NUVEEN INSURED MUNICIPAL OPPORTUNITY FUND INC
Form N-CSR
January 07, 2008

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-06379

Nuveen Insured Municipal Opportunity Fund, Inc.

(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Name and address of agent for service)

Registrant's telephone number, including area code: (312) 917-7700

Date of fiscal year end: October 31

Date of reporting period: October 31, 2007

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

ANNUAL REPORT | Nuveen Investments
October 31, 2007 | MUNICIPAL CLOSED-END FUNDS

[GRAPHIC OMITTED]

NUVEEN INSURED
QUALITY MUNICIPAL
FUND, INC.
NQI

NUVEEN INSURED
MUNICIPAL OPPORTUNITY
FUND, INC.
NIO

NUVEEN PREMIER
INSURED MUNICIPAL
INCOME FUND, INC.
NIF

NUVEEN INSURED
PREMIUM INCOME
MUNICIPAL FUND 2
NPX

NUVEEN INSURED
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NVG

NUVEEN INSURED
TAX-FREE ADVANTAGE
MUNICIPAL FUND
NEA

IT'S NOT WHAT YOU EARN, IT'S WHAT YOU KEEP.(R)

[LOGO]
NUVEEN
INVESTMENTS

[GRAPHIC OMITTED]

LIFE IS COMPLEX.

NUVEEN
MAKES THINGS
e-SIMPLE.

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to see the report and save it on your computer if you wish.

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| | | |
|---|---|---|
| www.investordelivery.com<br>If you receive your Nuveen Fund dividends and statements from your financial advisor or brokerage account. | OR | www.nuveen.com/accountaccess<br>If you receive your Nuveen Fund dividends and statements directly from Nuveen. |

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## CHAIRMAN'S LETTER TO SHAREHOLDERS

[GRAPHIC OMITTED] | Timothy R. Schwertfeger | Chairman of the Board

Once again, I am pleased to report that over the twelve-month period covered by this report your Fund continued to provide you with attractive monthly tax-free income. For more details about the management strategy and performance of your Fund, please read the Portfolio Manager's Comments, the Dividend and Share Price Information, and the Performance Overview sections of this report.

I also wanted to take this opportunity to report some important news about Nuveen Investments. The firm recently was acquired by a group led by Madison Dearborn Partners, LLC. While this affects the corporate structure of Nuveen Investments, it has no impact on the investment objectives, portfolio management strategies or dividend policy of your Fund.

With the recent volatility in the stock market, many have begun to wonder which way the market is headed, and whether they need to adjust their holdings of investments. No one knows what the future will bring, which is why we think a well-balanced portfolio that is structured and carefully monitored with the help of an investment professional is an important component in achieving your long-term financial goals. A well-diversified portfolio may actually help to reduce your overall investment risk, and we believe that investments like your Nuveen Investments Fund can be important building blocks in a portfolio crafted to perform well through a variety of market conditions.

We also are pleased to be able to offer you a choice concerning how you receive your shareholder reports and other Fund information. As an alternative to mailed copies, you can sign up to receive future Fund reports and other Fund information by e-mail and the internet. The inside front cover of this report contains information on how you can sign up.

We are grateful that you have chosen us as a partner as you pursue your financial goals and we look forward to continuing to earn your trust in the months and years ahead. At Nuveen Investments, our mission continues to be to assist you and your financial advisor by offering investment services and products that can help you to secure your financial objectives.

Sincerely,

\s\ Timothy R. Schwertfeger

Timothy R. Schwertfeger

Chairman of the Board
December 14, 2007

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PORTFOLIO MANAGER'S COMMENTS

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Nuveen Investments Municipal Closed-End Funds | NQI, NIO, NIF,
| NPX, NVG, NEA

PORTFOLIO MANAGER PAUL BRENNAN DISCUSSES U.S. ECONOMIC AND MUNICIPAL MARKET CONDITIONS, KEY INVESTMENT STRATEGIES, AND THE ANNUAL PERFORMANCE OF THESE SIX INSURED FUNDS. PAUL HAS 18 YEARS OF INDUSTRY EXPERIENCE, INCLUDING OVER 16 YEARS AT NUVEEN. PAUL ASSUMED PORTFOLIO MANAGEMENT RESPONSIBILITY FOR NQI, NIO, NIF, NPX, NVG AND NEA IN 2006.

WHAT FACTORS AFFECTED THE U.S. ECONOMY AND MUNICIPAL MARKET DURING THE ANNUAL REPORTING PERIOD ENDED OCTOBER 31, 2007?

Between November 1, 2006, and October 31, 2007, the yield on the benchmark 10-year U.S. Treasury note dropped 14 basis points to end the reporting period at 4.47%. In the municipal bond rate market, the yield on the Bond Buyer 25 Revenue Bond Index, a widely followed measure of longer-term municipal bond market rates, fell to 4.67% at the end of October 2007, a decline of 11 basis points from the end of October 2006. These numbers, however, do not give a true indication of the events of the summer of 2007, when developments in the credit markets led to increased volatility, tightening liquidity and a flight to quality. This was particularly evident in August, when market concerns about defaults on subprime mortgages resulted in a liquidity crisis across all fixed income asset classes. (NONE OF THESE FUNDS HAD EXPOSURE TO THE COLLATERALIZED DEBT PRODUCTS THAT WERE AT THE CENTER OF THIS LIQUIDITY CRISIS.)

After fourteen months of remaining on the sidelines, the Federal Reserve responded to credit market volatility by cutting the fed funds rate by 50 basis points--from 5.25% to 4.75%--in September 2007 and another 25 basis points--to 4.50%--in October 2007. A corresponding decline in short-term municipal bond interest rates, coupled with a jump in longer-term municipal bond interest rates, produced a steepening of the yield curve late in the reporting period. For the annual period, bonds with longer maturities generally underperformed shorter maturity bonds. In addition, as the markets repriced risk, higher quality bonds generally outperformed lower quality credits.

The U.S. gross domestic product (GDP), a closely watched measure of economic growth, expanded at below-trend levels of 2.1% in the fourth quarter of 2006 and 0.6% in the first quarter of 2007 before rebounding sharply to 3.8% in the second quarter of 2007 (all GDP numbers are annualized). In the third quarter of 2007, increases in consumer spending, business investment, and exports helped GDP

Discussions of specific investments are for illustrative purposes only and are not intended as recommendations of individual investments. The views expressed in this commentary represent those of the portfolio manager as of the date of this report and are subject to change at any time, based on market conditions and other factors. The Funds disclaim any obligation to advise shareholders of such changes.

growth climb to 4.9%, overcoming a 20% decline in residential investment. Driven largely by higher energy and food prices, the Consumer Price Index (CPI) registered a 3.5% year-over-year gain as of October 2007. The labor market continued to be tight, with a national unemployment rate of 4.7% in October 2007, up from 4.4% in October 2006. October 2007 marked the 50th consecutive month of employment growth, the longest such stretch in U.S. history.

Over the twelve months ended October 2007, municipal bond issuance nationwide totaled $487.9 billion, an increase of 27% from the previous twelve months. One factor in this increased volume was an increase in advance refundings,(1) driven by attractive borrowing rates for issuers during the earlier part of this period. For the majority of the period, the strength and diversity of demand for municipal bonds were as important as supply, as the surge in issuance was absorbed by a broad-based universe of traditional and nontraditional buyers, including retail investors, property and casualty insurance companies, hedge funds and arbitragers and overseas investors.

WHAT KEY STRATEGIES WERE USED TO MANAGE THESE FUNDS DURING THIS REPORTING PERIOD?

With the substantial increase in municipal issuance nationwide during this reporting period, our investment strategies continued to focus on finding opportunities in undervalued sectors and individual securities with the potential to add value to the Funds. Even though these are insured Funds, we were able to take advantage of the credit situation and buy insured bonds with weaker underlying credits that represented value prospects. The majority of our purchases were bonds at the longer end of the yield curve. As the yield curve steepened, bonds in this part of the curve generally offered some incremental yield to help support the Funds' dividends. These purchases also helped to offset the shortening of the Funds' portfolio duration(2) due to bond calls and the natural tendency of bond durations to shorten as time passes.

NVG and NEA, which can invest up to 20% of their assets in uninsured investment-grade quality securities, also purchased modest amounts of Ohio bonds issued as part of the Buckeye Tobacco Settlement Financing Authority's $5.5 billion offering, the largest tobacco settlement financing deal ever issued.

To generate cash for purchases, we generally sold bonds that were nearing their redemption dates, particularly some of the Funds' pre-refunded holdings. The proceeds from these sales were reinvested out longer on the yield curve, which helped to maintain the Funds' durations within our preferred strategic range and improve the Funds' overall call protection profile.

(1) Advance refundings, also known as pre-refundings or refinancings, occur when an issuer sells new bonds and uses the proceeds to fund principal and interest payments of older existing bonds. This process often results in lower borrowing costs for bond issuers.

(2) Duration is a measure of a bond's price sensitivity as interest rates change, with longer duration bonds displaying more sensitivity to these changes than bonds with shorter durations.



In the municipal bond interest rate environment over the past twelve months, we also continued to emphasize a disciplined approach to duration management and yield curve positioning. As part of our duration management strategies, we used inverse floating rate securities(3), a type of derivative financial instrument,

in all six of these Funds. These inverse floaters had the dual benefit of bringing the Funds' durations closer to our preferred strategic target and enhancing their income-generation capabilities. In addition, NPX used forward interest rate swaps, another type of derivative financial instrument. The goal of this strategy was to help us manage net asset value (NAV) volatility without having a negative impact on income streams or common share dividends over the short term.

HOW DID THE FUNDS PERFORM?

Individual results for these Funds, as well as relevant index and peer group information, are presented in the accompanying table.

Total Returns on Net Asset Value*
FOR PERIODS ENDED 10/31/07

| | 1-YEAR | 5-YEAR | 10-YEAR |
|---|---|---|---|
| NQI | 1.38% | 5.01% | 5.80% |
| NIO | 1.49% | 5.15% | 5.73% |
| NIF | 1.40% | 5.14% | 5.50% |
| NPX | 1.55% | 4.97% | 5.76% |
| NVG | 2.25% | 5.79% | NA |
| NEA | 3.35% | NA | NA |
| LEHMAN BROTHERS INSURED MUNICIPAL BOND INDEX(4) | 2.95% | 4.64% | 5.49% |
| LIPPER INSURED MUNICIPAL DEBT FUNDS AVERAGE(5) | 1.34% | 5.11% | 5.44% |

For the twelve months ended October 31, 2007, the total return on NAV for NEA exceeded the return on the Lehman Brothers Insured Municipal Bond Index, while the remaining five Funds underperformed this index. All six of the Funds in this report outperformed the average return for the Funds' Lipper Insured Municipal Debt Fund's Average for this period.

* Annualized.

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares.

For additional information, see the individual Performance Overview for your Fund in this report.

(3) An inverse floating rate security is a financial instrument designed to pay long-term tax-exempt interest at a rate that varies inversely with a short-term tax-exempt interest rate index. For the Nuveen Funds, the index typically used is the Securities Industry and Financial Markets (SIFM) Municipal Swap Index (previously referred to as the Bond Market Association Index or BMA). Inverse floaters, including those inverse floating rate securities in which the Funds invested during the reporting period, are further defined within the "Notes to Financial Statements" and "Glossary of Terms Used in This Report" sections of this shareholder report.

(4) The Lehman Brothers Insured Municipal Bond Index is an unleveraged, unmanaged national index comprising a broad range of insured municipal bonds. Results for the Lehman index do not reflect any expenses.

(5) The Lipper Insured Municipal Debt Funds Average category is calculated using the returns of all closed-end funds in this category for each period as follows: 1 year, 23 funds; 5 years, 21 funds; and 10 years, 16 funds. Fund and Lipper returns assume reinvestment of dividends.



One of the key factors in the performance of these Funds relative to that of the unleveraged Lehman Brothers Insured Municipal Bond Index over this period was the use of financial leverage. The returns of all of these Funds were negatively impacted by their use of leverage. Although leveraging provides opportunities for additional income and total return for common shareholders, it can also expose shareholders to additional risk when market conditions are unfavorable. With the increases in yields on longer municipal bonds, the impact of valuation changes in these bonds was magnified by the use of leverage. However, we firmly believe that the use of this strategy should work to the benefit of the Funds over the long term.

Other factors that influenced the Funds' returns included yield curve positioning and duration management, the use of derivatives, credit quality and sector allocations.

During this twelve-month period, bonds in the Lehman Brothers Municipal Bond Index with maturities between one and eight years, especially those maturing in approximately three years, benefited the most from changes in the interest rate environment. As a result, these bonds generally outperformed credits with longer maturities. Bonds having the longest maturities (22 years and longer) posted the worst returns for the period. In general, the varying levels of exposure to the longer part of the yield curve among these Funds was a major factor in their performance relative to one another. NQI, NIO, NIF and NPX tended to be more heavily weighted in the longer part of the curve than NVG or NEA. This heavier weighting was the result of extending the maturities of these Funds as part of efforts to support their earnings.

Overall, NVG and NEA were better positioned in terms of duration, with less exposure to the underperforming long part of the curve compared with the other four Funds in this report. This included fewer holdings of zero coupon bonds, which performed very poorly. Of these two Funds, NEA had relatively less exposure to longer-term bonds than NVG, which resulted in better performance in an environment where the slope of the municipal yield curve steepened.

Because they effectively increased exposure to longer maturity bonds during a period when shorter maturities were in favor in the market, the inverse floaters in place in these six Funds had a negative overall impact on return performance for the period. At the same time, however, the inverse floaters benefited these Funds by helping to support their income streams. We believe that, over time, these derivative financial instruments will work to the advantage of the Funds.



As the markets repriced risk and interest rates on longer municipal bonds rose, higher quality bonds generally outperformed lower quality credits for the first time in several years. Insured bonds as a sector also slightly outperformed the municipal market as a whole. Both of these factors were generally positive for the performance of these insured Funds.

Sectors of the market that performed well included transportation, special tax-backed issues and water and sewer. Pre-refunded bonds, especially those that were advance refunded before longer municipal interest rates began to rise in mid-2007, also performed well.



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DIVIDEND AND SHARE PRICE INFORMATION

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As previously noted, all of the Funds in this report use leverage to potentially enhance opportunities for additional income for common shareholders. Although the Funds' use of this strategy continued to provide incremental income, the extent of this benefit was reduced due to short-term interest rates that remained relatively high during most of this period. This, in turn, kept the Funds' borrowing costs high. The Funds' income streams were also impacted as the proceeds from older, higher-yielding bonds that matured or were called were reinvested into bonds currently available in the market, which generally offered lower yields during the majority of this period. These factors resulted in one monthly dividend reduction in NIO and NPX and two in NIF and NVG over the twelve-month period ended October 31, 2007. The dividends of NQI and NEA remained stable throughout this reporting period.

Due to normal portfolio activity, common shareholders of NIO received a long-term capital gains distribution of $0.0190 per share at the end of December 2006.

All of the Funds in this report seek to pay stable dividends at rates that reflect each Fund's past results and projected future performance. During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds the excess in reserve as undistributed net investment income (UNII) as part of the Fund's NAV. Conversely, if a Fund has cumulatively paid dividends in excess of its earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's NAV. Each Fund will, over time, pay all of its net investment income as dividends to shareholders. As of October 31, 2007, all of the Funds in this report except NIO had negative UNII balances for financial statement purposes and positive UNII balances for tax purposes. NIO had a positive UNII balance for both financial statement and tax purposes.

As of October 31, 2007, the Funds' share prices were trading at discounts to their NAVs as shown in the accompanying chart:

| | 10/31/07 Discount | Twelve Month Average Discount |
|---|---|---|
| NQI | -8.53% | -4.72% |
| NIO | -9.84% | -4.79% |
| NIF | -11.07% | -4.95% |
| NPX | -11.29% | -7.09% |
| NVG | -9.15% | -3.54% |
| NEA | -2.79% | -1.24% |

NQI Performance OVERVIEW | Nuveen Insured Quality Municipal Fund, Inc.

as of October 31, 2007

FUND SNAPSHOT

| | |
|---|---|
| Common Share Price | $13.61 |
| Common Share Net Asset Value | $14.88 |
| Premium/(Discount) to NAV | -8.53% |
| Market Yield | 5.33% |
| Taxable-Equivalent Yield(1) | 7.40% |
| Net Assets Applicable to Common Shares ($000) | $569,958 |
| Average Effective Maturity on Securities (Years) | 17.53 |
| Leverage-Adjusted Duration | 9.69 |

AVERAGE ANNUAL TOTAL RETURN
(Inception 12/19/90)

| | ON SHARE PRICE | ON NAV |
|---|---|---|
| 1-Year | -3.48% | 1.38% |
| 5-Year | 3.61% | 5.01% |
| 10-Year | 4.98% | 5.80% |

STATES
(as a % of total investments)

| | |
|---|---|
| California | 19.2% |
| Texas | 11.7% |
| New York | 9.6% |
| Illinois | 9.5% |
| Washington | 7.9% |
| Florida | 4.7% |
| Nevada | 4.4% |
| Kentucky | 3.6% |
| Ohio | 2.8% |

| | |
|---|---|
| Louisiana | 2.5% |
| Pennsylvania | 2.4% |
| Arizona | 2.1% |
| Hawaii | 2.0% |
| Massachusetts | 1.6% |
| West Virginia | 1.5% |
| Other | 14.5% |

INDUSTRIES
(as a % of total investments)

| | |
|---|---|
| U.S. Guaranteed | 20.4% |
| Transportation | 19.5% |
| Tax Obligation/Limited | 18.4% |
| Tax Obligation/General | 13.1% |
| Health Care | 9.7% |
| Utilities | 7.8% |
| Other | 11.1% |

[PIE CHART]

Credit Quality (as a % of total investments)

| | |
|---|---|
| Insured | 77% |
| U.S. Guaranteed | 20% |
| GNMA Guaranteed | 3% |

[BAR CHART]

2006-2007 Monthly Tax-Free Dividends Per Share

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 | 0.0605 |
| Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |

Share Price Performance -- Weekly Closing Price

[LINE CHART]

14.87
14.79
14.80

14.78
14.67
14.77
14.68
14.62
14.40
14.46
14.54
14.55
14.61
14.53
14.59
14.71
14.67
14.63
14.76
14.80
14.78
14.88
14.85
14.84
14.79
14.71
14.72
14.71
14.63
14.62
14.59
14.46
14.33
14.09
14.03
14.11
13.97
13.80
13.73
13.88
13.95
13.80
13.47
13.66
13.70
14.27
14.03
13.92
13.84
13.94
13.72
13.80
13.60
13.61

(1) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment, in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

NIO | Nuveen Insured
PERFORMANCE | Municipal Opportunity
OVERVIEW | Fund, Inc.
as of October 31, 2007

Credit Quality (as a % of total investments)

[PIE CHART]

| | |
|---|---|
| Insured | 70% |
| U.S. Guaranteed | 29% |
| GNMA Guaranteed | 1% |

2006-2007 Monthly Tax-Free Dividends Per Share(2)

[BAR CHART]

| Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.0615 | 0.058 |

Share Price Performance -- Weekly Closing Price

[LINE CHART]

14.80
14.85
14.79
14.63
14.74
14.94
14.69
14.54
14.55
14.63
14.83
14.80
14.75
14.69
14.83
14.80
14.77
14.72
14.84
14.90
14.85
14.78
14.82
14.84
14.79
14.77
14.87
14.95
14.94
14.99

14.82
14.80
14.58
14.15
14.22
14.25
14.12
14.10
14.12
14.18
14.11
13.71
14.05
14.01
14.12
14.37
14.20
14.02
14.12
13.91
13.62
13.64
13.60
13.56

FUND SNAPSHOT

| | |
|---|---|
| Common Share Price | $13.56 |
| Common Share Net Asset Value | $15.04 |
| Premium/(Discount) to NAV | -9.84% |
| Market Yield | 5.13% |
| Taxable-Equivalent Yield(1) | 7.13% |
| Net Assets Applicable to Common Shares ($000) | $1,220,297 |
| Average Effective Maturity on Securities (Years) | 15.48 |
| Leverage-Adjusted Duration | 9.36 |

AVERAGE ANNUAL TOTAL RETURN
(Inception 9/19/91)

| | ON SHARE PRICE | ON NAV |
|---|---|---|
| 1-Year | -3.18% | 1.49% |
| 5-Year | 4.01% | 5.15% |
| 10-Year | 4.86% | 5.73% |

STATES
(as a % of total investments)

| | |
|---|---|
| California | 20.4% |
| Texas | 9.9% |
| Alabama | 6.9% |
| Nevada | 5.3% |
| New York | 4.9% |
| Colorado | 4.2% |
| Illinois | 4.2% |
| Michigan | 3.9% |
| Louisiana | 3.6% |
| Florida | 3.5% |
| Massachusetts | 3.0% |
| Ohio | 2.9% |
| South Carolina | 2.8% |
| Wisconsin | 2.6% |
| Indiana | 2.2% |
| Pennsylvania | 1.9% |
| Arizona | 1.6% |
| New Jersey | 1.5% |
| Washington | 1.4% |
| Other | 13.3% |

| INDUSTRIES (as a % of total investments) | |
|---|---|
| U.S. Guaranteed | 29.3% |
| Tax Obligation/Limited | 18.2% |
| Transportation | 14.2% |
| Tax Obligation/General | 12.3% |
| Utilities | 7.7% |
| Water and Sewer | 6.5% |
| Health Care | 5.9% |
| Other | 5.9% |

(1) Taxable-Equivalent Yield represents the yield that must be earned on a

fully taxable investment, in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

(2) The Fund paid shareholders a capital gains distribution in December 2006 of $0.019 per share.



NIF PERFORMANCE OVERVIEW | Nuveen Premier Insured Municipal Income Fund, Inc.
as of October 31, 2007

FUND SNAPSHOT

| | |
|---|---|
| Common Share Price | $13.25 |
| Common Share Net Asset Value | $14.90 |
| Premium/(Discount) to NAV | -11.07% |
| Market Yield | 4.80% |
| Taxable-Equivalent Yield(1) | 6.67% |
| Net Assets Applicable to Common Shares ($000) | $289,400 |
| Average Effective Maturity on Securities (Years) | 14.28 |
| Leverage-Adjusted Duration | 9.65 |

AVERAGE ANNUAL TOTAL RETURN
(Inception 12/19/91)

| | ON SHARE PRICE | ON NAV |
|---|---|---|
| 1-Year | -4.66% | 1.40% |
| 5-Year | 3.20% | 5.14% |
| 10-Year | 4.51% | 5.50% |

STATES
(as a % of total investments)

| | |
|---|---|
| California | 21.0% |
| Washington | 11.0% |
| Illinois | 11.0% |
| Texas | 6.8% |

| | |
|---|---|
| Colorado | 6.1% |
| Nevada | 4.4% |
| New York | 4.2% |
| Oregon | 2.7% |
| Hawaii | 2.4% |
| Indiana | 2.4% |
| Florida | 2.3% |
| Michigan | 2.3% |
| Tennessee | 2.3% |
| Georgia | 2.2% |
| Pennsylvania | 2.1% |
| Arizona | 1.9% |
| Other | 14.9% |

| INDUSTRIES (as a % of total investments) | |
|---|---|
| Tax Obligation/General | 23.3% |
| U.S. Guaranteed | 22.4% |
| Transportation | 16.5% |
| Tax Obligation/Limited | 16.4% |
| Utilities | 6.2% |
| Health Care | 6.1% |
| Other | 9.1% |

Credit Quality (as a % of total investments)

[PIE CHART]

| | |
|---|---|
| Insured | 77% |
| U.S. Guaranteed | 22% |
| GNMA Guaranteed | 1% |

2006-2007 Monthly Tax-Free Dividends Per Share

[BAR CHART]

| 0.061 | 0.061 | 0.061 | 0.061 | 0.061 | 0.061 | 0.061 | 0.057 | 0.057 | 0.057 | 0.057 | 0.053 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |

Share Price Performance -- Weekly Closing Price

[LINE CHART]

14.57
14.56
14.84
14.61
14.69
14.70
14.83
14.53
14.40
14.42
14.49
14.50
14.60
14.58
14.66
14.62
14.65
14.66
14.85
14.85
14.83
14.86
14.77
14.87
14.75
14.73
14.76
14.78
14.83
14.92
14.84
14.83
14.24
13.87
13.78
13.81
13.84
13.72
13.85
13.80
13.79
13.72
13.44
13.61
13.74
14.04
13.82
13.75
13.78
13.67
13.45
13.31

13.24
13.25

(1) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment, in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

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NPX PERFORMANCE OVERVIEW | Nuveen Insured Premium Income Municipal Fund 2
as of October 31, 2007

Credit Quality (as a % of total investments)

[PIE CHART]

| | |
|---|---|
| Insured | 79% |
| U.S. Guaranteed | 20% |
| GNMA Guaranteed | 1% |

2006-2007 Monthly Tax-Free Dividends Per Share

[BAR CHART]

| Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.054 | 0.051 | 0.051 |

Share Price Performance -- Weekly Closing Price

[LINE CHART]

13.02
13.03
13.14
13.00
13.06
13.24
13.16
12.87
12.93
12.95
13.00
13.02
13.18
13.11
13.12
13.13

13.12
13.14
13.41
13.42
13.41
13.25
13.28
13.33
13.19
13.16
13.14
13.26
13.24
13.28
13.14
13.02
12.88
12.62
12.60
12.78
12.67
12.54
12.42
12.55
12.70
12.41
12.35
12.46
12.59
12.67
12.54
12.49
12.45
12.34
12.28
12.45
12.21
12.18

FUND SNAPSHOT

| | |
|---|---|
| Common Share Price | $12.18 |
| Common Share Net Asset Value | $13.73 |
| Premium/(Discount) to NAV | -11.29% |
| Market Yield | 5.07% |
| Taxable-Equivalent Yield(1) | 7.04% |
| Net Assets Applicable to Common Shares ($000) | $513,021 |
| Average Effective Maturity on Securities (Years) | 15.12 |
| Leverage-Adjusted Duration | 9.56 |

AVERAGE ANNUAL TOTAL RETURN

(Inception 7/22/93)

| | ON SHARE PRICE | ON NAV |
|---|---|---|
| 1-Year | -1.77% | 1.55% |
| 5-Year | 3.33% | 4.97% |
| 10-Year | 5.75% | 5.76% |

STATES
(as a % of total investments)

| | |
|---|---|
| California | 16.7% |
| Texas | 9.9% |
| New York | 8.2% |
| Pennsylvania | 7.4% |
| Colorado | 5.4% |
| Hawaii | 4.7% |
| Washington | 4.2% |
| Wisconsin | 3.7% |
| Louisiana | 3.0% |
| New Jersey | 2.9% |
| Illinois | 2.6% |
| Alabama | 2.5% |
| Georgia | 2.3% |
| North Dakota | 2.3% |
| Nebraska | 2.2% |
| Oregon | 2.1% |
| Nevada | 1.9% |
| Virginia | 1.8% |
| Massachusetts | 1.8% |
| Other | 14.4% |

INDUSTRIES
(as a % of total investments)

| | |
|---|---|
| U.S. Guaranteed | 21.4% |
| Utilities | 19.1% |

| | |
|---|---|
| Tax Obligation/Limited | 14.1% |
| Transportation | 11.2% |
| Tax Obligation/General | 10.4% |
| Water and Sewer | 8.0% |
| Education and Civic Organizations | 6.8% |
| Health Care | 5.3% |
| Other | 3.7% |

(1) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment, in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.



NVG PERFORMANCE OVERVIEW | Nuveen Insured Dividend Advantage Municipal Fund

as of October 31, 2007

FUND SNAPSHOT

| | |
|---|---|
| Common Share Price | $13.71 |
| Common Share Net Asset Value | $15.09 |
| Premium/(Discount) to NAV | -9.15% |
| Market Yield | 5.03% |
| Taxable-Equivalent Yield(1) | 6.99% |
| Net Assets Applicable to Common Shares ($000) | $449,982 |
| Average Effective Maturity on Securities (Years) | 13.66 |
| Leverage-Adjusted Duration | 8.64 |

AVERAGE ANNUAL TOTAL RETURN (Inception 3/25/02)

| | ON SHARE PRICE | ON NAV |
|---|---|---|
| 1-Year | -3.12% | 2.25% |
| 5-Year | 4.62% | 5.79% |

| | | |
|---|---|---|
| Since Inception | 4.63% | 7.01% |

| STATES (as a % of total investments) | |
|---|---|
| Texas | 17.5% |
| Indiana | 10.7% |
| California | 9.4% |
| Illinois | 8.5% |
| Washington | 8.2% |
| Florida | 7.6% |
| Tennessee | 6.2% |
| Colorado | 3.8% |
| New York | 3.2% |
| Alabama | 2.8% |
| Louisiana | 2.4% |
| Alaska | 2.3% |
| Pennsylvania | 2.2% |
| Wisconsin | 1.8% |
| Other | 13.4% |

| INDUSTRIES (as a % of total investments) | |
|---|---|
| U.S. Guaranteed | 29.6% |
| Transportation | 15.0% |
| Tax Obligation/General | 13.5% |
| Tax Obligation/Limited | 10.7% |
| Utilities | 9.2% |
| Health Care | 7.7% |
| Education and Civic Organizations | 6.1% |
| Water and Sewer | 5.2% |
| Other | 3.0% |

Credit Quality (as a % of total investments)

[PIE CHART]

| | |
|---|---|
| Insured | 63% |
| U.S. Guaranteed | 29% |
| AAA (Uninsured) | 2% |
| AA (Uninsured) | 5% |
| BBB (Uninsured) | 1% |

2006-2007 Monthly Tax-Free Dividends Per Share

[BAR CHART]

| 0.064 | 0.064 | 0.064 | 0.064 | 0.064 | 0.064 | 0.064 | 0.060 | 0.060 | 0.060 | 0.060 | 0.057 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |

Share Price Performance -- Weekly Closing Price

[LINE CHART]

14.86
14.86
15.08
15.14
14.80
15.05
15.41
15.29
15.01
15.12
15.06
14.99
15.20
15.10
15.17
15.13
15.01
14.97
15.06
15.30
15.28
15.43
15.35
15.35
15.07
15.23
15.30
15.42
15.45
15.30
15.08
15.04
14.45
14.06
14.01
14.12
14.04
13.85

13.72
13.79
13.97
13.72
13.63
13.90
13.94
14.26
14.12
14.01
14.00
13.72
13.77
13.95
14.00
13.71

(1) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment, in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

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NEA | Nuveen Insured
PERFORMANCE | Tax-Free Advantage
OVERVIEW | Municipal Fund
as of October 31, 2007

Credit Quality (as a % of total investments)

[PIE CHART]

| | |
|---|---|
| Insured | 62% |
| U.S. Guaranteed | 28% |
| AAA (Uninsured) | 4% |
| AA (Uninsured) | 2% |
| A (Uninsured) | 2% |
| BBB (Uninsured) | 2% |

2006-2007 Monthly Tax-Free Dividends Per Share

[BAR CHART]

| 0.059 | 0.059 | 0.059 | 0.059 | 0.059 | 0.059 | 0.059 | 0.059 | 0.059 | 0.059 | 0.059 | 0.059 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |

Share Price Performance -- Weekly Closing Price

[LINE CHART]

14.37
14.48
14.85
14.45
14.65
14.99
14.89
14.28
14.51
14.36
14.34
14.44
14.69
14.54
14.78
14.79
14.68
14.59
14.72
14.66
14.75
14.85
14.95
15.15
14.77
14.85
14.65
14.66
14.69
14.71
14.76
15.00
14.57
14.67
14.36
14.48
14.70
14.51
14.61
14.86
14.94
14.85
13.85
13.80
14.33
14.47
14.41
14.18
14.20
14.33
14.38
14.30
14.03
14.30

FUND SNAPSHOT

| | |
|---|---|
| Common Share Price | $14.30 |

| | |
|---|---|
| Common Share Net Asset Value | $14.71 |
| Premium/(Discount) to NAV | -2.79% |
| Market Yield | 4.95% |
| Taxable-Equivalent Yield(1) | 6.88% |
| Net Assets Applicable to Common Shares ($000) | $272,391 |
| Average Effective Maturity on Securities (Years) | 16.19 |
| Leverage-Adjusted Duration | 7.98 |

AVERAGE ANNUAL TOTAL RETURN
(Inception 11/21/02)

| | ON SHARE PRICE | ON NAV |
|---|---|---|
| 1-Year | 4.59% | 3.35% |
| Since Inception | 4.70% | 6.16% |

STATES
(as a % of total investments)

| | |
|---|---|
| California | 17.8% |
| Texas | 8.6% |
| Michigan | 7.9% |
| New York | 7.2% |
| Indiana | 6.3% |
| Washington | 6.0% |
| Alabama | 5.7% |
| Pennsylvania | 4.9% |
| South Carolina | 4.8% |
| Wisconsin | 4.4% |
| Arizona | 3.8% |
| Colorado | 2.7% |
| Massachusetts | 2.6% |
| Illinois | 2.5% |
| Other | 14.8% |

| INDUSTRIES (as a % of total investments) | |
|---|---|
| U.S. Guaranteed | 27.6% |
| Tax Obligation/Limited | 21.9% |
| Tax Obligation/General | 15.8% |
| Health Care | 10.8% |
| Utilities | 9.8% |
| Transportation | 6.4% |
| Other | 7.7% |

(1) Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment, in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.



NQI | NIO | NIF

Shareholder MEETING REPORT

The annual meeting of shareholders was held on July 31, 2007, at The Northern Trust Company, 50 South La Salle Street, Chicago, IL 60675; at this meeting shareholders were asked to vote on the election of Board Members. Additionally a special meeting of shareholders was held in the offices of Nuveen Investments on October 12, 2007; at this meeting shareholders were asked to vote on a New Investment Management Agreement and to ratify the selection of Ernst and Young LLP as the Funds' independent registered public accounting firm; the meeting for Nuveen Insured Tax-Free Advantage Municipal Fund (NEA) was subsequently adjourned to October 22, 2007.

| | NQI | | NIO | | |
|---|---|---|---|---|---|
| TO APPROVE A NEW INVESTMENT MANAGEMENT AGREEMENT: | | | | | |
| | Common and MuniPreferred shares voting together as a class | MuniPreferred shares voting together as a class | Common and MuniPreferred shares voting together as a class | MuniPreferred shares voting together as a class | Common MuniPrefe shares vo toge as a c |
| For | 19,045,201 | -- | 40,126,446 | -- | 9,568 |
| Against | 753,041 | -- | 1,950,827 | -- | 464 |
| Abstain | 642,493 | -- | 1,600,085 | -- | 399 |
| Broker Non-Votes | 6,405,665 | -- | 12,501,833 | -- | 3,251 |
| Total | 26,846,400 | -- | 56,179,191 | -- | 13,683 |

APPROVAL OF THE BOARD MEMBERS WAS REACHED AS FOLLOWS:

| | | | | | |
|---|---|---|---|---|---|
| Robert P. Bremner | | | | | |
| For | 32,509,030 | -- | 72,087,805 | -- | 17,251 |
| Withhold | 551,588 | -- | 1,203,888 | -- | 326 |
| Total | 33,060,618 | -- | 73,291,693 | -- | 17,578 |
| Jack B. Evans | | | | | |
| For | 32,491,840 | -- | 72,102,370 | -- | 17,244 |
| Withhold | 568,778 | -- | 1,189,323 | -- | 334 |
| Total | 33,060,618 | -- | 73,291,693 | -- | 17,578 |
| William C. Hunter | | | | | |
| For | 32,499,965 | -- | 72,102,418 | -- | 17,246 |
| Withhold | 560,653 | -- | 1,189,275 | -- | 332 |
| Total | 33,060,618 | -- | 73,291,693 | -- | 17,578 |
| David J. Kundert | | | | | |
| For | 32,509,384 | -- | 72,088,848 | -- | 17,253 |
| Withhold | 551,234 | -- | 1,202,845 | -- | 324 |
| Total | 33,060,618 | -- | 73,291,693 | -- | 17,578 |
| William J. Schneider | | | | | |
| For | -- | 11,602 | -- | 24,837 | |
| Withhold | -- | 16 | -- | 72 | |
| Total | -- | 11,618 | -- | 24,909 | |
| Timothy R. Schwertfeger | | | | | |
| For | -- | 11,602 | -- | 24,836 | |
| Withhold | -- | 16 | -- | 73 | |
| Total | -- | 11,618 | -- | 24,909 | |
| Judith M. Stockdale | | | | | |
| For | 32,517,284 | -- | 72,094,078 | -- | 17,246 |
| Withhold | 543,334 | -- | 1,197,615 | -- | 332 |
| Total | 33,060,618 | -- | 73,291,693 | -- | 17,578 |
| Carole E. Stone | | | | | |
| For | 32,500,621 | -- | 72,074,510 | -- | 17,249 |
| Withhold | 559,997 | -- | 1,217,183 | -- | 329 |
| Total | 33,060,618 | -- | 73,291,693 | -- | 17,578 |
| Eugene S. Sunshine(1) | | | | | |
| For | 32,493,105 | -- | 72,088,736 | -- | 17,232 |
| Withhold | 567,513 | -- | 1,202,957 | -- | 346 |
| Total | 33,060,618 | -- | 73,291,693 | -- | 17,578 |

TO RATIFY THE SELECTION OF ERNST & YOUNG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE CURRENT FISCAL YEAR:

| | | | | | |
|---|---|---|---|---|---|
| For | 26,030,985 | -- | 54,273,425 | -- | 13,236 |
| Against | 405,014 | -- | 864,749 | -- | 169 |
| Abstain | 410,401 | -- | 1,041,017 | -- | 278 |
| Total | 26,846,400 | -- | 56,179,191 | -- | 13,683 |

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NPX
NVG
NEA

| | NPX | | NVG | | |
|---|---|---|---|---|---|
| TO APPROVE A NEW INVESTMENT MANAGEMENT AGREEMENT: | Common and MuniPreferred shares voting together as a class | MuniPreferred shares voting together as a class | Common and MuniPreferred shares voting together as a class | MuniPreferred shares voting together as a class | Common MuniPrefe shares vo toge as a c |
| For | 18,676,358 | -- | 15,159,352 | -- | 9,511 |
| Against | 809,457 | -- | 783,054 | -- | 493 |
| Abstain | 727,055 | -- | 593,948 | -- | 534 |
| Broker Non-Votes | 6,790,620 | -- | 5,318,655 | -- | 3,494 |
| Total | 27,003,490 | -- | 21,855,009 | -- | 14,033 |
| APPROVAL OF THE BOARD MEMBERS WAS REACHED AS FOLLOWS: | | | | | |
| Robert P. Bremner | | | | | |
| For | -- | -- | -- | -- | |
| Withhold | -- | -- | -- | -- | |
| Total | -- | -- | -- | -- | |
| Jack B. Evans | | | | | |
| For | -- | -- | -- | -- | |
| Withhold | -- | -- | -- | -- | |
| Total | -- | -- | -- | -- | |
| William C. Hunter | | | | | |
| For | -- | -- | -- | -- | |
| Withhold | -- | -- | -- | -- | |
| Total | -- | -- | -- | -- | |
| David J. Kundert | | | | | |
| For | -- | -- | -- | -- | |
| Withhold | -- | -- | -- | -- | |
| Total | -- | -- | -- | -- | |
| William J. Schneider | | | | | |
| For | -- | 9,960 | -- | 8,590 | |
| Withhold | -- | 43 | -- | 109 | |

| | | | | | |
|---|---|---|---|---|---|
| Total | -- | 10,003 | -- | 8,699 | |
| Timothy R. Schwertfeger | | | | | |
| For | -- | 9,959 | -- | 8,590 | |
| Withhold | -- | 44 | -- | 109 | |
| Total | -- | 10,003 | -- | 8,699 | |
| Judith M. Stockdale | | | | | |
| For | 33,759,050 | -- | 27,600,450 | -- | 17,634 |
| Withhold | 433,682 | -- | 331,055 | -- | 227 |
| Total | 34,192,732 | -- | 27,931,505 | -- | 17,862 |
| Carole E. Stone | | | | | |
| For | 33,740,649 | -- | 27,609,445 | -- | 17,620 |
| Withhold | 452,083 | -- | 322,060 | -- | 241 |
| Total | 34,192,732 | -- | 27,931,505 | -- | 17,862 |
| Eugene S. Sunshine (1) | | | | | |
| For | -- | -- | -- | -- | |
| Withhold | -- | -- | -- | -- | |
| Total | -- | -- | -- | -- | |
| TO RATIFY THE SELECTION OF ERNST & YOUNG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE CURRENT FISCAL YEAR: | | | | | |
| For | 26,289,311 | -- | 21,174,849 | -- | 13,583 |
| Against | 307,440 | -- | 292,590 | -- | 126 |
| Abstain | 406,739 | -- | 387,570 | -- | 322 |
| Total | 27,003,490 | -- | 21,855,009 | -- | 14,033 |

(1) Mr. Sunshine resigned from the Funds' Board of Directors/Trustees on July 31, 2007.



REPORT OF
INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

THE BOARD OF DIRECTORS/TRUSTEES AND SHAREHOLDERS
NUVEEN INSURED QUALITY MUNICIPAL FUND, INC.
NUVEEN INSURED MUNICIPAL OPPORTUNITY FUND, INC.
NUVEEN PREMIER INSURED MUNICIPAL INCOME FUND, INC.
NUVEEN INSURED PREMIUM INCOME MUNICIPAL FUND 2
NUVEEN INSURED DIVIDEND ADVANTAGE MUNICIPAL FUND
NUVEEN INSURED TAX-FREE ADVANTAGE MUNICIPAL FUND

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Nuveen Insured Quality Municipal Fund, Inc., Nuveen Insured Municipal Opportunity Fund, Inc., Nuveen Premier Insured Municipal Income Fund, Inc., Nuveen Insured Premium Income Municipal Fund 2, Nuveen Insured Dividend Advantage Municipal Fund and Nuveen Insured Tax-Free

Advantage Municipal Fund (the "Funds") as of October 31, 2007, and the related statements of operations and cash flows (Nuveen Insured Premium Income Municipal Fund 2 only) for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated therein. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2007, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of Nuveen Insured Quality Municipal Fund, Inc., Nuveen Insured Municipal Opportunity Fund, Inc., Nuveen Premier Insured Municipal Income Fund, Inc., Nuveen Insured Premium Income Municipal Fund 2, Nuveen Insured Dividend Advantage Municipal Fund and Nuveen Insured Tax-Free Advantage Municipal Fund at October 31, 2007, the results of their operations and cash flows (Nuveen Insured Premium Income Municipal Fund 2 only) for the year then ended, changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of periods indicated therein in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Chicago, Illinois
December 27, 2007

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NQI | Nuveen Insured Quality Municipal Fund, Inc.
Portfolio of INVESTMENTS

October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|

| | | |
|---|---|---|
| | ALABAMA - 1.6% (1.0% OF TOTAL INVESTMENTS) | |
| $ 1,135 | Birmingham Waterworks and Sewerage Board, Alabama, Water and Sewerage Revenue Bonds, Series 2002B, 5.250%, 1/01/20 (Pre-refunded 1/01/13) - MBIA Insured | 1/13 at 100. |
| 7,500 | Huntsville Healthcare Authority, Alabama, Revenue Bonds, Series 2005A, 5.000%, 6/01/24 - MBIA Insured | 6/15 at 100. |
| 8,635 | Total Alabama | |
| | ARIZONA - 3.5% (2.1% OF TOTAL INVESTMENTS) | |
| 3,670 | Mesa, Arizona, Utility System Revenue Bonds, Reset Option Longs, Series 11032- 11034, 5.258%, 7/01/31 - FSA Insured (IF) | 7/17 at 100. |
| 9,200 | Phoenix, Arizona, Civic Improvement Corporation, Senior Lien Airport Revenue Bonds, Series 2002B, 5.250%, 7/01/32 - FGIC Insured (Alternative Minimum Tax) | 7/12 at 100. |
| 8,755 | Phoenix, Arizona, Civic Improvement Revenue Bonds, Civic Plaza, Series 2005B, 0.000%, 7/01/39 - FGIC Insured | No Opt. Ca |
| 21,625 | Total Arizona | |
| | ARKANSAS - 0.8% (0.5% OF TOTAL INVESTMENTS) | |
| 4,250 | University of Arkansas, Fayetteville, Revenue Bonds, Medical Sciences Campus, Series 2004B, 5.000%, 11/01/24 - MBIA Insured | 11/14 at 100. |
| | CALIFORNIA - 31.3% (19.2% OF TOTAL INVESTMENTS) | |
| | California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2005AC: | |
| 4,045 | 5.000%, 12/01/24 - MBIA Insured | 12/14 at 100. |
| 4,000 | 5.000%, 12/01/26 - MBIA Insured | 12/14 at 100. |
| 1,275 | California Educational Facilities Authority, Revenue Bonds, Occidental College, Series 2005A,5.250%, 10/01/23 - MBIA Insured | 10/15 at 100. |
| 7,115 | California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/33 (Pre-refunded 1/01/28) - AMBAC Insured (UB) | 1/28 at 100. |
| 13,175 | California Pollution Control Financing Authority, Revenue Refunding Bonds, Southern California Edison Company, Series 1999A, 5.450%, 9/01/29 - MBIA Insured | 9/09 at 101. |
| 13,445 | California State, General Obligation Bonds, Series 2002, 5.000%, 4/01/27 - AMBAC Insured | 4/12 at 100. |
| 7,055 | California State, General Obligation Bonds, Series 2002, 5.000%, 4/01/27 (Pre-refunded 4/01/12) - AMBAC Insured | 4/12 at 100. |
| 5 | California State, General Obligation Bonds, Series 2004, | 4/14 at 100. |

| | | |
|---|---|---|
| | 5.000%, 4/01/31 - AMBAC Insured | |
| 3,745 | California State, General Obligation Bonds, Series 2004, 5.000%, 4/01/31 (Pre-refunded 4/01/14) - AMBAC Insured | 4/14 at 100. |
| 8,000 | California, General Obligation Bonds, Series 2002, 5.000%, 10/01/32 - MBIA Insured | 10/12 at 100. |
| 2,340 | Cerritos Public Financing Authority, California, Tax Allocation Revenue Bonds, Los Cerritos Redevelopment Projects, Series 2002A, 5.000%, 11/01/24 - AMBAC Insured | 11/17 at 102. |
| 5,000 | Clovis Unified School District, Fresno County, California, General Obligation Bonds, Series 2001A, 0.000%, 8/01/25 - FGIC Insured | No Opt. Ca |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | CALIFORNIA (CONTINUED) | |
| | Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999: | |
| $ 22,985 | 0.000%, 1/15/24 - MBIA Insured | 1/10 at 44. |
| 22,000 | 0.000%, 1/15/31 - MBIA Insured | 1/10 at 29. |
| 50,000 | 0.000%, 1/15/37 - MBIA Insured | 1/10 at 20. |
| 5,000 | Garden Grove, California, Certificates of Participation, Financing Project, Series 2002A, 5.125%, 3/01/32 - AMBAC Insured | 3/12 at 101. |
| 5,500 | Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/35 - FGIC Insured | 6/15 at 100. |
| 3,795 | Kern Community College District, California, General Obligation Bonds, Series 2005, 5.000%, 11/01/20 - FSA Insured | 11/15 at 100. |
| 5,795 | Kern Community College District, California, General Obligation Bonds, Series 2006, 0.000%, 11/01/25 - FSA Insured | No Opt. Ca |
| 5,388 | Moreno Valley Public Finance Authority, California, GNMA Collateralized Assisted Living Housing Revenue Bonds, CDC Assisted Living Project, Series 2000A, 7.500%, 1/20/42 | 1/12 at 105. |

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|---|---|---|
| 5,425 | Ontario Redevelopment Financing Authority, San Bernardino County, California, Revenue Bonds, Redevelopment Project 1, Series 1993, 5.850%, 8/01/22 - MBIA Insured (ETM) | 12/07 at 100. |
| 3,615 | Pasadena Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003D, 5.000%, 5/01/24 (Pre-refunded 5/01/13) - MBIA Insured | 5/13 at 100. |
| 2,590 | Riverside County Public Financing Authority, California, Tax Allocation Bonds, Multiple Projects, Series 2004, 5.000%, 10/01/25 - XLCA Insured | 10/14 at 100. |
| 2,000 | San Diego Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Centre City Project, Series 2004A, 5.000%, 9/01/21 - XLCA Insured | 9/14 at 100. |
| | San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2001, Issue 27A: | |
| 7,200 | 5.125%, 5/01/21 - MBIA Insured (Alternative Minimum Tax) | 5/11 at 100. |
| 12,690 | 5.250%, 5/01/31 - MBIA Insured (Alternative Minimum Tax) | 5/11 at 100. |
| | San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2005A: | |
| 2,000 | 5.000%, 7/01/21 - MBIA Insured | 7/15 at 100. |
| 3,655 | 5.000%, 7/01/22 - MBIA Insured | 7/15 at 100. |
| 3,840 | 5.000%, 7/01/23 - MBIA Insured | 7/15 at 100. |
| 8,965 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2006C, 4.250%, 8/01/30 - MBIA Insured (UB) | 8/17 at 100. |
| 3,500 | Saugus Union School District, Los Angeles County, California, General Obligation Bonds, Series 2006, 0.000%, 8/01/23 - FGIC Insured | No Opt. Ca |
| 1,000 | Sierra Joint Community College District, Tahoe Truckee, California, General Obligation Bonds, School Facilities Improvement District 1, Series 2005A, 5.000%, 8/01/27 - FGIC Insured | 8/14 at 100. |
| 1,575 | Sierra Joint Community College District, Western Nevada, California, General Obligation Bonds, School Facilities Improvement District 2, Series 2005A, 5.000%, 8/01/27 - FGIC Insured | 8/14 at 100. |
| 3,600 | Ventura County Community College District, California, General Obligation Bonds, Series 2005B, 5.000%, 8/01/28 - MBIA Insured | 8/15 at 100. |
| 251,318 | Total California | |
| | COLORADO - 2.3% (1.4% OF TOTAL INVESTMENTS) | |
| 2,015 | Board of Trustees of the University of Northern Colorado, Revenue Bonds, Series 2005, 5.000%, 6/01/22 - FSA Insured | 6/15 at 100. |
| | Denver City and County, Colorado, Airport Revenue Bonds, Series 2006: | |

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|---|---|---|
| 5,365 | 5.000%, 11/15/23 - FGIC Insured (UB) | 11/16 at 100. |
| 1,100 | 7.501%, 11/15/24 - FGIC Insured (IF) | 11/16 at 100. |
| 1,445 | 7.501%, 11/15/25 - FGIC Insured (IF) | 11/16 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | COLORADO (CONTINUED) | |
| $ 1,250 | Jefferson County School District R1, Colorado, General Obligation Bonds, Series 2004, 5.000%, 12/15/24 - FSA Insured | 12/14 at 100. |
| 1,000 | University of Colorado, Enterprise System Revenue Bonds, Series 2005, 5.000%, 6/01/30 - FGIC Insured | 6/15 at 100. |
| 12,175 | Total Colorado | |
| | CONNECTICUT - 0.3% (0.2% OF TOTAL INVESTMENTS) | |
| 2,000 | Connecticut, General Obligation Bonds, Series 2004D, 5.000%, 12/01/22 - MBIA Insured | 12/14 at 100. |
| | DISTRICT OF COLUMBIA - 2.2% (1.4% OF TOTAL INVESTMENTS) | |
| 8,000 | Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 1998, 5.000%, 10/01/21 (Pre-refunded 10/01/08) - AMBAC Insured | 10/08 at 101. |
| 1,335 | Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 6.094%, 10/01/30 - AMBAC Insured (IF) | 10/16 at 100. |
| 3,920 | Washington DC Convention Center Authority, Dedicated Tax Revenue Bonds, Residual Series 1730, 1731, 1736, 6.092%, 10/01/36 - AMBAC Insured (IF) | 10/16 at 100. |
| 13,255 | Total District of Columbia | |
| | FLORIDA - 7.6% (4.7% OF TOTAL INVESTMENTS) | |
| 3,450 | Collier County, Florida, Capital Improvement Revenue Bonds, Series 2005, 5.000%, 10/01/24 - MBIA Insured | 10/14 at 100. |
| 3,250 | Florida State Board of Education, Full Faith and Credit Public Education Capital Outlay Bonds, Series 2003J, | 6/13 at 101. |

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|---|---|---|
| | 5.000%, 6/01/22 - AMBAC Insured | |
| 20,000 | Lee County, Florida, Airport Revenue Bonds, Series 2000A, 5.750%, 10/01/25 - FSA Insured (Alternative Minimum Tax) | 10/10 at 101. |
| 4,115 | Miami-Dade County Housing Finance Authority, Florida, Multifamily Housing Revenue Bonds, Monterey Pointe Apartments, Series 2001-2A, 5.850%, 7/01/37 - FSA Insured (Alternative Minimum Tax) | 7/11 at 100. |
| 7,000 | Miami-Dade County, Florida, Aviation Revenue Bonds, Miami International Airport, Series 2002, 5.375%, 10/01/32 - FGIC Insured (Alternative Minimum Tax) | 10/12 at 100. |
| 3,780 | Palm Beach County School Board, Florida, Certificates of Participation, Series 2003A, 5.000%, 8/01/16 - AMBAC Insured | 8/13 at 100. |
| 41,595 | Total Florida | |
| | GEORGIA - 0.1% (0.1% OF TOTAL INVESTMENTS) | |
| 1,000 | Atlanta, Georgia, Water and Wastewater Revenue Bonds, Series 2004, 5.000%, 11/01/22 - FSA Insured | 11/14 at 100. |
| | HAWAII - 3.3% (2.0% OF TOTAL INVESTMENTS) | |
| 1,620 | Hawaii County, Hawaii, General Obligation Bonds, Series 2003A, 5.000%, 7/15/21 - FSA Insured | 7/13 at 100. |
| | Hawaii Department of Transportation, Airport System Revenue Refunding Bonds, Series 2000B: | |
| 8,785 | 6.625%, 7/01/18 - FGIC Insured (Alternative Minimum Tax) | 7/10 at 101. |
| 7,000 | 6.000%, 7/01/19 - FGIC Insured (Alternative Minimum Tax) | 7/10 at 101. |
| 17,405 | Total Hawaii | |
| | ILLINOIS - 15.5% (9.5% OF TOTAL INVESTMENTS) | |
| 9,500 | Chicago, Illinois, Second Lien General Airport Revenue Refunding Bonds, O'Hare International Airport, Series 1999, 5.500%, 1/01/15 - AMBAC Insured (Alternative Minimum Tax) | 1/10 at 101. |
| 2,875 | Chicago, Illinois, Third Lien General Airport Revenue Bonds, O'Hare International Airport, Series 2005A, 5.250%, 1/01/24 - MBIA Insured | 1/16 at 100. |
| 25,000 | Illinois Health Facilities Authority, Revenue Bonds, Iowa Health System, Series 2000, 5.875%, 2/15/30 - AMBAC Insured (ETM) | 2/10 at 101. |
| 13,275 | Illinois, General Obligation Bonds, Illinois FIRST Program, Series 2001, 5.250%, 5/01/26 - FSA Insured | 5/11 at 100. |

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | ILLINOIS (CONTINUED) | |
| $ 15,785 | Illinois, General Obligation Bonds, Illinois FIRST Program, Series 2002, 5.250%, 4/01/27 - FSA Insured | 4/12 at 100. |
| 18,000 | Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Expansion Project, Series 2002A, 0.000%, 12/15/24 - MBIA Insured | No Opt. Ca |
| 10,000 | University of Illinois, Certificates of Participation, Utility Infrastructure Projects, Series 2001B, 5.250%, 8/15/21 (Pre-refunded 8/15/11) - AMBAC Insured | 8/11 at 100. |
| 94,435 | Total Illinois | |
| | INDIANA - 2.3% (1.4% OF TOTAL INVESTMENTS) | |
| 3,730 | Indiana Municipal Power Agency, Power Supply Revenue Bonds, Series 2007A, 5.000%, 1/01/42 - MBIA Insured | 1/17 at 100. |
| 7,790 | Indiana Transportation Finance Authority, Highway Revenue Bonds, Series 1990A, 7.250%, 6/01/15 - AMBAC Insured | No Opt. Ca |
| 11,520 | Total Indiana | |
| | KANSAS - 0.5% (0.4% OF TOTAL INVESTMENTS) | |
| 3,000 | Wichita, Kansas, Water and Sewerage Utility Revenue Bonds, Series 2003, 5.000%, 10/01/21 - FGIC Insured | 10/13 at 100. |
| | KENTUCKY - 5.8% (3.6% OF TOTAL INVESTMENTS) | |
| 3,015 | Kentucky Asset/Liability Commission, General Fund Revenue Project Notes, First Series 2005, 5.000%, 5/01/25 - MBIA Insured | 5/15 at 100. |
| | Kentucky Economic Development Finance Authority, Health System Revenue Bonds, Norton Healthcare Inc., Series 2000C: | |
| 2,530 | 6.150%, 10/01/27 - MBIA Insured | 10/13 at 101. |
| 12,060 | 6.150%, 10/01/28 - MBIA Insured | 10/13 at 101. |
| | Kentucky Economic Development Finance Authority, Health System Revenue Bonds, Norton Healthcare Inc., Series 2000C: | |
| 3,815 | 6.150%, 10/01/27 (Pre-refunded 10/01/13) - MBIA Insured | 10/13 at 101. |
| 6,125 | 6.150%, 10/01/28 (Pre-refunded 10/01/13) - MBIA Insured | 10/13 at 101. |
| 2,230 | Kentucky State Property and Buildings Commission, Revenue | 8/15 at 100. |

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| | Bonds, Project 85, Series 2005, 5.000%, 8/01/23 (Pre-refunded 8/01/15) - FSA Insured | |
| 29,775 | Total Kentucky | |
| | LOUISIANA - 4.1% (2.5% OF TOTAL INVESTMENTS) | |
| 10 | Louisiana State, Gasoline Tax Revenue Bonds, Series 2006, Residuals 660-1, 5.940%, 5/01/41 - FGIC Insured (IF) | 5/16 at 100. |
| | Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006: | |
| 11,325 | 4.750%, 5/01/39 - FSA Insured (UB) | 5/16 at 100. |
| 8,940 | 4.500%, 5/01/41 - FGIC Insured (UB) | 5/16 at 100. |
| 5 | Louisiana State, Gasoline Tax Revenue Bonds, Series 2006, Residuals 660-3, 5.939%, 5/01/41 - FGIC Insured (IF) | 5/16 at 100. |
| 3,225 | Orleans Levee District, Louisiana, Levee District General Obligation Bonds, Series 1986, 5.950%, 11/01/15 - FSA Insured | 12/07 at 102. |
| 23,505 | Total Louisiana | |
| | MAINE - 1.5% (0.9% OF TOTAL INVESTMENTS) | |
| 555 | Maine Health and Higher Educational Facilities Authority, Revenue Bonds, Series 1999B, 6.000%, 7/01/29 - MBIA Insured | 7/09 at 101. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | MAINE (CONTINUED) | |
| $ 7,445 | Maine Health and Higher Educational Facilities Authority, Revenue Bonds, Series 1999B, 6.000%, 7/01/29 (Pre-refunded 7/01/09) - MBIA Insured | 7/09 at 101. |
| 8,000 | Total Maine | |
| | MARYLAND - 1.8% (1.1% OF TOTAL INVESTMENTS) | |
| 2,100 | Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 4.750%, 7/01/36 - MBIA Insured (UB) | 7/16 at 100. |
| 7,535 | Maryland Transportation Authority, Airport Parking Revenue Bonds, Baltimore-Washington International Airport Passenger Facility, Series 2002B, 5.500%, 3/01/18 - AMBAC Insured | 3/12 at 101. |

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|---|---|---|
| | (Alternative Minimum Tax) | |
| 9,635 | Total Maryland | |
| | MASSACHUSETTS - 2.7% (1.6% OF TOTAL INVESTMENTS) | |
| 5,000 | Massachusetts Bay Transportation Authority, Senior Sales Tax Revenue Refunding Bonds, Series 2002A, 5.000%, 7/01/27 (Pre-refunded 7/01/12) - FGIC Insured | 7/12 at 100. |
| 1,680 | Massachusetts College Building Authority, Project Revenue Bonds, Series 2006A, 5.000%, 5/01/36 - AMBAC Insured | 5/16 at 100. |
| 1,100 | Massachusetts Water Resources Authority, General Revenue Bonds, Series 2005A, 5.250%, 8/01/26 - MBIA Insured | 8/17 at 100. |
| 1,155 | Massachusetts Water Resources Authority, General Revenue Bonds, Series 2007, Residual Trust 7039, 6.272%, 8/01/46 - FSA Insured (IF) | 2/17 at 100. |
| | Massachusetts, Special Obligation Dedicated Tax Revenue Bonds, Series 2004: | |
| 1,250 | 5.250%, 1/01/21 (Pre-refunded 1/01/14) - FGIC Insured | 1/14 at 100. |
| 1,000 | 5.250%, 1/01/22 (Pre-refunded 1/01/14) - FGIC Insured | 1/14 at 100. |
| 1,195 | 5.250%, 1/01/23 (Pre-refunded 1/01/14) - FGIC Insured | 1/14 at 100. |
| 2,000 | 5.250%, 1/01/24 (Pre-refunded 1/01/14) - FGIC Insured | 1/14 at 100. |
| 14,380 | Total Massachusetts | |
| | MICHIGAN - 0.9% (0.5% OF TOTAL INVESTMENTS) | |
| 4,750 | Michigan Strategic Fund, Collateralized Limited Obligation Pollution Control Revenue Refunding Bonds, Detroit Edison Company, Series 1999A, 5.550%, 9/01/29 - MBIA Insured (Alternative Minimum Tax) | 9/09 at 102. |
| | MINNESOTA - 0.0% (0.0% OF TOTAL INVESTMENTS) | |
| 12 | St. Louis Park, Minnesota, GNMA Mortgage-Backed Securities Program Single Family Residential Mortgage Revenue Bonds, Series 1991A, 7.250%, 4/20/23 | 4/08 at 100. |
| | MISSISSIPPI - 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| 2,715 | Harrison County Wastewater Management District, Mississippi, Revenue Refunding Bonds, Wastewater Treatment Facilities, Series 1991B, 7.750%, 2/01/14 - FGIC Insured (ETM) | No Opt. Ca |
| 2,545 | Harrison County Wastewater Management District, Mississippi, Wastewater Treatment Facilities Revenue Refunding Bonds, Series 1991A, 8.500%, 2/01/13 - FGIC Insured (ETM) | No Opt. Ca |
| 5,260 | Total Mississippi | |

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|---|---|---|
| | NEBRASKA – 0.7% (0.4% OF TOTAL INVESTMENTS) | |
| 4,335 | Lincoln Electric System, Nebraska, Electric System Revenue Bonds, Series 2007A, Residuals 07-1007-9, 5.973%, 9/01/37 – FGIC Insured (IF) | 9/17 at 100. |
| | NEVADA – 7.1% (4.4% OF TOTAL INVESTMENTS) | |
| 33,700 | Director of Nevada State Department of Business and Industry, Revenue Bonds, Las Vegas Monorail Project, First Tier, Series 2000, 5.375%, 1/01/40 – AMBAC Insured | 1/10 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NEVADA (CONTINUED) | |
| $ 5,720 | Reno, Nevada, Senior Lien Sales and Room Tax Revenue Bonds, Reno Transportation Rail Access Corridor Project, Series 2002, 5.125%, 6/01/32 (Pre-refunded 6/01/12) – AMBAC Insured | 6/12 at 100. |
| 39,420 | Total Nevada | |
| | NEW JERSEY – 1.5% (0.9% OF TOTAL INVESTMENTS) | |
| | New Jersey Economic Development Authority, Revenue Bonds, Motor Vehicle Surcharge, Series 2004A: | |
| 1,700 | 5.000%, 7/01/22 – MBIA Insured | 7/14 at 100. |
| 1,700 | 5.000%, 7/01/23 – MBIA Insured | 7/14 at 100. |
| 2,230 | New Jersey Educational Facilities Authority, Revenue Bonds, Rowan College, Series 2007B, 4.250%, 7/01/34 – FGIC Insured | 7/17 at 100. |
| 2,500 | New Jersey Turnpike Authority, Revenue Bonds, Series 2003A, 5.000%, 1/01/19 – FGIC Insured | 7/13 at 100. |
| 8,130 | Total New Jersey | |
| | NEW MEXICO – 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| | New Mexico Finance Authority, Public Project Revolving Fund Revenue Bonds, Series 2004C: | |
| 1,420 | 5.000%, 6/01/22 – AMBAC Insured | 6/14 at 100. |

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|---|---|---|
| 3,290 | 5.000%, 6/01/23 - AMBAC Insured | 6/14 at 100. |
| 1,530 | New Mexico State University, Revenue Bonds, Series 2004, 5.000%, 4/01/23 - AMBAC Insured | 4/14 at 100. |
| 6,240 | Total New Mexico | |
| | NEW YORK - 15.7% (9.6% OF TOTAL INVESTMENTS) | |
| 11,760 | Dormitory Authority of the State of New York, New York City, Lease Revenue Bonds, Court Facilities, Series 1999, 5.750%, 5/15/30 (Pre-refunded 5/15/10) - AMBAC Insured | 5/10 at 101. |
| 1,100 | Dormitory Authority of the State of New York, Revenue Bonds, Mental Health Services Facilities Improvements, Series 2005A, 5.000%, 2/15/24 - AMBAC Insured | 2/15 at 100. |
| 15,000 | Dormitory Authority of the State of New York, Revenue Bonds, School Districts Financing Program, Series 2002D, 5.500%, 10/01/17 - MBIA Insured | 10/12 at 100. |
| 4,070 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Series 2006A, 4.500%, 2/15/47 - MBIA Insured (UB) | 2/17 at 100. |
| 3,300 | Long Island Power Authority, New York, Electric System Revenue Bonds, Series 2006F, 4.250%, 5/01/33 - MBIA Insured (UB) | 11/16 at 100. |
| 5,000 | Long Island Power Authority, New York, Electric System General Revenue Bonds, Series 2006A, 5.000%, 12/01/25 - FGIC Insured | 6/16 at 100. |
| 8,000 | Metropolitan Transportation Authority, New York, State Service Contract Refunding Bonds, Series 2002A, 5.000%, 7/01/25 - FGIC Insured | 7/12 at 100. |
| 6,940 | New York Convention Center Development Corporation, Hotel Unit Fee Revenue Bonds, Series 2005, 5.000%, 11/15/44 - AMBAC Insured (UB) | 11/15 at 100. |
| 10,150 | New York State Housing Finance Agency, Mortgage Revenue Refunding Bonds, Housing Project, Series 1996A, 6.125%, 11/01/20 - FSA Insured | 11/07 at 101. |
| 4,200 | New York State Mortgage Agency, Homeowner Mortgage Revenue Bonds, Series 82, 5.550%, 10/01/19 - MBIA Insured (Alternative Minimum Tax) | 10/09 at 100. |
| 6,595 | New York State Thruway Authority, State Personal Income Tax Revenue Bonds, Series 2005A, 5.000%, 3/15/25 - FSA Insured | 3/15 at 100. |
| | New York State Urban Development Corporation, Service Contract Revenue Bonds, Series 2005B: | |
| 2,460 | 5.000%, 3/15/24 - FSA Insured | 3/15 at 100. |
| 2,465 | 5.000%, 3/15/25 - FSA Insured | 3/15 at 100. |
| 5,000 | Triborough Bridge and Tunnel Authority, New York, Subordinate Lien General Purpose Revenue Bonds, Series 2003A, 5.000%, 11/15/32 - FGIC Insured | 11/13 at 100. |
| 86,040 | Total New York | |

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| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | OHIO - 4.6% (2.8% OF TOTAL INVESTMENTS) | |
| $ 1,585 | Cincinnati City School District, Hamilton County, Ohio, General Obligation Bonds, Series 2006, 5.250%, 12/01/23 - FGIC Insured | No Opt. Ca |
| 7,000 | Cleveland State University, Ohio, General Receipts Bonds, Series 2004, 5.250%, 6/01/19 - FGIC Insured | 6/14 at 100. |
| 9,200 | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2006, 4.250%, 12/01/32 - AMBAC Insured (UB) | 12/16 at 100. |
| 5,000 | Lorain County, Ohio, Health Facilities Revenue Bonds, Catholic Healthcare Partners, Series 1999A, 5.500%, 9/01/29 - AMBAC Insured | 9/09 at 102. |
| 3,065 | Oak Hills Local School District, Hamilton County, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/24 - FSA Insured | 12/15 at 100. |
| 25,850 | Total Ohio | |
| | OKLAHOMA - 0.4% (0.3% OF TOTAL INVESTMENTS) | |
| 2,250 | Oklahoma Capitol Improvement Authority, State Facilities Revenue Bonds, Series 2005F, 5.000%, 7/01/24 - AMBAC Insured | 7/15 at 100. |
| | PENNSYLVANIA - 4.0% (2.4% OF TOTAL INVESTMENTS) | |
| 3,000 | Allegheny County Sanitary Authority, Pennsylvania, Sewerage Revenue Bonds, Series 2005A, 5.000%, 12/01/23 - MBIA Insured | 12/15 at 100. |
| 7,000 | Allegheny County, Pennsylvania, Airport Revenue Refunding Bonds, Pittsburgh International Airport, Series 1997A, 5.250%, 1/01/16 (Pre-refunded 1/01/08) - MBIA Insured (Alternative Minimum Tax) | 1/08 at 101. |
| | Delaware County Authority, Pennsylvania, Revenue Bonds, Villanova University, Series 2006: | |
| 3,260 | 5.000%, 8/01/23 - AMBAC Insured | 8/16 at 100. |
| 1,600 | 5.000%, 8/01/24 - AMBAC Insured | 8/16 at 100. |
| 5,400 | Pennsylvania Public School Building Authority, Lease | 12/16 at 100. |

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|---|---|---|
| | Revenue Bonds, School District of Philadelphia, Series 2006B, 4.500%, 6/01/32 - FSA Insured (UB) | |
| 2,000 | Pittsburgh Public Parking Authority, Pennsylvania, Parking Revenue Bonds, Series 2005B, 5.000%, 12/01/23 - FGIC Insured | 12/15 at 100. |
| 22,260 | Total Pennsylvania | |
| | PUERTO RICO - 1.5% (0.9% OF TOTAL INVESTMENTS) | |
| 2,500 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/22 - FGIC Insured | 7/15 at 100. |
| 5,000 | Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 2003AA, 5.500%, 7/01/16 - FGIC Insured | No Opt. Ca |
| 7,500 | Total Puerto Rico | |
| | SOUTH CAROLINA - 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| 3,000 | Charleston County School District, South Carolina, General Obligation Bonds, Series 2004A, 5.000%, 2/01/22 - AMBAC Insured | 2/14 at 100. |
| 3,335 | South Carolina Transportation Infrastructure Bank, Revenue Bonds, Series 2007A, Lehman Municipal Trust Receipts K35W, 5.953%, 10/01/34 - XLCA Insured (IF) | 10/16 at 100. |
| 6,335 | Total South Carolina | |
| | TENNESSEE - 1.1% (0.6% OF TOTAL INVESTMENTS) | |
| | Knox County Health, Educational and Housing Facilities Board, Tennessee, Hospital Revenue Refunding Bonds, Covenant Health, Series 2002A: | |
| 7,500 | 0.000%, 1/01/24 - FSA Insured | 1/13 at 52. |
| 5,000 | 0.000%, 1/01/25 - FSA Insured | 1/13 at 49. |
| 2,750 | 0.000%, 1/01/26 - FSA Insured | 1/13 at 46. |
| 15,250 | Total Tennessee | |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|

| | | |
|---|---|---|
| | TEXAS - 19.0% (11.7% OF TOTAL INVESTMENTS) | |
| $ 8,000 | Abilene Health Facilities Development Corporation, Texas, Hospital Revenue Refunding and Improvement Bonds, Hendrick Medical Center Project, Series 1995C, 6.150%, 9/01/25 - MBIA Insured | 3/08 at 100. |
| 1,595 | Austin, Texas, Combined Utility System Revenue Refunding Bonds, Series 1997, 5.125%, 11/15/20 - FSA Insured | 11/07 at 100. |
| 3,135 | Corpus Christi, Texas, Utility System Revenue Bonds, Series 2004, 5.250%, 7/15/20 - FSA Insured | 7/14 at 100. |
| 3,000 | Dallas-Ft. Worth International Airport, Texas, Joint Revenue Refunding and Improvement Bonds, Series 2001A, 5.750%, 11/01/13 - FGIC Insured (Alternative Minimum Tax) | 11/11 at 100. |
| 3,735 | Grand Prairie Independent School District, Dallas County, Texas, General Obligation Bonds, Series 2003, 5.125%, 2/15/31 (Pre-refunded 2/15/13) - FSA Insured | 2/13 at 100. |
| 1,465 | Harris County Hospital District, Texas, Revenue Refunding Bonds, Series 1990, 7.400%, 2/15/10 - AMBAC Insured | No Opt. Ca |
| 495 | Harris County Hospital District, Texas, Revenue Refunding Bonds, Series 1990, 7.400%, 2/15/10 - AMBAC Insured (ETM) | No Opt. Ca |
| 5,000 | Houston, Texas, First Lien Combined Utility System Revenue Bonds, Series 2004A, 5.250%, 5/15/24 - FGIC Insured | 5/14 at 100. |
| 4,500 | Houston, Texas, General Obligation Public Improvement Bonds, Series 2001A, 5.000%, 3/01/22 - FSA Insured | 3/11 at 100. |
| 17,000 | Houston, Texas, Junior Lien Water and Sewerage System Revenue Refunding Bonds, Series 2002A, 5.750%, 12/01/32 - FSA Insured (ETM) | No Opt. Ca |
| 4,685 | Houston, Texas, Subordinate Lien Airport System Revenue Bonds, Series 2000A, 5.500%, 7/01/19 - FSA Insured (Alternative Minimum Tax) | 7/10 at 100. |
| 19,200 | Jefferson County Health Facilities Development Corporation, Texas, FHA-Insured Mortgage Revenue Bonds, Baptist Hospital of Southeast Texas, Series 2001, 5.400%, 8/15/31 - AMBAC Insured | 8/11 at 100. |
| 6,000 | Laredo Community College District, Texas, Limited Tax General Obligation Bonds, Series 2001, 5.375%, 8/01/31 (Pre-refunded 8/01/10) - AMBAC Insured | 8/10 at 100. |
| 2,000 | Laredo Independent School District Public Facilities Corporation, Texas, Lease Revenue Bonds, Series 2004A, 5.000%, 8/01/24 - AMBAC Insured | 8/11 at 100. |
| 22,045 | North Central Texas Health Facilities Development Corporation, Revenue Bonds, Children's Medical Center of Dallas, Series 2002, 5.250%, 8/15/32 - AMBAC Insured | 8/12 at 101. |
| 101,855 | Total Texas | |

| | | |
|---|---|---|
| | WASHINGTON - 12.9% (7.9% OF TOTAL INVESTMENTS) | |
| 10,730 | Chelan County Public Utility District 1, Washington, Hydro Consolidated System Revenue Refunding Bonds, Series 2001C, 5.650%, 7/01/32 - MBIA Insured (Alternative Minimum Tax) | 7/11 at 101. |
| 15,025 | Seattle Housing Authority, Washington, GNMA Collateralized Mortgage Loan Low Income Housing Assistance Revenue Bonds, Park Place Project, Series 2000A, 7.000%, 5/20/42 | 11/11 at 105. |
| 4,570 | Seattle Housing Authority, Washington, GNMA Collateralized Mortgage Loan Low Income Housing Assistance Revenue Bonds, RHF/Esperanza Apartments Project, Series 2000A, 6.125%, 3/20/42 (Alternative Minimum Tax) | 9/11 at 102. |
| 5,000 | Seattle, Washington, Municipal Light and Power Revenue Bonds, Series 2000, 5.250%, 12/01/21 - FSA Insured | 12/10 at 100. |
| 11,750 | Washington Public Power Supply System, Revenue Refunding Bonds, Nuclear Project 1, Series 1998A, 5.125%, 7/01/17 - MBIA Insured | 7/08 at 102. |
| 2,500 | Washington State Healthcare Facilities Authority, Revenue Bonds, Providence Services, Series 1999, 5.375%, 12/01/19 (Pre-refunded 12/01/09) - MBIA Insured | 12/09 at 101. |
| 21,510 | Washington State, Motor Vehicle Fuel Tax General Obligation Bonds, Series 2002-03C, 0.000%, 6/01/28 - MBIA Insured (UB) | No Opt. Ca |
| 10,000 | Washington State, General Obligation Bonds, Series R-2003A, 5.000%, 1/01/19 - MBIA Insured | 1/12 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | WASHINGTON (CONTINUED) | |
| $ 2,250 | Washington, Certificates of Participation, Washington Convention and Trade Center, Series 1999, 5.250%, 7/01/14 - MBIA Insured | 7/09 at 100. |
| 83,335 | Total Washington | |
| | WEST VIRGINIA - 2.4% (1.5% OF TOTAL INVESTMENTS) | |
| 12,845 | West Virginia Water Development Authority, Infrastructure Revenue Bonds, Infrastructure and Jobs Development Council Program, Series 2000A, 5.500%, 10/01/39 (Pre-refunded 10/01/10) - FSA Insured | 10/10 at 100. |

| | | |
|---|---|---|
| | WISCONSIN - 0.7% (0.4% OF TOTAL INVESTMENTS) | |
| 1,635 | Green Bay, Wisconsin, Water System Revenue Bonds, Series 2004, 5.000%, 11/01/26 (Pre-refunded 11/01/14) - FSA Insured | 11/14 at 100. |
| 545 | Green Bay, Wisconsin, Water System Revenue Bonds, Series 2004, 5.000%, 11/01/26 - FSA Insured | 11/14 at 100. |
| 1,675 | Wisconsin Public Power Incorporated System, Power Supply System Revenue Bonds, Series 2005A, 5.000%, 7/01/30 - AMBAC Insured | 7/15 at 100. |
| 3,855 | Total Wisconsin | |
| $ 1,003,030 | Total Investments (cost $893,218,583) - 163.0% | |
| | Floating Rate Obligations - (9.5)% | |
| | Other Assets Less Liabilities - 2.3% | |
| | Preferred Shares, at Liquidation Value - (55.8)% | |
| | Net Assets Applicable to Common Shares - 100% | |

All of the bonds in the Portfolio of Investments are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax- exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolio of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



NIO | Nuveen Insured Municipal Opportunity Fund, Inc.
| Portfolio of INVESTMENTS

October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | ALABAMA - 11.0% (6.9% OF TOTAL INVESTMENTS) | |
| $ 10,500 | Birmingham Waterworks and Sewerage Board, Alabama, Water and Sewerage Revenue Bonds, Series 2007A, 4.500%, 1/01/43 - AMBAC Insured (UB) | 1/17 at 100. |
| 11,175 | Hoover Board of Education, Alabama, Capital Outlay Tax Anticipation Warrants, Series 2001, 5.250%, 2/15/22 - MBIA Insured | 2/11 at 100. |
| | Jefferson County, Alabama, Sewer Revenue Capital Improvement Warrants, Series 1999A: | |
| 10,815 | 5.000%, 2/01/33 (Pre-refunded 2/01/09) - FGIC Insured | 2/09 at 101. |
| 9,790 | 5.000%, 2/01/33 (Pre-refunded 2/01/09) - FGIC Insured | 2/09 at 101. |
| 29,860 | 5.750%, 2/01/38 (Pre-refunded 2/01/09) - FGIC Insured | 2/09 at 101. |
| 2,500 | Jefferson County, Alabama, Sewer Revenue Capital Improvement Warrants, Series 2002B, 5.125%, 2/01/42 (Pre-refunded 8/01/12) - FGIC Insured | 8/12 at 100. |
| | Jefferson County, Alabama, Sewer Revenue Capital Improvement Warrants, Series 2002D: | |
| 425 | 5.000%, 2/01/38 (Pre-refunded 8/01/12) - FGIC Insured | 8/12 at 100. |
| 14,800 | 5.000%, 2/01/42 (Pre-refunded 8/01/12) - FGIC Insured | 8/12 at 100. |
| 18,760 | Jefferson County, Alabama, Sewer Revenue Capitol Improvement Warrants, Series 2001A, 5.000%, 2/01/41 (Pre-refunded 2/01/11) - FGIC Insured | 2/11 at 101. |
| 10,195 | Jefferson County, Alabama, Sewer Revenue Refunding Warrants, Series 1997A, 5.375%, 2/01/27 - FGIC Insured | 1/08 at 100. |
| 5,240 | Jefferson County, Alabama, Sewer Revenue Refunding Warrants, Series 2003B, 5.000%, 2/01/41 (Pre-refunded 2/01/11) - FGIC Insured | 2/11 at 101. |

| | | |
|---|---|---|
| 6,000 | University of Alabama, Tuscaloosa, General Revenue Bonds, Series 2004A, 5.000%, 7/01/29 - MBIA Insured | 7/14 at 100. |
| 130,060 | Total Alabama | |
| | ALASKA - 1.5% (0.9% OF TOTAL INVESTMENTS) | |
| 3,190 | Alaska Housing Finance Corporation, Collateralized Veterans Mortgage Program Bonds, First Series 1999A-1, 6.150%, 6/01/39 | 12/09 at 100. |
| 11,245 | Alaska Housing Finance Corporation, General Mortgage Revenue Bonds, Series 1999A, 6.050%, 6/01/39 - MBIA Insured | 6/09 at 100. |
| 3,000 | Alaska Student Loan Corporation, Student Loan Revenue Bonds, Series 1998A, 5.250%, 7/01/14 - AMBAC Insured (Alternative Minimum Tax) | 7/08 at 100. |
| 17,435 | Total Alaska | |
| | ARIZONA - 2.5% (1.6% OF TOTAL INVESTMENTS) | |
| | Arizona State University, Certificates of Participation, Resh Infrastructure Projects, Series 2005A: | |
| 2,000 | 5.000%, 9/01/25 - AMBAC Insured | 3/15 at 100. |
| 2,000 | 5.000%, 9/01/27 - AMBAC Insured | 3/15 at 100. |
| 1,000 | Arizona State University, System Revenue Bonds, Series 2005, 5.000%, 7/01/27 - AMBAC Insured | 7/15 at 100. |
| 1,000 | Maricopa County Union High School District 210, Phoenix, Arizona, General Obligation Bonds, Series 2004A, 5.000%, 7/01/22 (Pre-refunded 7/01/14) - FSA Insured | 7/14 at 100. |
| 6,940 | Mesa, Arizona, Utility System Revenue Bonds, Reset Option Longs, Series 11032- 11034, 5.258%, 7/01/31 - FSA Insured (IF) | 7/17 at 100. |
| 1,150 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Wastewater System Revenue Bonds, Series 2004, 5.000%, 7/01/27 - MBIA Insured | 7/14 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | ARIZONA (CONTINUED) | |
| $ 13,490 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien | 7/15 at 100. |

| | | |
|---|---|---|
| | Water System Revenue Bonds, Series 2005, 4.750%, 7/01/25 - MBIA Insured | |
| 3,895 | Pima County Industrial Development Authority, Arizona, Lease Obligation Revenue Refunding Bonds, Tucson Electric Power Company, Series 1988A, 7.250%, 7/15/10 - FSA Insured | 1/08 at 100. |
| 31,475 | Total Arizona | |
| | ARKANSAS - 0.7% (0.5% OF TOTAL INVESTMENTS) | |
| 3,660 | Arkansas State University, Student Fee Revenue Bonds, Beebe Campus, Series 2006, 5.000%, 9/01/35 - AMBAC Insured | 9/15 at 100. |
| | Pulaski County, Arkansas, Hospital Revenue Bonds, Arkansas Children's Hospital, Series 2005: | |
| 2,000 | 5.000%, 3/01/25 - AMBAC Insured | 3/15 at 100. |
| 3,000 | 5.000%, 3/01/30 - AMBAC Insured | 3/15 at 100. |
| 8,660 | Total Arkansas | |
| | CALIFORNIA - 32.7% (20.4% OF TOTAL INVESTMENTS) | |
| 5,600 | Alameda Corridor Transportation Authority, California, Subordinate Lien Revenue Bonds, Series 2004A, 0.000%, 10/01/20 - AMBAC Insured | No Opt. Ca |
| 10,000 | California Department of Veterans Affairs, Home Purchase Revenue Bonds, Series 2002A, 5.300%, 12/01/21 - AMBAC Insured | 6/12 at 101. |
| | California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A: | |
| 30,000 | 5.375%, 5/01/17 (Pre-refunded 5/01/12) - XLCA Insured | 5/12 at 101. |
| 25,000 | 5.375%, 5/01/18 (Pre-refunded 5/01/12) - AMBAC Insured | 5/12 at 101. |
| | California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2005AC: | |
| 3,700 | 5.000%, 12/01/24 - MBIA Insured | 12/14 at 100. |
| 2,820 | 5.000%, 12/01/27 - MBIA Insured | 12/14 at 100. |
| 18,000 | California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/33 (Pre-refunded 1/01/28) - AMBAC Insured (UB) | 1/28 at 100. |
| 4,500 | California, General Obligation Bonds, Series 1998, 5.000%, 10/01/19 - FGIC Insured | 10/08 at 101. |
| 10,150 | California, General Obligation Bonds, Series 2004, 5.000%, 6/01/31 - AMBAC Insured | 12/14 at 100. |
| 3,500 | Coachella Valley Unified School District, Riverside County, California, General Obligation Bonds, Series 2005A, 5.000%, 8/01/26 - FGIC Insured | 8/15 at 100. |
| 20,000 | Cucamonga County Water District, San Bernardino County, California, Certificates of | 9/11 at 101. |

| | | |
|---|---|---|
| | Participation, Water Shares Purchase, Series 2000, 5.125%, 9/01/35 - FGIC Insured | |
| 5,750 | East Bay Municipal Utility District, Alameda and Contra Costa Counties, California, Water System Subordinated Revenue Bonds, Series 2005A, 5.000%, 6/01/27 - MBIA Insured | 6/15 at 100. |
| 10,000 | Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/38 - FGIC Insured | 6/15 at 100. |
| 1,520 | Hayward Redevelopment Agency, California, Downtown Redevelopment Project Tax Allocation Bonds, Series 2006, 5.000%, 3/01/36 - XLCA Insured | 3/16 at 100. |
| 4,000 | Kern Community College District, California, General Obligation Bonds, Series 2005, 5.000%, 11/01/20 - FSA Insured | 11/15 at 100. |
| 5,600 | Kern Community College District, California, General Obligation Bonds, Series 2006, 0.000%, 11/01/24 - FSA Insured | No Opt. Ca |
| 5,000 | Long Beach Bond Financing Authority, California, Lease Revenue Refunding Bonds, Long Beach Aquarium of the South Pacific, Series 2001, 5.250%, 11/01/30 - AMBAC Insured | 11/11 at 101. |
| 1,875 | Los Angeles Department of Water and Power, California, Waterworks Revenue Bonds, Series 2006A-1, 5.000%, 7/01/36 - AMBAC Insured | 7/16 at 100. |
| 2,740 | Los Angeles Harbors Department, California, Revenue Bonds, Series 2006A, 5.000%, 8/01/22 - FGIC Insured (Alternative Minimum Tax) | 8/16 at 102. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | CALIFORNIA (CONTINUED) | |
| $ 20,000 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2003A, 5.000%, 7/01/21 - FSA Insured | 7/13 at 100. |
| 2,000 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2005A-2, 5.000%, 7/01/23 - MBIA Insured | 7/15 at 100. |
| 3,000 | Los Angeles Unified School District, California, General | 7/16 at 100. |

| | | |
|---|---|---|
| | Obligation Bonds, Series 2006F, 5.000%, 7/01/24 - FGIC Insured | |
| 6,205 | Port of Oakland, California, Revenue Bonds, Series 2002L, 5.000%, 11/01/22 - FGIC Insured (Alternative Minimum Tax) | 11/12 at 100. |
| | Poway Redevelopment Agency, California, Tax Allocation Bonds, Paguay Redevelopment Project, Series 2001: | |
| 15,000 | 5.200%, 6/15/30 - AMBAC Insured | 12/11 at 101. |
| 5,000 | 5.125%, 6/15/33 - AMBAC Insured | 12/11 at 101. |
| 2,035 | Redding, California, Electric System Revenue Certificates of Participation, Series 2005, 5.000%, 6/01/30 - FGIC Insured | 6/15 at 100. |
| 6,000 | Redlands Unified School District, San Bernardino County, California, General Obligation Bonds, Series 2003, 5.000%, 7/01/26 - FSA Insured | 7/13 at 100. |
| 2,285 | Rio Hondo Community College District, California, General Obligation Bonds, Series 2005A, 5.000%, 8/01/20 - FGIC Insured | 8/15 at 100. |
| 2,970 | Riverside Community College District, California, General Obligation Bonds, Series 2005, 5.000%, 8/01/22 - FSA Insured | 8/15 at 100. |
| 2,500 | Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2005B, 4.750%, 12/01/21 - FGIC Insured | 12/15 at 100. |
| 13,710 | San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2001, Issue 27A, 5.250%, 5/01/26 - MBIA Insured (Alternative Minimum Tax) | 5/11 at 100. |
| 3,030 | San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2001, 5.125%, 7/01/36 - AMBAC Insured | 7/11 at 100. |
| 8,470 | San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2001, 5.125%, 7/01/36 (Pre-refunded 7/01/11) - AMBAC Insured | 7/11 at 100. |
| | San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2005A: | |
| 1,220 | 5.000%, 7/01/22 - MBIA Insured | 7/15 at 100. |
| 1,280 | 5.000%, 7/01/23 - MBIA Insured | 7/15 at 100. |
| 66,685 | San Joaquin Hills Transportation Corridor Agency, Orange County, California, Senior Lien Toll Road Revenue Bonds, Series 1993, 0.000%, 1/01/21 (ETM) | No Opt. Ca |
| | San Joaquin Hills Transportation Corridor Agency, Orange County, California, Toll Road Revenue Refunding Bonds, Series 1997A: | |
| 31,615 | 5.250%, 1/15/30 - MBIA Insured | 1/08 at 101. |
| 21,500 | 0.000%, 1/15/32 - MBIA Insured | No Opt. Ca |
| 12,525 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2002, 5.000%, 8/01/20 (Pre-refunded 8/01/10) | 8/10 at 101. |

| | | |
|---|---|---|
| | - MBIA Insured | |
| 19,595 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2006C, 4.250%, 8/01/30 - MBIA Insured (UB) | 8/17 at 100. |
| 11,000 | Santa Ana Financing Authority, California, Lease Revenue Bonds, Police Administration and Housing Facility, Series 1994A, 6.250%, 7/01/24 - MBIA Insured | No Opt. Ca |
| 5,000 | Walnut Energy Center Authority, California, Electric Revenue Bonds, Turlock Irrigation District, Series 2004A, 5.000%, 1/01/34 - AMBAC Insured | 1/14 at 100. |
| 432,380 | Total California | |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | COLORADO - 6.7% (4.2% OF TOTAL INVESTMENTS) | |
| $ 1,080 | Arkansas River Power Authority, Colorado, Power Revenue Bonds, Series 2006, 5.250%, 10/01/40 - XLCA Insured | 10/16 at 100. |
| 1,900 | Aspen, Colorado, Sales Tax Revenue Bonds, Parks and Open Space, Series 2005B, 5.250%, 11/01/24 - FSA Insured | 11/15 at 100. |
| 1,000 | Colorado Department of Transportation, Certificates of Participation, Series 2004, 5.000%, 6/15/25 - MBIA Insured | 6/14 at 100. |
| 4,950 | Denver Convention Center Hotel Authority, Colorado, Senior Revenue Bonds, Convention Center Hotel, Series 2003A, 5.000%, 12/01/33 (Pre-refunded 12/01/13) - XLCA Insured | 12/13 at 100. |
| 1,740 | Douglas County School District RE1, Douglas and Elbert Counties, Colorado, General Obligation Bonds, Series 2005B, 5.000%, 12/15/28 - FSA Insured | 12/14 at 100. |
| 35,995 | E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 1997B, 0.000%, 9/01/23 - MBIA Insured | No Opt. Ca |
| 30,800 | E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000A, 5.750%, 9/01/35 (Pre-refunded 9/01/10) - MBIA Insured | 9/10 at 102. |
| 11,800 | E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000B, 0.000%, 9/01/15 (Pre-refunded 9/01/10) - MBIA Insured | 9/10 at 74. |

| | | |
|---|---|---|
| 10,000 | E-470 Public Highway Authority, Colorado, Toll Revenue Bonds, Series 2004A, 0.000%, 9/01/27 - MBIA Insured | No Opt. Ca |
| 4,520 | Jefferson County School District R1, Colorado, General Obligation Bonds, Series 2004, 5.000%, 12/15/24 - FSA Insured | 12/14 at 100. |
| 2,500 | Summit County School District RE-1, Summit, Colorado, General Obligation Bonds, Series 2004B, 5.000%, 12/01/24 - FGIC Insured | 12/14 at 100. |
| 1,000 | University of Colorado, Enterprise System Revenue Bonds, Series 2005, 5.000%, 6/01/30 - FGIC Insured | 6/15 at 100. |
| 107,285 | Total Colorado | |
| | DISTRICT OF COLUMBIA - 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| | District of Columbia Water and Sewerage Authority, Subordinate Lien Public Utility Revenue Bonds, Series 2003: | |
| 5,000 | 5.125%, 10/01/24 - FGIC Insured | 10/13 at 100. |
| 5,000 | 5.125%, 10/01/25 - FGIC Insured | 10/13 at 100. |
| 2,670 | Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 6.094%, 10/01/30 - AMBAC Insured (IF) | 10/16 at 100. |
| 12,670 | Total District of Columbia | |
| | FLORIDA - 5.5% (3.5% OF TOTAL INVESTMENTS) | |
| 1,000 | Hillsborough County School Board, Florida, Certificates of Participation, Master Lease Program, Series 2005A, 5.000%, 7/01/26 - MBIA Insured | 7/15 at 100. |
| | Indian Trace Development District, Florida, Water Management Special Benefit Assessment Bonds, Series 2005: | |
| 645 | 5.000%, 5/01/25 - MBIA Insured | 5/15 at 102. |
| 1,830 | 5.000%, 5/01/27 - MBIA Insured | 5/15 at 102. |
| 4,425 | Jacksonville Economic Development Commission, Florida, Healthcare Facilities Revenue Bonds, Mayo Clinic, Series 2001C, 5.500%, 11/15/36 - MBIA Insured | 11/12 at 100. |
| 1,505 | Lee County, Florida, Transportation Facilities Revenue Bonds, Series 2004B, 5.000%, 10/01/21 - AMBAC Insured | 10/14 at 100. |
| 2,000 | Marco Island, Florida, Water Utility System Revenue Bonds, Series 2003, 5.000%, 10/01/27 - MBIA Insured | 10/13 at 100. |
| 2,150 | Miami-Dade County, Florida, Aviation Revenue Bonds, Miami International Airport, Series 2002A, 5.125%, 10/01/35 - FSA Insured (Alternative Minimum Tax) | 10/12 at 100. |

NIO | Nuveen Insured Municipal Opportunity Fund, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | FLORIDA (CONTINUED) | |
| $ 35,920 | Miami-Dade County, Florida, Aviation Revenue Bonds, Miami International Airport, Series 2002, 5.375%, 10/01/32 - FGIC Insured (Alternative Minimum Tax) | 10/12 at 100. |
| 5,320 | Miami-Dade County, Florida, Public Facilities Revenue Bonds, Jackson Health System, Series 2005B, 5.000%, 6/01/25 - MBIA Insured | 6/15 at 100. |
| | Northern Palm Beach County Improvement District, Florida, Revenue Bonds, Water Control and Improvement Development Unit 9B, Series 2005: | |
| 1,290 | 5.000%, 8/01/23 - MBIA Insured | 8/15 at 102. |
| 2,145 | 5.000%, 8/01/29 - MBIA Insured | 8/15 at 102. |
| 2,590 | Ocala, Florida, Utility System Revenue Bonds, Series 2005B, 5.000%, 10/01/27 - FGIC Insured | 10/15 at 100. |
| 2,320 | Osceola County, Florida, Transportation Revenue Bonds, Osceola Parkway, Series 2004, 5.000%, 4/01/23 - MBIA Insured | 4/14 at 100. |
| 2,225 | Plantation, Florida, Non-Ad Valorem Revenue Refunding and Improvement Bonds, Series 2003, 5.000%, 8/15/18 - FSA Insured | 8/13 at 100. |
| 65,365 | Total Florida | |
| | GEORGIA - 1.0% (0.6% OF TOTAL INVESTMENTS) | |
| 1,000 | Atlanta, Georgia, Water and Wastewater Revenue Bonds, Series 2004, 5.000%, 11/01/22 - FSA Insured | 11/14 at 100. |
| 1,520 | College Park Business and Industrial Development Authority, Georgia, Revenue Bonds, Public Safety Project, Series 2004, 5.250%, 9/01/23 - MBIA Insured | 9/14 at 102. |
| | Fulton County Development Authority, Georgia, Revenue Bonds, Georgia Tech Molecular Science Building, Series 2004: | |
| 1,695 | 5.250%, 5/01/19 - MBIA Insured | 5/14 at 100. |
| 1,135 | 5.250%, 5/01/20 - MBIA Insured | 5/14 at 100. |
| 4,500 | 5.000%, 5/01/36 - MBIA Insured | 5/14 at 100. |
| 1,250 | Glynn-Brunswick Memorial Hospital Authority, Georgia, Revenue Bonds, Southeast Georgia Health Systems, Series 1996, 5.250%, 8/01/13 - MBIA Insured | 2/08 at 101. |

| | | |
|---|---|---|
| 11,100 | Total Georgia | |
| | HAWAII – 0.4% (0.3% OF TOTAL INVESTMENTS) | |
| 5,000 | Hawaii, General Obligation Bonds, Series 2005DF, 5.000%, 7/01/25 – AMBAC Insured | 7/15 at 100. |
| | IDAHO – 0.2% (0.1% OF TOTAL INVESTMENTS) | |
| 345 | Idaho Housing Agency, Single Family Mortgage Senior Bonds, Series 1994B-1, 6.750%, 7/01/22 | No Opt. Ca |
| 300 | Idaho Housing Agency, Single Family Mortgage Senior Bonds, Series 1994B-2, 6.900%, 7/01/26 (Alternative Minimum Tax) | No Opt. Ca |
| 375 | Idaho Housing Agency, Single Family Mortgage Senior Bonds, Series 1995B, 6.600%, 7/01/27 (Alternative Minimum Tax) | 1/08 at 100. |
| | Idaho Housing and Finance Association, Grant and Revenue Anticipation Bonds, Federal Highway Trust Funds, Series 2006: | |
| 1,000 | 5.000%, 7/15/23 – MBIA Insured | 7/16 at 100. |
| 1,065 | 5.000%, 7/15/24 – MBIA Insured | 7/16 at 100. |
| 3,085 | Total Idaho | |
| | ILLINOIS – 6.6% (4.2% OF TOTAL INVESTMENTS) | |
| 1,050 | Bedford Park, Illinois, General Obligation Bonds, Series 2004A, 5.250%, 12/15/20 – FSA Insured | 12/14 at 100. |
| | Chicago, Illinois, Second Lien Passenger Facility Charge Revenue Refunding Bonds, O'Hare International Airport, Series 2001E: | |
| 4,615 | 5.500%, 1/01/17 – AMBAC Insured (Alternative Minimum Tax) | 1/11 at 101. |
| 4,870 | 5.500%, 1/01/18 – AMBAC Insured (Alternative Minimum Tax) | 1/11 at 101. |
| 7,200 | Chicago, Illinois, Third Lien General Airport Revenue Bonds, O'Hare International Airport, Series 2005A, 5.250%, 1/01/24 – MBIA Insured | 1/16 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | ILLINOIS (CONTINUED) | |

| | | |
|---|---|---|
| $ 10,000 | Illinois Development Finance Authority, Revenue Bonds, Provena Health, Series 1998A, 5.500%, 5/15/21 - MBIA Insured | 5/08 at 101. |
| 2,095 | Illinois Educational Facilities Authority, Revenue Bonds, Robert Morris College, Series 2000, 5.800%, 6/01/30 - MBIA Insured | 12/07 at 100. |
| 4,500 | Illinois Health Facilities Authority, Revenue Bonds, Alexian Brothers Health System, Series 1999, 5.000%, 1/01/19 (Pre-refunded 1/01/09) - FSA Insured | 1/09 at 101. |
| 7,000 | Illinois Health Facilities Authority, Revenue Bonds, Hospital Sisters Services Inc. Obligated Group, Series 1998A, 5.000%, 6/01/18 - MBIA Insured | 6/08 at 101. |
| 6,000 | Illinois Toll Highway Authority, State Toll Highway Authority Revenue Bonds, Series 2006, 5.000%, 1/01/26 - FSA Insured | 7/16 at 100. |
| 22,510 | Illinois, General Obligation Bonds, Illinois FIRST Program, Series 2002, 5.125%, 2/01/27 - FGIC Insured | 2/12 at 100. |
| | Schaumburg, Illinois, General Obligation Bonds, Series 2004B: | |
| 4,260 | 5.000%, 12/01/22 - FGIC Insured | 12/14 at 100. |
| 2,365 | 5.000%, 12/01/23 - FGIC Insured | 12/14 at 100. |
| 4,000 | Southwestern Illinois Development Authority, School Revenue Bonds, Triad School District 2, Madison County, Illinois, Series 2006, 0.000%, 10/01/25 - MBIA Insured | No Opt. Ca |
| 80,465 | Total Illinois | |
| | INDIANA - 3.5% (2.2% OF TOTAL INVESTMENTS) | |
| 2,030 | Decatur Township-Marion County Multi-School Building Corporation, Indiana, First Mortgage Bonds, Series 2003, 5.000%, 7/15/20 (Pre-refunded 7/15/13) - FGIC Insured | 7/13 at 100. |
| 8,000 | Indiana Municipal Power Agency, Power Supply Revenue Bonds, Series 2007A, 5.000%, 1/01/42 - MBIA Insured | 1/17 at 100. |
| 20,000 | Indianapolis Local Public Improvement Bond Bank, Indiana, Series 1999E, 0.000%, 2/01/28 - AMBAC Insured | No Opt. Ca |
| 3,250 | Indianapolis Local Public Improvement Bond Bank, Indiana, Waterworks Project, Series 2002A, 5.250%, 7/01/33 (Pre-refunded 7/01/12) - MBIA Insured | 7/12 at 100. |
| 1,340 | Monroe-Gregg Grade School Building Corporation, Morgan County, Indiana, First Mortgage Bonds, Series 2004, 5.000%, 1/15/25 (Pre-refunded 1/15/14) - FSA Insured | 1/14 at 100. |
| 5,000 | Noblesville Redevelopment Authority, Indiana, Economic Development Lease Rental Bonds, Exit 10 Project, Series 2003, 5.000%, 1/15/28 - AMBAC Insured | 7/13 at 100. |
| 10,000 | Purdue University, Indiana, Student Fee Bonds, Series 2002O, 5.000%, 7/01/19 - MBIA Insured | 1/12 at 100. |

| | | |
|---|---|---|
| 3,705 | Whitley County Middle School Building Corporation, Columbia City, Indiana, First Mortgage Bonds, Series 2003, 5.000%, 7/15/16 - FSA Insured | 7/13 at 100. |
| 53,325 | Total Indiana | |
| | KANSAS - 1.2% (0.7% OF TOTAL INVESTMENTS) | |
| 2,055 | Kansas Turnpike Authority, Revenue Bonds, Series 2004A-2, 5.000%, 9/01/23 - FSA Insured | 9/14 at 101. |
| | Neosho County Unified School District 413, Kansas, General Obligation Bonds, Series 2006: | |
| 2,145 | 5.000%, 9/01/27 - FSA Insured | 9/14 at 100. |
| 4,835 | 5.000%, 9/01/29 - FSA Insured | 9/14 at 100. |
| 5,000 | University of Kansas Hospital Authority, Health Facilities Revenue Bonds, KU Health System, Series 1999A, 5.650%, 9/01/29 (Pre-refunded 9/01/09) - AMBAC Insured | 9/09 at 100. |
| 14,035 | Total Kansas | |
| | KENTUCKY - 2.1% (1.3% OF TOTAL INVESTMENTS) | |
| 3,870 | Kenton County School District Finance Corporation, Kentucky, School Building Revenue Bonds, Series 2004, 5.000%, 6/01/20 - MBIA Insured | 6/14 at 100. |
| 7,500 | Kentucky Turnpike Authority, Economic Development Road Revenue Bonds, Revitalization Project, Series 2006B, 5.000%, 7/01/25 - AMBAC Insured | 7/16 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | KENTUCKY (CONTINUED) | |
| $ 12,980 | Louisville and Jefferson County Metropolitan Sewer District, Kentucky, Sewer and Drainage System Revenue Bonds, Series 2001A, 5.500%, 5/15/34 - MBIA Insured | 11/11 at 101. |
| 24,350 | Total Kentucky | |
| | LOUISIANA - 5.7% (3.6% OF TOTAL INVESTMENTS) | |

| | | |
|---|---|---|
| 5,000 | DeSoto Parish, Louisiana, Pollution Control Revenue Refunding Bonds, Cleco Utility Group Inc. Project, Series 1999, 5.875%, 9/01/29 - AMBAC Insured | 9/09 at 102. |
| 3,025 | Lafayette City and Parish, Louisiana, Utilities Revenue Bonds, Series 2004, 5.250%, 11/01/22 - MBIA Insured | 11/14 at 100. |
| 5,140 | Louisiana Public Facilities Authority, Revenue Bonds, Baton Rouge General Hospital, Series 2004, 5.250%, 7/01/24 - MBIA Insured | 7/14 at 100. |
| | Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2005A: | |
| 2,400 | 5.000%, 5/01/25 - FGIC Insured | 5/15 at 100. |
| 4,415 | 5.000%, 5/01/26 - FGIC Insured | 5/15 at 100. |
| 5,000 | 5.000%, 5/01/27 - FGIC Insured | 5/15 at 100. |
| 38 | Louisiana State, Gasoline Tax Revenue Bonds, Series 2006, Residuals 660-1, 5.940%, 5/01/41 - FGIC Insured (IF) | 5/16 at 100. |
| | Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006: | |
| 3,300 | 4.750%, 5/01/39 - FSA Insured (UB) | 5/16 at 100. |
| 35,725 | 4.500%, 5/01/41 - FGIC Insured (UB) | 5/16 at 100. |
| 5,485 | Orleans Levee District, Louisiana, Levee District General Obligation Bonds, Series 1986, 5.950%, 11/01/15 - FSA Insured | 12/07 at 102. |
| 69,528 | Total Louisiana | |
| | MAINE - 0.3% (0.2% OF TOTAL INVESTMENTS) | |
| 3,000 | Maine Health and Higher Educational Facilities Authority, Revenue Bonds, Series 2003B, 5.000%, 7/01/28 - FSA Insured | 7/13 at 100. |
| | MARYLAND - 0.5% (0.2% OF TOTAL INVESTMENTS) | |
| 5,345 | Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/28 - XLCA Insured | 9/16 at 100. |
| | MASSACHUSETTS - 4.8% (3.0% OF TOTAL INVESTMENTS) | |
| 22,500 | Massachusetts Development Finance Authority, Revenue Bonds, WGBH Educational Foundation, Series 2002A, 5.375%, 1/01/42 (Pre-refunded 1/01/12) - AMBAC Insured | 1/12 at 101. |
| 11,000 | Massachusetts School Building Authority, Dedicated Sales Tax Revenue Bonds, Series 2005A, 5.000%, 8/15/23 - FSA Insured | 8/15 at 100. |
| 2,420 | Massachusetts Water Resources Authority, General Revenue Bonds, Series 2007, Residual Trust 7039, 6.272%, 8/01/46 - FSA Insured (IF) | 2/17 at 100. |
| 15,000 | Massachusetts, Special Obligation Dedicated Tax Revenue Bonds, Series 2004, 5.250%, 1/01/23 (Pre-refunded 1/01/14) - | 1/14 at 100. |

| | | |
|---|---|---|
| | FGIC Insured | |
| | University of Massachusetts Building Authority, Senior Lien Project Revenue Bonds, Series 2004-1: | |
| 1,500 | 5.375%, 11/01/20 (Pre-refunded 11/01/14) - AMBAC Insured | 11/14 at 100. |
| 2,500 | 5.375%, 11/01/21 (Pre-refunded 11/01/14) - AMBAC Insured | 11/14 at 100. |
| 54,920 | Total Massachusetts | |
| | MICHIGAN - 6.3% (3.9% OF TOTAL INVESTMENTS) | |
| 5,490 | Detroit City School District, Wayne County, Michigan, Unlimited Tax School Building and Site Improvement Bonds, Series 2001A, 6.000%, 5/01/29 - FSA Insured | No Opt. Ca |
| 6,000 | Detroit, Michigan, General Obligation Bonds, Series 2001A-1, 5.375%, 4/01/18 - MBIA Insured | 10/11 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | MICHIGAN (CONTINUED) | |
| $ 7,420 | Detroit, Michigan, Senior Lien Water Supply System Revenue Bonds, Series 1997A, 5.000%, 7/01/27 - MBIA Insured | 7/08 at 100. |
| | Detroit, Michigan, Sewerage Disposal System Revenue Bonds, Series 1999A: | |
| 15,825 | 5.750%, 7/01/26 (Pre-refunded 1/01/10) - FGIC Insured | 1/10 at 101. |
| 20,000 | 5.875%, 7/01/27 (Pre-refunded 1/01/10) - FGIC Insured | 1/10 at 101. |
| 1,085 | Grand Rapids Community College, Kent County, Michigan, General Obligation Refunding Bonds, Series 2003, 5.250%, 5/01/20 - AMBAC Insured | 5/13 at 100. |
| 6,850 | Wayne County, Michigan, Airport Revenue Bonds, Detroit Metropolitan Wayne County Airport, Series 1998A, 5.375%, 12/01/15 - MBIA Insured (Alternative Minimum Tax) | 12/08 at 101. |
| 10,000 | Wayne County, Michigan, Limited Tax General Obligation Airport Hotel Revenue Bonds, Detroit Metropolitan Wayne County Airport, Series 2001A, 5.250%, 12/01/25 - MBIA Insured | 12/11 at 101. |
| 72,670 | Total Michigan | |
| | MINNESOTA - 1.2% (0.8% OF TOTAL INVESTMENTS) | |

| | | |
|---|---|---|
| 13,020 | Saint Paul Housing and Redevelopment Authority, Minnesota, Multifamily Housing Revenue Bonds, Marian Center Project, Series 2001A, 6.450%, 6/20/43 (Pre-refunded 12/20/11) | 12/11 at 102. |
| | NEBRASKA - 0.9% (0.6% OF TOTAL INVESTMENTS) | |
| 9,680 | Lincoln Electric System, Nebraska, Electric System Revenue Bonds, Series 2007A, Residuals 07-1007-9, 5.973%, 9/01/37 - FGIC Insured (IF) | 9/17 at 100. |
| | Nebraska Public Power District, General Revenue Bonds, Series 2005A: | |
| 1,000 | 5.000%, 1/01/24 - FSA Insured | 1/15 at 100. |
| 1,000 | 5.000%, 1/01/25 - FSA Insured | 1/15 at 100. |
| 11,680 | Total Nebraska | |
| | NEVADA - 8.4% (5.3% OF TOTAL INVESTMENTS) | |
| 8,475 | Clark County, Nevada, General Obligation Bank Bonds, Southern Nevada Water Authority Loan, Series 2002, 5.000%, 6/01/32 - MBIA Insured | 12/12 at 100. |
| 3,630 | Clark County, Nevada, General Obligation Bank Bonds, Southern Nevada Water Authority Loan, Series 2002, 5.000%, 6/01/32 (Pre-refunded 12/01/12) - MBIA Insured | 12/12 at 100. |
| 7,370 | Clark County, Nevada, Subordinate Lien Airport Revenue Bonds, Series 2004A-2, 5.125%, 7/01/25 - FGIC Insured | 7/14 at 100. |
| | Director of Nevada State Department of Business and Industry, Revenue Bonds, Las Vegas Monorail Project, First Tier, Series 2000: | |
| 15,000 | 5.625%, 1/01/34 - AMBAC Insured | 1/10 at 102. |
| 13,000 | 5.375%, 1/01/40 - AMBAC Insured | 1/10 at 100. |
| 14,985 | Reno, Nevada, Capital Improvement Revenue Bonds, Series 2002, 5.375%, 6/01/32 - FGIC Insured | 6/12 at 100. |
| 25,300 | Reno, Nevada, Capital Improvement Revenue Bonds, Series 2002, 5.375%, 6/01/32 (Pre-refunded 6/01/12) - FGIC Insured | 6/12 at 100. |
| 10,000 | Reno, Nevada, Senior Lien Sales and Room Tax Revenue Bonds, Reno Transportation Rail Access Corridor Project, Series 2002, 5.125%, 6/01/27 (Pre-refunded 6/01/12) - AMBAC Insured | 6/12 at 100. |
| 97,760 | Total Nevada | |
| | NEW JERSEY - 2.4% (1.5% OF TOTAL INVESTMENTS) | |
| | Essex County Improvement Authority, New Jersey, Guaranteed Revenue Bonds, Project Consolidation, Series 2004: | |
| 2,000 | 5.125%, 10/01/21 - MBIA Insured | 10/14 at 100. |
| 2,250 | 5.125%, 10/01/22 - MBIA Insured | 10/14 at 100. |

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|---|---|---|
| | New Jersey Economic Development Authority, Revenue Bonds, Motor Vehicle Surcharge, Series 2004A: | |
| 3,850 | 5.000%, 7/01/22 - MBIA Insured | 7/14 at 100. |
| 3,850 | 5.000%, 7/01/23 - MBIA Insured | 7/14 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NEW JERSEY (CONTINUED) | |
| | New Jersey Turnpike Authority, Revenue Bonds, Series 2003A: | |
| $ 8,250 | 5.000%, 1/01/19 - FGIC Insured | 7/13 at 100. |
| 2,000 | 5.000%, 1/01/23 - FSA Insured | 7/13 at 100. |
| 3,320 | New Jersey Turnpike Authority, Revenue Bonds, Series 2005A, 5.000%, 1/01/21 - FSA Insured | 1/15 at 100. |
| 2,795 | Rutgers State University, New Jersey, Revenue Bonds, Series 2004E, 5.000%, 5/01/22 - FGIC Insured | 5/14 at 100. |
| 28,315 | Total New Jersey | |
| | NEW MEXICO - 0.3% (0.1% OF TOTAL INVESTMENTS) | |
| 3,660 | San Juan County, New Mexico, Subordinate Gross Receipts Tax Revenue Bonds, Series 2005, 5.000%, 6/15/25 - MBIA Insured | 6/15 at 100. |
| | NEW YORK - 7.8% (4.9% OF TOTAL INVESTMENTS) | |
| 1,880 | Dormitory Authority of the State of New York, FHA-Insured Mortgage Revenue Bonds, Montefiore Hospital, Series 2004, 5.000%, 8/01/23 - FGIC Insured | 2/15 at 100. |
| 3,335 | Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, Series 2005F, 5.000%, 3/15/24 - AMBAC Insured | 3/15 at 100. |
| 3,820 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, 2006A, 4.500%, 2/15/47 - MBIA Insured (UB) | 2/17 at 100. |
| 8,685 | Long Island Power Authority, New York, Electric System General Revenue Bonds, Series 1998A, 5.300%, 12/01/19 (Pre-refunded 6/01/08) - FSA Insured | 6/08 at 101. |
| 6,900 | Long Island Power Authority, New York, Electric System | 11/16 at 100. |

| | | |
|---|---|---|
| | Revenue Bonds, Series 2006F, 4.250%, 5/01/33 - MBIA Insured (UB) | |
| 12,500 | Long Island Power Authority, New York, Electric System General Revenue Bonds, Series 2006A, 5.000%, 12/01/25 - FGIC Insured | 6/16 at 100. |
| | Metropolitan Transportation Authority, New York, State Service Contract Refunding Bonds, Series 2002A: | |
| 2,500 | 5.000%, 7/01/21 - FGIC Insured | 7/12 at 100. |
| 5,000 | 5.000%, 7/01/25 - FGIC Insured | 7/12 at 100. |
| 5,000 | New York City, New York, General Obligation Bonds, Fiscal Series 2005F-1, 5.000%, 9/01/21 - AMBAC Insured | 9/15 at 100. |
| 10,000 | New York City, New York, General Obligation Bonds, Fiscal Series 2005M, 5.000%, 4/01/26 - FGIC Insured | 4/15 at 100. |
| 5,000 | New York State Thruway Authority, General Revenue Bonds, Series 2005F, 5.000%, 1/01/26 - AMBAC Insured | 1/15 at 100. |
| 3,000 | New York State Thruway Authority, General Revenue Bonds, Series 2005G, 4.750%, 1/01/29 - FSA Insured | 7/15 at 100. |
| 3,650 | New York State Urban Development Corporation, Service Contract Revenue Bonds, Series 2005B, 5.000%, 3/15/25 - FSA Insured | 3/15 at 100. |
| | New York State Urban Development Corporation, State Personal Income Tax Revenue Bonds, Series 2004A-1: | |
| 1,000 | 5.000%, 3/15/23 - FGIC Insured | 3/14 at 100. |
| 5,000 | 5.000%, 3/15/25 - FGIC Insured | 3/14 at 100. |
| 15,000 | Triborough Bridge and Tunnel Authority, New York, Subordinate Lien General Purpose Revenue Refunding Bonds, Series 2002E, 5.000%, 11/15/32 - MBIA Insured | 11/12 at 100. |
| 92,270 | Total New York | |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NORTH CAROLINA - 1.4% (0.9% OF TOTAL INVESTMENTS) | |
| | Mooresville, North Carolina, Enterprise System Revenue Bonds, Series 2004: | |
| $ 2,115 | 5.000%, 5/01/22 - FGIC Insured | 5/14 at 100. |

| | | |
|---|---|---|
| 2,575 | 5.000%, 5/01/26 - FGIC Insured | 5/14 at 100. |
| 5,000 | North Carolina Municipal Power Agency 1, Catawba Electric Revenue Bonds, Series 2003A, 5.250%, 1/01/16 - FSA Insured | 1/13 at 100. |
| | Raleigh Durham Airport Authority, North Carolina, Airport Revenue Bonds, Series 2005A: | |
| 3,205 | 5.000%, 5/01/23 - AMBAC Insured | 5/15 at 100. |
| 3,295 | 5.000%, 5/01/24 - AMBAC Insured | 5/15 at 100. |
| 16,190 | Total North Carolina | |
| | NORTH DAKOTA - 0.6% (0.3% OF TOTAL INVESTMENTS) | |
| | Grand Forks, North Dakota, Sales Tax Revenue Bonds, Alerus Project, Series 2005A: | |
| 2,195 | 5.000%, 12/15/22 - MBIA Insured | 12/15 at 100. |
| 1,355 | 5.000%, 12/15/23 - MBIA Insured | 12/15 at 100. |
| 3,000 | 5.000%, 12/15/24 - MBIA Insured | 12/15 at 100. |
| 6,550 | Total North Dakota | |
| | OHIO - 4.6% (2.9% OF TOTAL INVESTMENTS) | |
| 3,485 | Cincinnati City School District, Hamilton County, Ohio, General Obligation Bonds, Series 2006, 5.250%, 12/01/23 - FGIC Insured | No Opt. Ca |
| 2,650 | Cleveland State University, Ohio, General Receipts Bonds, Series 2004, 5.250%, 6/01/24 - FGIC Insured | 6/14 at 100. |
| 2,000 | Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2004, 5.250%, 12/01/25 (Pre-refunded 12/01/14) - FSA Insured | 12/14 at 100. |
| 2,385 | Columbus, Ohio, Tax Increment Financing Bonds, Easton Project, Series 2004A, 5.000%, 12/01/22 - AMBAC Insured | 6/14 at 100. |
| 2,205 | Hamilton City School District, Ohio, General Obligation Bonds, Series 2005, 5.000%, 12/01/24 - MBIA Insured | 6/15 at 100. |
| 19,600 | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2006, 4.250%, 12/01/32 - AMBAC Insured (UB) | 12/16 at 100. |
| 20,100 | Lucas County, Ohio, Hospital Revenue Bonds, ProMedica Healthcare Obligated Group, Series 1999, 5.375%, 11/15/39 - AMBAC Insured | 11/09 at 101. |
| 3,000 | Ross Local School District, Butler County, Ohio, General Obligation Bonds, Series 2003, 5.000%, 12/01/28 (Pre-refunded 12/01/13) - FSA Insured | 12/13 at 100. |
| 55,425 | Total Ohio | |
| | OKLAHOMA - 2.1% (1.3% OF TOTAL INVESTMENTS) | |
| 3,500 | Oklahoma Capitol Improvement Authority, State Facilities | 7/15 at 100. |

| | | |
|---|---|---|
| | Revenue Bonds, Series 2005F, 5.000%, 7/01/24 - AMBAC Insured | |
| 3,910 | Oklahoma Housing Finance Agency, GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1987A, 7.997%, 8/01/18 (Alternative Minimum Tax) | No Opt. Ca |
| 6,605 | Oklahoma Municipal Power Authority, Power Supply System Revenue Bonds, Series 2007, Drivers 1904, 6.834%, 1/01/47 - FGIC Insured (IF) | 1/17 at 100. |
| 5,245 | Oklahoma State Industries Authority, Revenue Bonds, Oklahoma Medical Research Foundation, Series 2001, 5.250%, 2/01/21 - AMBAC Insured | 2/11 at 100. |
| 4,880 | University of Oklahoma, Student Housing Revenue Bonds, Series 2004, 5.000%, 7/01/22 - AMBAC Insured | 7/14 at 100. |
| 24,140 | Total Oklahoma | |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | OREGON - 0.8% (0.5% OF TOTAL INVESTMENTS) | |
| | Oregon Department of Administrative Services, Certificates of Participation, Series 2005A: | |
| $ 2,535 | 5.000%, 5/01/25 - FSA Insured | 5/15 at 100. |
| 2,115 | 5.000%, 5/01/30 - FSA Insured | 5/15 at 100. |
| 3,470 | Oregon Department of Administrative Services, Certificates of Participation, Series 2005B, 5.000%, 11/01/18 - FGIC Insured | 11/15 at 100. |
| 1,115 | Oregon Housing and Community Services Department, Single Family Mortgage Revenue Bonds, Series 1995A, 6.450%, 7/01/26 (Alternative Minimum Tax) | 1/08 at 100. |
| 9,235 | Total Oregon | |
| | PENNSYLVANIA - 3.1% (1.9% OF TOTAL INVESTMENTS) | |
| 7,925 | Commonwealth Financing Authority, Pennsylvania, State Appropriation Lease Bonds, Series 2006A, 5.000%, 6/01/26 - FSA Insured | 6/16 at 100. |

| | | |
|---|---|---|
| 1,800 | Pennsylvania Higher Educational Facilities Authority, Revenue Bonds, Drexel University, Series 2005A, 5.000%, 5/01/28 - MBIA Insured | 5/15 at 100. |
| 11,740 | Pennsylvania Public School Building Authority, Lease Revenue Bonds, School District of Philadelphia, Series 2006B, 4.500%, 6/01/32 - FSA Insured (UB) | 12/16 at 100. |
| 2,625 | Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Series 2006A, 5.000%, 12/01/26 - AMBAC Insured | 6/16 at 100. |
| 6,335 | Radnor Township School District, Delaware County, Pennsylvania, General Obligation Bonds, Series 2005B, 5.000%, 2/15/30 - FSA Insured | 8/15 at 100. |
| | Reading School District, Berks County, Pennsylvania, General Obligation Bonds, Series 2005: | |
| 3,285 | 5.000%, 1/15/22 - FSA Insured | 1/16 at 100. |
| 3,450 | 5.000%, 1/15/23 - FSA Insured | 1/16 at 100. |
| 37,160 | Total Pennsylvania | |
| | PUERTO RICO - 0.5% (0.3% OF TOTAL INVESTMENTS) | |
| 2,500 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/30 (Pre-refunded 7/01/15) - XLCA Insured | 7/15 at 100. |
| 2,000 | Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2003G, 5.250%, 7/01/19 - FGIC Insured | 7/13 at 100. |
| 1,550 | Puerto Rico Municipal Finance Agency, Series 2005C, 5.250%, 8/01/21 - CIFG Insured | No Opt. Ca |
| 6,050 | Total Puerto Rico | |
| | RHODE ISLAND - 2.1% (1.3% OF TOTAL INVESTMENTS) | |
| 2,195 | Providence Housing Development Corporation, Rhode Island, FHA-Insured Section 8 Assisted Mortgage Revenue Refunding Bonds, Barbara Jordan Apartments, Series 1994A, 6.750%, 7/01/25 - MBIA Insured | 1/08 at 100. |
| 20,475 | Rhode Island Depositors Economic Protection Corporation, Special Obligation Refunding Bonds, Series 1993B, 5.250%, 8/01/21 (Pre-refunded 2/01/11) - MBIA Insured | 2/11 at 100. |
| 1,405 | Rhode Island Health & Educational Building Corporation, Higher Education Auxiliary Enterprise Revenue Bonds, Series 2004A, 5.500%, 9/15/24 - AMBAC Insured | 9/14 at 100. |
| 24,075 | Total Rhode Island | |
| | SOUTH CAROLINA - 4.4% (2.8% OF TOTAL INVESTMENTS) | |
| 10,000 | Beaufort County, South Carolina, Tax Increment Bonds, New River Redevelopment Project, Series 2002, 5.000%, 6/01/27 - MBIA Insured | 12/12 at 100. |

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|---|---|---|
| | Medical University Hospital Authority, South Carolina, FHA-Insured Mortgage Revenue Bonds, Series 2004A: | |
| 2,000 | 5.250%, 8/15/22 - MBIA Insured | 8/14 at 100. |
| 2,105 | 5.250%, 8/15/23 - MBIA Insured | 8/14 at 100. |
| 4,855 | Piedmont Municipal Power Agency, South Carolina, Electric Revenue Bonds, Series 1988A, 0.000%, 1/01/13 - AMBAC Insured (ETM) | No Opt. Ca |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | SOUTH CAROLINA (CONTINUED) | |
| $ 6,980 | Piedmont Municipal Power Agency, South Carolina, Electric Revenue Bonds, Series 1988A, 0.000%, 1/01/13 (Pre-refunded 7/01/09) - AMBAC Insured | 7/09 at 76. |
| 7,955 | Piedmont Municipal Power Agency, South Carolina, Electric Revenue Bonds, Series 1988A, 0.000%, 1/01/13 - AMBAC Insured | No Opt. Ca |
| 8,000 | South Carolina JOBS Economic Development Authority, Industrial Revenue Bonds, South Carolina Electric and Gas Company, Series 2002A, 5.200%, 11/01/27 - AMBAC Insured | 11/12 at 100. |
| 10,000 | South Carolina JOBS Economic Development Authority, Industrial Revenue Bonds, South Carolina Electric and Gas Company, Series 2002B, 5.450%, 11/01/32 - AMBAC Insured (Alternative Minimum Tax) | 11/12 at 100. |
| 5,835 | South Carolina Transportation Infrastructure Bank, Excise Tax Revenue Bonds, Series 2007, RI Trust K30W, 6.034%, 10/01/34 - XLCA Insured (IF) | 10/16 at 100. |
| 57,730 | Total South Carolina | |
| | TENNESSEE - 0.6% (0.3% OF TOTAL INVESTMENTS) | |
| 6,455 | Memphis-Shelby County Airport Authority, Tennessee, Airport Revenue Bonds, Series 2001A, 5.500%, 3/01/18 - FSA Insured (Alternative Minimum Tax) | 3/11 at 100. |
| | TEXAS - 15.9% (9.9% OF TOTAL INVESTMENTS) | |
| 22,650 | Brazos River Authority, Texas, Revenue Refunding Bonds, | 5/08 at 102. |

| | | |
|---|---|---|
| | Houston Industries Inc., Series 1998C, 5.125%, 5/01/19 - AMBAC Insured | |
| 521 | Capital Area Housing Finance Corporation, Texas, FNMA Backed Single Family Mortgage Revenue Refunding Bonds, Series 2002A-2, 6.300%, 4/01/35 - AMBAC Insured (Alternative Minimum Tax) | 4/12 at 106. |
| 12,500 | Dallas-Ft. Worth International Airport, Texas, Joint Revenue Bonds, Series 2000A, 6.125%, 11/01/35 - FGIC Insured (Alternative Minimum Tax) | 11/09 at 100. |
| | Harris County, Texas, Toll Road Senior Lien Revenue Bonds, Series 1989: | |
| 9,000 | 0.000%, 8/15/18 (Pre-refunded 8/15/09) - AMBAC Insured | 8/09 at 53. |
| 39,000 | 0.000%, 8/15/19 (Pre-refunded 8/15/09) - AMBAC Insured | 8/09 at 50. |
| 7,280 | 0.000%, 8/15/20 (Pre-refunded 8/15/09) - AMBAC Insured | 8/09 at 46. |
| 5,085 | 0.000%, 8/15/21 (Pre-refunded 8/15/09) - AMBAC Insured | 8/09 at 43. |
| 25,000 | Harris County-Houston Sports Authority, Texas, Junior Lien Revenue Refunding Bonds, Series 2001B, 5.250%, 11/15/40 - MBIA Insured | 11/11 at 100. |
| 4,671 | Houston Housing Finance Corporation, Texas, GNMA Collateralized Mortgage Multifamily Housing Revenue Bonds, RRG Apartments Project, Series 2001, 6.350%, 3/20/42 | 9/11 at 105. |
| | Houston, Texas, First Lien Combined Utility System Revenue Bonds, Series 2004A: | |
| 4,000 | 5.250%, 5/15/24 - FGIC Insured | 5/14 at 100. |
| 5,000 | 5.250%, 5/15/25 - MBIA Insured | 5/14 at 100. |
| 6,570 | Houston, Texas, General Obligation Public Improvement Bonds, Series 2001A, 5.375%, 3/01/19 (Pre-refunded 3/01/11) - FSA Insured | 3/11 at 100. |
| 17,500 | Houston, Texas, Hotel Occupancy Tax and Special Revenue Bonds, Convention and Entertainment Project, Series 2001B, 5.250%, 9/01/33 - AMBAC Insured | 9/11 at 100. |
| 4,170 | Houston, Texas, Subordinate Lien Airport System Revenue Bonds, Series 2000B, 5.500%, 7/01/30 (Pre-refunded 7/01/10) - FSA Insured | 7/10 at 100. |
| 23,865 | Jefferson County Health Facilities Development Corporation, Texas, FHA-Insured Mortgage Revenue Bonds, Baptist Hospital of Southeast Texas, Series 2001, 5.500%, 8/15/41 - AMBAC Insured | 8/11 at 100. |
| 140 | Lower Colorado River Authority, Texas, Revenue Refunding and Improvement Bonds, Series 2001A, 5.000%, 5/15/21 (Pre-refunded 5/15/11) - MBIA Insured | 5/11 at 100. |
| 8,065 | Lower Colorado River Authority, Texas, Revenue Refunding and Improvement Bonds, Series 2001A, 5.000%, 5/15/21 - MBIA Insured | 5/11 at 100. |

NIO | Nuveen Insured Municipal Opportunity Fund, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | TEXAS (CONTINUED) | |
| | Port of Houston Authority, Harris County, Texas, General Obligation Port Improvement Bonds, Series 2001B: | |
| $ 3,205 | 5.500%, 10/01/18 - FGIC Insured (Alternative Minimum Tax) | 10/11 at 100. |
| 3,375 | 5.500%, 10/01/19 - FGIC Insured (Alternative Minimum Tax) | 10/11 at 100. |
| 7,205 | San Antonio, Texas, Airport System Improvement Revenue Bonds, Series 2001, 5.375%, 7/01/15 - FGIC Insured (Alternative Minimum Tax) | 7/11 at 101. |
| | Tarrant County Health Facilities Development Corporation, Texas, Revenue Bonds, Texas Health Resources System, Series 1997A: | |
| 2,900 | 5.250%, 2/15/22 (Pre-refunded 2/15/08) - MBIA Insured | 2/08 at 102. |
| 165 | 5.000%, 2/15/26 (Pre-refunded 2/15/08) - MBIA Insured | 2/08 at 101. |
| 6,655 | 5.000%, 2/15/26 (Pre-refunded 2/15/08) - MBIA Insured | 2/08 at 101. |
| 1,840 | Ysleta Independent School District Public Facility Corporation, Texas, Lease Revenue Refunding Bonds, Series 2001, 5.375%, 11/15/24 - AMBAC Insured | 11/09 at 100. |
| 220,362 | Total Texas | |
| | UTAH - 0.2% (0.1% OF TOTAL INVESTMENTS) | |
| 2,000 | Clearfield City, Utah, Sales Tax Revenue Bonds, Series 2003, 5.000%, 7/01/28 (Pre-refunded 7/01/13) - FGIC Insured | 7/13 at 100. |
| | VIRGINIA - 2.0% (1.3% OF TOTAL INVESTMENTS) | |
| 8,000 | Greater Richmond Convention Center Authority, Virginia, Hotel Tax Revenue Bonds, Series 2005, 5.000%, 6/15/30 - MBIA Insured | 6/15 at 100. |
| 1,035 | Loudoun County Industrial Development Authority, Virginia, Lease Revenue Bonds, Public Safety Facilities, Series 2003A, 5.250%, 12/15/20 - FSA Insured | 6/14 at 100. |
| 4,840 | Metropolitan Washington D.C. Airports Authority, Airport System Revenue Bonds, Series 2001A, 5.500%, 10/01/19 - MBIA Insured (Alternative Minimum Tax) | 10/11 at 101. |

| | | |
|---|---|---|
| 10,000 | Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2001H-1, 5.375%, 7/01/36 - MBIA Insured | 7/11 at 100. |
| 23,875 | Total Virginia | |
| | WASHINGTON - 2.3% (1.4% OF TOTAL INVESTMENTS) | |
| 2,500 | Grant County Public Utility District 2, Washington, Revenue Bonds, Wanapum Hydroelectric Development, Series 2005A, 5.000%, 1/01/29 - FGIC Insured | 1/15 at 100. |
| 3,500 | King County School District 401, Highline, Washington, General Obligation Bonds, Series 2004, 5.000%, 10/01/24 - FGIC Insured | 12/14 at 100. |
| 3,195 | Kitsap County, Washington, Limited Tax General Obligation Bonds, Series 2000, 5.500%, 7/01/25 (Pre-refunded 7/01/10) - AMBAC Insured | 7/10 at 100. |
| 4,250 | Snohomish County Public Utility District 1, Washington, Generation System Revenue Bonds, Series 1989, 6.650%, 1/01/16 - FGIC Insured (ETM) | No Opt. Ca |
| | Tacoma, Washington, Solid Waste Utility Revenue Refunding Bonds, Series 2006: | |
| 3,890 | 5.000%, 12/01/24 - XLCA Insured | 12/16 at 100. |
| 4,085 | 5.000%, 12/01/25 - XLCA Insured | 12/16 at 100. |
| 4,290 | 5.000%, 12/01/26 - XLCA Insured | 12/16 at 100. |
| 25,710 | Total Washington | |
| | WISCONSIN - 4.1% (2.6% OF TOTAL INVESTMENTS) | |
| 18,000 | Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Aurora Healthcare Inc., Series 1997, 5.250%, 8/15/17 (Pre-refunded 12/04/07) - MBIA Insured | 12/07 at 102. |
| 15,000 | Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Marshfield Clinic, Series 1997, 5.750%, 2/15/27 - MBIA Insured | 2/08 at 101. |
| 1,675 | Wisconsin Public Power Incorporated System, Power Supply System Revenue Bonds, Series 2005A, 5.000%, 7/01/30 - AMBAC Insured | 7/15 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|

| | | |
|---|---|---|
| | WISCONSIN (CONTINUED) | |
| $ 290 | Wisconsin, General Obligation Bonds, Series 2004-3, 5.250%, 5/01/20 - FGIC Insured | 5/14 at 100. |
| 2,600 | Wisconsin, General Obligation Bonds, Series 2004-3, 5.250%, 5/01/20 (Pre-refunded 5/01/14) - FGIC Insured | 5/14 at 100. |
| 10,945 | Wisconsin, General Obligation Bonds, Series 2004-4, 5.000%, 5/01/20 - MBIA Insured | 5/14 at 100. |
| 48,510 | Total Wisconsin | |
| $ 2,012,325 | Total Investments (cost $1,862,743,204) - 160.0% | |
| | Floating Rate Obligations - (7.1)% | |
| | Other Assets Less Liabilities - 2.8% | |
| | Preferred Shares, at Liquidation Value - (55.7)% | |
| | Net Assets Applicable to Common Shares - 100% | |

All of the bonds in the Portfolio of Investments are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Taxexempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolio of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



NIF | Nuveen Premier Insured Municipal Income Fund, Inc.
| Portfolio of INVESTMENTS

October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | ALABAMA - 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| $ 3,200 | Auburn, Alabama, General Obligation Warrants, Series 2005, 5.000%, 8/01/30 - AMBAC Insured | 8/15 at 100. |
| | ARIZONA - 3.0% (1.9% OF TOTAL INVESTMENTS) | |
| 4,370 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Bonds, Series 2005, 4.750%, 7/01/25 - MBIA Insured | 7/15 at 100. |
| 5,000 | Phoenix, Arizona, Civic Improvement Revenue Bonds, Civic Plaza, Series 2005B, 0.000%, 7/01/40 - FGIC Insured | No Opt. Ca |
| 9,370 | Total Arizona | |
| | ARKANSAS - 1.5% (0.9% OF TOTAL INVESTMENTS) | |
| 4,020 | Northwest Community College District, Arkansas, General Obligation Bonds, Series 2005, 5.000%, 5/15/23 - AMBAC Insured | 5/15 at 100. |
| | CALIFORNIA - 33.0% (21.0% OF TOTAL INVESTMENTS) | |
| | ABAG Finance Authority for Non-Profit Corporations, California, Insured Certificates of Participation, Children's Hospital Medical Center of Northern California, Series 1999: | |
| 6,750 | 5.875%, 12/01/19 (Pre-refunded 12/01/09) - AMBAC Insured | 12/09 at 101. |
| 10,000 | 6.000%, 12/01/29 (Pre-refunded 12/01/09) - AMBAC Insured | 12/09 at 101. |
| 1,000 | California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2005AC, 5.000%, 12/01/26 - MBIA Insured | 12/14 at 100. |

| | | |
|---|---|---|
| 1,250 | California Pollution Control Financing Authority, Remarketed Revenue Bonds, Pacific Gas and Electric Company, Series 1996A, 5.350%, 12/01/16 - MBIA Insured (Alternative Minimum Tax) | 4/11 at 102. |
| 4,775 | Clovis Unified School District, Fresno County, California, General Obligation Bonds, Series 2001A, 0.000%, 8/01/25 - FGIC Insured | No Opt. Ca |
| 1,005 | Folsom Cordova Unified School District, Sacramento County, California, General Obligation Bonds, School Facilities Improvement District 2, Series 2004B, 5.000%, 10/01/26 - FSA Insured | 10/14 at 100. |
| 1,150 | Kern Community College District, California, General Obligation Bonds, Series 2006, 0.000%, 11/01/23 - FSA Insured | No Opt. Ca |
| 50 | Kern County Housing Authority, California, GNMA Guaranteed Tax-Exempt Mortgage Obligation Bonds, Series 1994A-I, 7.150%, 12/30/24 (Alternative Minimum Tax) | No Opt. Ca |
| 35 | Kern County Housing Authority, California, GNMA Guaranteed Tax-Exempt Mortgage Obligation Bonds, Series 1994A-III, 7.450%, 6/30/25 (Alternative Minimum Tax) | No Opt. Ca |
| 4,500 | La Verne-Grand Terrace Housing Finance Agency, California, Single Family Residential Mortgage Revenue Bonds, Series 1984A, 10.250%, 7/01/17 (ETM) | No Opt. Ca |
| 5,000 | Ontario Redevelopment Financing Authority, San Bernardino County, California, Revenue Refunding Bonds, Redevelopment Project 1, Series 1995, 7.400%, 8/01/25 - MBIA Insured | No Opt. Ca |
| 8,880 | Pomona, California, GNMA/FHLMC Collateralized Single Family Mortgage Revenue Refunding Bonds, Series 1990B, 7.500%, 8/01/23 (ETM) | No Opt. Ca |
| 11,470 | San Bernardino County, California, GNMA Mortgage-Backed Securities Program Single Family Home Mortgage Revenue Bonds, Series 1988A, 8.300%, 9/01/14 (Alternative Minimum Tax) (ETM) | No Opt. Ca |
| 9,685 | San Bernardino, California, GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Refunding Bonds, Series 1990A, 7.500%, 5/01/23 (ETM) | No Opt. Ca |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | CALIFORNIA (CONTINUED) | |

| | | |
|---|---|---|
| $ 4,300 | San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2001, Issue 27A, 5.125%, 5/01/19 - MBIA Insured (Alternative Minimum Tax) | 5/11 at 100. |
| 3,055 | San Joaquin Hills Transportation Corridor Agency, Orange County, California, Toll Road Revenue Refunding Bonds, Series ROLS 11094Z-1, 7.296%, 1/15/31 - MBIA Insured (IF) | No Opt. Ca |
| 2,000 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2004A, 5.250%, 8/01/19 - MBIA Insured | 8/14 at 100. |
| 4,475 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2006C, 4.250%, 8/01/30 - MBIA Insured (UB) | 8/17 at 100. |
| 4,455 | San Mateo County Community College District, California, General Obligation Bonds, Series 2006B, 0.000%, 9/01/21 - MBIA Insured | No Opt. Ca |
| 1,815 | University of California, General Revenue Bonds, Series 2005G, 4.750%, 5/15/31 - MBIA Insured | 5/13 at 101. |
| 3,600 | Ventura County Community College District, California, General Obligation Bonds, Series 2005B, 5.000%, 8/01/28 - MBIA Insured | 8/15 at 100. |
| 89,250 | Total California | |
| | COLORADO - 9.6% (6.1% OF TOTAL INVESTMENTS) | |
| 1,500 | Adams and Arapahoe Counties Joint School District 28J, Aurora, Colorado, General Obligation Bonds, Series 2003A, 5.125%, 12/01/21 - FSA Insured | 12/13 at 100. |
| 2,500 | Denver City and County, Colorado, Airport System Revenue Refunding Bonds, Series 2002E, 5.500%, 11/15/18 - FGIC Insured (Alternative Minimum Tax) | 11/12 at 100. |
| 6,000 | E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000A, 5.750%, 9/01/29 (Pre-refunded 9/01/10) - MBIA Insured | 9/10 at 102. |
| 20,000 | E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000B, 0.000%, 9/01/30 - MBIA Insured | No Opt. Ca |
| 4,405 | Garfield, Eagle and Pitkin Counties School District RE-1, Roaring Fork, Colorado, General Obligation Bonds, Series 2005A, 5.000%, 12/15/24 - FSA Insured | 12/14 at 100. |
| 2,065 | Jefferson County School District R1, Colorado, General Obligation Bonds, Series 2004, 5.000%, 12/15/24 - FSA Insured | 12/14 at 100. |
| 1,390 | Teller County School District RE-2, Woodland Park, Colorado, General Obligation Bonds, Series 2004, 5.000%, 12/01/22 - MBIA Insured | 12/14 at 100. |
| 1,000 | University of Colorado, Enterprise System Revenue Bonds, Series 2002A, 5.000%, 6/01/19 (Pre-refunded 6/01/12) - FGIC Insured | 6/12 at 100. |

| | | |
|---|---|---|
| 1,000 | University of Colorado, Enterprise System Revenue Bonds, Series 2005, 5.000%, 6/01/30 - FGIC Insured | 6/15 at 100. |
| 39,860 | Total Colorado | |
| | DISTRICT OF COLUMBIA - 0.1% (0.1% OF TOTAL INVESTMENTS) | |
| 665 | Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 6.094%, 10/01/30 - AMBAC Insured (IF) | 10/16 at 100. |
| | FLORIDA - 3.7% (2.3% OF TOTAL INVESTMENTS) | |
| 2,285 | Florida Municipal Loan Council, Revenue Bonds, Series 2005A, 5.000%, 2/01/23 - MBIA Insured | 2/15 at 100. |
| 1,500 | JEA, Florida, Water and Sewerage System Revenue Bonds, Series 2004A, 5.000%, 10/01/19 - FGIC Insured | 10/13 at 100. |
| 4,240 | Reedy Creek Improvement District, Florida, Utility Revenue Bonds, Series 2003-1, 5.250%, 10/01/17 - MBIA Insured | 10/13 at 100. |
| 2,000 | Tallahassee, Florida, Energy System Revenue Bonds, Series 2005, 5.000%, 10/01/28 - MBIA Insured | 10/15 at 100. |
| 10,025 | Total Florida | |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | GEORGIA - 3.4% (2.2% OF TOTAL INVESTMENTS) | |
| $ 2,950 | Atlanta, Georgia, Airport General Revenue Bonds, Series 2004G, 5.000%, 1/01/25 - FSA Insured | 1/15 at 100. |
| 6,500 | Medical Center Hospital Authority, Georgia, Revenue Anticipation Certificates, Columbus Regional Healthcare System, Inc. Project, Series 1999, 5.500%, 8/01/25 - MBIA Insured | 8/09 at 102. |
| 9,450 | Total Georgia | |
| | HAWAII - 3.8% (2.4% OF TOTAL INVESTMENTS) | |

| | | |
|---|---|---|
| 2,250 | Hawaii Department of Budget and Finance, Special Purpose Revenue Bonds, Hawaiian Electric Company Inc., Series 1999D, 6.150%, 1/01/20 - AMBAC Insured (Alternative Minimum Tax) | 1/09 at 101. |
| 8,030 | Hawaii Department of Transportation, Airport System Revenue Refunding Bonds, Series 2000B, 6.500%, 7/01/15 - FGIC Insured (Alternative Minimum Tax) | 7/10 at 101. |
| 10,280 | Total Hawaii | |
| | ILLINOIS - 17.2% (11.0% OF TOTAL INVESTMENTS) | |
| 4,000 | Bridgeview, Illinois, General Obligation Bonds, Series 2002, 5.000%, 12/01/22 - FGIC Insured | 12/12 at 100. |
| 8,200 | Chicago Board of Education, Illinois, General Obligation Lease Certificates, Series 1992A, 6.250%, 1/01/15 - MBIA Insured | No Opt. Ca |
| 10,000 | Chicago, Illinois, General Obligation Refunding Bonds, Series 2000D, 5.500%, 1/01/35 - FGIC Insured | 1/10 at 101. |
| 1,450 | Chicago, Illinois, Third Lien General Airport Revenue Bonds, O'Hare International Airport, Series 2005A, 5.250%, 1/01/24 - MBIA Insured | 1/16 at 100. |
| 23,110 | Illinois Development Finance Authority, Local Government Program Revenue Bonds, Kane, Cook and DuPage Counties School District U46 - Elgin, Series 2002, 0.000%, 1/01/17 - FSA Insured | No Opt. Ca |
| 2,500 | Illinois Municipal Electric Agency, Power Supply System Revenue Bonds, Series 2007A, 5.000%, 2/01/35 - FGIC Insured | 2/17 at 100. |
| 5,010 | Metropolitan Pier and Exposition Authority, Illinois, Revenue Refunding Bonds, McCormick Place Expansion Project, Series 1996A, 0.000%, 12/15/21 - MBIA Insured | No Opt. Ca |
| 3,225 | Regional Transportation Authority, Cook, DuPage, Kane, Lake, McHenry and Will Counties, Illinois, General Obligation Bonds, Series 1992A, 9.000%, 6/01/09 - AMBAC Insured | No Opt. Ca |
| 57,495 | Total Illinois | |
| | INDIANA - 3.8% (2.4% OF TOTAL INVESTMENTS) | |
| 2,130 | Indiana Municipal Power Agency, Power Supply Revenue Bonds, Series 2007A, 5.000%, 1/01/42 - MBIA Insured | 1/17 at 100. |
| | Indiana University, Parking Facility Revenue Bonds, Series 2004: | |
| 1,015 | 5.250%, 11/15/19 - AMBAC Insured | 11/14 at 100. |
| 1,060 | 5.250%, 11/15/20 - AMBAC Insured | 11/14 at 100. |
| 1,100 | 5.250%, 11/15/21 - AMBAC Insured | 11/14 at 100. |
| 9,255 | Indianapolis Local Public Improvement Bond Bank, Indiana, Series 1999E, 0.000%, 2/01/25 - AMBAC Insured | No Opt. Ca |

| | | |
|---|---|---|
| 1,000 | Metropolitan School District Steuben County K-5 Building Corporation, Indiana, First Mortgage Bonds, Series 2003, 5.250%, 1/15/21 - FSA Insured | 7/14 at 102. |
| 15,560 | Total Indiana | |
| | IOWA - 1.2% (0.8% OF TOTAL INVESTMENTS) | |
| 3,345 | Ames, Iowa, Hospital Revenue Refunding Bonds, Mary Greeley Medical Center, Series 2003, 5.000%, 6/15/17 - AMBAC Insured | 6/13 at 100. |
| | KANSAS - 1.0% (0.6% OF TOTAL INVESTMENTS) | |
| 2,760 | Neosho County Unified School District 413, Kansas, General Obligation Bonds, Series 2006, 5.000%, 9/01/31 - FSA Insured | 9/14 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | LOUISIANA - 2.8% (1.8% OF TOTAL INVESTMENTS) | |
| $ 1,000 | Louisiana Public Facilities Authority, Revenue Bonds, Baton Rouge General Hospital, Series 2004, 5.250%, 7/01/24 - MBIA Insured | 7/14 at 100. |
| 7,160 | Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006, 4.750%, 5/01/39 - FSA Insured (UB) | 5/16 at 100. |
| 8,160 | Total Louisiana | |
| | MARYLAND - 2.2% (1.4% OF TOTAL INVESTMENTS) | |
| 1,200 | Maryland Economic Development Corporation, Student Housing Revenue Refunding Bonds, University of Maryland College Park Projects, Series 2006, 5.000%, 6/01/28 - CIFG Insured | 6/16 at 100. |
| 5,000 | Maryland Transportation Authority, Airport Parking Revenue Bonds, Baltimore-Washington International Airport Passenger Facility, Series 2002B, 5.125%, 3/01/21 - AMBAC Insured (Alternative Minimum Tax) | 3/12 at 101. |
| 6,200 | Total Maryland | |
| | MASSACHUSETTS - 1.8% (1.1% OF TOTAL INVESTMENTS) | |
| 4,400 | Massachusetts School Building Authority, Dedicated Sales Tax | 8/15 at 100. |

| | | |
|---|---|---|
| | Revenue Bonds, Series 2005A, 5.000%, 8/15/23 - FSA Insured | |
| 575 | Massachusetts Water Resources Authority, General Revenue Bonds, Series 2007, Residual Trust 7039, 6.272%, 8/01/46 - FSA Insured (IF) | 2/17 at 100. |
| 4,975 | Total Massachusetts | |
| | MICHIGAN - 3.7% (2.3% OF TOTAL INVESTMENTS) | |
| 6,500 | Michigan Higher Education Student Loan Authority, Revenue Bonds, Series 2000 XII-T, 5.300%, 9/01/10 - AMBAC Insured (Alternative Minimum Tax) | No Opt. Ca |
| 3,810 | Michigan Housing Development Authority, GNMA Collateralized Limited Obligation Multifamily Housing Revenue Bonds, Cranbrook Apartments, Series 2001A, 5.500%, 2/20/43 (Alternative Minimum Tax) | 8/12 at 102. |
| 10,310 | Total Michigan | |
| | MINNESOTA - 1.8% (1.2% OF TOTAL INVESTMENTS) | |
| 4,860 | Minneapolis-St. Paul Metropolitan Airports Commission, Minnesota, Airport Revenue Bonds, Series 2001B, 5.750%, 1/01/15 - FGIC Insured (Alternative Minimum Tax) | 1/11 at 100. |
| 145 | Minnesota Housing Finance Agency, Rental Housing Bonds, Series 1995D, 5.950%, 2/01/18 - MBIA Insured | 2/08 at 100. |
| 5,005 | Total Minnesota | |
| | MISSOURI - 0.6% (0.5% OF TOTAL INVESTMENTS) | |
| 2,000 | Missouri Western State College, Auxiliary System Revenue Bonds, Series 2003, 5.000%, 10/01/21 - MBIA Insured | 10/13 at 100. |
| | NEVADA - 7.0% (4.4% OF TOTAL INVESTMENTS) | |
| 2,100 | Clark County, Nevada, General Obligation Bank Bonds, Southern Nevada Water Authority Loan, Series 2002, 5.000%, 6/01/32 - MBIA Insured | 12/12 at 100. |
| 900 | Clark County, Nevada, General Obligation Bank Bonds, Southern Nevada Water Authority Loan, Series 2002, 5.000%, 6/01/32 (Pre-refunded 12/01/12) - MBIA Insured | 12/12 at 100. |
| 8,000 | Clark County, Nevada, Subordinate Lien Airport Revenue Bonds, Series 2001B, 5.125%, 7/01/21 (Pre-refunded 7/01/11) - FGIC Insured | 7/11 at 100. |
| 7,990 | Reno, Nevada, Senior Lien Sales and Room Tax Revenue Bonds, Reno Transportation Rail Access Corridor Project, Series 2002, 5.250%, 6/01/41 (Pre-refunded 6/01/12) - AMBAC Insured | 6/12 at 100. |
| 18,990 | Total Nevada | |

| Nuveen Premier Insured Municipal Income Fund, Inc. (continued)
NIF | Portfolio of INVESTMENTS October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NEW JERSEY - 1.6% (1.0% OF TOTAL INVESTMENTS) | |
| | New Jersey Economic Development Authority, Revenue Bonds, Motor Vehicle Surcharge, Series 2004A: | |
| $ 1,200 | 5.000%, 7/01/22 - MBIA Insured | 7/14 at 100. |
| 1,200 | 5.000%, 7/01/23 - MBIA Insured | 7/14 at 100. |
| 1,280 | New Jersey Educational Facilities Authority, Revenue Bonds, Rowan College, Series 2007B, 4.250%, 7/01/34 - FGIC Insured | 7/17 at 100. |
| 800 | Rutgers State University, New Jersey, Certificates of Participation, Lower Georges Street University Redevelopment Associates LLC, Series 2004, 5.000%, 1/01/24 - AMBAC Insured | 1/14 at 100. |
| 4,480 | Total New Jersey | |
| | NEW YORK - 6.6% (4.2% OF TOTAL INVESTMENTS) | |
| 1,000 | Dormitory Authority of the State of New York, FHA-Insured Mortgage Revenue Bonds, Montefiore Hospital, Series 2004, 5.000%, 8/01/23 - FGIC Insured | 2/15 at 100. |
| 20 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Driver Trust 1649, 2006, 6.058%, 2/15/47 - MBIA Insured (IF) | 2/17 at 100. |
| 2,125 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Series 2006A, 4.500% 2/15/47 - MBIA Insured (UB) | 2/17 at 100. |
| 5,000 | Long Island Power Authority, New York, Electric System General Revenue Bonds, Series 2006A, 5.000%, 12/01/25 - FGIC Insured | 6/16 at 100. |
| 10,000 | Metropolitan Transportation Authority, New York, Transportation Revenue Refunding Bonds, Series 2002F, 5.250%, 11/15/27 (Pre-refunded 11/15/12) - MBIA Insured | 11/12 at 100. |
| 18,145 | Total New York | |
| | NORTH CAROLINA - 2.2% (1.4% OF TOTAL INVESTMENTS) | |
| 3,100 | North Carolina Medical Care Commission, FHA-Insured Mortgage | 10/13 at 100. |

| | | |
|---|---|---|
| | Revenue Bonds, Betsy Johnson Regional Hospital Project, Series 2003, 5.125%, 10/01/32 - FSA Insured | |
| 3,050 | Raleigh Durham Airport Authority, North Carolina, Airport Revenue Bonds, Series 2005A, 5.000%, 5/01/22 - AMBAC Insured | 5/15 at 100. |
| 6,150 | Total North Carolina | |
| | OHIO - 1.8% (1.1% OF TOTAL INVESTMENTS) | |
| 820 | Cincinnati City School District, Hamilton County, Ohio, General Obligation Bonds, Series 2006, 5.250%, 12/01/22 - FGIC Insured | No Opt. Ca |
| 4,600 | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2006, 4.250%, 12/01/32 - AMBAC Insured (UB) | 12/16 at 100. |
| 5,420 | Total Ohio | |
| | OKLAHOMA - 1.6% (1.0% OF TOTAL INVESTMENTS) | |
| 3,500 | Oklahoma Capitol Improvement Authority, State Facilities Revenue Bonds, Series 2005F, 5.000%, 7/01/24 - AMBAC Insured | 7/15 at 100. |
| 815 | Oklahoma Housing Finance Agency, GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1987A, 7.997%, 8/01/18 (Alternative Minimum Tax) | No Opt. Ca |
| 4,315 | Total Oklahoma | |
| | OREGON - 4.3% (2.7% OF TOTAL INVESTMENTS) | |
| | Oregon Health Sciences University, Revenue Bonds, Series 2002A: | |
| 5,000 | 5.000%, 7/01/26 - MBIA Insured | 1/13 at 100. |
| 7,000 | 5.000%, 7/01/32 - MBIA Insured | 1/13 at 100. |
| 12,000 | Total Oregon | |
| | PENNSYLVANIA - 3.3% (2.1% OF TOTAL INVESTMENTS) | |
| 1,500 | Allegheny County Sanitary Authority, Pennsylvania, Sewerage Revenue Bonds, Series 2005A, 5.000%, 12/01/23 - MBIA Insured | 12/15 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|

| | | |
|---|---|---|
| | PENNSYLVANIA (CONTINUED) | |
| $ 4,000 | Commonwealth Financing Authority, Pennsylvania, State Appropriation Lease Bonds, Series 2006A, 5.000%, 6/01/26 - FSA Insured | 6/16 at 100. |
| 2,680 | Pennsylvania Public School Building Authority, Lease Revenue Bonds, School District of Philadelphia, Series 2006B, 4.500%, 6/01/32 - FSA Insured (UB) | 12/16 at 100. |
| 1,050 | Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Series 2006A, 5.000%, 12/01/26 - AMBAC Insured | 6/16 at 100. |
| 9,230 | Total Pennsylvania | |
| | PUERTO RICO - 2.1% (1.3% OF TOTAL INVESTMENTS) | |
| 2,500 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/22 - FGIC Insured | 7/15 at 100. |
| 1,000 | Puerto Rico Municipal Finance Agency, Series 2005C, 5.250%, 8/01/21 - CIFG Insured | No Opt. Ca |
| 2,000 | Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 2003AA, 5.500%, 7/01/17 - MBIA Insured | No Opt. Ca |
| 5,500 | Total Puerto Rico | |
| | TENNESSEE - 3.7% (2.3% OF TOTAL INVESTMENTS) | |
| 3,000 | Blount County Public Building Authority, Tennessee, Local Government Public Improvement Lease Bonds, Oak Ridge, Series 2005B-9-A, 5.000%, 6/01/24 - AMBAC Insured | 6/15 at 100. |
| 2,055 | Memphis, Tennessee, Sanitary Sewerage System Revenue Bonds, Series 2004, 5.000%, 10/01/22 - FSA Insured | 10/14 at 100. |
| 5,000 | Metropolitan Government of Nashville-Davidson County Health and Educational Facilities Board, Tennessee, Revenue Bonds, Ascension Health Credit Group, Series 1999A, 6.000%, 11/15/30 (Pre-refunded 11/15/09) - AMBAC Insured | 11/09 at 101. |
| 10,055 | Total Tennessee | |
| | TEXAS - 10.6% (6.8% OF TOTAL INVESTMENTS) | |
| 12,500 | Dallas-Ft. Worth International Airport, Texas, Joint Revenue Refunding and Improvement Bonds, Series 2001A, 5.500%, 11/01/35 - FGIC Insured (Alternative Minimum Tax) | 11/09 at 100. |
| | North Harris County Regional Water Authority, Texas, Senior Water Revenue Bonds, Series 2003: | |
| 4,565 | 5.250%, 12/15/20 - FGIC Insured | 12/13 at 100. |
| 4,800 | 5.250%, 12/15/21 - FGIC Insured | 12/13 at 100. |

| | | |
|---|---|---|
| 7,600 | San Antonio, Texas, Airport System Improvement Revenue Bonds, Series 2001, 5.375%, 7/01/16 - FGIC Insured (Alternative Minimum Tax) | 7/11 at 101. |
| 29,465 | Total Texas | |
| | WASHINGTON - 17.3% (11.0% OF TOTAL INVESTMENTS) | |
| 5,000 | Chelan County Public Utility District 1, Washington, Hydro Consolidated System Revenue Bonds, Series 2001B, 5.600%, 1/01/36 - MBIA Insured (Alternative Minimum Tax) | 7/11 at 101. |
| | King County School District 405, Bellevue, Washington, General Obligation Bonds, Series 2002: | |
| 12,060 | 5.000%, 12/01/19 - FGIC Insured | 12/12 at 100. |
| 12,785 | 5.000%, 12/01/20 - FGIC Insured | 12/12 at 100. |
| | Pierce County School District 343, Dieringer, Washington, General Obligation Refunding Bonds, Series 2003: | |
| 2,755 | 5.250%, 12/01/18 - FGIC Insured | 6/13 at 100. |
| 2,990 | 5.250%, 12/01/19 - FGIC Insured | 6/13 at 100. |
| 4,715 | Port of Seattle, Washington, Revenue Bonds, Series 2001B, 5.625%, 4/01/17 - FGIC Insured (Alternative Minimum Tax) | 10/11 at 100. |
| 895 | Port of Seattle, Washington, Special Facility Revenue Bonds, Terminal 18, Series 1999C, 6.000%, 9/01/29 - MBIA Insured (Alternative Minimum Tax) | 3/10 at 101. |
| 1,265 | Tacoma, Washington, General Obligation Bonds, Series 2002, 5.000%, 12/01/18 - FGIC Insured | 12/12 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | WASHINGTON (CONTINUED) | |
| $ 5,000 | Washington, General Obligation Bonds, Series 2001C, 5.250%, 1/01/26 - FSA Insured | 1/11 at 100. |
| 47,465 | Total Washington | |
| $ 463,145 | Total Investments (cost $434,330,405) - 157.4% | |
| | Floating Rate Obligations - (4.8)% | |
| | Other Assets Less Liabilities - 3.0% | |

| |
|---|
| Preferred Shares, at Liquidation Value - (55.6)% |
| Net Assets Applicable to Common Shares - 100% |

All of the bonds in the Portfolio of Investments are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax- exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolio of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.





PRINCIPAL OPTIONAL CA

| AMOUNT (000) | DESCRIPTION (1) | PROVISIONS ( |
|---|---|---|
| | ALABAMA – 4.3% (2.5% OF TOTAL INVESTMENTS) | |
| $ 3,750 | Huntsville Healthcare Authority, Alabama, Revenue Bonds, Series 2005A, 5.000%, 6/01/24 – MBIA Insured | 6/15 at 100. |
| | Jefferson County, Alabama, General Obligation Warrants, Series 2004A: | |
| 1,395 | 5.000%, 4/01/22 – MBIA Insured | 4/14 at 100. |
| 1,040 | 5.000%, 4/01/23 – MBIA Insured | 4/14 at 100. |
| 11,135 | Limestone County Water and Sewer Authority, Alabama, Water Revenue Bonds, Series 2007, 4.500%, 12/01/37 – XLCA Insured (UB) | 3/17 at 100. |
| | Montgomery Water and Sewerage Board, Alabama, Water and Sewerage Revenue Bonds, Series 2005: | |
| 2,220 | 5.000%, 3/01/24 – FSA Insured | 3/15 at 100. |
| 2,590 | 5.000%, 3/01/25 – FSA Insured | 3/15 at 100. |
| 22,130 | Total Alabama | |
| | ARIZONA – 2.5% (1.4% OF TOTAL INVESTMENTS) | |
| 12,365 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Bonds, Series 2005, 4.750%, 7/01/27 – MBIA Insured (UB) | 7/15 at 100. |
| | ARKANSAS – 2.9% (1.7% OF TOTAL INVESTMENTS) | |
| 7,745 | Arkansas Development Finance Authority, State Facility Revenue Bonds, Donaghey Plaza Project, Series 2004, 5.250%, 6/01/25 – FSA Insured | 6/14 at 100. |
| | University of Arkansas, Fayetteville, Revenue Bonds, Medical Sciences Campus, Series 2004B: | |
| 2,000 | 5.000%, 11/01/27 – MBIA Insured | 11/14 at 100. |
| 2,000 | 5.000%, 11/01/28 – MBIA Insured | 11/14 at 100. |
| 2,480 | University of Arkansas, Monticello Campus, Revenue Bonds, Series 2005, 5.000%, 12/01/35 – AMBAC Insured | 12/13 at 100. |
| 14,225 | Total Arkansas | |
| | CALIFORNIA – 28.0% (16.7% OF TOTAL INVESTMENTS) | |
| 22,880 | Alameda Corridor Transportation Authority, California, Senior Lien Revenue Bonds, Series 1999A, 0.000%, 10/01/32 – MBIA Insured (UB) | No Opt. Ca |
| 2,000 | California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2005AC, 5.000%, 12/01/24 – MBIA Insured | 12/14 at 100. |
| 1,800 | California Educational Facilities Authority, Revenue Bonds, | 10/15 at 100. |

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|---|---|---|
| | Occidental College, Series 2005A, 5.000%, 10/01/33 - MBIA Insured | |
| 7,000 | California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/33 (Pre-refunded 1/01/28) - AMBAC Insured (UB) | 1/28 at 100. |
| 31,200 | Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/34 - MBIA Insured | 1/10 at 24. |
| 1,735 | Fullerton Public Financing Authority, California, Tax Allocation Revenue Bonds, Series 2005, 5.000%, 9/01/27 - AMBAC Insured | 9/15 at 100. |
| 7,000 | Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/35 - FGIC Insured | 6/15 at 100. |
| 1,870 | Kern Community College District, California, General Obligation Bonds, Series 2006, 0.000%, 11/01/23 - FSA Insured | No Opt. Ca |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | CALIFORNIA (CONTINUED) | |
| $ 6,520 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2005E, 5.000%, 7/01/22 - AMBAC Insured | 7/15 at 100. |
| 4,000 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2006F, 5.000%, 7/01/24 - FGIC Insured | 7/16 at 100. |
| 15,000 | Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.250%, 2/01/30 (Pre-refunded 8/01/13) - FGIC Insured | 8/13 at 100. |
| 10,000 | Orange County Water District, California, Revenue Certificates of Participation, Series 2003B, 5.000%, 8/15/34 - MBIA Insured | 8/13 at 100. |
| 1,000 | Orange County Water District, California, Revenue Certificates of Participation, Series 2005B, 5.000%, 8/15/24 - MBIA Insured | 2/15 at 100. |

| | | |
|---|---|---|
| 1,435 | Pasadena Area Community College District, Los Angeles County, California, General Obligation Bonds, Series 2003A, 5.000%, 6/01/22 (Pre-refunded 6/01/13) - FGIC Insured | 6/13 at 100. |
| 12,265 | Sacramento City Financing Authority, California, Capital Improvement Revenue Bonds, Solid Waste and Redevelopment Projects, Series 1999, 5.800%, 12/01/19 (Pre-refunded 12/01/09) - AMBAC Insured | 12/09 at 102. |
| 735 | Sacramento City Financing Authority, California, Capital Improvement Revenue Bonds, Solid Waste and Redevelopment Projects, Series 1999, 5.800%, 12/01/19 - AMBAC Insured | 12/09 at 102. |
| | San Diego County, California, Certificates of Participation, Edgemoor Facility Project and Regional System, Series 2005: | |
| 1,675 | 5.000%, 2/01/24 - AMBAC Insured | 2/15 at 100. |
| 720 | 5.000%, 2/01/25 - AMBAC Insured | 2/15 at 100. |
| 14,170 | San Diego Unified School District, San Diego County, California, General Obligation Bonds, Series 2005G, 5.000%, 7/01/29 (Pre-refunded 7/01/15) - FSA Insured (UB) | 7/15 at 100. |
| | San Joaquin Hills Transportation Corridor Agency, Orange County, California, Toll Road Revenue Refunding Bonds, Series 1997A: | |
| 3,825 | 0.000%, 1/15/32 - MBIA Insured (UB) | No Opt. Ca |
| 26,900 | 0.000%, 1/15/34 - MBIA Insured (UB) | No Opt. Ca |
| 2,000 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2004A, 5.250%, 8/01/19 - MBIA Insured | 8/14 at 100. |
| 7,845 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2006C, 4.250%, 8/01/30 - MBIA Insured (UB) | 8/17 at 100. |
| 5,000 | Torrance, California, Certificates of Participation, Series 2005B, 5.000%, 6/01/24 - AMBAC Insured | No Opt. Ca |
| 12,500 | University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.000%, 5/15/33 - AMBAC Insured | 5/13 at 100. |
| 201,075 | Total California | |
| | COLORADO - 9.1% (5.4% OF TOTAL INVESTMENTS) | |
| 1,940 | Colorado Educational and Cultural Facilities Authority, Charter School Revenue Bonds, Adams School District 12 - Pinnacle School, Series 2003, 5.250%, 6/01/23 - XLCA Insured | 6/13 at 100. |
| 3,405 | Colorado Educational and Cultural Facilities Authority, Charter School Revenue Bonds, Classical Academy, Series 2003, 5.250%, 12/01/23 - XLCA Insured | 12/13 at 100. |
| 3,500 | Colorado Health Facilities Authority, Revenue Bonds, Poudre Valley Healthcare Inc., Series 1999A, 5.750%, 12/01/23 (Pre-refunded 12/01/09) - FSA Insured | 12/09 at 101. |
| 17,145 | Denver Convention Center Hotel Authority, Colorado, Senior | 12/13 at 100. |

| | | |
|---|---|---|
| | Revenue Bonds, Convention Center Hotel, Series 2003A, 5.000%, 12/01/33 (Pre-refunded 12/01/13) - XLCA Insured | |
| 6,100 | Denver School District 1, Colorado, General Obligation Bonds, Series 2004, 5.000%, 12/01/18 - FSA Insured | 12/13 at 100. |
| 1,325 | El Paso County, Colorado, Certificates of Participation, Detention Facility Project, Series 2002B, 5.000%, 12/01/27 - AMBAC Insured | 12/12 at 100. |
| | Jefferson County School District R1, Colorado, General Obligation Bonds, Series 2004: | |
| 2,500 | 5.000%, 12/15/22 - FSA Insured | 12/14 at 100. |
| 5,125 | 5.000%, 12/15/23 - FSA Insured | 12/14 at 100. |
| 2,000 | 5.000%, 12/15/24 - FSA Insured | 12/14 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | COLORADO (CONTINUED) | |
| $ 1,000 | University of Colorado, Enterprise System Revenue Bonds, Series 2005, 5.000%, 6/01/30 - FGIC Insured | 6/15 at 100. |
| 44,040 | Total Colorado | |
| | DISTRICT OF COLUMBIA - 0.2% (0.1% OF TOTAL INVESTMENTS) | |
| 1,065 | Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 6.094%, 10/01/30 - AMBAC Insured (IF) | 10/16 at 100. |
| | FLORIDA - 0.8% (0.5% OF TOTAL INVESTMENTS) | |
| 4,000 | Florida State Board of Education, Full Faith and Credit Public Education Capital Outlay Bonds, Series 2003J, 5.000%, 6/01/22 - AMBAC Insured | 6/13 at 101. |
| | GEORGIA - 3.9% (2.3% OF TOTAL INVESTMENTS) | |
| 4,000 | Cobb County Development Authority, Georgia, Parking Revenue Bonds, Kennesaw State University, Series 2004, 5.000%, 7/15/24 - MBIA Insured | 7/14 at 100. |
| 2,925 | Columbus, Georgia, Water and Sewerage Revenue Bonds, Series 2005, 5.000%, 5/01/23 - MBIA Insured | 5/14 at 100. |

| | | |
|---|---|---|
| | Municipal Electric Authority of Georgia, Combustion Turbine Revenue Bonds, Series 2003A: | |
| 1,775 | 5.000%, 11/01/21 - MBIA Insured | 11/13 at 100. |
| 2,580 | 5.000%, 11/01/22 - MBIA Insured | 11/13 at 100. |
| 4,500 | South Fulton Municipal Regional Water and Sewerage Authority, Georgia, Water and Sewerage Revenue Bonds, Series 2003, 5.000%, 1/01/33 (Pre-refunded 1/01/13) - MBIA Insured | 1/13 at 100. |
| 3,000 | Valdosta and Lowndes County Hospital Authority, Georgia, Revenue Certificates, South Georgia Medical Center, Series 2002, 5.200%, 10/01/22 - AMBAC Insured | 10/12 at 101. |
| 18,780 | Total Georgia | |
| | HAWAII - 7.8% (4.7% OF TOTAL INVESTMENTS) | |
| 2,375 | Hawaii County, Hawaii, General Obligation Bonds, Series 2003A, 5.000%, 7/15/19 - FSA Insured | 7/13 at 100. |
| 20,000 | Hawaii Department of Budget and Finance, Special Purpose Revenue Refunding Bonds, Hawaiian Electric Company Inc., Series 2000, 5.700%, 7/01/20 - AMBAC Insured (Alternative Minimum Tax) | 7/10 at 101. |
| | Hawaii Department of Transportation, Airport System Revenue Refunding Bonds, Series 2000B: | |
| 6,105 | 6.100%, 7/01/16 - FGIC Insured (Alternative Minimum Tax) | 7/10 at 101. |
| 9,500 | 6.625%, 7/01/17 - FGIC Insured (Alternative Minimum Tax) | 7/10 at 101. |
| 37,980 | Total Hawaii | |
| | IDAHO - 0.1% (0.0% OF TOTAL INVESTMENTS) | |
| 365 | Idaho Housing and Finance Association, Single Family Mortgage Bonds, Series 1998E, 5.450%, 7/01/18 - AMBAC Insured (Alternative Minimum Tax) | 1/08 at 101. |
| | ILLINOIS - 4.4% (2.6% OF TOTAL INVESTMENTS) | |
| 1,015 | Chicago Park District, Illinois, Limited Tax General Obligation Park Bonds, Series 2001C, 5.500%, 1/01/18 - FGIC Insured Illinois Health Facilities Authority, Revenue Bonds, Lutheran General Health System, Series 1993A: | 7/11 at 100. |
| 2,810 | 6.125%, 4/01/12 - FSA Insured (ETM) | No Opt. Ca |
| 5,000 | 6.250%, 4/01/18 - FSA Insured (ETM) | No Opt. Ca |
| 1,950 | Illinois Health Facilities Authority, Revenue Refunding Bonds, SSM Healthcare System, Series 1992AA, 6.550%, 6/01/14 - MBIA Insured (ETM) | No Opt. Ca |
| 4,000 | Illinois Municipal Electric Agency, Power Supply System Revenue Bonds, Series 2007A, 5.000%, 2/01/35 - FGIC Insured | 2/17 at 100. |
| 6,000 | Illinois Toll Highway Authority, State Toll Highway Authority Revenue Bonds, Series 2006, 5.000%, 1/01/26 - FSA Insured | 7/16 at 100. |

| Nuveen Insured Premium Income Municipal Fund 2 (continued)
NPX | Portfolio of INVESTMENTS

October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| .. | ILLINOIS (CONTINUED) | |
| $ 215 | Peoria, Moline and Freeport, Illinois, GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1995A, 7.600%, 4/01/27 (Alternative Minimum Tax) | 4/08 at 103. |
| 20,990 | Total Illinois | |
| | INDIANA - 1.6% (1.0% OF TOTAL INVESTMENTS) | |
| | Hamilton County Public Building Corporation, Indiana, First Mortgage Bonds, Series 2004: | |
| 2,105 | 5.000%, 8/01/23 - FSA Insured | 8/14 at 100. |
| 2,215 | 5.000%, 8/01/24 - FSA Insured | 8/14 at 100. |
| 3,730 | Indiana Municipal Power Agency, Power Supply Revenue Bonds, Series 2007A, 5.000%, 1/01/42 - MBIA Insured | 1/17 at 100. |
| 8,050 | Total Indiana | |
| | KANSAS - 0.3% (0.2% OF TOTAL INVESTMENTS) | |
| 1,500 | Kansas Turnpike Authority, Revenue Bonds, Series 2004A-2, 5.000%, 9/01/27 - FSA Insured | 9/14 at 101. |
| | KENTUCKY - 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| 6,010 | Kentucky Economic Development Finance Authority, Health System Revenue Bonds, Norton Healthcare Inc., Series 2000B, 0.000%, 10/01/28 - MBIA Insured | No Opt. Ca |
| 3,575 | Kentucky Turnpike Authority, Economic Development Road Revenue Bonds, Revitalization Project, Series 2005B, 5.000%, 7/01/25 - AMBAC Insured | 7/15 at 100. |
| 9,585 | Total Kentucky | |
| | LOUISIANA - 5.0% (3.0% OF TOTAL INVESTMENTS) | |

| | | |
|---|---|---|
| 4,455 | Louisiana Public Facilities Authority, Revenue Bonds, Baton Rouge General Hospital, Series 2004, 5.250%, 7/01/24 - MBIA Insured | 7/14 at 100. |
| | Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2005A: | |
| 1,200 | 5.000%, 5/01/25 - FGIC Insured | 5/15 at 100. |
| 2,210 | 5.000%, 5/01/26 - FGIC Insured | 5/15 at 100. |
| 2,500 | 5.000%, 5/01/27 - FGIC Insured | 5/15 at 100. |
| | Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006: | |
| 1,320 | 4.750%, 5/01/39 - FSA Insured (UB) | 5/16 at 100. |
| 14,265 | 4.500%, 5/01/41 - FGIC Insured (UB) | 5/16 at 100. |
| 25,950 | Total Louisiana | |
| | MARYLAND - 0.9% (0.5% OF TOTAL INVESTMENTS) | |
| 1,865 | Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/26 - XLCA Insured | 9/16 at 100. |
| 2,580 | Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 4.750%, 7/01/36 - MBIA Insured (UB) | 7/16 at 100. |
| 4,445 | Total Maryland | |
| | MASSACHUSETTS - 3.0% (1.8% OF TOTAL INVESTMENTS) | |
| 3,000 | Massachusetts Development Finance Authority, Revenue Bonds, WGBH Educational Foundation, Series 2002A, 5.750%, 1/01/42 - AMBAC Insured | No Opt. Ca |
| 290 | Massachusetts Port Authority, Special Facilities Revenue Bonds, Delta Air Lines Inc., Series 2001A, 5.000%, 1/01/27 - AMBAC Insured (Alternative Minimum Tax) | 1/11 at 101. |
| 4,910 | Massachusetts, General Obligation Bonds, Consolidated Loan, Series 2002C, 5.500%, 11/01/15 - MBIA Insured | No Opt. Ca |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | MASSACHUSETTS (CONTINUED) | |

| | | |
|---|---|---|
| | Massachusetts, Special Obligation Dedicated Tax Revenue Bonds, Series 2004: | |
| $ 3,650 | 5.250%, 1/01/22 (Pre-refunded 1/01/14) - FGIC Insured | 1/14 at 100. |
| 2,000 | 5.250%, 1/01/24 (Pre-refunded 1/01/14) - FGIC Insured | 1/14 at 100. |
| 13,850 | Total Massachusetts | |
| | MICHIGAN - 2.0% (1.2% OF TOTAL INVESTMENTS) | |
| 10,000 | Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 1997A, 6.000%, 4/01/16 - AMBAC Insured (Alternative Minimum Tax) | 4/08 at 101. |
| | MINNESOTA - 0.2% (0.1% OF TOTAL INVESTMENTS) | |
| 885 | Minnesota Housing Finance Agency, Rental Housing Bonds, Series 1995D, 5.950%, 2/01/18 - MBIA Insured | 2/08 at 100. |
| | MISSOURI - 0.5% (0.3% OF TOTAL INVESTMENTS) | |
| 1,000 | Jackson County Reorganized School District R-7, Lees Summit, Missouri, General Obligation Bonds, Series 2006, 5.250%, 3/01/25 - MBIA Insured | 3/16 at 100. |
| 495 | Missouri Housing Development Commission, Multifamily Housing Revenue Bonds, Brookstone Village Apartments, Series 1996A, 6.000%, 12/01/16 - FSA Insured (Alternative Minimum Tax) | 12/07 at 101. |
| 750 | Missouri Western State College, Auxiliary System Revenue Bonds, Series 2003, 5.000%, 10/01/33 - MBIA Insured | 10/13 at 100. |
| 2,245 | Total Missouri | |
| | NEBRASKA - 3.7% (2.2% OF TOTAL INVESTMENTS) | |
| | Nebraska Public Power District, General Revenue Bonds, Series 2005A: | |
| 1,000 | 5.000%, 1/01/24 - FSA Insured | 1/15 at 100. |
| 1,000 | 5.000%, 1/01/25 - FSA Insured | 1/15 at 100. |
| 12,520 | Nebraska Public Power District, Power Supply System Revenue Bonds, Series 2006A, 5.000%, 1/01/41 - FGIC Insured (UB) | 2/16 at 100. |
| 3,875 | Omaha Public Power District, Nebraska, Separate Electric System Revenue Bonds, Nebraska City 2, Series 2006A, 5.000%, 2/01/49 - AMBAC Insured (UB) | 2/17 at 100. |
| 18,395 | Total Nebraska | |
| | NEVADA - 3.2% (1.9% OF TOTAL INVESTMENTS) | |
| 5,000 | Clark County, Nevada, Industrial Development Revenue Bonds, Southwest Gas Corporation, Series 2000C, 5.950%, 12/01/38 - AMBAC Insured (Alternative Minimum Tax) | 7/10 at 102. |

| | | |
|---|---|---|
| 3,280 | Clark County, Nevada, Subordinate Lien Airport Revenue Bonds, Series 2004A-2, 5.125%, 7/01/24 - FGIC Insured | 7/14 at 100. |
| | Director of Nevada State Department of Business and Industry, Revenue Bonds, Las Vegas Monorail Project, First Tier, Series 2000: | |
| 5,000 | 0.000%, 1/01/27 - AMBAC Insured | No Opt. Ca |
| 5,500 | 5.625%, 1/01/32 - AMBAC Insured | 1/10 at 102. |
| 18,780 | Total Nevada | |
| | NEW JERSEY - 4.9% (2.9% OF TOTAL INVESTMENTS) | |
| | Essex County Improvement Authority, New Jersey, Guaranteed Revenue Bonds, Project Consolidation, Series 2004: | |
| 2,000 | 5.125%, 10/01/21 - MBIA Insured | 10/14 at 100. |
| 2,250 | 5.125%, 10/01/22 - MBIA Insured | 10/14 at 100. |
| 1,560 | Mount Olive Township Board of Education, Morris County, New Jersey, General Obligation Bonds, Series 2004, 5.000%, 1/15/22 - MBIA Insured | 1/15 at 100. |
| | New Jersey Economic Development Authority, Revenue Bonds, Motor Vehicle Surcharge, Series 2004A: | |
| 1,475 | 5.000%, 7/01/22 - MBIA Insured | 7/14 at 100. |
| 1,475 | 5.000%, 7/01/23 - MBIA Insured | 7/14 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NEW JERSEY (CONTINUED) | |
| | New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Series 2006C: | |
| $ 25,000 | 0.000%, 12/15/35 - AMBAC Insured (UB) | No Opt. Ca |
| 10,000 | 0.000%, 12/15/36 - AMBAC Insured (UB) | No Opt. Ca |
| 3,075 | New Jersey Transit Corporation, Certificates of Participation Refunding, Series 2003, 5.500%, 10/01/15 - FSA Insured | No Opt. Ca |

| | | |
|---|---|---|
| 3,315 | New Jersey Turnpike Authority, Revenue Bonds, Series 2005A, 5.000%, 1/01/25 - FSA Insured | 1/15 at 100. |
| 50,150 | Total New Jersey | |
| | NEW MEXICO - 0.9% (0.5% OF TOTAL INVESTMENTS) | |
| | New Mexico Finance Authority, Public Project Revolving Fund Revenue Bonds, Series 2004C: | |
| 1,415 | 5.000%, 6/01/22 - AMBAC Insured | 6/14 at 100. |
| 1,050 | 5.000%, 6/01/24 - AMBAC Insured | 6/14 at 100. |
| 2,000 | New Mexico Finance Authority, Public Project Revolving Fund Revenue Bonds, Series 2005E, 5.000%, 6/15/25 - MBIA Insured | 6/15 at 100. |
| 4,465 | Total New Mexico | |
| | NEW YORK - 13.7% (8.2% OF TOTAL INVESTMENTS) | |
| 1,120 | Dormitory Authority of the State of New York, FHA-Insured Mortgage Revenue Bonds, Montefiore Hospital, Series 2004, 5.000%, 8/01/23 - FGIC Insured | 2/15 at 100. |
| | Dormitory Authority of the State of New York, Insured Revenue Bonds, New Island Hospital, Series 1999B: | |
| 3,400 | 5.750%, 7/01/19 (Pre-refunded 7/01/09) - MBIA Insured | 7/09 at 101. |
| 5,750 | 6.000%, 7/01/24 (Pre-refunded 7/01/09) - MBIA Insured | 7/09 at 101. |
| 1,785 | Dormitory Authority of the State of New York, Revenue Bonds, Mental Health Services Facilities Improvements, Series 2005A, 5.000%, 2/15/24 - AMBAC Insured | 2/15 at 100. |
| 1,000 | Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, Series 2005F, 5.000%, 3/15/24 - AMBAC Insured | 3/15 at 100. |
| 120 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Driver Trust 1649, 2006, 6.058%, 2/15/47 - MBIA Insured (IF) | 2/17 at 100. |
| 3,705 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Series 2006A, 4.500%, 2/15/47 - MBIA Insured (UB) | 2/17 at 100. |
| 2,700 | Long Island Power Authority, New York, Electric System Revenue Bonds, Series 2006F, 4.250%, 5/01/33 - MBIA Insured (UB) | 11/16 at 100. |
| | Long Island Power Authority, New York, Electric System General Revenue Bonds, Series 2006A: | |
| 10,675 | 5.000%, 12/01/23 - FGIC Insured | 6/16 at 100. |
| 5,000 | 5.000%, 12/01/25 - FGIC Insured | 6/16 at 100. |
| 1,755 | Nassau County, New York, General Obligation Improvement Bonds, Series 2000E, 6.000%, 3/01/16 (Pre-refunded 3/01/10) - FSA Insured | 3/10 at 100. |
| 7,500 | Nassau Health Care Corporation, New York, County Guaranteed | 8/09 at 102. |

| | | |
|---|---|---|
| | Revenue Bonds, Series 1999, 5.750%, 8/01/29 (Pre-refunded 8/01/09) - FSA Insured | |
| 5,000 | New York City, New York, General Obligation Bonds, Fiscal Series 2004E, 5.000%, 11/01/21 - FSA Insured | 11/14 at 100. |
| 6,160 | New York Convention Center Development Corporation, Hotel Unit Fee Revenue Bonds, Series 2005, 5.000%, 11/15/44 - AMBAC Insured (UB) | 11/15 at 100. |
| 8,495 | New York State Housing Finance Agency, Mortgage Revenue Refunding Bonds, Housing Project, Series 1996A, 6.125%, 11/01/20 - FSA Insured | 11/07 at 101. |
| 3,770 | New York State Thruway Authority, General Revenue Bonds, Series 2005G, 5.000%, 1/01/25 - FSA Insured | 7/15 at 100. |
| 67,935 | Total New York | |
| | NORTH CAROLINA - 1.8% (1.1% OF TOTAL INVESTMENTS) | |
| 1,250 | Appalachian State University, North Carolina, Revenue Bonds, Series 2005, 5.000%, 7/15/30 - MBIA Insured | 7/15 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NORTH CAROLINA (CONTINUED) | |
| | Mooresville, North Carolina, Enterprise System Revenue Bonds, Series 2004: | |
| $ 2,225 | 5.000%, 5/01/23 - FGIC Insured | 5/14 at 100. |
| 2,335 | 5.000%, 5/01/24 - FGIC Insured | 5/14 at 100. |
| 2,900 | Raleigh Durham Airport Authority, North Carolina, Airport Revenue Bonds, Series 2005A, 5.000%, 5/01/21 - AMBAC Insured | 5/15 at 100. |
| 8,710 | Total North Carolina | |
| | NORTH DAKOTA - 3.8% (2.3% OF TOTAL INVESTMENTS) | |
| 10,715 | Fargo, North Dakota, Health System Revenue Bonds, MeritCare Obligated Group, Series 2000A, 5.600%, 6/01/21 - FSA Insured | 6/10 at 101. |
| 8,000 | North Dakota, Student Loan Trust Revenue Bonds, Series 2000B, 5.850%, 12/01/25 - AMBAC Insured (Alternative Minimum Tax) | 12/10 at 100. |
| 18,715 | Total North Dakota | |

| | | |
|---|---|---|
| | OHIO - 1.9% (1.2% OF TOTAL INVESTMENTS) | |
| 1,430 | Cincinnati City School District, Hamilton County, Ohio, General Obligation Bonds, Series 2006, 5.250%, 12/01/22 - FGIC Insured | No Opt. Ca |
| 8,100 | Hamilton County, Ohio, Sales Tax Bonds, Subordinate Series 2006, 4.250%, 12/01/32 - AMBAC Insured (UB) | 12/16 at 100. |
| 700 | Shaker Heights, Ohio, General Obligation Bonds, Series 2003, 5.250%, 12/01/26 - AMBAC Insured | 12/13 at 100. |
| 10,230 | Total Ohio | |
| | OKLAHOMA - 1.4% (0.8% OF TOTAL INVESTMENTS) | |
| 1,500 | Oklahoma Capitol Improvement Authority, State Facilities Revenue Bonds, Series 2005F, 5.000%, 7/01/24 - AMBAC Insured | 7/15 at 100. |
| | Oklahoma City Airport Trust, Oklahoma, Junior Lien Tax Exempt Bonds, Twenty Seventh Series 2000A: | |
| 1,320 | 5.125%, 7/01/20 (Pre-refunded 7/01/10) - FSA Insured | 7/10 at 100. |
| 4,040 | 5.250%, 7/01/21 (Pre-refunded 7/01/10) - FSA Insured | 7/10 at 100. |
| 6,860 | Total Oklahoma | |
| | OREGON - 3.6% (2.1% OF TOTAL INVESTMENTS) | |
| 2,110 | Oregon Department of Administrative Services, Certificates of Participation, Series 2005A, 5.000%, 5/01/30 - FSA Insured | 5/15 at 100. |
| 1,520 | Portland Housing Authority, Oregon, Multifamily Housing Revenue Bonds, Lovejoy Station Apartments, Series 2000, 6.000%, 7/01/33 - MBIA Insured (Alternative Minimum Tax) | 7/10 at 100. |
| | Portland, Oregon, Airport Way Urban Renewal and Redevelopment Bonds, Series 2000A: | |
| 4,405 | 5.700%, 6/15/17 (Pre-refunded 6/15/10) - AMBAC Insured | 6/10 at 101. |
| 3,665 | 5.750%, 6/15/18 (Pre-refunded 6/15/10) - AMBAC Insured | 6/10 at 101. |
| 4,265 | 5.750%, 6/15/19 (Pre-refunded 6/15/10) - AMBAC Insured | 6/10 at 101. |
| 1,375 | 5.750%, 6/15/20 (Pre-refunded 6/15/10) - AMBAC Insured | 6/10 at 101. |
| 17,340 | Total Oregon | |
| | PENNSYLVANIA - 12.4% (7.4% OF TOTAL INVESTMENTS) | |
| 12,620 | Allegheny County Hospital Development Authority, Pennsylvania, Insured Revenue Bonds, West Penn Allegheny Health System, Series 2000A, 6.500%, 11/15/30 (Pre-refunded 11/15/10) - MBIA Insured | 11/10 at 102. |
| 2,000 | Allegheny County Sanitary Authority, Pennsylvania, Sewerage Revenue Bonds, Series 2005A, 5.000%, 12/01/23 - MBIA Insured | 12/15 at 100. |

| | | |
|---|---|---|
| 9,485 | Berks County Municipal Authority, Pennsylvania, Hospital Revenue Bonds, Reading Hospital and Medical Center, Series 1999, 6.000%, 11/01/19 (Pre-refunded 11/01/09) - FSA Insured | 11/09 at 102. |
| 725 | Central Dauphin School District, Dauphin County, Pennsylvania, General Obligation Bonds, Series 2006, 6.750%, 2/01/24 (Pre-refunded 2/01/16) - MBIA Insured | 2/16 at 100. |





October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | PENNSYLVANIA (CONTINUED) | |
| $ 4,235 | Delaware County Authority, Pennsylvania, Revenue Bonds, Villanova University, Series 2006, 5.000%, 8/01/24 - AMBAC Insured | 8/16 at 100. |
| 5,780 | Pennsylvania Higher Educational Facilities Authority, Revenue Bonds, Drexel University, Series 2005A, 5.000%, 5/01/28 - MBIA Insured | 5/15 at 100. |
| 4,585 | Pennsylvania Public School Building Authority, Lease Revenue Bonds, School District of Philadelphia, Series 2006B, 4.500%, 6/01/32 - FSA Insured (UB) | 12/16 at 100. |
| 1,050 | Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Series 2006A, 5.000%, 12/01/26 - AMBAC Insured | 6/16 at 100. |
| | Philadelphia Gas Works, Pennsylvania, Revenue Bonds, General Ordinance, Fifth Series 2004A-1: | |
| 5,235 | 5.000%, 9/01/24 - FSA Insured | 9/14 at 100. |
| 3,000 | 5.000%, 9/01/25 - FSA Insured | 9/14 at 100. |
| 2,360 | Philadelphia, Pennsylvania, Water and Wastewater Revenue Bonds, Series 1997A, 5.125%, 8/01/27 - AMBAC Insured (ETM) | 2/08 at 102. |
| 3,785 | Reading School District, Berks County, Pennsylvania, General Obligation Bonds, Series 2005, 5.000%, 1/15/25 - FSA Insured | 1/16 at 100. |
| 1,705 | Solebury Township, Pennsylvania, General Obligation Bonds, Series 2005, 5.000%, 12/15/25 - AMBAC Insured | 6/15 at 100. |
| 3,650 | State Public School Building Authority, Pennsylvania, Lease Revenue Bonds, Philadelphia School District, Series 2003, 5.000%, 6/01/29 (Pre-refunded 6/01/13) - FSA Insured | 6/13 at 100. |

| | | |
|---|---|---|
| 60,215 | Total Pennsylvania | |
| | PUERTO RICO - 0.5% (0.3% OF TOTAL INVESTMENTS) | |
| 2,500 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/22 - FGIC Insured | 7/15 at 100. |
| | SOUTH CAROLINA - 0.4% (0.2% OF TOTAL INVESTMENTS) | |
| 1,955 | Greenville County School District, South Carolina, Installment Purchase Revenue Bonds, Series 2006, 5.000%, 12/01/28 - FSA Insured | 12/16 at 100. |
| | TEXAS - 16.6% (9.9% OF TOTAL INVESTMENTS) | |
| | Brazos River Authority, Texas, Revenue Refunding Bonds, Houston Industries Inc., Series 1998C: | |
| 10,000 | 5.125%, 5/01/19 - AMBAC Insured | 5/08 at 102. |
| 9,000 | 5.125%, 11/01/20 - AMBAC Insured Corpus Christi, Texas, | 11/08 at 102. |
| | Utility System Revenue Bonds, Series 2004: | |
| 3,475 | 5.000%, 7/15/22 - FSA Insured | 7/14 at 100. |
| 3,645 | 5.000%, 7/15/23 - FSA Insured | 7/14 at 100. |
| 3,335 | Dallas, Texas, Waterworks and Sewer System Revenue Bonds, Series 2007, Municipal Securities Trust Certificates Series 7053, 5.789%, 10/01/32 - AMBAC Insured (IF) | 10/17 at 100. |
| 12,500 | Dallas-Ft. Worth International Airport, Texas, Joint Revenue Refunding and Improvement Bonds, Series 2001A, 5.500%, 11/01/35 - FGIC Insured (Alternative Minimum Tax) | 11/09 at 100. |
| 5,000 | Harris County Hospital District, Texas, Revenue Bonds, Series 2007A, 5.250%, 2/15/42 - MBIA Insured | 2/17 at 100. |
| 4,485 | Lower Colorado River Authority, Texas, Contract Revenue Refunding Bonds, Transmission Services Corporation, Series 2003B, 5.000%, 5/15/21 - FSA Insured | 5/12 at 100. |
| 10,000 | Lower Colorado River Authority, Texas, Contract Revenue Refunding Bonds, Transmission Services Corporation, Series 2003C, 5.000%, 5/15/33 - AMBAC Insured | 5/13 at 100. |
| 4,151 | Panhandle Regional Housing Finance Corporation, Texas, GNMA Collateralized Multifamily Housing Mortgage Revenue Bonds, Renaissance of Amarillo Apartments, Series 2001A, 6.650%, 7/20/42 | 7/12 at 105. |

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | TEXAS (CONTINUED) | |
| | Tarrant County Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Cook Children's Healthcare System, Series 2000A: | |
| $ 6,725 | 5.750%, 12/01/17 (Pre-refunded 12/01/10) - FSA Insured | 12/10 at 101. |
| 1,170 | 5.750%, 12/01/24 (Pre-refunded 12/01/10) - FSA Insured | 12/10 at 101. |
| 6,330 | 5.750%, 12/01/24 (Pre-refunded 12/01/10) - FSA Insured | 12/10 at 101. |
| 2,300 | Texas State University System, Financing Revenue Refunding Bonds, Series 2002, 5.000%, 3/15/18 - FSA Insured | 3/12 at 100. |
| 82,116 | Total Texas | |
| | UTAH - 2.2% (1.3% OF TOTAL INVESTMENTS) | |
| 8,600 | Intermountain Power Agency, Utah, Power Supply Revenue Refunding Bonds, Series 2003A, 5.000%, 7/01/18 - FSA Insured | 7/13 at 100. |
| 2,385 | Mountain Regional Water Special Service District, Utah, Water Revenue Bonds, Series 2003, 5.000%, 12/15/33 - MBIA Insured | 12/13 at 100. |
| 10,985 | Total Utah | |
| | VERMONT - 0.3% (0.2% OF TOTAL INVESTMENTS) | |
| 1,320 | Vermont Educational and Health Buildings Financing Agency, Revenue Bonds, Fletcher Allen Health Care Inc., Series 2000A, 6.000%, 12/01/23 - AMBAC Insured | 12/10 at 101. |
| | VIRGINIA - 3.0% (1.8% OF TOTAL INVESTMENTS) Greater Richmond Convention Center Authority, Virginia, Hotel Tax Revenue Bonds, Series 2005: | |
| 5,880 | 5.000%, 6/15/20 - MBIA Insured | 6/15 at 100. |
| 5,000 | 5.000%, 6/15/22 - MBIA Insured Loudoun County Industrial | 6/15 at 100. |
| | Development Authority, Virginia, Lease Revenue Bonds, Public Safety Facilities, Series 2003A: | |
| 1,150 | 5.250%, 12/15/22 - FSA Insured | 6/14 at 100. |
| 500 | 5.250%, 12/15/23 - FSA Insured | 6/14 at 100. |
| 2,250 | Virginia Housing Development Authority, Multifamily Housing Bonds, Series 1997B, 6.050%, 5/01/17 - MBIA Insured (Alternative Minimum Tax) | 1/08 at 102. |
| 14,780 | Total Virginia | |
| | WASHINGTON - 7.0% (4.2% OF TOTAL INVESTMENTS) | |
| 10,000 | Chelan County Public Utility District 1, Washington, Hydro | 7/11 at 101. |

| | | |
|---|---|---|
| | Consolidated System Revenue Bonds, Series 2001B, 5.600%, 1/01/36 - MBIA Insured (Alternative Minimum Tax) | |
| 1,370 | Clark County School District 101, La Center, Washington, General Obligation Bonds, Series 2002, 5.000%, 12/01/22 - FSA Insured | 12/12 at 100. |
| 5,230 | Douglas County Public Utility District 1, Washington, Revenue Bonds, Wells Hydroelectric, Series 1999A, 6.125%, 9/01/29 - MBIA Insured (Alternative Minimum Tax) | 9/09 at 102. |
| 1,545 | Tacoma, Washington, General Obligation Bonds, Series 2004, 5.000%, 12/01/19 - MBIA Insured | 12/14 at 100. |
| 3,950 | Washington State Healthcare Facilities Authority, Revenue Bonds, Swedish Health Services, Series 1998, 5.125%, 11/15/22 - AMBAC Insured | 11/08 at 101. |
| 6,200 | Washington State, General Obligation Purpose Bonds, Series 2003A, 5.000%, 7/01/20 - FGIC Insured | 7/12 at 100. |
| 10,855 | Washington, General Obligation Bonds, Series 2000S-5, 0.000%, 1/01/20 - FGIC Insured | No Opt. Ca |
| 39,150 | Total Washington | |
| | WEST VIRGINIA - 1.6% (1.0% OF TOTAL INVESTMENTS) | |
| 8,000 | Pleasants County, West Virginia, Pollution Control Revenue Bonds, Monongahela Power Company Pleasants Station Project, Series 1995C, 6.150%, 5/01/15 - AMBAC Insured | 11/07 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | WISCONSIN - 6.3% (3.7% OF TOTAL INVESTMENTS) | |
| $ 7,000 | La Crosse, Wisconsin, Resource Recovery Revenue Refunding Bonds, Northern States Power Company Project, Series 1996, 6.000%, 11/01/21 - MBIA Insured (Alternative Minimum Tax) | No Opt. Ca |
| 12,750 | Milwaukee County, Wisconsin, Airport Revenue Bonds, Series 2000A, 5.750%, 12/01/25 - FGIC Insured (Alternative Minimum Tax) | 12/10 at 100. |
| 6,250 | Wisconsin Health and Educational Facilities Authority, | 2/08 at 101. |

| | | |
|---|---|---|
| | Revenue Bonds, Sinai Samaritan Medical Center Inc., Series 1996, 5.750%, 8/15/16 - MBIA Insured | |
| 4,225 | Wisconsin State, General Obligation Bonds, Series 2006A, 4.750%, 5/01/25 - FGIC Insured | 5/16 at 100. |
| 30,225 | Total Wisconsin | |
| $ 926,351 | Total Long-Term Investments (cost $838,774,987) - 167.8% | |
| | SHORT-TERM INVESTMENTS - 0.2% (0.1% OF TOTAL INVESTMENTS) | |
| 250 | Idaho Health Facilities Authority, Revenue Bonds, St. Luke's Regional Medical Center, Variable Rate Demand Obligations, Series 2005, 3.600%, 7/01/35 - FSA Insured (4) | |
| 850 | Puerto Rico Government Development Bank, Adjustable Refunding Bonds, Variable Rate Demand Obligations, Series 1985, 3.200%, 12/01/15 - MBIA Insured (4) | |
| $ 1,100 | Total Short-Term Investments (cost $1,100,000) | |
| | Total Investments (cost $839,874,987) - 168.0% | |
| | Floating Rate Obligations - (17.9)% | |
| | Other Assets Less Liabilities - 2.3% | |
| | Preferred Shares, at Liquidation Value - (52.4)% | |
| | Net Assets Applicable to Common Shares - 100% | |

FORWARD SWAP OUTSTANDING AT OCTOBER 31, 2007:

| COUNTERPARTY | NOTIONAL AMOUNT | FUND PAY/RECEIVE FLOATING RATE | FLOATING RATE INDEX | FIXED RATE (ANNUALIZED) | FIXED RATE PAYMENT FREQUENCY | EFFEC DAT |
|---|---|---|---|---|---|---|
| Citigroup Inc. | $10,000,000 | Receive | 3-Month USD-LIBOR | 5.235% | Semi-Annually | 12/1 |

USD-LIBOR (United States Dollar-London Inter-Bank Offered Rate)

All of the bonds in the Portfolio of Investments, excluding temporary investments in short-term municipal securities, are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of

the security. Tax- exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolio of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

(4) Investment has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term investment. The rate disclosed is that in effect at the end of the reporting period. This rate changes periodically based on market conditions or a specified market index.

(5) Effective date represents the date on which both the Fund and counterparty commence interest payment accruals on each forward swap contract.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



| Nuveen Insured Dividend Advantage Municipal Fund
NVG | Portfolio of INVESTMENTS

October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | ALABAMA - 4.3% (2.8% OF TOTAL INVESTMENTS) | |
| $ 5,310 | Athens, Alabama, Water and Sewerage Revenue Warrants, Series 2002, 5.300%, 5/01/32 - MBIA Insured | 5/12 at 101. |

| | | |
|---|---|---|
| 3,045 | Hoover, Alabama, General Obligation Bonds, Series 2003, 5.000%, 3/01/20 - MBIA Insured | 3/12 at 101. |
| 10,000 | Jefferson County, Alabama, Sewer Revenue Capital Improvement Warrants, Series 1999A, 5.375%, 2/01/36 (Pre-refunded 2/01/09) - FGIC Insured | 2/09 at 101. |
| 18,355 | Total Alabama | |
| | ALASKA - 3.6% (2.3% OF TOTAL INVESTMENTS) | |
| 15,000 | Alaska, International Airport System Revenue Bonds, Series 2002B, 5.250%, 10/01/27 (Pre-refunded 10/01/12) - AMBAC Insured | 10/12 at 100. |
| | ARIZONA - 2.3% (1.5% OF TOTAL INVESTMENTS) | |
| 5,000 | Phoenix, Arizona, Civic Improvement Corporation, Senior Lien Airport Revenue Bonds, Series 2002B, 5.250%, 7/01/32 - FGIC Insured (Alternative Minimum Tax) | 7/12 at 100. |
| 6,000 | Phoenix, Arizona, Civic Improvement Revenue Bonds, Civic Plaza, Series 2005B, 0.000%, 7/01/37 - FGIC Insured | No Opt. Ca |
| 11,000 | Total Arizona | |
| | CALIFORNIA - 14.6% (9.4% OF TOTAL INVESTMENTS) | |
| 2,000 | Alameda Corridor Transportation Authority, California, Subordinate Lien Revenue Bonds, Series 2004A, 0.000%, 10/01/20 - AMBAC Insured | No Opt. Ca |
| | California Educational Facilities Authority, Revenue Bonds, Occidental College, Series 2005A: | |
| 1,485 | 5.000%, 10/01/26 - MBIA Insured | 10/15 at 100. |
| 1,565 | 5.000%, 10/01/27 - MBIA Insured | 10/15 at 100. |
| 6,000 | California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/33 (Pre-refunded 1/01/28) - AMBAC Insured (UB) | 1/28 at 100. |
| | California, General Obligation Bonds, Series 2000: | |
| 375 | 5.250%, 9/01/17 (Pre-refunded 9/01/10) - MBIA Insured | 9/10 at 100. |
| 190 | 5.250%, 9/01/17 (Pre-refunded 9/01/10) - MBIA Insured | 9/10 at 100. |
| 10,000 | California, General Obligation Refunding Bonds, Series 2002, 5.000%, 2/01/23 - MBIA Insured | 2/12 at 100. |
| 8,890 | California, General Obligation Veterans Welfare Bonds, Series 1997BH, 5.400%, 12/01/14 (Alternative Minimum Tax) | 12/08 at 101. |
| 3,000 | California, General Obligation Veterans Welfare Bonds, Series 2001BZ, 5.375%, 12/01/24 - MBIA Insured (Alternative Minimum Tax) | 12/07 at 101. |
| 2,425 | Fullerton Public Financing Authority, California, Tax | 9/15 at 100. |

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| | Allocation Revenue Bonds, Series 2005, 5.000%, 9/01/27 - AMBAC Insured | |
| | Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1: | |
| 1,000 | 5.750%, 6/01/47 | 6/17 at 100. |
| 365 | 5.125%, 6/01/47 | 6/17 at 100. |
| 1,990 | Kern Community College District, California, General Obligation Bonds, Series 2006, 0.000%, 11/01/25 - FSA Insured | No Opt. Ca |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | CALIFORNIA (CONTINUED) | |
| $ 625 | Los Angeles Department of Water and Power, California, Waterworks Revenue Bonds, Series 2006A-1, 5.000%, 7/01/36 - AMBAC Insured | 7/16 at 100. |
| 7,935 | Los Angeles, California, Certificates of Participation, Series 2002, 5.300%, 4/01/32 - AMBAC Insured | 4/12 at 100. |
| 7,500 | Northern California Power Agency, Revenue Refunding Bonds, Hydroelectric Project 1, Series 1998A, 5.200%, 7/01/32 - MBIA Insured | 7/08 at 101. |
| 2,320 | Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2001P, 5.250%, 8/15/18 - FSA Insured | 8/11 at 100. |
| 6,720 | San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2006C, 4.250%, 8/01/30 - MBIA Insured (UB) | 8/17 at 100. |
| 1,690 | Ventura County Community College District, California, General Obligation Bonds, Series 2005B, 5.000%, 8/01/28 - MBIA Insured | 8/15 at 100. |
| 66,075 | Total California | |
| | COLORADO - 5.8% (3.8% OF TOTAL INVESTMENTS) | |
| 17,300 | Adams County, Colorado, FHA-Insured Mortgage Revenue Bonds, Platte Valley Medical Center, Series 2005, 5.000%, 8/01/24 | 8/15 at 100. |

| | | |
|---|---|---|
| | - MBIA Insured | |
| 750 | Arkansas River Power Authority, Colorado, Power Revenue Bonds, Series 2006, 5.250%, 10/01/32 - XLCA Insured | 10/16 at 100. |
| 17,000 | E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000B, 0.000%, 9/01/25 - MBIA Insured | No Opt. Ca |
| 35,050 | Total Colorado | |
| | DISTRICT OF COLUMBIA - 1.6% (1.1% OF TOTAL INVESTMENTS) | |
| 6,805 | District of Columbia, Revenue Bonds, Georgetown University, Series 2007A, 4.500%, 4/01/42 - AMBAC Insured | 4/17 at 100. |
| 935 | Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 6.094%, 10/01/30 - AMBAC Insured (IF) | 10/16 at 100. |
| 7,740 | Total District of Columbia | |
| | FLORIDA - 11.7% (7.6% OF TOTAL INVESTMENTS) | |
| | Florida Municipal Loan Council, Revenue Bonds, Series 2003B: | |
| 2,305 | 5.250%, 12/01/17 - MBIA Insured | 12/13 at 100. |
| 1,480 | 5.250%, 12/01/18 - MBIA Insured | 12/13 at 100. |
| 11,600 | Greater Orlando Aviation Authority, Florida, Airport Facilities Revenue Bonds, Series 2002B, 5.125%, 10/01/21 - FSA Insured (Alternative Minimum Tax) | 10/12 at 100. |
| 8,155 | Lee County, Florida, Solid Waste System Revenue Refunding Bonds, Series 2001, 5.625%, 10/01/13 - MBIA Insured (Alternative Minimum Tax) | 10/11 at 100. |
| | Miami-Dade County, Florida, Aviation Revenue Bonds, Miami International Airport, Series 2002: | |
| 7,165 | 5.625%, 10/01/15 - FGIC Insured (Alternative Minimum Tax) | 10/12 at 100. |
| 5,600 | 5.750%, 10/01/16 - FGIC Insured (Alternative Minimum Tax) | 10/12 at 100. |
| 10,000 | 5.125%, 10/01/21 - FGIC Insured (Alternative Minimum Tax) | 10/12 at 100. |
| 2,000 | 5.250%, 10/01/22 - FGIC Insured (Alternative Minimum Tax) | 10/12 at 100. |
| 1,000 | South Miami Health Facilities Authority, Florida, Hospital Revenue, Baptist Health System Obligation Group, Series 2007, 5.000%, 8/15/42 | 8/17 at 100. |
| 1,000 | Tallahassee, Florida, Energy System Revenue Bonds, Series 2005, 5.000%, 10/01/28 - MBIA Insured | 10/15 at 100. |
| 50,305 | Total Florida | |
| | GEORGIA - 2.2% (1.4% OF TOTAL INVESTMENTS) | |
| 6,925 | Atlanta and Fulton County Recreation Authority, Georgia, Guaranteed Revenue Bonds, Park Improvement, Series 2005A, 5.000%, 12/01/30 - MBIA Insured | 12/15 at 100. |

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| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | GEORGIA (CONTINUED) | |
| $ 1,000 | Atlanta, Georgia, Water and Wastewater Revenue Bonds, Series 2004, 5.000%, 11/01/22 - FSA Insured | 11/14 at 100. |
| 1,695 | Georgia Housing and Finance Authority, Single Family Mortgage Bonds, Series 2002B-2, 5.500%, 6/01/32 (Alternative Minimum Tax) | 12/11 at 100. |
| 9,620 | Total Georgia | |
| | IDAHO - 1.0% (0.6% OF TOTAL INVESTMENTS) | |
| | Idaho Housing and Finance Association, Grant and Revenue Anticipation Bonds, Federal Highway Trust Funds, Series 2006: | |
| 3,000 | 5.000%, 7/15/23 - MBIA Insured | 7/16 at 100. |
| 1,130 | 5.000%, 7/15/24 - MBIA Insured | 7/16 at 100. |
| 4,130 | Total Idaho | |
| | ILLINOIS - 13.1% (8.5% OF TOTAL INVESTMENTS) | |
| 10,000 | Bolingbrook, Illinois, General Obligation Bonds, Series 2002A, 5.375%, 1/01/38 (Pre-refunded 1/01/12) - FGIC Insured | 1/12 at 100. |
| 1,305 | Chicago, Illinois, General Obligation Bonds, Series 2001A, 5.500%, 1/01/38 - MBIA Insured | 1/11 at 101. |
| | Chicago, Illinois, General Obligation Bonds, Series 2001A: | |
| 50 | 5.500%, 1/01/38 (Pre-refunded 1/01/11) - MBIA Insured | 1/11 at 101. |
| 3,645 | 5.500%, 1/01/38 (Pre-refunded 1/01/11) - MBIA Insured | 1/11 at 101. |
| | Chicago, Illinois, Second Lien Passenger Facility Charge Revenue Bonds, O'Hare International Airport, Series 2001C: | |
| 4,250 | 5.500%, 1/01/16 - AMBAC Insured (Alternative Minimum Tax) | 1/11 at 101. |
| 4,485 | 5.500%, 1/01/17 - AMBAC Insured (Alternative Minimum Tax) | 1/11 at 101. |
| 4,730 | 5.500%, 1/01/18 - AMBAC Insured (Alternative Minimum Tax) | 1/11 at 101. |
| 2,930 | 5.500%, 1/01/19 - AMBAC Insured (Alternative Minimum Tax) | 1/11 at 101. |
| 3,600 | Chicago, Illinois, Third Lien General Airport Revenue Bonds, O'Hare International Airport, Series 2005A, 5.250%, 1/01/24 - MBIA Insured | 1/16 at 100. |

| | | |
|---|---|---|
| 3,000 | Chicago, Illinois, Third Lien General Airport Revenue Refunding Bonds, O'Hare International Airport, Series 2002A, 5.750%, 1/01/17 - MBIA Insured (Alternative Minimum Tax) | 1/12 at 100. |
| 4,000 | Cicero, Cook County, Illinois, General Obligation Corporate Purpose Bonds, Series 2002, 5.000%, 12/01/21 - MBIA Insured | 12/12 at 101. |
| 730 | DuPage County Community School District 200, Wheaton, Illinois, General Obligation Bonds, Series 2003C, 5.250%, 10/01/22 - FSA Insured | 10/13 at 100. |
| 770 | DuPage County Community School District 200, Wheaton, Illinois, General Obligation Bonds, Series 2003C, 5.250%, 10/01/22 (Pre-refunded 10/01/13) - FSA Insured | 10/13 at 100. |
| 3,500 | Illinois Municipal Electric Agency, Power Supply System Revenue Bonds, Series 2007A, 5.000%, 2/01/35 - FGIC Insured | 2/17 at 100. |
| 4,000 | Illinois Toll Highway Authority, State Toll Highway Authority Revenue Bonds, Series 2006, 5.000%, 1/01/26 - FSA Insured | 7/16 at 100. |
| 5,000 | Illinois, General Obligation Bonds, Illinois FIRST Program, Series 2002, 5.250%, 4/01/23 - FSA Insured | 4/12 at 100. |
| 55,995 | Total Illinois | |
| | INDIANA - 16.5% (10.7% OF TOTAL INVESTMENTS) | |
| 3,380 | Evansville, Indiana, Sewerage Works Revenue Refunding Bonds, Series 2003A, 5.000%, 7/01/20 - AMBAC Insured | 7/13 at 100. |
| | Indiana Bond Bank, Special Program Bonds, Hendricks County Redevelopment District, Series 2002D: | |
| 2,500 | 5.375%, 4/01/23 (Pre-refunded 4/01/12) - AMBAC Insured | 4/12 at 100. |
| 7,075 | 5.250%, 4/01/26 (Pre-refunded 4/01/12) - AMBAC Insured | 4/12 at 100. |
| 7,000 | 5.250%, 4/01/30 (Pre-refunded 4/01/12) - AMBAC Insured | 4/12 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | INDIANA (CONTINUED) | |
| $ 10,000 | Indiana Health Facility Financing Authority, Hospital Revenue Bonds, Marion General Hospital, Series 2002, | 7/12 at 100. |

| | | |
|---|---|---|
| | 5.250%, 7/01/32 - AMBAC Insured | |
| 3,200 | Indiana Municipal Power Agency, Power Supply Revenue Bonds, Series 2007A, 5.000%, 1/01/42 - MBIA Insured | 1/17 at 100. |
| 25,000 | Indianapolis Local Public Improvement Bond Bank, Indiana, Waterworks Project, Series 2002A, 5.250%, 7/01/33 (Pre-refunded 7/01/12) - MBIA Insured | 7/12 at 100. |
| | Northern Wells Community School Building Corporation, Wells County, Indiana, First Mortgage Bonds, Series 2001: | |
| 420 | 5.250%, 1/15/19 (Pre-refunded 7/15/12) - FGIC Insured | 7/12 at 100. |
| 430 | 5.250%, 7/15/19 (Pre-refunded 7/15/12) - FGIC Insured | 7/12 at 100. |
| 1,675 | 5.400%, 7/15/23 (Pre-refunded 7/15/12) - FGIC Insured | 7/12 at 100. |
| 6,960 | Valparaiso Middle School Building Corporation, Indiana, First Mortgage Refunding Bonds, Series 2002, 5.000%, 7/15/24 - MBIA Insured | 1/13 at 100. |
| 2,490 | Whitley County Middle School Building Corporation, Columbia City, Indiana, First Mortgage Bonds, Series 2003, 5.000%, 1/15/18 - FSA Insured | 7/13 at 100. |
| 70,130 | Total Indiana | |
| | LOUISIANA - 3.7% (2.4% OF TOTAL INVESTMENTS) | |
| 3,280 | Louisiana Public Facilities Authority, Revenue Bonds, Archdiocese of New Orleans, Series 2007, Drivers 1755, 6.246%, 7/01/37 - CIFG Insured (IF) | 7/17 at 100. |
| 1,500 | Louisiana Public Facilities Authority, Revenue Bonds, Baton Rouge General Hospital, Series 2004, 5.250%, 7/01/24 - MBIA Insured | 7/14 at 100. |
| | Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006: | |
| 770 | 4.750%, 5/01/39 - FSA Insured (UB) | 5/16 at 100. |
| 8,270 | 4.500%, 5/01/41 - FGIC Insured (UB) | 5/16 at 100. |
| 3 | Louisiana State, Gasoline Tax Revenue Bonds, Series 2006, Residuals 660-3, 5.939%, 5/01/41 - FGIC Insured (IF) | 5/16 at 100. |
| 3,085 | New Orleans, Louisiana, General Obligation Refunding Bonds, Series 2002, 5.125%, 9/01/21 - MBIA Insured | 9/12 at 100. |
| 16,908 | Total Louisiana | |
| | MASSACHUSETTS - 1.2% (0.7% OF TOTAL INVESTMENTS) | |
| 2,630 | Massachusetts College Building Authority, Project Revenue Bonds, Series 2006A, 5.000%, 5/01/31 - AMBAC Insured | 5/16 at 100. |
| 1,550 | Massachusetts Water Resources Authority, General Revenue Bonds, Series 2005A, 5.250%, 8/01/26 - MBIA Insured | 8/17 at 100. |
| 925 | Massachusetts Water Resources Authority, General Revenue Bonds, Series 2007, Residual Trust 7039, 6.272%, 8/01/46 - FSA Insured (IF) | 2/17 at 100. |

| | | |
|---|---|---|
| 5,105 | Total Massachusetts | |
| | MICHIGAN - 0.3% (0.2% OF TOTAL INVESTMENTS) | |
| 1,500 | Michigan State Hospital Finance Authority, Revenue Bonds, Trinity Health Care Group, Series 2006A, 5.000%, 12/01/31 | 12/16 at 100. |
| | MISSOURI - 2.4% (1.6% OF TOTAL INVESTMENTS) | |
| 1,600 | St. Louis County Pattonville School District R3, Missouri, General Obligation Bonds, Series 2004, 5.250%, 3/01/19 - FSA Insured | 3/14 at 100. |
| 8,735 | St. Louis, Missouri, Airport Revenue Bonds, Airport Development Program, Series 2001A, 5.250%, 7/01/31 (Pre-refunded 7/01/11) - MBIA Insured | 7/11 at 100. |
| 10,335 | Total Missouri | |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NEBRASKA - 1.9% (1.3% OF TOTAL INVESTMENTS) | |
| $ 6,360 | Lincoln, Nebraska, Electric System Revenue Bonds, Series 2005, 5.000%, 9/01/32 Municipal Energy Agency of Nebraska, Power Supply System Revenue Bonds, Series 2003A: | 9/15 at 100. |
| 1,000 | 5.250%, 4/01/20 - FSA Insured | 4/13 at 100. |
| 1,000 | 5.250%, 4/01/21 - FSA Insured | 4/13 at 100. |
| 8,360 | Total Nebraska | |
| | NEVADA - 2.1% (1.3% OF TOTAL INVESTMENTS) | |
| 8,750 | Truckee Meadows Water Authority, Nevada, Water Revenue Bonds, Series 2001A, 5.250%, 7/01/34 (Pre-refunded 7/01/11) - FSA Insured | 7/11 at 100. |
| | NEW JERSEY - 0.5% (0.4% OF TOTAL INVESTMENTS) | |
| 2,150 | New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Series 2006A, 5.250%, 12/15/20 | No Opt. Ca |

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|---|---|---|
| | NEW YORK - 4.9% (3.2% OF TOTAL INVESTMENTS) | |
| 1,120 | Dormitory Authority of the State of New York, FHA-Insured Mortgage Revenue Bonds, Montefiore Hospital, Series 2004, 5.000%, 8/01/23 - FGIC Insured | 2/15 at 100. |
| 3,660 | Dormitory Authority of the State of New York, Revenue Bonds, Mental Health Services Facilities Improvements, Series 2005B, 5.000%, 2/15/23 - AMBAC Insured | 2/15 at 100. |
| 3,130 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Series 2006A, 4.500%, 2/15/47 - MBIA Insured (UB) | 2/17 at 100. |
| 2,400 | Long Island Power Authority, New York, Electric System Revenue Bonds, Series 2006F, 4.250%, 5/01/33 - MBIA Insured (UB) | 11/16 at 100. |
| 1,500 | Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series 2005B, 5.000%, 11/15/30 - AMBAC Insured | 11/15 at 100. |
| 10,000 | Metropolitan Transportation Authority, New York, Transportation Revenue Refunding Bonds, Series 2002A, 5.000%, 11/15/30 - FSA Insured | 11/12 at 100. |
| 21,810 | Total New York | |
| | NORTH CAROLINA - 0.5% (0.3% OF TOTAL INVESTMENTS) | |
| 2,125 | North Carolina Medical Care Commission, FHA-Insured Mortgage Revenue Bonds, Betsy Johnson Regional Hospital Project, Series 2003, 5.375%, 10/01/24 - FSA Insured | 10/13 at 100. |
| | OHIO - 0.7% (0.4% OF TOTAL INVESTMENTS) | |
| | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2: | |
| 70 | 5.125%, 6/01/24 | 6/17 at 100. |
| 710 | 5.875%, 6/01/30 | 6/17 at 100. |
| 685 | 5.750%, 6/01/34 | 6/17 at 100. |
| 1,570 | 5.875%, 6/01/47 | 6/17 at 100. |
| 3,035 | Total Ohio | |
| | OKLAHOMA - 0.4% (0.3% OF TOTAL INVESTMENTS) | |
| 2,000 | Oklahoma Development Finance Authority, Revenue Bonds, Saint John Health System, Series 2007, 5.000%, 2/15/37 | 2/17 at 100. |
| | OREGON - 1.5% (1.0% OF TOTAL INVESTMENTS) | |
| | Oregon, General Obligation Veterans Welfare Bonds, Series 82: | |
| 4,530 | 5.375%, 12/01/31 | 12/11 at 100. |
| 2,115 | 5.500%, 12/01/42 | 12/11 at 100. |
| 6,645 | Total Oregon | |

NVG | Nuveen Insured Dividend Advantage Municipal Fund (continued)
Portfolio of INVESTMENTS October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | PENNSYLVANIA - 3.4% (2.2% OF TOTAL INVESTMENTS) | |
| $ 4,500 | Allegheny County, Pennsylvania, Airport Revenue Refunding Bonds, Pittsburgh International Airport, Series 1997A, 5.750%, 1/01/13 - MBIA Insured (Alternative Minimum Tax) | No Opt. Ca |
| 4,130 | Pennsylvania Public School Building Authority, Lease Revenue Bonds, School District of Philadelphia, Series 2006B, 4.500%, 6/01/32 - FSA Insured (UB) | 12/16 at 100. |
| 1,050 | Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Series 2006A, 5.000%, 12/01/26 - AMBAC Insured | 6/16 at 100. |
| 2,000 | Philadelphia Municipal Authority, Pennsylvania, Lease Revenue Bonds, Series 2003B, 5.250%, 11/15/18 - FSA Insured | 11/13 at 100. |
| 2,000 | Reading School District, Berks County, Pennsylvania, General Obligation Bonds, Series 2005, 5.000%, 1/15/19 - FSA Insured | 1/16 at 100. |
| 1,000 | State Public School Building Authority, Pennsylvania, Lease Revenue Bonds, Philadelphia School District, Series 2003, 5.000%, 6/01/23 (Pre-refunded 6/01/13) - FSA Insured | 6/13 at 100. |
| 14,680 | Total Pennsylvania | |
| | PUERTO RICO - 0.4% (0.2% OF TOTAL INVESTMENTS) | |
| 1,225 | Puerto Rico Municipal Finance Agency, Series 2005C, 5.250%, 8/01/21 - CIFG Insured | No Opt. Ca |
| | SOUTH CAROLINA - 1.5% (0.9% OF TOTAL INVESTMENTS) | |
| 1,950 | Greenville County School District, South Carolina, Installment Purchase Revenue Bonds, Series 2006, 5.000%, 12/01/28 - FSA Insured | 12/16 at 100. |
| | Greenville, South Carolina, Tax Increment Revenue Improvement Bonds, Series 2003: | |
| 1,000 | 5.500%, 4/01/17 - MBIA Insured | 4/13 at 100. |
| 2,300 | 5.000%, 4/01/21 - MBIA Insured | 4/13 at 100. |

| | | |
|---|---|---|
| 1,000 | Scago Educational Facilities Corporation, South Carolina, Installment Purchase Revenue Bonds, Spartanburg County School District 5, Series 2005, 5.000%, 4/01/21 - FSA Insured | 10/15 at 100. |
| 6,250 | Total South Carolina | |
| | TENNESSEE - 9.5% (6.2% OF TOTAL INVESTMENTS) | |
| | Memphis, Tennessee, Sanitary Sewerage System Revenue Bonds, Series 2004: | |
| 1,495 | 5.000%, 10/01/19 - FSA Insured | 10/14 at 100. |
| 1,455 | 5.000%, 10/01/20 - FSA Insured | 10/14 at 100. |
| 1,955 | 5.000%, 10/01/21 - FSA Insured | 10/14 at 100. |
| 10,000 | Memphis-Shelby County Sports Authority, Tennessee, Revenue Bonds, Memphis Arena, Series 2002A, 5.125%, 11/01/28 (Pre-refunded 11/01/12) - AMBAC Insured | 11/12 at 100. |
| 10,000 | Memphis-Shelby County Sports Authority, Tennessee, Revenue Bonds, Memphis Arena, Series 2002B, 5.125%, 11/01/29 (Pre-refunded 11/01/12) - AMBAC Insured | 11/12 at 100. |
| 15,195 | Tennessee State School Bond Authority, Higher Educational Facilities Second Program Bonds, Series 2002A, 5.250%, 5/01/32 (Pre-refunded 5/01/12) - FSA Insured | 5/12 at 100. |
| 40,100 | Total Tennessee | |
| | TEXAS - 27.0% (17.5% OF TOTAL INVESTMENTS) | |
| 3,500 | Dallas-Ft. Worth International Airport, Texas, Joint Revenue Refunding and Improvement Bonds, Series 2001A, 5.750%, 11/01/13 - FGIC Insured (Alternative Minimum Tax) | 11/11 at 100. |
| 10,000 | Gainesville Hospital District, Texas, Limited Tax General Obligation Bonds, Series 2002, 5.375%, 8/15/32 - MBIA Insured | 8/11 at 100. |
| 1,210 | Galveston, Texas, General Obligation Bonds, Series 2001, 5.250%, 5/01/21 - AMBAC Insured | 5/11 at 100. |
| 2,435 | Galveston, Texas, General Obligation Bonds, Series 2001, 5.250%, 5/01/21 (Pre-refunded 5/01/11) - AMBAC Insured | 5/11 at 100. |
| | Harris County Health Facilities Development Corporation, Texas, Thermal Utility Revenue Bonds, TECO Project, Series 2003: | |
| 2,240 | 5.000%, 11/15/16 - MBIA Insured | 11/13 at 100. |
| 2,355 | 5.000%, 11/15/17 - MBIA Insured | 11/13 at 100. |

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | TEXAS (CONTINUED) | |
| $ 13,000 | Houston Area Water Corporation, Texas, Contract Revenue Bonds, Northeast Water Purification Plant, Series 2002, 5.125%, 3/01/32 (Pre-refunded 3/01/12) - FGIC Insured | 3/12 at 100. |
| 1,000 | Houston, Texas, First Lien Combined Utility System Revenue Bonds, Series 2004A, 5.250%, 5/15/24 - FGIC Insured | 5/14 at 100. |
| 4,345 | San Antonio, Texas, Water System Senior Lien Revenue Refunding Bonds, Series 2002, 5.500%, 5/15/17 - FSA Insured | 5/12 at 100. |
| 5,930 | Texas Department of Housing and Community Affairs, Residential Mortgage Revenue Bonds, Series 2001A, 5.350%, 7/01/33 (Alternative Minimum Tax) | 7/11 at 100. |
| 8,545 | Texas Department of Housing and Community Affairs, Single Family Mortgage Bonds, Series 2002B, 5.550%, 9/01/33 - MBIA Insured (Alternative Minimum Tax) | 3/12 at 100. |
| | Texas Public Finance Authority, Revenue Bonds, Texas Southern University Financing System, Series 2002: | |
| 3,520 | 5.125%, 11/01/20 - MBIA Insured | 5/12 at 100. |
| 3,520 | 5.125%, 11/01/21 - MBIA Insured | 5/12 at 100. |
| | Texas Student Housing Authority, Revenue Bonds, Austin Project, Senior Series 2001A: | |
| 9,400 | 5.375%, 1/01/23 - MBIA Insured | 1/12 at 102. |
| 11,665 | 5.500%, 1/01/33 - MBIA Insured | 1/12 at 102. |
| 5,000 | Texas Water Development Board, Senior Lien State Revolving Fund Revenue Bonds, Series 1999B, 5.250%, 7/15/17 | 1/10 at 100. |
| 9,145 | Texas, General Obligation Bonds, Veterans Housing Assistance Program Fund II, Series 2002A-1, 5.250%, 12/01/22 (Alternative Minimum Tax) | 6/12 at 100. |
| | Williamson County, Texas, General Obligation Bonds, Series 2002: | |
| 3,500 | 5.200%, 2/15/21 (Pre-refunded 2/15/12) - FSA Insured | 2/12 at 100. |
| 3,000 | 5.250%, 2/15/22 (Pre-refunded 2/15/12) - FSA Insured | 2/12 at 100. |
| 7,340 | 5.250%, 2/15/23 (Pre-refunded 2/15/12) - FSA Insured | 2/12 at 100. |
| 5,000 | 5.250%, 2/15/25 (Pre-refunded 2/15/12) - FSA Insured | 2/12 at 100. |
| 115,650 | Total Texas | |
| | WASHINGTON - 12.6% (8.2% OF TOTAL INVESTMENTS) | |
| 5,385 | Energy Northwest, Washington Public Power, Nine Canyon Wind Project Revenue Bonds, Series 2006A, 4.500%, 7/01/30 - AMBAC Insured | 7/16 at 100. |
| 6,600 | Energy Northwest, Washington, Electric Revenue Refunding Bonds, Columbia Generating Station - Nuclear Project 2, | 7/12 at 100. |

| | | |
|---|---|---|
| | Series 2002B, 5.350%, 7/01/18 - FSA Insured | |
| 7,675 | Energy Northwest, Washington, Electric Revenue Refunding Bonds, Nuclear Project 1, Series 2002A, 5.500%, 7/01/15 - MBIA Insured | 7/12 at 100. |
| 2,500 | Port of Seattle, Washington, Revenue Refunding Bonds, Series 2002D, 5.750%, 11/01/15 - FGIC Insured (Alternative Minimum Tax) | 11/12 at 100. |
| 2,200 | Snohomish County School District 2, Everett, Washington, General Obligation Bonds, Series 2003B, 5.000%, 6/01/17 - FSA Insured | 12/13 at 100. |
| 3,255 | Thurston and Pierce Counties School District, Washington, General Obligation Bonds, Yelm Community Schools, Series 2003, 5.250%, 12/01/16 - FSA Insured | 6/13 at 100. |
| | Washington State Economic Development Finance Authority, Wastewater Revenue Bonds, LOTT Project, Series 2002: | |
| 2,000 | 5.500%, 6/01/17 - AMBAC Insured | 6/12 at 100. |
| 4,325 | 5.125%, 6/01/22 - AMBAC Insured | 6/12 at 100. |
| 15,000 | Washington State Healthcare Facilities Authority, Revenue Bonds, Harrison Memorial Hospital, Series 1998, 5.000%, 8/15/28 - AMBAC Insured | 8/13 at 102. |
| 5,170 | Whitman County School District 267, Pullman, Washington, General Obligation Bonds, Series 2002, 5.000%, 12/01/20 - FSA Insured | 6/12 at 100. |
| 54,110 | Total Washington | |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | WISCONSIN - 2.8% (1.8% OF TOTAL INVESTMENTS) | |
| $ 11,950 | Wisconsin, Transportation Revenue Refunding Bonds, Series 2002-1, 5.125%, 7/01/18 (Pre-refunded 7/01/12) - AMBAC Insured | 7/12 at 100. |
| $ 676,088 | Total Long-Term Investments (cost $662,479,787) - 154.0% | |
| | SHORT-TERM INVESTMENTS - 0.4% (0.2% OF TOTAL INVESTMENTS) | |

| | | |
|---|---|---|
| | 600 | Orange County School Board, Florida, Certificates of Participation, Variable Rate Demand Obligations, Series 2007C, 3.540%, 8/01/22 - MBIA Insured (4) |
| | 1,000 | Puerto Rico Government Development Bank, Adjustable Refunding Bonds, Variable Rate Demand Obligations, Series 1985, 3.200%, 12/01/15 - MBIA Insured (4) |
| $ | 1,600 | Total Short-Term Investments (cost $1,600,000) |
| | | Total Investments (cost $664,079,787) - 154.4% |
| | | Floating Rate Obligations - (4.7)% |
| | | Other Assets Less Liabilities - 2.1% |
| | | Preferred Shares, at Liquidation Value - (51.8)% |
| | | Net Assets Applicable to Common Shares - 100% |

At least 80% of the Fund's net assets (including net assets attributable to Preferred shares) are invested in municipal securities that are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance which ensures the timely payment of principal and interest. Up to 20% of the Fund's net assets (including net assets attributable to Preferred shares) may be invested in municipal securities that are (i) either backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities (also ensuring the timely payment of principal and interest), or (ii) rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, Standard & Poor's or Fitch) or unrated but judged to be of comparable quality by the Adviser.

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax- exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolio of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

(4) Investment has a maturity of more than one year, but has variable rate and

demand features which qualify it as a short-term investment. The rate disclosed is that in effect at the end of the reporting period. This rate changes periodically based on market conditions or a specified market index.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



NEA | Nuveen Insured Tax-Free Advantage Municipal Fund
Portfolio of INVESTMENTS

October 31, 2007

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | ALABAMA - 8.6% (5.7% OF TOTAL INVESTMENTS) | |
| $ 1,000 | Alabama Special Care Facilities Financing Authority, Revenue Bonds, Ascension Health, Series 2006C-2, 5.000%, 11/15/36 | 11/16 at 100. |
| 5,655 | Colbert County-Northwest Health Care Authority, Alabama, Revenue Bonds, Helen Keller Hospital, Series 2003, 5.750%, 6/01/27 | 6/13 at 101. |
| 3,100 | Huntsville Healthcare Authority, Alabama, Revenue Bonds, Series 1998A, 5.400%, 6/01/22 (Pre-refunded 5/14/12) - MBIA Insured | 5/12 at 102. |
| 6,280 | Jefferson County, Alabama, Sewer Revenue Capital Improvement Warrants, Series 2002D, 5.000%, 2/01/32 (Pre-refunded 8/01/12) - FGIC Insured | 8/12 at 100. |
| 1,750 | Montgomery, Alabama, General Obligation Warrants, Series 2003, 5.000%, 5/01/21 - AMBAC Insured | 5/12 at 101. |
| 4,500 | Sheffield, Alabama, Electric Revenue Bonds, Series 2003, 5.500%, 7/01/29 - AMBAC Insured | 7/13 at 100. |
| 22,285 | Total Alabama | |
| | ARIZONA - 5.8% (3.8% OF TOTAL INVESTMENTS) | |
| 10,000 | Maricopa County Pollution Control Corporation, Arizona, Revenue Bonds, Arizona Public Service Company - Palo Verde Project, Series 2002A, 5.050%, 5/01/29 - AMBAC Insured | 11/12 at 100. |

| | | |
|---|---|---|
| 6,545 | Phoenix, Arizona, Civic Improvement Revenue Bonds, Civic Plaza, Series 2005B, 0.000%, 7/01/37 - FGIC Insured | No Opt. Ca |
| 16,545 | Total Arizona | |
| | CALIFORNIA - 26.9% (17.8% OF TOTAL INVESTMENTS) | |
| 26,300 | California State Public Works Board, Lease Revenue Bonds, Department of General Services, Capital East End Project, Series 2002A, 5.000%, 12/01/27 - AMBAC Insured | 12/12 at 100. |
| 250 | California State, General Obligation Bonds, Series 2002, 5.250%, 4/01/30 - XLCA Insured | 4/12 at 100. |
| 10,000 | California State, General Obligation Bonds, Series 2002, 5.250%, 4/01/30 (Pre-refunded 4/01/12) - XLCA Insured | 4/12 at 100. |
| 5 | California State, General Obligation Bonds, Series 2004, 5.000%, 4/01/31 - AMBAC Insured | 4/14 at 100. |
| 7,495 | California State, General Obligation Bonds, Series 2004, 5.000%, 4/01/31 (Pre-refunded 4/01/14) - AMBAC Insured | 4/14 at 100. |
| 2,910 | Cathedral City Public Financing Authority, California, Tax Allocation Bonds, Housing Set-Aside, Series 2002D, 5.000%, 8/01/26 - MBIA Insured | 8/12 at 102. |
| 250 | Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.125%, 6/01/47 | 6/17 at 100. |
| 2,500 | Irvine Public Facilities and Infrastructure Authority, California, Assessment Revenue Bonds, Series 2003C, 5.000%, 9/02/23 - AMBAC Insured | 9/13 at 100. |
| 4,000 | Montara Sanitation District, California, General Obligation Bonds, Series 2003, 5.000%, 8/01/28 - FGIC Insured | 8/11 at 101. |
| | Plumas County, California, Certificates of Participation, Capital Improvement Program, Series 2003A: | |
| 1,130 | 5.250%, 6/01/19 - AMBAC Insured | 6/13 at 101. |
| 1,255 | 5.250%, 6/01/21 - AMBAC Insured | 6/13 at 101. |
| 1,210 | Redding Joint Powers Financing Authority, California, Lease Revenue Bonds, Capital Improvement Projects, Series 2003A, 5.000%, 3/01/23 - AMBAC Insured | 3/13 at 100. |

| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | CALIFORNIA (CONTINUED) | |
| $ 3,750 | Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2003R, 5.000%, 8/15/28 - MBIA Insured | 8/13 at 100. |
| 1,500 | San Diego Community College District, California, General Obligation Bonds, Series 2003A, 5.000%, 5/01/28 - FSA Insured | 5/13 at 100. |
| 1,055 | Turlock Irrigation District, California, Certificates of Participation, Series 2003A, 5.000%, 1/01/28 - MBIA Insured | 1/13 at 100. |
| 6,300 | University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.000%, 5/15/33 - AMBAC Insured | 5/13 at 100. |
| 69,910 | Total California | |
| | COLORADO - 4.0% (2.7% OF TOTAL INVESTMENTS) | |
| | Bowles Metropolitan District, Colorado, General Obligation Bonds, Series 2003: | |
| 4,300 | 5.500%, 12/01/23 - FSA Insured | 12/13 at 100. |
| 3,750 | 5.500%, 12/01/28 - FSA Insured | 12/13 at 100. |
| 1,450 | Colorado Educational and Cultural Facilities Authority, Charter School Revenue Bonds, Peak-to-Peak Charter School, Series 2004, 5.250%, 8/15/24 - XLCA Insured | 8/14 at 100. |
| 2,900 | E-470 Public Highway Authority, Colorado, Toll Revenue Bonds, Series 2004A, 0.000%, 9/01/34 (WI/DD, Settling 11/08/07) - MBIA Insured | No Opt. Ca |
| 12,400 | Total Colorado | |
| | DISTRICT OF COLUMBIA - 0.3% (0.1% OF TOTAL INVESTMENTS) | |
| 665 | Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 6.094%, 10/01/30 - AMBAC Insured (IF) | 10/16 at 100. |
| | FLORIDA - 1.2% (0.8% OF TOTAL INVESTMENTS) | |
| 3,000 | Pinellas County Health Facilities Authority, Florida, Revenue Bonds, Baycare Health System, Series 2003, 5.500%, 11/15/27 (Pre-refunded 5/15/13) | 5/13 at 100. |
| | GEORGIA - 2.0% (1.3% OF TOTAL INVESTMENTS) | |
| 1,410 | DeKalb County, Georgia, Water and Sewer Revenue Bonds, Series 2006A, 5.000%, 10/01/35 - FSA Insured | 10/16 at 100. |
| 3,825 | Metropolitan Atlanta Rapid Transit Authority, Georgia, Sales Tax Revenue Bonds, Second Indenture Series 2002, 5.000%, 7/01/32 (Pre-refunded 1/01/13) - MBIA Insured | 1/13 at 100. |

| | | |
|---|---|---|
| 5,235 | Total Georgia | |
| | ILLINOIS - 3.7% (2.5% OF TOTAL INVESTMENTS) | |
| 905 | Cook County School District 100, Berwyn South, Illinois, General Obligation Refunding Bonds, Series 2003B, 5.250%, 12/01/21 (Pre-refunded 12/01/13) - FSA Insured | 12/13 at 100. |
| | Cook County School District 145, Arbor Park, Illinois, General Obligation Bonds, Series 2004: | |
| 3,285 | 5.125%, 12/01/20 - FSA Insured | 12/14 at 100. |
| 2,940 | 5.125%, 12/01/23 - FSA Insured | 12/14 at 100. |
| 2,500 | Illinois Health Facilities Authority, Revenue Bonds, Lake Forest Hospital, Series 2003, 5.250%, 7/01/23 | 7/13 at 100. |
| 9,630 | Total Illinois | |
| | INDIANA - 9.6% (6.3% OF TOTAL INVESTMENTS) | |
| 2,500 | Evansville, Indiana, Sewerage Works Revenue Refunding Bonds, Series 2003A, 5.000%, 7/01/23 - AMBAC Insured | 7/13 at 100. |
| 2,190 | Indiana Bond Bank, Advance Purchase Funding Bonds, Common School Fund, Series 2003B, 5.000%, 8/01/19 - MBIA Insured | 8/13 at 100. |
| 1,860 | Indiana Municipal Power Agency, Power Supply Revenue Bonds, Series 2007A, 5.000%, 1/01/42 - MBIA Insured | 1/17 at 100. |
| 1,000 | Indiana University, Student Fee Revenue Bonds, Series 2003O, 5.000%, 8/01/22 - FGIC Insured | 8/13 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | INDIANA (CONTINUED) | |
| | IPS Multi-School Building Corporation, Indiana, First Mortgage Revenue Bonds, Series 2003: | |
| $ 11,020 | 5.000%, 7/15/19 (Pre-refunded 7/15/13) - MBIA Insured | 7/13 at 100. |
| 6,000 | 5.000%, 7/15/20 (Pre-refunded 7/15/13) - MBIA Insured | 7/13 at 100. |
| 24,570 | Total Indiana | |
| | KANSAS - 2.4% (1.6% OF TOTAL INVESTMENTS) | |

| | | |
|---|---|---|
| 6,250 | Kansas Development Finance Authority, Board of Regents, Revenue Bonds, Scientific Research and Development Facilities Projects, Series 2003C, 5.000%, 10/01/22 - AMBAC Insured | 4/13 at 102. |
| | KENTUCKY - 0.5% (0.3% OF TOTAL INVESTMENTS) | |
| 985 | Kentucky State Property and Buildings Commission, Revenue Refunding Bonds, Project 77, Series 2003, 5.000%, 8/01/23 (Pre-refunded 8/01/13) - MBIA Insured | 8/13 at 100. |
| | LOUISIANA - 2.2% (1.5% OF TOTAL INVESTMENTS) | |
| 5,785 | New Orleans, Louisiana, General Obligation Refunding Bonds, Series 2002, 5.300%, 12/01/27 - FGIC Insured | 12/12 at 100. |
| | MASSACHUSETTS - 3.9% (2.6% OF TOTAL INVESTMENTS) | |
| 9,000 | Massachusetts Bay Transportation Authority, Senior Sales Tax Revenue Refunding Bonds, Series 2002A, 5.000%, 7/01/27 (Pre-refunded 7/01/12) - FGIC Insured | 7/12 at 100. |
| 1,125 | Massachusetts Development Finance Authority, Revenue Bonds, Middlesex School, Series 2003, 5.125%, 9/01/23 | 9/13 at 100. |
| 10,125 | Total Massachusetts | |
| | MICHIGAN - 11.9% (7.9% OF TOTAL INVESTMENTS) | |
| 6,130 | Detroit, Michigan, Senior Lien Water Supply System Revenue Bonds, Series 2003A, 5.000%, 7/01/23 (Pre-refunded 7/01/13) - MBIA Insured | 7/13 at 100. |
| 4,465 | Detroit, Michigan, Senior Lien Water Supply System Revenue Refunding Bonds, Series 2003C, 5.000%, 7/01/22 - MBIA Insured | 7/13 at 100. |
| 1,000 | Michigan State Hospital Finance Authority, Revenue Bonds, Trinity Health Care Group, Series 2006A, 5.000%, 12/01/31 | 12/16 at 100. |
| 10,800 | Michigan Strategic Fund, Limited Obligation Resource Recovery Revenue Refunding Bonds, Detroit Edison Company, Series 2002D, 5.250%, 12/15/32 - XLCA Insured | 12/12 at 100. |
| 2,250 | Romulus Community Schools, Wayne County, Michigan, General Obligation Refunding Bonds, Series 2001, 5.250%, 5/01/25 | 5/11 at 100. |
| 6,500 | Wayne County, Michigan, Limited Tax General Obligation Airport Hotel Revenue Bonds, Detroit Metropolitan Wayne County Airport, Series 2001A, 5.000%, 12/01/30 - MBIA Insured | 12/11 at 101. |
| 31,145 | Total Michigan | |
| | MISSOURI - 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| 240 | Clay County Public School District 53, Liberty, Missouri, General Obligation Bonds, Series 2004, 5.250%, 3/01/24 - FSA Insured | 3/14 at 10 |

| | | |
|---|---|---|
| 215 | Clay County Public School District 53, Liberty, Missouri, General Obligation Bonds, Series 2004, 5.250%, 3/01/23 - FSA Insured Clay County Public School District 53, Liberty, Missouri, General Obligation Bonds, Series 2004: | 3/14 at 100. |
| 1,110 | 5.250%, 3/01/23 (Pre-refunded 3/01/14) - FSA Insured | 3/14 at 100. |
| 1,260 | 5.250%, 3/01/24 (Pre-refunded 3/01/14) - FSA Insured | 3/14 at 100. |
| 2,825 | Total Missouri | |
| | NEBRASKA - 1.9% (1.3% OF TOTAL INVESTMENTS) | |
| 5,000 | Lincoln, Nebraska, Sanitary Sewerage System Revenue Refunding Bonds, Series 2003, 5.000%, 6/15/28 - MBIA Insured | 6/13 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | NEW MEXICO - 0.8% (0.5% OF TOTAL INVESTMENTS) | |
| $ 1,975 | New Mexico State University, Revenue Bonds, Series 2004, 5.000%, 4/01/19 - AMBAC Insured | 4/14 at 100. |
| | NEW YORK - 10.8% (7.2% OF TOTAL INVESTMENTS) | |
| 20 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Driver Trust 1649, 2006, 6.058%, 2/15/47 - MBIA Insured (IF) | 2/17 at 100. |
| 1,960 | Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Series 2006A, 4.500%, 2/15/47 - MBIA Insured (UB) | 2/17 at 100. |
| 25,000 | Metropolitan Transportation Authority, New York, Transportation Revenue Refunding Bonds, Series 2002F, 5.000%, 11/15/31 - MBIA Insured | 11/12 at 100. |
| 1,850 | New York State Urban Development Corporation, Service Contract Revenue Bonds, Series 2005B, 5.000%, 3/15/25 - FSA Insured | 3/15 at 100. |
| 28,830 | Total New York | |
| | NORTH CAROLINA - 3.2% (2.1% OF TOTAL INVESTMENTS) | |
| 8,700 | North Carolina Medical Care Commission, Revenue Bonds, Maria Parham Medical Center, Series 2003, 5.375%, 10/01/33 - RAAI | 10/13 at 100. |

| | | |
|---|---|---|
| | Insured | |
| | OHIO - 1.1% (0.7% OF TOTAL INVESTMENTS) | |
| | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2: | |
| 70 | 5.125%, 6/01/24 | 6/17 at 100. |
| 710 | 5.875%, 6/01/30 | 6/17 at 100. |
| 685 | 5.750%, 6/01/34 | 6/17 at 100. |
| 1,570 | 5.875%, 6/01/47 | 6/17 at 100. |
| 3,035 | Total Ohio | |
| | OKLAHOMA - 0.4% (0.2% OF TOTAL INVESTMENTS) | |
| 1,000 | Oklahoma Capitol Improvement Authority, State Facilities Revenue Bonds, Series 2005F, 5.000%, 7/01/24 - AMBAC Insured | 7/15 at 100. |
| | OREGON - 3.1% (2.1% OF TOTAL INVESTMENTS) | |
| 8,350 | Oregon Health Sciences University, Revenue Bonds, Series 2002A, 5.000%, 7/01/32 - MBIA Insured | 1/13 at 100. |
| | PENNSYLVANIA - 7.4% (4.9% OF TOTAL INVESTMENTS) | |
| 3,000 | Lehigh County General Purpose Authority, Pennsylvania, Hospital Revenue Bonds, St. Luke's Hospital of Bethlehem, Series 2003, 5.375%, 8/15/33 (Pre-refunded 8/15/13) | 8/13 at 100. |
| 2,000 | Philadelphia Gas Works, Pennsylvania, Revenue Bonds, General Ordinance, Fourth Series 1998, 5.000%, 8/01/32 - FSA Insured | 8/13 at 100. |
| 925 | Philadelphia, Pennsylvania, Water and Wastewater Revenue Bonds, Series 1997A, 5.125%, 8/01/27 - AMBAC Insured (ETM) | 2/08 at 102. |
| 13,000 | State Public School Building Authority, Pennsylvania, Lease Revenue Bonds, Philadelphia School District, Series 2003, 5.000%, 6/01/33 (Pre-refunded 6/01/13) - FSA Insured | 6/13 at 100. |
| 18,925 | Total Pennsylvania | |
| | PUERTO RICO - 0.7% (0.4% OF TOTAL INVESTMENTS) | |
| 10,000 | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Series 2007A, 0.000%, 8/01/43 - MBIA Insured | No Opt. Ca |
| | SOUTH CAROLINA - 7.3% (4.8% OF TOTAL INVESTMENTS) | |
| 5,000 | Florence County, South Carolina, Hospital Revenue Bonds, McLeod Regional Medical Center, Series 2004A, 5.250%, 11/01/23 - FSA Insured | 11/14 at 100. |
| | Greenville County School District, South Carolina, Installment Purchase Revenue Bonds, Series 2003: | |

| | | |
|---|---|---|
| 3,000 | 5.000%, 12/01/22 | 12/13 at 100. |
| 1,785 | 5.000%, 12/01/23 | 12/13 at 100. |



| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | SOUTH CAROLINA (CONTINUED) | |
| $ 1,365 | Myrtle Beach, South Carolina, Water and Sewerage System Revenue Refunding Bonds, Series 2003, 5.375%, 3/01/19 (Pre-refunded 3/01/13) - FGIC Insured | 3/13 at 100. |
| 8,000 | South Carolina Transportation Infrastructure Bank, Revenue Bonds, Series 2002A, 5.000%, 10/01/33 - AMBAC Insured | 10/12 at 100. |
| 19,150 | Total South Carolina | |
| | TEXAS - 13.1% (8.6% OF TOTAL INVESTMENTS) | |
| 7,975 | Fort Bend Independent School District, Fort Bend County, Texas, General Obligation Bonds, Series 2000, 5.000%, 8/15/25 | 8/10 at 100. |
| 12,500 | Grand Prairie Independent School District, Dallas County, Texas, General Obligation Bonds, Series 2003, 5.125%, 2/15/31 (Pre-refunded 2/15/13) - FSA Insured | 2/13 at 100. |
| 2,000 | Houston, Texas, First Lien Combined Utility System Revenue Bonds, Series 2004A, 5.250%, 5/15/25 - MBIA Insured | 5/14 at 100. |
| 5,515 | Houston, Texas, General Obligation Refunding Bonds, Series 2002, 5.250%, 3/01/20 - MBIA Insured | 3/12 at 100. |
| 5,850 | Katy Independent School District, Harris, Fort Bend and Waller Counties, Texas, General Obligation Bonds, Series 2002A, 5.125%, 2/15/18 | 2/12 at 100. |
| 33,840 | Total Texas | |
| | VIRGINIA - 0.6% (0.4% OF TOTAL INVESTMENTS) | |
| 1,500 | Hampton, Virginia, Revenue Bonds, Convention Center Project, Series 2002, 5.125%, 1/15/28 - AMBAC Insured | 1/13 at 100. |
| | WASHINGTON - 9.1% (6.0% OF TOTAL INVESTMENTS) | |
| 4,945 | Broadway Office Properties, King County, Washington, Lease Revenue Bonds, Washington Project, Series 2002, 5.000%, 12/01/31 - MBIA Insured | 12/12 at 100. |

| | | |
|---|---|---|
| 5,250 | Chelan County Public Utility District 1, Washington, Hydro Consolidated System Revenue Bonds, Series 2002C, 5.125%, 7/01/33 - AMBAC Insured | 7/12 at 100. |
| 2,135 | Kitsap County Consolidated Housing Authority, Washington, Revenue Bonds, Bremerton Government Center, Series 2003, 5.000%, 7/01/23 - MBIA Insured | 7/13 at 100. |
| 1,935 | Pierce County School District 343, Dieringer, Washington, General Obligation Refunding Bonds, Series 2003, 5.250%, 12/01/17 - FGIC Insured | 6/13 at 100. |
| 9,670 | Washington State, General Obligation Bonds, Series 2003D, 5.000%, 12/01/21 - MBIA Insured | 6/13 at 100. |
| 23,935 | Total Washington | |
| | WEST VIRGINIA - 1.2% (0.8% OF TOTAL INVESTMENTS) | |
| 3,000 | West Virginia State Building Commission, Lease Revenue Refunding Bonds, Regional Jail and Corrections Facility, Series 1998A, 5.375%, 7/01/21 - AMBAC Insured | No Opt. Ca |
| | WISCONSIN - 6.7% (4.4% OF TOTAL INVESTMENTS) | |
| 1,190 | Sun Prairie Area School District, Dane County, Wisconsin, General Obligation Bonds, Series 2004C, 5.250%, 3/01/24 - FSA Insured | 3/14 at 100. |
| 4,605 | Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Franciscan Sisters of Christian Charity Healthcare Ministry, Series 2003A, 5.875%, 9/01/33 (Pre-refunded 9/01/13) | 9/13 at 100. |
| 3,000 | Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Meriter Hospital Inc., Series 1992A, 6.000%, 12/01/22 - FGIC Insured | No Opt. Ca |
| 3,600 | Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Wheaton Franciscan Services Inc., Series 2003A, 5.125%, 8/15/33 | 8/13 at 100. |





| PRINCIPAL AMOUNT (000) | DESCRIPTION (1) | OPTIONAL CA PROVISIONS ( |
|---|---|---|
| | WISCONSIN (CONTINUED) | |
| $ 4,750 | Wisconsin Health and Educational Facilities Authority, | 8/08 at 102. |

| | | |
|---|---|---|
| | | Revenue Refunding Bonds, Wausau Hospital Inc., Series 1998A, 5.125%, 8/15/20 - AMBAC Insured |
| | 17,145 | Total Wisconsin |
| $ | 405,740 | Total Investments (cost $394,860,204) - 151.5% |
| | | Floating Rate Obligations - (0.5)% |
| | | Other Assets Less Liabilities - 1.9% |
| | | Preferred Shares, at Liquidation Value - (52.9)% |
| | | Net Assets Applicable to Common Shares - 100% |

At least 80% of the Fund's net assets (including net assets attributable to Preferred shares) are invested in municipal securities that are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance which ensures the timely payment of principal and interest. Up to 20% of the Fund's net assets (including net assets attributable to Preferred shares) may be invested in municipal securities that are (i) either backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities (also ensuring the timely payment of principal and interest), or (ii) rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, Standard & Poor's or Fitch) or unrated but judged to be of comparable quality by the Adviser.

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax- exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolio of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to peri- odic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140. SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



| Statement of
| ASSETS & LIABILITIES

October 31, 2007

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | INS PRE INCO |
|---|---|---|---|---|
| ASSETS | | | | |
| Investments, at value (cost $893,218,583, $1,862,743,204, $434,330,405, $839,874,987, $664,079,787 and $394,860,204, respectively) | $ 928,818,910 | $1,952,688,115 | $ 455,462,487 | $ 862,046 |
| Cash | -- | -- | 2,947,360 | 288 |
| Unrealized appreciation on forward swaps | -- | -- | -- | 165 |
| Receivables: | | | | |
| Interest | 12,295,585 | 29,370,545 | 7,110,999 | 13,849 |
| Investments sold | 3,970,000 | 10,550,000 | 165,000 | 50 |
| Other assets | 100,525 | 182,775 | 55,930 | 78 |
| Total assets | 945,185,020 | 1,992,791,435 | 465,741,776 | 876,479 |
| LIABILITIES | | | | |
| Cash overdraft | 326,001 | 641,123 | -- | |
| Floating rate obligations | 54,140,000 | 86,103,333 | 14,015,000 | 92,040 |
| Payable for investments purchased | -- | -- | -- | |
| Accrued expenses: | | | | |
| Management fees | 459,153 | 962,528 | 236,797 | 405 |
| Other | 261,067 | 517,510 | 132,336 | 319 |
| Common share dividends payable | 1,927,390 | 3,991,879 | 884,002 | 1,700 |
| Preferred share dividends payable | 113,233 | 278,378 | 73,351 | 92 |
| Total liabilities | 57,226,844 | 92,494,751 | 15,341,486 | 94,558 |
| Preferred shares, at liquidation value | 318,000,000 | 680,000,000 | 161,000,000 | 268,900 |
| Net assets applicable to Common shares | $ 569,958,176 | $1,220,296,684 | $ 289,400,290 | $ 513,020 |
| Common shares outstanding | 38,295,278 | 81,138,036 | 19,419,608 | 37,353 |
| Net asset value per Common share | | | | |

| | | | | |
|---|---|---|---|---|
| outstanding (net assets applicable to Common shares, divided by Common shares outstanding) | $ 14.88 | $ 15.04 | $ 14.90 | $ 1 |
| NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF: | | | | |
| Common shares, $.01 par value per share | $ 382,953 | $ 811,380 | $ 194,196 | $ 373 |
| Paid-in surplus | 534,535,198 | 1,128,874,275 | 269,465,714 | 491,941 |
| Undistributed (Over-distribution of) net investment income | 171,284 | 454,850 | (789,440) | (1,335 |
| Accumulated net realized gain (loss) from investments and derivative transactions | (731,586) | 211,268 | (602,262) | (295 |
| Net unrealized appreciation (depreciation) of investments and derivative transactions | 35,600,327 | 89,944,911 | 21,132,082 | 22,337 |
| Net assets applicable to Common shares | $ 569,958,176 | $1,220,296,684 | $ 289,400,290 | $ 513,020 |
| Authorized shares: | | | | |
| Common | 200,000,000 | 200,000,000 | 200,000,000 | Unlim |
| Preferred | 1,000,000 | 1,000,000 | 1,000,000 | Unlim |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



| Statement of
| OPERATIONS

Year Ended October 31, 2007

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | INS PRE INCO |
|---|---|---|---|---|
| INVESTMENT INCOME | $ 46,462,027 | $ 96,369,563 | $ 22,741,396 | $ 41,253 |
| EXPENSES | | | | |
| Management fees | 5,444,821 | 11,408,030 | 2,804,516 | 4,803 |
| Preferred shares - auction fees | 794,999 | 1,699,998 | 402,500 | 672 |
| Preferred shares - dividend disbursing agent fees | 50,000 | 70,000 | 30,000 | 50 |
| Shareholders' servicing agent fees and expenses | 75,526 | 124,553 | 28,043 | 43 |
| Interest expense on floating rate obligations | 1,963,691 | 3,135,352 | 491,811 | 3,126 |
| Custodian's fees and expenses | 153,304 | 364,314 | 93,356 | 184 |

| | | | | |
|---|---|---|---|---|
| Directors'/Trustees' fees and expenses | 20,844 | 45,920 | 10,852 | 18 |
| Professional fees | 47,892 | 90,956 | 28,081 | 29 |
| Shareholders' reports - printing and mailing expenses | 85,585 | 166,550 | 46,243 | 73 |
| Stock exchange listing fees | 13,850 | 29,175 | 9,671 | 13 |
| Investor relations expense | 92,676 | 195,040 | 47,762 | 82 |
| Portfolio insurance expense | -- | 27,199 | -- | |
| Other expenses | 52,037 | 84,007 | 34,752 | 37 |
| Total expenses before custodian fee credit and expense reimbursement | 8,795,225 | 17,441,094 | 4,027,587 | 9,135 |
| Custodian fee credit | (114,811) | (208,806) | (62,954) | (100 |
| Expense reimbursement | -- | -- | -- | |
| Net expenses | 8,680,414 | 17,232,288 | 3,964,633 | 9,034 |
| Net investment income | 37,781,613 | 79,137,275 | 18,776,763 | 32,219 |
| REALIZED AND UNREALIZED GAIN (LOSS) | | | | |
| Net realized gain (loss) from investments | 402,678 | 213,800 | (437,572) | 670 |
| Change in net unrealized appreciation (depreciation) of: | | | | |
| Investments | (19,111,081) | (36,626,210) | (8,470,828) | (15,396 |
| Forward swaps | -- | -- | -- | 165 |
| Net realized and unrealized gain (loss) | (18,708,403) | (36,412,410) | (8,908,400) | (14,559 |
| DISTRIBUTIONS TO PREFERRED SHAREHOLDERS | | | | |
| From net investment income | (11,240,731) | (23,971,401) | (5,720,025) | (9,604 |
| From accumulated net realized gains | -- | (491,009) | -- | |
| Decrease in net assets applicable to Common shares from distributions to Preferred shareholders | (11,240,731) | (24,462,410) | (5,720,025) | (9,604 |
| Net increase (decrease) in net assets applicable to Common shares from operations | $ 7,832,479 | $ 18,262,455 | $ 4,148,338 | $ 8,055 |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



| Statement of
| CHANGES in NET ASSETS

| | INSURED QUALITY (NQI) | |
|---|---|---|
| | YEAR ENDED 10/31/07 | YEAR ENDED 10/31/06 |

| | | |
|---|---|---|
| OPERATIONS | | |
| Net investment income | $ 37,781,613 | $ 37,757,102 |
| Net realized gain (loss) from: | | |
| Investments | 402,678 | (1,191,796) |
| Forward swaps | -- | -- |
| Net increase from payments by the Adviser for losses realized on the disposal of investments purchased in violation of investment restrictions | -- | 27,762 |
| Change in net unrealized appreciation (depreciation) of: | | |
| Investments | (19,111,081) | 10,625,581 |
| Forward swaps | -- | -- |
| Distributions to Preferred Shareholders: | | |
| From net investment income | (11,240,731) | (9,396,258) |
| From accumulated net realized gains | -- | (565,042) |
| Net increase (decrease) in net assets applicable to Common shares from operations | 7,832,479 | 37,257,349 |
| DISTRIBUTIONS TO COMMON SHAREHOLDERS | | |
| From net investment income | (27,802,379) | (30,556,817) |
| From accumulated net realized gains | -- | (2,966,866) |
| Decrease in net assets applicable to Common shares from distributions to Common shareholders | (27,802,379) | (33,523,683) |
| CAPITAL SHARE TRANSACTIONS | | |
| Net proceeds from Common shares issued to shareholders due to reinvestment of distributions | -- | 417,197 |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | -- | 417,197 |
| Net increase (decrease) in net assets applicable to Common shares | (19,969,900) | 4,150,863 |
| Net assets applicable to Common shares at the beginning of year | 589,928,076 | 585,777,213 |
| Net assets applicable to Common shares at the end of year | $ 569,958,176 | $ 589,928,076 |
| Undistributed (Over-distribution of) net investment income at the end of year | $ 171,284 | $ 1,459,534 |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.





| | PREMIER INSURED INCOME (NIF) | |
|---|---|---|
| | YEAR ENDED | YEAR ENDED |

| | 10/31/07 | 10/31/06 |
|---|---|---|
| OPERATIONS | | |
| Net investment income | $ 18,776,763 | $ 19,010,574 |
| Net realized gain (loss) from: | | |
| Investments | (437,572) | (164,691) |
| Forward swaps | -- | -- |
| Net increase from payments by the Adviser for losses realized on the disposal of investments purchased in violation of investment restrictions | -- | -- |
| Change in net unrealized appreciation (depreciation) of: | | |
| Investments | (8,470,828) | 4,920,062 |
| Forward swaps | -- | -- |
| Distributions to Preferred Shareholders: | | |
| From net investment income | (5,720,025) | (4,829,477) |
| From accumulated net realized gains | -- | (363,000) |
| Net increase (decrease) in net assets applicable to Common shares from operations | 4,148,338 | 18,573,468 |
| DISTRIBUTIONS TO COMMON SHAREHOLDERS | | |
| From net investment income | (13,749,084) | (15,341,495) |
| From accumulated net realized gains | -- | (1,854,574) |
| Decrease in net assets applicable to Common shares from distributions to Common shareholders | (13,749,084) | (17,196,069) |
| CAPITAL SHARE TRANSACTIONS | | |
| Net proceeds from Common shares issued to shareholders due to reinvestment of distributions | -- | -- |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | -- | -- |
| Net increase (decrease) in net assets applicable to Common shares | (9,600,746) | 1,377,399 |
| Net assets applicable to Common shares at the beginning of year | 299,001,036 | 297,623,637 |
| Net assets applicable to Common shares at the end of year | $ 289,400,290 | $ 299,001,036 |
| Undistributed (Over-distribution of) net investment income at the end of year | $ (789,440) | $ (97,094) |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.





| | INSURED DIVIDEND ADVANTAGE (NVG) |
|---|---|

| | YEAR ENDED 10/31/07 | YEAR ENDED 10/31/06 |
|---|---|---|
| OPERATIONS | | |
| Net investment income | $ 29,786,960 | $ 30,043,912 |
| Net realized gain (loss) from: | | |
| Investments | 1,658,186 | (1,161,908) |
| Forward swaps | -- | -- |
| Net increase from payments by the Adviser for losses realized on the disposal of investments purchased in violation of investment restrictions | -- | -- |
| Change in net unrealized appreciation (depreciation) of: | | |
| Investments | (12,888,832) | 11,104,043 |
| Forward swaps | -- | -- |
| Distributions to Preferred Shareholders: | | |
| From net investment income | (8,411,541) | (7,450,053) |
| From accumulated net realized gains | -- | -- |
| Net increase (decrease) in net assets applicable to Common shares from operations | 10,144,773 | 32,535,994 |
| DISTRIBUTIONS TO COMMON SHAREHOLDERS | | |
| From net investment income | (22,283,514) | (24,516,934) |
| From accumulated net realized gains | -- | -- |
| Decrease in net assets applicable to Common shares from distributions to Common shareholders | (22,283,514) | (24,516,934) |
| CAPITAL SHARE TRANSACTIONS | | |
| Net proceeds from Common shares issued to shareholders due to reinvestment of distributions | 84,005 | -- |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | 84,005 | -- |
| Net increase (decrease) in net assets applicable to Common shares | (12,054,736) | 8,019,060 |
| Net assets applicable to Common shares at the beginning of year | 462,036,820 | 454,017,760 |
| Net assets applicable to Common shares at the end of year | $ 449,982,084 | $ 462,036,820 |
| Undistributed (Over-distribution of) net investment income at the end of year | $ (1,234,207) | $ (273,743) |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



| Statement of
| CASH FLOWS

Year Ended October 31, 2007

| | IN PREMIUM INC |
|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON SHARES FROM OPERATIONS | $ 8,05 |
| Adjustments to reconcile the net increase (decrease) in net assets applicable to Common shares from operations to net cash provided by (used in) operating activities: | |
| Purchases of investments | (104,96 |
| Proceeds from sales of investments | 45,78 |
| Proceeds from (Purchases of) short-term investments, net | 2,60 |
| Amortization / (Accretion) of premiums and discounts, net | 5 |
| (Increase) Decrease in receivable for interest | (11 |
| (Increase) Decrease in receivable for investments sold | 23,98 |
| (Increase) Decrease in other assets | (1 |
| Increase (Decrease) in payable for investments purchased | (33,68 |
| Increase (Decrease) in accrued management fees | ( |
| Increase (Decrease) in accrued other liabilities | 5 |
| Increase (Decrease) in Preferred shares dividends payable | (1 |
| Net realized (gain) loss from investments | (67 |
| Change in net unrealized (appreciation) depreciation of investments | 15,39 |
| Change in net unrealized (appreciation) depreciation of forward swaps | (16 |
| Net cash provided by (used in) operating activities | (43,71 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | |
| Increase in floating rate obligations | 63,10 |
| Cash distribution paid to Common shareholders | (22,31 |
| Net cash provided by (used in) financing activities | 40,78 |
| NET INCREASE (DECREASE) IN CASH | (2,93 |
| Cash at the beginning of year | 3,21 |
| CASH AT THE END OF YEAR | $ 28 |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



| Notes to
| FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

The funds (the "Funds") covered in this report and their corresponding Common share stock exchange symbols are Nuveen Insured Quality Municipal Fund, Inc. (NQI), Nuveen Insured Municipal Opportunity Fund, Inc. (NIO), Nuveen Premier Insured Municipal Income Fund, Inc. (NIF), Nuveen Insured Premium Income Municipal Fund 2 (NPX), Nuveen Insured Dividend Advantage Municipal Fund (NVG) and Nuveen Insured Tax-Free Advantage Municipal Fund (NEA). Common shares of Insured Quality (NQI), Insured Opportunity (NIO), Premier Insured Income (NIF) and Insured Premium Income 2 (NPX) are traded on the New York Stock Exchange

while Common shares of Insured Dividend Advantage (NVG) and Insured Tax-Free Advantage (NEA) are traded on the American Stock Exchange. The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end, diversified management investment companies.

Each Fund seeks to provide current income exempt from regular federal income tax, and in the case of Insured Tax-Free Advantage (NEA) the alternative minimum tax applicable to individuals, by investing primarily in a diversified portfolio of municipal obligations issued by state and local government authorities or certain U.S. territories.

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with U.S. generally accepted accounting principles.

INVESTMENT VALUATION

The prices of municipal bonds in each Fund's investment portfolio are provided by a pricing service approved by the Fund's Board of Directors/Trustees. When market price quotes are not readily available (which is usually the case for municipal securities), the pricing service may establish fair value based on yields or prices of municipal bonds of comparable quality, type of issue, coupon, maturity and rating, indications of value from securities dealers, evaluations of anticipated cash flows or collateral and general market conditions. Prices of forward swap contracts are also provided by an independent pricing service approved by each Fund's Board of Directors/Trustees. If the pricing service is unable to supply a price for a municipal bond or forward swap contract, each Fund may use a market price or fair market value quote provided by a major broker/dealer in such investments. If it is determined that the market price or fair market value for an investment or derivate transaction is unavailable or inappropriate, the Board of Directors/Trustees of the Funds, or its designee, may establish a fair value for the investment. Temporary investments in securities that have variable rate and demand features qualifying them as short-term investments are valued at amortized cost, which approximates market value.

INVESTMENT TRANSACTIONS

Investment transactions are recorded on a trade date basis. Realized gains and losses from transactions are determined on the specific identification method. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to segregate assets with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. At October 31, 2007, Insured Tax-Free Advantage (NEA) had outstanding when-issued/delayed delivery purchase commitments of $798,109. There were no such outstanding purchase commitments in any of the other Funds.

INVESTMENT INCOME

Interest income, which includes the amortization of premiums and accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Investment income also includes paydown gains and losses, if any.

FEDERAL INCOME TAXES

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all net investment income and net capital gains to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required. Furthermore, each Fund intends to satisfy conditions which will enable interest from municipal securities, which is exempt from regular federal and applicable state income taxes, if any, and in the case of Insured Tax-Free Advantage (NEA) the alternative minimum tax applicable to individuals, to retain such tax-exempt status when distributed to shareholders of the Funds. Net realized capital gains and ordinary income distributions paid by the Funds are subject to federal taxation.

DIVIDENDS AND DISTRIBUTIONS TO COMMON SHAREHOLDERS

Dividends from tax-exempt net investment income are declared monthly. Net realized capital gains and/or market discount from investment transactions, if any, are distributed to shareholders not less frequently than annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to Common shareholders of tax-exempt net investment income, net realized capital gains and/or market discount, if any, are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles.

PREFERRED SHARES

The Funds have issued and outstanding Preferred shares, $25,000 stated value per share, as a means of effecting financial leverage. Each Fund's Preferred shares are issued in more than one Series. The dividend rate paid by the Funds on each Series is determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period. The number of Preferred shares outstanding, by Series and in total, for each Fund is as follows:

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | INSURED PREMIUM INCOME 2 (NPX) | INSURED DIVIDEND ADVANTAGE (NVG) | INSURED TAX-FREE ADVANTAGE (NEA) |
|---|---|---|---|---|---|---|
| Number of shares: | | | | | | |
| Series M | 2,600 | 4,000 | -- | 2,080 | 3,160 | -- |
| Series T | 2,600 | 4,000 | -- | 2,200 | 3,080 | 2,880 |
| Series W | 2,600 | 4,000 | 840 | 2,080 | -- | 2,880 |
| Series W2 | -- | 3,200 | -- | -- | -- | -- |
| Series TH | 2,320 | 4,000 | 2,800 | 2,200 | 3,080 | -- |
| Series TH2 | -- | 4,000 | -- | -- | -- | -- |
| Series F | 2,600 | 4,000 | 2,800 | 2,196 | -- | -- |
| Total | 12,720 | 27,200 | 6,440 | 10,756 | 9,320 | 5,760 |

INSURANCE

Insured Quality (NQI), Insured Opportunity (NIO), Premier Insured Income (NIF) and Insured Premium Income 2 (NPX) invest only in municipal securities which are either covered by insurance or are backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities, both of which ensure the timely payment of principal and interest.

Insured Dividend Advantage (NVG) and Insured Tax-Free Advantage (NEA) invest at least 80% of their net assets (including net assets attributable to Preferred shares) in municipal securities that are covered by insurance. Each Fund may also invest up to 20% of its net assets (including net assets attributable to Preferred shares) in municipal securities which are either (i) backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, or (ii) rated, at



the time of investment, within the four highest grades (Baa or BBB or better by Moody's, Standard & Poor's or unrated but judged to be of comparable quality by Nuveen Asset Management ("the Adviser"), a wholly owned subsidiary of Nuveen Investments, Inc. ("Nuveen").

Each insured municipal security is covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance. Such insurance does not guarantee the market value of the municipal securities or the value of the Funds' Common shares. Original Issue Insurance and Secondary Market Insurance remain in effect as long as the municipal securities covered thereby remain outstanding and the insurer remains in business, regardless of whether the Funds ultimately dispose of such municipal securities. Consequently, the market value of the municipal securities covered by Original Issue Insurance or Secondary Market Insurance may reflect value attributable to the insurance. Portfolio Insurance, in contrast, is effective only while the municipal securities are held by the Funds. Accordingly, neither the prices used in determining the market value of the underlying municipal securities nor the Common share net asset value of the Funds include value, if any, attributable to the Portfolio Insurance. Each policy of the Portfolio Insurance does, however, give the Funds the right to obtain permanent insurance with respect to the municipal security covered by the Portfolio Insurance policy at the time of its sale.

INVERSE FLOATING RATE SECURITIES

Each Fund may invest in inverse floating rate securities. An inverse floating rate security is created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. In turn, this trust (a) issues floating rate certificates, in face amounts equal to some fraction of the deposited bond's par amount or market value, that typically pay short-term tax-exempt interest rates to third parties, and (b) issues to a long-term investor (such as one of the Funds) an inverse floating rate certificate (sometimes referred to as an "inverse floater") that represents all remaining or residual interest in the trust. The income received by the inverse floater holder varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the inverse floater holder bears substantially all of the underlying bond's downside investment risk and also benefits disproportionately from any potential appreciation of the underlying bond's value. The price of an inverse floating rate security will be more volatile than that of the underlying bond because the interest rate is dependent on not only the fixed coupon rate of the underlying bond but also on

the short-term interest paid on the floating rate certificates, and because the inverse floating rate security essentially bears the risk of loss of the greater face value of the underlying bond.

A Fund may purchase an inverse floating rate security in a secondary market transaction without first owning the underlying bond (referred to as an "externally-deposited inverse floater"), or instead by first selling a fixed-rate bond to a broker-dealer for deposit into the special purpose trust and receiving in turn the residual interest in the trust (referred to as a "self-deposited inverse floater"). A Fund may also enter into shortfall and forbearance agreements (sometimes referred to as a "recourse trust" or "credit recovery swap") with a broker-dealer by which a Fund agrees to reimburse the broker-dealer, in certain circumstances, for the difference between the liquidation value of the fixed-rate bond held by the trust and the liquidation value of the floating rate certificates, as well as any shortfalls in interest cash flows. The inverse floater held by a Fund gives the Fund the right (a) to cause the holders of the floating rate certificates to tender their notes at par, and (b) to have the broker transfer the fixed-rate bond held by the trust to the Fund, thereby collapsing the trust. An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as an "Inverse floating rate investment". An investment in a self-deposited inverse floater, recourse trust or credit recovery swap is accounted for as a financing transaction in accordance with Statement of Financial Accounting Standards (SFAS) No. 140 "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities". In such instances, a fixed-rate bond deposited into a special purpose trust is identified in the Portfolio of Investments as an "Underlying bond of an inverse floating rate trust", with the Fund accounting for the short-term floating rate certificates issued by the trust as "Floating rate obligations" on the Statement of Assets and Liabilities. In addition, the Fund reflects in Investment Income the entire earnings of the underlying bond and accounts for the related interest paid to the holders of the short-term floating rate certificates as "Interest expense on floating rate obligations" in the Statement of Operations.

During the fiscal year ended October 31, 2007, each Fund invested in externally deposited inverse floaters and/or self-deposited inverse floaters.

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters during the fiscal year ended October 31, 2007, were as follows:

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | INSURE PREMIU INCOME (NPX |
|---|---|---|---|---|
| Average floating rate obligations | $50,603,945 | $80,854,379 | $12,443,110 | $80,463,11 |
| Average annual interest rate and fees | 3.88% | 3.88% | 3.95% | 3.8 |

FORWARD SWAP TRANSACTIONS

The Funds are authorized to invest in forward interest rate swap transactions. Each Fund's use of forward interest rate swap transactions is intended to help the Fund manage its overall interest rate sensitivity, either shorter or longer, generally to more closely align the Fund's interest rate sensitivity with that of the broader municipal market. Forward interest rate swap transactions involve each Fund's agreement with a counterparty to pay, in the future, a fixed or variable rate payment in exchange for the counterparty paying the Fund a variable or fixed rate payment, the accruals for which would begin at a specified date in the future (the "effective date"). The amount of the payment obligation is based on the notional amount of the forward swap contract and the termination date of the swap (which is akin to a bond's maturity). The value of the Fund's swap commitment would increase or decrease based primarily on the extent to which long-term interest rates for bonds having a maturity of the swap's termination date increases or decreases. The Funds may terminate a swap contract prior to the effective date, at which point a realized gain or loss is recognized. When a forward swap is terminated, it ordinarily does not involve the delivery of securities or other underlying assets or principal, but rather is settled in cash on a net basis. Each Fund intends, but is not obligated, to terminate its forward swaps before the effective date. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the credit risk associated with a counterparty failing to honor its commitment to pay any realized gain to the Fund upon termination. To reduce such credit risk, all counterparties are required to pledge collateral daily (based on the daily valuation of each swap) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold. Reciprocally, when any of the Funds have an unrealized loss on a swap contract, the Funds have instructed the custodian to pledge assets of the Funds as collateral with a value approximately equal to the amount of the unrealized loss above a pre-determined threshold. Collateral pledges are monitored and subsequently adjusted if and when the swap valuations fluctuate, either up or down, by at least the predetermined threshold amount. Insured Premium Income 2 (NPX) was the only Fund to invest in forward swap transactions during the fiscal year ended October 31, 2007.

CUSTODIAN FEE CREDIT

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by net credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments. Credits for cash balances may be offset by charges for any days on which the Fund overdraws its account at the custodian bank.

INDEMNIFICATIONS

Under the Funds' organizational documents, their Officers and Directors/Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the

date of the financial statements and the reported amounts of increases and decreases in net assets applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

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2. FUND SHARES

Transactions in Common shares were as follows:

| | INSURED QUALITY (NQI) | | INSURED OPPORTUNITY (NIO) | | PREM INC |
|---|---|---|---|---|---|
| | YEAR ENDED 10/31/07 | YEAR ENDED 10/31/06 | YEAR ENDED 10/31/07 | YEAR ENDED 10/31/06 | YE END 10/31/ |
| Common shares issued to shareholders due to reinvestment of distributions | -- | 27,000 | -- | -- | |

| | INSURED PREMIUM INCOME 2 (NPX) | | INSURED DIVIDEND ADVANTAGE (NVG) | |
|---|---|---|---|---|
| | YEAR ENDED 10/31/07 | YEAR ENDED 10/31/06 | YEAR ENDED 10/31/07 | YEAR ENDED 10/31/06 |
| Common shares issued to shareholders due to reinvestment of distributions | -- | -- | 5,478 | -- |

3. INVESTMENT TRANSACTIONS

Purchases and sales (including maturities but excluding short-term investments and derivative transactions) during the fiscal year ended October 31, 2007, were as follows:

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | INSURED PREMIUM INCOME 2 (NPX) | INSURE DIVIDEN ADVANTAG (NV |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| Purchases | $85,623,460 | $133,925,046 | $54,395,855 | $104,968,878 | $91,111,90 |
| Sales and maturities | 46,306,249 | 89,758,739 | 43,405,834 | 45,780,591 | 83,464,61 |

4. INCOME TAX INFORMATION

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to the treatment of paydown gains and losses, timing differences in recognizing taxable market discount, timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate transactions subject to SFAS No. 140. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset values of the Funds.

At October 31, 2007, the cost of investments was as follows:

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | INSURED PREMIUM INCOME 2 (NPX) | INSURE DIVIDEN ADVANTAG (NV |
|---|---|---|---|---|---|
| Cost of investments | $838,532,200 | $1,774,779,440 | $420,233,341 | $747,760,853 | $642,960,36 |

Gross unrealized appreciation and gross unrealized depreciation of investments at October 31, 2007, were as follows:

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | INSURED PREMIUM INCOME 2 (NPX) | INSURE DIVIDEN ADVANTAG (NV |
|---|---|---|---|---|---|
| Gross unrealized: | | | | | |
| Appreciation | $40,337,590 | $97,291,230 | $22,364,078 | $27,347,743 | $32,818,83 |
| Depreciation | (4,207,652) | (5,489,460) | (1,151,369) | (5,122,868) | (2,138,46 |
| Net unrealized appreciation (depreciation) of investments | $36,129,938 | $91,801,770 | $21,212,709 | $22,224,875 | $30,680,37 |

The tax components of undistributed net tax-exempt income, net ordinary income and net long-term capital gains at October 31, 2007, the Funds' tax year end, were as follows:

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | IN PR INC |
|---|---|---|---|---|
| Undistributed net tax-exempt income * | $2,071,769 | $3,582,375 | $232,517 | $62 |
| Undistributed net ordinary income ** | -- | -- | -- | |
| Undistributed net long-term capital gains | -- | 211,268 | -- | |

* Undistributed net tax-exempt income (on a tax basis) has not been reduced for the dividend declared on October 1, 2007, paid on November 1, 2007.

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

The tax character of distributions paid during the Funds' tax years ended October 31, 2007 and October 31, 2006, was designated for purposes of the dividends paid deduction as follows:

| 2007 | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | IN PR INC |
|---|---|---|---|---|
| Distributions from net tax-exempt income *** | $39,047,625 | $83,864,627 | $19,606,912 | $33,72 |
| Distributions from net ordinary income ** | -- | -- | -- | |
| Distributions from net long-term capital gains **** | -- | 2,032,615 | -- | |

| 2006 | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | PREMIER INSURED INCOME (NIF) | IN PR INC |
|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| Distributions from net tax-exempt income | $40,449,144 | $85,552,575 | $20,340,320 | $34,35 |
| Distributions from net ordinary income ** | -- | 36,367 | -- | |
| Distributions from net long-term capital gains | 3,529,489 | 13,627,650 | 2,216,110 | |

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

*** The Funds hereby designate these amounts paid during the fiscal year ended October 31, 2007, as Exempt Interest Dividends.

**** The Funds hereby designate these amounts paid during the fiscal year ended October 31, 2007, as long-term capital gain dividends pursuant to Internal Revenue Code Section 852(b)(3).



At October 31, 2007, the Funds' tax year end, the following Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as follows:

| | INSURED QUALITY (NQI) | PREMIUM INSURED INCOME (NIF) | INSURED PREMIUM INCOME 2 (NPX) | INSURED DIVIDEND ADVANTAGE (NVG) | INSURED TAX-FREE ADVANTAGE (NEA) |
|---|---|---|---|---|---|
| Expiration year: | | | | | |
| 2008 | $ -- | $ -- | $295,910 | $ -- | $ -- |
| 2009 | -- | -- | -- | -- | -- |
| 2010 | -- | -- | -- | -- | -- |
| 2011 | -- | -- | -- | -- | -- |
| 2012 | -- | -- | -- | -- | -- |
| 2013 | -- | -- | -- | 160,392 | 4,675,683 |
| 2014 | 731,586 | 164,691 | -- | 1,187,192 | -- |
| 2015 | -- | 437,571 | -- | -- | 35,274 |
| Total | $731,586 | $602,262 | $295,910 | $1,347,584 | $4,710,957 |

5. MANAGEMENT FEES AND OTHER TRANSACTIONS WITH AFFILIATES

Each Fund's management fee is separated into two components - a complex-level component, based on the aggregate amount of all fund assets managed by the Adviser, and a specific fund-level component, based only on the amount of assets within each individual Fund. This pricing structure enables Nuveen fund shareholders to benefit from growth in the assets within each individual fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

The annual fund-level fee, payable monthly, for each Fund is based upon the average daily net assets (including net assets attributable to Preferred shares) of each Fund as follows:

| AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES) | I<br>INSUR<br>PREMIER<br>INSURED PR |
|---|---|
| For the first $125 million | |
| For the next $125 million | |
| For the next $250 million | |
| For the next $500 million | |
| For the next $1 billion | |
| For the next $3 billion | |
| For net assets over $5 billion | |

| AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES) | INSURED DIVI<br>INSURED TAX- |
|---|---|
| For the first $125 million | |
| For the next $125 million | |
| For the next $250 million | |
| For the next $500 million | |
| For the next $1 billion | |
| For net assets over $2 billion | |

The annual complex-level fee, payable monthly, which is additive to the fund-level fee, for all Nuveen sponsored funds in the U.S., is based on the aggregate amount of total fund assets managed as stated in the table below. As of October 31, 2007, the complex-level fee rate was .1828%.





Effective August 20, 2007, the complex-level fee schedule is as follows:

| COMPLEX-LEVEL ASSET BREAKPOINT LEVEL (1) | EFFECTIVE RATE AT BREAKPOINT LEVEL |
|---|---|
| $55 billion | .2000% |
| $56 billion | .1996 |
| $57 billion | .1989 |
| $60 billion | .1961 |
| $63 billion | .1931 |
| $66 billion | .1900 |
| $71 billion | .1851 |
| $76 billion | .1806 |
| $80 billion | .1773 |

| | |
|---|---|
| $91 billion | .1691 |
| $125 billion | .1599 |
| $200 billion | .1505 |
| $250 billion | .1469 |
| $300 billion | .1445 |

Prior to August 20, 2007, the complex-level fee schedule was as follows:

| COMPLEX-LEVEL ASSET BREAKPOINT LEVEL (1) | EFFECTIVE RATE AT BREAKPOINT LEVEL |
|---|---|
| $55 billion | .2000% |
| $56 billion | .1996 |
| $57 billion | .1989 |
| $60 billion | .1961 |
| $63 billion | .1931 |
| $66 billion | .1900 |
| $71 billion | .1851 |
| $76 billion | .1806 |
| $80 billion | .1773 |
| $91 billion | .1698 |
| $125 billion | .1617 |
| $200 billion | .1536 |
| $250 billion | .1509 |
| $300 billion | .1490 |

(1) The complex-level fee component of the management fee for the funds is calculated based upon the aggregate Managed Assets ("Managed Assets" means the average daily net assets of each fund including assets attributable to preferred stock issued by or borrowings by the Nuveen funds) of Nuveen-sponsored funds in the U.S.



The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Funds pay no compensation directly to those of its Directors/Trustees who are affiliated with the Adviser or to its Officers, all of whom receive remuneration for their services to the Funds from the Adviser or its affiliates. The Board of Directors/Trustees has adopted a deferred compensation plan for independent Directors/Trustees that enables Directors/Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from certain Nuveen advised funds. Under the plan, deferred amounts are treated as though equal dollar amounts had been invested in shares of select Nuveen advised funds.

For the first ten years of Insured Dividend Advantage's (NVG) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

| YEAR ENDING MARCH 31, | | YEAR ENDING MARCH 31, | |
|---|---|---|---|
| 2002* | .30% | 2008 | .25% |
| 2003 | .30 | 2009 | .20 |
| 2004 | .30 | 2010 | .15 |
| 2005 | .30 | 2011 | .10 |

| | | | |
|---|---|---|---|
| 2006 | .30 | 2012 | .05 |
| 2007 | .30 | | |

* From the commencement of operations.

The Adviser has not agreed to reimburse Insured Dividend Advantage (NVG) for any portion of its fees and expenses beyond March 31, 2012.

For the first eight years of Insured Tax-Free Advantage's (NEA) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

| YEAR ENDING NOVEMBER 30, | | YEAR ENDING NOVEMBER 30, | |
|---|---|---|---|
| 2002* | .32% | 2007 | .32% |
| 2003 | .32 | 2008 | .24 |
| 2004 | .32 | 2009 | .16 |
| 2005 | .32 | 2010 | .08 |
| 2006 | .32 | | |

* From the commencement of operations.

The Adviser has not agreed to reimburse Insured Tax-Free Advantage (NEA) for any portion of its fees and expenses beyond November 30, 2010.

As a result of certain trading errors that occurred during the fiscal year ended October 31, 2006, Insured Quality (NQI) and Insured Opportunity (NIO) were reimbursed $27,762 and $42,338, respectively, by the Adviser to offset losses realized on the disposal of investments in violation of investment guidelines.

AGREEMENT AND PLAN OF MERGER

On June 20, 2007, Nuveen Investments announced that it had entered into a definitive Agreement and Plan of Merger ("Merger Agreement") with Windy City Investments, Inc. ("Windy City"), a corporation formed by investors led by Madison Dearborn Partners, LLC ("Madison Dearborn"), pursuant to which Windy City would acquire Nuveen Investments. Madison Dearborn is a private equity investment firm based in Chicago, Illinois. The merger was consummated on November 13, 2007.

The consummation of the merger was deemed to be an "assignment" (as that term is defined in the Investment Company Act of 1940) of the investment management agreement between each Fund and the Adviser, and resulted in the automatic termination of each Fund's agreement. The Board of Directors/Trustees of each Fund has approved a new investment management agreement with the Adviser at the same fee rate. The new ongoing agreement was approved by the shareholders of each Fund and took effect on November 13, 2007.





The investors led by Madison Dearborn include an affiliate of Merrill Lynch. As a result, Merrill Lynch is an indirect "affiliated person" (as that term is

defined in the Investment Company Act of 1940) of each Fund. Certain conflicts of interest may arise as a result of such indirect affiliation. For example, the Funds are generally prohibited from entering into principal transactions with Merrill Lynch and its affiliates. The Adviser does not believe that any such prohibitions or limitations as a result of Merrill Lynch's affiliation with significantly impact the ability of the Funds to pursue their investment objectives and policies.

6. NEW ACCOUNTING PRONOUNCEMENTS

FINANCIAL ACCOUNTING STANDARDS BOARD INTERPRETATION NO. 48

On July 13, 2006, the Financial Accounting Standards Board (FASB) released FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Funds' tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. Adoption of FIN 48 is required for fiscal years beginning after December 15, 2006, and is to be applied to all open tax years as of the effective date. SEC guidance allows funds to delay implementing FIN 48 into NAV calculations until the fund's last NAV calculation in the first required financial statement reporting period. As a result, the Funds must begin to incorporate FIN 48 into their NAV calculations by April 30, 2008. At this time, management is continuing to evaluate the implications of FIN 48 and does not expect the adoption of FIN 48 will have a significant impact on the net assets or results of operations of the Funds.

FINANCIAL ACCOUNTING STANDARDS BOARD STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 157

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 157, "Fair Value Measurements." This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS No. 157 applies to fair value measurements already required or permitted by existing standards. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current generally accepted accounting principles from the application of this standard relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements. As of October 31, 2007, management does not believe the adoption of SFAS No. 157 will impact the financial statement amounts; however, additional disclosures may be required about the inputs used to develop the measurements and the effect of certain of the measurements included within the Statement of Operations for the period.

7. SUBSEQUENT EVENTS

DISTRIBUTIONS TO COMMON SHAREHOLDERS

The Funds declared Common share dividend distributions from their tax-exempt net investment income which were paid on December 3, 2007, to shareholders of record on November 15, 2007, as follows:

| | PREMIER | INSURED | INSURED | INSURED |
|---|---|---|---|---|

| | INSURED QUALITY (NQI) | INSURED OPPORTUNITY (NIO) | INSURED INCOME (NIF) | PREMIUM INCOME 2 (NPX) | DIVIDEND ADVANTAGE (NVG) | TAX-FREE ADVANTAGE (NEA) |
|---|---|---|---|---|---|---|
| Dividend per share | $.0605 | $.0580 | $.0530 | $.0515 | $.0575 | $.0590 |









Selected data for a Common share outstanding throughout each period:

| | Investment Operations | | | | | |
|---|---|---|---|---|---|---|
| | Beginning Common Share Net Asset Value | Net Investment Income | Net Realized/ Unrealized Gain (Loss) | Distributions from Net Investment Income to Preferred Share-holders+ | Distributions from Capital Gains to Preferred Share-holders+ | To |
| INSURED QUALITY (NQI) | | | | | | |
| Year Ended 10/31: | | | | | | |
| 2007 | $15.40 | $ .99 | $(.49) | $(.29) | $ -- | $ |
| 2006 | 15.31 | .99 | .24 | (.25) | (.01) | |
| 2005 | 15.85 | 1.03 | (.39) | (.16) | -- | |
| 2004 | 15.72 | 1.08 | .20 | (.08) | -- | 1 |
| 2003 | 15.87 | 1.10 | (.05) | (.07) | (.01) | |
| INSURED OPPORTUNITY (NIO) | | | | | | |
| Year Ended 10/31: | | | | | | |
| 2007 | 15.57 | .98 | (.45) | (.30) | (.01) | |
| 2006 | 15.46 | .98 | .34 | (.24) | (.03) | 1 |
| 2005 | 16.06 | 1.01 | (.50) | (.16) | -- | |
| 2004 | 15.89 | 1.05 | .20 | (.08) | -- | 1 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 2003 | 15.83 | 1.06 | .17 | (.07) | (.01) | 1 |

| | | | | Total Returns | |
|---|---|---|---|---|---|
| | Offering Costs and Preferred Share Underwriting Discounts | Ending Common Share Net Asset Value | Ending Market Value | Based on Market Value* | Based on Common Share Net Asset Value* |
| INSURED QUALITY (NQI) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | $ -- | $14.88 | $13.61 | (3.48)% | 1.38% |
| 2006 | -- | 15.40 | 14.83 | 2.76 | 6.53*** |
| 2005 | -- | 15.31 | 15.31 | 2.11 | 3.09 |
| 2004 | -- | 15.85 | 16.00 | 4.37 | 7.90 |
| 2003 | -- | 15.72 | 16.39 | 12.92 | 6.27 |
| INSURED OPPORTUNITY (NIO) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | -- | 15.04 | 13.56 | (3.18) | 1.49 |
| 2006 | -- | 15.57 | 14.75 | 8.26 | 7.05*** |
| 2005 | -- | 15.46 | 14.52 | (3.72) | 2.21 |
| 2004 | -- | 16.06 | 16.05 | 9.47 | 7.64 |
| 2003 | -- | 15.89 | 15.64 | 10.22 | 7.51 |

| | Ratios/Supplemental Data | | | |
|---|---|---|---|---|
| | | Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement | | |
| | Ending Net Assets Applicable to Common Shares (000) | Expenses Including Interest++(a) | Expenses Excluding Interest++(a) | Net Investment Income++ |
| INSURED QUALITY (NQI) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | $ 569,958 | 1.52% | 1.18% | 6.53% |
| 2006 | 589,928 | 1.20 | 1.20 | 6.49 |
| 2005 | 585,777 | 1.19 | 1.19 | 6.58 |
| 2004 | 605,028 | 1.19 | 1.19 | 6.88 |
| 2003 | 598,102 | 1.20 | 1.20 | 6.93 |

| | | | | |
|---|---|---|---|---|
| INSURED OPPORTUNITY (NIO) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | 1,220,297 | 1.41 | 1.16 | 6.39 |
| 2006 | 1,263,172 | 1.17 | 1.17 | 6.38 |
| 2005 | 1,254,638 | 1.16 | 1.16 | 6.35 |
| 2004 | 1,302,985 | 1.16 | 1.16 | 6.59 |
| 2003 | 1,288,087 | 1.17 | 1.17 | 6.67 |

| | Ratios/Supplemental Data | | | |
|---|---|---|---|---|
| | Ratios to Average Net Assets Applicable to Common Shares After Credit/Reimbursement** | | | |
| | Expenses Including Interest++(a) | Expenses Excluding Interest++(a) | Net Investment Income++ | Portfolio Turnover Rate |
| INSURED QUALITY (NQI) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | 1.50% | 1.16% | 6.55% | 5% |
| 2006 | 1.20 | 1.20 | 6.49 | 13 |
| 2005 | 1.19 | 1.19 | 6.58 | 21 |
| 2004 | 1.19 | 1.19 | 6.88 | 8 |
| 2003 | 1.20 | 1.20 | 6.94 | 14 |
| INSURED OPPORTUNITY (NIO) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | 1.40 | 1.14 | 6.41 | 5 |
| 2006 | 1.17 | 1.17 | 6.38 | 13 |
| 2005 | 1.16 | 1.16 | 6.35 | 25 |
| 2004 | 1.16 | 1.16 | 6.59 | 8 |
| 2003 | 1.16 | 1.16 | 6.68 | 21 |

| | Preferred Shares at End of Period | | | Floating Rate Obligations at End of Period | |
|---|---|---|---|---|---|
| | Aggregate Amount Outstanding (000) | Liquidation and Market Value Per Share | Asset Coverage Per Share | Aggregate Amount Outstanding (000) | Asset Coverage Per $1,000 |
| INSURED QUALITY (NQI) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | $318,000 | $25,000 | $69,808 | $54,140 | $17,401 |
| 2006 | 318,000 | 25,000 | 71,378 | -- | -- |
| 2005 | 318,000 | 25,000 | 71,052 | -- | -- |

| | | | | | |
|---|---|---|---|---|---|
| 2004 | 318,000 | 25,000 | 72,565 | -- | -- |
| 2003 | 318,000 | 25,000 | 72,021 | -- | -- |
| INSURED OPPORTUNITY (NIO) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | 680,000 | 25,000 | 69,864 | 86,103 | 23,070 |
| 2006 | 680,000 | 25,000 | 71,440 | -- | -- |
| 2005 | 680,000 | 25,000 | 71,126 | -- | -- |
| 2004 | 680,000 | 25,000 | 72,904 | -- | -- |
| 2003 | 680,000 | 25,000 | 72,356 | -- | -- |

* Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period takes place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in calculation. Total returns are not annualized.

** After custodian fee credit and expense reimbursement, where applicable.

*** During the fiscal year ended October 31, 2006, Insured Quality (NQI) and Insured Opportunity (NIO) received payments from the Adviser of $27,762 and $42,338, respectively, to offset losses realized on the disposal of investments purchased in violation of each Fund's investment restrictions. This reimbursement did not have an impact on the Funds' Total Return on Common Share Net Asset Value.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1- Inverse Floating Rate Securities.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

| Financial
| HIGHLIGHTS (continued)

Selected data for a Common share outstanding throughout each period:

| | | Investment Operations | | | | |
|---|---|---|---|---|---|---|
| | Beginning Common Share Net Asset Value | Net Investment Income | Net Realized/ Unrealized Gain (Loss) | Distributions from Net Investment Income to Preferred Share-holders+ | Distributions from Capital Gains to Preferred Share-holders+ | Total |
| PREMIER INSURED INCOME (NIF) | | | | | | |
| Year Ended 10/31: | | | | | | |
| 2007 | $15.40 | $ .97 | $(.47) | $(.29) | $ -- | $ .21 |
| 2006 | 15.33 | .98 | .25 | (.25) | (.02) | .96 |
| 2005 | 16.00 | 1.01 | (.49) | (.16) | (.01) | .35 |
| 2004 | 15.69 | 1.03 | .36 | (.08) | -- | 1.31 |
| 2003 | 15.59 | 1.05 | .13 | (.07) | -- | 1.11 |
| INSURED PREMIUM INCOME 2 (NPX) | | | | | | |
| Year Ended 10/31: | | | | | | |
| 2007 | 14.16 | .86 | (.39) | (.26) | -- | .21 |
| 2006 | 13.93 | .86 | .28 | (.23) | -- | .91 |
| 2005 | 14.45 | .89 | (.44) | (.14) | -- | .31 |
| 2004 | 14.24 | .93 | .23 | (.07) | -- | 1.09 |
| 2003 | 14.17 | .96 | .03 | (.06) | -- | .93 |

| | | | | Total Returns | |
|---|---|---|---|---|---|
| | Offering Costs and Preferred Share Underwriting Discounts | Ending Common Share Net Asset Value | Ending Market Value | Based on Market Value* | Based on Common Share Net Asset Value* |
| PREMIER INSURED INCOME (NIF) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | $ -- | $14.90 | $13.25 | (4.66)% | 1.40% |

| | | | | | |
|---|---|---|---|---|---|
| 2006 | -- | 15.40 | 14.60 | 7.68 | 6.46 |
| 2005 | -- | 15.33 | 14.40 | (1.66) | 2.16 |
| 2004 | -- | 16.00 | 15.64 | 7.55 | 8.62 |
| 2003 | -- | 15.69 | 15.51 | 7.84 | 7.28 |
| INSURED PREMIUM INCOME 2 (NPX) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | -- | 13.73 | 12.18 | (1.77) | 1.55 |
| 2006 | -- | 14.16 | 13.03 | 7.11 | 6.75 |
| 2005 | -- | 13.93 | 12.83 | (3.32) | 2.14 |
| 2004 | -- | 14.45 | 14.11 | 6.42 | 7.89 |
| 2003 | -- | 14.24 | 14.12 | 8.84 | 6.70 |

| | Ratios/Supplemental Data | | | |
|---|---|---|---|---|
| | | Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement | | |
| | Ending Net Assets Applicable to Common Shares (000) | Expenses Including Interest++(a) | Expenses Excluding Interest++(a) | Net Investment Income++ |
| PREMIER INSURED INCOME (NIF) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | $289,400 | 1.38% | 1.21% | 6.41% |
| 2006 | 299,001 | 1.22 | 1.22 | 6.44 |
| 2005 | 297,624 | 1.20 | 1.20 | 6.39 |
| 2004 | 310,666 | 1.21 | 1.21 | 6.53 |
| 2003 | 303,912 | 1.22 | 1.22 | 6.66 |
| INSURED PREMIUM INCOME 2 (NPX) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | 513,021 | 1.76 | 1.16 | 6.19 |
| 2006 | 528,984 | 1.16 | 1.16 | 6.14 |
| 2005 | 520,508 | 1.16 | 1.16 | 6.20 |
| 2004 | 539,697 | 1.16 | 1.16 | 6.52 |
| 2003 | 530,975 | 1.17 | 1.17 | 6.68 |

| | Ratios/Supplemental Data | | | | |
|---|---|---|---|---|---|
| | Ratios to Average Net Assets Applicable to Common Shares After Credit/Reimbursement** | | | | |
| | Expenses | Expenses | Net | Portfolio | |

| | Including Interest++(a) | Excluding Interest++(a) | Investment Income++ | Turnover Rate |
|---|---|---|---|---|
| PREMIER INSURED INCOME (NIF) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | 1.36% | 1.19% | 6.43% | 9% |
| 2006 | 1.21 | 1.21 | 6.44 | 8 |
| 2005 | 1.20 | 1.20 | 6.40 | 20 |
| 2004 | 1.20 | 1.20 | 6.53 | 13 |
| 2003 | 1.21 | 1.21 | 6.68 | 25 |
| INSURED PREMIUM INCOME 2 (NPX) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | 1.74 | 1.14 | 6.21 | 5 |
| 2006 | 1.16 | 1.16 | 6.15 | 15 |
| 2005 | 1.16 | 1.16 | 6.20 | 23 |
| 2004 | 1.16 | 1.16 | 6.53 | 14 |
| 2003 | 1.16 | 1.16 | 6.69 | 31 |

| | Preferred Shares at End of Period | | | Floating Rate Obligation at End of Period | |
|---|---|---|---|---|---|
| | Aggregate Amount Outstanding (000) | Liquidation and Market Value Per Share | Asset Coverage Per Share | Aggregate Amount Outstanding (000) | Asse Coverag Per $1,00 |
| PREMIER INSURED INCOME (NIF) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | $161,000 | $25,000 | $69,938 | $14,015 | $33,13 |
| 2006 | 161,000 | 25,000 | 71,429 | -- | - |
| 2005 | 161,000 | 25,000 | 71,215 | -- | - |
| 2004 | 161,000 | 25,000 | 73,240 | -- | - |
| 2003 | 161,000 | 25,000 | 72,191 | -- | - |
| INSURED PREMIUM INCOME 2 (NPX) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | 268,900 | 25,000 | 72,696 | 92,040 | 9,49 |
| 2006 | 268,900 | 25,000 | 74,180 | -- | - |
| 2005 | 268,900 | 25,000 | 73,392 | -- | - |
| 2004 | 268,900 | 25,000 | 75,176 | -- | - |
| 2003 | 268,900 | 25,000 | 74,365 | -- | - |

* Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period takes place over several days, and in some instances may not be based on the market price,

so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in calculation. Total returns are not annualized.

** After custodian fee credit and expense reimbursement, where applicable.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1- Inverse Floating Rate Securities.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.





Selected data for a Common share outstanding throughout each period:

| | | Investment Operations | | | | |
|---|---|---|---|---|---|---|
| | Beginning Common Share Net Asset Value | Net Investment Income | Net Realized/ Unrealized Gain (Loss) | Distributions from Net Investment Income to Preferred Share-holders+ | Distributions from Capital Gains to Preferred Share-holders+ | Total |
| INSURED DIVIDEND ADVANTAGE (NVG) | | | | | | |
| Year Ended 10/31: | | | | | | |
| 2007 | $15.50 | $1.00 | $ (.38) | $(.28) | $ -- | $ .34 |
| 2006 | 15.23 | 1.01 | .33 | (.25) | -- | 1.09 |
| 2005 | 15.78 | 1.00 | (.38) | (.15) | (.01) | .46 |
| 2004 | 15.41 | 1.02 | .42 | (.07) | -- | 1.37 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 2003 | 15.35 | 1.03 | .15 | (.07) | (.01) | 1.10 |
| INSURED TAX-FREE ADVANTAGE (NEA) | | | | | | |
| Year Ended 10/31: | | | | | | |
| 2007 | 14.93 | .97 | (.21) | (.27) | -- | .49 |
| 2006 | 14.56 | .97 | .38 | (.24) | -- | 1.11 |
| 2005 | 14.75 | .97 | (.19) | (.15) | -- | .63 |
| 2004 | 14.54 | .99 | .21 | (.07) | -- | 1.13 |
| 2003(b) | 14.33 | .82 | .42 | (.05) | -- | 1.19 |

| | | | | Total Returns | |
|---|---|---|---|---|---|
| | Offering Costs and Preferred Share Underwriting Discounts | Ending Common Share Net Asset Value | Ending Market Value | Based on Market Value** | Based on Common Share Net Asset Value** |
| INSURED DIVIDEND ADVANTAGE (NVG) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | $ -- | $15.09 | $13.71 | (3.12)% | 2.25% |
| 2006 | -- | 15.50 | 14.89 | 11.09 | 7.39 |
| 2005 | -- | 15.23 | 14.17 | 2.00 | 2.93 |
| 2004 | -- | 15.78 | 14.89 | 7.61 | 9.19 |
| 2003 | -- | 15.41 | 14.81 | 6.10 | 7.37 |
| INSURED TAX-FREE ADVANTAGE (NEA) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | -- | 14.71 | 14.30 | 4.59 | 3.35 |
| 2006 | -- | 14.93 | 14.35 | 12.82 | 7.82 |
| 2005 | -- | 14.56 | 13.41 | (4.68) | 4.33 |
| 2004 | .01 | 14.75 | 14.91 | 7.41 | 8.07 |
| 2003(b) | (.20) | 14.54 | 14.79 | 3.87 | 6.98 |

| | Ratios/Supplemental Data | | |
|---|---|---|---|
| | | Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement | |
| | Ending Net Assets Applicable to Common Shares (000) | Expenses Including Interest++(a) | Expenses Excluding Interest++(a) | Net Investment Income++ |

| | | | | |
|---|---|---|---|---|
| INSURED DIVIDEND ADVANTAGE (NVG) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | $449,982 | 1.31% | 1.14% | 6.15% |
| 2006 | 462,037 | 1.15 | 1.15 | 6.15 |
| 2005 | 454,018 | 1.15 | 1.15 | 5.96 |
| 2004 | 470,389 | 1.15 | 1.15 | 6.09 |
| 2003 | 459,368 | 1.17 | 1.17 | 6.22 |
| INSURED TAX-FREE ADVANTAGE (NEA) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | 272,391 | 1.19 | 1.17 | 6.04 |
| 2006 | 276,506 | 1.19 | 1.19 | 6.12 |
| 2005 | 269,614 | 1.19 | 1.19 | 6.06 |
| 2004 | 273,112 | 1.20 | 1.20 | 6.24 |
| 2003(b) | 269,112 | 1.12* | 1.12* | 5.52* |

| | Ratios/Supplemental Data | | | |
|---|---|---|---|---|
| | Ratios to Average Net Assets Applicable to Common Shares After Credit/Reimbursement*** | | | |
| | Expenses Including Interest++(a) | Expenses Excluding Interest++(a) | Net Investment Income++ | Portfolio Turnover Rate |
| INSURED DIVIDEND ADVANTAGE (NVG) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | .88% | .71% | 6.58% | 12% |
| 2006 | .70 | .70 | 6.60 | 15 |
| 2005 | .70 | .70 | 6.42 | 2 |
| 2004 | .70 | .70 | 6.54 | 11 |
| 2003 | .72 | .72 | 6.67 | 25 |
| INSURED TAX-FREE ADVANTAGE (NEA) | | | | |
| Year Ended 10/31: | | | | |
| 2007 | .69 | .67 | 6.54 | 6 |
| 2006 | .69 | .69 | 6.61 | -- |
| 2005 | .70 | .70 | 6.55 | 1 |
| 2004 | .71 | .71 | 6.73 | 13 |
| 2003(b) | .65* | .65* | 6.00* | 72 |

| | Preferred Shares at End of Period | | | Floating Rate Obligation at End of Period | |
|---|---|---|---|---|---|
| | Aggregate Amount Outstanding | Liquidation and Market Value | Asset Coverage | Aggregate Amount Outstanding | Asse Coverag |

| | (000) | Per Share | Per Share | (000) | Per $1,00 |
|---|---|---|---|---|---|
| INSURED DIVIDEND ADVANTAGE (NVG) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | $ 233,000 | $25,000 | $73,281 | $20,938 | $ 33,61 |
| 2006 | 233,000 | 25,000 | 74,575 | -- | - |
| 2005 | 233,000 | 25,000 | 73,714 | -- | - |
| 2004 | 233,000 | 25,000 | 75,471 | -- | - |
| 2003 | 233,000 | 25,000 | 74,288 | -- | - |
| INSURED TAX-FREE ADVANTAGE (NEA) | | | | | |
| Year Ended 10/31: | | | | | |
| 2007 | 144,000 | 25,000 | 72,290 | 1,305 | 320,07 |
| 2006 | 144,000 | 25,000 | 73,005 | -- | - |
| 2005 | 144,000 | 25,000 | 71,808 | -- | - |
| 2004 | 144,000 | 25,000 | 72,415 | -- | - |
| 2003(b) | 144,000 | 25,000 | 71,721 | -- | - |

* Annualized.

** Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period takes place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in calculation. Total returns are not annualized.

*** After custodian fee credit and expense reimbursement, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1- Inverse Floating Rate Securities.

(b) For the period November 21, 2002 (commencement of operations) through October 31, 2003.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.



Board Members & Officers

The management of the Funds, including general supervision of the duties performed for the Funds by the Adviser, is the responsibility of the Board Members of the Funds. The number of board members of the Fund is currently set at eight. None of the board members who are not "interested" persons of the Funds has ever been a director or employee of, or consultant to, Nuveen or its affiliates. The names and business addresses of the board members and officers of the Funds, their principal occupations and other affiliations during the past five years, the number of portfolios each oversees and other directorships they hold are set forth below.

| NAME, BIRTHDATE & ADDRESS | POSITION(S) HELD WITH THE FUNDS | YEAR FIRST ELECTED OR APPOINTED AND TERM(2) | NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY BOARD MEMBER | PRINCI OCCUPA INCLUD DIRECT DURING |
|---|---|---|---|---|
| BOARD MEMBER WHO IS AN INTERESTED PERSON OF THE FUNDS: | | | | |
| o TIMOTHY R. SCHWERTFEGER(1)<br>3/28/49<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Chairman of the Board and Board Member | 1994<br>ANNUAL | 182 | Former Chairm Non-Ex 2007-N Execut of Nuv Nuveen other Invest (1992- Corpor |
| BOARD MEMBERS WHO ARE NOT INTERESTED PERSONS OF THE FUNDS: | | | | |
| o ROBERT P. BREMNER<br>8/22/40<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Lead Independent Board member | 1997<br>ANNUAL OR CLASS III | 182 | Privat Consul |
| o JACK B. EVANS<br>10/22/48<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Board member | 1999<br>ANNUAL OR CLASS III | 182 | Presid privat 1996); Fire G Member State Direct of Coe Founda Counci the Ti |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | Univer<br>Allian<br>Federa<br>former<br>Office<br>region |
| o WILLIAM C. HUNTER<br>3/6/48<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Board member | 2004<br>ANNUAL OR CLASS II | 182 | Dean,<br>Univer<br>former<br>Profes<br>at the<br>(2003-<br>Presid<br>Federa<br>(1995-<br>Credit<br>Univer<br>Xerox<br>Techno<br>2005). |



| NAME,<br>BIRTHDATE<br>& ADDRESS | POSITION(S) HELD<br>WITH THE FUNDS | YEAR FIRST<br>ELECTED OR<br>APPOINTED<br>AND TERM(2) | NUMBER<br>OF PORTFOLIOS<br>IN FUND COMPLEX<br>OVERSEEN BY<br>BOARD MEMBER | PRINCI<br>OCCUPA<br>INCLUD<br>DIRECT<br>DURING |
|---|---|---|---|---|
| BOARD MEMBERS WHO ARE NOT INTERESTED PERSONS OF THE FUNDS: | | | | |
| o DAVID J. KUNDERT<br>10/28/42<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Board member | 2005<br>ANNUAL OR CLASS II | 180 | Direct<br>Manage<br>as Cha<br>Manage<br>Invest<br>Presid<br>theret<br>One Co<br>Banc O<br>Member<br>member<br>member<br>Boerne<br>Board<br>Theate |
| o WILLIAM J. SCHNEIDER<br>9/24/44<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Board member | 1997<br>ANNUAL | 182 | Chairm<br>Ltd.,<br>former<br>Operat |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | Direct former Counci |
| o JUDITH M. STOCKDALE 12/29/47 333 W. Wacker Drive Chicago, IL 60606 | Board member | 1997 ANNUAL OR CLASS I | 182 | | Execut Donnel theret Protec |
| o CAROLE E. STONE 6/28/47 333 West Wacker Drive Chicago, IL 60606 | Board member | 2007 ANNUAL OR CLASS I | 182 | | Direct (since Associ Commis on Pub former Divisi Chair, (2000- Govern (2000- |



| NAME, BIRTHDATE AND ADDRESS | POSITION(S) HELD WITH THE FUNDS | YEAR FIRST ELECTED OR APPOINTED(4) | NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER | PRINCI OCCUPA DURING |
|---|---|---|---|---|
| OFFICERS OF THE FUND: | | | | |
| o GIFFORD R. ZIMMERMAN 9/9/56 333 W. Wacker Drive Chicago, IL 60606 | Chief Administrative Officer | 1988 | 182 | Managi Secret former Genera LLC; M Associ Secret Vice P NWQ In (since Inc. ( Manage Manage Tradew Santa (since and Ri 2007); Genera of Rit (since |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | 2004) |
| | | | | | 1994) |
| | | | | | Assist |
| | | | | | Sympho |
| o WILLIAMS ADAMS IV<br>6/9/55<br>333 West Wacker Drive<br>Chicago, IL 60606 | | Vice President | 2007 | 120 | Execut<br>Produc<br>(since<br>Direct |
| o JULIA L. ANTONATOS<br>9/22/63<br>333 W. Wacker Drive<br>Chicago, IL 60606 | | Vice President | 2004 | 182 | Managi<br>Vice P<br>Invest<br>Analys |
| o CEDRIC H. ANTOSIEWICZ<br>1/11/62<br>333 W. Wacker Drive<br>Chicago, IL 60606 | | Vice President | 2007 | 120 | Managi<br>previo<br>of Nuv |
| o MICHAEL T. ATKINSON<br>2/3/66<br>333 W. Wacker Drive<br>Chicago, IL 60606 | | Vice President and Assistant Secretary | 2000 | 182 | Vice P<br>Invest |
| o PETER H. D'ARRIGO<br>11/28/67<br>333 W. Wacker Drive<br>Chicago, IL 60606 | | Vice President | 1999 | 182 | Vice P<br>Invest<br>Inc.;<br>Nuveen<br>Nuveen<br>2002);<br>LLC. (<br>Manage<br>NWQ Gl<br>Santa<br>(since<br>LLC an<br>2007);<br>Manage<br>Vice P<br>of Nuv<br>Instit<br>Charte |
| o LORNA C. FERGUSON<br>10/24/45<br>333 W. Wacker Drive<br>Chicago, IL 60606 | | Vice President | 1998 | 182 | Managi<br>Vice P<br>LLC, M<br>Vice P<br>Adviso<br>Adviso<br>(since |
| o WILLIAM M. FITZGERALD<br>3/2/64<br>333 W. Wacker Drive<br>Chicago, IL 60606 | | Vice President | 1995 | 182 | Managi<br>Vice P<br>LLC; M<br>Nuveen<br>Instit<br>Direct<br>Manage<br>of Nuv<br>Charte |

98

| NAME, BIRTHDATE AND ADDRESS | POSITION(S) HELD WITH THE FUNDS | YEAR FIRST ELECTED OR APPOINTED(4) | NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER | PRINCI OCCUPA DURING |
|---|---|---|---|---|
| OFFICERS OF THE FUND: | | | | |
| o STEPHEN D. FOY<br>5/31/54<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Vice President and Controller | 1998 | 182 | Vice P Contro Invest Presid (1998- Certif |
| o WALTER M. KELLY<br>2/24/70<br>333 West Wacker Drive<br>Chicago, IL 60606 | Chief Compliance Officer and Vice President | 2003 | 182 | Vice P Assist Genera Invest Presid Nuveen Associ Vedder |
| o DAVID J. LAMB<br>3/22/63<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Vice President | 2000 | 182 | Vice P Invest Accoun |
| o TINA M. LAZAR<br>8/27/61<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Vice President | 2002 | 182 | Vice P (since |
| o LARRY W. MARTIN<br>7/27/51<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Vice President and Assistant Secretary | 1988 | 182 | Vice P Assist Invest Presid Nuveen Instit Presid Secret Vice P Secret Manage Assist Counse Manage Assist Advise |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | Invest 2002), (since Invest Manage HydePa Tierne |
| o KEVIN J. MCCARTHY<br>3/26/66<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Vice President and Secretary | 2007 | 182 | Vice P (since Assist Manage Inc., Nuveen Group Compan LLC, N Manage Manage LLC an 2007); Genera (since Bell, |
| o JOHN V. MILLER<br>4/10/67<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Vice President | 2007 | 182 | Managi Vice P Invest Analys |
| o JAMES F. RUANE<br>7/3/62<br>333 W. Wacker Drive<br>Chicago, IL 60606 | Vice President and Assistant Secretary | 2007 | 182 | Vice P 2007; Touche senior Certif |

(1) Mr. Schwertfeger is an "interested person" of the Funds, as defined in the Investment Company Act of 1940, by reason of being the former Chairman and Chief Executive Officer of Nuveen Investments, Inc. and having previously served in various other capacities with Nuveen Investments, Inc. and its subsidiaries. It is expected that Mr. Schwertfeger will resign from the Board of Trustees by the end of the second quarter of 2008.

(2) For Insured Premium Income 2 (NPX), Insured Dividend Advantage (NVG) and Insured Tax-Free Advantage (NEA), Board Members serve three year terms, except for two board members who are elected by the holders of Preferred Shares. The Board of Trustees for NAD, NXZ and NZF is divided into three classes, Class I, Class II, and Class III, with each being elected to serve until the third succeeding annual shareholders' meeting subsequent to its election or thereafter in each case when its respective successors are duly elected or appointed, except two board members are elected by the holders of Preferred Shares to serve until the next annual shareholders' meeting subsequent to its election or thereafter in each case when its respective successors are duly elected or appointed. For Insured Quality (NQI), Insured Opportunity (NIO) and Premier Insured Income (NIF), the Board Members serve a one year term to serve until the next annual meeting or until their successors shall have been duly elected and qualified. The first year elected or appointed represents the year in which the board member was first elected or appointed to any fund in the Nuveen Complex.

(3) Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. were reorganized into Nuveen Asset Management, effective January 1, 2005.

(4) Officers serve one year terms through July of each year. The year first elected or appointed represents the year in which the Officer was first elected or appointed to any fund in the Nuveen Complex.



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Annual Investment
Management Agreement

APPROVAL PROCESS

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The Board Members are responsible for overseeing the performance of the investment adviser to the Funds and determining whether to continue the advisory arrangements. At the annual review meeting held on May 21, 2007 (the "May Meeting"), the Board Members of the Funds, including the Independent Board Members, unanimously approved the continuance of the Investment Management Agreement between each Fund (each, a "Fund") and Nuveen Asset Management ("NAM"). The foregoing Investment Management Agreements with NAM are hereafter referred to as the "Original Investment Management Agreements."

Subsequent to the May Meeting, Nuveen Investments, Inc. ("Nuveen"), the parent company of NAM, entered into a merger agreement providing for the acquisition of Nuveen by Windy City Investments, Inc., a corporation formed by investors led by Madison Dearborn Partners, LLC ("MDP"), a private equity investment firm (the "Transaction"). Each Original Investment Management Agreement, as required by Section 15 of the Investment Company Act of 1940 (the "1940 Act"), provides for its automatic termination in the event of its "assignment" (as defined in the 1940 Act). Any change in control of the adviser is deemed to be an assignment. The consummation of the Transaction will result in a change of control of NAM as well as its affiliated sub-advisers and therefore cause the automatic termination of each Original Investment Management Agreement, as required by the 1940 Act. Accordingly, in anticipation of the Transaction, at a meeting held on July 31, 2007 (the "July Meeting"), the Board Members, including the Independent Board Members, unanimously approved new Investment Management Agreements (the "New Investment Management Agreements") with NAM on behalf of each Fund to take effect immediately after the Transaction or shareholder approval of the new advisory contracts, whichever is later. The 1940 Act also requires that each New Investment Management Agreement be approved by the respective Fund's shareholders in order for it to become effective. Accordingly, to ensure continuity of advisory services, the Board Members, including the Independent Board Members, unanimously approved Interim Investment Management Agreements to take effect upon the closing of the Transaction if shareholders have not yet approved the New Investment Management Agreements.

Because the information provided and considerations made at the annual review continue to be relevant with respect to the evaluation of the New Investment Management Agreements, the Board considered the foregoing as part of its deliberations of the New Investment Management Agreements. Accordingly, as indicated, the discussions immediately below outline the materials and information presented to the Board in connection with the Board's prior annual review and the analysis undertaken and the conclusions reached by Board Members when determining to continue the Original Investment Management Agreements.

I. APPROVAL OF THE ORIGINAL INVESTMENT MANAGEMENT AGREEMENTS

During the course of the year, the Board received a wide variety of materials relating to the services provided by NAM and the performance of the Funds. At each of its quarterly meetings, the Board reviewed investment performance and various matters relating to the operations of the Funds and other Nuveen funds, including the compliance program, shareholder services, valuation, custody, distribution and other information relating to the nature, extent and quality of services provided by NAM. Between the regularly scheduled quarterly meetings, the Board Members received information on particular matters as the need arose.

In preparation for their considerations at the May Meeting, the Independent Board Members received extensive materials, well in advance of the meeting, which outlined or are related to, among other things:

- the nature, extent and quality of services provided by NAM;

- the organization and business operations of NAM, including the responsibilities of various departments and key personnel;



- each Fund's past performance as well as the Fund's performance compared to funds with similar investment objectives based on data and information provided by an independent third party and to customized benchmarks;

- the profitability of Nuveen and certain industry profitability analyses for unaffiliated advisers;

- the expenses of Nuveen in providing the various services;

- the advisory fees and total expense ratios of each Fund, including comparisons of such fees and expenses with those of comparable, unaffiliated funds based on information and data provided by an independent third party (the "Peer Universe") as well as compared to a subset of funds within the Peer Universe (the "Peer Group") of the respective Fund (as applicable);

- the advisory fees NAM assesses to other types of investment products or clients;

- the soft dollar practices of NAM, if any; and

- from independent legal counsel, a legal memorandum describing among other things, applicable laws, regulations and duties in reviewing and approving advisory contracts.

At the May Meeting, NAM made a presentation to, and responded to questions from, the Board. Prior to and after the presentations and reviewing the written materials, the Independent Board Members met privately with their legal counsel to review the Board's duties in reviewing advisory contracts and considering the renewal of the advisory contracts. The Independent Board Members, in consultation with independent counsel, reviewed the factors set out in judicial decisions and Securities and Exchange Commission ("SEC") directives relating to the renewal of advisory contracts. As outlined in more detail below, the Board Members considered all factors they believed relevant with respect to each Fund, including, but not limited to, the following: (a) the nature, extent and quality of the services to be provided by NAM; (b) the investment performance of the Fund and NAM; (c) the costs of the services to be provided and profits to be realized by Nuveen and its affiliates; (d) the extent to which economies of scale would be realized; and (e) whether fee levels reflect those economies of

scale for the benefit of the Fund's investors. In addition, as noted, the Board Members met regularly throughout the year to oversee the Funds. In evaluating the Original Investment Management Agreements, the Board Members also relied upon their knowledge of NAM, its services and the Funds resulting from their meetings and other interactions throughout the year. It is with this background that the Board Members considered each Original Investment Management Agreement.

A. NATURE, EXTENT AND QUALITY OF SERVICES

In considering the renewal of the Original Investment Management Agreements, the Board Members considered the nature, extent and quality of NAM's services. The Board Members reviewed materials outlining, among other things, Nuveen's organization and business; the types of services that NAM or its affiliates provide and are expected to provide to the Funds; the performance record of the applicable Fund (as described in further detail below); and, any initiatives Nuveen had taken for the municipal fund product line. As noted, at the annual review, the Board Members were already familiar with the organization, operations and personnel of NAM due to the Board Members' experience in governing the respective Funds and working with NAM on matters relating to the Funds. With respect to personnel, the Board Members recognized NAM's investment in additional qualified personnel throughout the various groups in the organization and recommended to NAM that it continue to review staffing needs as necessary. In addition, the Board Members reviewed materials describing the current status and, in particular, the developments in 2006 with respect to NAM's investment process, investment strategies (including additional tools used in executing such strategies), personnel (including portfolio management and research teams), trading process, hedging activities, risk management operations (e.g., reviewing credit quality, duration limits, and derivatives use, as applicable), and investment operations (such as enhancements to trading procedures, pricing procedures, and client services). The Board Members recognized NAM's investment of resources and efforts to continue to enhance and refine its investment process.





In addition to advisory services, the Independent Board Members considered the quality of administrative and non-advisory services provided by NAM and noted that NAM and its affiliates provide the Funds with a wide variety of services and officers and other personnel as are necessary for the operations of the Funds, including:

- product management;
- fund administration;
- oversight by shareholder services and other fund service providers;
- administration of Board relations;
- regulatory and portfolio compliance; and
- legal support.

As the Funds operate in a highly regulated industry and given the importance of compliance, the Board Members considered, in particular, Nuveen's compliance activities for the Funds and enhancements thereto. In this regard, the Board

Members recognized the quality of Nuveen's compliance team. The Board Members further noted Nuveen's negotiations with other service providers and the corresponding reduction in certain service providers' fees at the May Meeting.

In addition to the foregoing services, the Board Members also noted the additional services that NAM or its affiliates provide to Nuveen's closed-end funds, including, in particular, its secondary market support activities. The Board Members recognized Nuveen's continued commitment to supporting the secondary market for the common shares of its closed-end funds through a variety of programs designed to raise investor and analyst awareness and understanding of closed-end funds. These efforts include:

- maintaining shareholder communications;
- providing advertising for the Nuveen closed-end funds;
- maintaining its closed-end fund website;
- maintaining continual contact with financial advisers;
- providing educational symposia;
- conducting research with investors and financial analysis regarding closed-end funds; and
- evaluating secondary market performance.

With respect to the Nuveen closed-end funds that utilize leverage through the issuance of preferred shares ("Preferred Shares"), the Board Members noted Nuveen's continued support for the holders of Preferred Shares by, among other things:

- maintaining an in-house trading desk;
- maintaining a product manager for the Preferred Shares;
- developing distribution for Preferred Shares with new market participants;
- maintaining an orderly auction process;
- managing leverage and risk management of leverage; and
- maintaining systems necessary to test compliance with rating agency criteria.

Based on their review, the Board Members found that, overall, the nature, extent and quality of services provided (and expected to be provided) to the respective Funds under the Original Investment Management Agreements were satisfactory.



B. THE INVESTMENT PERFORMANCE OF THE FUNDS AND NAM

At the May Meeting, the Board considered the investment performance for each Fund, including the Fund's historic performance as well as its performance compared to funds with similar investment objectives (the "Performance Peer Group") based on data provided by an independent third party (as described below). The Board Members also reviewed the respective Fund's portfolio level performance (which does not reflect fund level fees and expenses, and leverage)

against customized benchmarks, described in further detail below.

In evaluating the performance information during the annual review at the May Meeting, in certain instances, the Board Members noted that the closest Performance Peer Group for a fund may not adequately reflect such fund's investment objectives and strategies, thereby limiting the usefulness of the comparisons of such fund's performance with that of the Performance Peer Group.

With respect to state-specific municipal funds, the Board Members also recognized that certain funds do not have a corresponding state-specific Performance Peer Group in which case their performance is measured against a more general municipal category for various states. With respect to municipal closed-end funds, funds that do not have corresponding state-specific Performance Peer Groups are from states other than New York, California, Florida, New Jersey, Michigan and Pennsylvania. However, with respect to funds based in Florida, New Jersey, Michigan and Pennsylvania, the peer group may be so small or the Nuveen funds may dominate the category to such an extent that performance information for such funds was also compared to the more general category for all states (other than New York and California).

The Board Members reviewed performance information including, among other things, total return information compared with the Fund's Performance Peer Group for the one-, three- and five-year periods (as applicable) ending December 31, 2006. The Board Members also reviewed the Fund's portfolio level performance (which does not reflect fund level fees and expenses, and leverage) compared to customized portfolio level benchmarks for the one- and three-year periods ending December 31, 2006 (as applicable). The analysis was used to assess the efficacy of investment decisions against appropriate measures of risk and total return, within specific market segments. This information supplemented the Fund performance information provided to the Board at each of its quarterly meetings. Based on their review, the Board Members determined that each Fund's investment performance over time had been satisfactory, subject to the following. With respect to various municipal closed-end funds, the Board Members noted relative total return underperformance in recent years compared to peers. The Board Members reviewed materials and discussed with NAM the factors contributing to the shift in performance including, among other things, the degree of risk undertaken by peers compared to the municipal closed-end funds (such as through the increased use of leverage or taking concentrated positions in high risk credits). In addition, the Board Members also considered a fund's dividend performance and the extent of any secondary market discounts. The Board Members noted NAM's efforts to evaluate the factors affecting performance and determine whether modification to a fund's investment strategy is necessary or appropriate, and concluded that they were satisfied with the steps being taken.

C. FEES, EXPENSES AND PROFITABILITY

1. FEES AND EXPENSES

During the annual review, in evaluating the management fees and expenses of a Fund, the Board reviewed, among other things, the Fund's advisory fees (net and gross management fees) and total expense ratios (before and after expense reimbursements and/or waivers) in absolute terms as well as comparisons to the gross management fees (before waivers), net management fees (after waivers) and total expense ratios (before and after waivers) of comparable funds in the Peer Universe and the Peer Group. In reviewing the fee schedule for a Fund, the Board Members considered the fund-level and complex-wide breakpoint schedules (described in further detail below) and any fee waivers and reimbursements provided by Nuveen (applicable, in particular, for certain funds launched since 1999). The Board Members further reviewed data regarding the construction of Peer Groups as well as the methods of measurement for the fee and expense analysis and the performance analysis. In certain cases, due to the small number of peers

in the Peer Universe, the Peer Universe and Peer Group had significant overlap or even consisted entirely of the same unaffiliated funds. In reviewing the comparisons of fee and expense information, the Board Members recognized that in certain cases, the fund size relative to peers, the small size and odd composition of the Peer Group (including differences





in objectives and strategies), expense anomalies, timing of information used or other factors impacting the comparisons thereby limited some of the usefulness of the comparative data. The Board Members also considered the differences in the use of leverage. Based on their review of the fee and expense information provided, the Board Members determined that each Fund's net total expense ratio was within an acceptable range compared to peers.

2. COMPARISONS WITH THE FEES OF OTHER CLIENTS

At the annual review, the Board Members further reviewed data comparing the advisory fees of NAM with fees NAM charges to other clients. With respect to municipal funds, such clients include NAM's municipal separately managed accounts. In general, the advisory fees charged for separate accounts are somewhat lower than the advisory fees assessed to the Funds. The Board Members considered the differences in the product types, including, but not limited to, the services provided, the structure and operations, product distribution and costs thereof, portfolio investment policies, investor profiles, account sizes and regulatory requirements. The Board Members noted, in particular, that the range of services provided to the Funds (as discussed above) is much more extensive than that provided to separately managed accounts. As described in further detail above, such additional services include, but are not limited to: product management, fund administration, oversight of third party service providers, administration of Board relations, and legal support. The Board Members noted that the Funds operate in a highly regulated industry requiring extensive compliance functions compared to other investment products. Given the inherent differences in the products, particularly the extensive services provided to the Funds, the Board Members believe such facts justify the different levels of fees.

3. PROFITABILITY OF NUVEEN

In conjunction with its review of fees, the Board Members also considered the profitability of Nuveen for its advisory activities (which incorporated Nuveen's wholly-owned affiliated sub-advisers) and its financial condition. At the annual review, the Board Members reviewed the revenues and expenses of Nuveen's advisory activities for the last three years, the allocation methodology used in preparing the profitability data as well as the 2006 Annual Report for Nuveen. The Board Members noted this information supplemented the profitability information requested and received during the year to help keep them apprised of developments affecting profitability (such as changes in fee waivers and expense reimbursement commitments). In this regard, the Board Members noted the enhanced dialogue and information regarding profitability with NAM during the year, including more frequent meetings and updates from Nuveen's corporate finance group. The Board Members also reviewed data comparing

Nuveen's profitability with other fund sponsors prepared by three independent third party service providers as well as comparisons of the revenues, expenses and profit margins of various unaffiliated management firms with similar amounts of assets under management prepared by Nuveen.

In reviewing profitability, the Board Members recognized the subjective nature of determining profitability which may be affected by numerous factors, including the allocation of expenses. Further, the Board Members recognized the difficulties in making comparisons as the profitability of other advisers generally is not publicly available and the profitability information that is available for certain advisers or management firms may not be representative of the industry and may be affected by, among other things, the adviser's particular business mix, capital costs, types of funds managed and expense allocations.

Notwithstanding the foregoing, the Board Members reviewed Nuveen's methodology and assumptions for allocating expenses across product lines to determine profitability. Last year, the Board Members also designated an Independent Board Member as a point person for the Board to review the methodology determinations during the year and any refinements thereto, which relevant information produced from such process was reported to the full Board. In reviewing profitability, the Board Members recognized Nuveen's increased investment in its fund business. Based on its review, the Board Members concluded that Nuveen's level of profitability for its advisory activities was reasonable in light of the services provided.

In evaluating the reasonableness of the compensation, the Board Members also considered other amounts paid to NAM by the Funds as well as any indirect benefits (such as soft dollar arrangements, if any) NAM and its affiliates receive, or are expected to receive, that are directly attributable to the management of the



Funds, if any. See Section E below for additional information on indirect benefits NAM may receive as a result of its relationship with the Funds. Based on their review of the overall fee arrangements of each Fund, the Board Members determined that the advisory fees and expenses of the Funds were reasonable.

D. ECONOMIES OF SCALE AND WHETHER FEE LEVELS REFLECT THESE ECONOMIES OF SCALE

With respect to economies of scale, the Board Members recognized the potential benefits resulting from the costs of a Fund being spread over a larger asset base. To help ensure the shareholders share in these benefits, the Board Members reviewed and considered the breakpoints in the advisory fee schedules that reduce advisory fees. In addition to advisory fee breakpoints, the Board also approved a complex-wide fee arrangement in 2004. Pursuant to the complex-wide fee arrangement, the fees of the funds in the Nuveen complex, including the Funds, are reduced as the assets in the fund complex reach certain levels. In evaluating the complex-wide fee arrangement, the Board Members noted that the last complex-wide asset level breakpoint for the complex-wide fee schedule was at $91 billion and that the Board Members anticipated further review and/or negotiations prior to the assets of the Nuveen complex reaching such threshold. Based on their review, the Board Members concluded that the breakpoint schedule and complex-wide fee arrangement were acceptable and desirable in providing benefits from economies of scale to shareholders, subject to further evaluation of the complex-wide fee schedule as assets in the complex increase. See Section II, Paragraph D - "Approval of the New Investment Management Agreements - Economies of Scale and Whether Fee Levels Reflect These Economies of Scale" for

information regarding subsequent modifications to the complex-wide fee.

E. INDIRECT BENEFITS

In evaluating fees, the Board Members also considered any indirect benefits or profits NAM or its affiliates may receive as a result of its relationship with each Fund. With respect to closed-end funds, the Board Members considered the revenues received by affiliates of NAM for serving as agent at Nuveen's preferred trading desk and for serving as a co-manager in the initial public offering of new closed-end exchange traded funds.

In addition to the above, the Board Members considered whether NAM received any benefits from soft dollar arrangements whereby a portion of the commissions paid by a Fund for brokerage may be used to acquire research that may be useful to NAM in managing the assets of the Funds and other clients. With respect to NAM, the Board Members noted that NAM does not currently have any soft dollar arrangements; however, to the extent certain bona fide agency transactions that occur on markets that traditionally trade on a principal basis and riskless principal transactions are considered as generating "commissions," NAM intends to comply with the applicable safe harbor provisions.

Based on their review, the Board Members concluded that any indirect benefits received by NAM as a result of its relationship with the Funds were reasonable and within acceptable parameters.

F. OTHER CONSIDERATIONS

The Board Members did not identify any single factor discussed previously as all-important or controlling in their considerations to continue an advisory contract. The Board Members, including the Independent Board Members, unanimously concluded that the terms of the Original Investment Management Agreements are fair and reasonable, that NAM's fees are reasonable in light of the services provided to each Fund and that the renewal of the Original Investment Management Agreements be approved.

II. APPROVAL OF THE NEW INVESTMENT MANAGEMENT AGREEMENTS

Following the May Meeting, the Board Members were advised of the potential Transaction. As noted above, the completion of the Transaction would terminate each of the Original Investment Management Agreements. Accordingly, at the July Meeting, the Board of each Fund, including the Independent Board Members, unanimously approved the New Investment Management Agreements on behalf of the respective Funds. Leading up to the July Meeting, the Board Members had several meetings and deliberations with and without Nuveen management present, and with the advice of legal counsel, regarding the proposed Transaction as outlined below.

On June 8, 2007, the Board Members held a special telephonic meeting to discuss the proposed Transaction. At that meeting, the Board Members established a special ad hoc committee comprised solely of Independent Board Members to focus on the Transaction and to keep the Independent Board Members





updated with developments regarding the Transaction. On June 15, 2007, the ad hoc committee discussed with representatives of NAM the Transaction and

modifications to the complex-wide fee schedule that would generate additional fee savings at specified levels of complex-wide asset growth. Following the foregoing meetings and several subsequent telephonic conferences among Independent Board Members and independent counsel, and between Independent Board Members and representatives of Nuveen, the Board met on June 18, 2007 to further discuss the proposed Transaction. Immediately prior to and then again during the June 18, 2007 meeting, the Independent Board Members met privately with their independent legal counsel. At that meeting, the Board met with representatives of MDP, of Goldman Sachs, Nuveen's financial adviser in the Transaction, and of the Nuveen Board to discuss, among other things, the history and structure of MDP, the terms of the proposed Transaction (including the financing terms), and MDP's general plans and intentions with respect to Nuveen (including with respect to management, employees, and future growth prospects). On July 9, 2007, the Board also met to be updated on the Transaction as part of a special telephonic Board meeting. The Board Members were further updated at a special in-person Board meeting held on July 19, 2007 (one Independent Board Member participated telephonically). Subsequently, on July 27, 2007, the ad hoc committee held a telephonic conference with representatives of Nuveen and MDP to further discuss, among other things, the Transaction, the financing of the Transaction, retention and incentive plans for key employees, the effect of regulatory restrictions on transactions with affiliates after the Transaction, and current volatile market conditions and their impact on the Transaction.

In connection with their review of the New Investment Management Agreements, the Independent Board Members, through their independent legal counsel, also requested in writing and received additional information regarding the proposed Transaction and its impact on the provision of services by NAM and its affiliates.

The Independent Board Members received, well in advance of the July Meeting, materials which outlined, among other things:

- the structure and terms of the Transaction, including MDP's co-investor entities and their expected ownership interests, and the financing arrangements that will exist for Nuveen following the closing of the Transaction;

- the strategic plan for Nuveen following the Transaction;

- the governance structure for Nuveen following the Transaction;

- any anticipated changes in the operations of the Nuveen funds following the Transaction, including changes to NAM's and Nuveen's day-to-day management, infrastructure and ability to provide advisory, distribution or other applicable services to the Funds;

- any changes to senior management or key personnel who work on Fund related matters (including portfolio management, investment oversight, and legal/compliance) and any retention or incentive arrangements for such persons;

- any anticipated effect on each Fund's expense ratio (including advisory fees) following the Transaction;

- any benefits or undue burdens imposed on the Funds as a result of the Transaction;

- any legal issues for the Funds as a result of the Transaction;

- the nature, quality and extent of services expected to be provided to the Funds following the Transaction, changes to any existing services and policies affecting the Funds, and cost-cutting efforts, if any, that may

impact such services or policies;

- any conflicts of interest that may arise for Nuveen or MDP with respect to the Funds;

- the costs associated with obtaining necessary shareholder approvals and who would bear those costs; and

- from legal counsel, a memorandum describing the applicable laws, regulations and duties in approving advisory contracts, including, in particular, with respect to a change of control.

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Immediately preceding the July Meeting, representatives of MDP met with the Board to further respond to questions regarding the Transaction. After the meeting with MDP, the Independent Board Members met with independent legal counsel in executive session. At the July Meeting, Nuveen also made a presentation and responded to questions. Following the presentations and discussions of the materials presented to the Board, the Independent Board Members met again in executive session with their counsel. As outlined in more detail below, the Independent Board Members considered all factors they believed relevant with respect to each Fund, including the impact that the Transaction could be expected to have on the following: (a) the nature, extent and quality of services to be provided; (b) the investment performance of the Funds; (c) the costs of the services and profits to be realized by Nuveen and its affiliates; (d) the extent to which economies of scale would be realized; and (e) whether fee levels reflect those economies of scale for the benefit of investors. As noted above, the Board Members had completed their annual review of the respective Original Investment Management Agreements at the May Meeting and many of the factors considered at the annual review were applicable to their evaluation of the New Investment Management Agreements. Accordingly, in evaluating the New Investment Management Agreements, the Board Members relied upon their knowledge and experience with NAM and considered the information received and their evaluations and conclusions drawn at the annual review. While the Board reviewed many Nuveen funds at the July Meeting, the Independent Board Members evaluated all information available to them on a fund-by-fund basis, and their determinations were made separately in respect of each Fund.

A. NATURE, EXTENT AND QUALITY OF SERVICES

In evaluating the nature, quality and extent of the services expected to be provided by NAM under the New Investment Management Agreements, the Independent Board Members considered, among other things, the expected impact, if any, of the Transaction on the operations, facilities, organization and personnel of NAM; the potential implications of regulatory restrictions on the Funds following the Transaction; the ability of NAM and its affiliates to perform their duties after the Transaction; and any anticipated changes to the current investment and other practices of the Funds.

The Board noted that the terms of each New Investment Management Agreement, including the fees payable thereunder, are substantially identical to those of the Original Investment Management Agreement relating to the same Fund (with both reflecting reductions to fee levels in the complex-wide fee schedule for complex-wide assets in excess of $80 billion that have an effective date of August 20, 2007). The Board considered that the services to be provided and the standard of care under the New Investment Management Agreements are the same as the Original Investment Management Agreements. The Board Members further noted that key personnel who have responsibility for the Funds in each area, including

portfolio management, investment oversight, fund management, fund operations, product management, legal/compliance and board support functions, are expected to be the same following the Transaction. The Board Members considered and are familiar with the qualifications, skills and experience of such personnel. The Board also considered certain information regarding anticipated retention or incentive plans designed to retain key personnel. Further, the Board Members noted that no changes to Nuveen's infrastructure or operations as a result of the Transaction were anticipated other than potential enhancements as a result of an expected increase in the level of investment in such infrastructure and personnel. The Board noted MDP's representations that it does not plan to have a direct role in the management of Nuveen, appointing new management personnel, or directly impacting individual staffing decisions. The Board Members also noted that there were not any planned "cost cutting" measures that could be expected to reduce the nature, extent or quality of services. After consideration of the foregoing, the Board Members concluded that no diminution in the nature, quality and extent of services provided to the Funds and their shareholders is expected.

In addition to the above, the Board Members considered potential changes in the operations of each Fund. In this regard, the Board Members considered the potential effect of regulatory restrictions on the Funds' transactions with future affiliated persons. During their deliberations, it was noted that, after the Transaction, a subsidiary of Merrill Lynch is expected to have an ownership interest in Nuveen at a level that will make Merrill Lynch an affiliated person of Nuveen. The Board Members recognized that applicable law would generally prohibit the Funds from engaging in securities transactions with Merrill Lynch as principal, and would also impose restrictions on using Merrill Lynch for agency transactions. They recognized that having MDP and Merrill Lynch as affiliates may restrict the Nuveen funds' ability to invest in securities of issuers controlled by MDP or issued by Merrill Lynch and its affiliates even if not bought directly from MDP or Merrill





Lynch as principal. They also recognized that various regulations may require the Nuveen funds to apply investment limitations on a combined basis with affiliates of Merrill Lynch. The Board Members considered information provided by NAM regarding the potential impact on the Nuveen funds' operations as a result of these regulatory restrictions. The Board Members considered, in particular, the Nuveen funds that may be impacted most by the restricted access to Merrill Lynch, including: municipal funds (particularly certain state-specific funds), senior loan funds, taxable fixed income funds, preferred security funds and funds that heavily use derivatives. The Board Members considered such funds' historic use of Merrill Lynch as principal in their transactions and information provided by NAM regarding the expected impact resulting from Merrill Lynch's affiliation with Nuveen and available measures that could be taken to minimize such impact. NAM informed the Board Members that, although difficult to determine with certainty, its management did not believe that MDP's or Merrill Lynch's status as an affiliate of Nuveen would have a material adverse effect on any Nuveen fund's ability to pursue its investment objectives and policies.

In addition to the regulatory restrictions considered by the Board, the Board Members also considered potential conflicts of interest that could arise between the Nuveen funds and various parties to the Transaction and discussed possible ways of addressing such conflicts.

Based on its review along with its considerations regarding services at the annual review, the Board concluded that the Transaction was not expected to adversely affect the nature, quality or extent of services provided by NAM and that the expected nature, quality and extent of such services supported approval of the New Investment Management Agreements.

B. PERFORMANCE OF THE FUNDS

With respect to the performance of the Funds, the Board considered that the portfolio management personnel responsible for the management of the Funds' portfolios were expected to continue to manage the portfolios following the completion of the Transaction.

In addition, the Board Members recently reviewed Fund performance at the May Meeting, as described above, and determined that Fund performance was satisfactory or better, subject to the following. With respect to certain municipal closed-end funds with relative short-term underperformance, the Board Members concluded NAM was taking steps to evaluate the factors affecting performance and those steps would continue following the Transaction. Further, the investment policies and strategies were not expected to change as a result of the Transaction.

In light of the foregoing factors, along with the prior findings regarding performance at the annual review, the Board concluded that its findings with respect to performance supported approval of the New Investment Management Agreements.

C. FEES, EXPENSES AND PROFITABILITY

As described in more detail above, during the annual review, the Board Members considered, among other things, the management fees and expenses of the Funds, the breakpoint schedules, and comparisons of such fees and expenses with peers. At the annual review, the Board Members determined that the respective Fund's advisory fees and expenses were reasonable. In evaluating the costs of services to be provided by NAM under the New Investment Management Agreements and the profitability of Nuveen for its advisory activities, the Board Members considered their prior conclusions at the annual review and whether the management fees or other expenses would change as a result of the Transaction. As described above, the investment management fee is composed of two components--a fund-level component and complex-wide level component. The fee schedule under the New Investment Management Agreements to be paid to NAM is identical to that under the Original Investment Management Agreements, including the modified complex-wide fee schedule. As noted above, the Board recently approved a modified complex-wide fee schedule that would generate additional fee savings on complex-wide assets above $80 billion. The modifications have an effective date of August 20, 2007 and are part of the Original Investment Management Agreements. Accordingly, the terms of the complex-wide component under the New Investment Management Agreements are the same as under the Original Investment Management Agreements. The Board Members also noted that Nuveen has committed for a period of two years from the



date of closing of the Transaction that it will not increase gross management fees for any Nuveen fund and will not reduce voluntary expense reimbursement levels for any Nuveen fund from their currently scheduled prospective levels. Based on the information provided, the Board Members did not expect that overall Fund expenses would increase as a result of the Transaction.

In addition, the Board Members considered that additional fund launches were anticipated after the Transaction which would result in an increase in total assets under management in the complex and a corresponding decrease in overall management fees under the complex-wide fee schedule. Taking into consideration the Board's prior evaluation of fees and expenses at the annual renewal, and the modification to the complex-wide fee schedule, the Board determined that the management fees and expenses were reasonable.

While it is difficult to predict with any degree of certainty the impact of the Transaction on Nuveen's profitability, at the recent annual review, the Board Members were satisfied that Nuveen's level of profitability for its advisory activities was reasonable. During the year, the Board Members had noted the enhanced dialogue regarding profitability and the appointment of an Independent Board Member as a point person to review methodology determinations and refinements in calculating profitability. Given their considerations at the annual review and the modifications to the complex-wide fee schedule, the Board Members were satisfied that Nuveen's level of profitability for its advisory activities continues to be reasonable.

D. ECONOMIES OF SCALE AND WHETHER FEE LEVELS REFLECT THESE ECONOMIES OF SCALE

The Board Members have been cognizant of economies of scale and the potential benefits resulting from the costs of a Fund being spread over a larger asset base. To help ensure that shareholders share in the benefits derived from economies of scale, the Board adopted the complex-wide fee arrangement in 2004. At the May Meeting, the Board Members reviewed the complex-wide fee arrangements and noted that additional negotiations may be necessary or appropriate as the assets in the complex approached the $91 billion threshold. In light of this assessment coupled with the upcoming Transaction, at the June 15, 2007 meeting, the ad hoc committee met with representatives of Nuveen to further discuss modifications to the complex-wide fee schedule that would generate additional savings for shareholders as the assets of the complex grow. The proposed terms for the complex-wide fee schedule are expressed in terms of targeted cumulative savings at specified levels of complex-wide assets, rather than in terms of targeted marginal complex-wide fee rates. Under the modified schedule, the schedule would generate additional fee savings beginning at complex-wide assets of $80 billion in order to achieve targeted cumulative annual savings at $91 billion of $28 million on a complex-wide level (approximately $0.6 million higher than those generated under the then current schedule) and generate additional fee savings for asset growth above complex-wide assets of $91 billion in order to achieve targeted annual savings at $125 billion of assets of approximately $50 million on a complex-wide level (approximately $2.2 million higher annually than that generated under the then current schedule). At the July Meeting, the Board approved the modified complex-wide fee schedule for the Original Investment Management Agreements and these same terms will apply to the New Investment Management Agreements. Accordingly, the Board Members believe that the breakpoint schedules and revised complex-wide fee schedule are appropriate and desirable in ensuring that shareholders participate in the benefits derived from economies of scale.

E. INDIRECT BENEFITS

During their recent annual review, the Board Members considered any indirect benefits that NAM may receive as a result of its relationship with the Funds, as described above. As the policies and operations of Nuveen are not anticipated to change significantly after the Transaction, such indirect benefits should remain after the Transaction. The Board Members further considered any additional indirect benefits to be received by NAM or its affiliates after the Transaction. The Board Members noted that other than benefits from its ownership interest in Nuveen and indirect benefits from fee revenues paid by the Funds under the management agreements and other Board-approved relationships, it was currently not expected that MDP or its affiliates would derive any benefit from the Funds

as a result of the Transaction or transact any business with or on behalf of the Funds (other than perhaps potential Fund acquisitions, in secondary market transactions, of securities issued by MDP portfolio companies); or that Merrill Lynch or its affiliates would derive any benefits from the Funds as a result of the Transaction (noting that, indeed, Merrill Lynch would stand to experience the discontinuation of principal transaction activity with the Nuveen funds and likely would experience a noticeable reduction in the volume of agency transactions with the Nuveen funds).





F. OTHER CONSIDERATIONS

In addition to the factors above, the Board Members also considered the following with respect to the Funds:

- Nuveen would rely on the provisions of Section 15(f) of the 1940 Act. Section 15(f) provides, in substance, that when a sale of a controlling interest in an investment adviser occurs, the investment adviser or any of its affiliated persons may receive any amount or benefit in connection with the sale so long as (i) during the three-year period following the consummation of a transaction, at least 75% of the investment company's board of directors must not be "interested persons" (as defined in the 1940 Act) of the investment adviser or predecessor adviser and (ii) an "unfair burden" (as defined in the 1940 Act, including any interpretations or no-action letters of the SEC) must not be imposed on the investment company as a result of the transaction relating to the sale of such interest, or any express or implied terms, conditions or understanding applicable thereto. In this regard, to help ensure that an unfair burden is not imposed on the Nuveen funds, Nuveen has committed for a period of two years from the date of the closing of the Transaction (i) not to increase gross management fees for any Nuveen fund; (ii) not to reduce voluntary expense reimbursement levels for any Nuveen fund from their currently scheduled prospective levels during that period; (iii) that no Nuveen fund whose portfolio is managed by a Nuveen affiliate shall use Merrill Lynch as a broker with respect to portfolio transactions done on an agency basis, except as may be approved in the future by the Compliance Committee of the Board; and (iv) that NAM shall not cause the Funds and other municipal funds that NAM manages, as a whole, to enter into portfolio transactions with or through the other minority owners of Nuveen, on either a principal or an agency basis, to a significantly greater extent than both what one would expect an investment team to use such firm in the normal course of business, and what NAM has historically done, without prior Board or Compliance Committee approval (excluding the impact of proportionally increasing the use of such other "minority owners" to fill the void necessitated by not being able to use Merrill Lynch).

- The Funds would not incur any costs in seeking the necessary shareholder approvals for the New Investment Management Agreements (except for any costs attributed to seeking shareholder approvals of Fund specific matters unrelated to the Transaction, such as approval of Board Members, in which case a portion of such costs will be borne by the applicable Funds).

- The reputation, financial strength and resources of MDP.

- The long-term investment philosophy of MDP and anticipated plans to grow Nuveen's business to the benefit of the Nuveen funds.

- The benefits to the Nuveen funds as a result of the Transaction including: (i) as a private company, Nuveen may have more flexibility in making additional investments in its business; (ii) as a private company, Nuveen may be better able to structure compensation packages to attract and retain talented personnel; (iii) as certain of Nuveen's distribution partners are expected to be equity or debt investors in Nuveen, Nuveen may be able to take advantage of new or enhanced distribution arrangements with such partners; and (iv) MDP's experience, capabilities and resources that may help Nuveen identify and acquire investment teams or firms and finance such acquisitions.

- The historic premium and discount levels at which the shares of the Nuveen funds have traded at specified dates with particular focus on the premiums and discounts after the announcement of the Transaction, taking into consideration recent volatile market conditions and steps or initiatives considered or undertaken by NAM to address discount levels.



G. CONCLUSION

The Board Members did not identify any single factor discussed previously as all-important or controlling. The Board Members, including the Independent Board Members, unanimously concluded that the terms of the New Investment Management Agreements are fair and reasonable, that the fees therein are reasonable in light of the services to be provided to each Fund and that the New Investment Management Agreements should be approved and recommended to shareholders.

III. APPROVAL OF INTERIM CONTRACTS

As noted above, at the July Meeting, the Board Members, including the Independent Board Members, unanimously approved the Interim Investment Management Agreements. If necessary to assure continuity of advisory services, the Interim Investment Management Agreements will take effect upon the closing of the Transaction if shareholders have not yet approved the New Investment Management Agreements. The terms of each Interim Investment Management Agreement are substantially identical to those of the corresponding Original Investment Management Agreement and New Investment Management Agreement, respectively, except for certain term and escrow provisions. In light of the foregoing, the Board Members, including the Independent Board Members, unanimously determined that the scope and quality of services to be provided to the Funds under the respective Interim Investment Management Agreement are at least equivalent to the scope and quality of services provided under the applicable Original Investment Management Agreement.



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Reinvest Automatically

EASILY and CONVENIENTLY

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NUVEEN MAKES REINVESTING EASY. A PHONE CALL IS ALL IT TAKES TO SET UP YOUR

REINVESTMENT ACCOUNT.

NUVEEN CLOSED-END FUNDS DIVIDEND REINVESTMENT PLAN

Your Nuveen Closed-End Fund allows you to conveniently reinvest dividends and/or capital gains distributions in additional Fund shares.

By choosing to reinvest, you'll be able to invest money regularly and automatically, and watch your investment grow through the power of tax-free compounding. Just like dividends or distributions in cash, there may be times when income or capital gains taxes may be payable on dividends or distributions that are reinvested.

It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

EASY AND CONVENIENT

To make recordkeeping easy and convenient, each month you'll receive a statement showing your total dividends and distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

HOW SHARES ARE PURCHASED

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the greater of the net asset value or 95% of the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. If the Plan Agent begins purchasing Fund shares on the open market while shares are trading below net asset value, but the Fund's shares subsequently trade at or above their net asset value before the Plan Agent is able to complete its purchases, the Plan Agent may cease open-market purchases and may invest the uninvested portion of the distribution in newly-issued Fund shares at a price equal to the greater of the shares' net asset value or 95% of the shares' market value on the last business day immediately prior to the purchase date. Dividends and distributions received to purchase shares in the open market will normally be invested shortly after the dividend payment date. No interest will be paid on dividends and distributions awaiting reinvestment. Because the market price of the shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the dividend or distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.



FLEXIBLE

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change. Should you withdraw, you can receive a certificate for all whole shares credited to your reinvestment account and cash payment for fractional shares, or cash payment for all reinvestment account shares, less brokerage commissions and a $2.50 service fee.

You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his

or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

CALL TODAY TO START REINVESTING DIVIDENDS AND/OR DISTRIBUTIONS

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.



NOTES



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Glossary of TERMS USED in this REPORT

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- AVERAGE ANNUAL TOTAL RETURN: This is a commonly used method to express an investment's performance over a particular, usually multi-year time period. It expresses the return that would have been necessary each year to equal the investment's actual cumulative performance (including change in NAV or market price and reinvested dividends and capital gains distributions, if any) over the time period being considered.

- AVERAGE EFFECTIVE MATURITY: The average of the number of years to maturity of the bonds in a Fund's portfolio, computed by weighting each bond's time

to maturity (the date the security comes due) by the market value of the security. This figure does not account for the likelihood of prepayments or the exercise of call provisions unless an escrow account has been established to redeem the bond before maturity. The market value weighting for an investment in an inverse floating rate security is the value of the portfolio's residual interest in the inverse floating rate trust, and does not include the value of the floating rate securities issued by the trust.

- INVERSE FLOATERS: Inverse floating rate securities are created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. This trust, in turn, (a) issues floating rate certificates typically paying short-term tax-exempt interest rates to third parties in amounts equal to some fraction of the deposited bond's par amount or market value, and (b) issues an inverse floating rate certificate (sometimes referred to as an "inverse floater") to an investor (such as a Fund) interested in gaining investment exposure to a long-term municipal bond. The income received by the holder of the inverse floater varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the holder of the inverse floater bears substantially all of the underlying bond's downside investment risk. The holder of the inverse floater typically also benefits disproportionately from any potential appreciation of the underlying bond's value. Hence, an inverse floater essentially represents an investment in the underlying bond on a leveraged basis.

- LEVERAGE-ADJUSTED DURATION: Duration is a measure of the expected period over which a bond's principal and interest will be paid, and consequently is a measure of the sensitivity of a bond's or bond Fund's value to changes when market interest rates change. Generally, the longer a bond's or Fund's duration, the more the price of the bond or Fund will change as interest rates change. Leverage-adjusted duration takes into account the leveraging process for a Fund and therefore is longer than the duration of the Fund's portfolio of bonds.

- MARKET YIELD (ALSO KNOWN AS DIVIDEND YIELD OR CURRENT YIELD): An investment's current annualized dividend divided by its current market price.

- NET ASSET VALUE (NAV): A Fund's common share NAV per share is calculated by subtracting the liabilities of the Fund (including any MuniPreferred shares issued in order to leverage the Fund) from its total assets and then dividing the remainder by the number of shares outstanding. Fund NAVs are calculated at the end of each business day.

- TAXABLE-EQUIVALENT YIELD: The yield necessary from a fully taxable investment to equal, on an after-tax basis, the yield of a municipal bond investment.

- ZERO COUPON BOND: A zero coupon bond does not pay a regular interest coupon to its holders during the life of the bond. Tax-exempt income to the holder of the bond comes from accretion of the difference between the original purchase price of the bond at issuance and the par value of the bond at maturity and is effectively paid at maturity. The market prices of zero coupon bonds generally are more volatile than the market prices of bonds that pay interest periodically.

QUARTERLY PORTFOLIO OF INVESTMENTS AND PROXY VOTING INFORMATION

Each Fund's (i) quarterly portfolio of investments, (ii) information regarding how the Funds voted proxies relating to portfolio securities held during the twelve-month period ended June 30, 2007, and (iii) a description of the policies and procedures that the Funds used to determine how to vote proxies relating to portfolio securities are available without charge, upon request, by calling Nuveen Investments toll-free at (800) 257-8787 or on Nuveen's website at www.nuveen.com.

You may also obtain this and other Fund information directly from the Securities and Exchange Commission ("SEC"). The SEC may charge a copying fee for this information. Visit the SEC on-line at http://www.sec.gov or in person at the SEC's Public Reference Room in Washington, D.C. Call the SEC at 1-202-942-8090 for room hours and operation. You may also request Fund information by sending an e-mail request to publicinfo@sec.gov or by writing to the SEC's Public References Section at 450 Fifth Street NW, Washington, D.C. 20549.

CEO CERTIFICATION DISCLOSURE

Each Fund's Chief Executive Officer has submitted to the Exchange the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

Each Fund has filed with the Securities and Exchange Commission the certification of its Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

INVESTMENT POLICY CHANGE

In May 2007, the Funds' Board of Directors/Trustees voted to permit the Funds' to make loans from Fund assets to certain bond issuers. The amounts of these loans are subject to strict limits. This policy is designed to enhance the Funds' ability to meet their Funds' investment objectives by providing for increased portfolio management flexibility, greater diversification potential, and opportunities for increased capital appreciation over time.

BOARD OF DIRECTORS/TRUSTEES
Robert P. Bremner
Jack B. Evans
William C. Hunter
David J. Kundert
William J. Schneider
Timothy R. Schwertfeger
Judith M. Stockdale
Carole E. Stone

FUND MANAGER
Nuveen Asset Management
333 West Wacker Drive
Chicago, IL 60606

CUSTODIAN
State Street Bank & Trust Company
Boston, MA

TRANSFER AGENT AND
SHAREHOLDER SERVICES
State Street Bank & Trust Company
Nuveen Funds
P.O. Box 43071

Providence, RI 02940-3071
(800) 257-8787

LEGAL COUNSEL
Chapman and Cutler LLP
Chicago, IL

INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM
Ernst & Young LLP
Chicago, IL

Each Fund intends to repurchase shares of its own common stock in the future at such times and in such amounts as is deemed advisable. No shares were repurchased during the period covered by this report. Any future repurchases will be reported to shareholders in the next annual or semi-annual report.



Nuveen Investments:

SERVING INVESTORS FOR GENERATIONS

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions. For the past century, Nuveen Investments has adhered to the belief that the best approach to investing is to apply conservative risk-management principles to help minimize volatility. Building on this tradition, we today offer a range of high quality equity and fixed-income solutions that are integral to a well-diversified core portfolio. Our clients have come to appreciate this diversity, as well as our continued adherence to proven, long-term investing principles.

WE OFFER MANY DIFFERENT INVESTING SOLUTIONS FOR OUR CLIENTS' DIFFERENT NEEDS.

Managing $170 billion in assets, as of September 30, 2007, Nuveen Investments offers access to a number of different asset classes and investing solutions through a variety of products. Nuveen Investments markets its capabilities under six distinct brands: Nuveen, a leader in fixed-income investments; NWQ, a leader in value-style equities; Rittenhouse, a leader in growth-style equities; Symphony, a leading institutional manager of market-neutral alternative investment portfolios; Santa Barbara, a leader in growth equities; and Tradewinds, a leader in global equities.

FIND OUT HOW WE CAN HELP YOU REACH YOUR FINANCIAL GOALS.

To learn more about the products and services Nuveen Investments offers, talk to your financial advisor, or call us at (800) 257-8787. Please read the information provided carefully before you invest. Be sure to obtain a prospectus, where applicable. Investors should consider the investment objective and policies, risk considerations, charges and expenses of the Fund carefully before investing. The prospectus contains this and other information relevant to an investment in the Fund. For a prospectus, please contact your securities representative or NUVEEN INVESTMENTS, 333 W. WACKER DR., CHICAGO, IL 60606. PLEASE read the prospectus carefully before you invest or send money.

Learn more about Nuveen Funds at: www.nuveen.com/etf

Share prices
Fund details

Daily financial news
Investor education
Interactive planning tools

EAN-D-1007D

ITEM 2. CODE OF ETHICS.

As of the end of the period covered by this report, the registrant has adopted a code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. There were no amendments to or waivers from the Code during the period covered by this report. The registrant has posted the code of ethics on its website at www.nuveen.com/etf. (To view the code, click on the Investor Resources drop down menu box, click on Fund Governance and then click on Code of Conduct.)

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The registrant's Board of Directors or Trustees determined that the registrant has at least one "audit committee financial expert" (as defined in Item 3 of Form N-CSR) serving on its Audit Committee. The registrant's audit committee financial expert is Jack B. Evans, Chairman of the Audit Committee, who is "independent" for purposes of Item 3 of Form N-CSR.

Mr. Evans was formerly President and Chief Operating Officer of SCI Financial Group, Inc., a full service registered broker-dealer and registered investment adviser ("SCI"). As part of his role as President and Chief Operating Officer, Mr. Evans actively supervised the Chief Financial Officer (the "CFO") and actively supervised the CFO's preparation of financial statements and other filings with various regulatory authorities. In such capacity, Mr. Evans was actively involved in the preparation of SCI's financial statements and the resolution of issues raised in connection therewith. Mr. Evans has also served on the audit committee of various reporting companies. At such companies, Mr. Evans was involved in the oversight of audits, audit plans, and the preparation of financial statements. Mr. Evans also formerly chaired the audit committee of the Federal Reserve Bank of Chicago.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Nuveen Insured Municipal Opportunity Fund, Inc.

The following tables show the amount of fees that Ernst & Young LLP, the Fund's auditor, billed to the Fund during the Fund's last two full fiscal years. For engagements with Ernst & Young LLP the Audit Committee approved in advance all audit services and non-audit services that Ernst & Young LLP provided to the Fund, except for those non-audit services that were subject to the pre-approval exception under Rule 2-01 of Regulation S-X (the "pre-approval exception"). The pre-approval exception for services provided directly to the Fund waives the pre-approval requirement for services other than audit, review or attest services if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid by the Fund to its accountant during the fiscal year in which the services are provided; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the audit is completed.

The Audit Committee has delegated certain pre-approval responsibilities to its Chairman (or, in his absence, any other member of the Audit Committee).

SERVICES THAT THE FUND'S AUDITOR BILLED TO THE FUND

| FISCAL YEAR ENDED | AUDIT FEES BILLED TO FUND (1) | AUDIT-RELATED FEES BILLED TO FUND (2) | TAX FEE BILLED TO FU |
|---|---|---|---|
| October 31, 2007 | $ 56,946 | $ 0 | $ 5 |
| Percentage approved pursuant to pre-approval exception | 0% | 0% | |
| October 31, 2006 | $ 54,258 | $ 0 | $ 4 |
| Percentage approved pursuant to pre-approval exception | 0% | 0% | |

(1) "Audit Fees" are the aggregate fees billed for professional services for the audit of the Fund's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.

(2) "Audit Related Fees" are the aggregate fees billed for assurance and related services reasonably related to the performance of the audit or review of financial statements and are not reported under "Audit Fees".

(3) "Tax Fees" are the aggregate fees billed for professional services for tax advice, tax compliance, and tax planning.

(4) "All Other Fees" are the aggregate fees billed for products and services for agreed upon procedures engagements performed for leveraged funds.

SERVICES THAT THE FUND'S AUDITOR BILLED TO THE ADVISER AND AFFILIATED FUND SERVICE PROVIDERS

The following tables show the amount of fees billed by Ernst & Young LLP to Nuveen Asset Management ("NAM" or the "Adviser"), and any entity controlling, controlled by or under common control with NAM ("Control Affiliate") that provides ongoing services to the Fund ("Affiliated Fund Service Provider"), for engagements directly related to the Fund's operations and financial reporting, during the Fund's last two full fiscal years.

The tables also show the percentage of fees subject to the pre-approval exception. The pre-approval exception for services provided to the Adviser and any Affiliated Fund Service Provider (other than audit, review or attest services) waives the pre-approval requirement if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid to Ernst & Young LLP by the Fund, the Adviser and Affiliated Fund Service Providers during the fiscal year in which the services are provided that would have to be pre-approved by the Audit Committee; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the Fund's audit is completed.

| FISCAL YEAR ENDED | AUDIT-RELATED FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS | TAX FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS | ALL OTHER BILLED TO AD AND AFFILIATE SERVICE PROV |
|---|---|---|---|
| October 31, 2007 | $ 0 | $ 0 | $ 0 |
| Percentage approved pursuant to pre-approval exception | 0% | 0% | 0% |
| October 31, 2006 | $ 0 | $ 0 | $ 0 |
| Percentage approved pursuant to pre-approval exception | 0% | 0% | 0% |

NON-AUDIT SERVICES

The following table shows the amount of fees that Ernst & Young LLP billed during the Fund's last two full fiscal years for non-audit services. The Audit Committee is required to pre-approve non-audit services that Ernst & Young LLP provides to the Adviser and any Affiliated Fund Services Provider, if the engagement related directly to the Fund's operations and financial reporting (except for those subject to the de minimis exception described above). The Audit Committee requested and received information from Ernst & Young LLP about any non-audit services that Ernst & Young LLP rendered during the Fund's last fiscal year to the Adviser and any Affiliated Fund Service Provider. The Committee considered this information in evaluating Ernst & Young LLP's independence.

| FISCAL YEAR ENDED | TOTAL NON-AUDIT FEES BILLED TO FUND | TOTAL NON-AUDIT FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS (ENGAGEMENTS RELATED DIRECTLY TO THE OPERATIONS AND FINANCIAL REPORTING OF THE FUND) | A S |
|---|---|---|---|
| October 31, 2007 | $ 3,650 | $ 0 | |
| October 31, 2006 | $ 3,350 | $ 0 | |

"Non-Audit Fees billed to Adviser" for both fiscal year ends represent "Tax Fees" billed to Adviser in their respective amounts from the previous table.

Audit Committee Pre-Approval Policies and Procedures. Generally, the Audit Committee must approve (i) all non-audit services to be performed for the Fund

by the Fund's independent accountants and (ii) all audit and non-audit services to be performed by the Fund's independent accountants for the Affiliated Fund Service Providers with respect to operations and financial reporting of the Fund. Regarding tax and research projects conducted by the independent accountants for the Fund and Affiliated Fund Service Providers (with respect to operations and financial reports of the Fund) such engagements will be (i) pre-approved by the Audit Committee if they are expected to be for amounts greater than $10,000; (ii) reported to the Audit Committee chairman for his verbal approval prior to engagement if they are expected to be for amounts under $10,000 but greater than $5,000; and (iii) reported to the Audit Committee at the next Audit Committee meeting if they are expected to be for an amount under $5,000.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

The registrant's Board of Directors or Trustees has a separately designated Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78c(a)(58)(A)). The members of the audit committee are Robert P. Bremner, Jack B. Evans, William J. Schneider and David J. Kundert. Mr. Eugene S. Sunshine, who also served as a member of the Committee during this reporting period, resigned from the Board of Directors or Trustees effective July 31, 2007.

ITEM 6. SCHEDULE OF INVESTMENTS.

See Portfolio of Investments in Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

The registrant invests its assets primarily in municipal bonds and cash management securities. On rare occasions the registrant may acquire, directly or through a special purpose vehicle, equity securities of a municipal bond issuer whose bonds the registrant already owns when such bonds have deteriorated or are expected shortly to deteriorate significantly in credit quality. The purpose of acquiring equity securities generally will be to acquire control of the municipal bond issuer and to seek to prevent the credit deterioration or facilitate the liquidation or other workout of the distressed issuer's credit problem. In the course of exercising control of a distressed municipal issuer, NAM may pursue the registrant's interests in a variety of ways, which may entail negotiating and executing consents, agreements and other arrangements, and otherwise influencing the management of the issuer. NAM does not consider such activities proxy voting for purposes of Rule 206(4)-6 under the 1940 Act, but nevertheless provides reports to the registrant's Board of Trustees on its control activities on a quarterly basis.

In the rare event that a municipal issuer were to issue a proxy or that the registrant were to receive a proxy issued by a cash management security, NAM would either engage an independent third party to determine how the proxy should be voted or vote the proxy with the consent, or based on the instructions, of the registrant's Board of Trustees or its representative. A member of NAM's legal department would oversee the administration of the voting, and ensure that records were maintained in accordance with Rule 206(4)-6, reports were filed with the SEC on Form N-PX, and the results provided to the registrant's Board of Trustees and made available to shareholders as required by applicable rules.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

THE PORTFOLIO MANAGER

The following individual has primary responsibility for the day-to-day

implementation of the registrant's investment strategies:

| NAME | FUND |
|---|---|
| PAUL BRENNAN | Nuveen Insured Municipal Opportunity Fund, Inc. |

Other Accounts Managed. In addition to managing the registrant, the portfolio manager is also primarily responsible for the day-to-day portfolio management of the following accounts:

| PORTFOLIO MANAGER | TYPE OF ACCOUNT MANAGED | NUMBER OF ACCOUNTS | ASSETS |
|---|---|---|---|
| Paul Brennan | Registered Investment Company | 14 | $10.408 billion |
| | Other Pooled Investment Vehicles | 0 | $0 |
| | Other Accounts | 1 | $.7 million |

* Assets are as of October 31, 2007. None of the assets in these accounts are subject to an advisory fee based on performance.

Compensation. Each portfolio manager's compensation consists of three basic elements--base salary, cash bonus and long-term incentive compensation. The compensation strategy is to annually compare overall compensation, including these three elements, to the market in order to create a compensation structure that is competitive and consistent with similar financial services companies. As discussed below, several factors are considered in determining each portfolio manager's total compensation. In any year these factors may include, among others, the effectiveness of the investment strategies recommended by the portfolio manager's investment team, the investment performance of the accounts managed by the portfolio manager, and the overall performance of Nuveen Investments, Inc. (the parent company of NAM). Although investment performance is a factor in determining the portfolio manager's compensation, it is not necessarily a decisive factor. The portfolio manager's performance is evaluated in part by comparing manager's performance against a specified investment benchmark. This fund-specific benchmark is a customized subset (limited to bonds in each Fund's specific state and with certain maturity parameters) of the S&P/Investortools Municipal Bond index, an index comprised of bonds held by managed municipal bond fund customers of Standard & Poor's Securities Pricing, Inc. that are priced daily and whose fund holdings aggregate at least $2 million. As of November 30, 2007, the S&P/Investortools Municipal Bond Index was comprised of 52,116 securities with an aggregate current market value of $1,034 billion.

Base salary. Each portfolio manager is paid a base salary that is set at a level determined by NAM in accordance with its overall compensation strategy discussed above. NAM is not under any current contractual obligation to increase a portfolio manager's base salary.

Cash bonus. Each portfolio manager is also eligible to receive an annual cash bonus. The level of this bonus is based upon evaluations and determinations made by each portfolio manager's supervisors, along with reviews submitted by his peers. These reviews and evaluations often take into account a number of factors, including the effectiveness of the investment strategies recommended to the NAM's investment team, the performance of the accounts for which he serves as portfolio manager relative to any benchmarks established for those accounts, his effectiveness in communicating investment performance to stockholders and their representatives, and his contribution to the NAM's investment process and to the execution of investment strategies. The cash bonus component is also impacted by the overall performance of Nuveen Investments, Inc. in achieving its business objectives.

Long-term incentive compensation. Each portfolio manager is eligible to receive bonus compensation in the form of equity-based awards issued in securities

issued by Nuveen Investments, Inc. The amount of such compensation is dependent upon the same factors articulated for cash bonus awards but also factors in his long-term potential with the firm.

Material Conflicts of Interest. Each portfolio manager's simultaneous management of the registrant and the other accounts noted above may present actual or apparent conflicts of interest with respect to the allocation and aggregation of securities orders placed on behalf of the Registrant and the other account. NAM, however, believes that such potential conflicts are mitigated by the fact that the NAM has adopted several policies that address potential conflicts of interest, including best execution and trade allocation policies that are designed to ensure (1) that portfolio management is seeking the best price for portfolio securities under the circumstances, (2) fair and equitable allocation of investment opportunities among accounts over time and (3) compliance with applicable regulatory requirements. All accounts are to be treated in a non-preferential manner, such that allocations are not based upon account performance, fee structure or preference of the portfolio manager, although the allocation procedures may provide allocation preferences to funds with special characteristics (such as favoring state funds versus national funds for allocations of in-state bonds). In addition, NAM has adopted a Code of Conduct that sets forth policies regarding conflicts of interest.

Beneficial Ownership of Securities. As of October 31, 2007, the portfolio manager beneficially owned the following dollar range of equity securities issued by the Registrant and other Nuveen Funds managed by NAM's municipal investment team.

| NAME OF PORTFOLIO MANAGER | FUND | DOLLAR RANGE OF EQUITY SECURITIES BENEFICIALLY OWNED IN FUND | DOL EQU BEN IN NUV BY INV |
|---|---|---|---|
| Paul Brennan | Nuveen Insured Municipal Opportunity Fund, Inc. | $0 | $10 |

PORTFOLIO MANAGER BIO:

Paul Brennan, CFA, CPA, became a portfolio manager of Flagship Financial Inc. in 1994, and subsequently became an Assistant Vice President of NAM upon the acquisition of Flagship Resources Inc. by Nuveen in 1997. He became Vice President of NAM in 2002. He currently manages investments for 15 Nuveen-sponsored investment companies.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the registrants Board implemented after the registrant last provided disclosure in response to this item.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (17 CFR 240.13a-15(b) or 240.15d-15(b)).

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the second 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 12. EXHIBITS.

File the exhibits listed below as part of this Form. Letter or number the exhibits in the sequence indicated.

(a)(1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit: Not applicable because the code is posted on registrant's website at www.nuveen.com/etf and there were no amendments during the period covered by this report. (To view the code, click on the Investor Resources drop down menu box, click on Fund Governance and then Code of Conduct.)

(a)(2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) in the exact form set forth below: Ex-99.CERT Attached hereto.

(a)(3) Any written solicitation to purchase securities under Rule 23c-1 under the 1940 Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons. Not applicable.

(b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the 1940 Act (17 CFR 270.30a-2(b)); Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed "filed" for purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference. Ex-99.906 CERT attached hereto.

SIGNATURES

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.

(Registrant) Nuveen Insured Municipal Opportunity Fund, Inc.

By (Signature and Title)* /s/ Kevin J. McCarthy
Kevin J. McCarthy
Vice President and Secretary

Date: January 7, 2008

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 (Signature and Title)* /s/ Gifford R. Zimmerman
Gifford R. Zimmerman
Chief Administrative Officer
(principal executive officer)

Date: January 7, 2008

By (Signature and Title)* /s/ Stephen D. Foy
Stephen D. Foy
Vice President and Controller
(principal financial officer)

Date: January 7, 2008

* Print the name and title of each signing officer under his or her signature.