

NUVEEN INSURED CALIFORNIA PREMIUM INCOME MUNICIPAL FUND 2 IN
Form N-CSRS
November 07, 2011

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 811-7492

Nuveen Insured California Premium Income Municipal Fund 2, 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: February 28

Date of reporting period: August 31, 2011

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.

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Chairman's
Letter to Shareholders

Dear Shareholders,

The global economy continues to be weighed down by an unusual combination of pressures facing the larger developed economies. Japanese leaders continue to work through the economic aftereffects of the March 2011 earthquake and tsunami. Political leaders in Europe and the U.S. have resolved some of the near term fiscal problems, but the financial markets are not convinced that these leaders are able to address more complex longer term fiscal issues. Despite improved earnings and capital increases, the largest banks in these countries continue to be vulnerable to deteriorating mortgage portfolios and sovereign credit exposure, adding another source of uncertainty to the global financial system.

In the U.S., recent economic statistics indicate that the economic recovery may be losing momentum. Consumption, which represents about 70% of the gross domestic product, faces an array of challenges from seemingly intractable declines in housing values, increased energy costs and limited growth in the job market. The failure of Congress and the administration to agree on the debt ceiling increase on a timely basis and the deep divisions between the political parties over fashioning a balanced program to address growing fiscal imbalances that led to the recent S&P ratings downgrade add considerable uncertainty to the domestic economic picture.

On a more positive note, corporate earnings continue to hold up well and the municipal bond market is recovering from recent weakness as states and municipalities implement various programs to reduce their budgetary deficits. In addition, the Federal Reserve System has made it clear that it stands ready to take additional steps should the economic recovery falter. However, there are concerns that the Fed is approaching the limits of its resources to intervene in the economy.

These perplexing times highlight the importance of professional investment management. Your Nuveen investment team is working hard to develop an appropriate response to increased risk, and they continue to seek out opportunities created by stressful markets using proven investment disciplines designed to help your Fund achieve its investment objectives. On your behalf, we monitor their activities to assure that they maintain their investment disciplines.

As always, I encourage you to contact your financial consultant if you have any questions about your investment in a Nuveen Fund. On behalf of the other members of your Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

Robert P. Bremner
Chairman of the Board
October 21, 2011

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Portfolio Manager's Comments

Nuveen Insured California Premium Income Municipal Fund, Inc. (NPC)
Nuveen Insured California Premium Income Municipal Fund 2, Inc. (NCL)
Nuveen California Premium Income Municipal Fund (NCU)
Nuveen California Dividend Advantage Municipal Fund (NAC)
Nuveen California Dividend Advantage Municipal Fund 2 (NVX)
Nuveen California Dividend Advantage Municipal Fund 3 (NZH)
Nuveen Insured California Dividend Advantage Municipal Fund (NKL)
Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX)

Portfolio manager Scott Romans examines key investment strategies and the six-month performance of these Funds. Scott, who joined Nuveen in 2000, has managed NCU, NAC, NVX, NZH, NKL and NKX since 2003. He assumed portfolio management responsibility for NPC and NCL in 2005.

What key strategies were used to manage the California Funds during the six-month reporting period ended August 31, 2011?

During this reporting period, municipal bond prices generally rallied as yields declined across the municipal curve. The relative decline in yields was attributable in part to the continued depressed level of municipal bond issuance. Tax-exempt volume, which had been limited in 2010 by issuers' extensive use of taxable Build America Bonds (BABs), continued to drift lower in 2011. Even though BABs were no longer an option for issuers (the BAB program expired at the end of 2010), some borrowers had accelerated issuance into 2010 in order to take advantage of the program's favorable terms before its termination, fulfilling their capital program borrowing needs well into 2012. This reduced the need for many borrowers to come to market with new issues during this period. For the six months ended August 31, 2011, national municipal issuance was down 34% compared with the same period in 2010, while municipal issuance in California declined 37%. One indicator of the general lack of supply was the fact that, as of August 31, 2011, the state of California had not issued any tax-exempt bonds during 2011.

Despite the constrained issuance of tax-exempt municipal bonds and relatively lower yields, we continued to take a bottom-up approach to discovering undervalued sectors and individual credits with the potential to perform well over the long term. During this period, these California Funds found value in health care, where we were able to add to our holdings at attractive prices, and in new issues for charter schools. We also continued to actively add exposure to redevelopment agency (RDA) bonds, which fund programs to improve deteriorated, blighted and economically depressed areas in California. We remained very selective in our purchases in this area, evaluating bonds on a case by case basis and buying only those where our research indicated that we potentially would be compensated for taking on additional risk. In addition, in Funds where we sought to adjust duration, we purchased zero coupon bonds issued by local school districts at historically wide spreads. These bonds offered longer durations with very attractive yields relative to their credit quality. With both the RDA bonds and the local school district credits, we were able to discover attractive candidates for purchase in both the insured and uninsured segments of the market.

Certain statements in this report are forward-looking statements. Discussions of specific investments are for illustration only and are not intended as recommendations of individual investments. The forward-looking statements and other views expressed herein are those of the portfolio manager as of the date of this report. Actual future results or occurrences may differ significantly from those anticipated in any forward-looking statements, and the views expressed herein are subject to change at any time, due to numerous market and other factors. The Funds disclaim any obligation to update publicly or revise any forward-looking statements or views expressed herein.

Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are

investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

For the most part, we focused on purchasing longer maturity bonds during this period in order to take advantage of more attractive yields at the longer end of the municipal bond yield curve. Cash for new purchases during this period was generated largely by the proceeds from bond calls and maturing bonds, which we worked to redeploy to keep the Funds fully invested.

As of August 31, 2011, all of these Funds continued to use inverse floating rate securities. We employ inverse floaters as a form of leverage for a variety of reasons, including duration management, income enhancement and total return enhancement. As part of our duration management strategies, NCL also used derivatives (forward interest rate swaps) to reduce price volatility risk to movement in U.S. interest rates relative to the Fund's benchmarks. During this period, the derivatives functioned as intended, and by period end, we had removed the derivatives from NCL.

How did the Funds perform?

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

Average Annual Total Returns on Common Share Net Asset Value*

For periods ended 8/31/11

	6-Month	1-Year	5-Year	10-Year
Uninsured Funds				
NCU	11.96 %	2.91 %	4.73 %	5.67 %
NAC	12.66 %	1.57 %	4.08 %	5.53 %
NVX	10.65 %	2.27 %	4.67 %	5.57 %
NZH	10.65 %	1.48 %	3.17 %	N/A
Standard & Poor's (S&P) California Municipal Bond Index**	7.33 %	2.68 %	4.39 %	4.81 %
Standard & Poor's (S&P) National Municipal Bond Index**	6.56 %	2.62 %	4.60 %	4.93 %
Lipper California Municipal Debt Classification Average**	11.95 %	1.31 %	3.04 %	5.01 %
Insured Funds				
NPC	13.18 %	3.25 %	4.94 %	5.34 %
NCL	12.71 %	2.02 %	4.71 %	5.27 %
NKL	11.44 %	2.78 %	4.89 %	N/A
NKX	12.05 %	1.42 %	4.19 %	N/A
Standard & Poor's (S&P) California Municipal Bond Index**	7.33 %	2.68 %	4.39 %	4.81 %
Standard & Poor's (S&P) Insured National Municipal Bond Index**	7.16 %	2.61 %	4.61 %	4.97 %
Lipper Single-State Insured Municipal Debt Classification Average**	9.77 %	2.20 %	4.88 %	5.46 %

For the six months ended August 31, 2011, the cumulative returns on common share net asset value (NAV) for all four of the uninsured Funds—NCU, NAC, NVX and NZH—exceeded the returns on the Standard & Poor's (S&P) California Municipal Bond Index as well as the Standard & Poor's (S&P) National Municipal Bond Index. NCU and NCA also outperformed the average return for the Lipper California Municipal Debt Classification Average, while NVX and NZH underperformed this Lipper average. For the same period, all four of the insured Funds—NPC, NCL, NKL and NKX—exceeded the returns on the S&P California

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.

- * 6-month returns are cumulative; all other returns are annualized.
- ** Refer to the Glossary of Terms Used in this Report for definitions.

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Municipal Bond Index, the S&P Insured National Municipal Bond Index and the Lipper Single-State Insured Municipal Debt Classification Average.

Key management factors that influenced the Funds' returns during this period included duration and yield curve positioning, credit exposure and sector allocation. In addition, the use of leverage was an important positive factor during this period. The impact of leverage is discussed in more detail later in this report.

During this period, as yields across the municipal bond curve declined, municipal bonds with longer maturities generally outperformed the shorter maturity categories, with credits at the longest end of the yield curve posting the strongest returns. Among these Funds, NPC and NAC were the most advantageously positioned in terms of duration and yield curve, with overweights in the outperforming longer part of the yield curve and underexposure to the shorter end of the curve that did not perform as well. Overall, duration and yield curve positioning was a positive contributor to the performance of all of these Funds, although the net impact varied depending upon each Fund's individual weightings along the yield curve.

Holdings that generally made positive contributions to the Funds' returns during this period included zero coupon bonds and health care, transportation and education credits. The special tax, water and sewer and industrial development revenue sectors also outperformed the municipal market as a whole, while general obligation and other tax-supported bonds generally performed in line with the market during this period. NAC, in particular, benefited from its overweightings in health care and transportation. The insured Funds also were helped by their exposure to redevelopment agency bonds, especially NPC.

In contrast, pre-refunded bonds, which are often backed by U.S. Treasury securities, were among the poorest performing market segments during this period. The under-performance of these bonds can be attributed primarily to their shorter effective maturities and higher credit quality. Among the revenue sectors, resource recovery trailed the overall municipal market by the widest margin.

Credit exposure played a smaller role in performance during these six months, as bonds rated BBB, A and AA typically outperformed those rated AAA. In this environment, the Funds' performance generally benefited from their allocations to lower quality credits.

IMPACT OF THE FUNDS' LEVERAGE STRATEGIES ON PERFORMANCE

One important factor impacting the returns of all these Funds relative to the comparative indexes was the Funds' use of leverage. The Funds use leverage because their managers believe that, over time, leveraging provides opportunities for additional income and total return for common shareholders. However, use of leverage also can expose common shareholders to additional volatility. For example, as the prices of securities held by a Fund decline, the negative impact of these valuation changes on common share net asset value and common shareholder total return is magnified by the use of leverage. Conversely, leverage may enhance common share returns during periods when the prices of securities

held by a Fund generally are rising. Leverage made a positive contribution to the performance of these Funds over this reporting period.

RECENT DEVELOPMENTS REGARDING THE FUNDS' REDEMPTION OF AUCTION RATE PREFERRED SHARES

Shortly after their respective inceptions, each of the Funds issued auction rate preferred shares (ARPS) to create structural leverage. As noted in past shareholder reports, the ARPS issued by many closed-end funds, including these Funds, have been hampered by a lack of liquidity since February 2008. Since that time, more ARPS have been submitted for sale in each of their regularly scheduled auctions than there have been offers to buy. In fact, offers to buy have been almost completely nonexistent since late February 2008. This means that these auctions have "failed to clear," and that many, or all, of the ARPS shareholders who wanted to sell their shares in these auctions were unable to do so. This lack of liquidity in ARPS did not lower the credit quality of these shares, and ARPS shareholders unable to sell their shares continued to receive distributions at the "maximum rate" applicable to failed auctions, as calculated in accordance with the pre-established terms of the ARPS. In the recent market, with short term rates at multi-generational lows, those maximum rates also have been low.

One continuing implication for common shareholders from the auction failures is that each Fund's cost of leverage likely has been incrementally higher at times than it otherwise might have been had the auctions continued to be successful. As a result, each Fund's common share earnings likely have been incrementally lower at times than they otherwise might have been.

As noted in past shareholder reports, the Nuveen funds' Board of Directors/Trustees authorized several methods that can be used separately or in combination to refinance a portion of the Nuveen funds' outstanding ARPS. Some funds have utilized tender option bonds (TOBs), also known as inverse floating rate securities, for leverage purposes. The amount of TOBs that a fund may use varies according to the composition of each fund's portfolio. Some funds have a greater ability to use TOBs than others. Some funds have issued Variable Rate Demand Preferred (VRDP) Shares or Variable MuniFund Term Preferred (VMTP) Shares, which are floating rate forms of preferred stock with a mandatory term redemption. Some funds have issued MuniFund Term Preferred (MTP) Shares, a fixed rate form of preferred stock with a mandatory redemption period of three to five years.

During 2010 and 2011, certain Nuveen leveraged closed-end funds (including NAC, NZH and NKX) received a demand letter from a law firm on behalf of purported holders of common shares of each such fund, alleging that Nuveen and the funds' officers and Board of Directors/Trustees breached their fiduciary duties related to the redemption at par of the funds' ARPS. In response, the Board established an ad hoc Demand Committee consisting of certain of its disinterested and independent Board members to investigate the claims. The Demand Committee retained independent counsel to assist it in conducting an extensive investigation. Based upon its investigation, the Demand Committee found that it was not in the best interests of each fund or its shareholders to take the actions

suggested in the demand letters, and recommended that the full Board reject the demands made in the demand letters. After reviewing the findings and recommendation of the Demand Committee, the full Board of each fund unanimously adopted the Demand Committee's recommendation.

Subsequently, 33 of the funds that received demand letters (including NKX) were named in a consolidated complaint as nominal defendants in a putative shareholder derivative action captioned Martin Safier, et al. v. Nuveen Asset Management, et al. that was filed in the Circuit Court of Cook County, Illinois, Chancery Division (the "Cook County Chancery Court") on February 18, 2011 (the "Complaint"). The Complaint, filed on behalf of purported holders of each fund's common shares, also name Nuveen Fund Advisors, Inc. as a defendant, together with current and former Officers and interested Director/Trustees of each of the funds (together with the nominal defendants, collectively, the "Defendants"). The Complaint contains the same basic allegations contained in the demand letters. The suits seek a declaration that the Defendants have breached their fiduciary duties, an order directing the Defendants not to redeem any ARPS at their liquidation value using fund assets, indeterminate monetary damages in favor of the funds and an award of plaintiffs' costs and disbursements in pursuing the action. The Court has heard arguments on the funds' motion to dismiss the suit, and has taken the matter under advisement. Nuveen Fund Advisors, Inc. believes that the Complaint is without merit, and is defending vigorously against these charges.

As of August 31, 2011, each of the Funds has redeemed all of their outstanding ARPS at liquidation value.

As of August 31, 2011, the Funds have issued and outstanding MTP Shares and VRDP Shares as shown in the accompanying tables.

MTP Shares

Fund	Series	MTP Shares Issued at Liquidation Value	Annual Interest Rate	NYSE Ticker
NCU	2015	\$ 35,250,000	2.00%	NCU PrC
NVX	2014	\$ 42,846,300	2.35%	NVX PrA
NVX	2015	\$ 55,000,000	2.05%	NVX PrC
NZH	2014	\$ 27,000,000	2.35%	NZH PrA
NZH	2014-1	\$ 46,294,500	2.25%	NZH PrB
NZH	2015	\$ 86,250,000	2.95%	NZH PrC

VRDP Shares

Fund	VRDP Shares Issued at Liquidation Value
NPC	\$ 42,700,000
NCL	\$ 74,000,000
NAC	\$ 136,200,000
NKL	\$ 104,400,000
NKX	\$ 35,500,000

(Refer to Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies and Footnote 4 – Fund Shares for further details on MTP and VRDP Shares.)

As of October 5, 2011, after the close of this reporting period, all 84 of the Nuveen closed-end municipal funds that had issued ARPS, approximately \$11.0 billion, have redeemed at liquidation value all of these shares.

For up-to-date information, please visit the Nuveen CEF Auction Rate Preferred Resource Center at: <http://www.nuveen.com/arps>.

Regulatory Matters

During May 2011, Nuveen Securities, LLC, known as Nuveen Investments, LLC, prior to April 30, 2011, entered into a settlement with the Financial Industry Regulatory Authority (FINRA) with respect to certain allegations regarding Nuveen-sponsored closed-end fund ARPS marketing brochures. As part of this settlement, Nuveen Securities, LLC neither admitted to nor denied FINRA's allegations. Nuveen Securities, LLC is the broker-dealer subsidiary of Nuveen Investments.

The settlement with FINRA concludes an investigation that followed the widespread failure of auctions for ARPS and other auction rate securities, which generally began in mid-February 2008. In the settlement, FINRA alleged that certain marketing materials provided by Nuveen Securities, LLC were false and misleading. Nuveen Securities, LLC agreed to a censure and the payment of a \$3 million fine.

RISK CONSIDERATIONS

Fund shares are not guaranteed or endorsed by any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation. Past performance is no guarantee of future results. Fund common shares are subject to a variety of risks, including:

Investment Risk. The possible loss of the entire principal amount that you invest.

Price Risk. Shares of closed-end investment companies like these Funds frequently trade at a discount to their NAV. Your common shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions.

Leverage Risk. Each Fund's use of leverage creates the possibility of higher volatility for the Fund's per share NAV, market price, distributions and returns. There is no assurance that a Fund's leveraging strategy will be successful.

Tax Risk. The tax treatment of Fund distributions may be affected by new IRS interpretations of the Internal Revenue Code and future changes in tax laws and regulations.

Issuer Credit Risk. This is the risk that a security in a Fund's portfolio will fail to make dividend or interest payments when due.

Interest Rate Risk. Fixed-income securities such as bonds, preferred, convertible and other debt securities will decline in value if market interest rates rise.

Reinvestment Risk. If market interest rates decline, income earned from a Fund's portfolio may be reinvested at rates below that of the original bond that generated the income.

Call Risk or Prepayment Risk. Issuers may exercise their option to prepay principal earlier than scheduled, forcing a Fund to reinvest in lower-yielding securities.

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Common Share Dividend and Share Price Information

The monthly dividends of all eight Funds in this report remained stable throughout the six-month reporting period ended August 31, 2011.

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 August 31, 2011, all of the Funds in this report had positive UNII balances, based upon our best estimate, for tax purposes and positive UNII balances for financial statement purposes.

COMMON SHARE REPURCHASES AND SHARE PRICE INFORMATION

As of August 31, 2011, and the since inception of the Funds' repurchase program, the following Funds have cumulatively repurchased and retired common shares as shown in the accompanying table. Since the inception of the Fund's repurchase program, NAC and NKX have not redeemed any of their outstanding common shares.

Fund	Common Shares Repurchased and Retired	% of Outstanding Common Shares
NPC	17,700	0.3%
NCL	55,700	0.4%
NCU	44,500	0.8%
NAC	—	—
NVX	50,700	0.3%
NZH	12,900	0.1%
NKL	32,700	0.2%
NKX	—	—

During the six-month reporting period, the Funds did not repurchase any of their outstanding common shares.

As of August 31, 2011, the Funds' common share prices were trading at (-) discounts to their common share NAVs as shown in the accompanying table.

	8/31/11 (-)Discount	Six-Month Average (-)Discount
NPC	(-)7.35%	(-)3.68%
NCL	(-)4.35%	(-)5.00%
NCU	(-)7.90%	(-)6.15%
NAC	(-)2.90%	(-)4.48%
NVX	(-)3.54%	(-)3.65%
NZH	(-)3.55%	(-)3.05%
NKL	(-)1.56%	(-)3.61%
NKX	(-)7.60%	(-)8.11%

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NPC Nuveen Insured California
 Performance Premium Income
 OVERVIEW Municipal Fund, Inc.

as of August 31, 2011

Fund Snapshot

Common Share Price	\$ 13.86
Common Share Net Asset Value (NAV)	\$ 14.96
Premium/(Discount) to NAV	-7.35%
Market Yield	6.28%
Taxable-Equivalent Yield ¹	9.62%
Net Assets Applicable to Common Shares (\$000)	\$ 96,374

Leverage

Structural Leverage	30.70%
Effective Leverage	36.66%

Average Annual Total Return
(Inception 11/19/92)

	On Share		On NAV	
	Price	%	On NAV	%
6-Month (Cumulative)	7.92	%	13.18	%
1-Year	-0.42	%	3.25	%
5-Year	4.52	%	4.94	%
10-Year	5.09	%	5.34	%

Portfolio Composition⁴

(as a % of total investments)

Tax Obligation/Limited	33.8%
Tax Obligation/General	19.8%
U.S. Guaranteed	18.5%
Water and Sewer	15.2%
Health Care	7.1%
Other	5.6%

Insurers⁴

(as a % of total Insured investments)

NPFG ⁵	30.4%
AMBAC	24.8%
FGIC	19.1%
AGM	16.5%
AGC	7.2%
SYNCORA GTY	2.0%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 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 combined federal and state

income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

- 2 The Fund intends to invest at least 80% of its managed assets in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Insurance for more information. At the end of the reporting period, 80% of the Fund’s total investments are invested in Insured securities.
- 3 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor’s Group, Moody’s Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 4 Holdings are subject to change.
- 5 MBIA’s public finance subsidiary.

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NCL Nuveen Insured California
 Performance Premium Income
 OVERVIEW Municipal Fund 2, Inc.

August 31, 2011

Fund Snapshot

Common Share Price	\$ 13.64
Common Share Net Asset Value (NAV)	\$ 14.26
Premium/(Discount) to NAV	-4.35%
Market Yield	6.33%
Taxable-Equivalent Yield ¹	9.69%
Net Assets Applicable to Common Shares (\$000)	\$ 180,610

Leverage

Structural Leverage	29.06%
Effective Leverage	38.24%

Average Annual Total Return
(Inception 3/18/93)

	On Share		On NAV	
	Price			
6-Month (Cumulative)	13.26	%	12.71	%
1-Year	1.78	%	2.02	%
5-Year	5.39	%	4.71	%
10-Year	5.19	%	5.27	%

Portfolio Composition⁴

(as a % of total investments)

Tax Obligation/Limited	41.8%
Tax Obligation/General	22.0%
Water and Sewer	14.4%
Utilities	5.6%
Transportation	4.1%
Other	12.1%

Insurers⁴

(as a % of total Insured investments)

AMBAC	29.6%
AGM	21.4%
FGIC	19.0%
NPFG ⁵	17.5%
AGC	11.9%
SYNCORA GTY	0.6%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 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 combined federal and state

- income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 The Fund intends to invest at least 80% of its managed assets in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Insurance for more information. At the end of the reporting period, 90% of the Fund’s total investments are invested in Insured securities.
 - 3 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor’s Group, Moody’s Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
 - 4 Holdings are subject to change.
 - 5 MBIA’s public finance subsidiary.

NCU Nuveen California
 Performance Premium Income
 OVERVIEW Municipal Fund
 as of August 31, 2011

Fund Snapshot

Common Share Price	\$ 12.94
Common Share Net Asset Value (NAV)	\$ 14.05
Premium/(Discount) to NAV	-7.90%
Market Yield	6.72%
Taxable-Equivalent Yield ¹	10.29%
Net Assets Applicable to Common Shares (\$000)	\$ 80,499

Leverage

Structural Leverage	30.45%
Effective Leverage	38.82%

Average Annual Total Return
 (Inception 6/18/93)

	On Share		On NAV	
	Price			
6-Month (Cumulative)	9.05	%	11.96	%
1-Year	-1.96	%	2.91	%
5-Year	4.46	%	4.73	%
10-Year	5.25	%	5.67	%

Portfolio Composition³

(as a % of total investments)

Tax Obligation/Limited	30.2%
Tax Obligation/General	18.5%
Health Care	18.0%
U.S. Guaranteed	8.9%
Education and Civic Organizations	5.2%
Utilities	5.1%
Other	14.1%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 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 combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

3 Holdings are subject to change.

16 Nuveen Investments

NAC Nuveen California
 Performance Dividend Advantage
 OVERVIEW Municipal Fund

as of August 31, 2011

Fund Snapshot

Common Share Price	\$ 13.41
Common Share Net Asset Value (NAV)	\$ 13.81
Premium/(Discount) to NAV	-2.90%
Market Yield	6.67%
Taxable-Equivalent Yield ¹	10.21%
Net Assets Applicable to Common Shares (\$000)	\$ 324,204

Leverage

Structural Leverage	29.58%
Effective Leverage	35.42%

Average Annual Total Return
(Inception 5/26/99)

	On Share		On NAV	
	Price	%	Price	%
6-Month (Cumulative)	13.86	%	12.66	%
1-Year	-0.13	%	1.57	%
5-Year	3.47	%	4.08	%
10-Year	5.73	%	5.53	%

Portfolio Composition³

(as a % of total investments)

Tax Obligation/Limited	25.0%
Health Care	20.9%
Tax Obligation/General	15.6%
U.S. Guaranteed	10.3%
Water and Sewer	8.5%
Education and Civic Organizations	5.6%
Other	14.1%

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- 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 combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

3 Holdings are subject to change.

Nuveen Investments 17

NVX Nuveen California
 Performance Dividend Advantage
 OVERVIEW Municipal Fund 2

as of August 31, 2011

Fund Snapshot

Common Share Price	\$	13.89
Common Share Net Asset Value (NAV)	\$	14.40
Premium/(Discount) to NAV		-3.54%
Market Yield		6.91%
Taxable-Equivalent Yield ¹		10.58%
Net Assets Applicable to Common Shares (\$000)	\$	212,375

Leverage

Structural Leverage	31.54%
Effective Leverage	39.39%

Average Annual Total Return
(Inception 3/27/01)

	On Share		On NAV	
	Price			
6-Month (Cumulative)	12.16	%	10.65	%
1-Year	0.53	%	2.27	%
5-Year	4.93	%	4.67	%
10-Year	5.51	%	5.57	%

Portfolio Composition³

(as a % of total investments)

Health Care	18.2%
Tax Obligation/General	15.6%
U.S. Guaranteed	13.8%
Tax Obligation/Limited	11.6%
Transportation	8.0%
Water and Sewer	7.5%
Education and Civic Organizations	7.0%
Utilities	5.9%
Other	12.4%

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- 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 combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
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an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

3 Holdings are subject to change.

18 Nuveen Investments

NZH Nuveen California
 Performance Dividend Advantage
 OVERVIEW Municipal Fund 3

as of August 31, 2011

Fund Snapshot

Common Share Price	\$ 12.49
Common Share Net Asset Value (NAV)	\$ 12.95
Premium/(Discount) to NAV	-3.55%
Market Yield	7.21%
Taxable-Equivalent Yield ¹	11.04%
Net Assets Applicable to Common Shares (\$000)	\$ 312,425

Leverage

Structural Leverage	33.80%
Effective Leverage	41.00%

Average Annual Total Return
(Inception 9/25/01)

	On Share		On NAV	
	Price			
6-Month (Cumulative)	11.04	%	10.65	%
1-Year	-1.87	%	1.48	%
5-Year	2.97	%	3.17	%
Since Inception	4.50	%	5.05	%

Portfolio Composition³

(as a % of total investments)

Tax Obligation/Limited	29.2%
Health Care	21.9%
U.S. Guaranteed	10.8%
Tax Obligation/General	7.6%
Consumer Staples	5.3%
Water and Sewer	5.1%
Transportation	5.0%
Education and Civic Organizations	4.4%
Other	10.7%

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- 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 combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given

an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

- 3 Holdings are subject to change.

Nuveen Investments 19

NKL Nuveen Insured California
 Performance Dividend Advantage
 OVERVIEW Municipal Fund

as of August 31, 2011

Fund Snapshot

Common Share Price	\$ 14.54
Common Share Net Asset Value (NAV)	\$ 14.77
Premium/(Discount) to NAV	-1.56%
Market Yield	6.48%
Taxable-Equivalent Yield ¹	9.92%
Net Assets Applicable to Common Shares (\$000)	\$ 225,316

Leverage

Structural Leverage	31.66%
Effective Leverage	36.93%

Average Annual Total Return
(Inception 3/25/02)

	On Share		On NAV	
	Price			
6-Month (Cumulative)	15.54	%	11.44	%
1-Year	2.83	%	2.78	%
5-Year	4.66	%	4.89	%
Since Inception	6.01	%	6.39	%

Portfolio Composition⁴

(as a % of total investments)

Tax Obligation/Limited	31.5%
Tax Obligation/General	24.7%
Water and Sewer	12.0%
Utilities	9.9%
Health Care	5.3%
U.S. Guaranteed	4.6%
Other	12.0%

Insurers⁴

(as a % of total Insured investments)

AGM	26.0%
AMBAC	25.0%
NPFG ⁵	19.9%
FGIC	16.7%
SYNCORA GTY	6.4%
AGC	5.6%
ACA	0.4%

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- 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 combined federal and state income tax rate of 34.7%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 The Fund intends to invest at least 80% of its managed assets in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Insurance for more information. At the end of the reporting period, 80% of the Fund’s total investments are invested in Insured securities.
- 3 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor’s Group, Moody’s Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 4 Holdings are subject to change.
- 5 MBIA’s public finance subsidiary.

20 Nuveen Investments

NKX Nuveen Insured California
 Performance Tax-Free Advantage
 OVERVIEW Municipal Fund

as of August 31, 2011

Fund Snapshot

Common Share Price	\$ 12.88
Common Share Net Asset Value (NAV)	\$ 13.94
Premium/(Discount) to NAV	-7.60%
Market Yield	6.24%
Taxable-Equivalent Yield ¹	9.56%
Net Assets Applicable to Common Shares (\$000)	\$ 82,059

Leverage

Structural Leverage	30.20%
Effective Leverage	35.31%

Average Annual Total Return
(Inception 11/21/02)

	On Share		On NAV	
	Price			
6-Month (Cumulative)	12.95	%	12.05	%
1-Year	-2.75	%	1.42	%
5-Year	3.79	%	4.19	%
Since Inception	4.09	%	5.34	%

Portfolio Composition⁴

(as a % of total investments)

Tax Obligation/Limited	31.8%
Health Care	17.5%
U.S. Guaranteed	17.0%
Water and Sewer	8.2%
Tax Obligation/General	8.2%
Transportation	5.7%
Long-Term Care	5.2%
Other	6.4%

Insurers⁴

(as a % of total Insured investments)

AMBAC	44.4%
NPFG ⁵	19.5%
AGM	12.0%
AGC	8.9%
BHAC	5.6%
FGIC	5.3%
SYNCORA GTY	4.3%

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- 2 The Fund intends to invest at least 80% of its managed assets in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Insurance for more information. At the end of the reporting period, 80% of the Fund's total investments are invested in Insured securities.
- 3 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 4 Holdings are subject to change.
- 5 MBIA's public finance subsidiary.

Nuveen Investments 21

NPC Nuveen Insured California Premium Income Municipal Fund, Inc.
 Portfolio of Investments
 August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Education and Civic Organizations – 3.5% (2.5% of Total Investments)			
\$ 750	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 – NPFPG Insured (Alternative Minimum Tax)	3/12 at 100.00	Baa1	\$ 750,488
1,500	California State University, Systemwide Revenue Bonds, Series 2005A, 5.000%, 11/01/25 – AMBAC Insured	5/15 at 100.00	Aa2	1,570,140
1,000	California State University, Systemwide Revenue Bonds, Series 2005C, 5.000%, 11/01/27 – NPFPG Insured	11/15 at 100.00	Aa2	1,044,030
3,250	Total Education and Civic Organizations			3,364,658
	Health Care – 9.9% (7.1% of Total Investments)			
3,000	California Health Facilities Financing Authority, Insured Revenue Bonds, Sutter Health, Series 1998A, 5.375%, 8/15/30 – NPFPG Insured	2/12 at 100.00	AA–	3,001,320
1,500	California Statewide Community Development Authority, Certificates of Participation, Sutter Health Obligated Group, Series 1999, 5.500%, 8/15/19 – AGM Insured	2/12 at 100.00	AA+	1,505,400
2,800	California Statewide Community Development Authority, Revenue Bonds, St. Joseph Health System, Series 2007A, 5.750%, 7/01/47 – FGIC Insured	7/18 at 100.00	AA–	2,822,708
724	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.324%, 7/01/47 – AGM Insured (IF)	7/18 at 100.00	AA+	739,957
1,480	Santa Clara County Financing Authority, California, Insured Revenue Bonds, El Camino Hospital, Series 2007A, 5.750%, 2/01/41 – AMBAC Insured	8/17 at 100.00	A+	1,506,610
9,504	Total Health Care			9,575,995
	Housing/Single Family – 0.1% (0.1% of Total Investments)			
110	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 – FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00	Baa1	110,070
	Long-Term Care – 1.4% (1.0% of Total Investments)			
1,250	California Health Facilities Financing Authority, Insured Revenue Bonds, Community Program for Persons with Developmental Disabilities, Series 2011A, 6.250%, 2/01/26	No Opt. Call	A–	1,345,713

Tax Obligation/General – 27.7% (19.8% of Total Investments)				
Bonita Unified School District, San Diego County, California, General Obligation Bonds, Series 2004A:				
1,890	5.250%, 8/01/23 – NPMG Insured	8/14 at 100.00	AA–	2,066,243
1,250	5.250%, 8/01/25 – NPMG Insured	8/14 at 100.00	AA–	1,365,225
El Segundo Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2004:				
2,580	5.250%, 9/01/21 – FGIC Insured	9/14 at 100.00	AA–	2,834,852
1,775	5.250%, 9/01/22 – FGIC Insured	9/14 at 100.00	AA–	1,945,152
1,130	Fontana Unified School District, San Bernardino County, California, General Obligation Bonds, Trust 2668, 9.359%, 2/01/16 – AGM Insured (IF)	No Opt. Call	AA+	1,277,375
1,225	Fresno Unified School District, Fresno County, California, General Obligation Refunding Bonds, Series 1998A, 6.550%, 8/01/20 – NPMG Insured	2/13 at 103.00	Aa3	1,346,251
5,000	Grossmont Healthcare District, California, General Obligation Bonds, Series 2007A, 5.000%, 7/15/37 – AMBAC Insured	7/17 at 100.00	Aa2	5,069,500
1,180	Jurupa Unified School District, Riverside County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/21 – FGIC Insured	8/13 at 100.00	A+	1,217,843
3,000	Pomona Unified School District, Los Angeles County, California, General Obligation Refunding Bonds, Series 1997A, 6.500%, 8/01/19 – NPMG Insured	2/12 at 103.00	A	3,151,140
160	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 – FGIC Insured	8/15 at 100.00	AA–	165,654

22 Nuveen Investments

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Tax Obligation/General (continued)			
\$ 3,000	Sacramento City Unified School District, Sacramento County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/27 – NPFG Insured	7/15 at 100.00	Aa3	\$ 3,103,860
3,000	San Jacinto Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 5.250%, 8/01/32 – AGM Insured	No Opt. Call	AA+	3,114,840
25,190	Total Tax Obligation/General			26,657,935
	Tax Obligation/Limited – 47.3% (33.8% of Total Investments)			
1,000	Brea and Olinda Unified School District, Orange County, California, Certificates of Participation Refunding, Series 2002A, 5.125%, 8/01/26 – AGM Insured	8/12 at 100.00	AA+	1,012,540
	California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:			
1,215	5.000%, 12/01/19 – AMBAC Insured	12/13 at 100.00	AA	1,291,946
1,615	5.000%, 12/01/21 – AMBAC Insured	12/13 at 100.00	AA	1,697,381
195	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 – FGIC Insured	9/15 at 100.00	BBB	192,980
595	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 – AMBAC Insured	9/16 at 101.00	A–	515,222
3,190	Chula Vista Public Financing Authority, California, Pooled Community Facility District Assessment Revenue Bonds, Series 2005A, 4.500%, 9/01/27 – NPFG Insured	9/15 at 100.00	Baa1	2,743,496
1,900	Corona-Norco Unified School District, Riverside County, California, Special Tax Bonds, Community Facilities District 98-1, Series 2002, 5.100%, 9/01/25 – AMBAC Insured	9/12 at 100.00	N/R	1,842,696
5,000	El Monte, California, Senior Lien Certificates of Participation, Department of Public Services Facility Phase II, Series 2001, 5.250%, 1/01/34 – AMBAC Insured	1/12 at 100.00	A2	4,705,350
3,180	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Revenue Bonds, Tender Option Bonds Trust 4686, 8.953%, 6/01/45 – AGC Insured (IF) (4)	6/15 at 100.00	AA+	2,684,810
700			Ba1	463,351

	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 – SYNCORA GTY Insured	9/17 at 100.00		
435	Indian Wells Redevelopment Agency, California, Tax Allocation Bonds, Consolidated Whitewater Project Area, Series 2003A, 5.000%, 9/01/20 – AMBAC Insured	9/13 at 100.00	A	439,085
345	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 – AMBAC Insured	9/15 at 100.00	A1	311,166
895	Los Angeles Community Redevelopment Agency, California, Tax Allocation Bonds, Bunker Hill Project, Series 2004A, 5.000%, 12/01/20 – AGM Insured	12/14 at 100.00	AA+	977,868
1,500	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 – FGIC Insured	1/17 at 100.00	A+	1,435,845
3,150	Moreno Valley Community Redevelopment Agency, California, Tax Allocation Bonds, Series 2007A, 5.000%, 8/01/38 – AMBAC Insured	8/17 at 100.00	A–	2,727,995
7,000	Rancho Cucamonga Redevelopment Agency, California, Housing Set-Aside Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/34 – NPFG Insured	9/17 at 100.00	A+	6,085,730
165	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 – SYNCORA GTY Insured	9/15 at 100.00	A–	144,725
205	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 – AMBAC Insured	8/13 at 100.00	AA–	206,816
5,150	San Jacinto Unified School District, Riverside County, California, Certificates of Participation, Series 2010, 5.375%, 9/01/40 – AGC Insured	9/20 at 100.00	AA+	5,170,034
1,500	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 – NPFG Insured	8/15 at 100.00	BBB+	1,287,600
3,565	Sweetwater Union High School District Public Financing Authority, California, Special Tax Revenue Bonds, Series 2005A, 5.000%, 9/01/25 – AGM Insured	9/15 at 100.00	AA+	3,640,043

NPC Nuveen Insured California Premium Income Municipal Fund, Inc. (continued)
 Portfolio of Investments
 August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Tax Obligation/Limited (continued)			
\$ 3,250	Tustin Community Redevelopment Agency, California, Tax Allocation Housing Bonds Series 2010, 5.250%, 9/01/39 – AGM Insured	9/20 at 100.00	AA+	\$ 3,328,423
2,805	Yucaipa-Calimesa Joint Unified School District, San Bernardino County, California, General Obligation Refunding Bonds, Series 2001A, 5.000%, 10/01/31 – NPMFG Insured	10/11 at 100.00	A2	2,635,634
48,555	Total Tax Obligation/Limited			45,540,736
	Transportation – 2.5% (1.8% of Total Investments)			
2,400	San Diego Unified Port District, California, Revenue Bonds, Series 2004B, 5.000%, 9/01/29 – NPMFG Insured	9/14 at 100.00	A+	2,437,704
	U.S. Guaranteed – 25.9% (18.5% of Total Investments) (5)			
6,000	Huntington Park Redevelopment Agency, California, Single Family Residential Mortgage Revenue Refunding Bonds, Series 1986A, 8.000%, 12/01/19 (ETM)	No Opt. Call	Aaa	8,796,060
5,135	Palmdale Community Redevelopment Agency, California, Single Family Restructured Mortgage Revenue Bonds, Series 1986A, 8.000%, 3/01/16 (Alternative Minimum Tax) (ETM)	No Opt. Call	Aaa	6,703,588
6,220	Riverside County, California, GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1987B, 9.000%, 5/01/21 (Alternative Minimum Tax) (ETM)	No Opt. Call	Aaa	9,487,550
17,355	Total U.S. Guaranteed			24,987,198
	Utilities – 0.3% (0.2% of Total Investments)			
345	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 – SYNCORA GTY Insured	9/15 at 100.00	N/R	311,597
	Water and Sewer – 21.4% (15.2% of Total Investments)			
2,200	Atwater Public Financing Authority, California, Wastewater Revenue Bonds, Tender Option Bond Trust 3145, 17.895%, 5/01/40 – AGM Insured (IF)	5/19 at 100.00	AA+	2,338,776
5,255	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2003A, 5.000%, 3/01/20 – FGIC Insured	3/13 at 100.00	A1	5,463,834
1,230	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2004A, 5.000%, 3/01/21 – FGIC Insured	3/14 at 100.00	A1	1,278,167

235	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 – NPFG Insured	4/16 at 100.00	AA–	237,143
5,000	Indio Water Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 4/01/31 – AMBAC Insured	4/16 at 100.00	A+	5,093,000
3,230	Los Angeles County Sanitation Districts Financing Authority, California, Capital Projects Revenue Bonds, District 14, Series 2005, 5.000%, 10/01/34 – FGIC Insured	10/15 at 100.00	A+	3,241,079
220	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 – NPFG Insured	6/16 at 100.00	AA–	222,858

24 Nuveen Investments

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Water and Sewer (continued)			
\$ 1,500	Placerville Public Financing Authority, California, Wastewater System Refinancing and Improvement Project Revenue Bonds, Series 2006, 5.000%, 9/01/34 – SYNCORA GTY Insured	9/16 at 100.00	N/R	\$ 1,274,460
1,345	West Basin Municipal Water District, California, Revenue Certificates of Participation, Series 2003A, 5.000%, 8/01/20 – NPFG Insured	8/13 at 100.00	Aa2	1,426,991
20,215	Total Water and Sewer			20,576,308
\$ 128,174	Total Investments (cost \$129,969,082) – 140.0%			134,907,914
	Variable Rate Demand Preferred Shares, at Liquidation Value – (44.3)% (6)			(42,700,000)
	Other Assets Less Liabilities – 4.3%			4,165,829
	Net Assets Applicable to Common Shares – 100%			\$ 96,373,743

The Fund intends to invest at least 80% of its managed assets in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Insurance for more information.

- (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: 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: Using the highest of Standard & Poor’s Group (“Standard & Poor’s”), Moody’s Investor Service, Inc. (“Moody’s”) or Fitch, Inc. (“Fitch”) rating. Ratings below BBB by Standard & Poor’s, Baa by Moody’s or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
- (4) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- (5) 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.
- (6) Variable Rate Demand Preferred Shares, at Liquidation Value as a percentage of Total Investments is 31.7%.
- N/R Not rated.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.

See accompanying notes to financial statements.

NCL Nuveen Insured California Premium Income Municipal Fund 2, Inc.
Portfolio of Investments
August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Consumer Staples – 2.7% (1.8% of Total Investments)			
\$ 7,500	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.125%, 6/01/47	6/17 at 100.00	Baa3	\$ 4,839,600
	Education and Civic Organizations – 5.0% (3.4% of Total Investments)			
585	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2000, 5.875%, 11/01/20 – NPFPG Insured	11/11 at 100.00	A2	587,036
750	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 – NPFPG Insured (Alternative Minimum Tax)	3/12 at 100.00	Baa1	750,488
1,500	California State University, Systemwide Revenue Bonds, Series 2005A, 5.000%, 11/01/25 – AMBAC Insured	5/15 at 100.00	Aa2	1,570,140
6,000	University of California, Revenue Bonds, Multi-Purpose Project Series 2003A, 5.000%, 5/15/27 – AMBAC Insured (UB)	5/13 at 100.00	AA+	6,129,960
8,835	Total Education and Civic Organizations			9,037,624
	Health Care – 4.8% (3.3% of Total Investments)			
1,410	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.324%, 7/01/47 – AGM Insured (IF)	7/18 at 100.00	AA+	1,441,076
4,690	Santa Clara County Financing Authority, California, Insured Revenue Bonds, El Camino Hospital, Series 2007A, 5.750%, 2/01/41 – AMBAC Insured	8/17 at 100.00	A+	4,774,326
2,000	The Regents of the University of California, Medical Center Pooled Revenue Bonds, Series 2007A, 4.500%, 5/15/37 – NPFPG Insured	5/15 at 101.00	Aa2	1,822,380
650	University of California, Hospital Revenue Bonds, UCLA Medical Center, Series 2004A, 5.500%, 5/15/18 – AMBAC Insured	5/12 at 101.00	N/R	665,958
8,750	Total Health Care			8,703,740
	Housing/Single Family – 0.8% (0.5% of Total Investments)			
215	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 – FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00	Baa1	215,138
1,190	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006K, 5.500%,	2/16 at 100.00	N/R	1,208,790

	2/01/42 – AMBAC Insured (Alternative Minimum Tax)			
1,405	Total Housing/Single Family			1,423,928
	Long-Term Care – 1.4% (1.0% of Total Investments)			
1,575	California Health Facilities Financing Authority, Insured Revenue Bonds, California-Nevada Methodist Homes, Series 2006, 5.000%, 7/01/36	7/16 at 100.00	A–	1,486,202
1,000	California Health Facilities Financing Authority, Insured Revenue Bonds, Community Program for Persons with Developmental Disabilities, Series 2011A, 6.250%, 2/01/26	No Opt. Call	A–	1,076,570
2,575	Total Long-Term Care			2,562,772
	Tax Obligation/General – 32.4% (22.0% of Total Investments)			
1,425	Bassett Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2006B, 5.250%, 8/01/30 – FGIC Insured	8/16 at 100.00	A–	1,465,598
3,000	California State, General Obligation Bonds, Series 2006, 4.500%, 9/01/36 – AGM Insured	9/16 at 100.00	AA+	2,781,240
6,000	California State, General Obligation Bonds, Various Purpose Series 2010, 6.000%, 3/01/33	3/20 at 100.00	A1	6,781,380
4,200	Coast Community College District, Orange County, California, General Obligation Bonds, Series 2006C, 0.000%, 8/01/31 – AGM Insured	8/18 at 100.00	AA+	3,841,614
2,500	Corona-Norco Unified School District, Riverside County, California, General Obligation Bonds, Election 2006 Series 2009B, 5.375%, 2/01/34 – AGC Insured	8/18 at 100.00	AA+	2,614,325
	East Side Union High School District, Santa Clara County, California, General Obligation Bonds, 2008 Election Series 2010B:			
3,490	5.000%, 8/01/27 – AGC Insured	8/19 at 100.00	AA+	3,699,191
3,545	5.000%, 8/01/28 – AGC Insured	8/19 at 100.00	AA+	3,735,437
3,110	5.000%, 8/01/29 – AGC Insured	8/19 at 100.00	AA+	3,253,589

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Tax Obligation/General (continued)			
\$ 2,210	Fontana Unified School District, San Bernardino County, California, General Obligation Bonds, Trust 2668, 9.359%, 2/01/16 – AGM Insured (IF)	No Opt. Call	AA+	\$ 2,498,228
1,255	Los Angeles Community College District, Los Angeles County, California, General Obligation Bonds, Series 2005A, 5.000%, 8/01/24 – AGM Insured	8/15 at 100.00	AA+	1,340,654
4,000	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2007A, 4.500%, 7/01/24 – AGM Insured	7/17 at 100.00	AA+	4,153,560
	Los Rios Community College District, Sacramento, El Dorado and Yolo Counties, California, General Obligation Bonds, Series 2002C:			
2,110	5.000%, 8/01/21 – AGM Insured (UB)	8/14 at 102.00	AA+	2,317,603
3,250	5.000%, 8/01/22 – AGM Insured (UB)	8/14 at 102.00	AA+	3,624,173
3,395	5.000%, 8/01/23 – AGM Insured (UB)	8/14 at 102.00	AA+	3,785,866
1,270	Merced City School District, Merced County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/22 – FGIC Insured	8/13 at 100.00	A	1,306,005
305	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 – FGIC Insured	8/15 at 100.00	AA–	315,779
2,500	Sacramento City Unified School District, Sacramento County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/27 – NPFPG Insured	7/15 at 100.00	Aa3	2,586,550
1,125	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 1999A, 0.000%, 7/01/21 – FGIC Insured	No Opt. Call	Aa1	718,988
2,000	San Francisco Community College District, California, General Obligation Bonds, Series 2002A, 5.000%, 6/15/26 – FGIC Insured	6/12 at 100.00	Aa2	2,024,540
2,000	San Jacinto Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 5.250%, 8/01/32 – AGM Insured	No Opt. Call	AA+	2,076,560
1,000	San Ramon Valley Unified School District, Contra Costa County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/24 – AGM Insured	8/14 at 100.00	AA+	1,074,670
2,445	Washington Unified School District, Yolo County, California, General Obligation Bonds, Series 2004A, 5.000%, 8/01/21 – FGIC Insured	8/13 at 100.00	A+	2,588,424
56,135	Total Tax Obligation/General			58,583,974

Tax Obligation/Limited – 61.6% (41.8% of Total Investments)

Anaheim Public Finance Authority, California, Subordinate Lease Revenue Bonds, Public Improvement Project, Series 1997C:					
5,130	0.000%, 9/01/18 – AGM Insured	No Opt. Call	AA+		3,809,538
8,000	0.000%, 9/01/21 – AGM Insured	No Opt. Call	AA+		4,640,960
2,235	Antioch Public Financing Authority, California, Lease Revenue Refunding Bonds, Municipal Facilities Project, Refunding Series 2002A, 5.500%, 1/01/32 – NPFPG Insured	1/11 at 100.00	A		2,234,888
California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:					
1,535	5.000%, 12/01/20 – AMBAC Insured	12/13 at 100.00	AA		1,620,300
1,780	5.000%, 12/01/23 – AMBAC Insured	12/13 at 100.00	AA		1,852,553
3,725	California State Public Works Board, Lease Revenue Bonds, Department of Corrections & Rehabilitation, Series 2005J, 5.000%, 1/01/17 – AMBAC Insured	1/16 at 100.00	A2		4,135,011
4,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009G-1, 5.750%, 10/01/30	10/19 at 100.00	A2		4,201,360
380	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 – FGIC Insured	9/15 at 100.00	BBB		376,063
7,000	Chula Vista Public Financing Authority, California, Pooled Community Facility District Assessment Revenue Bonds, Series 2005A, 4.500%, 9/01/27 – NPFPG Insured	9/15 at 100.00	Baa1		6,020,210
1,430	Cloverdale Community Development Agency, California, Tax Allocation Refunding Bonds, Cloverdale Redevelopment Project Series 2006, 5.000%, 8/01/36 – AMBAC Insured	No Opt. Call	A–		1,252,909
5,225	El Monte, California, Senior Lien Certificates of Participation, Department of Public Services Facility Phase II, Series 2001, 5.000%, 1/01/21 – AMBAC Insured	1/12 at 100.00	A2		5,229,494
8,280	Fontana Public Financing Authority, California, Tax Allocation Revenue Bonds, North Fontana Redevelopment Project, Series 2005A, 5.000%, 10/01/32 – AMBAC Insured	10/15 at 100.00	A		7,517,081

NCL Nuveen Insured California Premium Income Municipal Fund 2, Inc. (continued)
 Portfolio of Investments
 August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Tax Obligation/Limited (continued)			
	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A:			
\$ 7,250	5.000%, 6/01/35 – FGIC Insured	6/15 at 100.00	AA+	\$ 6,891,778
7,500	5.000%, 6/01/45 – AGC Insured	6/15 at 100.00	AA+	6,916,050
6,215	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Revenue Bonds, Tender Option Bonds Trust 4686, 8.953%, 6/01/45 – AGC Insured (IF) (4)	6/15 at 100.00	AA+	5,247,200
2,000	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Tender Option Bonds Trust 2040, 10.475%, 6/01/45 – FGIC Insured (IF)	6/15 at 100.00	A2	1,300,040
875	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 – SYNCORA GTY Insured	9/17 at 100.00	Ba1	579,189
1,700	Hesperia Unified School District, San Bernardino County, California, Certificates of Participation, Capital Improvement, Series 2007, 5.000%, 2/01/41 – AMBAC Insured	2/17 at 100.00	A–	1,487,262
5,000	La Quinta Redevelopment Agency, California, Tax Allocation Refunding Bonds, Redevelopment Project Area 1, Series 1998, 5.200%, 9/01/28 – AMBAC Insured	3/12 at 100.00	A+	4,922,450
2,185	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 – AMBAC Insured	9/15 at 100.00	A1	1,970,717
1,000	Los Angeles Community Redevelopment Agency, California, Tax Allocation Bonds, Bunker Hill Project, Series 2004A, 5.000%, 12/01/20 – AGM Insured	12/14 at 100.00	AA+	1,092,590
4,000	Los Angeles, California, Certificates of Participation, Municipal Improvement Corporation, Series 2003AW, 5.000%, 6/01/33 – AMBAC Insured	6/13 at 100.00	A+	4,024,640
3,000	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 – FGIC	1/17 at 100.00	A+	2,871,690

Insured				
6,120	Moreno Valley Community Redevelopment Agency, California, Tax Allocation Bonds, Series 2007A, 5.000%, 8/01/38 – AMBAC Insured	8/17 at 100.00	A–	5,300,104
2,810	Oakland Joint Powers Financing Authority, California, Lease Revenue Bonds, Administration Building Projects, Series 2008B, 5.000%, 8/01/21 – AGC Insured	8/18 at 100.00	AA+	3,014,371
1,000	Palm Springs Financing Authority, California, Lease Revenue Bonds, Convention Center Project, Refunding Series 2004A, 5.500%, 11/01/35 – NPFPG Insured	11/14 at 102.00	A	1,005,720
4,140	Plumas County, California, Certificates of Participation, Capital Improvement Program, Series 2003A, 5.000%, 6/01/28 – AMBAC Insured	6/13 at 101.00	A	4,116,485
390	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 – NPFPG Insured	12/12 at 100.00	Baa1	380,972
325	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 – SYNCORA GTY Insured	9/15 at 100.00	A–	285,064
1,000	Rocklin Unified School District, Placer County, California, Special Tax Bonds, Community Facilities District 1, Series 2004, 5.000%, 9/01/25 – NPFPG Insured	9/13 at 100.00	A–	981,260
2,500	Roseville Financing Authority, California, Special Tax Revenue Bonds, Series 2007A, 5.000%, 9/01/33 – AMBAC Insured	9/17 at 100.00	N/R	2,049,175
405	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 – AMBAC Insured	8/13 at 100.00	AA–	408,588
4,295	San Bernardino Joint Powers Financing Authority, California, Certificates of Participation Refunding, Police Station Financing Project, Series 1999, 5.500%, 9/01/20 – NPFPG Insured	3/12 at 100.00	Baa1	4,296,589
1,500	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 – NPFPG Insured	8/15 at 100.00	BBB+	1,287,600
5,510	Sweetwater Union High School District Public Financing Authority, California, Special Tax Revenue Bonds, Series 2005A, 5.000%, 9/01/28 – AGM Insured	9/15 at 100.00	AA+	5,583,669
1,205	Tustin Community Redevelopment Agency, California, Tax Allocation Housing Bonds Series 2010, 5.000%, 9/01/30 – AGM Insured	No Opt. Call	AA+	1,236,173
1,020	Washington Unified School District, Yolo County, California, Certificates of Participation, Series 2007, 5.125%, 8/01/37 – AMBAC Insured	8/17 at 100.00	A	1,025,641
121,665	Total Tax Obligation/Limited			111,165,384

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Transportation – 6.0% (4.1% of Total Investments)			
\$ 6,500	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/18 – NPMG Insured	11/11 at 71.59	Baa1	\$ 4,469,400
4,000	Orange County Transportation Authority, California, Toll Road Revenue Bonds, 91 Express Lanes Project, Series 2003A, 5.000%, 8/15/18 – AMBAC Insured	8/13 at 100.00	A1	4,239,200
2,155	San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2001, Issue 27A, 5.250%, 5/01/31 – NPMG Insured (Alternative Minimum Tax)	11/11 at 100.00	A+	2,154,978
12,655	Total Transportation			10,863,578
	U.S. Guaranteed – 3.2% (2.1% of Total Investments) (5)			
1,705	Central Unified School District, Fresno County, California, General Obligation Bonds, Series 1993, 5.625%, 3/01/18 – AMBAC Insured (ETM)	3/12 at 100.00	AAA	1,753,064
3,000	Riverside County, California, GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1987B, 8.625%, 5/01/16 (Alternative Minimum Tax) (ETM)	No Opt. Call	Aaa	3,991,140
4,705	Total U.S. Guaranteed			5,744,204
	Utilities – 8.2% (5.6% of Total Investments)			
670	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 – SYNCORA GTY Insured	9/15 at 100.00	N/R	605,131
100	Sacramento City Financing Authority, California, Capital Improvement Revenue Bonds, Solid Waste and Redevelopment Projects, Series 1999, 5.800%, 12/01/19 – AMBAC Insured	12/11 at 100.00	N/R	100,170
1,950	Salinas Valley Solid Waste Authority, California, Revenue Bonds, Series 2002, 5.250%, 8/01/27 – AMBAC Insured (Alternative Minimum Tax)	8/12 at 100.00	A+	1,927,127
2,800	Santa Clara, California, Subordinate Electric Revenue Bonds, Series 2003A: 5.000%, 7/01/24 – NPMG Insured	7/13 at 100.00	A1	2,875,068
5,000	5.000%, 7/01/28 – NPMG Insured	7/13 at 100.00	A1	5,058,600
4,000	Southern California Public Power Authority, California, Milford Wind Corridor Phase I Revenue Bonds, Series 2010-1, 5.000%, 7/01/28	No Opt. Call	AA–	4,256,080
14,520	Total Utilities			14,822,176

Water and Sewer – 21.2% (14.4% of Total Investments)				
1,100	Atwater Public Financing Authority, California, Wastewater Revenue Bonds, Tender Option Bond Trust 3145, 17.895%, 5/01/40 – AGM Insured (IF)	5/19 at 100.00	AA+	1,169,388
2,000	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2004A, 5.000%, 3/01/21 – FGIC Insured	3/14 at 100.00	A1	2,078,320
750	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 – AGM Insured	10/16 at 100.00	AA+	755,820
460	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 – NPFPG Insured	4/16 at 100.00	AA–	464,195
2,700	Los Angeles County Sanitation Districts Financing Authority, California, Senior Revenue Bonds, Capital Projects, Series 2003A, 5.000%, 10/01/21 – AGM Insured	10/13 at 100.00	AA+	2,915,676
2,000	Los Angeles, California, Wastewater System Revenue Bonds, Series 2005A, 4.500%, 6/01/29 – NPFPG Insured	6/15 at 100.00	AA	2,027,080
430	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 – NPFPG Insured	6/16 at 100.00	AA–	435,586
12,000	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.000%, 2/01/33 – FGIC Insured (UB)	8/13 at 100.00	AAA	12,162,480
1,520	San Buenaventura, California, Water Revenue Certificates of Participation, Series 2004, 5.000%, 10/01/25 – AMBAC Insured	10/14 at 100.00	AA	1,562,742
1,000	San Diego County Water Authority, California, Water Revenue Certificates of Participation, Series 2008A, 5.000%, 5/01/38 – AGM Insured	5/18 at 100.00	AA+	1,028,170
3,675	San Dieguito Water District, California, Water Revenue Bonds, Refunding Series 2004, 5.000%, 10/01/23 – FGIC Insured	10/14 at 100.00	AA+	3,990,389

NCL Nuveen Insured California Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of Investments
August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Water and Sewer (continued)			
	Santa Clara Valley Water District, California, Certificates of Participation, Series 2004A:			
\$ 1,400	5.000%, 2/01/19 – FGIC Insured	2/14 at 100.00	AA+	\$ 1,488,032
445	5.000%, 2/01/20 – FGIC Insured	2/14 at 100.00	AA+	470,116
465	5.000%, 2/01/21 – FGIC Insured	2/14 at 100.00	AA+	488,701
2,500	West Basin Municipal Water District, California, Revenue Certificates of Participation, Series 2003A, 5.000%, 8/01/30 – NPFG Insured	8/13 at 100.00	Aa2	2,528,323
	Yorba Linda Water District, California, Certificates of Participation, Highland Reservoir Renovation, Series 2003:			
2,010	5.000%, 10/01/28 – FGIC Insured	10/13 at 100.00	AA+	2,119,443
2,530	5.000%, 10/01/33 – FGIC Insured	10/13 at 100.00	AA+	2,620,647
36,985	Total Water and Sewer			38,305,108
\$ 275,730	Total Investments (cost \$263,674,448) – 147.3%			266,052,088
	Floating Rate Obligations – (9.9)%			(17,880,000)
	Variable Rate Demand Preferred Shares, at Liquidation Value – (41.0)% (6)			(74,000,000)
	Other Assets Less Liabilities – 3.6%			6,437,549
	Net Assets Applicable to Common Shares – 100%			\$ 180,609,637

The Fund intends to invest at least 80% of its managed assets in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Insurance for more information.

- (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: 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: Using the highest of Standard & Poor’s Group (“Standard & Poor’s”), Moody’s Investor Service, Inc. (“Moody’s”) or Fitch, Inc. (“Fitch”) rating. Ratings below BBB by Standard & Poor’s, Baa by Moody’s or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
- (4) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- (5) 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.

- (6) Variable Rate Demand Preferred Shares, at Liquidation Value as a percentage of Total Investments is 27.8%.
- N/R Not rated.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Inverse Floating Rate Securities for more information.

See accompanying notes to financial statements.

30 Nuveen Investments

NCU Nuveen California Premium Income Municipal Fund
 Portfolio of Investments
 August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Consumer Staples – 6.3% (4.2% of Total Investments)			
\$ 1,500	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Alameda County Tobacco Asset Securitization Corporation, Series 2002, 5.750%, 6/01/29	6/12 at 100.00	Baa3	\$ 1,386,810
205	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 100.00	BBB	190,923
2,885	California Statewide Financing Authority, Tobacco Settlement Asset-Backed Bonds, Pooled Tobacco Securitization Program, Series 2002A, 5.625%, 5/01/29	5/12 at 100.00	Baa3	2,664,499
1,350	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00	BB+	837,027
5,940	Total Consumer Staples			5,079,259
	Education and Civic Organizations – 7.8% (5.2% of Total Investments)			
70	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 100.00	A3	65,800
45	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006: 5.000%, 11/01/21	11/15 at 100.00	A2	47,734
60	5.000%, 11/01/25	11/15 at 100.00	A2	61,930
1,112	California State Public Works Board, Lease Revenue Bonds, University of California Regents, Tender Option Bond Trust 1065, 9.061%, 3/01/33 (IF)	3/18 at 100.00	Aa2	1,165,888
2,000	California State University, Systemwide Revenue Bonds, Series 2005C, 5.000%, 11/01/27 – NPMG Insured	11/15 at 100.00	Aa2	2,088,060
185	California Statewide Communities Development Authority, Charter School Revenue Bonds, Rocketship 4 – Mosaic Elementary Charter School, Series 2011A, 8.500%, 12/01/41 (WI/DD, Settling 9/08/11)	12/21 at 100.00	N/R	185,962
300	California Statewide Communities Development Authority, School Facility Revenue Bonds, Alliance	7/21 at 100.00	N/R	291,219

	College-Ready Public Schools, Series 2011A, 7.000%, 7/01/46			
1,245	University of California, General Revenue Bonds, Series 2003A, 5.125%, 5/15/17 – AMBAC Insured (UB)	5/13 at 100.00	Aa1	1,333,731
1,000	University of California, Limited Project Revenue Bonds, Series 2007D, 5.000%, 5/15/41 – FGIC Insured	5/16 at 101.00	Aa2	1,014,040
6,017	Total Education and Civic Organizations			6,254,364
	Energy – 0.5% (0.4% of Total Investments)			
500	Virgin Islands Public Finance Authority, Revenue Bonds, Refinery Project Hovensa LLC, Series 2007, 4.700%, 7/01/22 (Alternative Minimum Tax)	1/15 at 100.00	Ba2	423,075
	Health Care – 27.0% (18.0% of Total Investments)			
2,745	California Health Facilities Financing Authority, Hospital Revenue Bonds, Downey Community Hospital, Series 1993, 5.750%, 5/15/15 (4)	11/11 at 100.00	N/R	2,236,791
155	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00	A+	148,521
490	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46	11/16 at 100.00	AA–	482,841
3,525	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 100.00	AA–	3,473,500
685	California Municipal Financing Authority, Certificates of Participation, Community Hospitals of Central California, Series 2007, 5.250%, 2/01/46	2/17 at 100.00	Baa2	583,367
1,000	California Statewide Community Development Authority, Insured Health Facility Revenue Bonds, Henry Mayo Newhall Memorial Hospital, Series 2007A, 5.000%, 10/01/37	10/17 at 100.00	A–	943,000
1,740	California Statewide Community Development Authority, Revenue Bonds, Daughters of Charity Health System, Series 2005A, 5.250%, 7/01/30	7/15 at 100.00	BBB	1,477,069

Nuveen Investments

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NCU Nuveen California Premium Income Municipal Fund (continued)
 Portfolio of Investments
 August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Health Care (continued)			
\$ 730	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 100.00	A+	\$ 739,424
3,000	California Statewide Community Development Authority, Revenue Bonds, Methodist Hospital Project, Series 2009, 6.750%, 2/01/38	8/19 at 100.00	Aa2	3,387,690
2,100	California Statewide Community Development Authority, Revenue Bonds, Sherman Oaks Health System, Series 1998A, 5.000%, 8/01/22 – AMBAC Insured	No Opt. Call	A1	2,201,535
1,690	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Series 2005A, 5.000%, 11/15/43	11/15 at 100.00	AA–	1,606,953
377	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.324%, 7/01/47 – AGM Insured (IF)	7/18 at 100.00	AA+	384,798
760	Loma Linda, California, Hospital Revenue Bonds, Loma Linda University Medical Center, Series 2008A, 8.250%, 12/01/38	12/17 at 100.00	BBB	837,946
1,450	Palomar Pomerado Health Care District, California, Certificates of Participation, Series 2010, 6.000%, 11/01/41	11/20 at 100.00	Baa3	1,359,941
850	San Buenaventura, California, Revenue Bonds, Community Memorial Health System, Series 2011, 7.500%, 12/01/41	12/21 at 100.00	BB	843,821
1,000	The Regents of the University of California, Medical Center Pooled Revenue Bonds, Series 2009E, 5.000%, 5/15/38	5/17 at 101.00	Aa2	1,007,860
22,297	Total Health Care			21,715,057
	Housing/Multifamily – 0.6% (0.4% of Total Investments)			
495	California Municipal Finance Authority, Mobile Home Park Revenue Bonds, Caritas Projects Series 2010A, 6.400%, 8/15/45	8/20 at 100.00	BBB–	485,442
	Housing/Single Family – 3.0% (2.0% of Total Investments)			
2,500	California Housing Finance Agency, California, Home Mortgage Revenue Bonds, Series 2008L, 5.500%, 8/01/38	2/18 at 100.00	Baa1	2,343,450
100	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%,	2/16 at 100.00	Baa1	100,064

8/01/30 – FGIC Insured (Alternative Minimum Tax)				
2,600	Total Housing/Single Family Tax Obligation/General – 27.7% (18.5% of Total Investments)			2,443,514
California State, General Obligation Bonds, Various Purpose Series 2009:				
1,300	5.500%, 11/01/39	11/19 at 100.00	A1	1,352,325
2,350	6.000%, 11/01/39	11/19 at 100.00	A1	2,574,214
1,500	California, General Obligation Bonds, Series 2003, 5.000%, 2/01/31 – NPMG Insured	2/13 at 100.00	A1	1,507,365
4,475	Coast Community College District, Orange County, California, General Obligation Bonds, Series 2006C, 0.000%, 8/01/31 – AGM Insured	8/18 at 100.00	AA+	4,093,148
6,000	Hartnell Community College District, California, General Obligation Bonds, Series 2006B, 5.000%, 6/01/29 – AGM Insured (UB)	6/16 at 100.00	AA+	6,203,040
2,510	Pomona Unified School District, Los Angeles County, California, General Obligation Refunding Bonds, Series 1997A, 6.150%, 8/01/15 – NPMG Insured	2/12 at 103.00	A	2,638,110
15	Riverside Community College District, California, General Obligation Bonds, Series 2004A, 5.250%, 8/01/22 – NPMG Insured	8/14 at 100.00	AA	16,497
135	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 – FGIC Insured	8/15 at 100.00	AA–	139,771
1,355	San Jose-Evergreen Community College District, Santa Clara County, California, General Obligation Bonds, Series 2005A, 5.000%, 9/01/25 – NPMG Insured	9/15 at 100.00	Aa1	1,416,097
8,345	Yosemite Community College District, California, General Obligation Bonds, Capital Appreciation, Election 2004, Series 2010D, 0.000%, 8/01/42	No Opt. Call	Aa2	2,382,080
27,985	Total Tax Obligation/General			22,322,647

32 Nuveen Investments

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Tax Obligation/Limited – 45.2% (30.2% of Total Investments)			
\$ 1,000	Bell Community Redevelopment Agency, California, Tax Allocation Bonds, Bell Project Area, Series 2003, 5.625%, 10/01/33 – RAAI Insured	10/13 at 100.00	N/R	\$ 795,040
	California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:			
1,695	5.000%, 12/01/22 – AMBAC Insured	12/13 at 100.00	AA	1,772,377
1,865	5.000%, 12/01/24 – AMBAC Insured	12/13 at 100.00	AA	1,933,483
5,920	California State Public Works Board, Lease Revenue Bonds, Department of Veterans Affairs, Southern California Veterans Home – Chula Vista Facility, Series 1999A, 5.600%, 11/01/19 – AMBAC Insured	11/11 at 100.00	A2	5,953,507
1,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009G-1, 5.750%, 10/01/30	10/19 at 100.00	A2	1,050,340
2,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009I-1, 6.375%, 11/01/34	11/19 at 100.00	A2	2,174,680
535	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15	7/14 at 100.00	Aa3	597,258
165	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 – FGIC Insured	9/15 at 100.00	BBB	163,291
500	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 – AMBAC Insured	9/16 at 101.00	A–	432,960
170	National City Community Redevelopment Agency, California, Tax Allocation Revenue Bonds, National City Redevelopment Project Area, Series 2011, 6.500%, 8/01/24	8/21 at 100.00	A–	177,305
	Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:			
75	5.000%, 9/01/26	9/16 at 100.00	N/R	71,204
175	5.125%, 9/01/36	9/16 at 100.00	N/R	157,175
3,500	Livermore Redevelopment Agency, California, Tax Allocation Revenue Bonds, Livermore Redevelopment Project Area, Series 2001A,	2/12 at 100.00	BBB+	3,138,870

	5.000%, 8/01/26 – NPFPG Insured			
310	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 – AMBAC Insured	9/15 at 100.00	A1	279,598
2,000	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 – FGIC Insured	1/17 at 100.00	A+	1,914,460
475	Lynwood Redevelopment Agency, California, Project A Revenue Bonds, Subordinate Lien Series 2011A, 7.250%, 9/01/38	9/21 at 100.00	A–	498,408
3,230	Murrieta Redevelopment Agency, California, Tax Allocation Bonds, Series 2005, 5.000%, 8/01/35 – NPFPG Insured	8/15 at 100.00	A–	2,848,472
65	Novato Redevelopment Agency, California, Tax Allocation Bonds, Hamilton Field Redevelopment Project, Series 2011, 6.750%, 9/01/40	9/21 at 100.00	A–	67,832
210	Rancho Santa Fe CSD Financing Authority, California, Revenue Bonds, Superior Lien Series 2011A, 5.750%, 9/01/30	9/21 at 100.00	BBB+	213,030
155	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 – SYNCORA GTY Insured	9/15 at 100.00	A–	135,954
40	Riverside County Redevelopment Agency, California, Tax Allocation Bonds, Jurupa Valley Project Area, Series 2011-B, 6.500%, 10/01/25	10/21 at 100.00	A–	41,494
190	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 – AMBAC Insured	8/13 at 100.00	AA–	191,683
1,500	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993A, 5.400%, 11/01/20 – NPFPG Insured	No Opt. Call	A1	1,631,520
3,000	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993B, 5.400%, 11/01/20	No Opt. Call	A1	3,263,040
2,000	San Francisco City and County, California, Certificates of Participation, Multiple Capital Improvement Projects, Series 2009A, 5.200%, 4/01/26	4/19 at 100.00	AA–	2,126,660
30	San Francisco Redevelopment Finance Authority, California, Tax Allocation Revenue Bonds, Mission Bay North Redevelopment Project, Series 2011C, 6.750%, 8/01/41	2/21 at 100.00	A–	31,807

Nuveen California Premium Income Municipal Fund (continued)					
Portfolio of Investments					
August 31, 2011 (Unaudited)					
Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)		Value
	Tax Obligation/Limited (continued)				
	San Francisco Redevelopment Financing Authority, California, Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Project, Series 2011D:				
\$ 30	7.000%, 8/01/33	2/21 at 100.00	BBB	\$	31,581
40	7.000%, 8/01/41	2/21 at 100.00	BBB		41,963
	San Marcos Public Facilities Authority, California, Revenue Refunding Bonds, Series 1998:				
1,350	5.800%, 9/01/18	3/12 at 100.00	Baa3		1,361,880
1,000	5.800%, 9/01/27	3/12 at 100.00	Baa3		1,000,290
2,050	Santa Barbara County, California, Certificates of Participation, Series 2001, 5.250%, 12/01/19 – AMBAC Insured	12/11 at 102.00	AA+		2,112,443
50	Signal Hill Redevelopment Agency, California, Project 1 Tax Allocation Bonds, Series 2011, 7.000%, 10/01/26	4/21 at 100.00	N/R		50,308
95	Yorba Linda Redevelopment Agency, Orange County, California, Tax Allocation Revenue Bonds, Yorba Linda Redevelopment Project, Subordinate Lien Series 2011A, 6.000%, 9/01/26	9/21 at 100.00	A–		99,585
36,420	Total Tax Obligation/Limited				36,359,498
	Transportation – 3.4% (2.3% of Total Investments)				
780	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006F, 5.000%, 4/01/31 (UB)	4/16 at 100.00	AA		806,239
220	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2008, Trust 3211, 13.398%, 10/01/32 (IF)	4/18 at 100.00	AA		262,154
2,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 5.000%, 1/01/35	1/12 at 100.00	BBB–		1,635,840
3,000	Total Transportation				2,704,233
	U.S. Guaranteed – 13.4% (8.9% of Total Investments) (5)				
2,000	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 101.00	Aaa		2,085,760
3,000	California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay	No Opt. Call	Aaa		3,749,850

	Area Toll Bridge, Series 2003A, 5.000%, 7/01/22 – AGM Insured (ETM)			
370	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15 (Pre-refunded 7/01/14)	7/14 at 100.00	Aaa	419,869
3,495	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.250%, 2/01/21 (Pre-refunded 8/01/13) – FGIC Insured	8/13 at 100.00	AAA	3,822,691
325	San Mateo Union High School District, San Mateo County, California, Certificates of Participation, Phase 1, Series 2007A, 5.000%, 12/15/30 (Pre-refunded 12/15/17) – AMBAC Insured	12/17 at 100.00	AA– (5)	401,564
255	University of California, General Revenue Bonds, Series 2003A, 5.125%, 5/15/17 (Pre-refunded 5/15/13) – AMBAC Insured (UB)	5/13 at 100.00	Aa1 (5)	275,441
9,445	Total U.S. Guaranteed Utilities – 7.6% (5.1% of Total Investments)			10,755,175
890	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.500%, 11/15/37	No Opt. Call	A	821,835
275	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2, 5.000%, 7/01/21 – NPMF Insured	7/13 at 100.00	AA–	291,770
295	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 – SYNCORA GTY Insured	9/15 at 100.00	N/R	266,438
4,580	Sacramento Municipal Utility District, California, Electric Revenue Refunding Bonds, Series 2002Q, 5.250%, 8/15/20 – AGM Insured	8/12 at 100.00	AA+	4,749,231
6,040	Total Utilities			6,129,274
	Water and Sewer – 7.2% (4.8% of Total Investments)			
1,125	Burbank, California, Wastewater System Revenue Bonds, Series 2004A, 5.000%, 6/01/23 – AMBAC Insured	6/14 at 100.00	AA+	1,169,775
205	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 – NPMF Insured	4/16 at 100.00	AA–	206,870

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Water and Sewer (continued)			
\$ 670	Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Tender Option Bond Trust 09-8B, 17.115%, 7/01/35 (IF) (6)	7/19 at 100.00	AAA	\$ 843,931
1,500	Orange County Water District, California, Revenue Certificates of Participation, Tender Option Bond Trust 11782-1, 17.486%, 2/15/35 (IF)	8/20 at 100.00	AAA	1,793,400
1,795	Woodbridge Irrigation District, California, Certificates of Participation, Water Systems Project, Series 2003, 5.500%, 7/01/33	7/13 at 100.00	A+	1,795,158
5,295	Total Water and Sewer			5,809,134
\$ 126,034	Total Investments (cost \$118,175,890) – 149.7%			120,480,672
	Floating Rate Obligations – (8.3)%			(6,650,000)
	MuniFund Term Preferred Shares, at Liquidation Value – (43.8)% (7)			(35,250,000)
	Other Assets Less Liabilities – 2.4%			1,918,808
	Net Assets Applicable to Common Shares – 100%			\$ 80,499,480

- (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: 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: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investor Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
- (4) For fair value measurement disclosure purposes, investment categorized as Level 3. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Investment Valuation for more information.
- (5) 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities.
- (6) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- (7) MuniFund Term Preferred Shares, at Liquidation Value as a percentage of Total Investments is 29.3%.
- N/R Not rated.
- W/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. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Inverse Floating Rate Securities for more information.

See accompanying notes to financial statements.

NAC Nuveen California Dividend Advantage Municipal Fund
 Portfolio of Investments
 August 31, 2011 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Consumer Staples – 6.5% (4.5% of Total Investments)			
\$ 865	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 100.00	BBB	\$ 805,600
7,500	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 100.00	Baa3	5,314,200
24,265	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00	BB+	15,044,785
32,630	Total Consumer Staples			21,164,585
	Education and Civic Organizations – 8.1% (5.6% of Total Investments)			
2,500	California Educational Facilities Authority, Revenue Bonds, Santa Clara University, Series 2010, 5.000%, 2/01/40	2/20 at 100.00	Aa3	2,569,925
290	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 100.00	A3	272,600
10,000	California Educational Facilities Authority, Revenue Bonds, University of Southern California, Series 2007A, 4.500%, 10/01/33 (UB)	10/17 at 100.00	Aa1	10,055,200
	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006:			
200	5.000%, 11/01/21	11/15 at 100.00	A2	212,150
265	5.000%, 11/01/25	11/15 at 100.00	A2	273,522
4,685	California State Public Works Board, Lease Revenue Bonds, University of California Regents, Tender Option Bond Trust 1065, 9.061%, 3/01/33 (IF)	3/18 at 100.00	Aa2	4,912,035
1,250	California Statewide Communities Development Authority, School Facility Revenue Bonds, Alliance College-Ready Public Schools, Series 2011A, 7.000%, 7/01/46	7/21 at 100.00	N/R	1,213,413
610	California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23	10/13 at 100.00	N/R	588,235
3,000	Long Beach Bond Financing Authority, California, Lease Revenue Refunding Bonds, Long Beach	11/11 at 100.00	BBB	3,010,800

	Aquarium of the South Pacific, Series 2001, 5.500%, 11/01/17 – AMBAC Insured			
2,900	University of California, General Revenue Bonds, Series 2003A, 5.125%, 5/15/17 – AMBAC Insured (UB)	5/13 at 100.00	Aa1	3,106,683
25,700	Total Education and Civic Organizations Health Care – 30.5% (20.9% of Total Investments)			26,214,563
2,160	California Health Facilities Financing Authority, Health Facility Revenue Bonds, Adventist Health System/West, Series 2003A, 5.000%, 3/01/15	3/13 at 100.00	A	2,257,718
660	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00	A+	632,412
14,895	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 100.00	AA–	14,677,384
6,530	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2011B, 6.000%, 8/15/42	8/20 at 100.00	AA–	7,050,441
1,120	California Statewide Communities Development Authority, Revenue Bonds, Adventist Health System West, Series 2005A, 5.000%, 3/01/35	3/15 at 100.00	A	1,066,475
5,500	California Statewide Communities Development Authority, Revenue Bonds, Sutter Health, Series 2011A, 6.000%, 8/15/42	8/20 at 100.00	AA–	5,938,350
	California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A:			
710	4.800%, 7/15/17	No Opt. Call	N/R	702,453
3,325	5.125%, 7/15/31	7/17 at 100.00	N/R	2,855,111
	California Statewide Community Development Authority, Revenue Bonds, Daughters of Charity Health System, Series 2005A:			