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BLACKROCK ENHANCED CAPITAL & INCOME FUND, INC

Form N-Q

November 29, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21506

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 12/31/2007

Date of reporting period: 07/01/2007 - 09/30/2007

Item 1 - Schedule of Investments

BlackRock Enhanced Capital and Income Fund, Inc.

Schedule of Investments as of September 30, 2007 (Unaudited)

Industry	Shares Held	Preferred Stocks
Food Products - 0.7%	20	H.J. Heinz Finance Co., 6.226% (e)
		Total Preferred Stocks (Cost - \$2,164,267) -
		Common Stocks
Aerospace & Defense - 5.4%	52,400 31,900 44,600 76,700	Honeywell International, Inc. Lockheed Martin Corp. Northrop Grumman Corp. Raytheon Co.
Airlines - 0.3%	43,600	Delta Air Lines, Inc. (d)
Automobiles - 1.0%	84,800	Honda Motor Co., Ltd. (a)
Capital Markets - 4.1%	125,425	The Bank of New York Mellon Corp.

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	94,600	Morgan Stanley
Chemicals - 1.5%	81,500	E.I. du Pont de Nemours & Co.
Commercial Banks - 1.1%	87,800	Wells Fargo & Co.
Communications Equipment - 1.0%	285,100	Alcatel SA (a)
Computers & Peripherals - 5.0%	59,300	Hewlett-Packard Co.
	74,600	International Business Machines Corp.
	393,200	Sun Microsystems, Inc. (d)
Diversified Financial Services - 7.6%	88,027	Bank of America Corp.
	191,190	Citigroup, Inc.
	168,872	JPMorgan Chase & Co.
Diversified Telecommunication Services - 5.2%	123,770	AT&T Inc.
	449,300	Qwest Communications International Inc. (d)
	114,200	Verizon Communications, Inc.
Electric Utilities - 2.8%	64,700	FPL Group, Inc.
	107,300	The Southern Co.
Energy Equipment & Services - 3.4%	111,700	BJ Services Co.
	36,900	GlobalSantaFe Corp.
	99,500	Halliburton Co.
Food & Staples Retailing - 0.4%	26,000	Wal-Mart Stores, Inc.
Food Products - 5.6%	82,400	General Mills, Inc.
	146,200	Kraft Foods, Inc.
	182,000	Unilever NV (a)
Health Care Equipment & Supplies - 2.0%	54,100	Baxter International, Inc.
	63,325	Covidien Ltd.
Household Durables - 1.0%	61,700	Koninklijke Philips Electronics NV
Household Products - 1.6%	62,300	Kimberly-Clark Corp.
IT Services - 1.0%	432,500	Unisys Corp. (d)
Industrial Conglomerates - 3.4%	121,500	General Electric Co.
	99,525	Tyco International Ltd.

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Insurance - 7.5%	155,400	American International Group, Inc.
	33,600	Hartford Financial Services Group, Inc. (f)
	102,400	The Travelers Cos., Inc.
	24,900	XL Capital Ltd. Class A
Machinery - 1.2%	21,500	Deere & Co.
Media - 4.3%	113,050	Comcast Corp. Special Class A (d)
	355,400	Time Warner, Inc.
	80,700	Walt Disney Co.
Metals & Mining - 1.7%	118,900	Alcoa, Inc.
Multi-Utilities - 1.5%	50,200	Consolidated Edison, Inc.
	22,100	Dominion Resources, Inc.
Office Electronics - 1.8%	292,400	Xerox Corp. (d)
Oil, Gas & Consumable Fuels - 8.8%	73,400	Anadarko Petroleum Corp.
	46,400	Chevron Corp.
	24,200	Consol Energy, Inc.
	128,700	Exxon Mobil Corp.
	67,900	Peabody Energy Corp.
Pharmaceuticals - 8.0%	157,700	Bristol-Myers Squibb Co.
	44,300	GlaxoSmithKline Plc (a)
	65,700	Johnson & Johnson
	208,000	Pfizer, Inc.
	111,900	Schering-Plough Corp.
	52,000	Wyeth
Semiconductors & Semiconductor Equipment - 7.6%	82,300	Applied Materials, Inc.
	181,200	Fairchild Semiconductor International, Inc. (
	158,400	Intel Corp.
	771,200	LSI Logic Corp. (d)
	293,200	Micron Technology, Inc. (d)
	299,700	Taiwan Semiconductor Manufacturing Co., Ltd.
Thrifts & Mortgage Finance - 0.8%	36,000	Fannie Mae
		Total Common Stocks (Cost - \$229,969,777) - 9
	Face Amount	Short-Term Securities
Time Deposits - 0.0%	\$ 6,490	Brown Brothers Harriman & Co., 4.37% due 10/0

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	Beneficial Interest	
	\$ 11,715,243	BlackRock Liquidity Series, LLC Cash Sweep Series, 5.22% (b) (c)
		Total Short-Term Securities (Cost - \$11,721,7
		Total Investments Before Options Written (Cost - \$243,855,777) - 101.5%
	Number of Contracts	Options Written
Call Options Written - (1.0%)	100	Chevron Corp., expiring January 2008 at USD 9
	188	S&P 500 Index, expiring October 2007 at USD 1
	738	S&P 500 Index, expiring October 2007 at USD 1
		Total Options Written (Premiums Received - \$2,477,809) - (1.0%)
		Total Investments, Net of Options Written (Cost - \$241,377,968*) - 100.5%
		Liabilities in Excess of Other Assets - (0.5%
		Net Assets - 100.0%

\* The cost and unrealized appreciation (depreciation) of investments, net of options written, as of September 30, 2007, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 242,110,679
	=====
Gross unrealized appreciation	\$ 42,438,692
Gross unrealized depreciation	(4,824,512)
	-----
Net unrealized appreciation	\$ 37,614,180
	=====

(a) Depository receipts.

(b) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity	Interest Income
BlackRock Liquidity Series, LLC Cash Sweep Series	\$ (295,163)	\$ 856,960

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- (c) Represents the current yield as of September 30, 2007.
- (d) Non-income producing security.
- (e) The security may be offered and sold to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933.
- (f) All or a portion of security held as collateral in connection with open financial futures contracts.
  - o For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease. Industries are shown as a percent of net assets.
  - o Financial futures contracts purchased as of September 30, 2007 were as follows:

Number of Contracts	Issue	Expiration Date	Face Value	Unrealized Appreciation
22	S&P 500 Index	December 2007	\$ 8,378,346	\$ 81,204

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 and 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/ Donald C. Burke  
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Donald C. Burke,  
Chief Executive Officer of

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BlackRock Enhanced Capital and Income Fund, Inc.

Date: November 20, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Donald C. Burke

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Donald C. Burke,  
Chief Executive Officer (principal executive officer) of  
BlackRock Enhanced Capital and Income Fund, Inc.

Date: November 20, 2007

By: /s/ Neal J. Andrews

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

Date: November 20, 2007