

BLACKROCK MUNIHOLDINGS QUALITY FUND II, INC.

Form N-Q

December 21, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
INVESTMENT COMPANY**

Investment Company Act file number 811-09191

Name of Fund: BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniHoldings Quality Fund II, Inc., 55 East 52<sup>nd</sup> Street, New York, NY 10055

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

Date of fiscal year end: 07/31/2018

Date of reporting period: 10/31/2017

Item 1 Schedule of Investments

Schedule of Investments (unaudited)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

| <i>Security</i>  | <i>Par<br/>(000)</i> | <i>Value</i> |
|--|----------------------|--------------|
| <b>Municipal Bonds</b>   |                      |              |
| <b>Alabama 2.5%</b>  |                      |              |
| City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 06/01/19 <sup>(a)</sup>      | \$ 5,225             | \$ 5,617,293 |
| City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35                           | 940                  | 1,051,174    |
| Lower Alabama Gas District, RB, Series A, 5.00%, 09/01/46  | 1,025                | 1,283,208    |
|  |                      | 7,951,675    |
| <b>California 22.6%</b>  |                      |              |
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/18 <sup>(a)</sup>               | 5,050                | 5,244,728    |
| California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 08/15/42   | 2,865                | 3,222,122    |
| City & County of San Francisco California Airports Commission, ARB, Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.10%, 01/01/20 | 680                  | 682,788      |
| City & County of San Francisco California Airports Commission, Refunding ARB, AMT, Series A:   |                      |              |
| 2nd, 5.50%, 5/01/28  | 1,800                | 2,122,308    |
| 2nd, 5.25%, 5/01/33  | 1,410                | 1,618,934    |
| 5.00%, 5/01/44   | 1,860                | 2,079,275    |
| City of San Jose California, Refunding ARB, Norman Y Mineta San Jose International Airport SJC, Series A-1, AMT, 5.50%, 03/01/30           | 4,045                | 4,525,222    |
| City of Sunnyvale California, Refunding RB, 5.25%, 04/01/40  | 2,800                | 3,049,368    |
| County of Riverside Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/40  | 4,500                | 5,359,635    |
| County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 07/01/18 <sup>(a)</sup>  | 3,500                | 3,604,370    |
| County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 08/01/18 <sup>(a)</sup>                    | 3,175                | 3,281,299    |
| Emery Unified School District, GO, Election of 2010, Series A (AGM), 5.50%, 08/01/21 <sup>(a)</sup>  | 1,875                | 2,165,044    |
|  | <i>Par<br/>(000)</i> | <i>Value</i> |
| <b>California (continued)</b>  |                      |              |
| Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33   | \$ 2,445             | \$ 2,974,171 |
| Los Angeles Community College District California, GO, Election of 2008, Series C, 5.25%, 08/01/20 <sup>(a)</sup>                          | 2,000                | 2,221,080    |
| Oceanside Unified School District, GO, Series A (AGC), 5.25%, 08/01/33   | 1,675                | 1,724,128    |
| Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 08/01/21 <sup>(a)</sup>                                      | 2,670                | 3,088,336    |
| State of California Public Works Board, LRB, Various Capital Projects, Series I: 5.50%, 11/01/30   | 5,000                | 5,996,900    |

Edgar Filing: BLACKROCK MUNIHOLDINGS QUALITY FUND II, INC. - Form N-Q

|  |       |            |
|--|-------|------------|
| 5.50%, 11/01/31  | 3,130 | 3,748,175  |
| 5.50%, 11/01/33  | 3,000 | 3,568,230  |
| State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 09/01/33      | 1,260 | 1,478,207  |
| Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 08/01/40                | 940   | 1,135,454  |
| University of California, Refunding RB, The Regents of Medical Center, Series J, 5.25%, 05/15/38                       | 7,580 | 8,824,636  |
|  |       | 71,714,410 |
| <b>Colorado 2.1%</b>   |       |            |
| City & County of Denver Colorado Airport System, ARB, Series A, AMT: 5.50%, 11/15/28                                   | 1,500 | 1,753,410  |
| 5.50%, 11/15/30  | 565   | 655,638    |
| 5.50%, 11/15/31  | 675   | 780,833    |
| Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 05/15/19 <sup>(a)</sup> | 3,300 | 3,538,788  |
|  |       | 6,728,669  |
| <b>Florida 20.5%</b>   |       |            |
| City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33  | 405   | 475,348    |

SCHEDULE OF INVESTMENTS

1

Schedule of Investments (unaudited) (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

| <i>Security</i>  | <i>Par<br/>(000)</i> | <i>Value</i> |
|--|----------------------|--------------|
| <b>Florida (continued)</b>   |                      |              |
| County of Broward Florida Airport System Revenue, ARB, Series A, AMT:<br>5.13%, 10/01/38   | \$ 5,665             | \$ 6,431,021 |
| 5.00%, 10/01/45  | 1,440                | 1,601,813    |
| County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International<br>Airport, Series A, AMT, 5.50%, 10/01/29   | 2,995                | 3,491,421    |
| County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32   | 2,500                | 2,776,175    |
| County of Lee Florida HFA, RB, S/F Housing, Multi-County Program, Series A-2, AMT<br>(Ginnie Mae), 6.00%, 09/01/40                 | 220                  | 222,779      |
| County of Miami-Dade Florida, RB, Seaport Department:<br>Series A, 5.38%, 10/01/33   | 1,765                | 2,007,988    |
| Series A, 5.50%, 10/01/42  | 3,000                | 3,477,540    |
| Series B, AMT, 6.25%, 10/01/38   | 800                  | 949,920      |
| Series B, AMT, 6.00%, 10/01/42   | 1,060                | 1,229,250    |
| County of Miami-Dade Florida, Refunding RB, Water & Sewer System, Series B,<br>5.25%, 10/01/29                                     | 3,130                | 3,696,561    |
| County of Miami-Dade Florida Aviation, Refunding ARB, AMT:<br>Miami International Airport (AGM),<br>5.25%, 10/01/18 <sup>(a)</sup> | 4,510                | 4,674,209    |
| Miami International Airport (AGM),<br>5.25%, 10/01/41  | 100                  | 103,315      |
| Miami International Airport, Series A (AGM), 5.50%, 10/01/18 <sup>(a)</sup>  | 4,180                | 4,341,641    |
| Series A, 5.00%, 10/01/31  | 5,155                | 5,749,887    |
| Series A, 5.00%, 10/01/32  | 5,000                | 5,554,950    |
| County of Orange Florida School Board, COP, Series A (AGC), 5.50%, 08/01/19 <sup>(a)(b)</sup>                                      | 7,600                | 8,170,076    |
| Reedy Creek Florida Improvement District, GO, Series A, 5.25%, 06/01/32  | 1,805                | 2,114,323    |
|  | <i>Par</i>           |              |
| <i>Security</i>  | <i>(000)</i>         | <i>Value</i> |
| <b>Florida (continued)</b>   |                      |              |
| Tohopekaliga Water Authority, Refunding RB, Series A, 5.25%, 10/01/21 <sup>(a)</sup>   | \$ 6,965             | \$ 8,008,566 |
|  |                      | 65,076,783   |
| <b>Hawaii 1.7%</b>   |                      |              |
| State of Hawaii, Department of Transportation, COP, AMT:<br>5.25%, 8/01/25   | 740                  | 842,335      |
| 5.25%, 8/01/26   | 1,205                | 1,363,397    |
| State of Hawaii, Department of Transportation, RB, Series A, AMT, 5.00%, 07/01/45  | 2,805                | 3,155,765    |
|  |                      | 5,361,497    |
| <b>Illinois 16.6%</b>  |                      |              |
| City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A,<br>AMT:<br>5.00%, 1/01/41               | 1,140                | 1,261,307    |

Edgar Filing: BLACKROCK MUNIHOLDINGS QUALITY FUND II, INC. - Form N-Q

|  |       |            |
|--|-------|------------|
| 5.50%, 1/01/28   | 1,000 | 1,151,250  |
| 5.50%, 1/01/29   | 1,500 | 1,723,740  |
| 5.38%, 1/01/33   | 2,000 | 2,252,080  |
| City of Chicago Illinois O Hare International Airport, GARB:                                 |       |            |
| 3rd Lien, Series A, 5.75%, 1/01/21 <sup>(a)</sup>  | 1,680 | 1,909,841  |
| 3rd Lien, Series A, 5.75%, 1/01/39   | 320   | 359,853    |
| 3rd Lien, Series C, 6.50%, 1/01/21 <sup>(a)</sup>  | 9,085 | 10,538,327 |
| Senior Lien, Series D, AMT, 5.00%, 1/01/42   | 735   | 826,897    |
| Series A (AGM), 5.00%, 1/01/18 <sup>(a)</sup>  | 5,000 | 5,032,600  |
| City of Chicago Illinois Transit Authority, RB:  |       |            |
| Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 <sup>(a)</sup> | 3,400 | 3,581,084  |
| Sales Tax Receipts, 5.25%, 12/01/36  | 2,940 | 3,172,260  |
| Sales Tax Receipts, 5.25%, 12/01/40  | 1,500 | 1,609,590  |
| City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 01/01/42              | 2,985 | 3,129,802  |
| County of Cook Illinois Community College District No. 508, GO, City College of Chicago:     |       |            |
| 5.25%, 12/01/30  | 1,270 | 1,366,965  |
| 5.50%, 12/01/38  | 1,205 | 1,288,916  |
| 5.25%, 12/01/43  | 2,960 | 3,094,443  |

Schedule of Investments (unaudited) (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

| <i>Security</i>  | <i>Par<br/>(000)</i> | <i>Value</i> |
|--|----------------------|--------------|
| <b>Illinois (continued)</b>  |                      |              |
| Illinois Finance Authority, Refunding RB, Presence Health Network, Series C, 5.00%,<br>02/15/41  | \$ 975               | \$ 1,076,215 |
| Railsplitter Tobacco Settlement Authority, RB:<br>5.50%, 6/01/23   | 2,350                | 2,658,015    |
| 6.00%, 6/01/28   | 670                  | 754,969      |
| State of Illinois, GO:<br>5.25%, 2/01/31   | 1,495                | 1,609,293    |
| 5.25%, 2/01/32   | 2,320                | 2,490,706    |
| 5.50%, 7/01/33   | 1,000                | 1,085,310    |
| 5.50%, 7/01/38   | 700                  | 749,777      |
|  |                      | 52,723,240   |
| <b>Indiana 0.9%</b>  |                      |              |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project,<br>Series A (AGC):<br>5.50%, 1/01/19 <sup>(a)</sup> | 465                  | 488,813      |
| 5.50%, 1/01/38   | 1,905                | 1,997,316    |
| State of Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A,<br>AMT, 5.00%, 07/01/40                   | 460                  | 496,869      |
|  |                      | 2,982,998    |
| <b>Louisiana 2.0%</b>  |                      |              |
| City of New Orleans Aviation Board, ARB, General Airport North Terminal Project, Series<br>B, AMT, 5.00%, 01/01/48                     | 1,275                | 1,442,994    |
| Lake Charles Louisiana Harbor & Terminal District, RB, Series B, AMT (AGM), 5.50%,<br>01/01/29   | 2,225                | 2,586,095    |
| Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%,<br>05/15/29   | 2,020                | 2,127,989    |
|  |                      | 6,157,078    |
| <b>Maryland 0.9%</b>   |                      |              |
| County of Howard Maryland Housing Commission, RB, M/F Housing, Woodfield Oxford<br>Square Apartments, 5.00%, 12/01/42                  | 2,450                | 2,753,555    |
| <b>Massachusetts 1.1%</b>  |                      |              |
| Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A:<br>5.00%, 1/01/47                                       | 420                  | 469,707      |
| <i>Security</i>  | <i>Par<br/>(000)</i> | <i>Value</i> |
| <b>Massachusetts (continued)</b>   |                      |              |
| Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A<br>(continued):  |                      |              |

Edgar Filing: BLACKROCK MUNIHOLDINGS QUALITY FUND II, INC. - Form N-Q

|   |        |              |
|---|--------|--------------|
| 5.25%, 1/01/42  | \$ 940 | \$ 1,080,690 |
| Massachusetts Development Finance Agency, Refunding RB, Emerson College, Series A,<br>5.00%, 01/01/40                                       | 1,025  | 1,172,446    |
| Massachusetts HFA, Refunding RB, Series C, AMT,<br>5.35%, 12/01/42  | 830    | 880,315      |
|   |        | 3,603,158    |
| <b>Michigan 2.2%</b>  |        |              |
| Hudsonville Michigan Public Schools, GO, School Building & Site (Q-SBLF), 5.25%,<br>05/01/41 <sup>(a)</sup>                                 | 3,420  | 3,807,110    |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont<br>Hospital, Series V, 8.25%, 09/01/18 <sup>(a)</sup>         | 3,115  | 3,299,096    |
|   |        | 7,106,206    |
| <b>Minnesota 1.0%</b>   |        |              |
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):<br>6.50%, 11/15/18 <sup>(a)</sup>                    | 305    | 321,986      |
| 6.50%, 11/15/38   | 1,670  | 1,754,986    |
| County of St. Paul Minnesota Housing & Redevelopment Authority, Refunding RB, Fairview<br>Health Services, Series A, 4.00%, 11/15/43        | 985    | 1,025,523    |
|   |        | 3,102,495    |
| <b>Mississippi 1.3%</b>   |        |              |
| Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%,<br>12/01/40  | 2,225  | 2,822,635    |
| Mississippi State University Educational Building Corp., Refunding RB, Mississippi State<br>University Improvement Project, 5.25%, 08/01/38 | 1,000  | 1,163,190    |
|   |        | 3,985,825    |
| <b>Montana 0.3%</b>   |        |              |
| Montana State Board of Housing, RB, S/F, Series B-2:<br>3.38%, 12/01/37   | 420    | 414,855      |

SCHEDULE OF INVESTMENTS

3



Schedule of Investments (unaudited) (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

| <i>Security</i>  | <i>Par<br/>(000)</i> | <i>Value</i> |
|--|----------------------|--------------|
| <b>Montana (continued)</b>   |                      |              |
| Montana State Board of Housing, RB, S/F, Series B-2 (continued):   |                      |              |
| 3.50%, 12/01/42  | \$ 185               | \$ 182,259   |
| 3.60%, 12/01/47  | 280                  | 277,449      |
|  |                      | 874,563      |
| <b>Nevada 2.7%</b>   |                      |              |
| County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM),<br>5.25%, 07/01/39        |                      |              |
|  | 3,210                | 3,465,291    |
| County of Clark Nevada, GO, Limited Tax, 5.00%, 06/01/18 <sup>(a)</sup>  |                      |              |
|  | 5,000                | 5,115,450    |
|  |                      | 8,580,741    |
| <b>New Jersey 4.3%</b>   |                      |              |
| New Jersey EDA, RB, Goethals Bridge Replacement Project, AMT, Private Activity Bond:<br>5.38%, 1/01/43           |                      |              |
|  | 1,940                | 2,159,337    |
| (AGM), 5.00%, 1/01/31  |                      |              |
|  | 1,355                | 1,525,906    |
| New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC),<br>5.50%, 07/01/38     |                      |              |
|  | 3,400                | 3,627,358    |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System:<br>Series A (AGC), 5.63%, 12/15/28    |                      |              |
|  | 2,930                | 3,079,752    |
| Series AA, 5.50%, 6/15/39  |                      |              |
|  | 3,040                | 3,303,963    |
|  |                      | 13,696,316   |
| <b>New York 8.1%</b>   |                      |              |
| City of New York New York Municipal Water Finance Authority, Refunding RB, 2nd<br>General Resolution, Series EE: |                      |              |
| Fiscal 2009, 5.25%, 6/15/40  |                      |              |
|  | 6,930                | 7,363,680    |
| Water & Sewer System, 5.38%, 6/15/43   |                      |              |
|  | 2,220                | 2,483,336    |
| Hudson Yards Infrastructure Corp., RB, Senior, Fiscal 2012:<br>5.75%, 2/15/21 <sup>(a)</sup>                     |                      |              |
|  | 565                  | 646,597      |
| 5.75%, 2/15/47   |                      |              |
|  | 375                  | 427,204      |
| Metropolitan Transportation Authority, RB:   |                      |              |
| Series A, 5.25%, 11/15/38  |                      |              |
|  | 8,500                | 9,657,955    |
| Series A-1, 5.25%, 11/15/39  |                      |              |
|  | 1,550                | 1,813,934    |
|  | <i>Par<br/>(000)</i> | <i>Value</i> |
| <b>Security</b>  |                      |              |
| <b>New York (continued)</b>  |                      |              |
| Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 166th Series,<br>5.25%, 07/15/36           |                      |              |
|  | \$ 2,000             | \$ 2,235,620 |
| TSASC, Inc., Refunding RB, Series A,<br>5.00%, 06/01/41  |                      |              |
|  | 895                  | 986,594      |
|  |                      | 25,614,920   |

**Ohio 0.9%**

|   |       |           |
|---|-------|-----------|
| State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1,<br>5.25%, 02/15/31 | 2,500 | 2,923,350 |
|---|-------|-----------|

**Oklahoma 0.6%**

|   |       |           |
|---|-------|-----------|
| Oklahoma Development Finance Authority, RB, Provident Oklahoma Education Resources,<br>Inc., Cross Village Student Housing Project, Series A, 5.25%, 08/01/57 | 1,640 | 1,802,639 |
|---|-------|-----------|

**Pennsylvania 1.8%**

|  |     |           |
|--|-----|-----------|
| Berks County Industrial Development Authority, Refunding RB, Tower Health Projects,<br>5.00%, 11/01/47 | 985 | 1,099,043 |
|--|-----|-----------|

|   |     |         |
|---|-----|---------|
| Pennsylvania Turnpike Commission, RB, Sub-Series B-1, 5.25%, 06/01/47 | 500 | 575,080 |
|---|-----|---------|

|   |       |           |
|---|-------|-----------|
| Township of Bristol Pennsylvania School District, GO:<br>5.25%, 6/01/37 | 2,500 | 2,864,400 |
|---|-------|-----------|

|                |       |           |
|----------------|-------|-----------|
| 5.25%, 6/01/43 | 1,100 | 1,251,107 |
|----------------|-------|-----------|

|  |  |           |
|--|--|-----------|
|  |  | 5,789,630 |
|--|--|-----------|

**South Carolina 5.6%**

|  |       |           |
|--|-------|-----------|
| County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38 | 3,760 | 4,406,946 |
|--|-------|-----------|

|   |       |           |
|---|-------|-----------|
| County of Charleston South Carolina Airport District, ARB, Series A, AMT:<br>6.00%, 7/01/38 | 2,940 | 3,424,453 |
|---|-------|-----------|

|                |       |           |
|----------------|-------|-----------|
| 5.50%, 7/01/41 | 2,500 | 2,828,775 |
|----------------|-------|-----------|

|   |       |           |
|---|-------|-----------|
| State of South Carolina Ports Authority, RB, AMT, 5.25%, 07/01/50 | 1,870 | 2,088,229 |
|---|-------|-----------|

|  |       |           |
|--|-------|-----------|
| State of South Carolina Public Service Authority, Refunding RB:<br>Series C, 5.00%, 12/01/46 | 1,000 | 1,102,550 |
|--|-------|-----------|

Schedule of Investments (unaudited) (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

| <i>Security</i>   | <i>Par</i>   | <i>Value</i> |
|---|--------------|--------------|
|   | <i>(000)</i> |              |
| <b>South Carolina (continued)</b>   |              |              |
| Series E, 5.25%, 12/01/55   | \$ 3,500     | \$ 3,951,395 |
|   |              | 17,802,348   |
| <b>Tennessee 1.1%</b>   |              |              |
| Metropolitan Nashville Airport Authority, ARB, Series B, AMT, 5.00%, 07/01/40                                       | 3,000        | 3,366,480    |
| <b>Texas 18.4%</b>  |              |              |
| City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 03/01/37   | 2,345        | 2,705,380    |
| City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC):             |              |              |
| 6.00%, 5/15/19 <sup>(a)</sup>   | 6,345        | 6,809,137    |
| 6.00%, 11/15/35   | 355          | 382,271      |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC): |              |              |
| 6.50%, 1/01/19 <sup>(a)</sup>   | 620          | 658,527      |
| 6.50%, 7/01/37  | 2,380        | 2,504,807    |
| Dallas Texas Area Rapid Transit, Refunding RB, Senior Lien <sup>(a)</sup> :   |              |              |
| 5.25%, 12/01/18   | 2,605        | 2,721,365    |
| 5.25%, 12/01/18   | 1,950        | 2,037,106    |
| Dallas-Fort Worth Texas International Airport, ARB, Joint Improvement, AMT:   |              |              |
| Series A, 5.00%, 11/01/38   | 1,615        | 1,749,869    |
| Series H, 5.00%, 11/01/37 <sup>(b)</sup>  | 1,810        | 2,010,240    |
| Lower Colorado River Authority, Refunding RB, 5.50%, 05/15/33   | 2,155        | 2,549,645    |
| North Texas Tollway Authority, RB, Special Projects, Series A, 5.50%, 09/01/21 <sup>(a)</sup>                       | 5,480        | 6,292,903    |
| North Texas Tollway Authority, Refunding RB:  |              |              |
| 1st Tier System (NPFGC), 5.75%, 1/01/18 <sup>(a)</sup>  | 4,340        | 4,373,592    |
| 1st Tier System (NPFGC), 5.75%, 1/01/40   | 1,400        | 1,410,836    |
| 1st Tier System, Series A, 5.63%, 1/01/18 <sup>(a)</sup>  | 4,895        | 4,931,468    |
| 1st Tier System, Series A (NPFGC), 5.63%, 1/01/33   | 6,080        | 6,125,843    |
| 1st Tier System, Series K-2 (AGC), 6.00%, 1/01/19 <sup>(a)</sup>  | 1,000        | 1,056,370    |
| 1st Tier System, Series S (NPFGC), 5.75%, 1/01/18 <sup>(a)</sup>  | 855          | 861,618      |
|   | <i>Par</i>   | <i>Value</i> |
|   | <i>(000)</i> |              |
| <b>Texas (continued)</b>  |              |              |
| 1st Tier System, Series S (NPFGC), 5.75%, 1/01/18 <sup>(a)</sup>  | \$ 5,835     | \$ 5,880,163 |
| 1st Tier System, Series SE (NPFGC), 5.75%, 1/01/40  | 145          | 146,122      |
| 1st Tier-Series A, 5.00%, 1/01/43 <sup>(c)</sup>  | 1,515        | 1,749,961    |

Edgar Filing: BLACKROCK MUNIHOLDINGS QUALITY FUND II, INC. - Form N-Q

|  |       |             |
|--|-------|-------------|
| Red River Texas Education Financing Corp., RB, Texas Christian University Project,<br>5.25%, 03/15/38              | 1,070 | 1,211,786   |
|  |       | 58,169,009  |
| <b>Vermont 0.9%</b>  |       |             |
| University of Vermont & State Agricultural College, Refunding RB, 5.00%, 10/01/43                                  | 2,535 | 2,926,936   |
| <b>Virginia 1.1%</b>   |       |             |
| City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 01/01/43                                   | 945   | 1,055,291   |
| State of Virginia Public School Authority, RB, Fluvanna County School Financing,<br>6.50%, 12/01/18 <sup>(a)</sup> | 2,195 | 2,322,442   |
|  |       | 3,377,733   |
| <b>Washington 2.7%</b>   |       |             |
| City of Seattle Washington Municipal Light & Power, Refunding RB, Series A,<br>5.25%, 02/01/21 <sup>(a)</sup>      | 2,400 | 2,697,984   |
| Port of Seattle Washington, ARB, Intermediate Lien, Series C, AMT, 5.00%, 05/01/37                                 | 2,485 | 2,890,850   |
| Port of Seattle Washington, RB, Intermediate Lien, Series C, AMT, 5.00%, 05/01/42                                  | 660   | 760,723     |
| State of Washington, GO, Various Purposes, Series B, 5.25%, 02/01/36   | 1,865 | 2,086,431   |
|  |       | 8,435,988   |
| <b>Wyoming 0.2%</b>  |       |             |
| State of Wyoming Municipal Power Agency, Inc., Refunding RB, Series A (BAM),<br>5.00%, 01/01/42                    | 570   | 645,103     |
| <b>Total Municipal Bonds 124.1%</b>  |       | 393,253,345 |

SCHEDULE OF INVESTMENTS

5

Schedule of Investments (unaudited) (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

| <i>Security</i>   | <i>Par<br/>(000)</i> | <i>Value</i> |
|---|----------------------|--------------|
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts<sup>(b)</sup></b>   |                      |              |
| <b>California 2.7%</b>  |                      |              |
| Sacramento Area Flood Control Agency, Refunding, Consolidated Capital Assessment District No.2 Bonds, 5.00%, 10/01/47 | \$ 7,499             | \$ 8,655,463 |
| <b>Colorado 3.0%</b>  |                      |              |
| Colorado Health Facilities Authority, RB, Catholic Health, Series C-3 (AGM), 5.10%, 04/29/18 <sup>(a)</sup>           | 9,410                | 9,595,001    |
| <b>Connecticut 1.1%</b>   |                      |              |
| Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Corp., 5.00%, 12/01/45 | 3,061                | 3,459,837    |
| <b>District of Columbia 0.6%</b>  |                      |              |
| District of Columbia Water & Sewer Authority, Refunding RB, Series A, 6.00%, 10/01/18 <sup>(a)(d)</sup>               | 1,699                | 1,773,416    |
| <b>Florida 4.1%</b>   |                      |              |
| County of Miami-Dade Florida, GO, Building Better Communities Program, Series B-1, 6.00%, 07/01/18 <sup>(a)</sup>     | 12,500               | 12,906,812   |
| <b>Illinois 4.2%</b>  |                      |              |
| City of Chicago Illinois, Refunding RB, Waterworks, 2nd Lien (AGM), 5.25%, 11/01/33                                   | 3,967                | 4,081,370    |
| State of Illinois Toll Highway Authority, RB:   |                      |              |
| Series A, 5.00%, 1/01/40  | 1,980                | 2,249,814    |
| Series B, 5.00%, 1/01/40  | 6,148                | 6,966,714    |
|   |                      | 13,297,898   |
| <b>Maryland 0.9%</b>  |                      |              |
| City of Baltimore Maryland, RB, Subordinate Wastewater Projects, Series A, 5.00%, 07/01/46                            | 2,499                | 2,873,570    |
| <b>Nevada 6.0%</b>  |                      |              |
| County of Clark Nevada Water Reclamation District, GO <sup>(a)</sup> :  |                      |              |
| Limited Tax, 6.00%, 7/01/18   | 10,000               | 10,325,550   |
| Series B, 5.50%, 7/01/19  | 8,247                | 8,831,991    |
|   |                      | 19,157,541   |
| <i>Security</i>   | <i>Par<br/>(000)</i> | <i>Value</i> |
| <b>New Jersey 1.7%</b>  |                      |              |

Edgar Filing: BLACKROCK MUNIHOLDINGS QUALITY FUND II, INC. - Form N-Q

|   |          |              |
|---|----------|--------------|
| New Jersey Housing & Mortgage Finance Agency, RB, S/F, Series CC, 5.25%, 10/01/29   | \$ 3,639 | \$ 3,745,910 |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 06/15/36 <sup>(d)</sup>                   | 1,500    | 1,594,917    |
|   |          | 5,340,827    |
| <b>New York 7.1%</b>  |          |              |
| City of New York Municipal Water Finance Authority, Refunding RB, Series FF, 5.00%, 06/15/45  | 5,958    | 6,662,338    |
| City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 01/15/39                              | 2,300    | 2,409,738    |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43                       | 7,515    | 8,471,575    |
| New York Liberty Development Corp., Refunding RB, World Trade Center Project, 5.75%, 11/15/51 (d)                                     | 4,400    | 5,060,064    |
|   |          | 22,603,715   |
| <b>Pennsylvania 0.7%</b>  |          |              |
| County of Westmoreland Pennsylvania Municipal Authority, Refunding RB, (BAM), 5.00%, 08/15/38   | 1,963    | 2,250,743    |
| <b>Texas 1.5%</b>   |          |              |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Baylor Health Care System Project, Series A, 5.00%, 11/15/38 | 4,296    | 4,753,338    |
| <b>Utah 0.8%</b>  |          |              |
| City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 08/15/41   | 2,504    | 2,638,046    |
| <b>Virginia 1.4%</b>  |          |              |
| County of Fairfax Virginia EDA, RB, Metrorail Parking System Project, 5.00%, 04/01/47 <sup>(d)</sup>                                  | 3,720    | 4,314,679    |

Schedule of Investments (unaudited) (continued)

**BlackRock MuniHoldings Quality Fund II, Inc. (MUE)**

October 31, 2017

**(Percentages shown are based on Net Assets)**

|  |                |                |
|--|----------------|----------------|
| <i>Security</i>  |                | <i>Value</i>   |
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trusts</b>                    | <b>35.8%</b>   | \$ 113,620,886 |
| <br>   |                |                |
| <b>Total Long-Term Investments</b>   |                |                |
| <b>(Cost \$471,947,249)</b>  | <b>159.9%</b>  | 506,874,231    |
| <br><i>Security</i>  |                | <i>Value</i>   |
| <b>Total Investments</b>   |                |                |
| <b>(Cost \$471,947,249)</b>  | <b>159.9%</b>  | \$ 506,874,231 |
| <b>Other Assets Less Liabilities</b>   | <b>1.3%</b>    | 4,042,229      |
| <b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable</b> | <b>(19.9)%</b> | (62,939,772)   |
| <b>VMTP Shares at Liquidation Value</b>  | <b>(41.3)%</b> | (131,000,000)  |
| <br>   |                |                |
| <b>Net Assets Applicable to Common Shares</b>  | <b>100.0%</b>  | \$ 316,976,688 |

**Notes to Schedule of Investments**

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing.
- (c) When-issued security.
- (d) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between May 7, 2018 and October 1, 2024 is \$6,783,458.

During the period ended October 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

|   | <i>Shares<br/>Held at<br/>July 31, 2017</i> | <i>Net<br/>Acquired<br/>October 31, 2017</i> | <i>Shares<br/>Held at<br/>October 31, 2017</i> | <i>Value at<br/>October 31, 2017</i> | <i>Income<br/>Gain (Loss)</i> | <i>Change in<br/>Net Unrealized<br/>Realized<br/>Appreciation<br/>(Depreciation)</i> |
|---|---|--|--|--------------------------------------|-------------------------------|--|
| <i>Affiliated</i>   |   |  |  |                                      |                               |  |
| BlackRock Liquidity<br>Funds, MuniCash,<br>Institutional Class* | 327,393                                     | (327,393)                                    |  |                                      | \$ 3,296                      | \$ (155) \$  |

(a) Includes net capital gain distributions, if applicable.

\* Security no longer held by the fund at period end.

SCHEDULE OF INVESTMENTS

7



Schedule of Investments (unaudited) (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

**Derivative Financial Instruments Outstanding as of Period End****Futures Contracts**

| <i>Description</i>            | <i>Number of<br/>Contracts</i> | <i>Expiration<br/>Date</i> | <i>Notional<br/>Amount (000)</i> | <i>Value/<br/>Unrealized<br/>Appreciation<br/>(Depreciation)</i> |
|-------------------------------|--------------------------------|----------------------------|----------------------------------|--|
| <b>Short Contracts</b>        |                                |                            |                                  |  |
| 5-Year U.S. Treasury Note     | (66)                           | December 2017              | \$ 7,734                         | \$ 73,947  |
| 10-Year U.S. Treasury Note    | (47)                           | December 2017              | 5,872                            | 88,078   |
| Long U.S. Treasury Bond       | (37)                           | December 2017              | 5,641                            | 110,087  |
| Ultra Long U.S. Treasury Bond | (9)                            | December 2017              | 1,483                            | 31,391   |
| Total                         |                                |                            |                                  | \$ 303,503   |

**Portfolio Abbreviations**

|       |   |
|-------|---|
| AGC   | Assured Guarantee Corp.                 |
| AGM   | Assured Guaranty Municipal Corp.        |
| AMT   | Alternative Minimum Tax (subject to)    |
| ARB   | Airport Revenue Bonds                   |
| BAM   | Build America Mutual Assurance Co.      |
| BARB  | Building Aid Revenue Bonds              |
| COP   | Certificates of Participation           |
| EDA   | Economic Development Authority          |
| GARB  | General Airport Revenue Bonds           |
| GO    | General Obligation Bonds                |
| HFA   | Housing Finance Agency                  |
| IDA   | Industrial Development Authority        |
| IDB   | Industrial Development Board            |
| LRB   | Lease Revenue Bonds                     |
| M/F   | Multi-Family                            |
| NPFGC | National Public Finance Guarantee Corp. |
| RB    | Revenue Bonds                           |
| S/F   | Single-Family                           |



Schedule of Investments (unaudited) (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

October 31, 2017

(Percentages shown are based on Net Assets)

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that the Fund has the ability to access

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

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments classified within Level 3 have significant unobservable inputs used by the BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) in determining the price for Fair Valued Investments. Level 3 investments include equity or debt issued by privately held companies or funds. There may not be a secondary market, and/or there are a limited number of investors. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Global Valuation Committee in the absence of market information.

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

Edgar Filing: BLACKROCK MUNIHOLDINGS QUALITY FUND II, INC. - Form N-Q

|   | <i>Level 1</i> | <i>Level 2</i> | <i>Level 3</i> | <i>Total</i>   |
|---|----------------|----------------|----------------|----------------|
| Assets:   |                |                |                |                |
| Investments:                                    |                |                |                |                |
| Long-Term Investments <sup>(a)</sup>            | \$             | \$ 506,874,231 | \$             | \$ 506,874,231 |
| Derivative Financial Instruments <sup>(b)</sup> |                |                |                |                |
| Assets:   |                |                |                |                |
| Interest rate contracts                         | \$ 303,503     | \$             | \$             | \$ 303,503     |

(a) See above Schedule of Investments for values in each state or political subdivision.

(b) Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial reporting purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                  | <i>Level 1</i> | <i>Level 2</i>   | <i>Level 3</i> | <i>Total</i>     |
|----------------------------------|----------------|------------------|----------------|------------------|
| Liabilities:                     |                |                  |                |                  |
| TOB Trust Certificates           | \$             | \$ (62,821,330)  | \$             | \$ (62,821,330)  |
| VMTP Shares at Liquidation Value |                | (131,000,000)    |                | (131,000,000)    |
| Total                            | \$             | \$ (193,821,330) | \$             | \$ (193,821,330) |

During the period ended October 31, 2017, there were no transfers between levels.

Item 2 Controls and Procedures

- 2(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.
- 2(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

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

BlackRock MuniHoldings Quality Fund II, Inc.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniHoldings Quality Fund II, Inc.

Date: December 21, 2017

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/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniHoldings Quality Fund II, Inc.

Date: December 21, 2017

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock MuniHoldings Quality Fund II, Inc.

Date: December 21, 2017