

BLACKROCK ENHANCED CAPITAL & INCOME FUND, INC.

Form N-Q

May 22, 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: 03/31/2018

Item 1 Schedule of Investments

Schedule of Investments (unaudited)

BlackRock Enhanced Capital and Income Fund (CII)

March 31, 2018

(Percentages shown are based on Net Assets)

| <i>Security</i>                         | <i>Shares</i> | <i>Value</i>  |
|-----------------------------------------|---------------|---------------|
| <b>Common Stocks 100.0%</b>             |               |               |
| <b>Airlines 1.6%</b>                    |               |               |
| Delta Air Lines, Inc.                   | 210,765       | \$ 11,552,030 |
| <b>Auto Components 0.7%</b>             |               |               |
| Allison Transmission Holdings, Inc.     | 49,190        | 1,921,361     |
| Goodyear Tire & Rubber Co.              | 117,432       | 3,121,343     |
|                                         |               | 5,042,704     |
| <b>Banks 12.7%</b>                      |               |               |
| Bank of America Corp. <sup>(a)(b)</sup> | 727,611       | 21,821,054    |
| Citigroup, Inc.                         | 146,123       | 9,863,302     |
| JPMorgan Chase & Co. <sup>(a)</sup>     | 248,846       | 27,365,595    |
| Regions Financial Corp.                 | 330,035       | 6,132,050     |
| SunTrust Banks, Inc.                    | 211,115       | 14,364,265    |
| U.S. Bancorp                            | 270,232       | 13,646,716    |
|                                         |               | 93,192,982    |
| <b>Biotechnology 3.7%</b>               |               |               |
| Biogen, Inc. <sup>(c)</sup>             | 55,904        | 15,307,633    |
| Gilead Sciences, Inc.                   | 157,584       | 11,880,258    |
|                                         |               | 27,187,891    |
| <b>Capital Markets 1.2%</b>             |               |               |
| E*Trade Financial Corp. <sup>(c)</sup>  | 155,986       | 8,643,184     |
| <b>Chemicals 2.2%</b>                   |               |               |
| DowDuPont, Inc.                         | 250,010       | 15,928,137    |
| <b>Communications Equipment 2.9%</b>    |               |               |
| Cisco Systems, Inc.                     | 488,674       | 20,959,228    |
| <b>Consumer Finance 1.6%</b>            |               |               |
| Ally Financial, Inc.                    | 174,406       | 4,735,123     |
| SLM Corp. <sup>(c)</sup>                | 636,757       | 7,138,046     |
|                                         |               | 11,873,169    |
| <b>Containers &amp; Packaging 1.1%</b>  |               |               |
| Packaging Corp. of America              | 71,488        | 8,056,698     |
| <b>Electric Utilities 2.8%</b>          |               |               |
| FirstEnergy Corp.                       | 338,399       | 11,508,950    |
| PG&E Corp.                              | 206,492       | 9,071,193     |

|                                                           |             |                       |
|-----------------------------------------------------------|-------------|-----------------------|
|                                                           |             | 20,580,143            |
| <b>Electronic Equipment, Instruments &amp; Components</b> | <b>2.5%</b> |                       |
| CDW Corp.                                                 |             | 159,607 11,221,968    |
| Flex Ltd. <sup>(c)</sup>                                  |             | 411,105 6,713,345     |
|                                                           |             | 17,935,313            |
| <b>Food &amp; Staples Retailing</b>                       | <b>3.4%</b> |                       |
| CVS Health Corp. <sup>(b)</sup>                           |             | 126,275 7,855,568     |
| <i>Security</i>                                           |             | <i>Shares Value</i>   |
| <b>Food &amp; Staples Retailing (continued)</b>           |             |                       |
| Walmart Inc.                                              |             | 191,513 \$ 17,038,911 |
|                                                           |             | 24,894,479            |
| <b>Food Products</b>                                      | <b>1.1%</b> |                       |
| J.M. Smucker Co.                                          |             | 65,350 8,104,053      |
| <b>Health Care Equipment &amp; Supplies</b>               | <b>1.4%</b> |                       |
| Baxter International, Inc.                                |             | 155,778 10,131,801    |
| <b>Health Care Providers &amp; Services</b>               | <b>7.1%</b> |                       |
| Centene Corp. <sup>(c)</sup>                              |             | 81,787 8,740,577      |
| DaVita, Inc. <sup>(c)</sup>                               |             | 30,560 2,015,126      |
| Humana, Inc.                                              |             | 58,609 15,755,858     |
| Laboratory Corp. of America Holdings <sup>(c)</sup>       |             | 52,496 8,491,228      |
| UnitedHealth Group, Inc.                                  |             | 79,875 17,093,250     |
|                                                           |             | 52,096,039            |
| <b>Hotels, Restaurants &amp; Leisure</b>                  | <b>1.2%</b> |                       |
| Carnival Corp.                                            |             | 137,002 8,984,591     |
| <b>Household Durables</b>                                 | <b>2.6%</b> |                       |
| D.R. Horton, Inc.                                         |             | 286,922 12,578,660    |
| Lennar Corp., Class A                                     |             | 55,458 3,268,695      |
| NVR, Inc. <sup>(c)</sup>                                  |             | 1,111 3,110,800       |
|                                                           |             | 18,958,155            |
| <b>Household Products</b>                                 | <b>0.2%</b> |                       |
| Energizer Holdings, Inc.                                  |             | 29,203 1,739,915      |
| <b>Industrial Conglomerates</b>                           | <b>0.9%</b> |                       |
| General Electric Co.                                      |             | 491,261 6,622,198     |
| <b>Insurance</b>                                          | <b>1.4%</b> |                       |
| Assured Guaranty Ltd.                                     |             | 95,526 3,458,041      |
| Hartford Financial Services Group, Inc.                   |             | 137,390 7,078,333     |
|                                                           |             | 10,536,374            |
| <b>Internet Software &amp; Services</b>                   | <b>4.5%</b> |                       |
| Alphabet, Inc., Class A <sup>(c)</sup>                    |             | 32,047 33,237,226     |

**IT Services 3.1%**

|                                               |         |            |
|-----------------------------------------------|---------|------------|
| Amdocs Ltd.                                   | 85,640  | 5,713,901  |
| Cognizant Technology Solutions Corp., Class A | 213,032 | 17,149,076 |

22,862,977

**Machinery 1.5%**

|               |         |           |
|---------------|---------|-----------|
| Fortive Corp. | 107,288 | 8,316,966 |
|---------------|---------|-----------|

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

March 31, 2018

(Percentages shown are based on Net Assets)

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>  |
|-------------------------------------------------|---------------|---------------|
| <b>Machinery (continued)</b>                    |               |               |
| WABCO Holdings, Inc. <sup>(c)</sup>             | 18,036        | \$ 2,414,479  |
|                                                 |               | 10,731,445    |
| <b>Media 2.4%</b>                               |               |               |
| Comcast Corp., Class A <sup>(b)</sup>           | 507,620       | 17,345,375    |
| <b>Metals &amp; Mining 1.0%</b>                 |               |               |
| Rio Tinto PLC ADR                               | 141,026       | 7,267,070     |
| <b>Multi-Utilities 0.6%</b>                     |               |               |
| Public Service Enterprise Group, Inc.           | 80,381        | 4,038,341     |
| <b>Oil, Gas &amp; Consumable Fuels 6.0%</b>     |               |               |
| BP PLC ADR                                      | 207,078       | 8,394,942     |
| Chevron Corp.                                   | 135,256       | 15,424,594    |
| Marathon Oil Corp.                              | 119,549       | 1,928,326     |
| Suncor Energy, Inc.                             | 404,193       | 13,960,826    |
| TOTAL SA ADR                                    | 78,754        | 4,543,318     |
|                                                 |               | 44,252,006    |
| <b>Pharmaceuticals 4.2%</b>                     |               |               |
| Novo Nordisk A/S ADR                            | 176,905       | 8,712,571     |
| Pfizer, Inc.                                    | 621,275       | 22,049,050    |
|                                                 |               | 30,761,621    |
| <b>Professional Services 0.8%</b>               |               |               |
| Robert Half International, Inc.                 | 96,981        | 5,614,230     |
| <b>Road &amp; Rail 1.9%</b>                     |               |               |
| Norfolk Southern Corp.                          | 104,869       | 14,239,113    |
| <b>Software 8.4%</b>                            |               |               |
| Dell Technologies, Inc., Class V <sup>(c)</sup> | 124,103       | 9,085,581     |
| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>  |
| <b>Software (continued)</b>                     |               |               |
| Microsoft Corp. <sup>(b)</sup>                  | 395,647       | \$ 36,110,702 |
| Oracle Corp.                                    | 360,671       | 16,500,698    |
|                                                 |               | 61,696,981    |
| <b>Specialty Retail 5.3%</b>                    |               |               |
| Home Depot, Inc.                                | 65,564        | 11,686,127    |
| Lowe's Cos., Inc. <sup>(b)</sup>                | 182,964       | 16,055,091    |
| Urban Outfitters, Inc. <sup>(c)</sup>           | 296,473       | 10,957,642    |

|                                                                                 |               |  |           |  |  |                |
|---------------------------------------------------------------------------------|---------------|--|-----------|--|--|----------------|
|                                                                                 |               |  |           |  |  | 38,698,860     |
| <b>Technology Hardware, Storage &amp; Peripherals</b>                           | <b>5.5%</b>   |  |           |  |  |                |
| Apple, Inc. <sup>(a)</sup>                                                      |               |  | 240,746   |  |  | 40,392,364     |
| <b>Tobacco</b>                                                                  | <b>2.5%</b>   |  |           |  |  |                |
| Altria Group, Inc. <sup>(b)</sup>                                               |               |  | 288,708   |  |  | 17,992,283     |
| <b>Total Long-Term Investments</b>                                              | <b>100.0%</b> |  |           |  |  |                |
| (Cost \$580,819,235)                                                            |               |  |           |  |  | 732,148,976    |
| <b>Short-Term Securities</b>                                                    | <b>0.6%</b>   |  |           |  |  |                |
| BlackRock Liquidity Funds, T-Fund, Institutional Class, 1.58% <sup>(d)(e)</sup> |               |  | 4,100,115 |  |  | 4,100,115      |
| <b>Total Short-Term Securities</b>                                              | <b>0.6%</b>   |  |           |  |  |                |
| (Cost \$4,100,115)                                                              |               |  |           |  |  | 4,100,115      |
| <b>Total Investments Before Options Written</b>                                 | <b>100.6%</b> |  |           |  |  |                |
| (Cost \$584,919,350)                                                            |               |  |           |  |  | 736,249,091    |
| <b>Options Written</b>                                                          | <b>(0.6)%</b> |  |           |  |  |                |
| (Premiums Received \$7,555,428)                                                 |               |  |           |  |  | (4,204,474)    |
| <b>Total Investments, Net of Options Written</b>                                | <b>100.0%</b> |  |           |  |  |                |
| (Cost \$577,363,922)                                                            |               |  |           |  |  | 732,044,617    |
| <b>Other Assets Less Liabilities</b>                                            | <b>0.0%</b>   |  |           |  |  | 224,225        |
| <b>Net Assets</b>                                                               | <b>100.0%</b> |  |           |  |  | \$ 732,268,842 |

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

(c) Non-income producing security.

(d) Annualized 7-day yield as of period end.

(e) During the period ended March 31, 2018, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate                                                 | Shares<br>Held at<br>12/31/17 | Net<br>Activity | Shares<br>Held at<br>03/31/18 | Value at<br>03/31/18 | Net Change<br>in   |                                              |
|-----------------------------------------------------------|-------------------------------|-----------------|-------------------------------|----------------------|--------------------|----------------------------------------------|
|                                                           |                               |                 |                               |                      | Realized<br>Income | Unrealized<br>Appreciation<br>(Depreciation) |
| BlackRock Liquidity Funds,<br>T-Fund, Institutional Class | 3,142,974                     | 957,141         | 4,100,115                     | \$ 4,100,115         | \$ 11,713          | \$                                           |

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



Schedule of Investments (unaudited) (continued)

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

March 31, 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

USD U.S. Dollar

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

| <i>Description</i>                      | <i>Number of<br/>Contracts</i> | <i>Expiration<br/>Date</i> | <i>Exercise<br/>Price</i> | <i>Notional<br/>Amount (000)</i> | <i>Value</i> |
|-----------------------------------------|--------------------------------|----------------------------|---------------------------|----------------------------------|--------------|
| Call                                    |                                |                            |                           |                                  |              |
| Novo Nordisk A/S ADR                    | 124                            | 04/03/18                   | USD 51.85                 | USD 611                          | \$ (71)      |
| Cisco Systems, Inc.                     | 453                            | 04/05/18                   | USD 42.70                 | USD 1,943                        | (21,826)     |
| Oracle Corp.                            | 230                            | 04/05/18                   | USD 52.75                 | USD 1,052                        |              |
| Alphabet, Inc., Class A                 | 18                             | 04/06/18                   | USD 1,150.00              | USD 1,867                        | (360)        |
| Apple, Inc.                             | 121                            | 04/06/18                   | USD 177.50                | USD 2,030                        | (1,936)      |
| BP PLC ADR                              | 218                            | 04/06/18                   | USD 40.00                 | USD 884                          | (17,331)     |
| Bank of America Corp.                   | 254                            | 04/06/18                   | USD 33.50                 | USD 762                          | (254)        |
| Baxter International, Inc.              | 29                             | 04/06/18                   | USD 67.50                 | USD 189                          | (928)        |
| Baxter International, Inc.              | 57                             | 04/06/18                   | USD 68.50                 | USD 371                          | (912)        |
| CVS Health Corp.                        | 283                            | 04/06/18                   | USD 70.00                 | USD 1,761                        | (3,113)      |
| Carnival Corp.                          | 308                            | 04/06/18                   | USD 68.50                 | USD 2,020                        | (3,080)      |
| Chevron Corp.                           | 166                            | 04/06/18                   | USD 114.00                | USD 1,893                        | (23,157)     |
| Chevron Corp.                           | 53                             | 04/06/18                   | USD 117.00                | USD 604                          | (1,590)      |
| Cisco Systems, Inc.                     | 321                            | 04/06/18                   | USD 46.50                 | USD 1,377                        | (1,926)      |
| Citigroup, Inc.                         | 212                            | 04/06/18                   | USD 79.40                 | USD 1,431                        | (5)          |
| Citigroup, Inc.                         | 51                             | 04/06/18                   | USD 75.50                 | USD 344                          | (561)        |
| Comcast Corp., Class A                  | 70                             | 04/06/18                   | USD 41.00                 | USD 239                          | (3,640)      |
| Comcast Corp., Class A                  | 114                            | 04/06/18                   | USD 38.50                 | USD 390                          | (1,140)      |
| D.R. Horton, Inc.                       | 456                            | 04/06/18                   | USD 45.50                 | USD 1,999                        | (8,436)      |
| Delta Air Lines, Inc.                   | 383                            | 04/06/18                   | USD 56.00                 | USD 2,099                        | (15,512)     |
| DowDuPont, Inc.                         | 128                            | 04/06/18                   | USD 74.50                 | USD 815                          | (1,152)      |
| E*Trade Financial Corp.                 | 132                            | 04/06/18                   | USD 52.00                 | USD 731                          | (47,190)     |
| Goodyear Tire & Rubber Co.              | 752                            | 04/06/18                   | USD 29.00                 | USD 1,999                        | (3,760)      |
| Hartford Financial Services Group, Inc. | 126                            | 04/06/18                   | USD 55.50                 | USD 649                          | (1,134)      |

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|                         |     |          |     |        |     |       |          |
|-------------------------|-----|----------|-----|--------|-----|-------|----------|
| Home Depot, Inc.        | 498 | 04/06/18 | USD | 190.00 | USD | 8,876 | (2,739)  |
| Humana, Inc.            | 74  | 04/06/18 | USD | 277.50 | USD | 1,989 | (3,330)  |
| JPMorgan Chase & Co.    | 100 | 04/06/18 | USD | 115.00 | USD | 1,100 | (1,500)  |
| JPMorgan Chase & Co.    | 31  | 04/06/18 | USD | 116.00 | USD | 341   | (341)    |
| JPMorgan Chase & Co.    | 47  | 04/06/18 | USD | 117.00 | USD | 517   | (423)    |
| Lowe's Cos., Inc.       | 281 | 04/06/18 | USD | 91.00  | USD | 2,466 | (5,339)  |
| Marathon Oil Corp.      | 121 | 04/06/18 | USD | 16.50  | USD | 195   | (2,117)  |
| Microsoft Corp.         | 99  | 04/06/18 | USD | 95.00  | USD | 904   | (2,871)  |
| Pfizer, Inc.            | 56  | 04/06/18 | USD | 36.50  | USD | 199   | (448)    |
| Pfizer, Inc.            | 55  | 04/06/18 | USD | 37.00  | USD | 195   | (220)    |
| Suncor Energy, Inc.     | 216 | 04/06/18 | USD | 35.50  | USD | 746   | (2,052)  |
| U.S. Bancorp            | 55  | 04/06/18 | USD | 54.50  | USD | 278   | (440)    |
| Urban Outfitters, Inc.  | 300 | 04/06/18 | USD | 38.00  | USD | 1,109 | (12,750) |
| FirstEnergy Corp.       | 308 | 04/09/18 | USD | 32.15  | USD | 1,048 | (60,393) |
| Regions Financial Corp. | 362 | 04/12/18 | USD | 19.32  | USD | 673   | (7,503)  |

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

March 31, 2018

(Percentages shown are based on Net Assets)

## Exchange-Traded Options Written (continued)

| <i>Description</i>         | <i>Number of<br/>Contracts</i> | <i>Expiration<br/>Date</i> | <i>Exercise<br/>Price</i> | <i>Notional<br/>Amount (000)</i> | <i>Value</i> |
|----------------------------|--------------------------------|----------------------------|---------------------------|----------------------------------|--------------|
| Call                       |                                |                            |                           |                                  |              |
| SunTrust Banks, Inc.       | 389                            | 04/12/18                   | USD 72.51                 | USD 2,647                        | \$ (6,781)   |
| Alphabet, Inc., Class A    | 21                             | 04/13/18                   | USD 1,155.00              | USD 2,178                        | (3,780)      |
| Apple, Inc.                | 91                             | 04/13/18                   | USD 180.00                | USD 1,527                        | (2,821)      |
| Bank of America Corp.      | 488                            | 04/13/18                   | USD 31.90                 | USD 1,464                        | (5,627)      |
| Bank of America Corp.      | 508                            | 04/13/18                   | USD 32.50                 | USD 1,523                        | (2,286)      |
| Baxter International, Inc. | 29                             | 04/13/18                   | USD 68.00                 | USD 189                          | (493)        |
| Baxter International, Inc. | 45                             | 04/13/18                   | USD 69.00                 | USD 293                          | (810)        |
| Biogen, Inc.               | 33                             | 04/13/18                   | USD 290.00                | USD 904                          | (5,115)      |
| Chevron Corp.              | 53                             | 04/13/18                   | USD 117.00                | USD 604                          | (3,736)      |
| Chevron Corp.              | 52                             | 04/13/18                   | USD 118.00                | USD 593                          | (2,418)      |
| Citigroup, Inc.            | 86                             | 04/13/18                   | USD 76.50                 | USD 581                          | (473)        |
| Comcast Corp., Class A     | 620                            | 04/13/18                   | USD 40.20                 | USD 2,119                        | (373)        |
| D.R. Horton, Inc.          | 553                            | 04/13/18                   | USD 43.50                 | USD 2,424                        | (70,508)     |
| Delta Air Lines, Inc.      | 318                            | 04/13/18                   | USD 56.00                 | USD 1,743                        | (29,733)     |
| Flex Ltd.                  | 746                            | 04/13/18                   | USD 18.00                 | USD 1,218                        | (2,984)      |
| Humana, Inc.               | 44                             | 04/13/18                   | USD 275.00                | USD 1,183                        | (10,230)     |
| JPMorgan Chase & Co.       | 198                            | 04/13/18                   | USD 115.00                | USD 2,177                        | (14,157)     |
| JPMorgan Chase & Co.       | 47                             | 04/13/18                   | USD 117.00                | USD 517                          | (2,162)      |
| Marathon Oil Corp.         | 121                            | 04/13/18                   | USD 16.51                 | USD 195                          | (4,091)      |
| Microsoft Corp.            | 400                            | 04/13/18                   | USD 93.50                 | USD 3,651                        | (45,000)     |
| Norfolk Southern Corp.     | 227                            | 04/13/18                   | USD 144.00                | USD 3,082                        | (10,215)     |
| Oracle Corp.               | 271                            | 04/13/18                   | USD 50.00                 | USD 1,240                        | (1,084)      |
| Pfizer, Inc.               | 119                            | 04/13/18                   | USD 36.50                 | USD 422                          | (2,082)      |
| Pfizer, Inc.               | 237                            | 04/13/18                   | USD 37.00                 | USD 841                          | (1,896)      |
| Pfizer, Inc.               | 116                            | 04/13/18                   | USD 37.50                 | USD 412                          | (580)        |
| Suncor Energy, Inc.        | 270                            | 04/13/18                   | USD 32.50                 | USD 933                          | (59,670)     |
| U.S. Bancorp               | 429                            | 04/13/18                   | USD 53.00                 | USD 2,166                        | (6,864)      |
| UnitedHealth Group, Inc.   | 57                             | 04/13/18                   | USD 230.00                | USD 1,220                        | (3,448)      |
| Urban Outfitters, Inc.     | 165                            | 04/13/18                   | USD 36.50                 | USD 610                          | (25,163)     |
| Urban Outfitters, Inc.     | 165                            | 04/13/18                   | USD 37.00                 | USD 610                          | (20,213)     |
| SunTrust Banks, Inc.       | 389                            | 04/19/18                   | USD 73.00                 | USD 2,647                        | (10,965)     |
| Alphabet, Inc., Class A    | 18                             | 04/20/18                   | USD 1,150.00              | USD 1,867                        | (3,915)      |
| Alphabet, Inc., Class A    | 21                             | 04/20/18                   | USD 1,200.00              | USD 2,178                        | (1,575)      |
| Altria Group, Inc.         | 543                            | 04/20/18                   | USD 67.50                 | USD 3,384                        | (4,615)      |
| Altria Group, Inc.         | 80                             | 04/20/18                   | USD 65.00                 | USD 499                          | (2,600)      |
| Amdocs Ltd.                | 263                            | 04/20/18                   | USD 67.50                 | USD 1,755                        | (25,643)     |
| Apple, Inc.                | 204                            | 04/20/18                   | USD 180.00                | USD 3,423                        | (14,382)     |
| Apple, Inc.                | 74                             | 04/20/18                   | USD 175.00                | USD 1,242                        | (12,210)     |

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|                            |     |          |     |        |     |       |          |
|----------------------------|-----|----------|-----|--------|-----|-------|----------|
| Assured Guaranty Ltd.      | 167 | 04/20/18 | USD | 37.00  | USD | 605   | (10,437) |
| Assured Guaranty Ltd.      | 200 | 04/20/18 | USD | 36.00  | USD | 724   | (22,800) |
| BP PLC ADR                 | 145 | 04/20/18 | USD | 43.00  | USD | 588   | (1,377)  |
| Bank of America Corp.      | 103 | 04/20/18 | USD | 32.00  | USD | 309   | (2,008)  |
| Bank of America Corp.      | 254 | 04/20/18 | USD | 34.00  | USD | 762   | (635)    |
| Baxter International, Inc. | 168 | 04/20/18 | USD | 70.00  | USD | 1,093 | (1,512)  |
| Biogen, Inc.               | 28  | 04/20/18 | USD | 295.00 | USD | 767   | (4,200)  |
| CDW Corp.                  | 219 | 04/20/18 | USD | 75.75  | USD | 1,540 | (8,063)  |
| CVS Health Corp.           | 283 | 04/20/18 | USD | 70.00  | USD | 1,761 | (2,405)  |
| Carnival Corp.             | 309 | 04/20/18 | USD | 70.00  | USD | 2,026 | (4,635)  |
| Centene Corp.              | 228 | 04/20/18 | USD | 110.00 | USD | 2,437 | (40,470) |

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

March 31, 2018

## Exchange-Traded Options Written (continued)

| <i>Description</i>                            | <i>Number of<br/>Contracts</i> | <i>Expiration<br/>Date</i> |     | <i>Exercise<br/>Price</i> | <i>Notional<br/>Amount (000)</i> | <i>Value</i> |
|-----------------------------------------------|--------------------------------|----------------------------|-----|---------------------------|----------------------------------|--------------|
| Call                                          |                                |                            |     |                           |                                  |              |
| Chevron Corp.                                 | 208                            | 04/20/18                   | USD | 120.00                    | USD 2,372                        | \$ (7,488)   |
| Cisco Systems, Inc.                           | 610                            | 04/20/18                   | USD | 42.00                     | USD 2,616                        | (80,215)     |
| Citigroup, Inc.                               | 127                            | 04/20/18                   | USD | 80.00                     | USD 857                          | (508)        |
| Cognizant Technology Solutions Corp., Class A | 100                            | 04/20/18                   | USD | 82.50                     | USD 805                          | (10,250)     |
| Comcast Corp., Class A                        | 76                             | 04/20/18                   | USD | 37.50                     | USD 260                          | (646)        |
| DaVita, Inc.                                  | 84                             | 04/20/18                   | USD | 77.50                     | USD 554                          | (840)        |
| Dell Technologies, Inc., Class V              | 388                            | 04/20/18                   | USD | 75.00                     | USD 2,841                        | (95,060)     |
| Dell Technologies, Inc., Class V              | 46                             | 04/20/18                   | USD | 80.00                     | USD 337                          | (5,175)      |
| Delta Air Lines, Inc.                         | 317                            | 04/20/18                   | USD | 57.50                     | USD 1,737                        | (21,715)     |
| DowDuPont, Inc.                               | 531                            | 04/20/18                   | USD | 70.00                     | USD 3,383                        | (6,372)      |
| E*Trade Financial Corp.                       | 223                            | 04/20/18                   | USD | 56.75                     | USD 1,236                        | (30,414)     |
| Energizer Holdings, Inc.                      | 185                            | 04/20/18                   | USD | 55.00                     | USD 1,102                        | (99,900)     |
| FirstEnergy Corp.                             | 301                            | 04/20/18                   | USD | 34.00                     | USD 1,024                        | (23,328)     |
| Flex Ltd.                                     | 568                            | 04/20/18                   | USD | 18.00                     | USD 928                          | (1,988)      |
| Flex Ltd.                                     | 189                            | 04/20/18                   | USD | 19.00                     | USD 309                          | (189)        |
| Fortive Corp.                                 | 240                            | 04/20/18                   | USD | 78.10                     | USD 1,860                        | (37,144)     |
| General Electric Co.                          | 199                            | 04/20/18                   | USD | 15.00                     | USD 268                          | (2,786)      |
| Gilead Sciences, Inc.                         | 165                            | 04/20/18                   | USD | 82.50                     | USD 1,244                        | (3,795)      |
| Hartford Financial Services Group, Inc.       | 183                            | 04/20/18                   | USD | 55.00                     | USD 943                          | (3,751)      |
| J.M. Smucker Co.                              | 264                            | 04/20/18                   | USD | 135.00                    | USD 3,274                        | (4,620)      |
| JPMorgan Chase & Co.                          | 298                            | 04/20/18                   | USD | 115.00                    | USD 3,277                        | (27,863)     |
| Laboratory Corp. of America Holdings          | 120                            | 04/20/18                   | USD | 176.90                    | USD 1,941                        | (1,583)      |
| Lennar Corp., Class A                         | 151                            | 04/20/18                   | USD | 62.50                     | USD 890                          | (12,835)     |
| Lowe's Cos., Inc.                             | 281                            | 04/20/18                   | USD | 92.50                     | USD 2,466                        | (15,315)     |
| Marathon Oil Corp.                            | 249                            | 04/20/18                   | USD | 16.00                     | USD 402                          | (16,808)     |
| Microsoft Corp.                               | 492                            | 04/20/18                   | USD | 92.50                     | USD 4,490                        | (94,956)     |
| Novo Nordisk A/S ADR                          | 567                            | 04/20/18                   | USD | 54.00                     | USD 2,792                        | (4,706)      |
| Oracle Corp.                                  | 518                            | 04/20/18                   | USD | 50.00                     | USD 2,370                        | (3,108)      |
| PG&E Corp.                                    | 120                            | 04/20/18                   | USD | 42.50                     | USD 527                          | (25,800)     |
| Packaging Corp. of America                    | 116                            | 04/20/18                   | USD | 125.00                    | USD 1,307                        | (1,740)      |
| Pfizer, Inc.                                  | 224                            | 04/20/18                   | USD | 37.00                     | USD 795                          | (3,248)      |
| Pfizer, Inc.                                  | 116                            | 04/20/18                   | USD | 38.00                     | USD 412                          | (580)        |
| Public Service Enterprise Group, Inc.         | 113                            | 04/20/18                   | USD | 50.00                     | USD 568                          | (12,713)     |
| Regions Financial Corp.                       | 341                            | 04/20/18                   | USD | 19.40                     | USD 634                          | (10,026)     |

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|                                 |       |          |     |          |     |       |          |
|---------------------------------|-------|----------|-----|----------|-----|-------|----------|
| Regions Financial Corp.         | 409   | 04/20/18 | USD | 20.00    | USD | 760   | (8,384)  |
| Rio Tinto PLC ADR               | 295   | 04/20/18 | USD | 57.50    | USD | 1,520 | (2,212)  |
| Rio Tinto PLC ADR               | 67    | 04/20/18 | USD | 65.00    | USD | 345   | (335)    |
| Robert Half International, Inc. | 259   | 04/20/18 | USD | 60.00    | USD | 1,499 | (22,663) |
| SLM Corp.                       | 2,002 | 04/20/18 | USD | 12.00    | USD | 2,244 | (22,022) |
| Suncor Energy, Inc.             | 81    | 04/20/18 | USD | 36.00    | USD | 280   | (1,782)  |
| TOTAL SA ADR                    | 139   | 04/20/18 | USD | 58.70    | USD | 802   | (7,344)  |
| U.S. Bancorp                    | 371   | 04/20/18 | USD | 55.00    | USD | 1,874 | (2,968)  |
| UnitedHealth Group, Inc.        | 70    | 04/20/18 | USD | 230.00   | USD | 1,498 | (12,985) |
| WABCO Holdings, Inc.            | 99    | 04/20/18 | USD | 145.00   | USD | 1,325 | (6,187)  |
| Walmart Inc.                    | 306   | 04/20/18 | USD | 91.50    | USD | 2,722 | (21,267) |
| FirstEnergy Corp.               | 302   | 04/25/18 | USD | 34.01    | USD | 1,027 | (25,817) |
| Alphabet, Inc., Class A         | 7     | 04/27/18 | USD | 1,180.00 | USD | 726   | (2,660)  |
| Alphabet, Inc., Class A         | 7     | 04/27/18 | USD | 1,100.00 | USD | 726   | (12,355) |
| Altria Group, Inc.              | 521   | 04/27/18 | USD | 65.50    | USD | 3,247 | (25,008) |

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

March 31, 2018

(Percentages shown are based on Net Assets)

## 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                                          |                            |                        |                       |                              |              |
| Apple, Inc.                                   | 151                        | 04/27/18               | USD 182.50            | USD 2,533                    | \$ (10,268)  |
| BP PLC ADR                                    | 65                         | 04/27/18               | USD 41.00             | USD 264                      | (4,582)      |
| Bank of America Corp.                         | 805                        | 04/27/18               | USD 32.00             | USD 2,414                    | (20,125)     |
| Baxter International, Inc.                    | 121                        | 04/27/18               | USD 68.00             | USD 787                      | (6,776)      |
| Biogen, Inc.                                  | 114                        | 04/27/18               | USD 300.00            | USD 3,122                    | (27,075)     |
| Chevron Corp.                                 | 77                         | 04/27/18               | USD 121.00            | USD 878                      | (4,312)      |
| Citigroup, Inc.                               | 56                         | 04/27/18               | USD 75.50             | USD 378                      | (2,464)      |
| Citigroup, Inc.                               | 22                         | 04/27/18               | USD 75.00             | USD 149                      | (979)        |
| Cognizant Technology Solutions Corp., Class A | 479                        | 04/27/18               | USD 86.00             | USD 3,856                    | (19,160)     |
| Comcast Corp., Class A                        | 103                        | 04/27/18               | USD 36.50             | USD 352                      | (3,399)      |
| Delta Air Lines, Inc.                         | 146                        | 04/27/18               | USD 55.00             | USD 800                      | (22,818)     |
| DowDuPont, Inc.                               | 138                        | 04/27/18               | USD 66.50             | USD 879                      | (10,902)     |
| E*Trade Financial Corp.                       | 382                        | 04/27/18               | USD 54.00             | USD 2,117                    | (117,274)    |
| General Electric Co.                          | 493                        | 04/27/18               | USD 15.50             | USD 665                      | (5,916)      |
| Gilead Sciences, Inc.                         | 217                        | 04/27/18               | USD 84.00             | USD 1,636                    | (11,392)     |
| Goodyear Tire & Rubber Co.                    | 286                        | 04/27/18               | USD 29.00             | USD 760                      | (5,720)      |
| Hartford Financial Services Group, Inc.       | 304                        | 04/27/18               | USD 55.00             | USD 1,566                    | (10,488)     |
| Humana, Inc.                                  | 88                         | 04/27/18               | USD 275.00            | USD 2,366                    | (33,660)     |
| Lowe's Cos., Inc.                             | 199                        | 04/27/18               | USD 89.00             | USD 1,746                    | (36,815)     |
| Microsoft Corp.                               | 56                         | 04/27/18               | USD 94.00             | USD 511                      | (9,900)      |
| Microsoft Corp.                               | 29                         | 04/27/18               | USD 95.00             | USD 265                      | (5,651)      |
| Norfolk Southern Corp.                        | 140                        | 04/27/18               | USD 143.00            | USD 1,901                    | (24,500)     |
| PG&E Corp.                                    | 284                        | 04/27/18               | USD 46.50             | USD 1,248                    | (16,330)     |
| PG&E Corp.                                    | 33                         | 04/27/18               | USD 44.00             | USD 145                      | (4,785)      |
| Pfizer, Inc.                                  | 350                        | 04/27/18               | USD 37.00             | USD 1,242                    | (7,700)      |
| Pfizer, Inc.                                  | 116                        | 04/27/18               | USD 38.00             | USD 412                      | (986)        |
| Suncor Energy, Inc.                           | 42                         | 04/27/18               | USD 35.00             | USD 145                      | (2,730)      |
| U.S. Bancorp                                  | 28                         | 04/27/18               | USD 54.50             | USD 141                      | (490)        |
| UnitedHealth Group, Inc.                      | 155                        | 04/27/18               | USD 232.50            | USD 3,317                    | (27,280)     |
| Urban Outfitters, Inc.                        | 370                        | 04/27/18               | USD 37.50             | USD 1,368                    | (51,800)     |
| Walmart Inc.                                  | 76                         | 04/27/18               | USD 91.50             | USD 676                      | (6,992)      |
| Bank of America Corp.                         | 161                        | 04/30/18               | USD 31.50             | USD 483                      | (6,549)      |
| Fortive Corp.                                 | 350                        | 04/30/18               | USD 78.50             | USD 2,713                    | (50,750)     |
| Pfizer, Inc.                                  | 4                          | 04/30/18               | USD 35.75             | USD 14                       | (232)        |
| Novo Nordisk A/S ADR                          | 229                        | 05/01/18               | USD 51.51             | USD 1,128                    | (19,146)     |
| Alphabet, Inc., Class A                       | 4                          | 05/04/18               | USD 1,100.00          | USD 415                      | (7,620)      |

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|                                               |     |          |     |        |     |       |           |
|-----------------------------------------------|-----|----------|-----|--------|-----|-------|-----------|
| Altria Group, Inc.                            | 177 | 05/04/18 | USD | 64.00  | USD | 1,103 | (18,851)  |
| Apple, Inc.                                   | 305 | 05/04/18 | USD | 172.50 | USD | 5,117 | (140,300) |
| BP PLC ADR                                    | 116 | 05/04/18 | USD | 42.00  | USD | 470   | (6,264)   |
| Bank of America Corp.                         | 343 | 05/04/18 | USD | 31.50  | USD | 1,029 | (15,435)  |
| Bank of America Corp.                         | 171 | 05/04/18 | USD | 32.00  | USD | 513   | (5,386)   |
| CVS Health Corp.                              | 128 | 05/04/18 | USD | 64.00  | USD | 796   | (18,240)  |
| Carnival Corp.                                | 140 | 05/04/18 | USD | 68.00  | USD | 918   | (11,900)  |
| Chevron Corp.                                 | 56  | 05/04/18 | USD | 119.00 | USD | 639   | (7,140)   |
| Cisco Systems, Inc.                           | 334 | 05/04/18 | USD | 44.00  | USD | 1,433 | (20,374)  |
| Citigroup, Inc.                               | 89  | 05/04/18 | USD | 74.00  | USD | 601   | (5,651)   |
| Cognizant Technology Solutions Corp., Class A | 166 | 05/04/18 | USD | 82.00  | USD | 1,336 | (36,520)  |
| Comcast Corp., Class A                        | 59  | 05/04/18 | USD | 35.50  | USD | 202   | (3,923)   |
| DowDuPont, Inc.                               | 105 | 05/04/18 | USD | 67.00  | USD | 669   | (9,607)   |
| E*Trade Financial Corp.                       | 128 | 05/04/18 | USD | 56.00  | USD | 709   | (26,814)  |



Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

March 31, 2018

## Exchange-Traded Options Written (continued)

| <i>Description</i>                         | <i>Number of<br/>Contracts</i> | <i>Expiration<br/>Date</i> |     | <i>Exercise<br/>Price</i> | <i>Notional<br/>Amount (000)</i> | <i>Value</i> |
|--------------------------------------------|--------------------------------|----------------------------|-----|---------------------------|----------------------------------|--------------|
| Call                                       |                                |                            |     |                           |                                  |              |
| Flex Ltd.                                  | 380                            | 05/04/18                   | USD | 17.00                     | USD 621                          | \$ (16,340)  |
| General Electric Co.                       | 95                             | 05/04/18                   | USD | 14.50                     | USD 128                          | (2,660)      |
| Gilead Sciences, Inc.                      | 167                            | 05/04/18                   | USD | 77.50                     | USD 1,259                        | (33,734)     |
| Hartford Financial Services Group,<br>Inc. | 142                            | 05/04/18                   | USD | 53.00                     | USD 732                          | (16,117)     |
| JPMorgan Chase & Co.                       | 150                            | 05/04/18                   | USD | 114.00                    | USD 1,650                        | (26,475)     |
| Marathon Oil Corp.                         | 83                             | 05/04/18                   | USD | 17.50                     | USD 134                          | (2,863)      |
| Microsoft Corp.                            | 112                            | 05/04/18                   | USD | 94.00                     | USD 1,022                        | (27,720)     |
| Oracle Corp.                               | 219                            | 05/04/18                   | USD | 48.00                     | USD 1,002                        | (9,417)      |
| Pfizer, Inc.                               | 24                             | 05/04/18                   | USD | 36.50                     | USD 85                           | (1,212)      |
| Pfizer, Inc.                               | 26                             | 05/04/18                   | USD | 36.00                     | USD 92                           | (1,833)      |
| Pfizer, Inc.                               | 2                              | 05/04/18                   | USD | 35.50                     | USD 7                            | (192)        |
| Suncor Energy, Inc.                        | 29                             | 05/04/18                   | USD | 35.00                     | USD 100                          | (2,450)      |
| Suncor Energy, Inc.                        | 32                             | 05/04/18                   | USD | 35.50                     | USD 111                          | (2,016)      |
| U.S. Bancorp                               | 160                            | 05/04/18                   | USD | 52.50                     | USD 808                          | (10,800)     |
| Urban Outfitters, Inc.                     | 330                            | 05/04/18                   | USD | 38.00                     | USD 1,220                        | (41,250)     |
| Wal-Mart Stores, Inc. Walmart Inc.         | 153                            | 05/04/18                   | USD | 91.00                     | USD 1,361                        | (20,120)     |
| FirstEnergy Corp.                          | 242                            | 05/08/18                   | USD | 35.01                     | USD 823                          | (12,097)     |
| TOTAL SA ADR                               | 150                            | 05/08/18                   | USD | 58.60                     | USD 865                          | (14,339)     |
| Apple, Inc.                                | 158                            | 05/11/18                   | USD | 172.50                    | USD 2,651                        | (95,465)     |
| Bank of America Corp.                      | 183                            | 05/11/18                   | USD | 31.00                     | USD 549                          | (9,699)      |
| Suncor Energy, Inc.                        | 8                              | 05/11/18                   | USD | 36.00                     | USD 28                           | (400)        |
| Robert Half International, Inc.            | 276                            | 05/17/18                   | USD | 59.25                     | USD 1,598                        | (56,797)     |
| Allison Transmission Holdings, Inc.        | 292                            | 05/18/18                   | USD | 40.00                     | USD 1,141                        | (36,500)     |
| Alphabet, Inc., Class A                    | 3                              | 05/18/18                   | USD | 1,100.00                  | USD 311                          | (7,170)      |
| Amdocs Ltd.                                | 210                            | 05/18/18                   | USD | 67.50                     | USD 1,401                        | (37,800)     |
| Apple, Inc.                                | 220                            | 05/18/18                   | USD | 180.00                    | USD 3,691                        | (59,840)     |
| BP PLC ADR                                 | 130                            | 05/18/18                   | USD | 42.00                     | USD 527                          | (8,125)      |
| Bank of America Corp.                      | 183                            | 05/18/18                   | USD | 31.00                     | USD 549                          | (14,274)     |
| Baxter International, Inc.                 | 96                             | 05/18/18                   | USD | 66.25                     | USD 624                          | (15,072)     |
| Biogen, Inc.                               | 20                             | 05/18/18                   | USD | 290.00                    | USD 548                          | (13,300)     |
| Chevron Corp.                              | 78                             | 05/18/18                   | USD | 120.00                    | USD 890                          | (10,998)     |
| Citigroup, Inc.                            | 23                             | 05/18/18                   | USD | 75.00                     | USD 155                          | (1,598)      |
| Citigroup, Inc.                            | 137                            | 05/18/18                   | USD | 72.50                     | USD 925                          | (18,084)     |
| Comcast Corp., Class A                     | 164                            | 05/18/18                   | USD | 35.00                     | USD 560                          | (17,220)     |
| DowDuPont, Inc.                            | 192                            | 05/18/18                   | USD | 67.50                     | USD 1,223                        | (20,064)     |
| FirstEnergy Corp.                          | 302                            | 05/18/18                   | USD | 36.00                     | USD 1,027                        | (15,704)     |
| Flex Ltd.                                  | 380                            | 05/18/18                   | USD | 17.00                     | USD 621                          | (19,000)     |

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|                                          |     |          |     |        |     |       |          |
|------------------------------------------|-----|----------|-----|--------|-----|-------|----------|
| General Electric Co.                     | 99  | 05/18/18 | USD | 15.00  | USD | 133   | (2,475)  |
| Gilead Sciences, Inc.                    | 317 | 05/18/18 | USD | 80.00  | USD | 2,390 | (50,562) |
| Laboratory Corp. of America<br>Holdings  | 170 | 05/18/18 | USD | 178.85 | USD | 2,750 | (13,186) |
| Lennar Corp., Class A                    | 155 | 05/18/18 | USD | 62.50  | USD | 914   | (22,088) |
| Lowe's Cos., Inc.                        | 245 | 05/18/18 | USD | 90.00  | USD | 2,150 | (53,655) |
| Marathon Oil Corp.                       | 83  | 05/18/18 | USD | 16.00  | USD | 134   | (8,839)  |
| Oracle Corp.                             | 301 | 05/18/18 | USD | 48.00  | USD | 1,377 | (18,512) |
| Pfizer, Inc.                             | 49  | 05/18/18 | USD | 37.00  | USD | 174   | (1,911)  |
| Public Service Enterprise Group,<br>Inc. | 165 | 05/18/18 | USD | 50.00  | USD | 829   | (28,463) |
| SLM Corp.                                | 863 | 05/18/18 | USD | 11.00  | USD | 967   | (61,705) |
| SunTrust Banks, Inc.                     | 383 | 05/18/18 | USD | 68.75  | USD | 2,606 | (90,820) |
| Suncor Energy, Inc.                      | 7   | 05/18/18 | USD | 36.00  | USD | 24    | (441)    |

Schedule of Investments (unaudited) (continued)

BlackRock Enhanced Capital and Income Fund (CII)

March 31, 2018

(Percentages shown are based on Net Assets)

## 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                     |                            |                        |                       |                              |                |
| TOTAL SA ADR             | 69                         | 05/18/18               | USD 57.50             | USD 398                      | \$ (11,212)    |
| U.S. Bancorp             | 111                        | 05/18/18               | USD 52.50             | USD 561                      | (9,990)        |
| UnitedHealth Group, Inc. | 157                        | 05/18/18               | USD 226.25            | USD 3,360                    | (93,487)       |
| Urban Outfitters, Inc.   | 300                        | 05/18/18               | USD 39.00             | USD 1,109                    | (52,500)       |
| Walmart Inc.             | 77                         | 05/18/18               | USD 92.50             | USD 685                      | (12,128)       |
|                          |                            |                        |                       |                              | \$ (3,776,864) |

## 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                                  |                      |                            |                        |                       |                              |              |
| Regions Financial Corp.               | Citibank N.A.        | 70,300                     | 04/03/18               | USD 19.98             | USD 1,306                    | \$ (1,066)   |
| Ally Financial, Inc.                  | Citibank N.A.        | 21,700                     | 04/05/18               | USD 29.12             | USD 589                      | (125)        |
| Rio Tinto PLC ADR                     | Barclays Bank PLC    | 30,200                     | 04/09/18               | USD 54.00             | USD 1,556                    | (7,207)      |
| CDW Corp.                             | Citibank N.A.        | 65,800                     | 04/10/18               | USD 72.90             | USD 4,626                    | (28,911)     |
| Centene Corp.                         | Citibank N.A.        | 22,100                     | 04/11/18               | USD 103.48            | USD 2,362                    | (108,015)    |
| Novo Nordisk A/S ADR                  | Citibank N.A.        | 5,200                      | 04/11/18               | USD 51.92             | USD 256                      | (392)        |
| Public Service Enterprise Group, Inc. | Bank of America N.A. | 16,400                     | 04/13/18               | USD 50.62             | USD 824                      | (10,635)     |
| Ally Financial, Inc.                  | Citibank N.A.        | 21,700                     | 04/19/18               | USD 29.26             | USD 589                      | (1,681)      |
|                                       | UBS AG               | 22,000                     | 04/19/18               | USD 29.66             | USD 597                      | (983)        |

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|                                  |                      |        |          |     |        |     |       |              |
|----------------------------------|----------------------|--------|----------|-----|--------|-----|-------|--------------|
| Ally<br>Financial,<br>Inc.       |                      |        |          |     |        |     |       |              |
| FirstEnergy<br>Corp.             | Citibank N.A.        | 40,600 | 04/30/18 | USD | 32.01  | USD | 1,381 | (96,487)     |
| Pfizer, Inc.                     | Citibank N.A.        | 15,900 | 05/04/18 | USD | 37.49  | USD | 564   | (3,398)      |
| Rio Tinto<br>PLC ADR             | Citibank N.A.        | 5,600  | 05/07/18 | USD | 53.75  | USD | 289   | (5,923)      |
| SLM Corp.                        | Citibank N.A.        | 63,700 | 05/07/18 | USD | 11.30  | USD | 714   | (30,586)     |
| Suncor<br>Energy,<br>Inc.        | Citibank N.A.        | 68,100 | 05/08/18 | USD | 33.84  | USD | 2,352 | (89,603)     |
| Packaging<br>Corp. of<br>America | Bank of America N.A. | 13,500 | 05/14/18 | USD | 121.93 | USD | 1,521 | (14,596)     |
| DaVita,<br>Inc.                  | Bank of America N.A. | 8,400  | 05/21/18 | USD | 70.56  | USD | 554   | (12,200)     |
| Rio Tinto<br>PLC ADR             | Citibank N.A.        | 5,600  | 05/21/18 | USD | 53.75  | USD | 289   | (7,564)      |
| TOTAL SA<br>ADR                  | UBS AG               | 7,500  | 05/25/18 | USD | 58.91  | USD | 433   | (8,238)      |
|                                  |                      |        |          |     |        |     |       | \$ (427,610) |

Schedule of Investments (unaudited) (continued)

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

March 31, 2018

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments. 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 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)

**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)

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 and is not necessarily an indication of the risks associated with investing in these securities. For information about the Trust's policy regarding valuation of investments, refer to the Trust's most recent financial statements as contained in its annual report..

As of March 31, 2018, the following tables summarize the Trust's investments 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> | \$ 732,148,976 | \$ | \$ | \$ 732,148,976 |
| Short-Term Securities        | 4,100,115      |    |    | 4,100,115      |

|  |                |    |    |                |
|--|----------------|----|----|----------------|
|  | \$ 736,249,091 | \$ | \$ | \$ 736,249,091 |
|--|----------------|----|----|----------------|

Derivative Financial Instruments<sup>(b)</sup>

Liabilities:

|                  |                |                |    |                |
|------------------|----------------|----------------|----|----------------|
| Equity contracts | \$ (3,161,657) | \$ (1,042,817) | \$ | \$ (4,204,474) |
|------------------|----------------|----------------|----|----------------|

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

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

During the period ended March 31, 2018, there were no transfers between levels.

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 21, 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: May 21, 2018

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

Date: May 21, 2018