

NUVEEN QUALITY PREFERRED INCOME FUND 2

Form N-Q

November 28, 2008

**Table of Contents**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549  
FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
INVESTMENT COMPANY**

Investment Company Act file number 811-21137

**Nuveen Quality Preferred Income Fund 2**

(Exact name of registrant as specified in charter)

**333 West Wacker Drive, Chicago, Illinois 60606**

(Address of principal executive offices) (Zip code)

**Kevin J. McCarthy Vice President and Secretary**

**333 West Wacker Drive, Chicago, Illinois 60606**

(Name and address of agent for service)

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

Date of fiscal year end: 12/31

Date of reporting period: 9/30/2008

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

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

---

**TABLE OF CONTENTS**

Item 1. Schedule of Investments

Item 2. Controls and Procedures

Item 3. Exhibits

SIGNATURES

EX-99.CERT

---

**Table of Contents****Item 1. Schedule of Investments****Portfolio of Investments (Unaudited)****Nuveen Quality Preferred Income Fund 2 (JPS)**

September 30, 2008

Shares	Description (1)	Coupon	Ratings (2)	Value
<b>\$25 Par (or similar) Preferred Securities 91.6% (55.5% of Total Investments)</b>				
<b>Capital Markets 5.9%</b>				
36,993	BNY Capital Trust V, Series F	5.950%	A	\$ 672,533
1,323,200	Deutsche Bank Capital Funding Trust II	6.550%	A	19,186,400
190,505	Deutsche Bank Contingent Capital Trust III	7.600%	A	3,446,235
28,600	Goldman Sachs Group Inc., Series 2004-04 (SATURNS)	6.000%	A1	421,850
18,600	Goldman Sachs Group Inc., Series 2004-4 (CORTS)	6.000%	A1	256,122
21,200	Goldman Sachs Group Inc., Series GSC-3 (PPLUS)	6.000%	A1	294,680
23,200	Goldman Sachs Group Inc., Series GSC-4 Class A (PPLUS)	6.000%	A1	332,920
71,000	Goldman Sachs Group Inc., Series GSG-1 (PPLUS)	6.000%	AA-	1,069,260
146,778	Merrill Lynch Preferred Capital Trust III	7.000%	A3	2,128,281
132,800	Merrill Lynch Preferred Capital Trust IV	7.120%	A3	1,924,272
233,200	Merrill Lynch Preferred Capital Trust V	7.280%	A3	3,428,040
396,197	Morgan Stanley Capital Trust III	6.250%	A2	4,548,342
153,159	Morgan Stanley Capital Trust IV	6.250%	A2	1,729,165
15,679	Morgan Stanley Capital Trust V	5.750%	A2	169,176
428,998	Morgan Stanley Capital Trust VI	6.600%	A2	5,062,176
84,797	Morgan Stanley Capital Trust VII	6.600%	A2	1,004,844
	Total Capital Markets			45,674,296
<b>Commercial Banks 13.8%</b>				
7,400	ABN AMRO Capital Fund Trust V	5.900%	A	66,304
163,860	ASBC Capital I	7.625%	A3	2,947,841
12,900	BAC Capital Trust IV	5.875%	Aa3	219,558
18,000	BAC Capital Trust V	6.000%	A	324,000
212,505	Banco Santander Finance	6.800%	Aa3	3,612,585
88,179	Banco Santander Finance	6.500%	A+	1,457,599
731,000	Banesto Holdings, Series A, 144A	10.500%	A1	18,914,625
100,000	Bank of America Corporation	6.625%	A	1,900,000
182,106	Bank One Capital Trust VI	7.200%	Aa3	3,687,647
120,529	Barclays Bank PLC	8.125%	Aa3	2,061,046
96,167	Barclays Bank PLC	7.750%	Aa3	1,510,784
176,105	Capital One Capital II Corporation	7.500%	Baa1	2,069,234
191,705	Citizens Funding Trust I	7.500%	Baa1	1,437,788

Edgar Filing: NUVEEN QUALITY PREFERRED INCOME FUND 2 - Form N-Q

225,500	Cobank Agricultural Credit Bank	7.000%	N/R	10,748,683
82,000	Cobank Agricultural Credit Bank	0.000%	A	4,130,693
9,000	Credit Suisse	7.900%	A	183,600
9,600	Fleet Capital Trust IX	6.000%	Aa3	159,648
177,265	HSBC Finance Corporation	6.875%	AA-	3,550,618
23,521	HSBC Finance Corporation	6.000%	AA-	432,786
81,694	M&T Capital Trust IV	8.500%	A3	1,748,252
77,568	National Bank of Greece SA	9.000%	AAA-	1,551,360
1,006,464	National City Capital Trust II	6.625%	Baa1	5,938,138
2,900	National Westminster Bank PLC	7.760%	Aa3	29,290
289,600	PFCI Capital Corporation	7.750%	A-	3,918,664
10,800	PNC Capital Trust	6.125%	A2	199,260
628,733	Royal Bank of Scotland Group PLC, Series N	6.350%	A1	6,067,273
29,443	Royal Bank of Scotland Group PLC, Series P	6.250%	A1	250,560
85,400	Royal Bank of Scotland Group PLC	6.600%	Aa3	738,710
222,300	SunTrust Capital Trust IX	7.875%	A-	3,908,034
17,700	USB Capital Trust VI	5.750%	Aa3	327,273
412,150	USB Capital Trust XI	6.600%	A+	8,160,570
100,699	Wells Fargo Capital Trust V	7.000%	Aa2	2,215,378
37,981	Wells Fargo Capital Trust VII	5.850%	AA-	689,355
571,400	Zions Capital Trust B	8.000%	Baa1	11,285,150
	Total Commercial Banks			106,442,306

**Computers & Peripherals 0.0%**

6,000	IBM Corporation, Class A (CORTS)	5.625%	A+	132,000
-------	----------------------------------	--------	----	---------

**Consumer Finance 0.1%**

29,200	HSBC Finance Corporation	6.360%	A	454,060
--------	--------------------------	--------	---	---------

**Diversified Financial Services 11.4%**

3,850	American International Group, CORTS	6.125%	A3	15,400
235,460	BAC Capital Trust XII	6.875%	A	4,520,832
527,425	Citigroup Capital Trust VIII	6.950%	A1	8,829,095
96,390	Citigroup Capital Trust IX	6.000%	A1	1,337,893
9,347	Citigroup Capital X	6.100%	A1	125,717
784,888	Citigroup Capital XV	6.500%	A1	10,988,432
43,400	Citigroup Capital XVII	6.350%	A1	590,240
30,100	Citigroup Capital XIX	7.250%	A1	519,225
54,900	Citigroup Capital XX	7.875%	A1	1,001,925
176,600	Citigroup Inc., Series M	8.125%	A	2,913,900
1,042,900	Deutsche Bank Capital Funding Trust VIII	6.375%	Aa3	15,330,630
60,812	General Electric Capital Corporation	6.450%	AAA	1,323,269
1,465,600	ING Groep N.V.	7.200%	A1	20,152,000
1,422,255	ING Groep N.V.	7.050%	A	18,716,876

Edgar Filing: NUVEEN QUALITY PREFERRED INCOME FUND 2 - Form N-Q

61,400	Merrill Lynch Capital Trust I	6.450%	A+	853,460
60,800	Royal Bank of Scotland Group PLC, Series R	6.125%	A1	510,720
25,700	Royal Bank of Scotland Public Limited Company, Series 2006Q	6.750%	A1	226,160
	Total Diversified Financial Services			87,955,774
	<b>Diversified Telecommunication Services 0.4%</b>			
64,921	AT&T Inc.	6.375%	A	1,506,167
17,500	BellSouth Capital Funding (CORTS)	7.120%	A	412,344
43,200	BellSouth Corporation (CORTS)	7.000%	A	961,200
28,800	Verizon Communications (CORTS)	7.625%	A	633,600
	Total Diversified Telecommunication Services			3,513,311
	<b>Electric Utilities 9.1%</b>			
27,300	DTE Energy Trust I	7.800%	Baa3	625,170
56,150	Entergy Louisiana LLC	7.600%	A-	1,276,851
1,292,211	Entergy Mississippi Inc.	7.250%	A-	30,754,622
1,400	Entergy Mississippi Inc.	6.000%	AAA	28,280
97,767	FPL Group Capital Inc.	6.600%	BBB+	2,047,241
10,300	National Rural Utilities Cooperative Finance Corporation	6.100%	A3	176,233
27,400	National Rural Utilities Cooperative Finance Corporation	5.950%	A3	504,434
322,200	PPL Capital Funding, Inc.	6.850%	Baa2	6,785,532
356,600	PPL Energy Supply LLC	7.000%	BBB	8,201,800
840,382	Xcel Energy Inc.	7.600%	BBB-	19,664,939
	Total Electric Utilities			70,065,102
	<b>Food Products 0.4%</b>			
56,900	Dairy Farmers of America Inc., 144A	7.875%	BBB-	3,029,925
	<b>Insurance 17.6%</b>			
54,914	Aegon N.V.	6.875%	A-	482,694
2,374,049	Aegon N.V.	6.375%	A-	20,250,638
3,000	AIG Capital Securities, Series 2002-11 (SATURNS)	6.000%	A3	12,660
67,190	AMBAC Financial Group Inc.	5.950%	A	335,950
15,200	Arch Capital Group Limited, Series B	7.875%	BBB-	280,440
989,983	Arch Capital Group Limited	8.000%	BBB-	20,096,655
720,946	Berkley WR Corporation, Capital Trust II	6.750%	BBB-	12,400,271
660,207	Delphi Financial Group, Inc.	8.000%	BBB+	10,543,506

Edgar Filing: NUVEEN QUALITY PREFERRED INCOME FUND 2 - Form N-Q

426,900	Delphi Financial Group, Inc.	7.376%	BBB-	6,147,360
311,500	EverestRe Capital Trust II	6.200%	Baa1	4,438,875
60,600	Financial Security Assurance Holdings	6.875%	AA	424,200
713,650	Financial Security Assurance Holdings	6.250%	AA-	3,725,253
54,100	Lincoln National Capital VI, Series F	6.750%	A-	860,190
7,900	Lincoln National Corporation	6.750%	A-	118,500
520,100	Markel Corporation	7.500%	BBB	10,818,080
662,136	PartnerRe Limited, Series C	6.750%	BBB+	10,759,710
7,200	PartnerRe Limited, Series D	6.500%	BBB+	121,536
114,600	PLC Capital Trust III	7.500%	BBB+	1,501,260
465,240	PLC Capital Trust IV	7.250%	BBB+	6,327,264
25,800	PLC Capital Trust V	6.125%	BBB+	309,600
104,000	Protective Life Corporation	7.250%	BBB	1,445,600
550,600	Prudential Financial Inc.	9.000%	A-	12,471,090
385,900	Prudential PLC	6.750%	A-	4,071,245
11,225	Prudential PLC	6.500%	A-	121,230
158,000	RenaissanceRe Holdings Limited, Series B	7.300%	BBB	2,409,500
20,500	RenaissanceRe Holdings Limited, Series C	6.080%	BBB+	255,225
354,400	RenaissanceRe Holdings Limited	6.600%	BBB	5,145,888
	Total Insurance			135,874,420
	<b>IT Services 0.0%</b>			
17,300	Vertex Industries Inc. (PPLUS)	7.625%	A	380,600
	<b>Media 7.9%</b>			
163,700	CBS Corporation	7.250%	BBB	2,766,530
870,321	CBS Corporation	6.750%	BBB	13,916,433
1,338,214	Comcast Corporation	7.000%	BBB+	25,680,327
15,700	Comcast Corporation	6.625%	Baa2	277,890
1,010,340	Viacom Inc.	6.850%	BBB	18,085,086
800	Walt Disney Company (CORTS)	6.875%	A	18,400
	Total Media			60,744,666
	<b>Oil, Gas &amp; Consumable Fuels 2.4%</b>			
893,059	Nexen Inc.	7.350%	Baa3	18,129,098
	<b>Pharmaceuticals 0.0%</b>			
7,600	Bristol-Myers Squibb Company (CORTS)	6.250%	A+	165,300
7,500	Bristol-Myers Squibb Company Trust (CORTS)	6.800%	A+	172,500
	Total Pharmaceuticals			337,800

**Real Estate/Mortgage 19.2%**

100,805	BRE Properties, Series C	6.750%	BBB-	1,821,546
32,635	BRE Properties, Series D	6.750%	BBB-	581,556
639,813	Developers Diversified Realty Corporation, Series G	8.000%	BBB-	10,499,331
191,323	Developers Diversified Realty Corporation, Series H	7.375%	BBB-	2,690,001
58,667	Developers Diversified Realty Corporation	7.500%	BBB-	837,178
231,300	Duke Realty Corporation, Series K	6.500%	BBB	3,238,200
302,600	Duke Realty Corporation, Series L	6.600%	BBB	4,672,144
2,200	Duke Realty Corporation, Series N	7.250%	BBB-	32,516
40,901	Duke Realty Corporation, Series O	8.375%	BBB-	756,259
5,600	Duke-Weeks Realty Corporation	6.625%	Baa2	78,568
77,931	First Industrial Realty Trust, Inc., Series J	7.250%	BBB-	1,285,862
1,065,965	HRPT Properties Trust, Series B	8.750%	BBB-	18,228,002
75,880	HRPT Properties Trust, Series C	7.125%	BBB-	1,233,050
163,100	Kimco Realty Corporation, Series F	6.650%	BBB+	3,098,900
833,716	Kimco Realty Corporation, Series G	7.750%	BBB+	17,016,144
89,050	Prologis Trust, Series G	6.750%	BBB-	1,522,755
111,000	PS Business Parks, Inc., Series I	6.875%	BBB-	1,731,600
104,300	PS Business Parks, Inc., Series K	7.950%	Baa3	2,200,730
9,300	PS Business Parks, Inc., Series O	7.375%	Baa3	156,147
782,929	PS Business Parks, Inc.	7.000%	BB+	13,607,306
234,600	Public Storage, Inc., Series C	6.600%	BBB	3,950,664
41,400	Public Storage, Inc., Series E	6.750%	BBB+	701,730
78,066	Public Storage, Inc., Series F	6.450%	BBB	1,244,372
20,130	Public Storage, Inc., Series H	6.950%	BBB+	354,086
144,400	Public Storage, Inc., Series V	7.500%	BBB	2,812,912
8,971	Public Storage, Inc., Series X	6.450%	BBB	143,626
67,600	Public Storage, Inc., Series Y	6.850%	BBB+	1,480,866
34,085	Public Storage, Inc.	6.750%	Baa1	588,989
159,400	Realty Income Corporation	7.375%	BBB-	3,376,092
474,158	Realty Income Corporation	6.750%	Baa2	8,890,463
199,845	Regency Centers Corporation	7.450%	BBB	3,703,128
224,936	Regency Centers Corporation	7.250%	BBB-	4,107,331
2,293,200	Wachovia Preferred Funding Corporation	7.250%	A2	21,303,828
413,568	Weingarten Realty Investors Series F	6.500%	Baa2	7,444,224
158,600	Weingarten Realty Trust, Series E	6.950%	A-	2,949,960
	Total Real Estate/Mortgage			148,340,066

**Thriffs & Mortgage Finance 1.2%**

372,573	Countrywide Capital Trust IV	6.750%	Aa3	3,315,900
644,767	Countrywide Capital Trust V	7.000%	A+	5,125,898
26,390	Harris Preferred Capital Corporation, Series A	7.375%	A1	442,295
	Total Thriffs & Mortgage Finance			8,884,093

**Wireless Telecommunication Services 2.2%**

937,440	United States Cellular Corporation	8.750%		Baa2	16,780,175
<b>Total \$25 Par (or similar) Preferred Securities (cost \$1,111,498,509)</b>					<b>706,737,692</b>

**Principal Amount****(000)****Description (1)****Coupon Maturity Ratings (2)****Value****Corporate Bonds 0.6% (0.3% of Total Investments)****Commercial Banks 0.6%**

\$ 4,400	Swedbank ForeningsSparbanken AB, 144A	7.500%	9/27/49	Aa3	\$ 4,676,047
<b>\$ 4,400</b>	<b>Total Corporate Bonds (cost \$4,839,061)</b>				<b>4,676,047</b>

**Principal Amount****(000)/****Shares****Description (1)****Coupon Maturity Ratings (2)****Value****Capital Preferred Securities 68.0% (41.2% of Total Investments)****Capital Markets 6.4%**

21,190	Dresdner Funding Trust I, 144A	8.151%	6/30/31	A2	\$ 16,314,075
17,095	First Union Capital Trust II, Series A	7.950%	11/15/29	A2	10,689,760
4,300	JPM Chase Capital XXV	6.800%	10/01/37	Aa3	3,304,937
3,600	MUFG Capital Finance	4.850%	7/25/56	BBB+	3,334,493
3,000	Schwab Capital Trust I	7.500%	11/15/37	A3	2,483,295
13,850	UBS Preferred Funding Trust I	8.622%	10/29/49	A1	13,392,673
	<b>Total Capital Markets</b>				<b>49,519,233</b>

**Commercial Banks 37.9%**

10,000	AB Svensk Exportkredit, 144A	6.375%	10/27/49	AA-	9,988,450
36,650	Abbey National Capital Trust I	8.963%	6/30/50	A+	39,329,042
29,000	AgFirst Farm Credit Bank	8.393%	12/15/16	A	17,376,510
7,100	AgFirst Farm Credit Bank	7.300%	12/15/53	A	5,783,454
6,500	Bank One Capital III	8.750%	9/01/30	Aa3	6,068,237
4,300		7.700%	12/31/26	Aa3	3,727,102

Edgar Filing: NUVEEN QUALITY PREFERRED INCOME FUND 2 - Form N-Q

	BankAmerica Institutional Capital Trust, Series B, 144A				
4,500	BanPonce Trust I, Series A	8.327%	2/01/27	Baa1	4,180,338
36,000	Barclays Bank PLC, 144A	8.550%	6/15/49	Aa3	33,071,760
1,000	Barclays Bank PLC	7.434%	12/15/57	Aa3	815,579
3,600	BBVA International Unipersonal	5.919%	4/18/58	Aa3	2,717,708
6,250	Credit Agricole S.A.	6.637%	5/29/49	Aa3	4,220,394
1,500	First Empire Capital Trust I	8.234%	2/01/27	A3	1,400,883
1,500	First Midwest Bancorp Inc.	6.950%	12/01/33	Baa1	1,196,241
18,200	HBOS PLC, Series 144A	6.413%	4/01/49	A1	10,287,987
2,000	HBOS PLC, Series 144A	6.657%	11/21/57	A1	1,133,588
6,250	HSBC Capital Funding LP, Debt	10.176%	6/30/50	A1	6,174,313
6,000	HT1 Funding, GmbH	6.352%	6/30/57	A-	5,041,795
25,000	KBC Bank Fund Trust III, 144A	9.860%	5/02/50	A1	24,990,500
8,000	KeyCorp Capital III	7.750%	7/15/29	A3	5,778,208
2,690	Lloyds TSB Bank PLC, Subordinated Note	6.900%	11/22/49	Aa2	1,811,121
10,000	Mizuho Financial Group	8.375%	4/27/49	Aa3	8,600,150
8,000	North Fork Capital Trust II	8.000%	12/15/27	Baa1	6,817,480
10,000	Northgroup Preferred Capital Corporation, 144A	6.378%	10/15/57	A1	6,078,250
11,400	PNC Preferred Funding Trust III	8.700%	3/15/58	A-	10,181,294
2,000	Popular North American Capital Trust I	6.564%	9/15/34	Baa1	1,090,636
8,000	Reliance Capital Trust I, Series B	8.170%	5/01/28	N/R	6,690,560
12,000	Royal Bank of Scotland Group PLC	9.118%	3/31/49	A1	11,640,000
22,700	Shinsei Finance II Cayman Limited, Perpetual Maturity, 144A	7.160%	7/25/49	Baa2	11,647,937
5,000	Sparebanken Rogaland, Notes, 144A	6.443%	5/01/49	A2	4,988,155
6,900	Standard Chartered PLC, 144A	7.014%	1/30/58	BBB+	5,819,322
13,600	Swedbank ForeningsSparbanken AB, 144A	9.000%	9/17/50	A1	13,337,792
9,000	Unicredito Italiano Capital Trust, 144A	9.200%	4/05/51	A1	8,629,290
1,500	Union Bank of Norway	7.068%	11/19/49	A	1,970,639
(3)	Union Planters Preferred Fund, 144A	7.750%	7/15/53	A3	9,660,000
	Total Commercial Banks				292,244,715
	<b>Diversified Financial Services 2.0%</b>				
6,800	Fulton Capital Trust I	6.290%	2/01/36	A3	3,293,818
19,300	Old Mutual Capital Funding, Notes	8.000%	6/22/53	Baa2	11,773,000
	Total Diversified Financial Services				15,066,818
	<b>Diversified Telecommunication Services 3.9%</b>				
30	Centaur Funding Corporation, Series B, 144A	9.080%	4/21/20	BBB	30,344,531
	<b>Insurance 14.4%</b>				
6,850	Ace Capital Trust II	9.700%	4/01/30	Baa1	6,373,274

Edgar Filing: NUVEEN QUALITY PREFERRED INCOME FUND 2 - Form N-Q

28,000	American General Institutional Capital, 144A	8.125%	3/15/46	A3	5,174,372
8,900	AXA SA, 144A	6.463%	12/14/49	BBB+	5,090,880
10,700	AXA-UAP	8.600%	12/15/30	A-	10,416,300
6,600	Great West Life and Annuity Insurance Company	7.153%	5/16/46	A-	5,317,257
1,000	Hartford Financial Services Group Inc.	8.125%	6/15/68	AAA	853,067
1,000	Liberty Mutual Group	7.800%	3/15/37	Baa3	605,161
8,000	MetLife Capital Trust IV	7.875%	12/15/67	BBB+	5,494,432
4,000	MetLife Capital Trust X	9.250%	4/08/68	BBB+	3,806,000
1,200	Nationwide Financial Services Capital Trust	7.899%	3/01/37	Baa1	755,467
6,400	Nationwide Financial Services Inc.	6.750%	5/15/67	Baa1	3,468,205
12,300	Oil Insurance Limited, 144A	7.558%	12/30/49	Baa1	9,371,665
15,600	Progressive Corporation	6.700%	6/15/67	A2	12,729,974
7,000	Prudential Financial Inc.	8.875%	6/15/68	A-	6,598,697
2,850	Prudential PLC	6.500%	6/29/49	A-	1,227,538
18,100	QBE Capital Funding Trust II, 144A	6.797%	6/01/49	BBB	14,472,543
28,900	XL Capital, Limited	6.500%	10/15/57	BBB	17,074,871
3,800	ZFS Finance USA Trust V	6.500%	5/09/67	BBB+	2,549,728

Total Insurance 111,379,431

**Real Estate 0.6%**

15,000	CBG Florida REIT Corporation	7.114%	11/15/49	BB+	4,082,400
--------	------------------------------	--------	----------	-----	-----------

**Road & Rail 1.5%**

14,400	Burlington Northern Santa Fe Funding Trust I	6.613%	12/15/55	BBB	11,819,867
--------	--	--------	----------	-----	------------

**Thriffs & Mortgage Finance 1.3%**

12,811	Countrywide Capital Trust III, Series B	8.050%	6/15/27	Aa3	9,461,295
1,300	MM Community Funding Trust I Limited	9.480%	6/15/31	Baa2	260,000
21,347	Washington Mutual Preferred Funding Cayman, Series A-1, 144A	7.250%	3/15/49	C	133,419
11,433	Washington Mutual Preferred Funding Trust II	6.665%	3/15/57	C	71,456

Total Thriffs & Mortgage Finance 9,926,170

**Total Capital Preferred Securities (cost \$777,584,641) 524,383,165**

**Shares Description (1) Value**

**Investment Companies 4.0% (2.4% of Total Investments)**

239,589	Blackrock Preferred and Corporate Income Strategies Fund				\$ 1,998,173
---------	--	--	--	--	--------------

Edgar Filing: NUVEEN QUALITY PREFERRED INCOME FUND 2 - Form N-Q

1,027,007	Blackrock Preferred Income Strategies Fund	8,565,238
265,596	Blackrock Preferred Opportunity Trust	2,536,442
1,164,774	Flaherty and Crumrine/Claymore Preferred Securities Income Fund Inc.	8,863,930
173,089	Flaherty and Crumrine/Claymore Total Return Fund Inc.	1,334,516
759,424	John Hancock Preferred Income Fund III	7,761,313
	<b>Total Investment Companies (cost \$72,919,633)</b>	<b>31,059,612</b>

<b>Principal Amount (000)</b>	<b>Description (1)</b>	<b>Coupon Maturity Ratings (2)</b>	<b>Value</b>
	<b>U.S. Government and Agency Obligations</b>	<b>0.8% (0.5% of Total Investments)</b>	
\$ 6,000	U.S. Treasury Notes, (4)	3.125% 11/30/09 AAA	\$ 6,088,128
\$ 6,000	<b>Total U.S. Government and Agency Obligations (cost \$6,075,878)</b>		<b>6,088,128</b>

<b>Principal Amount (000)</b>	<b>Description (1)</b>	<b>Coupon Maturity</b>	<b>Value</b>
	<b>Short-Term Investments</b>	<b>0.1% (0.1% of Total Investments)</b>	
\$ 653	Repurchase Agreement with Fixed Income Clearing Corporation, dated 9/30/08, repurchase price \$653,053, collateralized by \$485,000 U.S. Treasury Bonds, 8.125%, due 8/15/19, value \$667,481	0.100% 10/01/08	\$ 653,051
	<b>Total Short-Term Investments (cost \$653,051)</b>		<b>653,051</b>
	<b>Total Investments (cost \$1,973,570,773)</b>	<b>165.1%</b>	<b>1,273,597,695</b>
	<b>Borrowings Payable (27.4)% (5)(6)</b>		<b>(211,500,000)</b>
	<b>Other Assets Less Liabilities 3.8%</b>		<b>29,214,074</b>
	<b>Fund Preferred Shares, at Liquidation Value (41.5)%</b>		<b>(320,000,000)</b>
	<b>Net Assets Applicable to Common Shares 100%</b>		<b>\$ 771,311,769</b>

**Interest Rate Swaps outstanding at September 30, 2008:**

<b>Fund</b>	<b>Unrealized</b>
-------------	-------------------

Counterparty	Notional Amount	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate (Annualized)	Fixed Rate Payment Frequency	Termination Date	Appreciation (Depreciation)
Citigroup Inc.	\$ 200,000,000	Receive	1-Month USD-LIBOR	3.910%	Monthly	11/06/09	\$ (1,525,671)

USD-LIBOR (United States Dollar-London Inter-Bank Offered Rate)

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Ratings: Using the higher of Standard & Poor's Group (Standard & Poor's) or Moody's Investor Service, Inc. (Moody's) rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.
- (3) Principal Amount (000)/Shares rounds to less than \$1,000.
- (4) Portion of Investment has been pledged to collateralize the net payment obligations under interest rate swap contracts.
- (5) Borrowings and Fund Preferred shares, at Liquidation Value as a percentage of Total Investment are 16.6% and 25.1%, respectively.
- (6) The Fund may pledge up to 100% of its eligible securities in the Portfolio of Investments as collateral for Borrowings.

N/R Not rated.

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

CORTS Corporate Backed Trust Securities.

PPLUS Preferred Plus Trust.

SATURNS Structured Asset Trust Unit Repackaging.

### Fair Value Measurements

During the current fiscal period, the Fund adopted the provisions of Statement of Financial Accounting Standards No. 157 (SFAS No. 157) Fair Value Measurements. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure about fair value measurements. In determining the value of the Fund's investments various inputs are used. These inputs are summarized in the three broad levels listed below:

Edgar Filing: NUVEEN QUALITY PREFERRED INCOME FUND 2 - Form N-Q

Level 1 Quoted prices in active markets for identical securities.

Level 2 Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 Significant unobservable inputs (including management's assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the Fund's fair value measurements as of September 30, 2008:

	Level 1	Level 2	Level 3	Total
Investments	\$ 700,941,483	\$ 572,656,212	\$	\$ 1,273,597,695
Derivatives*		(1,525,671)		(1,525,671)
Total	\$ 700,941,483	\$ 571,130,541	\$	\$ 1,272,072,024

\* Represents net unrealized appreciation (depreciation).

**Income Tax Information**

The following information is presented on an income tax basis based on the information currently available to the Fund. Differences between amounts for financial statement and federal income tax purposes are primarily due to recognition of premium amortization, recognition of income on REIT investments, timing differences in the recognition of income and timing differences in recognizing certain gains and losses on investment transactions. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset value of the Fund.

At September 30, 2008, the cost of investments was \$1,976,119,702.

Gross unrealized appreciation and gross unrealized depreciation of investments at September 30, 2008, were as follows:

Gross unrealized:	
Appreciation	\$ 3,622,893
Depreciation	(706,144,900)
Net unrealized appreciation (depreciation) of investments	\$(702,522,007)

**Table of Contents**

**Item 2. Controls and Procedures.**

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

**Item 3. Exhibits.**

File as exhibits as part of this Form a separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)), exactly as set forth below: EX-99 CERT Attached hereto.

---

**Table of Contents**

**SIGNATURES**

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

(Registrant) Nuveen Quality Preferred Income Fund 2

By (Signature and Title)\* /s/ Kevin J. McCarthy  
Kevin J. McCarthy  
Vice President and Secretary

Date November 28, 2008

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

By (Signature and Title)\* /s/ Gifford R. Zimmerman  
Gifford R. Zimmerman  
Chief Administrative Officer (principal executive officer)

Date November 28, 2008

By (Signature and Title)\* /s/ Stephen D. Foy  
Stephen D. Foy  
Vice President and Controller (principal financial officer)

Date November 28, 2008

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