

Nuveen Municipal Value Fund 2  
Form N-Q  
April 01, 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 811-22253

Nuveen Municipal Value Fund 2  
(Exact name of registrant as specified in charter)

Nuveen Investments  
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: 10/31

Date of reporting period: 1/31/11

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.



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Item 1. Schedule of Investments

Portfolio of Investments (Unaudited)  
 Nuveen Municipal Value Fund 2 (NUW)  
 January 31, 2011

Principal Amount	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
(000)	Alaska – 0.1%			
\$ 155	Northern Tobacco Securitization Corporation, Alaska, Tobacco Settlement Asset-Backed Bonds, Series 2006A, 5.000%, 6/01/46	6/14 at 100.00	Baa3	\$ 91,348
	Arizona – 3.5%			
4,000	Maricopa County Pollution Control Corporation, Arizona, Pollution Control Revenue Bonds, El Paso Electric Company, Refunding Series 2009A, 7.250%, 2/01/40	2/19 at 100.00	BBB	4,293,040
2,995	Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Citigroup Energy Inc	No Opt. Call	A	2,548,416
6,995	Prepay Contract Obligations, Series 2007, 5.000%, 12/01/37			6,841,456
	Total Arizona			
	California – 10.1%			
11,000	Alhambra Unified School District, Los Angeles County, California, General Obligation Bonds, Capital Appreciation Series 2009B, 0.000%, 8/01/41 – AGC Insured	No Opt. Call	AA+	1,341,120
2,500	California State Public Works Board, Lease Revenue Bonds, Department of General Services	4/19 at 100.00	A2	2,519,575
500	Buildings 8 & 9, Series 2009A, 6.250%, 4/01/34			
	California State, General Obligation Bonds, Tender Option Bond Trust 3162, 19.415%, 3/01/18 – AGM Insured (IF)	No Opt. Call	AA+	422,840
1,800	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement	6/15 at 100.00	A2	1,412,424
3,155	Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/45	6/17 at 100.00	Baa3	2,055,672
450	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.000%, 6/01/33			
	M-S-R Energy Authority, California, Gas Revenue Bonds, Series 2009A, 6.500%, 11/01/39	No Opt. Call	A	461,826
	Palomar Pomerado Health, California, General Obligation Bonds, Series 2009A:			
9,320	0.000%, 8/01/33 – AGC Insured	No Opt. Call	AA+	1,994,946
10,200	0.000%, 8/01/38 – AGC Insured	8/29 at 100.00	AA+	5,897,742
8,000	Poway Unified School District, San Diego County, California, School Facilities Improvement District 2007-1 General Obligation Bonds, Series 2009A: 0.000%, 8/01/32		Aa2	1,789,840

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		No Opt. Call		
8,000	0.000%, 8/01/33	No Opt. Call	Aa2	1,674,160
54,925	Total California Colorado – 5.3%			19,570,145
5,000	Denver City and County, Colorado, Airport System Revenue Bonds, Series 2005A, 5.000%, 11/15/25 – SYNCORA GTY Insured	11/15 at 100.00	A+	5,020,750
3,605	E-470 Public Highway Authority, Colorado, Toll Revenue Bonds, Series 2004B, 0.000%, 9/01/27 – NPPG Insured	9/20 at 67.94	Baa1	1,089,071
4,000	Park Creek Metropolitan District, Colorado, Senior Property Tax Supported Revenue Bonds, Series 2009, 6.375%, 12/01/37 – AGC Insured	No Opt. Call	AA+	4,220,440
12,605	Total Colorado Florida – 8.7%			10,330,261
9,500	Miami-Dade County, Florida, Aviation Revenue Bonds, Miami International Airport, Series 2009A, 5.500%, 10/01/41	10/19 at 100.00	A2	9,023,860
2,500	Miami-Dade County, Florida, General Obligation Bonds, Build Better Communities Program, Series 2009-B1: 6.000%, 7/01/38	7/18 at 100.00	Aa2	2,642,125
2,000	5.625%, 7/01/38	7/18 at 100.00	Aa2	2,028,320
4,500	Tolomato Community Development District, Florida, Special Assessment Bonds, Series 2007, 6.450%, 5/01/23	5/18 at 100.00	N/R	3,283,560
18,500	Total Florida Georgia – 0.9%			16,977,865
500	Atlanta, Georgia, Tax Allocation Bonds, Beltline Project Series 2008A. Remarketed, 7.500%, 1/01/31	1/19 at 100.00	N/R	496,380
1,000	Clayton County Development Authority, Georgia, Special Facilities Revenue Bonds, Delta Air Lines, Inc. Project, Series 2009A, 8.750%, 6/01/29	6/20 at 100.00	CCC+	1,139,660
1,500	Total Georgia Illinois – 11.6%			1,636,040
5,000	Illinois Finance Authority, Revenue Bonds, Northwestern Memorial Hospital, Series 2009A, 6.000%, 8/15/39	8/19 at 100.00	AA+	5,123,900
3,500	Illinois Finance Authority, Revenue Bonds, OSF Healthcare System, Series 2009A, 7.125%, 11/15/37	5/19 at 100.00	A	3,617,635
5,000	Illinois Finance Authority, Revenue Bonds, Rush University Medical Center Obligated Group, Series 2009A, 7.250%, 11/01/38	11/18 at 100.00	A2	5,280,800
3,990	Illinois Finance Authority, Student Housing Revenue Bonds, Educational Advancement Fund Inc.,	5/17 at 100.00	Baa3	3,316,727

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	Refunding Series 2007A, 5.250%, 5/01/34			
28,000	Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Expansion Project, Series 2002A, 0.000%, 12/15/35 – AGM Insured	No Opt. Call	AAA	5,168,240
45,490	Total Illinois Indiana – 5.4%			22,507,302
5,000	Indiana Finance Authority, Hospital Revenue Bonds, Deaconess Hospital Obligated Group, Series 2009A, 6.750%, 3/01/39	3/19 at 100.00	A	5,259,950
3,650	Indiana Health Facility Financing Authority, Revenue Bonds, Community Foundation of Northwest Indiana, Series 2007, 5.500%, 3/01/37	3/17 at 100.00	BBB+	3,141,190
2,000	Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series 2009B, 6.000%, 1/01/39	1/19 at 100.00	A+	2,064,680
10,650	Total Indiana Iowa – 1.1%			10,465,820
3,025	Iowa Tobacco Settlement Authority, Asset Backed Settlement Revenue Bonds, Series 2005C, 5.375%, 6/01/38	6/15 at 100.00	BBB	2,138,221
5,000	Louisiana – 7.3% Louisiana Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series 2006C-3, 6.125%, 6/01/25 – AGC Insured	6/18 at 100.00	AA+	5,404,750
7,000	Louisiana Public Facilities Authority, Revenue Bonds, Ochsner Clinic Foundation Project, Series 2007A: 5.375%, 5/15/43	5/17 at 100.00	Baa1	5,565,280
275	5.500%, 5/15/47	5/17 at 100.00	Baa1	220,503
3,255	St John Baptist Parish, Louisiana, Revenue Bonds, Marathon Oil Corporation, Series 2007A, 5.125%, 6/01/37	6/17 at 100.00	BBB+	3,022,040
15,530	Total Louisiana Maine – 1.6%			14,212,573
3,335	Maine Health and Higher Educational Facilities Authority, Revenue Bonds, Bowdoin College, Tender Option Bond Trust 2009-5B, 12.875%, 7/01/39 (IF)	7/19 at 100.00	Aa2	3,089,978
1,000	Massachusetts – 0.5% Massachusetts Water Pollution Abatement Trust, Pooled Loan Program Bonds, Tender Option Bond Trust 2989, 13.014%, 8/01/38 (IF)	8/19 at 100.00	AAA	1,046,710
5,000	Michigan – 2.2% Detroit, Michigan, Second Lien Sewerage Disposal System Revenue Bonds, Series 2005A, 5.000%, 7/01/35 – NCFG Insured	7/15 at 100.00	A	4,328,750
750	Nevada – 4.2% Clark County, Nevada, Airport Revenue Bonds, Tender Option Bond Trust Series 11823: 20.204%, 7/01/18 (IF)		Aa3	723,960

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		No Opt. Call		
1,250	20.204%, 7/01/36 (IF)	100.00	Aa3	1,206,600
	Clark County, Nevada, Senior Lien Airport Revenue Bonds, Series	No Opt.		
250	2005A, 5.000%, 7/01/40 –	Call	Aa2	218,745
	AMBAC Insured			
	Las Vegas Redevelopment Agency, Nevada, Tax Increment Revenue	6/19 at		
5,415	Bonds, Series 2009A,	100.00	A	5,961,861
	8.000%, 6/15/30			
7,665	Total Nevada			8,111,166
	New Jersey – 2.9%			
	New Jersey Educational Facilities Authority, Revenue Refunding			
	Bonds, University of Medicine			
	and Dentistry of New Jersey, Series 2009B:			
		6/19 at		
2,135	7.125%, 12/01/23	100.00	Baa1	2,382,041
		6/19 at		
3,000	7.500%, 12/01/32	100.00	Baa1	3,254,130
5,135	Total New Jersey			5,636,171
	New York – 1.6%			
	Liberty Development Corporation, New York, Goldman Sachs	No Opt.		
3,000	Headquarters Revenue Bonds Series	Call	A1	3,003,930
	2007, 5.500%, 10/01/37			
	Port Authority of New York and New Jersey, Special Project Bonds,	12/20 at		
130	JFK International Air	100.00	BBB–	123,546
	Terminal LLC Project, Eighth Series 2010, 6.000%, 12/01/42			
3,130	Total New York			3,127,476
	North Carolina – 1.6%			
	North Carolina Municipal Power Agency 1, Catawba Electric	1/13 at		
3,000	Revenue Bonds, Series 2003A, 5.250%,	100.00	A	3,186,480
	1/01/19 – NPPG Insured			
	Ohio – 5.9%			
	American Municipal Power Ohio Inc., General Revenue Bonds,	2/19 at		
5,000	Prairie State Energy Campus Project	100.00	AA+	5,122,600
	Series 2009A, 5.750%, 2/15/39 – AGC Insured			
	Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco	6/17 at		
5,885	Settlement Asset-Backed Revenue	100.00	Baa3	4,264,271
	Bonds, Senior Lien, Series 2007A-2, 6.500%, 6/01/47			
	Ohio State Higher Educational Facilities Commission, Hospital	1/15 at		
2,000	Revenue Bonds, University	100.00	A	2,048,520
	Hospitals Health System, Series 2009, 6.750%, 1/15/39			
12,885	Total Ohio			11,435,391
	Puerto Rico – 4.7%			
	Puerto Rico Aqueduct and Sewerage Authority, Revenue Bonds,	7/18 at		
4,390	Senior Lien Series 2008A,	100.00	Baa1	4,091,831
	6.000%, 7/01/44			
	Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue	8/19 at		
3,000	Bonds, First Subordinate Series	100.00	A+	3,003,570
	2009A, 6.000%, 8/01/42			
2,500			Aa2	2,120,800

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	Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Tender Option Bonds Trust 11851, 18.206%, 8/01/16 – (IF)	No Opt. Call		
9,890	Total Puerto Rico			9,216,201
	Rhode Island – 3.2%			
3,000	Rhode Island Health and Educational Building Corporation, Hospital Financing Revenue Bonds, Lifespan Obligated Group Issue, Series 2009A, 7.000%, 5/15/39	5/19 at 100.00	A–	3,189,300
3,240	Rhode Island Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds, Series 2002A, 6.125%, 6/01/32	6/12 at 100.00	BBB	3,068,345
6,240	Total Rhode Island			6,257,645
	Texas – 6.2%			
13,510	Leander Independent School District, Williamson and Travis Counties, Texas, General Obligation Bonds, Series 2008, 0.000%, 8/15/39	8/17 at 27.35	AAA	2,550,823
5,300	North Texas Tollway Authority, Second Tier System Revenue Refunding Bonds, Series 2008F, 5.750%, 1/01/38	1/18 at 100.00	A3	4,950,041
5,000	Richardson Hospital Authority, Texas, Revenue Bonds, Richardson Regional Medical Center, Series 2004, 6.000%, 12/01/34	12/13 at 100.00	Baa2	4,630,350
23,810	Total Texas			12,131,214
	Virgin Islands – 0.5%			
1,000	Virgin Islands Public Finance Authority, Matching Fund Revenue Loan Note – Diageo Project, Series 2009A, 6.750%, 10/01/37	10/19 at 100.00	BBB	1,003,840
2,000	Virginia – 1.1%			
	Washington County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Mountain States Health Alliance, Series 2009C, 7.750%, 7/01/38	1/19 at 100.00	BBB+	2,184,960
160	Wisconsin – 8.4%			
	Badger Tobacco Asset Securitization Corporation, Wisconsin, Tobacco Settlement Asset-Backed Bonds, Series 2002, 6.125%, 6/01/27 (Pre-refunded 6/01/12)	6/12 at 100.00	AAA	167,659
5,000	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Aurora Healthcare Inc., Series 2003, 6.400%, 4/15/33	4/13 at 100.00	BBB+	5,039,150
1,500	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, ProHealth Care, Inc. Obligated Group, Series 2009, 6.625%, 2/15/39	2/19 at 100.00	A+	1,560,015
9,000	Wisconsin State, General Fund Annual Appropriation Revenue Bonds, Refunding Series 2009A, 6.000%, 5/01/36	5/19 at 100.00	AA–	9,560,878
15,660	Total Wisconsin			16,327,702
\$ 269,125	Total Investments (cost \$181,248,374) – 98.6%			191,854,715
	Other Assets Less Liabilities – 1.4%			2,784,486
				\$
	Net Assets – 100%			194,639,201





Fair Value Measurements

In determining the fair value of the Fund's investments, various inputs are used. These inputs are 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 January 31, 2011:

	Level 1	Level 2	Level 3	Total
Investments:				
Municipal Bonds	\$—	\$191,854,715	\$—	\$191,854,715

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

Income Tax Information

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to timing differences in recognizing taxable market discount, timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate securities reflected as financing transactions, if any. 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 January 31, 2011, the cost of investments was \$180,765,943.

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

Gross unrealized:	
Appreciation	\$14,453,674
Depreciation	(3,364,902)
Net unrealized appreciation (depreciation) of investments	\$11,088,772

All percentages shown in the Portfolio of Investments are  
(1) based on net assets.

Optional Call Provisions: Dates (month and year) and

(2) prices of the earliest optional call or redemption.

There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities

may be subject to periodic principal paydowns.

Ratings: Using the highest of Standard & Poor's Group

- (3) ("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.

N/R Not rated.

(IF) Inverse floating rate investment.

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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: See EX-99 CERT attached hereto.

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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 Municipal Value Fund 2

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

Date April 1, 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 April 1, 2011

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

Date April 1, 2011