

BLACKROCK ENHANCED CAPITAL & INCOME FUND, INC.

Form N-Q

November 21, 2018

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: 12/31/2018

Date of reporting period: 09/30/2018

Item 1 Schedule of Investments

Schedule of Investments (unaudited)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

(Percentages shown are based on Net Assets)

<i>Security</i>	<i>Shares</i>	<i>Value</i>
<b>Common Stocks 100.8%</b>		
<b>Airlines 1.5%</b>		
Delta Air Lines, Inc.	200,836	\$ 11,614,346
<b>Banks 10.3%</b>		
Bank of America Corp. <sup>(a)(b)</sup>	707,172	20,833,287
JPMorgan Chase & Co. <sup>(a)</sup>	239,356	27,008,931
Regions Financial Corp.	323,265	5,931,913
SunTrust Banks, Inc.	204,304	13,645,464
U.S. Bancorp	260,889	13,777,548
		81,197,143
<b>Biotechnology 3.2%</b>		
Biogen, Inc. <sup>(c)</sup>	44,347	15,668,239
Gilead Sciences, Inc.	120,663	9,316,390
		24,984,629
<b>Capital Markets 0.8%</b>		
E*Trade Financial Corp. <sup>(c)</sup>	121,117	6,345,320
<b>Chemicals 2.0%</b>		
DowDuPont, Inc.	242,040	15,565,592
<b>Commercial Services &amp; Supplies 1.1%</b>		
KAR Auction Services, Inc.	148,065	8,838,000
<b>Communications Equipment 3.0%</b>		
Cisco Systems, Inc.	488,510	23,766,012
<b>Consumer Finance 1.7%</b>		
Ally Financial, Inc.	286,038	7,565,705
SLM Corp. <sup>(c)</sup>	529,692	5,906,066
		13,471,771
<b>Containers &amp; Packaging 1.3%</b>		
Packaging Corp. of America	96,044	10,535,066
<b>Electric Utilities 2.9%</b>		
FirstEnergy Corp.	352,361	13,097,258
PG&E Corp. <sup>(c)</sup>	203,857	9,379,461
		22,476,719
<b>Electronic Equipment, Instruments &amp; Components 1.7%</b>		

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CDW Corp.	154,243	13,715,288
<b>Food &amp; Staples Retailing 2.4%</b>		
Walmart, Inc.	199,886	18,771,294
<b>Food Products 1.1%</b>		
J.M. Smucker Co.	86,006	8,825,076
<b>Health Care Equipment &amp; Supplies 1.4%</b>		
Baxter International, Inc.	147,116	11,341,172
<b>Health Care Providers &amp; Services 9.2%</b>		
Centene Corp. <sup>(c)</sup>	75,344	10,908,304
CVS Health Corp. <sup>(b)</sup>	86,560	6,814,003
Humana, Inc.	56,654	19,178,512
Laboratory Corp. of America Holdings <sup>(c)</sup>	86,938	15,099,392
<i>Security</i>	<i>Shares</i>	<i>Value</i>
<b>Health Care Providers &amp; Services (continued)</b>		
UnitedHealth Group, Inc.	76,844	\$ 20,443,578
		72,443,789
<b>Hotels, Restaurants &amp; Leisure 1.6%</b>		
Carnival Corp.	193,617	12,346,956
<b>Household Durables 2.6%</b>		
D.R. Horton, Inc.	328,525	13,857,184
Lennar Corp., Class A	87,906	4,104,331
NVR, Inc. <sup>(c)</sup>	1,081	2,670,935
		20,632,450
<b>Independent Power and Renewable Electricity Producers 0.5%</b>		
AES Corp.	262,692	3,677,688
<b>Industrial Conglomerates 0.7%</b>		
General Electric Co.	481,941	5,441,114
<b>Insurance 1.6%</b>		
Assured Guaranty Ltd.	125,164	5,285,676
Hartford Financial Services Group, Inc.	150,809	7,534,417
		12,820,093
<b>Internet Software &amp; Services 5.0%</b>		
Alphabet, Inc., Class A <sup>(c)</sup>	32,634	39,391,849
<b>IT Services 2.7%</b>		
Amdocs Ltd.	83,760	5,526,485
Cognizant Technology Solutions Corp., Class A	208,383	16,076,748
		21,603,233
<b>Machinery 2.1%</b>		
Allison Transmission Holdings, Inc.	138,599	7,208,534

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Fortive Corp. <sup>(d)</sup>	112,062	9,435,620
		16,644,154
<b>Media 3.3%</b>		
Comcast Corp., Class A <sup>(b)</sup>	573,906	20,322,011
DISH Network Corp., Class A <sup>(c)</sup>	168,177	6,014,010
		26,336,021
<b>Metals &amp; Mining 1.3%</b>		
Freeport-McMoRan, Inc.	522,764	7,276,875
Rio Tinto PLC ADR	57,596	2,938,548
		10,215,423
<b>Oil, Gas &amp; Consumable Fuels 6.2%</b>		
BP PLC ADR	198,654	9,157,949
Chevron Corp.	141,903	17,351,899
Marathon Oil Corp.	277,252	6,454,427
Suncor Energy, Inc.	404,193	15,638,227
		48,602,502
<b>Pharmaceuticals 4.5%</b>		
Novo Nordisk A/S ADR	187,440	8,835,922

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

(Percentages shown are based on Net Assets)

<i>Security</i>	<i>Shares</i>	<i>Value</i>
<b>Pharmaceuticals (continued)</b>		
Pfizer, Inc.	606,087	\$ 26,710,254
		35,546,176
<b>Road &amp; Rail 2.1%</b>		
Norfolk Southern Corp.	92,406	16,679,283
<b>Semiconductors &amp; Semiconductor Equipment 0.6%</b>		
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	105,580	4,662,413
<b>Software 7.8%</b>		
Dell Technologies, Inc., Class V <sup>(c)</sup>	128,187	12,449,522
Microsoft Corp. <sup>(b)</sup>	393,598	45,015,803
Oracle Corp.	74,470	3,839,673
		61,304,998
<b>Specialty Retail 5.6%</b>		
Home Depot, Inc.	38,408	7,956,217
Lowe's Cos., Inc. <sup>(b)</sup>	169,254	19,433,744
O'Reilly Automotive, Inc. <sup>(c)</sup>	30,524	10,601,596
Security	Shares	Value
<b>Specialty Retail (continued)</b>		
Urban Outfitters, Inc. <sup>(c)</sup>	158,018	\$ 6,462,936
		44,454,493
<b>Technology Hardware, Storage &amp; Peripherals 6.8%</b>		
Apple, Inc.	236,816	53,458,844
<b>Tobacco 2.2%</b>		
Altria Group, Inc. <sup>(b)</sup>	288,708	17,411,979
<b>Total Long-Term Investments 100.8%</b>		
<b>(Cost \$574,808,920)</b>		795,120,886
<b>Short-Term Securities 0.5%</b>		
BlackRock Liquidity Funds, T-Fund, Institutional Class, 1.97% <sup>(e)(g)</sup>	1,068,071	1,068,071
SL Liquidity Series, LLC, Money Market Series, 2.26% <sup>(e)(f)(g)</sup>	2,808,796	2,809,077
<b>Total Short-Term Securities 0.5%</b>		
<b>(Cost \$3,877,148)</b>		3,877,148
<b>Total Investments Before Options Written 101.3%</b>		798,998,034

(Cost \$578,686,068)

Options Written (0.9)%

(Premiums Received \$7,519,133) (6,776,054)

Total Investments, Net of Options Written 100.4%

(Cost \$571,166,935) 792,221,980

Liabilities in Excess of Other Assets (0.4)% (3,059,359)

Net Assets 100.0% \$ 789,162,621

- (a) All or a portion of the security has been pledged as collateral in connection with outstanding OTC derivatives.
- (b) All or a portion of the security has been pledged and/or segregated as collateral in connection with outstanding exchange-traded options written.
- (c) Non-income producing security.
- (d) Security, or a portion of the security, is on loan.
- (e) Annualized 7-day yield as of period end.
- (f) Security was purchased with the cash collateral from loaned securities.
- (g) During the period ended September 30, 2018, 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, and/or related parties of the Trust were as follows:

Affiliate	Shares Held at 12/31/17	Net Activity	Shares Held at 09/30/18	Value at 09/30/18	Income	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)
BlackRock Liquidity Funds, T-Fund, Institutional Class	3,142,974	(2,074,903)	1,068,071	\$ 1,068,071	\$ 48,393	\$	\$
SL Liquidity Series, LLC, Money Market Series		2,808,796	2,808,796	2,809,077	13,681 <sup>(b)</sup>	(97)	(97)
				\$ 3,877,148	\$ 62,074	\$ (97)	\$

(a) Includes net capital gain distributions, if applicable.

(b) 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.

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

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

**Portfolio Abbreviations**

ADR American Depositary Receipts

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

<i>Description</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call					
Bank of America Corp.	69	10/01/18	USD 31.50	USD 203	\$
FirstEnergy Corp.	418	10/03/18	USD 37.08	USD 1,554	(15,333)
Bank of America Corp.	68	10/04/18	USD 31.75	USD 200	(6)
Alphabet, Inc., Class A	16	10/05/18	USD 1,215.00	USD 1,931	(13,280)
BP PLC ADR	97	10/05/18	USD 44.00	USD 447	(20,952)
Bank of America Corp.	754	10/05/18	USD 31.50	USD 2,221	(1,131)
Bank of America Corp.	191	10/05/18	USD 31.00	USD 563	(286)
Baxter International, Inc.	121	10/05/18	USD 74.50	USD 933	(32,428)
Biogen, Inc.	30	10/05/18	USD 350.00	USD 1,060	(22,200)
CVS Health Corp.	283	10/05/18	USD 76.50	USD 2,228	(70,609)
Carnival Corp.	306	10/05/18	USD 63.50	USD 1,951	(26,010)
Chevron Corp.	111	10/05/18	USD 123.00	USD 1,357	(8,159)
Cisco Systems, Inc.	81	10/05/18	USD 47.00	USD 394	(13,770)
Cisco Systems, Inc.	116	10/05/18	USD 48.00	USD 564	(9,106)
Cognizant Technology Solutions Corp., Class A	230	10/05/18	USD 78.50	USD 1,774	(3,450)
Comcast Corp., Class A	389	10/05/18	USD 38.50	USD 1,377	(5,057)
D.R. Horton, Inc.	114	10/05/18	USD 46.00	USD 481	(684)
DISH Network Corp., Class A	429	10/05/18	USD 38.00	USD 1,534	(8,580)
Delta Air Lines, Inc.	169	10/05/18	USD 60.00	USD 977	(1,859)
DowDuPont, Inc.	299	10/05/18	USD 71.00	USD 1,923	(598)
Freeport-McMoRan, Inc.	265	10/05/18	USD 14.50	USD 369	(2,252)
General Electric Co.	270	10/05/18	USD 13.00	USD 305	(540)
General Electric Co.	105	10/05/18	USD 13.35	USD 119	
Gilead Sciences, Inc.	167	10/05/18	USD 77.50	USD 1,289	(10,354)
Hartford Financial Services Group, Inc.	178	10/05/18	USD 50.50	USD 889	(3,026)



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Humana, Inc.	88	10/05/18	USD	335.00	USD	2,979	(41,360)
JPMorgan Chase & Co.	61	10/05/18	USD	115.00	USD	688	(1,433)
JPMorgan Chase & Co.	210	10/05/18	USD	116.00	USD	2,370	(2,205)
Lowe's Cos., Inc.	281	10/05/18	USD	109.00	USD	3,226	(168,600)
Marathon Oil Corp.	69	10/05/18	USD	21.50	USD	161	(12,593)
Marathon Oil Corp.	57	10/05/18	USD	22.50	USD	133	(5,301)
Microsoft Corp.	306	10/05/18	USD	109.00	USD	3,500	(170,595)
Norfolk Southern Corp.	209	10/05/18	USD	180.00	USD	3,772	(40,233)
Oracle Corp.	208	10/05/18	USD	50.00	USD	1,072	(34,216)
PG&E Corp.	513	10/05/18	USD	45.02	USD	2,360	(64,684)
Pfizer, Inc.	377	10/05/18	USD	40.05	USD	1,661	(152,211)
SLM Corp.	1,123	10/05/18	USD	11.27	USD	1,252	(8,092)
Suncor Energy, Inc.	345	10/05/18	USD	42.00	USD	1,335	(3,105)
U.S. Bancorp	181	10/05/18	USD	53.51	USD	956	(4,494)
UnitedHealth Group, Inc.	155	10/05/18	USD	272.50	USD	4,124	(2,557)

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

## Exchange-Traded Options Written (continued)

<i>Description</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call					
Urban Outfitters, Inc.	198	10/05/18	USD 47.00	USD 810	\$ (1,980)
Walmart, Inc.	77	10/05/18	USD 97.50	USD 723	(346)
Apple, Inc.	272	10/12/18	USD 227.50	USD 6,140	(65,552)
BP PLC ADR	108	10/12/18	USD 44.00	USD 498	(24,084)
Bank of America Corp.	190	10/12/18	USD 31.00	USD 560	(1,140)
Bank of America Corp.	190	10/12/18	USD 31.50	USD 560	(665)
Bank of America Corp.	82	10/12/18	USD 30.50	USD 242	(1,025)
Bank of America Corp.	669	10/12/18	USD 31.10	USD 1,971	(4,571)
Baxter International, Inc.	121	10/12/18	USD 75.00	USD 933	(28,556)
Carnival Corp.	226	10/12/18	USD 64.00	USD 1,441	(19,210)
Chevron Corp.	19	10/12/18	USD 121.00	USD 232	(4,465)
Cisco Systems, Inc.	116	10/12/18	USD 47.94	USD 564	(9,840)
Comcast Corp., Class A	228	10/12/18	USD 37.00	USD 807	(1,254)
D.R. Horton, Inc.	316	10/12/18	USD 44.50	USD 1,333	(4,424)
Delta Air Lines, Inc.	500	10/12/18	USD 58.00	USD 2,892	(60,000)
DowDuPont, Inc.	124	10/12/18	USD 70.00	USD 797	(372)
E*Trade Financial Corp.	376	10/12/18	USD 56.50	USD 1,970	(16,920)
Freeport-McMoRan, Inc.	600	10/12/18	USD 15.00	USD 835	(4,800)
General Electric Co.	338	10/12/18	USD 13.00	USD 382	(507)
General Electric Co.	60	10/12/18	USD 12.50	USD 68	(180)
Hartford Financial Services Group, Inc.	135	10/12/18	USD 51.00	USD 674	(2,835)
JPMorgan Chase & Co.	41	10/12/18	USD 116.00	USD 463	(2,132)
Lowe's Cos., Inc.	87	10/12/18	USD 111.00	USD 999	(38,498)
Marathon Oil Corp.	193	10/12/18	USD 22.50	USD 449	(21,134)
Microsoft Corp.	306	10/12/18	USD 113.00	USD 3,500	(74,205)
Oracle Corp.	55	10/12/18	USD 50.00	USD 284	(9,708)
Oracle Corp.	55	10/12/18	USD 51.00	USD 284	(5,307)
PG&E Corp.	100	10/12/18	USD 49.00	USD 460	(1,500)
Pfizer, Inc.	377	10/12/18	USD 40.15	USD 1,661	(149,096)
Suncor Energy, Inc.	81	10/12/18	USD 40.00	USD 313	(1,336)
U.S. Bancorp	138	10/12/18	USD 55.00	USD 729	(690)
U.S. Bancorp	130	10/12/18	USD 54.66	USD 687	(1,771)
UnitedHealth Group, Inc.	107	10/12/18	USD 267.50	USD 2,847	(21,400)
Urban Outfitters, Inc.	98	10/12/18	USD 47.00	USD 401	(490)
Hartford Financial Services Group, Inc.	238	10/17/18	USD 50.44	USD 1,189	(12,382)
Ally Financial, Inc.	656	10/19/18	USD 28.00	USD 1,735	(6,560)

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Altria Group, Inc.	133	10/19/18	USD	62.50	USD	802	(3,724)
Altria Group, Inc.	418	10/19/18	USD	65.00	USD	2,521	(2,508)
Amdocs Ltd.	235	10/19/18	USD	67.50	USD	1,551	(5,875)
Apple, Inc.	271	10/19/18	USD	230.00	USD	6,118	(61,653)
Assured Guaranty Ltd.	200	10/19/18	USD	38.00	USD	845	(87,500)
Assured Guaranty Ltd.	200	10/19/18	USD	42.00	USD	845	(18,400)
BP PLC ADR	147	10/19/18	USD	43.00	USD	678	(47,408)
Bank of America Corp.	288	10/19/18	USD	32.00	USD	848	(1,296)
Baxter International, Inc.	125	10/19/18	USD	77.50	USD	964	(11,563)
Biogen, Inc.	46	10/19/18	USD	355.00	USD	1,625	(35,650)
CDW Corp.	851	10/19/18	USD	90.00	USD	7,567	(85,100)
Carnival Corp.	412	10/19/18	USD	64.00	USD	2,627	(45,320)
Chevron Corp.	161	10/19/18	USD	125.00	USD	1,969	(12,961)
Cisco Systems, Inc.	296	10/19/18	USD	46.00	USD	1,440	(79,920)
Cisco Systems, Inc.	116	10/19/18	USD	48.00	USD	564	(11,484)
Cognizant Technology Solutions Corp., Class A	189	10/19/18	USD	80.00	USD	1,458	(4,252)

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

## Exchange-Traded Options Written (continued)

<i>Description</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call					
Comcast Corp., Class A	367	10/19/18	USD 35.55	USD 1,300	\$ (20,778)
Comcast Corp., Class A	111	10/19/18	USD 36.25	USD 393	(3,237)
D.R. Horton, Inc.	299	10/19/18	USD 72.50	USD 1,923	(448)
D.R. Horton, Inc.	114	10/19/18	USD 46.00	USD 481	(1,026)
DISH Network Corp., Class A	200	10/19/18	USD 37.50	USD 715	(9,000)
Delta Air Lines, Inc.	284	10/19/18	USD 60.00	USD 1,642	(17,892)
DowDuPont, Inc.	158	10/19/18	USD 70.00	USD 1,016	(1,027)
FirstEnergy Corp.	201	10/19/18	USD 38.00	USD 747	(6,030)
Fortive Corp.	347	10/19/18	USD 90.00	USD 2,922	(20,820)
Freeport-McMoRan, Inc.	492	10/19/18	USD 15.00	USD 685	(7,134)
General Electric Co.	260	10/19/18	USD 12.00	USD 294	(1,950)
General Electric Co.	155	10/19/18	USD 13.00	USD 175	(387)
Gilead Sciences, Inc.	158	10/19/18	USD 75.00	USD 1,220	(45,425)
Hartford Financial Services Group, Inc.	63	10/19/18	USD 50.00	USD 315	(4,725)
Home Depot, Inc.	120	10/19/18	USD 200.00	USD 2,486	(97,500)
J.M. Smucker Co.	227	10/19/18	USD 115.00	USD 2,329	(2,837)
JPMorgan Chase & Co.	166	10/19/18	USD 115.00	USD 1,873	(17,181)
Laboratory Corp. of America Holdings	257	10/19/18	USD 175.00	USD 4,464	(55,898)
Lennar Corp., Class A	157	10/19/18	USD 52.50	USD 733	(3,689)
Lowe's Cos., Inc.	68	10/19/18	USD 110.00	USD 781	(37,400)
Marathon Oil Corp.	249	10/19/18	USD 21.00	USD 580	(60,632)
Marathon Oil Corp.	57	10/19/18	USD 23.00	USD 133	(5,244)
Microsoft Corp.	164	10/19/18	USD 115.00	USD 1,876	(28,126)
Microsoft Corp.	250	10/19/18	USD 110.00	USD 2,859	(128,125)
Norfolk Southern Corp.	114	10/19/18	USD 180.00	USD 2,058	(36,480)
Novo Nordisk A/S ADR	139	10/19/18	USD 49.00	USD 655	(2,780)
O'Reilly Automotive, Inc.	84	10/19/18	USD 350.00	USD 2,917	(44,100)
Oracle Corp.	34	10/19/18	USD 49.00	USD 175	(9,180)
Packaging Corp. of America	53	10/19/18	USD 115.00	USD 581	(2,120)
Pfizer, Inc.	377	10/19/18	USD 40.25	USD 1,661	(146,011)
Regions Financial Corp.	349	10/19/18	USD 20.00	USD 640	(872)
Rio Tinto PLC ADR	105	10/19/18	USD 53.50	USD 536	(4,455)
SLM Corp.	487	10/19/18	USD 12.00	USD 543	(5,844)
SunTrust Banks, Inc.	97	10/19/18	USD 75.00	USD 648	(436)
Suncor Energy, Inc.	75	10/19/18	USD 40.00	USD 290	(2,287)
Suncor Energy, Inc.	226	10/19/18	USD 40.50	USD 874	(4,520)

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Taiwan Semiconductor Manufacturing Co. Ltd. ADR	243	10/19/18	USD	47.00	USD	1,073	(5,467)
U.S. Bancorp	122	10/19/18	USD	54.50	USD	644	(3,355)
U.S. Bancorp	299	10/19/18	USD	53.95	USD	1,579	(12,731)
Walmart, Inc.	374	10/19/18	USD	97.50	USD	3,512	(20,196)
Altria Group, Inc.	419	10/26/18	USD	65.00	USD	2,527	(9,218)
Apple, Inc.	228	10/26/18	USD	227.50	USD	5,147	(98,610)
Apple, Inc.	260	10/26/18	USD	217.50	USD	5,869	(279,500)
BP PLC ADR	164	10/26/18	USD	45.00	USD	756	(26,896)
Bank of America Corp.	316	10/26/18	USD	31.50	USD	931	(4,108)
Baxter International, Inc.	110	10/26/18	USD	78.00	USD	848	(9,405)
Biogen, Inc.	53	10/26/18	USD	350.00	USD	1,873	(82,945)
CVS Health Corp.	193	10/26/18	USD	77.50	USD	1,519	(49,119)
Carnival Corp.	120	10/26/18	USD	65.00	USD	765	(10,200)
Chevron Corp.	155	10/26/18	USD	119.00	USD	1,895	(63,550)
Cisco Systems, Inc.	402	10/26/18	USD	47.50	USD	1,956	(57,888)
Cognizant Technology Solutions Corp., Class A	126	10/26/18	USD	79.00	USD	972	(7,560)
Comcast Corp., Class A	273	10/26/18	USD	36.00	USD	967	(17,745)

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

## Exchange-Traded Options Written (continued)

<i>Description</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call					
D.R. Horton, Inc.	210	10/26/18	USD 43.50	USD 886	\$ (13,545)
Delta Air Lines, Inc.	151	10/26/18	USD 59.00	USD 873	(17,214)
DowDuPont, Inc.	123	10/26/18	USD 70.50	USD 791	(1,230)
Freeport-McMoRan, Inc.	246	10/26/18	USD 15.50	USD 342	(4,059)
General Electric Co.	173	10/26/18	USD 13.00	USD 195	(778)
Hartford Financial Services Group, Inc.	152	10/26/18	USD 51.50	USD 759	(8,132)
Humana, Inc.	67	10/26/18	USD 340.00	USD 2,268	(33,500)
JPMorgan Chase & Co.	114	10/26/18	USD 117.00	USD 1,286	(8,550)
Lowe's Cos., Inc.	305	10/26/18	USD 115.00	USD 3,502	(67,558)
Marathon Oil Corp.	572	10/26/18	USD 21.50	USD 1,332	(119,548)
Microsoft Corp.	133	10/26/18	USD 115.00	USD 1,521	(35,578)
Oracle Corp.	247	10/26/18	USD 49.00	USD 1,274	(67,678)
Pfizer, Inc.	185	10/26/18	USD 42.00	USD 815	(41,533)
Pfizer, Inc.	176	10/26/18	USD 41.69	USD 776	(46,356)
Suncor Energy, Inc.	116	10/26/18	USD 40.00	USD 449	(3,944)
Suncor Energy, Inc.	68	10/26/18	USD 40.50	USD 263	(2,040)
U.S. Bancorp	197	10/26/18	USD 54.50	USD 1,040	(7,092)
UnitedHealth Group, Inc.	53	10/26/18	USD 267.50	USD 1,410	(24,778)
Urban Outfitters, Inc.	250	10/26/18	USD 44.00	USD 1,023	(12,500)
DowDuPont, Inc.	230	10/29/18	USD 71.60	USD 1,479	(1,503)
Cisco Systems, Inc.	116	10/30/18	USD 48.75	USD 564	(8,794)
AES Corp.	566	10/31/18	USD 14.00	USD 792	(17,860)
General Electric Co.	73	10/31/18	USD 12.00	USD 82	(1,371)
Novo Nordisk A/S ADR	419	10/31/18	USD 47.74	USD 1,975	(33,951)
Alphabet, Inc., Class A	41	11/02/18	USD 1,210.00	USD 4,949	(162,565)
BP PLC ADR	54	11/02/18	USD 45.00	USD 249	(9,882)
Bank of America Corp.	619	11/02/18	USD 31.50	USD 1,824	(10,214)
Biogen, Inc.	26	11/02/18	USD 345.00	USD 919	(48,620)
Chevron Corp.	124	11/02/18	USD 120.00	USD 1,516	(53,010)
Chevron Corp.	44	11/02/18	USD 125.00	USD 538	(7,326)
Cisco Systems, Inc.	120	11/02/18	USD 47.50	USD 584	(18,660)
Cognizant Technology Solutions Corp., Class A	184	11/02/18	USD 79.00	USD 1,420	(24,840)
Comcast Corp., Class A	226	11/02/18	USD 37.50	USD 800	(7,119)
D.R. Horton, Inc.	395	11/02/18	USD 45.00	USD 1,666	(15,208)
E*Trade Financial Corp.	128	11/02/18	USD 55.50	USD 671	(16,832)
Freeport-McMoRan, Inc.	530	11/02/18	USD 14.00	USD 738	(35,510)

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Freeport-McMoRan, Inc.	246	11/02/18	USD	15.50	USD	342	(5,166)
General Electric Co.	109	11/02/18	USD	13.50	USD	123	(545)
Gilead Sciences, Inc.	317	11/02/18	USD	75.00	USD	2,448	(120,460)
Hartford Financial Services Group, Inc.	63	11/02/18	USD	51.00	USD	315	(4,945)
Humana, Inc.	43	11/02/18	USD	340.00	USD	1,456	(28,595)
JPMorgan Chase & Co.	60	11/02/18	USD	115.00	USD	677	(9,330)
JPMorgan Chase & Co.	60	11/02/18	USD	118.00	USD	677	(4,410)
Lowe's Cos., Inc.	189	11/02/18	USD	116.00	USD	2,170	(38,367)
Marathon Oil Corp.	327	11/02/18	USD	23.00	USD	761	(38,586)
Microsoft Corp.	164	11/02/18	USD	116.00	USD	1,876	(40,836)
PG&E Corp.	100	11/02/18	USD	48.00	USD	460	(9,000)
Pfizer, Inc.	444	11/02/18	USD	43.00	USD	1,957	(69,708)
Suncor Energy, Inc.	84	11/02/18	USD	40.50	USD	325	(3,822)
U.S. Bancorp	245	11/02/18	USD	56.00	USD	1,294	(3,797)
UnitedHealth Group, Inc.	107	11/02/18	USD	267.50	USD	2,847	(55,640)
Urban Outfitters, Inc.	251	11/02/18	USD	46.00	USD	1,027	(7,530)
Walmart, Inc.	274	11/02/18	USD	95.00	USD	2,573	(44,251)

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

## Exchange-Traded Options Written (continued)

<i>Description</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call					
Novo Nordisk A/S ADR	419	11/06/18	USD 47.74	USD 1,975	\$ (38,047)
SunTrust Banks, Inc.	368	11/07/18	USD 71.71	USD 2,458	(15,533)
Apple, Inc.	271	11/09/18	USD 225.00	USD 6,118	(220,188)
Bank of America Corp.	137	11/09/18	USD 30.50	USD 404	(6,302)
Cisco Systems, Inc.	120	11/09/18	USD 48.80	USD 584	(11,484)
Comcast Corp., Class A	273	11/09/18	USD 36.00	USD 967	(24,570)
DowDuPont, Inc.	98	11/09/18	USD 67.00	USD 630	(9,604)
General Electric Co.	168	11/09/18	USD 12.00	USD 190	(3,612)
Suncor Energy, Inc.	76	11/09/18	USD 41.00	USD 294	(3,192)
AES Corp.	310	11/16/18	USD 14.00	USD 434	(13,175)
AES Corp.	566	11/16/18	USD 14.10	USD 792	(20,297)
Ally Financial, Inc.	173	11/16/18	USD 28.00	USD 458	(6,487)
Altria Group, Inc.	617	11/16/18	USD 65.00	USD 3,721	(24,989)
BP PLC ADR	54	11/16/18	USD 45.00	USD 249	(10,260)
BP PLC ADR	142	11/16/18	USD 47.00	USD 655	(11,644)
Bank of America Corp.	316	11/16/18	USD 32.00	USD 931	(6,162)
Baxter International, Inc.	37	11/16/18	USD 77.50	USD 285	(6,845)
Centene Corp.	228	11/16/18	USD 143.50	USD 3,301	(139,484)
Chevron Corp.	124	11/16/18	USD 120.00	USD 1,516	(59,210)
Cisco Systems, Inc.	226	11/16/18	USD 48.00	USD 1,099	(40,680)
Comcast Corp., Class A	141	11/16/18	USD 37.50	USD 499	(5,922)
E*Trade Financial Corp.	162	11/16/18	USD 55.00	USD 849	(28,188)
FirstEnergy Corp.	208	11/16/18	USD 37.00	USD 773	(22,880)
Fortive Corp.	45	11/16/18	USD 85.00	USD 379	(10,238)
Freeport-McMoRan, Inc.	496	11/16/18	USD 15.00	USD 690	(21,328)
General Electric Co.	70	11/16/18	USD 14.00	USD 79	(245)
General Electric Co.	74	11/16/18	USD 13.00	USD 84	(666)
Gilead Sciences, Inc.	21	11/16/18	USD 75.00	USD 162	(8,925)
Home Depot, Inc.	91	11/16/18	USD 210.00	USD 1,885	(39,358)
J.M. Smucker Co.	246	11/16/18	USD 113.80	USD 2,524	(18,464)
Laboratory Corp. of America Holdings	221	11/16/18	USD 175.00	USD 3,838	(99,450)
Lennar Corp., Class A	150	11/16/18	USD 52.50	USD 700	(7,950)
Microsoft Corp.	54	11/16/18	USD 115.00	USD 618	(18,360)
O'Reilly Automotive, Inc.	84	11/16/18	USD 350.00	USD 2,917	(111,720)
Oracle Corp.	145	11/16/18	USD 50.00	USD 748	(31,393)
Pfizer, Inc.	185	11/16/18	USD 42.98	USD 815	(28,095)



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Regions Financial Corp.	750	11/16/18	USD	19.00	USD	1,376	(26,250)
SLM Corp.	488	11/16/18	USD	12.00	USD	544	(8,296)
SunTrust Banks, Inc.	190	11/16/18	USD	72.50	USD	1,269	(7,315)
Suncor Energy, Inc.	113	11/16/18	USD	42.00	USD	437	(3,390)
U.S. Bancorp	122	11/16/18	USD	55.00	USD	644	(6,100)
Walmart, Inc.	374	11/16/18	USD	97.50	USD	3,512	(61,336)
General Electric Co.	121	12/21/18	USD	13.00	USD	137	(2,057)

\$ (6,402,544)

**OTC Options Written**

<i>Description</i>	<i>Counterparty</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>	<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call						
Novo Nordisk A/S ADR	Barclays Bank PLC	5,300	10/01/18	USD 51.00	USD 250	\$
Ally Financial, Inc.	Goldman Sachs International	39,600	10/02/18	USD 27.65	USD 1,047	(148)
Ally Financial, Inc.	Morgan Stanley & Co. International PLC	34,800	10/04/18	USD 27.33	USD 920	(1,248)

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

September 30, 2018

## OTC Options Written (continued)

<i>Description</i>	<i>Counterparty</i>	<i>Number of Contracts</i>	<i>Expiration Date</i>		<i>Exercise Price</i>	<i>Notional Amount (000)</i>	<i>Value</i>
Call							
Centene Corp.	Barclays Bank PLC	18,600	10/04/18	USD	145.04	USD 2,693	\$ (24,813)
FirstEnergy Corp.	JPMorgan Chase Bank N.A.	40,600	10/11/18	USD	37.50	USD 1,509	(14,856)
Allison Transmission Holdings, Inc.	Barclays Bank PLC	20,000	10/18/18	USD	50.20	USD 1,040	(42,877)
Packaging Corp. of America	Barclays Bank PLC	28,300	10/23/18	USD	118.95	USD 3,104	(3,544)
Regions Financial Corp.	Morgan Stanley & Co. International PLC	33,000	10/24/18	USD	19.42	USD 606	(2,687)
Rio Tinto PLC ADR	Bank of America N.A.	21,100	10/29/18	USD	49.75	USD 1,077	(49,241)
Assured Guaranty Ltd.	Bank of America N.A.	28,800	10/30/18	USD	42.39	USD 1,216	(23,197)
Regions Financial Corp.	Citibank N.A.	34,800	10/30/18	USD	19.33	USD 639	(6,213)
SLM Corp.	Goldman Sachs International	81,500	10/30/18	USD	12.02	USD 909	(8,200)
SunTrust Banks, Inc.	Citibank N.A.	46,800	10/30/18	USD	74.25	USD 3,126	(8,821)
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	Barclays Bank PLC	33,700	10/30/18	USD	45.04	USD 1,488	(31,647)
KAR Auction Services, Inc.	UBS AG	51,800	10/31/18	USD	61.83	USD 3,092	(32,694)
bpost SA	Citibank N.A.	16,300	11/09/18	USD	46.50	USD 751	(12,728)
Amdocs Ltd.	JPMorgan Chase Bank N.A.	22,500	11/15/18	USD	66.31	USD 1,485	(35,363)
Allison Transmission Holdings, Inc.	Barclays Bank PLC	28,500	11/19/18	USD	51.90	USD 1,482	(57,787)
BP PLC ADR	Citibank N.A.	16,300	11/30/18	USD	46.50	USD 751	(17,446)
							\$ (373,510)



Schedule of Investments (unaudited) (continued)

**BlackRock Enhanced Capital and Income Fund (CII)**

September 30, 2018

**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 quoted prices in active markets/exchanges for identical assets or liabilities that 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)

Level 3 Unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including 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. Investments classified within Level 3 have significant unobservable inputs used by the BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) in determining the price for Fair Valued Investments. Level 3 investments include equity or debt issued by privately held companies or funds. There may not be a secondary market, and/or there are a limited number of investors. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Global Valuation Committee in the absence of market information.

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 semi-annual report.

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

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Assets:				
Investments:				
Long-Term Investments:				
Common Stocks <sup>(a)</sup>	\$ 795,120,886	\$	\$	\$ 795,120,886
Short-Term Securities	1,068,071			1,068,071
	\$ 796,188,957	\$	\$	\$ 796,188,957
Investments Valued at NAV <sup>(b)</sup>				2,809,077
				\$ 798,998,034
Derivative Financial Instruments <sup>(c)</sup>				
Liabilities:				
Equity contracts	\$ (5,411,613)	\$ (1,364,441)	\$	\$ (6,776,054)

<sup>(a)</sup> See above Schedule of Investments for values in each industry.

<sup>(b)</sup> As of September 30, 2018, certain investments of the Trust s were fair valued using NAV per share as no quoted market value is available and therefore have been excluded from the fair value hierarchy.

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

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: November 19, 2018

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: November 19, 2018

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

Date: November 19, 2018