

Edgar Filing: MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SEC - Form N-Q

MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SEC
 Form N-Q
 March 30, 2005

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
 MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-07111

Morgan Stanley Insured California Municipal Securities
 (Exact name of registrant as specified in charter)

1221 Avenue of the Americas, New York, New York 10020
 (Address of principal executive offices) (Zip code)

Ronald E. Robison
 1221 Avenue of the Americas, New York, New York 10020
 (Name and address of agent for service)

Registrant's telephone number, including area code: 212-762-4000

Date of fiscal year end: October 31, 2005

Date of reporting period: January 31, 2005

ITEM 1. SCHEDULE OF INVESTMENTS.

The Trust's schedule of investments as of the close of the reporting period prepared pursuant to Rule 12-12 of Regulation S-X is as follows:

MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SECURITIES
 PORTFOLIO OF INVESTMENTS JANUARY 31, 2005 (unaudited)

PRINCIPAL AMOUNT IN THOUSANDS -----		COUPON RATE -----	MATURI DATE -----
	CALIFORNIA TAX-EXEMPT MUNICIPAL BONDS (95.7%)		
	General Obligation (21.0%)		
\$ 2,560	California, Various Purpose Dtd 03/01/94 (FSA)	5.50 %	03/01/
1,280	Huntington Beach Union High School District, Ser 2004 (FSA)	5.00	08/01/
2,000	Los Angeles Community College District, Election 2001 Ser A (MBIA)+	5.00	06/01/
1,030	Los Angeles, Ser 2004 A (MBIA) San Diego Unified School District,	5.00	09/01/
1,000	2002 Ser D (FGIC)	5.25	07/01/
1,000	2003 Ser E (FSA)	5.00	07/01/
1,000	Upland School District, Election 2000 Ser 2001 B (FSA)	5.125	08/01/
1,375	Washington Unified School District, Election 2004 Ser A (FGIC)	5.00	08/01/

Edgar Filing: MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SEC - Form N-Q

11,245				

	Educational Facilities Revenue (2.3%)			
1,250	University of California, Multiple Purpose Ser Q (FSA)	5.00		09/01/
	Electric Revenue (8.6%)			
1,000	Anaheim Public Financing Authority, Generation Refg Ser 2002-B (FSA)	5.25		10/01/
1,400	California Department of Water Resources, Power Supply Ser 2002 A (Ambac)	5.375		05/01/
1,000	Los Angeles Department of Water & Power, 2001 Ser A (FSA)	5.25		07/01/
1,000	Southern California Public Power Authority, Transmission Refg Ser 2002 A (FSA)	5.25		07/01/

4,400				

	Mortgage Revenue - Multi-Family (4.1%)			
2,265	Los Angeles Community Redevelopment Agency, 1994 Ser A (Ambac)	6.45		07/01/
	Mortgage Revenue - Single Family (4.1%)			
2,000	California Department of Veterans Affairs, Home Purchase 2002 Ser A (Ambac)	5.35		12/01/
195	California Housing Financing Agency, 1995 Ser B (AMT) (Ambac)	6.25		08/01/

2,195				

	Public Facilities Revenue (1.8%)			
1,000	Simi Valley Public Financing Authority, Ser 2004 COPs (Ambac)	5.00		09/01/

	Resource Recovery Revenue (4.0%)			
2,000	Sacramento Financing Authority, 1999 Solid Waste & Redevelopment (Ambac)	5.75		12/01/

	Tax Allocation Revenue (5.1%)			
560	Bay Area Government Association, Pool 1994 Ser A (FSA)	6.00		12/15/
1,100	La Quinta Financing Authority, Local Agency 2004 Ser A (Ambac)	5.25		09/01/
1,000	Long Beach Bond Finance Authority, Downtown, North Long Beach, Poly High and West Beach Areas 2002 Ser A (Ambac)	5.375		08/01/

2,660				

	Transportation Facilities Revenue (11.3%)			
2,000	California Infrastructure & Economic Development Bank, Bay Area Toll Bridges Seismic Retrofit First Lien Ser 2003 A (FGIC)	5.00		07/01/
1,000	Los Angeles County Metropolitan Transportation Authority, Sales Tax Ser 2000 A (FGIC)	5.25		07/01/
2,000	Orange County Transportation Authority, Toll Bridges Express Lanes Ser A (Ambac)	5.00		08/15/
1,000	San Jose, Airport Ser 2001 A (FGIC)	5.00		03/01/

6,000				

	Water & Sewer Revenue (25.8%)			
1,500	California Department of Water Resources, Central Valley Ser Y	5.25		12/01/

Edgar Filing: MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SEC - Form N-Q

	(FGIC)			
2,000	East Bay Municipal Utility District, Water Ser 2001 (MBIA)	5.00		06/01/
1,000	Los Angeles, Wastewater Refg Ser 2003 B (FSA)	5.00		06/01/
1,000	Metropolitan Water District of Southern California, 2003 Ser B-2	5.00		10/01/
	(FGIC)			
565	Orange County Water District, Ser B (MBIA)	5.00		08/15/
1,700	Oxnard Financing Authority, Redwood Trunk Sewer & Headworks Ser 2004 A (FGIC)	5.00		06/01/
2,000	Sacramento Financing Authority, Water & Capital Improvement 2001 Ser A (Ambac)	5.00		12/01/
1,000	San Diego County Water Authority, Ser 2004 A COPs (FSA)	5.00		05/01/
2,000	San Francisco Public Utilities Commission, Water Refg Ser A 2001 (FSA)	5.00		11/01/
1,000	Yucaipa Valley Water District, Ser 2004 A COPs (MBIA)	5.25		09/01/

13,765				

	Other Revenue (2.0%)			
1,000	California, Economic Recovery Ser 2004 A (MBIA)	5.00		07/01/

	Refunded (5.6%)			
2,000	Anaheim, Anaheim Memorial Hospital Association COPs (Ambac) (ETM)	5.125		05/15/
1,000	Puerto Rico Infrastructure Financing Authority, 2000 Ser A (ETM)	5.50		10/01/

3,000				

50,780	TOTAL CALIFORNIA TAX-EXEMPT MUNICIPAL BONDS (Cost \$50,447,515)			

	CALIFORNIA SHORT-TERM TAX-EXEMPT MUNICIPAL OBLIGATIONS (3.8%)			
935	Newport Beach, Hoag Memorial/Presbyterian Hospital Ser 1992 (Demand 02/01/05)	1.82 *		10/01/
1,200	Orange County Sanitation District Ser 2000 A COPs (Demand 02/01/05)	1.88 *		08/01/

2,135	TOTAL CALIFORNIA SHORT-TERM TAX-EXEMPT MUNICIPAL OBLIGATIONS (Cost \$2,135,000)			

\$52,915	TOTAL INVESTMENTS (Cost \$52,582,515) (a) (b)	99.5 %		
=====				
	OTHER ASSETS IN EXCESS OF LIABILITIES	0.5		

	NET ASSETS	100.0 %		
		=====		

 AMT Alternative Minimum Tax.

COPs Certificates of Participation.

ETM Escrowed to maturity.

* Current coupon of variable rate demand obligation.

Edgar Filing: MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SEC - Form N-Q

- + A portion of this security has been physically segregated in connection with open futures contracts in the amount of \$39,000.
- (a) Securities have been designated as collateral in an amount equal to \$7,121,818 in connection with open futures contracts.
- (b) The aggregate cost for federal income tax purposes approximates the aggregate cost for book purposes. The aggregate gross and net unrealized appreciation is \$3,706,705.

Bond Insurance:

Ambac Ambac Assurance Corporation.

FGIC Financial Guaranty Insurance Company.

FSA Financial Security Assurance Inc.

MBIA Municipal Bond Investors Assurance Corporation.

Futures Contracts Open at January 31, 2005:

NUMBER OF CONTRACTS -----	LONG/SHORT -----	DESCRIPTION, DELIVERY MONTH AND YEAR -----	UNDERLYING FACE AMOUNT AT VALUE -----	UNREA DEPREC -----
40	Short	U.S. Treasury Notes 5 Year March 2005	\$ (4,370,000)	\$ (
20	Short	U.S. Treasury Notes 10 Year March 2005	(2,245,313)	(
		Total unrealized depreciation.....		\$ (

ITEM 2. CONTROLS AND PROCEDURES.

(a) The Trust's principal executive officer and principal financial officer have concluded that the Trust's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Trust in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

(b) There were no changes in the Trust's internal control over financial reporting that occurred during the registrant's fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Trust's internal control over financial reporting.

ITEM 3. EXHIBITS.

(a) A separate certification for each principal executive officer and principal financial officer of the registrant are attached hereto.

SIGNATURES

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

Morgan Stanley Insured California Municipal Securities

/s/ Ronald E. Robison
Ronald E. Robison
Principal Executive Officer
March 22, 2005

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

/s/ Ronald E. Robison
Ronald E. Robison
Principal Executive Officer
March 22, 2005

/s/ Francis Smith
Francis Smith
Principal Financial Officer
March 22, 2005