

Edgar Filing: MUNIHOLDINGS INSURED FUND INC/NJ - Form N-Q

MUNIHOLDINGS INSURED FUND INC/NJ

Form N-Q

March 30, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
INVESTMENT COMPANY

Investment Company Act file number 811-8707

Name of Fund: MuniHoldings Insured Fund, Inc.

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

Name and address of agent for service: Robert C. Doll, Jr.,  
President, MuniHoldings Insured Fund, Inc., 800 Scudders Mill  
Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011,  
Princeton, NJ, 08543-9011

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 04/30/05

Date of reporting period: 11/01/04 - 1/31/05

Item 1 - Schedule of Investments

MuniHoldings Insured Fund, Inc.  
Schedule of Investments as of January 31, 2005

State	Face Amount	Municipal Bonds
Arizona - 2.0%	\$ 3,590	Pinal County, Arizona, COP, 5.25% due 12/01/2023
Arkansas - 1.0%	1,930	University of Arkansas, University Revenue Bonds (Fayetteville Cam due 12/01/2018 (c)
California - 28.0%	3,500	California Pollution Control Financing Authority, PCR, Refunding (G Gas & Electric), AMT, Series A, 5.35% due 12/01/2016 (b) California State Department of Water Resources, Power Supply Reven Series A:
	4,000	5.375% due 5/01/2017 (d)
	3,400	5.25% due 5/01/2020
	3,000	5.375% due 5/01/2022
	1,300	California State, Various Purpose, GO, 5.50% due 4/01/2028 Golden State Tobacco Securitization Corporation of California, Tob Settlement Revenue Bonds, Series B:
	2,000	5.50% due 6/01/2018
	5,000	5.75% due 6/01/2022
	1,600	5.375% due 6/01/2028 (c)
	5,305	Industry, California, Urban Development Agency, Tax Allocation Bon (Civic-Recreational-Industrial Redevelopment Project No. 1), Serie 5% due 5/01/2019 (b) Los Angeles, California, Unified School District, GO:

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	2,000	(Election of 1997), Series F, 5% due 1/01/2028 (c)
	5,780	Series A, 5% due 1/01/2028 (b)
	2,565	Modesto, California, Schools Infrastructure Financing Agency, Spec 5.50% due 9/01/2036 (a)
	1,750	Sacramento County, California, Sanitation District Financing Autho Refunding Bonds, RIB, Series 366, 9.612% due 12/01/2027 (j)
		San Pablo, California, Joint Powers Financing Authority, Tax Alloc Refunding Bonds (b):
	2,635	5.66%** due 12/01/2024
	2,355	5.66%** due 12/01/2025
	2,355	5.66%** due 12/01/2026
	2,000	University of California Revenue Bonds (Multiple Purpose Projects) 5% due 9/01/2022 (f)
	3,480	West Contra Costa, California, Unified School District, GO, Series 8/01/2021 (c)
Colorado - 6.4%		Aurora, Colorado, COP (a):
	2,440	5.75% due 12/01/2015
	2,560	5.75% due 12/01/2016
	2,730	5.75% due 12/01/2017
	2,890	5.75% due 12/01/2018

Portfolio Abbreviations

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

AMT	Alternative Minimum Tax (subject to)
COP	Certificates of Participation
EDA	Economic Development Authority
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
PCR	Pollution Control Revenue Bonds
RIB	Residual Interest Bonds
VRDN	Variable Rate Demand Notes

MuniHoldings Insured Fund, Inc.  
Schedule of Investments as of January 31, 2005 (concluded)

State	Face Amount	Municipal Bonds
Connecticut - 7.2%	\$ 8,000	Connecticut State HFA Revenue Bonds (Housing Mortgage Finance Prog Series D-2, 5.15% due 11/15/2022 (b)
	5,000	Connecticut State Health and Educational Facilities Authority Reve (Connecticut State University System) Series E, 5% due 11/01/2033
Florida - 3.3%	3,500	Dade County, Florida, Water and Sewer System Revenue Bonds, 5.25% 10/01/2021 (c)
	2,500	Escambia County, Florida, Health Facilities Authority, Health Faci Revenue Bonds (Florida Health Care Facility Loan), 5.95% due 7/01/
Illinois - 15.2%		Chicago, Illinois, GO (c):
	5,000	5.50% due 1/01/2021
	2,790	Series A, 6% due 1/01/2018
	2,000	Series A, 6% due 1/01/2019

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	3,175	Series A, 6% due 1/01/2020
	4,300	Chicago, Illinois, O'Hare International Airport Revenue Bonds, 3rd Series B-2, 6% due 1/01/2029 (d)
	3,500	Chicago, Illinois, Parking District, GO, Series A, 5.75% due 1/01/2029 (c)
	4,500	Illinois State, GO, First Series, 6% due 1/01/2018 (c)
	45	Lake, Cook, Kane, and McHenry Counties, Illinois, Community United District, GO, 5.75% due 12/01/2019 (c)
Louisiana - 1.7%	3,030	Louisiana Public Facilities Authority, Mortgage Revenue Refunding (Rouge General Medical Center Project), 5.25% due 7/01/2033 (b) (h)
Massachusetts - 5.1%	65	Massachusetts State, GO, Refunding, Series D, 5.375% due 8/01/2012
	1,415	Massachusetts State, HFA, Housing Development Revenue Refunding Bonds, Series A, 5.15% due 6/01/2011 (b)
	2,440	Massachusetts State, HFA, Rental Housing Mortgage Revenue Bonds, A Series, 5.50% due 7/01/2032 (f)
	5,000	Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, Series A, 5.50% due 1/01/2025 (c)
Michigan - 5.3%	2,035	Boyne City, Michigan, Public School District, GO, 5.75% due 5/01/2029 (c)
	1,000	Detroit, Michigan, Sewer Disposal Revenue Bonds, Senior Lien, VRDN, Series A, 1.84% due 7/01/2033 (e) (f)
	1,200	Michigan State Strategic Fund, Limited Obligation Revenue Refunding (Detroit Edison Company Project), Series A, 5.50% due 6/01/2033 (c)
	3,500	(Detroit Edison Company Project), Series C, 5.65% due 9/01/2029 (c)
	1,500	(Detroit Edison Pollution), Series B, 5.65% due 9/01/2029 (c)
Minnesota - 2.4%	4,015	Sauk Rapids, Minnesota, Independent School District Number 47, GO, Series A, 5.65% due 2/01/2019 (b)
Mississippi - 0.7%	1,250	Mississippi Business Finance Corporation, Mississippi, PCR, Refunding (Energy Resources Inc. Project), 5.875% due 4/01/2022
Missouri - 7.7%	2,000	Cape Girardeau, Missouri, School District Number 063, GO (Missouri Deposit Program), 5.50% due 3/01/2018 (c)
	1,570	Mehlville, Missouri, School District Number R-9, COP (f): (Missouri Capital Improvement Projects), 5.50% due 9/01/2015
	2,610	(Missouri Capital Improvement Projects), 5.50% due 9/01/2018
	1,925	Series A, 5.50% due 3/01/2014
	2,175	Series A, 5.50% due 3/01/2015
	1,170	Series A, 5.50% due 3/01/2016
	1,500	Series A, 5.50% due 3/01/2017
Nebraska - 2.1%		Omaha Convention Hotel Corporation, Nebraska, Convention Center Revenue Bonds, First Tier, Series A (a):
	1,585	5.50% due 4/01/2020
	2,000	5.50% due 4/01/2021
Nevada - 2.4%	4,000	Las Vegas New Convention and Visitors Authority Revenue Bonds, 5.75% due 7/01/2018 (a)
New Jersey - 9.1%		New Jersey EDA, Cigarette Tax Revenue Bonds:
	5,295	5.75% due 6/15/2029
	3,800	5.75% due 6/15/2034
	6,700	New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5.50% due 7/01/2033 (b)
New York - 25.5%	10,000	Nassau Health Care Corporation, New York, Health System Revenue Bonds, Series A, 5.50% due 8/01/2009 (f) (g)
		New York City, New York, GO, Refunding:
	3,090	Series C, 5.875% due 8/01/2006 (b) (g)
	3,160	Series C, 5.875% due 2/01/2016 (b)

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	7,500	Series G, 5.75% due 2/01/2006 (f) (g)
	7,085	New York City, New York, GO, Series G, 5.75% due 10/15/2007 (f) (g)
	3,380	New York City, New York, Sales Tax Asset Receivable Corporation Revenue Bonds, Series A, 5.25% due 10/15/2027 (a)
	2,645	New York State Dormitory Authority Revenue Bonds (School Districts Program), Series D, 5.25% due 10/01/2023 (b)
	4,900	Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A, 5.50% due 6/01/2017
	2,000	Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A, 5.50% due 6/01/2021
Oregon - 0.9%	1,400	Portland, Oregon, Urban Renewal and Redevelopment Tax Allocation Bonds (Oregon Convention Center), Series A, 5.75% due 6/15/2015 (a)
Pennsylvania - 10.6%	3,900	Pennsylvania State Higher Educational Facilities Authority, State Higher Education Revenue Bonds, Series O, 5.125% due 6/15/2024 (a)
	6,045	Philadelphia, Pennsylvania, Airport Revenue Bonds (Philadelphia Airport Authority), Series B, 5.50% due 6/15/2017 (c)
	4,930	Philadelphia, Pennsylvania, School District, GO, Series A, 5.25% due 4/01/2015 (b)
	1,800	Washington County, Pennsylvania, Capital Funding Authority Revenue Bonds (Capital Projects and Equipment Program), 6.15% due 12/01/2029 (a)
	1,885	York County, Pennsylvania, School of Technology Authority, Lease Refunding Bonds, 5.50% due 2/15/2022 (c)
Rhode Island - 4.7%	5,000	Providence, Rhode Island, Redevelopment Agency Revenue Refunding Bonds (Public Safety and Municipal Buildings), Series A, 5.75% due 4/01/2022 (a)
	2,870	Rhode Island State Health and Educational Building Corporation Revenue Bonds (Rhode Island School of Design), Series D, 5.50% due 8/15/2031 (d)
South Carolina - 0.9%	1,525	Medical University Hospital Authority, South Carolina, Mortgage Revenue Refunding Bonds, Series A, 5.25% due 2/15/2025
Tennessee - 3.2%		Tennessee HDA, Revenue Refunding Bonds (Homeownership Program), AMT, Series A, 5.25% due 7/01/2022
	3,040	Tennessee HDA, Revenue Refunding Bonds (Homeownership Program), AMT, Series A, 5.35% due 1/01/2026
Texas - 7.6%	2,250	Austin, Texas, Convention Center Revenue Bonds (Convention Enterprise Trust Certificates, Second Tier, Series B, 6% due 1/01/2023
	8,000	Dallas-Fort Worth, Texas, International Airport Revenue Bonds, AMT, Series A, 5.50% due 11/01/2033 (b)
	2,961	Houston, Texas, Community College System, Participation Interests, (Alief Center Project), 5.75% due 8/15/2022 (b)
Virginia - 2.4%	4,445	Virginia State, HDA, Commonwealth Mortgage Revenue Bonds, Series J, 5.20% due 7/01/2019 (b)
Washington - 4.7%	4,000	Bellevue, Washington, GO, Refunding, 5.50% due 12/01/2039 (b)
	2,310	Chelan County, Washington, Public Utility District Number 001, Revenue Bonds (Chelan Hydro System), AMT, Series A, 5.45% due 7/01/2022 (a)
	1,810	Snohomish County, Washington, Public Utility District Number 001, Revenue Bonds, 5.50% due 12/01/2022 (f)
West Virginia - 2.8%	5,000	West Virginia State Housing Development Fund, Housing Finance Revenue Bonds, Series D, 5.20% due 11/01/2021 (b)
Wisconsin - 0.3%	500	Wisconsin State Health and Educational Facilities Authority Revenue Bonds (Blood Center of Southeast Wisconsin Project), 5.50% due 6/01/2022 (a)
Wyoming - 0.9%	1,500	Wyoming Student Loan Corporation, Student Loan Revenue Refunding Bonds, Series A, 6.20% due 6/01/2024
Puerto Rico - 1.0%	1,870	Puerto Rico Public Buildings Authority, Government Facilities Revenue Bonds, Series A, 5.50% due 6/15/2022 (a)

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Bonds, Series D, 5.25% due 7/01/2036

Total Municipal Bonds (Cost - \$291,894) - 165.1%

Shares  
Held

Short-Term Securities

1,421 Merrill Lynch Institutional Tax-Exempt Fund (i)

Total Short-Term Securities (Cost - \$1,421) - 0.7%

Total Investments (Cost - \$293,315\*) - 165.8%

Other Assets Less Liabilities - 5.4%

Preferred Stock, at Redemption Value - (71.2%)

Net Assets Applicable to Common Stock - 100.0%

\*The cost and unrealized appreciation (depreciation) of investments as of January 31, 2005, computed for federal income tax purposes, were as follows:

	(in Thousands)
Aggregate cost	\$ 293,315 =====
Gross unrealized appreciation	\$ 18,927
Gross unrealized depreciation	(234) -----
Net unrealized appreciation	\$ 18,693 =====

\*\*Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase by the Fund.

(a)AMBAC Insured.

(b)MBIA Insured.

(c)FGIC Insured.

(d)XL Capital Insured.

(e)Security has a maturity of more than one year, but has variable rate and demand features, which qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.

(f)FSA Insured.

(g)Prerefunded.

(h)FHA Insured.

(i)Investments in companies considered to be an affiliate of the Fund (such companies are defined as "Affiliated Companies" in Section 2(a)(3) of the Investment Company Act of 1940) were as follows:

(in Thousands)

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Affiliate	Net Activity	Dividend Income
Merrill Lynch Institutional Tax-Exempt Fund	1,100	\$ 42

(j) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.

Forward interest rate swaps outstanding as of January 31, 2005 were as follows:

(in Thousands)		
	Notional Amount	Unrealized Depreciation
Receive a variable rate equal to 7-Day Bond Market Association Municipal Swap Index Rate and pay a fixed rate of 3.68%		
Broker, Morgan Stanley Capital Services, Inc. Expires March 2015	\$ 15,000	\$ (201)

### Item 2 - Controls and Procedures

2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.

2(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

### Item 3 - Exhibits

Certifications - Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MuniHoldings Insured Fund, Inc.

By: /s/ Robert C. Doll, Jr.  
Robert C. Doll, Jr.,  
President  
MuniHoldings Insured Fund, Inc.

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Date: March 21, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert C. Doll, Jr.  
Robert C. Doll, Jr.,  
President  
MuniHoldings Insured Fund, Inc.

Date: March 21, 2005

By: /s/ Donald C. Burke  
Donald C. Burke,  
Chief Financial Officer  
MuniHoldings Insured Fund, Inc.

Date: March 21, 2005