269,148 |
| 537,617 | XL Capital Ltd., Series B | 7.625% | A3 | NR | 14,542,540 |
| IT Services - 0.0% | | | | | |
| 1,700 | Vertex Industries Inc. (PPLUS) | 7.625% | A2 | A+ | 45,730 |
| Media - 0.1% | | | | | |
| 78,000 | Viacom Inc. | 7.300% | A3 | A- | 2,043,600 |
| Multi-Utilities & Unregulated Power - 0.2% | | | | | |
| 111,100 | Energy East Capital Trust I | 8.250% | Baa3 | BBB- | 2,965,259 |
| Oil & Gas - 1.0% | | | | | |
| 697,011 | Nexen Inc. | 7.350% | Baa3 | BBB- | 18,672,925 |

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| Pharmaceuticals - 0.1% | | | | | |
| 14,500 | Bristol Myers Squibb Company (CORTS) | 6.250% | A1 | NR | 369,025 |
| 87,800 | Rhone-Poulenc Overseas, Series A | 8.125% | A3 | BBB | 2,248,558 |
| <hr/> | | | | | |
| Real Estate - 15.4% | | | | | |
| 97,800 | AvalonBay Communities, Inc., Series H | 8.700% | Baa2 | BBB | 2,748,180 |
| 13,300 | BRE Properties, Series B | 8.080% | Baa3 | BBB- | 351,120 |
| 39,200 | BRE Properties, Series C | 6.750% | Baa3 | BBB- | 969,024 |
| 1,002,995 | CarrAmerica Realty Corporation, Series E | 7.500% | Baa3 | BBB- | 26,639,547 |
| 103,200 | Developers Diversified Realty Corporation, Series F | 8.600% | Ba1 | BBB- | 2,765,760 |
| 279,800 | Developers Diversified Realty Corporation, Series G | 8.000% | NR | BBB- | 7,383,922 |
| 115,000 | Developers Diversified Realty Corporation, Series H | 7.375% | NR | BBB- | 2,933,650 |
| 200,650 | Duke-Weeks Realty Corporation, Series B | 7.990% | Baa2 | NR | 10,954,246 |
| 38,600 | Duke-Weeks Realty Corporation, Series I | 8.450% | Baa2 | BBB | 1,019,426 |
| 323,900 | Equity Office Properties Trust, Series G | 7.750% | Baa3 | BBB | 8,657,847 |
| 88,800 | Equity Residential Properties Trust | 9.125% | Baa2 | NR | 2,349,648 |
| 40,000 | Equity Residential Properties Trust, Series C | 9.125% | Baa2 | NR | 1,094,400 |
| 63,250 | Equity Residential Properties Trust, Series D | 8.600% | Baa2 | NR | 1,745,068 |
| 1,000 | Equity Residential Properties Trust, Series N | 6.480% | NR | BBB | 24,750 |
| 18,600 | First Industrial Realty Trust, Inc., Series C | 8.625% | Baa3 | NR | 524,148 |
| 25,918 | Gables Residential Trust, Series D | 7.500% | Baa3 | BBB- | 675,164 |
| 219,600 | HRPT Properties Trust, Series A | 9.875% | Baa3 | BBB- | 5,990,688 |
| 1,542,125 | HRPT Properties Trust, Series B | 8.750% | Baa3 | BBB- | 42,053,749 |
| 153,000 | Kimco Realty Corporation, Series F | 6.650% | Baa2 | BBB+ | 3,978,000 |
| 147,350 | New Plan Excel Realty Trust, Series D | 7.800% | Baa3 | NR | 7,537,881 |
| 768,000 | New Plan Excel Realty Trust, Series E | 7.625% | NR | BBB- | 19,952,640 |
| 91,728 | Prologis Trust, Series G | 6.750% | NR | BBB | 2,283,110 |
| 107,600 | PS Business Park Inc., Series I | 6.875% | Ba1 | BBB- | 2,555,500 |
| 148,970 | PS Business Parks Inc. | 7.000% | Ba1 | BBB- | 3,649,765 |
| 400,000 | PS Business Parks Inc., Series L | 7.600% | Ba1 | BBB- | 10,204,000 |
| 5,000 | Public Storage Inc. | 6.125% | Baa2 | BBB+ | 118,250 |
| 13,000 | Public Storage Inc., Series F | 9.750% | Baa2 | BBB+ | 339,560 |
| 63,700 | Public Storage Inc., Series Q | 8.600% | Baa2 | NR | 1,699,516 |
| 215,395 | Public Storage Inc., Series R | 8.000% | Baa2 | BBB+ | 5,690,736 |
| 39,600 | Public Storage Inc., Series S | 7.875% | Baa2 | BBB+ | 1,045,044 |
| 91,365 | Public Storage Inc., Series T | 7.625% | Baa2 | BBB+ | 2,379,145 |
| 94,900 | Public Storage Inc., Series U | 7.625% | Baa2 | BBB+ | 2,491,125 |
| 142,300 | Public Storage Inc., Series V | 7.500% | Baa2 | NR | 3,770,950 |
| 32,900 | Public Storage Inc., Series Z | 6.250% | Baa2 | NR | 792,232 |
| 300,000 | Regency Centers Corporation | 7.450% | Baa3 | BBB- | 7,929,000 |
| 135,600 | Regency Centers Corporation | 7.250% | Baa3 | BBB- | 3,464,580 |
| 34,500 | Simon Property Group, Inc., Series F | 8.750% | Baa2 | BBB- | 931,155 |
| 326,041 | Simon Property Group, Inc., Series G | 7.890% | Baa2 | BBB | 17,319,298 |
| 40,700 | Vornado Realty Trust, Series C | 8.500% | Ba1 | BBB- | 1,048,025 |
| 2,461,900 | Wachovia Preferred Funding Corporation | 7.250% | A2 | BBB+ | 68,071,535 |
| 156,000 | Weingarten Realty Trust, Series E | 6.950% | Baa1 | A- | 4,009,200 |
| <hr/> | | | | | |
| Specialty Retail - 0.0% | | | | | |
| 19,600 | Sherwin Williams Company, Series III (CORTS) | 7.250% | A2 | A | 516,460 |
| <hr/> | | | | | |
| Wireless Telecommunication Services - 2.2% | | | | | |
| 157,500 | Telephone and Data Systems Inc. | 7.600% | Baa1 | A- | 4,146,975 |
| 1,317,400 | United States Cellular Corporation | 8.750% | Baa1 | NR | 36,900,374 |
| 6,400 | Verizon Communications (CORTS) | 7.375% | NR | A+ | 171,456 |
| <hr/> | | | | | |
| Total \$25 Par (or similar) Securities (cost \$1,139,416,880) | | | | | 1,198,712,496 |
| <hr/> | | | | | |
| CONVERTIBLE PREFERRED SECURITIES - 7.1% (5.0% of Total Investments) | | | | | |
| Diversified Financial Services - 0.4% | | | | | |
| 210,000 | Citigroup Global Markets | 2.000% | Aa1 | NR | 8,407,350 |
| <hr/> | | | | | |
| Diversified Telecommunication Services - 1.5% | | | | | |
| 546,000 | Alltel Corporation | 7.750% | A2 | NR | 28,260,960 |
| <hr/> | | | | | |
| Electric Utilities - 3.3% | | | | | |

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|---------|---------------------------------|---------|------|------|------------|
| 357,900 | Ameren Corporation | 9.750% | A3 | BBB+ | 9,827,934 |
| 22,100 | American Electric Power | 9.250% | Baa3 | NR | 1,006,655 |
| 468,500 | Dominion Resources Inc. | 8.750% | Baa1 | BBB+ | 25,345,850 |
| 126,500 | FPL Group Inc. | 8.000% | NR | A- | 7,080,205 |
| 334,500 | Public Service Enterprise Group | 10.250% | Baa3 | NR | 19,584,975 |

| | | | | | |
|-----------------------------|---------------------|--------|----|----|------------|
| Gas Utilities - 1.3% | | | | | |
| 452,500 | Keyspan Corporation | 8.750% | A3 | NR | 23,982,500 |

| | | | | | |
|---|---------------------------|--------|------|----|-----------|
| Healthcare Equipment & Supplies - 0.4% | | | | | |
| 128,600 | Baxter International Inc. | 7.000% | Baa1 | NR | 6,912,250 |

| | | | | | |
|-------------------------|--------------------|--------|----|---|-----------|
| Insurance - 0.2% | | | | | |
| 69,700 | PMI Group Inc. | 5.875% | A1 | A | 1,819,170 |
| 73,000 | XL Capital Limited | 6.500% | A2 | A | 1,803,830 |

Total Convertible Preferred Securities (cost \$120,429,105) 134,031,679

| Principal Amount (000)/ Shares | Description ⁽¹⁾ | Coupon | Maturity | Ratings* | | Market Value |
|--------------------------------|----------------------------|--------|----------|----------|-----|--------------|
| | | | | Moody's | S&P | |

CAPITAL PREFERRED SECURITIES - 62.9% (44.4% of Total Investments)

Commercial Banks - 44.8%

| | | | | | | |
|-----------|---|---------|----------|------|------|---------------|
| \$ 19,000 | AB Svensk Exportkredit, 144A | 6.375% | 10/27/49 | Aa3 | AA- | \$ 19,217,398 |
| 62,474 | Abbey National Capital Trust I | 8.963% | 12/30/49 | A2 | A- | 84,560,933 |
| 15,000 | ABN AMRO North America Holding Capital, 144A | 6.523% | 12/31/49 | A3 | A- | 16,573,755 |
| 7,400 | AgFirst Farm Credit Bank | 7.300% | 12/15/53 | NR | NR | 7,474,370 |
| 15,000 | Ahmanson Capital Trust I, 144A | 8.360% | 12/01/26 | Baa1 | BBB | 16,791,450 |
| 2,200 | ANZ Capital Trust I, 144A | 5.360% | 12/29/49 | A2 | A- | 2,221,446 |
| 6,500 | Bank One Capital III | 8.750% | 9/01/30 | A1 | A- | 8,700,328 |
| 26,355 | BankBoston Capital Trust I, Series B | 8.250% | 12/15/26 | Aa3 | A- | 29,821,025 |
| 3,031 | BankBoston Capital Trust II, Series B | 7.750% | 12/15/26 | Aa3 | A- | 3,352,037 |
| 5,000 | BanPonce Trust I, Series A | 8.327% | 2/01/27 | Baa1 | BBB- | 5,622,835 |
| 36,000 | Barclays Bank plc, 144A | 8.550% | 6/15/49 | Aa3 | A+ | 44,152,884 |
| 5,300 | Barnett Capital I | 8.060% | 12/01/26 | Aa3 | A- | 5,929,592 |
| 2,750 | BNP Paribas Capital Trust | 7.200% | 12/31/49 | NR | A+ | 2,888,933 |
| 1,000 | BNP Paribas Capital Trust, 144A | 9.003% | 12/29/49 | A1 | A+ | 1,243,434 |
| 4,000 | BT Capital Trust, Series B1 | 7.900% | 1/15/27 | A2 | NR | 4,517,516 |
| 2,000 | BT Institutional Capital Trust B, 144A | 7.750% | 12/01/26 | A2 | A- | 2,199,514 |
| 500 | BT Preferred Capital Trust II | 7.875% | 2/25/27 | A2 | NR | 560,305 |
| 5,000 | C.A. Preferred Fund Trust II | 7.000% | 10/30/49 | NR | A | 5,199,240 |
| 18,600 | C.A. Preferred Funding Trust | 7.000% | 1/30/49 | NR | A | 19,293,613 |
| 7,750 | Chase Capital Trust I, Series A | 7.670% | 12/01/26 | A1 | A- | 8,406,510 |
| 2,229 | Corestates Capital Trust I, 144A | 8.000% | 12/15/26 | A1 | A- | 2,473,593 |
| 4,200 | DBS Capital Funding Corporation, 144A | 7.657% | 3/15/49 | A1 | A- | 4,885,654 |
| 11,825 | Dime Capital Trust I, Series A | 9.330% | 5/06/27 | Baa1 | BBB | 13,708,604 |
| 7,500 | Dresdner Funding Trust I, 144A | 8.151% | 6/30/31 | A3 | BBB+ | 9,090,953 |
| 3,500 | Farm Credit Bank of Texas | 7.561% | 11/05/49 | NR | NR | 3,632,171 |
| 5,000 | FBS Capital Trust I | 8.090% | 11/15/26 | A1 | A- | 5,628,670 |
| 3,500 | First Chicago NBD Institutional Capital, 144A | 7.950% | 12/01/26 | A1 | NR | 3,906,756 |
| 1,500 | First Empire Capital Trust I | 8.234% | 2/01/27 | Baa1 | BBB | 1,691,415 |
| 4,850 | First Hawaiian Capital Trust I, Series B | 8.343% | 7/01/27 | A3 | A- | 5,532,861 |
| 1,500 | First Midwest Bancorp Inc. | 6.950% | 12/01/33 | Baa2 | BBB- | 1,604,865 |
| 17,095 | First Union Capital Trust II, Series A | 7.950% | 11/15/29 | A1 | BBB+ | 21,090,187 |
| 22,080 | Fleet Capital Trust II | 7.920% | 12/11/26 | Aa3 | A- | 24,626,575 |
| 10,000 | Goldman Sachs Group Inc. | 6.345% | 2/15/34 | A1 | A- | 10,064,890 |
| 13,000 | Great Western Financial Trust II, Series A | 8.206% | 2/01/27 | Baa1 | BBB | 14,729,819 |
| 44,010 | HBOS Capital Funding LP, Notes | 6.850% | 3/01/49 | NR | A | 45,136,920 |
| 2,400 | HSBC Capital Funding LP, 144A | 9.547% | 12/31/49 | A1 | A- | 3,026,189 |
| 6,250 | HSBC Capital Funding LP, Debt | 10.176% | 6/30/50 | A1 | A- | 9,573,794 |
| 3,600 | JPM Capital Trust I | 7.540% | 1/15/27 | A1 | A- | 3,852,824 |
| 22,085 | JPM Capital Trust II | 7.950% | 2/01/27 | A1 | A- | 24,659,669 |
| 32,000 | KBC Bank Fund Trust III, 144A | 9.860% | 11/02/49 | A2 | A- | 39,613,312 |
| 2,500 | KeyCorp Institutional Capital Trust A | 7.826% | 12/01/26 | A3 | BBB | 2,770,860 |

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| | | | | | | |
|---|---|--------|----------|------|------|---------------|
| 13,500 | Lloyds TSB Bank plc, Subordinate Note | 6.900% | 11/22/49 | Aa2 | A+ | 14,024,030 |
| 25,000 | M&I Capital Trust A | 7.650% | 12/01/26 | A2 | BBB+ | 27,761,625 |
| 25,000 | Mellon Capital Trust I, Series A | 7.720% | 12/01/26 | A2 | NR | 27,807,050 |
| 19,500 | NB Capital Trust II | 7.830% | 12/15/26 | Aa3 | A- | 22,206,503 |
| 14,000 | Nordbanken AB, 144A | 8.950% | 11/29/49 | A2 | A- | 16,885,806 |
| 2,000 | North Fork Capital Trust I, Capital Securities | 8.700% | 12/15/26 | A3 | BBB- | 2,277,110 |
| 8,000 | North Fork Capital Trust II | 8.000% | 12/15/27 | A3 | BBB- | 9,043,960 |
| 2,000 | Peoples Heritage Capital Trust I, Series B | 9.060% | 2/01/27 | Baa1 | BB+ | 2,343,480 |
| 33,085 | PNC Institutional Capital Securities, 144A | 7.950% | 12/15/26 | A3 | BBB+ | 36,730,735 |
| 2,000 | Popular North American Capital Trust I | 6.564% | 9/15/34 | Baa1 | BBB- | 2,039,070 |
| 11,600 | RBS Capital Trust B | 6.800% | 12/31/49 | NR | A | 11,931,366 |
| 8,000 | Reliance Capital Trust I, Series B | 8.170% | 5/01/28 | NR | NR | 9,157,792 |
| 500 | Republic New York Capital II, Capital Securities | 7.530% | 12/04/26 | A1 | A- | 546,517 |
| 17,500 | Royal Bank of Scotland Group plc | 9.118% | 3/31/49 | A1 | A | 21,538,248 |
| 2,150 | Royal Bank of Scotland Group plc | 7.648% | 8/31/49 | A1 | A | 2,572,746 |
| 1,500 | SocGen Real Estate Company LLC, 144A | 7.640% | 12/29/49 | A2 | A | 1,665,891 |
| 5,000 | Sparebanken Rogaland, Notes, 144A | 6.443% | 5/01/49 | Baa1 | NR | 5,106,000 |
| 9,000 | St. George Funding Company LLC, 144A | 8.485% | 6/30/47 | Baa1 | NR | 10,365,390 |
| 3,240 | State Street Institutional Capital Trust, 144A | 7.940% | 12/30/26 | A1 | A | 3,702,251 |
| 21,000 | UBS Preferred Funding Trust I | 8.622% | 10/29/49 | A1 | AA- | 25,383,708 |
| 7,500 | Union Planters Capital Trust A | 8.200% | 12/15/26 | A2 | BBB+ | 8,417,325 |
| 240 | Union Planters Preferred Fund, 144A | 7.750% | 7/15/53 | A2 | BBB- | 26,160,000 |
| 1,000 | Wells Fargo Capital I | 7.960% | 12/15/26 | Aa2 | A | 1,136,014 |
| 10,000 | Zions Institutional Capital Trust, Series A | 8.536% | 12/15/26 | Baa1 | BBB- | 11,558,620 |
| <hr/> | | | | | | |
| Consumer Finance - 1.6% | | | | | | |
| 8,595 | Countrywide Capital Trust I | 8.000% | 12/15/26 | Baa1 | BBB+ | 9,283,674 |
| 18,460 | Countrywide Capital Trust III, Series B | 8.050% | 6/15/27 | Baa1 | BBB+ | 21,666,373 |
| <hr/> | | | | | | |
| Diversified Financial Services - 1.3% | | | | | | |
| 8,000 | Keycorp Capital III | 7.750% | 7/15/29 | A3 | BBB | 9,426,056 |
| 13,800 | Old Mutual Capital Funding, Notes | 8.000% | 6/22/53 | NR | NR | 14,192,638 |
| <hr/> | | | | | | |
| Diversified Telecommunication Services - 3.1% | | | | | | |
| 45,250 | Centaur Funding Corporation, Series B, 144A | 9.080% | 4/21/20 | Baa1 | BBB+ | 58,556,351 |
| <hr/> | | | | | | |
| Gas Utilities - 0.6% | | | | | | |
| 10,750 | KN Capital Trust III | 7.630% | 4/15/28 | Baa3 | BB+ | 11,835,524 |
| <hr/> | | | | | | |
| Insurance - 11.0% | | | | | | |
| 14,280 | Ace Capital Trust II | 9.700% | 4/01/30 | Baa1 | BBB- | 19,691,934 |
| 2,000 | Allstate Financing II | 7.830% | 12/01/45 | A2 | A- | 2,232,960 |
| 28,000 | American General Institutional Capital, 144A | 8.125% | 3/15/46 | Aa1 | AA | 36,176,168 |
| 10,000 | Berkeley Capital Trust | 8.197% | 12/15/45 | Baa3 | BBB- | 10,860,900 |
| 6,000 | MIC Financing Trust I | 8.375% | 2/01/27 | A1 | A+ | 6,484,140 |
| 8,500 | Prudential plc | 6.500% | 6/29/49 | Baa1 | A | 8,291,929 |
| 10,000 | RenaissanceRe Capital Trust | 8.540% | 3/01/27 | Baa1 | BBB+ | 11,520,310 |
| 51,700 | Sun Life Canada Capital Trust, Capital Securities, 144A | 8.526% | 5/06/47 | A1 | A+ | 59,696,542 |
| 44,515 | Zurich Capital Trust I, 144A | 8.376% | 6/01/37 | Baa2 | A- | 50,957,033 |
| <hr/> | | | | | | |
| Oil & Gas - 0.4% | | | | | | |
| 7,355 | Phillips 66 Capital Trust II | 8.000% | 1/15/37 | Baa2 | BBB | 8,378,147 |
| <hr/> | | | | | | |
| Real Estate - 0.1% | | | | | | |
| 2,000 | Mangrove Bay, Class 3, 144A | 6.102% | 7/15/33 | NR | BBB+ | 2,042,324 |
| <hr/> | | | | | | |
| Total Capital Preferred Securities (cost \$1,095,687,914) | | | | | | 1,181,681,939 |
| <hr/> | | | | | | |
| CORPORATE BONDS - 4.7% (3.3% of Total Investments) | | | | | | |
| Automobiles - 4.7% | | | | | | |
| 7,525 | Ford Motor Company | 8.900% | 1/15/32 | Baa1 | BBB- | 8,466,980 |
| 4,000 | Ford Motor Company | 7.450% | 7/16/31 | Baa1 | BBB- | 3,933,324 |
| 21,500 | Ford Motor Company, Debenture | 7.400% | 11/01/46 | Baa1 | BBB- | 20,276,452 |
| 52,860 | General Motors Acceptance Corporation, Notes | 8.000% | 11/01/31 | A3 | BBB | 54,863,812 |
| 600 | General Motors Corporation, Senior Debentures | 8.375% | 7/15/33 | Baa1 | BBB | 638,861 |

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| | | |
|---|---|-----------------|
| | Total Corporate Bonds (cost \$78,440,727) | 88,179,429 |
| REPURCHASE AGREEMENTS - 3.1% (2.2% of Total Investments) | | |
| \$ 9,893 | State Street Bank, 1.7000%, dated 9/30/04, due 10/01/04, repurchase price \$9,893,074 collateralized by \$10,145,000 U.S. Treasury Bonds, 0.000%, due 1/20/05, value \$10,094,275 | 9,892,607 |
| 24,000 | State Street Bank, 1.7000%, dated 9/30/04, due 10/01/04, repurchase price \$24,001,133 collateralized by \$24,605,000 U.S. Treasury Bonds, 0.000%, due 1/20/05, value \$24,481,975 | 24,000,000 |
| 24,000 | State Street Bank, 1.7000%, dated 9/30/04, due 10/01/04, repurchase price \$24,001,133 collateralized by \$16,390,000 U.S. Treasury Bonds, 9.000%, due 11/15/18, value \$24,482,563 | 24,000,000 |
| | Total Repurchase Agreements (cost \$57,892,607) | 57,892,607 |
| | Total Investments (cost \$2,491,867,233) - 141.7% | 2,660,498,150 |
| | Other Assets Less Liabilities - 0.9% | 17,464,546 |
| | Fund Preferred Shares, at Liquidation Value - (42.6)% | (800,000,000) |
| | Net Assets Applicable to Common Shares - 100% | \$1,877,962,696 |

**Interest Rate Swap Transactions
Outstanding at September 30, 2004:**

| | Notional Amount | Fixed Rate | Floating Rate** | Termination Date (Depreciation) | Unrealized Appreciation |
|--|-----------------|------------|-----------------|---------------------------------|-------------------------|
| | \$200,000,000 | 2.6300% | 1.6963% | 11/06/05 | \$ (365,956) |
| | 200,000,000 | 3.3750 | 1.6963 | 11/06/07 | (924,859) |
| | 200,000,000 | 3.9100 | 1.6963 | 11/06/09 | (1,837,245) |
| | | | | | \$(3,128,060) |

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

* Ratings below Baa by Moody's Investor Service, Inc. or BBB by Standard & Poor's Group are considered to be below investment grade.

** Based on LIBOR (London Interbank Offered Rate)

(a) Security is eligible for the Dividends Received Deduction.

144A Securities Act of 1933, as amended. These securities may only be resold in transactions exempt from registration which are normally those transactions with qualified institutional buyers.

(CORTS) Corporate Backed Trust Securities.

(PPLUS) Preferred Plus Trust.

(SATURNS) Structured Asset Trust Unit Repackaging.

NR Security is not rated.

Income Tax Information

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The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to the recognition of income on certain securities, which are treated as debt securities for income tax purposes and equity securities for financial statement purposes, and timing differences in recognizing certain gains and losses on security transactions.

At September 30, 2004, the cost of investments was \$2,492,836,325.

Gross unrealized appreciation and gross unrealized depreciation of investments at September 30, 2004, were as follows:

| | |
|--|---------------|
| Gross unrealized: | |
| Appreciation | \$174,694,816 |
| Depreciation | (7,032,991) |
| Net unrealized appreciation of investments | \$167,661,825 |

Item 2. Controls and Procedures.

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

Item 3. Exhibits.

File as exhibits as part of this Form a separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2(a)), exactly as set forth below: EX-99 CERT Attached hereto.

SIGNATURES

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

(Registrant) Nuveen Quality Preferred Income Fund 2

By (Signature and Title)* /s/ Jessica R. Droeger--Vice President and Secretary

Date 11/29/04

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 (Signature and Title)* /s/ Gifford R. Zimmerman--Chief Administrative Officer (Principal Executive Officer)

Date 11/29/04

SIGNATURES

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By (Signature and Title)* /s/ Stephen D. Foy--Vice President and Controller (Principal Financial Officer)

Date 11/29/04

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