

BLACKROCK MUNIYIELD CALIFORNIA INSURED FUND, INC
Form N-CSRS
April 07, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSRS

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

Investment Company Act file number 811-06692

Name of Fund: BlackRock MuniYield California Insured Fund, Inc. (MCA)

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Date of fiscal year end: 07/31/2009

Date of reporting period: 08/01/2008 – 01/31/2009

Item 1 – Report to Stockholders

Semi-Annual Report

JANUARY 31, 2009 | (UNAUDITED)

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)

BlackRock MuniYield California Insured Fund, Inc. (MCA)

BlackRock MuniYield Insured Fund, Inc. (MYI)

BlackRock MuniYield Michigan Insured Fund II, Inc. (MYM)

BlackRock MuniYield New York Insured Fund, Inc. (MYN)

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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A Letter to Shareholders

Dear Shareholder

The present time may well be remembered as one of the most tumultuous periods in financial market history. Over the past year, the bursting of the housing bubble and the resultant credit crisis swelled into an all-out global financial market meltdown that featured the collapse of storied financial firms, volatile swings in the world's financial markets and monumental government responses, including the nearly \$800 billion economic stimulus plan signed into law just after period end.

The US economy appeared relatively resilient through the first few months of 2008, when rising food and energy prices fueled inflation fears. Mid-summer ushered in dramatic changes — inflationary pressure subsided amid a plunge in commodity prices, while economic pressures intensified in the midst of a rapid deterioration in consumer spending, employment and other key indicators. By year's end, the National Bureau of Economic Research affirmed that the United States was in a recession, which officially began in December 2007. The Federal Reserve Board (the "Fed"), after slashing interest rates aggressively early in the period, resumed that rate-cutting campaign in the fall, with the final reduction in December 2008 bringing the target federal funds rate to a record low range of between zero and 0.25%. Importantly, the central bank pledged that future policy moves to revive the global economy and financial markets would comprise primarily nontraditional and quantitative easing measures, such as capital injections, lending programs and government guarantees.

Against this backdrop, US equity markets experienced intense volatility, with the sentiment turning decisively negative toward period end. Declines were significant and broad-based, with little divergence among large- and small-cap stocks. Non-US stocks posted stronger results early on, but quickly lost ground as the credit crisis revealed itself to be global in scope and as the worldwide economic slowdown gathered pace. Overall, aggressive monetary and fiscal policy, combined with the defensiveness of the US, helped domestic equities notch better performance than their non-US counterparts.

In fixed income markets, risk aversion remained the popular theme, leading the Treasury sector to top all other asset classes. The high yield market was particularly hard hit in this environment, as economic turmoil, combined with frozen credit markets and substantial technical pressures, took a heavy toll. Meanwhile, the municipal bond market was challenged by a dearth of market participants, lack of liquidity, difficult funding environment and backlog of new-issue supply, which sent prices lower and yields well above Treasuries. By period end, however, some positive momentum had returned to the municipal space.

In all, an investor flight to safety prevailed, as evidenced in the six- and 12-month returns of the major benchmark indexes:

Total Returns as of January 31, 2009	6-month	12-month
US equities (S&P 500 Index)	(33.95)%	(38.63)%
Small cap US equities (Russell 2000 Index)	(37.38)	(36.84)
International equities (MSCI Europe, Australasia, Far East Index)	(40.75)	(43.74)
US Treasury securities (Merrill Lynch 10-Year US Treasury Index)	11.96	10.64
Taxable fixed income (Barclays Capital US Aggregate Bond Index*)	3.23	2.59
Tax-exempt fixed income (Barclays Capital Municipal Bond Index*)	0.70	(0.16)
High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index*)	(19.07)	(19.72)

* Formerly a Lehman Brothers index.

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

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Through periods of market turbulence, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. For our most current views on the economy and financial markets, we invite you to visit www.blackrock.com/funds. We thank you for entrusting BlackRock with your investments, and we look forward to continuing to serve you in the months and years ahead.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

THIS PAGE NOT PART OF YOUR FUND REPORT

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Fund Summary as of January 31, 2009 (Unaudited)

BlackRock MuniHoldings Insured Fund II, Inc.

Investment Objective

BlackRock MuniHoldings Insured Fund II, Inc. (MUE) (the “Fund”) seeks to provide shareholders with current income exempt from federal income taxes by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes.

Performance

For the six months ended January 31, 2009, the Fund returned (6.66)% based on market price and (7.33)% based on net asset value (“NAV”). For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of (4.58)% on a market price basis and (6.20)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund’s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. Sector allocation played an important role in determining how the Fund performed during the reporting period. A positive contributor to performance was the Fund’s significant overweight in pre-refunded bonds in the one-to five-year maturity range, as the yield curve steepened and short- and intermediate-maturity issues outperformed. Conversely, spread products, such as health care, housing and corporate-backed bonds, significantly underperformed as the economic downturn continued to add more stress on the fundamental credit quality for these sectors. The Fund’s exposure to these issues detracted from results.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

Symbol on New York Stock Exchange	MUE
Initial Offering Date	February 26, 1999
Yield on Closing Market Price as of January 31, 2009 (\$10.23) ¹	5.87%
Tax Equivalent Yield ²	9.03%
Current Monthly Distribution per share of Common Shares ³	\$0.05
Current Annualized Distribution per share of Common Shares ³	\$0.60
Leverage as of January 31, 2009 ⁴	43%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents Auction Market Preferred Shares (“Preferred Shares”) and tender option bond trusts (“TOBs”) as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 9.

The table below summarizes the changes in the Fund’s market price and NAV per share:

	1/31/09	7/31/08	Change	High	Low
Market Price	\$10.23	\$11.30	(9.47)%	\$11.55	\$7.00
Net Asset Value	\$11.54	\$12.84	(10.12)%	\$13.11	\$9.70

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

	1/31/09	7/31/08
County/City/Special District/School District	25%	20%
Transportation	25	24
Utilities — Electric & Gas	11	10
Hospitals/Health Care	9	13
Housing	7	7
Utilities — Water & Sewer	6	6
Education	5	4
IDA/PCR/Resource Recovery	5	8
State	3	5
Special Tax	2	1
Lease Obligation	2	2

Credit Quality Allocations⁵

	1/31/09	7/31/08
AAA/Aaa	43%	48%
AA/Aa	45	45
A/A	9	6
BBB/Baa	3	1

⁵ Using the higher of Standard & Poor's ("S&P's") or Moody's Investors Service ("Moody's") ratings.

Fund Summary as of January 31, 2009 (Unaudited)

BlackRock MuniYield California Insured Fund, Inc.

Investment Objective

BlackRock MuniYield California Insured Fund, Inc. (MCA) (the “Fund”) seeks to provide shareholders with as high a level of current income exempt from federal and California income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal and California income taxes.

Performance

For the six months ended January 31, 2009, the Fund returned (10.15)% based on market price and (4.81)% based on NAV. For the same period, the closed-end Lipper Single-State Insured Municipal Debt Funds category posted an average return of (10.16)% on a market price basis and (6.34)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund’s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. A neutral duration posture and a relatively high cash equivalent reserve provided some cushion to the Fund’s NAV, as tax-exempt rates generally rose. Relative to its Lipper peers, the Fund benefited from lower exposure to poorer-rated monoline insurers. Management’s strategy is to pursue a balanced approach to returns, emphasizing income accrual and muting price volatility. Credit fundamentals warrant close monitoring in the current weak economic environment, and management will improve quality as opportunities arise.

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Fund Information

Symbol on New York Stock Exchange	MCA
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of January 31, 2009 (\$10.74) ¹	5.98%
Tax Equivalent Yield ²	9.20%
Current Monthly Distribution per share of Common Shares ³	\$0.0535
Current Annualized Distribution per share of Common Shares ³	\$0.6420
Leverage as of January 31, 2009 ⁴	38%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized

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by the Fund, please see The Benefits and Risks of Leveraging on page 9.

The table below summarizes the changes in the Fund's market price and NAV per share:

	1/31/09	7/31/08	Change	High	Low
Market Price	\$10.74	\$12.33	(12.90)%	\$12.54	\$ 6.95
Net Asset Value	\$12.79	\$13.86	(7.72)%	\$14.17	\$ 10.46

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

	1/31/09	7/31/08
County/City/Special District/School District	46%	47%
Utilities — Water & Sewer	22	17
Transportation	14	13
Education	7	8
State	4	4
Utilities — Electric & Gas	3	3
Housing	2	2
Hospitals/Health Care	1	4
Utilities — Irrigation, Resource Recovery, Solid Waste & Other	1	1
Lease Obligations/COP	—	1

Credit Quality Allocations⁵

	1/31/09	7/31/08
AAA/Aaa	43%	42%
AA/Aa	49	46
A/A	8	11
Not Rated	—	1 ₆

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be investment grade quality. As of July 31, 2008, the market value of these securities was \$6,574,300 representing 1% of the Fund's long-term investments.

Fund Summary as of January 31, 2009 (Unaudited)

BlackRock MuniYield Insured Fund, Inc.

Investment Objective

BlackRock MuniYield Insured Fund, Inc. (MYI) (the “Fund”) seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes.

Performance

For the six months ended January 31, 2009, the Fund returned (11.51)% based on market price and (10.04)% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of (4.58)% on a market price basis and (6.20)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund’s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The Fund benefited from its above-average yield, but its constructive positioning during a period of generally increasing yields hurt performance. Performance was also hindered by above-average exposure to the longer end of the yield curve, where yields rose, and by above-average exposure to select monoline insurers, whose credit difficulties decreased the value of insured bonds. Fund management worked to upgrade credit quality and sell weaker credits during this very volatile and illiquid performance period.

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Fund Information

Symbol on New York Stock Exchange	MYI
Initial Offering Date	March 27, 1992
Yield on Closing Market Price as of January 31, 2009 (\$10.46) ¹	6.42%
Tax Equivalent Yield ²	9.88%
Current Monthly Distribution per share of Common Shares ³	\$0.056
Current Annualized Distribution per share of Common Shares ³	\$0.672
Leverage as of January 31, 2009 ⁴	41%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized

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by the Fund, please see The Benefits and Risks of Leveraging on page 9.
The table below summarizes the changes in the Fund's market price and NAV per share:

	1/31/09	7/31/08	Change	High	Low
Market Price	\$10.46	\$12.22	(14.40)%	\$12.30	\$7.07
Net Asset Value	\$11.19	\$12.86	(12.99)%	\$13.22	\$9.02

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

	1/31/09	7/31/08
Transportation	32%	33%
County/City/Special District/School District	17	17
Hospitals/Health Care	9	7
Utilities — Water & Sewer	9	7
IDA/PCR/Resource Recovery	9	8
Utilities — Electric & Gas	7	8
Housing	6	5
Education	6	8
State	3	4
Utilities — Irrigation, Resource Recovery, Solid Waste & Other	1	2
Lease Obligations	1	1

Credit Quality Allocations⁵

	1/31/09	7/31/08
AAA/Aaa	48%	50%
AA/Aa	37	37
A/A	12	9
BBB/Baa	3	4

⁵ Using the higher of S&P's or Moody's ratings.

Fund Summary as of January 31, 2009 (Unaudited)

BlackRock MuniYield Michigan Insured Fund II, Inc.

Investment Objective

BlackRock MuniYield Michigan Insured Fund II, Inc. (MYM) (the “Fund”) seeks to provide shareholders with as high a level of current income exempt from federal and Michigan income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal and Michigan income taxes.

Performance

For the six months ended January 31, 2009, the Fund returned (10.09)% based on market price and (3.46)% based on NAV. For the same period, the closed-end Lipper Single-State Insured Municipal Debt Funds category posted an average return of (10.16)% on a market price basis and (6.34)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund’s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Fund performance was driven primarily by a rising yield (and correspondingly falling price) environment for intermediate and long-term municipals during the second half of 2008. Pre-refunded and escrowed issues were the best-performing municipal sectors for the period, and the Fund’s high allocation to these areas had a positive influence on results.

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Fund Information

Symbol on New York Stock Exchange	MYM
Initial Offering Date	February 28, 1992
Yield on Closing Market Price as of January 31, 2009 (\$10.12) ¹	6.40%
Tax Equivalent Yield ²	9.85%
Current Monthly Distribution per share of Common Shares ³	\$0.054
Current Annualized Distribution per share of Common Shares ³	\$0.648
Leverage as of January 31, 2009 ⁴	39%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 9.

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The table below summarizes the changes in the Fund's market price and NAV per share:

	1/31/09	7/31/08	Change	High	Low
Market Price	\$ 10.12	\$ 11.63	(12.98)%	\$ 11.74	\$ 7.00
Net Asset Value	\$ 12.37	\$ 13.24	(6.57)%	\$ 13.54	\$ 10.95

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

	1/31/09	7/31/08
County/City/Special District/ School District	25%	32%
Hospitals/Health Care	16	15
IDA/PCR/Resource Recovery	11	8
Transportation	11	11
Utilities — Water & Sewer	11	11
Lease Obligation	8	6
Education	7	6
Utilities — Electric & Gas	6	6
State	2	2
Special Tax	2	2
Housing	1	1

Credit Quality Allocations⁵

	1/31/09	7/31/08
AAA/Aaa	29%	36%
AA/Aa	47	50
A/A	20	10
BBB/Baa	2	3
Not Rated	2	1

⁵ Using the higher of S&P's or Moody's ratings.

Fund Summary as of January 31, 2009 (Unaudited)

BlackRock MuniYield New York Insured Fund, Inc.

Investment Objective

BlackRock MuniYield New York Insured Fund, Inc. (MYN) (the “Fund”) seeks to provide shareholders with as high a level of current income exempt from federal income tax and New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income tax and New York State and New York City personal income taxes.

Performance

For the six months ended January 31, 2009, the Fund returned (12.46)% based on market price and (7.06)% based on NAV. For the same period, the closed-end Lipper Single-State Insured Municipal Debt Funds category posted an average return of (10.16)% on a market price basis and (6.34)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund’s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Fund performance was positively influenced by its above-average distribution rate. The Fund’s overweight in longer-maturity insured bonds with weaker underlying ratings detracted overall, but benefited performance toward the end of the period. These bonds significantly underperformed during the past year due to deteriorating credits and ratings of the mono-line insurers, but they began a turnaround in early 2009. Fortunately, management avoided selling these holdings when values were distressed, which would have locked in their underperformance.

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Fund Information

Symbol on New York Stock Exchange	MYN
Initial Offering Date	February 28, 1992
Yield on Closing Market Price as of January 31, 2009 (\$10.00) ¹	6.30%
Tax Equivalent Yield ²	9.69%
Current Monthly Distribution per share of Common Shares ³	\$0.0525
Current Annualized Distribution per share of Common Shares ³	\$0.6300
Leverage as of January 31, 2009 ⁴	40%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of

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leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 9. The table below summarizes the changes in the Fund's market price and NAV per share:

	1/31/09	7/31/08	Change	High	Low
Market Price	\$ 10.00	\$ 11.80	(15.25)%	\$ 12.03	\$ 6.64
Net Asset Value	\$ 11.84	\$ 13.16	(10.03)%	\$ 13.50	\$ 9.94

The following charts show the sector and credit quality allocations of the Fund's long-term investments:

Sector Allocations

	1/31/09	7/31/08
Transportation	26%	29%
County/City/Special District/ School District	25	25
IDA/PCR/Resource Recovery	10	10
State	9	8
Utilities — Water & Sewer	7	7
Utilities — Electric & Gas	5	7
Hospital/Health Care	5	4
Education	4	3
Special Tax	4	4
Housing	3	2
Tobacco	1	1
Utility	1	—

Credit Quality Allocations⁵

	1/31/09	7/31/08
AAA/Aaa	43%	47%
AA/Aa	32	39
A/A	21	9
BBB/Baa	4	4
Not Rated	—	16

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be investment grade quality. As of July 31, 2008, the market value of these securities was \$4,624,822 representing 1% of the Fund's long-term investments.

The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV of their Common Shares. However, these objectives cannot be achieved in all interest rate environments.

To leverage, the Funds issue Preferred Shares, which pay dividends at prevailing short-term interest rates, and invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of the Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, the Fund's Common Shareholders will benefit from the incremental yield.

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the Fund's total portfolio of \$150 million earns the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the Fund's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental yield.

Conversely, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Fund pays dividends on the higher short-term interest rates whereas the Fund's total portfolio earns income based on lower long-term interest rates. If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Shares will be reduced or eliminated completely.

Furthermore, the value of the Fund's portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Fund's Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Fund's NAV positively or negatively in addition to the impact on Fund performance from leverage from Preferred Shares discussed above.

The Funds may also, from time to time, leverage their assets through the use of tender option bond ("TOB") programs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Funds with economic benefits in periods of declining short-term interest rates, but expose the Funds to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Funds, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB trust may adversely affect the Funds' NAV per share.

The use of leverage may enhance opportunities for increased returns to the Funds and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds' NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Funds' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, the Funds' net income will be less than if leverage had not been used, and therefore the amount available for distribution to shareholders will be reduced. The Funds may be required to sell portfolio securities at inopportune times or below fair market values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause the Funds to incur losses. The use of leverage may limit the Funds' ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate preferred shares issued by a Fund. The Funds will incur expenses in connection with the use of leverage, all of which are borne by the holders of the Common Shares and may reduce returns on the Common Shares.

Under the Investment Company Act of 1940, the Funds are permitted to issue Preferred Shares in an amount up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Fund anticipates that the total economic leverage from Preferred Shares and TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of January 31, 2009, the Funds had economic leverage from Preferred Shares and TOBs as a percentage of their total managed assets as follows:

**Percent of
Leverage**

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BlackRock MuniHoldings Insured Fund II, Inc.	43%
BlackRock MuniYield California Insured Fund, Inc.	38%
BlackRock MuniYield Insured Fund, Inc.	41%
BlackRock MuniYield Michigan Insured Fund II, Inc.	39%
BlackRock MuniYield New York Insured Fund, Inc.	40%

Derivative Instruments

The Funds may invest in various derivative instruments, including swap agreements and futures, and other instruments specified in the Notes to Financial Statements, which constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the other party to the transaction and illiquidity of the derivative instrument. A Fund's ability to successfully use a derivative instrument depends on the Advisor's ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation a Fund can realize on an investment or may cause a Fund to hold a security that it might otherwise sell. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments January 31, 2009 (Unaudited)

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)
 (Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama — 0.9%		
Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5.50%, 1/01/22	\$ 3,580	\$ 2,367,311
Alaska — 0.7%		
Anchorage, Alaska, Water Revenue Refunding Bonds, 6%, 9/01/24 (a)	1,630	1,672,331
Arkansas — 4.5%		
Arkansas State Development Finance Authority, M/F Mortgage Revenue Refunding Bonds, Series C, 5.35%, 12/01/35 (b)(c)	12,215	11,597,776
California — 13.8%		
California State, Veterans, GO, Refunding, AMT, Series BZ, 5.35%, 12/01/21 (b)	9,350	8,800,126
Dixon, California, Unified School District, GO (Election of 2002), 5.20%, 8/01/44 (d)	2,405	2,270,440
Eastern Municipal Water District, California, Water and Sewer, COP, Series H, 5%, 7/01/35	1,175	1,106,063
Modesto, California, Schools Infrastructure Financing Agency, Special Tax Bonds, 5.50%, 9/01/36 (a)	4,240	3,289,562
Port of Oakland, California, Revenue Bonds, AMT, Series K, 5.75%, 11/01/21 (b)(e)	3,000	2,940,570
Port of Oakland, California, Revenue Refunding Bonds, AMT, Series L, 5.375%, 11/01/27 (b)(e)	5,000	4,236,600
Roseville, California, Joint Union High School District, GO (Election of 2004), Series A, 5%, 8/01/29 (b)(e)	2,985	2,913,927
Sacramento, California, City Financing Authority, Capital Improvement Revenue Bonds, 5%, 12/01/27 (a)	150	145,713
San Diego, California, Community College District, GO (Election of 2002), 5%, 5/01/30 (d)	1,485	1,456,310
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 (d)	1,250	1,257,550

Municipal Bonds	Par (000)	Value
California (concluded)		

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Stockton, California, Public Financing Revenue Bonds (Redevelopment Projects), Series A (f):

5.25%, 9/01/31	\$	495	\$	385,298
5.25%, 9/01/34			2,930	2,227,445
Vista, California, COP (Community Projects), 5%, 5/01/37 (b)		5,400		4,447,764
				35,477,368

Colorado — 4.4%

Aurora, Colorado, COP, 5.75%, 12/01/10 (a)(g)		6,285		6,838,269
Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Senior Series A-2, 7.50%, 4/01/31		190		204,225
Colorado Health Facilities Authority, Hospital Revenue Refunding Bonds (Poudre Valley Health Care), Series A, 5.75%, 12/01/09 (d)(g)		4,000		4,208,640
				11,251,134

District of Columbia — 1.5%

District of Columbia, Deed Tax Revenue Bonds (Housing Production Trust Fund — New Communities Project), Series A, 5%, 6/01/32 (b)		2,500		2,159,900
District of Columbia, Water and Sewer Authority, Public Utility Revenue Refunding Bonds, Senior Lien, Series A, 6%, 10/01/35 (r)		1,700		1,778,506
				3,938,406

Florida — 27.0%

Broward County, Florida, HFA, S/F Mortgage Revenue Refunding Bonds, AMT, Series E, 5.90%, 10/01/39 (h)(i)(j)		2,310		2,332,615
Broward County, Florida, School Board, COP, Series A, 5.25%, 7/01/33 (d)		5,600		5,290,824
Hillsborough County, Florida, IDA, PCR, Refunding (Tampa Electric Company Project), Series B, 5.15%, 9/01/25		1,200		1,187,088
Jacksonville, Florida, Health Facilities Authority, Hospital Revenue Bonds (Baptist Medical Center Project), 5%, 8/15/37 (d)		7,740		6,783,723
Jacksonville, Florida, Port Authority Revenue Bonds, AMT, 6%, 11/01/38 (k)		6,250		5,710,562

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedules of Investments, the names and descriptions of many of the securities have been abbreviated according to the list on the right.

AMT Alternative Minimum Tax (subject to)

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CABS	Capital Appreciation Bonds
COP	Certificates of Participation
DRIVERS	Derivative Inverse Tax-Exempt Receipts
EDA	Economic Development Authority
GAN	Grant Anticipation Notes
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
IDA	Industrial Development Authority
IDR	Industrial Development Revenue Bonds
M/F	Multi-Family
PCR	Pollution Control Revenue Bonds
S/F	Single-Family
VRDN	Variable Rate Demand Notes

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2009

Schedule of Investments (continued)

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)
 (Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Florida (concluded)		
Lee Memorial Health System, Florida, Hospital Revenue Bonds, Series A, 5%, 4/01/32 (a)	\$ 5,000	\$ 3,665,900
Miami, Florida, Special Obligation Revenue Bonds (Street and Sidewalk Improvement Program), 5%, 1/01/37 (b)	2,900	2,491,854
Miami-Dade County, Florida, Aviation Revenue Bonds, AMT, Series A, 5%, 10/01/33 (d)	6,730	5,385,144
Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A (d):		
5.25%, 10/01/41	13,800	11,154,402
5.50%, 10/01/41	6,700	5,636,375
Miami-Dade County, Florida, School Board, COP, Refunding, Series B, 5.25%, 5/01/31 (k)	3,600	3,431,700
Miami-Dade County, Florida, Special Obligation Revenue Bonds, Sub-Series A, 5.24%, 10/01/37 (b)(l)	3,670	476,109
Orlando, Florida, Senior Tourist Development Tax Revenue Bonds (6th Cent Contract Payments), Series A, 5.25%, 11/01/38 (k)	4,000	3,732,320
Pasco County, Florida, Half-Cent Sales Tax Revenue Bonds, 5.125%, 12/01/28 (a)	6,300	5,189,184
Saint Johns County, Florida, Water and Sewer Revenue Bonds, CABS, 5.36%, 6/01/31 (a)(l)	5,065	1,276,127
Seminole County, Florida, Water and Sewer Revenue Bonds, 5%, 10/01/31	6,250	5,948,438
		69,692,365
Idaho — 0.1%		
Idaho Housing and Finance Association, S/F Mortgage Revenue Bonds, AMT, Series E, 6%, 1/01/32	330	323,512
Illinois — 3.2%		
Chicago, Illinois, O'Hare International Airport, General Airport Revenue Refunding Bonds, Third Lien, Series A (b):		
AMT, 5.75%, 1/01/19	3,125	3,149,000
5%, 1/01/31	1,430	1,274,387
Chicago, Illinois, Transit Authority, Capital Grant Receipts Revenue Bonds (Federal Transit Administration Section 5309 Formula Funds), Series A, 6%, 6/01/26 (k)	3,400	3,721,130
Lake, Cook, Kane and McHenry Counties, Illinois, Community Unit School District Number 220, GO, 6%, 12/01/20 (e)	125	132,683
		8,277,200

Indiana — 5.5%

Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series A (b):

5%, 1/01/37	8,000	7,099,680
5%, 1/01/42	8,000	6,969,600
		14,069,280

Municipal Bonds	Par (000)	Value
Kansas — 2.3%		
Kansas State Development Finance Authority, Health Facilities Revenue Bonds (Sisters of Charity Leavenworth), Series J, 6.125%, 12/01/20	\$ 3,510	\$ 3,592,555
Sedgwick and Shawnee Counties, Kansas, S/F Mortgage Revenue Bonds, AMT, Series A-2, 6.20%, 12/01/33 (h)(j)	2,250	2,286,518
		5,879,073

Kentucky — 0.4%

Kentucky Economic Development Financing Authority, Louisville Arena Project Revenue Bonds (Louisville Arena Authority, Inc.), Sub-Series A-1, 6%, 12/01/38 (k)	1,150	1,143,560
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Michigan — 8.6%

Detroit, Michigan, Sewer Disposal Revenue Refunding Bonds, Senior Lien, Series B, 5.25%, 7/01/22	9,235	9,026,012
Michigan State Hospital Finance Authority, Revenue Refunding Bonds (Mercy-Mount Clemens), Series A, 6%, 5/15/09 (b)(g)	1,000	1,025,260
Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Pollution Control Project), AMT (m):		
Series A, 5.50%, 6/01/30	2,000	1,626,380
Series C, 5.65%, 9/01/29	5,000	4,178,900
Royal Oak, Michigan, Hospital Finance Authority, Hospital Revenue Refunding Bonds (William Beaumont Hospital), 8.25%, 9/01/39	3,115	3,182,782
Saint Clair County, Michigan, Economic Revenue Refunding Bonds (Detroit Edison Co. Project), Series AA, 6.40%, 8/01/24 (a)	3,000	3,067,620
		22,106,954

Minnesota — 6.1%

Minneapolis, Minnesota, Health Care System, Revenue Refunding Bonds (Fairview Health Services), Series B, 6.50%, 11/15/38 (k)	1,975	2,086,035
Prior Lake, Minnesota, Independent School District Number 719, GO (d):		
5.50%, 2/01/16	2,555	2,648,053
5.50%, 2/01/17	1,830	1,896,649
5.50%, 2/01/18	3,570	3,700,019
5.50%, 2/01/19	2,840	2,943,433
Sauk Rapids, Minnesota, Independent School District Number 47, GO, Series A, 5.625%, 2/01/18 (b)	2,185	2,332,619
		15,606,808

Nevada — 4.6%

Clark County, Nevada, Airport Revenue Bonds (Jet Aviation Fuel Tax), AMT, Series C, 5.375%, 7/01/20 (a)	1,200	1,163,124
Clark County, Nevada, Water Reclamation District, Limited Tax, GO, 6%, 7/01/38	10,000	10,597,000

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)
 (Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Nevada (concluded)		
Nevada Housing Division, S/F Mortgage Revenue Bonds, AMT, Series A-2, 6.30%, 4/01/22 (b)	\$ 95	\$ 96,568
		<u>11,856,692</u>
New Jersey — 5.2%		
New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5.25%, 7/01/33 (b)	11,000	10,296,220
New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds, Series A, 5.625%, 12/15/28	2,930	3,043,391
		<u>13,339,611</u>
New York — 1.6%		
New York City, New York, City Transitional Finance Authority, Building Aid Revenue Bonds, Series S-3, 5.25%, 1/15/39	2,300	2,193,280
Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A-1, 5.25%, 6/01/21 (a)	2,000	2,024,580
		<u>4,217,860</u>
North Carolina — 0.5%		
North Carolina HFA, Home Ownership Revenue Bonds, AMT, Series 14-A, 5.35%, 1/01/22 (a)	1,235	1,236,606
Ohio — 1.1%		
Aurora, Ohio, City School District, COP, 6.10%, 12/01/09 (b)(g)	1,745	1,844,151
Kent State University, Ohio, University Revenue Bonds, 6%, 5/01/24 (a)	1,000	1,031,780
		<u>1,031,780</u>

2,875,931

Oklahoma — 1.1%

Claremore, Oklahoma, Public Works Authority, Capital Improvement Revenue Refunding Bonds, Series A, 5.25%, 6/01/14 (d)(g)	2,385	2,833,141
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Pennsylvania — 0.1%

Washington County, Pennsylvania, Capital Funding Authority Revenue Bonds (Capital Projects and Equipment Program), 6.15%, 12/01/29 (a)	305	248,450
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Rhode Island — 4.0%

Providence, Rhode Island, Redevelopment Agency Revenue Refunding Bonds (Public Safety and Municipal Buildings), Series A, 5.75%, 4/01/10 (a)(g)	5,555	5,940,295
Rhode Island State Health and Educational Building Corporation Revenue Bonds (Rhode Island School of Design), Series D, 5.50%, 8/15/31 (m)	4,685	4,447,283
		10,387,578

Municipal Bonds	Par (000)	Value
South Carolina — 6.0%		
South Carolina Housing Finance and Development Authority, Mortgage Revenue Refunding Bonds, AMT, Series A-2, 6.35%, 7/01/19 (d)	\$ 1,225	\$ 1,237,189
South Carolina State Public Service Authority, Revenue Refunding Bonds, Series A, 5%, 1/01/42 (a)	15,000	14,346,900
		15,584,089

Texas — 14.6%

Dallas-Fort Worth, Texas, International Airport, Joint Revenue Bonds, AMT, Series B, 6%, 11/01/23 (b)	1,300	1,300,533
Dallas-Fort Worth, Texas, International Airport Revenue Refunding and Improvement Bonds, AMT, Series A (b)(e):		
5.875%, 11/01/17	1,835	1,888,252
5.875%, 11/01/18	2,150	2,199,471
5.875%, 11/01/19	2,390	2,434,836
El Paso, Texas, Water and Sewer Revenue Refunding and Improvement Bonds, Series A (d):		

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6%, 3/01/15	115	128,058
6%, 3/01/16	170	189,303
6%, 3/01/17	180	200,439
Harris County, Texas, Health Facilities Development Corporation, Hospital Revenue Refunding Bonds (Memorial Hermann Healthcare System), Series B, 7.25%, 12/01/35	1,000	1,044,150
North Texas Tollway Authority, System Revenue Refunding Bonds (b):		
First Tier, 5.75%, 1/01/40	14,750	13,898,483
First Tier, Series B, 5.75%, 1/01/40	1,000	942,270
Series A, 5.625%, 1/01/33	10,975	10,401,995
Tarrant County, Texas, Cultural Education Facilities Financing Corporation, Revenue Refunding Bonds (CHRISTUS Health), Series A, 6.50%, 7/01/37 (k)	3,000	3,135,810
		37,763,600

Virginia — 0.9%

Virginia State Public School Authority, Special Obligation School Financing Bonds (Fluvanna County), 6.50%, 12/01/35	2,195	2,423,039
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Washington — 1.9%

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	3,142,041
Lewis County, Washington, GO, Refunding, 5.75%, 12/01/24 (a)	1,640	1,676,752
		4,818,793

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	1,065,700
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Total Municipal Bonds — 121.0% 312,054,168

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)
 (Percentages shown are based on Net Assets)

Municipal Bonds Transferred to Tender Option Bond Trusts (n)	Par (000)	Value
California — 9.0%		
Palomar Pomerado Health Care District, California, GO (Election of 2004), Series A, 5.125%, 8/01/37 (b)	\$ 7,360	\$ 7,224,723
San Jose, California, GO (Libraries, Parks and Public Safety Projects), 5%, 9/01/30 (b)	3,805	3,740,950
Sequoia, California, Unified High School District, GO, Refunding, Series B, 5.50%, 7/01/35 (d)	5,189	5,258,095
Tustin, California, Unified School District, Senior Lien Special Tax Bonds (Community Facilities District Number 97-1), Series A (d):		
5%, 9/01/32	2,920	2,702,810
5%, 9/01/38	4,620	4,202,814
		23,129,392
Colorado — 3.1%		
Colorado Health Facilities Authority Revenue Bonds (Catholic Health), Series C-3, 5.10%, 10/01/41 (d)	9,410	8,118,666
Florida — 4.2%		
Lee County, Florida, HFA, S/F Mortgage Revenue Bonds (Multi-County Program), AMT, Series A-2, 6%, 9/01/40 (h)(i)(j)	4,500	4,807,665
Saint Petersburg, Florida, Public Utilities Revenue Refunding Bonds, 5%, 10/01/35 (b)	6,493	6,084,395
		10,892,060
Georgia — 2.5%		
Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25%, 10/01/34 (d)	6,290	6,326,230
Illinois — 6.9%		

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Chicago, Illinois, O'Hare International Airport, General Airport Revenue Refunding Bonds, Third Lien, AMT, Series A, 5%, 1/01/38 (d)	15,000	13,851,300
Chicago, Illinois, Water Revenue Refunding Bonds, Second Lien, 5.25%, 11/01/33 (d)	3,969	3,957,493
		<u>17,808,793</u>

Massachusetts — 4.0%

Massachusetts Bay Transportation Authority, Sales Tax Revenue Refunding Bonds, Senior Series A, 5%, 7/01/35	5,535	5,392,252
Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5%, 8/15/30 (d)	4,994	5,004,932
		<u>10,397,184</u>

Municipal Bonds Transferred to Tender Option Bond Trusts (n)

**Par
(000)**

Value

New York — 2.7%

New York City, New York, Sales Tax Asset Receivable Corporation Revenue Bonds, Series A, 5.25%, 10/15/27 (a)	\$ 6,750	\$ 6,936,908
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Washington — 2.7%

Bellevue, Washington, GO, Refunding, 5.50%, 12/01/39 (b)	6,883	6,948,521
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Total Municipal Bonds Transferred to Tender Option Bond Trusts — 35.1%

90,557,754

**Total Long-Term Investments
(Cost — \$431,166,890) — 156.1%**

402,611,922

Short-Term Securities

California — 1.9%

Los Angeles County, California, Metropolitan Transportation Authority, Sales Tax Revenue Refunding Bonds, Proposition C, VRDN, Second Senior Series A, 6%, 2/05/09 (b)(o)	5,000	5,000,000
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Florida — 4.0%

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Jacksonville, Florida, Health Facilities Authority, Hospital Revenue Refunding Bonds (Baptist Medical Center Project), VRDN, 0.40%, 2/02/09 (o)	10,300	10,300,000
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Illinois — 1.4%

Illinois State Finance Authority, Revenue Refunding Bonds (Central DuPage Health System), VRDN, Series B, 0.45%, 2/02/09 (o)	3,500	3,500,000
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Shares

Money Market Fund — 10.1%

Merrill Lynch Institutional Tax-Exempt Fund, 0.60% (p)(q)	26,102,900	26,102,900
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**Total Short-Term Securities
(Cost — \$44,902,900) — 17.4%**

44,902,900

Total Investments (Cost — \$476,069,790*) — 173.5%

447,514,822

Other Assets Less Liabilities — 2.7%

7,065,244

**Liability for Trust Certificates,
Including Interest Expense and Fees Payable — (19.9)%**

(51,324,803)

Preferred Shares, at Redemption Value — (56.3)%

(145,312,325)

Net Assets Applicable to Common Shares — 100.0%

\$ 257,942,938

See Notes to Financial Statements.

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JANUARY 31, 2009

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Schedule of Investments (concluded)

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 426,204,678
Gross unrealized appreciation	\$ 6,246,642
Gross unrealized depreciation	(35,799,740)
Net unrealized depreciation	\$ (29,553,098)

- (a) AMBAC Insured.
- (b) MBIA Insured.
- (c) FHA Insured.
- (d) FSA Insured.
- (e) FGIC Insured.
- (f) Radian Insured.
- (g) U.S. government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (h) FNMA Collateralized.
- (i) FHLMC Collateralized.
- (j) GNMA Collateralized.
- (k) Assured Guaranty Insured.
- (l) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (m) XL Capital Insured.
- (n) Securities represent 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. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (o) 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. Rate shown is as of report date. This rate changes periodically based upon prevailing market rates.
- (p)

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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	Income
Merrill Lynch Institutional Tax-Exempt Fund	1,284,436	\$111,253

- (q) Represents the current yield as of report date.
- (r) When issued security.
- Effective August 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:
 - Level 1 — price quotations in active markets/exchanges for identical securities
 - Level 2 — other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)
 - Level 3 — unobservable inputs based on the best information available in the circumstance, to the extent observable inputs are not available (including the Fund's own assumption used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of January 31, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Investments in Securities
	Assets
Level 1	\$ 26,102,900
Level 2	421,411,922
Level 3	—
Total	\$ 447,514,822

See Notes to Financial Statements.

Schedule of Investments January 31, 2009 (Unaudited)

BlackRock MuniYield California Insured Fund, Inc.
(MCA)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
California — 117.3%		
County/City/Special District/ School District — 63.8%		
Alameda, California, GO, 5%, 8/01/33 (a)	\$ 2,350	\$ 2,278,983
Alameda County, California, Joint Powers Authority, Lease Revenue Refunding Bonds, 5%, 12/01/34 (e)	2,960	2,828,398
Anaheim, California, Union High School District, GO (Election of 2002), 5%, 8/01/27 (a)	2,400	2,332,296
Banning, California, Unified School District, GO (Election of 2006), Series B, 5.25%, 8/01/33 (c)	4,300	4,195,811
Bay Area Government Association, California, Tax Allocation Revenue Refunding Bonds (California Redevelopment Agency Pool), Series A, 6%, 12/15/24 (e)	255	257,700
Brentwood, California, Infrastructure Refinancing Authority, Infrastructure Revenue Refunding Bonds, Series A, 5.20%, 9/02/29 (e)	3,980	3,886,430
Capistrano, California, Unified School District, Community Facility District, Special Tax Refunding Bonds, 5%, 9/01/29 (a)(f)	7,000	5,536,090
Chabot-Las Positas, California, Community College District, GO (Election of 2004), Series B, 5.17%, 8/01/26 (b)(c)	6,705	2,490,170
Chino Valley, California, Unified School District, GO (Election of 2002), Series C, 5.25%, 8/01/30 (a)	3,000	2,913,450
Chula Vista, California, Elementary School District, COP, 5%, 9/01/29 (a)	3,910	3,257,030
Coachella Valley, California, Unified School District, GO (Election of 2005), Series A, 5%, 8/01/25 (a)(f)	3,275	3,264,061
Corona, California, COP (Clearwater Cogeneration Project), 5%, 9/01/28 (a)	6,000	4,817,940
Desert Sands, California, Unified School District, COP (Financing Project), 5.75%, 3/01/24 (e)	1,000	1,022,660
Fremont, California, Unified School District, Alameda County, GO, Series A, 5.50%, 8/01/26 (a)(f)	10,755	10,904,602
Fresno, California, Joint Powers Financing Authority, Lease Revenue Bonds, Series A, 5.75%, 6/01/26 (e)	3,295	3,363,800
Fullerton, California, Public Financing Authority, Tax Allocation Revenue Bonds, 5%, 9/01/27 (b)	6,930	5,765,136
Glendora, California, Unified School District, GO (Election of 2005), Series A: 5%, 8/01/27 (a)	1,350	1,311,917
5.25%, 8/01/30 (a)	2,700	2,622,105
Hemet, California, Unified School District, GO, Series B, 5.125%, 8/01/37 (d)	4,500	4,277,115
Imperial, California, Community College District, GO (Election of 2004), 5%, 8/01/29 (a)(f)	3,090	2,930,525
La Quinta, California, Financing Authority, Local Agency Revenue Bonds, Series A, 5.25%, 9/01/24 (b)	2,500	2,407,175
Lodi, California, Unified School District, GO (Election of 2002), 5%, 8/01/29 (e)	10,260	10,117,591
Los Angeles, California, Community Redevelopment Agency, Community Redevelopment Financing Authority Revenue Bonds (Bunker Hill Project), Series A, 5%, 12/01/27 (e)	10,000	9,154,000
Municipal Bonds	Par (000)	Value

California (continued)**County/City/Special District/ School District (continued)**

Los Angeles, California, Unified School District, GO:

(Election of 2002), Series C, 5%, 7/01/32	\$	10,000	\$	9,522,500
(Election of 2004), Series C, 5%, 7/01/27 (f)		2,880		2,882,592
(Election of 2004), Series F, 5%, 7/01/30 (f)		5,000		4,711,400
Los Angeles County, California, Metropolitan Transportation Authority, Sales Tax Revenue Refunding Bonds, Proposition A, First Tier Senior-Series A (b):				
5%, 7/01/27		5,240		5,254,043
5%, 7/01/35		6,500		6,224,140
Los Angeles County, California, Public Works Financing Authority, Lease Revenue Refunding Bonds (Master Refunding Project), Series A, 5%, 12/01/28 (a)				
		6,000		5,418,540
Los Rios, California, Community College District, GO (Election of 2002), Series B, 5%, 8/01/27 (a)				
		3,000		3,005,700
Merced, California, Community College District, GO (School Facilities District Number 1), 5%, 8/01/31 (a)				
		6,865		6,399,828
Murrieta Valley, California, Unified School District, Public Financing Authority, Special Tax Revenue Bonds, Series A, 5.125%, 9/01/26 (d)				
		8,000		7,543,760
Natomas Unified School District, California, GO (Election of 2006), 5%, 8/01/28 (a)(f)				
		6,015		5,769,047
Oxnard, California, Unified High School District, GO, Refunding, Series A, 6.20%, 8/01/30 (a)				
		9,645		9,759,390
Peralta, California, Community College District, GO (Election of 2007), Series B, 5%, 8/01/37 (e)				
		6,695		6,439,385
Poway, California, Unified School District, School Facilities Improvement, GO (Election of 2002), Series 1-B, 5%, 8/01/30 (e)				
		10,000		9,780,900
Redlands, California, Unified School District, GO (Election of 2008), 5.25%, 7/01/33 (e)				
		5,000		4,992,950
Riverside, California, COP, 5%, 9/01/28 (b)				
		3,000		2,711,340
Riverside, California, Unified School District, GO:				
(Election of 2001), Series A, 5.25%, 2/01/23 (a)(f)		6,000		6,198,660
(Election of 2001), Series B, 5%, 8/01/30 (a)		7,515		7,062,597
Series C, 5%, 8/01/32 (d)		5,010		4,848,578
Sacramento, California, City Financing Authority, Capital Improvement Revenue Bonds (Community Rein Capital Program), Series A, 5%, 12/01/36 (b)				
		3,000		2,704,560
Sacramento, California, City Financing Authority, Tax Allocation Revenue Bonds (Merged Downtown and Oak Park Projects), Series A, 5.036%, 12/01/32 (a)(c)(f)				
		6,590		1,050,314
Saddleback Valley, California, Unified School District, GO, 5%, 8/01/29 (e)				
		2,565		2,529,398
San Bernardino, California, City Unified School District, GO, Series A, 5%, 8/01/28 (e)(g)(h)				
		5,000		4,872,350
San Diego, California, Redevelopment Agency, Subordinate Tax Allocation Bonds (Centre City Redevelopment Project), Series A (b):				
5.25%, 9/01/24		2,720		2,619,006
5.25%, 9/01/25		2,860		2,720,003
San Jose, California, Financing Authority, Lease Revenue Refunding Bonds (Civic Center Project), Series B, 5%, 6/01/32 (b)				
		11,400		10,929,522

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield California Insured Fund, Inc. (MCA)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
California (continued)		
County/City/Special District/ School District (concluded)		
San Jose, California, GO (Libraries, Parks and Public Safety Projects), 5%, 9/01/27 (a)	\$ 7,910	\$ 7,948,284
San Jose, California, Redevelopment Agency, Tax Allocation Bonds (Housing Set-Aside Merged Area), AMT, Series E, 5.85%, 8/01/27 (a)	7,300	6,815,791
San Juan, California, Unified School District, GO (Election of 2002), 5%, 8/01/28 (a)	4,250	4,076,218
San Mateo County, California, Transit District, Sales Tax Revenue Refunding Bonds, Series A, 5%, 6/01/29 (a)	4,350	4,289,622
Santa Rosa, California, High School District, GO (Election of 2002), 5%, 8/01/28 (a)	2,500	2,397,775
South Tahoe, California, Joint Powers Financing Authority, Revenue Refunding Bonds (South Tahoe Redevelopment Project Area Number 1), Series A, 5%, 10/01/29 (e)	1,645	1,555,693
Ventura County, California, Community College District, GO, Refunding, Series A, 5%, 8/01/27 (a)	3,395	3,401,756
Vista, California, COP (Community Projects), 5%, 5/01/37 (a)	6,750	5,559,705
Vista, California, Unified School District, GO, Series B, 5%, 8/01/28 (a)(f)	2,550	2,445,731
West Contra Costa, California, Unified School District, GO: (Election of 2005), Series B, 5.625%, 8/01/35 (i)	7,500	7,613,025
(Election of 2002), Series B, 5%, 8/01/32 (e)	6,690	6,327,603
		280,316,691
Education — 3.8%		
California Educational Facilities Authority Revenue Bonds (University of San Diego), Series A, 5.50%, 10/01/32	5,000	5,030,900
California Educational Facilities Authority, Student Loan Revenue Bonds (CalEdge Loan Program), AMT, 5.55%, 4/01/28 (b)	7,355	6,587,284
San Diego County, California, COP (Salk Institute for Bio Studies), 5.75%, 7/01/31 (a)	5,200	4,960,592
		16,578,776
Hospitals/Health Care — 3.7%		
California Statewide Communities Development Authority, Health Facility Revenue Bonds (Memorial Health Services), Series A, 6%, 10/01/23	3,685	3,729,258
California Statewide Communities Development Authority Revenue Bonds: (Adventist), Series B, 5%, 3/01/37 (d)	5,850	5,031,760
(Sutter Health), Series D, 5.05%, 8/15/38 (d)	7,925	6,928,193
California Statewide Communities Development Authority, Revenue Refunding Bonds (Kaiser Permanente), Series A, 5%, 4/01/31	900	748,971
		16,438,182

Municipal Bonds	Par (000)	Value
California (continued)		
Housing — 3.0%		
California Rural Home Mortgage Finance Authority, S/F Mortgage Revenue Bonds (Mortgage-Backed Securities Program), AMT:		
Series A, 6.35%, 12/01/29 (g)(h)(j)	\$ 210	\$ 216,961
Series B, 6.25%, 12/01/31 (g)(h)	95	96,282
California State Department of Veteran Affairs, Home Purchase Revenue Refunding Bonds, Series A, 5.35%, 12/01/27 (b)	12,680	12,732,495
San Bernardino County, California, S/F Home Mortgage Revenue Refunding Bonds, AMT, Series A-1, 6.25%, 12/01/31	155	160,620
		13,206,358
State — 5.6%		
California State, GO, 6.25%, 10/01/19 (a)	860	862,494
California State, GO, Refunding, Veterans, AMT, Series B, 5.70%, 12/01/32 (b)	19,865	17,730,307
California State Public Works Board, Lease Revenue Bonds (Various University Projects), Series D, 5%, 5/01/26 (a)	6,010	5,968,351
		24,561,152
Transportation — 13.6%		
Port of Oakland, California, Revenue Bonds, AMT, Series K (a)(f):		
5.875%, 11/01/17	2,745	2,765,807
5.75%, 11/01/29	7,500	6,737,475
Port of Oakland, California, Revenue Refunding Bonds, AMT, Series L, 5.375%, 11/01/27 (a)(f)	19,040	16,132,973
San Diego, California, Unified Port District, Revenue Refunding Bonds, AMT, Series A, 5.25%, 9/01/19 (a)	5,400	5,281,038
San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Refunding Bonds, Series A, 5%, 7/01/34 (a)	10,500	10,076,535
San Francisco, California, City and County Airport Commission, International Airport Revenue Refunding Bonds, AMT, Second Series:		
6.75%, 5/01/19	4,420	4,614,392
Issue 34E, 5.75%, 5/01/24 (e)	5,000	4,808,150
Issue 34E, 5.75%, 5/01/25 (e)	3,500	3,332,875
San Francisco, California, City and County Airport Commission, International Airport, Special Facilities Lease Revenue Bonds (SFO Fuel Company LLC), AMT, Series A (e):		
6.10%, 1/01/20	1,000	1,006,040
6.125%, 1/01/27	985	960,188
San Jose, California, Airport Revenue Bonds, Series D, 5%, 3/01/28 (a)	4,135	3,967,822
		59,683,295

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield California Insured Fund, Inc. (MCA)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
California (continued)		
Utilities — Electric & Gas — 3.2%		
Glendale, California, Electric Revenue Bonds, 5%, 2/01/32 (a)	\$ 4,390	\$ 4,061,804
Los Angeles, California, Water and Power Revenue Bonds (Power System), Sub-Series A-1, 5%, 7/01/37 (b)	5,000	4,787,850
Santa Clara, California, Subordinated Electric Revenue Bonds, Series A, 5%, 7/01/28 (a)	5,500	5,275,435
		14,125,089
Utilities — Irrigation, Resource Recovery, Solid Waste & Other — 0.9%		
Sacramento, California, Municipal Utility District Financing Authority Revenue Bonds (Consumers Project), 5%, 7/01/21 (a)	4,500	4,080,330
Utilities — Water & Sewer — 19.7%		
Contra Costa, California, Water District, Water Revenue Refunding Bonds:		
Series L, 5%, 10/01/32 (e)	4,135	4,033,858
Series O, 5%, 10/01/24 (b)	1,735	1,787,171
East Bay, California, Municipal Utility District, Wastewater System Revenue Refunding Bonds, Sub-Series A (b):		
5%, 6/01/33	4,000	3,889,960
5%, 6/01/37	7,985	7,703,129
East Bay, California, Municipal Utility District, Water System Revenue Refunding Bonds, Series A, 5%, 6/01/37 (f)	6,000	5,754,060
East Bay Municipal Utility District, California, Water System Revenue Bonds, Sub-Series A, 5%, 6/01/35 (a)	15,000	14,529,450
El Centro, California, Financing Authority, Water Revenue Bonds, Series A, 5.25%, 10/01/35 (e)	1,100	949,091
Hollister, California, Joint Powers Finance Authority, Wastewater Revenue Refunding Bonds (Refining and Improvement Project), Series 1 (e):		
5%, 6/01/32	5,000	4,539,050
5%, 6/01/37	6,000	5,320,500
Madera, California, Public Financing Authority, Water and Wastewater Revenue Refunding Bonds, 5%, 3/01/36 (a)	2,010	1,814,367
Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series B-1, 5%, 10/01/33 (a)(f)	7,175	7,044,774
Napa, California, Water Revenue Bonds, 5%, 5/01/35 (b)	9,070	8,502,853
Oakland, California, Sewer Revenue Bonds, Series A, 5%, 6/15/29 (e)	4,270	4,121,618
Oxnard, California, Financing Authority, Wastewater Revenue Bonds (Redwood Trunk Sewer and Headworks Projects), Series A, 5.25%, 6/01/34 (a)(f)	10,000	9,438,100
	Par (000)	Value
Municipal Bonds		

California (continued)**Utilities — Water & Sewer (concluded)**

Stockton, California, Public Financing Authority, Water Revenue Bonds (Water System Capital Improvement Projects), Series A, 5%, 10/01/31 (a)	\$	2,600	\$	2,422,967
Turlock, California, Public Finance Authority, Sewer Revenue Bonds, Series A, 5%, 9/15/33 (a)(e)			3,000	2,783,520
Vallecitos Water District and Wastewater Enterprise, California, COP, Refunding, Series A, 5%, 7/01/27 (e)			2,000	2,004,000

86,638,468
Total Municipal Bonds — 117.3%

515,628,341

Municipal Bonds Transferred to Tender Option Bond Trusts (k)**County/City/Special District/ School District — 5.4%**

Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series A, 5%, 7/01/37		15,000		14,709,300
Palomar Pomerado Health Care District, California, GO (Election of 2004), Series A, 5.125%, 8/01/37 (a)		9,300		9,129,066

23,838,366

Education — 5.7%

California State University, Systemwide Revenue Bonds, Series A, 5%, 11/01/39 (e)		4,860		4,583,417
Fremont, California, Unified School District, Alameda County, GO (Election of 2002), Series B, 5%, 8/01/30 (e)		5,997		5,865,540
Los Angeles, California, Community College District, GO (Election of 2003), Series E, 5%, 8/01/31 (e)		7,497		7,290,088
University of California Revenue Bonds, Series L, 5%, 5/15/40		7,398		7,016,876

24,755,921

Transportation — 7.5%

Long Beach, California, Harbor Revenue Bonds, AMT, Series A, 5.375%, 5/15/24		15,150		13,985,571
San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Refunding Bonds, Series A, 5%, 7/01/30 (a)		19,630		19,150,243

33,135,814

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield California Insured Fund, Inc. (MCA)
(Percentages shown are based on Net Assets)

Municipal Bonds Transferred to Tender Option Bond Trusts (k)	Par (000)	Value
California (concluded)		
Utilities — Electric & Gas — 0.8%		
Anaheim, California, Public Financing Authority, Electric System Distribution Facilities Revenue Bonds, Series A, 5%, 10/01/31 (e)	\$ 3,568	\$ 3,418,448
Utilities — Water & Sewer — 12.4%		
Los Angeles, California, Department of Water and Power, Power System Revenue Refunding Bonds, Series A, Sub-Series A-2, 5%, 7/01/27 (a)	16,000	15,549,120
Los Angeles, California, Water and Power Revenue Bonds (Power System), Sub-Series A-1, 5%, 7/01/31 (e)	5,007	4,836,955
Rancho, California, Water District Financing Authority, Revenue Refunding Bonds, Series A, 5%, 8/01/34 (e)	9,277	8,975,430
San Diego County, California, Water Authority, Water Revenue Bonds, COP, Series A (e):		
5%, 5/01/30	7,350	7,189,403
5%, 5/01/31	10,000	9,711,600
San Diego County, California, Water Authority, Water Revenue Refunding Bonds, COP, Series A, 5%, 5/01/33 (e)	8,510	8,208,065
		54,470,573
Total Municipal Bonds Transferred to Tender Option Bond Trusts — 31.8%		139,619,122
Total Long-Term Investments (Cost — \$701,175,204) — 149.1%		655,247,463
Short-Term Securities		
California — 5.7%		
Utilities — Water & Sewer — 2.3%		
East Bay Municipal Utility District, California, Water System Revenue Refunding Bonds, VRDN, Sub-Series B, 1.25%, 2/04/09 (e)(l)	10,000	10,000,000
Transportation — 3.4%		
Los Angeles County, California, Metropolitan Transportation Authority, Sales Tax Revenue Refunding Bonds, Proposition C, VRDN, Second Senior Series A, 6%, 2/05/09 (a)(l)	15,000	15,000,000

Shares

Money Market Fund — 6.8%

CMA California Municipal Money Fund, 0.18% (m)(n)	29,933,000	29,933,000
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**Total Short-Term Securities
(Cost — \$54,933,000) — 12.5%**

54,933,000

Total Investments (Cost — \$756,108,204*) — 161.6%

710,180,463

Liabilities in Excess of Other Assets — (0.2)%

(724,290)

**Liability for Trust Certificates, Including Interest Expense
and Fees Payable — (17.6)%**

(77,649,638)

Preferred Shares, at Redemption Value — (43.8)%

(192,327,876)

Net Assets Applicable to Common Shares — 100.0%

\$ 439,478,659

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost	<u>\$ 678,735,234</u>
Gross unrealized appreciation	\$ 1,602,961
Gross unrealized depreciation	<u>(47,327,555)</u>
Net unrealized depreciation	<u>\$ (45,724,594)</u>

- (a) MBIA Insured.
- (b) AMBAC Insured.
- (c) Represents a zero-coupon bond. Rate shown is the effective yield at the time of purchase.
- (d) Assured Guaranty Insured.
- (e) FSA Insured.
- (f) FGIC Insured.
- (g) FNMA Collateralized.
- (h) GNMA Collateralized.
- (i) BHAC Insured.

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- (j) FHLMC Collateralized.
- (k) Securities represent 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. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (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. Rate shown is as of report date. This rate changes periodically based upon prevailing market rates.
- (m) 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	Income
CMA California Municipal Money Fund	29,726,747	\$ 127,654

- (n) Represents the current yield as of report date.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield California Insured Fund, Inc. (MCA)

- Effective August 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:
 - Level 1 — price quotations in active markets/exchanges for identical securities
 - Level 2 — other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)
 - Level 3 — unobservable inputs based on the best information available in the circumstance, to the extent observable inputs are not available (including the Fund's own assumption used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of January 31, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Investments in Securities
	Assets
Level 1	\$ 29,933,000
Level 2	680,247,463
Level 3	—
Total	\$ 710,180,463

See Notes to Financial Statements.

Schedule of Investments January 31, 2009 (Unaudited)

BlackRock MuniYield Insured Fund, Inc. (MYI)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama — 0.8%		
Alabama Special Care Facilities Financing Authority of Mobile, Revenue Refunding Bonds (Ascension Health Credit), Series D, 5%, 11/15/39 (a)	\$ 6,810	\$ 5,799,328
Alaska — 0.6%		
Alaska Energy Authority, Power Revenue Refunding Bonds (Bradley Lake), Fourth Series, 6%, 7/01/18 (b)	3,495	4,215,809
Arizona — 3.1%		
Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Senior Series A, 5%, 7/01/36 (c)	21,355	13,302,670
Maricopa County and Phoenix, Arizona, IDA, S/F Mortgage Revenue Bonds, AMT, Series A-2, 5.80%, 7/01/40 (d)(e)(f)	5,470	5,402,063
Salt River Project, Arizona, Agriculture Improvement and Power District, Electric System Revenue Bonds, Series A, 5%, 1/01/37	5,000	4,874,900
		23,579,633
California — 14.3%		
Alameda Corridor Transportation Authority, California, Capital Appreciation Revenue Refunding Bonds, Subordinate Lien, Series A, 5.40%, 10/01/24 (g)(h)	10,000	7,973,600
Antioch, California, Public Finance Authority, Lease Revenue Refunding Bonds (Municipal Facilities Project), Series A, 5.50%, 1/01/32 (a)	5,000	5,002,450
California Statewide Communities Development Authority Revenue Bonds (b):		
(Saint Joseph Home Care), Series E, 5.25%, 7/01/47	11,800	10,395,446
(Sutter Health), Series D, 5.05%, 8/15/38	7,400	6,469,228
California State, GO, 5.50%, 4/01/30 (a)	10	9,962
California State Public Works Board, Lease Revenue Bonds (Department of Corrections), Series C, 5.25%, 6/01/28	5,500	5,108,400
California State University, Revenue Refunding Bonds, DRIVERS, Series 2646Z, 8.819%, 5/01/15 (b)(i)	3	2,273
Fairfield-Suisun, California, Unified School District, GO (Election of 2002), 5.50%, 8/01/28 (a)	5,800	5,882,360
Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Series B1, 4.75%, 8/01/37 (a)(c)	15,000	12,984,900

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Mendocino-Lake Community College District, California, GO (Election of 2006), Series A, 5%, 8/01/31 (a)	1,485	1,384,376
Port of Oakland, California, Revenue Refunding Bonds, AMT, Series L, 5.375%, 11/01/27 (a)(c)	8,465	7,172,564
Redding, California, Electric System, COP, Series A, 5%, 6/01/30 (b)	1,900	1,758,944
Riverside County, California, Public Financing Authority, Tax Allocation Revenue Bonds (Redevelopment Projects), 5%, 10/01/35 (j)	10,000	7,434,900

Municipal Bonds	Par (000)	Value
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California (concluded)

Sacramento County, California, Airport System Revenue Bonds, AMT, Senior Series A, 5%, 7/01/41 (b)	\$ 18,000	\$ 16,772,940
San Jose, California, Airport Revenue Refunding Bonds, AMT, Series A, 5.50%, 3/01/32 (h)	11,965	10,189,992
San Mateo, California, Union High School District, COP (Phase One Projects), Series B, 4.758%, 12/15/43 (g)(h)	3,250	1,482,293
Stockton, California, Public Financing Authority, Lease Revenue Bonds (Parking & Capital Projects), 5.25%, 9/01/34 (a)(c)	8,310	7,361,330
		107,385,958

Colorado — 0.8%

Colorado Health Facilities Authority, Revenue Refunding Bonds (Poudre Valley Health Care), Series C, 5.25%, 3/01/40 (b)	7,000	5,996,690
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District of Columbia — 1.7%

District of Columbia, Water and Sewer Authority, Public Utility Revenue Refunding Bonds, Senior Lien, Series A, 6%, 10/01/35 (v)	4,280	4,477,650
Metropolitan Washington Airports Authority, D.C., Airport System Revenue Bonds, AMT, Series B, 5%, 10/01/32 (h)	10,000	8,035,200
		12,512,850

Florida — 12.2%

Broward County, Florida, School Board, COP, Series A, 5.25%, 7/01/33 (b)	15,000	14,171,850
Miami-Dade County, Florida, Aviation Revenue Refunding Bonds, DRIVERS, AMT, Series 2586Z, 7.992%, 10/01/15 (i)(j)(k)	37	22,269
Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT: 5.375%, 10/01/25 (a)(c)	10,750	9,331,645
5.375%, 10/01/27 (a)(c)	1,000	845,810
Series A, 5%, 10/01/35 (j)(k)	10,000	7,920,100
Series A, 5.50%, 10/01/41 (b)	15,000	12,618,750

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Miami-Dade County, Florida, GO (Building Better Communities Program), Series B, 6.375%, 7/01/28	6,000	6,556,860
Miami-Dade County, Florida, School Board, COP, Refunding, Series B, 5.25%, 5/01/31 (k)	4,125	3,932,156
Miami-Dade County, Florida, Water and Sewer Revenue Refunding Bonds, Series C, 6%, 10/01/23 (l)	20,095	22,266,265
Orlando, Florida, Senior Tourist Development Tax Revenue Bonds (6th Cent Contract Payments), Series A, 5.25%, 11/01/38 (k)	15,000	13,996,200
		91,661,905

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2009

Schedule of Investments (continued)

BlackRock MuniYield Insured Fund, Inc. (MYI)
 (Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Georgia — 2.0%		
Atlanta, Georgia, Airport General Revenue Refunding Bonds, Series B, 5.25%, 1/01/33 (b)	\$ 12,500	\$ 12,482,500
Main Street Natural Gas, Inc., Georgia, Gas Project Revenue Bonds, Series A, 6.25%, 7/15/33 (m)(n)	13,170	2,600,943
		<u>15,083,443</u>
Hawaii — 0.3%		
Hawaii State, GO, Series CX, 5.50%, 2/01/21 (b)	2,000	2,159,280
Illinois — 16.8%		
Chicago, Illinois, GO, Refunding, Series A, 5.25%, 1/01/24 (k)	11,000	11,558,910
Chicago, Illinois, O'Hare International Airport, General Airport Revenue Bonds, Third Lien, AMT, Series B-2 (a):		
5.25%, 1/01/27	16,685	13,952,498
6%, 1/01/27	26,230	23,946,941
Chicago, Illinois, O'Hare International Airport Revenue Refunding Bonds, Third Lien, AMT, Series C-2, 5.25%, 1/01/30 (b)	16,400	13,956,236
Illinois Health Facilities Authority Revenue Bonds (Delnor Hospital) (b):		
Series B, 5.25%, 5/15/32	6,150	5,610,583
Series D, 5.25%, 5/15/32	10,000	9,122,900
Illinois Municipal Electric Agency, Power Supply Revenue Bonds, Series A (a)(c):		
5%, 2/01/35	25,000	22,641,750
5.25%, 2/01/35	15,000	14,090,400
Northern Illinois Municipal Power Agency, Power Project Revenue Refunding Bonds (Prairie State Project), Series A, 5%, 1/01/37 (a)	11,900	10,253,754
Regional Transportation Authority, Illinois, Revenue Bonds, Series C, 7.75%, 6/01/20 (a)(c)	1,000	1,293,250
		<u>126,427,222</u>

Indiana — 0.9%

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Indiana Health Facilities Financing Authority, Hospital Revenue Bonds (Deaconess Hospital Obligated Group), Series A, 5.375%, 3/01/34 (h)	2,250	1,774,080
Indianapolis, Indiana, Gas Utility Revenue Refunding Bonds, Second Lien, Series B, 5.25%, 8/15/27 (k)	5,000	5,029,700
		<u>6,803,780</u>

Kentucky — 1.9%

Louisville and Jefferson Counties, Kentucky, Metropolitan Sewer District, Sewer and Drain System Revenue Bonds, Series A, 5.25%, 5/15/37 (a)(c)	15,155	14,550,315
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Louisiana — 4.9%

Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue Bonds (Capital Projects and Equipment Acquisition Program), Series A, 6.30%, 7/01/30 (h)	3,750	3,121,275
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Municipal Bonds	Par (000)	Value
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Louisiana (concluded)

Louisiana Public Facilities Authority, Mortgage Revenue Refunding Bonds (Baton Rouge General Medical Center Project), 5.25%, 7/01/33 (a)(o)	\$ 15,000	\$ 12,703,350
Louisiana State Gas and Fuels Tax Revenue Bonds, Series A, 5%, 5/01/36 (b)	10,000	9,555,300
New Orleans, Louisiana, Aviation Board Revenue Bonds, AMT, Series A, 5.25%, 1/01/32 (b)	14,030	11,649,109
		<u>37,029,034</u>

Massachusetts — 6.0%

Boston, Massachusetts, Housing Authority, Capital Program Revenue Bonds (b):		
5%, 4/01/23	1,570	1,623,929
5%, 4/01/28	520	512,398
Massachusetts State, HFA, Housing Development Revenue Refunding Bonds, Series B, 5.40%, 12/01/28 (a)	2,500	2,215,975
Massachusetts State, HFA, M/F Housing Revenue Bonds, Series B, 7%, 12/01/38	3,440	3,679,218
Massachusetts State, HFA, Rental Housing Mortgage Revenue Bonds, AMT, Series A, 5.15%, 7/01/26 (b)	11,910	12,384,613
Massachusetts State, HFA, S/F Housing Revenue Bonds, AMT, Series 128, 4.875%, 12/01/38 (b)	12,860	10,378,020
Massachusetts State Port Authority, Special Facilities Revenue Refunding Bonds (BOSFUEL Project), AMT, 5%, 7/01/38 (a)(c)	19,755	14,565,559
		<u>45,359,712</u>

Michigan — 5.9%

Detroit, Michigan, Water Supply System, Revenue Refunding Bonds, Senior Lien, Series D, 5%, 7/01/23 (b)	9,085	8,627,752
Michigan Higher Education Student Loan Authority, Student Loan Revenue Bonds, AMT, Series XVII-Q, 5%, 3/01/31 (h)	4,325	2,962,711
Michigan State Building Authority, Revenue Refunding Bonds (Facilities Program), Series I, 6.25%, 10/15/38	3,125	3,266,156
Michigan State, HDA, Rental Housing Revenue Bonds, AMT, Series B, 4.95%, 4/01/44 (b)	10,000	8,015,600
Michigan State Revenue Bonds, GAN, 5.25%, 9/15/26 (b)	6,650	6,669,219
Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Pollution Control Project), AMT (j):		
Series A, 5.50%, 6/01/30	8,000	6,505,520
Series C, 5.65%, 9/01/29	5,000	4,178,900
Wayne County, Michigan, Airport Authority, Revenue Refunding Bonds, AMT, 5.375%, 12/01/32 (k)	5,000	4,253,000
		44,478,858

Minnesota — 0.9%

Minneapolis, Minnesota, Health Care System, Revenue Refunding Bonds (Fairview Health Services), Series B, 6.50%, 11/15/38 (k)	6,600	6,971,052
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See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2009

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Schedule of Investments (continued)

BlackRock MuniYield Insured Fund, Inc. (MYI)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Missouri — 0.4%		
Missouri State Health and Educational Facilities Authority, Health Facilities Revenue Bonds (Saint Luke's Health System), VRDN, Series A, 5.50%, 11/15/35 (s)	\$ 3,270	\$ 3,016,379
Missouri State Housing Development Commission, S/F Mortgage Revenue Bonds (Homeownership Loan Program), AMT, Series C-1, 7.15%, 3/01/32 (e)(f)	95	101,269
		<u>3,117,648</u>
Nevada — 5.1%		
Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series A-2, 5%, 7/01/30 (a)(c)	20,000	17,960,600
Clark County, Nevada, IDR (Southwest Gas Corporation Project), AMT, Series A, 5.25%, 7/01/34 (h)	12,675	8,392,751
Las Vegas, Nevada, Convention and Visitors Authority Revenue Bonds, 5%, 7/01/37 (h)	11,950	10,763,484
Reno, Nevada, Capital Improvement Revenue Bonds, 5.50%, 6/01/19 (c)	1,165	1,173,330
		<u>38,290,165</u>
New Jersey — 1.6%		
New Jersey EDA, Cigarette Tax Revenue Bonds: 5.75%, 6/15/29	3,060	2,277,221
5.75%, 6/15/34	13,960	10,055,248
		<u>12,332,469</u>
New Mexico — 0.3%		
New Mexico Educational Assistance Foundation, Student Loan Revenue Refunding Bonds (Student Loan Program), AMT, First Sub-Series A-2, 6.65%, 11/01/25	1,605	1,604,984
New Mexico Mortgage Finance Authority, S/F Mortgage Revenue Bonds, AMT, Series C-2, 6.95%, 9/01/31 (e)(f)	315	331,245

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1,936,229

New York — 4.4%

New York City, New York, GO:		
Series A-1, 5.25%, 8/15/24	6,650	6,754,073
Series J, 5.25%, 5/15/24	10,000	10,101,200
Series J, 5.25%, 5/15/25	550	552,552
Series M, 5%, 4/01/30 (k)	5,000	4,865,950
New York State Dormitory Authority, Non-State Supported Debt Revenue Bonds (Presbyterian Hospital of New York), 5%, 8/15/36 (b)(o)	9,005	8,122,600
New York State Dormitory Authority, State Supported Debt Revenue Bonds (Mental Health Services Facilities), Series B, 5%, 2/15/28 (b)	2,700	2,625,615
		33,021,990

Municipal Bonds

**Par
(000)**

Value

Ohio — 1.7%

Lorain County, Ohio, Hospital Revenue Refunding Bonds (Catholic Healthcare Partners), Series C-2, 5%, 4/01/33 (b)	\$ 14,200	\$ 12,647,656
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Oklahoma — 0.5%

Tulsa County, Oklahoma, Home Finance Authority, S/F Mortgage Revenue Refunding Bonds, AMT, Series C, 5.25%, 12/01/38 (f)	4,748	3,918,278
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Pennsylvania — 4.1%

Pennsylvania HFA, S/F Mortgage Revenue Bonds, AMT, Series 70A, 5.80%, 4/01/27	4,740	4,412,561
Pennsylvania State Turnpike Commission, Turnpike Revenue Bonds:		
Series A, 5.50%, 12/01/31 (h)	15,600	15,831,816
Series A1, 5%, 6/01/38 (k)	5,000	4,828,100
Pennsylvania State Turnpike Commission, Turnpike Revenue Refunding Bonds, Sub-Series C, 6.25%, 6/01/38 (k)	5,695	6,154,245
		31,226,722

Rhode Island — 0.3%

	3,000	2,453,820
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Rhode Island State Economic Development Corporation, Airport Revenue Bonds, AMT, Series A, 5.25%, 7/01/38 (k)

South Carolina — 1.9%

Charleston Educational Excellence Financing Corporation, South Carolina, Revenue Bonds (Charleston County School District) (k):		
5.25%, 12/01/28	3,895	3,791,744
5.25%, 12/01/29	3,215	3,088,843
5.25%, 12/01/30	1,160	1,102,104
Kershaw County, South Carolina, Public Schools Foundation, Installment Power Revenue Refunding Bonds (o):		
5%, 12/01/30	2,775	2,543,593
5%, 12/01/31	3,690	3,353,361
South Carolina Housing Finance and Development Authority, Mortgage Revenue Refunding Bonds, AMT, Series A-2, 6.35%, 7/01/19 (b)	645	651,418
		14,531,063

Tennessee — 0.2%

Tennessee HDA, Revenue Refunding Bonds (Homeownership Program), AMT, Series A, 5.35%, 1/01/26 (b)	1,845	1,767,676
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Texas — 21.6%

Canyon, Texas, Regional Water Authority, Contract Revenue Bonds (Wells Ranch Project), 5%, 8/01/32 (h)	8,185	7,561,549
Dallas, Texas, Independent School District, GO, 6.375%, 2/15/34	10,000	10,948,200

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Insured Fund, Inc. (MYI)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Texas (concluded)		
Dallas-Fort Worth, Texas, International Airport, Joint Revenue Bonds, AMT, Series A, 5%, 11/01/35 (b)	\$ 1,000	\$ 791,760
Dallas-Fort Worth, Texas, International Airport Revenue Refunding and Improvement Bonds, AMT, Series A, 5.625%, 11/01/26 (a)(c)	15,000	13,925,550
Harris County, Texas, Hospital District, Senior Lien Revenue Refunding Bonds, Series A, 5.25%, 2/15/37 (a)	10,000	8,913,700
Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Senior Lien, Series G (a):		
5.75%, 11/15/19	1,665	1,671,893
5.75%, 11/15/20	3,500	3,464,545
5.25%, 11/15/30	10,000	7,879,500
Houston, Texas, Combined Utility System, First Lien Revenue Refunding Bonds, Series A, 5%, 11/15/36 (b)	10,695	10,335,862
Judson, Texas, Independent School District, School Building, GO, 5%, 2/01/37 (k)	10,000	9,621,200
Matagorda County, Texas, Navigation District Number 1, PCR, Refunding (Central Power and Light Company Project), AMT, 5.20%, 5/01/30 (a)	6,250	4,514,688
North Texas Tollway Authority, System Revenue Refunding Bonds, First Tier:		
Series A, 6%, 1/01/25	6,250	6,357,500
Series A, 5.125%, 1/01/28 (a)	22,000	20,259,140
Series B, 5.75%, 1/01/40 (a)	10,000	9,422,700
Texas State Department of Housing and Community Affairs, S/F Mortgage Revenue Bonds, AMT, Series A, 5.45%, 9/01/23 (a)(e)(f)	4,670	4,641,933
Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier, Series A (h):		
5%, 8/15/42	10,000	8,053,500
5.50%, 8/15/39	10,000	8,803,600
Texas State University, System Financing Revenue Refunding Bonds:		
5.25%, 3/15/24	5,000	5,268,650
5.25%, 3/15/25	9,000	9,396,000
5.25%, 3/15/26	10,000	10,364,700
		162,196,170
Vermont — 0.4%		
Vermont HFA, Revenue Refunding Bonds, AMT, Series C, 5.50%, 11/01/38 (b)	3,000	2,682,570
Vermont HFA, S/F Housing Revenue Bonds, AMT, Series 12B, 6.30%, 11/01/19 (b)	375	381,326
		3,063,896

Virginia — 0.3%

Halifax County, Virginia, IDA, Exempt Facility Revenue Refunding Bonds (Old Dominion Electric Cooperative Project), AMT, 5.625%, 6/01/28 (h)	2,500	2,225,650
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Municipal Bonds	Par (000)	Value
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Washington — 7.8%

Chelan County, Washington, Public Utility District Number 001, Consolidated Revenue Bonds (Chelan Hydro System), AMT, Series A, 5.45%, 7/01/37 (h)	\$ 3,030	\$ 2,479,267
Chelan County, Washington, Public Utility District Number 001, Consolidated Revenue Refunding Bonds (Chelan Hydro System), AMT, Series C, 5.65%, 7/01/32 (a)	6,000	5,241,120
King County, Washington, Public Hospital District Number 001, GO, Refunding, Series A, 5%, 12/01/37 (k)	13,995	13,457,032
Port of Seattle, Washington, Revenue Bonds, DRIVERS, AMT, Series 2553, 8.967%, 1/01/12 (a)(i)	3	1,781
Radford Court Properties, Washington, Student Housing Revenue Bonds, 5.75%, 6/01/32 (a)	10,000	9,923,000
Seattle, Washington, Housing Authority Revenue Bonds (High Rise Rehabilitation Program — Phase 3), AMT, 5.15%, 11/01/27 (b)	6,255	5,670,533
Skagit County, Washington, Public Hospital District, GO, Series A (a):		
5.25%, 12/01/25	4,945	4,999,098
5.25%, 12/01/26	5,450	5,479,485
Washington State Health Care Facilities Authority Revenue Bonds (Providence Health System), Series A, 5.25%, 10/01/21 (a)	6,150	6,215,375
Washington State Health Care Facilities Authority, Revenue Refunding Bonds (Catholic Health Initiatives), Series D, 6.375%, 10/01/36	5,500	5,521,010
		<u>58,987,701</u>

West Virginia — 0.2%

Harrison County, West Virginia, County Commission for Solid Waste Disposal Revenue Bonds (Monongahela Power), AMT, Series C, 6.75%, 8/01/24 (h)	1,325	1,290,060
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Wisconsin — 0.4%

Wisconsin State Health and Educational Facilities Authority Revenue Bonds (SynergyHealth Inc.), 6%, 11/15/32	3,395	3,163,325
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Puerto Rico — 1.5%

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Puerto Rico Public Buildings Authority, Government Facilities Revenue Refunding Bonds,
Series M-3 (a)(q):

6%, 7/01/26	5,240	5,005,615
6%, 7/01/27	4,235	3,991,911
6%, 7/01/28	2,750	2,573,505

11,571,031

Total Municipal Bonds — 125.8%

947,756,418

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2009

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Schedule of Investments (continued)

BlackRock MuniYield Insured Fund, Inc. (MYI)

(Percentages shown are based on Net Assets)

Municipal Bonds Transferred to Tender Option Bond Trusts (r)	Par (000)	Value
California — 10.9%		
Alameda County, California, Joint Powers Authority, Lease Revenue Refunding Bonds, 5%, 12/01/34 (b)	\$ 6,990	\$ 6,679,225
California State University, Systemwide Revenue Refunding Bonds, Series A, 5%, 11/01/16 (h)	18,435	17,595,839
Las Virgenes, California, Unified School District, GO, Series A, 5%, 8/1/31 (b)	10,000	9,710,553
Orange County, California, Sanitation District, COP, Series B, 5%, 2/01/37 (b)	10,780	10,325,946
Riverside, California, Electric Revenue Bonds, Series D, 5%, 10/01/38 (b)	20,000	18,963,200
San Diego County, California, Water Authority, Water Revenue Refunding Bonds, COP, Series A, 5%, 5/01/33 (b)	9,370	9,037,552
San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Bonds, 5%, 7/01/36 (b)	10,000	9,701,849
		82,014,164
Connecticut — 0.7%		
Connecticut State Health and Educational Facilities Authority Revenue Bonds (Yale University), Series T-1, 4.70%, 7/01/29	5,010	5,016,713
Florida — 1.5%		
Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, 5%, 10/01/40 (j)(k)	15,000	11,705,071
Georgia — 1.3%		
Metropolitan Atlanta Rapid Transit Authority, Georgia, Sales Tax Revenue Refunding Bonds, Third Indenture, Series B, 5%, 7/01/37 (b)	10,000	9,820,808
Illinois — 2.1%		
Illinois Finance Authority, Revenue Bonds (University of Chicago), Series B, 6.25, 7/01/38	10,000	10,742,800
	4,799	5,032,384

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Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Refunding Bonds (McCormick Place Expansion Project), Series B, 5.75%, 6/15/23 (a)

15,775,184

New Jersey — 1.5%

Garden State Preservation Trust of New Jersey, Open Space and Farmland Preservation Revenue Bonds, Series A, 5.75%, 11/01/28 (b)

10,000

11,326,900

Municipal Bonds Transferred to Tender Option Bond Trusts (r)

**Par
(000)**

Value

New York — 4.5%

New York City, New York, City Municipal Water Finance Authority, Water and Sewer System, Revenue Refunding Bonds, Series DD, 5%, 6/15/37

\$ 17,567

\$ 16,649,253

Port Authority of New York and New Jersey, Consolidated Revenue Bonds, AMT, 137th Series, 5.125%, 7/15/30 (b)

19,500

17,241,120

33,890,373

Ohio — 0.6%

Montgomery County, Ohio, Revenue Bonds (Catholic Health Initiatives), Series C-1, 5%, 10/01/41 (b)

4,990

4,234,664

Texas — 1.7%

Friendswood, Texas, Independent School District, GO, 5%, 2/15/37

12,955

12,705,647

Virginia — 0.5%

University of Virginia, Revenue Refunding Bonds, 5%, 6/01/40

3,950

3,958,493

Washington — 7.9%

Central Puget Sound Regional Transportation Authority, Washington, Sales and Use Tax Revenue Bonds, Series A, 5%, 11/01/34 (b)

17,000

16,566,160

Houston, Texas, Independent School District, GO, 5%, 2/15/33

10,000

9,916,800

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King County, Washington, Sewer Revenue Bonds, 5%, 1/01/37 (b)	15,785	15,299,295
Port of Seattle, Washington, Revenue Refunding Bonds, AMT, Series B, 5.20%, 7/01/29 (a)	20,565	17,606,313
		59,388,568

Total Municipal Bonds Transferred to Tender Option Bond Trusts — 33.2% 249,836,585

Total Long-Term Investments
(Cost — \$1,316,958,572) — 159.0% 1,197,593,003

Short-Term Securities

California — 0.5%

Los Angeles County, California, Metropolitan Transportation Authority, Sales Tax Revenue Refunding Bonds, Proposition C, VRDN, Second Senior Series A, 6%, 2/05/09 (a)(s)	4,000	4,000,000
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See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Insured Fund, Inc. (MYI)
(Percentages shown are based on Net Assets)

	Par (000)	Value
Short-Term Securities		
Pennsylvania — 1.4%		
Philadelphia, Pennsylvania, GO, Refunding, VRDN, Series B, 3.75%, 2/05/09 (b)(s)	\$ 10,000	\$ 10,000,000
Shares		
Money Market Fund — 7.5%		
Merrill Lynch Institutional Tax-Exempt Fund, 0.60% (t)(u)	56,743,907	56,743,907
Total Short-Term Securities (Cost — \$70,743,907) — 9.4%		70,743,907
Total Investments (Cost — \$1,387,702,479*) — 168.4%		1,268,336,910
Other Assets Less Liabilities — 0.6%		4,593,234
Liability for Trust Certificates, Including Interest Expense and Fees Payable — (18.9)%		(142,645,295)
Preferred Shares, at Redemption Value — (50.1)%		(377,256,535)
Net Assets Applicable to Common Shares — 100.0%		\$ 753,028,314

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 1,253,642,151
Gross unrealized appreciation	\$ 14,667,095
Gross unrealized depreciation	(141,883,016)

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Net unrealized depreciation \$ (127,215,921)

- (a) MBIA Insured.
- (b) FSA Insured.
- (c) FGIC Insured.
- (d) FHLMC Collateralized.
- (e) FNMA Collateralized.
- (f) GNMA Collateralized.
- (g) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the effective yield as of report date.
- (h) AMBAC Insured.
- (i) Variable rate security. Rate shown is as of report date.
- (j) XL Capital Insured.
- (k) Assured Guaranty Insured.
- (l) BHAC Insured.
- (m) Non-income producing security.
- (n) Issuer filed for bankruptcy and/or is in default of interest payments.
- (o) FHA Insured.
- (p) CIFG Insured.
- (q) Commonwealth Guaranteed.
- (r) Securities represent 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. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (s) 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. Rate shown is as of report date. This rate changes periodically based upon prevailing market rates.
- (t) 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	Income
Merrill Lynch Institutional Tax-Exempt Fund	30,589,501	\$ 393,051

- (u) Represents the current yield as of report date.
- (v) When issued security.
- Effective August 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:
 - Level 1 — price quotations in active markets/exchanges for identical securities
 - Level 2 — other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)
 - Level 3 — unobservable inputs based on the best information available in the circumstance, to the extent observable inputs are not available (including the Fund's own assumption used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of January 31, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Investments in Securities
	Assets