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MUNIYIELD NEW YORK INSURED FUND INC
Form N-CSR
December 28, 2004

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number 811-06500

Name of Fund: MuniYield New York Insured Fund, Inc.

Fund Address: P.O. Box 9011
Princeton, NJ 08543-9011

Name and address of agent for service: Terry K. Glenn, President, MuniYield New
York Insured Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ 08536.
Mailing address: P.O. Box 9011, Princeton, NJ 08543-9011

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 10/31/04

Date of reporting period: 11/01/03 - 10/31/04

Item 1 - Report to Stockholders

[LOGO] Merrill Lynch Investment Managers

www.mlim.ml.com

MuniYield New York
Insured Fund, Inc.

Annual Report
October 31, 2004

[LOGO] Merrill Lynch Investment Managers

MuniYield New York Insured Fund, Inc.

The Benefits and Risks of Leveraging

MuniYield New York Insured Fund, Inc. utilizes leveraging to seek to enhance the yield and net asset value of its Common Stock. However, these objectives cannot be achieved in all interest rate environments. To leverage, the Fund issues Preferred Stock, which pays dividends at prevailing short-term interest rates, and invests the proceeds in long-term municipal bonds. The interest earned on these investments, net of dividends to Preferred Stock, is paid to Common Stock shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share net asset value of the Fund's Common Stock. However, in order to benefit Common Stock shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. At the same time, a period of generally declining interest rates will benefit Common Stock shareholders. If either of these

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conditions change, then the risks of leveraging will begin to outweigh the benefits.

To illustrate these concepts, assume a fund's Common Stock capitalization of \$100 million and the issuance of Preferred Stock for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are approximately 3% and long-term interest rates are approximately 6%, the yield curve has a strong, positive slope. The fund pays dividends on the \$50 million of Preferred Stock based on the lower short-term interest rates. At the same time, the fund's total portfolio of \$150 million earns the income based on long-term interest rates. Of course, increases in short-term interest rates would reduce (and even eliminate) the dividends on the Common Stock.

In this case, the dividends paid to Preferred Stock shareholders are significantly lower than the income earned on the fund's long-term investments, and therefore the Common Stock shareholders are the beneficiaries of the incremental yield. However, if short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Stock will be reduced or eliminated completely. At the same time, the market value of the fund's Common Stock (that is, its price as listed on the New York Stock Exchange) may, as a result, decline. Furthermore, if long-term interest rates rise, the Common Stock's net asset value will reflect the full decline in the price of the portfolio's investments, since the value of the fund's Preferred Stock does not fluctuate. In addition to the decline in net asset value, the market value of the fund's Common Stock may also decline.

As a part of its investment strategy, the Fund may invest in certain securities whose potential income return is inversely related to changes in a floating interest rate ("inverse floaters"). In general, income on inverse floaters will decrease when short-term interest rates increase and increase when short-term interest rates decrease. Investments in inverse floaters may be characterized as derivative securities and may subject the Fund to the risks of reduced or eliminated interest payments and losses of invested principal. In addition, inverse floaters have the effect of providing investment leverage and, as a result, the market value of such securities will generally be more volatile than that of fixed rate, tax-exempt securities. To the extent the Fund invests in inverse floaters, the market value of the Fund's portfolio and the net asset value of the Fund's shares may also be more volatile than if the Fund did not invest in such securities. As of October 31, 2004, the percentage of the Fund's total net assets invested in inverse floaters was 11.71%, before the deduction of Preferred Stock.

Swap Agreements

The Fund may also invest in swap agreements, which are over-the-counter contracts in which one party agrees to make periodic payments based on the change in market value of a specified bond, basket of bonds, or index in return for periodic payments based on a fixed or variable interest rate or the change in market value of a different bond, basket of bonds or index. Swap agreements may be used to obtain exposure to a bond or market without owning or taking physical custody of securities. Swap agreements involve the risk that the party with whom the Fund has entered into the swap will default on its obligation to pay the Fund and the risk that the Fund will not be able to meet its obligations to pay the other party to the agreement.

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Dear Shareholder

As we ended the current reporting period, the financial markets were facing a number of uncertainties. At the top of investors' minds were questions about economic expansion, corporate earnings, interest rates and inflation, politics, oil prices and terrorism.

After benefiting from aggressive monetary and fiscal policy stimulus, some fear the U.S. economy has hit a "soft patch." In fact, economic expansion has slowed somewhat in recent months, but we believe it is easing into a pace of growth that is sustainable and healthy. The favorable economic environment has served to benefit American corporations, which have continued to post strong earnings. Although the most impressive results were seen earlier in the year, solid productivity, improved revenue growth and cost discipline all point to a vital corporate sector.

In terms of inflation and interest rates, the Federal Reserve Board (the Fed) has signaled its confidence in the economic recovery by increasing the Federal Funds target rate four times in the past several months, from 1% to 2% as of the November 10 Federal Open Market Committee meeting. Inflation, for its part, has remained in check. Investors and economists are focused on how quickly Fed policy will move from here.

With the presidential election now behind us, any politically provoked market angst should subside to some extent. The effect of oil prices, however, is more difficult to predict. At around \$50 per barrel, the price of oil is clearly a concern. However, on an inflation-adjusted basis and considering modern usage levels, the situation is far from the crisis proportions we saw in the 1980s. Finally, although terrorism and geopolitical tensions are realities we are forced to live with today, history has shown us that the financial effects of any single event tend to be short-lived.

Amid the uncertainty, the Lehman Brothers Municipal Bond Index posted a 12-month return of +6.03% and a six-month return of +4.79% as of October 31, 2004. Long-term bond yields were slightly lower at October 31, 2004 than they were a year earlier. As always, our investment professionals are closely monitoring the markets, the economy and the overall environment in an effort to make well-informed decisions for the portfolios they manage. For the individual investor, the key during uncertain times is to remain focused on the big picture. Investment success comes not from reacting to short-term volatility, but from maintaining a long-term perspective and adhering to the disciplines of asset allocation, diversification and rebalancing. We encourage you to work with your financial advisor to ensure these time-tested techniques are incorporated into your investment plan.

We thank you for trusting Merrill Lynch Investment Managers with your investment assets, and we look forward to serving you in the months and years ahead.

Sincerely,

/s/ Terry K. Glenn

Terry K. Glenn
President and Director

MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

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A Discussion With Your Fund's Portfolio Manager

We continued to focus on increasing the Fund's yield while also looking to improve the portfolio's liquidity and flexibility in order to better respond to changing market conditions.

Describe the recent market environment relative to municipal bonds.

Over the past 12 months, amid considerable monthly volatility, long-term U.S. Treasury bond yields generally moved lower -- despite an increase in short-term interest rates by the Federal Reserve Board (the Fed). On October 31, 2004, the 30-year Treasury bond yield stood at 4.79%, a decline of 34 basis points (.34%) from a year earlier. The yield on the 10-year U.S. Treasury note was 4.02%, a 27 basis point drop during the same 12-month period.

While tax-exempt bond yields followed the same pattern as their taxable counterparts, volatility in the municipal market was more subdued. Yields on long-term revenue bonds, as measured by the Bond Buyer Revenue Bond Index, fell 27 basis points during the past 12 months. According to Municipal Market Data, yields on AAA-rated issues maturing in 30 years declined 22 basis points to 4.60%, while yields on 10-year AAA-rated issues dropped 28 basis points to 3.40%.

While more than \$360 billion in new long-term tax-exempt bonds was issued in the past 12 months, this represented a decline of approximately 6% compared to the previous year. In New York, supply was even further limited, with a year-over-year decline of 16% as of October 31, 2004.

Describe conditions in the State of New York.

New York maintains credit ratings of A2 from Moody's Investors Service, AA from Standard & Poor's and AA- from Fitch. Moody's recently assigned a positive outlook to the state's credit rating, while Fitch carries a stable trend and Standard & Poor's applies a negative outlook.

The weakened economy continued to put pressure on New York's budget. Despite spending cuts and significant increases in personal and sales tax rates, the state relied on one-time revenue sources, particularly \$4.2 billion in proceeds from tobacco settlement revenue bonds, to close its budget gap in fiscal year 2004 (which ended March 31, 2004).

The state's 2005 fiscal year opened without an adopted budget. The governor's executive budget totals \$99 billion and recommends closing a \$5 billion gap through \$2.6 billion in spending cuts and \$1.5 billion in non-recurring sources, significantly less than the prior two fiscal years. Adopting and maintaining a balanced budget has been complicated by political resistance to additional tax hikes and cuts in popular programs, as well as pressures from local governments for pension and Medicaid relief, and a lack of readily available one-time revenue sources. The proposed budget also does not address a lawsuit recently won by the Campaign for Fiscal Equity that could require up to \$2 billion in annual state education spending.

How did the Fund perform during the fiscal year in light of the existing market conditions?

For the 12-month period ended October 31, 2004, the Common Stock of MuniYield New York Insured Fund, Inc. had net annualized yields of 5.66% and 6.35%, based on a year-end per share net asset value of \$14.81 and a per share market price of \$13.20, respectively, and \$.838 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +6.53%, based on an unchanged per share net asset value of \$14.81, and assuming reinvestment

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of ordinary income dividends.

The Fund's total return, based on net asset value, lagged the +8.35% average return of the Lipper New York Insured Municipal Debt Funds category for the 12-month period. (Funds in this Lipper category invest primarily in securities exempt from taxation in New York and insured as to timely payment.) Fund performance was a reflection of our defensive market stance, which we employed in anticipation of a growing economy and rising interest rates. The defensive positioning, including a relatively short duration, was designed to reduce volatility in the portfolio and mitigate the negative price impact associated with a rise in interest rates.

The Fund's yield continued to be attractive throughout the year. In fact, the Fund was able to increase its dividend reserves, which should help maintain an attractive income stream, even in less favorable market scenarios.

For the six-month period ended October 31, 2004, the total investment return on the Fund's Common Stock was +6.62%, based on a change in per share net asset value from \$14.35 to \$14.81, and assuming reinvestment of ordinary income dividends.

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MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

For a description of the Fund's total investment return based on a change in the per share market value of the Fund's Common Stock (as measured by the trading price of the Fund's shares on the New York Stock Exchange), and assuming reinvestment of dividends, please refer to the Financial Highlights section of this report. As a closed-end fund, the Fund's shares may trade in the secondary market at a premium or discount to the Fund's net asset value. As a result, total investment returns based on changes in the market value of the Fund's Common stock may vary significantly from total investment returns based on changes in the Fund's net asset value.

What changes were made to the portfolio during the year?

Given the decline in new issuance of New York municipal bonds, opportunities to restructure the portfolio have been somewhat limited. In general, we focused on increasing the Fund's yield while also improving liquidity and diversification in the portfolio, giving it the flexibility to capitalize on market opportunities as they arise. This involved selling some of the portfolio's lower-yielding, less-appealing bonds while seeking to add more attractively structured issues in the 25-year to 30-year maturity range. In addition, by selling some of our less-appealing uninsured bonds, we freed up the portfolio's uninsured basket somewhat, thereby allowing us the flexibility to add higher-yielding uninsured bonds as they become available.

The Fund also disposed of its holding of Cicero bonds and liquidated its position in unenhanced tobacco bonds.

The average yields for the Fund's Auction Market Preferred Stock (AMPS) for the six months ended October 31, 2004, were: 1.12% for Series A; .86% for Series B; 1.11% for Series C; 1.01% for Series D; and 1.09% for Series E. These attractive funding levels, in combination with the steep municipal yield curve, continued to provide a significant income benefit to the Fund's Common Stock shareholders from the leveraging of Preferred Stock. While the Fed is likely to continue raising short-term interest rates, the increases are expected to be gradual and should not have an immediate material impact on the positive advantage leverage has had on the Fund's Common Stock yield. However, should the spread between short-term and long-term interest rates narrow, the benefits of leveraging will decline and, as a result, reduce the yield on the Fund's Common Stock. At the

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end of the period, the Fund's leverage amount, due to AMPS, was 30.74% of total net assets. (For a more complete explanation of the benefits and risks of leveraging, see page 2 of this report to shareholders.)

How would you characterize the portfolio's position at the close of the period?

We found ourselves in an unprecedented market in the past year. As the Fed increased short-term interest rates, yields on longer-dated bonds actually declined as their prices rallied. While our defensive stance was a detriment under these circumstances, we believe it is the prudent course going forward. We expect the Fed to continue its measured program of interest rate increases, which should force long-term bond yields higher. Thus, our defensive stance should lessen the Fund's net asset value volatility, while also continuing to generate an attractive yield for our shareholders.

We continue to maintain a fully invested portfolio targeting bonds with 25- to 30-year maturities. We are looking for opportunities to participate in bonds that appeal to retail as well as institutional investors, and believe that legislation through the "Liberty Program" should encourage new issuance. The legislation, passed after the events of September 11, 2001, allows for additional re-funding and provides for certain projects that would benefit New York City rebuilding efforts. The increased issuance could provide more attractive trading opportunities and the potential to further diversify the portfolio.

Timothy T. Browse, CFA
Vice President and Portfolio Manager

November 9, 2004

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[LOGO] Merrill Lynch Investment Managers

Schedule of Investments (in Thousands)

State	S&P Ratings+	Moody's Ratings+	Face Amount	Municipal Bonds

New York--			132.0%	
	AAA	Aaa	\$ 23,790	Albany County, New York, Airport Authority Bonds, AMT, 6% due 12/15/2023 (c)
	AAA	Aaa	8,200	Buffalo and Fort Erie, New York, Public Bridge System Revenue Bonds, 5.75% due 1/15/2014
	AAA	Aaa	1,250	Buffalo, New York, School, GO, Series D (5.50% due 12/15/2014)
	AAA	Aaa	1,500	Buffalo, New York, School, GO, Series D (5.50% due 12/15/2016)
	AAA	Aaa	4,300	Buffalo, New York, Sewer Authority, Revenue Bonds, Series F, 6% due 7/01/2013 (b)
	AAA	Aaa	1,700	Dutchess County, New York, Resource Recovery Bonds (Solid Waste System--Forward), Series G, 6% due 1/01/2013 (d)

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			Erie County, New York, IDA, School Facilities of Buffalo Project) (c):
AAA	Aaa	1,900	5.75% due 5/01/2020
AAA	Aaa	5,250	5.75% due 5/01/2024
			Huntington, New York, GO, Refunding (a):
NR*	Aaa	485	5.50% due 4/15/2011
NR*	Aaa	460	5.50% due 4/15/2012
NR*	Aaa	455	5.50% due 4/15/2013
NR*	Aaa	450	5.50% due 4/15/2014
NR*	Aaa	450	5.50% due 4/15/2015
			Ilion, New York, Central School District, due 6/15/2010 (b) (e)
			Long Island Power Authority, New York, EL Bonds, Series A (a):
AAA	Aaa	7,000	5% due 9/01/2029
AAA	Aaa	5,000	5% due 9/01/2034
			Manhasset, New York, Union Free School District, due 9/15/2027 (b)
			Metropolitan Transportation Authority, New York, Facilities Revenue Bonds, Series A, 5.75%
			Metropolitan Transportation Authority, New York, Facilities Revenue Refunding Bonds, Series A, due 7/01/2018 (b) (h)
			Metropolitan Transportation Authority, New York, Fund Revenue Bonds, Series A:
AAA	Aaa	7,280	5% due 11/15/2031 (b)
AAA	Aaa	1,015	5% due 11/15/2032 (c)
			Metropolitan Transportation Authority, New York, Fund Revenue Refunding Bonds, Series A:
AAA	Aaa	7,500	5.50% due 11/15/2026 (c)
AAA	Aaa	10,000	5% due 11/15/2030 (d)
			Metropolitan Transportation Authority, New York, Refunding Bonds:
NR*	Aaa	28,900	RIB, Series 724X, 9.49% due 11/15/2028
AAA	Aaa	2,500	Series A, 5.50% due 11/15/2018 (a)
AAA	Aaa	1,740	Series A, 5.125% due 11/15/2022
AAA	Aaa	2,500	Series A, 5.25% due 11/15/2031 (b)
AAA	Aaa	1,500	Series B, 5% due 11/15/2028 (d)
			Metropolitan Transportation Authority, New York, Contract Revenue Refunding Bonds, Series A

Portfolio Abbreviations

To simplify the listings of MuniYield New York Insured Fund, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list at right.

AMT Alternative Minimum Tax (subject to)
 COP Certificates of Participation
 DRIVERS Derivative Inverse Tax-Exempt Receipts

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GO General Obligation Bonds
HFA Housing Finance Agency
IDA Industrial Development Authority
IDR Industrial Development Revenue Bonds
RIB Residual Interest Bonds
VRDN Variable Rate Demand Notes

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Schedule of Investments (continued) (in Thousands)

State	S&P Ratings+	Moody's Ratings+	Face Amount	Municipal Bonds
New York (continued)				
	AAA	Aaa	\$ 2,885	Metropolitan Transportation Authority, New York City, Facilities Revenue Refunding Bonds, Series A, 5.125% due 1/01/2012
	AAA	Aaa	1,640	Metropolitan Transportation Authority, New York City, Facilities Revenue Refunding Bonds, Series A, 5.125% due 7/01/2012
	AAA	Aaa	2,500	Metropolitan Transportation Authority, New York City, Revenue Bonds, Series A, 5% due 11/15/2031
	AAA	Aaa	800	Metropolitan Transportation Authority, New York City, Revenue Refunding Bonds (d): Series E, 5.125% due 11/15/2024
	AAA	Aaa	6,235	Metropolitan Transportation Authority, New York City, Revenue Refunding Bonds (d): Series F, 5.25% due 11/15/2027
	AAA	Aaa	8,200	Metropolitan Transportation Authority, New York City, Revenue Refunding Bonds (d): Series F, 5% due 11/15/2031
	NR*	Aa1	1,400	Monroe County, New York, IDA, Revenue Bonds (Project), AMT: 6.125% due 2/01/2020
	NR*	Aa1	1,125	Monroe County, New York, IDA, Revenue Bonds (Project), AMT: 6.25% due 2/01/2031
	AAA	Aaa	12,130	Nassau Health Care Corporation, New York, Revenue Bonds, 5.75% due 8/01/2009 (c) (e) (m)
	BBB	A3	455	New York City, New York, City Health and Hospitals Authority, Health System Revenue Bonds, Series A, 5.125% due 11/15/2012 (a)
	AAA	Aaa	3,000	New York City, New York, City Health and Hospitals Authority, Health System Revenue Refunding Bonds, Series A, 5.125% due 2/15/2012 (a)
	AAA	Aaa	1,275	New York City, New York, City IDA, Civic Center Authority, Revenue Refunding Bonds (Nightingale-Bamford School), 5.125% due 1/15/2018 (a)
	AAA	Aaa	13,175	New York City, New York, City IDA, IDR (Jamaica Bay), AMT, 6% due 11/01/2015 (c)
	AAA	Aaa	7,970	New York City, New York, City IDA, Parking Authority, Revenue Bonds (Royal Charter--New York Presbyterian Hospital), 5.125% due 12/15/2029 (c)
	AAA	Aaa	14,970	New York City, New York, City IDA, Special Districts, Revenue Bonds, Series A, 5.125% due 11/15/2031

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				Bonds (Terminal One Group), AMT, 6.125% d
AAA	Aaa	500		New York City, New York, City Municipal W Water and Sewer System Crossover Revenue Series F, 5% due 6/15/2029 (c)
				New York City, New York, City Municipal W Water and Sewer System Revenue Bonds:
NR*	Aaa	12,500		RIB, Series 726X, 9.49% due 6/15/20
AAA	Aaa	2,850		Series A, 5.75% due 6/15/2031 (b)
AAA	Aaa	4,085		Series B, 5.75% due 6/15/2006 (d) (e)
AAA	Aaa	17,200		Series B, 5.75% due 6/15/2029 (d)
				New York City, New York, City Municipal W Water and Sewer System Revenue Refunding
AAA	Aaa	5,000		5.50% due 6/15/2033 (d)
AAA	Aaa	2,250		Series A, 5.375% due 6/15/2026 (c)
AAA	Aaa	1,250		Series A, 5.125% due 6/15/2034 (d)
AAA	Aaa	7,015		Series B, 5.75% due 6/15/2026 (d)
AAA	Aaa	1,020		New York City, New York, City Transit Aut Transportation Authority, Triborough, COP due 1/01/2012 (a)
AAA	Aaa	1,000		New York City, New York, City Transitiona Refunding Bonds, Future Tax Secured Reven due 5/01/2030 (a)
				New York City, New York, City Transitiona Revenue Bonds, Future Tax Secured:
AAA	Aaa	6,805		Series B, 6.25% due 5/15/2010 (b) (e)
AA+	Aa2	800		Series B, 6.25% due 5/15/2010 (e)
AA+	Aa2	3,160		Series C, 5.50% due 5/01/2025
AAA	Aaa	16,195		Series C, 5% due 2/01/2033 (b)
AAA	Aaa	8,020		Series E, 5.25% due 2/01/2017 (b)
AAA	Aaa	2,500		Series E, 5.25% due 2/01/2022 (d)

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[LOGO] Merrill Lynch Investment Managers

Schedule of Investments (continued)

(in Thousands)

State	S&P Ratings+	Moody's Ratings+	Face Amount	Municipal Bonds
New York (continued)				
				New York City, New York, City Transitiona Revenue Refunding Bonds:
AAA	Aaa		\$ 3,000	Future Tax Secured, Series D, 5.25%
AAA	Aaa		1,000	Series A, 5% due 11/15/2026 (b)
				New York City, New York, GO:
NR*	Aaa		11,042	RIB, Series 725X, 9.49% due 3/15/20
AAA	Aaa		3,000	Series A, 5.75% due 5/15/2024 (b)

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AAA	Aaa	2,500	Series B, 5.75% due 8/01/2013 (d)
A	A2	3,750	Series D, 5.25% due 10/15/2023
A	A2	8,000	Series J, 5% due 5/15/2023
A	A2	2,295	Sub-Series C-1, 4.75% due 8/15/2025
A	A2	1,150	Sub-Series C-1, 5.25% due 8/15/2026
A	A2	750	Sub-Series C-1, 5.10% due 8/15/2027

New York City, New York, GO, Refunding:			
AAA	A2	315	Series A, 6.375% due 5/15/2010 (b) (
AAA	A2	685	Series A, 6.375% due 5/15/2013 (b)
AAA	A2	70	Series B, 7% due 2/01/2018 (a)
A	A2	2,285	Series G, 5.75% due 2/01/2006 (e)
A	A2	1,365	Series G, 5.75% due 2/01/2020

New York City, New York, Sales Tax Asset Revenue Bonds, Series A (a):			
AAA	Aaa	10,000	5.25% due 10/15/2027
AAA	Aaa	10,000	5% due 10/15/2032

New York City, New York, Trust for Culture Refunding Bonds (American Museum of Natural History), Series A (d):			
AAA	Aaa	4,250	5% due 7/01/2036
AAA	Aaa	6,250	5% due 7/01/2044

AAA	Aaa	2,345	New York State Dormitory Authority, Hospital Bonds (The New York-Presbyterian Hospital), due 8/15/2019 (c)

AAA	Aaa	1,230	New York State Dormitory Authority, Mental Health Services Facilities, Series B, 5.25% due 2/15/2023

New York State Dormitory Authority Revenue Bonds (Eger Health Care and Rehabilitation Center), Series A (i):			
AAA	NR*	4,045	due 8/01/2037 (i)
AAA	Aaa	500	(Fordham University), 5% due 7/01/2028
AA	NR*	1,500	(Long Island University), Series B, due 9/01/2028 (k)
AA-	NR*	1,840	(Mental Health Services Facilities), 5.25% due 2/15/2023
AAA	Aaa	2,000	(New School for Social Research), 5.25% due 7/01/2019 (j)
AAA	Aaa	1,180	(New York State Rehabilitation Association), 5.25% due 7/01/2019 (j)
AAA	Aaa	1,000	(New York State Rehabilitation Association), 5.125% due 7/01/2023 (j)
AAA	Aaa	6,900	(School Districts Financing Program), due 10/01/2030 (d)
AAA	Aaa	1,000	Series B, 6.50% due 2/15/2011 (d) (h)
AAA	Aaa	3,560	(State University Adult Facilities), due 5/15/2010 (c) (e)
AAA	Aaa	710	(Upstate Community Colleges), Series A, due 7/01/2015 (c)
AAA	Aaa	1,070	(Upstate Community Colleges), Series B, due 7/01/2016 (c)

New York State Dormitory Authority, Revenue Bonds (City University System), Consolidated Series A (c) (e):			
AAA	Aaa	1,000	due 1/01/2008 (c) (e)
AAA	Aaa	4,400	(City University System), Series C, due 7/01/2010 (b)
AAA	A3	4,255	(Mental Health Services Facilities), 5.75% due 2/15/2007 (d) (e)

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AAA	A3	150	(Mental Health Services Facilities 5.75% due 2/15/2027 (d))
AAA	Aaa	1,370	(School District Financing Program) due 10/01/2018 (d)
AAA	Aaa	6,000	(Siena College), 5.75% due 7/01/202

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MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

Schedule of Investments (continued)

(in Thousands)

State	S&P Ratings+	Moody's Ratings+	Face Amount	Municipal Bonds
New York (continued)				
				New York State Dormitory Authority, State Education Revenue Bonds, Series A: 5% due 3/15/2027
	AA	A1	\$ 1,625	
	AAA	Aaa	3,000	5% due 3/15/2032 (d)
	AAA	Aaa	12,750	New York State Energy Research and Develop Facilities Revenue Refunding Bonds (Conso New York), Series A, 6.10% due 8/15/2020
	AAA	Aaa	4,555	New York State Energy Research and Develop Facilities Revenue Bonds (Brooklyn Union Series B, 6.75% due 2/01/2024 (d))
	AAA	Aaa	3,500	New York State Environmental Facilities C Obligation Revenue Refunding Bonds (River 6.25% due 4/01/2012 (a))
	AAA	Aaa	2,405	New York State HFA Revenue Refunding Bond Project), Series A, 6.10% due 11/01/2015
	AAA	Aaa	800	New York State Housing Finance Agency, St Tax Revenue Bonds (Economic Development a 5% due 9/15/2023 (d))
	A1+	Aaa	8,000	New York State Local Government Assistanc Refunding Bonds, Sub Lien, VRDN, Series 4 due 4/01/2022 (c) (g)
	AAA	Aaa	5,375	New York State Medical Care Facilities Fi Bonds, Series A: (Health Center Project--Second Mort due 11/15/2019 (a))
	AAA	Aaa	1,500	(Mental Health Services), 6% due 2/
	AAA	Aa2	2,000	New York State Medical Care Facilities Fi Refunding Bonds (Hospital and Nursing Hom due 2/15/2025 (i))
	AAA	Aaa	9,645	New York State Mortgage Agency, Homeowner Refunding Bonds, AMT, Series 67, 5.80% du

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AAA	Aaa	2,850	New York State Mortgage Agency Revenue Bonds, Series 295, 9.676% due 4/01/2030 (d) (f)
A+	NR*	3,470	New York State Municipal Bond Bank Agency Purpose Revenue Bonds, Series C: 5.25% due 6/01/2019
A+	NR*	3,920	5.25% due 6/01/2020
A+	NR*	2,250	5.25% due 6/01/2021
AAA	Aaa	2,820	New York State Thruway Authority, Highway Revenue Bonds, Series A, 6.25% due 4/01/2023
AAA	Aaa	2,000	New York State Thruway Authority, Local Highway Service Contract Revenue Bonds, Series A-1, due 4/01/2008 (d) (e)
AAA	Aaa	2,170	New York State Thruway Authority, Local Highway Service Contract Revenue Refunding Bonds, 6% due 4/01/2007 (e)
AAA	Aaa	1,330	6% due 4/01/2011
AAA	Aaa	2,075	6% due 4/01/2012
AAA	Aaa	3,045	New York State Thruway Authority, Second Bridge Trust Fund Revenue Bonds, Series A-2, due 4/01/2023 (d)
AAA	Aaa	3,000	New York State Thruway Authority, Service Contract Revenue Bonds (Local Highway and Bridges Project), due 4/01/2010 (a) (e)
AAA	Aaa	1,525	New York State Thruway, Transportation Authority Personal Income Tax Revenue Bonds, Series A-3, due 3/15/2020 (d)
AAA	Aaa	1,750	New York State Urban Development Corporation Tax Revenue Bonds, Series C-1 (d): 5% due 3/15/2023
AAA	Aaa	3,000	5% due 3/15/2033
AAA	Aaa	3,190	New York State Urban Development Corporation Tax Revenue Bonds (Correctional Capital Facilities), due 1/01/2011 (c)

MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

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[LOGO] Merrill Lynch Investment Managers

Schedule of Investments (continued)

(in Thousands)

State	S&P Ratings+	Moody's Ratings+	Face Amount	Municipal Bonds
-------	--------------	------------------	-------------	-----------------

=====
New York (continued)
=====

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			Niagara County, New York, IDA, Solid Waste Refunding Bonds, AMT:
BBB	Baal	\$ 8,000	Series A, 5.45% due 11/15/2026
BBB	Baal	2,000	Series C, 5.625% due 11/15/2024
AAA	Aaa	1,000	Niagara Falls, New York, GO (Water Treatment Plant), Series A, 5.50% due 11/01/2010 (d)
AAA	Aaa	1,100	Niagara Falls, New York, Public Water Authority, Sewer System Revenue Bonds, Series A, 5.50% due 11/01/2010 (d)
AAA	Aaa	2,705	Niagara, New York, Frontier Authority, Airport (Buffalo Niagara International Airport), Series A, 5.50% due 4/01/2019 (d)
AAA	Aaa	1,260	North Country, New York, Development Authority, Management System Revenue Refunding Bonds, Series A, 5.50% due 11/01/2010 (d)
AAA	Aaa	1,745	North Hempstead, New York, GO, Refunding, Series A, 6.40% due 4/01/2013
AAA	Aaa	555	Series B, 6.40% due 4/01/2017
AAA	Aaa	1,665	Oneida County, New York, IDA, Civic Facility (Mohawk Valley), Series A, 5.20% due 2/01/2010
AAA	Aaa	2,180	Port Authority of New York and New Jersey, Revenue Bonds, AMT: 97th Series, 6.50% due 7/15/2019 (b)
AAA	Aaa	2,500	137th Series, 5.125% due 7/15/2030
AAA	Aaa	4,000	Port Authority of New York and New Jersey, Revenue Bonds, AMT, 119th Series, 5.50% due 11/01/2010 (d)
NR*	Aaa	4,075	Port Authority of New York and New Jersey, Revenue Receipts, AMT, Class R, Series 10, 9.654% due 11/01/2010 (d)
AAA	NR*	7,500	Port Authority of New York and New Jersey, Revenue Bonds, DRIVERS, AMT, Series 177, 9.932% due 11/01/2010 (d)
AAA	NR*	1,750	Port Authority of New York and New Jersey, Revenue Bonds, AMT (d): DRIVERS, Series 192, 9.431% due 12/01/2010
AAA	NR*	5,080	DRIVERS, Series 278, 9.43% due 12/01/2010
AAA	Aaa	14,750	(JFK International Air Terminal), Series A, 5.50% due 12/01/2010
AAA	Aaa	7,175	(JFK International Air Terminal LLC), Series A, 5.50% due 12/01/2011
AAA	Aaa	4,425	(Special Project--JFK International Air Terminal), Series 6, 6.25% due 12/01/2013
AAA	Aaa	7,380	(Special Project--JFK International Air Terminal), Series 6, 6.25% due 12/01/2014
AAA	Aaa	1,255	Rensselaer County, New York, IDA, Civic Facility (Polytech Institute), Series B, 5.50% due 11/01/2010 (d)
A	A3	4,625	Suffolk County, New York, IDA, IDR (Keystone Project), AMT, 5.25% due 6/01/2027
AAA	Aaa	8,530	Suffolk County, New York, IDA, Solid Waste Revenue Refunding Bonds (Ogden Martin System Project), AMT (a): 6% due 10/01/2010

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AAA	Aaa	9,170	6.15% due 10/01/2011
AAA	Aaa	6,470	6.25% due 10/01/2012

Tobacco Settlement Financing Corporation Bonds:			
AAA	Aaa	5,000	Series A-1, 5.25% due 6/01/2020 (a)
AAA	Aaa	5,000	Series A-1, 5.25% due 6/01/2021 (a)
AAA	Aaa	2,000	Series A-1, 5.25% due 6/01/2022 (a)
AA-	A3	2,000	Series C-1, 5.50% due 6/01/2021
AA-	A3	1,900	Series C-1, 5.50% due 6/01/2022

Triborough Bridge and Tunnel Authority, N Purpose Revenue Refunding Bonds (d):			
AAA	Aaa	2,500	Series A, 5% due 1/01/2032
AAA	Aa3	2,305	Series Y, 6% due 1/01/2012 (h)

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Schedule of Investments (continued) (in Thousands)

State	S&P Ratings+	Moody's Ratings+	Face Amount	Municipal Bonds
=====				
New York (concluded)				

				Triborough Bridge and Tunnel Authority, N Refunding Bonds (d):
	AAA	Aaa	\$ 7,000	5.25% due 11/15/2023
	AAA	Aaa	22,175	5% due 11/15/2032
	AAA	Aaa	1,500	Series B, 5% due 11/15/2032

				Triborough Bridge and Tunnel Authority, N Revenue Bonds:
	AAA	Aaa	2,465	5% due 11/15/2028 (a)
	AAA	Aaa	2,500	5% due 11/15/2032 (b)
	AAA	Aaa	6,000	Series A, 5.25% due 11/15/2030 (d)
	NR*	A3	2,500	United Nations Development Corporation, N Refunding Bonds, Senior Lien, Series A, 5
	AAA	Aaa	1,680	Warren & Washington Counties, New York, I Revenue Bonds (Glens Falls Hospital Proje due 12/01/2035 (c)
	AAA	Aaa	2,010	Yonkers, New York, GO, Series A, 5.75% du
=====				
Guam--0.8%				

				A.B. Won Guam International Airport Autho Refunding Bonds, AMT, Series C (d):
	AAA	Aaa	2,240	5.25% due 10/01/2021
	AAA	Aaa	2,050	5.25% due 10/01/2022
=====				
Puerto Rico--10.4%				

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			Puerto Rico Commonwealth, GO, Refunding,
AAA	Aaa	9,395	4% due 7/01/2031 (b)
AAA	Aaa	2,500	5% due 7/01/2031 (c)

			Puerto Rico Commonwealth Highway and Transportation Revenue Bonds:
AAA	Aaa	1,900	5.25% due 7/01/2018 (b)
AAA	Aaa	2,265	Series G, 5.25% due 7/01/2019 (b)
AAA	Aaa	1,000	Series G, 5.25% due 7/01/2021 (b)
AAA	Aaa	1,250	Trust Receipts, Class R, Series B, due 7/01/2035 (d) (f)

A	Baa1	8,495	Puerto Rico Commonwealth, Highway and Transportation Revenue Refunding Bonds, Series A, due 7/01/2041

			Puerto Rico Commonwealth, Public Improvement
A-	Baa1	4,605	5.25% due 7/01/2019
A-	Baa1	7,480	5.25% due 7/01/2020

A-	A3	4,750	Puerto Rico Electric Power Authority, Power Series NN, 5.125% due 7/01/2029

AAA	Aaa	3,000	Puerto Rico Public Buildings Authority, General Revenue Refunding Bonds, Series J, 5% due 7/01/2030

			Puerto Rico Public Finance Corporation, Capital Appropriation Revenue Bonds, Series E:
BBB+	Baa2	2,300	5.50% due 2/01/2012 (e)
BBB+	Baa2	700	5.50% due 8/01/2029

AAA	NR*	6,100	Puerto Rico Public Finance Corporation Revenue Series 272, 9.32% due 8/01/2030 (f)

			Total Municipal Bonds (Cost--\$785,350)--100.0%
=====			

MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

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[LOGO] Merrill Lynch Investment Managers

Schedule of Investments (concluded)

(in Thousands)

Shares Held	Short-Term Securities
	52 CMA New York Municipal Money Fund (1)
	Total Short-Term Securities (Cost--\$52)--100.0%

Total Investments (Cost--\$785,402**)--143.2%	
Other Assets Less Liabilities--1.1%	
Preferred Stock, at Redemption Value--(44.3%)	

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Net Assets Applicable to Common Stock--100.0%

* Not Rated.

** The cost and unrealized appreciation/depreciation of investments as of October 31, 2004, as computed for federal income tax purposes, were as follows:

(in Thousands)	
Aggregate cost	\$785,529 =====
Gross unrealized appreciation	\$ 51,425
Gross unrealized depreciation	(164)
Net unrealized appreciation	\$ 51,261 =====

+ Ratings of issues shown are unaudited.

- (a) AMBAC Insured.
- (b) FGIC Insured.
- (c) FSA Insured.
- (d) MBIA Insured.
- (e) Prerefunded.
- (f) The interest rate is subject to change periodically and inversely based upon prevailing market rates. The interest rate shown is the rate in effect at October 31, 2004.
- (g) The interest rate is subject to change periodically based upon prevailing market rates. The interest rate shown is the rate in effect at October 31, 2004.
- (h) Escrowed to maturity.
- (i) FHA Insured.
- (j) CIFG Insured.
- (k) Radian Insured.
- (l) Investments in companies considered to be an affiliate of the Fund (such companies are defined as "Affiliated Companies" in Section 2(a)(3) of the Investment Company Act of 1940) were as follows:

(in Thousands)		
Affiliate	Net Activity	Dividend Income
CMA New York Municipal Money Fund	8	\$6

(m) All or a portion of security held as collateral in connection with open future contracts. Forward interest rate swaps outstanding as of October 31, 2004 were as follows:

(in Thousands)		
	Notional Amount	Unrealized Depreciation
Receive a variable rate equal to the change in 7-Day Bond Market Association Municipal Swap Index Rate and pay a fixed rate equal to 3.679% interest		

Broker, Morgan Stanley Capital

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Services, Inc.
 Expires December 2014 \$83,000 \$ (1,493)

Financial futures contracts sold as of October 31, 2004 were as follows:

(in Thousands)

Number of Contracts	Issue	Expiration Date	Face Value	Unrealized Depreciation
405	10-Year U.S. Treasury Notes	December 2004	\$45,569	\$ (424)

See Notes to Financial Statements.

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Statement of Net Assets

As of October 31, 2004

Assets

Investments in unaffiliated securities, at value (identified cost--\$785,350,281)	
Investments in affiliated securities, at value (identified cost--\$51,720)	
Cash	
Receivables:	
Securities sold	\$ 1
Interest	1
Dividends from affiliates	
Prepaid expenses	
Total assets	

Liabilities

Unrealized depreciation on forward interest rate swaps	
Payables:	
Securities purchased	2
Investment adviser	
Dividends to Common Stock shareholders	
Variation margin	
Other affiliates	
Accrued expenses and other liabilities	
Total liabilities	

Preferred Stock

Preferred Stock, at redemption value, par value \$.05 per share

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(1,700 Series A Shares, 1,700 Series B Shares, 2,800 Series C Shares, 1,960 Series D Shares and 2,200 Series E Shares of AMPS* authorized, issued and outstanding at \$25,000 per share liquidation preference)

=====
 Net Assets Applicable to Common Stock

Net assets applicable to Common Stock

=====
 Analysis of Net Assets Applicable to Common Stock

Common Stock, par value \$.10 per share (39,445,962 shares issued and outstanding)	
Paid-in capital in excess of par	\$
Undistributed investment income--net	(3
Accumulated realized capital losses--net	4
Unrealized appreciation--net	----
 Total accumulated earnings--net	
 Total--Equivalent to \$14.81 net asset value per share of Common Stock (market price--\$13.20)	

* Auction Market Preferred Stock.

See Notes to Financial Statements.

MUNIYIELD NEW YORK INSURED FUND, INC. OCTOBER 31, 2004 13

[LOGO] Merrill Lynch Investment Managers

Statement of Operations

For the Year Ended October 31, 2004

=====
 Investment Income

Interest	
Dividends from affiliates	
 Total income	

=====
 Expenses

Investment advisory fees	\$
Commission fees	
Accounting services	
Transfer agent fees	
Printing and shareholder reports	
Professional fees	
Custodian fees	
Listing fees	
Directors' fees and expenses	

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Pricing fees	
Other	

Total expenses before reimbursement	
Reimbursement of expenses	

Total expenses after reimbursement	
Investment income--net	

=====
Realized & Unrealized Gain (Loss)--Net

Realized loss on:	
Investments--net	(
Forward interest rate swaps and futures contracts--net	(

Change in unrealized appreciation/depreciation on:	
Investments--net	1
Forward interest rate swaps and futures contracts--net	

Total realized and unrealized loss--net	

=====
Dividends to Preferred Stock Shareholders

Investment income--net	
Net Increase in Net Assets Resulting from Operations	

See Notes to Financial Statements.

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Statements of Changes in Net Assets

Increase (Decrease) in Net Assets:

=====
Operations

Investment income--net	\$ 3
Realized gain (loss)--net	(1
Change in unrealized appreciation/depreciation--net	1
Dividends to Preferred Stock shareholders	(

Net increase in net assets resulting from operations	3

=====
Dividends to Common Stock Shareholders

Investment income--net	(3

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Net decrease in net assets resulting from dividends to Common
 Stock shareholders (3)

=====
 Net Assets Applicable to Common Stock

Total increase (decrease) in net assets applicable to Common Stock
 Beginning of year 58

 End of year* \$ 58
 =====
 * Undistributed investment income--net \$
 =====

See Notes to Financial Statements.

MUNIYIELD NEW YORK INSURED FUND, INC. OCTOBER 31, 2004 15

[LOGO] Merrill Lynch Investment Managers

Financial Highlights

The following per share data and ratios have been derived
 from information provided in the financial statements.

	For the Year Ended		
Increase (Decrease) in Net Asset Value:	2004	2003	

Per Share Operating Performance			

Net asset value, beginning of year	\$ 14.81	\$ 14.83	\$
Investment income--net .....	.91++	.97++	
Realized and unrealized gain (loss)--net	(.01)	(.09)	
Dividends and distributions to Preferred Stock shareholders:			
Investment income--net	(.06)	(.07)	
Realized gain--net	--	--	
Total from investment operations .....	.84	.81	

Less dividends and distributions to Common Stock shareholders:			
Investment income--net	(.84)	(.83)	
Realized gain--net	--	--	
Total dividends and distributions to Common Stock shareholders	(.84)	(.83)	
Net asset value, end of year	\$ 14.81	\$ 14.81	\$
Market price per share, end of year	\$ 13.20	\$ 13.25	\$
=====			

 Total Investment Return*

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Based on net asset value per share	6.53%	6.19%
Based on market price per share	6.13%	5.45%
=====		
Ratios Based on Average Net Assets of Common Stock		

Total expenses, net of reimbursement and excluding reorganization expenses** .....	.94%	.94%
Total expenses, excluding reorganization expenses** .....	.95%	.94%
Total expenses** .....	.95%	.94%
Total investment income--net**	6.23%	6.49%
Amount of dividends to Preferred Stock shareholders .....	.42%	.50%
Investment income--net, to Common Stock shareholders	5.81%	5.99%
=====		
Ratios Based on Average Net Assets of Common & Preferred Stock**		

Total expenses, net of reimbursement and excluding reorganization expenses .....	.65%	.65%
Total expenses, excluding reorganization expenses .....	.65%	.65%
Total expenses .....	.65%	.65%
Total investment income--net	4.31%	4.51%
=====		
Ratios Based on Average Net Assets of Preferred Stock		

Dividends to Preferred Stock shareholders95%	1.13%
=====		

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MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

Financial Highlights (concluded)

The following per share data and ratios have been derived from information provided in the financial statements.	For the Year Ended		
	2004	2003	2002
Supplemental Data			

Supplemental Data

Net assets applicable to Common

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Stock, end of year (in thousands)	\$584,248	\$584,025	\$584,79
Preferred Stock outstanding, end of year (in thousands)	\$259,000	\$259,000	\$259,00
Portfolio turnover	19.91%	51.89%	87.5
=====			
Leverage			
Asset coverage per \$1,000	\$ 3,256	\$ 3,255	\$ 3,25
=====			
Dividends Per Share on Preferred Stock Outstanding			
Series A--Investment income--net	\$ 254	\$ 249	\$ 33
Series B--Investment income--net	\$ 203	\$ 232	\$ 30
Series C+--Investment income--net	\$ 240	\$ 214	\$ 35
Series D+--Investment income--net	\$ 231	\$ 454	\$ 50
Series E+--Investment income--net	\$ 251	\$ 255	\$ 35

* Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

** Do not reflect the effect of dividends to Preferred Stock shareholders.

+ Series C, Series D and Series E were issued on March 6, 2000.

++ Based on average shares outstanding.

@ Amount is less than \$(.01) per share.

See Notes to Financial Statements.

MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

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[LOGO] Merrill Lynch Investment Managers

Notes to Financial Statements

1. Significant Accounting Policies:

MuniYield New York Insured Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940, as amended, as a non-diversified, closed-end management investment company. The Fund's financial statements are prepared in conformity with U.S. generally accepted accounting principles, which may require the use of management accruals and estimates. Actual results may differ from these estimates. The Fund determines and makes available for publication the net asset value of its Common Stock on a daily basis. The Fund's Common Stock is listed on the New York Stock Exchange under the symbol MYN. The following is a summary of significant accounting policies followed by the Fund.

(a) Valuation of investments -- Municipal bonds are traded primarily in the over-the-counter markets and are valued at the last available bid price in the over-the-counter market or on the basis of values as obtained by a pricing service. Pricing services use valuation matrixes that incorporate both

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dealer-supplied valuations and valuation models. The procedures of the pricing service and its valuations are reviewed by the officers of the Fund under the general direction of the Board of Directors. Such valuations and procedures will be reviewed periodically by the Board of Directors of the Fund. Financial futures contracts and options thereon, which are traded on exchanges, are valued at their closing prices as of the close of such exchanges. Options written or purchased are valued at the last sale price in the case of exchange-traded options. In the case of options traded in the over-the-counter market, valuation is the last asked price (options written) or the last bid price (options purchased). Swap agreements are valued by quoted fair values received daily by the Fund's pricing service. Short-term investments with a remaining maturity of 60 days or less are valued at amortized cost, which approximates market value, under which method the investment is valued at cost and any premium or discount is amortized on a straight line basis to maturity. Investments in open-end investment companies are valued at their net asset value each business day. Securities and other assets for which market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors of the Fund.

(b) Derivative financial instruments -- The Fund may engage in various portfolio investment strategies both to increase the return of the Fund and to hedge, or protect, its exposure to interest rate movements and movements in the securities markets. Losses may arise due to changes in the value of the contract or if the counterparty does not perform under the contract.

- o Financial futures contracts -- The Fund may purchase or sell financial futures contracts and options on such futures contracts. Futures contracts are contracts for delayed delivery of securities at a specific future date and at a specific price or yield. Upon entering into a contract, the Fund deposits and maintains as collateral such initial margin as required by the exchange on which the transaction is effected. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as variation margin and are recorded by the Fund as unrealized gains or losses. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.
- o Options -- The Fund may write covered call options and purchase put options. When the Fund writes an option, an amount equal to the premium received by the Fund is reflected as an asset and an equivalent liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option written. When a security is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the security acquired or deducted from (or added to) the proceeds of the security sold. When an option expires (or the Fund enters into a closing transaction), the Fund realizes a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premium paid or received).

Written and purchased options are non-income producing investments.

- o Forward interest rate swaps -- The Fund may enter into forward interest rate swaps. In a forward interest rate swap, the Fund and the counterparty agree to make periodic net payments on a specified notional contract amount, commencing on a specified future effective date, unless terminated earlier. When the agreement is closed, the Fund records a realized gain or loss in an amount equal to the value of the agreement.

(c) Income taxes -- It is the Fund's policy to comply with the requirements of

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the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

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Notes to Financial Statements (concluded)

(d) Security transactions and investment income -- Security transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on security transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income is recognized on the accrual basis. The Fund amortizes all premiums and discounts on debt securities.

(e) Dividends and distributions -- Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates.

2. Investment Advisory Agreement and Transactions with Affiliates:

The Fund has entered into an Investment Advisory Agreement with Fund Asset Management, L.P. ("FAM"). The general partner of FAM is Princeton Services, Inc. ("PSI"), an indirect, wholly-owned subsidiary of Merrill Lynch & Co., Inc. ("ML & Co."), which is the limited partner.

FAM is responsible for the management of the Fund's portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund. For such services, the Fund pays a monthly fee at an annual rate of .50% of the Fund's average weekly net assets, including proceeds from the issuance of Preferred Stock. The Investment Adviser has agreed to reimburse its management fee by the amount of management fees the Fund pays to FAM indirectly through its investment in CMA New York Municipal Money Fund. For the year ended October 31, 2004, FAM reimbursed the Fund in the amount of \$4,248.

For the year ended October 31, 2004, the Fund reimbursed FAM \$16,087 for certain accounting services.

Certain officers and/or directors of the Fund are officers and/or directors of FAM, PSI, and/or ML & Co.

3. Investments:

Purchases and sales of investments, excluding short-term securities, for the year ended October 31, 2004 were \$247,795,449 and \$156,836,816, respectively.

4. Stock Transactions:

The Fund is authorized to issue 200,000,000 shares of stock, including Preferred Stock, par value \$.10 per share, all of which were initially classified as Common Stock. The Board of Directors is authorized, however, to reclassify any unissued shares of stock without approval of the holders of Common Stock.

Preferred Stock

Auction Market Preferred Stocks are redeemable shares of Preferred Stock of the Fund, with a par value of \$.05 per share and a liquidation preference of \$25,000 per share, plus accrued and unpaid dividends, that entitle their holders to receive cash dividends at an annual rate that may vary for the successive

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dividend periods. The yields in effect at October 31, 2004 were as follows: Series A, 1.459%; Series B, 1.40%; Series C, 1.20%; Series D, 1.40%; and Series E, 1.40%.

The Fund pays commissions to certain broker-dealers at the end of each auction at an annual rate ranging from .25% to .375%, calculated on the proceeds of each auction. For the year ended October 31, 2004, Merrill Lynch, Pierce, Fenner & Smith Incorporated, an affiliate of FAM, earned \$253,691 as commissions.

5. Distributions to Shareholders:

The Fund paid a tax-exempt income dividend to holders of Common Shares in the amount of \$.070000 per share on November 29, 2004 to shareholders of record on November 12, 2004.

The tax character of distributions paid during the fiscal years ended October 31, 2004 and October 31, 2003 was as follows:

	10/31/2004	10/31/2003
Distributions paid from:		
Tax-exempt income	\$35,459,826	\$35,564,863
	=====	=====
Total distributions	\$35,459,826	\$35,564,863
	=====	=====

As of October 31, 2004, the components of accumulated earnings on a tax basis were as follows:

Undistributed tax-exempt income--net	\$ 7,289,401
Undistributed long-term capital gains--net	--

Total undistributed earnings--net	7,289,401
Capital loss carryforward	(28,156,850)*
Unrealized gains--net	43,501,048**

Total accumulated earnings--net	\$ 22,633,599
	=====

* On October 31, 2004, the Fund had a net capital loss carryforward of \$28,156,850, of which \$8,566,493 expires in 2008, \$3,007,157 expires in 2010 and \$16,583,200 expires in 2012. This amount will be available to offset like amounts of any future taxable gains.

** The difference between book-basis and tax-basis net unrealized gains is attributable primarily to the tax deferral of losses on wash sales, the tax deferral of losses on straddles, the difference between book and tax amortization methods for premiums and discounts on fixed income securities and the realization for tax purposes of unrealized gains on certain future contracts.

MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

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[LOGO] Merrill Lynch Investment Managers

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of
MuniYield New York Insured Fund, Inc.:

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We have audited the accompanying statement of net assets, including the schedule of investments, of MuniYield New York Insured Fund, Inc. as of October 31, 2004, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of October 31, 2004, by correspondence with the custodian and brokers; where replies were not received from brokers we performed other auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of MuniYield New York Insured Fund, Inc. as of October 31, 2004, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Deloitte & Touche LLP
Princeton, New Jersey
December 14, 2004

Important Tax Information (unaudited)

All of the net investment income distributions paid by MuniYield New York Insured Fund, Inc. during its taxable year ended October 31, 2004 qualify as tax-exempt interest dividends for federal income tax purposes.

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Quality Profile (unaudited)

The quality ratings of securities in the Fund as of October 31, 2004 were as follows:

Quality Rating S&P/Moody's	Percent of Total Investments
AAA/Aaa	88.4%
AA/Aa	2.0
A/A	7.9
BBB/Baa	1.7
Other*	--**

* Includes portfolio holdings in short-term investments.

** Holdings are less than 0.1%.

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Dividend Policy (unaudited)

The Fund's dividend policy is to distribute all or a portion of its net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the Fund may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any month pay out such accumulated but undistributed income in addition to net investment income earned in that month. As a result, the dividends paid by the Fund for any particular month may be more or less than the amount of net investment income earned by the Fund during such month. The Fund's current accumulated but undistributed net investment income, if any, is disclosed in the Statement of Net Assets, which comprises part of the financial information included in this report.

MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

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[LOGO] Merrill Lynch Investment Managers

Automatic Dividend Reinvestment Plan (unaudited)

The following description of the Fund's Automatic Dividend Reinvestment Plan (the "Plan") is sent to you annually as required by federal securities laws.

Pursuant to the Fund's Plan, unless a holder of Common Stock otherwise elects, all dividend and capital gains distributions will be automatically reinvested by The Bank of New York (the "Plan Agent"), as agent for shareholders in administering the Plan, in additional shares of Common Stock of the Fund. Holders of Common Stock who elect not to participate in the Plan will receive all distributions in cash paid by check mailed directly to the shareholder of record (or, if the shares are held in street or other nominee name then to such nominee) by The Bank of New York, as dividend paying agent. Such participants may elect not to participate in the Plan and to receive all distributions of dividends and capital gains in cash by sending written instructions to The Bank of New York, as dividend paying agent, at the address set forth below. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by written notice if received by the Plan Agent not less than ten days prior to any dividend record date; otherwise such termination will be effective with respect to any subsequently declared dividend or distribution.

Whenever the Fund declares an income dividend or capital gains distribution (collectively referred to as "dividends") payable either in shares or in cash, non-participants in the Plan will receive cash and participants in the Plan will receive the equivalent in shares of Common Stock. The shares will be acquired by the Plan Agent for the participant's account, depending upon the circumstances described below, either (i) through receipt of additional unissued but authorized shares of Common Stock from the Fund ("newly issued shares") or (ii) by purchase of outstanding shares of Common Stock on the open market ("open-market purchases") on the New York Stock Exchange or elsewhere. If on the payment date for the dividend, the net asset value per share of the Common Stock is equal to or less than the market price per share of the Common Stock plus estimated brokerage commissions (such conditions being referred to herein as "market premium"), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participant. The number of newly issued shares of Common Stock to be credited to the participant's account will be determined by dividing the dollar amount of the dividend by the net asset value per share on the date the shares are issued, provided that the maximum discount from the then current market price per share on the date of issuance may not exceed 5%. If, on the dividend payment date, the net asset value per share is greater than the

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market value (such condition being referred to herein as "market discount"), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participant in open-market purchases.

In the event of a market discount on the dividend payment date, the Plan Agent will have until the last business day before the next date on which the shares trade on an "ex-dividend" basis or in no event more than 30 days after the dividend payment date (the "last purchase date") to invest the dividend amount in shares acquired in open-market purchases. It is contemplated that the Fund will pay monthly income dividends. Therefore, the period during which open-market purchases can be made will exist only from the payment date on the dividend through the date before the next "ex-dividend" date, which typically will be approximately ten days. If, before the Plan Agent has completed its open-market purchases, the market price of a share of Common Stock exceeds the net asset value per share, the average per share purchase price paid by the Plan Agent may exceed the net asset value of the Fund's shares, resulting in the acquisitions of fewer shares than if the dividend had been paid in newly issued shares on the dividend payment date. Because of the foregoing difficulty with respect to open-market purchases, the Plan provides that if the Plan Agent is unable to invest the full dividend amount in open-market purchases during the purchase period or if the market discount shifts to a market premium during the purchase period, the Plan Agent will cease making open-market purchases and will invest the uninvested portion of the dividend amount in newly issued shares at the close of business on the last purchase date determined by dividing the uninvested portion of the dividend by the net asset value per share.

The Plan Agent maintains all shareholders' accounts in the Plan and furnishes written confirmation of all transactions in the account, including information needed by shareholders for tax records. Shares in the account of each Plan participant will be held by the Plan Agent in non-certificated form in the name of the participant, and each shareholder's proxy will include those shares purchased or received pursuant to the Plan. The Plan Agent will forward all proxy solicitation materials to participants and vote proxies for shares held pursuant to the Plan in accordance with the instructions of the participants.

In the case of shareholders such as banks, brokers or nominees which hold shares of others who are the beneficial

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MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

owners, the Plan Agent will administer the Plan on the basis of the number of shares certified from time to time by the record shareholders as representing the total amount registered in the record shareholder's name and held for the account of beneficial owners who are to participate in the Plan.

There will be no brokerage charges with respect to shares issued directly by the Fund as a result of dividends or capital gains distributions payable either in shares or in cash. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open-market purchases in connection with the reinvestment of dividends.

The automatic reinvestment of dividends and distributions will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such dividends.

Shareholders participating in the Plan may receive benefits not available to shareholders not participating in the Plan. If the market price plus commissions of the Fund's shares is above the net asset value, participants in the Plan will receive shares of the Fund at less than they could otherwise purchase them and will have shares with a cash value greater than the value of any cash

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distribution they would have received on their shares. If the market price plus commissions is below the net asset value, participants will receive distributions in shares with a net asset value greater than the value of any cash distribution they would have received on their shares. However, there may be insufficient shares available in the market to make distributions in shares at prices below the net asset value. Also, since the Fund does not redeem shares, the price on resale may be more or less than the net asset value.

The value of shares acquired pursuant to the Plan will generally be excluded from gross income to the extent that the cash amount reinvested would be excluded from gross income. If, when the Fund's shares are trading at a premium over net asset value, the Fund issues shares pursuant to the Plan that have a greater fair market value than the amount of cash reinvested, it is possible that all or a portion of such discount (which may not exceed 5% of the fair market value of the Fund's shares) could be viewed as a taxable distribution. If the discount is viewed as a taxable distribution, it is also possible that the taxable character of this discount would be allocable to all the shareholders, including shareholders who do not participate in the Plan. Thus, shareholders who do not participate in the Plan might be required to report as ordinary income a portion of their distributions equal to their allocable share of the discount.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants.

All correspondence concerning the Plan should be directed to the Plan Agent at The Bank of New York, Church Street Station, P.O. Box 11258, New York, NY 10286-1258, Telephone: 800-432-8224.

MUNIYIELD NEW YORK INSURED FUND, INC. OCTOBER 31, 2004 23

[LOGO] Merrill Lynch Investment Managers

Officers and Directors (unaudited)

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years

Interested Director				

Terry K. Glenn*	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 64	President and Director	1999 to present	President of the Merrill Lynch Investment Management L.P. ("MLIM")/Fund Asset Management, L.P. ("FAM")-advised funds since 1999; Chairman (Americas Region) of MLIM from 2000 to 2002; Executive Vice President of MLIM and FAM (which terms as used herein include their corporate predecessors) from 1983 to 2002; President of FAM Distributors, Inc. ("FAMD") from 1986 to 2000 and Director thereof from 1991 to 2002; Executive Vice President and Director of Princeton Service Inc. ("Princeton Services") from 1993 to 2002; President of Princeton Administrators, L.P. from

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1989 to 2002; Director of Financial Data Service Inc. since 1985.

* Mr. Glenn is a director, trustee or member of an advisory board of certain other in or FAM acts as investment adviser. Mr. Glenn is an "interested person," as describe the Fund based on his present and former positions with MLIM, FAM, FAMD, Princeton Administrators, L.P. The Director's term is unlimited. Directors serve until their until December 31 of the year in which they turn 72. As Fund President, Mr. Glenn s of Directors.

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Independent Directors*

James H. P.O. Box 9095 Director 1995 to Director, The China Business Group, Inc. since 1
Bodurtha Princeton, NJ present and Executive Vice President thereof from 1996 t
08543-9095 2003; Chairman of the Board, Berkshire Holding
Age: 60 Corporation since 1980; Partner, Squire, Sanders
Dempsey from 1980 to 1993.

Joe Grills P.O. Box 9095 Director 2002 to Member of the Committee of Investment of Employe
Princeton, NJ present Benefit Assets of the Association of Financial
08543-9095 Professionals ("CIEBA") since 1986; Member of
Age: 69 CIEBA's Executive Committee since 1988 and its
Chairman from 1991 to 1992; Assistant Treasurer
of International Business Machines Corporation
("IBM") and Chief Investment Officer of IBM
Retirement Funds from 1986 to 1993; Member of
the Investment Advisory Committee of the State o
New York Common Retirement Fund since 1989;
Member of the Investment Advisory Committee of
the Howard Hughes Medical Institute from 1997 to
2000; Director, Duke University Management Compa
from 1992 to 2004, Vice Chairman thereof from 19
to 2004 and Director Emeritus thereof since 2004
Director, LaSalle Street Fund from 1995 to 2001;
Director, Kimco Realty Corporation since 1997;
Member of the Investment Advisory Committee of
the Virginia Retirement System since 1998 and Vi
Chairman thereof since 2002; Director, Montpelie
Foundation since 1998 and its Vice Chairman sinc
2000; Member of the Investment Committee of the
Woodberry Forest School since 2000; Member of th
Investment Committee of the National Trust for
Historic Preservation since 2000.

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MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

Officers and Directors (unaudited) (continued)

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years
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Independent Directors* (concluded)

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Herbert I. London P.O. Box 9095 Princeton, NJ 08543-9095 Director 1992 to present Age: 65 John M. Olin Professor of Humanities, New York University since 1993 and Professor thereof since 1980; President, Hudson Institute since 1997 and Trustee thereof since 1980; Dean, Gallatin Division of New York University from 1976 to 1993; Distinguished Fellow, Herman Kahn Chair, Hudson Institute from 1984 to 1985; Director, Damon Corporation from 1991 to 1995; Overseer, Center for Naval Analyses from 1983 to 1993.

Roberta Cooper Ramo P.O. Box 9095 Princeton, NJ 08543-9095 Director 1999 to present Age: 62 Shareholder, Modrall, Sperling, Roehl, Harris & Sisk, P.A. since 1993; President, American Bar Association from 1995 to 1996 and Member of the of Governors thereof from 1994 to 1997; Shareholder, Poole, Kelly & Ramo, Attorneys at Law, P.C. from 1977 to 1993; Director of ECMC Group (service provider to students, schools and lenders) since 2001; Director, United New Mexico Bank (now Wells Fargo) from 1983 to 1988; Director, First National Bank of New Mexico (now Wells Fargo) from 1975 to 1976; Vice President, American Law Institute since 2004.

Robert S. Salomon, Jr. P.O. Box 9095 Princeton, NJ 08543-9095 Director 2002 to present Age: 67 Principal of STI Management (investment adviser) since 1994; Chairman and CEO of Salomon Brothers Asset Management from 1992 to 1995; Chairman of Salomon Brothers equity mutual funds from 1992 to 1995; regular columnist with Forbes Magazine from 1992 to 2002; Director of Stock Research and U.S. Equity Strategist at Salomon Brothers from 1991 to 1991; Trustee, Common fund from 1980 to 2001.

Stephen B. Swensrud P.O. Box 9095 Princeton, NJ 08543-9095 Director 2002 to present Age: 71 Chairman of Fernwood Advisors, Inc. (investment adviser) since 1996; Principal, Fernwood Association (financial consultants) since 1975; Chairman of Corporation (manufacturing company) since 1978; Director of International Mobile Communications, Incorporated (telecommunications) since 1998.

* The Director's term is unlimited. Directors serve until their resignation, removal or the year in which they turn 72.

MUNIYIELD NEW YORK INSURED FUND, INC. OCTOBER 31, 2004 25

[LOGO] Merrill Lynch Investment Managers

Officers and Directors (unaudited) (concluded)

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years
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Fund Officers*

Donald C. P.O. Box 9011 Vice 1993 to First Vice President of MLIM and FAM since 1997

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Burke	Princeton, NJ 08543-9011 Age: 44	President and Treasurer	present and 1999 to present	Senior Vice President and Treasurer of Princeton since 2004; Vice President of FAMD since 1999; Vice President of MLIM since 1990 to 1997; Director of MLIM Taxation since 1999 to present

Kenneth A. Jacob	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 53	Senior Vice President	2002 to present	Managing Director of MLIM since 2000; Director (Management) of MLIM from 1997 to 2000.

John M. Loffredo	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 40	Senior Vice President	2002 to present	Managing Director of MLIM since 2000; Director (Management) of MLIM from 1998 to 2000.

Jeffrey Hiller	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 53	Chief Compliance Officer	2004 to present	Chief Compliance Officer of the MLIM/FAM-advised MLIM since 2004; Global Chief Compliance Officer of MLIM since 2004; Global Director of Compliance at Citigroup Asset Management from 2002 to 2004; Global Director of Compliance at Citigroup Asset Management from 2002 to 2004; Chief Compliance Officer at Soros Fund Management from 1999 to 2000; Chief Compliance Officer at Prudential Financial from 1995 to 2000.

Alice A. Pellegrino	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 44	Secretary	2004 to present	Director (Legal Advisory) of MLIM since 2002; Vice President of MLIM since 2002; Attorney associated with MLIM since 1997.

* Officers of the Fund serve at the pleasure of the Board of Directors.

Custodian

The Bank of New York
100 Church Street
New York, NY 10286

Transfer Agents

Common Stock:

The Bank of New York
101 Barclay Street -- 11 East
New York, NY 10286

Preferred Stock:

The Bank of New York
101 Barclay Street -- 7 West
New York, NY 10286

NYSE Symbol

MYN

Andre F. Perold resigned as a Director of the Fund effective October 22, 2004.

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Availability of Quarterly Schedule of Investments

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's Web site at <http://www.sec.gov>. The Fund's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Electronic Delivery

The Fund offers electronic delivery of communications to its shareholders. In order to receive this service, you must register your account and provide us with e-mail information. To sign up for this service, simply access this Web site <http://www.icsdelivery.com/live> and follow the instructions. When you visit this site, you will obtain a personal identification number (PIN). You will need this PIN should you wish to update your e-mail address, choose to discontinue this service and/or make any other changes to the service. This service is not available for certain retirement accounts at this time.

MUNIYIELD NEW YORK INSURED FUND, INC.

OCTOBER 31, 2004

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[LOGO] Merrill Lynch Investment Managers

www.mlim.ml.com

MuniYield New York Insured Fund, Inc. seeks to provide shareholders with as high a level of current income exempt from federal income tax and New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income tax and New York State and New York City personal income taxes.

This report, including the financial information herein, is transmitted to shareholders of MuniYield New York Insured Fund, Inc. for their information. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Fund has leveraged its Common Stock and intends to remain leveraged by issuing Preferred Stock to provide the Common Stock shareholders with a potentially higher rate of return. Leverage creates risks for Common Stock shareholders, including the likelihood of greater volatility of net asset value and market price of shares of the Common Stock, and the risk that fluctuations in the short-term dividend rates of the Preferred Stock may affect the yield to Common Stock shareholders. Statements and other information herein are as dated and are subject to change.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling toll-free 1-800-MER-FUND (1-800-637-3863); (2) at www.mutualfunds.ml.com; and (3) on the Securities and Exchange Commission's Web site at <http://www.sec.gov>. Information about how the Fund voted proxies relating to securities held in the Fund's portfolio during the most recent 12-month period ended June 30 is available (1) at www.mutualfunds.ml.com and (2) on the Securities and Exchange Commission's Web site at <http://www.sec.gov>.

MuniYield New York Insured Fund, Inc.
Box 9011
Princeton, NJ 08543-9011

#16159 -- 10/04

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(g) Fiscal Year Ending October 31, 2004 - \$13,270,096
Fiscal Year Ending October 31, 2003 - \$18,737,552

(h) The registrant's audit committee has considered and determined that the provision of non-audit services that were rendered to the registrant's investment adviser and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Regulation S-X Rule 2-01(c)(7)(ii) - \$945,000, 0%

Item 5 - Audit Committee of Listed Registrants - The following individuals are members of the registrant's separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act (15 U.S.C. 78c(a)(58)(A)):

James H. Bodurtha
Joe Grills
Herbert I. London
Andre F. Perold (resigned as of October 1, 2004)
Roberta Cooper Ramo
Robert S. Solomon, Jr.
Stephen B. Swensrud

Item 6 - Schedule of Investments - Not Applicable

Item 7 - Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies - Proxy Voting Policies and Procedures

Each Fund's Board of Directors/Trustees has delegated to Merrill Lynch Investment Managers, L.P. and/or Fund Asset Management, L.P. (the "Investment Adviser") authority to vote all proxies relating to the Fund's portfolio securities. The Investment Adviser has adopted policies and procedures ("Proxy Voting Procedures") with respect to the voting of proxies related to the portfolio securities held in the account of one or more of its clients, including a Fund. Pursuant to these Proxy Voting Procedures, the Investment Adviser's primary objective when voting proxies is to make proxy voting decisions solely in the best interests of each Fund and its shareholders, and to act in a manner that the Investment Adviser believes is most likely to enhance the economic value of the securities held by the Fund. The Proxy Voting Procedures are designed to ensure that that the Investment Adviser considers the interests of its clients, including the Funds, and not the interests of the Investment Adviser, when voting proxies and that real (or perceived) material conflicts that may arise between the Investment Adviser's interest and those of the Investment Adviser's clients are properly addressed and resolved.

In order to implement the Proxy Voting Procedures, the Investment Adviser has formed a Proxy Voting Committee (the "Committee"). The Committee is comprised of the Investment Adviser's Chief Investment Officer (the "CIO"), one or more other senior investment professionals appointed by the CIO, portfolio managers and investment analysts appointed by the CIO and any other personnel the CIO deems appropriate. The Committee will also include two non-voting representatives from the Investment Adviser's Legal department appointed by the Investment Adviser's General Counsel. The Committee's membership shall be limited

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to full-time employees of the Investment Adviser. No person with any investment banking, trading, retail brokerage or research responsibilities for the Investment Adviser's affiliates may serve as a member of the Committee or participate in its decision making (except to the extent such person is asked by the Committee to present

information to the Committee, on the same basis as other interested knowledgeable parties not affiliated with the Investment Adviser might be asked to do so). The Committee determines how to vote the proxies of all clients, including a Fund, that have delegated proxy voting authority to the Investment Adviser and seeks to ensure that all votes are consistent with the best interests of those clients and are free from unwarranted and inappropriate influences. The Committee establishes general proxy voting policies for the Investment Adviser and is responsible for determining how those policies are applied to specific proxy votes, in light of each issuer's unique structure, management, strategic options and, in certain circumstances, probable economic and other anticipated consequences of alternate actions. In so doing, the Committee may determine to vote a particular proxy in a manner contrary to its generally stated policies. In addition, the Committee will be responsible for ensuring that all reporting and recordkeeping requirements related to proxy voting are fulfilled.

The Committee may determine that the subject matter of a recurring proxy issue is not suitable for general voting policies and requires a case-by-case determination. In such cases, the Committee may elect not to adopt a specific voting policy applicable to that issue. The Investment Adviser believes that certain proxy voting issues require investment analysis - such as approval of mergers and other significant corporate transactions - akin to investment decisions, and are, therefore, not suitable for general guidelines. The Committee may elect to adopt a common position for the Investment Adviser on certain proxy votes that are akin to investment decisions, or determine to permit the portfolio manager to make individual decisions on how best to maximize economic value for a Fund (similar to normal buy/sell investment decisions made by such portfolio managers). While it is expected that the Investment Adviser will generally seek to vote proxies over which the Investment Adviser exercises voting authority in a uniform manner for all the Investment Adviser's clients, the Committee, in conjunction with a Fund's portfolio manager, may determine that the Fund's specific circumstances require that its proxies be voted differently.

To assist the Investment Adviser in voting proxies, the Committee has retained Institutional Shareholder Services ("ISS"). ISS is an independent adviser that specializes in providing a variety of fiduciary-level proxy-related services to institutional investment managers, plan sponsors, custodians, consultants, and other institutional investors. The services provided to the Investment Adviser by ISS include in-depth research, voting recommendations (although the Investment Adviser is not obligated to follow such recommendations), vote execution, and recordkeeping. ISS will also assist the Fund in fulfilling its reporting and recordkeeping obligations under the Investment Company Act.

The Investment Adviser's Proxy Voting Procedures also address special circumstances that can arise in connection with proxy voting. For instance, under the Proxy Voting Procedures, the Investment Adviser generally will not seek to vote proxies related to portfolio securities that are on loan, although it may do so under certain circumstances. In addition, the Investment Adviser will vote proxies related to

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securities of foreign issuers only on a best efforts basis and may elect not to vote at all in certain countries where the Committee determines that the costs associated with voting generally outweigh the benefits. The Committee may at any time override these general policies if it determines that such action is in the best interests of a Fund.

From time to time, the Investment Adviser may be required to vote proxies in respect of an issuer where an affiliate of the Investment Adviser (each, an "Affiliate"), or a money management or other client of the Investment Adviser (each, a "Client") is involved. The Proxy Voting Procedures and the Investment Adviser's adherence to those procedures are designed to address such conflicts of interest. The Committee intends to strictly adhere to the Proxy Voting Procedures in all proxy matters, including matters involving Affiliates and Clients. If, however, an issue representing a non-routine matter that is material to an Affiliate or a widely known Client is involved such that the Committee does not reasonably believe it is able to follow its guidelines (or if the particular proxy matter is not addressed by the guidelines) and vote impartially, the Committee may, in its discretion for the purposes of ensuring that an independent determination is reached, retain an independent fiduciary to advise the Committee on how to vote or to cast votes on behalf of the Investment Adviser's clients.

In the event that the Committee determines not to retain an independent fiduciary, or it does not follow the advice of such an independent fiduciary, the powers of the Committee shall pass to a subcommittee, appointed by the CIO (with advice from the Secretary of the Committee), consisting solely of Committee members selected by the CIO. The CIO shall appoint to the subcommittee, where appropriate, only persons whose job responsibilities do not include contact with the Client and whose job evaluations would not be affected by the Investment Adviser's relationship with the Client (or failure to retain such relationship). The subcommittee shall determine whether and how to vote all proxies on behalf of the Investment Adviser's clients or, if the proxy matter is, in their judgment, akin to an investment decision, to defer to the applicable portfolio managers, provided that, if the subcommittee determines to alter the Investment Adviser's normal voting guidelines or, on matters where the Investment Adviser's policy is case-by-case, does not follow the voting recommendation of any proxy voting service or other independent fiduciary that may be retained to provide research or advice to the Investment Adviser on that matter, no proxies relating to the Client may be voted unless the Secretary, or in the Secretary's absence, the Assistant Secretary of the Committee concurs that the subcommittee's determination is consistent with the Investment Adviser's fiduciary duties

In addition to the general principles outlined above, the Investment Adviser has adopted voting guidelines with respect to certain recurring proxy issues that are not expected to involve unusual circumstances. These policies are guidelines only, and the Investment Adviser may elect to vote differently from the recommendation set forth in a voting guideline if the Committee determines that it is in a Fund's best interest to do so. In addition, the guidelines may be reviewed at any time upon the request of a Committee member and may be amended or deleted upon the vote of a majority of Committee members present at a Committee meeting at which there is a quorum.

The Investment Adviser has adopted specific voting guidelines with respect to the following proxy issues:

- o Proposals related to the composition of the Board of Directors of issuers

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other than investment companies. As a general matter, the Committee believes that a company's Board of Directors (rather than shareholders) is most likely to have access to important, nonpublic information regarding a company's business and prospects, and is therefore best-positioned to set corporate policy and oversee management. The Committee, therefore, believes that the foundation of good corporate governance is the election of qualified, independent corporate directors who are likely to diligently represent the interests of shareholders and oversee management of the corporation in a manner that will seek to maximize shareholder value over time. In individual cases, the Committee may look at a nominee's history of representing shareholder interests as a director of other companies or other factors, to the extent the Committee deems relevant.

- o Proposals related to the selection of an issuer's independent auditors. As a general matter, the Committee believes that corporate auditors have a responsibility to represent the interests of shareholders and provide an independent view on the propriety of financial reporting decisions of corporate management. While the Committee will generally defer to a corporation's choice of auditor, in individual cases, the Committee may look at an auditors' history of representing shareholder interests as auditor of other companies, to the extent the Committee deems relevant.
- o Proposals related to management compensation and employee benefits. As a general matter, the Committee favors disclosure of an issuer's compensation and benefit policies and opposes excessive compensation, but believes that compensation matters are normally best determined by an issuer's board of directors, rather than shareholders. Proposals to "micro-manage" an issuer's compensation practices or to set arbitrary restrictions on compensation or benefits will, therefore, generally not be supported.
- o Proposals related to requests, principally from management, for approval of amendments that would alter an issuer's capital structure. As a general matter, the Committee will support requests that enhance the rights of common shareholders and oppose requests that appear to be unreasonably dilutive.
- o Proposals related to requests for approval of amendments to an issuer's charter or by-laws. As a general matter, the Committee opposes poison pill provisions.
- o Routine proposals related to requests regarding the formalities of corporate meetings.
- o Proposals related to proxy issues associated solely with holdings of investment company shares. As with other types of companies, the Committee believes that a fund's Board of Directors (rather than its shareholders) is best-positioned to set fund policy and oversee management. However, the Committee opposes granting Boards of Directors authority over certain matters, such as changes to a fund's investment objective, that the Investment Company Act envisions will be approved directly by shareholders.
- o Proposals related to limiting corporate conduct in some manner that relates to the shareholder's environmental or social concerns. The Committee generally believes that annual shareholder meetings are inappropriate forums for discussion of larger social issues, and opposes shareholder resolutions "micromanaging" corporate conduct or requesting release of information that would not help a shareholder evaluate an investment in the corporation as an economic matter. While the Committee

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is generally supportive of proposals to require corporate disclosure of matters that seem relevant and material to the economic interests of shareholders, the Committee is generally not supportive of proposals to require disclosure of corporate matters for other purposes.

Item 8 - Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers - Not Applicable

Item 9 - Submission of Matters to a Vote of Security Holders - Not Applicable

Item 10 - Controls and Procedures

10(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.

10(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d)) that occurred during the second fiscal half-year of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 11 - Exhibits attached hereto

11(a) (1) - Code of Ethics - See Item 2

11(a) (2) - Certifications - Attached hereto

11(a) (3) - Not Applicable

11(b) - Certifications - Attached hereto

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

MuniYield New York Insured Fund, Inc.

By: /s/ Terry K. Glenn

Terry K. Glenn,
President of
MuniYield New York Insured Fund, Inc.

Date: December 13, 2004

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

By: /s/ Terry K. Glenn

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Terry K. Glenn,
President of
MuniYield New York Insured Fund, Inc.

Date: December 13, 2004

By: /s/ Donald C. Burke

Donald C. Burke,
Chief Financial Officer of
MuniYield New York Insured Fund, Inc.

Date: December 13, 2004