

MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SEC  
Form N-Q  
March 30, 2006

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-07111

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

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

10020  
(Zip code)

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

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

Date of fiscal year end: October 31, 2006

Date of reporting period: January 31, 2006

ITEM 1. SCHEDULE OF INVESTMENTS.

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

MORGAN STANLEY INSURED CALIFORNIA MUNICIPAL SECURITIES  
PORTFOLIO OF INVESTMENTS January 31, 2006 (unaudited)

PRINCIPAL  
AMOUNT IN  
THOUSANDS  
-----

COUPON  
RATE  
-----  
MATURIT  
DATE  
-----

	CALIFORNIA TAX-EXEMPT MUNICIPAL BONDS (97.5%)		
	General Obligation (10.3%)		
\$ 505	California, Various Purposes Dtd 03/01/94	5.50%	03/01/2
1,280	Huntington Beach Union High School District, Ser 2004 (FSA)	5.00	08/01/2
1,030	Los Angeles, Ser 2004 A (MBIA)	5.00	09/01/2
1,000	Upland School District, Election 2000 Ser 2001 B (FSA)	5.125	08/01/2
1,375	Washington Unified School District, Election 2004 Ser A (FGIC)	5.00	08/01/2
-----			
5,190			
-----			
	Educational Facilities Revenue (6.4%)		

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

1,000	California State University, Ser 2005 A (Ambac)	5.00	11/01/3
	University of California,		
1,000	Limited Projects Ser 2005 B (FSA)	5.00	05/15/3
1,250	Multi Purpose Ser Q (FSA)	5.00	09/01/3
-----			
3,250			
-----			
	Electric Revenue (8.2%)		
1,000	Anaheim Public Financing Authority, Generation Refg Ser 2002-B (FSA)	5.25	10/01/1
1,000	California Department of Water Resources, Power Supply Ser 2002 A (Ambac)	5.375	05/01/1
1,000	Los Angeles Department of Water & Power, 2001 Ser A (FSA)	5.25	07/01/2
1,000	Southern California Public Power Authority, Transmission Refg Ser 2002 A (FSA)	5.25	07/01/1
-----			
4,000			
-----			
	Mortgage Revenue - Multi-Family (2.6%)		
1,340	Los Angeles Community Redevelopment Agency, 1994 Ser A (Ambac)	6.45	07/01/1
-----			
	Mortgage Revenue - Single Family (4.1%)		
2,000	California Department of Veterans Affairs, Home Purchase 2002 Ser A (Ambac)	5.35	12/01/2
90	California Housing Financing Agency, 1995 Ser B (AMT) (Ambac)	6.25	08/01/1
-----			
2,090			
-----			
	Public Facilities Revenue (3.9%)		
1,000	Simi Valley Public Financing Authority, Ser 2004 COPs (Ambac)	5.00	09/01/3
1,000	Val Verde Unified School District, School Construction Project Ser 2005 B (FGIC)	5.00	01/01/3
-----			
2,000			
-----			
	Resource Recovery Revenue (4.8%)		
	Sacramento Financing Authority,		
1,510	2005 Refg Solid Waste & Redevelopment (FGIC)	5.00	12/01/1
835	1999 Solid Waste & Redevelopment (Ambac)	5.75	12/01/2
-----			
2,345			
-----			
	Tax Allocation Revenue (12.8%)		
250	Bay Area Government Association, Pool 1994 Ser A (FSA)	6.00	12/15/2
1,145	Capistrano Unified School District, Community Facilities District #98-2 Ladera Special Tax Ser 2005 (FGIC)	5.00	09/01/2
1,100	La Quinta Financing Authority, Local Agency 2004 Ser A (Ambac)	5.25	09/01/2
1,000	Long Beach Bond Finance Authority, Downtown, North Long Beach, Poly High and West Beach Areas 2002 Ser A (Ambac)	5.375	08/01/2
1,000	Rancho Mirage Redevelopment Agency, Ser 2003 A (MBIA)	5.00	04/01/3
-----			
1,000	San Jose Redevelopment Agency, Merged Area Ser 2002 (MBIA)	5.00	08/01/3
1,000	San Marcos Public Facilities Authority, Project Areas # 2 & 3 2005 Ser C (Ambac)	5.00	08/01/3
-----			
6,495			

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

-----	Transportation Facilities Revenue (11.9%)		
2,000	California Infrastructure & Economic Development Bank, Bay Area Toll Bridges Seismic Retrofit First Lien Ser 2003 A (FGIC)	5.00	07/01/2
1,000	Los Angeles County Metropolitan Transportation Authority, Sales Tax Ser 2000 A (FGIC) #	5.25	07/01/3
2,000	Orange County Transportation Authority, Toll Road Express Lanes Refg Ser 2003 A (Ambac)	5.00	08/15/2
1,000	San Jose, Airport Ser 2001 A (FGIC)	5.00	03/01/2
-----			
6,000			
-----	Water & Sewer Revenue (20.7%)		
1,500	California Department of Water Resources, Central Valley Ser Y (FGIC)	5.25	12/01/1
2,000	East Bay Municipal Utility District, Water Ser 2001 (MBIA)	5.00	06/01/2
1,000	Los Angeles, Wastewater Refg Ser 2003 B (FSA)	5.00	06/01/2
1,000	Metropolitan Water District of Southern California, 2003 Ser B-2 (FGIC)	5.00	10/01/2
1,000	Oxnard Financing Authority, Redwood Trunk Sewer & Headworks Ser 2004 A (FGIC)	5.00	06/01/2
1,000	San Diego County Water Authority, Ser 2004 A COPs (FSA)	5.00	05/01/2
2,000	San Francisco Public Utilities Commission, Water Refg Ser A 2001 (FSA)	5.00	11/01/3
1,000	Yucaipa Valley Water District, Ser 2004 A COPs (MBIA)	5.25	09/01/2
-----			
10,500			
-----	Other Revenue (1.9%)		
1,000	Golden State Tobacco Securitization Corporation, Ser 2005 A (FGIC)	5.00	06/01/3
-----	Refunded (9.9%)		
2,000	Anaheim, Anaheim Memorial Hospital Association COPs (Ambac) (ETM)	5.125	05/15/2
2,000	Sacramento Financing Authority, Water & Capital Improvement 2001 Ser A (Ambac)	5.00	06/01/1
1,000	Puerto Rico Infrastructure Financing Authority, 2000 Ser A (ETM)	5.50	10/01/3
-----			
5,000			
-----			
49,210	TOTAL CALIFORNIA TAX-EXEMPT MUNICIPAL BONDS (Cost \$49,521,192)		
-----	CALIFORNIA SHORT-TERM TAX-EXEMPT MUNICIPAL OBLIGATION (1.1%)		
600	Orange County Sanitation District, Ser 2000 A COPs (Demand 02/01/06) (Cost \$600,000)	3.03*	08/01/3
-----			
\$49,810	TOTAL INVESTMENTS (Cost \$50,121,192) (a) (b)	98.6%	
=====			
	OTHER ASSETS IN EXCESS OF LIABILITIES	1.4	
		-----	
	NET ASSETS	100.0%	
		=====	

-----  
AMT Alternative Minimum Tax.

COPs Certificates of Participation.

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

ETM Escrowed to maturity.

+ Prerefunded to call date shown.

\* Current coupon of variable rate demand obligation.

# A portion of this security has been physically segregated in connection with open futures contracts in the amount of \$26,500.

(a) Securities have been designated as collateral in an amount equal to \$6,367,328 in connection with open futures contracts.

(b) The aggregate cost for federal income tax purposes is \$50,063,879. The aggregate gross unrealized appreciation is \$2,346,792 and the aggregate gross unrealized depreciation is \$62,062, resulting in net unrealized appreciation of \$2,284,730.

BOND INSURANCE:

Ambac Ambac Assurance Corporation.  
 FGIC Financial Guaranty Insurance Company.  
 FSA Financial Security Assurance Inc.  
 MBIA Municipal Bond Investors Assurance Corporation.

Futures Contracts Open at January 31, 2006:

NUMBER OF CONTRACTS	LONG/SHORT	DESCRIPTION/DELIVERY MONTH AND YEAR	UNDERLYING FACE AMOUNT AT VALUE	UNREALIZED APPRECIATION
50	Short	U.S. Treasury Notes 5 Year March 2006	\$(5,286,719)	\$18,221
10	Short	U.S. Treasury Notes 10 Year March 2006	(1,084,375)	4,348
Total unrealized appreciation .....				\$22,569 =====

ITEM 2. CONTROLS AND PROCEDURES.

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

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

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

ITEM 3. EXHIBITS.

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

2

SIGNATURES

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

Morgan Stanley Insured California Municipal Securities

/s/ Ronald E. Robison

-----  
Ronald E. Robison  
Principal Executive Officer  
March 23, 2006

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

/s/ Ronald E. Robison

-----  
Ronald E. Robison  
Principal Executive Officer  
March 23, 2006

/s/ Francis Smith

-----  
Francis Smith  
Principal Financial Officer  
March 23, 2006

3