

NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2
Form N-Q
July 27, 2007

**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 811-10197

Nuveen California Dividend Advantage Municipal 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: 8/31

Date of reporting period: 5/31/07

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 Dividend Advantage Municipal Fund 2 (NVX)

May 31, 2007

Principal

Amount (000) Description (1)

Optional Ca

Provisions (2)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

Consumer Staples □ 7.1% (4.6% of Total Investments)

| | | | |
|----|--------|--|---------------|
| \$ | 775 | California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21 | 6/15 at 100.0 |
| | 4,625 | California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Stanislaus County Tobacco Funding Corporation, Series 2002A, 5.500%, 6/01/33 | 6/12 at 100.0 |
| | 13,480 | Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37 | 6/22 at 100.0 |

18,880 Total Consumer Staples

Education and Civic Organizations □ 14.6% (9.6% of Total Investments)

| | | | |
|--|--------|---|----------------|
| | 2,000 | California Educational Facilities Authority, Revenue Bonds, Stanford University, Series 2001Q, 5.250%, 12/01/32 | 6/11 at 101.0 |
| | 180 | California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35 | 10/15 at 100.0 |
| | | California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006: | |
| | 125 | 5.000%, 11/01/21 | 11/15 at 100.0 |
| | 165 | 5.000%, 11/01/25 | 11/15 at 100.0 |
| | 6,375 | California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 □ MBIA Insured (Alternative Minimum Tax) | 3/08 at 102.0 |
| | | California State Public Works Board, Lease Revenue Bonds, University of California, UCLA Replacement Hospital Project, Series 2002A: | |
| | 7,880 | 5.375%, 10/01/16 □ FSA Insured | 10/12 at 100.0 |
| | 10,570 | 5.375%, 10/01/18 □ FSA Insured | 10/12 at 100.0 |
| | 620 | California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23 | 10/13 at 100.0 |
| | 3,000 | Long Beach Bond Financing Authority, California, Lease Revenue Refunding Bonds, Long Beach Aquarium of the South Pacific, Series 2001, 5.250%, 11/01/30 □ AMBAC Insured | 11/11 at 101.0 |

30,915 Total Education and Civic Organizations

Health Care □ 15.2% (10.0% of Total Investments)

| | | | |
|--|-------|---|----------------|
| | 2,000 | California Health Facilities Financing Authority, Revenue Bonds, Casa Colina Inc., Series 2001, 6.000%, 4/01/22 | 4/12 at 100.0 |
| | 1,240 | California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 2005, 5.000%, 11/15/34 | 11/15 at 100.0 |
| | 7,180 | California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 | 11/16 at 100.0 |
| | 500 | California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31 | 8/11 at 102.0 |
| | 955 | California State Public Works Board, Revenue Bonds, University of California □ Davis Medical Center, Series 2004II-A, 5.000%, 11/01/22 □ MBIA Insured | 11/14 at 100.0 |
| | 960 | California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A, 5.125%, 7/15/31 | 7/17 at 100.0 |
| | 2,185 | California Statewide Community Development Authority, Health Facility Revenue Refunding Bonds, Memorial Health Services, Series 2003A, 6.000%, 10/01/11 | No Opt. Ca |
| | 2,500 | California Statewide Community Development Authority, Hospital Revenue Bonds, Monterey | 6/13 at 100.0 |

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

| | | |
|-------|---|---------------|
| | Peninsula Hospital, Series 2003B, 5.250%, 6/01/18 ☐ FSA Insured | |
| 6,190 | California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41 | 3/16 at 100.0 |
| 1,925 | California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31 | 8/16 at 100.0 |
| 5,355 | California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2002E, 4.700%, 11/01/36 (Mandatory put 6/01/09) | No Opt. Ca |
| 2,000 | California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2007A, 4.750%, 4/01/33 | 4/17 at 100.0 |

32,990 Total Health Care

| | | |
|-------|--|----------------|
| | Housing/Multifamily ☐ 10.0% (6.6% of Total Investments) | |
| 2,450 | ABAG Finance Authority for Non-Profit Corporations, California, Multifamily Housing Revenue Refunding Bonds, United Dominion/2000 Post Apartments, Series 2000B, 6.250%, 8/15/30 (Mandatory put 8/15/08) | No Opt. Ca |
| 3,430 | California Statewide Community Development Authority, GNMA Collateralized Housing Revenue Refunding Bonds, Crowne Pointe Project, Series 2002F, 6.750%, 8/20/37 | 8/12 at 105.0 |
| 5,962 | California Statewide Community Development Authority, Multifamily Housing Revenue Refunding Bonds, Claremont Village Apartments, Series 2001D, 5.500%, 6/01/31 (Mandatory put 6/01/16) (Alternative Minimum Tax) | 6/11 at 102.0 |
| 4,000 | Daly City Housing Development Finance Agency, California, Mobile Home Park Revenue Bonds, Franciscan Mobile Home Park Project, Series 2002A, 5.850%, 12/15/32 | 12/13 at 102.0 |
| 205 | Independent Cities Lease Finance Authority, California, Mobile Home Park Revenue Bonds, San Juan Mobile Estates, Series 2006B, 5.850%, 5/15/41 | 5/16 at 100.0 |
| 1,055 | Rohnert Park Finance Authority, California, Senior Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003A, 5.750%, 9/15/38 | 9/13 at 100.0 |
| 700 | Rohnert Park Finance Authority, California, Subordinate Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003B, 6.625%, 9/15/38 | 9/13 at 100.0 |
| 3,045 | Yucaipa Redevelopment Agency, California, Mobile Home Park Revenue Bonds, Rancho del Sol and Grandview, Series 2001A, 6.750%, 5/15/36 | 5/11 at 102.0 |

20,847 Total Housing/Multifamily

| | | |
|-----|---|---------------|
| | Housing/Single Family ☐ 0.5% (0.3% of Total Investments) | |
| 525 | California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 ☐ FGIC Insured (Alternative Minimum Tax) | 2/16 at 100.0 |
| 575 | California Rural Home Mortgage Finance Authority, Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 2001A, 5.650%, 12/01/31 (Alternative Minimum Tax) | 6/11 at 102.0 |

1,100 Total Housing/Single Family

| | | |
|-------|--|---------------|
| | Industrials ☐ 0.6% (0.4% of Total Investments) | |
| 1,250 | California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax) | 1/16 at 102.0 |

| | | |
|-------|--|---------------|
| | Long-Term Care ☐ 0.7% (0.5% of Total Investments) | |
| 1,550 | California Health Facilities Financing Authority, Cal-Mortgage Insured Revenue Bonds, Northern | 1/13 at 100.0 |

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

California Retired Officers Community Corporation ☐ Paradise Valley Estates, Series 2002,
5.125%, 1/01/22

| | | |
|-------|---|----------------|
| | Tax Obligation/General ☐ 14.7% (9.6% of Total Investments) | |
| 5,260 | California State, General Obligation Bonds, Series 2006CD, RITES 1502, 5.680%, 12/01/32 (Alternative Minimum Tax) (IF) | 12/15 at 100.0 |
| 3,615 | Colton Joint Unified School District, San Bernardino County, California, General Obligation Bonds, Series 2002A, 5.500%, 8/01/22 ☐ FGIC Insured | 8/12 at 102.0 |
| | Contra Costa County Community College District, California, General Obligation Bonds, Series 2002: | |
| 3,005 | 5.000%, 8/01/21 ☐ FGIC Insured | 8/12 at 100.0 |
| 3,300 | 5.000%, 8/01/22 ☐ FGIC Insured | 8/12 at 100.0 |
| 1,325 | Golden West Schools Financing Authority, California, General Obligation Revenue Refunding Bonds, School District Program, Series 1998A, 6.650%, 8/01/13 ☐ MBIA Insured | No Opt. Ca |
| 2,500 | Hemet Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 4.250%, 8/01/32 ☐ FSA Insured | 8/15 at 100.0 |
| 3,910 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2006B, 4.750%, 7/01/24 ☐ FGIC Insured (UB) | 7/16 at 100.0 |
| 2,000 | Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001A, 5.500%, 7/01/20 ☐ MBIA Insured | No Opt. Ca |
| 355 | Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 ☐ FGIC Insured | 8/15 at 100.0 |
| 2,811 | San Diego Unified School District, San Diego County, California, General Obligation Bonds, Series 2006F-1, 4.500%, 7/01/29 ☐ FSA Insured (UB) | 7/16 at 101.0 |
| 4,050 | Santa Rosa High School District, Sonoma County, California, General Obligation Bonds, Series 2001, 5.300%, 5/01/26 ☐ FGIC Insured | 5/11 at 101.0 |

32,131 Total Tax Obligation/General

| | | |
|-------|---|----------------|
| | Tax Obligation/Limited ☐ 22.3% (14.7% of Total Investments) | |
| | Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2004D: | |
| 650 | 5.500%, 9/01/24 | 9/14 at 102.0 |
| 385 | 5.800%, 9/01/35 | 9/14 at 102.0 |
| 4,900 | California State Public Works Board, Lease Revenue Bonds, Department of Corrections, Series 2003C, 5.500%, 6/01/16 | 12/13 at 100.0 |
| 2,105 | California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15 | 7/14 at 100.0 |
| 1,200 | Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District 90-2 ☐ Talega, Series 2003, 6.000%, 9/01/33 | 9/13 at 100.0 |
| 435 | Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 ☐ FGIC Insured | 9/15 at 100.0 |
| 1,330 | Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 ☐ AMBAC Insured (UB) | 9/16 at 101.0 |
| 1,500 | Coachella Valley Unified School District, Riverside County, California, Certificates of Participation, Series 2007, 5.000%, 9/01/36 ☐ AMBAC Insured | 9/16 at 100.0 |
| 4,845 | Encinitas Public Financing Authority, California, Lease Revenue Bonds, Acquisition Project, Series 2001A, 5.250%, 4/01/31 ☐ MBIA Insured | 4/08 at 102.0 |
| 750 | Fontana, California, Special Tax Bonds, Sierra Community Facilities District 22, Series 2004, 6.000%, 9/01/34 | 9/14 at 100.0 |

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

| | | |
|-------|---|----------------|
| 1,785 | Hawthorne Community Redevelopment Agency, California, Project Area 2 Tax Allocation Bonds, Series 2006, 5.250%, 9/01/36 ☐ XLCA Insured Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A: | 9/16 at 100.0 |
| 215 | 5.000%, 9/01/26 | 9/16 at 100.0 |
| 495 | 5.125%, 9/01/36 | 9/16 at 100.0 |
| 2,000 | Lake Elsinore Public Finance Authority, California, Local Agency Revenue Refunding Bonds, Series 2003H, 6.000%, 10/01/20 | 10/13 at 102.0 |
| 415 | Lammersville School District, San Joaquin County, California, Community Facilities District 2002, Mountain House Special Tax Bonds, Series 2006, 5.125%, 9/01/35 | 9/16 at 100.0 |
| 1,265 | Lee Lake Water District, Riverside County, California, Special Tax Bonds, Community Facilities District 1 of Sycamore Creek, Series 2003, 6.500%, 9/01/24 | 9/13 at 102.0 |
| 800 | Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 ☐ AMBAC Insured | 9/15 at 100.0 |
| 8,000 | Los Angeles County Metropolitan Transportation Authority, California, Proposition C Second Senior Lien Sales Tax Revenue Refunding Bonds, Series 1998A, 5.000%, 7/01/23 ☐ AMBAC Insured | 7/08 at 101.0 |
| 500 | North Natomas Community Facilities District 4, Sacramento, California, Special Tax Bonds, Series 2006D, 5.000%, 9/01/33 | 9/14 at 102.0 |
| 2,000 | Orange County, California, Special Tax Bonds, Community Facilities District 02-1 of Ladera Ranch, Series 2003A, 5.550%, 8/15/33 | 8/11 at 101.0 |
| 2,500 | Petaluma Community Development Commission, California, Tax Allocation Bonds, Merged Project Area, Series 2007, 4.500%, 5/01/39 ☐ AMBAC Insured | 5/17 at 100.0 |
| 2,000 | Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 6.000%, 8/01/26 | No Opt. Ca |
| 385 | Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 ☐ XLCA Insured | 9/15 at 100.0 |
| 475 | Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 ☐ AMBAC Insured | 8/13 at 100.0 |
| 700 | Sacramento, California, Special Tax Bonds, North Natomas Community Facilities District 4, Series 2003C, 6.000%, 9/01/33 | 9/14 at 100.0 |
| 970 | San Marcos Public Facilities Authority, California, Special Tax Bonds, Community Facilities District 99-1, Series 2003B, 6.000%, 9/01/24 | 9/09 at 102.0 |
| 1,530 | San Marcos Public Facilities Authority, California, Tax Allocation Bonds, Project Areas 2 and 3, Series 2005C, 5.000%, 8/01/35 ☐ AMBAC Insured | 8/15 at 100.0 |
| 1,930 | West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2003B, 6.750%, 9/01/30 | 9/13 at 103.0 |
| 500 | West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2004B, 6.000%, 9/01/39 | 9/13 at 102.0 |
| 850 | West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 2001-1, Series 2004A, 6.125%, 9/01/39 | 9/13 at 103.0 |

47,415 Total Tax Obligation/Limited

Transportation ☐ 10.2% (6.7% of Total Investments)

| | | |
|-------|--|---------------|
| 1,930 | Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006, 5.000%, 4/01/31 | 4/16 at 100.0 |
| 7,000 | Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/27 | 1/14 at 101.0 |

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

| | | |
|--------|--|----------------|
| 5,585 | Port of Oakland, California, Revenue Bonds, Series 2002N, 5.000%, 11/01/16 ☐ MBIA Insured (Alternative Minimum Tax) (4) San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29A: | 11/12 at 100.0 |
| 2,430 | 5.250%, 5/01/18 ☐ FGIC Insured (Alternative Minimum Tax) | 5/13 at 100.0 |
| 2,555 | 5.250%, 5/01/19 ☐ FGIC Insured (Alternative Minimum Tax) | 5/13 at 100.0 |
| 1,000 | San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29B, 5.125%, 5/01/17 ☐ FGIC Insured | 5/13 at 100.0 |
| 2,000 | San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2002, Issue 28A, 5.250%, 5/01/17 ☐ MBIA Insured (Alternative Minimum Tax) | 5/12 at 100.0 |
| <hr/> | | |
| 22,500 | Total Transportation | |
| <hr/> | | |
| | U.S. Guaranteed ☐ 36.5% (23.9% of Total Investments) (5) | |
| 9,000 | Anitoch Area Public Facilities Financing Agency, California, Special Tax Bonds, Community Facilities District 1989-1, Series 2001, 5.250%, 8/01/25 (Pre-refunded 8/01/11) ☐ MBIA Insured | 8/11 at 100.0 |
| 6,000 | California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12) | 5/12 at 101.0 |
| 1,000 | California, General Obligation Bonds, Series 2004, 5.125%, 2/01/27 (Pre-refunded 2/01/14) | 2/14 at 100.0 |
| 3,000 | Central California Joint Powers Health Finance Authority, Certificates of Participation, Community Hospitals of Central California Obligated Group, Series 2000, 6.000%, 2/01/30 (Pre-refunded 2/01/10) | 2/10 at 101.0 |
| 3,200 | Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.250%, 6/01/33 (Pre-refunded 6/01/13) | 6/13 at 100.0 |
| 1,195 | Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2003A, 6.500%, 9/01/25 (Pre-refunded 9/01/13) | 9/13 at 102.0 |
| 905 | Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2004, 6.000%, 9/01/34 (Pre-refunded 9/01/13) | 9/13 at 102.0 |
| 7,530 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2000D, 5.375%, 7/01/25 (Pre-refunded 7/01/10) ☐ FGIC Insured | 7/10 at 100.0 |
| 10,840 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2002E, 5.000%, 7/01/19 (Pre-refunded 7/01/12) ☐ MBIA Insured | 7/12 at 100.0 |
| 1,250 | Los Angeles Unified School District, California, General Obligation Bonds, Series 2003A, 5.250%, 7/01/20 (Pre-refunded 7/01/13) ☐ FSA Insured | 7/13 at 100.0 |
| 3,000 | Northern California Tobacco Securitization Authority, Tobacco Settlement Asset-Backed Bonds, Series 2001A, 5.375%, 6/01/41 (Pre-refunded 6/01/11) | 6/11 at 100.0 |
| 6,000 | Riverside County Redevelopment Agency, California, Tax Allocation Bonds, Jurupa Valley Project Area, Series 2001, 5.250%, 10/01/35 (Pre-refunded 10/01/11) ☐ AMBAC Insured | 10/11 at 102.0 |
| 12,090 | Santa Clara Valley Transportation Authority, California, Sales Tax Revenue Bonds, Series 2001A, 5.000%, 6/01/25 (Pre-refunded 6/01/11) ☐ MBIA Insured (4) | 6/11 at 100.0 |
| 1,160 | Saugus Union School District, Los Angeles County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/21 (Pre-refunded 8/01/12) ☐ FGIC Insured | 8/12 at 100.0 |
| 6,200 | Southwestern Community College District, San Diego County, California, General Obligation Bonds, Series 2001, 5.375%, 8/01/25 (Pre-refunded 8/01/11) ☐ AMBAC Insured | 8/11 at 101.0 |
| 2,800 | Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, San Diego County Tobacco Asset Securitization Corporation, Senior Series 2001A, 5.500%, 6/01/36 (Pre-refunded 6/01/12) | 6/12 at 100.0 |

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

1,500 Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22 (Pre-refunded 6/01/12) 6/12 at 101.0

76,670 Total U.S. Guaranteed

Utilities □ 4.8% (3.1% of Total Investments)

5,000 Anaheim Public Finance Authority, California, Second Lien Electric Distribution Revenue Bonds, Series 2004, 5.250%, 10/01/21 □ MBIA Insured 10/14 at 100.0
 Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2:
 750 5.000%, 7/01/21 □ MBIA Insured 7/13 at 100.0
 1,000 5.000%, 7/01/23 □ MBIA Insured 7/13 at 100.0
 500 Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2005A-1, 5.000%, 7/01/31 □ FSA Insured 7/15 at 100.0
 790 Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 □ XLCA Insured 9/15 at 100.0
 2,000 Santa Clara, California, Subordinate Electric Revenue Bonds, Series 2003A, 5.250%, 7/01/20 □ MBIA Insured 7/13 at 100.0

10,040 Total Utilities

Water and Sewer □ 15.3% (10.0% of Total Investments)

4,900 East Bay Municipal Utility District, Alameda and Contra Costa Counties, California, Water System Subordinated Revenue Bonds, Series 2001, 5.000%, 6/01/26 □ MBIA Insured 6/11 at 100.0
 2,655 El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2004A, 5.000%, 3/01/20 □ FGIC Insured 3/14 at 100.0
 545 Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 □ MBIA Insured 4/16 at 100.0
 3,365 Hollister Joint Powers Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 6/01/37 □ FSA Insured 6/16 at 100.0
 1,800 Pomona Public Finance Authority, California, Revenue Bonds, Water Facilities Project, Series 2007AY, 5.000%, 5/01/37 □ AMBAC Insured 5/17 at 100.0
 750 Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/31 □ FGIC Insured 6/16 at 100.0
 1,700 San Buenaventura, California, Wastewater Revenue Certificates of Participation, Series 2004, 5.000%, 3/01/24 □ MBIA Insured 3/14 at 100.0
 6,885 San Diego Public Facilities Financing Authority, California, Subordinate Lien Water Revenue Bonds, Series 2002, 5.000%, 8/01/21 □ MBIA Insured 8/12 at 100.0
 10,000 San Francisco City and County Public Utilities Commission, California, Clean Water Revenue Refunding Bonds, Series 2003A, 5.250%, 10/01/20 □ MBIA Insured 4/13 at 100.0

32,600 Total Water and Sewer

\$ 328,888 Total Investments (cost \$327,642,059) □ 152.5%

Floating Rate Obligations □ (2.4)%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

Other Assets Less Liabilities □ (0.9)%

Preferred Shares, at Liquidation Value □ (49.2)%

Net Assets Applicable to Common Shares □ 100%

Forward Swaps outstanding at May 31, 2007:

| Counterparty | Notional Amount | Fund | | Floating Rate Index | Fixed Rate (Annualized) | Fixed Rate Payment Frequency | Effective Date (6) | Termination Date | Unrealized Appreciation (Depreciation) |
|----------------|-----------------|-------------|---------------|---------------------|-------------------------|------------------------------|--------------------|------------------|--|
| | | Pay/Receive | Floating Rate | | | | | | |
| Goldman Sachs | \$38,500,000 | Receive | | 3-Month USD-LIBOR | 5.681% | Semi-Annually | 7/27/07 | 7/27/12 | \$(552) |
| JPMorgan | 12,000,000 | Receive | | 3-Month USD-LIBOR | 5.716 | Semi-Annually | 7/27/07 | 7/27/14 | (221) |
| Morgan Stanley | 13,700,000 | Pay | | 3-Month USD-LIBOR | 5.811 | Semi-Annually | 7/27/07 | 7/27/24 | 349 |
| Morgan Stanley | 18,500,000 | Pay | | 3-Month USD-LIBOR | 5.816 | Semi-Annually | 7/27/07 | 7/27/29 | 480 |

\$ 52

USD-LIBOR (United States Dollar-London Inter-Bank Offered Rate)

The Fund may invest in □zero coupon□ securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the portfolio with a 0.00% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

- (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 higher of Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.
 - (4) Portion of the investment, with an aggregate market value of \$1,903,330, has been pledged to collateralize the net payment obligations under forward swap contracts.
 - (5) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.
 - (6) Effective date represents the date on which both the Fund and counterparty commence interest payment accruals on each forward swap contract.
- N/R Not rated.
(IF) Inverse floating rate investment.
(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

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 the treatment of paydown gains and losses, 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 transactions subject to SFAS No. 140.

At May 31, 2007, the cost of investments was \$322,265,451.

Gross unrealized appreciation and gross unrealized depreciation of investments at May 31, 2007, were as follows:

| | |
|---|--------------|
| Gross unrealized: | |
| Appreciation | \$13,734,434 |
| Depreciation | (434,734) |
| <hr/> | |
| Net unrealized appreciation (depreciation) of investments | \$13,299,700 |

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: EX-99 CERT Attached hereto.

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 Dividend Advantage Municipal Fund 2

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

Date July 27, 2007

SIGNATURES

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-Q

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 27, 2007

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

Date July 27, 2007

* Print the name and title of each signing officer under his or her signature.