

Nuveen California Municipal Value Fund 2  
Form N-Q  
July 30, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT  
COMPANY

Investment Company Act file number 811-22272

Nuveen California Municipal Value Fund 2  
(Exact name of registrant as specified in charter)

Nuveen Investments  
333 West Wacker Drive, Chicago, Illinois 60606  
(Address of principal executive offices) (Zip code)

Kevin J. McCarthy  
Vice President and Secretary  
333 West Wacker Drive, Chicago, Illinois 60606  
(Name and address of agent for service)

Registrant's telephone number, including area code: 312-917-7700

Date of fiscal year end: 2/28

Date of reporting period: 5/31/14

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.



## Item 1. Schedule of Investments

Portfolio of Investments (Unaudited)  
 Nuveen California Municipal Value Fund 2  
 (NCB)  
 May 31, 2014

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	LONG-TERM INVESTMENTS – 97.9% (100.0% of Total Investments)			
	MUNICIPAL BONDS – 97.9% (100.0% of Total Investments)			
	Consumer Staples – 5.1% (5.2% of Total Investments)			
\$ 3,500	Tobacco Securitization Authority of Northern California, Tobacco Settlement Asset-Backed Bonds, Series 2005A-1, 5.500%, 6/01/45	6/15 at 100.00	B–	\$ 2,895,690
	Education and Civic Organizations – 3.2% (3.2% of Total Investments)			
500	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/25	10/15 at 100.00	A3	527,900
865	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2009, 5.500%, 11/01/39	11/19 at 100.00	A2	942,348
100	California Municipal Finance Authority, Charter School Revenue Bonds, Rocketship Education – Multiple Projects, Series 2014A, 7.250%, 6/01/43	6/22 at 102.00	N/R	106,589
	California Municipal Finance Authority, Mobile Home Park Revenue Bonds, Caritas Affordable Housing Inc. Projects, Senior Series 2014A: 5.250%, 8/15/39 (WI/DD, Settling 6/05/14)	8/24 at 100.00	BBB	15,673
40	5.250%, 8/15/49 (WI/DD, Settling 6/05/14)	8/24 at 100.00	BBB	41,598
	California Statewide Communities Development Authority, School Facility Revenue Bonds,	7/21 at 100.00	BBB–	167,400
150	Alliance College-Ready Public Schools, Series 2011A, 7.000%, 7/01/46			

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1,670	Total Education and Civic Organizations Health Care – 20.3% (20.7% of Total Investments)			1,801,508
1,000	ABAG Finance Authority for Non-Profit Corporations, California, Cal-Mortgage Insured Health	5/19 at 100.00	A	1,095,240
1,900	Facility Revenue Bonds, Saint Rose Hospital, Series 2009A, 6.000%, 5/15/29 California Health Facilities Financing Authority, Revenue Bonds, Catholic Healthcare West,	7/19 at 100.00	A	2,126,537
1,000	Series 2009A, 6.000%, 7/01/39 California Health Facilities Financing Authority, Revenue Bonds, Childrens Hospital of Orange	11/19 at 100.00	A	1,172,470
70	County, Series 2009A, 6.500%, 11/01/38 California Health Facilities Financing Authority, Revenue Bonds, Lucile Salter Packard	8/24 at 100.00	AA	76,894
850	Children’s Hospital, Series 2014A, 5.000%, 8/15/43 California Municipal Financing Authority, Certificates of Participation, Community Hospitals	2/17 at 100.00	Baa1	883,337
700	of Central California, Series 2007, 5.250%, 2/01/27 California Statewide Communities Development Authority, Revenue Bonds, Adventist Health	3/18 at 100.00	AA	731,283
125	System West, Series 2007B, 5.000%, 3/01/37 – AGC Insured			
2,000	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente , System Series 2006: 5.000%, 3/01/41	3/16 at 100.00	A+	128,219
800	5.250%, 3/01/45 Delaware County Hospital Authority, Indiana, Hospital Revenue Bonds, Cardinal Health System,	3/16 at 100.00	A+	2,053,400
850	Series 2006, 5.000%, 8/01/24 Illinois Finance Authority, Revenue Bonds, Sherman Health Systems, Series 2007A, 5.500%, 8/01/37	8/16 at 100.00	A3	859,784
250	Palomar Pomerado Health Care District, California, Certificates of Participation, Series 2009,	11/19 at 100.00	Ba1	264,330
725	6.625%, 11/01/29 Palomar Pomerado Health Care District, California, Certificates of Participation, Series 2010,	11/20 at 100.00	Ba1	740,421

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	6.000%, 11/01/41			
	San Buenaventura, California, Revenue Bonds,			
	Community Memorial Health System, Series	12/21 at		
380	2011,	100.00	BB	440,504
	7.500%, 12/01/41			
10,650	Total Health Care			11,502,209
	Housing/Multifamily – 1.0% (1.1% of Total			
	Investments)			
	California Municipal Finance Authority,			
	Mobile Home Park Revenue Bonds, Caritas			
230	Projects	8/20 at 100.00	BBB	249,895
	Series 2010A, 6.400%, 8/15/45			
	California Municipal Finance Authority,			
	Mobile Home Park Revenue Bonds, Caritas			
70	Projects	8/22 at 100.00	BBB	73,844
	Series 2012A, 5.500%, 8/15/47			
	California Municipal Finance Authority,			
	Mobile Home Park Revenue Bonds, Caritas			
250	Projects	8/22 at 100.00	A1	265,368
	Series 2012B, 7.250%, 8/15/47			
550	Total Housing/Multifamily			589,107
	Housing/Single Family – 5.7% (5.8% of Total			
	Investments)			
	California Housing Finance Agency,			
	California, Home Mortgage Revenue Bonds,			
690	Series 2008L,	2/18 at 100.00	A–	690,669
	5.500%, 8/01/38			
	California Housing Finance Agency, Home			
	Mortgage Revenue Bonds, Series 2006K,			
2,500	4.625%,	2/16 at 100.00	A–	2,549,500
	8/01/26 (Alternative Minimum Tax)			
3,190	Total Housing/Single Family			3,240,169
	Materials – 1.0% (1.1% of Total Investments)			
	Courtland Industrial Development Board,			
	Alabama, Solid Waste Revenue Bonds,			
585	International	6/15 at 100.00	BBB	592,868
	Paper Company Project, Series 2005A,			
	5.200%, 6/01/25 (Alternative Minimum Tax)			
	Tax Obligation/General – 10.8% (11.0% of			
	Total Investments)			
	California State, General Obligation Bonds,			
2,000	Various Purpose Series 2007, 5.000%, 6/01/37 –6/17 at 100.00		AA–	2,136,300
	NPFG Insured			
	Carlsbad Unified School District, San Diego			
2,100	County, California, General Obligation Bonds,	5/24 at 100.00	AA	1,805,727
	Series 2009B, 0.000%, 5/01/34			
	Oakland, California, General Obligation			
	Bonds, Measure DD Series 2009B, 5.250%,			
1,120	1/15/29	1/19 at 100.00	Aa2	1,225,246
	Oceanside Unified School District, San Diego			
4,000	County, California, General Obligation Bonds,	No Opt. Call	AA	421,360

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	Election 2008 Series 2010B, 0.000%, 8/01/49 – AGM Insured			
500	Western Riverside Water & Wastewater Financing Authority, California, Revenue Bonds, Western	8/19 at 100.00	AA	547,910
9,720	Municipal Water District, Series 2009, 5.625%, 9/01/39 – AGC Insured Total Tax Obligation/General Tax Obligation/Limited – 23.0% (23.5% of Total Investments)			6,136,543
1,000	California Health Facilities Financing Authority, Insured Revenue Bonds, Community Program for Persons with Developmental Disabilities, Series 2011A, 6.250%, 2/01/26	2/21 at 100.00	A	1,175,630
1,965	California State Public Works Board, Lease Revenue Bonds, Department of Education Riverside Campus Project, Series 2009B, 5.750%, 4/01/23	4/19 at 100.00	A2	2,297,851
500	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2010A-1, 6.000%, 3/01/35	3/20 at 100.00	A2	599,880
160	Fontana Redevelopment Agency, San Bernardino County, California, Tax Allocation Bonds, Jurupa Hills Redevelopment Project, Refunding Series 1997A, 5.500%, 10/01/27	10/14 at 100.00	A–	160,981
145	Inglewood Redevelopment Agency, California, Tax Allocation Bonds, Merged Redevelopment Project, Subordinate Lien Series 2007A-1, 5.000%, 5/01/25 – AMBAC Insured	5/17 at 100.00	BBB+	149,211
425	Lancaster Redevelopment Agency, California, Tax Allocation Bonds, Combined Redevelopment Project Areas Housing Programs, Series 2009, 6.875%, 8/01/39	No Opt. Call	BBB	493,901
1,135	National City Community Development Commission, California, Tax Allocation Bonds, National City Redevelopment Project, Series 2011: 5.000%, 8/01/16	No Opt. Call	A–	1,238,081
80	6.500%, 8/01/24	8/21 at 100.00	A–	101,286
30	Novato Redevelopment Agency, California, Tax Allocation Bonds, Hamilton Field Redevelopment Project, Series 2011, 6.750%, 9/01/40	9/21 at 100.00	BBB+	34,535
	Patterson Public Finance Authority, California, Revenue Bonds, Community Facilities District 2001-1, Senior Series 2013A:			

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210	5.250%, 9/01/30	9/23 at 100.00	N/R	227,697
190	5.750%, 9/01/39	9/23 at 100.00	N/R	208,149
35	Patterson Public Finance Authority, California, Revenue Bonds, Community Facilities District 2001-1, Subordinate Lien Series 2013B , 5.875%, 9/01/39	9/23 at 100.00	N/R	38,118
30	Perris Union High School District Financing Authority, Riverside County, California, Revenue Bonds, Series 2011:			
60	6.000%, 9/01/33	9/14 at 100.00	N/R	31,003
240	6.125%, 9/01/41	9/14 at 100.00	N/R	61,980
	Pittsburg Redevelopment Agency, California, Tax Allocation Bonds, Los Medanos Community Development Project, Refunding Series 2008A, 6.500%, 9/01/28	9/18 at 100.00	BBB-	255,838
95	Rancho Santa Fe CSD Financing Authority, California, Revenue Bonds, Superior Lien Series 2011A, 5.750%, 9/01/30	9/21 at 100.00	BBB+	107,058
15	Riverside County Redevelopment Agency, California, Tax Allocation Bonds, Jurupa Valley Project Area, Series 2011B, 6.500%, 10/01/25	10/21 at 100.00	A-	18,177
1,000	San Francisco City and County Redevelopment Financing Authority, California, Tax Allocation Revenue Bonds, San Francisco Redevelopment Projects, Series 2009B, 6.625%, 8/01/39	8/19 at 100.00	A	1,128,140
1,500	San Francisco City and County, California, Certificates of Participation, Multiple Capital Improvement Projects, Series 2009A, 5.250%, 4/01/31	4/19 at 100.00	AA	1,717,515
15	San Francisco Redevelopment Finance Authority, California, Tax Allocation Revenue Bonds, Mission Bay North Redevelopment Project, Series 2011C, 6.750%, 8/01/41	2/21 at 100.00	A-	17,990
15	San Francisco Redevelopment Financing Authority, California, Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Project, Series 2011D:			
15	7.000%, 8/01/33	2/21 at 100.00	BBB+	17,023
15	7.000%, 8/01/41	2/21 at 100.00	BBB+	16,786
125	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2006C, 5.000%, 8/01/25 – NPF G Insured	8/17 at 100.00	AA-	131,170

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635	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2006D, 5.000%, 8/01/22 – AMBAC Insured	8/17 at 100.00	BBB	675,723
25	Signal Hill Redevelopment Agency, California, Project 1 Tax Allocation Bonds, Series 2011, 7.000%, 10/01/26	4/21 at 100.00	N/R	28,117
2,000	Westlake Village, California, Certificates of Participation, Financing Project, Series 2009, 5.000%, 6/01/39	6/16 at 100.00	AA+	2,057,340
40	Yorba Linda Redevelopment Agency, Orange County, California, Tax Allocation Revenue Bonds, Yorba Linda Redevelopment Project, Subordinate Lien Series 2011A, 6.000%, 9/01/26	9/21 at 100.00	B	46,628
11,685	Total Tax Obligation/Limited Transportation – 4.9% (5.0% of Total Investments)			13,035,808
395	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Junior Lien Series 2013C, 6.500%, 1/15/43	1/24 at 100.00	BB+	461,182
865	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 2013A: 5.750%, 1/15/46	1/24 at 100.00	BBB–	977,519
865	6.000%, 1/15/53	1/24 at 100.00	BBB–	990,875
305	Port of Oakland, California, Revenue Refunding Bonds, Series 2012P, 5.000%, 5/01/31 (Alternative Minimum Tax)	No Opt. Call	A+	332,105
2,430	Total Transportation U.S. Guaranteed – 1.6% (1.6% of Total Investments) (4)			2,761,681
55	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2009: 5.500%, 11/01/39 (Pre-refunded 11/01/19)	11/19 at 100.00	N/R (4)	67,322
80	5.500%, 11/01/39 (Pre-refunded 11/01/19)	11/19 at 100.00	A2 (4)	96,893
575	Lancaster Redevelopment Agency, California, Tax Allocation Bonds, Combined Redevelopment Project Areas Housing Programs, Series 2009, 6.875%, 8/01/39 (Pre-refunded 8/01/19)	8/19 at 100.00	N/R (4)	739,059
710	Total U.S. Guaranteed			903,274



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	Utilities – 14.0% (14.3% of Total Investments)			
	M-S-R Energy Authority, California, Gas			
	Revenue Bonds, Citigroup Prepay Contracts,			
1,000	Series	No Opt. Call	A	1,321,210
	2009C, 6.500%, 11/01/39			
	Roseville Natural Gas Financing Authority,			
2,495	California, Gas Revenue Bonds, Series 2007,	No Opt. Call	A	2,713,712
	5.000%, 2/15/17			
	Southern California Public Power Authority,			
	Natural Gas Project 1 Revenue Bonds, Series			
2,400	2007A,	No Opt. Call	A	2,745,936
	5.250%, 11/01/24			
	Tuolumne Wind Project Authority, California,			
	Revenue Bonds, Tuolumne Company Project,			
1,000	Series	1/19 at 100.00	A+	1,179,950
	2009A, 5.625%, 1/01/29			
6,895	Total Utilities			7,960,808
	Water and Sewer – 7.3% (7.5% of Total			
	Investments)			
	California Pollution Control Financing			
	Authority, Water Furnishing Revenue Bonds,			
1,075	Poseidon	No Opt. Call	Baa3	1,099,424
	Resources Channelside LP Desalination			
	Project, Series 2012, 5.000%, 11/21/45			
	(Alternative			
	Minimum Tax)			
	Orange County Sanitation District, California,			
2,000	Certificates of Participation, Tender Option	2/19 at 100.00	AAA	3,061,739
	Bond Trust 3020, 18.061%, 2/01/35 (IF) (5)			
3,075	Total Water and Sewer			4,161,163
	Total Long-Term Investments (cost			
\$ 54,660	\$46,289,087)			
	55,580,828			
	Other Assets Less Liabilities – 2.1%			
	1,166,686			
	Net Assets Applicable to Common Shares –			
	100%			
				\$ 56,747,514

### Fair Value Measurements

Fair value is defined as the price that the Fund would receive upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Observable inputs are based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The following is a summary of the three-tiered hierarchy of valuation input levels.

Level 1 – Inputs are unadjusted and prices are determined using quoted prices in active markets for identical securities.

Level 2 – Prices are determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Prices are determined using significant unobservable inputs (including management's assumptions in determining the fair value of investments).

The inputs or methodologies used for valuing securities are not an indication of the risks associated with investing in those securities. The following is a summary of the Fund's fair value measurements as of the end of the reporting period:

	Level 1	Level 2	Level 3	Total
Long-Term Investments:				
Municipal Bonds	\$ —	\$55,580,828	\$ —	\$55,580,828

### Income Tax Information

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to timing differences in recognizing taxable market discount, timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate securities reflected as financing transactions, if any. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset value of the Fund.

As of May 31, 2014, the cost of investments was \$45,722,500.

Gross unrealized appreciation and gross unrealized depreciation of investments as of May 31, 2014, were as follows:

Gross unrealized:	
Appreciation	\$9,870,224
Depreciation	(11,896)
Net unrealized appreciation (depreciation) of investments	\$9,858,328

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to common shares unless otherwise noted.
  - (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
  - (3) Ratings: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.  
Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities,
  - (4) which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.
  - (5) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- WI/DD Investment, or portion of investment, purchased on a when-issued or delayed delivery basis.
- (IF) Inverse floating rate investment.
-

Item 2. Controls and Procedures.

- 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") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- 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 (17 CFR 270.30a-3(d))) 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.

File as exhibits as part of this Form a separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)), exactly as set forth below: See EX-99 CERT attached hereto.

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SIGNATURES

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

(Registrant) Nuveen California Municipal Value Fund 2

By (Signature and Title) /s/ Kevin J. McCarthy  
Kevin J. McCarthy  
Vice President and Secretary

Date: July 30, 2014

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 (Signature and Title) /s/ Gifford R. Zimmerman  
Gifford R. Zimmerman  
Chief Administrative Officer (principal executive officer)

Date: July 30, 2014

By (Signature and Title) /s/ Stephen D. Foy  
Stephen D. Foy  
Vice President and Controller (principal financial officer)

Date: July 30, 2014