

BLACKROCK MUNICIPAL INCOME TRUST II
Form N-CSRS
May 05, 2008

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

FORM N-CSRS

**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: Donald C. Burke, Chief Executive Officer, BlackRock Municipal Income Trust II, 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 08/31/2008

Date of reporting period: 09/01/2007 – 02/29/2008

Item 1 Report to Stockholders

EQUITIES FIXED INCOME REAL ESTATE LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

Semi-Annual Report

FEBRUARY 29, 2008 | (UNAUDITED)

[BlackRock Insured Municipal Income Trust \(BYM\)](#)

[BlackRock Municipal Bond Trust \(BBK\)](#)

[BlackRock Municipal Income Trust II \(BLE\)](#)

[BlackRock California Insured Municipal Income Trust \(BCK\)](#)

[BlackRock California Municipal Bond Trust \(BZA\)](#)

[BlackRock California Municipal Income Trust II \(BCL\)](#)

[BlackRock Florida Insured Municipal Income Trust \(BAF\)](#)

[BlackRock Florida Municipal Bond Trust \(BIE\)](#)

[BlackRock Maryland Municipal Bond Trust \(BZM\)](#)

[BlackRock New Jersey Municipal Bond Trust \(BLJ\)](#)

[BlackRock New York Insured Municipal Income Trust \(BSE\)](#)

[BlackRock New York Municipal Bond Trust \(BQH\)](#)

[BlackRock New York Municipal Income Trust II \(BFY\)](#)

[BlackRock Virginia Municipal Bond Trust \(BHV\)](#)

NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

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A Letter to Shareholders

Dear Shareholder

Financial markets weathered intense bouts of volatility in 2007, only to enter 2008 with no relief. January and February proved to be trying months for equities, but strong ones for some areas of the bond market, as fears of an economic recession swelled. The Federal Reserve Board (the Fed), after cutting the target federal funds rate 100 basis points (1%) between September 2007 and year-end, more than matched those cuts in January alone. Responding to a slowing economy and continued fallout from chaos in the credit markets, the Fed cut interest rates 75 basis points in a rare unscheduled session on January 22, and followed with a 50-basis-point cut at its regular meeting on January 30. Another 75-basis-point cut on March 18 brought the target rate to 2.25%.

Reverberations from the U.S. subprime mortgage collapse, and the associated liquidity and credit crisis, continue to permeate global financial markets. The S&P 500 Index of U.S. stocks was down in February, marking the fourth consecutive month of negative returns. International markets, while not unscathed, generally have outperformed their U.S. counterparts so far in 2008. Emerging markets, benefiting from stronger economic growth rates, have done particularly well.

In fixed income markets, fears related to the economic slowdown and related credit crisis have led to a prolonged flight to quality. Investors have largely shunned bonds associated with the housing and credit markets in favor of higher-quality government issues. The yield on 10-year Treasury issues, which touched 5.30% in June 2007 (its highest level in five years), fell to 4.04% by year-end and to 3.53% by the end of February, while prices correspondingly rose. After setting a new-issuance record in 2007, supply in the municipal bond market has been on the decline for four consecutive months (measured year over year). The market has struggled with concerns around the creditworthiness of monoline bond insurers and the failure of auctions for auction rate securities, driving yields higher and prices lower across the curve. By period-end, municipal bonds were trading at higher yields than their Treasury counterparts, a very unusual occurrence by historical standards.

Against this backdrop, the major benchmark indexes posted mixed results for the current reporting period, generally reflecting heightened investor risk aversion:

Total Returns as of February 29, 2008	6-month	12-month
U.S. equities (S&P 500 Index)	-8.79%	-3.60%
Small cap U.S. equities (Russell 2000 Index)	-12.91	-12.44
International equities (MSCI Europe, Australasia, Far East Index)	-4.71	+0.84
Fixed income (Lehman Brothers U.S. Aggregate Bond Index)	+5.67	+7.30
Tax-exempt fixed income (Lehman Brothers Municipal Bond Index)	-0.60	-1.17
High yield bonds (Lehman Brothers U.S. Corporate High Yield 2% Issuer Capped Index)	-1.39	-3.08

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

As you navigate today's volatile markets, we encourage you to review your investment goals with your financial professional and to make portfolio changes, as needed. For more up-to-date commentary on the economy and financial markets, we invite you to visit www.blackrock.com/funds. As always, we thank you for entrusting BlackRock with your investment assets, and we look forward to continuing to serve you in the months and years ahead.

Sincerely,

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Rob Kapito
President, BlackRock Advisors, LLC
THIS PAGE NOT PART OF YOUR FUND REPORT

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock Insured Municipal Income Trust

Investment Objective

BlackRock Insured Municipal Income Trust (BYM) seeks to provide high current income exempt from regular federal income taxes. The Trust will invest at least 80% of its total assets in municipal obligations that are insured as to the timely payment of both principal and interest.

Performance

For the six months ended February 29, 2008, the Trust returned -4.92% based on market price, with dividends reinvested. The Trust's return based on net asset value (NAV) was -9.04%, with dividends reinvested, while the Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of -6.11% on an NAV basis. The Trust's performance was negatively impacted by three primary factors: exposure to the long end of the municipal curve, which underperformed as the curve steepened significantly; a widening in credit spreads and insured credit spreads with weaker underlying ratings; and the massive underperformance of municipal cash relative to the Trust's Bond Market Association hedges. The entire municipal insurance industry experienced unprecedented stress during the period, leading to their first-ever downgrades. Many of the problems caused by the stress on the insurers remained unresolved at period-end.

Trust Information

Symbol on New York Stock Exchange	BYM
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 29, 2008 (\$13.30) ¹	5.50%
Tax Equivalent Yield ²	8.46%
Current Monthly Distribution per Common Share ³	\$.061
Current Annualized Distribution per Common Share ³	\$.732
Leverage as of February 29, 2008 ⁴	40%

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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Auction Market Preferred Shares (Preferred Shares) that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 13.30	\$ 14.35	(7.32%)	\$ 15.15	\$ 13.28
Net Asset Value	\$ 13.14	\$ 14.82	(11.34%)	\$ 15.35	\$ 13.14

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

Portfolio Composition

Sector	2/29/08	8/31/07
Transportation	25%	24%
Water & Sewer	19	18
Tax Revenue	11	12
City, County & State	11	13
Education	9	8
Power	9	9
Tobacco	6	6
Hospitals	6	7
Lease Revenue	3	2
Industrial & Pollution Control	1	1

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	74%	92%
AA/Aa	15	2
A	8	2
BBB/Baa	3	4

⁵ Using the highest of Standard & Poor's (S&P's), Moody's Investors Service (Moody's) or Fitch Ratings (Fitch's) ratings.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock Municipal Bond Trust

Investment Objective

BlackRock Municipal Bond Trust (BBK) seeks to provide current income exempt from regular federal income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Trust's investment advisor to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -6.38% based on market price, with dividends reinvested. The Trust's return based on NAV was -9.14%, with dividends reinvested. For the same period, the Lipper General Municipal Debt Funds (leveraged) category posted an average return of -6.37% on a NAV basis. The Trust's performance was negatively impacted by exposure to capital appreciation bonds, as well as lower-rated and non-rated credits. Both areas suffered in a market environment characterized by rising long-term rates and substantially wider credit spreads. An above-average dividend yield helped to mitigate these negative influences somewhat.

Trust Information

Symbol on New York Stock Exchange	BBK
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$14.85) ¹	6.18%
Tax Equivalent Yield ²	9.51%
Current Monthly Distribution per Common Share ³	\$.0765
Current Annualized Distribution per Common Share ³	\$.918
Leverage as of February 29, 2008 ⁴	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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

2/29/08	8/31/07	Change	High	Low
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Market Price	\$ 14.85	\$ 16.50	(10.00%)	\$ 17.39	\$ 14.11
Net Asset Value	\$ 13.60	\$ 15.57	(12.65%)	\$ 15.95	\$ 13.60

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

Portfolio Composition

Sector	2/29/08	8/31/07
Hospitals	25%	26%
City, County & State	14	15
Industrial & Pollution Control	13	14
Housing	11	11
Tax Revenue	9	7
Power	8	6
Transportation	7	8
Education	5	5
Water & Sewer	4	4
Tobacco	3	3
Lease Revenue	1	1

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	35%	34%
AA/Aa	12	16
A	15	15
BBB/Baa	17	18
BB/Ba	2	6
B	6	5
CCC/Caa	1	
Not Rated ⁶	12	6

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 29, 2008 and August 31, 2007, the market value of these securities was \$4,039,312 representing 2% and \$2,980,782 representing 1%, respectively, of the Trust's long-term investments.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock Municipal Income Trust II

Investment Objective

BlackRock Municipal Income Trust II (BLE) seeks to provide high current income exempt from regular federal income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -7.55% based on market price, with dividends reinvested. The Trust's return based on NAV was -9.92%, with dividends reinvested. For the same period, the Lipper General Municipal Debt Funds (leveraged) category posted an average return of -6.37% on a NAV basis. The Trust's performance was negatively impacted by exposure to capital appreciation bonds, as well as lower-rated and non-rated credits. Both areas suffered in a market environment characterized by rising long-term rates and substantially wider credit spreads. An above-average dividend yield helped to mitigate these negative influences somewhat.

Trust Information

Symbol on American Stock Exchange	BLE
Initial Offering Date	July 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$13.49) ¹	6.32%
Tax Equivalent Yield ²	9.72%
Current Monthly Distribution per Common Share ³	\$.071
Current Annualized Distribution per Common Share ³	\$.852
Leverage as of February 29, 2008 ⁴	40%

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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 13.49	\$ 15.05	(10.37%)	\$ 15.85	\$ 13.25

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Net Asset Value \$ 13.17 \$ 15.08 (12.67%) \$ 15.45 \$ 13.17

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

Portfolio Composition

Sector	2/29/08	8/31/07
Hospitals	26%	26%
Industrial & Pollution Control	16	16
City, County & State	12	13
Transportation	9	10
Tax Revenue	7	8
Housing	7	7
Water & Sewer	7	6
Power	7	6
Tobacco	4	4
Education	4	3
Lease Revenue	1	1

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	31%	33%
AA/Aa	16	16
A	11	12
BBB/Baa	20	20
BB/Ba	1	3
B	6	5
CCC/Caa	1	1
Not Rated ⁶	14	11

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 29, 2008 and August 31, 2007, the market value of these securities was \$29,428,628 representing 6% and \$24,066,103 representing 4%, respectively, of the Trust's long-term investments.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock California Insured Municipal Income Trust

Investment Objective

BlackRock California Insured Municipal Income Trust (BCK) seeks to provide high current income exempt from regular federal income taxes and California income taxes. The Trust will invest at least 80% of its total assets in municipal obligations that are insured as to the timely payment of both principal and interest.

Performance

For the six months ended February 29, 2008, the Trust returned -5.85% based on market price, with dividends reinvested. The Trust's return based on NAV was -8.93%, with dividends reinvested. For the same period, the Lipper California Insured Municipal Debt Funds category posted an average return of -6.64% on a NAV basis. The Trust's performance was impacted by two key factors: exposure to the long end of the municipal yield curve, which underperformed as the curve steepened; and pressure on municipal bond insurers, which affected the entire insured municipal marketplace. The Trust's underweight of lower-rated credits was a negative factor as insured bonds lost any premium value.

Trust Information

Symbol on New York Stock Exchange	BCK
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 29, 2008 (\$13.14) ¹	5.30%
Tax Equivalent Yield ²	8.15%
Current Monthly Distribution per Common Share ³	\$.058
Current Annualized Distribution per Common Share ³	\$.696
Leverage as of February 29, 2008 ⁴	40%

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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 13.14	\$ 14.30	(8.11%)	\$ 15.05	\$ 13.14
Net Asset Value	\$ 13.03	\$ 14.66	(11.12%)	\$ 15.34	\$ 13.03

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

Portfolio Composition

Sector	2/29/08	8/31/07
Water & Sewer	34%	31%
Education	17	25
City, County & State	16	13
Lease Revenue	12	9
Power	7	10
Transportation	6	5
Tax Revenue	3	2
Hospitals	3	3
Housing	2	2

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	97%	98%
A	3	2

⁵ Using the highest of S&P s, Moody s or Fitch s ratings.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock California Municipal Bond Trust**Investment Objective**

BlackRock California Municipal Bond Trust (BZA) seeks to provide current income exempt from regular federal income taxes and California income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -1.54% based on market price, with dividends reinvested. The Trust's return based on NAV was -4.18%, with dividends reinvested. For the same period, the Lipper California Municipal Debt Funds category posted an average return of -5.86% on a NAV basis. The Trust's performance was impacted by three key factors: exposure to the long end of the municipal yield curve, which underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; a lower relative duration stance, which benefited the portfolio as rates rose.

Trust Information

Symbol on New York Stock Exchange	BZA
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$15.74) ¹	5.87%
Tax Equivalent Yield ²	9.03%
Current Monthly Distribution per Common Share ³	\$.077
Current Annualized Distribution per Common Share ³	\$.924
Leverage as of February 29, 2008 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.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 15.74	\$ 16.50	(4.61%)	\$ 17.35	\$ 15.05
Net Asset Value	\$ 14.25	\$ 15.35	(7.17%)	\$ 15.90	\$ 14.25

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

Portfolio Composition

Sector	2/29/08	8/31/07
Hospitals	24%	21%
Education	20	22
Housing	16	14
City, County & State	13	13
Tobacco	9	8
Industrial & Pollution Control	6	5
Transportation	5	7
Power	2	
Lease Revenue	2	2
Water & Sewer	1	7
Tax Revenue	1	
Resource Recovery	1	1

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	28%	32%
AA/Aa	13	12
A	34	33
BBB/Baa	10	15
B	3	2
Not Rated	12	6

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock California Municipal Income Trust II**Investment Objective**

BlackRock California Municipal Income Trust II (BCL) seeks to provide high current income exempt from regular federal income taxes and California income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -2.91% based on market price, with dividends reinvested. The Trust's return based on NAV was -9.04%, with dividends reinvested. For the same period, the Lipper California Municipal Debt Funds category posted an average return of -5.86% on a NAV basis. The Trust's performance was impacted by three key factors: exposure to the long end of the municipal yield curve, which underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; and additional pressure on insured zero-coupon securities held in the portfolio.

Trust Information

Symbol on American Stock Exchange	BCL
Initial Offering Date	July 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$13.63) ¹	5.77%
Tax Equivalent Yield ²	8.88%
Current Monthly Distribution per Common Share ³	\$.0655
Current Annualized Distribution per Common Share ³	\$.786
Leverage as of February 29, 2008 ⁴	40%

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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

2/29/08	8/31/07	Change	High	Low
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Market Price	\$ 13.63	\$ 14.44	(5.61%)	\$ 15.35	\$ 13.51
Net Asset Value	\$ 13.23	\$ 14.96	(11.56%)	\$ 15.40	\$ 13.23

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

Portfolio Composition

Sector	2/29/08	8/31/07
City, County & State	22%	25%
Tobacco	14	13
Education	13	15
Housing	12	5
Hospitals	12	12
Transportation	8	10
Power	6	5
Industrial & Pollution Control	5	5
Water & Sewer	3	6
Lease Revenue	3	3
Resource Recovery	1	1
Tax Revenue	1	

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	54%	55%
AA/Aa	7	5
A	16	20
BBB/Baa	6	7
B	1	1
Not Rated ⁶	16	12

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 29, 2008 the market value of these securities was \$7,215,690 representing 4% of the Trust's long-term investments.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock Florida Insured Municipal Income Trust

Investment Objective

BlackRock Florida Insured Municipal Income Trust (BAF) seeks to provide current income exempt from regular federal income taxes and Florida intangible personal property taxes. The Trust will invest at least 80% of its total assets in municipal obligations that are insured as to the timely payment of both principal and interest.

Performance

For the six months ended February 29, 2008, the Trust returned -5.93% based on market price, with dividends reinvested. The Trust's return based on NAV was -6.46%, with dividends reinvested. For the same period, the Lipper Florida Municipal Debt Funds category posted an average return of -5.59% on an NAV basis. (The Lipper group consists of insured and uninsured funds.) The Trust's performance was affected by several key factors: exposure to the long end of the municipal yield curve, which, along with discount-coupon bonds, underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; pressure on municipal bond insurers, which affected the entire insured municipal marketplace; and hedge positions, which contributed positively given their low correlation to the factors causing municipal underperformance.

Trust Information

Symbol on New York Stock Exchange	BAF
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 29, 2008 (\$12.42) ¹	5.60%
Tax Equivalent Yield ²	8.62%
Current Monthly Distribution per Common Share ³	\$.058
Current Annualized Distribution per Common Share ³	\$.696
Leverage as of February 29, 2008 ⁴	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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 12.42	\$ 13.55	(8.34%)	\$ 14.30	\$ 12.38
Net Asset Value	\$ 13.38	\$ 14.68	(8.86%)	\$ 15.27	\$ 13.38

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

Portfolio Composition

Sector	2/29/08	8/31/07
Tax Revenue	26%	25%
City, County & State	21	20
Education	16	16
Hospitals	12	9
Transportation	8	9
Power	7	11
Water & Sewer	7	6
Lease Revenue	3	4

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	85%	88%
AA/Aa	3	7
A	8	1
Not Rated ⁶	4	4

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 29, 2008 and August 31, 2007, the market value of these securities was \$3,756,186 representing 4% and \$3,995,690 representing 2%, respectively, of the Trust's long-term investments.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock Florida Municipal Bond Trust

Investment Objective

BlackRock Florida Municipal Bond Trust (BIE) seeks to provide current income exempt from regular federal income taxes and Florida intangible personal property taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -1.02% based on market price, with dividends reinvested. The Trust's return based on NAV was -4.07%, with dividends reinvested. For the same period, the Lipper Florida Municipal Debt Funds category posted an average return of -5.59% on an NAV basis. (Notably, the Lipper group consists of both insured and uninsured funds.) The Trust's performance for the period was enhanced by its large overweight position in preredempted securities. This sector had the best performance during the past six months as an investor flight to quality gained momentum toward the end of 2007.

Trust Information

Symbol on New York Stock Exchange	BIE
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$15.16) ¹	6.16%
Tax Equivalent Yield ²	9.48%
Current Monthly Distribution per Common Share ³	\$.077808
Current Annualized Distribution per Common Share ³	\$.933696
Leverage as of February 29, 2008 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.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 15.16	\$ 15.82	(4.17%)	\$ 16.70	\$ 14.40
Net Asset Value	\$ 14.35	\$ 15.45	(7.12%)	\$ 15.86	\$ 14.35

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

Portfolio Composition

Sector	2/29/08	8/31/07
Hospitals	37%	34%
Tax Revenue	18	18
City, County & State	13	11
Education	10	11
Lease Revenue	6	6
Housing	6	6
Water & Sewer	4	3
Transportation	3	3
Power	2	6
Industrial & Pollution Control	1	2

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	36%	40%
AA/Aa	12	20
A	23	14
BBB/Baa	8	12
BB/Ba	2	2
Not Rated ⁶	19	12

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 29, 2008 and August 31, 2007, the market value of these securities was \$4,962,693 representing 10% and \$1,525,724 representing 2%, respectively, of the Trust's long-term investments.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock Maryland Municipal Bond Trust

Investment Objective

BlackRock Maryland Municipal Bond Trust (BZM) seeks to provide current income exempt from regular federal income taxes and Maryland personal income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -8.13% based on market price, with dividends reinvested. The Trust's return based on NAV was -4.78%, with dividends reinvested. For the same period, the Lipper Other States Municipal Debt Funds category posted an average return of -4.52% on a NAV basis. The Trust's performance was impacted by three key factors: exposure to the long end of the municipal yield curve, which underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; and pressure on municipal bond insurers, which affected the entire insured municipal marketplace.

Trust Information

Symbol on American Stock Exchange	BZM
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$15.53) ¹	5.51%
Tax Equivalent Yield ²	8.48%
Current Monthly Distribution per Common Share ³	\$.07135
Current Annualized Distribution per Common Share ³	\$.8562
Leverage as of February 29, 2008 ⁴	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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 15.53	\$ 17.43	(10.90%)	\$ 17.83	\$ 14.60
Net Asset Value	\$ 13.77	\$ 14.91	(7.65%)	\$ 15.45	\$ 13.77

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

Portfolio Composition

Sector	2/29/08	8/31/07
Hospitals	22%	18%
Education	21	21
City, County & State	21	24
Water & Sewer	12	12
Transportation	8	8
Housing	6	6
Lease Revenue	5	5
Tobacco	3	3
Tax Revenue	2	
Power		3

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	33%	37%
AA/Aa	9	10
A	31	29
BBB/Baa	11	13
Not Rated	16	11

⁵ Using the highest of S&P s, Moody s or Fitch s ratings.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock New Jersey Municipal Bond Trust

Investment Objective

BlackRock New Jersey Municipal Bond Trust (BLJ) seeks to provide current income exempt from regular federal income taxes and New Jersey gross income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -0.44% based on market price, with dividends reinvested. The Trust's return based on NAV was -6.98%, with dividends reinvested. For the same period, the Lipper New Jersey Municipal Debt Funds category posted an average return of -6.02% on a NAV basis. The Trust's performance was impacted by several key factors: exposure to the long end of the municipal yield curve, which, along with discounted coupon bonds, underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; pressure on municipal bond insurers, which affected the entire insured municipal marketplace; and hedges, which exhibited low correlation to the factors causing municipal underperformance.

Trust Information

Symbol on American Stock Exchange	BLJ
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$16.30) ¹	5.79%
Tax Equivalent Yield ²	8.91%
Current Monthly Distribution per Common Share ³	\$.078582
Current Annualized Distribution per Common Share ³	\$.942984
Leverage as of February 29, 2008 ⁴	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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 16.30	\$ 16.90	(3.55%)	\$ 18.35	\$ 15.69
Net Asset Value	\$ 13.86	\$ 15.38	(9.88%)	\$ 15.78	\$ 13.86

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

Portfolio Composition

Sector	2/29/08	8/31/07
Hospitals	33%	32%
Education	13	13
Transportation	12	12
City, County & State	10	10
Industrial & Pollution Control	7	7
Housing	6	6
Tax Revenue	6	7
Tobacco	6	7
Power	5	4
Lease Revenue	1	1
Water & Sewer	1	1

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	38%	38%
A	22	15
BBB/Baa	18	39
B	5	5
Not Rated	17	3

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock New York Insured Municipal Income Trust

Investment Objective

BlackRock New York Insured Municipal Income Trust (BSE) seeks to provide high current income exempt from regular federal income taxes and New York State and New York City personal income taxes. The Trust will invest at least 80% of its total assets in municipal obligations that are insured as to the timely payment of both principal and interest. BSE is currently 100% invested in securities which are not subject to the alternative minimum tax (AMT).

Performance

For the six months ended February 29, 2008, the Trust returned -4.57% based on market price, with dividends reinvested. The Trust's return based on NAV was -7.93%, with dividends reinvested. For the same period, the Lipper New York Insured Municipal Debt Funds category posted an average return of -5.24% on a NAV basis. The Trust's performance was impacted by several key factors: exposure to the long end of the municipal yield curve, which, along with discounted coupon bonds, underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; pressure on municipal bond insurers, which affected the entire insured municipal marketplace; and hedges, which exhibited low correlation to the factors causing municipal underperformance.

Trust Information

Symbol on New York Stock Exchange	BSE
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of February 29, 2008 (\$13.12) ¹	5.30%
Tax Equivalent Yield ²	8.15%
Current Monthly Distribution per Common Share ³	\$.058
Current Annualized Distribution per Common Share ³	\$.696
Leverage as of February 29, 2008 ⁴	40%

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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 13.12	\$ 14.12	(7.08%)	\$ 14.99	\$ 13.00
Net Asset Value	\$ 13.07	\$ 14.58	(10.36%)	\$ 15.16	\$ 13.07

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

Portfolio Composition

Sector	2/29/08	8/31/07
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Education	31%	31%
Transportation	25	29
City, County & State	14	8
Hospitals	12	13
Tax Revenue	9	8
Water & Sewer	3	4
Power	2	4
Tobacco	2	2
Housing	1	1
Industrial & Pollution Control	1	

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	86%	92%
AA/Aa	3	2
A		5
BBB/Baa	3	1
Not rated	8	

5 Using the highest of S&P s, Moody s or Fitch s ratings.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock New York Municipal Bond Trust

Investment Objective

BlackRock New York Municipal Bond Trust (BQH) seeks to provide current income exempt from regular federal income taxes and New York State and New York City personal income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -0.93% based on market price, with dividends reinvested. The Trust's return based on NAV was -3.73%, with dividends reinvested. For the same period, the Lipper New York Municipal Debt Funds category posted an average return of -4.96% on a NAV basis. The Trust's performance was impacted by several key factors: exposure to the long end of the municipal yield curve, which, along with discounted coupon bonds, underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; pressure on municipal bond insurers, which affected the entire insured municipal marketplace; and hedges, which exhibited low correlation to the factors causing municipal underperformance.

Trust Information

Symbol on New York Stock Exchange	BQH
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$15.65) ¹	5.91%
Tax Equivalent Yield ²	9.09%
Current Monthly Distribution per Common Share ³	\$.077099
Current Annualized Distribution per Common Share ³	\$.925188
Leverage as of February 29, 2008 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.
- 2 Tax equivalent yield assumes the maximum federal tax rate of 35%.
- 3 The distribution is not constant and is subject to change.
- 4 As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 15.65	\$ 16.32	(4.11%)	\$ 18.00	\$ 15.65
Net Asset Value	\$ 14.34	\$ 15.39	(6.82%)	\$ 15.76	\$ 14.34

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

Portfolio Composition

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Sector	2/29/08	8/31/07
Housing	17%	17%
Education	13	14
Transportation	12	12
Water & Sewer	11	11
Tax Revenue	10	8
City, County & State	9	9
Tobacco	9	10
Industrial & Pollution Control	9	9
Lease Revenue	4	5
Power	3	3
Hospitals	3	2

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	45%	43%
AA/Aa	18	19
A	11	12
BBB/Baa	11	17
BB/Ba	1	
B	8	8
Not Rated	6	1

5 Using the highest of S&P's, Moody's or Fitch's ratings.

Investment Objective

BlackRock New York Municipal Income Trust II (BFY) seeks to provide high current income exempt from regular federal income taxes and New York State and New York City personal income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -2.33% based on market price, with dividends reinvested. The Trust's return based on NAV was -4.89%, with dividends reinvested. For the same period, the Lipper New York Municipal Debt Funds category posted an average return of -4.96% on a NAV basis. The Trust's performance was impacted by several key factors: exposure to the long end of the municipal yield curve, which, along with discounted coupon bonds, underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; pressure on municipal bond insurers, which affected the entire insured municipal marketplace; and hedges, which exhibited low correlation to the factors causing municipal underperformance.

Trust Information

Symbol on American Stock Exchange	BFY
Initial Offering Date	July 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$13.50) ¹	5.56%
Tax Equivalent Yield ²	8.55%
Current Monthly Distribution per Common Share ³	\$.0625
Current Annualized Distribution per Common Share ³	\$.750
Leverage as of February 29, 2008 ⁴	40%

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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

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	2/29/08	8/31/07	Change	High	Low
Market Price	\$ 13.50	\$ 14.22	(5.06%)	\$ 15.30	\$ 13.50
Net Asset Value	\$ 13.72	\$ 14.84	(7.55%)	\$ 15.26	\$ 13.72

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

Portfolio Composition

Sector	2/29/08	8/31/07
Transportation	20%	20%
Education	18	18
Industrial & Pollution Control	15	15
Tobacco	11	11
Housing	11	10
City, County & State	8	9
Water & Sewer	5	6
Hospitals	5	4
Tax Revenue	5	5
Power	2	2

Credit Quality Allocations⁵

Credit Rating	2/29/08	8/31/07
AAA/Aaa	42%	47%
AA/Aa	29	25
A	10	13
BBB/Baa	5	8
BB/Ba	1	
B	6	6
Not Rated	7	1

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

Trust Summary as of February 29, 2008 (Unaudited)

BlackRock Virginia Municipal Bond Trust

Investment Objective

BlackRock Virginia Municipal Bond Trust (BHV) seeks to provide current income exempt from regular federal income taxes and Virginia personal income taxes. Under normal market conditions, the Trust will invest at least 80% of its total assets in municipal bonds that are investment grade quality, or determined by the Adviser to be of equivalent credit quality at time of purchase. The Trust may invest up to 20% of its total assets in municipal bonds that are rated, at the time of investment, Ba/BB or B by Moody's, S&P or Fitch or that are unrated but judged to be of comparable quality by BlackRock.

Performance

For the six months ended February 29, 2008, the Trust returned -1.08% based on market price, with dividends reinvested. The Trust's return based on NAV was -3.21%, with dividends reinvested. For the same period, the Lipper Other States Municipal Debt Funds category posted an average return of -4.52% on a NAV basis. The Trust's performance was impacted by three key factors: exposure to the long end of the municipal yield curve, which underperformed as the curve steepened; a widening in credit spreads, which negatively impacted uninsured credits in the portfolio; and pressure on municipal bond insurers, which affected the entire insured municipal marketplace.

Trust Information

Symbol on American Stock Exchange	BHV
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of February 29, 2008 (\$17.20) ¹	5.05%
Tax Equivalent Yield ²	7.77%
Current Monthly Distribution per Common Share ³	\$.072428
Current Annualized Distribution per Common Share ³	\$.869136
Leverage as of February 29, 2008 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 is not constant and is subject to change.

⁴ As a percentage of managed assets, which is the total assets of the Trust (including any assets attributable to Preferred Shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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