

Edgar Filing: MUNIYIELD INSURED FUND INC - Form N-Q

MUNIYIELD INSURED FUND INC  
 Form N-Q  
 September 29, 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 811-6540

Name of Fund: MuniYield 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, MuniYield 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: 10/31/2006

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

Item 1 - Schedule of Investments

MuniYield Insured Fund, Inc.  
 Schedule of Investments as of July 31, 2006 (in Thousands)

| State              | Face Amount | Municipal Bonds  |
|--------------------|-------------|--|
| Alaska - 0.4%      | \$ 3,695    | Alaska Energy Authority, Power Revenue Refunding Bonds (Bradley Series, 6% due 7/01/2018 (g)   |
| Arizona - 3.2%     | 21,355      | Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Series A, 5.40% due 7/01/2036 (c)  |
|                    | 10,000      | Salt River Project, Arizona, Agriculture Improvement and Power Distribution System Revenue Refunding Bonds, Series A, 5% due 1/01/2035         |
| California - 36.4% | 10,000      | Alameda Corridor Transportation Authority, California, Capital Refunding Bonds, Subordinate Lien, Series A, 5.40% due 10/01/2032 (b)           |
|                    | 5,000       | Antioch, California, Public Finance Authority, Lease Revenue Refunding Bonds (Municipal Facilities Project), Series A, 5.50% due 1/01/2032 (b) |
|                    | 5,000       | California Health Facilities Financing Authority Revenue Bonds (Series A, 5.25% due 4/01/2039  |
|                    | 10,000      | California Infrastructure and Economic Development Bank, Bay Area Revenue Bonds, First Lien, Series A, 5% due 7/01/2025 (c) (i)                |
|                    | 10,000      | California State, GO, 5% due 2/01/2033   |
|                    | 7,450       | California State, GO, DRIVERS, Series 556, 7.039% due 11/01/2011   |
|                    | 6,450       | California State, GO, DRIVERS, Series 557, 7.039% due 4/01/2012  |

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|        |  |
|--------|--|
| 5,500  | California State Public Works Board, Lease Revenue Bonds (Department Series C, 5.25% due 6/01/2028                                     |
| 3,755  | California State Public Works Board, Lease Revenue Bonds (Department Services), Series D, 5.25% due 6/01/2028                          |
| 5,250  | California State Public Works Board, Lease Revenue Bonds (Department Health - Coalinga State Hospital), Series A, 5.125% due 6/01/2028 |
| 12,000 | California State, Various Purpose, GO, 5.25% due 11/01/2029  |
| 32,000 | California State, Various Purpose, GO, Refunding, 5% due 6/01/2028   |
| 7,740  | California Statewide Communities Development Authority, Health Services (Memorial Health Services), Series A, 6% due 10/01/2023        |
| 4,205  | California Statewide Communities Development Authority, Water Revenue Financing Program), Series C, 5.25% due 10/01/2034 (g)           |
| 4,500  | Coronado, California, Community Development Agency, Tax Allocation Community Development Project), 5% due 9/01/2035 (a)                |
| 5,800  | Fairfield-Suisun, California, Unified School District, GO (Elect due 8/01/2028 (b)   |

### Portfolio Abbreviations

To simplify the listings of MuniYield 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          |
| DRIVERS | Derivative Inverse Tax-Exempt Receipts |
| EDA     | Economic Development Authority         |
| GO      | General Obligation Bonds               |
| HDA     | Housing Development Authority          |
| HFA     | Housing Finance Agency                 |
| IDA     | Industrial Development Authority       |
| IDR     | Industrial Development Revenue Bonds   |
| PCR     | Pollution Control Revenue Bonds        |
| RIB     | Residual Interest Bonds                |
| S/F     | Single-Family                          |
| VRDN    | Variable Rate Demand Notes             |

MuniYield Insured Fund, Inc.

Schedule of Investments as of July 31, 2006

(in Thousands)

| State | Face<br>Amount | Municipal Bonds   |
|-------|----------------|---|
|       | \$ 5,015       | Gavilan, California, Joint Community College District, GO, DRIVE 7.039% due 8/01/2012 (a) (k) |
|       | 13,155         | Huntington Beach, California, Union High School District, GO (EL due 8/01/2029 (g)            |
|       | 1,000          | Long Beach, California, Harbor Revenue Refunding Bonds, AMT, Ser 5/15/2027 (b)                |
|       | 10,390         | Los Angeles, California, Harbor Department Revenue Bonds, AMT, S 11/01/2026 (b)               |
|       | 42,750         | Los Angeles, California, Unified School District, GO, Series A,                               |
|       | 12,775         | Los Angeles, California, Water and Power Revenue Bonds (Power Sy due 7/01/2035 (g)            |
|       | 35,200         | Los Angeles, California, Water and Power Revenue Bonds (Power Sy A-1, 5% due 7/01/2035 (g)    |

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|                             |        |   |
|-----------------------------|--------|---|
|                             | 7,500  | Modesto, California, Irrigation District, COP, Refunding and Cap Series A, 5% due 10/01/2036 (a)                                  |
|                             | 10,365 | Pasadena, California, Area Community College District, GO (Elect Series B, 5% due 8/01/2031 (a)                                   |
|                             | 4,730  | Port of Oakland, California, DRIVERS, AMT, Series 839Z, 6.771% d  |
|                             | 145    | Port of Oakland, California, Revenue Bonds, AMT, Series K, 5.75%  |
|                             | 7,000  | Port of Oakland, California, Trust Receipts, Revenue Bonds, AMT, 7.483% due 11/01/2021 (c)(k)                                     |
|                             | 10,000 | Riverside County, California, Public Financing Authority, Tax AL Bonds (Redevelopment Projects), 5% due 10/01/2035 (e)            |
|                             | 10,000 | Sacramento County, California, Sanitation District Financing Aut (Sacramento Regional County Sanitation District), 5% due 12/01/2 |
|                             | 7,500  | San Francisco, California, Bay Area Rapid Transit District, Sale 5% due 7/01/2031 (g)   |
|                             | 10,000 | San Francisco, California, Bay Area Rapid Transit District, Sale 5% due 7/01/2036 (g)   |
|                             | 8,170  | San Francisco, California, Community College District, GO (Elect C, 5% due 6/15/2029 (g)  |
|                             | 8,310  | Stockton, California, Public Financing Authority, Lease Revenue Capital Projects), 5.25% due 9/01/2034 (c)                        |
|                             | 12,000 | West Valley Mission Community College District, California, GO ( Series A, 5% due 8/01/2030 (g)                                   |
| -----                       |        |   |
| Colorado - 1.0%             | 10,000 | Denver, Colorado, Convention Center Hotel Authority, Senior Reve 5% due 12/01/2030 (e)  |
| -----                       |        |   |
| District of Columbia - 2.6% | 25,000 | District of Columbia, Ballpark Revenue Bonds, Series B-1, 5% due  |
| -----                       |        |   |
| Florida - 2.3%              | 4,715  | Highlands County, Florida, Health Facilities Authority, Hospital (Adventist Health System), Series C, 5.25% due 11/15/2036        |
|                             | 5,375  | Miami-Dade County, Florida, Aviation Revenue Bonds, RIB, AMT, Se due 10/01/2025 (c)(k)  |
|                             | 1,000  | Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Mi Airport), AMT, 5.375% due 10/01/2027 (c)                         |
|                             | 5,000  | Orange County, Florida, Health Facilities Authority, Hospital Re (Adventist Health System), 5.625% due 11/15/2032                 |
|                             | 6,300  | Sarasota County, Florida, Public Hospital Board, Hospital Revenue Memorial Hospital), VRDN, Series A, 3.74% due 7/01/2037 (a)(h)  |
| -----                       |        |   |
| Georgia - 4.7%              | 26,500 | Atlanta, Georgia, Airport General Revenue Refunding Bonds, AMT, 1/01/2030 (g)   |
|                             | 12,500 | Atlanta, Georgia, Airport General Revenue Refunding Bonds, Serie 1/01/2033 (g)  |
|                             | 1,220  | Burke County, Georgia, Development Authority, PCR, Refunding (O Corporation-Vogtle), VRDN, 3.60% due 1/01/2022 (a)(h)             |
|                             | 4,500  | Burke County, Georgia, Development Authority, PCR, Refunding (O Corporation-Vogtle), VRDN, Series C, 3.60% due 1/01/2018 (b)(h)   |

MuniYield Insured Fund, Inc.

Schedule of Investments as of July 31, 2006

(in Thousands)

| State | Face Amount | Municipal Bonds  |
|-------|-------------|--|
|       | \$ 1,040    | Monroe County, Georgia, Development Authority, PCR, Refunding (O |

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| Corporation-Scherer), VRDN, Series A, 3.60% due 1/01/2020 (a) (h) |        |  |
|---|--------|--|
| Hawaii - 0.5%   | 2,000  | Hawaii State, GO, Series CX, 5.50% due 2/01/2021 (g)   |
|   | 3,000  | Hawaii State Harbor System Revenue Bonds, AMT, Series A, 5% due  |
| Idaho - 0.4%  | 3,585  | Twin Falls County, Idaho, School District Number 411, GO, 5% due   |
| Illinois - 8.2%   | 15,400 | Chicago, Illinois, GO, Series C, 5% due 1/01/2035 (b)  |
|   | 13,115 | Chicago, Illinois, O'Hare International Airport Revenue Bonds, D<br>368, 7.998% due 7/01/2011 (b) (k)  |
|   | 8,600  | Chicago, Illinois, O'Hare International Airport Revenue Bonds, D<br>369, 7.998% due 7/01/2011 (e) (k)  |
|   | 8,340  | Chicago, Illinois, O'Hare International Airport Revenue Bonds, D<br>1364Z, 6.511% due 1/01/2012 (b) (k)  |
|   | 8,200  | Chicago, Illinois, O'Hare International Airport, Revenue Refundi<br>AMT, Series 653-Z, 6.499% due 1/01/2012 (g) (k)                                  |
|   | 1,500  | Chicago, Illinois, O'Hare International Airport, Revenue Refundi<br>AMT, Series C-2, 5.25% due 1/01/2034 (e)   |
|   | 2,500  | Illinois Health Facilities Authority Revenue Refunding Bonds (Un<br>Hospitals), VRDN, 3.66% due 8/01/2026 (b) (h)                                    |
|   | 5,000  | Illinois State, GO, 5% due 4/01/2028 (a)   |
|   | 6,035  | McLean and Woodford Counties, Illinois, Community Unit, School D<br>GO, Refunding, 6.375% due 12/01/2016 (g)   |
|   | 4,800  | Metropolitan Pier and Exposition Authority, Illinois, Dedicated<br>Refunding Bonds (McCormick Place Expansion Project), Series B, 5<br>(b)           |
|   | 1,000  | Regional Transportation Authority, Illinois, Revenue Bonds, Seri<br>6/01/2020 (c)  |
| Indiana - 5.7%  | 2,250  | Indiana Health Facilities Financing Authority, Hospital Revenue<br>Hospital Obligated Group), Series A, 5.375% due 3/01/2034 (a)                     |
|   | 3,000  | Indiana Transportation Finance Authority, Highway Revenue Bonds,<br>6/01/2026 (c)  |
|   | 3,750  | Indiana Transportation Finance Authority, Highway Revenue Bonds,<br>6/01/2028 (g)  |
|   | 14,000 | Indiana Transportation Finance Authority, Highway Revenue Bonds,<br>6/01/2028 (c)  |
|   | 20,000 | Indiana Transportation Finance Authority, Highway Revenue Bonds,<br>6/01/2029 (c)  |
|   | 2,705  | Indianapolis, Indiana, Local Public Improvement Bond Bank, Reven<br>Project), Series A, 5.125% due 7/01/2027 (b)                                     |
|   | 2,000  | Indianapolis, Indiana, Local Public Improvement Bond Bank, Reven<br>(Indianapolis Airport Authority Project), AMT, Series B, 5.25% d                 |
|   | 6,525  | Indianapolis, Indiana, Local Public Improvement Bond Bank, Reven<br>(Indianapolis Airport Authority Project), AMT, Series B, 5.25% d                 |
| Louisiana - 2.3%  | 3,750  | Louisiana Local Government, Environmental Facilities, Community<br>Revenue Bonds (Capital Projects and Equipment Acquisition), Seri<br>7/01/2030 (a) |
|   | 6,615  | Louisiana Public Facilities Authority, Hospital Revenue Bonds (F<br>Missionaries of Our Lady Health System, Inc.), Series A, 5.25% d                 |

MuniYield Insured Fund, Inc.

Schedule of Investments as of July 31, 2006

(in Thousands)

State Face Amount Municipal Bonds

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|                      |          |  |
|----------------------|----------|--|
|                      | \$ 7,500 | Louisiana Public Facilities Authority, Revenue Refunding Bonds, 6.53% due 7/01/2012 (b) (k)  |
|                      | 3,545    | New Orleans, Louisiana, GO (Public Improvements), 5% due 10/01/2012 (b) (k)  |
| Massachusetts - 4.7% | 2,500    | Massachusetts State, HFA, Housing Development Revenue Refunding Bonds, 5.40% due 12/01/2028 (b)  |
|                      | 14,525   | Massachusetts State, HFA, Rental Housing Mortgage Revenue Bonds, due 7/01/2026 (g)   |
|                      | 7,550    | Massachusetts State Port Authority Revenue Bonds, Series A, 5% due 7/01/2014 (c) (f)   |
|                      | 10,160   | Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.00% due 1/01/2014 (c) (f)  |
|                      | 10,000   | Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.00% due 1/01/2014 (c) (f)  |
| Michigan - 4.9%      | 11,250   | Detroit, Michigan, Sewage Disposal System, Second Lien Revenue Bonds, 5.00% due 7/01/2036 (c)  |
|                      | 5,000    | Detroit, Michigan, Sewer Disposal Revenue Bonds, Senior Lien, Variable Rate, due 7/01/2033 (g) (h)   |
|                      | 4,325    | Michigan Higher Education Student Loan Authority, Student Loan Revenue Bonds, Series XVII-Q, 5% due 3/01/2031 (a)                                    |
|                      | 2,500    | Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds, AMT, Series 857Z, 7.299% due 3/01/2010 (e) (k)                            |
|                      | 4,000    | Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds, AMT, Series 858Z, 7% due 12/01/2011 (e) (k)                               |
|                      | 20,000   | Wayne County, Michigan, Airport Authority Revenue Bonds (Detroit County Airport), AMT, 5% due 12/01/2029 (b)   |
| Missouri - 0.5%      | 155      | Missouri State Housing Development Commission, S/F Mortgage Revenue Bonds (Homeownership Loan Program), AMT, Series C-1, 7.15% due 3/01/2030 (b) (k) |
|                      | 5,000    | Missouri State Housing Development Commission, S/F Mortgage Revenue Bonds (Homeownership Loan Program), AMT, Series C-1, 5% due 9/01/2037 (b) (k)    |
| Nebraska - 2.8%      | 10,435   | Nebraska Public Power District Revenue Bonds, Series A, 5% due 12/01/2030 (a)  |
|                      | 6,780    | Omaha Convention Hotel Corporation, Nebraska, Convention Center Revenue Bonds, Series A, 5.125% due 4/01/2032 (a)                                    |
|                      | 10,000   | Omaha Public Power District, Nebraska, Electric System Revenue Bonds, 5.00% due 2/01/2034 (a)  |
| Nevada - 8.3%        | 25,000   | Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, 5.00% due 7/01/2030 (c)   |
|                      | 6,338    | Clark County, Nevada, IDR, RIB, AMT, Series 1181, 6.56% due 7/01/2030 (b) (k)  |
|                      | 6,000    | Henderson, Nevada, Health Care Facilities Revenue Bonds (Catholic Health System), Series A, 5.625% due 7/01/2024 (a)                                 |
|                      | 5,000    | Humboldt County, Nevada, PCR, Refunding (Sierra Pacific Project), 5.00% due 10/01/2013 (a)   |
|                      | 1,165    | Reno, Nevada, Capital Improvement Revenue Bonds, 5.50% due 6/01/2030 (b) (k)   |
|                      | 12,500   | Truckee Meadows, Nevada, Water Authority, Water Revenue Refunding Bonds, 5.00% due 7/01/2032 (g)   |
|                      | 15,000   | Washoe County, Nevada, Gas Facilities Revenue Bonds (Sierra Pacific Project), AMT, 6.65% due 12/01/2017 (a)  |
|                      | 5,000    | Washoe County, Nevada, Gas Facilities Revenue Bonds (Sierra Pacific Project), AMT, 6.55% due 9/01/2020 (b)   |
|                      | 5,000    | Washoe County, Nevada, Water Facility Revenue Bonds (Sierra Pacific Project), AMT, 6.65% due 6/01/2017 (b)   |
| New Hampshire - 1.0% | 10,000   | New Hampshire State Business Finance Authority, PCR, Refunding Bonds (Company Project), AMT, Series B, 4.75% due 5/01/2021 (b)                       |
| New Jersey - 7.3%    | 16,000   | Garden State Preservation Trust of New Jersey, Open Space and Farmland Revenue Bonds, Series A, 5.75% due 11/01/2028 (g)                             |

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3,060 New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/2029

MuniYield Insured Fund, Inc.

Schedule of Investments as of July 31, 2006

(in Thousands)

| State               | Face Amount | Municipal Bonds   |
|---------------------|-------------|---|
|                     | \$ 2,610    | New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50% due 6/15/2031  |
|                     | 14,135      | New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/2034  |
|                     | 14,830      | New Jersey EDA, Revenue Bonds, DRIVERS, Series 785-Z, 6.551% due 6/15/2034  |
|                     | 12,645      | New Jersey State Transportation Trust Fund Authority, Transportation Revenue Bonds, Series C, 5.01% due 12/15/2030 (c) (o)  |
|                     | 20,000      | New Jersey State Transportation Trust Fund Authority, Transportation Revenue Bonds, Series C, 4.96% due 12/15/2035 (a) (o)  |
|                     | 20,000      | New Jersey State Transportation Trust Fund Authority, Transportation Revenue Bonds, Series C, 5.03% due 12/15/2036 (a) (o)  |
|                     | 1,500       | Newark, New Jersey, Housing Authority, Port Authority-Port Newark Additional Rent-Backed Revenue Bonds (City of Newark Redevelopment Authority) due 1/01/2027 (b) |
|                     | 1,380       | Newark, New Jersey, Housing Authority, Port Authority-Port Newark Additional Rent-Backed Revenue Bonds (City of Newark Redevelopment Authority) due 1/01/2028 (b) |
| New Mexico - 0.2%   | 1,605       | New Mexico Educational Assistance Foundation, Student Loan Revenue Bonds (Student Loan Program), AMT, First Sub-Series A-2, 6.65% due 11/15/2031 (1)              |
|                     | 485         | New Mexico Mortgage Finance Authority, S/F Mortgage Revenue Bonds, 6.95% due 9/01/2031 (1)  |
| New York - 20.0%    | 10,250      | Long Island Power Authority, New York, Electric System Revenue Bonds, 5.5% due 9/01/2029  |
|                     | 12,500      | Metropolitan Transportation Authority, New York, Commuter Facilities Refunding Bonds, Series B, 5.125% due 7/01/2024 (a) (i)                                      |
|                     | 11,250      | Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series F, 5% due 11/15/2030  |
|                     | 65,000      | New York City, New York, City Municipal Water Finance Authority, System, Revenue Refunding Bonds, Series B, 5% due 6/15/2036 (g)                                  |
|                     | 1,880       | New York City, New York, GO, Series B, 5.875% due 8/01/2016 (b)   |
|                     | 10,000      | New York City, New York, GO, Series J, 5.25% due 5/15/2024  |
|                     | 1,000       | New York City, New York, GO, Series J, 5.25% due 5/15/2025  |
|                     | 20,000      | New York City, New York, GO, Series M, 5% due 4/01/2030 (n)   |
|                     | 7,200       | New York City, New York, GO, Series O, 5% due 6/01/2030   |
|                     | 6,000       | New York City, New York, GO, Sub-Series C-1, 5.25% due 8/15/2026  |
|                     | 11,865      | New York State Dormitory Authority, Supported Debt Revenue Bonds (Services Facilities Improvement), Series E, 5% due 2/15/2035                                    |
|                     | 10,000      | New York State Thruway Authority, General Revenue Refunding Bonds, Series G, 5% due 1/01/2028 (g)   |
|                     | 6,645       | New York State Urban Development Corporation, Personal Income Tax Refunding Bonds, Series B, 5% due 3/15/2030 (g)   |
|                     | 19,500      | Port Authority of New York and New Jersey, Consolidated Revenue Bonds, Series H, 5.125% due 7/15/2030 (g)   |
| Oklahoma - 0.5%     | 4,340       | Oklahoma State IDR, Refunding, DRIVERS, Series 455, 7.527% due 2/15/2031 (1)  |
| Pennsylvania - 3.4% | 7,800       | Pennsylvania State Turnpike Commission, Turnpike Revenue Bonds, Series Z, 7.029% due 6/01/2012 (a) (k)  |

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12,115 Philadelphia, Pennsylvania, School District, GO, Series D, 5.125%

MuniYield Insured Fund, Inc.

Schedule of Investments as of July 31, 2006

(in Thousands)

| State                 | Face Amount | Municipal Bonds   |
|-----------------------|-------------|---|
|                       | \$ 6,000    | Philadelphia, Pennsylvania, School District, GO, Series D, 5.25%  |
|                       | 5,000       | Sayre, Pennsylvania, Health Care Facilities Authority, Revenue Bonds (Healthcare System), Series B, 7.125% due 12/01/2031                 |
| South Carolina - 4.1% | 5,000       | Berkeley County, South Carolina, School District, Installment Bonds (Securing Assets for Education Project), 5.125% due 12/01/2030        |
|                       | 3,895       | Charleston Educational Excellence Financing Corporation, South Carolina Bonds (Charleston County School District), 5.25% due 12/01/2028   |
|                       | 3,465       | Charleston Educational Excellence Financing Corporation, South Carolina Bonds (Charleston County School District), 5.25% due 12/01/2029   |
|                       | 1,160       | Charleston Educational Excellence Financing Corporation, South Carolina Bonds (Charleston County School District), 5.25% due 12/01/2030   |
|                       | 3,775       | Kershaw County, South Carolina, Public Schools Foundation, Installment Refunding Bonds, 5% due 12/01/2030 (d)                             |
|                       | 3,690       | Kershaw County, South Carolina, Public Schools Foundation, Installment Refunding Bonds, 5% due 12/01/2031 (d)                             |
|                       | 1,185       | South Carolina Housing Finance and Development Authority, Mortgage Bonds, AMT, Series A-2, 6.35% due 7/01/2019 (g)                        |
|                       | 18,030      | South Carolina Transportation Infrastructure Bank Revenue Bonds, 10/01/2029 (a)   |
| Tennessee - 4.9%      | 900         | Sevier County, Tennessee, Public Building Authority, Local Government Improvement Revenue Bonds, VRDN, Series IV-A-2, 3.66% due 6/01/2026 |
|                       | 35,000      | Tennessee Energy Acquisition Corporation, Gas Revenue Bonds, Series 9/01/2026   |
|                       | 1,795       | Tennessee HDA, Revenue Bonds (Homeownership Program), AMT, Series 7/01/2012   |
|                       | 2,250       | Tennessee HDA, Revenue Bonds (Homeownership Program), AMT, Series 7/01/2014   |
|                       | 3,340       | Tennessee HDA, Revenue Refunding Bonds (Homeownership Program), due 7/01/2022 (g)   |
|                       | 2,365       | Tennessee HDA, Revenue Refunding Bonds (Homeownership Program), due 1/01/2026 (g)   |
| Texas - 10.6%         | 1,880       | Bexar, Texas, Metropolitan Water District, Waterworks System Revenue Bonds, 6.35% due 5/01/2025 (b)                                       |
|                       | 1,000       | Dallas-Fort Worth, Texas, International Airport, Joint Revenue Bonds, 5% due 11/01/2035 (g)   |
|                       | 10,500      | Dallas-Fort Worth, Texas, International Airport Revenue Bonds, Series 353, 6.99% due 5/01/2011 (b) (k)                                    |
|                       | 7,500       | Dallas-Fort Worth, Texas, International Airport Revenue Refunding Bonds, AMT, Series 336Z, 7.26% due 11/01/2026 (c) (k)                   |
|                       | 1,665       | Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Series G, 5.75% due 11/15/2019 (b)                                |
|                       | 3,500       | Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Series G, 5.75% due 11/15/2020 (b)                                |
|                       | 10,000      | Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Series G, 5.25% due 11/15/2030 (b)                                |

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8,150 Harris County, Texas, Health Facilities Development Corporation,  
Bonds (Texas Children's Hospital), VRDN, Series B-1, 3.67% due 1

MuniYield Insured Fund, Inc.

Schedule of Investments as of Jul 31, 2006

(in Thousands)

| State              | Face Amount | Municipal Bonds   |
|--------------------|-------------|---|
|                    | \$ 15,000   | Houston, Texas, Airport System Revenue Refunding Bonds, RIB, Series A, 5% due 7/01/2030 (g) (k)   |
|                    | 5,450       | Houston, Texas, Independent School District, GO, 5% due 2/15/2030 (b)   |
|                    | 15,000      | North Texas Municipal Water District, Texas, Water System Revenue Refunding Bonds, 5% due 9/01/2031 (b)   |
|                    | 5,890       | North Texas Thruway Authority, Dallas North Thruway System Revenue Refunding Bonds, 5% due 1/01/2035 (g)  |
|                    | 4,825       | Texas State Department of Housing and Community Affairs, S/F Mortgage Revenue Bonds, AMT, Series A, 5.45% due 9/01/2023 (b) (l)                 |
|                    | 10,000      | Texas State Turnpike Authority, Central Texas Turnpike System Revenue Refunding Bonds, Tier, Series A, 5.50% due 8/15/2039 (a)                  |
| Vermont - 0.1%     | 640         | Vermont HFA, S/F Housing Revenue Bonds, AMT, Series 12B, 6.30% due 12/01/2028 (a)   |
| Virginia - 0.3%    | 2,500       | Halifax County, Virginia, IDA, Exempt Facility Revenue Refunding Bonds (Halifax Electric Cooperative Project), AMT, 5.625% due 6/01/2028 (a)    |
| Washington - 15.9% | 2,545       | Bellevue, Washington, GO, Refunding, 5.25% due 12/01/2026 (b)   |
|                    | 2,455       | Bellevue, Washington, GO, Refunding, 5.25% due 12/01/2027 (b)   |
|                    | 2,850       | Bellevue, Washington, GO, Refunding, 5.25% due 12/01/2028 (b)   |
|                    | 3,000       | Bellevue, Washington, GO, Refunding, 5.25% due 12/01/2029 (b)   |
|                    | 17,600      | Bellevue, Washington, GO, Refunding, 5% due 12/01/2034 (b)  |
|                    | 3,030       | Chelan County, Washington, Public Utility District Number 001, C Refunding Bonds (Chelan Hydro System), AMT, Series A, 5.45% due 7/01/2037 (b)  |
|                    | 6,595       | Chelan County, Washington, Public Utility District Number 001, C Refunding Bonds (Chelan Hydro System), AMT, Series B, 6.35% due 12/01/2032 (b) |
|                    | 6,000       | Chelan County, Washington, Public Utility District Number 001, C Refunding Bonds (Chelan Hydro System), AMT, Series C, 5.65% due 12/01/2032 (b) |
|                    | 10,000      | King County, Washington, School District Number 401 (Highline), Refunding Bonds, 5% due 12/01/2025 (g)  |
|                    | 10,282      | Port of Seattle, Washington, Revenue Refunding Bonds, RIB, AMT, Series A, 5% due 7/01/2029 (b) (k)  |
|                    | 10,000      | Radford Court Properties, Washington, Student Housing Revenue Refunding Bonds, 5% due 6/01/2032 (b)   |
|                    | 1,720       | Seattle, Washington, Drain and Wastewater Utility Revenue Bonds, Series A, 5% due 12/01/2025 (b)  |
|                    | 7,380       | Seattle, Washington, Water System Revenue Bonds, 5% due 9/01/2030 (b)   |
|                    | 4,945       | Skagit County, Washington, Public Hospital District, GO, Series A, 5% due 12/01/2025 (b)  |
|                    | 5,450       | Skagit County, Washington, Public Hospital District, GO, Series B, 5% due 12/01/2026 (b)  |
|                    | 5,300       | Tacoma, Washington, Regional Water Supply System, Water Revenue Refunding Bonds, 5% due 12/01/2032 (b)  |
|                    | 7,250       | Tacoma, Washington, Solid Waste Utility Revenue Refunding Bonds, Series A, 5% due 12/01/2007 (a) (f)  |
|                    | 5,280       | Washington State EDA, Lease Revenue Bonds (Washington Biomedical Center II), 5% due 6/01/2034 (b)   |



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|                      |        |   |
|----------------------|--------|---|
|                      | 10,000 | Washington State, GO, DRIVERS, Series 438Z, 7.279% due 1/01/2009  |
|                      | 7,000  | Washington State Health Care Facilities Authority Revenue Bonds System), Series A, 5.25% due 10/01/2021 (b)                         |
|                      | 10,885 | Washington State, Motor Vehicle Fuel Tax, GO, Series B, 5% due 7  |
|                      | 12,035 | Washington State, Motor Vehicle Fuel Tax, GO, Series B, 5% due 7  |
| -----                |        |   |
| West Virginia - 0.6% | 5,925  | Harrison County, West Virginia, County Commission for Solid Waste Bonds (Monongahela Power), AMT, Series C, 6.75% due 8/01/2024 (a) |
| -----                |        |   |

MuniYield Insured Fund, Inc.

Schedule of Investments as of July 31, 2006

(in Thousands)

| State              | Face Amount | Municipal Bonds   |
|--------------------|-------------|---|
| -----              |             |   |
| Wisconsin - 0.4%   | \$ 3,395    | Wisconsin State Health and Educational Facilities Authority Revenue Bonds (Synergyhealth Inc.), 6% due 11/15/2032 |
| -----              |             |   |
| Puerto Rico - 0.3% | 3,000       | Puerto Rico Commonwealth, Public Improvement, GO, Series A, 5.25%   |
| -----              |             |   |
|                    |             | Total Municipal Bonds (Cost - \$1,541,208) - 158.5%   |
| -----              |             |   |

| Shares Held | Short-Term Securities                                      |
|-------------|--|
| -----       |  |
| 16,500      | Merrill Lynch Institutional Tax-Exempt Fund, 3.45% (j) (m) |
| -----       |  |
|             | Total Short-Term Securities (Cost - \$16,500) - 1.6%       |
| -----       |  |
|             | Total Investments (Cost - \$1,557,708*) - 160.1%           |
|             | Liabilities in Excess of Other Assets - (3.0%)             |
|             | Preferred Stock, at Redemption Value - (57.1%)             |
|             | 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                | \$ 1,557,916 |
|                               | =====        |
| Gross unrealized appreciation | \$ 42,762    |
| Gross unrealized depreciation | (1,433)      |
|                               | -----        |
| Net unrealized appreciation   | \$ 41,329    |
|                               | =====        |

(a) AMBAC Insured.

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- (b) MBIA Insured.
- (c) FGIC Insured.
- (d) CIFG Insured.
- (e) XL Capital Insured.
- (f) Prerefunded.
- (g) FSA Insured.
- (h) 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.
- (i) Escrowed to maturity.
- (j) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                                   | Net Activity | Dividend Income |
|---|--------------|-----------------|
| Merrill Lynch Institutional Tax-Exempt Fund | 16,500       | \$ 80           |

- (k) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (l) FNMA/GNMA Collateralized.
- (m) Represents the current yield as of July 31, 2006.
- (n) Assured Guaranty Insured.
- (o) Represents a step or zero coupon bond; the interest rate shown is the effective yield at the time of purchase.

MuniYield Insured Fund, Inc.  
 Schedule of Investments as of July 31, 2006 (in Thousands)

- o Forward interest rate swaps outstanding as of July 31, 2006 were as follows:

|   | Notional Amount | Unrealized Depreciation |
|---|-----------------|-------------------------|
| Pay a fixed rate of 5.676% and receive a floating rate based on 3-month LIBOR                       |                 |                         |
| Broker, JPMorgan Chase Bank<br>Expires October 2016   | \$ 7,800        | \$ (100)                |
| Pay a fixed rate of 4.444% and receive a floating rate based on 1-week Bond Market Association rate |                 |                         |
| Broker, JPMorgan Chase Bank<br>Expires August 2026  | \$ 20,500       | (407)                   |
| Pay a fixed rate of 4.439% and receive a floating rate based on 1-week Bond Market Association rate |                 |                         |
| Broker, JPMorgan Chase Bank<br>Expires October 2026   | \$119,000       | (2,154)                 |

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Total \$ (2,661)  
=====

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.

MuniYield Insured Fund, Inc.

By: /s/ Robert C. Doll, Jr.  
-----  
Robert C. Doll, Jr.  
Chief Executive Officer  
MuniYield 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.

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

Date: September 20, 2006

By: /s/ Donald C. Burke  
-----  
Donald C. Burke

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Chief Financial Officer  
MuniYield Insured Fund, Inc.

Date: September 20, 2006