

Cohen & Steers Closed-End Opportunity Fund, Inc.
Form N-CSRS
September 03, 2010

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

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-21948

Cohen & Steers Closed-End Opportunity Fund, Inc.
(Exact name of registrant as specified in charter)

280 Park Avenue, New York, NY
(Address of principal executive offices)

10017
(Zip code)

Adam M. Derechin

Cohen & Steers Capital Management, Inc.

280 Park Avenue

New York, New York 10017
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 832-3232

Date of fiscal year end: December 31

Date of reporting period: June 30, 2010

Item 1. Reports to Stockholders.

COHEN & STEERS CLOSED-END OPPORTUNITY FUND, INC.

To Our Shareholders:

We would like to share with you our report for the six months ended June 30, 2010. The net asset value (NAV) at that date was \$12.55 per common share. The Fund's common stock is traded on the New York Stock Exchange (NYSE) and its share price can differ from its NAV; at period end, the Fund's closing price on the NYSE was \$11.45.

The total returns, including income, for the Fund and its comparative benchmarks were:

	Six Months Ended June 30, 2010
Cohen & Steers Closed-End Opportunity Fund at Market Value ^a	2.03%
Cohen & Steers Closed-End Opportunity Fund at NAV ^a	0.34%
Fund Data U.S. All Taxable Ex-Foreign Equity Index ^b	0.16%
S&P 500 Index ^b	6.65%

The performance data quoted represent past performance. Past performance is no guarantee of future results. The investment return and the principal value of an investment will fluctuate and shares, if sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Current total returns of the Fund can be obtained by visiting our Web site at cohenandsteers.com.

The Fund may pay distributions in excess of its investment company taxable income and net realized capital gains. This excess would be a "return of capital" distributed from the Fund's assets. Distributions of capital decrease the Fund's total assets and, therefore, could have the effect of increasing the Fund's expense ratio. In addition, in order to make these distributions, the Fund may have to sell portfolio securities at a less than opportune time.

Investment Review

Closed-end funds had overall flat performance for the six-month period, although they outperformed the broad stock market and returns varied widely across sectors. In the fixed income category, nearly all sectors had positive returns, which offset the uneven and ultimately negative performance in the equity funds category. Investors were drawn to fixed income-oriented funds, particularly those that invest in high-yield debt, as credit markets continued to improve while yields on money-market offerings remained near zero. Investors' faith in fixed income

^a As a closed-end investment company, the price of the Fund's NYSE-traded shares will be set by market forces and at times may deviate from the NAV per share of the Fund.

^b The Fund Data U.S. All Taxable Ex-Foreign Equity Index measures the market cap weighted total return of 322 taxable equity and fixed income closed-end funds it excludes international, regional and country closed-end funds. The S&P 500 Index is an unmanaged index of common stocks that is frequently used as a general measure of stock market performance.

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funds' ability to support high current yields was reflected in bond funds trading at narrower net asset value (NAV) discounts (0.4%) than their equity counterparts (3%) at the end of the period.

The best-performing sectors within fixed income included high yield funds (which had a return on market price of +10.0% in the period).^c Preferred securities funds (+10.3%) also outperformed, reflecting better conditions for financial companies, which are the primary issuer of preferreds. Earnings were generally good and indicated that large banks could be close to seeing a peak in their loan loss provisioning.

Commodities funds (+9.3%), a sector with a large gold exposure, had the best performance in the equity category. Gold prices rose steadily in the period as investors sought safety due to Europe's sovereign debt crisis and a clouded global economic outlook. Funds that invest in master limited partnerships (MLPs) had a return of +7.3%, benefiting from individual investors' demand for high, consistent income. The tax-deferred nature of MLP distributions added further appeal. Tax rates on many dividends are set to rise as the low qualified dividend income (QDI) rates expire at the end of this year.

The global equity dividend sector (-29.2%) includes two funds that declined sharply on news they would reduce their distributions. Utilities funds (-12.3%) struggled amid a slow recovery in energy demand. In addition, the pending expiration of low QDI tax rates lessened their appeal from a yield viewpoint.

IPO activity continued

There was a string of closed-end fund initial public offerings (IPOs) in the period, in addition to the debut of the first exchange-traded fund (ETF) to invest exclusively in closed-end funds. These offerings followed a year in which the average closed-end fund returned more than 50%. The IPOs included an equity fund focused on an infrastructure covered call strategy and a few mortgage securities funds. The biggest deal came in June, when ClearBridge Advisors launched a \$1.3 billion fund that invests in master limited partnerships.

Fund performance

The Fund had a slight decline in its NAV in the period and underperformed its benchmark. Factors that detracted from performance included our overweights and fund selection in the equity tax-advantage (which had a return of -6.3% within the index) and U.S. general equity (-4.6%) sectors. These groups have leveraged exposure to equity markets, which declined sharply in May and June and had a loss for the period. Our underweight in the commodities sector also hindered relative return. We have been underweight gold-focused funds based on valuation and our view that the inflation threat remains at bay.

Our underweight in the global equity dividend sector contributed positively to performance; specifically, we were underweight the funds that accounted for the bulk of the sector's decline. We also had beneficial overweights in the high yield and convertibles (+4.7%) sectors. Select Multi-Sector funds, in our view, offer attractive access to

^c Sector constituents as per Fund Data U.S. All Taxable Ex-Foreign Equity Index; constituent returns as per Bloomberg L.P.

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the high yield market, where spreads have widened significantly, even as defaults rates have remained well below early-2009 levels. Fund selection in the global income sector also (+3.3%) aided performance.

Investment Outlook

Our outlook remains moderately cautious. The markets' behavior in recent months has demonstrated the fragility of the economic recovery and the wariness with which investors receive bad news. Concerns about global growth have reinforced our view that Federal Reserve interest rate hikes will most likely be delayed until well into 2011.

We continue to overweight fixed income funds, including high yield funds, and remain underweight equity funds, which we expect to face a choppy road ahead. And we expect discounts to NAV to remain fairly narrow. Given the likelihood that a period of low interest rates will be extended even further, investors should continue to find appeal in the attractive annual distribution rates that closed-end funds provide. If risk concerns subside we could once again see funds trade at an average premium.

We believe that increased new issuance in 2010, broadly speaking, will not hurt secondary market closed-end fund prices, although recent developments including June's billion dollar plus IPO have raised our sensitivity to this risk factor.

COHEN & STEERS CLOSED-END OPPORTUNITY FUND, INC.

Sincerely,

MARTIN COHEN

Co-chairman

ROBERT H. STEERS

Co-chairman

DOUGLAS R. BOND

Portfolio Manager

The views and opinions in the preceding commentary are subject to change. There is no guarantee that any market forecast set forth in the commentary will be realized. This material represents an assessment of the market environment at a specific point in time, should not be relied upon as investment advice and is not intended to predict or depict performance of any investment.

Visit Cohen & Steers online at cohenandsteers.com

For more information about any of our funds, visit cohenandsteers.com, where you will find daily net asset values, fund fact sheets and portfolio highlights. You can also access newsletters, education tools and market updates covering the global real estate, listed infrastructure, utilities, large cap value and preferred securities sectors.

In addition, our Web site contains comprehensive information about our firm, including our most recent press releases, profiles of our senior investment professionals and an overview of our investment approach.

COHEN & STEERS CLOSED-END OPPORTUNITY FUND, INC.

JUNE 30, 2010

Top Ten Holdings
(Unaudited)

Closed-End Fund	Value	% of Net Assets
Nicholas-Applegate Convertible & Income Fund	\$ 14,482,465	4.2%
Eaton Vance Limited Duration Income Fund	12,898,272	3.7
Gabelli Equity Trust	11,666,816	3.4
Western Asset High Income Fund II	10,675,699	3.1
Nicholas-Applegate Convertible & Income Fund II	10,604,309	3.1
Putnam Premier Income Trust	10,185,264	3.0
Clough Global Opportunities Fund	9,502,248	2.8
Eaton Vance Tax-Managed Diversified Equity Income Fund	9,335,644	2.7
AllianceBernstein Income Fund	9,028,074	2.6
Eaton Vance Tax-Managed Buy-Write Opportunities Fund	8,544,583	2.5

Sector Breakdown

(Based on Net Assets)
(Unaudited)

COHEN & STEERS CLOSED-END OPPORTUNITY FUND, INC.

SCHEDULE OF INVESTMENTS

June 30, 2010 (Unaudited)

		Number of Shares	Value
CLOSED-END FUNDS	99.3%		
COMMODITIES	1.9%		
Central Fund of Canada Ltd.		434,380	\$ 6,546,107
COVERED CALL	12.5%		
Dow 30 Enhanced Premium and Income Fund		208,100	2,024,813
Eaton Vance Tax-Managed Buy-Write Opportunities Fund		654,256	8,544,583
Eaton Vance Tax-Managed Diversified Equity Income Fund		862,017	9,335,644
Eaton Vance Tax-Managed Global Buy-Write Opportunities Fund		729,665	8,179,545
Eaton Vance Tax-Managed Global Diversified Equity Income Fund		790,862	7,560,641
NFJ Dividend Interest & Premium Strategy Fund		345,600	4,772,736
Nuveen Equity Premium Advantage Fund		204,323	2,488,654
			42,906,616
EMERGING MARKETS DEBT	3.2%		
AllianceBernstein World Dollar Government Fund II		433,900	5,827,277
Morgan Stanley Emerging Markets Domestic Debt Fund		153,500	2,248,775
Western Asset Emerging Markets Debt Fund		78,000	1,351,740
Western Asset Emerging Markets Income Fund II		134,400	1,645,056
			11,072,848
ENERGY/RESOURCES	2.3%		
BlackRock Global Energy and Resources Trust		67,800	1,520,754
BlackRock Real Asset Equity Trust		370,300	4,184,390
Gabelli Global Gold Natural Resources & Income Trust		142,198	2,228,243
			7,933,387
EQUITY TAX-ADVANTAGED	8.0%		
Eaton Vance Tax-Advantaged Dividend Income Fund		513,000	7,089,660
Eaton Vance Tax-Advantaged Global Dividend Income Fund		667,300	7,960,889
Eaton Vance Tax-Advantaged Global Dividend Opportunities Fund		347,500	6,032,600
Gabelli Dividend & Income Trust		386,508	4,638,096
John Hancock Tax-Advantaged Dividend Income Fund		149,990	1,930,371
			27,651,616
FINANCIAL	0.6%		
John Hancock Bank and Thrift Opportunity Fund		143,000	2,050,620

See accompanying notes to financial statements.

COHEN & STEERS CLOSED-END OPPORTUNITY FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2010 (Unaudited)

		Number of Shares	Value
GLOBAL EQUITY	1.4%		
BlackRock International Growth and Income Trust		129,466	\$ 1,136,712
Clough Global Equity Fund		290,200	3,560,754
			4,697,466
GLOBAL EQUITY DIVIDEND	0.3%		
Alpine Total Dynamic Dividend Fund		200,100	990,495
GLOBAL HYBRID (GROWTH & INCOME)	3.9%		
Clough Global Opportunities Fund		832,800	9,502,248
Nuveen Diversified Dividend and Income Fund		399,851	3,942,531
			13,444,779
GLOBAL INCOME	6.9%		
AllianceBernstein Income Fund		1,109,100	9,028,074
PIMCO Strategic Global Government Fund		130,800	1,364,244
Putnam Premier Income Trust		1,571,800	10,185,264
Templeton Global Income Fund		267,065	2,574,507
Western Asset Global High Income Fund		63,700	718,536
			23,870,625
HEALTH/BIOTECH	0.8%		
BlackRock Health Sciences Trust		108,700	2,580,538
HIGH YIELD	14.4%		
BlackRock Corporate High Yield Fund		277,600	1,832,160
BlackRock Corporate High Yield Fund III		268,700	1,735,802
BlackRock Corporate High Yield Fund V		384,800	4,221,256
BlackRock Corporate High Yield Fund VI		451,755	4,788,603
Evergreen Income Advantage Fund		514,400	4,876,512
New America High Income Fund		331,836	3,059,528
PIMCO High Income Fund		471,121	5,662,874
Pioneer High Income Trust		468,238	7,028,252
Western Asset High Income Fund II		1,166,743	10,675,699
Western Asset High Income Opportunities Fund		985,600	5,874,176
			49,754,862

See accompanying notes to financial statements.

COHEN & STEERS CLOSED-END OPPORTUNITY FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2010 (Unaudited)

		Number of Shares	Value
INVESTMENT GRADE	2.3%		
John Hancock Income Securities Trust		82,900	\$ 1,205,366
PIMCO Corporate Opportunity Fund		385,887	6,656,551
			7,861,917
LIMITED DURATION	3.7%		
Eaton Vance Limited Duration Income Fund		806,142	12,898,272
MASTER LIMITED PARTNERSHIP	4.2%		
Energy Income and Growth Fund		174,900	4,171,365
Kayne Anderson Energy Total Return Fund		278,868	6,690,043
Kayne Anderson MLP Investment Company		103,000	2,695,510
Tortoise Energy Infrastructure Corp.		32,700	