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MUNIHOLDINGS INSURED FUND INC/NJ  
Form N-Q  
September 26, 2006

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., Chief Executive  
Officer, 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: 04/30/2007

Date of reporting period: 05/01/06 - 07/31/06

Item 1 - Schedule of Investments

MuniHoldings Insured Fund, Inc.

Schedule of Investments as of July 31, 2006

State	Face Amount	Municipal Bonds
Alabama - 1.3%	\$ 2,170	Jefferson County, Alabama, Limited Obligation School Warrants, 5.50% due 1/01/2022
Arkansas - 2.2%	3,710	Arkansas State Development Finance Authority, M/F Mortgage Rev Bonds, DRIVERS, Series 964Z, 6.73% due 6/01/2010 (c)(e)(j)
California - 33.6%	3,250	California Pollution Control Financing Authority, PCR, Refundi AMT, Series 878Z, 6.719% due 12/01/2009 (e)(j)
	190	California State, GO, 5.50% due 4/01/2014 (f)
	1,110	California State, GO, 5.50% due 4/01/2028
	2,000	California State Public Works Board, Lease Revenue Bonds (Depa Services - Capitol East End Complex), Series A, 5% due 12/01/2
	1,800	East Side Union High School District, California, Santa Clara (Election of 2002), Series B, 5% due 8/01/2027 (b)
	1,335	East Side Union High School District, California, Santa Clara (Election of 2002), Series D, 5% due 8/01/2021 (g)

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5,155	East Side Union High School District, California, Santa Clara (Election of 2002), Series D, 5% due 8/01/2029 (g)
2,000	Los Angeles, California, Unified School District, GO (Election Series F, 5% due 1/01/2028 (b)
4,395	Los Angeles, California, Unified School District, GO, Series A 1/01/2028 (e)
2,565	Modesto, California, Schools Infrastructure Financing Agency, Tax Bonds, 5.50% due 9/01/2036 (a)
5,005	San Francisco, California, City and County, GO (California Aca Improvements), Series E, 5% due 6/15/2023 (e)
1,265	San Jose, California, GO (Libraries, Parks and Public Safety P due 9/01/2030 (e)
2,635	San Pablo, California, Joint Powers Financing Authority, Tax A Revenue Refunding Bonds, 5.66% due 12/01/2024 (e) (m)

### 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 listed below.

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

MuniHoldings Insured Fund, Inc.

Schedule of Investments as of July 31, 2006 (concluded)

State	Face Amount	Municipal Bonds
California (concluded)	\$ 2,355	San Pablo, California, Joint Powers Financing Authority, Tax A Revenue Refunding Bonds, 5.66% due 12/01/2025 (e) (m)
	2,355	San Pablo, California, Joint Powers Financing Authority, Tax A Revenue Refunding Bonds, 5.66% due 12/01/2026 (e) (m)
	4,265	Santa Ana, California, Unified School District, GO, 5% due 8/0
	3,145	Sequoia, California, Unified High School District, GO, Refundi 5.50% due 7/01/2035 (d)
	4,540	Stockton, California, Public Financing Revenue Bonds (Redevelo Series A, 5.25% due 9/01/2031 (h)
	2,080	Sweetwater, California, Union High School District, Public Fin Special Tax Revenue Bonds, Series A, 5% due 9/01/2028 (d)
	2,180	Tustin, California, Unified School District, Senior Lien Speci (Community Facilities District Number 97-1), Series A, 5% due
	2,800	Tustin, California, Unified School District, Senior Lien Speci

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		(Community Facilities District Number 97-1), Series A, 5% due
	2,000	University of California Revenue Bonds (Multiple Purpose Proj
		5% due 9/01/2022 (d)
	3,480	West Contra Costa, California, Unified School District, GO, Se
		8/01/2021 (b)
Colorado - 6.4%	2,440	Aurora, Colorado, COP, 5.75% due 12/01/2010 (a) (f)
	2,560	Aurora, Colorado, COP, 5.75% due 12/01/2010 (a) (f)
	2,730	Aurora, Colorado, COP, 5.75% due 12/01/2010 (a) (f)
	2,890	Aurora, Colorado, COP, 5.75% due 12/01/2010 (a) (f)
Florida - 2.4%	2,225	Miami-Dade County, Florida, Subordinate Special Obligation Rev
		Series A, 5.24% due 10/01/2037 (e) (m)
	3,850	Pasco County, Florida, Half-Cent Sales Tax Revenue Bonds, 5.12
Georgia - 3.5%	4,000	Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25% due 10/
	1,900	Burke County, Georgia, Development Authority, PCR, Refunding (
		Corporation), VRDN, Series B, 3.60% due 1/01/2020 (a) (i)
Illinois - 10.8%	2,790	Chicago, Illinois, GO, Series A, 6% due 7/01/2010 (b) (f)
	2,000	Chicago, Illinois, GO, Series A, 6% due 7/01/2010 (b) (f)
	3,175	Chicago, Illinois, GO, Series A, 6% due 7/01/2010 (b) (f)
	2,150	Chicago, Illinois, O'Hare International Airport Revenue Bonds,
		Series 845-Z, 7.998% due 1/01/2012 (e) (g) (j)
	2,965	Chicago, Illinois, Park District, Limited Tax, GO, Series A, 5
		1/01/2011 (b) (f)
	4,500	Illinois State, GO, First Series, 6% due 1/01/2018 (b)
	45	Lake, Cook, Kane and McHenry Counties, Illinois, Community Uni
		Number 220, GO, 5.75% due 12/01/2019 (b)
Indiana - 1.2%	2,000	Indiana Transportation Finance Authority, Highway Revenue Bond
		due 6/01/2029 (b)
Louisiana - 0.5%	945	Louisiana State, Gas and Fuels Tax Revenue Bonds, Series A, 5%
Massachusetts - 10.4%	3,565	Massachusetts Bay Transportation Authority, Sales Tax Revenue
		Senior Series A, 5% due 7/01/2035
	2,105	Massachusetts Bay Transportation Authority, Special Assessment
		Bonds, Series A, 5% due 7/01/2031
	565	Massachusetts State, HFA, Housing Development Revenue Refundin
		Series A, 5.15% due 6/01/2011 (e)
	2,440	Massachusetts State, HFA, Rental Housing Mortgage Revenue Bond
		5.50% due 7/01/2032 (d)
	9,405	Massachusetts State School Building Authority, Dedicated Sales
		Series A, 5% due 8/15/2030 (d)
Michigan - 3.8%	2,035	Boyne City, Michigan, Public School District, GO, 5.75% due 5/
	1,750	Michigan State Strategic Fund, Limited Obligation Revenue Refu
		DRIVERS, AMT, Series 857Z, 7.299% due 3/01/2010 (g) (j)
	1,000	Michigan State Strategic Fund, Limited Obligation Revenue Refu
		DRIVERS, AMT, Series 858Z, 7% due 12/01/2011 (g) (j)
	1,500	Michigan State Strategic Fund, Limited Obligation Revenue Refu
		(Detroit Edison Pollution), AMT, Series B, 5.65% due 9/01/2029

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Minnesota - 2.4%	4,015	Sauk Rapids, Minnesota, Independent School District Number 47, 5.65% due 2/01/2019 (e)
Missouri - 5.3%	2,000	Cape Girardeau, Missouri, School District Number 063, GO (Missouri Deposit Program), 5.50% due 3/01/2018 (b)
	1,925	Mehlville, Missouri, School District Number R-9, COP, Series A 3/01/2014 (d)
	2,175	Mehlville, Missouri, School District Number R-9, COP, Series A 3/01/2015 (d)
	1,170	Mehlville, Missouri, School District Number R-9, COP, Series A 3/01/2016 (d)
	1,500	Mehlville, Missouri, School District Number R-9, COP, Series A 3/01/2017 (d)
Nebraska - 2.2%	1,585	Omaha Convention Hotel Corporation, Nebraska, Convention Center First Tier, Series A, 5.50% due 4/01/2020 (a)
	2,000	Omaha Convention Hotel Corporation, Nebraska, Convention Center First Tier, Series A, 5.50% due 4/01/2021 (a)
New Jersey - 17.7%	1,800	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.625% due 6/15/2020 (a)
	5,295	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/2020 (a)
	3,800	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/2020 (a)
	6,700	New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5.50% due 7/01/2033 (e)
	3,020	New Jersey State Transportation Trust Fund Authority, Transportation Revenue Bonds, Series D, 5% due 6/15/2015 (d) (f)
	3,685	New Jersey State Transportation Trust Fund Authority, Transportation Revenue Bonds, Series D, 5% due 6/15/2019 (d)
	5,500	New Jersey State Turnpike Authority, Turnpike Revenue Bonds, Series A, 5.50% due 1/01/2030 (d)
New Mexico - 2.0%	3,325	New Mexico Finance Authority, Senior Lien State Transportation Revenue Bonds, Series A, 5.125% due 6/15/2018 (e)
New York - 26.9%	10,000	Nassau Health Care Corporation, New York, Health System Revenue Bonds, Series A, 5.50% due 8/01/2009 (d) (f)
	230	New York City, New York, GO, Refunding, Series G, 5.75% due 2/01/2017 (d)
	4,000	New York City, New York, GO, Series E, 5% due 11/01/2017 (d)
	7,085	New York City, New York, GO, Series G, 5.75% due 10/15/2007 (d)
	4,055	New York City, New York, Sales Tax Asset Receivable Corporation, Series A, 5% due 10/15/2020 (e)
	4,095	New York City, New York, Sales Tax Asset Receivable Corporation, Series A, 5.25% due 10/15/2027 (a)
	4,000	New York City, New York, Sales Tax Asset Receivable Corporation, Series A, 5% due 10/15/2032 (a)
	3,505	New York State Dormitory Authority Revenue Bonds (School Districts Program), Series D, 5.25% due 10/01/2023 (e)
	4,900	Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A, 5.50% due 6/01/2017
	3,430	Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A, 5.50% due 6/01/2020 (b)
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)

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Pennsylvania - 12.8%	3,900	Pennsylvania State Higher Educational Facilities Authority, State Higher Education Revenue Bonds, Series O, 5.125% due 6/15/2024
	6,045	Philadelphia, Pennsylvania, Airport Revenue Bonds (Philadelphia AMT, Series B, 5.50% due 6/15/2017 (b))
	3,390	Pittsburgh, Pennsylvania, GO, Refunding, Series B, 5.25% due 9/01/2017 (d)
	2,615	Pittsburgh, Pennsylvania, GO, Series C, 5.25% due 9/01/2017 (d)
	2,015	Seneca Valley, Pennsylvania, School District, GO, 5% due 1/01/2022 (b)
	1,800	Washington County, Pennsylvania, Capital Funding Authority Revenue Bonds (Capital Projects and Equipment Program), 6.15% due 12/01/2029 (b)
	1,885	York County, Pennsylvania, School of Technology Authority, Lease Refunding Bonds, 5.50% due 2/15/2022 (b)
Rhode Island - 4.8%	5,000	Providence, Rhode Island, Redevelopment Agency Revenue Refunding Bonds (Public Safety and Municipal Buildings), Series A, 5.75% due 4/01/2022 (b)
	2,870	Rhode Island State Health and Educational Building Corporation (Rhode Island School of Design), Series D, 5.50% due 8/15/2031 (b)
South Carolina - 0.9%	1,525	Medical University Hospital Authority, South Carolina, Hospital Revenue Refunding Bonds, Series A, 5.25% due 2/15/2025 (c) (e)
Tennessee - 2.9%	2,580	Tennessee HDA, Revenue Refunding Bonds (Homeownership Program) 5.25% due 7/01/2022 (d)
	2,370	Tennessee HDA, Revenue Refunding Bonds (Homeownership Program) 5.35% due 1/01/2026 (d)
Texas - 4.1%	4,000	Dallas-Fort Worth, Texas, International Airport Revenue Bonds, Series 778-Z, 6.999% due 11/01/2011 (e) (j)
	2,780	Houston, Texas, Community College System, Participation Interest Center Project), 5.75% due 8/15/2022 (e)
Washington - 4.9%	4,000	Bellevue, Washington, GO, Refunding, 5.50% due 12/01/2039 (e)
	2,310	Chelan County, Washington, Public Utility District Number 001, Revenue Bonds (Chelan Hydro System), AMT, Series A, 5.45% due 12/01/2022 (d)
	1,810	Snohomish County, Washington, Public Utility District Number 001, Revenue Bonds, 5.50% due 12/01/2022 (d)
West Virginia - 2.9%	5,000	West Virginia State Housing Development Fund, Housing Finance Bonds, Series D, 5.20% due 11/01/2021 (e)
Wisconsin - 0.3%	500	Wisconsin State Health and Educational Facilities Authority Revenue Bonds (Center of Southeastern Wisconsin Project), 5.50% due 6/01/2024 (b)
Wyoming - 0.9%	1,500	Wyoming Student Loan Corporation, Student Loan Revenue Refunding Bonds, Series A, 6.20% due 6/01/2024 (b)
Puerto Rico - 3.0%	3,235	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series A, 5.25% due 7/01/2027 (g)
	1,870	Puerto Rico Public Buildings Authority, Government Facilities Revenue Bonds, Series D, 5.25% due 7/01/2036 (b)
		Total Municipal Bonds (Cost - \$297,890) - 171.0%

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Shares Held	Short-Term Securities
21	Merrill Lynch Institutional Tax-Exempt Fund, 3.45% (k) (n)
	Total Short-Term Securities (Cost - \$21) - 0.0%
	Total Investments (Cost - \$297,911*) - 171.0%
	Other Assets Less Liabilities - 4.4%
	Preferred Stock, at Redemption Value - (75.4%)
	Net Assets Applicable to Common Stock - 100.0%

\* The cost and unrealized appreciation (depreciation) of investments as of July 31, 2006, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 297,957
	=====
Gross unrealized appreciation	\$ 7,308
Gross unrealized depreciation	(1,140)
	-----
Net unrealized appreciation	\$ 6,168
	=====

- (a) AMBAC Insured.
- (b) FGIC Insured.
- (c) FHA Insured.
- (d) FSA Insured.
- (e) MBIA Insured.
- (f) Prerefunded.
- (g) XL Capital Insured.
- (h) Radian Insured.
- (i) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.
- (j) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (k) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity	Dividend Income
Merrill Lynch Institutional		

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Tax-Exempt Fund

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\* Amount is less than \$1,000.

- (l) Assured Guaranty Insured.
- (m) Represents a zero coupon bond, the interest rate shown reflects the effective yield at the time of purchase.
- (n) Represents the effective yield as of July 31, 2006.

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.  
Chief Executive Officer  
MuniHoldings Insured Fund, Inc.

Date: September 20, 2006

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.

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By: /s/ Robert C. Doll, Jr.  
-----  
Robert C. Doll, Jr.  
Chief Executive Officer  
MuniHoldings Insured Fund, Inc.

Date: September 20, 2006

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

Date: September 20, 2006