

BLACKROCK MUNIYIELD CALIFORNIA INSURED FUND, INC
Form N-CSRS
April 09, 2010
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)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock MuniYield California Insured Fund, Inc., 55 East 52nd Street, New York, NY 10055.

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 07/31/2010

Date of reporting period: 01/31/2010

Item 1 – Report to Stockholders

Semi-Annual Report

JANUARY 31, 2010 | (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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Dear Shareholder

Over the past year, investors worldwide witnessed a seismic shift in market sentiment as guarded optimism replaced the fear and pessimism that had dominated since late 2007. The single most important reason for this change was the swing from a severe economic recession to an emergent global recovery.

At the start of 2009, markets were reeling from the virtually unprecedented global financial and economic meltdown. The looming threat of further collapse in global markets prompted stimulus packages and central bank interventions on an extraordinary scale. By period end, these actions had helped stabilize the financial system, and the economic contraction abated.

After reaching a trough in March 2009, stocks galloped higher as the massive, coordinated global monetary and fiscal stimulus began to re-inflate world economies. Sidelined cash poured into the markets, triggering a dramatic and steep upward rerating of stocks and other risk assets. Still, the rally has not been without interruption, as mixed economic data, global challenges regarding sovereign credit risk and proposed fees and levies on banks had begun to dampen investor conviction toward period end. The experience in international markets generally mirrored that seen in the United States; notably, emerging markets firmly reclaimed their leadership status.

The easing of investor risk aversion was notable in the fixed income markets as well, where non-Treasury assets made a robust recovery. One of the major themes over the past year was the reversal of the flight-to-quality trade. High yield finished the period as the strongest-performing fixed income sector in both the taxable and tax-exempt space. Overall, the municipal market made a strong showing as technical conditions remained supportive of the asset class. The Build America Bond program was deemed a success, adding \$65 billion of taxable supply to the municipal marketplace in 2009 and \$4 billion so far this year. The program continues to alleviate tax-exempt supply pressure and attract the attention of a global audience. However, fundamental concerns are moving to the fore in the municipal space, and bear close watching as the year progresses. At the same time, yields on money market securities declined throughout the reporting period and remain near all-time lows, with the Federal Open Market Committee reiterating that economic circumstances are likely to necessitate an accommodative interest rate stance for an extended period. Investor assets in money market funds declined from the peak registered in early 2009, but remain well above pre-crisis levels.

All told, the rebound in sentiment and global market conditions resulted in positive 6- and 12-month returns for nearly every major benchmark index, with the most dramatic improvement seen among risk assets.

| Total Returns as of January 31, 2010 | 6-month | 12-month |
|--|----------------|-----------------|
| US equities (S&P 500 Index) | 9.87% | 33.14% |
| Small cap US equities (Russell 2000 Index) | 8.86 | 37.82 |
| International equities (MSCI Europe, Australasia, Far East Index) | 6.93 | 39.68 |
| 3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index) | 0.10 | 0.22 |
| US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index) | 0.62 | (3.31) |
| Taxable fixed income (Barclays Capital US Aggregate Bond Index) | 3.87 | 8.51 |
| Tax-exempt fixed income (Barclays Capital Municipal Bond Index) | 4.90 | 9.49 |
| High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index) | 15.90 | 50.80 |

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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The market environment continues to improve, but questions about the strength and sustainability of the recovery abound. Through periods of market uncertainty, BlackRock's full resources are dedicated to the management of our clients' assets. For additional market perspective and investment insight, visit www.blackrock.com/shareholdermagazine, where you'll find the most recent issue of our award-winning *Shareholder*[®] magazine, as well as its quarterly companion newsletter, *Shareholder Perspectives*. As always, we thank you for entrusting BlackRock with your investments, and we look forward to your continued partnership 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, 2010

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.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended January 31, 2010, the Fund returned 16.80% based on market price, and 10.80% 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 10.18% based on market price, and 9.18% 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. The Fund held overweight positions in health and housing bonds with maturities of 20 years and longer, which benefited performance as the municipal yield curve flattened during the last six months. Conversely, overweights in insured Florida and California holdings with weak underlying credits detracted from performance relative to the Lipper category.

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 (NYSE) | MUE |
| Initial Offering Date | February 26, 1999 |
| Yield on Closing Market Price as of January 31, 2010 (\$12.89) ¹ | 6.52% |
| Tax Equivalent Yield ² | 10.03% |
| Current Monthly Distribution per Common Share ³ | \$0.07 |
| Current Annualized Distribution per Common Share ³ | \$0.84 |
| Leverage as of January 31, 2010 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 Monthly Distribution per Share, declared on March 1, 2010, was increased to \$0.0735. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

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

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Leveraging on page 9.

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

| | 1/31/10 | 7/31/09 | Change | High | Low |
|-----------------|----------|----------|--------|----------|----------|
| Market Price | \$ 12.89 | \$ 11.40 | 13.07% | \$ 13.24 | \$ 11.40 |
| Net Asset Value | \$ 13.16 | \$ 12.27 | 7.25% | \$ 13.88 | \$ 12.26 |

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

Sector Allocations

| | 1/31/10 | 7/31/09 |
|--|---------|---------|
| County/City/Special District/School District | 29% | 29% |
| Transportation | 21 | 23 |
| Utilities | 20 | 21 |
| State | 12 | 10 |
| Health | 11 | 9 |
| Housing | 5 | 5 |
| Corporate | 2 | 2 |
| Education | | 1 |

Credit Quality Allocations⁵

| | 1/31/10 | 7/31/09 |
|------------------------|---------|---------|
| AAA/Aaa | 54% | 50% |
| AA/Aa | 20 | 19 |
| A | 22 | 27 |
| BBB/Baa | 2 | 2 |
| Not Rated ⁶ | 2 | 2 |

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

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of January 31, 2010 and July 31, 2009, the market value of these securities was \$9,626,243, representing 2% and \$10,104,059, representing 2%, respectively, of the Fund's long-term investments.

Fund Summary as of January 31, 2010

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.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended January 31, 2010, the Fund returned 6.47% based on market price, and 9.10% based on NAV. For the same period, the closed-end Lipper Single-State Insured Municipal Debt Funds category posted an average return of 8.47% based on market price, and 8.71% on a NAV basis. All returns reflect reinvestment of dividends. The performance of the Lipper category does not necessarily correlate to that of the Fund, as the Lipper group comprises funds representing various states and not California alone. 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 maintains a relatively generous degree of income accrual, which was a positive factor. The tightening of credit quality spreads in the uninsured basket of the Fund's holdings also aided results. A fully-invested posture and a slightly longer relative duration posture were additive, too, as rates declined in the second half of 2009. Throughout this period, the municipal market benefited from the Build America Bond Program, which effectively moved supply to the taxable market and, thus, alleviated supply pressure in the tax-exempt space. Conversely, downgrades of monoline insurers detracted from performance in all funds investing in bonds utilizing insurance wraps. This had a particularly negative impact on California credits due to the well-publicized fiscal and budgetary challenges the state is facing. In addition, secondary market demand for insured California municipals has decreased, limiting liquidity and widening spreads on insured bonds.

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Fund Information

| | |
|---|------------------|
| Symbol on NYSE | MCA |
| Initial Offering Date | October 30, 1992 |
| Yield on Closing Market Price as of January 31, 2010 (\$12.50) ¹ | 5.86% |
| Tax Equivalent Yield ² | 9.02% |
| Current Monthly Distribution per Common Share ³ | \$0.061 |
| Current Annualized Distribution per Common Share ³ | \$0.732 |
| Leverage as of January 31, 2010 ⁴ | 36% |

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.

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- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The Monthly Distribution per Share, declared on March 1, 2010, was increased to \$0.066. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.
- 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.

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

| | 1/31/10 | 7/31/09 | Change | High | Low |
|-----------------|----------|----------|--------|----------|----------|
| Market Price | \$ 12.50 | \$ 12.08 | 3.48% | \$ 13.54 | \$ 12.03 |
| Net Asset Value | \$ 14.24 | \$ 13.43 | 6.03% | \$ 14.92 | \$ 13.42 |

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

Sector Allocations

| | 1/31/10 | 7/31/09 |
|--|---------|---------|
| County/City/Special District/School District | 54% | 44% |
| Utilities | 24 | 25 |
| Transportation | 9 | 13 |
| Education | 6 | 10 |
| Corporate | 3 | |
| Health | 2 | 3 |
| State | 2 | 3 |
| Housing | | 2 |

Credit Quality Allocations⁵

| | 1/31/10 | 7/31/09 |
|---------|---------|---------|
| AAA/Aaa | 51% | 44% |
| AA/Aa | 27 | 28 |
| A | 21 | 27 |
| BBB/Baa | 1 | 1 |

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

Fund Summary as of January 31, 2010

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.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended January 31, 2010, the Fund returned 6.94% based on market price, and 10.92% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 10.18% based on market price, and 9.18% 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 primary contributors to relative performance were the Fund's positive positioning with respect to the market during a period in which yields generally declined, and its exposure to the long end of the yield curve, which outperformed as the yield curve flattened. Exposure to insured bonds with lower-rated underlying credits also aided results as yield spreads generally tightened during the period. Conversely, the Fund's small exposure to the well-performing education sector detracted from performance. Exposure to zero-coupon bonds which generally under-performed as spreads in this sector widened also hindered returns.

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Fund Information

| | |
|---|----------------|
| Symbol on NYSE | MYI |
| Initial Offering Date | March 27, 1992 |
| Yield on Closing Market Price as of January 31, 2010 (\$12.59) ¹ | 5.81% |
| Tax Equivalent Yield ² | 8.94% |
| Current Monthly Distribution per Common Share ³ | \$0.061 |
| Current Annualized Distribution per Common Share ³ | \$0.732 |
| Leverage as of January 31, 2010 ⁴ | 37% |

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

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The Monthly Distribution per Share, declared on March 1, 2010, was increased to \$0.066. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

- 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.

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

| | 1/31/10 | 7/31/09 | Change | High | Low |
|-----------------|----------|----------|--------|----------|----------|
| Market Price | \$ 12.59 | \$ 12.12 | 3.88% | \$ 13.11 | \$ 11.46 |
| Net Asset Value | \$ 13.22 | \$ 12.27 | 7.74% | \$ 13.88 | \$ 12.25 |

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

Sector Allocations

| | 1/31/10 | 7/31/09 |
|--|---------|---------|
| Transportation | 29% | 31% |
| County/City/Special District/School District | 24 | 24 |
| Utilities | 16 | 17 |
| State | 9 | 8 |
| Health | 7 | 6 |
| Housing | 5 | 5 |
| Corporate | 5 | 2 |
| Education | 5 | 7 |

Credit Quality Allocations⁵

| | 1/31/10 | 7/31/09 |
|-----------|---------|---------|
| AAA/Aaa | 46% | 47% |
| AA/Aa | 26 | 23 |
| A | 22 | 25 |
| BBB/Baa | 5 | 5 |
| Not Rated | 1 | |

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

Fund Summary as of January 31, 2010

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.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended January 31, 2010, the Fund returned 6.11% based on market price, and 8.64% based on NAV. For the same period, the closed-end Lipper Single-State Insured Municipal Debt Funds category posted an average return of 8.47% based on market price, and 8.71% on a NAV basis. All returns reflect reinvestment of dividends. The performance of the Lipper category does not necessarily correlate to that of the Fund, as the Lipper group comprises funds representing various states and not Michigan alone. 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's allocations to the industrial development revenue/pollution control revenue and health sectors aided performance, as these represented two of the best-performing sectors for the six months. In contrast, pre-refunded and escrowed issues lagged. The Fund's overweight in this sector, coupled with a shorter duration, restricted upward price movement in a declining rate environment. Additionally, a large block of bonds was called, increasing the cash position while reinvestment was completed.

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 NYSE | MYM |
| Initial Offering Date | February 28, 1992 |
| Yield on Closing Market Price as of January 31, 2010 (\$11.89) ¹ | 6.71% |
| Tax Equivalent Yield ² | 10.32% |
| Current Monthly Distribution per Common Share ³ | \$0.0665 |
| Current Annualized Distribution per Common Share ³ | \$0.7980 |
| Leverage as of January 31, 2010 ⁴ | 37% |

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

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The Monthly Distribution per Share, declared on March 1, 2010, was increased to \$0.069. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

- 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.

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

| | 1/31/10 | 7/31/09 | Change | High | Low |
|-----------------|----------|----------|--------|----------|----------|
| Market Price | \$ 11.89 | \$ 11.58 | 2.68% | \$ 12.72 | \$ 11.45 |
| Net Asset Value | \$ 13.53 | \$ 12.87 | 5.13% | \$ 14.11 | \$ 12.85 |

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

Sector Allocations

| | 1/31/10 | 7/31/09 |
|--|---------|---------|
| County/City/Special District/School District | 32% | 23% |
| Health | 15 | 16 |
| Corporate | 12 | 15 |
| State | 12 | 11 |
| Utilities | 11 | 12 |
| Transportation | 11 | 11 |
| Education | 5 | 10 |
| Housing | 2 | 2 |

Credit Quality Allocations⁵

| | 1/31/10 | 7/31/09 |
|-----------|----------------|---------|
| AAA/Aaa | 36% | 28% |
| AA/Aa | 26 | 27 |
| A | 33 | 40 |
| BBB/Baa | 2 | 2 |
| Not Rated | 3 ₆ | 3 |

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 of investment grade quality. As of January 31, 2010, the market value of these securities was \$4,388,080, representing 2% of the Fund's long-term investments.

Fund Summary as of January 31, 2010

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.

No assurance can be given that the Fund's investment objective will be achieved.

Performance

For the six months ended January 31, 2010, the Fund returned 9.02% based on market price, and 9.76% based on NAV. For the same period, the closed-end Lipper Single-State Insured Municipal Debt Funds category posted an average return of 8.47% based on market price, and 8.71% on a NAV basis. All returns reflect reinvestment of dividends. The performance of the Lipper category does not necessarily correlate to that of the Fund, as the Lipper group comprises funds representing various states and not New York alone. 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's holdings of longer-dated and discount-coupon bonds aided relative performance; these issues outperformed as the market recovered and credit spreads tightened during the six months. Additionally, we participated in the new-issue market when supply was plentiful and underwriters were more willing to structure bonds in accordance with orders. This allowed us to improve the Fund's diversification, while also increasing its exposure to lower-coupon bonds. On the other hand, the Fund's zero-coupon and shorter-dated bond holdings detracted from performance, as these issues underperformed the market. We were also unable to purchase enough longer-dated, new-issue insured bonds to swap out of the Fund's older and lower-book-yield bonds. As a result, the Fund maintains a below-average accrual rate, which had a negative impact on total return.

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 NYSE | MYN |
| Initial Offering Date | February 28, 1992 |
| Yield on Closing Market Price as of January 31, 2010 (\$12.06) ¹ | 5.47% |
| Tax Equivalent Yield ² | 8.42% |
| Current Monthly Distribution per Common Share ³ | \$0.055 |
| Current Annualized Distribution per Common Share ³ | \$0.660 |
| Leverage as of January 31, 2010 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%.

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³ The Monthly Distribution per Share, declared on March 1, 2010, was increased to \$0.0625. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

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.

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

| | 1/31/10 | 7/31/09 | Change | High | Low |
|-----------------|----------|----------|--------|----------|----------|
| Market Price | \$ 12.06 | \$ 11.36 | 6.16% | \$ 12.64 | \$ 11.32 |
| Net Asset Value | \$ 13.52 | \$ 12.65 | 6.88% | \$ 13.98 | \$ 12.64 |

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

Sector Allocations

| | 1/31/10 | 7/31/09 |
|--|---------|---------|
| County/City/Special District/School District | 30% | 31% |
| Transportation | 30 | 29 |
| State | 10 | 11 |
| Utilities | 10 | 10 |
| Corporate | 6 | 6 |
| Education | 6 | 5 |
| Health | 4 | 4 |
| Housing | 3 | 3 |
| Tobacco | 1 | 1 |

Credit Quality Allocations⁵

| | 1/31/10 | 7/31/09 |
|---------|---------|---------|
| AAA/Aaa | 44% | 45% |
| AA/Aa | 17 | 16 |
| A | 33 | 32 |
| BBB/Baa | 6 | 7 |

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

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 each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund's Common Shareholders will benefit from the incremental net income.

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 securities purchased by the Fund with assets received from the Preferred Shares issuance earn 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 net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup on the Common Shares will be reduced or eliminated completely. Furthermore, 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.

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 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 each Fund's 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 Common Shareholders will be reduced. Each Fund may be required to sell portfolio securities at inopportune times or at distressed 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 a Fund to incur losses. The use of leverage may limit each Fund's 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 the Funds. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

Under the Investment Company Act of 1940, the Funds are permitted to issue Preferred Shares in an amount of up to 50% of its 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, 2010, the Funds had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

**Percent of
Leverage**

| | |
|-----|-----|
| MUE | 40% |
| MCA | 36% |
| MYI | 37% |
| MYM | 37% |
| MYN | 38% |

Derivative Financial Instruments

The Funds may invest in various derivative instruments, including financial futures contracts, as specified in Note 2 of 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 counterparty to the transaction or illiquidity of the derivative instrument. Each Fund's ability to successfully use a derivative instrument depends on the investment 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 distressed 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, 2010 (Unaudited)

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

| Municipal Bonds | Par (000) | Value |
|--|--------------|------------------|
| Alabama 2.9% | | |
| Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/39 | \$ 5,225 | \$ 5,541,008 |
| County of Jefferson Alabama, RB, Series A, 5.50%, 1/01/22 | 3,580 | 3,043,573 |
| | | <u>8,584,581</u> |
| Arizona 0.5% | | |
| State of Arizona, COP, Department of Administration, Series A (AGM): | | |
| 5.25%, 10/01/28 | 1,175 | 1,214,527 |
| 5.00%, 10/01/29 | 305 | 308,010 |
| | | <u>1,522,537</u> |
| Arkansas 4.2% | | |
| Arkansas Development Finance Authority, Refunding RB, FHA Insured Mortgage Loan, Series C (NPFGC), 5.35%, 12/01/35 | 12,165 | 12,259,522 |
| California 16.5% | | |
| City of Vista California, COP, Refunding, Community Projects (NPFGC), 5.00%, 5/01/37 | 5,400 | 4,928,310 |
| County of Sacramento California, RB, Senior Series A (AGC), 5.50%, 7/01/41 | 3,500 | 3,636,010 |
| Dixon Unified School District California, GO, Election 2002 (AGM), 5.20%, 8/01/44 | 2,405 | 2,385,928 |
| Modesto Schools Infrastructure Financing Agency, Special Tax Bonds (AMBAC), 5.50%, 9/01/36 | 4,240 | 3,789,797 |
| Oceanside Unified School District California, GO, Series A (AGC), 5.25%, 8/01/33 | 3,175 | 3,240,468 |
| Port of Oakland, RB, Series K, AMT (NPFGC): | | |
| 5.75%, 11/01/21 | 2,975 | 2,977,915 |
| 5.75%, 11/01/21 (a) | 25 | 25,304 |
| Port of Oakland, Refunding RB, Series L, AMT (NPFGC), 5.38%, 11/01/27 | 5,000 | 4,723,550 |
| Roseville Joint Union High School District California, GO, Election 2004, Series A (NPFGC), 5.00%, 8/01/29 | 2,985 | 3,030,670 |
| Sacramento City Financing Authority California, RB, Capital Improvement (AMBAC), 5.00%, 12/01/27 | 150 | 150,458 |

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| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| California (concluded) | | |
| San Francisco City & County Airports Commission, RB, Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.10%, 1/01/20 | \$ 1,250 | \$ 1,251,288 |
| Los Angeles Community College District California, GO, Election 2001, Series A (NPFGC), 5.00%, 8/01/32 | 5,000 | 5,046,700 |
| State of California, GO, Refunding, Veterans, Series BZ, AMT (NPFGC), 5.35%, 12/01/21 | 9,350 | 9,346,073 |
| Stockton Public Financing Authority California, RB, Redevelopment Projects, Series A (Radian), 5.25%, 9/01/34 | 2,930 | 2,492,756 |
| Tustin Unified School District California, Special Tax Bonds, Senior Lien, Community Facilities District 97-1, Series A (AGM), 5.00%, 9/01/38 | 1,620 | 1,548,785 |
| | | 48,574,012 |
| Colorado 1.3% | | |
| Colorado Health Facilities Authority, RB, Hospital, NCMC Inc. Project, Series B (AGM), 6.00%, 5/15/26 | 3,300 | 3,640,692 |
| Colorado Housing & Finance Authority, Refunding RB, S/F Program, Senior Series A-2, AMT, 7.50%, 4/01/31 | 175 | 187,285 |
| | | 3,827,977 |
| District of Columbia 0.8% | | |
| District of Columbia, RB, Deed Tax, Housing Production Trust Fund, Series A (NPFGC), 5.00%, 6/01/32 | 2,500 | 2,496,500 |
| Florida 21.6% | | |
| City of Miami Florida, RB (NPFGC), 5.00%, 1/01/37 | 2,900 | 2,841,043 |
| City of Orlando Florida, RB, Senior, 6th Cent Contract Payments, Series A (AGC), 5.25%, 11/01/38 | 4,000 | 4,047,920 |
| County of Miami-Dade Florida, RB CAB, Sub-Series A (NPFGC), 5.24%, 10/01/37 (b) | 3,670 | 537,618 |
| County of Miami-Dade Florida, RB, Series A (AGM): 5.00%, 10/01/33 | 6,730 | 6,502,997 |
| Miami International Airport, 5.25%, 10/01/41 | 13,800 | 13,589,412 |
| Miami International Airport, 5.50%, 10/01/41 | 6,700 | 6,768,474 |

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 following list:

| | |
|--------------|---|
| ACA | American Capital Access Corp. |
| AGC | Assured Guaranty Corp. |
| AGM | Assured Guaranty Municipal Corp. |
| AMBAC | American Municipal Bond Assurance Corp. |

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| | |
|----------------|--|
| AMT | Alternative Minimum Tax (subject to) |
| ARB | Airport Revenue Bonds |
| BHAC | Berkshire Hathaway Assurance Corp. |
| CAB | Capital Appreciation Bonds |
| CIFG | CDC IXIS Financial Guaranty |
| COP | Certificates of Participation |
| EDA | Economic Development Authority |
| ERB | Education Revenue Bonds |
| FGIC | Financial Guaranty Insurance Co. |
| FHA | Federal Housing Administration |
| FNMA | Federal National Mortgage Association |
| FSA | Financial Security Assurance Inc. |
| GAN | Grant Anticipation Notes |
| GNMA | Government National Mortgage Association |
| GO | General Obligation Bonds |
| HFA | Housing Finance Agency |
| HRB | Housing Revenue Bonds |
| ISD | Independent School District |
| LRB | Lease Revenue Bonds |
| MRB | Mortgage Revenue Bonds |
| NPFGC | National Public Finance Guarantee Corp. |
| PILOT | Payment in Lieu of Taxes |
| PSF-GTD | Permanent School Fund Guaranteed |
| Q-SBLF | Qualified School Bond Loan Fund |
| RB | Revenue Bonds |
| S/F | Single-Family |
| SONYMA | State of New York Mortgage Agency |
| VRDN | Variable Rate Demand Note |

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 |
|--|--------------|-------------------|
| Florida (concluded) | | |
| County of Pasco Florida, RB, Half-Cent (AMBAC), 5.13%, 12/01/28 | \$ 6,300 | \$ 5,836,446 |
| County of St. John s Florida, RB, CAB (AMBAC), 5.36%, 6/01/31 (b) | 5,065 | 1,489,059 |
| Jacksonville Health Facilities Authority, RB, Baptist Medical Center (AGM), 5.00%, 8/15/37 | 5,190 | 5,098,449 |
| Jacksonville Port Authority, RB, AMT (AGC), 6.00%, 11/01/38 | 3,625 | 3,707,541 |
| Orange County School Board, COP, Series A (AGC), 5.50%, 8/01/34 | 12,375 | 13,029,885 |
| | | <u>63,448,844</u> |
| Georgia 2.9% | | |
| Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41 | 3,425 | 3,437,330 |
| Metropolitan Atlanta Rapid Transit Authority, RB, Third Indenture, Series B (AGM), 5.00%, 7/01/34 | 4,830 | 5,008,565 |
| | | <u>8,445,895</u> |
| Idaho 0.1% | | |
| Idaho Housing & Finance Association, RB, S/F Mortgage, Series E, AMT, 6.00%, 1/01/32 | 280 | 294,224 |
| Illinois 7.0% | | |
| Chicago Board of Education Illinois, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26 | 2,080 | 2,305,368 |
| Chicago Transit Authority, RB, Federal Transit Administration Section 5309, Series A (AGC), 6.00%, 6/01/26 | 3,400 | 3,863,930 |
| City of Chicago, Illinois, GO, Refunding, Projects, Series A (AGM): | | |
| 5.00%, 1/01/28 | 2,315 | 2,429,430 |
| 5.00%, 1/01/29 | 3,585 | 3,729,977 |
| 5.00%, 1/01/30 | 1,430 | 1,476,261 |
| City of Chicago Illinois, Refunding RB, Second Lien (NPFGC), 5.50%, 1/01/30 | 2,270 | 2,493,845 |
| Lake Cook-Dane & McHenry Counties Community Unit School District 220 Illinois, GO (NPFGC), 6.00%, 12/01/20 | 125 | 129,789 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/28 | 4,000 | 4,230,400 |
| | | <u>20,659,000</u> |

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| Indiana 3.5% | | |
|---|-------|------------|
| Indiana Municipal Power Agency, RB, Series A (NPFGC), 5.00%, 1/01/42 | 8,000 | 7,763,840 |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38 | 2,370 | 2,542,489 |
| | | 10,306,329 |

| Iowa 1.0% | | |
|---|-------|-----------|
| Iowa Finance Authority, Refunding RB, Iowa Health System (AGC), 5.25%, 2/15/29 | 2,915 | 2,984,464 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| Kansas 1.9% | | |
| Kansas Development Finance Authority, RB, Sisters of Charity, Series J, 6.13%, 12/01/20 | \$ 3,510 | \$ 3,563,457 |
| Sedgwick & Shawnee Counties Kansas, MRB, Series A-2, AMT (GNMA), 6.20%, 12/01/33 | 1,875 | 1,903,800 |
| | | 5,467,257 |

| Kentucky 1.0% | | |
|--|-------|-----------|
| Kentucky Economic Development Finance Authority, RB, Louisville Arena, Sub-Series A-1 (AGC), 6.00%, 12/01/38 | 1,150 | 1,234,847 |
| Kentucky State Property & Buildings Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/29 | 1,525 | 1,636,935 |
| | | 2,871,782 |

| Louisiana 1.4% | | |
|--|-------|-----------|
| Louisiana State Citizens Property Insurance Corp., RB, Series C-3 (AGC), 6.13%, 6/01/25 | 3,550 | 3,980,970 |

| Massachusetts 1.9% | | |
|--|-------|-----------|
| Massachusetts Bay Transportation Authority, Refunding RB, Senior Series A, 5.00%, 7/01/35 | 5,535 | 5,542,860 |

| Michigan 14.1% | | |
|--|-------|-----------|
| City of Detroit Michigan, Series B, RB: Second Lien (NPFGC), 5.50%, 7/01/29 | 4,170 | 4,115,623 |
| Senior Lien (AGM), 7.50%, 7/01/33 | 2,000 | 2,373,600 |
| City of Detroit Michigan, Refunding RB: Second Lien, Series C (BHAC), 5.75%, 7/01/27 | 2,600 | 2,812,394 |
| Second Lien, Series E (BHAC), 5.75%, 7/01/31 | 5,060 | 5,396,794 |
| Senior Lien, Series B (NPFGC), 5.25%, 7/01/22 | 9,235 | 9,313,590 |
| Senior Lien, Series C-1 (AGM), 7.00%, 7/01/27 | 4,180 | 4,806,958 |
| Senior Lien, Series C-2 (BHAC), 5.25%, 7/01/29 | 1,860 | 1,927,778 |
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I (AGC): 5.25%, 10/15/24 | 1,440 | 1,531,570 |
| 5.25%, 10/15/25 | 750 | 792,112 |
| Michigan Strategic Fund, Refunding RB, AMT | | |

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(Syncora) Detroit Edison Co.:

| | | |
|--|-------|------------|
| Pollution, Series C, 5.65%, 9/01/29 | 2,935 | 2,924,493 |
| Project, Series A, 5.50%, 6/01/30 | 2,000 | 1,910,340 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39 | 3,115 | 3,611,593 |
| | | 41,516,845 |

Minnesota 0.7%

| | | |
|--|-------|-----------|
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38 | 1,975 | 2,193,929 |
|--|-------|-----------|

Nevada 2.4%

| | | |
|---|-------|-----------|
| County of Clark Nevada, RB, Jet Aviation Fuel Tax, Series C, AMT (AMBAC), 5.38%, 7/01/20 | 1,200 | 1,158,192 |
|---|-------|-----------|

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2010

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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) | | |
| County of Clark, Nevada, RB, Las Vegas-McCarran International Airport, Series A (AGC), 5.25%, 7/01/39 (c) | \$ 5,765 | \$ 5,739,058 |
| Nevada Housing Division, Refunding RB, S/F Mortgage, Mezzanine, Series A-2, AMT (NPFGC), 6.30%, 4/01/22 | 95 | 96,517 |
| | | <u>6,993,767</u> |
| New Jersey 6.1% | | |
| New Jersey EDA, RB, Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33 | 11,000 | 11,159,720 |
| New Jersey Health Care Facilities Financing Authority, RB, Virtua Health (AGC), 5.50%, 7/01/38 | 3,400 | 3,547,118 |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A (AGC), 5.63%, 12/15/28 | 2,930 | 3,264,167 |
| | | <u>17,971,005</u> |
| New York 0.8% | | |
| New York City Transitional Finance Authority, RB, Fiscal 2009, Series S-3, 5.25%, 1/15/39 | 2,300 | 2,398,440 |
| North Carolina 0.4% | | |
| North Carolina HFA, RB, Home Ownership, Series 14A, AMT (AMBAC), 5.35%, 1/01/22 | 1,220 | 1,230,565 |
| Oklahoma 0.9% | | |
| Claremore Public Works Authority Oklahoma, Refunding RB, Series A (AGM), 5.25%, 6/01/27 (a) | 2,385 | 2,786,252 |
| Oregon 0.6% | | |
| Medford Hospital Facilities Authority, RB, Asante Health System, Series A (AGC), 5.00%, 8/01/40 | 1,755 | 1,709,423 |
| Pennsylvania 1.0% | | |
| Pennsylvania Turnpike Commission, RB, Sub-Series B (AGM), 5.25%, 6/01/39 | 3,000 | 3,041,790 |
| Puerto Rico 1.3% | | |
| Puerto Rico Sales Tax Financing Corp., RB, 1st Sub-Series A, 6.38%, 8/01/39 | 3,500 | 3,724,350 |

South Carolina 5.5%

| | | |
|---|--------|------------|
| South Carolina State Housing Finance & Development Authority, Refunding RB, Series A-2, AMT (AGM), 6.35%, 7/01/19 | 980 | 995,014 |
| South Carolina State Public Service Authority, RB, Series A (AMBAC), 5.00%, 1/01/42 | 15,000 | 15,333,900 |
| | | 16,328,914 |

Texas 16.7%

| | | |
|--|-------|-----------|
| City of Dallas Texas, Refunding RB (AGC), 5.25%, 8/15/38 | 2,100 | 2,136,225 |
| City of El Paso Texas, Refunding RB, Series A (AGM): 6.00%, 3/01/15 | 115 | 126,237 |
| 6.00%, 3/01/16 | 170 | 186,611 |
| 6.00%, 3/01/17 | 180 | 197,588 |
| City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC), 6.00%, 11/15/35 | 6,700 | 7,564,635 |
| County of Bexar Texas, RB, Venue Project, Motor Vehicle Rental (BHAC), 5.00%, 8/15/39 | 1,805 | 1,836,353 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

Texas (concluded)

| | | |
|--|----------|--------------|
| Harris County Health Facilities Development Corp., Refunding RB, Memorial Hermann Healthcare System, B, 7.25%, 12/01/35 | \$ 1,000 | \$ 1,120,360 |
| Lower Colorado River Authority, Refunding RB, Lower Colorado River Authority Transmission Services Project (AGC), 5.50%, 5/15/36 | 2,935 | 3,058,299 |
| Lubbock Cooper ISD Texas, GO, School Building (AGC), 5.75%, 2/15/42 | 1,250 | 1,326,850 |
| North Texas Tollway Authority, RB, System, First Tier, Series K-2 (AGC), 6.00%, 1/01/38 | 1,000 | 1,090,770 |
| North Texas Tollway Authority, Refunding RB, System (NPFGC): | | |
| First Tier, Series A, 5.63%, 1/01/33 | 10,975 | 11,216,999 |
| First Tier, 5.75%, 1/01/40 | 14,750 | 15,049,867 |
| First Tier, Series B, 5.75%, 1/01/40 | 1,000 | 1,020,330 |
| Tarrant County Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC), 6.50%, 7/01/37 | 3,000 | 3,293,400 |
| | | 49,224,524 |

Utah 1.4%

| | | |
|---|-------|-----------|
| City of Riverton Utah, RB, IHC Health Services Inc., 5.00%, 8/15/41 | 4,085 | 4,078,464 |
|---|-------|-----------|

Virginia 0.9%

| | | |
|---|-------|-----------|
| Virginia Public School Authority, RB, School Financing, 6.50%, 12/01/35 | 2,195 | 2,515,536 |
|---|-------|-----------|

Washington 2.1%

| | | |
|--|--|--|
| Chelan County Public Utility District No. 1, RB, Chelan Hydro System, Series A, AMT (AMBAC), | | |
|--|--|--|

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| | | |
|---|-------|--------------------|
| 5.45%, 7/01/37 | 3,840 | 3,738,585 |
| Washington Health Care Facilities Authority, Refunding RB, Providence Health, Series C (AGM), 5.25%, 10/01/33 | 2,375 | 2,429,079 |
| | | <u>6,167,664</u> |
| Total Municipal Bonds 123.4% | | 363,148,222 |

**Municipal Bonds Transferred to
Tender Option Bond Trusts (d)**

California 3.7%

| | | |
|--|-------|-------------------|
| City of San Jose California, GO, Libraries, Parks, and Public Safety Project (NPFGC), 5.00%, 9/01/30 | 3,805 | 3,926,269 |
| San Diego Community College District California, GO, San Diego Community College District California, GO, Election of 2002 (AGM), 5.00%, 5/01/30 | 1,486 | 1,512,017 |
| Sequoia Union High School District, California, GO, Election Series B (AGM), 5.50%, 7/01/35 | 5,189 | 5,355,718 |
| | | <u>10,794,004</u> |

Colorado 3.2%

| | | |
|--|-------|-----------|
| Colorado Health Facilities Authority, RB, Catholic Health, Series C3 (AGM), 5.10%, 10/01/41 | 9,410 | 9,278,354 |
|--|-------|-----------|

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 (d) | Par (000) | Value |
|--|--------------|-------------------|
| District of Columbia 0.6% | | |
| District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35 | \$ 1,700 | \$ 1,898,396 |
| Florida 8.3% | | |
| City of St. Petersburg Florida, Refunding RB (NPFGC), 5.00%, 10/01/35 | 6,493 | 6,381,961 |
| County of Miami-Dade Florida, GO, Building Better Communities Program, Series B-1, 6.00%, 7/01/38 | 12,500 | 13,765,000 |
| Lee County Housing Finance Authority, RB, Multi-County Program, Series A-2, AMT (GNMA), 6.00%, 9/01/40 | 3,870 | 4,185,908 |
| | | <u>24,332,869</u> |
| Georgia 2.2% | | |
| City of Augusta, Georgia, RB (AGM), 5.25%, 10/01/34 | 6,290 | 6,537,386 |
| Illinois 6.6% | | |
| City of Chicago, Illinois, Refunding RB, Second Lien (AGM), 5.25%, 11/01/33 | 3,969 | 4,158,533 |
| City of Chicago, Illinois, RB, Series A (AGM), 5.00%, 1/01/33 | 15,000 | 15,102,600 |
| | | <u>19,261,133</u> |
| Kentucky 0.8% | | |
| Kentucky State Property & Buildings Commission, Kentucky, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27 | 2,304 | 2,486,359 |
| Massachusetts 1.8% | | |
| Massachusetts School Building Authority, RB, Series A (AGM), 5.00%, 8/15/30 | 4,994 | 5,237,549 |
| Nevada 6.8% | | |
| Clark County Water Reclamation District, GO: Limited Tax, 6.00%, 7/01/38 | 10,000 | 11,085,800 |
| Series B, 5.50%, 7/01/29 | 8,247 | 9,000,786 |
| | | <u>20,086,586</u> |
| New Jersey 1.4% | | |
| New Jersey State Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29 | 3,941 | 4,041,735 |

| | | |
|---|-------|-------------|
| New York 2.5% | | |
| Sales Tax Asset Receivable Corp., RB, Series A (AMBAC), 5.25%, 10/15/27 | 6,751 | 7,440,059 |
| Washington 2.5% | | |
| City of Bellevue, Washington, GO (NPFGC), 5.50%, 12/01/39 | 6,883 | 7,335,177 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 40.4% | | 118,729,607 |
| Total Long-Term Investments (Cost \$475,233,941) 163.8% | | 481,877,829 |

| Short-Term Securities | Par (000) | Value |
|--|--------------|----------------|
| Florida 1.1% | | |
| Jacksonville Health Facilities Authority, VRDN 0.18%, 2/01/10 (e) | \$ 3,160 | \$ 3,160,000 |
| | Shares | |
| Money Market Fund 1.6% | | |
| FFI Institutional Tax-Exempt Fund, 0.16% (f) (g) | 4,660,891 | 4,660,891 |
| Total Short-Term Securities (Cost \$7,820,891) 2.7% | | 7,820,891 |
| Total Investments (Cost \$483,054,832*) 166.5% | | 489,698,720 |
| Liabilities in Excess of Other Assets (1.1)% | | (3,091,771) |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (20.9)% | | (61,446,782) |
| Preferred Shares, at Redemption Value (44.5)% | | (131,005,171) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 294,154,996 |

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 422,532,212 |
| Gross unrealized appreciation | \$ 13,203,847 |
| Gross unrealized depreciation | (7,435,273) |
| Net unrealized appreciation | \$ 5,768,574 |

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- (a) US 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.
- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized Depreciation |
|-----------------|--------------|----------------------------|
| Citigroup, Inc. | \$ 5,739,058 | \$ (25,943) |

- (d) 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.
- (e) Variable rate security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.
- (f) 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 |
|-----------------------------------|-----------------|----------|
| FFI Institutional Tax Exempt Fund | \$ (12,932,199) | \$ 9,124 |

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)

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 assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or 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 circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies 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, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|------------------------------------|---------------------------|
| | Assets |
| Level 1 Short-Term Securities | \$ 4,660,891 |
| Level 2 | |
| Long-Term Investments ¹ | 481,877,829 |
| Short-Term Securities | 3,160,000 |
| Total Level 2 | 485,037,829 |
| Level 3 | |
| Total | \$ 489,698,720 |

¹ See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

Schedule of Investments January 31, 2010 (Unaudited)

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

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| California 109.8% | | |
| Corporate 0.5% | | |
| City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34 | \$ 2,435 | \$ 2,666,447 |
| County/City/Special District/ School District 63.5% | | |
| Arcadia Unified School District California, GO, Election 2006, Series A (AGM), 5.00%, 8/01/37 | 9,000 | 9,042,210 |
| Banning Unified School District California, GO, Election 2006, Series B (AGC), 5.25%, 8/01/33 | 4,300 | 4,388,666 |
| Bay Area Governments Association, Refunding RB, California Redevelopment Agency Pool, Series A (AGM), 6.00%, 12/15/24 | 255 | 259,083 |
| Brentwood Infrastructure Financing Authority California, Special Assessment Bonds, Refunding, Series A (AGM), 5.20%, 9/02/29 | 3,980 | 4,028,835 |
| Central Unified School District, GO, Election 2008, Series A (AGC), 5.50%, 8/01/29 | 2,000 | 2,164,560 |
| Chabot-Las Positas Community College District California, GO, CAB, Election 2004, Series 4-B (AMBAC), 5.17%, 8/01/26 (a) | 6,705 | 2,401,664 |
| Chino Basin Desalter Authority, Refunding RB, Series A (AGC), 5.00%, 6/01/35 | 1,170 | 1,159,961 |
| Chino Valley Unified School District, GO, Election 2002, Series C (NPFGC), 5.25%, 8/01/30 | 3,000 | 3,047,220 |
| Chula Vista Elementary School District California, COP (NPFGC), 5.00%, 9/01/29 | 3,785 | 3,620,807 |
| City of Corona California, COP, Clearwater Cogeneration Project (NPFGC), 5.00%, 9/01/28 | 5,475 | 5,092,243 |
| City of Riverside California, COP (AMBAC), 5.00%, 9/01/28 | 3,000 | 3,008,640 |
| City of San Jose California, GO, Libraries, Parks, and Public Safety Project (NPFGC), 5.00%, 9/01/27 | 7,910 | 8,225,372 |
| County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35 | 2,000 | 2,201,460 |
| Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/37 | 10,000 | 10,049,700 |
| Fontana Unified School District California, GO, Series A (AGM), 5.25%, 8/01/31 | 3,000 | 3,046,830 |
| Fremont Unified School District Alameda County California, GO, Series A (NPFGC), 5.50%, 8/01/26 | 10,755 | 11,288,556 |
| Fresno Joint Powers Financing Authority California, RB, Series A (AGM), 5.75%, 6/01/26 | 3,295 | 3,394,904 |
| Glendora Unified School District California, GO, Election 2005, Series A (NPFGC): | | |
| 5.00%, 8/01/27 | 1,350 | 1,420,335 |
| 5.25%, 8/01/30 | 2,730 | 2,877,393 |
| | 4,500 | 4,516,920 |

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| | | |
|---|--------|------------|
| Hemet Unified School District California, GO, Election 2006, Series B (AGC), 5.13%, 8/01/37 | | |
| Imperial Community College District California, GO, Election of 2004 (NPFGC), 5.00%, 8/01/29 | 3,090 | 3,109,189 |
| Lodi Unified School District California, GO, Election 2002 (AGM), 5.00%, 8/01/29 | 10,260 | 10,358,393 |
| Los Angeles Community College District California, GO, Election 2001, Series A (NPFGC), 5.00%, 8/01/27 | 2,475 | 2,565,833 |
| Los Angeles Community Redevelopment Agency California, RB, Bunker Hill Project, Series A (AGM), 5.00%, 12/01/27 | 10,000 | 10,089,100 |

| Municipal Bonds | Par (000) | Value |
|-------------------------------|--------------|-------|
| California (continued) | | |

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

| | | |
|---|----------|--------------|
| Los Angeles County Metropolitan Transportation Authority, Refunding RB, Proposition A, First Tier, Senior Series A (AMBAC): 5.00%, 7/01/27 | \$ 5,240 | \$ 5,474,804 |
| 5.00%, 7/01/35 | 6,825 | 6,964,298 |
| Los Angeles County Public Works Financing Authority, Refunding RB, Series A (NPFGC), 5.00%, 12/01/28 | 4,165 | 4,085,032 |
| Los Angeles Unified School District California, GO: Election 2002, Series C (AGM), 5.00%, 7/01/32 | 10,000 | 10,067,400 |
| Election of 2004, Series F (FGIC), 5.00%, 7/01/30 | 5,000 | 5,076,600 |
| Merced Community College District California, GO, School Facilities Improvement District No. 1 (NPFGC), 5.00%, 8/01/31 | 6,850 | 6,850,000 |
| Murrieta Valley Unified School District Public Financing Authority, Special Tax Bonds, Refunding, Series A (AGC), 5.13%, 9/01/26 | 8,000 | 8,402,960 |
| Natomas Unified School District California, GO, Election 2006 (NPFGC), 5.00%, 8/01/28 | 6,015 | 6,069,676 |
| Orange County Water District, COP, Refunding, 5.25%, 8/15/34 | 9,045 | 9,487,753 |
| Orchard School District California, GO, Election 2001, Series A (AGC), 5.00%, 8/01/34 | 9,490 | 9,504,235 |
| Oxnard Union High School District California, GO, Refunding, Series A (NPFGC), 6.20%, 8/01/30 | 9,645 | 10,373,197 |
| Peralta Community College District California, GO, Peralta Community College (AGM), 5.00%, 8/01/37 | 6,195 | 6,225,789 |
| Pittsburg Unified School District, GO, Election 2006, Series B (AGM): 5.50%, 8/01/34 | 2,000 | 2,086,880 |
| 5.63%, 8/01/39 | 4,500 | 4,721,490 |
| Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33 | 5,000 | 5,102,100 |
| Richmond Joint Powers Financing Authority California, Refunding LRB, Civic Center Project (AGC), 5.88%, 8/01/37 | 2,075 | 2,142,853 |
| Riverside Unified School District California, GO: Series A (NPFGC), 5.25%, 2/01/23 | 6,000 | 6,312,420 |

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| | | |
|--|--------|------------|
| Series C (AGC), 5.00%, 8/01/32 | 5,010 | 5,047,976 |
| Sacramento City Financing Authority California, RB, Capital Improvement, Community Rein Capital Program, Series A (AMBAC), 5.00%, 12/01/36 | 2,580 | 2,441,428 |
| Sacramento City Financing Authority California, Tax Allocation Bonds, CAB, Series A (NPFGC), 5.04%, 12/01/32 (a) | 6,590 | 1,384,295 |
| Saddleback Valley Unified School District California, GO (AGM), 5.00%, 8/01/29 | 2,565 | 2,622,020 |
| San Bernardino City Unified School District California, GO, Series A (AGM), 5.00%, 8/01/28 | 5,000 | 5,107,050 |
| San Bernardino Community College District California, GO, Election 2002, Series C (AGM), 5.00%, 8/01/31 | 7,500 | 7,645,875 |
| San Francisco Bay Area Transit Financing Authority, Refunding RB, Series A (NPFGC), 5.00%, 7/01/34 | 10,500 | 10,588,830 |

See Notes to Financial Statements.

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JANUARY 31, 2010

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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 Financing Authority, Refunding RB, Civic Center Project, Series B (AMBAC), 5.00%, 6/01/32 | \$ 11,400 | \$ 11,476,722 |
| San Jose Redevelopment Agency California, Tax Allocation Bonds, Housing Set Aside Merged Area, Series E, AMT (NPFGC), 5.85%, 8/01/27 | 7,300 | 7,305,329 |
| San Juan Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 8/01/28 | 4,250 | 4,275,755 |
| San Mateo County Transportation District California, Refunding RB, Series A (NPFGC), 5.00%, 6/01/29 | 4,350 | 4,533,657 |
| Santa Rosa High School District California, GO, Election 2002 (NPFGC), 5.00%, 8/01/28 | 2,500 | 2,515,150 |
| Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/38 | 5,600 | 6,121,808 |
| South Tahoe Joint Powers Financing Authority, RB, South Tahoe Redevelopment Project Area No. 1, Series A (AGM), 5.00%, 10/01/29 | 1,645 | 1,652,370 |
| Ventura County Community College District, GO, Refunding, Series A (NPFGC), 5.00%, 8/01/27 | 3,395 | 3,507,374 |
| Vista Unified School District California, GO, Series B (NPFGC), 5.00%, 8/01/28 | 2,550 | 2,565,453 |
| West Contra Costa Unified School District California, GO, Election of 2002, Series B (AGM), 5.00%, 8/01/32 | 6,690 | 6,681,035 |
| Westminster Redevelopment Agency California, Tax Allocation Bonds, Subordinate, Commercial Redevelopment Project No. 1 (AGC), 6.25%, 11/01/39 | 4,300 | 4,829,631 |
| | | 310,607,119 |
| Education 4.5% | | |
| California Educational Facilities Authority, RB, Student Loan, Caledge Loan Program, AMT (AMBAC), 5.55%, 4/01/28 | 6,370 | 6,102,396 |
| County of San Diego California, COP (NPFGC), 5.75%, 7/01/31 | 5,200 | 5,244,044 |
| University of California, RB, Limited Project, Series D (AGM): | | |
| 5.00%, 5/15/37 | 2,775 | 2,776,471 |
| 5.00%, 5/15/41 | 8,000 | 7,862,720 |

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21,985,631

Health 3.4%

| | | |
|--|-------|------------|
| California Health Facilities Financing Authority, Refunding RB, Catholic Healthcare West, Series A: | | |
| 6.00%, 7/01/34 | 2,130 | 2,226,510 |
| 6.00%, 7/01/39 | 5,500 | 5,736,775 |
| California Statewide Communities Development Authority, RB: | | |
| Adventist, Series B (AGC), 5.00%, 3/01/37 | 4,850 | 4,751,060 |
| Health Facility, Memorial Health Services, Series A, 6.00%, 10/01/23 | 3,685 | 3,819,982 |
| | | 16,534,327 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

California (continued)

Housing 0.1%

| | | |
|---|--------|------------|
| California Rural Home Mortgage Finance Authority, RB, AMT, Mortgage-Backed Securities Program (GNMA): | | |
| Series A, 6.35%, 12/01/29 | \$ 155 | \$ 166,003 |
| Series B, 6.25%, 12/01/31 | 85 | 85,957 |
| County of San Bernardino California, Refunding RB, Home Mortgage-Backed Securities, Series A-1, AMT (GNMA), 6.25%, 12/01/31 | 155 | 159,509 |
| | | 411,469 |

State 2.9%

| | | |
|--|-------|------------|
| California State Public Works Board, RB, Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34 | | |
| | 3,500 | 3,586,975 |
| State of California, GO, Various Purpose, 6.50%, 4/01/33 | 9,875 | 10,548,574 |
| | | 14,135,549 |

Transportation 13.4%

| | | |
|--|--------|------------|
| City of San Jose California, RB, Series D (NPFGC), 5.00%, 3/01/28 | | |
| | 4,075 | 4,046,068 |
| County of Orange California, RB, Series B, 5.75%, 7/01/34 | 5,000 | 5,405,200 |
| County of Sacramento California, RB, Subordinated and PFC/Grant, Series C (AGC), 5.75%, 7/01/39 | 4,880 | 5,180,510 |
| Port of Oakland, RB, Series K, AMT (NPFGC): | | |
| 5.88%, 11/01/17 (b) | 20 | 20,249 |
| 5.75%, 11/01/29 | 11,405 | 11,411,387 |
| Port of Oakland, Refunding RB, Series L, AMT (NPFGC), 5.38%, 11/01/27 | 19,040 | 17,987,278 |
| San Francisco City & County Airports Commission, RB: | | |
| Series E, 6.00%, 5/01/39 | 9,650 | 10,335,053 |
| Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.10%, 1/01/20 | 1,000 | 1,001,030 |

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| | | |
|--|-------|------------|
| Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.13%, 1/01/27 | 985 | 985,690 |
| San Francisco City & County Airports Commission, Refunding RB, Second Series 34E, AMT (AGM): | | |
| 5.75%, 5/01/24 | 5,000 | 5,278,350 |
| 5.75%, 5/01/25 | 3,500 | 3,668,245 |
| | | 65,319,060 |

Utilities 21.5%

| | | |
|--|--------|------------|
| City of Glendale California, RB (NPFGC), 5.00%, 2/01/32 | 4,390 | 4,349,524 |
| City of Napa California, RB (AMBAC), 5.00%, 5/01/35 | 9,070 | 9,173,851 |
| City of Oakland California, RB, Series A (AGM), 5.00%, 6/15/29 | 4,270 | 4,281,401 |
| City of Santa Clara California, RB, Sub-Series A (NPFGC), 5.00%, 7/01/28 | 5,500 | 5,532,395 |
| Contra Costa Water District, Refunding RB: | | |
| Series L (AGM), 5.00%, 10/01/32 | 4,135 | 4,185,199 |
| Series O (AMBAC), 5.00%, 10/01/24 | 1,735 | 1,840,904 |
| East Bay Municipal Utility District, RB (NPFGC): | | |
| Series A, 5.00%, 6/01/37 | 6,500 | 6,676,280 |
| Sub-Series A, 5.00%, 6/01/35 | 15,000 | 15,351,600 |

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 (concluded) | | |
| Utilities (concluded) | | |
| East Bay Municipal Utility District, Refunding RB, Sub-Series A (AMBAC): | | |
| 5.00%, 6/01/33 | \$ 4,000 | \$ 4,093,440 |
| 5.00%, 6/01/37 | 7,985 | 8,111,882 |
| El Centro Financing Authority California, RB, Series A (AGM), 5.25%, 10/01/35 | 1,100 | 1,112,254 |
| Los Angeles Department of Water & Power, RB: Power System, Sub-Series A-1 (AMBAC), 5.00%, 7/01/37 | 5,000 | 5,052,300 |
| System, Sub-Series A-2 (AGM), 5.00%, 7/01/35 | 7,500 | 7,635,675 |
| Madera Public Financing Authority California, Refunding RB (NPFGC), 5.00%, 3/01/36 | 2,750 | 2,604,250 |
| Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC), 5.00%, 10/01/33 | 7,175 | 7,301,998 |
| Oxnard Financing Authority, RB, Redwood Trunk Sewer & Headworks, Series A (NPFGC), 5.25%, 6/01/34 | 13,000 | 13,039,000 |
| Turlock Public Financing Authority California, RB, Series A (NPFGC), 5.00%, 9/15/33 | 3,000 | 3,030,540 |
| Vallecitos Water District California, COP, Refunding, Series A (AGM), 5.00%, 7/01/27 | 2,000 | 2,056,080 |
| | | 105,428,573 |
| Total Municipal Bonds 109.8% | | 537,088,175 |

**Municipal Bonds Transferred to
Tender Option Bond Trusts (c)****California** **42.6%****Corporate** **8.8%**

| | | |
|---|--------|------------|
| City of Long Beach California, RB, Series A, AMT, 5.38%, 5/15/24 | 15,150 | 15,303,167 |
| San Francisco Bay Area Transit Financing Authority, Refunding RB, Series A, 5.00%, 7/01/30 | 19,630 | 20,077,957 |
| University of California, RB, Series L 5.00%, 5/15/40 | 7,398 | 7,547,012 |

42,928,136

**County/City/Special District/
School District 14.6%**

| | | |
|---|--------|------------|
| Fremont Unified School District Alameda County, California, GO, Election 2002, Series B (AGM), 5.00%, 8/01/30 | 5,997 | 6,127,200 |
| Los Angeles Community College District California, GO: 2001 Election, Series A (NPFGC), 5.00%, 8/01/32 | 20,000 | 20,186,800 |
| 2008 Election, Series A, 6.00%, 8/01/33 | 9,596 | 10,644,542 |
| Los Angeles Community College District, California, GO, Election 2001, Series A (AGM), 5.00%, 8/01/32 | 12,000 | 12,127,080 |
| Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34 | 5,000 | 4,992,850 |

**Municipal Bonds Transferred to
Tender Option Bond Trusts (c)****Par
(000)****Value****California (concluded)****County/City/Special District/
School District (concluded)**

| | | |
|--|-----------|-------------------|
| Poway Unified School District, GO, Election 2002 Improvement District 02, Series 1 B (AGM), 5.00%, 8/01/30 | \$ 10,000 | \$ 10,166,500 |
| San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/30 | 7,350 | 7,512,876 |
| | | <u>71,757,848</u> |

Education 5.1%

| | | |
|---|--------|-------------------|
| California State University, RB, Systemwide, Series A (AGM), 5.00%, 11/01/39 | 4,860 | 4,800,271 |
| Los Angeles Community College District, California, GO, 2003 Election, Series E (AGM), 5.00%, 8/01/31 | 7,497 | 7,605,462 |
| University of California, RB, Series O, 5.75%, 5/15/34 | 11,190 | 12,448,763 |
| | | <u>24,854,496</u> |

Utilities 14.1%

| | | |
|---|--------|------------|
| Anaheim Public Financing Authority California, RB, Electric System Distribution Facilities, Series A (AGM), 5.00%, 10/01/31 | 3,568 | 3,571,422 |
| Los Angeles Department of Water & Power, RB, Power System, Sub-Series A-1 (AGM), 5.00%, 7/01/31 | 5,007 | 5,143,617 |
| Los Angeles Department of Water & Power, Refunding RB, Power System, Sub Series A-2 (NPFGC), 5.00%, 7/01/27 | 16,000 | 16,431,520 |
| Metropolitan Water District of Southern California, RB, Series A, 5.00%, 7/01/37 | 15,000 | 15,516,150 |
| | 9,277 | 9,392,195 |

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| | | |
|--|--------|-------------|
| Rancho Water District Financing Authority, California, Refunding RB, Series A (AGM), 5.00%, 8/01/34 | | |
| San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/31 | 10,000 | 10,174,800 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 | 8,510 | 8,641,650 |
| | | <hr/> |
| | | 68,871,354 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 42.6% | | <hr/> |
| | | 208,411,834 |
| Total Long-Term Investments (Cost \$742,462,184) 152.4% | | <hr/> |
| | | 745,500,009 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2010

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Schedule of Investments (concluded)

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

| Short-Term Securities | Shares | Value |
|---|-----------|-----------------------|
| CMA California Municipal Money Fund, 0.04% (d)(e) | 8,945,337 | \$ 8,945,337 |
| Total Short-Term Securities (Cost \$8,945,337) 1.8% | | 8,945,337 |
| Total Investments (Cost \$751,407,521*) 154.2% | | 754,445,346 |
| Other Assets Less Liabilities 1.9% | | 9,687,002 |
| Liability for Trust Certificates, Including | | |
| Interest Expense and Fees Payable (22.1)% | | (108,351,727) |
| Preferred Shares, at Redemption Value (34.0)% | | (166,538,192) |
| Net Assets Applicable to Common Shares 100.0% | | <u>\$ 489,242,429</u> |

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|---------------------|
| Aggregate cost | \$ 643,380,407 |
| Gross unrealized appreciation | \$ 11,190,013 |
| Gross unrealized depreciation | (8,400,543) |
| Net unrealized appreciation | <u>\$ 2,789,470</u> |

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) US 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.
- (c) 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.
- (d) 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:

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| Affiliate | Net Activity | Income |
|-------------------------------------|-----------------|----------|
| CMA California Municipal Money Fund | \$ (12,996,607) | \$ 2,220 |

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

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 assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or 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 circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies 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, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|-------------------------------|------------------------------|
| | Assets |
| Level 1 Short-Term Securities | \$ 8,945,337 |
| Level 2 Long-Term Investments | 745,500,009 |
| Level 3 | |
| Total | \$ 754,445,346 |

¹ See above Schedule of Investments for values in each sector.

See Notes to Financial Statements.

Schedule of Investments January 31, 2010 (Unaudited)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------------|
| Alabama 0.7% | | |
| Alabama Public School & College Authority, Refunding RB, Series A, 5.00%, 5/01/29 | \$ 2,500 | \$ 2,578,325 |
| Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/39 | 3,605 | 3,823,030 |
| | | <u>6,401,355</u> |
| Alaska 1.3% | | |
| Borough of Matanuska-Susitna Alaska, RB, Goose Creek Correctional Center (AGC), 6.00%, 9/01/28 | 10,150 | 11,639,919 |
| Arizona 3.0% | | |
| Downtown Phoenix Hotel Corp., RB, Senior Series A (FGIC), 5.00%, 7/01/36 | 21,355 | 17,585,415 |
| Maricopa County & Phoenix Industrial Development Authorities, Refunding RB, S/F, Series A-2, AMT (GNMA), 5.80%, 7/01/40 | 3,595 | 3,664,384 |
| State of Arizona, COP, Department of Administration, Series A (AGM): 5.00%, 10/01/27 | 3,725 | 3,802,107 |
| 5.25%, 10/01/28 | 1,600 | 1,653,824 |
| | | <u>26,705,730</u> |
| California 13.8% | | |
| Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.40%, 10/01/24 (a) | 10,000 | 7,897,400 |
| Antioch Public Financing Authority California, Refunding RB, Municipal Facilities Project, Series A (NPFGC), 5.50%, 1/01/32 | 5,000 | 5,091,200 |
| California HFA, RB, Home Mortgage, Series K, AMT, 5.50%, 2/01/42 | 6,520 | 6,544,320 |
| California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.75%, 7/01/39 | 1,550 | 1,596,500 |
| California State Public Works Board, RB, Department of Corrections, Series C, 5.25%, 6/01/28 | 3,400 | 3,204,942 |
| California Statewide Communities Development Authority, RB (AGM): Saint Joseph Health System, Series E, 5.25%, 7/01/47 | 10,000 | 10,050,200 |
| Sutter Health, Series D, 5.05%, 8/15/38 | 5,750 | 5,698,307 |
| City of Redding California, COP, Refunding, Series A (AGM), 5.00%, 6/01/30 | 1,900 | 1,917,936 |
| City of San Jose California, Refunding RB, Series A, AMT (AMBAC), 5.50%, 3/01/32 | 11,965 | 11,843,675 |

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| | | |
|---|--------|------------|
| County of Sacramento California, RB, Senior Series A (AGM), 5.00%, 7/01/41 | 15,000 | 14,537,400 |
| Fairfield-Suisun Unified School District California, GO, Election 2002 (NPFGC), 5.50%, 8/01/28 | 5,800 | 6,176,420 |
| Los Angeles Municipal Improvement Corp., RB, Series B1 (NPFGC), 4.75%, 8/01/37 | 15,000 | 13,259,850 |
| Mendocino-Lake Community College District, GO, Election 2006, Series A (NPFGC), 5.00%, 8/01/31 | 1,485 | 1,485,000 |
| Norwalk-La Mirada Unified School District California, GO, Refunding, CAB, Election 2002, Series E (AGC), 6.47%, 8/01/38 (b) | 7,620 | 1,203,579 |
| Oceanside Unified School District California, GO, Series A (AGC), 5.25%, 8/01/33 | 2,500 | 2,551,550 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

California (concluded)

| | | |
|---|----------|--------------|
| Port of Oakland, RB, Series K, AMT (NPFGC), 5.75%, 11/01/29 | \$ 3,645 | \$ 3,647,041 |
| Port of Oakland, Refunding RB, Series L, AMT (NPFGC), 5.38%, 11/01/27 | 8,465 | 7,996,970 |
| Riverside County Public Financing Authority, Tax Allocation Bonds, Redevelopment Projects, (Syncora), 5.00%, 10/01/35 | 10,000 | 8,524,100 |
| San Mateo Union High School District California, COP, Refunding, CAB, Phase I Projects, Series B (AMBAC), 4.81%, 12/15/43 (b) | 3,250 | 1,396,103 |
| State of California, GO, Series 2007-2 (NPFGC), 5.50%, 4/01/30 | 10 | 10,110 |
| Stockton Public Financing Authority California, RB, Parking & Capital Projects (NPFGC), 5.25%, 9/01/34 | 5,000 | 4,780,450 |
| West Valley-Mission Community College District, GO, Election 2004, Series A (AGM) 5.00%, 8/01/30 | 3,600 | 3,690,324 |
| | | 123,103,377 |

District of Columbia 1.1%

| | | |
|--|--------|-----------|
| Metropolitan Washington Airports Authority, RB, Series B, AMT (AMBAC), 5.00%, 10/01/32 | 10,000 | 9,813,100 |
|--|--------|-----------|

Florida 16.0%

| | | |
|--|--------|------------|
| Broward County School Board Florida, COP, Series A (AGM), 5.25%, 7/01/33 | 15,000 | 15,327,000 |
| City of Orlando Florida, RB, Senior, 6th Cent Contract Payments, Series A (AGC), 5.25%, 11/01/38 | 14,250 | 14,420,715 |
| City of Tallahassee Florida, RB (NPFGC), 5.00%, 10/01/32 | 3,300 | 3,348,081 |
| Collier County School Board, COP (AGM), 5.00%, 2/15/23 | 5,000 | 5,153,850 |
| County of Broward Florida, RB, Series A, 5.25%, 10/01/34 | 2,250 | 2,320,987 |
| County of Miami-Dade, Florida Building Better Communities Program, GO: Series B, 6.38%, 7/01/28 | 6,000 | 6,842,100 |
| Series B-1, 5.75%, 7/01/33 | 3,700 | 3,970,137 |
| County of Miami-Dade Florida, RB: | | |

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| | | |
|--|--------|-------------|
| Jackson Health System (AGC), 5.75%, 6/01/39 | 5,300 | 5,507,495 |
| Miami International Airport, AMT (NPFGC), 5.38%, 10/01/25 | 10,650 | 10,742,655 |
| Miami International Airport, AMT (NPFGC), 5.38%, 10/01/27 | 1,000 | 1,005,720 |
| Miami International Airport, Series A, AMT (AGM), 5.50%, 10/01/41 | 14,900 | 15,052,278 |
| County of Miami-Dade Florida, Refunding RB: (AGM), 5.00%, 7/01/35 | 2,800 | 2,820,944 |
| Miami International Airport, AMT (AGC), 5.00%, 10/01/40 | 15,000 | 14,211,900 |
| Miami International Airport, Series A, AMT (AGC), 5.00%, 10/01/35 | 9,600 | 9,236,832 |
| Series C (BHAC), 6.00%, 10/01/23 | 20,095 | 23,234,442 |
| Miami-Dade County School Board, COP, Refunding, Series B (AGC), 5.25%, 5/01/31 | 4,125 | 4,269,870 |
| Sarasota County Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39 | 5,135 | 5,219,214 |
| | | 142,684,220 |

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 |
|--|--------------|--------------------|
| Georgia 1.7% | | |
| City of Atlanta Georgia, RB, General, Series B (AGM), 5.25%, 1/01/33 | \$ 12,500 | \$ 12,741,125 |
| Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41 | 2,275 | 2,283,190 |
| | | <u>15,024,315</u> |
| Hawaii 0.1% | | |
| State of Hawaii, GO, Series CX (AGM), 5.50%, 2/01/21 | 1,160 | 1,243,149 |
| Illinois 14.4% | | |
| Chicago Board of Education Illinois, GO, Refunding, CAB, School Reform, Series A (NPFGC), 5.39%, 12/01/22 (b) | 10,515 | 5,635,199 |
| City of Chicago Illinois, ARB, General, 3rd Lien, Series B-2 AMT (NPFGC): 5.25%, 1/01/27 | 16,685 | 16,246,518 |
| 6.00%, 1/01/27 | 26,230 | 27,096,115 |
| City of Chicago Illinois, GO, CAB, City Colleges (NPFGC), 5.54%, 1/01/29 (b) | 5,000 | 1,892,800 |
| City of Chicago Illinois, GO, Refunding, Series B (AGM), 5.00%, 1/01/24 | 12,950 | 13,607,471 |
| City of Chicago Illinois, Refunding, ARB, General, 3rd Lien, Series C-2, AMT (AGM), 5.25%, 1/01/30 | 16,400 | 16,416,564 |
| Illinois Finance Authority, Refunding RB, Northwestern Memorial Hospital, Series A, 6.00%, 8/15/39 | 5,250 | 5,748,803 |
| Illinois Municipal Electric Agency, RB, Series A (NPFGC): 5.00%, 2/01/35 | 21,200 | 21,109,900 |
| 5.25%, 2/01/35 | 15,000 | 15,192,750 |
| Regional Transportation Authority, RB, Series C (NPFGC), 7.75%, 6/01/20 | 1,000 | 1,280,030 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 3,500 | 3,606,960 |
| | | <u>127,833,110</u> |
| Indiana 2.0% | | |
| City of Indianapolis Indiana, Refunding RB, 2nd Lien, Series B (AGC), 5.25%, 8/15/27 | 5,000 | 5,318,150 |
| Indiana Health Facility Financing Authority, RB, Deaconess Hospital Obligation, Series A (AMBAC), 5.38%, 3/01/34 | 2,150 | 2,108,612 |
| Indiana Municipal Power Agency, RB: | | |

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| | | |
|----------------------------------|-------|------------|
| Series A (NPFGC), 5.00%, 1/01/37 | 9,200 | 8,973,680 |
| Series B, 5.75%, 1/01/34 | 1,050 | 1,079,190 |
| | | 17,479,632 |

Iowa 1.5%

| | | |
|---|--------|------------|
| Iowa Finance Authority, RB, Series A (AGC), 5.63%, 8/15/37 | 12,650 | 13,078,961 |
|---|--------|------------|

Kentucky 1.6%

| | | |
|--|--------|------------|
| Kentucky State Property & Buildings Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/28 | 4,000 | 4,312,240 |
| Louisville & Jefferson County Metropolitan Sewer District Kentucky, RB, Series A (NPFGC), 5.25%, 5/15/37 | 10,000 | 10,235,800 |
| | | 14,548,040 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

Louisiana 1.5%

| | | |
|---|-----------|---------------|
| New Orleans Aviation Board Louisiana, RB, New Orleans Aviation, Series A, AMT (AGM), 5.25%, 1/01/32 | \$ 13,335 | \$ 13,079,101 |
|---|-----------|---------------|

Maryland 0.6%

| | | |
|---|-------|-----------|
| Maryland Community Development Administration, Refunding RB, Residential, Series A, AMT, 5.75%, 9/01/39 | 4,785 | 5,043,534 |
|---|-------|-----------|

Massachusetts 6.0%

| | | |
|---|--------|------------|
| Massachusetts HFA, RB: S/F Housing, Series 128, AMT (AGM), 4.88%, 12/01/38 | 12,570 | 11,541,271 |
| Series B, 7.00%, 12/01/38 | 3,440 | 3,817,368 |
| Massachusetts HFA, Refunding RB: Housing Development, Series B (NPFGC), 5.40%, 12/01/28 | 1,835 | 1,753,618 |
| Rental Housing, Series A, AMT (AGM), 5.15%, 7/01/26 | 19,055 | 19,248,599 |
| Massachusetts Port Authority, Refunding RB, Bosfuel Project, AMT (NPFGC), 5.00%, 7/01/38 | 18,415 | 16,851,750 |
| | | 53,212,606 |

Michigan 7.7%

| | | |
|--|-------|-----------|
| City of Detroit Michigan, RB (AGM): Second Lien, Series B, 6.25%, 7/01/36 | 1,075 | 1,164,021 |
| Second Lien, Series B, 7.00%, 7/01/36 | 500 | 571,150 |
| Senior Lien, Series B, 7.50%, 7/01/33 | 1,800 | 2,136,240 |
| City of Detroit Michigan, Refunding RB: Senior Lien, Series C-1 (AGM), 7.00%, 7/01/27 | 1,500 | 1,724,985 |
| Senior Lien, Series D (AGM), 5.00%, 7/01/23 | 9,085 | 9,194,020 |
| Series C (NPFGC), 5.00%, 7/01/22 | 5,540 | 5,602,657 |
| | 4,325 | 3,902,015 |

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| | | |
|--|--------|------------|
| Michigan Higher Education Student Loan Authority, RB, Student Loan, Series XVII-Q, AMT (AMBAC), 5.00%, 3/01/31 | | |
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I: 6.25%, 10/15/38 | 3,125 | 3,400,156 |
| (AGC), 5.25%, 10/15/24 | 1,750 | 1,861,283 |
| (AGC), 5.25%, 10/15/25 | 3,250 | 3,432,488 |
| Michigan Strategic Fund, Refunding RB AMT (Syncora): Detroit Edison Co. Project, Series A, 5.50%, 6/01/30 | 8,000 | 7,641,360 |
| Detroit Edison Co., Pollution, Series C, 5.65%, 9/01/29 | 2,935 | 2,924,493 |
| State of Michigan, RB, GAN (AGM): 5.25%, 9/15/21 | 2,485 | 2,694,162 |
| 5.25%, 9/15/22 | 10,000 | 10,768,700 |
| 5.25%, 9/15/26 | 6,650 | 7,016,947 |
| Wayne County Airport Authority, Refunding RB, AMT (AGC), 5.38%, 12/01/32 | 5,000 | 4,596,300 |
| | | 68,630,977 |

Minnesota 0.7%

| | | |
|--|-------|-----------|
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38 | 5,500 | 6,109,675 |
|--|-------|-----------|

Missouri 0.0%

| | | |
|---|----|--------|
| Missouri Housing Development Commission, RB, S/F Homeowner Loan, Series C-1, AMT (GNMA), 7.15%, 3/01/32 | 80 | 87,252 |
|---|----|--------|

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 |
|---|--------------|--------------|
| Nevada 5.8% | | |
| City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/34 | \$ 2,250 | \$ 2,469,262 |
| County of Clark Nevada, RB: | | |
| Southwest Gas Corp. Project, Series A, AMT (AMBAC), 5.25%, 7/01/34 | 12,675 | 11,565,177 |
| Subordinate Lien, Series A2 (BHAC), 5.00%, 7/01/30 | 750 | 763,358 |
| Subordinate Lien, Series A2 (NPFGC), 5.00%, 7/01/30 | 20,000 | 20,228,400 |
| County of Clark, Nevada, RB, Las Vegas-McCarran International Airport, Series A (AGC), 5.25%, 7/01/39 (c) | 5,170 | 5,146,735 |
| Las Vegas Convention & Visitors Authority, RB (AMBAC), 5.00%, 7/01/37 | 11,850 | 11,289,258 |
| | | 51,462,190 |
| New Jersey 3.4% | | |
| New Jersey EDA, RB, Cigarette Tax, 5.75%, 6/15/34 | 5,000 | 4,748,650 |
| New Jersey EDA, Refunding RB, School Facilities Construction, Series N-1: | | |
| (AMBAC), 5.50%, 9/01/24 | 10,000 | 11,266,800 |
| (NPFGC), 5.50%, 9/01/28 | 2,165 | 2,426,878 |
| New Jersey Transportation Trust Fund Authority, RB: | | |
| CAB, Transportation System, Series C (AGC), 5.70%, 12/15/25 (b) | 15,735 | 6,990,117 |
| Transportation System, Series A (NPFGC), 5.75%, 6/15/25 | 4,400 | 5,112,184 |
| | | 30,544,629 |
| New Mexico 0.0% | | |
| New Mexico Mortgage Finance Authority, RB, S/F Mortgage, Series C-2, AMT (GNMA), 6.95%, 9/01/31 | 260 | 277,189 |
| New York 4.2% | | |
| City of New York New York, GO: | | |
| Series J, 5.25%, 5/15/24 | 10,000 | 10,585,200 |
| Series M (AGC), 5.00%, 4/01/30 | 5,000 | 5,176,900 |
| New York City Transitional Finance Authority, RB, Fiscal 2009, Series S-4, 5.50%, 1/15/34 | 7,250 | 7,774,175 |
| New York State Dormitory Authority, Refunding RB, State University Educational Facilities, 3rd General Resolution, Series A (NPFGC), 5.50%, 5/15/24 | | |
| | 7,790 | 8,726,747 |
| Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34 | 4,500 | 4,769,415 |

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37,032,437

Oregon 0.2%

| | | |
|---|-------|-----------|
| Medford Hospital Facilities Authority, RB, Asante Health System, Series A (AGC), 5.00%, 8/01/40 | 1,550 | 1,509,747 |
|---|-------|-----------|

Pennsylvania 3.0%

| | | |
|--|--------|------------|
| Pennsylvania HFA, RB, S/F Mortgage, Series 70A, AMT, 5.80%, 4/01/27 | 4,740 | 4,745,735 |
| Pennsylvania Turnpike Commission, RB: Series A (AMBAC), 5.50%, 12/01/31 | 15,600 | 15,997,800 |
| Sub-Series C (AGC), 6.25%, 6/01/38 | 5,695 | 6,419,860 |
| | | 27,163,395 |

| Municipal Bonds | Par (000) | Value |
|-----------------|-----------|-------|
|-----------------|-----------|-------|

Puerto Rico 2.7%

| | | |
|--|----------|--------------|
| Puerto Rico Public Buildings Authority, Refunding RB, Government Facilities, Series M-3 (NPFGC): 6.00%, 7/01/26 | \$ 4,840 | \$ 5,004,415 |
| 6.00%, 7/01/27 | 4,235 | 4,373,103 |
| 6.00%, 7/01/28 | 2,750 | 2,837,808 |
| Puerto Rico Sales Tax Financing Corp., RB, 1st Sub-Series A, 6.38%, 8/01/39 | 10,195 | 10,848,499 |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.71%, 8/01/41 (b) | 7,500 | 1,114,800 |
| | | 24,178,625 |

South Carolina 1.0%

| | | |
|---|-------|-----------|
| Charleston Educational Excellence Finance Corp., RB, Charleston County School (AGC): 5.25%, 12/01/28 | 3,895 | 4,037,207 |
| 5.25%, 12/01/29 | 3,215 | 3,314,086 |
| 5.25%, 12/01/30 | 1,160 | 1,190,380 |
| South Carolina State Housing Finance & Development Authority, Refunding RB, Series A-2, AMT (AGM), 6.35%, 7/01/19 | 515 | 522,890 |
| | | 9,064,563 |

Tennessee 0.2%

| | | |
|--|-------|-----------|
| Tennessee Housing Development Agency, Refunding RB, Homeownership Program, Series A, AMT (AGM), 5.35%, 1/01/26 | 1,700 | 1,707,701 |
|--|-------|-----------|

Texas 17.4%

| | | |
|---|--------|------------|
| City of Houston Texas, RB, Combined, First Lien, Series A (AGM), 5.00%, 11/15/36 | 10,000 | 10,206,300 |
| City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC): 6.00%, 11/15/35 | 5,700 | 6,435,585 |
| 5.38%, 11/15/38 | 3,650 | 3,850,422 |

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| | | |
|--|--------|------------|
| Dallas ISD, GO, School Building (PSF-GTD), 6.38%, 2/15/34 | 10,000 | 11,708,600 |
| Dallas-Fort Worth International Airport Facilities Improvement Corp., Refunding RB, Joint Series A, AMT (NPFGC), 5.63%, 11/01/26 | 15,000 | 15,162,000 |
| Grand Prairie ISD Texas, GO, Refunding, CAB, 6.58%, 8/15/28 (b) | 10,000 | 3,215,700 |
| Harris County Hospital District, RB, Senior Lien, Series A (NPFGC), 5.25%, 2/15/37 | 9,650 | 9,143,471 |
| Harris County-Houston Sports Authority, Refunding RB, Senior Lien, Series G (NPFGC): 5.75%, 11/15/19 | 265 | 269,720 |
| 5.75%, 11/15/20 | 3,500 | 3,553,515 |
| 5.25%, 11/15/30 | 9,800 | 9,108,120 |
| Judson ISD Texas, GO, School Building (AGC), 5.00%, 2/01/37 | 10,000 | 10,141,500 |
| Leander ISD Texas, GO, Refunding, CAB, School Building (PSF-GTD), 5.51%, 8/15/36 (b) | 15,000 | 3,519,900 |
| Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, AMT (NPFGC), 5.20%, 5/01/30 | 6,250 | 5,869,687 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2010

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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 |
|--|--------------|--------------|
| Texas (concluded) | | |
| North Texas Tollway Authority, Refunding RB: First Tier, Series A, 6.00%, 1/01/28 | \$ 6,275 | \$ 6,670,890 |
| System, First Tier, Series A (NPFGC), 5.13%, 1/01/28 | 21,750 | 21,770,010 |
| System, First Tier, Series B (NPFGC), 5.75%, 1/01/40 | 10,000 | 10,203,300 |
| Texas Department of Housing & Community Affairs, MRB, Series A, AMT (NPFGC), 5.45%, 9/01/23 | 4,490 | 4,548,909 |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC): 5.50%, 8/15/39 | 10,000 | 9,927,500 |
| 5.00%, 8/15/42 | 10,000 | 9,139,200 |
| | | 154,444,329 |
| Utah 1.9% | | |
| Utah Transit Authority, Refunding RB, CAB, Sub-Series A (b): (AGC), 5.36%, 6/15/20 | 15,930 | 9,931,081 |
| (NPFGC), 5.21%, 6/15/24 | 13,930 | 6,674,838 |
| | | 16,605,919 |
| Vermont 0.3% | | |
| Vermont HFA, HRB, Series 12B, AMT (AGM), 6.30%, 11/01/19 | 340 | 347,211 |
| Vermont HFA, Refunding RB, Multiple Purpose, Series C, AMT (AGM), 5.50%, 11/01/38 | 2,730 | 2,755,744 |
| | | 3,102,955 |
| Washington 5.3% | | |
| Chelan County Public Utility District No. 1, RB, Chelan Hydro System, Series A, AMT (AMBAC), 5.45%, 7/01/37 | 3,030 | 2,949,978 |
| Chelan County Public Utility District No. 1, Refunding RB, Chelan Hydro System, Series C, AMT (NPFGC), 5.65%, 7/01/32 | 6,000 | 6,033,360 |
| Radford Court Properties Washington, RB (NPFGC), 5.75%, 6/01/32 | 10,000 | 10,169,300 |
| Seattle Housing Authority Washington, RB, Capital Fund Program, High Rise Rehabilitation, Series III, AMT (AGM), 5.15%, 11/01/27 | 6,255 | 6,294,219 |
| Skagit County Public Hospital District No. 1 Washington, GO, Series A (NPFGC): | | |

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| | | |
|---|-------|---------------|
| 5.25%, 12/01/25 | 4,745 | 4,846,163 |
| 5.25%, 12/01/26 | 5,450 | 5,547,337 |
| Washington Health Care Facilities Authority, RB, Providence Health System, Series A (NPFGC), 5.25%, 10/01/21 | 5,575 | 5,627,907 |
| Washington Health Care Facilities Authority, Refunding RB, Catholic Health Initiatives, Series D, 6.38%, 10/01/36 | 5,400 | 5,889,078 |
| | | 47,357,342 |
| Wisconsin 0.4% | | |
| Wisconsin Health & Educational Facilities Authority, RB, SynergyHealth Inc., 6.00%, 11/15/32 | 3,395 | 3,489,755 |
| Total Municipal Bonds 119.5% | | 1,063,658,829 |

| Municipal Bonds Transferred to Tender Option Bond Trusts (d) | Par (000) | Value |
|--|--------------|--------------|
| California 10.7% | | |
| Alameda County Joint Powers Authority, Refunding RB, Lease (AGM), 5.00%, 12/01/34 | \$ 6,990 | \$ 7,116,589 |
| California State University, RB, Systemwide, Series A (AGM), 5.00%, 11/01/37 | 18,435 | 18,242,480 |
| City of Riverside, California, RB, Issue D (AGM), 5.00%, 10/01/38 | 20,000 | 19,522,400 |
| Las Virgenes Unified School District, California, GO, Series A (AGM), 5.00%, 8/01/31 | 10,000 | 10,194,595 |
| Los Angeles Community College District California, GO, 2008 Election, Series A, 6.00%, 8/01/33 | 5,248 | 5,821,234 |
| Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/37 | 10,780 | 11,081,193 |
| San Diego Community College District California, GO, Election 2002, 5.25%, 8/01/33 | 1,047 | 1,070,570 |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 | 9,370 | 9,514,954 |
| San Francisco Bay Area Transit Financing Authority, RB (AGM), 5.00%, 7/01/36 | 10,000 | 10,110,252 |
| University of California, RB, Series O, 5.75%, 5/15/34 | 2,205 | 2,453,040 |
| | | 95,127,307 |
| Colorado 0.3% | | |
| Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 | 2,469 | 2,602,897 |
| Connecticut 0.6% | | |
| Connecticut State Health & Educational Facility Authority, RB, Yale University, Series T 1, 4.70%, 7/01/29 | 5,010 | 5,293,766 |
| District of Columbia 0.9% | | |
| District of Columbia, RB, Series A, 5.50%, 12/01/30 | 2,595 | 2,882,111 |
| District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35 | 4,281 | 4,779,491 |

7,661,602

Florida 0.4%

| | | |
|---|-------|-----------|
| Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 | 3,299 | 3,379,712 |
|---|-------|-----------|

Georgia 1.2%

| | | |
|---|--------|------------|
| Metropolitan Atlanta Rapid Transit Authority, Refunding RB, Third Indenture, Series B (AGM), 5.00%, 7/01/37 | 10,000 | 10,305,950 |
|---|--------|------------|

Illinois 3.2%

| | | |
|--|--------|------------|
| City of Chicago Illinois, GO, Refunding, Series A (AGC), 5.25%, 1/01/24 | 11,000 | 11,886,600 |
|--|--------|------------|

| | | |
|--|--------|------------|
| Illinois Finance Authority, RB, University of Chicago, Series B, 6.25%, 7/01/38 | 10,000 | 11,289,900 |
|--|--------|------------|

| | | |
|---|-------|-----------|
| Metropolitan Pier & Exposition Authority, Illinois, Refunding RB, McCormick Place Expansion, Series B (NPFGC), 5.75%, 6/15/23 | 4,798 | 5,190,352 |
|---|-------|-----------|

28,366,852

Kentucky 0.7%

| | | |
|--|-------|-----------|
| Kentucky State Property & Buildings Commission, Kentucky, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27 | 5,985 | 6,458,076 |
|--|-------|-----------|

Louisiana 1.1%

| | | |
|---|--------|------------|
| State of Louisiana, RB, Series A (AGM), 5.00%, 5/01/36 | 10,000 | 10,192,800 |
|---|--------|------------|

See Notes to Financial Statements.

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 (d) | Par (000) | Value |
|--|--------------|-------------------|
| Nevada 0.6% | | |
| Clark County Water Reclamation District, GO, Series B: | | |
| 5.75%, 7/01/34 | \$ 4,813 | \$ 5,282,819 |
| 5.50%, 7/01/29 | 510 | 556,412 |
| | | <u>5,839,231</u> |
| New Jersey 1.4% | | |
| Garden State Preservation Trust, RB, Election 2005, Series A (AGM), 5.75%, 11/01/28 | | |
| | 10,000 | 12,582,500 |
| New York 4.2% | | |
| New York City Municipal Water Finance Authority, RB, Series DD, 5.00%, 6/15/37 | | |
| | 17,567 | 18,075,059 |
| Port Authority of New York & New Jersey, RB, Cons Thirty Seventh, AMT (AGM), 5.13%, 7/15/30 | | |
| | 19,500 | 19,600,620 |
| | | <u>37,675,679</u> |
| Ohio 0.7% | | |
| County of Montgomery, Ohio, RB, Catholic Health, Series C1 (AGM), 5.00%, 10/01/41 | | |
| | 4,990 | 4,842,995 |
| State of Ohio, RB, Cleveland Clinic Health, Series B, 5.50%, 1/01/34 | | |
| | 1,520 | 1,587,442 |
| | | <u>6,430,437</u> |
| South Carolina 0.6% | | |
| South Carolina State Housing Finance & Development Authority, Refunding RB, Series B-1, 5.55%, 7/01/39 | | |
| | 4,968 | 5,086,164 |
| Texas 3.9% | | |
| Friendswood ISD, Texas, GO, Schoolhouse (PSF-GTD), 5.00%, 2/15/37 | | |
| | 12,955 | 13,450,070 |
| Houston ISD, GO, Schoolhouse (PSF-GTD), 5.00%, 2/15/33 | | |
| | 10,000 | 10,470,900 |
| Texas State University Systems, Texas, RB, 5.25%, 3/15/26 | | |
| | 10,000 | 10,773,300 |
| | | <u>34,694,270</u> |
| Virginia 0.5% | | |
| | 3,950 | 4,167,329 |

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University of Virginia, Refunding RB, General, 5.00%,
6/01/40

| Washington 6.1% | | |
|---|--------|-------------------|
| Central Puget Sound Regional Transportation Authority, Washington, RB, Series A (AGM), 5.00%, 11/01/34 | 16,770 | 17,538,821 |
| County of King, Washington, RB (AGM), 5.00%, 1/01/37 | 15,785 | 16,197,746 |
| Port of Seattle WA, RB, Series B, AMT (NPFGC), 5.20%, 7/01/29 | 20,565 | 20,316,505 |
| | | 54,053,072 |

| Wisconsin 0.4% | | |
|--|-------|-----------|
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health Inc., 5.25%, 4/01/39 | 3,959 | 3,958,772 |

| | | |
|---|--|--------------------|
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 37.5% | | 333,876,416 |
|---|--|--------------------|

| | | |
|--|--|----------------------|
| Total Long-Term Investments (Cost \$1,381,286,380) 157.0% | | 1,397,535,245 |
|--|--|----------------------|

| Short-Term Securities | Shares | Value |
|--|------------|-----------------------|
| FFI Institutional Tax-Exempt Fund, 0.16% (e)(f) | 16,925,057 | \$ 16,925,057 |
| Total Short-Term Securities (Cost \$16,925,057) 1.9% | | 16,925,057 |
| Total Investments (Cost \$1,398,211,437*) 158.9% | | 1,414,460,302 |
| Other Assets Less Liabilities 0.7% | | 6,442,379 |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (19.6)% | | (174,481,693) |
| Preferred Shares, at Redemption Value (40.0)% | | (356,488,840) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 889,932,148 |

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|------------------|
| Aggregate cost | \$ 1,230,384,776 |
| Gross unrealized appreciation | \$ 37,760,228 |
| Gross unrealized depreciation | (28,058,800) |
| Net unrealized appreciation | \$ 9,701,428 |

- (a) 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 current yield as of report date.
- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized Depreciation |
|-----------------|--------------|----------------------------|
| Citigroup, Inc. | \$ 5,146,735 | \$ (23,265) |

- (d) 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.
- (e) 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 |
|-----------------------------------|-----------------|-----------|
| FFI Institutional Tax Exempt Fund | \$ (16,688,729) | \$ 24,753 |

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Insured Fund, Inc. (MYI)

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 assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or 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 circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies 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, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|-------------------------------|---------------------------|
| | Assets |
| Level 1 Short-Term Securities | \$ 16,925,057 |
| Level 2 Long-Term Investments | 1,397,535,245 |
| Level 3 | |
| Total | \$ 1,414,460,302 |

¹ See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

Schedule of Investments January 31, 2010 (Unaudited)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| Michigan 135.9% | | |
| Corporate 13.6% | | |
| Delta County EDC, Refunding RB, Mead Westvaco-Escanaba, Series A, 6.25%, 4/15/27 (a) | \$ 2,420 | \$ 2,692,540 |
| Dickinson County EDC Michigan, Refunding RB, International Paper Co. Project, Series A, 5.75%, 6/01/16 | 2,500 | 2,540,725 |
| Michigan Strategic Fund, Refunding RB, Detroit Edison Co. Project, Series A, AMT (NPFGC), 5.55%, 9/01/29 | 9,500 | 9,443,380 |
| Monroe County EDC Michigan, Refunding RB, Detroit Edison Co. Project, Series AA (NPFGC), 6.95%, 9/01/22 | 6,500 | 7,534,280 |
| | | 22,210,925 |
| County/City/Special District/ School District 44.4% | | |
| Adrian City School District Michigan, GO (AGM), 5.00%, 5/01/34 (a) | 2,400 | 2,763,624 |
| Anchor Bay School District Michigan, GO, School Building & Site, Series II (Q-SBLF), 5.75%, 5/01/20 (a) | 3,165 | 3,209,753 |
| Bay City School District Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/36 | 2,915 | 2,930,333 |
| Bullock Creek School District Michigan, GO (NPFGC), 5.50%, 5/01/26 (a) | 2,150 | 2,179,197 |
| Charter Township of Canton Michigan, GO, Capital Improvement (AGM) 5.00%, 4/01/27 | 500 | 525,470 |
| City of Oak Park Michigan, GO, Street Improvement (NPFGC), 5.00%, 5/01/30 | 600 | 614,844 |
| County of Genesee, Michigan, GO, Water Supply System (NPFGC), 5.13%, 11/01/33 | 500 | 502,755 |
| County of Wayne Michigan, GO, Airport Hotel, Detroit Metropolitan Airport, Series A (NPFGC), 5.00%, 12/01/30 | 1,180 | 1,075,900 |
| Dearborn Brownfield Redevelopment Authority, GO, Limited Tax, Redevelopment, Series A (AGC), 5.50%, 5/01/39 | 2,000 | 2,070,200 |
| Detroit City School District Michigan, School Building & Site Improvement, GO (FGIC): Series A, 5.38%, 5/01/24 (a) | 1,480 | 1,680,747 |
| Series B, 5.00%, 5/01/28 | 1,900 | 1,835,837 |
| Eaton Rapids Public Schools Michigan, GO, School Building & Site (AGM), 5.25%, 5/01/23 | 2,000 | 2,140,120 |
| Gibraltar School District Michigan, GO, School Building & Site: (FGIC), 5.00%, 5/01/14 (a) | 3,065 | 3,529,378 |
| (NPFGC), 5.00%, 5/01/28 | 585 | 595,495 |

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| | | |
|---|-------|-----------|
| Grand Blanc Community Schools Michigan, GO (NPFGC): | | |
| 5.63%, 5/01/17 | 1,000 | 1,081,420 |
| 5.63%, 5/01/18 | 1,000 | 1,065,380 |
| 5.63%, 5/01/19 | 1,100 | 1,171,918 |
| Grand Rapids Building Authority Michigan, RB, Series A (AMBAC) (a): | | |
| 5.50%, 10/01/18 | 535 | 601,040 |
| 5.50%, 10/01/19 | 130 | 146,047 |
| Harper Creek Community School District Michigan, GO, Refunding (AGM), 5.00%, 5/01/22 | 1,000 | 1,050,490 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

Michigan (continued)

**County/City/Special District/
School District (concluded)**

| | | |
|--|--------|------------|
| Harper Woods School District Michigan, GO, Refunding, School Building & Site: (FGIC), 5.00%, 5/01/14 (a) | \$ 215 | \$ 247,575 |
| (NPFGC), 5.00%, 5/01/34 | 10 | 10,026 |
| Hartland Consolidated School District Michigan, GO, (Q-SBLF), 6.00%, 5/01/16 (a) | 3,425 | 3,475,895 |
| Haslett Public School District Michigan, GO, Building & Site (NPFGC), 5.63%, 5/01/18 (a) | 1,275 | 1,385,441 |
| Jackson Public Schools Michigan, GO (FGIC), 5.38%, 5/01/10 (a) | 3,975 | 4,027,708 |
| Jonesville Community Schools Michigan, GO, Refunding (NPFGC), 5.00%, 5/01/29 | 1,085 | 1,097,912 |
| L Anse Creuse Public Schools Michigan, GO, School Building & Site (AGM): | | |
| 5.00%, 5/01/12 | 400 | 431,984 |
| 5.00%, 5/01/25 | 1,000 | 1,037,170 |
| 5.00%, 5/01/26 | 1,050 | 1,085,175 |
| 5.00%, 5/01/35 | 2,000 | 2,023,800 |
| Lincoln Consolidated School District Michigan, GO, Refunding (NPFGC), 4.63%, 5/01/28 | 2,470 | 2,447,301 |
| Livonia Public Schools School District Michigan, GO, Refunding, Series A (NPFGC), 5.00%, 5/01/24 | 500 | 516,845 |
| Ludington Area School District Michigan, GO (NPFGC), 5.25%, 5/01/23 | 1,440 | 1,557,331 |
| Michigan State Building Authority, RB, Facilities Program, Series H (AGM), 5.00%, 10/15/26 | 3,000 | 3,048,240 |
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I (AGM): | | |
| 5.50%, 10/15/10 | 6,610 | 6,827,205 |
| 5.50%, 10/15/10 (b) | 390 | 404,684 |
| New Haven Community Schools Michigan, GO, Refunding, School Building & Site (AGM), 5.00%, 5/01/23 | 500 | 517,960 |
| New Lothrop Area Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/35 | 1,200 | 1,206,468 |
| Pontiac Tax Increment Finance Authority Michigan, Tax Allocation Bonds, Refunding, Tax Increment Development (ACA), 5.38%, 6/01/12 (a) | 640 | 711,494 |
| Reed City Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/14 (a) | 1,000 | 1,151,510 |
| | 2,650 | 2,687,683 |

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| | | |
|--|-------|------------|
| South Lyon Community Schools Michigan, GO, Series A (NPFGC), 5.75%, 5/01/10 (a) | | |
| Southfield Public Schools Michigan, GO, School Building & Site, Series B (AGM), 5.00%, 5/01/14 (a) | 1,000 | 1,143,480 |
| Sparta Area Schools Michigan, GO, School Building & Site (FGIC), 5.00%, 5/01/14 (a) | 1,000 | 1,146,150 |
| Thornapple Kellogg School District Michigan, GO, School Building & Site (NPFGC), 5.00%, 5/01/32 | 1,500 | 1,515,345 |
| Van Dyke Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/28 | 750 | 779,243 |
| Zeeland Public Schools Michigan, GO, School Building & Site (NPFGC), 5.00%, 5/01/29 | 1,230 | 1,258,757 |
| | | 72,512,330 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2010

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Schedule of Investments (continued)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| Michigan (continued) | | |
| Education 5.8% | | |
| Michigan Higher Education Facilities Authority, RB, Limited Obligation, Hillsdale College Project, 5.00%, 3/01/35 | \$ 1,125 | \$ 1,054,699 |
| Michigan Higher Education Facilities Authority, Refunding RB, Limited Obligation, Creative Studies (a): | | |
| 5.85%, 12/01/12 | 550 | 612,090 |
| 5.90%, 12/01/12 | 1,000 | 1,114,040 |
| Michigan Higher Education Student Loan Authority, RB, Student Loan, AMT (AMBAC): | | |
| Series XVII-B, 5.40%, 6/01/18 | 3,000 | 3,003,780 |
| Series XVII-Q, 5.00%, 3/01/31 | 500 | 451,100 |
| Michigan State Building Authority, RB, Facilities Program, Series II (AMBAC), 4.86%, 10/15/10 (b)(c) | 1,675 | 1,668,685 |
| Saginaw Valley State University Michigan, Refunding RB, General (NPFGC), 5.00%, 7/01/24 | 1,450 | 1,489,846 |
| | | 9,394,240 |
| Health 22.5% | | |
| Dickinson County Healthcare System, Refunding RB, Series A (ACA), 5.80%, 11/01/24 | 2,170 | 2,076,538 |
| Flint Hospital Building Authority Michigan, Refunding RB, Hurley Medical Center (ACA): | | |
| 6.00%, 7/01/20 | 755 | 702,913 |
| Series A, 5.38%, 7/01/20 | 385 | 339,909 |
| Kent Hospital Finance Authority Michigan, RB, Spectrum Health, Series A (NPFGC), 5.50%, 7/15/11 (a) | 3,000 | 3,242,460 |
| Michigan State Hospital Finance Authority, RB: Hospital, MidMichigan Obligation Group, Series A (AMBAC), 5.50%, 4/15/18 | 1,000 | 1,020,960 |
| McLaren Health Care, Series C, 5.00%, 8/01/35 | 1,585 | 1,450,671 |
| Mercy Health Services, Series R (AMBAC), 5.38%, 8/15/26 (b) | 2,000 | 2,007,900 |
| Michigan State Hospital Finance Authority, Refunding RB: | | |
| Hospital, Crittenton, Series A, 5.63%, 3/01/27 | 1,300 | 1,278,225 |
| Hospital, Oakwood Obligation Group, Series A, 5.00%, 7/15/25 | 3,110 | 2,872,831 |
| Hospital, Oakwood Obligation Group, Series A, 5.00%, 7/15/37 | 3,340 | 2,841,505 |
| Hospital, Sparrow Obligated, 5.00%, 11/15/31 | 1,595 | 1,480,942 |
| McLaren Health Care, 5.75%, 5/15/38 | 1,500 | 1,523,565 |

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| | | |
|--|-------|------------|
| Series A, Trinity Health, 6.13%, 12/01/23 | 940 | 1,032,336 |
| Series A, Trinity Health, 6.25%, 12/01/28 | 570 | 628,488 |
| Series A, Trinity Health, 6.50%, 12/01/33 | 1,400 | 1,553,720 |
| Trinity Health Credit, Series C, 5.38%, 12/01/23 | 1,000 | 1,016,350 |
| Trinity Health Credit, Series C, 5.38%, 12/01/30 | 1,950 | 1,960,803 |
| Trinity Health Credit, Series D, 5.00%, 8/15/34 | 1,650 | 1,578,060 |
| Trinity Health, Series A, 6.00%, 12/01/20 | 1,400 | 1,435,266 |
| Trinity Health, Series A (AMBAC), 6.00%, 12/01/27 | 5,500 | 5,617,920 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39 | 1,000 | 1,159,420 |
| | | 36,820,782 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|------------|
| Michigan (concluded) | | |
| Housing 3.3% | | |
| Michigan State HDA, RB: | | |
| Deaconess Tower, AMT (GNMA), 5.25%, 2/20/48 | \$ 1,000 | \$ 985,700 |
| Series A, 6.00%, 10/01/45 | 4,280 | 4,390,039 |
| Series A, AMT (NPFGC), 5.30%, 10/01/37 | 25 | 24,926 |
| | | 5,400,665 |

| | | |
|--|-------|------------|
| State 12.9% | | |
| Michigan Municipal Bond Authority, Refunding RB, Local Government, Charter County Wayne, Series B (AGC): | | |
| 5.00%, 11/01/14 | 1,500 | 1,676,025 |
| 5.00%, 11/01/15 | 1,000 | 1,115,870 |
| 5.00%, 11/01/16 | 500 | 554,775 |
| 5.38%, 11/01/24 | 125 | 135,503 |
| Michigan State Building Authority, Refunding RB, Facilities Program: | | |
| Series I, 6.25%, 10/15/38 | 2,350 | 2,556,917 |
| Series I (AGC), 5.25%, 10/15/24 | 2,000 | 2,127,180 |
| Series I (AGC), 5.25%, 10/15/25 | 1,500 | 1,584,225 |
| Series I (AGC), 5.25%, 10/15/26 | 400 | 420,792 |
| Series II (NPFGC), 5.00%, 10/15/29 | 2,000 | 2,013,980 |
| State of Michigan, COP, Refunding, New Center Development Inc. (NPFGC), 5.75%, 9/01/11 | 5,045 | 5,454,856 |
| State of Michigan, RB, GAN (AGM), 5.25%, 9/15/27 (b) | 3,250 | 3,412,142 |
| | | 21,052,265 |

| | | |
|--|-------|-----------|
| Transportation 15.7% | | |
| County of Wayne Michigan, RB, Detroit Metropolitan, Wayne County, Series A, AMT (NPFGC), 5.38%, 12/01/15 | | |
| | 6,500 | 6,539,325 |
| Wayne County Airport Authority, RB, Detroit Metropolitan Wayne County Airport, AMT (NPFGC): | | |

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| | | |
|---|-------|-----------|
| 5.25%, 12/01/25 | 4,475 | 4,261,900 |
| 5.25%, 12/01/26 | 3,700 | 3,452,655 |
| 5.00%, 12/01/34 | 5,200 | 4,379,336 |
| Wayne County Airport Authority, Refunding RB, AMT (AGC): | | |
| 5.75%, 12/01/26 | 3,060 | 3,068,140 |
| 5.38%, 12/01/32 | 4,300 | 3,952,818 |

25,654,174

Utilities 17.7%

| | | |
|--|-------|-----------|
| City of Detroit Michigan, RB: | | |
| Second Lien, Series B (AGM), 7.00%, 7/01/36 | 2,000 | 2,284,600 |
| Second Lien, Series B (NPFGC), 5.00%, 7/01/34 | 2,620 | 2,392,532 |
| Second Lien, Series B (NPFGC), 5.00%, 7/01/13 (a) | 1,780 | 2,006,113 |
| Senior Lien, Series A (AGM), 5.00%, 7/01/25 | 3,460 | 3,469,273 |
| Senior Lien, Series A (FGIC), 5.75%, 7/01/13 (a) | 1,000 | 1,074,680 |
| Senior Lien, Series A (NPFGC), 5.00%, 7/01/34 | 4,600 | 4,200,628 |
| City of Detroit Michigan, Refunding RB, Second Lien, Series C (AGM), 5.00%, 7/01/29 | 6,475 | 6,488,856 |
| City of Grand Rapids Michigan, Refunding RB, Series A (NPFGC), 5.50%, 1/01/22 | 1,500 | 1,685,865 |
| City of Wyoming Michigan, RB (NPFGC), 5.00%, 6/01/30 | 5,300 | 5,361,480 |

28,964,027

Total Municipal Bonds in Michigan

222,009,408

See Notes to Financial Statements.

Schedule of Investments (concluded)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------------|
| Puerto Rico 7.6% | | |
| State 5.6% | | |
| Puerto Rico Public Buildings Authority, Refunding RB, Government Facilities, Series M-3 (NPFGC), 6.00%, 7/01/27 | \$ 4,200 | \$ 4,336,962 |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC) (c): 5.19%, 8/01/43 | 12,500 | 1,628,625 |
| 4.99%, 8/01/46 | 30,000 | 3,156,900 |
| | | <u>9,122,487</u> |
| Transportation 2.0% | | |
| Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC) 5.50%, 7/01/31 | 3,000 | 3,237,000 |
| Total Municipal Bonds in Puerto Rico | | 12,359,487 |
| Total Municipal Bonds 143.5% | | 234,368,895 |

**Municipal Bonds Transferred to
Tender Option Bond Trusts (d)**

| | | |
|--|-------|------------------|
| Michigan 10.8% | | |
| County/City/Special District/ School District 4.4% | | |
| Lakewood Public Schools, Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 | 3,970 | 4,227,454 |
| Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 | 2,850 | 2,941,200 |
| | | <u>7,168,654</u> |
| Education 6.4% | | |
| Saginaw Valley State University MI, Refunding RB (AGM), 5.00%, 7/01/31 | 2,500 | 2,558,550 |
| Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 | 7,790 | 7,961,848 |

| | |
|---|-----------------------|
| | 10,520,398 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 10.8% | 17,689,052 |
| Total Long-Term Investments (Cost \$251,115,736) 154.3% | 252,057,947 |
| Short-Term Securities | |
| | Shares |
| CMA Michigan Municipal Money Fund, 0.00% (e)(f) | 6,050,336 |
| | 6,050,336 |
| Total Short-Term Securities (Cost \$6,050,336) 3.7% | 6,050,336 |
| Total Investments (Cost \$257,166,072*) 158.0% | 258,108,283 |
| Other Assets Less Liabilities 1.0% | 1,599,958 |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (5.5)% | (9,034,912) |
| Preferred Shares, at Redemption Value (53.5)% | (87,355,469) |
| Net Assets Applicable to Common Shares 100.0% | \$ 163,317,860 |

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 247,944,561 |
| Gross unrealized appreciation | \$ 8,084,836 |
| Gross unrealized depreciation | (6,951,114) |
| Net unrealized appreciation | \$ 1,133,722 |

- (a) US 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.
- (b) Security is collateralized by Municipal or US Treasury Obligations.
- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (d) 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.
- (e) 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 Michigan Municipal Money Fund | \$ 1,934,775 | \$ 607 |

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

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 assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or 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 circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies 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, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|-------------------------------|------------------------------|
| | Assets |
| Level 1 Short-Term Securities | \$ 6,050,336 |
| Level 2 Long-Term Investments | 252,057,947 |
| Level 3 | |
| Total | \$ 258,108,283 |

¹ See above Schedule of Investments for values in each sector.

See Notes to Financial Statements.

Schedule of Investments January 31, 2010 (Unaudited)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| New York 113.9% | | |
| Corporate 9.7% | | |
| New York City Industrial Development Agency, RB, Japan Airlines Co., Remarketed, AMT (AGM), 6.00%, 11/01/15 | \$ 3,190 | \$ 3,192,105 |
| New York City Industrial Development Agency, Refunding RB, Terminal One Group Association Project, AMT, 5.50%, 1/01/24 | 1,500 | 1,506,690 |
| New York Liberty Development Corp., RB, Goldman Sachs Headquarters, 5.25%, 10/01/35 | 3,150 | 3,166,159 |
| New York State Energy Research & Development Authority, RB, Lilco Project, Series A (NPFGC), 5.15%, 3/01/16 | 3,000 | 3,011,010 |
| New York State Energy Research & Development Authority, Refunding RB, Brooklyn Union Gas/ Keyspan, Series A, AMT (FGIC), 4.70%, 2/01/24 | 10,750 | 10,587,460 |
| Suffolk County Industrial Development Agency New York, RB, Keyspan, Port Jefferson, AMT, 5.25%, 6/01/27 | 4,625 | 4,471,404 |
| Suffolk County Industrial Development Agency New York, Refunding RB, Ogden Martin System Huntington, AMT (AMBAC): | | |
| 6.00%, 10/01/10 | 8,530 | 8,788,630 |
| 6.15%, 10/01/11 | 9,170 | 9,825,930 |
| 6.25%, 10/01/12 | 6,470 | 7,104,578 |
| | | 51,653,966 |
| County/City/Special District/ School District 34.9% | | |
| City of Buffalo New York, GO, School, Series D (NPFGC): | | |
| 5.50%, 12/15/14 | 1,250 | 1,323,875 |
| 5.50%, 12/15/16 | 1,500 | 1,565,145 |
| City of New York New York, GO, Series B (NPFGC), 5.75%, 8/01/13 | 1,280 | 1,327,756 |
| City of New York New York, GO, Refunding, Series 02-B (AMBAC), 7.00%, 2/01/18 | 70 | 70,344 |
| City of Niagara Falls, New York, GO, Water Treatment Plant (NPFGC), AMT 7.25%, 11/01/10 | 1,000 | 1,052,350 |
| Dutchess County Resource Recovery Agency, New York, RB, Solid Waste System, Series A (NPFGC), 5.40%, 1/01/13 | 1,700 | 1,765,501 |
| Erie County Industrial Development Agency, RB, City of Buffalo Project (AGM), 5.75%, 5/01/20 | 1,900 | 2,070,848 |
| Hudson Yards Infrastructure Corp., RB, Series A: (FGIC), 5.00%, 2/15/47 | 12,150 | 11,308,856 |
| (NPFGC), 4.50%, 2/15/47 | 16,275 | 14,736,199 |
| | 1,675 | 1,725,669 |

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Ilion Central School District, New York, GO, Series B
(FGIC), 5.50%, 6/15/15

| Municipal Bonds | Par (000) | Value |
|--|--------------|-------------|
| New York (continued) | | |
| County/City/Special District/ School District (concluded) | | |
| New York City Industrial Development Agency, RB, PILOT: | | |
| CAB, Yankee Stadium (AGC), 6.48%, 3/01/39 (a) | \$ 5,000 | \$ 893,100 |
| CAB, Yankee Stadium (AGC), 6.42%, 3/01/43 (a) | 5,830 | 770,609 |
| Queens Baseball Stadium (AGC), 6.38%, 1/01/39 | 1,000 | 1,107,050 |
| Queens Baseball Stadium (AMBAC), 5.00%, 1/01/36 | 11,800 | 10,852,342 |
| Queens Baseball Stadium (AMBAC), 5.00%, 1/01/39 | 5,250 | 4,773,248 |
| Queens Baseball Stadium (AMBAC), 5.00%, 1/01/46 | 9,900 | 8,900,595 |
| Yankee Stadium (FGIC), 5.00%, 3/01/46 | 9,650 | 8,673,034 |
| Yankee Stadium (NPFGC), 5.00%, 3/01/36 | 4,650 | 4,335,753 |
| New York City Transit Authority, Metropolitan Transportation Authority, Triborough Bridge & Tunnel COP, Series A (AMBAC), 5.63%, 1/01/12 | 1,020 | 1,033,841 |
| New York City Transitional Finance Authority, RB: Fiscal 2008, Series S-1, 4.50%, 1/15/38 | 1,750 | 1,682,643 |
| Fiscal 2009, Series S-1 (AGC), 5.50%, 7/15/38 | 6,000 | 6,405,180 |
| Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/39 | 1,500 | 1,606,155 |
| Future Tax Secured, Series C (FGIC), 5.00%, 2/01/33 | 12,395 | 12,674,011 |
| Future Tax Secured, Series E (NPFGC), 5.25%, 2/01/22 | 2,500 | 2,684,125 |
| Series S-2 (AGM), 5.00%, 1/15/37 | 5,000 | 5,088,100 |
| Series S-2 (NPFGC), 4.25%, 1/15/34 | 5,980 | 5,567,739 |
| New York City Transitional Finance Authority, Refunding RB, Series A (FGIC), 5.00%, 11/15/26 | 1,000 | 1,036,870 |
| New York Convention Center Operating Corp., RB, Hotel Unit Fee Secured (AMBAC): 5.00%, 11/15/30 | 1,500 | 1,507,380 |
| 5.00%, 11/15/35 | 33,000 | 32,526,780 |
| 5.00%, 11/15/44 | 13,470 | 12,995,721 |
| North Country Development Authority, Refunding RB (AGM), 6.00%, 5/15/15 | 1,115 | 1,232,175 |
| Sales Tax Asset Receivable Corp., RB, Series A (AMBAC) 5.25%, 10/15/27 | 11,200 | 11,602,864 |
| Syracuse Industrial Development Agency, New York, RB, Carousel Center Project, Series A, AMT (Syncora), 5.00%, 1/01/36 | 11,500 | 7,639,220 |
| Town of Huntington New York, GO, Refunding (AMBAC): 5.50%, 4/15/12 | 460 | 508,723 |
| 5.50%, 4/15/13 | 455 | 517,895 |
| Town of North Hempstead New York, GO, Refunding, Series B (NPFGC): 6.40%, 4/01/13 | 1,745 | 2,022,717 |
| 6.40%, 4/01/17 | 555 | 679,986 |
| | | 186,264,399 |

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2010

Schedule of Investments (continued)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| New York (continued) | | |
| Education 8.4% | | |
| Madison County Industrial Development Agency New York, RB, Colgate University Project, Series A (AMBAC): | | |
| 5.00%, 7/01/30 | \$ 5,410 | \$ 5,556,990 |
| 5.00%, 7/01/35 | 2,675 | 2,714,189 |
| New York City Industrial Development Agency, RB, Polytechnic University Project (ACA), 5.25%, 11/01/37 | 2,480 | 2,111,670 |
| New York City Industrial Development Agency, Refunding RB, Nightingale, Bamford School (AMBAC), 5.25%, 1/15/18 | 1,275 | 1,365,665 |
| New York City Transitional Finance Authority, RB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/33 | 5,500 | 5,698,770 |
| New York State Dormitory Authority, RB: Mount Sinai School of Medicine, 5.13%, 7/01/39 | 2,500 | 2,471,800 |
| Mount Sinai School of Medicine at NYU (NPFGC), 5.00%, 7/01/35 | 7,100 | 6,999,180 |
| New York University, Series I (AMBAC), 5.50%, 7/01/40 | 4,580 | 5,304,052 |
| New York State Dormitory Authority, Refunding RB, City University System, Series C (NPFGC), 7.50%, 7/01/10 | 815 | 838,317 |
| Rensselaer County Industrial Development Agency New York, RB, Polytechnic Institute, Series B (AMBAC), 5.50%, 8/01/22 | 1,255 | 1,271,466 |
| Trust for Cultural Resources, RB, Carnegie Hall, Series A: 4.75%, 12/01/39 | 3,550 | 3,461,286 |
| 5.00%, 12/01/39 | 2,150 | 2,159,804 |
| Trust for Cultural Resources, Refunding RB, American Museum of Natural History, Series A (NPFGC): 5.00%, 7/01/36 | 4,250 | 4,334,192 |
| 5.00%, 7/01/44 | 500 | 505,910 |
| | | 44,793,291 |
| Health 6.4% | | |
| New York City Industrial Development Agency, RB, Royal Charter, NY Presbyterian (AGM), 5.75%, 12/15/29 | 7,970 | 8,451,149 |
| New York State Dormitory Authority, MRB, Montefiore Hospital (NPFGC), 5.00%, 8/01/33 | 1,500 | 1,520,865 |

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| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| New York (continued) | | |
| Health (concluded) | | |
| New York State Dormitory Authority, RB: Hudson Valley Hospital (BHAC), 5.00%, 8/15/36 | \$ 6,000 | \$ 6,205,500 |
| New York & Presbyterian Hospital (AGM), 5.25%, 2/15/31 | 3,000 | 3,086,520 |
| New York & Presbyterian Hospital (AGM), 5.00%, 8/15/36 | 5,000 | 5,044,350 |
| New York State Rehabilitation Association, Series A (CIFG), 5.25%, 7/01/19 | 1,180 | 1,202,679 |
| New York State Rehabilitation Association, Series A (CIFG), 5.13%, 7/01/23 | 1,000 | 999,960 |
| North Shore-Long Island Jewish Health System, Series A, 5.50%, 5/01/37 | 2,075 | 2,092,783 |
| Series B (NPFGC), 6.50%, 2/15/11 (b) | 1,000 | 1,064,550 |
| New York State Dormitory Authority, Refunding RB, St. Luke s Roosevelt Hospital (FHA), 4.90%, 8/15/31 | 3,250 | 3,144,895 |
| Oneida County Industrial Development Agency New York, RB, Civic Facilities, Mohawk Valley, Series A (AGM), 5.20%, 2/01/13 | 1,050 | 1,063,797 |
| | | 33,877,048 |
| Housing 3.1% | | |
| Monroe County Industrial Development Agency, RB, Industrial Development, Southview Towers Project, AMT (SONYMA): 6.13%, 2/01/20 | 1,235 | 1,248,425 |
| 6.25%, 2/01/31 | 1,125 | 1,136,891 |
| New York City Housing Development Corp., RB AMT: Series C, 5.00%, 11/01/26 | 1,500 | 1,499,880 |
| Series C, 5.05%, 11/01/36 | 2,000 | 1,858,660 |
| Series H-1, 4.70%, 11/01/40 | 1,340 | 1,194,422 |
| New York Mortgage Agency, Refunding RB, AMT: Homeowner Mortgage, Series 97, 5.50%, 4/01/31 | 1,130 | 1,133,085 |
| Series 133, 4.95%, 10/01/21 | 1,540 | 1,560,929 |
| Series 143, 4.90%, 10/01/37 | 1,000 | 932,600 |
| Series 143 (NPFGC), 4.85%, 10/01/27 | 2,485 | 2,427,174 |
| New York State HFA, RB, Saint Philip s Housing, Series A (FNMA), AMT, 4.65%, 11/15/38 | 1,500 | 1,411,290 |
| Yonkers Industrial Development Agency New York, RB, Monastery Manor Association LP Project, AMT (SONYMA), 5.25%, 4/01/37 | 2,445 | 2,332,603 |
| | | 16,735,959 |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| New York (continued) | | |
| State 8.7% | | |
| New York State Dormitory Authority, RB: Master Boces Program Lease (AGC), 5.00%, 8/15/28 | \$ 1,750 | \$ 1,815,870 |
| Mental Health Facilities, Series B, 5.25%, 2/15/23 (c) | 1,570 | 1,781,542 |
| Mental Health Services Facilities, Series C, AMT (AGM), 5.40%, 2/15/33 | 6,460 | 6,525,827 |
| School Districts Financing Program, Series A (AGM), 5.00%, 10/01/35 | 550 | 559,779 |
| School District Financing Program, Series C (AGM), 5.00%, 10/01/37 | 4,050 | 4,114,192 |
| School Districts Financing Program, Series E (NPFGC), 5.75%, 10/01/30 | 6,900 | 7,274,325 |
| Upstate Community Colleges, Series A (AGM), 6.00%, 7/01/16 (c) | 1,070 | 1,107,193 |
| New York State Dormitory Authority, Refunding RB, School District Financing Program, Series B (AGM), 5.00%, 4/01/36 | 5,000 | 5,090,300 |
| New York State Thruway Authority, RB: Second General, Series B, 5.00%, 4/01/27 | 1,500 | 1,577,925 |
| Series A (AMBAC), 5.00%, 4/01/26 | 4,380 | 4,609,862 |
| New York State Urban Development Corp., Personal Income Tax, RB (NPFGC): Series C-1, 5.00%, 3/15/33 (c) | 3,000 | 3,375,000 |
| State Facilities, Series A-1, 5.00%, 3/15/29 | 5,000 | 5,159,450 |
| New York State Urban Development Corp., Refunding RB, Correctional Capital Facilities, Series A (AGM), 6.50%, 1/01/11 | 3,190 | 3,360,665 |
| | | 46,351,930 |
| Tobacco 1.7% | | |
| Tobacco Settlement Financing Corp. New York, RB: Asset-Backed, Series A-1 (AMBAC), 5.25%, 6/01/20 | 5,000 | 5,283,400 |
| Asset-Backed, Series A-1 (AMBAC), 5.25%, 6/01/22 | 2,000 | 2,103,880 |
| Series B-1C, 5.50%, 6/01/22 | 1,900 | 2,012,879 |
| | | 9,400,159 |
| Transportation 29.3% | | |
| Hudson Yards Infrastructure Corp., RB (AGC): 5.00%, 2/15/47 | 3,750 | 3,635,588 |

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| | | |
|---|--------|------------|
| Series A, 5.00%, 2/15/47 | 550 | 533,220 |
| Metropolitan Transportation Authority, RB, Series 2008C, 6.50%, 11/15/28 | 3,200 | 3,652,832 |
| Metropolitan Transportation Authority, Refunding RB: Series A (AGM), 5.00%, 11/15/32 | 1,015 | 1,028,388 |
| Series A (AGM), 5.75%, 11/15/32 | 29,300 | 31,062,981 |
| Series A (NPFGC), 5.13%, 11/15/22 | 1,390 | 1,446,962 |
| Series A (NPFGC), 5.00%, 11/15/30 | 6,600 | 6,654,252 |
| Series A (NPFGC), 5.25%, 11/15/31 | 2,500 | 2,537,400 |
| Series C (AGM), 5.13%, 7/01/13 (c) | 1,640 | 1,812,315 |
| Transportation, Series F (NPFGC), 5.25%, 11/15/27 (c) | 6,235 | 7,011,258 |
| Transportation, Series F (NPFGC), 5.00%, 11/15/31 | 5,000 | 5,042,400 |

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

New York (concluded)

Transportation (concluded)

| | | |
|---|----------|--------------|
| New York State Thruway Authority, RB: | | |
| Series F (AMBAC), 5.00%, 1/01/30 | \$ 6,000 | \$ 6,130,920 |
| Series G (AGM), 4.75%, 1/01/29 | 7,250 | 7,343,090 |
| Series G (AGM), 4.75%, 1/01/30 | 9,000 | 9,029,520 |
| Series G (AGM), 5.00%, 1/01/30 | 2,000 | 2,059,200 |
| Series G (AGM), 5.00%, 1/01/32 | 1,030 | 1,052,505 |
| Niagara Frontier Transportation Authority New York, RB, Buffalo Niagara International Airport, Series B (NPFGC), 5.50%, 4/01/19 | | |
| | 2,705 | 2,734,755 |
| Port Authority of New York & New Jersey, RB: | | |
| Consolidated 116th Series, 4.13%, 9/15/32 | 2,700 | 2,507,058 |
| Consolidated, 161st Series, 4.50%, 10/15/37 | 1,750 | 1,695,977 |
| Special Project, JFK International Air Terminal, Series 6, AMT (NPFGC), 6.25%, 12/01/10 | 14,750 | 15,071,697 |
| Special Project, JFK International Air Terminal, Series 6, AMT (NPFGC), 6.25%, 12/01/11 | 7,175 | 7,465,803 |
| Special Project, JFK International Air Terminal, Series 6, AMT (NPFGC), 6.25%, 12/01/13 | 4,425 | 4,693,288 |
| Special Project, JFK International Air Terminal, Series 6, AMT (NPFGC), 6.25%, 12/01/14 | 7,380 | 7,778,003 |
| Special Project, JFK International Air Terminal, Series 6, AMT (NPFGC), 5.75%, 12/01/22 | 10,160 | 10,418,470 |
| Special Project, JFK International Air Terminal, Series 6, AMT (NPFGC), 5.75%, 12/01/25 | 3,500 | 3,494,260 |
| Triborough Bridge & Tunnel Authority, New York, RB: | | |
| Sub-Series A (NPFGC), 5.25%, 11/15/30 | 6,000 | 6,212,100 |
| Subordinate Bonds (AMBAC), 5.00%, 11/15/28 | 2,465 | 2,552,606 |
| Triborough Bridge & Tunnel Authority, Refunding RB, General Purpose, Series Y (NPFGC), 6.00%, 1/01/12 (b) | 1,290 | 1,383,035 |
| | | 156,039,883 |

Utilities 11.7%

| | | |
|--|-------|-----------|
| Buffalo Sewer Authority, New York, RB, Series F (NPFGC), 6.00%, 7/01/13 | 4,300 | 4,583,026 |
| Long Island Power Authority, RB: | | |
| General, Series A (AGC), 6.00%, 5/01/33 | 1,500 | 1,670,595 |
| General, Series B (AGM), 5.00%, 12/01/35 | 4,000 | 4,082,440 |
| Series A (AGC), 5.75%, 4/01/39 | 1,015 | 1,117,434 |

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| | | |
|--|--------|--------------------|
| Series A (AMBAC), 5.00%, 9/01/29 | 7,000 | 7,146,300 |
| New York City Municipal Water Finance Authority, RB: | | |
| Fiscal 2004, Series C (NPFGC), 5.00%, 6/15/35 | 975 | 994,519 |
| Series A (AGM), 4.25%, 6/15/39 | 500 | 467,200 |
| Series A (AMBAC), 5.00%, 6/15/35 | 3,500 | 3,555,195 |
| Series A (NPFGC), 5.75%, 6/15/27 (c) | 24,650 | 26,447,971 |
| Series A (NPFGC), 5.13%, 6/15/34 | 1,250 | 1,267,650 |
| Series D (AGM), 5.00%, 6/15/37 | 9,000 | 9,182,250 |
| Series DD (AGM), 4.50%, 6/15/39 | 1,500 | 1,468,785 |
| Series F (AGM), 5.00%, 6/15/29 | 500 | 505,610 |
| | | 62,488,975 |
| Total Municipal Bonds in New York | | 607,605,610 |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| Guam 0.8% | | |
| Transportation 0.8% | | |
| Guam International Airport Authority, RB, General, Series C (NPFGC), AMT: | | |
| 5.25%, 10/01/21 | \$ 2,240 | \$ 2,242,487 |
| 5.25%, 10/01/22 | 2,050 | 2,050,820 |
| Total Municipal Bonds in Guam | | 4,293,307 |
| Puerto Rico 14.0% | | |
| County/City/Special District/ School District 0.4% | | |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.79%, 8/01/41 (a) | | |
| | 12,800 | 1,902,592 |
| Housing 0.7% | | |
| Puerto Rico HFA, RB, Subordinate, Capital Fund Modernization, 5.13%, 12/01/27 | | |
| | 4,000 | 4,003,960 |
| State 5.4% | | |
| Commonwealth of Puerto Rico, GO, Refunding: | | |
| Public Improvement, Series A (NPFGC), 5.50%, 7/01/20 | | |
| | 2,000 | 2,094,440 |
| Public Improvement, Series A-4 (AGM), 5.25%, 7/01/30 | | |
| | 2,150 | 2,212,974 |
| Sub-Series C-7 (NPFGC), 6.00%, 7/01/27 | | |
| | 2,000 | 2,091,260 |
| Sub-Series C-7 (NPFGC), 6.00%, 7/01/28 | | |
| | 4,775 | 4,986,294 |
| Puerto Rico Convention Center Authority, RB, Series A (AMBAC), 5.00%, 7/01/31 | | |
| | 4,000 | 3,669,840 |
| Puerto Rico Infrastructure Financing Authority, RB, CAB, Series A (a): | | |
| (AMBAC), 4.74%, 7/01/35 | | |
| | 3,900 | 636,675 |
| (AMBAC), 5.03%, 7/01/43 | | |
| | 8,000 | 730,240 |
| (FGIC), 4.62%, 7/01/31 | | |
| | 22,030 | 5,001,911 |
| Puerto Rico Public Buildings Authority, Refunding RB, Government Facilities, Series M-3 (NPFGC), 6.00%, 7/01/28 | | |
| | 2,850 | 2,941,000 |
| Puerto Rico Sales Tax Financing Corp., RB, 1st Sub-Series A, 5.75%, 8/01/37 | | |
| | 4,500 | 4,589,055 |
| | | 28,953,689 |

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Transportation 4.9%

| | | |
|--|-------|------------|
| Puerto Rico Highway & Transportation Authority, RB: | | |
| Series G (FGIC), 5.25%, 7/01/13 (c) | 655 | 748,422 |
| Series G (FGIC), 5.25%, 7/01/19 | 2,265 | 2,290,323 |
| Series G (FGIC), 5.25%, 7/01/21 | 345 | 346,808 |
| Series Y (AGM), 6.25%, 7/01/21 | 6,275 | 6,965,564 |
| Puerto Rico Highway & Transportation Authority, Refunding RB: | | |
| Series D, 5.75%, 7/01/12 (c) | 3,000 | 3,334,020 |
| Series CC (AGM), 5.50%, 7/01/31 | 5,000 | 5,395,000 |
| Series CC (AGM), 5.25%, 7/01/32 | 1,000 | 1,034,810 |
| Series CC (AGM), 5.25%, 7/01/33 | 1,000 | 1,028,640 |
| Series CC (AGM), 5.25%, 7/01/36 | 4,750 | 4,859,535 |
| | | 26,003,122 |

| Municipal Bonds | Par (000) | Value |
|--|--------------|---------------|
| Puerto Rico (concluded) | | |
| Utilities 2.6% | | |
| Puerto Rico Aqueduct & Sewer Authority, RB, Senior Lien, Series A (AGC), 5.13%, 7/01/47 | | |
| | \$ 10,980 | \$ 10,708,245 |
| Puerto Rico Electric Power Authority, Refunding RB, Series VV (NPFGC), 5.25%, 7/01/30 | | |
| | 3,000 | 3,033,720 |
| | | 13,741,965 |
| Total Municipal Bonds in Puerto Rico | | 74,605,328 |
| Total Municipal Bonds 128.7% | | 686,504,245 |

**Municipal Bonds Transferred to
Tender Option Bond Trusts (d)**

New York 28.7%

**County/City/Special District/
School District 11.5%**

| | | |
|---|--------|------------|
| City of New York, New York, GO: | | |
| Series J, 5.00%, 5/15/23 | 6,750 | 7,081,425 |
| Sub-Series C 3 (AGC), 5.75%, 8/15/28 | 14,400 | 16,180,128 |
| New York State Dormitory Authority, RB, State University Dormitory Facilities, Series A, 5.25%, 7/01/29 | | |
| | 6,000 | 6,447,180 |
| Sales Tax Asset Receivable Corp., RB, Series A (AMBAC), 5.00%, 10/15/32 | | |
| | 29,000 | 31,394,240 |
| | | 61,102,973 |

Education 1.2%

| | | |
|--|-------|-----------|
| New York State Dormitory Authority, RB, New York University, Series A, 5.00%, 7/01/38 | | |
| | 6,498 | 6,664,093 |

| State 1.6% | | |
|---|--------|------------|
| New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36 | 7,850 | 8,732,733 |
| Transportation 13.0% | | |
| Metropolitan Transportation Authority, RB, Series A (NPFGC), 5.00%, 11/15/31 | 3,901 | 4,025,420 |
| Metropolitan Transportation Authority, Refunding, RB, Series A (AGM), 5.00%, 11/15/30 | 8,460 | 8,540,624 |
| New York State Thruway Authority, RB, Series G (AGM), 5.00%, 1/01/32 | 16,000 | 16,349,600 |
| New York State Thruway Authority, Refunding RB, Series H (AGM), 5.00%, 1/01/37 | 10,000 | 10,196,200 |
| Port Authority of New York & New Jersey, RB, Consolidated Thirty Seventh, AMT (AGM), 5.13%, 7/15/30 | 2,500 | 2,512,900 |
| Triborough Bridge & Tunnel Authority, Refunding RB (NPFGC): | | |
| 5.25%, 11/15/23 | 7,000 | 7,475,230 |
| 5.00%, 11/15/32 | 19,678 | 19,972,956 |
| | | 69,072,930 |

See Notes to Financial Statements.

Schedule of Investments (concluded)

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

| Municipal Bonds Transferred to Tender Option Bond Trusts (d) | Par (000) | Value |
|---|---------------|-----------------------|
| New York (concluded) | | |
| Utilities 1.4% | | |
| New York City Municipal Water Finance Authority, RB: | | |
| Fiscal 2009, Series A, 5.75%, 6/15/40 | \$ 4,094 | \$ 4,565,674 |
| Series FF-2, 5.50%, 6/15/40 | 2,759 | 3,019,171 |
| | | <u>7,584,845</u> |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 28.7% | | 153,157,574 |
| Total Long-Term Investments (Cost \$835,715,042) 157.4% | | 839,661,819 |
| Short-Term Securities | | |
| | Shares | |
| CMA New York Municipal Money Fund, 0.00% (e)(f) | 12,621,815 | 12,621,815 |
| Total Short-Term Securities (Cost \$12,621,815) 2.4% | | 12,621,815 |
| Total Investments (Cost \$848,336,857*) 159.8% | | 852,283,634 |
| Other Assets Less Liabilities 1.4% | | 7,469,757 |
| Liability for Trust Certificates, Including | | |
| Interest Expense and Fees Payable (14.8)% | | (78,690,019) |
| Preferred Shares, at Redemption Value (46.4)% | | (247,723,844) |
| Net Assets Applicable to Common Shares 100.0% | | <u>\$ 533,339,528</u> |

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|----------------|-----------------------|
| Aggregate cost | <u>\$ 770,300,300</u> |
|----------------|-----------------------|

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| | |
|-------------------------------|---------------|
| Gross unrealized appreciation | \$ 24,211,049 |
| Gross unrealized depreciation | (20,842,519) |
| | <hr/> |
| Net unrealized appreciation | \$ 3,368,530 |
| | <hr/> |

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) Security is collateralized by Municipal or US Treasury Obligations.
- (c) US 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.
- (d) 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.
- (e) 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 New York Municipal Money Fund | \$ (185,424) | \$ 1,864 |

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

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 assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or 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 circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodologies 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, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|-------------------------------|------------------------------|
| | Assets |
| Level 1 Short-Term Securities | \$ 12,621,815 |
| Level 2 Long-Term Investments | 839,661,819 |

Level 3

| | |
|--------------|-----------------------|
| Total | <u>\$ 852,283,634</u> |
|--------------|-----------------------|

¹ See above Schedule of Investments for values in each sector.

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2010

Statements of Assets and Liabilities

| January 31, 2010 (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) |
|---|--|--|--|---|--|
| Assets | | | | | |
| Investments at value unaffiliated | \$ 485,037,829 | \$ 745,500,009 | \$ 1,397,535,245 | \$ 252,057,947 | \$ 839,661,819 |
| Investments at value affiliated | 4,660,891 | 8,945,337 | 16,925,057 | 6,050,336 | 12,621,815 |
| Interest receivable | 5,151,442 | 11,439,581 | 17,136,278 | 3,021,327 | 9,761,693 |
| Investments sold receivable | 1,010,833 | 675,104 | 5,198,813 | | 320,000 |
| Prepaid expenses | 34,949 | 58,086 | 95,689 | 42,489 | 60,389 |
| Other assets | | 66,380 | 119,717 | | 71,600 |
| Total assets | 495,895,944 | 766,684,497 | 1,437,010,799 | 261,172,099 | 862,497,316 |
| Liabilities | | | | | |
| Investments purchased payable | 7,474,423 | | 11,126,367 | 509,826 | |
| Income dividends payable Common Shares | 1,564,670 | 2,096,033 | 4,105,491 | 802,637 | 2,169,528 |
| Investment advisory fees payable | 196,609 | 323,541 | 602,258 | 108,512 | 363,004 |
| Interest expense and fees payable | 48,848 | 76,258 | 107,595 | 4,912 | 75,215 |
| Officers and Directors fees payable | 444 | 73,607 | 131,048 | 521 | 79,645 |
| Other affiliates payable | 2,784 | 4,916 | 9,128 | 1,628 | 5,440 |
| Other accrued expenses payable | 50,066 | 54,052 | 133,826 | 40,734 | 126,308 |
| Total accrued liabilities | 9,337,844 | 2,628,407 | 16,215,713 | 1,468,770 | 2,819,140 |
| Other Liabilities | | | | | |
| Trust certificates ³ | 61,397,934 | 108,275,469 | 174,374,098 | 9,030,000 | 78,614,804 |
| Total Liabilities | 70,735,778 | 110,903,876 | 190,589,811 | 10,498,770 | 81,433,944 |
| Preferred Shares at Redemption Value | | | | | |
| \$25,000 per share liquidation preference, plus unpaid dividends ^{4,5} | 131,005,170 | 166,538,192 | 356,488,840 | 87,355,469 | 247,723,844 |
| Net Assets Applicable to Common Shareholders | \$ 294,154,996 | \$ 489,242,429 | \$ 889,932,148 | \$ 163,317,860 | \$ 533,339,528 |

Net Assets Applicable to Common Shareholders Consist of

| | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| Paid-in capital ⁶ | \$ 298,178,261 | \$ 497,660,786 | \$ 949,651,998 | \$ 163,853,685 | \$ 553,621,921 |
| Undistributed net investment income | 5,575,667 | 5,904,777 | 13,125,709 | 2,651,131 | 8,078,987 |
| Accumulated net realized loss | (16,242,820) | (17,360,959) | (89,094,424) | (4,129,167) | (32,308,157) |
| Net unrealized appreciation/depreciation | 6,643,888 | 3,037,825 | 16,248,865 | 942,211 | 3,946,777 |

Net Assets Applicable to Common Shareholders

| | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| | \$ 294,154,996 | \$ 489,242,429 | \$ 889,932,148 | \$ 163,317,860 | \$ 533,339,528 |
|--|----------------|----------------|----------------|----------------|----------------|

| | | | | | |
|----------------------------------|----------|----------|----------|----------|----------|
| Net asset value per Common Share | \$ 13.16 | \$ 14.24 | \$ 13.22 | \$ 13.53 | \$ 13.52 |
|----------------------------------|----------|----------|----------|----------|----------|

| | | | | | |
|---|----------------|----------------|------------------|----------------|----------------|
| ¹ Investments at cost unaffiliated | \$ 478,393,941 | \$ 742,462,184 | \$ 1,381,286,380 | \$ 251,115,736 | \$ 835,715,042 |
|---|----------------|----------------|------------------|----------------|----------------|

| | | | | | |
|---|--------------|--------------|---------------|--------------|---------------|
| ² Investments at cost affiliated | \$ 4,660,891 | \$ 8,945,337 | \$ 16,925,057 | \$ 6,050,336 | \$ 12,621,815 |
|---|--------------|--------------|---------------|--------------|---------------|

³ Represents short-term floating rate certificates issued by tender option bond trusts.

⁴ Preferred Shares outstanding:

| | | | | | |
|----------------------------|--|--|--|-------|-------|
| Par value \$0.05 per share | | | | 1,941 | 9,908 |
|----------------------------|--|--|--|-------|-------|

| | | | | | |
|----------------------------|-------|-------|--------|-------|--|
| Par value \$0.10 per share | 5,240 | 6,661 | 14,258 | 1,553 | |
|----------------------------|-------|-------|--------|-------|--|

| | | | | | |
|--|-------|--------|--------|-------|--------|
| ⁵ Preferred Shares authorized | 8,180 | 11,000 | 22,800 | 3,960 | 12,160 |
|--|-------|--------|--------|-------|--------|

| | | | | | |
|---|------------|------------|------------|------------|------------|
| ⁶ Common Shares outstanding, 200 million shares authorized, \$0.10 par value | 22,352,426 | 34,361,200 | 67,303,125 | 12,069,721 | 39,445,962 |
|---|------------|------------|------------|------------|------------|

See Notes to Financial Statements.

Statements of Operations

| Six Months Ended January 31, 2010 (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) |
|--|--|--|--|---|--|
| Investment Income | | | | | |
| Interest | \$ 11,893,612 | \$ 17,313,989 | \$ 33,940,162 | \$ 6,395,830 | \$ 21,186,494 |
| Income affiliated | 9,124 | 4,897 | 29,511 | 607 | 4,710 |
| Total income | 11,902,736 | 17,318,886 | 33,969,673 | 6,396,437 | 21,191,204 |
| Expenses | | | | | |
| Investment advisory | 1,337,308 | 1,889,221 | 3,508,414 | 646,291 | 2,104,326 |
| Commissions for Preferred Shares | 100,556 | 130,785 | 271,575 | 64,976 | 192,966 |
| Accounting services | 65,274 | 101,996 | 185,697 | 30,685 | 126,310 |
| Professional | 37,948 | 35,053 | 63,685 | 25,461 | 44,684 |
| Transfer agent | 25,685 | 37,998 | 67,411 | 23,440 | 48,678 |
| Officer and Directors | 17,501 | 33,920 | 64,266 | 10,096 | 36,246 |
| Custodian | 13,061 | 19,167 | 30,937 | 6,928 | 19,012 |
| Printing | 8,363 | 13,359 | 25,329 | 5,072 | 15,854 |
| Registration | 4,654 | 6,023 | 11,800 | 4,601 | 6,844 |
| Miscellaneous | 49,385 | 59,834 | 87,470 | 35,278 | 60,987 |
| Total expenses excluding interest expense and fees | 1,659,735 | 2,327,356 | 4,316,584 | 852,828 | 2,655,907 |
| Interest expense and fees ¹ | 236,316 | 340,881 | 575,188 | 28,051 | 308,481 |
| Total expenses | 1,896,051 | 2,668,237 | 4,891,772 | 880,879 | 2,964,388 |
| Less fees waived by advisor | (199,627) | (19,274) | (14,739) | (5,669) | (14,010) |
| Total expenses after fees waived | 1,696,424 | 2,648,963 | 4,877,033 | 875,210 | 2,950,378 |
| Net investment income | 10,206,312 | 14,669,923 | 29,092,640 | 5,521,227 | 18,240,826 |
| Realized and Unrealized Gain (Loss) | | | | | |
| Net realized gain (loss) from: | | | | | |
| Investments | 177,991 | 604,747 | (1,081,763) | 618,016 | (95,102) |
| Financial futures contracts | 21,903 | 15,930 | 302,345 | 115,635 | (22,326) |
| | 199,894 | 620,677 | (779,418) | 733,651 | (117,428) |

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| | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Net change in unrealized appreciation/depreciation on investments | 19,022,308 | 25,535,270 | 61,846,435 | 6,754,527 | 29,469,236 |
| Total realized and unrealized gain | 19,222,202 | 26,155,947 | 61,067,017 | 7,488,178 | 29,351,808 |
| Dividends to Preferred Shareholders From | | | | | |
| Net investment income | (283,709) | (512,166) | (1,216,404) | (236,214) | (723,452) |
| Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations | \$ 29,144,805 | \$ 40,313,704 | \$ 88,943,253 | \$ 12,773,191 | \$ 46,869,182 |

¹ Related to tender option bond trusts.

See Notes to Financial Statements.

Statements of Changes in Net Assets

BlackRock MuniHoldings Insured Fund II, Inc. (MUE)

| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | Six Months Ended January 31, 2010 (Unaudited) | Year Ended July 31, 2009 |
|--|---|--------------------------------|
| Operations | | |
| Net investment income | \$ 10,206,312 | \$ 20,160,412 |
| Net realized gain (loss) | 199,894 | (11,811,410) |
| Net change in unrealized appreciation/depreciation | 19,022,308 | (4,009,106) |
| Dividends to Preferred Shareholders from net investment income | (283,709) | (2,736,892) |
| Net increase in net assets applicable to Common Shareholders resulting from operations | 29,144,805 | 1,603,004 |
| Dividends to Common Shareholders From | | |
| Net investment income | (9,332,138) | (14,193,791) |
| Net Assets Applicable to Common Shareholders | | |
| Total increase (decrease) in net assets applicable to Common Shareholders | 19,812,667 | (12,590,787) |
| Beginning of period | 274,342,329 | 286,933,116 |
| End of period | \$ 294,154,996 | \$ 274,342,329 |
| Undistributed net investment income | \$ 5,575,667 | \$ 4,985,202 |

BlackRock MuniYield California Insured Fund, Inc. (MCA)

| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | Six Months Ended January 31, 2010 (Unaudited) | Year Ended July 31, 2009 |
|--|---|--------------------------------|
| Operations | | |
| Net investment income | \$ 14,669,923 | \$ 29,423,972 |
| Net realized gain (loss) | 620,677 | (7,354,130) |
| Net change in unrealized appreciation/depreciation | 25,535,270 | (10,184,886) |
| Dividends to Preferred Shareholders from net investment income | (512,166) | (4,039,487) |
| Net increase in net assets applicable to Common Shareholders resulting from operations | 40,313,704 | 7,845,469 |

Dividends to Common Shareholders From

| | | |
|-----------------------|--------------|--------------|
| Net investment income | (12,576,199) | (22,575,308) |
|-----------------------|--------------|--------------|

Net Assets Applicable to Common Shareholders

| | | |
|---|-------------|--------------|
| Total increase (decrease) in net assets applicable to Common Shareholders | 27,737,505 | (14,729,839) |
| Beginning of period | 461,504,924 | 476,234,763 |

| | | |
|---------------|----------------|----------------|
| End of period | \$ 489,242,429 | \$ 461,504,924 |
|---------------|----------------|----------------|

| | | |
|-------------------------------------|--------------|--------------|
| Undistributed net investment income | \$ 5,904,777 | \$ 4,323,219 |
|-------------------------------------|--------------|--------------|

See Notes to Financial Statements.

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JANUARY 31, 2010

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Statements of Changes in Net Assets

BlackRock MuniYield Insured Fund, Inc. (MYI)

| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | Six Months Ended January 31, 2010 (Unaudited) | Year Ended July 31, 2009 |
|--|---|--------------------------------|
| Operations | | |
| Net investment income | \$ 29,092,640 | \$ 58,754,948 |
| Net realized loss | (779,418) | (45,344,504) |
| Net change in unrealized appreciation/depreciation | 61,846,435 | 793,742 |
| Dividends to Preferred Shareholders from net investment income | (1,216,404) | (8,128,538) |
| Net increase in net assets applicable to Common Shareholders resulting from operations | 88,943,253 | 6,075,648 |
| Dividends to Common Shareholders From | | |
| Net investment income | (24,632,944) | (45,900,731) |
| Net Assets Applicable to Common Shareholders | | |
| Total increase (decrease) in net assets applicable to Common Shareholders | 64,310,309 | (39,825,083) |
| Beginning of period | 825,621,839 | 865,446,922 |
| End of period | \$ 889,932,148 | \$ 825,621,839 |
| Undistributed net investment income | \$ 13,125,709 | \$ 9,882,417 |

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

| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | Six Months Ended January 31, 2010 (Unaudited) | Year Ended July 31, 2009 |
|--|---|--------------------------------|
| Operations | | |
| Net investment income | \$ 5,521,227 | \$ 11,238,595 |
| Net realized gain | 733,651 | 129,790 |
| Net change in unrealized appreciation/depreciation | 6,754,527 | (5,910,336) |
| Dividends to Preferred Shareholders from net investment income | (236,214) | (1,734,047) |
| Net increase in net assets applicable to Common Shareholders resulting from operations | 12,773,191 | 3,724,002 |

Dividends to Common Shareholders From

| | | |
|-----------------------|-------------|-------------|
| Net investment income | (4,815,819) | (8,122,923) |
|-----------------------|-------------|-------------|

Net Assets Applicable to Common Shareholders

| | | |
|---|----------------|----------------|
| Total increase (decrease) in net assets applicable to Common Shareholders | 7,957,372 | (4,398,921) |
| Beginning of period | 155,360,488 | 159,759,409 |
| End of period | \$ 163,317,860 | \$ 155,360,488 |
| Undistributed net investment income | \$ 2,651,131 | \$ 2,181,937 |

See Notes to Financial Statements.

Statements of Changes in Net Assets

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

| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | Six Months Ended January 31, 2010 (Unaudited) | Year Ended July 31, 2009 |
|--|---|--------------------------------|
| Operations | | |
| Net investment income | \$ 18,240,826 | \$ 34,156,457 |
| Net realized gain (loss) | (117,428) | (4,120,078) |
| Net change in unrealized appreciation/depreciation | 29,469,236 | (19,596,751) |
| Dividends to Preferred Shareholders from net investment income | (723,452) | (5,209,900) |
| Net increase in net assets applicable to Common Shareholders resulting from operations | 46,869,182 | 5,229,728 |
| Dividends to Common Shareholders From | | |
| Net investment income | (12,622,708) | (25,048,659) |
| Net Assets Applicable to Common Shareholders | | |
| Total increase (decrease) in net assets applicable to Common Shareholders | 34,246,474 | (19,818,931) |
| Beginning of period | 499,093,054 | 518,911,985 |
| End of period | \$ 533,339,528 | \$ 499,093,054 |
| Undistributed net investment income | \$ 8,078,987 | \$ 3,184,321 |

See Notes to Financial Statements.

Statements of Cash Flows

| Six Months Ended January 31, 2010 (Unaudited) | BlackRock MuniHoldings Insured Fund II, Inc. (MUE) | BlackRock MuniYield California Insured Fund, Inc. (MCA) | BlackRock MuniYield Insured Fund, Inc. (MYI) |
|---|--|--|--|
| Cash Provided by Operating Activities | | | |
| Net increase in net assets resulting from operations, excluding dividends to Preferred Shareholders | \$ 29,428,514 | \$ 40,825,870 | \$ 90,159,657 |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities: | | | |
| (Increase) decrease in interest receivable | 190,810 | (485,530) | (694,717) |
| Increase in other assets | | (18,863) | (34,372) |
| Decrease in income receivable - affiliated | | 617 | 375 |
| Increase in investment advisory fees payable | 5,457 | 6,842 | 3,575 |
| Increase (decrease) in other affiliates payable | (39) | 537 | 1,109 |
| Decrease in accrued expenses payable | (14,837) | (35,584) | (19,739) |
| Increase (decrease) in Officers and Directors fees payable | (167) | 24,828 | 43,876 |
| Decrease in interest expense and fees payable | (141,436) | (178,478) | (322,508) |
| Net realized and unrealized gain | (19,200,299) | (26,140,017) | (60,764,672) |
| Amortization of premium and discount on investments | 442,466 | 1,258,497 | 671,558 |
| Proceeds for sales of long-term investments | 44,829,705 | 112,497,054 | 93,993,656 |
| Purchases of long-term investments | (57,236,174) | (137,697,746) | (135,785,685) |
| Net proceeds from sales of short-term securities | 13,072,199 | 12,996,607 | 26,686,729 |
| Cash provided by operating activities | 11,376,199 | 3,054,634 | 13,938,842 |
| Cash Used for Financing Activities | | | |
| Cash payments on redemption of Preferred Shares | | | (2,175,000) |
| Cash receipts from trust certificates | 1,971,106 | 10,000,000 | 11,951,552 |
| Cash payments for trust certificates | (3,860,000) | | |
| Cash dividends paid to Common Shareholders | (9,276,257) | (12,576,199) | (24,632,944) |
| Cash dividends paid to Preferred Shareholders | (287,514) | (527,157) | (1,239,355) |
| Cash used for financing activities | (11,452,665) | (3,103,356) | |