

BLACKROCK MUNIYIELD MICHIGAN INSURED FUND, INC.
 Form N-Q
 December 23, 2008

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 811-07080

Name of Fund: BlackRock MuniYield Michigan Insured Fund, Inc. (MIY)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock MuniYield Michigan Insured Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 07/31/2009

Date of reporting period: 08/01/2008 - 10/31/2008

Item 1 Schedule of Investments

BlackRock MuniYield Michigan Insured Fund, Inc.

(Percentages shown are based on
 Net Assets)

Schedule of Investments October 31, 2008 (Unaudited)

| | Municipal Bonds | Par (000) | Value |
|--------------------------|--|----------------------|--------------|
| Michigan - 147.3% | Adrian, Michigan, City School District, GO, 5%, 5/01/14 (a)(b) | \$ 3,600 | \$ 3,863,772 |
| | Birmingham, Michigan, City School District, School Building and Site, GO, 5%, 11/01/33 (a) | 1,000 | 911,040 |
| | Central Montcalm, Michigan, Public Schools, GO, 5.90%, 5/01/09 (b)(c) | 1,000 | 1,021,190 |
| | Delta County, Michigan, Economic Development Corporation, Environmental Improvement Revenue Refunding Bonds (Mead Westvaco-Escanaba), AMT, | | |

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| | | |
|---|--------|------------|
| Series B, 6.45%, 4/15/12 (b) | 1,500 | 1,651,800 |
| Detroit, Michigan, City School District, GO (School Building and Site Improvement), Refunding, Series A, 5%, 5/01/21 (a) | 3,000 | 2,933,760 |
| Detroit, Michigan, City School District, GO (School Building and Site Improvement), Series A, 5.375%, 5/01/13 (b)(d) | 2,300 | 2,471,189 |
| Detroit, Michigan, City School District, GO (School Building and Site Improvement), Series B, 5%, 5/01/28 (d) | 3,100 | 2,870,600 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Second Lien, Series B, 5%, 7/01/13 (b)(c) | 1,550 | 1,660,949 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Second Lien, Series B, 5%, 7/01/34 (c) | 2,420 | 2,068,398 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Senior Lien, Series A, 5.875%, 1/01/10 (b)(d) | 1,250 | 1,313,425 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Senior Lien, Series A, 5.75%, 7/01/11 (b) | 7,250 | 7,816,152 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Senior Lien, Series A, 5%, 7/01/13 (a)(b) | 3,750 | 4,018,425 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Senior Lien, Series A, 5%, 7/01/25 (c) | 4,000 | 3,770,760 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Senior Lien, Series A, 5%, 7/01/34 (c) | 6,900 | 5,897,499 |
| Detroit, Michigan, Water Supply System Revenue Bonds, Series B, 5.25%, 7/01/13 (b)(c) | 11,790 | 12,760,317 |
| Detroit, Michigan, Water Supply System, Revenue Refunding Bonds, 6.25%, 7/01/12 (d)(e) | 1,180 | 1,253,644 |
| Detroit, Michigan, Water Supply System, Revenue Refunding Bonds, Second Lien, Series C, 5%, 7/01/29 (a) | 10,570 | 9,605,805 |
| Dickinson County, Michigan, Economic Development Corporation, Environmental Improvement Revenue Refunding Bonds (International Paper Company Project), Series A, 5.75%, 6/01/16 | 3,900 | 3,436,212 |

| | | |
|--|-------|-----------|
| Dickinson County, Michigan, Healthcare System, Hospital Revenue Refunding Bonds, 5.80%, 11/01/24 (f) | 3,100 | 2,649,663 |
| Eastern Michigan University, General Revenue Refunding Bonds, 6%, 6/01/10 (b)(g) | 590 | 629,388 |

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the list below.

| | | | |
|------------|--------------------------------------|------------|-------------------------------|
| AMT | Alternative Minimum Tax (subject to) | HDA | Housing Development Authority |
| COP | Certificates of Participation | M/F | Multi-Family |
| GO | General Obligation Bonds | | |

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BlackRock MuniYield Michigan Insured Fund, Inc.

(Percentages shown are based on Net Assets)

Schedule of Investments October 31, 2008 (Unaudited)

| Municipal Bonds | Par (000) | Value |
|---|----------------------|--------------|
| Eastern Michigan University, General Revenue Refunding Bonds, 6%, 6/01/20 (g) | \$ 435 | \$ 448,911 |
| Eastern Michigan University Revenue Bonds, Series B, 5.60%, 6/01/10 (b)(d) | 1,500 | 1,574,730 |
| Eastern Michigan University Revenue Bonds, Series B, 5.625%, 6/01/10 (b)(d) | 1,310 | 1,375,762 |
| GO, 5.25%, Eaton Rapids, Michigan, Public Schools, School Building and Site, 5/01/20 (a) | 1,325 | 1,347,763 |
| GO, 5.25%, Eaton Rapids, Michigan, Public Schools, School Building and Site, 5/01/21 (a) | 1,675 | 1,692,520 |
| Bonds Flint, Michigan, Hospital Building Authority, Revenue Refunding (Hurley Medical Center), Series A, 5.375%, 7/01/20 (f) | 615 | 463,974 |
| Bonds Flint, Michigan, Hospital Building Authority, Revenue Refunding | | |

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| | | | |
|-----------|---|--------|------------|
| | (Hurley Medical Center), Series A, 6%, 7/01/20 (f) | 1,375 | 1,104,359 |
| | Frankenmuth, Michigan, School District, GO, 5.75%, 5/01/10 (b)(d) | 1,000 | 1,050,790 |
| | Gibraltar, Michigan, School District, GO (School Building and Site), 5%, 5/01/14 (b)(d) | 2,940 | 3,155,414 |
| | Gibraltar, Michigan, School District, GO (School Building and Site), 5%, 5/01/28 (d) | 710 | 667,861 |
| (c)(d) | Grand Blanc, Michigan, Community Schools, GO, 5.625%, 5/01/20 | 1,100 | 1,113,134 |
| A, 5.50%, | Grand Rapids, Michigan, Building Authority Revenue Bonds, Series 10/01/12 (b)(g) | 1,035 | 1,125,521 |
| | Grand Valley State University, Michigan, Revenue Bonds, 5.50%, 2/01/18 (c)(d) | 2,070 | 2,080,495 |
| Refunding | Greater Detroit Resource Recovery Authority, Michigan, Revenue Bonds, Series A, 6.25%, 12/13/08 (g) | 11,250 | 11,303,212 |
| and Site, | Gull Lake, Michigan, Community School District, School Building GO, 5%, 5/01/14 (a)(b) | 5,625 | 6,037,144 |
| Site, GO, | Harper Woods, Michigan, City School District, School Building and Refunding, 5%, 5/01/14 (b)(d) | 4,345 | 4,663,358 |
| Site, GO, | Harper Woods, Michigan, City School District, School Building and Refunding, 5%, 5/01/34 (d) | 430 | 389,791 |
| (b)(d) | Hartland, Michigan, Consolidated School District, GO, 6%, 5/01/10 | 6,825 | 7,196,689 |
| | Jenison, Michigan, Public Schools, School Building and Site, GO, 5.50%, 5/01/19 (c)(d) | 1,575 | 1,598,987 |
| Refunding | Kent, Michigan, Hospital Finance Authority, Hospital Revenue Bonds (Butterworth Hospital), Series A, 7.25%, 1/15/13 (c) | 3,365 | 3,621,379 |
| (Spectrum | Kent, Michigan, Hospital Finance Authority Revenue Bonds Health), Series A, 5.50%, 7/15/11 (b)(c) | 3,000 | 3,222,840 |

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| | | | |
|---------|---|-------|-----------|
| | Lansing, Michigan, Building Authority, GO, Series A, 5.375%, 6/01/13 (b)(c) | 1,510 | 1,645,568 |
| Revenue | Michigan Higher Education Facilities Authority, Limited Obligation Bonds (Hillsdale College Project), 5%, 3/01/35 | 1,875 | 1,528,481 |
| Revenue | Michigan Higher Education Facilities Authority, Limited Obligation Refunding Bonds (College for Creative Studies), 5.85%, 6/01/12 (b) | 1,235 | 1,338,826 |

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BlackRock MuniYield Michigan Insured Fund, Inc.

(Percentages shown
are based on Net
Assets)

Schedule of Investments October 31, 2008 (Unaudited)

| | Municipal Bonds | Par (000) | Value |
|-----------------|---|----------------------|--------------|
| Revenue | Michigan Higher Education Facilities Authority, Limited Obligation Refunding Bonds (College for Creative Studies), 5.90%, 6/01/12 (b) | \$ 1,145 | \$ 1,243,184 |
| Revenue | Michigan Higher Education Facilities Authority, Limited Obligation Refunding Bonds (Hope College), Series A, 5.90%, 4/01/32 | 2,250 | 1,851,165 |
| Revenue | Michigan Higher Education Student Loan Authority, Student Loan Bonds, AMT, Series XVII-B, 5.40%, 6/01/18 (g) | 2,500 | 2,292,100 |
| Revenue | Michigan Higher Education Student Loan Authority, Student Loan Bonds, AMT, Series XVII-Q, 5%, 3/01/31 (g) | 3,000 | 2,208,330 |
| Government Loan | Michigan Municipal Bond Authority Revenue Bonds (Local Program), Group A, 5.50%, 11/01/20 (g) | 1,065 | 1,068,589 |
| (Facilities | Michigan State Building Authority, Revenue Refunding Bonds Program), Series I, 5.50%, 10/15/10 (a) | 7,250 | 7,575,308 |
| (Facilities | Michigan State Building Authority, Revenue Refunding Bonds | | |

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| | | | |
|------------------|---|--------|------------|
| | Program), Series I, 5.50%, 10/15/11 (a) | 15,030 | 15,825,839 |
| (Facilities | Michigan State Building Authority, Revenue Refunding Bonds | | |
| | Program), Series I, 5.50%, 10/15/18 (c) | 2,500 | 2,607,050 |
| (Facilities | Michigan State Building Authority, Revenue Refunding Bonds | | |
| | Program), Series II, 5%, 10/15/29 (c) | 3,500 | 3,246,845 |
| | Michigan State, COP, 5.40%, 6/01/22 (e)(g)(h) | 3,000 | 1,445,160 |
| Bonds | Michigan State, HDA, Limited Obligation M/F Housing Revenue | | |
| | (Deaconess Towers Apartments), AMT, 5.25%, 2/20/48 (i) | 1,000 | 741,120 |
| Bonds | Michigan State, HDA, Limited Obligation M/F Housing Revenue | | |
| | (Williams Pavilion Apartments), AMT, 4.75%, 4/20/37 (i) | 4,050 | 2,730,024 |
| Series A, 5.30%, | Michigan State, HDA, Rental Housing Revenue Bonds, AMT, | | |
| | 10/01/37 (c) | 200 | 154,232 |
| Bonds | Michigan State Hospital Finance Authority, Hospital Revenue | | |
| | (Mid-Michigan Obligation Group), Series A, 5.50%, 4/15/18 (g) | 2,530 | 2,546,268 |
| Refunding | Michigan State Hospital Finance Authority, Hospital Revenue | | |
| | Bonds (Crittenton Hospital), Series A, 5.625%, 3/01/27 | 2,200 | 1,931,182 |
| Refunding | Michigan State Hospital Finance Authority, Hospital Revenue | | |
| | Bonds (Oakwood Obligated Group), Series A, 5%, 7/15/25 | 4,100 | 3,309,684 |
| Refunding | Michigan State Hospital Finance Authority, Hospital Revenue | | |
| | Bonds (Oakwood Obligated Group), Series A, 5%, 7/15/37 | 630 | 457,367 |
| Refunding | Michigan State Hospital Finance Authority, Hospital Revenue | | |
| | Bonds (Sparrow Obligated Group), 5%, 11/15/31 | 3,100 | 2,378,258 |
| (McLaren Health | Michigan State Hospital Finance Authority Revenue Bonds | | |
| | Care Corporation), Series C, 5%, 8/01/35 | 1,000 | 781,470 |
| (Mid-Michigan | Michigan State Hospital Finance Authority Revenue Bonds | | |

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| | | | |
|--------------|---|-------|-----------|
| | Obligor Group), Series A, 5%, 4/15/36 | 1,750 | 1,306,883 |
| Health | Michigan State Hospital Finance Authority Revenue Bonds (Trinity Credit Group), Series A, 6.25%, 12/01/28 | 930 | 909,159 |
| Health | Michigan State Hospital Finance Authority Revenue Bonds (Trinity Credit Group), Series A, 6.50%, 12/01/33 | 1,000 | 984,140 |
| Bonds | Michigan State Hospital Finance Authority, Revenue Refunding (Ascension Health Credit), Series A, 6.25%, 11/15/09 (b)(c) | 2,500 | 2,623,325 |
| Bonds (Henry | Michigan State Hospital Finance Authority, Revenue Refunding Ford Health System), Series A, 5.25%, 11/15/46 | 2,500 | 1,860,450 |

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BlackRock MuniYield Michigan Insured Fund, Inc.
Schedule of Investments October 31, 2008 (Unaudited)

| | Municipal Bonds | Par (000) |
|----------------|---|----------------------|
| Bonds | Michigan State Hospital Finance Authority, Revenue Refunding (McLaren Health Care Corporation), 5.75%, 5/15/38 | \$ 4,500 |
| Bonds (Saint | Michigan State Hospital Finance Authority, Revenue Refunding John Hospital), Series A, 6%, 5/15/13 (e)(g) | 3,000 |
| Bonds (Trinity | Michigan State Hospital Finance Authority, Revenue Refunding Health Credit Group), Series A, 6%, 12/01/20 | 2,200 |

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Income statement data:

Interest income

Interest expense

Net interest income before

Provision for loan losses

Net interest income after

Non-interest income

Non-interest expense

Income before income tax

Provision for income tax

Net income

Share and per share data:

Basic earnings per common

Diluted earnings per share

Cash dividends declared

Book value per share at

Common shares outstanding

Balance sheet data:

Total assets

Cash and cash equivalents

Investment securities

Total loans

Allowance for loan losses

Loans, net

Deposits

Stockholders' equity

Asset quality:

Non-performing loans⁽¹⁾

Allowance for loan losses

Allowance for loan losses
Total non-performing loans
Total non-performing loans
Total non-performing loans

(1)

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Income statement data

Total interest income

Total interest expense

Net interest income

Provision for loan losses

Net interest income after

Non-interest income

Non-interest expense

Income before income tax

Income tax expense

Net income

Preferred stock dividends

Net income available to

Common share and per

Basic earnings per common

Diluted earnings per common

Diluted earnings per common

Book value per common

Tangible book value per

Dividends common

Average common shares

Average diluted shares

Performance ratios:

Return on average assets

Return on average assets

Return on average common

Return on average tangible

Net interest margin⁽¹⁰⁾

Efficiency ratio⁽³⁾

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Asset quality:

Non-performing non-co
Non-performing non-co
Allowance for loan loss
Allowance for loans loss
Net charge-offs on loans

Balance sheet data:

Total assets
Investment securities a
Investment securities h
Loans receivable not co
Loans receivable covere
Allowance for loan loss
Intangible assets
Non-interest-bearing dep
Total deposits
Subordinated debentures
Stockholders equity

Capital ratios:

Common equity to asset
Tangible common equity
Tier 1 leverage ratio⁽⁴⁾
Tier 1 risk-based capital
Total risk-based capital
Dividend payout comm

- (a)
- (1)
- (2)
- (3)
- (4)

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(5)
(6)
(7)
(8)
(9)
(10)

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(In thousands except p

Interest income

Loans

Investment securities

Taxable

Tax-exempt

Deposits other banks

Federal funds sold

Other

Total interest income

Interest expense

Interest on deposits

Federal funds purchased

FHLB borrowed funds

Securities sold under ag

Subordinated debentures

Total interest expense

Net interest income

Provision for loan losses

Net interest income aft

Non-interest income

Service charges on depo

Other service charges an

Mortgage lending incom

Insurance commissions

Income from title servic

Increase in cash value o

Dividends from FHLB,

Gain on sale of SBA loa

Gain (loss) on sale of pr

Gain (loss) on OREO, n

Gain (loss) on securities

FDIC indemnification a

Other income

Total non-interest income

Non-interest expense

Salaries and employee benefits

Occupancy and equipment

Data processing expense

Other operating expense

Total non-interest expense

Income before income tax

Income tax expense

Net income available to common shareholders

Preferred stock dividends

Net income available to common shareholders

Basic earnings per common share

Diluted earnings per common share

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- (a)
- (b)
- (c)
- (d)
- (e)
- (f)
- (g)
- (h)
- (i)
- (j)

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- (4)
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(10)

