NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2
Form N-30D
May 06, 2003

SEMIANNUAL REPORT February 28, 2003

Nuveen
Municipal Closed-End
Exchange-Traded
Funds

CALIFORNIA
NPC
NCL
NCU
NAC
NVX
NZH
NKL
NKX

PHOTO OF: 2 MEN AND CHILD WALKING.
PHOTO OF: 2 WOMEN AND 2 CHILDREN.

DEPENDABLE,
TAX-FREE INCOME
BECAUSE
IT'S NOT WHAT YOU EARN,
IT'S WHAT YOU KEEP.(R)

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Photo of: Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

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Dear
SHAREHOLDER

Once again, I am pleased to write that during the period covered by this report your Nuveen California Fund continued to meet its objective of providing attractive monthly income free from federal income taxes and, where applicable, state income taxes. Detailed information on your Fund's performance can be found in the Portfolio Managers' Comments and on the Performance Overview pages within this report. Please take the time to read them.

In addition to providing regular tax-free income, we believe that a municipal bond investment like your Nuveen Fund also may offer opportunities to reduce the risk of your overall investment portfolio. This is because the prices of municipal bonds may move differently than the prices of the common stocks, mutual funds or other investments you may own. Since one part of your portfolio may be going up when another is going down, portfolio diversification may reduce your overall risk. Your financial advisor can explain the advantages of portfolio diversification in more detail. I urge you to contact him or her soon for more information on this important investment strategy.

I also urge you to consider receiving future Fund reports and other Fund information by e-mail and the Internet. Not only will you be able to receive the information faster, but this also may help lower your Fund's expenses. Sign up is quick and easy -- see the inside front cover of this report for step-by-step instructions.

For more than 100 years, Nuveen has specialized in offering quality investments such as your Nuveen Fund to those seeking to accumulate and preserve wealth. Our commitment to careful research, constant surveillance and judicious trading by a seasoned portfolio management team has never been stronger. Our mission continues to be to assist you and your financial advisor by offering the investment solutions and services that can help you meet your financial objectives. We thank you for choosing us as a partner as you work toward that goal.

Sincerely,

/s/ Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

April 14, 2003

Nuveen California Municipal Closed-End Exchange-Traded Funds
(NPC, NCL, NCU, NAC, NVX, NZH, NKL, NKX)

Portfolio Managers'
COMMENTS

Portfolio managers Bill Fitzgerald, Scott Romans and Tom O'Shaughnessy review U.S. and state economic conditions, key investment strategies, and the recent performance of the Funds. With 15 years of investment management experience at Nuveen, Bill has managed NCU since 1998, NAC since 1999, NVX and NZH since 2001, and NKL and NKX since their inceptions in March and November 2002, respectively. Scott, who has three years of investment experience at Nuveen, joined Bill in managing these six Funds in January 2003. Tom, who has 20 years of investment experience, assumed portfolio management responsibility for NPC and NCL in January 2003.

WHAT WERE THE MAJOR FACTORS AFFECTING THE U.S. ECONOMY AND THE MUNICIPAL MARKET DURING THIS REPORTING PERIOD?

Generally, the underlying economic and market conditions have not changed significantly since our last shareholder report dated August 31, 2002. We believe the most influential factors shaping the U.S. economy and the municipal market continued to be the slow pace of economic growth and interest rates that remained at 40-year lows. At the same time, continued geopolitical uncertainty, centering on the situation in Iraq and the ongoing threat of terrorism, also had an economic impact during this reporting period, particularly in terms of investor sentiment.

In the municipal market, the sluggish economic recovery and general lack of inflationary pressures created conditions that helped many bonds perform well during much of the period ended February 28, 2003. In calendar year 2002, municipal supply nationwide established a new record of $357 billion, an increase of 25% over 2001. Issuance remained high during January and February 2003, up 23% over the same period in 2002. Demand for municipal bonds stayed strong over most of this reporting period as institutional investors, including traditional municipal bond purchasers such as property/casualty insurance companies were active buyers in the municipal market.

HOW WERE ECONOMIC AND MARKET CONDITIONS IN CALIFORNIA?

Municipal supply continued to be very strong in California during 2002, with $50 billion of new bonds, an increase of 50% over 2001. Issuance in the first two months of 2003 totaled $11.5 billion, up 136% over January-February 2002. This dramatic increase in supply has largely been driven by shortfalls in the state budget, and the low level of interest rates. In November 2002, the state completed the issuance of nearly $12 billion in electric power bonds. The proceeds from this issue were used to repay the $6.3 billion loan from California's general fund that financed purchases for the state's investor-owned utilities during the power crisis in 2001.

While the proceeds from the power bonds helped to mitigate an eroding credit outlook, California still faces significant budget problems, due chiefly to increased expenditures and revenue shortfalls resulting from income tax collections that fell below projections. In December 2002, Governor Gray Davis announced a projected budget deficit for the combined fiscal years 2003-2004 of $35 billion, the highest in the nation. This announcement

prompted both Standard & Poor's and Fitch to downgrade the state's credit rating to A/A from A+/AA, respectively. In February 2003, as it became apparent that progress toward closing the budget gap was moving very slowly, Moody's also downgraded the state to A2 from A1.

Job growth in the state during 2002 was negligible, with gains posted by the government and wholesale/ retail trade sectors largely offset by losses in manufacturing and business services. Although the state economy continues to benefit from diversity, we think a solid recovery in California remains largely dependent on increases in business spending as well as on a strong global recovery, since exports - mainly to Asia, Canada, and Mexico - represent 12% of the state's economy. Aided by a generally solid residential real estate market, the economy of southern California continued to be relatively stable compared with that of the northern half of the state, where the downturn in technology continued to restrain economic growth.

At the present time, California appears to be at a low point in the credit cycle, with the pace of economic improvement to be determined by the pace of progress in addressing state budget issues. We believe that the current determination to address the deficit seems to be greater than in the past, but it may take two to three years for the governor and legislature to find a resolution for the imbalance between California's revenues and expenditures.

HOW DID THESE FUNDS PERFORM OVER THE TWELVE MONTHS ENDED FEBRUARY 28, 2003?

Individual results for the Funds, as well as appropriate benchmarks, are presented in the accompanying table.

	MARKET YIELD		TOTAL RETURN ON NAV	LEHMAN CALIFORNIA TOTAL RETURN1	LIPPER CALIFORNIA AVERAGE2
	2/28/03	TAXABLE-EQUIVALENT3	1 YEAR ENDED 2/28/03	1 YEAR ENDED 2/28/03	1 YEAR ENDED 2/28/03
NPC	5.66%	8.91%	9.56%	7.13%	7.97%
NCL	5.88%	9.26%	8.88%	7.13%	7.97%
NCU	6.43%	10.13%	8.29%	6.70%	8.10%
NAC	6.55%	10.31%	10.12%	6.70%	8.10%
NVX	6.53%	10.28%	7.94%	6.70%	8.10%
NZH	6.58%	10.36%	8.58%	6.70%	8.10%
NKL	6.21%	9.78%	NA	-	-
NKX	6.21%	9.78%	NA	-	-

Past performance is not predictive of future results.

For additional information, see the individual Performance Overview for your Fund in this report.

For the twelve months ended February 28, 2003, all of the Funds with at least one year of performance history outperformed their respective unmanaged, unleveraged Lehman Index, and either outperformed or performed in line with their respective Lipper peer group averages. When comparing with the Lehman Indexes, much of the Nuveen Fund outperformance can be attributed to the

leveraged structure of these Funds, which can provide the opportunity for additional income for common shareholders as well as net asset value appreciation when short-term interest rates are low or bond prices are falling - as was the case during much of the measurement period.

In addition to leverage, the relative performances of these Nuveen Funds were influenced by factors including call exposure, portfolio trading activity, and the price movement of specific sectors and holdings. For example, NVX held $5.5 million (par value) of bonds backed by United Air Lines that were issued to support a cargo facility at Los Angeles International Airport. During the year, the market value of most airline-backed bonds fell, due in part to a decline in passenger volume and in part to the market's expectation of

1 The total annual returns on common share net asset value (NAV) for NPC and NCL are compared with the total annual return of the Lehman Brothers California Insured Tax-Exempt Bond Index, an unleveraged index comprising a broad range of insured California municipal bonds, while the annual returns for NCU, NAC, NVX, and NZH are compared with the annual return of the Lehman California Tax-Exempt Bond Index, an unleveraged index comprising a broad range of investment-grade California municipal bonds. Results for the Lehman indexes do not reflect any expenses.

2 The total returns of NPC and NCL are compared with the average annualized return of the 8 funds in the Lipper California Insured Municipal Debt Funds category, while the total returns for NCU, NAC, NVX, and NZH are compared with the return of the 25 funds in the Lipper California Municipal Debt Funds category. Fund and Lipper returns assume reinvestment of dividends.

3 The taxable-equivalent yield represents the yield that must be earned on a taxable investment in order to equal the yield of the Nuveen Fund on an after-tax basis. The taxable-equivalent yield is based on the Fund's market yield on the indicated date and a combined federal and state income tax rate of 36.5%.

a bankruptcy filing by United, which took place in December 2002. Over the twelve months ended February 28, 2003, the NVX position depreciated 70%, costing the Fund approximately 60 basis points in total return performance.

HOW DID THE MARKET ENVIRONMENT AFFECT THE FUNDS' DIVIDENDS AND SHARE PRICES?

As short-term interest rates remained at historically low levels, the dividend-paying capabilities of these Funds benefited from their use of leverage, a strategy that can potentially enhance the dividends paid to common shareholders. The amount of this benefit is tied in part to the short-term rates the Funds pay their MuniPreferred(R) shareholders. Low short-term rates can enable the Funds to reduce the amount of income they pay preferred shareholders, which can leave more earnings to support common share dividends.

During the twelve months ended February 28, 2003, the low short-term interest rate environment enabled us to implement three dividend increases in NCL and NAC, two in NPC and NCU, and one in NVX. NZH and NKL have paid steady, attractive monthly dividends since their first distributions in November 2001 and May 2002, respectively. NKX declared its first dividend in January 2003.

Over the course of this twelve-month period, the share prices of these Funds

were affected by a general weakening of bond prices during the fourth quarter of 2002, although we saw some recovery by February 2003. Overall, only NCL was trading on February 28, 2003 at a share price higher than one year earlier. (see charts on individual Performance Overview pages).

WHAT KEY STRATEGIES WERE USED TO MANAGE THESE NUVEEN FUNDS DURING THE PERIOD ENDED FEBRUARY 28, 2003?

Over this reporting period, our strategic focus across both the insured and non-insured Funds continued to be on diversifying the portfolios, enhancing call protection, and positioning the Funds more defensively in anticipation of potential changes in the interest rate environment. Given the recent steepness of the municipal yield curve, we concentrated on finding value in the long-intermediate part of the curve (i.e., bonds that mature 15 to 20 years from now). In many cases, bonds in this part of the curve were offering yields similar to those of longer term bonds but, in our opinion, had less inherent interest rate risk. The purchase of these long-intermediate bonds helped to moderate the durations4 of these Funds (with the exception of NPC), making their portfolios less sensitive to interest rate changes while still allowing them to provide competitive yields and returns. In NPC, where the proceeds from a number of bond calls had to be reinvested, the addition of bonds from the 15- to 20-year part of the yield curve actually led to a modest lengthening of duration.

Given the slow economic growth over the reporting period, we also were taking into consideration scenarios in which interest rates could stay relatively low for a number of months. We believe that structuring the portfolios with bonds offering maturities of 15 to 20 years helps to prepare the Funds for this eventuality as well.

We sold out of some positions in California GOs in March 2001, with the exception of some shorter-term bonds that we believed were not at risk. Recently, however, we have begun to rebuild small positions in these bonds in several of the

4 Duration is a measure of a Fund's NAV volatility in reaction to interest rate movements. Fund duration, also known as leverage-adjusted duration, takes into account the leveraging process for a Fund and therefore is generally longer than the duration of the actual portfolio of individual bonds that make up the Fund. References to duration in this commentary are intended to indicate Fund duration unless otherwise noted.

Funds because we believe these bonds represent an opportunity to add attractive yields at favorable prices.

Over the past year, the heavy issuance in the California market provided us with increased opportunities to negotiate and obtain the types of bond structures that we favor, especially as we worked to reduce the Funds' duration's against the risk of rising inflation or interest rates. We also continued to look for individual issues that we believed would perform well regardless of the future direction of interest rates. From a sector perspective, our portfolios continued to hold positions in healthcare bonds, which were the top performing group among the Lehman revenue sectors for the twelve months ended February 28, 2003. We think that credit spreads in this sector have been wider than warranted, representing an opportunity to purchase uninsured bonds that can support and potentially enhance the yields of NCU, NAC, NVX, and NZH. We also maintained a

position in uninsured public power bonds, especially those issued by municipal entities with their own power plants and distribution systems. Such entities have actually benefited from the increased cost of energy, which we believe could continue to rise through 2003, and these bonds have performed relatively well. Based on a general improvement in the credit quality of corporate bonds, the non-insured Funds also looked for opportunities in the industrial development sector.

In the current geopolitical and economic climate, we believe that maintaining strong credit quality remains a vital requirement. As of February 28, 2003, each of the four non-insured Funds continued to offer excellent credit quality, with allocations of bonds rated AAA/U.S. guaranteed and AA ranging from 57% to 78%. Among the four insured Funds, both NPC and NCL were 100% invested in U.S. guaranteed and/or insured bonds, while NKL and NKX held 90% and 81%, respectively, of their portfolios in insured securities. In general, our holdings of insured and higher quality bonds benefited the performance of all of these Funds during the past year.

In November 2002, we introduced the new Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX). This Fund is now fully invested. Due to robust supply in the California municipal market, we were able to structure NKX entirely with California securities, except for one relatively small position in Puerto Rico bonds. Although NKX is predominantly invested in insured bonds, the Fund is allowed to invest up to 20% in uninsured investment-grade quality securities, with the goal of enhancing the Fund's yield. In addition, NKX cannot hold any bonds whose income is subject to the federal Alternative Minimum Tax. As mentioned earlier, NKX paid its first dividend earlier this year, and we believe the Fund is in an excellent position to pay attractive monthly dividends going forward.

WHAT IS YOUR OUTLOOK FOR THE MUNICIPAL MARKET IN GENERAL AND THE NUVEEN CALIFORNIA FUNDS IN PARTICULAR?

Our outlook for these markets remains generally positive. We continue to believe the U.S. economy is slowly heading for an eventual recovery, but one that may be less robust than some originally anticipated. Inflation and interest rates should remain relatively low over the near term, although inflation could be temporarily impacted by war-induced increases in oil prices.

In the municipal market, we think new issuance volume nationally will remain strong as issuers continue to take advantage of the low rate environment. Given California's current budget deficit and the state's continued need for spending on infrastructure and education, we expect to see significant issuance of new municipal debt in the state. Over coming months, we will continue to closely monitor the budgetary situation in California to assess the potential effect of the balancing process on the state's cities, counties, and agencies and to watch for any further impact on the state's credit rating.

Looking at the potential for bond calls among these California Funds, the five newer Funds, all established between 1999 and 2002, do not face any significant call exposure for several years. Among the three older Funds, we have worked over the past year to mitigate the number of potential calls. As of February 28, 2003, the percentage of bonds eligible for calls during 2003 and 2004 ranged from 13% in NPC to 18% in NCL and 22% in NCU. Some of the bonds identified as callable in NPC and NCL are priced to call dates in 2003 and 2004, but we think it is unlikely they will all actually be called because in many cases the bonds'

relatively low coupons would not make it economical for the issuer to do so. For NCU, we believe that the majority of these eligible to be called will, in fact, be called, and we are systematically reducing our holdings of these shorter maturity bonds and repositioning the Fund with bonds that mature in 15 to 20 years. By selling the callable bonds in NCU's portfolio before they are called, we can blend in current interest rates and help to mitigate call risk for shareholders.

In coming months, we will be closely watching several areas of the market, including progress toward resolution of the California budget deficit, the credit environment in the state, areas of supply and demand, and the direction of interest rates and inflation. We expect the state budget issue to be resolved very slowly, and we think in the long run this represents an opportunity to add California GOs to our non-insured portfolios. Because we believe the credit environment could continue to be difficult, credit will also remain a primary focus in selecting issues for our non-insured portfolios, with a continued move toward higher quality securities. In general, we plan to remain focused on strategies that can add value for our shareholders and provide support for the Funds' long-term dividend-payment capabilities.

Nuveen Insured California Premium Income Municipal Fund, Inc.

Performance
OVERVIEW As of February 28, 2003

NPC

PIE CHART:
CREDIT QUALITY
INSURED 81%
U.S. GUARANTEED 19%

PORTFOLIO STATISTICS

Share Price	$15.80
Common Share Net Asset Value	$16.24
Market Yield	5.66%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	8.09%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	8.91%
Net Assets Applicable to Common Shares ($000)	$104,544
Average Effective Maturity (Years)	21.20
Leverage-Adjusted Duration	10.24

AVERAGE ANNUAL TOTAL RETURN (Inception 11/92)

	ON SHARE PRICE	ON NAV
1-Year	6.05%	9.56%
5-Year	6.04%	6.03%
10-Year	6.50%	6.77%

TOP FIVE SECTORS (as a % of total investments)

Tax Obligation/General	23%
U.S. Guaranteed	19%
Tax Obligation/Limited	16%
Water and Sewer	13%
Healthcare	7%

Bar Chart:
2002-2003 MONTHLY TAX-FREE DIVIDENDS PER SHARE2

3/02	0.0725
4/02	0.0725
5/02	0.0725
6/02	0.0725
7/02	0.0725
8/02	0.0725
9/02	0.0735
10/02	0.0735
11/02	0.0735
12/02	0.0745
1/03	0.0745
2/03	0.0745

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price
Past performance is not predictive of future results.

3/1/02	15.9
	15.75
	15.25
	14.84
	14.78
	14.83
	14.95
	15.1
	15.23
	15.35
	15.5
	15.49
	15.44
	15.51
	15.77
	15.5

	15.54
	15.6
	16.05
	16.09
	15.95
	15.75
	16.05
	16.05
	16
	16.2
	15.85
	16.09
	16.21
	16.26
	16.45
	16.35
	16.29
	15.49
	15
	15.3
	15.15
	15.1
	15
	15
	15.4
	15.27
	15.46
	15.72
	15.66
	15.35
	15.3
	15.8
	15.86
	15.95
	15.88
	15.71
2/28/03	15.8

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

2 The Fund also paid shareholders capital gains and net ordinary income distributions in December 2002 of $0.1419 per share.

Nuveen Insured California Premium Income Municipal Fund 2, Inc.

Performance
OVERVIEW As of February 28, 2003

NCL

PIE CHART:
CREDIT QUALITY

INSURED	89%
INSURED AND U.S. GUARANTEED	8%
U.S. GUARANTEED	3%

PORTFOLIO STATISTICS

Share Price	$15.00
Common Share Net Asset Value	$15.23
Market Yield	5.88%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	8.40%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	9.26%
Net Assets Applicable to Common Shares ($000)	$192,826
Average Effective Maturity (Years)	17.09
Leverage-Adjusted Duration	7.02

AVERAGE ANNUAL TOTAL RETURN (Inception 3/93)

	ON SHARE PRICE	ON NAV
1-Year	7.40%	8.88%
5-Year	6.33%	6.56%
Since Inception	5.87%	6.55%

TOP FIVE SECTORS (as a % of total investments)

Tax Obligation/Limited	36%
Tax Obligation/General	14%
U.S. Guaranteed	11%
Utilities	9%
Education and Civic Organizations	7%

Bar Chart:
2002-2003 MONTHLY TAX-FREE DIVIDENDS PER SHARE

3/02	0.07
4/02	0.07
5/02	0.07

6/02	0.0715
7/02	0.0715
8/02	0.0715
9/02	0.0725
10/02	0.0725
11/02	0.0725
12/02	0.0735
1/03	0.0735
2/03	0.0735

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price
Past performance is not predictive of future results.

3/1/02	14.85
	14.85
	14.21
	14.05
	13.9
	14.09
	14.08
	14.25
	14.45
	14.7
	14.6
	14.7
	14.66
	14.7
	14.85
	14.74
	14.75
	14.93
	15.23
	15.37
	15.47
	15.23
	15.3
	15.32
	15.16
	14.98
	14.8
	15.05
	15.22
	15.26
	15.74
	15.67
	15.58
	15
	14.48
	14.43
	14.71
	14.52
	14.55
	14.51
	14.73
	14.55
	14.62
	14.99
	15.21
	14.93
	14.86

	14.91
	15.03
	14.93
	14.9
	15.25
2/28/03	15

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

Nuveen California Premium Income Municipal Fund

Performance
OVERVIEW As of February 28, 2003

NCU

PIE CHART:
CREDIT QUALITY

AAA/U.S. GUARANTEED	63%
AA	10%
A	7%
BBB	6%
NR	7%
BB OR LOWER	7%

PORTFOLIO STATISTICS

Share Price	$13.35
Common Share Net Asset Value	$14.41
Market Yield	6.43%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	9.19%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	10.13%
Net Assets Applicable to Common Shares ($000)	$83,233
Average Effective Maturity (Years)	17.15
Leverage-Adjusted Duration	10.51

AVERAGE ANNUAL TOTAL RETURN (Inception 6/93)		
	ON SHARE PRICE	ON NAV
1-Year	1.87%	8.29%
5-Year	4.91%	6.48%
Since Inception	4.84%	6.20%

TOP FIVE SECTORS (as a % of total investments)	
Tax Obligation/Limited	33%
Healthcare	14%
Housing/Multifamily	11%
Tax Obligation/General	10%
Utilities	9%

Bar Chart:

2002-2003 MONTHLY TAX-FREE DIVIDENDS PER SHARE2	
3/02	0.069
4/02	0.069
5/02	0.069
6/02	0.0705
7/02	0.0705
8/02	0.0705
9/02	0.0715
10/02	0.0715
11/02	0.0715
12/02	0.0715
1/03	0.0715
2/03	0.0715

Line Chart:

SHARE PRICE PERFORMANCE Weekly Closing Price Past performance is not predictive of future results.	
3/1/02	13.98
	13.75
	13.6
	13.25
	13.12
	13.27
	13.3
	13.37
	13.39
	13.68
	13.7
	13.88
	13.5
	13.8
	14
	13.9
	13.9

	13.83
	14
	14.13
	14.1
	14.09
	14.15
	14.17
	14.2
	13.85
	14
	14.17
	14.47
	14.4
	14.54
	14.9
	14.75
	13.8
	13.56
	13.65
	13.82
	13.64
	13.93
	13.72
	13.85
	13.7
	13.59
	13.95
	14.05
	14.05
	13.75
	13.67
	13.31
	13.48
	13.3
	13.4
2/28/03	13.35

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

2 The Fund also paid shareholders a net ordinary income distribution in December 2002 of $0.0065 per share.

Nuveen California Dividend Advantage Municipal Fund

Performance
OVERVIEW As of February 28, 2003

NAC

PIE CHART:
CREDIT QUALITY

AAA/U.S. GUARANTEED	51%
AA	6%
A	20%
BBB	16%
NR	7%

PORTFOLIO STATISTICS

Share Price	$14.11
Common Share Net Asset Value	$15.45
Market Yield	6.55%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	9.36%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	10.31%
Net Assets Applicable to Common Shares ($000)	$361,822
Average Effective Maturity (Years)	20.13
Leverage-Adjusted Duration	10.79

AVERAGE ANNUAL TOTAL RETURN (Inception 5/99)

	ON SHARE PRICE	ON NAV
1-Year	4.40%	10.12%
Since Inception	4.48%	8.21%

TOP FIVE SECTORS (as a % of total investments)

Tax Obligation/Limited	24%
Transportation	16%
Healthcare	10%
Housing/Multifamily	10%
Tax Obligation/General	10%

Bar Chart:
2002-2003 MONTHLY TAX-FREE DIVIDENDS PER SHARE

3/02	0.0725
4/02	0.0725
5/02	0.0725
6/02	0.0735

7/02	0.0735
8/02	0.0735
9/02	0.0755
10/02	0.0755
11/02	0.0755
12/02	0.077
1/03	0.077
2/03	0.077

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price
Past performance is not predictive of future results.

3/1/02	14.3
	14.25
	13.93
	13.58
	13.72
	13.85
	14.1
	13.94
	14.18
	14.56
	14.55
	14.58
	14.29
	14.37
	14.48
	14.24
	14.11
	14.44
	14.58
	14.85
	14.63
	14.74
	14.77
	14.8
	14.65
	14.42
	14.55
	14.88
	15
	14.83
	14.95
	14.99
	14.89
	14.4
	14.33
	14.3
	14.35
	14.12
	13.98
	14.16
	14.37
	14.17
	14.41
	14.55
	14.67
	14.3
	14.1
	14.04

	14.11
	14.35
	14.07
	14.09
2/28/03	14.11

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

Nuveen California Dividend Advantage Municipal Fund 2

Performance
OVERVIEW As of February 28, 2003

NVX

PIE CHART:
CREDIT QUALITY

AAA/U.S. GUARANTEED	78%
A	15%
BBB	4%
NR	3%

PORTFOLIO STATISTICS

Share Price	$13.59
Common Share Net Asset Value	$14.88
Market Yield	6.53%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	9.33%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	10.28%
Net Assets Applicable to Common Shares ($000)	$220,045
Average Effective Maturity (Years)	21.65
Leverage-Adjusted Duration	11.40

AVERAGE ANNUAL TOTAL RETURN (Inception 3/01)

	ON SHARE PRICE	ON NAV
1-Year	0.75%	7.94%
Since Inception	0.79%	8.05%

TOP FIVE SECTORS (as a % of total investments)

Tax Obligation/Limited	26%
Tax Obligation/General	18%
Education and Civic Organizations	13%
Water and Sewer	12%
Healthcare	10%

Bar Chart:
2002-2003 MONTHLY TAX-FREE DIVIDENDS PER SHARE2

3/02	0.073
4/02	0.073
5/02	0.073
6/02	0.073
7/02	0.073
8/02	0.073
9/02	0.074
10/02	0.074
11/02	0.074
12/02	0.074
1/03	0.074
2/03	0.074

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price
Past performance is not predictive of future results.

3/1/02	14.39
	14.1
	13.79
	13.64
	13.91
	13.69
	13.77
	13.93
	13.95
	14
	14.25
	13.85
	14.14
	14.24
	14.05
	13.91
	13.81
	14.15

	14.14
	14.49
	14.42
	14.32
	14.27
	14.44
	14.54
	14.35
	14.28
	14.62
	14.64
	14.46
	14.63
	14.87
	14.45
	13.95
	13.74
	13.8
	14.2
	13.68
	13.54
	13.74
	13.75
	13.36
	13.32
	13.73
	13.75
	13.42
	13.44
	13.49
	13.64
	13.47
	13.51
	13.58
2/28/03	13.59

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

2 The Fund also paid shareholders capital gains and net ordinary income distributions in December 2002 of $0.0291 per share.

Nuveen California Dividend Advantage Municipal Fund 3

Performance
OVERVIEW As of February 28, 2003

NZH

PIE CHART:
CREDIT QUALITY

AAA/U.S. GUARANTEED	71%
AA	3%
A	19%
BBB	4%
NR	3%

PORTFOLIO STATISTICS

Share Price	$13.14
Common Share Net Asset Value	$14.41
Market Yield	6.58%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	9.40%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	10.36%
Net Assets Applicable to Common Shares ($000)	$347,496
Average Effective Maturity (Years)	21.78
Leverage-Adjusted Duration	11.89

AVERAGE ANNUAL TOTAL RETURN (Inception 9/01)

	ON SHARE PRICE	ON NAV
1-Year	1.18%	8.58%
Since Inception	-3.35%	6.36%

TOP FIVE SECTORS (as a % of total investments)

Tax Obligation/Limited	31%
Tax Obligation/General	21%
Healthcare	10%
Water and Sewer	9%
Education and Civic Organizations	8%

Bar Chart:
2002-2003 MONTHLY TAX-FREE DIVIDENDS PER SHARE

3/02	0.072
4/02	0.072

5/02	0.072
6/02	0.072
7/02	0.072
8/02	0.072
9/02	0.072
10/02	0.072
11/02	0.072
12/02	0.072
1/03	0.072
2/03	0.072

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price
Past performance is not predictive of future results.

3/1/02	13.95
	13.95
	13.85
	13.1
	13.49
	13.65
	13.5
	13.82
	13.6
	13.75
	13.75
	13.84
	13.6
	13.76
	13.66
	13.51
	13.65
	13.58
	13.95
	13.9
	14.05
	13.93
	14
	13.98
	13.91
	13.79
	14
	14.13
	14.23
	14.08
	14
	14.25
	13.94
	13.45
	13.31
	13.7
	13.64
	13.35
	13.26
	13.3
	13.37
	13.02
	13.1
	13.12
	13.5

	13.14
	13.05
	13.07
	13.2
	13.15
	13
	13.04
2/28/03	13.14

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

Nuveen Insured California Dividend Advantage Municipal Fund

Performance
OVERVIEW As of February 28, 2003

NKL

PIE CHART:
CREDIT QUALITY

INSURED	90%
AAA (UNINSURED)	1%
AA (UNINSURED)	4%
A (UNINSURED)	5%

PORTFOLIO STATISTICS

Share Price	$14.68
Common Share Net Asset Value	$15.36
Market Yield	6.21%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	8.87%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	9.78%
Net Assets Applicable to Common Shares ($000)	$234,344
Average Effective Maturity (Years)	20.38

Leverage-Adjusted Duration	11.44

CUMULATIVE TOTAL RETURN (Inception 3/02)

	ON SHARE PRICE	ON NAV
Since Inception	3.37%	13.10%

TOP FIVE SECTORS (as a % of total investments)

Tax Obligation/Limited	28%
Tax Obligation/General	27%
Utilities	12%
Education and Civic Organizations	9%
Water and Sewer	9%

Bar Chart:
2002-2003 MONTHLY TAX-FREE DIVIDENDS PER SHARE2

5/02	0.076
6/02	0.076
7/02	0.076
8/02	0.076
9/02	0.076
10/02	0.076
11/02	0.076
12/02	0.076
1/03	0.076
2/03	0.076

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price
Past performance is not predictive of future results.

3/28/02	15.15
	15
	15.05
	15.05
	15
	15.05
	15.11
	15.08
	15.05
	15.05
	15
	14.9
	14.84
	14.99
	14.95
	15.22
	15.05
	14.9
	15.1

	15.01
	15.18
	15.1
	15
	15.14
	15.25
	15.05
	15.32
	15.25
	15.17
	14.3
	14.2
	14.64
	14.59
	14.6
	14.63
	14.7
	14.8
	14.31
	14.3
	14.3
	14.45
	14.6
	14.24
	14.3
	14.45
	14.59
	14.4
	14.6
2/28/03	14.68

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

2 The Fund also paid shareholders a capital gains distribution in December 2002 of $0.0515 per share.

Nuveen Insured California Tax-Free Advantage Municipal Fund

Performance
OVERVIEW As of February 28, 2003

NKX

PIE CHART:
CREDIT QUALITY

INSURED	81%
AAA (UNINSURED)	6%

AA (UNINSURED)	2%
A (UNINSURED)	8%
BBB (UNINSURED)	2%
NR (UNINSURED)	1%

PORTFOLIO STATISTICS

Share Price	$14.60
Common Share Net Asset Value	$14.49
Market Yield	6.21%
Taxable-Equivalent Yield (Federal Income Tax Rate)1	8.87%
Taxable-Equivalent Yield (Federal and State Income Tax Rate)1	9.78%
Net Assets Applicable to Common Shares ($000)	$85,249
Average Effective Maturity (Years)	22.67
Leverage-Adjusted Duration	12.39

CUMULATIVE TOTAL RETURN (Inception 11/02)

	ON SHARE PRICE	ON NAV
Since Inception	-1.66%	2.19%

TOP FIVE SECTORS (as a % of total investments)

Tax Obligation/Limited	40%
Tax Obligation/General	15%
Transportation	12%
Education and Civic Organizations	12%
Utilities	10%

Bar Chart:
MONTHLY TAX-FREE DIVIDENDS PER SHARE
1/02 0.0755
2/03 0.0755

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price
Past performance is not predictive of future results.
11/22/02 15.1
15.05

	15
	15
	15
	14.94
	14.85
	14.9
	14.9
	14.75
	14.7
	14.2
	14.28
2/28/03	14.6

1 Taxable-equivalent yield represents the yield on a taxable investment necessary to equal the yield of the Nuveen Fund on an after-tax basis. It is calculated using the current market yield and a federal income tax rate of 30%. The rate shown for federal and state highlights the added value of owning shares that are also exempt from state income taxes. It is based on a combined federal and state income tax rate of 36.5%.

Shareholder
MEETING REPORT

The Shareholder Meeting was held in Chicago, Illinois on November 21, 200

	NPC		NCL	
APPROVAL OF THE DIRECTORS WAS REACHED AS FOLLOWS:	Common Shares	Preferred Shares Series-T	Common Shares	Preferred Shares Series-T
Robert P. Bremner				
For	5,910,053	1,688	11,913,600	1,731
Withhold	39,885	11	95,502	1
Total	5,949,938	1,699	12,009,102	1,732
Lawrence H. Brown				
For	5,908,170	1,688	11,908,241	1,731
Withhold	41,768	11	100,861	1
Total	5,949,938	1,699	12,009,102	1,732
Anne E. Impellizzeri				
For	5,906,970	1,688	11,910,041	1,731
Withhold	42,968	11	99,061	1
Total	5,949,938	1,699	12,009,102	1,732
Peter R. Sawers				
For	5,908,270	1,688	11,908,141	1,731

Withhold	41,668	11	100,961	1
Total	5,949,938	1,699	12,009,102	1,732
Judith M. Stockdale				
For	5,908,753	1,688	11,917,350	1,731
Withhold	41,185	11	91,752	1
Total	5,949,938	1,699	12,009,102	1,732
William J. Schneider				
For	--	1,688	--	1,731
Withhold	--	11	--	1
Total	--	1,699	--	1,732
Timothy R. Schwertfeger				
For	--	1,688	--	1,731
Withhold	--	11	--	1
Total	--	1,699	--	1,732

Shareholder
MEETING REPORT (continued)

	NAC			NVX		
APPROVAL OF THE DIRECTORS WAS REACHED AS FOLLOWS:	Common Shares	Preferred Shares Series-TH	Preferred Shares Series-F	Common Shares	Preferred Shares Series-M	Preferred Shares Series-F
Robert P. Bremner						
For	23,065,597	3,379	3,138	14,640,718	2,079	2,103
Withhold	190,245	31	56	110,021	3	--
Total	23,255,842	3,410	3,194	14,750,739	2,082	2,103
Lawrence H. Brown						
For	23,058,801	3,379	3,138	14,638,758	2,079	2,103
Withhold	197,041	31	56	111,981	3	--
Total	23,255,842	3,410	3,194	14,750,739	2,082	2,103
Anne E. Impellizzeri						
For	23,058,934	3,379	3,138	14,640,091	2,079	2,103
Withhold	196,908	31	56	110,648	3	--
Total	23,255,842	3,410	3,194	14,750,739	2,082	2,103
Peter R. Sawers						

For	23,060,466	3,379	3,138	14,640,131	2,079	2,103
Withhold	195,376	31	56	110,608	3	--
Total	23,255,842	3,410	3,194	14,750,739	2,082	2,103
Judith M. Stockdale						
For	23,070,769	3,379	3,138	14,640,718	2,079	2,103
Withhold	185,073	31	56	110,021	3	--
Total	23,255,842	3,410	3,194	14,750,739	2,082	2,103
William J. Schneider						
For	--	3,379	3,138	--	2,079	2,103
Withhold	--	31	56	--	3	--
Total	--	3,410	3,194	--	2,082	2,103
Timothy R. Schwertfeger						
For	--	3,379	3,138	--	2,079	2,103
Withhold	--	31	56	--	3	--
Total	--	3,410	3,194	--	2,082	2,103

Nuveen Insured California Premium Income Municipal Fund, Inc. (NPC)

Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	EDUCATION AND CIVIC ORGANIZATIONS - 9.1%	
$ 2,000	California Educational Facilities Authority, Revenue Bonds, Santa Clara University, Series 1996, 5.750%, 9/01/26 - MBIA Insured	9/06 at 102
5,000	California Educational Facilities Authority, Student Loan Revenue Bonds, California Loan Program, Series 2001A, 5.400%, 3/01/21 (Alternative Minimum Tax) - MBIA Insured	3/08 at 102
2,000	The Regents of the University of California, Multiple Purpose Projects Revenue Bonds, 2002 Series O, 5.125%, 9/01/31 - FGIC Insured	9/10 at 101
	HEALTHCARE - 9.6%	
3,000	California Health Facilities Financing Authority, Insured Revenue Bonds, Sutter Health, Series 1998A, 5.375%, 8/15/30 - MBIA Insured	8/08 at 101
1,500	California Statewide Communities Development Authority, Certificates of Participation, Members of the Sutter Health	8/09 at 101

	Obligated Group, 5.500%, 8/15/19 - FSA Insured	
4,800	The Regents of the University of California, Hospital Revenue Bonds, University of California Davis Medical Center, Series 1996, 5.750%, 7/01/24 - AMBAC Insured	7/06 at 101
	HOUSING/MULTIFAMILY - 4.7%	
1,000	ABAG Finance Authority for Nonprofit Corporations, California, Multifamily Housing Revenue Bonds, Civic Center Drive Apartments Project, 1999 Series A, 5.800%, 9/01/20 (Alternative Minimum Tax) - FSA Insured	9/09 at 100
3,865	The City of Los Angeles, California, Tax-Exempt Mortgage Revenue Refunding Bonds, Series 1993A, FHA-Insured Mortgage Loans - Section 8 Assisted Projects, 6.300%, 1/01/25 - MBIA Insured	7/03 at 100
	HOUSING/SINGLE FAMILY - 2.5%	
1,075	California Housing Finance Agency, Single Family Mortgage Bonds II, 1997 Series A-1, 6.000%, 8/01/20 (Alternative Minimum Tax) - MBIA Insured	2/07 at 102
1,420	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 1998Q, 5.050%, 8/01/17 - AMBAC Insured	8/08 at 101
	TAX OBLIGATION/GENERAL - 31.9%	
	State of California, Various Purpose General Obligation Bonds:	
7,995	5.750%, 3/01/22 - MBIA Insured	3/10 at 101
2,000	5.750%, 3/01/27 - MBIA Insured	3/10 at 101
2,000	State of California, Veterans General Obligation Bonds, 2001 Series BZ, 5.375%, 12/01/24 (Alternative Minimum Tax) - MBIA Insured	6/07 at 101
1,225	Fresno Unified School District, Fresno County, California, 1998 General Obligation Refunding Bonds, Series A, 6.550%, 8/01/20 - MBIA Insured	2/13 at 103
2,500	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Election of 2001, Series 2001A, 5.125%, 8/01/26 - FSA Insured	8/09 at 102
2,000	Los Angeles Unified School District, California, General Obligation Bonds, 1997 Series A, 5.000%, 7/01/21 - FGIC Insured	7/08 at 102
500	Los Angeles Unified School District, California, General Obligation Bonds, Election of 1997, Series 2000D, 5.375%, 7/01/25 - FGIC Insured	7/10 at 100
3,000	Pomona Unified School District, California, General Obligation Refunding Bonds, Series 1997-A, 6.500%, 8/01/19 - MBIA Insured	8/11 at 103
	San Diego Unified School District, San Diego County, California,	

	General Obligation Bonds, Election of 1998, Series 2001C:	
1,335	5.000%, 7/01/21 - FSA Insured	7/11 at 102
3,500	5.000%, 7/01/22 - FSA Insured	7/11 at 102
4,895	5.000%, 7/01/23 - FSA Insured	7/11 at 102

Nuveen Insured California Premium Income Municipal Fund, Inc. (NPC) (
Portfolio of INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED - 21.6%	
$ 2,000	State Public Works Board of the State of California, Lease Revenue Bonds, California Department of Health Services, 1999 Series A, Richmond Laboratory Project, 5.750%, 11/01/24 - MBIA Insured	11/09 at 101
1,835	Corona-Norco Unified School District, California, Special Tax Bonds, Community Facilities District No. 98-1, Series 2002, 5.100%, 9/01/32 - AMBAC Insured	9/12 at 100
5,000	City of El Monte, California, Department of Public Services Facility Phase II, Certificates of Participation, Senior Lien Series 2001, 5.250%, 1/01/34 - AMBAC Insured	1/11 at 100
3,890	Santa Clara County Financing Authority, California, Lease Revenue Bonds, VMC Facility Replacement Project, 1994 Series A, 5.000%, 11/15/22 - AMBAC Insured	11/07 at 102
6,500	Tustin Unified School District, Orange County, California, Community Facilities District No. 97-1, Special Tax Bonds, 2002 Series A, 5.000%, 9/01/32 - FSA Insured	9/12 at 100
2,805	Yucaipa-Calimesa Joint Union School District, San Bernardino County, California, General Obligation Bonds, Series 2001A Refunding, 5.000%, 10/01/31 - MBIA Insured	10/11 at 100
	U.S. GUARANTEED - 26.6%	
6,000	Huntington Park Redevelopment Agency, California, Single Family Residential Mortgage Revenue Refunding Bonds, 1986 Series A, 8.000%, 12/01/19	No Opt. C
5,135	Community Redevelopment Agency of the City of Palmdale, California, Single Family Mortgage Revenue Bonds, Series 1986A Restructured, 8.000%, 3/01/16 (Alternative Minimum Tax)	No Opt. C
6,220	County of Riverside, California, Single Family Mortgage Revenue Bonds, GNMA Mortgage-Backed Securities Program, Issue 1987A, 9.000%, 5/01/21 (Alternative Minimum Tax)	No Opt. C
1,485	City of San Jose, California, Single Family Mortgage Revenue Bonds, 1985 Series A, 9.500%, 10/01/13	No Opt. C

	UTILITIES - 7.8%	
4,000	California Pollution Control Financing Authority, Pollution Control Revenue Bonds, Southern California Edison Company, 1992 Series B, 6.400%, 12/01/24 (Alternative Minimum Tax) - MBIA Insured	6/03 at 102
4,000	City of Chula Vista, California, Industrial Development Revenue Bonds, San Diego Gas and Electric Company, 1992 Series A, 6.400%, 12/01/27 (Alternative Minimum Tax)	6/03 at 102
	WATER AND SEWER - 17.7%	
7,000	The City of Los Angeles, California, Wastewater System Revenue Bonds, Series 1993D, 4.700%, 11/01/19 - FGIC Insured	11/03 at 102
3,400	Public Facilities Financing Authority of the City of San Diego, California, Sewer Revenue Bonds, Series 1997A, 5.250%, 5/15/22 - FGIC Insured	5/07 at 101
2,150	Santa Clara Valley Water District, California, Water Utility System Revenue Bonds, Series 2000A, 5.125%, 6/01/31 - FGIC Insured	6/10 at 100
5,000	Wheeler Ridge-Maricopa Water Storage District, Kern County, California, 1996 Water Refunding Bonds, 5.700%, 11/01/15 - AMBAC Insured	11/06 at 102
$ 123,030	Total Long-Term Investments (cost $124,072,432) - 131.5%	

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	SHORT-TERM INVESTMENTS - 6.4%	
$ 6,700	California Infrastructure and Economic Development Authority, Insured Revenue Bonds, The Rand Corporation, Series 2002B, Variable Rate Demand Obligations, 1.100%, 4/01/42 - AMBAC Insured+	
$ 6,700	Total Short-Term Investments (cost $6,700,000)	
	Other Assets Less Liabilities - 5.1%	
	Preferred Shares, at Liquidation Value - (43.0)%	
	Net Assets Applicable to Common Shares - 100%	

All of the bonds in the portfolio, excluding temporary investments in short-term municipal securities, are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow

or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

+ Security has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based on market conditions or a specified market index.

See accompanying notes to financial statements.

Nuveen Insured California Premium Income Municipal Fund 2, Inc. (NCL)
Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	EDUCATION AND CIVIC ORGANIZATIONS - 10.0%	
	California Educational Facilities Authority, Revenue Bonds, Santa Clara University, Series 1996:	
$ 2,400	5.750%, 9/01/21 - MBIA Insured	9/06 at 102
3,000	5.750%, 9/01/26 - MBIA Insured	9/06 at 102
2,000	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2000, 5.875%, 11/01/20 - MBIA Insured	11/10 at 100
6,615	California Educational Facilities Authority, Revenue Bonds, Loyola Marymount University, Series 2001A Refunding, 0.000%, 10/01/33 - MBIA Insured	No Opt. C
5,000	California Educational Facilities Authority, Student Loan Revenue Bonds, California Loan Program, Series 2001A, 5.400%, 3/01/21 (Alternative Minimum Tax) - MBIA Insured	3/08 at 102
	California Infrastructure and Economic Development Bank, Revenue Bonds, Asian Art Museum of San Francisco Project, Series 2000:	
1,295	5.500%, 6/01/19 - MBIA Insured	6/10 at 101
1,000	5.500%, 6/01/20 - MBIA Insured	6/10 at 101
1,900	The Regents of the University of California, University of California Housing System Revenue Bonds, Series A, 5.500%, 11/01/18 - MBIA Insured	11/03 at 10

	HEALTHCARE - 5.2%	
1,450	California Health Facilities Financing Authority, Insured Health Facility Refunding Revenue Bonds, Mark Twain St. Joseph's Healthcare, 1996 Series A, 6.000%, 7/01/19 - MBIA Insured	7/06 at 102
5,000	California Health Facilities Financing Authority, Insured Health Facility Refunding Revenue Bonds, Catholic Healthcare West, 1996 Series A, 6.000%, 7/01/25 - MBIA Insured	7/06 at 102
2,500	City of Oakland, California, Insured Revenue Bonds, 1800 Harrison Foundation - Kaiser Permanente, Series 1999A, 6.000%, 1/01/29 - AMBAC Insured	1/10 at 100
	HOUSING/MULTIFAMILY - 8.9%	
	ABAG Finance Authority for Nonprofit Corporations, California, Multifamily Housing Revenue Bonds, Civic Center Drive Apartments Project, 1999 Series A:	
4,000	5.800%, 9/01/20 (Alternative Minimum Tax) - FSA Insured	9/09 at 100
1,370	5.875%, 3/01/32 (Alternative Minimum Tax) - FSA Insured	9/09 at 100
3,460	The Community Redevelopment Agency of the City of Los Angeles, California, Multifamily Housing Revenue Refunding Bonds, 1995 Series A, Angelus Plaza Project, 7.400%, 6/15/10	6/05 at 105
7,400	Housing Authority of the County of Santa Cruz, California, Tax-Exempt Multifamily Housing Revenue Refunding Bonds, Series 1993A, GNMA Collateralized - Meadowview Apartments, 6.125%, 5/20/28	5/03 at 102
	HOUSING/SINGLE FAMILY - 1.6%	
2,845	California Housing Finance Agency, Single Family Mortgage Bonds II, 1997 Series C-2, 5.625%, 8/01/20 (Alternative Minimum Tax) - MBIA Insured	8/07 at 101
35	California Housing Finance Agency, Home Mortgage Revenue Bonds, 1996 Series E, 6.150%, 8/01/25 (Alternative Minimum Tax) - MBIA Insured	2/06 at 102
	TAX OBLIGATION/GENERAL - 16.4%	
1,460	ABC Unified School District, Los Angeles County, California, General Obligation Bonds, Election of 1997, Series B, 5.750%, 8/01/16 - FGIC Insured	8/10 at 101
485	State of California, General Obligation Veterans Welfare Bonds, Series 1997BH, 5.500%, 12/01/24 (Alternative Minimum Tax) - FSA Insured	12/03 at 102

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/GENERAL (continued)	
	State of California, Various Purpose General Obligation Bonds:	
$ 7,995	5.750%, 3/01/22 - MBIA Insured	3/10 at 101
2,500	5.500%, 9/01/24 - FSA Insured	9/09 at 101
2,000	5.750%, 3/01/27 - MBIA Insured	3/10 at 101
3,000	State of California, Veterans General Obligation Bonds, 2001 Series BZ, 5.375%, 12/01/24 (Alternative Minimum Tax) - MBIA Insured	6/07 at 101
2,575	Calipatria Unified School District, Imperial County, California, General Obligation Bonds, 1996 Series A, 5.625%, 8/01/13 - AMBAC Insured	8/06 at 102
	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Election of 1995, Series 2001F:	
1,065	5.125%, 8/01/21 - FSA Insured	8/09 at 102
1,160	5.125%, 8/01/22 - FSA Insured	8/09 at 102
1,220	5.125%, 8/01/23 - FSA Insured	8/09 at 102
1,500	Hacienda La Puente Unified School District, County of Los Angeles, California, General Obligation Bonds, Election of 2000, Series A, 5.250%, 8/01/25 - MBIA Insured	8/10 at 101
1,750	Lake Tahoe Unified School District, El Dorado County, California, General Obligation Bonds, Election of 1999, Series A, 5.250%, 8/01/24 - FGIC Insured	8/09 at 100
1,125	San Diego Unified School District, California, 1999 General Obligation Bonds, Election of 1998, Series A, 0.000%, 7/01/21 - FGIC Insured	No Opt. C
2,500	San Francisco Community College District, California, General Obligation Bonds, 2002 Series A, 5.000%, 6/15/26 - FGIC Insured	6/10 at 102
	TAX OBLIGATION/LIMITED - 52.5%	
	Anaheim Public Financing Authority, California, Subordinate Lease Revenue Bonds, Anaheim Public Improvements Project, 1997 Series C:	
5,130	0.000%, 9/01/18 - FSA Insured	No Opt. C
8,000	0.000%, 9/01/21 - FSA Insured	No Opt. C
5,250	State Public Works Board of the State of California, Lease Revenue Bonds, Department of Corrections, 1996 Series A, California Substance Abuse Treatment Facility and State Prison At Corcoran, Corcoran II, 5.250%, 1/01/21 - AMBAC Insured	1/06 at 100
3,450	State Public Works Board of the State of California, Lease Revenue Bonds, California Department of Health Services, 1999 Series A, Richmond Laboratory Project, 5.750%, 11/01/24 - MBIA Insured	11/09 at 101

5,000	Community Redevelopment Agency of the City of Compton, California, Refunding Tax Allocation Bonds, Compton Redevelopment Project, Series 1995A, Project Tax Revenues, Subventions and Housing Tax Revenues, 6.500%, 8/01/13 - FSA Insured	8/05 at 102
4,000	County of Contra Costa, California, Certificates of Participation, Merrithew Memorial Hospital Replacement Project, Refunding Series 1997, 5.500%, 11/01/22 - MBIA Insured	11/07 at 102
1,900	Corona-Norco Unified School District, California, Special Tax Bonds, Community Facilities District No. 98-1, Series 2002, 5.100%, 9/01/25 - AMBAC Insured	9/12 at 100
6,000	City of El Monte, California, Department of Public Services Facility Phase II, Certificates of Participation, Senior Lien Series 2001, 5.000%, 1/01/21 - AMBAC Insured	1/11 at 100
3,000	Galt Schools Joint Powers Authority, Sacramento County, California, 1997 Refunding Revenue Bonds, Series A, High School and Elementary School Facilities, 5.875%, 11/01/24 - MBIA Insured	11/07 at 102
5,000	Kern County Board of Education, California, Refunding Certificates of Participation, 1998 Series A, 5.200%, 5/01/28 - MBIA Insured	5/08 at 102
5,000	La Quinta Redevelopment Agency, California, Project Area No. 1 Tax Allocation Bonds, Series 1998 Refunding, 5.200%, 9/01/28 - AMBAC Insured	9/07 at 102
3,865	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Sales Tax Revenue Bonds, Second Senior Lien Series 2000A, 5.250%, 7/01/30 - FGIC Insured	7/10 at 101
1,980	Menifee Union School District, Riverside County, California, Certificates of Participation, 1996 School Project, 6.125%, 9/01/24 - FSA Insured	9/06 at 102
2,690	Norwalk Community Facilities Financing Authority, Los Angeles County, California, Tax Allocation Refunding Revenue Bonds, 1995 Series A, 6.000%, 9/01/15 - FSA Insured	9/05 at 102

Nuveen Insured California Premium Income Municipal Fund 2, Inc. (NCL)
Portfolio of INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED (continued)	
$ 2,000	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 - MBIA Insured	12/10 at 102
9,000	City of Redlands, California, Certificates of Participation, 1993 Refunding of 1986 and 1987 Projects, 5.800%, 9/01/17 -	9/03 at 102

	AMBAC Insured	
5,000	City of San Bernardino, California, Refunding Certificates of Participation, Police Station, South Valle Refundings and 201 Building Projects, San Bernardino Joint Powers Financing uthority, 5.500%, 9/01/20 - MBIA Insured	9/09 at 102
3,500	San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 1999, 5.500%, 7/01/34 - FGIC Insured	7/09 at 101
1,930	Santa Margarita/Dana Point Authority, Orange County, California, Revenue Bonds, Series A, 1994 Improvement Districts Nos. 1, 2, 2A and 8 General Obligation Bond Refinancing, 7.250%, 8/01/05 - MBIA Insured	No Opt. C
	South Orange County Public Financing Authority, California, Special Tax Revenue Bonds, 1994 Series C, Foothill Area:	
3,000	8.000%, 8/15/08 - FGIC Insured	No Opt. C
6,830	8.000%, 8/15/09 - FGIC Insured	No Opt. C
3,685	Redevelopment Agency of Suisun City, County of Solano, California, 1993 Tax Allocation Refunding Bonds, Suisun City Redevelopment Project, 5.900%, 10/01/23 - MBIA Insured	10/03 at 102
5,450	City of Visalia, California, Visalia Public Finance Authority, Refunding Certificates of Participation, Motor Vehicle License Fee Enhancement, Series 1996A, 5.375%, 12/01/26 - MBIA Insured	12/06 at 102
	TRANSPORTATION - 6.3%	
6,500	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Refunding Revenue Bonds, Series 1999, 0.000%, 1/15/18 - MBIA Insured	1/10 at 65
4,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 5.000%, 1/01/35 - MBIA Insured	1/10 at 100
5,000	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Refunding Bonds, Issue 27A, 5.250%, 5/01/31 (Alternative Minimum Tax) - MBIA Insured	5/11 at 100
	U.S. GUARANTEED - 16.6%	
3,525	Alameda County, California, Certificates of Participation, Series 1991, Alameda County Public Facilities Corporation, 6.000%, 9/01/21 (Pre-refunded to 9/01/06) - MBIA Insured	9/06 at 102
4,485	Alameda County, California, Certificates of Participation, Series 1993 Refunding, Santa Rita Jail Project, 5.700%, 12/01/14 (Pre-refunded to 12/01/03) - MBIA Insured	12/03 at 102
3,000	Escondido Union High School District, San Diego County, California, General Obligation Bonds, 1996 Election, 5.700%, 11/01/10 - MBIA Insured	11/06 at 102
4,320	County of Riverside, California, Single Family Mortgage Revenue	No Opt. C

	Bonds, GNMA Mortgage-Backed Securities Program, Issue 1987B, 8.625%, 5/01/16 (Alternative Minimum Tax)	
1,850	Sacramento City Unified School District, Sacramento County, California, General Obligation Bonds, Series 2000A, 5.750%, 7/01/18 (Pre-refunded to 7/01/09) - FGIC Insured	7/09 at 102
9,000	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 8B, 6.100%, 5/01/20 (Pre-refunded to 5/01/04) - FGIC Insured	5/04 at 101
1,450	City of Torrance, California, Hospital Revenue Bonds, Little Company of Mary Hospital, 1985 Series A, 7.100%, 12/01/15 (Pre-refunded to 12/01/05)	12/05 at 100
	UTILITIES - 13.1%	
3,740	California Pollution Control Financing Authority, Pollution Control Revenue Refunding Bonds, Southern California Edison Company, Series 1999B, 5.450%, 9/01/29 - MBIA Insured	9/09 at 101
3,215	Modesto Irrigation District Financing Authority, California, Refunding Revenue Bonds, Series A, 6.000%, 10/01/15 - MBIA Insured	10/06 at 102

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	UTILITIES (continued)	
$ 3,000	Puerto Rico Electric Power Authority, Power Revenue Bonds, 2002 Series II, 5.125%, 7/01/26 - FSA Insured	7/12 at 101
1,790	Sacramento City Financing Authority, California, Capital Improvement Revenue Bonds, Series 1999, Solid Waste and Redevelopment Projects, 5.800%, 12/01/19 - AMBAC Insured	12/09 at 102
3,500	Sacramento Municipal Utility District, California, Electric Revenue Bonds, 1996 Series J, 5.600%, 8/15/24 - AMBAC Insured	8/06 at 102
1,950	Salinas Valley Solid Waste Authority, California, Revenue Bonds, Series 2002, 5.250%, 8/01/27 (Alternative Minimum Tax) - AMBAC Insured	8/12 at 100
6,650	Turlock Irrigation District, California, Revenue Bonds, Series 1992A Refunding, 5.750%, 1/01/18 - MBIA Insured	7/03 at 100
	WATER AND SEWER - 10.0%	
3,530	Castaic Lake Water Agency, California, Refunding Revenue Certificates of Participation, Water System Improvement Projects, Series 1994A, 8.000%, 8/01/04 - MBIA Insured	No Opt. C

2,975	Chino Basin Regional Financing Authority, California, Revenue Bonds, Series 1994, Chino Basin Municipal Water District Sewer System Project, 6.000%, 8/01/16 - AMBAC Insured	8/04 at 102
2,775	Pomona Public Financing Authority, California, 1999 Revenue Bonds, Series AC, Water Facilities Project, 5.500%, 5/01/29 - FGIC Insured	5/09 at 101
1,000	Sacramento County Sanitation Districts Financing Authority, California, Revenue Bonds, Series 2000A, Sacramento Regional County Sanitation District, 5.500%, 12/01/20 - AMBAC Insured	12/10 at 101
2,000	South San Joaquin Irrigation District, San Joaquin County, California, 1993 Refunding Revenue Certificates of Participation, 1987 Project and 1992 Project, 5.500%, 1/01/15 - AMBAC Insured	7/03 at 102
5,410	City of Tulare, California, 1996 Sewer Revenue Bonds, 5.750%, 11/15/21 - MBIA Insured	11/06 at 102
$ 266,930	Total Long-Term Investments (cost $248,289,977) - 140.6%	
	SHORT-TERM INVESTMENTS - 3.9%	
7,500	Puerto Rico Government Development Bank, Adjustable Refunding Bonds, Series 1985, Variable Rate Demand Bonds, 0.890%, 12/01/15 - MBIA Insured+	
$ 7,500	Total Short-Term Investments (cost $7,500,000)	
	Other Assets Less Liabilities - 4.8%	
	Preferred Shares, at Liquidation Value - (49.3)%	
	Net Assets Applicable to Common Shares - 100%	

All of the bonds in the portfolio, excluding temporary investments in short-term municipal securities, are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance, or are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, any of which ensure the timely payment of principal and interest.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

\+ Security has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based on market conditions or a specified market index.

See accompanying notes to financial statements.

Nuveen California Premium Income Municipal Fund (NCU)

Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	CONSUMER STAPLES - 6.0%	
$ 1,500	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Alameda County Tobacco Asset Securitization Corporation, Series 2002, 5.750%, 6/01/29	6/12 at 100
4,000	California Statewide Financing Authority, Tobacco Settlement Asset-Backed Bonds, Series 2002A, Pooled Tobacco Securitization Program, 5.625%, 5/01/29	5/12 at 100
	HEALTHCARE - 19.6%	
5,150	California Health Facilities Financing Authority, Hospital Revenue Bonds, Downey Community Hospital, Series 1993, 5.750%, 5/15/15	5/03 at 102
1,185	California Statewide Communities Development Authority, Hospital Revenue Certificates of Participation, Cedars-Sinai Medical Center, Series 1992, 6.500%, 8/01/15	8/03 at 101
8,100	California Statewide Communities Development Authority, Revenue Refunding Bonds, Sherman Oaks Project, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt. C
2,000	City of Loma Linda, California, Hospital Revenue Bonds, Loma Linda University Medical Center Project, Series 1993-A, 6.000%, 12/01/06	12/03 at 102
	HOUSING/MULTIFAMILY - 15.9%	
2,000	California Statewide Communities Development Authority, Apartment Development Revenue Refunding Bonds, Irvine Apartment Communities, L.P., Series 1998A, 5.250%, 5/15/25 (Mandatory put 5/15/13)	7/08 at 101
6,205	The Community Redevelopment Agency of the City of Los Angeles, California, Multifamily Housing Revenue Refunding Bonds, 1995 Series A, Angelus Plaza Project, 7.400%, 6/15/10	6/05 at 105
3,840	City of Stanton, California, Multifamily Housing Revenue Bonds, Continental Gardens Apartments, Series 1997, 5.625%, 8/01/29 (Alternative Minimum Tax) (Mandatory	8/07 at 102

	put 8/01/09)	
	HOUSING/SINGLE FAMILY - 8.6%	
2,005	California Housing Finance Agency, Single Family Mortgage Bonds II, 1997 Series A-1, 6.000%, 8/01/20 (Alternative Minimum Tax) - MBIA Insured	2/07 at 102
1,000	California Housing Finance Agency, Home Mortgage Revenue Bonds, 1994 Series A, 6.550%, 8/01/26	8/04 at 102
1,000	California Housing Finance Agency, Home Mortgage Revenue Bonds, 1994 Series F-3, 6.100%, 8/01/15 (Alternative Minimum Tax) - MBIA Insured	8/05 at 102
2,000	California Housing Finance Agency, Home Mortgage Revenue Bonds, 1997 Series B, 6.000%, 8/01/16 (Alternative Minimum Tax) - MBIA Insured	2/07 at 102
745	California Rural Home Mortgage Finance Authority, Single Family Mortgage Revenue Bonds, Mortgage-Backed Securities Program, 1996 Series C, 7.500%, 8/01/27 (Alternative Minimum Tax)	No Opt. C
	TAX OBLIGATION/GENERAL - 15.6%	
4,000	State of California, General Obligation Veterans Welfare Bonds, Series BR, 5.300%, 12/01/29 (Alternative Minimum Tax)	6/04 at 101
2,250	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003A, 5.000%, 7/01/22 - FSA Insured (WI, settling 3/05/03)	7/13 at 100
3,000	Pomona Unified School District, California, General Obligation Refunding Bonds, Series 1997-A, 6.150%, 8/01/15 - MBIA Insured	8/11 at 103
3,000	San Diego Unified School District, California, 2000 General Obligation Bonds, Election of 1998, Series B, 5.125%, 7/01/22 - MBIA Insured	7/10 at 100
	TAX OBLIGATION/LIMITED - 49.2%	
3,750	Bonita Canyon Public Facilities Financing Authority, California, Community Facilities District No. 98-1 Special Tax Bonds, Series 1998, 5.375%, 9/01/28	3/03 at 103

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED (continued)	

$	5,920	State Public Works Board of the State of California, Lease Revenue Bonds, Department of Veterans Affairs of the State of California, Southern California Veterans Home - Chula Vista Facility, 1999 Series A, 5.600%, 11/01/19 - AMBAC Insured	11/09 at 101
	2,355	City of Carlsbad, California, Assessment District No. 96-1, Limited Obligation Improvement Bonds, Rancho Carillo, 5.500%, 9/02/28	3/03 at 101
	185	Carson Redevelopment Agency, California, Redevelopment Project Area No. 2, Refunding Tax Allocation Bonds, Series 1993, 5.875%, 10/01/09	10/03 at 102
	3,500	City of Livermore Redevelopment Agency, California, Tax Allocation Revenue Bonds, Series 2001A, Livermore Redevelopment Project Area, 5.000%, 8/01/26 - MBIA Insured	8/11 at 100
	2,030	Community Redevelopment Financing Authority of the Community Redevelopment Agency of the City of Los Angeles, California, Grand Central Square Multifamily Housing Bonds, 1993 Series A, 5.750%, 12/01/13 (Alternative Minimum Tax)	6/03 at 102
	2,000	Redevelopment Agency of the City of Oakland, California, Subordinate Lien Tax Allocation Bonds, Central District Redevelopment Project, Series 2003, 5.500%, 9/01/15 - FGIC Insured	3/13 at 100
	1,000	Community Facilities District No. 88-1 of the City of Poway, California, Special Tax Refunding Bonds, Parkway Business Centre, Series 1998, 6.500%, 8/15/09	8/08 at 102
	5,000	Redevelopment Agency for the County of Riverside, California, 2001 Tax Allocation Bonds, Jurupa Valley Project Area, 5.150%, 10/01/21 - AMBAC Insured	10/11 at 102
	6,570	Sacramento City Finance Authority, California, Lease Revenue Refunding Bonds, Series 1993B, 5.400%, 11/01/20	No Opt. C
		San Marcos Public Facilities Authority, California, Refunding Revenue Bonds, Series 1998:	
	1,500	5.800%, 9/01/18	9/08 at 101
	1,000	5.800%, 9/01/27	9/08 at 101
	2,050	County of Santa Barbara, California, Certificates of Participation, Series 2001, 5.250%, 12/01/19 - AMBAC Insured	12/11 at 102
	2,000	City of Vista, California, Mobile Home Park Revenue Bonds, Vista Manor Mobile Home Park Project, Series 1999A, 5.750%, 3/15/29	3/09 at 102
		TRANSPORTATION - 6.1%	
	2,750	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 5, 6.500%, 5/01/24 (Alternative Minimum Tax) - FGIC Insured	5/04 at 102
	2,000	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 10A, 5.700%, 5/01/26 (Alternative Minimum Tax) - MBIA Insured	5/06 at 102

	U.S. GUARANTEED - 7.5%	
1,200	State Public Works Board of the State of California, Lease Revenue Bonds, The Trustees of the California State University, 1994 Series A, Various California State University Projects, 6.375%, 10/01/14 (Pre-refunded to 10/01/04)	10/04 at 102
815	Carson Redevelopment Agency, California, Redevelopment Project Area No. 2, Refunding Tax Allocation Bonds, Series 1993, 5.875%, 10/01/09 (Pre-refunded to 10/01/03)	10/03 at 102
3,500	Commonwealth of Puerto Rico, Public Improvement Bonds of 2000, General Obligation Bonds, 5.750%, 7/01/21 (Pre-refunded to 7/01/10) - MBIA Insured	7/10 at 100
	UTILITIES - 13.7%	
1,000	California Pollution Control Financing Authority, Pollution Control Revenue Bonds, Southern California Edison Company, 1992 Series B, 6.400%, 12/01/24 (Alternative Minimum Tax) - FGIC Insured	6/03 at 102
2,250	State of California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18	5/12 at 101
3,000	Merced Irrigation District, California, 2001 Electric System Refunding Revenue Bonds, Electric System Project, 6.500%, 9/01/22	9/05 at 102
4,580	Sacramento Municipal Utility District, California, Electric Revenue Bonds, 2002 Series Q Refunding, 5.250%, 8/15/20 - FSA Insured	8/12 at 100

Nuveen California Premium Income Municipal Fund (NCU) (continued)
Portfolio of INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	WATER AND SEWER - 6.6%	
$ 5,000	Culver City, California, Wastewater Facilities Refunding Revenue Bonds, 1999 Series A, 5.700%, 9/01/29 - FGIC Insured	9/09 at 102
$ 117,935	Total Long-Term Investments (cost $118,148,481) - 148.8%	
	SHORT-TERM INVESTMENTS - 1.2%	
1,000	California Statewide Communities Development Authority, Revenue Bonds, Fremont-Rideout Health Group, Variable Rate Demand Bonds, Series 2001A, 1.050%, 1/01/31 -	

	AMBAC Insured+	
$ 1,000	Total Short-Term Investments (cost $1,000,000)	
	Other Assets Less Liabilities - 1.7%	
	Preferred Shares, at Liquidation Value - (51.7)%	
	Net Assets Applicable to Common Shares - 100%	

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

*** Securities are backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensures the timely payment of principal and interest. Such securities are normally considered to be equivalent to AAA rated securities.

N/R Investment is not rated.

(WI) Security purchased on a when-issued basis.

\+ Security has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based on market conditions or a specified market index.

See accompanying notes to financial statements.

Nuveen California Dividend Advantage Municipal Fund (NAC)

Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	CONSUMER STAPLES - 5.7%	
$ 5,000	California Statewide Communities Development Authority, Certificates of Participation, Pride Industries and Pride One, Inc., 7.250%, 11/01/29	11/09 at 102
5,200	Golden State Tobacco Securitization Corporation, California,	6/13 at 100

	Tobacco Settlement Asset-Backed Bonds, Series 2003-A1, 6.250%, 6/01/33	
	Tobacco Securitization Authority of Northern California, Tobacco Settlement Asset-Backed Bonds, Series 2001A:	
2,500	5.250%, 6/01/31	6/11 at 100
4,500	5.375%, 6/01/41	6/11 at 100
4,485	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, Senior Series 2001A, San Diego County Tobacco Asset Securitization Corporation, 5.250%, 6/01/27	6/12 at 100
	EDUCATION AND CIVIC ORGANIZATIONS - 9.3%	
3,000	Long Beach Bond Finance Authority, California, Lease Revenue Refunding Bonds, The Aquarium of the South Pacific, 5.500%, 11/01/17 - AMBAC Insured	11/11 at 100
700	The Regents of the University of California, Certificates of Participation, 2002 Series A, San Diego Campus and Sacramento Projects, 5.250%, 1/01/22	1/10 at 101
6,000	The Regents of the University of California, Multiple Purpose Project Revenue Bonds, Series K, 5.000%, 9/01/12	9/08 at 101
	The Regents of the University of California, Multiple Purpose Projects Revenue Bonds, 2002 Series O:	
10,770	5.000%, 9/01/20 - FGIC Insured	9/10 at 101
11,305	5.000%, 9/01/21 - FGIC Insured	9/10 at 101
	HEALTHCARE - 15.3%	
8,400	California Health Facilities Financing Authority, Kaiser Permanente, Revenue Bonds, Series 1998B, 5.250%, 10/01/14 (Optional put 10/01/08)	10/08 at 101
15,000	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 1999A, 6.125%, 12/01/30	12/09 at 101
6,000	California Statewide Communities Development Authority, Revenue Refunding Bonds, Sherman Oaks Project, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt. C
8,000	Central California Joint Powers Health Financing Authority, Certificates of Participation, Community Hospitals of Central California Obligated Group Project, Series 2000, 6.000%, 2/01/30	2/10 at 101
10,500	Duarte, California, Certificates of Participation, City of Hope National Medical Center, Series 1999A, 5.250%, 4/01/31	4/09 at 101
3,415	City of Upland, California, Certificates of Participation, 1993 Series, San Antonio Community Hospital, 5.250%, 1/01/08	1/04 at 102
2,500	City of Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22	6/12 at 101

	HOUSING/MULTIFAMILY - 14.7%	
15,000	California Statewide Communities Development Authority, Apartment Development Revenue Refunding Bonds, Irvine Apartment Communities, L.P., Series 1998A, 4.900%, 5/15/25 (Mandatory put 5/15/08)	7/08 at 101
10,000	California Statewide Communities Development Authority, Multifamily Housing Refunding Bonds, Archstone Pelican Point Apartments, Issue 1999H, Archstone Communities Trust, 5.300%, 6/01/29 (Mandatory put 6/01/08)	No Opt. C
5,250	California Statewide Communities Development Authority, Housing Revenue Bonds, GNMA Collateralized - Crowne Pointe Project Refunding, 2002 Series F, 6.750%, 8/20/37	8/12 at 105
5,000	County of Contra Costa, California, Multifamily Housing Revenue Bonds, Delta View Apartments, Series 1999C, 6.750%, 12/01/30 (Alternative Minimum Tax)	6/09 at 102

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	HOUSING/MULTIFAMILY (continued)	
$ 15,000	Housing Authority of the County of San Bernardino, California, Multifamily Housing Revenue Refunding Bonds, Equity Residential/Redlands Lawn and Tennis Apartments, Issue 1999A, 5.200%, 6/15/29 (Mandatory put 6/15/09)	No Opt. C
	HOUSING/SINGLE FAMILY - 0.5%	
7,920	California Housing Finance Agency, Single Family Mortgage Bonds II, 1999 Series D2, 0.000%, 2/01/29 (Alternative Minimum Tax)	2/09 at 31
	LONG-TERM CARE - 2.3%	
8,500	Riverside County Public Financing Authority, California, Certificates of Participation, Air-Force Village West, Inc., 5.800%, 5/15/29	5/09 at 101
	TAX OBLIGATION/GENERAL - 14.4%	
8,000	State of California, General Obligation Bonds, Series 2002 Refunding, 5.000%, 2/01/12	No Opt. C

6,435	State of California, General Obligation Bonds, Series 2002, 6.000%, 4/01/16 - AMBAC Insured	No Opt. C
3,000	Contra Costa Community College District, California, General Obligation Bonds, Series 2002, 4.900%, 8/01/20 - FGIC Insured	8/12 at 100
18,500	Los Angeles Unified School District, California, General Obligation Bonds, Election of 1997, Series 1999C, 5.250%, 7/01/24 - MBIA Insured	7/09 at 101
10,845	Los Angeles Unified School District, California, General Obligation Bonds, Election of 1997, 2002 Series E, 5.000%, 7/01/19 - MBIA Insured	7/12 at 100
1,750	Oakland Unified School District, Alameda County, California, General Obligation Bonds, Series 2001, 5.125%, 8/01/21 - FSA Insured	8/08 at 101
	TAX OBLIGATION/LIMITED - 35.0%	
8,665	Bonita Canyon Public Facilities Financing Authority, California, Community Facilities District No. 98-1 Special Tax Bonds, Series 1998, 5.375%, 9/01/28	3/03 at 103
	Brentwood Infrastructure Financing Authority, Contra Costa County, California, Capital Improvement Revenue Bonds, Series 2001:	
1,110	5.375%, 11/01/18 - FSA Insured	11/11 at 100
1,165	5.375%, 11/01/19 - FSA Insured	11/11 at 100
1,990	Brentwood Infrastructure Financing Authority, California, Infrastructure Revenue Refunding Bonds, Series 2002A, 5.125%, 9/02/24 - FSA Insured	9/12 at 100
3,515	Dinuba Redevelopment Agency, California, Tax Allocation Bonds, Redevelopment Project 2 Refunding, Series 2001, 4.875%, 9/01/21 - MBIA Insured	9/11 at 102
3,490	City of Fontana, California, Community Facilities District No. 2, Village of Heritage, Senior Special Tax Refunding Bonds, 1998 Series A, 5.250%, 9/01/17 - MBIA Insured	9/08 at 102
3,980	Garden Grove, California, Certificates of Participation, Financing Project, Series 2002A, 5.500%, 3/01/22 - AMBAC Insured	3/12 at 101
5,500	County of Los Angeles, California, Certificates of Participation, 1998 Disney Parking Refunding Project, 4.750%, 3/01/23 - MBAC Insured	9/08 at 101
5,000	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Sales Tax Revenue Bonds, Second Senior Series 1998A Refunding, 5.000%, 7/01/23 - AMBAC Insured	7/08 at 101
10,000	Los Angeles County Public Works Finance Authority, California, Revenue Bonds, Series 1997A, Los Angeles County Regional Park and Open Space District, 5.000%, 10/01/16	10/07 at 101
9,200	Norco Redevelopment Agency, California, Project Area No. 1	3/11 at 102

	Tax Allocation Bonds, Series 2001 Refunding, 5.000%, 3/01/19 - MBIA Insured	
4,670	City of Oakland Joint Powers Financing Authority, California, Lease Revenue Refunding Bonds, Series 2001, Oakland Convention Centers, 5.500%, 10/01/14 - AMBAC Insured	No Opt. C
3,290	Redevelopment Agency of the City of Oakland, California, Central District Redevelopment Project, Subordinate Lien Tax Allocation Bonds, Series 2003, 5.500%, 9/01/16 - FGIC Insured	3/13 at 100
4,000	Orange County Local Transportation Authority, California, Measure M Sales Tax Revenue Refunding Bonds, Limited Tax Bonds, Second Senior Bonds, Series 1997A, 5.700%, 2/15/08 - AMBAC Insured	No Opt. C

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED (continued)	
$ 5,600	City of Palm Springs Financing Authority, California, Lease Revenue Refunding Bonds, Convention Center Project, Series 2001A, 5.000%, 11/01/22 - MBIA Insured	11/11 at 101
8,100	Poway Redevelopment Agency, California, Paguay Redevelopment Project, Tax Allocation Refunding Bonds, Series 2000, 5.750%, 6/15/33 - MBIA Insured	12/10 at 102
2,000	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2001A, 5.500%, 8/01/19 - MBIA Insured	8/11 at 100
10,215	Riverside County Public Financing Authority, California, Reassessment Revenue Bonds, Rancho Village Project/AD No. 159, 1999 Series B, Junior Lien Bonds, 6.000%, 9/02/07	No Opt. C
2,500	Sacramento City Financing Authority, California, Lease Revenue Bonds, Series 1993A Refunding, 5.400%, 11/01/20 - AMBAC Insured	No Opt. C
1,205	City and County of San Francisco, California, Certificates of Participation, Series 2001A, 30 Van Ness Avenue Property, 4.600%, 9/01/18 - MBIA Insured	9/09 at 101
24,060	Redevelopment Agency of the City of San Jose, California, Merged Area Redevelopment Project, Tax Allocation Bonds, Series 1998, 5.250%, 8/01/29	8/08 at 102
	TRANSPORTATION - 23.6%	
21,150	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Refunding Revenue Bonds, Series 1999, 5.750%, 1/15/40	1/10 at 101

8,515	Harbor Department of the City of Los Angeles, California, Revenue Refunding Bonds, Series 2001B, 5.500%, 8/01/18 (Alternative Minimum Tax) - AMBAC Insured	8/11 at 100
23,000	Port of Oakland, California, Revenue Bonds, 2000 Series K, 5.750%, 11/01/29 (Alternative Minimum Tax) - FGIC Insured	5/10 at 100
5,000	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 13B, 5.625%, 5/01/21 (Alternative Minimum Tax) - MBIA Insured	5/06 at 101
23,275	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 25, 5.750%, 5/01/30 (Alternative Minimum Tax) - FSA Insured	5/10 at 101
	U.S. GUARANTEED - 2.8%	
3,600	Los Angeles Unified School District, California, General Obligation Bonds, Election of 1997, Series 2000D, 5.625%, 7/01/14 (Pre-refunded to 7/01/10)	7/10 at 100
5,000	Commonwealth of Puerto Rico, Public Improvement Bonds of 2000, General Obligation Bonds, 5.750%, 7/01/16 (Pre-refunded to 7/01/10) - MBIA Insured	7/10 at 100
	UTILITIES - 11.9%	
9,750	State of California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18	5/12 at 101
7,000	Department of Water and Power of Los Angeles, California, Power System Revenue Bonds, 2001 Series A1, 5.250%, 7/01/21 - FSA Insured	7/11 at 100
8,370	Department of Water and Power of Los Angeles, California, Power System Revenue Refunding Bonds, Series 2001A2, 5.375%, 7/01/19 - MBIA Insured	7/11 at 100
10,000	Merced Irrigation District, California, 2001 Electric System Refunding Revenue Bonds, Electric System Project, 6.750%, 9/01/31	9/05 at 102
5,630	Southern California Public Power Authority, Transmission Project Revenue Bonds, 2002A Subordinate Refunding Series, Southern Transmission Project, 4.750%, 7/01/19 - FSA Insured	7/12 at 100
	WATER AND SEWER - 11.1%	
11,000	California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2001W, 5.250%, 12/01/22 - FSA Insured	12/11 at 100
14,000	Orange County Water District, California, Revenue Certificates of Participation, Series 1999A, 5.375%, 8/15/29	8/09 at 101

8,250	Pico Rivera Water Authority, California, Revenue Bonds, 2001 Series A, 6.250%, 12/01/32	12/11 at 102

Nuveen California Dividend Advantage Municipal Fund (NAC) (continued)
Portfolio of INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	WATER AND SEWER (continued)	
$ 5,115	Public Utilities Commission of the City and County of San Francisco, California, Water Revenue Bonds, Series 2002A, 5.000%, 11/01/18 - MBIA Insured	11/12 at 100
$ 510,385	Total Long-Term Investments (cost $502,210,852) - 146.6%	
	Other Assets Less Liabilities - 1.8%	
	Preferred Shares, at Liquidation Value - (48.4)%	
	Net Assets Applicable to Common Shares - 100%	

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

N/R Investment is not rated.

See accompanying notes to financial statements.

Nuveen California Dividend Advantage Municipal Fund 2 (NVX)
Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	CONSUMER STAPLES - 5.5%	
$ 4,625	California County Tobacco Securitization Agency, Stanislaus County Tobacco Funding Corporation, Tobacco Settlement	6/12 at 100

	Asset-Backed Bonds, Series 2002A, 5.500%, 6/01/33	
3,200	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003-A1, 6.250%, 6/01/33	6/13 at 100
3,000	Tobacco Securitization Authority of Northern California, Tobacco Settlement Asset-Backed Bonds, Series 2001A, 5.375%, 6/01/41	6/11 at 100
2,800	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, Senior Series 2001A, San Diego County Tobacco Asset Securitization Corporation, 5.500%, 6/01/36	6/12 at 100
	EDUCATION AND CIVIC ORGANIZATIONS - 19.0%	
5,000	California Educational Facilities Authority, Revenue Bonds, Stanford University, Series Q, 5.250%, 12/01/32	6/11 at 101
15,000	California Educational Facilities Authority, Student Loan Revenue Bonds, California Loan Program, Series 2001A, 5.400%, 3/01/21 (Alternative Minimum Tax) - MBIA Insured	3/08 at 102
10,570	State Public Works Board of the State of California, Lease Revenue Bonds, Regents of the University of California, 2002 Series A, UCLA Replacement Hospitals, 5.375%, 10/01/18 - FSA Insured	10/12 at 100
9,000	Long Beach Bond Finance Authority, California, Lease Revenue Refunding Bonds, The Aquarium of the South Pacific, 5.250%, 11/01/30 - AMBAC Insured	11/11 at 101
	HEALTHCARE - 15.3%	
5,000	California Health Facilities Financing Authority, Kaiser Permanente, Revenue Bonds, 1993 Series C, 5.600%, 5/01/33	5/03 at 102
7,000	California Infrastructure and Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance I-LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 102
6,000	California Statewide Communities Development Authority, Revenue Refunding Bonds, Sherman Oaks Project, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt. C
5,355	California Statewide Communities Development Authority, Revenue Bonds, Kaiser Permanente, Series 2002E, 4.700%, 11/01/36 (Mandatory put 6/01/09)	No Opt. C
2,185	California Statewide Communities Development Authority, Health Facility Revenue Bonds, Memorial Health Services, Series 2003A Refunding, 6.000%, 10/01/11	No Opt. C
3,000	Central California Joint Powers Health Financing Authority, Certificates of Participation, Community Hospitals of Central California Obligated Group Project, Series 2000, 6.000%, 2/01/30	2/10 at 101

2,500	City of Torrance, California, Revenue Bonds, Torrance Memorial Medical Center, Series 2001A, 5.500%, 6/01/31	6/11 at 101
1,500	City of Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22	6/12 at 101
	HOUSING/MULTIFAMILY - 7.0%	
5,962	California Statewide Communities Development Authority, Multifamily Housing Revenue Refunding Bonds, Claremont Village Apartments, Series 2001D, 5.500%, 6/01/31 (Alternative Minimum Tax) (Mandatory put 6/01/16)	6/11 at 102
3,500	California Statewide Communities Development Authority, Housing Revenue Bonds, GNMA Collateralized - Crowne Pointe Project Refunding, 2002 Series F, 6.750%, 8/20/37	8/12 at 105
4,650	Redevelopment Agency of the City and County of San Francisco, California, Multifamily Housing Revenue Bonds, GNMA Collateralized - Kokoro Assisted Living Facility, 2001 Series A, 5.675%, 4/20/43	10/11 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	HOUSING/SINGLE FAMILY - 2.8%	
$ 5,845	California Rural Home Mortgage Finance Authority, Single Family Mortgage Revenue Bonds, Mortgage-Backed Securities Program, 2001 Series A, 5.650%, 12/01/31 (Alternative Minimum Tax)	6/11 at 102
	LONG-TERM CARE - 0.7%	
1,550	California Health Facilities Financing Authority, Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.125%, 1/01/22	1/13 at 100
	TAX OBLIGATION/GENERAL - 27.1%	
5,000	State of California, General Obligation Bonds, Series 2002 Refunding, 5.000%, 2/01/12	No Opt. C
7,225	State of California, Veterans General Obligation Bonds, Series BV, 5.600%, 12/01/32 - FSA Insured	6/06 at 101
3,615	Colton Joint Unified School District, San Bernardino County,	8/12 at 102

	California, General Obligation Bonds, Series 2002A, 5.500%, 8/01/22 - FGIC Insured	
	Contra Costa Community College District, California, General Obligation Bonds, Series 2002:	
3,005	5.000%, 8/01/21 - FGIC Insured	8/12 at 100
3,300	5.000%, 8/01/22 - FGIC Insured	8/12 at 100
8,330	Los Angeles Unified School District, California, General Obligation Bonds, Election of 1997, Series 2000D, 5.375%, 7/01/25 - FGIC Insured	7/10 at 100
10,840	Los Angeles Unified School District, California, General Obligation Bonds, Election of 1997, Series 2002E, 5.000%, 7/01/19 - MBIA Insured	7/12 at 100
2,250	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003A, 5.250%, 7/01/20 - FSA Insured (WI, settling 3/05/03)	7/13 at 100
4,050	Santa Rosa High School District, Sonoma County, California, General Obligation Bonds, Series 2001, 5.300%, 5/01/26 - FGIC Insured	5/11 at 101
1,160	Saugus Union School District, Los Angeles County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/21 - FGIC Insured	8/12 at 100
7,600	Southwestern Community College District, San Diego County, California, General Obligation Bonds, Series 2001, 5.375%, 8/01/25 - AMBAC Insured	8/11 at 101
	TAX OBLIGATION/LIMITED - 38.3%	
9,000	Anitoch Area Public Facilities Financing Agency, California, Special Tax Bonds, Community Facilities District No. 1989-1, Series 2001, 5.250%, 8/01/25 - MBIA Insured	8/11 at 100
3,070	State Public Works Board of the State of California, Lease Revenue Bonds, Department of General Services, Capital East End, Series 2002A, 5.250%, 12/01/16 - AMBAC Insured	12/12 at 100
4,000	Daly City Housing Development Finance Agency, California, Mobile Home Park Revenue Bonds, Franciscan Mobile Home Park, Series 2002A, 5.850%, 12/15/32	12/13 at 102
4,845	City of Encinitas Public Financing Authority, California, Lease Revenue Bonds, Acquisition Project, Series 2001A, 5.250%, 4/01/31 - MBIA Insured	4/08 at 102
5,000	Industry Urban Development Agency, California, Civic, Recreational and Industrial Redevelopment Project No. 1, Tax Allocation Refunding Bonds, Series 2002, 5.500%, 5/01/19 - MBIA Insured	5/07 at 101
2,000	Lake Elsinore Public Finance Authority, California, Local Agency Revenue Bonds, Series 2003H Refunding, 6.000%, 10/01/20	10/13 at 102
8,000	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Sales Tax Revenue Bonds, Second	7/08 at 101

Senior Series 1998A Refunding, 5.000%, 7/01/23 - AMBAC Insured

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED (continued)	
$ 3,295	Redevelopment Agency of the City of Oakland, California, Central District Redevelopment Project, Subordinate Lien Tax Allocation Bonds, Series 2003, 5.500%, 9/01/16 - FGIC Insured	3/13 at 100
4,400	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, 2002 Series E, 6.000%, 8/01/26	No Opt. C
9,000	Redevelopment Agency for the County of Riverside, California, Jurupa Valley Project Area, 2001 Tax Allocation Bonds, 5.250%, 10/01/35 - AMBAC Insured	10/11 at 102
	Santa Clara Valley Transportation Authority, California, Sales Tax Revenue Bonds, Series 2001A:	
16,090	5.000%, 6/01/25 - MBIA Insured	6/11 at 100
4,000	5.000%, 6/01/26 - MBIA Insured	6/11 at 100
3,045	Redevelopment Agency of the City of Yucaipa, California, Mobile Home Park Revenue Bonds, Rancho del Sol and Grandview, Series 2001A, 6.750%, 5/15/36	5/11 at 102
5,100	Community Facilities District No. 98-1, Chapman Heights of the City of Yucaipa, County of San Bernardino, State of California, 1998 Special Tax Bonds, 6.000%, 9/01/28	9/09 at 102
	TRANSPORTATION - 6.9%	
5,500	California Statewide Communities Development Authority, Special Facility Revenue Bonds, Series 2001, United Air Lines, Inc. - Los Angeles International Airport Cargo Project, 6.250%, 10/01/35 (Alternative Minimum Tax)#	10/11 at 100
3,840	Sacramento-Yolo Port District, Counties of Sacramento and Yolo, California, Port Facilities Refunding and Improvement Revenue Bonds, Series 2001, 5.125%, 7/01/14	7/08 at 101
3,000	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 26A, 5.250%, 5/01/30 (Alternative Minimum Tax) - FGIC Insured	5/10 at 101
2,000	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Refunding, Issue 28A, 5.250%, 5/01/17 (Alternative Minimum Tax) - MBIA Insured	5/12 at 100
	Airports Commission of the City and County of San Francisco,	

	California, San Francisco International Airport, Second Series Revenue Bonds, Issue 29A:	
2,430	5.250%, 5/01/18 (Alternative Minimum Tax) - FGIC Insured	5/13 at 100
2,555	5.250%, 5/01/19 (Alternative Minimum Tax) - FGIC Insured	5/13 at 100
	UTILITIES - 8.2%	
10,000	California Pollution Control Financing Authority, Pollution Control Refunding Revenue Bonds, Pacific Gas and Electric Company, 1996A Series Remarketed, 5.350%, 12/01/16 (Alternative Minimum Tax) - MBIA Insured	4/11 at 102
6,000	State of California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18	5/12 at 101
1,000	Merced Irrigation District, California, 2002 Revenue Certificates of Participation, Electric System Project, 6.500%, 9/01/34	9/05 at 103
	WATER AND SEWER - 17.2%	
2,740	California Department of Water Resources, Central Valley Project Water System Revenue Bonds, Series 2002Z, 5.000%, 12/01/18 - FGIC Insured	12/12 at 100
11,000	East Bay Municipal Utility District, Alameda and Contra Costa Counties, California, Water System Subordinated Revenue Bonds, Series 2001, 5.000%, 6/01/26 - MBIA Insured	6/11 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	WATER AND SEWER (continued)	
$ 6,885	San Diego Public Facilities Financing Authority, California, Water Revenue Bonds, Series 2002 Subordinate Lien, 5.000%, 8/01/21 - MBIA Insured	8/12 at 100
5,375	Public Utilities Commission of the City and County of San Francisco, California, Water Revenue Bonds, Series 2002A, 5.000%, 11/01/19 - MBIA Insured	11/12 at 100
10,000	Public Utilities Commission of the City and County of San Francisco, California, Clean Water Revenue Bonds, Series 2003A Refunding, 5.250%, 10/01/20 - MBIA Insured	4/13 at 100
$ 316,787	Total Long-Term Investments (cost $318,796,402) - 148.0%	
	Other Assets Less Liabilities - 2.0%	
	Preferred Shares, at Liquidation Value - (50.0)%	
	Net Assets Applicable to Common Shares - 100%	

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

N/R Investment is not rated.

(WI) Security purchased on a when-issued basis.

\# On December 9, 2002, UAL Corporation, the holding company of United Air Lines, Inc., filed for federal bankruptcy protection. In December 2002, the Adviser determined that it was likely United would not remain current on its interest payment obligations with respect to these bonds and thus stopped accruing interest. At the same time, accrued interest dating back to October 1, 2002 was written off. On April 1, 2003, UAL failed to meet its interest payment obligation.

See accompanying notes to financial statements.

Nuveen California Dividend Advantage Municipal Fund 3 (NZH)
Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	CAPITAL GOODS - 1.4%	
$ 4,715	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc. Project, Series 2002B, 4.450%, 7/01/27 (Alternative Minimum Tax) (Mandatory put 7/01/05)	No Opt. C
	CONSUMER STAPLES - 5.6%	
11,240	California County Tobacco Securitization Agency, Merced County Tobacco Funding Corporation, Tobacco Settlement Asset-Backed Bonds, Series 2002A, 5.500%, 6/01/33	6/12 at 100
6,100	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003-A1, 6.250%, 6/01/33	6/13 at 100
4,200	Tobacco Securitization Authority of Southern California, Tobacco	6/12 at 100

	Settlement Asset-Backed Bonds, Senior Series 2001A, San Diego County Tobacco Asset Securitization Corporation, 5.500%, 6/01/36	
	EDUCATION AND CIVIC ORGANIZATIONS - 12.2%	
9,000	California Educational Facilities Authority, Student Loan Revenue Bonds, California Loan Program, Series 2001A, 5.400%, 3/01/21 (Alternative Minimum Tax) - MBIA Insured	3/08 at 102
3,600	State Public Works Board of the State of California, Lease Revenue Bonds, Regents of the University of California, 2002 Series A, UCLA Replacement Hospitals, 5.375%, 10/01/17 - FSA Insured	10/12 at 100
7,595	San Francisco State University Foundation Inc., California, Auxiliary Organization Revenue Bonds, Student Housing, Series 2001, 5.000%, 9/01/26 - MBIA Insured	9/11 at 100
2,990	The Regents of the University of California, Multiple Purpose Project Revenue Bonds, Series K, 5.000%, 9/01/23	9/08 at 101
8,720	The Regents of the University of California, Multiple Purpose Projects, Revenue Bonds, Series 2001M, 5.125%, 9/01/30 - FGIC Insured	9/09 at 101
	The Regents of the University of California, Research Facilities Revenue Bonds, 2001 Series E:	
3,820	5.000%, 9/01/26 - AMBAC Insured	9/09 at 101
5,360	5.000%, 9/01/27 - AMBAC Insured	9/09 at 101
	HEALTHCARE - 14.5%	
4,650	California Health Facilities Financing Authority, Revenue Bonds, USCF - Stanford Health Care, 1998 Series A, 5.000%, 11/15/31 - FSA Insured	11/08 at 101
	California Health Facilities Financing Authority, Revenue Bonds, Casa Colina Inc., Series 2001:	
4,000	6.000%, 4/01/22	4/12 at 100
2,000	6.125%, 4/01/32	4/12 at 100
10,550	California Health Facilities Financing Authority, Kaiser Permanente, Revenue Bonds, 1993 Series C, 5.600%, 5/01/33	5/03 at 102
9,000	California Infrastructure and Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance I-LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 102
7,665	California Statewide Communities Development Authority, Insured Mortgage Hospital Revenue Bonds, Mission Community Hospital, Series 2001, 5.375%, 11/01/21	11/09 at 102
6,525	California Statewide Communities Development Authority, Health Facility Revenue Bonds, Memorial Health Services, Series 2003A Refunding, 6.000%, 10/01/12	No Opt. C
1,740	Central California Joint Powers Health Financing Authority, Certificates of Participation, Community Hospitals of Central	2/10 at 101

	California Obligated Group Project, Series 2000, 6.000%, 2/01/30	
2,500	City of Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22	6/12 at 101
	HOUSING/MULTIFAMILY - 4.2%	
5,250	California Statewide Communities Development Authority, Housing Revenue Bonds, GNMA Collateralized - Crowne Pointe Project Refunding, 2002 Series F, 6.750%, 8/20/37	8/12 at 105

Nuveen California Dividend Advantage Municipal Fund 3 (NZH) (continue
Portfolio of INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	HOUSING/MULTIFAMILY (continued)	
$ 3,610	Housing Authority of the County of San Bernardino, California, Multifamily Mortgage Revenue Bonds, Series 2001A, GNMA Collateralized - Pacific Palms Mobile Home Park, 6.700%, 12/20/41	11/11 at 105
	San Jose, California, Multifamily Housing Revenue Bonds, GNMA Mortgage-Backed Securities Program - Lenzen Housing, Series 2001B:	
1,250	5.350%, 2/20/26 (Alternative Minimum Tax)	8/11 at 102
2,880	5.450%, 2/20/43 (Alternative Minimum Tax)	8/11 at 102
	HOUSING/SINGLE FAMILY - 0.9%	
3,000	California Housing Finance Agency, Home Mortgage Revenue Bonds, 1998 Series B, 5.150%, 2/01/18 (Alternative Minimum Tax) - AMBAC Insured	2/08 at 101
	LONG-TERM CARE - 1.5%	
	California Health Facilities Financing Authority, Insured Senior Living Revenue Bonds, Aldersly, 2002 Series A:	
1,500	5.125%, 3/01/22	3/12 at 101
1,315	5.250%, 3/01/32	3/12 at 101
2,450	California Health Facilities Financing Authority, Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.125%, 1/01/22	1/13 at 100
	TAX OBLIGATION/GENERAL - 31.2%	

8,500	State of California, General Obligation Veterans Welfare Bonds, Series 1997BH, 5.500%, 12/01/18 (Alternative Minimum Tax)	12/03 at 102
10	State of California, Veterans General Obligation Bonds, Series BJ, 5.500%, 12/01/18 (Alternative Minimum Tax)	12/06 at 102
	State of California, General Obligation Bonds, Series 2002 Refunding:	
8,450	5.000%, 2/01/12	No Opt. C
10,000	5.250%, 2/01/30	2/12 at 100
	State of California, General Obligation Bonds, Series 2002:	
9,335	6.000%, 2/01/16 - FSA Insured	No Opt. C
2,780	6.000%, 4/01/16 - AMBAC Insured	No Opt. C
5,000	5.000%, 4/01/21 - AMBAC Insured	4/12 at 100
14,300	State of California, Veterans General Obligation Bonds, 2001 Series BZ, 5.350%, 12/01/21 (Alternative Minimum Tax) - MBIA Insured	6/07 at 101
2,050	Centinela Valley Union High School District, Los Angeles County, California, General Obligation Bonds, Series 2002A, 5.250%, 2/01/26 - MBIA Insured	No Opt. C
3,000	Contra Costa Community College District, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/23 - FGIC Insured	8/12 at 100
2,500	Fullerton Joint Union High School District, Orange County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/23 - FSA Insured	8/12 at 100
2,260	Jurupa Unified School District, Riverside County, California, General Obligation Bonds, Series 2002, 5.125%, 8/01/22 - FGIC Insured	8/11 at 101
	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003A:	
3,750	5.250%, 7/01/20 - FSA Insured (WI, settling 3/05/03)	7/13 at 100
7,200	5.000%, 7/01/22 - FSA Insured (WI, settling 3/05/03)	7/13 at 100
3,000	Commonwealth of Puerto Rico, General Obligation Bonds, Public Improvement Refunding Series 2001, 5.000%, 7/01/24 - FSA Insured	7/11 at 100
5,000	Riverside Unified School District, Riverside County, California, General Obligation Bonds, Series 2002A, 5.000%, 2/01/27 - FGIC Insured	2/12 at 101
10,810	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C, 5.000%, 7/01/26 - FSA Insured	7/11 at 102
4,000	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2002D, 5.250%, 7/01/21 - FGIC Insured	7/12 at 101
1,000	Saugus Union School District, Los Angeles County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/24 - FGIC Insured	8/12 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED - 46.6%	
$ 4,000	Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2002A, 6.750%, 9/01/25	9/12 at 102
7,135	Brentwood Infrastructure Financing Authority, Contra Costa County, California, Capital Improvement Revenue Bonds, Series 2001, 5.000%, 11/01/25 - FSA Insured	11/11 at 100
3,620	Burbank Public Financing Authority, California, Revenue Bonds, Golden State Redevelopment Project, Series 2003A Refunding, 5.250%, 12/01/20 - AMBAC Insured	12/13 at 100
3,350	State Public Works Board of the State of California, Lease Revenue Bonds, Department of General Services, Capital East End, Series 2002A, 5.250%, 12/01/17 - AMBAC Insured	12/12 at 100
4,510	State Public Works Board of the State of California, Lease Revenue Bonds, Department of Mental Health, Hospital Addition, Series 2001A, 5.000%, 12/01/26 - AMBAC Insured	12/11 at 102
15,000	State Public Works Board of the State of California, Lease Revenue Bonds, Department of General Services, Series 2002B, 5.000%, 3/01/27 - AMBAC Insured	3/12 at 100
1,270	Coalinga Public Financing Authority, California, Local Obligation Revenue Refunding Bonds, Senior Lien Series A, 6.000%, 9/15/18 - AMBAC Insured	No Opt. C
2,000	Daly City Housing Development Finance Agency, California, Mobile Home Park Revenue Bonds, Franciscan Mobile Home Park, Series 2002A, 5.800%, 12/15/25	12/13 at 102
1,000	Fullerton, California, Special Tax Bonds, Community Facilities District No. 001, Amerige Heights, Series 2002, 6.100%, 9/01/22	9/12 at 100
7,945	La Quinta Redevelopment Agency, California, Project Area No. 1 Tax Allocation Bonds, Series 2001, 5.100%, 9/01/31 - AMBAC Insured	9/11 at 102
3,000	Lake Elsinore Public Finance Authority, California, Local Agency Revenue Bonds, Series 2003H Refunding, 6.000%, 10/01/20	10/13 at 102
5,250	Lammersville School District, San Joaquin County, California, Community Facilities District of Mountain House, Special Tax Bonds, Series 2002, 6.300%, 9/01/24	9/12 at 101
5,425	Lodi, California, Certificates of Participation, Series 2002, Public Improvement Financing Project, 5.000%, 10/01/26 - MBIA Insured	10/12 at 100
13,515	Norco Redevelopment Agency, California, Project Area No. 1 Tax Allocation Bonds, Series 2001 Refunding, 5.125%, 3/01/30 - MBIA Insured	3/11 at 102
1,000	Norco, California, Special Tax Bonds, Community Facilities District	9/12 at 102

	No. 01-1, Series 2002, 6.750%, 9/01/22	
3,000	Redevelopment Agency of the City of Oakland, California, Subordinate Lien Tax Allocation Bonds, Central District Redevelopment Project, Series 2003, 5.500%, 9/01/19 - FGIC Insured	3/13 at 100
4,520	Ontario Redevelopment Financing Authority, California, Lease Revenue Bonds, Capital Projects, Series 2001, 5.000%, 8/01/24 - AMBAC Insured	8/11 at 101
11,165	Palm Desert Financing Authority, California, Tax Allocation Revenue Bonds, Project Area No. 1, Series 2002 Refunding, 5.100%, 4/01/30 - MBIA Insured	4/12 at 102
5,000	Pomona Public Finance Authority, California, Revenue Bonds, Merged Redevelopment Projects Refunding, Series 2001AD, 5.000%, 2/01/27 - MBIA Insured	2/11 at 100
2,925	Pomona Valley Educational Joint Power Authority, California, Lease Revenue Bonds, Pomona Unified School District Financing, Series 2001, 4.875%, 8/01/26 - AMBAC Insured	8/09 at 102
6,500	Puerto Rico Highway and Transportation Authority, Transportation Revenue Bonds, Series D, 5.375%, 7/01/36	7/12 at 100
4,400	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, 2002 Series E, 6.000%, 8/01/26	No Opt. C
2,385	City of San Buenaventura, California, San Buenaventura Public Facilities Financing Authority, 2001 Certificates of Participation, Series C, 4.750%, 2/01/24 - AMBAC Insured	2/11 at 101
14,505	Redevelopment Agency of the City of San Diego, California, Subordinate Tax Allocation Bonds, Centre City Redevelopment Project, Series 2001A, 5.000%, 9/01/26 - FSA Insured	9/11 at 101
8,725	San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2001, 5.000%, 7/01/26 - AMBAC Insured	7/11 at 100

Nuveen California Dividend Advantage Municipal Fund 3 (NZH) (continue
Portfolio of INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED (continued)	
$ 10,000	San Diego Redevelopment Agency, California, Merged Area Redevelopment Project Tax Allocation Bonds, Series 2002, 5.000%, 8/01/27 - MBIA Insured	8/10 at 101
2,115	San Marcos Public Facilities Authority, California, Special Tax Revenue Bonds, Series 2002, 6.300%, 9/01/20	9/07 at 102
1,595	Santa Clara Valley Transportation Authority, California, Sales	6/11 at 100

	Tax Revenue Bonds, Series 2001A, 5.000%, 6/01/22 - MBIA Insured	
2,500	Yucaipa-Calimesa Joint Union School District, San Bernardino County, California, General Obligation Bonds, Series 2001A Refunding, 5.000%, 10/01/26 - MBIA Insured	10/11 at 100
	TRANSPORTATION - 7.8%	
1,500	Port of Oakland, California, Refunding Revenue Bonds, 1997 Series I, 5.600%, 11/01/19 - MBIA Insured	11/07 at 102
1,000	Port of Oakland, California, Revenue Bonds, Series 2002M, 5.250%, 11/01/20 - FGIC Insured	11/12 at 100
1,420	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 23B, 5.125%, 5/01/30 - FGIC Insured	5/09 at 101
5,950	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 26B, 5.000%, 5/01/30 - FGIC Insured	5/10 at 101
	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 29B:	
10,625	5.125%, 5/01/18 - FGIC Insured	5/13 at 100
5,140	5.125%, 5/01/19 - FGIC Insured	5/13 at 100
	UTILITIES - 8.5%	
15,000	California Pollution Control Financing Authority, Pollution Control Refunding Revenue Bonds, Pacific Gas and Electric Company, 1996A Series Remarketed, 5.350%, 12/01/16 (Alternative Minimum Tax) - MBIA Insured	4/11 at 102
9,000	State of California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18	5/12 at 101
1,600	Merced Irrigation District, California, 2002 Revenue Certificates of Participation, Electric System Project, 6.500%, 9/01/34	9/05 at 103
2,250	Salinas Valley Solid Waste Authority, California, Revenue Bonds, Series 2002, 5.125%, 8/01/22 (Alternative Minimum Tax) - AMBAC Insured	8/12 at 100
	WATER AND SEWER - 13.3%	
6,080	California Department of Water Resources, Central Valley Project Water System Revenue Bonds, Series 2002Z, 5.000%, 12/01/17 - FGIC Insured	12/12 at 100
7,000	Carmichael Water District, Sacramento County, California, 1999 Water Revenue Certificates of Participation, 5.125%, 9/01/29 - MBIA Insured	9/09 at 102

2,475	The Metropolitan Water District of Southern California, Water Revenue Refunding Bonds, 1998 Series A, 4.750%, 7/01/22	7/08 at 101
	San Diego Public Facilities Financing Authority, California, Water Revenue Bonds, Series 2002 Subordinate Lien:	
2,500	5.000%, 8/01/23 - MBIA Insured	8/12 at 100
8,910	5.000%, 8/01/24 - MBIA Insured	8/12 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	WATER AND SEWER (continued)	
	Public Utilities Commission of the City and County of San Francisco, California, Clean Water Revenue Bonds, Series 2003A Refunding:	
$ 3,315	5.250%, 10/01/18 - MBIA Insured	4/13 at 100
12,000	5.250%, 10/01/19 - MBIA Insured	4/13 at 100
1,600	Sunnyvale Financing Authority, California, Water and Wastewater Revenue Bonds, Series 2001, 5.000%, 10/01/26 - AMBAC Insured	10/11 at 100
$ 494,890	Total Long-Term Investments (cost $503,949,894) - 147.7%	
	SHORT-TERM INVESTMENTS - 1.6%	
$ 2,400	ABAG Finance Authority for Non-Profit Corporations, California, Certificates of Participation, American Baptist Homes West, Variable Rate Demand Bonds, Series 1997C(98B), 1.050%, 10/01/27+	
1,500	California Infrastructure and Economic Development Authority, Insured Revenue Bonds, The Rand Corporation, Series 2002B, Variable Rate Demand Obligations, 1.100%, 4/01/42 - AMBAC Insured+	
1,755	California Statewide Communities Development Authority, Revenue Bonds, Fremont-Rideout Health Group, Variable Rate Demand Bonds, Series 2001A, 1.050%, 1/01/31 - AMBAC Insured+	
$ 5,655	Total Short-Term Investments (cost $5,655,000)	
	Other Assets Less Liabilities - 4.5%	
	Preferred Shares, at Liquidation Value - (53.8)%	
	Net Assets Applicable to Common Shares - 100%	

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

N/R Investment is not rated.

(WI) Security purchased on a when-issued basis.

+ Security has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based on market conditions or a specified market index.

See accompanying notes to financial statements.

Nuveen Insured California Dividend Advantage Municipal Fund (NKL)
Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	EDUCATION AND CIVIC ORGANIZATIONS - 14.2%	
$ 3,070	California Educational Facilities Authority, Revenue Bonds, Claremont University Center, Series 1999B, 5.250%, 3/01/18	3/09 at 101
1,675	California Educational Facilities Authority, Revenue Bonds, University of San Diego, Series 2002A, 5.250%, 10/01/30	10/12 at 100
8,880	State Public Works Board of the State of California, Lease Revenue Bonds, Regents of the University of California, 2002 Series A, UCLA Replacement Hospitals, 5.375%, 10/01/16 - FSA Insured	10/12 at 100
9,000	Trustees of the California State University, Systemwide Revenue Bonds, Series 2002A, 5.125%, 11/01/26 - AMBAC Insured	11/12 at 100
9,000	The Regents of the University of California, Multiple Purpose Project Revenue Bonds, Series K, 5.300%, 9/01/30	9/08 at 101
	HEALTHCARE - 4.9%	
5,000	ABAG Finance Authority for Nonprofit Corporations, California, Insured Revenue Bonds, Sansum-Santa Barbara Medical Foundation Clinic, Series 2002A, 5.600%, 4/01/26	4/12 at 100
4,000	California Statewide Communities Development Authority, Revenue Refunding Bonds, Sherman Oaks Project, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt. C
2,145	California Statewide Communities Development Authority, Revenue Bonds, Kaiser Permanente, Series 2002E,	No Opt. C

	4.700%, 11/01/36 (Mandatory put 6/01/09)	
	HOUSING/MULTIFAMILY - 0.9%	
1,905	The City of Los Angeles, California, Multifamily Housing Revenue Bonds, GNMA Mortgage-Backed Securities Program, Park Plaza West Senior Apartments Project, Series 2001B, 5.300%, 1/20/21 (Alternative Minimum Tax)	7/11 at 102
	HOUSING/SINGLE FAMILY - 5.0%	
11,500	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 1998E, 5.250%, 2/01/33 (Alternative Minimum Tax) - AMBAC Insured	2/09 at 101
	TAX OBLIGATION/GENERAL - 40.8%	
5,920	Cajon Valley Union School District, San Diego County, California, General Obligation Bonds, Series 2002B, 5.125%, 8/01/32 - MBIA Insured	8/10 at 102
	State of California, General Obligation Bonds, Series 2002 Refunding:	
5,500	5.000%, 2/01/12	No Opt. C
9,000	5.000%, 2/01/22 - MBIA Insured	2/12 at 100
1,500	Centinela Valley Union High School District, Los Angeles County, California, General Obligation Bonds, Series 2002A, 5.250%, 2/01/26 - MBIA Insured	No Opt. C
2,500	Chaffee Joint Union High School District, San Bernardino County, California, General Obligation Bonds, Election of 1998, Series 2002C, 5.000%, 5/01/27 - FSA Insured	5/12 at 101
10,000	Fremont Unified School District, Alameda County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/25 - FSA Insured	8/12 at 101
2,070	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Election of 1995, Series 2002G, 5.125%, 8/01/26 - FSA Insured	8/10 at 102
	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Election of 2001, Series 2002B:	
1,135	5.125%, 8/01/23 - FGIC Insured	8/10 at 102
1,190	5.125%, 8/01/24 - FGIC Insured	8/10 at 102
1,245	5.125%, 8/01/25 - FGIC Insured	8/10 at 102
1,255	5.125%, 8/01/26 - FGIC Insured	8/10 at 102

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO

	TAX OBLIGATION/GENERAL (continued)	
$ 5,000	Los Angeles Unified School District, California, General Obligation Bonds, Election of 1997, 2002B Series E, 5.125%, 1/01/27 - MBIA Insured	7/12 at 100
	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003A:	
2,250	5.250%, 7/01/20 - FSA Insured (WI, settling 3/05/03)	7/13 at 100
4,700	5.000%, 7/01/22 - FSA Insured (WI, settling 3/05/03)	7/13 at 100
7,000	Los Gatos Joint Union High School District, California, Election of 1998, Series 2002C, 5.000%, 6/01/27 - FSA Insured	6/12 at 101
2,500	Oakland Unified School District, Alameda County, California, General Obligation Bonds, Series 2002, 5.250%, 8/01/21 - FGIC Insured	8/12 at 100
3,300	Peralta Community College District, Alameda County, California, General Obligation Bonds, Election 2000, Series A, 5.000%, 8/01/31 - FGIC Insured	8/09 at 102
3,250	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C, 5.000%, 7/01/22 - FSA Insured	7/11 at 102
4,000	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2002D, 5.250%, 7/01/20 - FGIC Insured	7/12 at 101
3,500	San Mateo County Community College District, California, General Obligation Bonds, Series 2002A, 5.000%, 9/01/26 - FGIC Insured	9/12 at 100
2,980	Santa Clarita Community College District, Los Angeles County, California, General Obligation Bonds, Series 2002, 5.125%, 8/01/26 - FGIC Insured	8/11 at 101
2,460	Vacaville Unified School District, Solano County, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/26 - FSA Insured	8/11 at 101
10,000	Vista Unified School District, San Diego County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/23 - FSA Insured	8/12 at 100
	TAX OBLIGATION/LIMITED - 42.6%	
6,895	Brea Olinda Unified School District, Orange County, California, Certificates of Participation, Series 2002A Refunding, 5.125%, 8/01/26 - FSA Insured	8/11 at 101
2,290	Burbank Public Financing Authority, California, Revenue Bonds, Golden State Redevelopment Project, Series 2003A Refunding, 5.250%, 12/01/19 - AMBAC Insured	12/13 at 100
	State Public Works Board of the State of California, Lease Revenue Bonds, Department of General Services, Capital East End, Series 2002A:	

1,535	5.250%, 12/01/16 - AMBAC Insured	12/12 at 100
2,490	5.250%, 12/01/17 - AMBAC Insured	12/12 at 100
3,145	Culver City Redevelopment Agency, California, Redevelopment Project Tax Allocation Bonds, Series 2002A, 5.125%, 11/01/25 - MBIA Insured	5/11 at 101
1,020	Desert Sands Unified School District, Riverside County, California, Certificates of Participation, Series 2002 Refunding, 5.000%, 3/01/20 - MBIA Insured	3/12 at 101
8,720	City of El Monte, California, Department of Public Services Facility Phase II, Certificates of Participation, Senior Lien Series 2001, 5.000%, 1/01/21 - AMBAC Insured	1/11 at 100
6,615	Inglewood Redevelopment Agency, California, Tax Allocation Refunding Bonds, Merged Redevelopment Project, Series 1998A, 5.250%, 5/01/23 - AMBAC Insured	No Opt. C
5,500	La Quinta Redevelopment Agency, California, Project Area No. 1 Tax Allocation Bonds, Series 2001, 5.100%, 9/01/31 - AMBAC Insured	9/11 at 102
3,400	La Quinta Redevelopment Agency, California, Project Area No. 1 Tax Allocation Bonds, Series 2002, 5.000%, 9/01/22 - AMBAC Insured	9/12 at 102
7,000	The City of Los Angeles, California, Certificates of Participation, Real Property Acquisition Program, Series 2002, 5.200%, 4/01/27 - AMBAC Insured	4/12 at 100
4,690	Los Angeles County Metropolitan Transportation Authority, California, Proposition C Sales Tax Revenue Bonds, Second Senior Series 1998A Refunding, 5.000%, 7/01/23 - AMBAC Insured	7/08 at 101
2,000	Redevelopment Agency of the City of Oakland, California, Subordinate Lien Tax Allocation Bonds, Central District Redevelopment Project, Series 2003, 5.500%, 9/01/17 - FGIC Insured	3/13 at 100

Nuveen Insured California Dividend Advantage Municipal Fund (NKL) (co
Portfolio of INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED (continued)	
$ 8,470	Ontario Redevelopment Financing Authority, California, Lease Revenue Bonds, Capital Projects, Series 2001, 5.200%, 8/01/29 - AMBAC Insured	8/11 at 101
5,000	Palm Desert Financing Authority, California, Tax Allocation Revenue Bonds, Project Area No. 1, Series 2002 Refunding, 5.000%, 4/01/25 - MBIA Insured	4/12 at 102

4,475	County of Riverside Asset Leasing Corporation, California, Leasehold Revenue Bonds, 1997 Series B, County of Riverside Hospital Project, 5.000%, 6/01/19 - MBIA Insured	6/12 at 101
	San Bernardino County, California, Certificates of Participation, Series 2002A, West Valley Detention Center Refinancing:	
3,000	5.250%, 11/01/13 - MBIA Insured	11/11 at 102
2,000	5.250%, 11/01/14 - MBIA Insured	11/11 at 102
6,765	5.250%, 11/01/15 - MBIA Insured	11/11 at 102
3,175	City of San Buenaventura, California, 2001 Certificates of Participation, Series C, San Buenaventura Public Facilities Financing Authority, 5.250%, 2/01/31 - AMBAC Insured	2/11 at 101
4,000	City of San Jose Financing Authority, California, Lease Revenue Bonds, Series 2001F, Convention Center Project Refunding, 5.000%, 9/01/19 - MBIA Insured	9/11 at 100
2,160	Temecula Redevelopment Agency, California, Tax Allocation Revenue Bonds, Temecula Redevelopment Project No. 1, Series 2002, 5.125%, 8/01/27 - MBIA Insured	8/08 at 102
	TRANSPORTATION - 6.7%	
	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 29A:	
2,185	5.250%, 5/01/16 (Alternative Minimum Tax) - FGIC Insured	5/13 at 100
2,300	5.250%, 5/01/17 (Alternative Minimum Tax) - FGIC Insured	5/13 at 100
10,110	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 29B, 5.125%, 5/01/17 - FGIC Insured	5/13 at 100
	UTILITIES - 18.7%	
9,000	Anaheim Public Financing Authority, California, Revenue Bonds, Electric System Distribution Facilities, Series 2002A, 5.000%, 10/01/27 - FSA Insured	10/12 at 100
10,000	California Pollution Control Financing Authority, Pollution Control Refunding Revenue Bonds, Pacific Gas and Electric Company, 1996A Series Remarketed, 5.350%, 12/01/16 (Alternative Minimum Tax) - MBIA Insured	4/11 at 102
6,000	State of California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18	5/12 at 101
6,000	Northern California Power Agency, Hydroelectric Project Number One Revenue Bonds, 1998 Refunding Series A, 5.200%, 7/01/32 - MBIA Insured	7/08 at 101
5,500	Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2001N, 5.000%, 8/15/28 - MBIA Insured	8/11 at 100
5,630	Southern California Public Power Authority, Transmission Project Revenue Bonds, 2002A Subordinate Refunding Series, Southern	7/12 at 100

	Transmission Project, 4.750%, 7/01/19 - FSA Insured	
	WATER AND SEWER - 14.2%	
3,000	California Department of Water Resources, Central Valley Project Water System Revenue Bonds, Series 2002Z, 5.000%, 12/01/15 - FGIC Insured	12/12 at 100
3,000	California Department of Water Resources, Central Valley Project Water System Revenue Bonds, Series X, 5.150%, 12/01/23 - FGIC Insured	12/12 at 100
9,000	Eastern Municipal Water District, California, Water and Sewer Revenue Certificates of Participation, Series 2001B, 5.000%, 7/01/30 - FGIC Insured	7/11 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	WATER AND SEWER (continued)	
$ 4,500	The Metropolitan Water District of Southern California, Water Revenue Bonds, 1997 Authorization, Series A, 5.000%, 7/01/30 - MBIA Insured	1/08 at 101
2,000	Pico Rivera Water Authority, California, Water System Project Revenue Bonds, Series 1999A Refunding, 5.500%, 5/01/19 - MBIA Insured	No Opt. C
10,000	Public Utilities Commission of the City and County of San Francisco, California, Clean Water Revenue Bonds, Series 2003A Refunding, 5.250%, 10/01/18 - MBIA Insured	4/13 at 100
$ 331,000	Total Long-Term Investments (cost $332,303,897) - 148.0%	
	SHORT-TERM INVESTMENTS - 2.8%	
6,600	California Health Facilities Financing Authority, Insured Revenue Bonds, Sutter/CHS, Series 1996B, Variable Rate Demand Bonds, 1.100%, 7/01/12 - AMBAC Insured+	
$ 6,600	Total Short-Term Investments (cost $6,600,000)	
	Other Assets Less Liabilities - (0.4)%	
	Preferred Shares, at Liquidation Value - (50.4)%	
	Net Assets Applicable to Common Shares - 100%	

At least 80% of the Fund's net assets are invested in municipal securities that are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance which ensures the timely payment of principal and interest. Up to 20% of the Fund's net assets may be invested

in municipal securities that are (i) either backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities (also ensuring the timely payment of principal and interest), or (ii) municipal bonds that are rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, S&P or Fitch) or unrated but judged to be of comparable quality by the Adviser.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

(WI) Security purchased on a when-issued basis.

\+ Security has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based on market conditions or a specified market index.

See accompanying notes to financial statements.

Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX)
Portfolio of
INVESTMENTS February 28, 2003 (Unaudited)

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	EDUCATION AND CIVIC ORGANIZATIONS - 19.1%	
$ 3,500	California Educational Facilities Authority, Revenue Bonds, California Institute of Technology, Series 2003A, 5.000%, 10/01/32	10/11 at 100
10,000	California State University, Systemwide Revenue Bonds, Series 2003A, 5.000%, 11/01/32 - FGIC Insured	5/13 at 100
2,500	California Statewide Communities Development Authority, Student Housing Revenue Bonds, EAH-East Campus Apartment LLC, Series 2002A, 5.500%, 8/01/22 - ACA Insured	8/12 at 100
	HEALTHCARE - 1.8%	
1,500	California Health Facilities Financing Authority, Revenue Bonds, USCF - Stanford Health Care, 1998 Series A, 5.000%, 11/15/31 - FSA Insured	11/08 at 101

	LONG-TERM CARE - 7.1%	
4,000	ABAG Finance Authority for Nonprofit Corporations, California, Insured Senior Living Revenue Bonds, Odd Fellows Home of California, Series 2003A, 5.200%, 11/15/22	11/12 at 100
2,000	California Health Facilities Financing Authority, Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.250%, 1/01/26	1/13 at 100
	TAX OBLIGATION/GENERAL - 24.2%	
2,000	Butte-Glenn Community College District, Butte and Glenn Counties, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/26 - MBIA Insured	8/12 at 101
1,500	State of California, General Obligation Bonds, Series 2002 Refunding, 5.000%, 2/01/12	No Opt. C
	State of California, General Obligation Bonds, Series 2002:	
3,750	5.000%, 4/01/27 - AMBAC Insured	4/12 at 100
3,000	5.250%, 4/01/30 - XLCA Insured	4/12 at 100
450	Fremont Unified School District, Alameda County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/25 - FSA Insured	8/12 at 101
2,000	The City of Los Angeles, California, General Obligation Bonds, Series 2002A, 5.000%, 9/01/22 - MBIA Insured	9/12 at 100
4,750	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003A, 5.000%, 7/01/22 - FSA Insured (WI, settling 3/05/03)	7/13 at 100
2,500	City of San Jose, California, General Obligation Bonds, Series 2002, Library, Park and Public Safety Projects, 5.000%, 9/01/23	9/12 at 100
	TAX OBLIGATION/LIMITED - 62.5%	
2,025	Burbank Public Financing Authority, California, Revenue Bonds, Golden State Redevelopment Project, Series 2003A Refunding, 5.250%, 12/01/22 - AMBAC Insured	12/13 at 100
4,000	State Public Works Board of the State of California, Lease Revenue Bonds, Department of General Services, Capital East End, Series 2002A, 5.000%, 12/01/27 - AMBAC Insured	12/12 at 100
3,000	Cathedral City Public Financing Authority, California, Tax Allocation Bonds, Merged Project Areas, Series 2002A, 5.000%, 8/01/33 - MBIA Insured	8/12 at 102

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	TAX OBLIGATION/LIMITED (continued)	
$ 5,540	Irvine Public Facilities and Infrastructure Authority, California, Assessment Revenue Bonds, Series 2003C, 5.000%, 9/02/21 - AMBAC Insured	9/03 at 103
1,770	Los Angeles Unified School District, Los Angeles County, California, Certificates of Participation, Series 2002C, Administration Building Project II, 5.000%, 10/01/27 - AMBAC Insured	10/12 at 100
1,500	Los Osos, California, Community Services Wastewater Assessment District No. 1 Improvement Bonds, Series 2002, 5.000%, 9/02/33 - MBIA Insured	9/10 at 103
1,285	Poway Unified School District, San Diego County, California, Special Tax Bonds, Community Facilities District No. 6, Series 2002A, 6.050%, 9/01/25	9/10 at 102
3,350	Puerto Rico Municipal Finance Agency, 2002 Series A, 5.250%, 8/01/20 - FSA Insured	8/12 at 100
4,475	County of Riverside Asset Leasing Corporation, California, Leasehold Revenue Bonds, 1997 Series B, County of Riverside Hospital Project, 5.000%, 6/01/19 - MBIA Insured	6/12 at 101
	San Buenaventura, California, Certificates of Participation, Golf Course Financing Project, Series 2002D:	
3,000	5.000%, 2/01/27 - AMBAC Insured	2/12 at 100
3,300	5.000%, 2/01/32 - AMBAC Insured	2/12 at 100
2,405	San Diego Redevelopment Agency, California, Centre City Project Subordinate Lien Tax Allocation Bonds, Series 2003A, 5.000%, 9/01/28 - MBIA Insured	9/11 at 101
2,465	San Diego Redevelopment Agency, California, Centre City Project Subordinate Tax Increment and Parking Revenue Bonds, Series 2003B, 5.250%, 9/01/26	9/09 at 101
1,220	San Diego Redevelopment Agency, California, Merged Area Redevelopment Project Tax Allocation Bonds, Series 2002, 5.000%, 8/01/32 - MBIA Insured	8/10 at 101
2,770	City of San Jose Financing Authority, California, Lease Revenue Bonds, Civic Center Project, Series 2002B Refunding, 5.000%, 6/01/32 - AMBAC Insured	6/12 at 100
2,390	Solano County, California, Certificates of Participation, Series 2002, 5.250%, 11/01/24 - MBIA Insured	11/12 at 100
	Sweetwater Union High School District, San Diego County, California, Certificates of Participation, Series 2002:	
3,245	5.000%, 9/01/23 - FSA Insured	9/12 at 102
4,015	5.000%, 9/01/24 - FSA Insured	9/12 at 102

	TRANSPORTATION - 19.4%	
5,480	Bay Area Government Association, California, BART SFO Extension Airport Premium Fare Revenue Bonds, Series 2002A, 5.000%, 8/01/26 - AMBAC Insured	8/12 at 100
3,135	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 16B, 5.000%, 5/01/24 - FSA Insured	5/08 at 101
1,300	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 26B, 5.000%, 5/01/25	5/10 at 101
6,000	Airports Commission of the City and County of San Francisco, California, San Francisco International Airport, Second Series Revenue Bonds, Issue 29B, 5.125%, 5/01/19 - FGIC Insured	5/13 at 100
	UTILITIES - 7.3%	
3,000	Anaheim Public Financing Authority, California, Revenue Bonds, Electric System Distribution Facilities, Series 2002A, 5.000%, 10/01/31 - FSA Insured	10/12 at 100
3,055	Department of Water and Power of Los Angeles, California, Power System Revenue Bonds, 2001 Series A1, 5.250%, 7/01/22 - FSA Insured	7/11 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	WATER AND SEWER - 8.5%	
$ 1,495	The Metropolitan Water District of Southern California, Water Revenue Bonds, 1997 Authorization, Series A, 5.000%, 7/01/30 - MBIA Insured	1/08 at 101
	San Diego Public Facilities Financing Authority, California, Water Revenue Bonds, Series 2002 Subordinate Lien:	
3,000	5.000%, 8/01/22 - MBIA Insured	8/12 at 100
2,500	5.000%, 8/01/23 - MBIA Insured	8/12 at 100
$ 124,170	Total Long-Term Investments (cost $125,578,246) - 149.9%	
	SHORT-TERM INVESTMENTS - 7.6%	
6,500	State of California Department of Water Resources, Power Supply Revenue Bonds, Series 2002-B5, Variable Rate Demand Obligations, 1.150%, 5/01/22+	
$ 6,500	Total Short-Term Investments (cost $6,500,000)	
	Other Assets Less Liabilities - (4.7)%	

Preferred Shares, at Liquidation Value - (52.8)%	
Net Assets Applicable to Common Shares - 100%	

At least 80% of the Fund's net assets are invested in municipal securities that are either covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance which ensures the timely payment of principal and interest. Up to 20% of the Fund's net assets may be invested in municipal securities that are (i) either backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities (also ensuring the timely payment of principal and interest), or (ii) municipal bonds that are rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, S&P or Fitch) or unrated but judged to be of comparable quality by the Adviser.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares.

* Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

** Ratings: Using the higher of Standard & Poor's or Moody's rating.

N/R Investment is not rated.

(WI) Security purchased on a when-issued basis.

\+ Security has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based on market conditions or a specified market index.

See accompanying notes to financial statements.

Statement of
ASSETS AND LIABILITIES February 28, 2003 (Unaudited)

	INSURED CALIFORNIA PREMIUM INCOME (NPC)
ASSETS	
Investments in municipal securities, at market value	$137,455,100
Temporary investments in short-term securities, at amortized cost, which approximates market value	6,700,000
Cash	--

Receivables:	
Interest	2,347,932
Investments sold	3,425,000
Other assets	9,265
Total assets	149,937,297
LIABILITIES	
Cash overdraft	234,092
Payable for investments purchased	--
Accrued expenses:	
Management fees	73,654
Organization and offering costs	--
Other	82,690
Preferred share dividends payable	2,592
Total liabilities	393,028
Preferred shares, at liquidation value	45,000,000
Net assets applicable to Common shares	$104,544,269
Common shares outstanding	6,438,911
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	$ 16.24
NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:	
Common shares, $.01 par value per share	$ 64,389
Paid-in surplus	89,092,270
Undistributed net investment income	1,428,611
Accumulated net realized gain (loss) from investments	576,331
Net unrealized appreciation of investments	13,382,668
Net assets applicable to Common shares	$104,544,269
Authorized shares:	
Common	200,000,000
Preferred	1,000,000

See accompanying notes to financial statements.

Statement of
ASSETS AND LIABILITIES February 28, 2003 (Unaudited) (continu

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
ASSETS			

Investments in municipal securities, at market value	$530,431,871	$325,667,617	$513,329,677
Temporary investments in short-term securities, at amortized cost, which approximates market value	--	--	5,655,000
Cash	--	--	5,607,320
Receivables:			
Interest	7,621,317	3,922,296	6,778,201
Investments sold	10,200	8,968,885	14,850,478
Other assets	28,415	6,739	2,587
Total assets	538,091,803	338,565,537	546,223,263
LIABILITIES			
Cash overdraft	943,664	1,169,964	--
Payable for investments purchased	--	7,192,226	11,339,916
Accrued expenses:			
Management fees	135,709	84,913	135,127
Organization and offering costs	--	4,542	180,296
Other	178,239	59,883	60,673
Preferred share dividends payable	11,760	9,504	11,749
Total liabilities	1,269,372	8,521,032	11,727,761
Preferred shares, at liquidation value	175,000,000	110,000,000	187,000,000
Net assets applicable to Common shares	$361,822,431	$220,044,505	$347,495,502
Common shares outstanding	23,412,013	14,790,660	24,112,833
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	$ 15.45	$ 14.88	$ 14.41
NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:			
Common shares, $.01 par value per share	$ 234,120	$ 147,907	$ 241,128
Paid-in surplus	332,500,716	210,030,236	342,306,672
Undistributed net investment income	3,806,015	1,508,507	1,225,562
Accumulated net realized gain (loss) from investments	(2,939,439)	1,486,640	(5,657,643
Net unrealized appreciation of investments	28,221,019	6,871,215	9,379,783
Net assets applicable to Common shares	$361,822,431	$220,044,505	$347,495,502
Authorized shares:			
Common	Unlimited	Unlimited	Unlimited
Preferred	Unlimited	Unlimited	Unlimited

See accompanying notes to financial statements.

Statement of
OPERATIONS Six Months Ended February 28, 2003 (Unaudited)

	INSURED CALIFORNIA PREMIUM INCOME (NPC)
INVESTMENT INCOME	$3,881,087
EXPENSES	
Management fees	478,316
Preferred shares - auction fees	55,788
Preferred shares - dividend disbursing agent fees	4,959
Shareholders' servicing agent fees and expenses	6,931
Custodian's fees and expenses	21,232
Directors'/Trustees' fees and expenses	1,077
Professional fees	5,648
Shareholders' reports - printing and mailing expenses	5,906
Stock exchange listing fees	5,837
Investor relations expense	10,344
Portfolio insurance expense	6,638
Other expenses	6,965
Total expenses before custodian fee credit and expense reimbursement	609,641
Custodian fee credit	(7,962
Expense reimbursement	--
Net expenses	601,679
Net investment income	3,279,408
REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS	
Net realized gain from investments	775,688
Change in net unrealized appreciation (depreciation) of investments	392,092
Net gain (loss) from investments	1,167,780
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS	
From net investment income	(224,366
From accumulated net realized gains from investments	(42,365
Decrease in net assets applicable to Common shares from distributions to Preferred shareholders	(266,731
Net increase in net assets applicable to Common shares from operations	$4,180,457

See accompanying notes to financial statements.

Statement of
OPERATIONS Six Months Ended February 28, 2003 (Unaudited) (co

	CALIFORNIA DIVIDEND ADVANTAGE	CALIFORNIA DIVIDEND ADVANTAGE 2	CALIFORNIA DIVIDEND ADVANTAGE 3

	(NAC)	(NVX)	(NZH)
INVESTMENT INCOME	$13,672,948	$8,240,290	$13,169,215
EXPENSES			
Management fees	1,671,881	1,041,273	1,670,598
Preferred shares - auction fees	216,952	136,370	231,829
Preferred shares - dividend disbursing agent fees	9,918	9,918	9,918
Shareholders' servicing agent fees and expenses	5,561	2,455	3,124
Custodian's fees and expenses	69,590	62,562	73,603
Directors'/Trustees' fees and expenses	2,913	2,101	2,914
Professional fees	9,770	7,323	9,062
Shareholders' reports - printing and mailing expenses	17,541	10,551	14,609
Stock exchange listing fees	8,186	1,073	1,748
Investor relations expense	32,350	21,038	11,513
Portfolio insurance expense	--	--	--
Other expenses	13,905	10,074	8,967
Total expenses before custodian fee credit and expense reimbursement	2,058,567	1,304,738	2,037,885
Custodian fee credit	(4,327)	(6,068)	(14,000
Expense reimbursement	(792,315)	(488,653)	(791,686
Net expenses	1,261,925	810,017	1,232,199
Net investment income	12,411,023	7,430,273	11,937,016
REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS			
Net realized gain from investments	650,046	2,220,080	811,216
Change in net unrealized appreciation (depreciation) of investments	3,552,335	(828,519)	723,944
Net gain (loss) from investments	4,202,381	1,391,561	1,535,160
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS			
From net investment income	(901,110)	(564,814)	(1,018,638
From accumulated net realized gains from investments	--	(49,489)	--
Decrease in net assets applicable to Common shares from distributions to Preferred shareholders	(901,110)	(614,303)	(1,018,638
Net increase in net assets applicable to Common shares from operations	$15,712,294	$8,207,531	$12,453,538

* For the period November 22, 2002 (commencement of operations) through February 28, 2003.

See accompanying notes to financial statements.

Statement of
CHANGES IN NET ASSETS (Unaudited)

INSURED CALIFORNIA INSURED CALIFORNIA

	PREMIUM INCOME (NPC)		PREMIUM INCOME 2 (NCL)	
	SIX MONTHS ENDED 2/28/03	YEAR ENDED 8/31/02	SIX MONTHS ENDED 2/28/03	YEAR END 8/31/
OPERATIONS				
Net investment income	$ 3,279,408	$ 6,729,063	$ 6,335,892	$ 12,715,9
Net realized gain (loss) from investments	775,688	2,870,032	863,708	92,1
Change in net unrealized appreciation (depreciation) of investments	392,092	(2,620,683)	683,705	(194,5
Distributions to Preferred Shareholders:				
From net investment income	(224,366)	(578,229)	(502,524)	(1,211,4
From accumulated net realized gains from investments	(42,365)	--	--	
Net increase in net assets applicable to Common shares from operations	4,180,457	6,400,183	7,380,781	11,402,1
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(3,281,838)	(5,538,554)	(5,544,120)	(10,503,8
From accumulated net realized gains from investments	(490,993)	--	--	
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(3,772,831)	(5,538,554)	(5,544,120)	(10,503,8
CAPITAL SHARE TRANSACTIONS				
Common shares:				
Net proceeds from sale of shares	--	--	--	
Net proceeds from shares issued to shareholders due to reinvestment of distributions	--	207,189	119,270	338,6
Preferred shares offering costs	--	--	--	
Net increase (decrease) in net assets applicable to Common shares from capital share transactions	--	207,189	119,270	338,6
Net increase (decrease) in net assets applicable to Common shares	407,626	1,068,818	1,955,931	1,236,9
Net assets applicable to Common shares at the beginning of period	104,136,643	103,067,825	190,869,930	189,633,0
Net assets applicable to Common shares at the end of period	$104,544,269	$104,136,643	$192,825,861	$190,869,9
Undistributed net investment income at the end of period	$ 1,428,611	$ 1,830,679	$ 2,112,704	$ 1,761,5

See accompanying notes to financial statements.

Statement of
CHANGES IN NET ASSETS (Unaudited) (continued)

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)		CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	
	SIX MONTHS ENDED 2/28/03	YEAR ENDED 8/31/02	SIX MONTHS ENDED 2/28/03	YEAR ENDE 8/31/0
OPERATIONS				
Net investment income	$ 12,411,023	$ 24,981,916	$ 7,430,273	$ 15,663,50
Net realized gain (loss) from investments	650,046	3,991,908	2,220,080	351,14
Change in net unrealized appreciation (depreciation) of investments	3,552,335	(3,853,349)	(828,519)	(6,268,12
Distributions to Preferred Shareholders:				
From net investment income	(901,110)	(2,424,510)	(564,814)	(1,578,72
From accumulated net realized gains from investments	--	--	(49,489)	-
Net increase in net assets applicable to Common shares from operations	15,712,294	22,695,965	8,207,531	8,167,81
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(10,710,997)	(20,156,545)	(6,568,967)	(12,867,31
From accumulated net realized gains from investments	--	--	(430,161)	-
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(10,710,997)	(20,156,545)	(6,999,128)	(12,867,31
CAPITAL SHARE TRANSACTIONS				
Common shares:				
Net proceeds from sale of shares	--	--	--	-
Net proceeds from shares issued to shareholders due to reinvestment of distributions	--	84,644	--	73,48
Preferred shares offering costs	--	--	21,719	-
Net increase (decrease) in net assets applicable to Common shares from capital share transactions	--	84,644	21,719	73,48
Net increase (decrease)				

in net assets applicable to Common shares	5,001,297	2,624,064	1,230,122	(4,626,01
Net assets applicable to Common shares at the beginning of period	356,821,134	354,197,070	218,814,383	223,440,39
Net assets applicable to Common shares at the end of period	$361,822,431	$356,821,134	$220,044,505	$218,814,38
Undistributed net investment income at the end of period	$ 3,806,015	$ 2,840,186	$ 1,508,507	$ 1,221,03

See accompanying notes to financial statements.

	INSURE DIVIDEND
	SIX MONTHS ENDE 2/28/0
OPERATIONS	
Net investment income	$ 7,731,69
Net realized gain (loss) from investments	3,219,09
Change in net unrealized appreciation (depreciation) of investments	789,69
Distributions to Preferred Shareholders:	
From net investment income	(619,86
From accumulated net realized gains from investments	(87,51
Net increase in net assets applicable to Common shares from operations	11,033,10
DISTRIBUTIONS TO COMMON SHAREHOLDERS	
From net investment income	(6,958,45
From accumulated net realized gains from investments	(784,73
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(7,743,18
CAPITAL SHARE TRANSACTIONS	
Common shares:	
Net proceeds from sale of shares	-

Net proceeds from shares issued to shareholders due to reinvestment of distributions	-
Preferred shares offering costs	(7,63
Net increase (decrease) in net assets applicable to Common shares from capital share transactions	(7,63
Net increase (decrease) in net assets applicable to Common shares	3,282,28
Net assets applicable to Common shares at the beginning of period	231,062,21
Net assets applicable to Common shares at the end of period	$234,344,49
Undistributed net investment income at the end of period	$ 296,68

See accompanying notes to financial statements.

Notes to FINANCIAL STATEMENTS (Unaudited)

1. GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

The California Funds (the "Funds") covered in this report and their corresponding Common share stock exchange symbols are Nuveen Insured California Premium Income Municipal Fund, Inc. (NPC), Nuveen Insured California Premium Income Municipal Fund 2, Inc. (NCL), Nuveen California Premium Income Municipal Fund (NCU), Nuveen California Dividend Advantage Municipal Fund (NAC), Nuveen California Dividend Advantage Municipal Fund 2 (NVX), Nuveen California Dividend Advantage Municipal Fund 3 (NZH), Nuveen Insured California Dividend Advantage Municipal Fund (NKL) and Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX). Insured California Premium Income (NPC), Insured California Premium Income 2 (NCL) and California Dividend Advantage (NAC) are traded on the New York Stock Exchange while California Premium Income (NCU), California Dividend Advantage 2 (NVX), California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) are traded on the American Stock Exchange. The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end management investment companies.

Prior to the commencement of operations of California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX), each Fund had no operations other than those related to organizational matters, the initial capital contribution of $100,275 by Nuveen Advisory Corp. (the "Adviser"), a wholly owned subsidiary of Nuveen Investments, Inc. (formerly, The John Nuveen Company), and the recording of the organization expenses ($11,500 per Fund) and their reimbursement by Nuveen Investments, LLC (formerly, Nuveen Investments), also a wholly owned subsidiary of Nuveen Investments, Inc.

Each Fund seeks to provide current income exempt from both regular federal and California state income taxes and in the case of Insured California Tax-Free Advantage (NKX) the alternative minimum tax applicable to individuals, by investing primarily in a diversified portfolio of municipal obligations issued by state and local government authorities within the state of California.

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with accounting principles generally accepted in the United States.

Securities Valuation
The prices of municipal bonds in each Fund's investment portfolio are provided by a pricing service approved by the Fund's Board of Directors/Trustees. When price quotes are not readily available (which is usually the case for municipal securities), the pricing service establishes fair market value based on yields or prices of municipal bonds of comparable quality, type of issue, coupon, maturity and rating, indications of value from securities dealers and general market conditions. If it is determined that market prices for a security are unavailable or inappropriate, the Board of Directors/Trustees of the Funds or its designee may establish a fair value for the security. Temporary investments in securities that have variable rate and demand features qualifying them as short-term securities are valued at amortized cost, which approximates market value.

Securities Transactions
Securities transactions are recorded on a trade date basis. Realized gains and losses from such transactions are determined on the specific identification method. Securities purchased or sold on a when-issued or delayed delivery basis may have extended settlement periods. The securities so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to segregate assets in a separate account with a current value at least equal to the amount of the when-issued and delayed delivery purchase commitments. At February 28, 2003, California Premium Income (NCU), California Dividend Advantage 2 (NVX), California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) had outstanding when-issued purchase commitments of $2,299,005, $2,389,860, $11,339,916, $7,192,226 and $4,853,455, respectively. There were no such outstanding purchase commitments in any of the other Funds.

Investment Income
Interest income, which includes the amortization of premiums and accretion of discounts for financial reporting purposes, is recorded on an accrual basis.

Income Taxes
Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its net investment income to its shareholders. Therefore, no federal income tax provision is required. Furthermore, each Fund intends to satisfy conditions which will enable interest from municipal securities, which is exempt from regular federal and California state income taxes, and in the case of Insured California Tax-Free Advantage (NKX) the alternative minimum tax applicable to individuals, to retain such tax-exempt status when distributed to shareholders of the Funds.

Dividends and Distributions to Common Shareholders
Dividends from tax-exempt net investment income are declared and paid monthly. Net realized capital gains and/or market discount from investment transactions, if any, are distributed to shareholders not less frequently than annually.

Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to Common shareholders of tax-exempt net investment income, net realized capital gains and/or market discount, if any, are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from accounting principles generally accepted in the United States. Accordingly, temporary over-distributions as a result of these differences may occur and will be classified as either distributions in excess of net investment income, distributions in excess of net realized gains and/or distributions in excess of net ordinary taxable income from investment transactions, where applicable.

Preferred Shares
The Funds have issued and outstanding $25,000 stated value Preferred shares. Each Fund's Preferred shares are issued in one or more Series. The dividend rate on each Series may change every seven days, as set pursuant to a dutch auction process by the auction agent, and is payable at or near the end of each rate period. The number of Preferred shares outstanding, by Series and in total, for each of the Funds is as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CA
Number of shares:			
Series M	--	--	
Series T	1,800	1,900	
Series TH	--	1,900	
Series F	--	--	
Total	1,800	3,800	

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)	CA A
Number of shares:					
Series M	--	2,200	3,740	--	
Series T	--	--	--	2,360	
Series TH	3,500	--	3,740	--	
Series F	3,500	2,200	--	2,360	
Total	7,000	4,400	7,480	4,720	

Effective January 17, 2003, Insured California Tax-Free Advantage (NKX) issued 1,800 Series TH, $25,000 stated value Preferred shares.

Insurance
Insured California Premium Income (NPC), Insured California Premium Income 2

(NCL) and Insured California Dividend Advantage (NKL) invest in municipal securities which are either covered by insurance or are backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities, both of which ensure the timely payment of principal and interest.

Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) invest at least 80% of their net assets in municipal securities that are covered by insurance. Each Fund may also invest up to 20% of its net assets in municipal securities which are either (i) backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities, or (ii) municipal bonds that are rated, at the time of investment, within the four highest grades (Baa or BBB or better by Moody's, S&P or Fitch) or unrated but judged to be of comparable quality by the Adviser.

Each insured municipal security is covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance. Such insurance does not guarantee the market value of the municipal securities or the value of the Funds' Common shares. Original Issue Insurance and Secondary Market Insurance remain in effect as long as the municipal securities covered thereby remain outstanding and the insurer remains in business, regardless of whether the Funds ultimately dispose of such municipal securities. Consequently, the market value of the municipal securities covered by Original Issue Insurance or Secondary Market Insurance may reflect value attributable to the insurance. Portfolio Insurance is effective only while the municipal securities are held by the Funds. Accordingly, neither the prices used in determining the market value of the underlying municipal securities nor the Common share net asset value of the Funds' include value, if any, attributable to the Portfolio Insurance. Each policy of the Portfolio Insurance does, however, give the Funds the right to obtain permanent insurance with respect to the municipal security covered by the Portfolio Insurance policy at the time of its sale.

Derivative Financial Instruments
The Funds may invest in certain derivative financial instruments including futures, forward, swap and option contracts, and other financial instruments with similar characteristics. Although the Funds are authorized to invest in such financial instruments, and may do so in the future, they did not make any such investments during the period ended February 28, 2003.

Custodian Fee Credit
Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments.

Offering Costs
Nuveen Investments, LLC has agreed to pay all offering costs (other than the sales load) that exceed $.03 per Common share for California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX). California Dividend Advantage 3's (NZH), Insured California Dividend Advantage's (NKL) and Insured California Tax-Free Advantage's (NKX) share of offering costs ($723,000, $457,500 and $176,250, respectively) were recorded as a reduction of the proceeds from the sale of

Common shares.

Costs incurred by California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) in connection with their offering of Preferred shares ($2,141,103, $1,370,824 and $1,052,500, respectively) were recorded as a reduction to paid-in surplus.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

2. FUND SHARES
Transactions in Common and Preferred shares were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)		INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)		CALIFORN PREMIUM INCOM	
	SIX MONTHS ENDED 2/28/03	YEAR ENDED 8/31/02	SIX MONTHS ENDED 2/28/03	YEAR ENDED 8/31/02	SIX MONTHS ENDED 2/28/03	YE
Common shares:						
Shares sold	--	--	--	--	--	
Shares issued to shareholders due to reinvestment of distributions	--	13,079	7,769	22,774	--	
	--	13,079	7,769	22,774	--	
Preferred shares sold	--	--	--	--	--	

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)		CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)		CALIFORNIA D ADVANTAGE 3	
	SIX MONTHS ENDED 2/28/03	YEAR ENDED 8/31/02	SIX MONTHS ENDED 2/28/03	YEAR ENDED 8/31/02	SIX MONTHS ENDED 2/28/03	PERI (CO OF
Common shares:						
Shares sold	--	--	--	--	--	
Shares issued to shareholders due to reinvestment of distributions	--	5,665	--	3,644	--	
	--	5,665	--	3,644	--	
Preferred shares sold	--	--	--	--	--	

	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)		INSUR CALIFORNIA ADVANTAGE
	SIX MONTHS ENDED 2/28/03	FOR THE PERIOD 3/27/02 (COMMENCEMENT OF OPERATIONS) THROUGH 8/31/02	PERIOD (COM OF O
Common shares:			
Shares sold	--	15,250,000	
Shares issued to shareholders due to reinvestment of distributions	--	2,759	
	--	15,252,759	
Preferred shares sold	--	4,720	

3. SECURITIES TRANSACTIONS

Purchases and sales (including maturities) of investments in long-term municipal securities and short-term securities during the six months ended February 28, 2003, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CA
Purchases:			
Long-term municipal securities	$ 1,856,158	$ 2,926,821	$8
Short-term securities	6,700,000	7,500,000	1
Sales and maturities:			
Long-term municipal securities	12,339,230	16,960,350	9
Short-term securities	5,000,000	--	2

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)	
Purchases:					
Long-term municipal securities	$26,774,666	$81,845,059	$171,029,218	$84,908,300	$1
Short-term securities	1,000,000	3,700,000	28,345,000	6,600,000	
Sales and maturities:					

Long-term municipal securities	25,639,844	72,840,779	171,087,733	90,520,209
Short-term securities	1,000,000	13,200,000	30,690,000	--

* For the period November 22, 2002 (commencement of operations) through February 28, 2003.

Notes to
FINANCIAL STATEMENTS (Unaudited) (continued)

4. INCOME TAX INFORMATION

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to timing differences in recognizing income on taxable market discount securities and timing differences in recognizing certain gains and losses on security transactions.

At February 28, 2003, the cost of investments were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	
Cost of investments	$130,489,672	$255,676,027	$1

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)	
Cost of investments	$502,030,065	$318,781,394	$509,600,450	$338,875,772	$1

Gross unrealized appreciation and gross unrealized depreciation on investments at February 28, 2003, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	
Gross unrealized:			
Appreciation	$13,665,428	$22,919,802	$
Depreciation	--	--	

Net unrealized appreciation on investments		$13,665,428	$22,919,802	$

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)
Gross unrealized:				
Appreciation	$29,306,965	$12,869,821	$11,598,941	$14,525,580
Depreciation	(905,159)	(5,983,598)	(2,214,714)	(52,496)
Net unrealized appreciation on investments	$28,401,806	$ 6,886,223	$ 9,384,227	$14,473,084

The tax components of undistributed net investment income and net realized gains at August 31, 2002, the Funds' last fiscal year end, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CA
Undistributed tax-exempt income	$1,393,182	$2,577,506	$1
Undistributed ordinary income *	459,740	--	
Undistributed net long-term capital gains	334,001	--	

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CA A
Undistributed tax-exempt income	$4,585,890	$2,298,682	$2,477,722	$1
Undistributed ordinary income *	--	--	--	
Undistributed net long-term capital gains	--	--	--	

The tax character of distributions paid during the period ended August 31, 2002, the Funds' last fiscal year end, were designated for purposes of the dividends paid deduction as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CA
Distributions from tax-exempt income	$6,096,991	$11,644,088	$5
Distributions from ordinary income *	--	--	
Distributions from net long-term capital gains	--	--	

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CA A
Distributions from tax-exempt income	$22,478,680	$14,436,589	$17,562,240	$3
Distributions from ordinary income *	--	--	--	
Distributions from net long-term capital gains	--	--	--	

* Ordinary income consists of taxable market discount income and net short-term capital gains, if any.

At August 31, 2002, the Funds' last fiscal year end, the following Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as follows:

	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CA ADV
Expiration year:				
2003	$ 323,810	$ 329,551	$ --	
2004	4,345,091	2,742,449	--	
2005	1,283,948	1,049,994	--	
2006	--	--	--	
2007	--	--	--	
2008	--	--	--	
2009	2,185,870	--	3,589,485	
2010	440,509	--	--	
Total	$ 8,579,228	$4,121,994	$3,589,485	

California Dividend Advantage 3 (NZH) has elected to defer net realized losses from investments incurred from November 1, 2001 through August 31, 2002 ("post-October losses") in accordance with Federal income tax regulations. The post-October losses of $6,468,859 are treated as having arisen in the following year.

5. MANAGEMENT FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Under Insured California Premium Income's (NPC), Insured California Premium Income 2's (NCL) and California Premium Income's (NCU) investment management agreements with the Adviser, each Fund pays an annual management fee, payable monthly, at the rates set forth below, which are based upon the average daily net assets (including net assets attributable to Preferred shares) of each Fund as follows:

AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES)	MANAGEMENT FEE
For the first $125 million	.6500%
For the next $125 million	.6375
For the next $250 million	.6250
For the next $500 million	.6125
For the next $1 billion	.6000
For the next $3 billion	.5875
For net assets over $5 billion	.5750

Under California Dividend Advantage's (NAC), California Dividend Advantage 2's (NVX), California Dividend Advantage 3's (NZH), Insured California Dividend Advantage's (NKL) and Insured California Tax-Free Advantage (NKX) investment management agreements with the Adviser, each Fund pays an annual management fee, payable monthly, at the rates set forth below, which are based upon the average daily net assets (including net assets attributable to Preferred shares) of each Fund as follows:

AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES)	MANAGEMENT FEE
For the first $125 million	.6500%
For the next $125 million	.6375
For the next $250 million	.6250
For the next $500 million	.6125
For the next $1 billion	.6000
For net assets over $2 billion	.5750

For the first ten years of California Dividend Advantage's (NAC) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts, and for the time periods set forth below:

YEAR ENDING JULY 31,		YEAR ENDING JULY 31,	
1999*	.30%	2005	.25%
2000	.30	2006	.20
2001	.30	2007	.15
2002	.30	2008	.10

2003	.30	2009	.05
2004	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse California Dividend Advantage (NAC) for any portion of its fees and expenses beyond July 31, 2009.

For the first ten years of California Dividend Advantage 2's (NVX) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts, and for the time periods set forth below:

YEAR ENDING MARCH 31,		YEAR ENDING MARCH 31,	
2001*	.30%	2007	.25%
2002	.30	2008	.20
2003	.30	2009	.15
2004	.30	2010	.10
2005	.30	2011	.05
2006	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse California Dividend Advantage 2 (NVX) for any portion of its fees and expenses beyond March 31, 2011.

For the first ten years of California Dividend Advantage 3's (NZH) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts, and for the time periods set forth below:

YEAR ENDING SEPTEMBER 30,		YEAR ENDING SEPTEMBER 30,	
2001*	.30%	2007	.25%
2002	.30	2008	.20
2003	.30	2009	.15
2004	.30	2010	.10
2005	.30	2011	.05
2006	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse California Dividend Advantage 3 (NZH) for any portion of its fees and expenses beyond September 30, 2011.

For the first ten years of Insured California Dividend Advantage's (NKL) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts, and for the time periods set forth below:

YEAR ENDING	YEAR ENDING

MARCH 31,		MARCH 31,	
2002*	.30%	2008	.25%
2003	.30	2009	.20
2004	.30	2010	.15
2005	.30	2011	.10
2006	.30	2012	.05
2007	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse Insured California Dividend Advantage (NKL) for any portion of its fees and expenses beyond March 31, 2012.

For the first eight years of Insured California Tax-Free Advantage's (NKX) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts, and for the time periods set forth below:

YEAR ENDING NOVEMBER 30,		YEAR ENDING NOVEMBER 30,	
2002*	.32%	2007	.32%
2003	.32	2008	.24
2004	.32	2009	.16
2005	.32	2010	.08
2006	.32		

* From the commencement of operations.

The Adviser has not agreed to reimburse Insured California Tax-Free Advantage (NKX) for any portion of its fees and expenses beyond November 30, 2010.

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Funds pay no compensation directly to those of its Directors/Trustees who are affiliated with the Adviser or to their officers, all of whom receive remuneration for their services to the Funds from the Adviser.

6. SUBSEQUENT EVENT - DISTRIBUTIONS TO COMMON SHAREHOLDERS

The Funds declared Common share dividend distributions from their tax-exempt net investment income which were paid April 1, 2003, to shareholders of record on March 15, 2003, as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CA

Dividend per share	$.0760	$.0760

	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)	CA A
Dividend per share	$.0800	$.0740	$.0720	$.0760	

Financial
HIGHLIGHTS (Unaudited)

Financial
HIGHLIGHTS (Unaudited)

Selected data for a Common share outstanding throughout each period:

	Beginning Common Share Net Asset Value	Investment Operations: Net Investment Income	Investment Operations: Net Realized/ Unrealized Investment Gain (Loss)	Investment Operations: Distributions from Net Investment Income to Preferred Share-holders+	Investment Operations: Distributions from Capital Gains to Preferred Share-holders+	Tot
INSURED CALIFORNIA PREMIUM INCOME (NPC)						
Year Ended 8/31:						
2003(a)	$16.17	$ .51	$ .19	$(.03)	$(.01)	$.
2002	16.04	1.05	.03	(.09)	--	.
2001	15.08	1.04	.99	(.21)	--	1.
2000	14.81	1.09	.30	(.24)	--	1.
1999	16.31	1.09	(1.56)	(.20)	--	(.
1998	15.39	1.03	.92	(.22)	--	1.
INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)						
Year Ended 8/31:						
2003(a)	15.08	.50	.13	(.04)	--	.

2002	15.01	1.02	(.02)	(.10)	--	.
2001	14.09	1.01	.91	(.22)	--	1.
2000	13.70	1.02	.41	(.24)	--	1.
1999	14.82	1.01	(1.14)	(.21)	--	(.
1998	14.06	.98	.77	(.24)	--	1.
CALIFORNIA PREMIUM INCOME (NCU)						
Year Ended 8/31:						
2003(a)	14.42	.49	(.02)	(.04)	--	.
2002	14.22	.99	.13	(.10)	--	1.
2001	13.34	1.00	.90	(.23)	--	1.
2000	13.19	1.03	.14	(.23)	--	.
1999	14.30	1.00	(1.13)	(.21)	--	(.
1998	13.60	.98	.70	(.24)	--	1.

				Total Returns	
	Offering Costs and Preferred Share Underwriting Discounts	Ending Common Share Net Asset Value	Ending Market Value	Based on Market Value**	Based on Common Share Net Asset Value**
INSURED CALIFORNIA PREMIUM INCOME (NPC)					
Year Ended 8/31:					
2003(a)	$--	$16.24	$15.8000	3.45%	4.13%
2002	--	16.17	15.8500	6.73	6.47
2001	--	16.04	15.6900	14.12	12.43
2000	--	15.08	14.5625	.84	8.34
1999	--	14.81	15.3750	1.62	(4.35)
1998	--	16.31	15.9375	15.85	11.51
INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)					
Year Ended 8/31:					
2003(a)	--	15.23	15.0000	4.36	3.96
2002	--	15.08	14.8000	5.57	6.29
2001	--	15.01	14.8300	11.99	12.45
2000	--	14.09	14.0000	3.58	9.21
1999	--	13.70	14.3750	2.27	(2.50)
1998	--	14.82	14.8125	15.70	10.95
CALIFORNIA PREMIUM INCOME (NCU)					
Year Ended 8/31:					
2003(a)	--	14.41	13.3500	(1.59)	3.00
2002	--	14.42	14.0000	4.84	7.48
2001	--	14.22	14.1700	12.84	12.92
2000	--	13.34	13.3125	5.93	7.63
1999	--	13.19	13.3750	.81	(2.57)
1998	--	14.30	14.0000	12.54	10.83

	Ratios/Supplemental Data			
		Before Credit/Reimbursement		After Credit/Reimbursemen
	Ending Net Assets Applicable to Common Shares (000)	Ratio of Expenses to Average Net Assets Applicable to Common Shares++	Ratio of Net Investment Income to Average to Net Assets Applicable to Common Shares++	Ratio of Expenses Average Net Assets Applicable to Common Shares++	Ratio of Invest Incom Ave Net As Applic to Co Sh
INSURED CALIFORNIA PREMIUM INCOME (NPC)					
Year Ended 8/31:					
2003(a)	$104,544	1.18%*	6.35%*	1.17%*	
2002	104,137	1.21	6.65	1.19	
2001	103,068	1.22	6.77	1.21	
2000	96,903	1.25	7.65	1.24	
1999	95,091	1.22	6.81	1.22	
1998	104,478	1.22	6.49	1.22	
INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)					
Year Ended 8/31:					
2003(a)	192,826	1.21*	6.68*	1.21*	
2002	190,870	1.23	6.83	1.22	
2001	189,633	1.24	7.01	1.24	
2000	177,977	1.28	7.65	1.26	
1999	172,833	1.24	6.86	1.24	
1998	186,399	1.25	6.79	1.25	
CALIFORNIA PREMIUM INCOME (NCU)					
Year Ended 8/31:					
2003(a)	83,233	1.26*	6.81*	1.25*	
2002	83,249	1.27	7.07	1.26	
2001	82,067	1.32	7.36	1.30	
2000	76,878	1.38	8.09	1.36	
1999	75,877	1.30	7.08	1.30	
1998	82,066	1.32	7.02	1.32	

	Preferred Shares at End of Period		
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share
INSURED CALIFORNIA PREMIUM INCOME (NPC)			

Year Ended 8/31:			
2003(a)	$45,000	$25,000	$83,080
2002	45,000	25,000	82,854
2001	45,000	25,000	82,260
2000	45,000	25,000	78,835
1999	45,000	25,000	77,828
1998	45,000	25,000	83,043
INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)			
Year Ended 8/31:			
2003(a)	95,000	25,000	75,744
2002	95,000	25,000	75,229
2001	95,000	25,000	74,903
2000	95,000	25,000	71,836
1999	95,000	25,000	70,482
1998	95,000	25,000	74,052
CALIFORNIA PREMIUM INCOME (NCU)			
Year Ended 8/31:			
2003(a)	43,000	25,000	73,391
2002	43,000	25,000	73,400
2001	43,000	25,000	72,714
2000	43,000	25,000	69,696
1999	43,000	25,000	69,115
1998	43,000	25,000	72,713

* Annualized.

** Total Investment Return on Market Value is the combination of reinvested dividend income, reinvested capital gains distributions, if any, and changes in stock price per share. Total Return on Common Share Net Asset Value is the combination of reinvested dividend income, reinvested capital gains distributions, if any, and changes in Common Share net asset value per share. Total returns are not annualized.

*** After custodian fee credit and expense reimbursement, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) For the six months ended February 28, 2003.

See accompanying notes to financial statements.

Financial Highlights (Unaudited) (continued)
Selected data for a Common share outstanding throughout each period:

	Investment Operations		
		Distributions	Distributions

	Beginning Common Share Net Asset Value	Net Investment Income	Net Realized/ Unrealized Investment Gain (Loss)	from Net Investment Income to Preferred Share-holders+	from Capital Gains to Preferred Share-holders+	Tot
CALIFORNIA DIVIDEND ADVANTAGE (NAC)						
Year Ended 8/31:						
2002(f)	$15.24	$ .53	$ .18	$(.04)	$--	$.
2002	15.13	1.07	--	(.10)	--	.
2001	13.82	1.07	1.28	(.23)	--	2.
2000	13.33	1.07	.52	(.26)	--	1.
1999(a)	14.33	.20	(.92)	(.03)	--	(.
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)						
Year Ended 8/31:						
2003(f)	14.79	.50	.10	(.04)	--	.
2002	15.11	1.06	(.40)	(.11)	--	.
2001(b)	14.33	.34	.90	(.05)	--	1.
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)						
Year Ended 8/31:						
2003(f)	14.33	.50	.05	(.04)	--	.
2002(c)	14.33	.83	.09	(.08)	--	.
INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)						
Year Ended 8/31:						
2003(f)	15.14	.51	.27	(.04)	(.01)	.
2002(d)	14.33	.34	.92	(.03)	--	1.
INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)						
Year Ended 8/31:						
2003(e)	14.33	.17	.36	(.01)	--	.

				Total Returns	
	Offering Costs and Preferred Share Underwriting Discounts	Ending Common Share Net Asset Value	Ending Market Value	Based on Market Value**	Based on Common Share Net Asset Value**
CALIFORNIA DIVIDEND ADVANTAGE (NAC)					

Year Ended 8/31:					
2002(f)	$--	$15.45	$14.1100	.10%	4.45%
2002	--	15.24	14.5500	3.67	6.75
2001	--	15.13	14.8900	15.06	15.85
2000	--	13.82	13.7500	(2.18)	10.80
1999(a)	(.11)	13.33	15.0000	.96	(5.99)
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)					
Year Ended 8/31:					
2003(f)	--	14.88	13.5900	(1.55)	3.87
2002	--	14.79	14.2800	(.27)	3.90
2001(b)	(.12)	15.11	15.2100	3.40	7.55
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)					
Year Ended 8/31:					
2003(f)	--	14.41	13.1400	(3.09)	3.63
2002(c)	(.12)	14.33	14.0000	(1.68)	5.32
INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)					
Year Ended 8/31:					
2003(f)	--	15.36	14.6800	1.29	4.88
2002(d)	(.12)	15.14	15.0000	2.05	7.84
INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)					
Year Ended 8/31:					
2003(e)	(.21)	14.49	14.6000	(1.66)	2.19

	Ratios/Supplemental Data				
		Before Credit/Reimbursement		After Credit/Reimbursem	
	Ending Net Assets Applicable to Common Shares (000)	Ratio of Expenses to Average Net Assets Applicable to Common Shares++	Ratio of Net Investment Income to Average to Net Assets Applicable to Common Shares++	Ratio of Expenses Average Net Assets Applicable to Common Shares++	Ratio Inve Inc A Net Appl to
CALIFORNIA DIVIDEND ADVANTAGE (NAC)					
Year Ended 8/31:					
2002(f)	$361,822	1.16%*	6.55%*	.71%*	
2002	356,821	1.18	6.76	.72	
2001	354,197	1.19	7.03	.72	
2000	323,326	1.24	7.93	.75	
1999(a)	311,367	.93*	5.06*	.55*	
CALIFORNIA DIVIDEND					

ADVANTAGE 2 (NVX)				
Year Ended 8/31:				
2003(f)	220,045	1.20*	6.40*	.75*
2002	218,814	1.19	6.82	.73
2001(b)	223,440	1.05*	5.23*	.62*
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)				
Year Ended 8/31:				
2003(f)	347,496	1.19*	6.50*	.72*
2002(c)	345,470	1.15*	6.01*	.69*
INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)				
Year Ended 8/31:				
2003(f)	234,344	1.18*	6.25*	.70*
2002(d)	231,062	1.10*	4.98*	.60*
INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)				
Year Ended 8/31:				
2003(e)	85,249	1.00*	4.06*	.58*

	Preferred Shares at End of Period		
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share
CALIFORNIA DIVIDEND ADVANTAGE (NAC)			
Year Ended 8/31:			
2002(f)	$175,000	$25,000	$76,689
2002	175,000	25,000	75,974
2001	175,000	25,000	75,600
2000	175,000	25,000	71,189
1999(a)	175,000	25,000	69,481
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)			
Year Ended 8/31:			
2003(f)	110,000	25,000	75,010
2002	110,000	25,000	74,731
2001(b)	110,000	25,000	75,782
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)			
Year Ended 8/31:			
2003(f)	187,000	25,000	71,457
2002(c)	187,000	25,000	71,186

INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)			
Year Ended 8/31:			
2003(f)	118,000	25,000	74,649
2002(d)	118,000	25,000	73,954
INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)			
Year Ended 8/31:			
2003(e)	45,000	25,000	72,361

* Annualized.
** Total Investment Return on Market Value is the combination of reinvested dividend income, reinvested capital gains distributions, if any, and changes in stock price per share. Total Return on Common Share Net Asset Value is the combination of reinvested dividend income, reinvested capital gains distributions, if any, and changes in Common Share net asset value per share. Total returns are not annualized.
*** After custodian fee credit and expense reimbursement, where applicable.
+ The amounts shown are based on Common share equivalents.
++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.
(a) For the period May 26, 1999 (commencement of operations) through August 31, 1999.
(b) For the period March 27, 2001 (commencement of operations) through August 31, 2001.
(c) For the period September 25, 2001 (commencement of operations) through August 31, 2002.
(d) For the period March 27, 2002 (commencement of operations) through August 31, 2002.
(e) For the period November 22, 2002 (commencement of operations) through February 28, 2003.
(f) For the six months ended February 28, 2003.

See accompanying notes to financial statements.

Build Your Wealth AUTOMATICALLY

SIDEBAR TEXT: NUVEEN MAKES REINVESTING EASY. A PHONE CALL IS ALL IT TAKES TO SET UP YOUR REINVESTMENT ACCOUNT.

NUVEEN CLOSED-END EXCHANGE-TRADED FUNDS DIVIDEND REINVESTMENT PLAN

Your Nuveen Closed-End Exchange-Traded Fund allows you to conveniently reinvest dividends and/or capital gains distributions in additional fund shares.

By choosing to reinvest, you'll be able to invest money regularly and automatically, and watch your investment grow through the power of tax-free

compounding. Just like dividends or distributions in cash, there may be times when income or capital gains taxes may be payable on dividends or distributions that are reinvested.

It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

EASY AND CONVENIENT

To make recordkeeping easy and convenient, each month you'll receive a statement showing your total dividends and distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

HOW SHARES ARE PURCHASED

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. Dividends and distributions received to purchase shares in the open market will normally be invested shortly after the dividend payment date. No interest will be paid on dividends and distributions awaiting reinvestment. Because the market price of shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the dividend or distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.

FLEXIBILITY

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change. Should you withdraw, you can receive a certificate for all whole shares credited to your reinvestment account and cash payment for fractional shares, or cash payment for all reinvestment account shares, less brokerage commissions and a $2.50 service fee.

You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.

Fund
INFORMATION

BOARD OF DIRECTORS

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Anne E. Impellizzeri
Peter R. Sawers
William J. Schneider
Timothy R. Schwertfeger
Judith M. Stockdale

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SHAREHOLDER SERVICES
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Nuveen Funds
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LEGAL COUNSEL
Morgan, Lewis &
Bockius LLP
Washington, D.C.

INDEPENDENT AUDITORS
Ernst & Young LLP
Chicago, IL

POLICY CHANGE
On November 14, 2002, the Board adopted a policy that allows these Funds, in addition to investments in municipal bonds, to invest up to 5% of its net assets (including assets attributable to preferred shares, if any) in tax-exempt or taxable fixed-income securities or equity securities for the purpose of acquiring control of an issuer whose municipal bonds (a) the Fund already owns and (b) have deteriorated or are expected shortly to deteriorate significantly in credit quality, provided Nuveen Advisory determines that such investment should enable the Fund to better maximize the value of its existing investment in such issuer. This policy is a non-fundamental policy of each Fund which means that it can be changed at any time by the Board of Directors without vote of the shareholders.

GLOSSARY OF TERMS USED IN THIS REPORT
Average Annual Total Return: This is a commonly used method to express an investment's performance over a particular, usually multi-year time period. It expresses the return (including change in NAV and reinvested dividends) that would have been necessary on an annual basis to equal the investment's actual performance over the time period being considered.

Average Effective Maturity: The average of all the maturities of the bonds in a fund's portfolio, computed by weighting each maturity date (the date the security comes due) by the market value of the security. This figure does not account for the likelihood of prepayments or the exercise of call provisions.

Leverage-Adjusted Duration: Duration is a measure of a bond or bond fund's sensitivity to changes in interest rates. Generally, the longer a bond or fund's duration, the more the price of the bond or fund will change as interest rates change. Leverage-adjusted duration takes into account the leveraging process for a Fund and therefore is generally longer than the duration of the actual portfolio of individual bonds that make up the Fund

Market Yield (also known as Dividend Yield or Current Yield): An investment's current annualized dividend divided by its current market price.

Net Asset Value (NAV): A fund's NAV is calculated by subtracting the liabilities of the fund from its total assets and then dividing the remainder by the number of shares outstanding. Fund NAVs are calculated at the end of each business day.

Taxable-Equivalent Yield: The yield necessary from a fully taxable investment to equal, on an after-tax basis, the yield of a municipal bond investment.

Each Fund intends to repurchase shares of its own common or preferred stock in the future at such times and in such amounts as is deemed advisable. No shares were repurchased during the six-month period ended February 28, 2003. Any future repurchases will be reported to shareholders in the next annual or semiannual report.

Serving Investors
FOR GENERATIONS

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions. For the past century, Nuveen Investments has adhered to the belief that the best approach to investing is to apply conservative risk-management principles to help minimize volatility.

Building on this tradition, we today offer a range of high quality equity and fixed income solutions that are integral to a well-diversified core portfolio. Our clients have come to appreciate this diversity, as well as our continued adherence to proven, long-term investing principles.

A premier asset management firm managing $80 billion in assets, Nuveen Investments offers access to a number of different asset classes and investing solutions through a variety of products. Nuveen Investments markets its capabilities under four distinct brands: Nuveen, a leader in tax-free investments; NWQ, a leader in value-style equities; Rittenhouse, a leader in growth-style equities; and Symphony, a leading institutional manager of market-neutral alternative investment portfolios

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