

NUVEEN QUALITY PREFERRED INCOME FUND 2
Form N-Q
May 27, 2011

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: 3/31/2011

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

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

Item 1. Schedule of Investments

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Portfolio of Investments (Unaudited)
Nuveen Quality Preferred Income Fund 2 (JPS)
 March 31, 2011

| Shares | Description (1) | Coupon | Ratings (2) | Value |
|------------|--|---------|-------------|-------------------|
| | \$25 Par (or similar) Preferred Securities 64.6% (50.4% of Total Investments) | | | |
| | Capital Markets 5.4% | | | |
| 381,200 | Ameriprise Financial, Inc. | 7.750% | A | \$ 10,578,300 |
| 6,400 | Credit Suisse | 7.900% | A3 | 172,288 |
| 92,800 | Deutsche Bank Capital Funding Trust I | 7.350% | BBB | 2,344,128 |
| 1,276,135 | Deutsche Bank Capital Funding Trust II | 6.550% | BBB | 31,469,489 |
| 40,500 | Deutsche Bank Capital Funding Trust V | 8.050% | BBB | 1,084,590 |
| 95,651 | Deutsche Bank Capital Funding Trust VIII | 6.375% | BBB | 2,293,711 |
| 13,800 | Deutsche Bank Capital Funding Trust IX | 6.625% | BBB | 336,444 |
| 256,400 | Deutsche Bank Contingent Capital Trust III | 7.600% | BBB | 6,722,808 |
| 21,751 | Goldman Sachs Group Inc. | 6.125% | A1 | 529,637 |
| 70,214 | Goldman Sachs Group Inc., Series GSC-3 (PPLUS) | 6.000% | A3 | 1,581,219 |
| 4,000 | Goldman Sachs Group Inc., Series GSG-1 (PPLUS) | 6.000% | A1 | 94,640 |
| 2,290 | Morgan Stanley Capital Trust III | 6.250% | Baa2 | 54,388 |
| 2,800 | Morgan Stanley Capital Trust V | 5.750% | Baa2 | 64,988 |
| | Total Capital Markets | | | 57,326,630 |
| | Commercial Banks 6.3% | | | |
| 181,000 | Banco Santander Finance | 10.500% | A- | 5,149,450 |
| 150,000 | Barclays Bank PLC | 8.125% | A- | 3,943,500 |
| 243,928 | BB&T Capital Trust VI | 9.600% | Baa1 | 6,815,348 |
| 66,429 | BB&T Capital Trust VII | 8.100% | Baa1 | 1,790,262 |
| 235,100 | Cobank ACB, 144A | 7.000% | N/R | 11,012,977 |
| 82,000 | Cobank ACB | 11.000% | A | 4,561,250 |
| 42,800 | Cobank ACB | 11.000% | A | 2,386,100 |
| 10,930 | Fifth Third Capital Trust V | 7.250% | Baa3 | 277,076 |
| 2,200 | Fifth Third Capital Trust VI | 7.250% | Baa3 | 55,792 |
| 5,200 | Goldman Sachs Group Inc., Series GSC-4 Class A (PPLUS) | 6.000% | A3 | 117,780 |
| 10,500,000 | HSBC Bank PLC | 1.000% | A | 6,615,000 |
| 404,800 | HSBC Holdings PLC, (3) | 8.000% | A- | 11,042,944 |
| 102,700 | HSBC Holdings PLC | 6.200% | A- | 2,480,205 |
| 6,166 | KeyCorp Capital Trust X | 8.000% | Baa3 | 161,056 |
| 5,600,000 | National Australia Bank | 8.000% | A+ | 6,176,240 |
| 202,101 | National City Capital Trust II | 6.625% | BBB | 5,115,176 |
| | Total Commercial Banks | | | 67,700,156 |
| | Consumer Finance 0.0% | | | |
| 19,600 | HSBC USA Inc., Series H | 6.500% | A- | 490,000 |
| | Diversified Financial Services 4.3% | | | |
| 94,800 | Citigroup Capital Trust XII | 8.500% | BB+ | 2,496,084 |
| 271,589 | Citigroup Capital XIII | 7.875% | BB+ | 7,441,539 |
| 40,000 | Citigroup Capital XVI | 6.450% | BB+ | 954,400 |
| 770,313 | ING Groep N.V. | 7.200% | Ba1 | 18,271,824 |
| 729,055 | ING Groep N.V. | 7.050% | Ba1 | 17,001,563 |
| | Total Diversified Financial Services | | | 46,165,410 |
| | Diversified Telecommunication Services 0.2% | | | |
| 70,501 | Telephone and Data Systems Inc. | 6.875% | Baa2 | 1,760,410 |
| | Electric Utilities 1.7% | | | |
| 59,650 | Entergy Louisiana LLC | 5.875% | A- | 1,509,742 |
| 69,300 | Entergy Texas Inc. | 7.875% | BBB+ | 1,944,558 |
| 29,500 | FPL Group Capital Trust I | 5.875% | BBB | 751,070 |
| 216,900 | PPL Capital Funding, Inc. | 6.850% | BBB- | 5,563,485 |
| 315,707 | PPL Energy Supply LLC | 7.000% | BBB | 7,965,288 |
| | Total Electric Utilities | | | 17,734,143 |
| | Food Products 0.5% | | | |
| 53,400 | Dairy Farmers of America Inc., 144A | 7.875% | BBB- | 4,896,113 |
| | Insurance 18.2% | | | |

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| | | | | |
|-----------|--|--------|------|---------------------------|
| 1,717,889 | Aegon N.V. | 6.375% | BBB | 39,116,333 |
| 617,913 | Allianz SE | 8.375% | A+ | 16,509,894 |
| 945,091 | Arch Capital Group Limited | 8.000% | BBB | 24,090,370 |
| 1,400 | Arch Capital Group Limited, Series B | 7.875% | BBB | 35,532 |
| 225,855 | Assured Guaranty Municipal Holdings | 6.250% | A+ | 4,934,932 |
| 6,500,000 | Dai-ichi Mutual Life, 144A | 7.250% | A3 | 6,425,601 |
| 404,700 | Delphi Financial Group, Inc. | 7.376% | BB+ | 9,813,975 |
| 315,140 | EverestRe Capital Trust II | 6.200% | Baa1 | 7,345,913 |
| 479,400 | Markel Corporation | 7.500% | BBB | 12,560,280 |
| 579,892 | PartnerRe Limited, Series C | 6.750% | BBB+ | 14,184,158 |
| 107,300 | PLC Capital Trust III | 7.500% | BBB | 2,714,690 |
| 443,898 | PLC Capital Trust IV | 7.250% | BBB | 11,070,816 |
| 11,153 | Protective Life Corporation | 7.250% | BBB | 278,602 |
| 200,842 | Prudential Financial Inc. | 9.000% | BBB+ | 5,525,163 |
| 317,875 | Prudential Financial Inc. | 6.750% | A- | 7,959,590 |
| 4,000,000 | Reinsurance Group of America Inc. | 6.750% | BBB- | 3,908,504 |
| 410,974 | RenaissanceRe Holdings Limited, Series D | 6.600% | BBB+ | 10,093,521 |
| 1,200 | Torchmark Capital Trust III | 7.100% | BBB+ | 30,540 |
| 717,785 | W. R. Berkley Corporation, Capital Trust II Total Insurance | 6.750% | BBB- | 17,937,447 194,535,861 |
| | Media 7.0% | | | |
| 746,750 | CBS Corporation | 6.750% | BBB- | 18,773,295 |
| 1,084,356 | Comcast Corporation | 7.000% | BBB+ | 27,748,670 |
| 145,000 | Comcast Corporation | 6.625% | BBB+ | 3,774,350 |
| 961,340 | Viacom Inc. Total Media | 6.850% | BBB+ | 24,985,227 75,281,542 |
| | Multi-Utilities 3.8% | | | |
| 543,823 | Dominion Resources Inc. | 8.375% | BBB | 15,439,135 |
| 148,500 | Scana Corporation | 7.700% | BBB- | 4,140,180 |
| 768,182 | Xcel Energy Inc. Total Multi-Utilities | 7.600% | BBB | 21,409,232 40,988,547 |
| | Oil, Gas & Consumable Fuels 1.9% | | | |
| 800,273 | Nexen Inc. | 7.350% | BB+ | 20,286,921 |
| | Pharmaceuticals 0.0% | | | |
| 5,000 | Bristol Myers Squibb Company (CORTS) | 6.250% | A+ | 126,100 |
| | Real Estate/Mortgage 15.3% | | | |
| 16,607 | AMB Property Corporation, Series L | 6.500% | Baa2 | 413,348 |
| 44,480 | Commonwealth REIT | 7.125% | Baa3 | 1,117,338 |
| 267,403 | Developers Diversified Realty Corporation, Series G | 8.000% | Ba1 | 6,711,815 |
| 19,908 | Developers Diversified Realty Corporation, Series H | 7.375% | Ba1 | 493,718 |
| 162,167 | Duke Realty Corporation, Series L | 6.600% | Baa3 | 3,788,221 |
| 8,710 | Harris Preferred Capital Corporation, Series A | 7.375% | A- | 218,969 |
| 73,100 | Kimco Realty Corporation, Series F | 6.650% | Baa2 | 1,800,453 |
| 909,886 | Kimco Realty Corporation, Series G | 7.750% | Baa2 | 23,529,652 |
| 62,865 | Kimco Realty Corporation, Series H | 6.900% | Baa2 | 1,564,081 |
| 82,301 | Prologis Trust, Series C | 8.540% | Baa3 | 4,601,144 |
| 6,524 | Prologis Trust, Series F | 6.750% | Baa3 | 154,293 |
| 89,050 | Prologis Trust, Series G | 6.750% | Baa3 | 2,135,419 |
| 10,357 | Public Storage, Inc., Series C | 6.600% | BBB+ | 258,304 |
| 110,300 | Public Storage, Inc., Series E | 6.750% | BBB+ | 2,781,766 |
| 10,900 | Public Storage, Inc., Series F | 6.450% | BBB+ | 269,230 |
| 17,530 | Public Storage, Inc., Series H | 6.950% | BBB+ | 440,178 |
| 4,377 | Public Storage, Inc., Series I | 7.250% | BBB+ | 110,826 |
| 46,000 | Public Storage, Inc., Series K | 7.250% | BBB+ | 1,173,460 |
| 67,600 | Public Storage, Inc., Series Y, (3) | 6.850% | BBB+ | 1,495,650 |
| 68,484 | Realty Income Corporation | 7.375% | Baa2 | 1,750,451 |
| 447,758 | Realty Income Corporation | 6.750% | Baa2 | 11,408,874 |
| 182,300 | Regency Centers Corporation | 7.450% | Baa3 | 4,593,960 |
| 223,406 | Regency Centers Corporation | 7.250% | Baa3 | 5,560,575 |
| 1,079,521 | Vornado Realty LP | 7.875% | BBB | 29,244,224 |
| 1,770,027 | Wachovia Preferred Funding Corporation | 7.250% | A- | 45,224,190 |
| 159,700 | Weingarten Realty Trust | 8.100% | BBB | 3,625,190 |
| 149,245 | Weingarten Realty Trust | 6.950% | Baa3 | 3,634,116 |
| 232,192 | Weingarten Realty Trust Total Real Estate/Mortgage | 6.500% | Baa3 | 5,507,594 163,607,039 |
| | Wireless Telecommunication Services 0.0% | | | |
| 19,272 | Telephone and Data Systems Inc. | 7.600% | Baa2 | 484,304 |
| | | | | 691,383,176 |

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Total \$25 Par (or similar) Preferred Securities (cost \$668,226,989)

| Principal Amount (000) | Description (1) | Coupon | Maturity | Ratings (2) | Value |
|------------------------|---|---------|----------|-------------|-------------------|
| | Corporate Bonds 3.3% (2.6% of Total Investments) | | | | |
| | Capital Markets 0.0% | | | | |
| \$ 600 | Man Group PLC | 5.000% | 8/09/17 | Baa3 | \$ 521,745 |
| | Commercial Banks 1.1% | | | | |
| 1,000 | Den Norske Bank | 0.875% | 2/18/35 | Baa1 | 600,000 |
| 1,000 | Den Norske Bank | 0.657% | 2/24/37 | Baa1 | 600,000 |
| 5,000 | Groupe BCPE | 3.800% | 12/30/49 | BBB- | 3,532,500 |
| 6,500 | LBG Capital I PLC, 144A | 7.875% | 11/01/20 | BB | 6,340,750 |
| 500 | Lloyds Banking Group LBG Capital 1, 144A | 8.000% | 6/15/20 | BB- | 477,500 |
| 650 | Swedbank ForeningsSparbanken AB, 144A | 7.500% | 9/11/12 | Ba1 | 659,678 |
| 14,650 | Total Commercial Banks | | | | 12,210,428 |
| | Diversified Financial Services 0.3% | | | | |
| 2,600 | Fortis Hybrid Financing | 8.250% | 8/27/49 | BBB | 2,613,000 |
| | Electric Utilities 1.0% | | | | |
| 8,000 | FPL Group Capital Inc. | 6.650% | 6/15/17 | BBB | 7,990,000 |
| 2,900 | WPS Resource Corporation | 6.110% | 12/01/16 | Baa2 | 2,831,125 |
| 10,900 | Total Electric Utilities | | | | 10,821,125 |
| | Insurance 0.7% | | | | |
| 2,000 | AXA S.A. | 2.983% | 8/06/49 | A3 | 1,482,500 |
| 5,200 | Prudential PLC. | 11.750% | 12/23/14 | A- | 6,159,660 |
| 7,200 | Total Insurance | | | | 7,642,160 |
| | Multi-Utilities 0.2% | | | | |
| 2,000 | Wisconsin Energy Corporation | 6.250% | 5/15/17 | Baa1 | 2,007,500 |
| \$ 37,950 | Total Corporate Bonds (cost \$34,145,620) | | | | 35,815,958 |

| Principal Amount (000)/ Shares | Description (1) | Coupon | Maturity | Ratings (2) | Value |
|--------------------------------|--|---------|----------|-------------|--------------|
| | Capital Preferred Securities 55.6% (43.4% of Total Investments) | | | | |
| | Capital Markets 1.2% | | | | |
| 5,800 | ABN AMRO North America Holding Capital, 144A | 6.523% | 12/31/49 | BB+ | \$ 5,539,000 |
| 800 | BNY Institutional Capital, 144A | 7.780% | 12/01/26 | A1 | 819,000 |
| 8,200 | Credit Suisse Guernsey | 1.003% | 5/15/17 | A3 | 6,556,146 |
| | Total Capital Markets | | | | 12,914,146 |
| | Commercial Banks 23.8% | | | | |
| 5,500 | AB Svensk Exportkredit, (3) | 6.375% | 10/27/49 | Aa3 | 5,036,174 |
| 20,400 | AgFirst Farm Credit Bank | 8.393% | 12/15/11 | A | 21,216,000 |
| 2,800 | AgFirst Farm Credit Bank | 7.300% | 12/15/53 | A | 2,470,804 |
| 3,900 | American Express Company | 6.800% | 9/01/16 | Baa2 | 3,978,000 |
| 12,974 | Banco Santander Finance | 10.500% | 9/29/49 | A- | 14,676,825 |
| 600 | BankAmerica Capital II, Series 2 | 8.000% | 12/15/26 | Baa3 | 613,500 |
| 14,420 | BankAmerica Institutional Capital Trust, Series B, 144A | 7.700% | 12/31/26 | Baa3 | 14,672,350 |
| 1,000 | BankAmerica Institutional Trust, 144A | 8.070% | 12/31/26 | Baa3 | 1,025,000 |
| 481 | Barclays Bank PLC, 144A | 7.434% | 12/15/17 | A- | 481,000 |
| 2,400 | Barclays Bank PLC, 144A | 6.860% | 6/15/32 | A- | 2,244,000 |
| 5,000 | Barclays Bank PLC | 6.278% | 12/15/34 | A- | 4,350,000 |
| 9,153 | BB&T Capital Trust IV | 6.820% | 6/12/37 | Baa1 | 9,107,235 |
| 8,650 | BBVA International Unipersonal | 5.919% | 4/18/17 | A- | 7,321,005 |
| 9,385 | Credit Agricole, S.A., 144A | 8.375% | 10/13/49 | A- | 10,041,950 |
| 2,074 | Credit Agricole, S.A. | 9.750% | 12/26/54 | A- | 2,255,475 |
| 3,100 | Credit Suisse AG | 7.875% | 12/12/49 | BBB+ | 3,193,000 |
| 8,500 | Credit Suisse thru Claudius Limited | 8.250% | 6/27/49 | A3 | 8,967,500 |
| 1,500 | First Empire Capital Trust I | 8.234% | 2/01/27 | Baa2 | 1,519,074 |
| 17,095 | First Union Capital Trust II, Series A | 7.950% | 11/15/29 | A- | 18,547,477 |
| 6,800 | Fulton Capital Trust I | 6.290% | 2/01/36 | Baa3 | 5,848,000 |
| 5,500 | HSBC Bank PLC | 0.850% | 6/11/49 | A | 3,520,000 |
| 4,650 | HSBC Capital Funding LP, Debt | 10.176% | 6/30/50 | A- | 6,231,000 |
| 1,300 | HSBC Financial Capital Trust IX | 5.911% | 11/30/15 | Baa1 | 1,244,750 |
| 6,000 | KeyCorp Capital III | 7.750% | 7/15/29 | Baa3 | 6,136,044 |
| 300 | NB Capital Trust IV | 8.250% | 4/15/27 | Baa3 | 308,250 |
| 11,900 | Nordea Bank AB | 8.375% | 3/25/15 | A- | 12,911,500 |

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| | | | | | |
|--------|--|---------|----------|------|--------------------|
| 8,000 | North Fork Capital Trust II | 8.000% | 12/15/27 | Baa3 | 8,144,000 |
| 9,230 | Rabobank Nederland, 144A | 11.000% | 6/30/19 | AA- | 12,022,075 |
| 8,000 | Reliance Capital Trust I, Series B | 8.170% | 5/01/28 | N/R | 8,111,232 |
| 28,144 | Societe Generale | 8.750% | 10/07/49 | BBB+ | 29,762,280 |
| 600 | Sovereign Capital Trust VI | 7.908% | 6/13/36 | BBB+ | 599,891 |
| 5,000 | Sparebanken Rogaland, Notes, 144A | 6.443% | 5/01/49 | Ba1 | 4,626,270 |
| 650 | Standard Chartered PLC, 144A | 7.014% | 7/30/37 | BBB | 632,145 |
| 1,500 | Suntrust Capital Trust VIII | 6.100% | 12/01/66 | Baa3 | 1,462,500 |
| (7) | Union Planters Preferred Fund, 144A | 7.750% | 7/15/53 | B | 21,142,500 |
| | Total Commercial Banks | | | | 254,418,806 |
| | Consumer Finance 0.8% | | | | |
| 7,019 | Capital One Capital IV Corporation | 6.745% | 2/17/32 | Baa3 | 7,045,321 |
| 1,180 | Capital One Capital VI | 8.875% | 5/15/40 | Baa3 | 1,243,425 |
| | Total Consumer Finance | | | | 8,288,746 |
| | Diversified Financial Services 3.3% | | | | |
| 3,400 | Bank One Capital III | 8.750% | 9/01/30 | A2 | 4,185,332 |
| 500 | CitiGroup Capital XXI | 8.300% | 12/21/37 | BB+ | 520,000 |
| 12,811 | Countrywide Capital Trust III, Series B | 8.050% | 6/15/27 | Baa3 | 13,195,330 |
| 19,900 | JP Morgan Chase Capital Trust XI | 5.875% | 6/15/33 | A2 | 492,724 |
| 3,000 | JP Morgan Chase Capital Trust XVIII | 6.950% | 8/17/36 | A2 | 3,054,399 |
| 1,775 | JP Morgan Chase Capital Trust XX Series T | 6.550% | 9/29/36 | A2 | 1,804,099 |
| 8,000 | JP Morgan Chase Capital Trust XXVII | 7.000% | 11/01/39 | A2 | 8,243,008 |
| 3,200 | MBNA Corporation, Capital Trust | 8.278% | 12/01/26 | Baa3 | 3,280,000 |
| | Total Diversified Financial Services | | | | 34,774,892 |
| | Diversified Telecommunication Services 3.2% | | | | |
| 31 | Centaur Funding Corporation, Series B | 9.080% | 4/21/20 | BBB | 34,531,250 |
| | Electric Utilities 1.3% | | | | |
| 6,400 | Dominion Resources Inc. | 7.500% | 6/30/16 | BBB | 6,696,000 |
| 7,700 | PPL Capital Funding, Inc. | 6.700% | 3/30/17 | BB+ | 7,594,125 |
| | Total Electric Utilities | | | | 14,290,125 |
| | Insurance 21.0% | | | | |
| 2,200 | AXA S.A., 144A | 6.463% | 12/14/18 | Baa1 | 1,919,500 |
| 8,680 | AXA S.A., 144A | 6.379% | 12/14/36 | Baa1 | 7,681,800 |
| 18,050 | AXA | 8.600% | 12/15/30 | A3 | 21,351,038 |
| 117 | Axis Capital Holdings Limited | 7.500% | 12/01/15 | BBB | 11,509,538 |
| 9,600 | Catlin Insurance Company Limited | 7.249% | 1/19/17 | BBB+ | 9,048,000 |
| 23,200 | Glen Meadows Pass Through Trust | 6.505% | 2/15/17 | BB+ | 20,474,000 |
| 6,600 | Great West Life and Annuity Insurance Company, 144A | 7.153% | 5/16/16 | A- | 6,798,000 |
| 4,803 | Liberty Mutual Group, 144A | 7.800% | 3/15/37 | Baa3 | 4,778,985 |
| 5,946 | Lincoln National Corporation | 7.000% | 5/17/16 | BBB | 5,901,405 |
| 2,500 | Lincoln National Corporation | 6.050% | 4/20/17 | BBB | 2,337,500 |
| 16,600 | MetLife Capital Trust IV, 144A | 7.875% | 12/15/37 | BBB | 17,845,000 |
| 1,400 | MetLife Capital Trust X, 144A | 9.250% | 4/08/68 | BBB | 1,690,500 |
| 18,600 | National Financial Services Inc. | 6.750% | 5/15/37 | Baa2 | 17,251,500 |
| 1,200 | Nationwide Financial Services Capital Trust | 7.899% | 3/01/37 | Baa2 | 1,030,247 |
| 14,200 | Oil Insurance Limited, 144A | 7.558% | 6/30/11 | Baa1 | 13,473,812 |
| 15,600 | Old Mutual Capital Funding, Notes | 8.000% | 6/22/53 | Baa3 | 15,366,000 |
| 6,300 | Progressive Corporation | 6.700% | 6/15/67 | A2 | 6,646,500 |
| 6,600 | Prudential Financial Inc. | 8.875% | 6/15/18 | BBB+ | 7,788,000 |
| 8,250 | Prudential PLC | 6.500% | 6/29/49 | A- | 7,631,250 |
| 10,400 | Swiss Re Capital I | 6.854% | 5/25/16 | A- | 10,176,816 |
| 2,600 | White Mountains Re Group Limited | 7.506% | 6/30/17 | BB | 2,487,212 |
| 29,650 | XL Capital Ltd | 6.500% | 10/15/57 | BBB- | 27,203,875 |
| 3,600 | ZFS Finance USA Trust II 144A | 6.450% | 12/15/65 | A | 3,672,000 |
| 957 | ZFS Finance USA Trust V | 6.500% | 5/09/67 | A | 959,393 |
| | Total Insurance | | | | 225,021,871 |
| | Oil, Gas & Consumable Fuels 0.2% | | | | |
| 1,625 | TranCanada Pipelines Limited | 6.350% | 5/15/17 | Baa1 | 1,631,624 |
| | Road & Rail 0.6% | | | | |
| 6,400 | Burlington Northern Santa Fe Funding Trust I | 6.613% | 1/15/26 | BBB | 6,648,000 |
| | Thriffs & Mortgage Finance 0.0% | | | | |
| 500 | Onbank Capital Trust I | 9.250% | 2/01/27 | Baa2 | 509,561 |
| | U.S. Agency 0.2% | | | | |
| 2 | Farm Credit Bank of Texas | 10.000% | 12/15/60 | A3 | 1,905,061 |
| | Total Capital Preferred Securities (cost \$571,352,788) | | | | 594,934,082 |

Shares Description (1) Value

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Investment Companies 3.6% (2.8% of Total Investments)

| | | | |
|-----------|--|----|-------------------|
| 838,654 | BlackRock Credit Allocation Income Trust II | \$ | 8,243,969 |
| 1,025,979 | Flaherty and Crumrine/Claymore Preferred Securities Income Fund Inc. | | 17,523,721 |
| 728,065 | John Hancock Preferred Income Fund III | | 12,195,089 |
| | Total Investment Companies (cost \$50,903,795) | | 37,962,779 |

| Principal Amount (000) | Description (1) | Coupon | Maturity | Value |
|------------------------|---|--------|----------|-------------------------|
| | Short-Term Investments 1.1% (0.8% of Total Investments) | | | |
| \$ 11,155 | Repurchase Agreement with Fixed Income Clearing Corporation, dated 3/31/11, repurchase price \$11,155,182, collateralized by \$11,540,000 U.S. Treasury Notes, 0.500%, due 11/15/13, value \$11,381,325 | 0.010% | 4/01/11 | \$ 11,155,179 |
| | Total Short-Term Investments (cost \$11,155,179) | | | 11,155,179 |
| | Total Investments (cost \$1,335,784,371) | | | 1,371,251,174 |
| | 128.2% | | | |
| | Borrowings (28.9%) (4), (5) | | | (308,800,000) |
| | Other Assets Less Liabilities 0.7% | | | 7,245,528 |
| | Net Assets Applicable to Common Shares 100% | | | \$ 1,069,696,702 |

Investments in Derivatives

Interest Rate Swaps outstanding at March 31, 2011:

| Counterparty | Fund Notional Amount | Pay/Receive Floating Rate | Floating Rate Index | Fixed Rate (Annualized) | Fixed Rate Payment Frequency | Effective Date (6) | Termination Date | Unrealized Appreciation (Depreciation) |
|-----------------|----------------------|---------------------------|---------------------|-------------------------|------------------------------|--------------------|------------------|--|
| JP Morgan Chase | \$77,200,000 | Receive | 1-Month USD-LIBOR | 0.360% | Monthly | 3/21/11 | 3/21/12 | \$ 10,086 |
| JP Morgan Chase | 77,200,000 | Receive | 1-Month USD-LIBOR | 1.193% | Monthly | 3/21/11 | 3/21/14 | 520,267 |
| Morgan Stanley | 77,200,000 | Receive | 1-Month USD-LIBOR | 2.064% | Monthly | 3/21/11 | 3/21/16 | 997,256 |
| | | | | | | | | \$1,527,609 |

Fair Value Measurements

Fair value is defined as the price that the Fund would receive upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market of the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

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 methodologies 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 March 31, 2011:

| | Level 1 | Level 2 | Level 3 | Total |
|--|---------------|---------------|---------|----------------|
| Investments: | | | | |
| \$25 Par (or similar) Preferred Securities | \$615,353,164 | \$ 76,030,012 | \$ | \$ 691,383,176 |
| Corporate Bonds | | 35,815,958 | | 35,815,958 |
| Capital Preferred Securities | 492,724 | 594,441,358 | | 594,934,082 |
| Investment Companies | 37,962,779 | | | 37,962,779 |

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| | | |
|------------------------|----------------------|------------------------|
| Short-Term Investments | 11,155,179 | 11,155,179 |
| Derivatives: | | |
| Interest Rate Swaps* | 1,527,609 | 1,527,609 |
| Total | \$653,808,667 | \$1,372,778,783 |

* Represents net unrealized appreciation (depreciation).

During the period ended March 31, 2011, the Fund recognized no significant transfers to/from Level 1, Level 2 or Level 3.

Derivative Instruments and Hedging Activities

The Fund records derivative instruments at fair value, with changes in fair value recognized on the Statement of Operations, when applicable. Even though the Fund's investments in derivatives may represent economic hedges, they are considered to be hedge. The following table presents the fair value of all derivative instruments held by the Fund as of March 31, 2011, the location of these instruments on the Statement of Assets and Liabilities, and the primary underlying risk exposure.

| Underlying Risk Exposure | Derivative Instrument | Location on the Statements of Assets Liabilities | | | | |
|-----------------------------|--------------------------|--|---------------------|----------|-----------------------|-----------|
| | | Asset Derivatives | Value | Location | Liability Derivatives | Value |
| Equity | Swaps | Unrealized appreciation on forward swaps* | 1,587,224 | | | |
| | Total | | \$ 1,587,224 | | | \$ |

* Represents cumulative appreciation (depreciation) of swap contracts as reported in the Portfolio of Investments. Some swap contracts require acounterparty to pay or receive a premium.

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, 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 March 31, 2011, the cost of investments was \$1,339,464,097.

Gross unrealized appreciation and gross unrealized depreciation of investments at March 31, 2011, were as follows:

| | |
|---|---------------|
| Gross unrealized: | |
| Appreciation | \$ 66,704,689 |
| Depreciation | (34,917,612) |
| Net unrealized appreciation (depreciation) of investments | \$ 31,787,077 |

For Fund portfolio 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. The definition may not apply for purposes of this report, which may combine industry sub-classifications into sectors for reporting ease.

- (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 highest of Standard & Poor's Group (Standard & Poor's), Moody's Investor Service, Inc. (Moody's) or Fitch, Inc. (Fitch) rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
 - (3) Non-income producing; issuer has not declared a dividend within the past twelve months.
 - (4) Borrowings as a percentage of Total Investments is 22.5%.
 - (5) The Fund may pledge up to 100% of its eligible investments in the Portfolio of Investments as collateral for Borrowings. As of March 31, 2011, investments with a value of \$904,771,058 have been pledged as collateral for Borrowings
 - (6) Effective date represents the date on which both the Fund and Counterparty commence interest payment accruals on each forward swap contract.
 - (7) Principal Amount (000) rounds to less than \$1,000.
- 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 PreferredPlus Trust.
- USD-LIBOR United States Dollar-London Inter-Bank Offered Rate.

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.

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 May 27, 2011

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 May 27, 2011

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

Date May 27, 2011

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