

BLACKROCK MUNICIPAL INCOME TRUST II
Form N-Q
January 26, 2011
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 811-21126

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, 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: 11/30/2010

Item 1 – Schedule of Investments

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Schedule of Investments November 30, 2010 (Unaudited)

BlackRock Municipal Income Trust II (BLE)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|--------------|
| Arizona 4.3% | | |
| Maricopa County Pollution Control Corp., Refunding RB, Southern California Edison Co., Series A, 5.00%, 6/01/35 | \$ 1,870 | \$ 1,828,654 |
| Pima County IDA, Refunding IDRB, Tucson Electric Power, 5.75%, 9/01/29 | 1,210 | 1,220,478 |
| Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38 | 2,135 | 2,179,579 |
| Salt Verde Financial Corp., RB, Senior: 5.00%, 12/01/32 | 5,635 | 5,085,137 |
| 5.00%, 12/01/37 | 3,990 | 3,527,519 |
| | | 13,841,367 |
| California 20.5% | | |
| Bay Area Toll Authority, Refunding RB, San Francisco Bay Area, Series F-1, 5.63%, 4/01/44 | 2,480 | 2,603,380 |
| California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub- Series C, 6.30%, 6/01/55 (a) | 9,710 | 84,865 |
| California HFA, RB, AMT, Home Mortgage: Series G, 5.50%, 8/01/42 | 8,105 | 7,958,543 |
| Series K, 5.50%, 2/01/42 | 2,860 | 2,907,876 |
| California State Public Works Board, RB, Various Capital Projects, Sub-Series I- 1, 6.38%, 11/01/34 | 1,280 | 1,349,286 |
| California Statewide Communities Development Authority, RB, Health Facility, Memorial Health Services, Series A, 5.50%, 10/01/33 | 5,000 | 5,076,450 |
| Los Angeles Department of Airports, RB, Series A, 5.25%, 5/15/39 | 860 | 868,161 |
| Los Angeles Department of Airports, Refunding RB, Senior, Los Angeles International Airport, Series A, 5.00%, 5/15/40 | 6,500 | 6,381,830 |
| Los Angeles Unified School District California, GO: Series D, 5.00%, 7/01/27 | 2,375 | 2,446,773 |
| Series I, 5.00%, 7/01/26 | 1,250 | 1,297,663 |
| Series I, 5.00%, 7/01/27 | 1,750 | 1,802,885 |
| San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39 | 10,340 | 10,525,810 |
| Municipal Bonds | | Value |

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| | Par (000) | |
|--|--------------|--------------|
| California (concluded) | | |
| San Francisco City & County Redevelopment Agency, Special Tax Bonds, District No. 6, Mission Bay South Public Improvements, 6.63%, 8/01/27 | \$ 3,120 | \$ 3,129,110 |
| State of California, GO, Various Purpose: 6.00%, 3/01/33 | 2,760 | 2,945,362 |
| 6.50%, 4/01/33 | 10,670 | 11,772,211 |
| University of California, RB, Limited Project, Series B, 4.75%, 5/15/38 | 5,095 | 4,898,435 |
| | | 66,048,640 |
| Colorado 2.3% | | |
| City of Colorado Springs Colorado, RB, Subordinate Lien, Improvement, Series C (AGM), 5.00%, 11/15/45 | 1,375 | 1,385,161 |
| Colorado Health Facilities Authority, Refunding RB, Series A: Catholic Healthcare, 5.50%, 7/01/34 | 2,330 | 2,418,657 |
| Sisters of Leavenworth, 5.00%, 1/01/40 | 2,400 | 2,338,848 |
| Park Creek Metropolitan District Colorado, Refunding RB, Senior, Limited Tax, Property Tax, 5.50%, 12/01/37 | 1,375 | 1,254,619 |
| | | 7,397,285 |
| Connecticut 0.5% | | |
| Connecticut State Health & Educational Facility Authority, RB, Ascension Health Senior Credit, 5.00%, 11/15/40 | 1,505 | 1,520,125 |
| Delaware 1.3% | | |
| Delaware State EDA, RB, Exempt Facilities, Indian River Power, 5.38%, 10/01/45 | 4,430 | 4,087,428 |
| District of Columbia 6.7% | | |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset- Backed: 6.50%, 5/15/33 | 7,500 | 7,597,350 |
| 6.75%, 5/15/40 | 11,500 | 11,522,080 |
| District of Columbia, Refunding RB, Friendship Public Charter School Inc. (ACA), 5.25%, 6/01/33 | 1,265 | 1,054,643 |

Portfolio Abbreviations

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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 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) |
| CAB | Capital Appreciation Bonds |
| EDA | Economic Development Authority |
| EDC | Economic Development Corp. |
| ERB | Education Revenue Bonds |
| GO | General Obligation Bonds |
| HDA | Housing Development Authority |
| HFA | Housing Finance Agency |
| IDA | Industrial Development Authority |
| IDRB | Industrial Development Revenue Bonds |
| NPFGC | National Public Finance Guarantee Corp. |
| RB | Revenue Bonds |

BLACKROCK MUNICIPAL INCOME TRUST II

NOVEMBER 30, 2010

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Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|------------|
| District of Columbia (concluded) | | |
| Metropolitan Washington Airports Authority, RB, First Senior Lien, Series A: | | |
| 5.00%, 10/01/39 | \$ 550 | \$ 553,085 |
| 5.25%, 10/01/44 | 865 | 882,707 |
| | | 21,609,865 |
| Florida 6.0% | | |
| City of Leesburg Florida, RB, Leesburg Regional Medical Center Project, 5.50%, 7/01/32 | 1,470 | 1,364,851 |
| County of Miami-Dade Florida, RB, Miami International Airport, Series A, AMT (AGC), 5.25%, 10/01/38 | 2,855 | 2,767,494 |
| County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41 | 1,255 | 1,263,195 |
| County of Orange Florida, Refunding RB (Syncora), 4.75%, 10/01/32 | 905 | 856,673 |
| Live Oak Community Development District No. 1, Special Assessment Bonds, Series A, 6.30%, 5/01/34 | 3,115 | 3,146,181 |
| Miami Beach Health Facilities Authority, RB, Mount Sinai Medical Center of Florida, 6.75%, 11/15/21 | 3,900 | 4,002,960 |
| Stevens Plantation Community Development District, Special Assessment Bonds, Series A, 7.10%, 5/01/35 | 1,960 | 1,562,140 |
| Sumter County IDA Florida, RB, North Sumter Utility Co., LLC Project, AMT, 6.90%, 10/01/34 | 4,270 | 4,270,726 |
| | | 19,234,220 |
| Georgia 0.3% | | |
| De Kalb Private Hospital Authority, Refunding RB, Children's Healthcare, 5.25%, 11/15/39 | 915 | 929,356 |
| Guam 0.8% | | |
| Territory of Guam, GO, Series A: | | |
| 6.00%, 11/15/19 | 695 | 724,787 |
| 6.75%, 11/15/29 | 995 | 1,075,436 |
| 7.00%, 11/15/39 | 680 | 743,519 |

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| | | |
|---|----------------------|--------------|
| | | 2,543,742 |
| Hawaii 0.4% | | |
| State of Hawaii, Refunding RB, Series A, 5.25%, 7/01/30 | 1,480 | 1,462,092 |
| Illinois 8.5% | | |
| Illinois Finance Authority, RB: MJH Education Assistance IV LLC, Sub-Series B, 5.38%, 6/01/35 (b)(c) | 900 | 241,803 |
| Navistar International, Recovery Zone, 6.50%, 10/15/40 | 1,675 | 1,687,077 |
| Illinois Finance Authority, Refunding RB: Central DuPage Health, Series B, 5.50%, 11/01/39 | 1,750 | 1,753,588 |
| Friendship Village Schaumburg, Series A, 5.63%, 2/15/37 | 455 | 369,642 |
| Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.50%, 6/15/30 | 15,000 | 15,520,050 |
| | Par (000) | Value |
| Municipal Bonds | | |
| Illinois (concluded) | | |
| Metropolitan Pier & Exposition Authority, Refunding RB (AGM), McCormick Place Expansion Project: CAB, Series B, 6.23%, 6/15/43 (a) | \$ 10,340 | \$ 1,257,654 |
| Series B, 5.00%, 6/15/50 | 3,430 | 3,276,645 |
| Series B-2, 5.00%, 6/15/50 | 2,725 | 2,577,305 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 685 | 692,973 |
| | | 27,376,737 |
| Indiana 2.9% | | |
| Indiana Finance Authority, RB, Sisters of St. Francis Health, 5.25%, 11/01/39 | 915 | 918,193 |
| Indiana Finance Authority, Refunding RB, Ascension Health Senior Credit, Series B-5, 5.00%, 11/15/36 | 1,500 | 1,465,845 |
| Indiana Health Facility Financing Authority, Refunding RB: Ascension Health, Series F, 5.38%, 11/15/25 | 2,095 | 2,154,896 |
| Methodist Hospital Inc., 5.38%, 9/15/22 | 3,675 | 3,409,151 |
| Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39 | 1,200 | 1,278,132 |
| | | 9,226,217 |
| Kansas 0.6% | | |
| Kansas Development Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 5.00%, 1/01/40 | 1,820 | 1,819,927 |

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Kentucky 0.3%

| | | |
|--|-------|-----------|
| Kentucky Economic Development Finance Authority, Refunding RB, Owensboro Medical Health System, Series A, 6.38%, 6/01/40 | 1,105 | 1,125,873 |
|--|-------|-----------|

Louisiana 1.2%

| | | |
|---|-------|-----------|
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp., Series A-1, 6.50%, 11/01/35 (d) | 3,650 | 3,716,211 |
|---|-------|-----------|

Maryland 0.8%

| | | |
|---|-------|-----------|
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35 | 475 | 477,413 |
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25 | 1,000 | 982,360 |
| Maryland Health & Higher Educational Facilities Authority, RB, Union Hospital of Cecil County Issue, 5.63%, 7/01/32 | 1,000 | 1,006,190 |

2,465,963

Massachusetts 0.6%

| | | |
|---|-------|-----------|
| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare, Series J1, 5.00%, 7/01/39 | 1,955 | 1,911,286 |
|---|-------|-----------|

Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------------|
| Michigan 1.1% | | |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.50%, 5/15/36 | \$ 1,500 | \$ 1,483,755 |
| Michigan State Hospital Finance Authority, Refunding RB, Henry Ford Health System, Series A, 5.25%, 11/15/46 | 2,305 | 2,050,574 |
| | | <u>3,534,329</u> |
| Missouri 2.1% | | |
| 370/Missouri Bottom Road/Taussig Road Transportation Development District, RB, 7.20%, 5/01/33 | 6,000 | 5,631,720 |
| Missouri State Health & Educational Facilities Authority, RB, Senior Living Facilities, Lutheran Senior Home, 5.50%, 2/01/42 | 1,135 | 1,065,913 |
| | | <u>6,697,633</u> |
| Multi-State 4.1% | | |
| Centerline Equity Issuer Trust (e)(f): 5.75%, 5/15/15 | 1,000 | 1,061,840 |
| 6.00%, 5/15/15 | 5,000 | 5,292,000 |
| 6.00%, 5/15/19 | 3,500 | 3,721,795 |
| 6.30%, 5/15/19 | 3,000 | 3,202,560 |
| | | <u>13,278,195</u> |
| Nebraska 0.9% | | |
| Lancaster County Hospital Authority No. 1, RB, Immanuel Obligation Group, 5.63%, 1/01/40 | 1,245 | 1,244,041 |
| Sarpy County Hospital Authority No. 1, RB, Immanuel Obligation Group, 5.63%, 1/01/40 | 1,635 | 1,613,026 |
| | | <u>2,857,067</u> |
| Nevada 0.7% | | |
| County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29 | 2,465 | 2,415,478 |

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New Jersey 9.8%

| | | |
|--|--------|-------------------|
| New Jersey EDA, RB: | | |
| Cigarette Tax, 5.75%, 6/15/34 | 3,810 | 3,572,218 |
| Continental Airlines Inc. Project, AMT, 7.20%, 11/15/30 (g) | 10,100 | 10,129,896 |
| Kapkowski Road Landfill Project, Series 1998B, AMT, 6.50%, 4/01/31 | 10,000 | 10,001,100 |
| New Jersey EDA, Special Assessment Bonds, Refunding, Kapkowski Road Landfill Project, 6.50%, 4/01/28 | 7,475 | 7,829,091 |
| | | <u>31,532,305</u> |

New Mexico 1.8%

| | | |
|---|-------|-----------|
| New Mexico Income Housing Authority, RB, Villa Del Oso Apartments Project, Series A, 6.00%, 1/01/13 (h) | 5,200 | 5,867,524 |
|---|-------|-----------|

New York 3.8%

| | | |
|--|-----|---------|
| Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (b)(c) | 985 | 392,670 |
|--|-----|---------|

| Municipal Bonds | Par (000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

New York (concluded)

| | | |
|--|----------|-------------------|
| Metropolitan Transportation Authority, Refunding RB, Transportation, Series D, 5.25%, 11/15/40 (d) | \$ 1,325 | \$ 1,313,115 |
| New York City Industrial Development Agency, RB, American Airlines Inc., JFK International Airport, AMT, 7.75%, 8/01/31 (g) | 6,700 | 7,024,146 |
| New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49 | 1,335 | 1,391,177 |
| Port Authority of New York & New Jersey, RB, Continental Airlines Inc. and Eastern Air Lines Inc. Project, LaGuardia, AMT, 9.00%, 12/01/10 | 2,075 | 2,075,104 |
| | | <u>12,196,212</u> |

North Carolina 3.3%

| | | |
|---|-------|-----------|
| Gaston County Industrial Facilities & Pollution Control Financing Authority North Carolina, RB, Exempt Facilities, National Gypsum Co. Project, AMT, 5.75%, 8/01/35 | 7,500 | 5,871,075 |
| North Carolina Capital Facilities Finance Agency, RB, Duke Energy Carolinas, Series B, 4.38%, 10/01/31 | 1,760 | 1,632,505 |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Duke Energy Carolinas, Series B, 4.63%, 11/01/40 | 1,760 | 1,610,946 |
| North Carolina Medical Care Commission, RB, Duke University | 1,525 | 1,517,802 |

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| | | |
|--|--|------------|
| Health System, Series A, 5.00%, 6/01/42 | | 10,632,328 |
|--|--|------------|

Ohio 2.0%

| | | |
|--|-------|-----------|
| County of Allen Ohio, Refunding RB, Catholic Healthcare, Series A, 5.25%, 6/01/38 | 3,405 | 3,432,887 |
| County of Montgomery Ohio, Refunding RB, Catholic Healthcare, Series A, 5.00%, 5/01/39 | 3,025 | 3,053,858 |
| | | 6,486,745 |

Oklahoma 1.3%

| | | |
|--|-------|-----------|
| Tulsa Airports Improvement Trust, RB, Series A, Mandatory Put Bonds, AMT, 7.75%, 6/01/35 (g) | 3,925 | 4,042,711 |
|--|-------|-----------|

Pennsylvania 5.2%

| | | |
|---|-------|-----------|
| Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A, 5.38%, 11/15/40 | 2,000 | 1,406,260 |
| Pennsylvania Economic Development Financing Authority, RB: Amtrak Project, Series A, AMT, 6.38%, 11/01/41 | 5,175 | 5,210,500 |
| Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40 | 2,065 | 2,066,425 |
| Reliant Energy, Series A, AMT, 6.75%, 12/01/36 | 6,130 | 6,334,129 |

BLACKROCK MUNICIPAL INCOME TRUST II

NOVEMBER 30, 2010

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Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------------|
| Pennsylvania (concluded) | | |
| Pennsylvania Turnpike Commission, RB, Sub-Series D, 5.13%, 12/01/40 | \$ 1,700 | \$ 1,688,406 |
| | | <u>16,705,720</u> |
| Puerto Rico 7.8% | | |
| Commonwealth of Puerto Rico, GO, Refunding, Public Improvement, Series C, 6.00%, 7/01/39 | 3,220 | 3,353,405 |
| Puerto Rico Sales Tax Financing Corp., RB: CAB, Series A, 6.48%, 8/01/31 (a) | 11,700 | 3,226,743 |
| CAB, Series A, 6.55%, 8/01/32 (a) | 8,600 | 2,214,500 |
| CAB, Series A, 6.57%, 8/01/33 (a) | 13,600 | 3,260,736 |
| CAB, Series A, 6.60%, 8/01/34 (a) | 5,500 | 1,221,275 |
| CAB, Series A, 6.61%, 8/01/35 (a) | 14,055 | 2,914,585 |
| CAB, Series A, 6.63%, 8/01/36 (a) | 11,875 | 2,304,700 |
| First Sub-Series A, 6.50%, 8/01/44 | 6,100 | 6,777,588 |
| | | <u>25,273,532</u> |
| South Carolina 3.9% | | |
| County of Greenwood South Carolina, RB, Facilities, Self Memorial Hospital: 5.50%, 10/01/26 | 2,280 | 2,286,521 |
| 5.50%, 10/01/31 | 3,250 | 3,254,452 |
| South Carolina Jobs-EDA, Refunding RB: Palmetto Health Alliance, Series A, 6.25%, 8/01/31 | 2,640 | 2,688,286 |
| Palmetto Health, Series C, 6.88%, 8/01/13 (h) | 550 | 635,558 |
| South Carolina State Ports Authority, RB, 5.25%, 7/01/40 (d) | 3,595 | 3,608,265 |
| | | <u>12,473,082</u> |
| Tennessee 4.0% | | |
| Knox County Health Educational & Housing Facilities Board Tennessee, Refunding RB, CAB, Series A (AGM), 5.77%, 1/01/21 (a) | 20,405 | 11,889,178 |
| Rutherford County Health & Educational Facilities Board, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/40 | 1,120 | 1,137,763 |

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13,026,941

Texas 17.5%

| | | |
|--|--------|------------|
| Brazos River Authority, RB, TXU Electric, Series A, AMT, 8.25%, 10/01/30 | 2,400 | 888,024 |
| Brazos River Authority, Refunding RB, TXU Electric Co. Project, Series C, Mandatory Put Bonds, AMT, 5.75%, 5/01/36 (g) | 1,350 | 1,265,625 |
| City of Dallas Texas, Refunding RB, 5.00%, 10/01/35 | 1,650 | 1,702,965 |
| City of Houston Texas, RB, Senior Lien, Series A, 5.50%, 7/01/39 | 1,675 | 1,749,822 |
| City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC), 6.00%, 11/15/35 | 9,145 | 10,209,935 |
| Gulf Coast Waste Disposal Authority, Refunding RB, Series A, AMT, 6.10%, 8/01/24 | 10,000 | 10,065,000 |
| Harris County-Houston Sports Authority, Refunding RB, Third Lien, Series A-3 (NPFGC), 5.96%, 11/15/36 (a) | 25,375 | 3,287,331 |

| Municipal Bonds | Par (000) | Value |
|-----------------|-----------|-------|
|-----------------|-----------|-------|

Texas (concluded)

| | | |
|--|-------|------------|
| Lower Colorado River Authority, Refunding RB (NPFGC): | | |
| 5.00%, 5/15/13 (h) | \$ 35 | \$ 38,464 |
| 5.00%, 5/15/13 (h) | 30 | 33,015 |
| 5.00%, 5/15/31 | 1,235 | 1,238,656 |
| Series A, 5.00%, 5/15/13 (h) | 5 | 5,503 |
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F, 6.13%, 1/01/31 | 6,790 | 6,972,651 |
| San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply, 5.50%, 8/01/24 | 3,600 | 3,820,500 |
| Tarrant County Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45 | 4,410 | 4,583,798 |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien: LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40 | 4,710 | 4,863,122 |
| NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39 | 4,200 | 4,312,266 |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.00%, 8/15/42 | 1,390 | 1,292,033 |
| | | 56,328,710 |

Utah 1.2%

| | | |
|---|-------|-----------|
| City of Riverton Utah, RB, IHC Health Services Inc., 5.00%, 8/15/41 | 3,960 | 3,973,583 |
|---|-------|-----------|

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| Virginia 3.0% | | |
|--|-------|-----------|
| City of Norfolk Virginia, Refunding RB, Series B (AMBAC), 5.50%, 2/01/31 | 1,460 | 1,404,827 |
| Halifax County IDA, Refunding RB, Old Dominion Electric Co-op Project, AMT (AMBAC), 5.63%, 6/01/28 | 5,000 | 5,147,750 |
| Virginia HDA, RB, Sub-Series H-1 (NPFGC), 5.35%, 7/01/31 | 3,180 | 3,193,419 |
| | | 9,745,996 |

| Wisconsin 2.1% | | |
|---|-------|-----------|
| Wisconsin Health & Educational Facilities Authority, RB: Ascension Health Senior Credit Group, 5.00%, 11/15/30 | 1,790 | 1,818,389 |
| Ascension Health Senior Credit Group, 5.00%, 11/15/33 | 910 | 914,614 |
| Aurora Health Care, 6.40%, 4/15/33 | 3,930 | 3,998,697 |
| | | 6,731,700 |

| Wyoming 1.6% | | |
|---|-------|-----------|
| County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, 5.25%, 7/15/26 | 3,355 | 3,519,865 |
| Wyoming Municipal Power Agency, RB, Series A: 5.50%, 1/01/33 | 800 | 830,344 |

Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|-------------|
| Wyoming (concluded) | | |
| Wyoming Municipal Power Agency, RB, Series A: (concluded) 5.50%, 1/01/38 | \$ 750 | \$ 772,110 |
| | | 5,122,319 |
| Total Municipal Bonds 135.2% | | 435,238,444 |

**Municipal Bonds Transferred to Tender
Option Bond Trusts (i)**

| | | |
|---|-------|-----------|
| Alabama 0.8% | | |
| Alabama Special Care Facilities Financing Authority-Birmingham, Refunding RB, Ascension Health Senior Credit, Series C-2, 5.00%, 11/15/36 | 2,519 | 2,525,356 |
| California 2.3% | | |
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/39 | 2,850 | 2,959,155 |
| Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32 | 2,530 | 2,546,926 |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33 | 1,840 | 1,922,836 |
| | | 7,428,917 |
| Colorado 2.1% | | |
| Colorado Health Facilities Authority, RB (AGM), Catholic Health: Series C-3, 5.10%, 10/01/41 | 4,230 | 4,197,175 |
| Series C-7, 5.00%, 9/01/36 | 2,710 | 2,682,683 |
| | | 6,879,858 |
| Connecticut 3.3% | | |

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| | | |
|---|-------|------------|
| Connecticut State Health & Educational Facility Authority, RB, Yale University: Series T-1, 4.70%, 7/01/29 | 5,170 | 5,403,736 |
| Series X-3, 4.85%, 7/01/37 | 5,130 | 5,278,309 |
| | | 10,682,045 |

| | | |
|--|-------|-----------|
| Georgia 1.5% Private Colleges & Universities Authority, Refunding RB, Emory University, Series C, 5.00%, 9/01/38 | 4,638 | 4,751,942 |
|--|-------|-----------|

| | | |
|--|-------|-----------|
| Massachusetts 1.0% Massachusetts Water Resources Authority, Refunding RB, General, Series A, 5.00%, 8/01/41 | 3,150 | 3,210,480 |
|--|-------|-----------|

| | | |
|--|-------|-----------|
| New Hampshire 0.7% New Hampshire Health & Education Facilities Authority, Refunding RB, Dartmouth College, 5.25%, 6/01/39 | 2,219 | 2,337,061 |
|--|-------|-----------|

| | | |
|---|-------|-----------|
| New York 4.4% New York City Municipal Water Finance Authority, RB, Series FF-2, 5.50%, 6/15/40 | 1,710 | 1,832,150 |
| New York State Dormitory Authority, ERB, Series F, 5.00%, 3/15/35 | 9,284 | 9,415,878 |

| Municipal Bonds Transferred to Tender Option Bond Trusts (i) | Par (000) | Value |
|---|-----------|--------------|
| New York (concluded) New York State Environmental Facilities Corp., RB, Revolving Funds, New York City Municipal Water Project, Series B, 5.00%, 6/15/31 | \$ 2,850 | \$ 2,883,203 |
| | | 14,131,231 |

| | | |
|--|-------|-----------|
| Virginia 1.9% University of Virginia, Refunding RB, General, 5.00%, 6/01/40 | 5,910 | 6,169,035 |
|--|-------|-----------|

| | | |
|--|-------|------------|
| Washington 3.6% Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32 | 3,029 | 3,122,138 |
| State of Washington, GO, Various Purpose, Series E, 5.00%, 2/01/34 | 8,113 | 8,393,345 |
| | | 11,515,483 |

| | | |
|---|--|-------------|
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 21.6% | | 69,631,408 |
| | | 504,869,852 |

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Total Long-Term Investments
 (Cost \$502,966,242) 156.8%

| Short-Term Securities | Shares | |
|--|------------|------------|
| FBI Institutional Tax-Exempt Fund, 0.15% (j)(k) | 11,435,230 | 11,435,230 |

Total Short-Term Securities
 (Cost \$11,435,230) 3.6% 11,435,230

| | |
|---|----------------|
| Total Investments | 516,305,082 |
| (Cost \$514,401,472*) 160.4% | |
| Liabilities in Excess of Other Assets (1.2)% | (3,789,105) |
| Liability for Trust Certificates, Including Interest | |
| Expense and Fees Payable (12.2)% | (39,285,462) |
| Preferred Shares, at Redemption Value (47.0)% | (151,308,245) |
| Net Assets Applicable to Common Shares 100.0% | \$ 321,922,270 |

* The cost and unrealized appreciation (depreciation) of investments as of November 30, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 474,613,212 |
| Gross unrealized appreciation | \$ 14,826,629 |
| Gross unrealized depreciation | (12,387,196) |
| Net unrealized appreciation | \$ 2,439,433 |

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) Issuer filed for bankruptcy and/or is in default of interest payments.
- (c) Non-income producing security.
- (d) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized Appreciation |
|--------------------------|--------------|----------------------------|
| JPMorgan Securities | \$ 3,716,211 | \$ 66,211 |
| Citigroup Global Markets | \$ 1,313,115 | \$ 15,582 |
| Goldman Sachs & Co. | \$ 3,608,265 | \$ 169,253 |

Schedule of Investments (concluded)

BlackRock Municipal Income Trust II (BLE)

- (e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (f) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity.
- (g) Variable rate security. Rate shown is as of report date.
- (h) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (i) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction.
- (j) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at August 31, 2010 | Net Activity | Shares Held at November 30, 2010 | Income |
|---|---|-----------------|---|----------|
| FFI Institutional Tax-Exempt Fund | 9,440,330 | 1,994,900 | 11,435,230 | \$ 2,170 |

- (k) Represents the current yield as of report date.

Fair Value Measurements - Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to the Trust's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of November 30, 2010 in determining the fair valuation of the Trust's investments:

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| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|---------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Long-Term Investments ¹ | | \$ 504,869,852 | | \$ 504,869,852 |
| Short-Term Securities | \$ 11,435,230 | | | 11,435,230 |
| Total | \$ 11,435,230 | \$ 504,869,852 | | \$ 516,305,082 |

¹ See above Schedule of Investments for values in each state or political subdivision.

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Item 2 – Controls and Procedures

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

2(b) – There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 – Exhibits

Certifications – Attached hereto

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.

BlackRock Municipal Income Trust II

By: /s/ Anne F. Ackerley
Anne F. Ackerley
Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust II

Date: January 26, 2011

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

By: /s/ Anne F. Ackerley
Anne F. Ackerley
Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust II

Date: January 26, 2011

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock Municipal Income Trust II

Date: January 26, 2011

