

BLACKROCK MUNICIPAL INCOME TRUST II
Form N-CSRS
May 06, 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 811-21126

Name of Fund: BlackRock Municipal Income Trust II (BLE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Municipal Income Trust II, 55 East 52nd Street,
New York, NY 10055

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

Date of fiscal year end: 08/31/2011

Date of reporting period: 02/28/2011

Item 1 Report to Stockholders

February 28, 2011

Semi-Annual Report (Unaudited)

BlackRock Municipal Income Quality Trust (BYM)

BlackRock Municipal Income Investment Quality Trust (BAF)

BlackRock Municipal Bond Trust (BBK)

BlackRock Municipal Bond Investment Trust (BIE)

BlackRock Municipal Income Trust II (BLE)

BlackRock MuniHoldings Investment Quality Fund (MFL)

BlackRock MuniVest Fund, Inc. (MVF)

**Not FDIC Insured No
Bank Guarantee May
Lose Value**

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Dear Shareholder

Over the past 12 months, we have seen a sluggish, stimulus-driven economic recovery at long last gain real traction, accelerate, and transition into a consumption-driven expansion. For the most part, 2010 was plagued with widely fluctuating economic data, but as the year drew to a close, it became clear that cyclical stimulus had beaten out structural problems as economic data releases generally became more positive and financial markets showed signs of continuing improvement. Although the sovereign debt crises and emerging market inflation that troubled the global economy in 2010 remain a challenge, overall investor sentiment considerably improved. Near the end of the period, geopolitical tensions across the Middle East North Africa (MENA) region along with rising oil prices introduced new cause for concern about the future of the global economy. As of this writing, economic news remains fairly positive although we face additional uncertainties related to the aftermath of the devastating earthquake in Japan, with particular focus on the damage to nuclear power plants.

In the United States, strength from the corporate sector and increasing consumer spending have been key drivers of economic growth, while the housing and labor markets have been the heaviest burdens. While housing has yet to show any meaningful sign of improvement, labor statistics have delivered a mixed bag month after month, but became increasingly encouraging toward the end of the period when the unemployment rate fell to its lowest level since April 2009.

Global equity markets experienced uneven growth and high volatility over the course of 2010, but ended the year strong. Following a strong start to 2011, stocks lost their momentum on the back of geopolitical events in the MENA region and a sharp rise in oil prices. Overall, equities posted strong returns for the 12-month period. US stocks outpaced most international markets and small cap stocks outperformed large caps as investors moved into higher-risk assets.

Fixed income markets saw yields trend lower over most of 2010, until the fourth quarter brought an abrupt reversal in sentiment and risk tolerance that drove yields sharply upward (pushing bond prices down) through year end. Improving economic data continued to pressure fixed income yields in 2011; however, escalating geopolitical risks have acted as a counterweight, restoring relative stability to yield movements. Nevertheless, the yield curve remained steep and higher-risk sectors outperformed the fixed income market.

The tax-exempt municipal market enjoyed a powerful rally during the period of low interest rates in 2010; however, when the yield trend reversed, the market was dealt an additional blow as it became evident that the Build America Bond program would expire at year end. In addition, negative headlines regarding fiscal challenges faced by state and local governments damaged investor confidence and further heightened volatility in the municipal market. Tax-exempt mutual funds experienced heavy outflows, resulting in wider quality spreads and further downward pressure on municipal bond prices. These headwinds began to abate as the period came to a close and municipals finally posted gains in February, following a five-month run of negative performance.

Cash investments, as represented by the 3-month Treasury bill, returned only a fraction over 0% for the 12-month period as short-term interest rates remained low. Yields on money market securities remain near all-time lows.

Total returns as of February 28, 2011	6-month	12-month
US large cap equities (S&P 500 Index)	27.73%	22.57%
US small cap equities (Russell 2000 Index)	37.55	32.60
International equities (MSCI Europe, Australasia, Far East Index)	23.77	20.00
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.07	0.14
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	(6.04)	4.76
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	(0.83)	4.93
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	(3.51)	1.72

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US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)

10.05

17.34

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

While no one can peer into a crystal ball and eliminate the uncertainties presented by the economic landscape and financial markets, BlackRock can offer investors the next best thing: partnership with the world's largest asset management firm and a unique global perspective that allows us to identify trends early and capitalize on market opportunities. For additional market perspective and investment insight, visit www.blackrock.com/shareholdermagazine, where you'll find the most recent issue of our award-winning *Shareholder*® magazine, as well as its quarterly companion newsletter, *Shareholder Perspectives*. As always, we thank you for entrusting BlackRock with your investments, and we look forward to your continued partnership in the months and years ahead.

Sincerely,

Rob Kopito
President, BlackRock Advisors, LLC

THIS PAGE NOT PART OF YOUR FUND REPORT

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Municipal Market Overview

As of February 28, 2011

The municipal market began the six-month period with yields at historic lows as investor concerns were focused on the possibility of deflation and a double-dip in the US economy. However, as these fears soon abated, yields began drifting higher in October, and ultimately, a perfect storm of negative events resulted in the worst quarterly performance that the municipal market has seen since the Fed tightening cycle of 1994. Treasury yields lost their support as concerns about the US deficit raised questions over the willingness of foreign investors to continue to purchase Treasury securities, at least at the previous historically low yields. Municipal valuations also suffered a quick and severe setback as it became evident that the Build America Bond (BAB) program would expire at year-end. The program had opened the taxable market to municipal issuers, which had successfully alleviated supply pressure in the traditional tax-exempt marketplace, bringing down yields in that space.

The financial media has been replete with interviews, articles and presentations publicizing the stress experienced in municipal finance, resulting in a loss of confidence among retail investors who buy individual bonds or mutual funds. From the middle of November through year-end, funds specializing in tax-exempt bonds witnessed weekly outflows averaging over \$2.5 billion. Long-term and high-yield funds saw the greatest redemptions, followed by state-specific funds to a lesser but still significant degree. Demand usually is strong at the beginning of a new year against a backdrop of low new-issue supply, but the mutual fund outflows continued into February, putting additional upward pressure on municipal yields. Political uncertainty surrounding the midterm elections and the approach taken by the new Congress on issues such as income tax rates and alternative minimum tax (and the previously mentioned BAB non-extension) exacerbated the situation. All these conditions, combined with the seasonal illiquidity surrounding year-end holidays and dealers closing their fiscal books, sapped willing market participation from the trading community.

As demand for municipal securities from traditional retail investors was declining and trading desk liquidity was being curtailed, there was no comparable reduction in supply. As it became evident that the BAB program would be retired, issuers rushed deals to market both in the taxable municipal space and, to a lesser degree, in the traditional tax-exempt space. This imbalance in the supply/demand technicals provided the classic market action, leading to wider quality spreads and higher bond yields. The municipal curve steepened as the issuance was concentrated in longer (greater than 20-year) maturities. Curve steepening that began in October accelerated in November, spurred on by Treasury weakness, heavy supply and record outflows. As measured by Thomson Municipal Market Data, yields on AAA-rated municipals rose nearly 103 basis points (bps) for maturities 25 years and longer from August 31, 2010, to February 28, 2011. The spread between two-year and 30-year maturities widened from 332 bps to 398 bps over the period.

The fundamental picture for municipalities will be subject to scrutiny for months to come, as the challenges to state and local budgets are real and need to be addressed with significant cuts to expenses and tax revenue increases. The debates around austerity measures needed to succeed in balancing these budgets are not over whether action needs to be taken, but over degree, approach and political will to accomplish these needs. The attention shone upon municipal finance has the potential to improve this market for the future if these efforts result in greater means toward disclosure and accuracy (and timeliness) of reporting. Early tests to judge progress will come soon as California, Illinois and Puerto Rico need to take austerity measures and access financing in the municipal market to address relatively immediate fiscal imbalances. BlackRock favors a more constructive outlook for the municipal market as the typical, and this year particularly atypical, weakness passes.

Trust Summary as of February 28, 2011

BlackRock Municipal Income Quality Trust

Trust Overview

Effective November 9, 2010, BlackRock Insured Municipal Income Trust changed its name to BlackRock Municipal Income Quality Trust.

BlackRock Municipal Income Quality Trust s (BYM) (the Trust) investment objective is to provide current income exempt from federal income taxes, including the alternative minimum tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax. The Trust also invests primarily in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

Effective November 9, 2010, the Trust s investment policy was changed by the removal of the insurance investment policy that required at least 80% of its assets to be invested in insured municipal securities. Accordingly, the Trust was moved from the Lipper Insured Municipal Debt Funds (Leveraged) category into the Lipper General Municipal Debt Funds (Leveraged) category. For the six months ended February 28, 2011, the Trust returned (9.53)% based on market price and (7.89)% based on net asset value (NAV). For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (10.86)% based on market price and (7.86)% based on NAV, and the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of (11.51)% based on market price and (6.90)% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s performance was negatively impacted by its long duration during a period of rising rates. The Trust s holdings of longer maturity bonds also detracted from performance as the municipal yield curve bear-steepened (long rates increased more than short rates). Conversely, the Trust s performance was positively impacted by its holdings of pre-refunded bonds and securities with higher coupons that are priced to shorter call dates. These types of securities performed well due to their shorter duration as municipal rates rose sharply. In addition, the Trust benefited from its holdings in the housing sector, which had strong performance over the period.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on New York Stock Exchange (NYSE)	BYM
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 28, 2011 (\$13.34) ¹	6.93%
Tax Equivalent Yield ²	10.66%
Current Monthly Distribution per Common Share ³	\$0.077
Current Annualized Distribution per Common Share ³	\$0.924

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Leverage as of February 28, 2011⁴

39%

- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution rate is not constant and is subject to change.
- ⁴ Represents Auction Market Preferred Shares (Preferred Shares) and tender option bond trusts (TOBs) as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Trust's market price and NAV per share:

	2/28/11	8/31/10	Change	High	Low
Market Price	\$ 13.34	\$ 15.26	(12.58)%	\$ 15.42	\$ 11.71
Net Asset Value	\$ 13.03	\$ 14.64	(11.00)%	\$ 14.69	\$ 12.20

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

	2/28/11	8/31/10
Transportation	23%	21%
Utilities	21	24
County/City/Special District/School District	21	21
State	15	15
Health	7	7
Tobacco	6	6
Education	3	3
Corporate	2	2
Housing	2	1

Credit Quality Allocations⁵

	2/28/11	8/31/10
AAA/Aaa	25%	57%
AA/Aa	54	24
A	12	12
BBB/Baa	9	5

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- ⁵ Using the higher of Standard & Poor's (S&P's) or Moody's Investors Service (Moody's) ratings.
- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010, the market value of these securities was \$10,513,600 representing 2% of the Trust's long-term investments.

Trust Summary as of February 28, 2011

BlackRock Municipal Income Investment Quality Trust

Trust Overview

Effective November 9, 2010, BlackRock Insured Municipal Income Investment Trust changed its name to BlackRock Municipal Income Investment Quality Trust.

BlackRock Municipal Income Investment Quality Trust s (BAF) (the Trust) investment objective is to provide current income exempt from federal income tax, including the alternative minimum tax and Florida intangible property tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax. The Trust also invests primarily in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, the Board approved an amended policy in September 2008, allowing the Trust the flexibility to invest in municipal obligations regardless of geographical location.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

Effective November 9, 2010, the Trust s investment policy was changed by the removal of the insurance investment policy that required at least 80% of its assets to be invested in insured municipal securities. Accordingly, the Trust was moved from the Lipper Insured Municipal Debt Funds (Leveraged) category into the Lipper General Municipal Debt Funds (Leveraged) category. For the six months ended February 28, 2011, the Trust returned (13.50)% based on market price and (7.61)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (10.86)% based on market price and (7.86)% based on NAV, and the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of (11.51)% based on market price and (6.90)% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s holdings of high-quality essential service bonds with premium coupons (6% or higher) benefited performance, as they held their value better than lower-coupon bonds in the rising interest rate environment. Conversely, exposure to longer-duration and longer-maturity bonds detracted from performance as the long end of the yield curve steepened during the period. Additionally, holdings in health care and transportation hindered performance as both sectors underperformed the broad municipal market.

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Trust Information

Symbol on NYSE	BAF
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 28, 2011 (\$13.10) ¹	6.82%
Tax Equivalent Yield ²	10.49%

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Current Monthly Distribution per Common Share ³	\$0.0745
Current Annualized Distribution per Common Share ³	\$0.8940
Leverage as of February 28, 2011 ⁴	37%

- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution rate is not constant and is subject to change.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Trust's market price and NAV per share:

	2/28/11	8/31/10	Change	High	Low
Market Price	\$ 13.10	\$ 15.64	(16.24)%	\$ 15.92	\$ 11.92
Net Asset Value	\$ 13.49	\$ 15.08	(10.54)%	\$ 15.08	\$ 12.76

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

	2/28/11	8/31/10
County/City/Special District/School District	33%	36%
Utilities	26	27
Transportation	15	15
Health	12	10
State	11	11
Education	1	
Housing	1	1
Tobacco	1	

Credit Quality Allocations⁵

	2/28/11	8/31/10
AAA/Aaa	8%	59%
AA/Aa	79	25
A	9	13
BBB/Baa	4	

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010, the market value of these securities was \$5,171,100 representing 3% of the Trust's long-term investments.

Trust Summary as of February 28, 2011

BlackRock Municipal Bond Trust

Trust Overview

BlackRock Municipal Bond Trust s (BBK) (the Trust) investment objective is to provide current income exempt from regular federal income tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from regular federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its assets in municipal bonds that are investment grade quality. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2011, the Trust returned (10.59)% based on market price and (8.61)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (10.86)% based on market price and (7.86)% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s exposure to the long end of the yield curve and holdings of low-coupon, long-duration bonds during a period of rising rates had a negative impact on performance. The Trust s exposure to Puerto Rico credits and the health sector also detracted from performance, as did holdings of lower-quality credits, where spreads widened amid the backdrop of poor relative performance across the municipal market. Conversely, the Trust benefited from its holdings of tax-backed credits (state, county, city and school district) as well as its exposure to corporate-backed credits, which experienced some buy-side demand from non-traditional cross-over buyers.

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Trust Information

Symbol on NYSE	BBK
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 28, 2011 (\$13.61) ¹	7.58%
Tax Equivalent Yield ²	11.66%
Current Monthly Distribution per Common Share ³	\$0.086
Current Annualized Distribution per Common Share ³	\$1.032
Leverage as of February 28, 2011 ⁴	38%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

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- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ A change in the distribution rate was declared on March 1, 2011. The Monthly Distribution per Common Share was increased to \$0.0885. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Trust's market price and NAV per share:

	2/28/11	8/31/10	Change	High	Low
Market Price	\$ 13.61	\$ 15.79	(13.81)%	\$ 16.00	\$ 12.20
Net Asset Value	\$ 13.47	\$ 15.29	(11.90)%	\$ 15.30	\$ 12.70

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

	2/28/11	8/31/10
Health	24%	23%
Housing	15	14
State	14	15
County/City/Special District/School District	11	13
Corporate	10	8
Education	10	10
Transportation	9	9
Utilities	5	5
Tobacco	2	3

Credit Quality Allocations⁵

	2/28/11	8/31/10
AAA/Aaa	8%	26%
AA/Aa	40	20
A	19	22
BBB/Baa	19	20
BB/Ba	5	1
B	3	3
CCC/Caa	1	1
Not Rated ⁶	5	7

- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2011 and August 31, 2010, the market value of these securities was \$4,946,681 representing 2% and \$6,207,616 representing 3%, respectively, of the Trust's long-term investments.

Trust Summary as of February 28, 2011

BlackRock Municipal Bond Investment Trust

Trust Overview

BlackRock Municipal Bond Investment Trust s (BIE) (the Trust) investment objective is to provide current income exempt from regular federal income tax and Florida intangible personal property tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, the Board approved an amended policy in September 2008, allowing the Trust the flexibility to invest in municipal obligations regardless of geographical location.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2011, the Trust returned (13.80)% based on market price and (9.43)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (10.86)% based on market price and (7.86)% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. Exposure to longer-duration and longer-maturity bonds detracted from the Trust s performance as the long end of the yield curve steepened during the period. Additionally, holdings in health care and transportation hindered performance as both sectors underperformed the broad municipal market. Conversely, exposure to housing and corporate-backed bonds aided performance as both sectors outperformed the broad municipal market. The Trust s holdings of high-quality essential service bonds with premium coupons (6% or higher) also benefited performance, as they held their value better than lower-coupon bonds in the rising interest rate environment.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE	BIE
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 28, 2011 (\$13.00) ¹	7.27%
Tax Equivalent Yield ²	11.18%
Current Monthly Distribution per Common Share ³	\$0.0788
Current Annualized Distribution per Common Share ³	\$0.9456
Leverage as of February 28, 2011 ⁴	43%

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- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ A change in the distribution rate was declared on March 1, 2011. The Monthly Distribution per Common Share was increased to \$0.081. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Trust's market price and NAV per share:

	2/28/11	8/31/10	Change	High	Low
Market Price	\$ 13.00	\$ 15.60	(16.67)%	\$ 15.76	\$ 12.14
Net Asset Value	\$ 13.58	\$ 15.51	(12.44)%	\$ 15.51	\$ 12.76

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

	2/28/11	8/31/10
Health	23%	22%
Utilities	19	18
Transportation	18	18
County/City/Special District/School District	17	19
State	8	8
Education	8	8
Housing	5	5
Corporate	1	1
Tobacco	1	1

Credit Quality Allocations⁵

	2/28/11	8/31/10
AAA/Aaa	10%	14%
AA/Aa	66	64
A	18	17
BBB/Baa	5	4
BB/Ba	1	
Not Rated		1

⁵ Using the higher of S&P's or Moody's ratings.

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SEMI-ANNUAL REPORT

FEBRUARY 28, 2011

Trust Summary as of February 28, 2011

BlackRock Municipal Income Trust II

Trust Overview

BlackRock Municipal Income Trust II s (BLE) (the Trust) investment objective is to provide current income exempt from regular federal income tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended February 28, 2011, the Trust returned (11.27)% based on market price and (6.98)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (10.86)% based on market price and (7.86)% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. At the beginning of the period, the Trust s longer duration stance was beneficial as rates declined and credit spreads tightened; however, the sharp reversal of these trends mid-period resulted in an overall negative impact on performance for the period. In addition, the Trust s emphasis on lower-quality bonds hurt performance as credit spreads widened over the period. Contributing positively to performance was the Trust s reduced exposure to the tobacco sector, which was the worst performing sector for the period. Additionally, a general reduction of capital appreciation bond (CAB) holdings proved beneficial in the rising rate environment as CABs are highly sensitive to interest rate fluctuations.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE Amex	BLE
Initial Offering Date	July 30, 2002
Yield on Closing Market Price as of February 28, 2011 (\$13.02) ¹	7.70%
Tax Equivalent Yield ²	11.85%
Current Monthly Distribution per Common Share ³	\$0.0835
Current Annualized Distribution per Common Share ³	\$1.0020
Leverage as of February 28, 2011 ⁴	38%

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- 1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- 2 Tax equivalent yield assumes the maximum federal tax rate of 35%.
- 3 The distribution rate is not constant and is subject to change.
- 4 Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Trust's market price and NAV per share:

	2/28/11	8/31/10	Change	High	Low
Market Price	\$ 13.02	\$ 15.22	(14.45)%	\$ 15.35	\$ 11.87
Net Asset Value	\$ 13.12	\$ 14.63	(10.32)%	\$ 14.63	\$ 12.41

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

	2/28/11	8/31/10
Health	20%	19%
State	18	17
Utilities	12	13
Corporate	11	11
Transportation	11	11
County/City/Special District/School District	10	12
Education	8	7
Housing	6	6
Tobacco	4	4

Credit Quality Allocations⁵

	2/28/11	8/31/10
AAA/Aaa	13%	18%
AA/Aa	28	21
A	29	30
BBB/Baa	15	17
BB/Ba	5	1
B	4	6
CCC/Caa	1	1
Not Rated ⁶	5	6

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- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2011 and August 31, 2010, the market value of these securities was \$7,192,827 representing 1% and \$13,839,185 representing 3%, respectively, of the Trust's long-term investments.

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Trust Summary as of February 28, 2011

BlackRock MuniHoldings Investment Quality Fund

Trust Overview

Effective November 9, 2010, BlackRock MuniHoldings Insured Investment Fund changed its name to BlackRock MuniHoldings Investment Quality Fund.

BlackRock MuniHoldings Investment Quality Fund s (MFL) (the Trust) investment objective is to provide shareholders with current income exempt from federal income tax and to provide shareholders with the opportunity to own shares the value of which is exempt from Florida intangible personal property tax. The Trust seeks to achieve its investment objective by investing primarily in long-term, investment grade municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, the Board approved an amended policy in September 2008, allowing the Trust the flexibility to invest in municipal obligations regardless of geographical location.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

Effective November 9, 2010, the Trust s investment policy was changed by the removal of the insurance investment policy that required at least 80% of its assets to be invested in insured municipal securities. Accordingly, the Trust was moved from the Lipper Insured Municipal Debt Funds (Leveraged) category into the Lipper General Municipal Debt Funds (Leveraged) category. For the six months ended February 28, 2011, the Trust returned (10.49)% based on market price and (8.76)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (10.86)% based on market price and (7.86)% based on NAV, and the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of (11.51)% based on market price and (6.90)% based on NAV. All returns reflect reinvestment of dividends. The Trust s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. Exposure to longer-duration and longer-maturity bonds detracted from the Trust s performance as the long end of the yield curve steepened during the period. Additionally, holdings in health care and transportation hindered performance as both sectors underperformed the broad municipal market. Conversely, exposure to housing bonds aided performance as that sector outperformed the broad municipal market. The Trust s holdings of high-quality essential service bonds with premium coupons (6% or higher) also benefited performance, as they held their value better than lower-coupon bonds in the rising interest rate environment.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE
Initial Offering Date

MFL
September 26, 1997

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Yield on Closing Market Price as of February 28, 2011 (\$12.68) ¹	7.10%
Tax Equivalent Yield ²	10.92%
Current Monthly Distribution per Common Share ³	\$0.075
Current Annualized Distribution per Common Share ³	\$0.900
Leverage as of February 28, 2011 ⁴	41%

- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- ² The equivalent yield assumes the maximum federal tax rate of 35%.
- ³ A change in the distribution rate was declared on March 1, 2011. The Monthly Distribution per Common Share was increased to \$0.0765. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Trust's market price and NAV per share:

	2/28/11	8/31/10	Change	High	Low
Market Price	\$ 12.68	\$ 14.65	(13.45)%	\$ 14.87	\$ 11.68
Net Asset Value	\$ 12.96	\$ 14.69	(11.78)%	\$ 14.69	\$ 12.23

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

	2/28/11	8/31/10
Utilities	26%	26%
Transportation	24	27
County/City/Special District/School District	18	18
Health	12	11
State	11	12
Housing	5	4
Education	3	2
Tobacco	1	

Credit Quality Allocations⁵

2/28/11 8/31/10

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AAA/Aaa	6%	64%
AA/Aa	82	24
A	8	11
BBB/Baa	3	
Not Rated ⁶	1	1

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2011 and August 31, 2010, the market value of these securities was \$3,022,118 representing 1% and \$5,793,997 representing 1%, respectively, of the Trust's long-term investments.

Trust Summary as of February 28, 2011

BlackRock MuniVest Fund, Inc.

Trust Overview

BlackRock MuniVest Fund, Inc. s (MVF) (the Trust) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management. The Trust seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, primarily in long term municipal obligations rated investment grade at the time of investment and invests primarily in long term municipal obligations with maturities of more than ten years at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved

Performance

For the six months ended February 28, 2011, the Trust returned (9.59)% based on market price and (7.91)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (10.86)% based on market price and (7.86)% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. At the beginning of the period, the Trust benefited from tightening credit quality spreads driven by generous investor cash flows into tax-exempt mutual funds. Spreads were pushed even tighter by heightened demand from taxable investors for corporate-backed municipal debt due to its attractive valuation relative to the corporate sector. In this environment of strong demand, we were able to sell lower-quality securities that had outperformed and had previously been very limited in their liquidity. Toward the end of the period, the Trust s position in cash and cash equivalents proved beneficial when the municipal market saw net cash flows into mutual funds turn dramatically negative. However, as municipal rates rose on credit concerns and the Build America Bonds program neared its expiration, while long-term investment rates (i.e., rates on US Treasuries and other fixed income securities) were generally increasing, the Trust s longer duration stance had an overall negative impact on performance.

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Trust Information

Symbol on NYSE Amex	MVF
Initial Offering Date	September 29, 1988
Yield on Closing Market Price as of February 28, 2011 (\$9.04) ¹	7.83%
Tax Equivalent Yield ²	12.05%
Current Monthly Distribution per Common Share ³	\$0.059
Current Annualized Distribution per Common Share ³	\$0.708
Leverage as of February 28, 2011 ⁴	43%

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- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution rate is not constant and is subject to change.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Trust's market price and NAV per share:

	2/28/11	8/31/10	Change	High	Low
Market Price	\$ 9.04	\$ 10.38	(12.91)%	\$ 10.45	\$ 8.53
Net Asset Value	\$ 8.88	\$ 10.01	(11.29)%	\$ 10.03	\$ 8.45

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

	2/28/11	8/31/10
Health	24%	22%
Corporate	16	17
Transportation	15	13
Utilities	11	12
County/City/Special District/School District	10	10
State	8	8
Education	7	7
Housing	7	7
Tobacco	2	4

Credit Quality Allocations⁵

	2/28/11	8/31/10
AAA/Aaa	18%	23%
AA/Aa	41	35
A	23	23
BBB/Baa	15	15
B		1
Not Rated ⁶	3	3

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- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2011 and August 31, 2010, the market value of these securities was \$12,857,530 representing 1% and \$21,938,423 representing 2%, respectively, of the Trust's long-term investments.

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The Benefits and Risks of Leveraging

The Trusts may utilize leverage to seek to enhance the yield and NAV of their common shares (Common Shares). However, these objectives cannot be achieved in all interest rate environments.

To leverage, the Trusts issue preferred shares (Preferred Shares), which pay dividends at prevailing short-term interest rates, and invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally be lower than the income earned by each Trust on its longer-term portfolio investments. To the extent that the total assets of each Trust (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Trust's holders of Common Shares (Common Shareholders) will benefit from the incremental net income.

To illustrate these concepts, assume a Trust's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Trust pays dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the securities purchased by the Trust with assets received from the Preferred Shares issuance earn income based on long-term interest rates. In this case, the dividends paid to holders of Preferred Shares (Preferred Shareholders) are significantly lower than the income earned on the Trust's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup on the Common Shares will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Trust pays interest expense on the higher short-term interest rate whereas the Trust's total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Trusts' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Trusts' Preferred Shares and/or debt securities does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trusts' NAV positively or negatively in addition to the impact on Trust performance from leverage from Preferred Shares discussed above.

The Trusts may also leverage their assets through the use of TOBs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Trusts with economic benefits in periods of declining short-term interest rates, but expose the Trusts to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Trusts, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB may adversely affect each Trust's NAV per share.

The use of leverage may enhance opportunities for increased returns to the Trusts and Common Shareholders, but as described above, it also creates risks as short or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Trusts' NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, each Trust's net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, the Trusts' net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Shareholders will be reduced. Each Trust may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Trust to incur losses. The use of leverage may limit each Trust's ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate Preferred Shares issued by the Trust. Each Trust will incur expenses in connection with the use of leverage, all of which are borne by the Common Shareholders and may reduce income to the Common Shares.

Under the Investment Company Act of 1940, the Trusts are permitted to issue Preferred Shares in an amount up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Trust anticipates that the total economic leverage from Preferred Shares and/or TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of February 28, 2011, the Trusts had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

	Percent of Leverage
BYM	39%
BAF	37%
BBK	38%
BIE	43%
BLE	38%
MFL	41%
MVF	43%

Derivative Financial Instruments

The Trusts may invest in various derivative instruments, including financial futures contracts, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative instrument. Each Trust's ability to use a derivative instrument successfully depends on the investment advisor's ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require a Trust to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Trust can realize on an investment, may result in lower distributions paid to shareholders or may cause the Trusts to hold an investment that they might otherwise sell. The Trusts' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments February 28, 2011 (Unaudited)

BlackRock Municipal Income Quality Trust (BYM)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 3.9%		
Alabama State Docks Department, Refunding RB, 6.00%, 10/01/40	\$ 3,800	\$ 3,742,848
Birmingham Airport Authority, RB (AGM), 5.50%, 7/01/40	5,800	5,651,230
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/39	1,495	1,556,609
County of Jefferson Alabama, RB, Series A, 4.75%, 1/01/25	2,800	2,301,124
		13,251,811
Arizona 0.6%		
State of Arizona, COP, Department of Administration, Series A (AGM):		
5.00%, 10/01/27	1,500	1,504,080
5.25%, 10/01/28	650	658,034
		2,162,114
California 30.1%		
California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.75%, 7/01/39	625	625,356
California Infrastructure & Economic Development Bank, RB, Bay Area Toll Bridges, First Lien, Series A (AMBAC), 5.00%, 1/01/28 (a)	10,100	11,328,564
Coast Community College District California, GO, Refunding, CAB, Election of 2002, Series C (AGM):		
5.58%, 8/01/13 (b)	7,450	6,009,319
5.40%, 8/01/36 (c)	4,200	743,022
Fresno Unified School District California, GO, Election of 2001, Series E (AGM), 5.00%, 8/01/30	1,100	1,047,420
Golden State Tobacco Securitization Corp. California, RB, Series 2003-A-1 (a):		
6.63%, 6/01/13	6,500	7,320,560
6.75%, 6/01/13	14,500	16,370,790
Los Angeles Municipal Improvement Corp., RB, Series B1 (NPFGC), 4.75%, 8/01/37	4,000	3,406,840
Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC), 5.00%, 10/01/33	17,500	17,600,450
Monterey Peninsula Community College District, GO, CAB, Series C (AGM) (c):		
5.15%, 8/01/31	13,575	3,358,862
5.16%, 8/01/32	14,150	3,230,728
Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/31	2,500	2,526,700

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Sacramento Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/30	2,700	2,666,871
	Par (000)	Value
Municipal Bonds		
California (concluded)		
San Diego Unified School District California, GO, CAB, Election of 2008, Series C, 6.86%, 7/01/38 (c)	\$ 2,000	\$ 329,980
San Francisco City & County Public Utilities Commission, Refunding RB, Series A (AGM), 5.00%, 11/01/31	15,000	15,007,800
San Joaquin Hills Transportation Corridor Agency California, Refunding RB, CAB, Series A (NPFGC), 5.50%, 1/15/31 (c)	53,000	9,086,850
San Jose Unified School District Santa Clara County California, GO, Election of 2002, Series B (NPFGC), 5.00%, 8/01/29	2,350	2,359,165
		<u>103,019,277</u>
Colorado 0.3%		
Regional Transportation District, COP, Series A, 5.38%, 6/01/31	960	965,126
District of Columbia 2.6%		
District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40	9,500	8,925,250
Florida 14.6%		
Broward County School Board Florida, COP, Series A (AGM), 5.25%, 7/01/33	2,000	1,896,600
City of Tallahassee Florida, RB (NPFGC), 5.00%, 10/01/32	3,000	2,918,760
County of Broward Florida, RB, Series A, 5.25%, 10/01/34	5,950	5,986,712
County of Duval Florida, COP, Master Lease Program (AGM), 5.00%, 7/01/33	2,800	2,631,272
County of Miami-Dade Florida, RB: CAB, Sub-Series A (NPFGC), 5.25%, 10/01/38 (c)	25,520	3,538,858
Jackson Health System (AGC), 5.75%, 6/01/39	2,300	2,321,735
Water & Sewer System (AGM), 5.00%, 10/01/39	10,100	9,584,799
County of Miami-Dade Florida, Refunding RB (AGM), 5.00%, 7/01/35	1,300	1,231,620
Florida Housing Finance Corp., RB, Homeowner Mortgage, Series 3 (Ginnie Mae), 5.45%, 7/01/33	4,020	4,039,055
Florida State Department of Environmental Protection, RB, Series B (NPFGC), 5.00%, 7/01/27	7,500	7,582,200
Miami-Dade County School Board, COP, Refunding, Series B (AGC), 5.25%, 5/01/31	2,385	2,401,814
Orange County School Board, COP, Series A (AGC), 5.50%, 8/01/34	5,590	5,604,702
Sarasota County Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39	300	297,663
		<u>50,035,790</u>

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedules of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

ACA	ACA Financial Guaranty Corp.
AGC	Assured Guaranty Corp.
AGM	Assured Guaranty Municipal Corp.
AMBAC	American Municipal Bond Assurance Corp.
AMT	Alternative Minimum Tax (subject to)
ARB	Airport Revenue Bonds
BHAC	Berkshire Hathaway Assurance Corp.
CAB	Capital Appreciation Bonds
CIFG	CDC IXIS Financial Guaranty
COP	Certificates of Participation
EDA	Economic Development Authority
EDC	Economic Development Corp.
ERB	Education Revenue Bonds
FHA	Federal Housing Administration
GARB	General Airport Revenue Bonds
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
HRB	Housing Revenue Bonds
IDA	Industrial Development Authority
IDB	Industrial Development Board
IDRB	Industrial Development Revenue Bonds
ISD	Independent School District
MRB	Mortgage Revenue Bonds
NPFGC	National Public Finance Guarantee Corp.
PILOT	Payment in Lieu of Taxes
PSF-GTD	Permanent School Fund Guaranteed
RB	Revenue Bonds
SBPA	Stand-by Bond Purchase Agreement
S/F	Single-Family
VRDN	Variable Rate Demand Notes

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal Income Quality Trust (BYM)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Georgia 2.6%		
City of Atlanta Georgia, Refunding RB, General, Series C, 6.00%, 1/01/30	\$ 7,500	\$ 8,155,875
Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41	900	853,002
		<u>9,008,877</u>
Hawaii 1.4%		
Hawaii State Harbor, RB, Series A, 5.50%, 7/01/35	5,000	4,843,250
Illinois 5.3%		
Chicago Board of Education Illinois, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26	2,500	2,550,050
Chicago Park District, GO, Harbor Facilities, Series C, 5.25%, 1/01/40	600	584,304
City of Chicago Illinois, RB, Series A (AGC), 5.00%, 1/01/38	7,310	6,838,651
County of Cook Illinois, GO, Refunding, Series A, 5.25%, 11/15/33	1,475	1,449,911
Illinois Municipal Electric Agency, RB, Series A (NPFGC), 5.25%, 2/01/27	4,800	4,853,328
Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28	710	693,535
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34	1,400	1,350,664
		<u>18,320,443</u>
Indiana 2.1%		
Indiana Municipal Power Agency, RB: Series A (NPFGC), 5.00%, 1/01/37	2,050	1,901,355
Series B, 5.75%, 1/01/34	450	453,591
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A: (AGC), 5.50%, 1/01/38	2,000	2,051,020
(NPFGC), 5.50%, 7/01/20	2,630	2,912,146
		<u>7,318,112</u>
Iowa 1.5%		
Iowa Finance Authority, RB, Series A (AGC), 5.63%, 8/15/37	5,000	5,011,550
Kentucky 0.5%		

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Kentucky State Property & Buildings Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/29	1,500	1,537,050
<hr/>		
Louisiana 2.2% State of Louisiana, RB, Series A (AGM), 5.00%, 5/01/31	7,500	7,557,225
<hr/>		