

Edgar Filing: MUNIHOLDINGS INSURED FUND II INC - Form N-Q

MUNIHOLDINGS INSURED FUND II INC  
Form N-Q  
August 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 811-09191

Name of Fund: BlackRock MuniHoldings Insured Fund II, Inc.

Fund Address: P.O. Box 9011  
Princeton, NJ 08543-9011

Name and address of agent for service: Robert C. Doll, Jr., Chief Executive  
Officer, BlackRock MuniHoldings Insured Fund II, 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

Date of fiscal year end: 09/30/2007

Date of reporting period: 04/01/07 - 06/30/07

Item 1 - Schedule of Investments

BlackRock MuniHoldings Insured Fund II, Inc.

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

State	Face Amount	Municipal Bonds
Alabama - 3.0%	\$ 3,581	Jefferson County, Alabama, Limited Obligation School Warrant 5.50% due 1/01/2022
	5,000	Mobile, Alabama, GO, Refunding, 5.25% due 8/15/2020 (a)
Alaska - 1.3%	2,000	Anchorage, Alaska, Water Revenue Refunding Bonds, 6% due 9/0
	1,700	Matanuska-Susitna Boro, Alaska, GO, Series A, 6% due 3/01/20
California - 25.3%	2,100	California State, GO, 5.50% due 4/01/2014 (j)
	2,935	California State, Various Purpose, GO, 5.25% due 12/01/2022
	9,350	California State, Veterans, GO, Refunding, AMT, Series BZ, 5 12/01/2021 (i)
	2,405	Dixon, California, Unified School District, GO (Election of due 8/01/2044 (f)
	2,185	East Side Union High School District, California, Santa Clar GO (Election of 2002), Series D, 5% due 8/01/2020 (n)
	8,460	East Side Union High School District, California, Santa Clar GO (Election of 2002), Series D, 5% due 8/01/2029 (n)
	4,240	Modesto, California, Schools Infrastructure Financing Agency Tax Bonds, 5.50%

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	due 9/01/2036 (a)
5,000	Port of Oakland, California, Revenue Refunding Bonds, AMT, S
	due 11/01/2027 (c)
2,985	Roseville, California, Joint Union High School District, GO
	Series A, 5% due 8/01/2029 (c)
150	Sacramento, California, City Financing Authority, Capital Im
	Bonds, 5% due 12/01/2027 (a)
1,480	San Diego, California, Community College District, GO (Elect
	due 5/01/2030 (f)
1,250	San Francisco, California, City and County Airport Commissio
	Airport, Special Facilities Lease Revenue Bonds (SFO Fuel Co
	Series A, 6.10% due 1/01/2020 (f)
5,075	San Francisco, California, City and County, GO (California A
	Improvements), Series E, 5% due 6/15/2022 (i)
3,800	San Jose, California, GO (Libraries, Parks and Public Safety
	due 9/01/2030 (i)
5,190	Sequoia, California, Unified High School District, GO, Refun
	5.50% due 7/01/2035 (f)

### Portfolio Abbreviations

To simplify the listings of BlackRock MuniHoldings Insured Fund II, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many the securities according to the list below.

AMT	Alternative Minimum Tax (subject to)
COP	Certificates of Participation
EDA	Economic Development Authority
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
M/F	Multi-Family
PCR	Pollution Control Revenue Bonds
S/F	Single-Family
VRDN	Variable Rate Demand Notes

BlackRock MuniHoldings Insured Fund II, Inc.

Schedule of Investments as of June 30, 2007 (Unaudited) (concluded)

State	Face Amount	Municipal Bonds
California	\$ 4,485	Stockton, California, Public Financing Revenue Bonds (Redeve
(concluded)	2,930	Projects), Series A, 5.25% due 9/01/2031 (k)
	2,915	Stockton, California, Public Financing Revenue Bonds (Redeve
	4,620	Projects), Series A, 5.25% due 9/01/2034 (k)
	3,000	Tustin, California, Unified School District, Senior Lien Spe
		Bonds (Community Facilities District Number 97-1), Series A,
		9/01/2032 (f)
		Tustin, California, Unified School District, Senior Lien Spe
		Bonds (Community Facilities District Number 97-1), Series A,
		9/01/2038 (f)
		University of California Revenue Bonds (Multiple Purpose Pro

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Series Q, 5% due 9/01/2022 (f)		
Colorado - 3.6%	6,285	Aurora, Colorado, COP, 5.75% due 12/01/2010 (a) (j)
	240	Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Series A, 5.75% due 4/01/2031
	4,000	Colorado Health Facilities Authority, Hospital Revenue Refunding Bonds (Poudre Valley Health Care), Series A, 5.75% due 12/01/2009
Connecticut - 0.5%	1,520	Connecticut State, GO, Refunding, Series D, 5% due 12/01/2022
District of Columbia - 0.8%	2,500	District of Columbia, Deed Tax Revenue Bonds (Housing Production Fund - New Communities Project), Series A, 5% due 6/01/2032
Florida - 16.3%	2,200	Florida Housing Finance Corporation, Homeowner Mortgage Revenue Bonds Series 2, 4.80% due 7/01/2032 (e) (p)
	3,385	Hillsborough County, Florida, HFA, S/F Mortgage Revenue Bonds Series 1, 5.375% due 10/01/2049 (e) (p)
	5,400	Jacksonville, Florida, Health Facilities Authority, Hospital Revenue Bonds (Baptist Medical Center Project), 5% due 8/15/2037 (f)
	2,340	Jacksonville, Florida, Health Facilities Authority, Hospital Revenue Bonds (Baptist Medical Center Project), Series A, 5% due 8/15/2037
	1,760	Lee Memorial Health System, Florida, Hospital Revenue Bonds, Series A, 5% due 4/01/2032
	5,000	Lee Memorial Health System, Florida, Hospital Revenue Bonds, Series A, 5% due 4/01/2032 (a)
	3,140	Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A, 5% due 10/01/2040 (n)
	3,670	Miami-Dade County, Florida, Subordinate Special Obligation Revenue Bonds Series A, 5.24% due 10/01/2037 (i) (g)
	8,100	Okaloosa County, Florida, Water and Sewer Revenue Refunding Bonds, Series A, 5% due 7/01/2036 (f)
	2,425	Orange County, Florida, School Board, COP, Series A, 5% due 12/01/2028
	6,300	Pasco County, Florida, Half-Cent Sales Tax Revenue Bonds, Series A, 5% due 12/01/2028 (a)
	3,725	South Florida Water Management District, COP, 5% due 10/01/2028
	4,200	University of North Florida Financing Corporation, Capital Improvement Revenue Bonds (Housing Project), 5% due 11/01/2037 (c)
Georgia - 2.2%	6,290	Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25% due 12/01/2022
Idaho - 0.1%	440	Idaho Housing and Finance Association, S/F Mortgage Revenue Bonds Series E, 6% due 1/01/2032
Illinois - 7.1%	2,185	Chicago, Illinois, GO (Neighborhoods Alive 21 Program), Series A, 5% due 7/01/2010 (c) (j)
	18,130	Chicago, Illinois, GO, Series A, 6% due 7/01/2010 (c) (j)
	125	Lake, Cook, Kane and McHenry Counties, Illinois, Community Unit District Number 220, GO, 6% due 12/01/2020 (c)
Indiana - 3.1%	9,280	Shelbyville, Indiana, Elementary School Building Corporation, First Mortgage, 5.75% due 1/15/2009 (f) (j)
Kansas - 2.1%	3,510	Kansas State Development Finance Authority, Health Facilities Bonds (Sisters of Charity Leavenworth), Series J, 6.125% due 12/01/2033
	2,805	Sedgwick and Shawnee Counties, Kansas, S/F Mortgage Revenue Bonds Series A-2, 6.20% due 12/01/2033 (e)
Louisiana - 2.7%	8,000	Louisiana State, Gas and Fuels Tax Revenue Bonds, Series A, 5% due 12/01/2022
Massachusetts - 4.1%	5,535	Massachusetts Bay Transportation Authority, Sales Tax Revenue Bonds, Senior Series A, 5% due 7/01/2035
	2,000	Massachusetts State Development Finance Agency, Education Revenue Bonds, Series A, 5% due 12/01/2022

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		(Belmont Hill School), 4.50% due 9/01/2036
	5,000	Massachusetts State School Building Authority, Dedicated Sal Bonds, Series A, 5% due 8/15/2030 (f)
Michigan - 0.3%	1,000	Michigan State Hospital Finance Authority, Revenue Refunding (Mercy-Mount Clemens), Series A, 6% due 5/15/2014 (i)
Minnesota - 4.4%	2,555	Prior Lake, Minnesota, Independent School District Number 71 due 2/01/2016 (f)
	1,830	Prior Lake, Minnesota, Independent School District Number 71 due 2/01/2017 (f)
	3,570	Prior Lake, Minnesota, Independent School District Number 71 due 2/01/2018 (f)
	2,840	Prior Lake, Minnesota, Independent School District Number 71 due 2/01/2019 (f)
	2,185	Sauk Rapids, Minnesota, Independent School District Number 4 Series A, 5.625% due 2/01/2018 (i)
Nebraska - 1.9%	5,395	Omaha Convention Hotel Corporation, Nebraska, Convention Cen First Tier, Series A, 5.50% due 4/01/2012 (a) (j)
Nevada - 1.6%	120	Nevada Housing Division, S/F Mortgage Revenue Bonds, AMT, Se due 4/01/2022 (i)
	4,445	Truckee Meadows, Nevada, Water Authority, Water Revenue Bond due 7/01/2011 (f) (j)
New Jersey - 16.9%	2,980	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.625% due 6/15/
	8,590	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/
	6,200	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/
	11,000	New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Serie 7/01/2033 (i)
	4,220	New Jersey State Transportation Trust Fund Authority, Transp Revenue Bonds, Series D, 5% due 6/15/2018 (a)
	12,950	New Jersey State Transportation Trust Fund Authority, Transp Revenue Bonds, Series D, 5% due 6/15/2020 (f)
	3,000	New Jersey State Turnpike Authority, Turnpike Revenue Bonds, due 1/01/2030 (f)
New Mexico - 3.6%	5,000	Farmington, New Mexico, PCR, Refunding (Public Service Compa Mexico - San Juan Project), Series C, 5.70% due 12/01/2016 (
	5,480	New Mexico Finance Authority, Senior Lien State Transportati Series A, 5.125% due 6/15/2018 (i)
New York - 13.2%	14,000	Nassau Health Care Corporation, New York, Health System Reve due 8/01/2009 (f) (j)
	5,000	New York City, New York, Sales Tax Asset Receivable Corporat Series A, 5% due 10/15/2020 (i)
	3,200	New York State Dormitory Authority, Non-State Supported Debt (New York University), Series A, 5% due 7/01/2032 (a)
	5,755	New York State Dormitory Authority Revenue Bonds (School Dis Program), Series D, 5.25% due 10/01/2023 (i)
	2,000	Tobacco Settlement Financing Corporation of New York Revenue 5.25% due 6/01/2021 (a)
	7,850	Tobacco Settlement Financing Corporation of New York Revenue 5.50% due 6/01/2017
	500	Triborough Bridge and Tunnel Authority, New York, General Pu Refunding Bonds, VRDN, Series C, 3.69% due 1/01/2032 (a) (l)
North Carolina - 0.4%	1,305	North Carolina HFA, Home Ownership Revenue Bonds, AMT, Serie due 1/01/2022 (a)
Ohio - 1.0%	1,745	Aurora, Ohio, City School District, COP, 6.10% due 12/01/200

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	1,000	Kent State University, Ohio, University Revenue Bonds, 6% due 12/01/2036 (f)
Oklahoma - 0.8%	2,385	Claremore, Oklahoma, Public Works Authority, Capital Improvement Refunding Bonds, Series A, 5.25% due 6/01/2027 (f)
Pennsylvania - 6.6%	6,435	Pennsylvania State Higher Educational Facilities Authority, Higher Education Revenue Bonds, Series O, 5.125% due 6/15/2039 (i)
	4,290	Pittsburgh, Pennsylvania, GO, Series C, 5.25% due 9/01/2017 (j)
	6,415	Pittsburgh, Pennsylvania, GO, Series C, 5.25% due 9/01/2018 (j)
	2,090	Washington County, Pennsylvania, Capital Funding Authority Refunding Bonds (Capital Projects and Equipment Program), 6.15% due 12/01/2036 (f)
Rhode Island - 3.6%	5,555	Providence, Rhode Island, Redevelopment Agency Revenue Refunding Bonds (Public Safety and Municipal Buildings), Series A, 5.75% due 12/01/2036 (f)
	4,685	Rhode Island State Health and Educational Building Corporation Refunding Bonds (Rhode Island School of Design), Series D, 5.50% due 8/15/2036 (f)
South Carolina - 0.6%	1,755	South Carolina Housing Finance and Development Authority, Mortgage Revenue Bonds, AMT, Series A-2, 6.35% due 7/01/2019 (f)
Tennessee - 1.6%	3,500	Metropolitan Government of Nashville and Davidson County, Tennessee, and Education Facilities Board Revenue Refunding Bonds (Ascentia Health), Series A, 5.875% due 11/15/2009 (a) (j)
	1,080	Tennessee HDA, Revenue Bonds (Homeownership Program), AMT, Series A, 5.875% due 7/01/2011 (i)
	110	Tennessee HDA, Revenue Refunding Bonds (Homeownership Program), 6.05% due 7/01/2014 (i)
Texas - 9.7%	1,750	Austin, Texas, Convention Center Revenue Bonds (Convention Center Trust Certificates, Second Tier, Series B, 6% due 1/01/2011 (f)
	1,835	Dallas-Fort Worth, Texas, International Airport Revenue Refunding Bonds, Improvement Bonds, AMT, Series A, 5.875% due 11/01/2017 (c)
	2,150	Dallas-Fort Worth, Texas, International Airport Revenue Refunding Bonds, Improvement Bonds, AMT, Series A, 5.875% due 11/01/2018 (c)
	2,390	Dallas-Fort Worth, Texas, International Airport Revenue Refunding Bonds, Improvement Bonds, AMT, Series A, 5.875% due 11/01/2019 (c)
	8,630	Dallas, Texas, Area Rapid Transit, Senior Lien Revenue Refunding Bonds, Series A, 6.10% due 12/01/2036 (a)
	115	El Paso, Texas, Water and Sewer Revenue Refunding and Improvement Bonds, Series A, 6% due 3/01/2015 (f)
	170	El Paso, Texas, Water and Sewer Revenue Refunding and Improvement Bonds, Series A, 6% due 3/01/2016 (f)
	180	El Paso, Texas, Water and Sewer Revenue Refunding and Improvement Bonds, Series A, 6% due 3/01/2017 (f)
	4,885	Houston, Texas, Combined Utility System, First Lien Revenue Refunding Bonds, Series B, 5% due 11/15/2031 (c)
	4,528	Houston, Texas, Community College System, Participation Interest Revenue Bonds (Alief Center Project), 5.75% due 8/15/2022 (i)
	1,850	Midland, Texas, Certificates of Obligation, GO, 6.10% due 3/01/2036 (f)
Utah - 0.2%	610	Weber County, Utah, Municipal Building Authority, Lease Revenue Bonds, Series A, 5.75% due 12/15/2007 (i) (j)
Washington - 7.0%	6,885	Bellevue, Washington, GO, Refunding, 5.50% due 12/01/2039 (i)
	3,840	Chelan County, Washington, Public Utility District Number 0001, Revenue Bonds (Chelan Hydro System), AMT, Series A, 5.45% due 12/01/2036 (f)
	1,805	Lewis County, Washington, GO, Refunding, 5.75% due 12/01/2036 (f)
	1,640	Lewis County, Washington, GO, Refunding, 5.75% due 12/01/2036 (f)
	2,500	Seattle, Washington, Municipal Light and Power Revenue Bonds, Series A, 5.875% due 10/01/2009 (i) (j)
	3,500	Seattle, Washington, Water System Revenue Bonds, Series B, 6.10% due 12/01/2036 (f)

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West Virginia - 2.1%	6,210	West Virginia State Housing Development Fund, Housing Finance Bonds, Series D, 5.20% due 11/01/2021 (i)
Wisconsin - 0.4%	1,250	Wisconsin State Health and Educational Facilities Authority (Blood Center of Southeastern Wisconsin Project), 5.75% due 11/01/2021 (i)
Puerto Rico - 2.8%	6,225	Puerto Rico Commonwealth, Public Improvement, GO, 5.125% due 7/01/2032
	1,010	Puerto Rico Commonwealth, Public Improvement, GO, Refunding, due 7/01/2032
	1,200	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series A, due 7/01/2037
		Total Municipal Bonds (Cost - \$451,859) - 150.9%
Municipal Bonds Held in Trust (m)		
Arkansas - 4.1%	12,210	Arkansas State Development Finance Authority, M/F Mortgage Revenue Bonds, Series C, 5.35% due 12/01/2035 (d) (i)
California - 4.7%	10,710	California Pollution Control Financing Authority, PCR, Refunding and Electric), AMT, Series A, 5.35% due 12/01/2016 (i)
	3,000	Port of Oakland, California, Revenue Bonds, AMT, Series K, 5.11/01/2021 (c)
Florida - 2.8%	8,400	Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (International Airport), AMT, Series A, 5% due 10/01/2040 (n)
Illinois - 2.6%	7,300	Chicago, Illinois, O'Hare International Airport Revenue Bonds, Series B-2, 6% due 1/01/2029 (n)
Michigan - 3.4%	2,000	Michigan State Strategic Fund, Limited Obligation Revenue Refunding (Detroit Edison Company Pollution Control Project), AMT, Series A, due 6/01/2030 (n)
	5,000	Michigan State Strategic Fund, Limited Obligation Revenue Refunding (Detroit Edison Company Pollution Control Project), AMT, Series A, due 9/01/2029 (n)
	3,000	Saint Clair County, Michigan, Economic Revenue Refunding Bonds (Detroit Edison Co. Project), Series AA, 6.40% due 8/01/2024 (a)
New York - 2.3%	6,750	New York City, New York, Sales Tax Asset Receivable Corporation, Series A, 5.25% due 10/15/2027 (a)
Texas - 5.5%	16,000	Dallas-Fort Worth, Texas, International Airport Revenue Bonds, Series A, 5.50% due 11/01/2033 (i)
		Total Municipal Bonds Held in Trust (Cost - \$77,093) - 25.4%
Shares Held		
Short-Term Securities		
	10,889	Merrill Lynch Institutional Tax-Exempt Fund, 3.59% (h) (o)
		Total Short-Term Securities (Cost - \$10,889) - 3.6%
		Total Investments (Cost - \$539,841*) - 179.9%
		Liabilities in Excess of Other Assets - (0.8%)

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Liability for Trust Certificates, Including Interest Expense  
Preferred Stock, at Redemption Value - (66.9%)

Net Assets - 100.0%

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

Aggregate cost	\$	504,566
		=====
Gross unrealized appreciation	\$	10,996
Gross unrealized depreciation		(2,193)
		-----
Net unrealized appreciation	\$	8,803
		=====

- (a) AMBAC Insured.
- (b) Assured Guaranty Insured.
- (c) FGIC Insured.
- (d) FHA Insured.
- (e) FNMA/GNMA Collateralized.
- (f) FSA Insured.
- (g) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
- (h) 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	Dividend Income
Merrill Lynch Institutional Tax-Exempt Fund	6,273	\$268

- (i) MBIA Insured.
- (j) Prerefunded.
- (k) Radian Insured.
- (l) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.
- (m) Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the fund may have acquired the residual interest certificates. These securities serve as collateral in a financing transaction.

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(n) XL Capital Insured.

(o) Represents the current yield as of June 30, 2007.

(p) FHLMC Collateralized.

### 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 (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

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 MuniHoldings Insured Fund II, Inc.

By: /s/ Robert C. Doll, Jr.

-----  
Robert C. Doll, Jr.,  
Chief Executive Officer of  
BlackRock MuniHoldings Insured Fund II, Inc.

Date: August 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/ Robert C. Doll, Jr.

-----  
Robert C. Doll, Jr.,  
Chief Executive Officer of  
BlackRock MuniHoldings Insured Fund II, Inc.



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Date: August 20, 2007

By: /s/ Donald C. Burke

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Donald C. Burke,  
Chief Financial Officer of  
BlackRock MuniHoldings Insured Fund II, Inc.

Date: August 20, 2007