

BLACKROCK MUNIHOLDINGS INSURED FUND II, INC.
Form N-Q
August 25, 2008

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. (MUE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, 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, Option 4

Date of fiscal year end: 09/30/2008

Date of reporting period: 04/01/2008 - 06/30/2008

Item 1 Schedule of Investments

BlackRock MuniHoldings Insured Fund II, Inc.

| Schedule of Investments June 30, 2008 (Unaudited) | | (Percentages shown are based on Net Assets) | |
|---|--|--|--------------|
| State | Municipal Bonds | Par (000) | Value |
| Alabama - 1.1% | Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5.50%, 1/01/22 | \$ 3,580 | \$ 3,339,710 |
| Alaska - 1.3% | Anchorage, Alaska, Water Revenue Refunding Bonds, 6%, 9/01/09 (a)(b) | 370 | 390,328 |
| | Anchorage, Alaska, Water Revenue Refunding Bonds, 6%, 9/01/24 (a) | 1,630 | 1,681,769 |
| | Matanuska-Susitna Boro, Alaska, GO, Series A, 6%, 3/01/10 (b)(c) | 1,700 | 1,793,585 |
| | | | 3,865,682 |
| Arkansas - 4.2% | | | |

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| | | | |
|--------------------------------|--|--------|------------|
| | Arkansas State Development Finance Authority, M/F Mortgage Revenue Refunding Bonds, Series C, 5.35%, 12/01/35 (c)(d) | 12,215 | 12,228,681 |
| California - 14.2% | California State, Various Purpose, GO, 5.25%, 12/01/22 (f) | 2,935 | 3,060,559 |
| | California State, Veterans, GO, Refunding, AMT, Series BZ, 5.35%, 12/01/21 (c) | 9,350 | 9,351,028 |
| | Dixon, California, Unified School District, GO (Election of 2002), 5.20%, 8/01/44 (f) | 2,405 | 2,432,657 |
| | Modesto, California, Schools Infrastructure Financing Agency, Special Tax Bonds, 5.50%, 9/01/36 (a) | 4,240 | 4,255,052 |
| | Port of Oakland, California, Revenue Bonds, AMT, Series K, 5.75%, 11/01/21 (g) | 3,000 | 3,004,110 |
| | Port of Oakland, California, Revenue Refunding Bonds, AMT, Series L, 5.375%, 11/01/27 (c)(g) | 5,000 | 4,914,100 |
| | Rancho Cucamonga, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Rancho Redevelopment Project), Series A, 5%, 9/01/34 (c) | 1,500 | 1,459,980 |
| | Roseville, California, Joint Union High School District, GO (Election of 2004), Series A, 5%, 8/01/29 (g) | 2,985 | 2,997,298 |
| | Sacramento, California, City Financing Authority, Capital Improvement Revenue Bonds, 5%, 12/01/27 (a) | 150 | 151,554 |
| | San Francisco, California, City and County Airport Commission, International Airport, Special Facilities Lease Revenue Bonds (SFO Fuel Company LLC), AMT, Series A, 6.10%, 1/01/20 (f) | 1,250 | 1,277,113 |
| | Stockton, California, Public Financing Revenue Bonds (Redevelopment Projects), Series A, 5.25%, 9/01/31 (h) | 495 | 470,780 |
| | Stockton, California, Public Financing Revenue Bonds (Redevelopment Projects), Series A, 5.25%, 9/01/34 (h) | 2,930 | 2,740,283 |
| | Vista, California, COP (Community Projects), 5%, 5/01/37 (c) | 5,400 | 5,286,600 |
| | | | 41,401,114 |
| Portfolio Abbreviations | | | |

To simplify the listings of the portfolio holdings in the Schedule of Investments, the names of many of the securities have been abbreviated according to the list below.

| | | | |
|----------------|--|------------|----------------------------------|
| AMT | Alternative Minimum Tax (subject to) | HFA | Housing Finance Agency |
| CABS | Capital Appreciation Bonds | IDA | Industrial Development Authority |
| COP | Certificates of Participation | M/F | Multi-Family |
| DRIVERS | Derivative Inverse Tax-Exempt Receipts | PCR | Pollution Control Revenue Bonds |
| EDA | Economic Development Authority | S/F | Single-Family |

GO General Obligation Bonds
HDA Housing Development Authority

VRDN Variable Rate Demand Notes

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BlackRock MuniHoldings Insured Fund II, Inc.

Schedule of Investments June 30, 2008 (Unaudited)

(Percentages shown are based on Net Assets)

| State | Municipal Bonds | Par (000) | Value |
|------------------------------------|--|--------------|-------------|
| Colorado - 3.8% | Aurora, Colorado, COP, 5.75%, 12/01/10 (a)(b) | \$ 6,285 | \$6,711,060 |
| | Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Senior Series A-2, 7.50%, 4/01/31 | 200 | 207,808 |
| | Colorado Health Facilities Authority, Hospital Revenue Refunding Bonds (Poudre Valley Health Care), Series A, 5.75%, 12/01/09 (b)(f) | 4,000 | 4,230,600 |
| | | | 11,149,468 |
| Connecticut - 0.5% | Connecticut State, GO, Refunding, Series D, 5%, 12/01/24 (c) | 1,520 | 1,570,464 |
| District of Columbia - 0.9% | District of Columbia, Deed Tax Revenue Bonds (Housing Production Trust Fund - New Communities Project), Series A, 5%, 6/01/32 (c) | 2,500 | 2,479,225 |
| | | | |
| Florida - 22.3% | Brevard County, Florida, Health Facilities Authority, Healthcare Facilities Revenue Bonds (Health First Inc. Project), 5%, 4/01/34 | 2,600 | 2,388,386 |
| | Broward County, Florida, HFA, S/F Mortgage Revenue Refunding Bonds, AMT, Series E, 5.90%, 10/01/39 (i)(j) | 2,310 | 2,298,866 |
| | Broward County, Florida, School Board, COP, Series A, 5.25%, 7/01/33 (f) | 5,600 | 5,660,816 |
| | Hillsborough County, Florida, HFA, S/F Mortgage Revenue Bonds, AMT, Series 1, 5.375%, 10/01/49 (i)(j) | 3,385 | 3,214,768 |
| | Hillsborough County, Florida, IDA, Hospital Revenue Bonds (H. Lee Moffitt Cancer Center Project), Series A, 5.25%, 7/01/37 | 4,700 | 4,484,834 |
| | Hillsborough County, Florida, IDA, PCR, Refunding (Tampa Electric Company Project), Series B, 5.15%, 9/01/25 | 1,200 | 1,204,776 |
| | Lee Memorial Health System, Florida, Hospital Revenue Bonds, Series A, 5%, 4/01/32 (a) | 5,000 | 4,890,800 |
| | Miami-Dade County, Florida, Aviation Revenue Bonds, DRIVERS, VRDN, AMT, Series A, 8.009%, 10/01/11 (e)(f) | 34 | 30,233 |
| | Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami | | |
| | | | |
| | | | |
| | | | |

| | | |
|---|-------|-------------------|
| International Airport), AMT, Series A, 5.50%, 10/01/41 (f) | 6,700 | 6,720,703 |
| Miami-Dade County, Florida, School Board, COP, Refunding, Series B, 5.25%, 5/01/28 (k) | 5,000 | 5,068,650 |
| Miami-Dade County, Florida, School Board, COP, Refunding, Series B, 5.25%, 5/01/31 (k) | 3,600 | 3,632,796 |
| Miami-Dade County, Florida, School Board, COP, Series A, 5%, 5/01/21 (f)(g) | 5,000 | 5,135,150 |
| Miami-Dade County, Florida, Special Obligation Revenue Bonds, Sub-Series A, 5.24%, 10/01/37 (c)(l) | 3,670 | 677,078 |
| Miami, Florida, Special Obligation Revenue Bonds (Street and Sidewalk Improvement Program), 5%, 1/01/37 (c) | 3,500 | 3,336,620 |
| Okaloosa County, Florida, Water and Sewer Revenue Refunding Bonds, 5%, 7/01/36 (f) | 2,100 | 2,108,253 |
| Pasco County, Florida, Half-Cent Sales Tax Revenue Bonds, 5.125%, 12/01/28 (a) | 6,300 | 6,342,651 |
| Saint Johns County, Florida, Water and Sewer Revenue Bonds, CABS, 5.352%, 6/01/31 (a)(l) | 5,065 | 1,363,042 |
| Seminole County, Florida, Water and Sewer Revenue Bonds, 5%, 10/01/31 | 6,250 | 6,316,938 |
| | | <u>64,875,360</u> |

BlackRock MuniHoldings Insured Fund II, Inc.

Schedule of Investments June 30, 2008 (Unaudited) (Percentages shown are based on Net Assets)

| State | Municipal Bonds | Par (000) | Value |
|-------------------------|---|--|--|
| Idaho - 0.1% | Idaho Housing and Finance Association, S/F Mortgage Revenue Bonds, AMT, Series E, 6%, 1/01/32 | \$ 360 | \$ 369,011 |
| Illinois - 12.9% | Chicago, Illinois, GO (Neighborhoods Alive 21 Program), Series A, 6%, 7/01/10 (b)(g) Chicago, Illinois, GO, Series A, 6%, 7/01/10 (b)(g) Chicago, Illinois, O'Hare International Airport, General Airport Revenue Refunding Bonds, Third Lien, AMT, Series A, 5.75%, 1/01/19 (c) Chicago, Illinois, O'Hare International Airport Revenue Bonds, Third Lien, AMT, Series B-2, 6%, 1/01/29 (m) Chicago, Illinois, O'Hare International Airport Revenue Bonds, Third Lien, Series A, 5%, 1/01/31 (c) Illinois State Finance Authority, Revenue Refunding Bonds (Central | 2,185 18,130 3,125 7,300 1,430 | 2,344,024 19,449,501 3,145,626 7,405,631 1,368,567 |

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| | | | |
|-------------------------|---|-------|------------|
| | DuPage Health System), VRDN, Series B, 1.90%, 11/01/38 (e) | 3,500 | 3,500,000 |
| | Lake, Cook, Kane and McHenry Counties, Illinois, Community Unit School District Number 220, GO, 6%, 12/01/20 (g) | 125 | 131,769 |
| | | | 37,345,118 |
| Indiana - 5.3% | Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series A, 5%, 1/01/37 (c) | 8,000 | 7,717,440 |
| | Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series A, 5%, 1/01/42 (c) | 8,000 | 7,667,920 |
| | | | 15,385,360 |
| Kansas - 2.2% | Kansas State Development Finance Authority, Health Facilities Revenue Bonds (Sisters of Charity Leavenworth), Series J, 6.125%, 12/01/20 | 3,510 | 3,676,234 |
| | Sedgwick and Shawnee Counties, Kansas, S/F Mortgage Revenue Bonds, AMT, Series A-2, 6.20%, 12/01/33 (j) | 2,615 | 2,647,872 |
| | | | 6,324,106 |
| Louisiana - 0.6% | Louisiana State, Gas and Fuels Tax Revenue Bonds, Series A, 5%, 5/01/41 (g) | 1,600 | 1,574,512 |
| Michigan - 3.8% | Michigan State Hospital Finance Authority, Revenue Refunding Bonds (Mercy-Mount Clemens), Series A, 6%, 5/15/09 (b)(c) | 1,000 | 1,045,360 |
| | Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Pollution Control Project), AMT, Series A, 5.50%, 6/01/30 (m) | 2,000 | 1,947,760 |
| | Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Pollution Control Project), AMT, Series C, 5.65%, 9/01/29 (m) | 5,000 | 5,043,050 |
| | Saint Clair County, Michigan, Economic Revenue Refunding Bonds (Detroit Edison Co. Project), Series AA, 6.40%, 8/01/24 (a) | 3,000 | 3,065,730 |
| | | | 11,101,900 |
| Minnesota - 4.7% | Prior Lake, Minnesota, Independent School District Number 719, GO, 5.50%, 2/01/16 (f) | 2,555 | 2,661,876 |
| | Prior Lake, Minnesota, Independent School District Number 719, GO, 5.50%, 2/01/17 (f) | 1,830 | 1,906,549 |

BlackRock MuniHoldings Insured Fund II, Inc.

Schedule of Investments June 30, 2008 (Unaudited)

(Percentages shown are based on Net Assets)

| State | Municipal Bonds | Par (000) | Value |
|------------------------------|---|--------------|--------------|
| | Prior Lake, Minnesota, Independent School District Number 719, GO, 5.50%, 2/01/18 (f) | \$ 3,570 | \$ 3,719,333 |
| | Prior Lake, Minnesota, Independent School District Number 719, GO, 5.50%, 2/01/19 (f) | 2,840 | 2,958,797 |
| | Sauk Rapids, Minnesota, Independent School District Number 47, GO, Series A, 5.625%, 2/01/18 (c) | 2,185 | 2,321,366 |
| | | | 13,567,921 |
| Nevada - 0.0% | Nevada Housing Division, S/F Mortgage Revenue Bonds, AMT, Series A-2, 6.30%, 4/01/22 (c) | 95 | 96,209 |
| New Jersey - 6.1% | New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75%, 6/15/34 (k) | 6,200 | 6,411,110 |
| | New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5.25%, 7/01/33 (c) | 11,000 | 11,186,670 |
| | | | 17,597,780 |
| New York - 5.8% | Nassau Health Care Corporation, New York, Health System Revenue Bonds, 5.75%, 8/01/09 (b)(f) | 14,000 | 14,850,640 |
| | Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A-1, 5.25%, 6/01/21 (a) | 2,000 | 2,069,020 |
| | | | 16,919,660 |
| North Carolina - 0.4% | North Carolina HFA, Home Ownership Revenue Bonds, AMT, Series 14-A, 5.35%, 1/01/22 (a) | 1,235 | 1,238,730 |
| Ohio - 1.0% | Aurora, Ohio, City School District, COP, 6.10%, 12/01/09 (b)(c) | 1,745 | 1,855,354 |
| | Kent State University, Ohio, University Revenue Bonds, 6%, 5/01/24 (a) | 1,000 | 1,044,660 |
| | | | 2,900,014 |

| | | | |
|------------------------------|--|---------------------|---|
| Oklahoma - 0.9% | Claremore, Oklahoma, Public Works Authority, Capital Improvement Revenue Refunding Bonds, Series A, 5.25%, 6/01/14 (b)(f) | 2,385 | 2,623,738 |
| Pennsylvania - 0.1% | Washington County, Pennsylvania, Capital Funding Authority Revenue Bonds (Capital Projects and Equipment Program), 6.15%, 12/01/29 (a) | 305 | 303,152 |
| Rhode Island - 3.6% | Providence, Rhode Island, Redevelopment Agency Revenue Refunding Bonds (Public Safety and Municipal Buildings), Series A, 5.75%, 4/01/10 (a)(b) Rhode Island State Health and Educational Building Corporation Revenue Bonds (Rhode Island School of Design), Series D, 5.50%, 8/15/31 (m) | 5,555 4,685 | 5,901,799 4,687,061 10,588,860 |
| South Carolina - 5.6% | South Carolina Housing Finance and Development Authority, Mortgage Revenue Refunding Bonds, AMT, Series A-2, 6.35%, 7/01/19 (f) South Carolina State Public Service Authority, Revenue Refunding Bonds, Series A, 5%, 1/01/42 (a) | 1,335 15,000 | 1,372,393 14,903,400 16,275,793 |
| Tennessee - 1.3% | Metropolitan Government of Nashville and Davidson County, Tennessee, Health and Education Facilities Board, Revenue Refunding Bonds (Ascension Health Credit), Series A, 5.875%, 11/15/09 (a)(b) Tennessee HDA, Revenue Bonds (Homeownership Program), AMT, Series 2C, 6%, 7/01/11 | 3,500 70 | 3,700,970 70,007 3,770,977 |

BlackRock MuniHoldings Insured Fund II, Inc.

Schedule of Investments June 30, 2008 (Unaudited)

(Percentages shown are based on Net Assets)

Par

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| State | Municipal Bonds | (000) | Value |
|-------------------|--|----------|--------------|
| Texas - 19.8% | Dallas-Fort Worth, Texas, International Airport, Joint Revenue Bonds, | | |
| | AMT, Series B, 6%, 11/01/23 (c) | \$ 1,300 | \$ 1,307,813 |
| | Dallas-Fort Worth, Texas, International Airport Revenue Bonds, AMT, | | |
| | Series A, 5.50%, 11/01/33 (c) | 16,000 | 15,509,920 |
| | Dallas-Fort Worth, Texas, International Airport Revenue Refunding and | | |
| | Improvement Bonds, AMT, Series A, 5.875%, 11/01/17 (g) | 1,835 | 1,851,827 |
| | Dallas-Fort Worth, Texas, International Airport Revenue Refunding and | | |
| | Improvement Bonds, AMT, Series A, 5.875%, 11/01/18 (g) | 2,150 | 2,162,835 |
| | Dallas-Fort Worth, Texas, International Airport Revenue Refunding and | | |
| | Improvement Bonds, AMT, Series A, 5.875%, 11/01/19 (g) | 2,390 | 2,397,146 |
| | El Paso, Texas, Water and Sewer Revenue Refunding and Improvement | | |
| | Bonds, Series A, 6%, 3/01/15 (f) | 115 | 124,615 |
| | El Paso, Texas, Water and Sewer Revenue Refunding and Improvement | | |
| | Bonds, Series A, 6%, 3/01/16 (f) | 170 | 183,909 |
| | El Paso, Texas, Water and Sewer Revenue Refunding and Improvement | | |
| | Bonds, Series A, 6%, 3/01/17 (f) | 180 | 194,407 |
| | Houston, Texas, Community College System, Participation Interests, COP | | |
| | (Alief Center Project), 5.75%, 8/15/22 (c) | 4,341 | 4,454,209 |
| | Midland, Texas, Certificates of Obligation, GO, 6.10%, 3/01/10 (b)(g) | 1,850 | 1,954,839 |
| | North Texas Tollway Authority, System Revenue Refunding Bonds, First | | |
| | Tier, 5.75%, 1/01/40 (c) | 14,750 | 15,118,750 |
| | North Texas Tollway Authority, System Revenue Refunding Bonds, First | | |
| | Tier, Series B, 5.75%, 1/01/40 (c) | 1,000 | 1,025,000 |
| | North Texas Tollway Authority, System Revenue Refunding Bonds, Series | | |
| | A, 5.625%, 1/01/33 (c) | 10,975 | 11,181,110 |
| | | | 57,466,380 |
| Washington - 4.7% | Chelan County, Washington, Public Utility District Number 001, Consolidated Revenue Bonds (Chelan Hydro System), AMT, Series A, 5.45%, | | |
| | 7/01/37 (a) | 3,840 | 3,673,152 |
| | Lewis County, Washington, GO, Refunding, 5.75%, 12/01/09 (a)(b) | 1,805 | 1,892,885 |
| | Lewis County, Washington, GO, Refunding, 5.75%, 12/01/24 (a) | 1,640 | 1,681,213 |
| | Seattle, Washington, Municipal Light and Power Revenue Bonds, 6%, 10/01/09 (b)(c) | 2,500 | 2,640,650 |
| | Seattle, Washington, Water System Revenue Bonds, Series B, | | |

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| | | | |
|---------------------------|---|----------------|------------------------|
| | 6%, 7/01/09 (b)(g) | 3,500 | 3,680,880 |
| | | | 13,568,780 |
| Wisconsin - 0.4% | Wisconsin State Health and Educational Facilities Authority Revenue Bonds (Blood Center of Southeastern Wisconsin Project), 5.75%, 6/01/34 | 1,250 | 1,248,263 |
| Puerto Rico - 2.0% | Puerto Rico Commonwealth, Public Improvement, GO, 5.125%, 7/01/30 (f) | 5,725 | 5,779,617 |
| | Total Municipal Bonds (Cost - \$377,650,544) - 129.7% | | 376,955,585 |
| | Municipal Bonds Transferred to Tender Option Bond Trusts (n) | | |
| California - 10.7% | Palomar Pomerado Health Care District, California, GO (Election of 2004), Series A, 5.125%, 8/01/37 (c) Sacramento County, California, Airport System Revenue Bonds, AMT, Senior Series B, 5.25%, 7/01/39 (f) | 7,364 5,350 | 7,449,256 5,260,681 |

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BlackRock MuniHoldings Insured Fund II, Inc.

Schedule of Investments June 30, 2008 (Unaudited)

(Percentages shown are based on
Net Assets)

| State | Municipal Bonds Transferred to Tender Option Bond Trusts (n) | Par (000) | Value |
|-------|--|--------------|--------------|
| | San Diego, California, Community College District, GO (Election of 2002), 5%, 5/01/30 (f) | \$ 1,480 | \$ 1,508,424 |
| | San Jose, California, GO (Libraries, Parks and Public Safety Projects), 5%, 9/01/30 (c) | 3,800 | 3,840,785 |
| | Sequoia, California, Unified High School District, GO, Refunding, Series B, 5.50%, 7/01/35 (f) | 5,189 | 5,474,879 |
| | Tustin, California, Unified School District, Senior Lien Special Tax Bonds (Community Facilities District Number 97-1), Series A, 5%, 9/01/32 (f) | 4,620 | 4,612,516 |
| | Tustin, California, Unified School District, Senior Lien Special Tax Bonds (Community Facilities District Number 97-1), Series A, 5%, 9/01/38 (f) | 2,915 | 2,927,417 |
| | | | 31,073,958 |

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| | | | |
|-----------------------------|--|--------|------------|
| Colorado - 3.2% | Colorado Health Facilities Authority Revenue Bonds (Catholic Health), Series C-3, 5.10%, 10/01/41 (f) | 9,400 | 9,388,040 |
| Florida - 10.0% | Jacksonville, Florida, Health Facilities Authority, Hospital Revenue Bonds (Baptist Medical Center Project), 5%, 8/15/37 (f) | 7,740 | 7,669,179 |
| | Lee County, Florida, HFA, S/F Mortgage Revenue Bonds (Multi-County Program), AMT, Series A-2, 6%, 9/01/40 (i)(j) | 4,500 | 4,583,520 |
| | Miami-Dade County, Florida, Aviation Revenue Bonds, AMT, Series A, 5%, 10/01/33 (f) | 6,730 | 6,321,088 |
| | Orlando, Florida, Senior Tourist Development Tax Revenue Bonds (6th Cent Contract Payments), Series A, 5.25%, 11/01/38 (k) | 4,000 | 4,085,560 |
| | St. Petersburg, Florida, Public Utilities, Revenue Refunding Bonds, 5%, 10/01/35 (c) | 6,492 | 6,491,449 |
| | | | 29,150,796 |
| Georgia - 2.3% | Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25%, 10/01/34 (f) | 6,290 | 6,552,481 |
| Illinois - 6.6% | Chicago, Illinois, O'Hare International Airport, General Airport Revenue Refunding Bonds, Third Lien, AMT, Series A, 5%, 1/01/38 (f) | 15,000 | 14,910,600 |
| | Chicago, Illinois, Water Revenue Refunding Bonds, Second Lien, 5.25%, 11/01/33 (f) | 3,972 | 4,119,783 |
| | | | 19,030,383 |
| Massachusetts - 3.7% | Massachusetts Bay Transportation Authority, Revenue Refunding Bonds, Unrefunded Balance, Series A, 5%, 7/01/35 | 5,535 | 5,545,406 |
| | Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5%, 8/15/30 (f) | 4,998 | 5,077,550 |
| | | | 10,622,956 |
| New Jersey - 1.0% | New Jersey State Turnpike Authority, Turnpike Revenue Bonds, Series C, 5%, 1/01/30 (f) | 2,998 | 3,049,800 |
| New York - 2.4% | New York City, New York, Sales Tax Asset Receivable Corporation Revenue Bonds, Series A, 5.25%, 10/15/27 (a) | 6,750 | 7,009,267 |
| Washington - 2.4% | Bellevue, Washington, GO, Refunding, 5.50%, 12/01/39 (c) | 6,885 | 7,096,926 |
| | Total Municipal Bonds Transferred to Tender Option Bond Trusts | | |

(Cost - \$125,030,955) - 42.3%

122,974,607

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BlackRock MuniHoldings Insured Fund II, Inc.

| Schedule of Investments June 30, 2008 (Unaudited) | | (Percentages shown are based on Net Assets) | |
|---|--|---|----------------|
| Short-Term Securities | | Shares | Value |
| Merrill Lynch Institutional Tax-Exempt Fund, 1.73% (o)(p) | | 7,389,380 | \$ 7,389,380 |
| Total Short-Term Securities (Cost - \$7,389,380) - 2.5% | | | 7,389,380 |
| Total Investments (Cost - \$510,070,879*) - 174.5% | | | 507,319,572 |
| Other Assets Less Liabilities - 2.1% | | | 6,169,080 |
| Liability for Trust Certificates, Including Interest Expense Payable - (26.6)% | | | (77,419,874) |
| Preferred Stock at Redemption Value - (50.0)% | | | (145,353,632) |
| Net Assets Applicable to Common Stock - 100.0% | | | \$ 290,715,146 |

* The cost and unrealized appreciation (depreciation) of investments as of June 30, 2008, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 432,515,428 |
| Gross unrealized appreciation | \$ 6,653,565 |
| Gross unrealized depreciation | (9,040,121) |
| Net unrealized depreciation | \$ (2,386,556) |

- (a) AMBAC Insured.
- (b) U.S. government securities, held in escrow, are used to pay interest on this security, as well as, retire the bond in full at the date indicated, typically at a premium to par.
- (c) MBIA Insured.
- (d) FHA Insured.
- (e) Variable rate security. Rate shown is as of report date. Maturity shown is the final maturity date.
- (f) FSA Insured.
- (g) FGIC Insured.

- (h) Radian Insured.
- (i) FHLMC Collateralized.
- (j) FNMA/GNMA Collateralized.
- (k) Assured Guaranty Insured.
- (l) Represents a zero coupon bond. Rate shown reflects the effective yield at the time of purchase.
- (m) XL Capital Insured.
- (n) Securities represents bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction.
- (o) 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 | 7,069,063 | \$ 304,246 |

(p) Represents the current yield as of report date.

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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 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) 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.

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BlackRock MuniHoldings Insured Fund II, Inc.

By: /s/ Donald C. Burke

Donald C. Burke

Chief Executive Officer of

BlackRock MuniHoldings Insured Fund II, Inc.

Date: August 22, 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: /s/ Donald C. Burke

Donald C. Burke

Chief Executive Officer (principal executive officer) of

BlackRock MuniHoldings Insured Fund II, Inc.

Date: August 22, 2008

By: /s/ Neal J. Andrews

Neal J. Andrews

Chief Financial Officer (principal financial officer) of

BlackRock MuniHoldings Insured Fund II, Inc.

Date: August 22, 2008
