

BLACKROCK MUNIYIELD QUALITY FUND INC  
Form N-CSR  
July 02, 2009  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-06660

Name of Fund: BlackRock MuniYield Quality Fund, Inc. (MQY)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock MuniYield Quality Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 04/30/2009

Date of reporting period: 04/30/2009

Item 1 – Report to Stockholders

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## Annual Report

APRIL 30, 2009

BlackRock MuniYield Fund, Inc. (MYD)

BlackRock MuniYield Quality Fund, Inc. (MQY)

BlackRock MuniYield Quality Fund II, Inc. (MQT)

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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Dear Shareholder

The past 12 months reveal a tale of two markets – one of investor pessimism and decided weakness, and another of optimism and some early signs of recovery. The majority of the past year was characterized by the former as the global financial crisis erupted into the worst recession in decades. Economic data were uniformly poor and daily headlines recounted the downfalls of storied financial firms, volatile swings in global financial markets, and monumental government actions that included widespread (and globally coordinated) monetary and quantitative easing by central banks and large-scale fiscal stimuli. Sentiment improved noticeably in March 2009, however, on the back of new program announcements by the Treasury and Federal Reserve Board, as well as signs of improved economic performance, such as in retail sales, consumer confidence and select areas of the housing market.

Against this backdrop, US equities contended with unprecedented levels of volatility, posting steep declines early, and then pared some of those losses in March and April. The experience in international markets was similar to that in the United States, though there was a marked divergence in regional performance. Notably, emerging economies, which lagged most developed regions through the downturn, were among the market leaders during the late-period rally.

In fixed income markets, while risk aversion remained a dominant theme overall, relatively attractive yields and distressed valuations, alongside a more favorable macro environment, eventually captured investor attention, leading to a modest recovery in non-Treasury assets. A notable example from the opposite end of the credit spectrum was the high yield sector, which generally outperformed in the first four months of 2009 after extraordinary challenges and severe underperformance last year. At the same time, the new year ushered in a return to normalcy for the tax-exempt market, which had registered one of its worst years on record in 2008.

All told, the major benchmark indexes posted mixed results for the current reporting period, reflective of a bifurcated market.

Total Returns as of April 30, 2009	6-month	12-month
US equities (S&P 500 Index)	(8.53)%	(35.31)%
Small cap US equities (Russell 2000 Index)	(8.40)	(30.74)
International equities (MSCI Europe, Australasia, Far East Index)	(2.64)	(42.76)
US Treasury securities (Merrill Lynch 10-Year US Treasury Index)	8.98	9.30
Taxable fixed income (Barclays Capital US Aggregate Bond Index)	7.74	3.84
Tax-exempt fixed income (Barclays Capital Municipal Bond Index)	8.20	3.11
High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	16.39	(12.55)

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

On June 16, 2009, BlackRock, Inc. announced that it received written notice from Barclays PLC ( Barclays ) in which Barclays Board of Directors had accepted BlackRock's offer to acquire Barclays Global Investors ( BGI ). Barclays also notified BlackRock that its Board will recommend the transaction to Barclays shareholders for approval at a special meeting to be held in early August 2009. The combination of BlackRock and BGI will bring together market leaders in active and index strategies to create the preeminent asset management firm. The transaction is expected to close in the fourth quarter 2009 following approval by Barclays shareholders, the receipt of client consents and regulatory approvals, and satisfaction of customary closing conditions.

Through periods of market turbulence, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. We thank you for entrusting BlackRock with your investments and look forward to continuing to serve you in the months and years ahead.

Sincerely,

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Rob Kapito  
President, BlackRock Advisors, LLC

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THIS PAGE NOT PART OF YOUR FUND REPORT

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Fund Summary as of April 30, 2009

BlackRock MuniYield Fund, Inc.

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**Investment Objective**


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**BlackRock MuniYield Fund, Inc. (MYD) (the Fund)** seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the six months ended April 30, 2009, the Fund returned 22.93% based on market price and 11.76% based on net asset value (NAV). For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.50% on a market price basis and 9.58% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. Portfolio positioning with respect to duration and yield curve has generally been neutral relative to the Fund's peer group. In general, the Fund's credit profile has consistently reflected a high level of exposure to the lower end of the ratings spectrum. While this strategy generates an above-average dividend yield, it also subjects the portfolio to additional volatility during periods when credit spreads are fluctuating. As a consequence, performance tended to suffer late last year when spreads widened, but, more recently, the strong rebound in lower-rated bonds has allowed the Fund to generate a strong competitive return, while maintaining the historically attractive dividend.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

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**Fund Information**


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Symbol on New York Stock Exchange	MYD
Initial Offering Date	November 29, 1991
Yield on Closing Market Price as of April 30, 2009 (\$11.45) <sup>1</sup>	6.71%
Tax Equivalent Yield <sup>2</sup>	10.32%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.064
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.768
Leverage as of April 30, 2009 <sup>4</sup>	39%

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<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

<sup>3</sup>

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The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.069. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

- <sup>4</sup> Represents Auction Market Preferred Shares ( Preferred Shares ) and tender option bond trusts ( TOBs ) as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 7.

The table below summarizes the changes in the Fund's market price and NAV per share:

	4/30/09	10/31/08	Change	High	Low
Market Price	\$ 11.45	\$ 9.66	18.53%	\$ 11.68	\$ 7.57
Net Asset Value	\$ 11.53	\$ 10.70	7.76%	\$ 11.55	\$ 9.39

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

	4/30/09	10/31/08
State	24%	22%
Health	18	19
Corporate	12	13
Education	10	9
County/City/Special District/School District	9	10
Housing	9	8
Utilities	8	7
Transportation	6	8
Tobacco	4	4

### Credit Quality Allocations<sup>5</sup>

	4/30/09	10/31/08
AAA/Aaa	28%	32%
AA/Aa	26	24
A/A	20	15
BBB/Baa	9	8
BB/Ba	1	2
B/B	2	3
CCC/Caa	2	2
Not Rated <sup>6</sup>	12	14

<sup>5</sup> Using the higher of Standard & Poor's ( S&P's ) or Moody's Investors Service ( Moody's ) ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities as investment grade quality. As of April 30, 2009 and October 31, 2008, the market value of these securities was \$18,072,535 representing 2% and \$21,126,114 representing 3%, respectively, of the

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Fund's long-term investments.

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ANNUAL REPORT

APRIL 30, 2009

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Fund Summary as of April 30, 2009

BlackRock MuniYield Quality Fund, Inc.

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**Investment Objective**


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**BlackRock MuniYield Quality Fund, Inc. (MQY) (the Fund)** seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, high-grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the six months ended April 30, 2009, the Fund returned 16.47% based on market price and 17.07% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 19.11% on a market price basis and 13.36% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Benefiting Fund performance was our constructive market positioning during a period of declining yields and the stabilization of credit spreads, which began to tighten toward the end of the period. The Fund is more sensitive to credit spreads, in general, since the downgrades of the monoline insurers and, in particular, because of its more-than-average exposure to weaker underlying insured bonds. The municipal market generally returned to more typical functioning after an extended period of volatility. This allowed us to continue upgrading the Fund's overall credit quality, which we believe is warranted given the general economic weakness.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

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**Fund Information**


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Symbol on New York Stock Exchange	MQY
Initial Offering Date	June 26, 1992
Yield on Closing Market Price as of April 30, 2009 (\$12.32) <sup>1</sup>	5.55%
Tax Equivalent Yield <sup>2</sup>	8.54%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.057
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.684
Leverage as of April 30, 2009 <sup>4</sup>	40%

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

<sup>3</sup>

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The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.067. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

- <sup>4</sup> Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 7.

The table below summarizes the changes in the Fund's market price and NAV per share:

	4/30/09	10/31/08	Change	High	Low
Market Price	\$ 12.32	\$ 10.90	13.03%	\$ 12.74	\$ 8.51
Net Asset Value	\$ 13.27	\$ 11.68	13.61%	\$ 13.49	\$ 10.32

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

	4/30/09	10/31/08
Transportation	26%	27%
County/City/Special District/ School District	20	17
State	18	20
Utilities	16	12
Health	7	8
Tobacco	5	5
Corporate	4	5
Housing	2	3
Education	2	3

### Credit Quality Allocations<sup>5</sup>

	4/30/09	10/31/08
AAA/Aaa	39%	36%
AA/Aa	42	50
A/A	14	5
BBB/Baa	5	6
B/B		3

- <sup>5</sup> Using the higher of S&P's or Moody's ratings.

Fund Summary as of April 30, 2009

BlackRock MuniYield Quality Fund II, Inc.

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**Investment Objective**


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**BlackRock MuniYield Quality Fund II, Inc. (MQT) (the Fund)** seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, high-grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. The Fund invests primarily in insured municipal bonds. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the six months ended April 30, 2009, the Fund returned 19.90% based on market price and 17.27% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 19.11% on a market price basis and 13.36% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. During the period, the Fund benefited from its above-average yield. Performance also was aided by our constructive market positioning during a period of declining yields and the stabilization of credit spreads, which began to tighten toward the end of the period. The Fund is more sensitive to credit spreads, in general, since the downgrades of the monoline insurers and, in particular, because of its more-than-average exposure to weaker underlying insured bonds. The municipal market generally returned to more typical functioning after an extended period of volatility. This allowed us to continue upgrading the Fund's overall credit quality, which we believe is warranted given the general economic weakness.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

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**Fund Information**


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Symbol on New York Stock Exchange	MQT
Initial Offering Date	August 28, 1992
Yield on Closing Market Price as of April 30, 2009 (\$10.16) <sup>1</sup>	5.91%
Tax Equivalent Yield <sup>2</sup>	9.09%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.05
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.60
Leverage as of April 30, 2009 <sup>4</sup>	40%

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

<sup>3</sup> The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.0575. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

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<sup>4</sup> Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 7.

The table below summarizes the changes in the Fund's market price and NAV per share:

	4/30/09	10/31/08	Change	High	Low
Market Price	\$ 10.16	\$ 8.75	16.11%	\$ 10.33	\$ 6.60
Net Asset Value	\$ 11.55	\$ 10.17	13.57%	\$ 11.74	\$ 8.87

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

	4/30/09	10/31/08
Transportation	29%	28%
County/City/Special District/School District	23	19
State	18	22
Utilities	13	13
Housing	7	7
Corporate	3	4
Health	3	2
Education	2	3
Tobacco	2	2

### Credit Quality Allocations<sup>5</sup>

	4/30/09	10/31/08
AAA/Aaa	46%	36%
AA/Aa	36	54
A/A	15	7
BBB/Baa	3	3

<sup>5</sup> Using the higher of S&P's or Moody's ratings.

### The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV of their Common Shares. However, these objectives cannot be achieved in all interest rate environments.

To leverage, each Fund issues Preferred Shares, which pay dividends at prevailing short-term interest rates, and invests the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund's Common Shareholders will benefit from the incremental yield.

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the Fund's total portfolio of \$150 million earns the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the Trust's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental yield.

Conversely, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Fund pays dividends on the higher short-term interest rates whereas the Fund's total portfolio earns income based on lower long-term interest rates. If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Shares will be reduced or eliminated completely.

Furthermore, the value of the Fund's portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Fund's Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Fund's NAV positively or negatively in addition to the impact on Fund performance from leverage from Preferred Shares discussed above.

The Funds may also, from time to time, leverage their assets through the use of tender option bond (TOB) programs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Funds with economic benefits in periods of declining short-term interest rates, but expose the Funds to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Funds, as described above. Additionally, fluctuations in the market value of municipal securities deposited into the TOB trust may adversely affect each Fund's NAVs per share.

The use of leverage may enhance opportunities for increased returns to the Funds and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds' NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Funds' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, the Funds' net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Shareholders will be reduced. The Funds may be required to sell portfolio securities at inopportune times or below fair market values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause the Funds to incur losses. The use of leverage may limit the Funds' ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate preferred shares issued by the Funds. The Funds will incur expenses in connection with the use of leverage, all of which are borne by the holders of the Common Shares and may reduce returns on the Common Shares.

Under the Investment Company Act of 1940, the Funds are permitted to issue Preferred Shares in an amount of up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Fund anticipates that the total economic leverage from Preferred Shares and TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of April 30, 2009, the Funds had economic leverage from Preferred Shares and TOBs as a percentage of their total managed assets as follows:

	Percent of Leverage
BlackRock MuniYield Fund, Inc.	39%

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BlackRock MuniYield Quality Fund, Inc.	40%
BlackRock MuniYield Quality Fund II, Inc.	40%

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### Derivative Instruments

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The Funds may invest in various derivative instruments, including swap agreements and futures and other instruments specified in the Notes to Financials Statements, which constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the other party to the transaction and illiquidity of the derivative instrument. The Funds' ability to successfully use a derivative instrument depends on the Advisor's ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require the Funds to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation the Funds can realize on an investment or may cause the Funds to hold a security that it might otherwise sell. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments April 30, 2009

BlackRock MuniYield Fund, Inc. (MYD)  
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
<b>Alabama 1.3%</b>		
Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5.50%, 1/01/22	\$ 5,250	\$ 3,259,620
Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project), Series A (a)(b):		
5.625%, 8/01/25	2,200	1,049,488
5.875%, 8/01/36	6,425	2,739,556
		7,048,664
<b>Arizona 13.1%</b>		
Arizona State Transportation Board, Highway Revenue Bonds, Sub-Series A:		
5%, 7/01/21	5,825	6,190,810
5%, 7/01/22	7,030	7,469,656
5%, 7/01/23	5,240	5,533,597
Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.75%, 7/01/29	3,300	2,202,321
Maricopa County, Arizona, IDA, M/F Housing Revenue Refunding Bonds (CRS Pine Ridge Housing Corporation), Series A-1 (c)(d):		
6%, 10/20/31	5,000	5,139,050
6.05%, 10/20/36	5,000	4,973,350
Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT:		
6.25%, 6/01/19	3,000	1,992,690
6.30%, 4/01/23	5,090	3,130,299
Phoenix, Arizona, IDA, M/F Housing Revenue Bonds (Summit Apartments LLC Project) (d):		
6.25%, 7/20/22	1,610	1,668,701
6.45%, 7/20/32	1,425	1,452,104
6.55%, 7/20/37	1,305	1,328,033
Pima County, Arizona, IDA, Education Revenue Refunding Bonds (Arizona Charter Schools Project II), Series A:		
6.75%, 7/01/11 (e)	565	631,421
6.75%, 7/01/31	765	537,390
Pima County, Arizona, IDA, Revenue Bonds (Tucson Electric Power Company), Series A, 6.375%, 9/01/29	3,000	2,705,010
Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds:		
5%, 12/01/32	10,020	6,957,788
5%, 12/01/37	11,525	7,764,854

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Municipal Bonds	Par (000)	Value
<b>Arizona (concluded)</b>		
Vistancia Community Facilities District, Arizona, GO:		
5.50%, 7/15/20	\$ 3,000	\$ 2,605,620
5.75%, 7/15/24	2,125	1,800,959
Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Yavapai Regional Medical Center), Series A, 6%, 8/01/33		
	5,900	4,654,687
		68,738,340
<b>California 14.5%</b>		
California Educational Facilities Authority Revenue Bonds (University of Southern California), Series A, 5.25%, 10/01/39		
	5,310	5,521,816
California State, GO:		
5%, 4/01/31 (f)	10	9,343
6.50%, 4/01/33	14,075	15,375,671
California State, GO, Refunding, 5%, 6/01/32	11,335	10,514,686
California State Public Works Board, Lease Revenue Bonds:		
(Department of Corrections), Series C, 5%, 6/01/25	2,000	1,874,960
(Department of Mental Health Coalinga State Hospital), Series A, 5.125%, 6/01/29	4,500	4,063,095
California State, Various Purpose, GO, 5.25%, 11/01/25	6,800	6,822,168
Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds (e):		
Series A-3, 7.875%, 6/01/13	5,500	6,658,245
Series A-4, 7.80%, 6/01/13	7,500	9,058,650
Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Refunding Bonds, Senior Series A-1, 5.125%, 6/01/47		
	2,090	1,073,445
San Diego, California, Community College District, GO (Election of 2002), 5.25%, 8/01/33	2,160	2,180,282
Santa Clara, California, Subordinated Electric Revenue Bonds, Series A, 5%, 7/01/22 (g)	5,145	5,150,402
University of California Revenue Bonds (Multiple Purpose Projects), Series Q, 5%, 9/01/21 (h)	7,465	7,743,221
		76,045,984
<b>Colorado 7.4%</b>		
Colorado Educational and Cultural Facilities Authority, Revenue Refunding Bonds (University of Denver Project), Series B, 5.25%, 3/01/16 (e)(i)		
	3,245	3,852,659
Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Series D-2, 6.90%, 4/01/29		
	210	222,394

**Portfolio Abbreviations**

To simplify the listings of portfolio holdings in the Schedules of Investments, the names and descriptions of many of the securities have been abbreviated according to the list on the right.

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<b>AMT</b>	Alternative Minimum Tax (subject to)
<b>CABS</b>	Capital Appreciation Bonds
<b>COP</b>	Certificates of Participation
<b>EDA</b>	Economic Development Authority
<b>EDR</b>	Economic Development Revenue Bonds
<b>GAN</b>	Grant Anticipation Notes
<b>GO</b>	General Obligation Bonds
<b>HDA</b>	Housing Development Authority
<b>HFA</b>	Housing Finance Agency
<b>IDA</b>	Industrial Development Authority
<b>IDR</b>	Industrial Development Revenue Bonds
<b>M/F</b>	Multi-Family
<b>PCR</b>	Pollution Control Revenue Bonds
<b>PILOT</b>	Payment in Lieu of Taxes
<b>S/F</b>	Single-Family
<b>VRDN</b>	Variable Rate Demand Notes

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniYield Fund, Inc. (MYD)**  
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
<b>Colorado (concluded)</b>		
Colorado Health Facilities Authority, Revenue Refunding Bonds (Poudre Valley Health Care) (h):		
Series B, 5.25%, 3/01/36	\$ 2,840	\$ 2,680,051
Series C, 5.25%, 3/01/40	5,000	4,678,050
Denver, Colorado, City and County Airport Revenue Bonds, AMT, Series D, 7.75%, 11/15/13 (f)	6,195	6,666,873
Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee), Series A:		
7.10%, 9/01/14	1,105	1,089,210
7.35%, 9/01/31	5,065	4,027,384
Platte River Power Authority, Colorado, Power Revenue Bonds, Series HH:		
5%, 6/01/26	2,500	2,627,275
5%, 6/01/27	1,130	1,177,223
Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees):		
8%, 12/01/25	6,850	5,808,869
8.125%, 12/01/25	1,885	1,448,623
University of Colorado, Enterprise System Revenue Bonds, Series A:		
5.25%, 6/01/30	2,250	2,331,923
5.375%, 6/01/32	1,250	1,301,800
5.375%, 6/01/38	830	858,369
		38,770,703
<b>Connecticut 0.0%</b>		
Connecticut State Development Authority, IDR (AFCO Cargo BDL-LLC Project), AMT, 7.35%, 4/01/10	125	123,097
<b>Florida 5.4%</b>		
Broward County, Florida, Water and Sewer Utility Revenue Bonds, Series A, 5.25%, 10/01/34	2,155	2,153,405
Greater Orlando Aviation Authority, Florida, Airport Facilities Revenue Bonds (JetBlue Airways Corp.), AMT, 6.50%, 11/15/36	2,500	1,482,625
Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT:		
Series A, 7.125%, 4/01/30	11,500	5,907,205
Series B, 7.125%, 4/01/30	5,000	2,568,350
Lee County, Florida, Revenue Bonds, 5%, 10/01/22 (f)	4,705	4,711,446
Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A, 5.25%, 10/01/38 (j)	5,150	4,645,248
Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds,	5,330	3,526,168

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Series B, 6.50%, 5/01/37

Orange County, Florida, Health Facilities Authority, Health Care Revenue Refunding Bonds (Orlando Lutheran Towers), 5.375%, 7/01/20	1,100	819,434
Santa Rosa Bay Bridge Authority, Florida, Revenue Bonds, 6.25%, 7/01/28	4,620	2,642,409

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28,456,290

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Municipal Bonds	Par (000)	Value
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**Georgia 1.5%**

Main Street Natural Gas, Inc., Georgia, Gas Project Revenue Bonds, Series A, 6.375%, 7/15/38 (a)(b)	\$ 3,445	\$ 1,283,297
Private Colleges and Universities Authority, Georgia, Revenue Refunding Bonds (Emory University Project), Series C, 5%, 9/01/38	6,400	6,499,840

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7,783,137

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**Idaho 1.6%**

Idaho Housing Agency, S/F Mortgage Revenue Refunding Bonds, AMT, Senior Series C-2, 7.15%, 7/01/23	30	30,043
Power County, Idaho, Industrial Development Corporation, Solid Waste Disposal Revenue Bonds (FMC Corporation Project), AMT, 6.45%, 8/01/32	10,000	8,626,500

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8,656,543

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**Illinois 1.5%**

Bolingbrook, Illinois, Special Services Area Number 1, Special Tax Bonds (Forest City Project), 5.90%, 3/01/27	1,000	688,160
Illinois State Finance Authority Revenue Bonds, Series A: (Friendship Village of Schaumburg), 5.625%, 2/15/37	1,750	987,385
(Landing At Plymouth Place Project), 6%, 5/15/37	2,155	1,369,395
(Monarch Landing, Inc. Project), 7%, 12/01/37	1,445	875,395
Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Bonds (McCormick Place Expansion), Series A, 5.50%, 6/15/23 (g)	4,000	4,179,280

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8,099,615

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**Indiana 0.4%**

Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series B, 6%, 1/01/39	2,230	2,297,368
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**Kansas 0.3%**

Lenexa, Kansas, Health Care Facility Revenue Bonds (Lakeview Village Inc.), Series C, 6.875%, 5/15/12 (e)	1,250	1,459,950
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**Kentucky 0.8%**

Kentucky Economic Development Finance Authority, Health System Revenue Refunding Bonds (Norton Healthcare, Inc.), Series A:		
6.625%, 10/01/10 (e)	2,350	2,555,131
6.625%, 10/01/28	650	598,474
Kentucky Economic Development Financing Authority, Louisville Arena Project Revenue Bonds (Louisville Arena Authority, Inc.), Sub-Series A-1, 6%, 12/01/38 (j)		
	800	824,224
		3,977,829

**Louisiana 7.6%**

East Baton Rouge, Louisiana, Sewer Commission Revenue Refunding Bonds, 5.25%, 2/01/39		
	1,610	1,564,324
Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Westlake Chemical Corporation), 6.75%, 11/01/32		
	10,000	6,960,500

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniYield Fund, Inc. (MYD)**  
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
<b>Louisiana (concluded)</b>		
Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25%, 8/15/36	\$ 6,750	\$ 5,746,073
Louisiana State Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series B, 5%, 6/01/20 (f)	10,000	9,208,900
Port New Orleans, Louisiana, IDR, Refunding (Continental Grain Company Project), 6.50%, 1/01/17	19,000	16,152,090
		<u>39,631,887</u>
<b>Maryland 3.0%</b>		
Baltimore, Maryland, Convention Center Hotel Revenue Bonds, Sub-Series B, 5.875%, 9/01/39	1,920	1,151,962
Maryland State Community Development Administration, Department of Housing and Community Development, Residential Revenue Refunding Bonds, AMT, Series A, 4.65%, 9/01/32	2,580	2,203,578
Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration AES Warrior Run), AMT, 7.40%, 9/01/19	3,000	2,277,630
Maryland State Health and Higher Educational Facilities Authority, Revenue Refunding Bonds: (Peninsula Regional Medical Center), 5%, 7/01/36	5,000	4,250,750
(University of Maryland Medical System), 6%, 7/01/12 (e)	4,000	4,563,040
Maryland State Industrial Development Financing Authority, EDR (Our Lady of Good Counsel School), Series A, 6%, 5/01/35	500	345,775
Prince Georges County, Maryland, Special Obligation Bonds (National Harbor Project), 5.20%, 7/01/34	1,500	832,155