

BLACKROCK MUNIYIELD QUALITY FUND INC  
Form N-CSRS  
January 05, 2012  
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: John M. Perlowski, Chief Executive Officer, BlackRock MuniYield Quality Fund, 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: 04/30/2012

Date of reporting period: 10/31/2011

Item 1 – Report to Stockholders

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October 31, 2011

## Semi-Annual Report (Unaudited)

BlackRock MuniYield Fund, Inc. (MYD)

BlackRock MuniYield Quality Fund, Inc. (MQY)

BlackRock MuniYield Quality Fund II, Inc. (MQT)

**Not FDIC Insured** § No

**Bank Guarantee** § May  
Lose Value

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**Dear Shareholder**

One year ago, the global economy appeared to solidly be in recovery mode and investors were optimistic as the US Federal Reserve launched its second round of quantitative easing. Stock markets rallied despite ongoing sovereign debt problems in Europe and inflationary pressures looming over emerging markets. Fixed income markets, however, saw yields move sharply upward (pushing prices down), especially on the long end of the historically steep yield curve. While high yield bonds benefited from the risk rally, most fixed income sectors declined in the fourth quarter of 2010. The tax-exempt municipal market faced additional headwinds as it became evident that the Build America Bond program would not be extended and municipal finance troubles burgeoned.

Early 2011 saw spikes of volatility as political turmoil swept across the Middle East/North Africa region and prices of oil and other commodities soared. Natural disasters in Japan disrupted industrial supply chains and concerns mounted regarding US debt and deficit issues. Nevertheless, equities generally performed well early in the year as investors chose to focus on the continuing stream of strong corporate earnings and positive economic data. Credit markets were surprisingly resilient in this environment and yields regained relative stability in 2011. The tax-exempt market saw relief from its headwinds and steadily recovered from its fourth-quarter lows. Equities, commodities and high yield bonds outpaced higher-quality assets as investors increased their risk tolerance.

However, the environment changed dramatically in the middle of the second quarter. Markets dropped sharply in May when fears mounted over the possibility of Greece defaulting on its debt, rekindling fears about the broader sovereign debt crisis. Concurrently, economic data signaled that the recovery had slowed in the United States and other developed nations. Confidence was further shaken by the prolonged debt ceiling debate in Washington, DC. On August 5th, Standard & Poor's downgraded the US government's credit rating and turmoil erupted in financial markets around the world. Extraordinary levels of volatility persisted in the months that followed as Greece teetered on the brink of default. Financial problems intensified in Italy and Spain and both countries faced credit rating downgrades. Debt worries spread to the core European nations of France and Germany, and the entire euro-zone banking system came under intense pressure. Late in the summer, economic data out of the United States and Europe grew increasingly bleak while China and other emerging economies began to show signs of slowing growth. By the end of the third quarter, equity markets had fallen nearly 20% from their April peak while safe-haven assets such as US Treasuries, gold and the Swiss franc skyrocketed.

October brought enough positive economic data to assuage fears of a double-dip recession in the United States and corporate earnings continued to be strong. Additionally, European policymakers demonstrated an increased willingness to unite in their struggle to resolve the region's debt and banking crisis. These encouraging developments brought many investors back from the sidelines and risk assets rallied through the month, albeit with large daily swings as investor reactions to news from Europe vacillated between faith and skepticism.

Overall, lower-risk investments including US Treasuries, municipal securities and investment grade credits posted gains for the 6- and 12-month periods ended October 31, 2011. Risk assets, including equities and high yield debt, broadly declined over the six months; however, US stocks and high yield bonds remained in positive territory on a 12-month basis. Continued low short-term interest rates kept yields on money market securities near their all-time lows. While markets remain volatile and uncertainties abound, BlackRock remains dedicated to finding opportunities and managing risk in this environment.

Sincerely,

**Rob Kapito**

President, BlackRock Advisors, LLC

*While markets remain volatile and uncertainties abound, BlackRock remains dedicated to finding opportunities and managing risk in this environment.*

**Rob Kapito**

President, BlackRock Advisors, LLC

**Total Returns as of October 31, 2011**

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	<b>6-month</b>	<b>12-month</b>
US large cap equities (S&P 500® Index)	(7.11)%	8.09%
US small cap equities (Russell 2000® Index)	(13.76)	6.71
International equities (MSCI Europe, Australasia, Far East Index)	(14.90)	(4.08)
Emerging market equities (MSCI Emerging Markets Index)	(15.91)	(7.72)
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.04	0.13
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	12.11	7.79
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	4.98	5.00
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	5.56	3.78
US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	(0.95)	5.16

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

THIS PAGE NOT PART OF YOUR FUND REPORT

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## Municipal Market Overview

### For the 12-Month Period Ended October 31, 2011

At the outset of the 12-month period, the municipal bond market was faced with a perfect storm of events that ultimately resulted in losses for the fourth quarter of 2010 at a level not seen since the Fed tightening cycle of 1994. US Treasury yields lost support due to concerns over the federal deficit and municipal valuations suffered a quick and severe setback, as it became evident the Build America Bond (BAB) program would expire at the end of 2010. The program had opened the taxable market to municipal issuers, successfully alleviating supply pressure in the traditional tax-exempt marketplace and bringing down yields in that space.

Towards the end of 2010, news about municipal finance troubles mounted and damaged confidence among retail investors. From mid-November through year end, weekly outflows from municipal mutual funds averaged over \$2.5 billion. Political uncertainty surrounding the midterm elections and tax policies exacerbated the situation. These conditions combined with seasonal illiquidity sapped willful market participation from the trading community. December brought declining demand with no comparable reduction in supply as issuers rushed their deals to market before the BAB program was retired. This supply-demand imbalance led to wider quality spreads and higher yields.

Demand is usually strong at the beginning of a new year, but retail investors continued to move away from municipal mutual funds in 2011. From the middle of November 2010, outflows persisted for 29 consecutive weeks, totaling \$35.1 billion before the trend finally broke in June. Weak demand has been counterbalanced by lower supply in 2011. According to Thomson Reuters, year-to-date through October, new issuance was down 34% compared to the same period last year. Higher interest rates during the first quarter, fiscal policy changes and a reduced need for municipal borrowing were among the factors that deterred issuers from bringing new deals to the market. In this positive technical environment, the S&P/InvestorTools Main Municipal Bond Index returned 8.05% for the first ten months of 2011, as municipal bonds outperformed most other fixed income asset classes year-to-date.

On August 5th, Standard & Poor's (S&P's) downgraded the US government credit rating from AAA to AA+, leading to the downgrade of approximately 11,000 municipal issues directly linked to the US debt rating. Nevertheless, the municipal market posted solid gains for the month of August, aided primarily by an exuberant Treasury market, severe volatility in US equities and continued supply constraint in the primary municipal market. Increased demand from both traditional and non-traditional buyers pushed long-term municipal bond yields lower, resulting in a curve-flattening trend that continued through period end.

Overall, the municipal yield curve flattened during the period from October 31, 2010 to October 31, 2011. As measured by Thomson Municipal Market Data, yields declined by 11 basis points (bps) to 3.75% on AAA quality-rated 30-year municipal bonds and by 12 bps to 2.39%, on 10-year bonds, while yields on 5-year issues rose 6 bps to 1.26%. With the exception of the 2- to 5-year range, the yield spreads between maturities decreased over the past year. The most significant decrease was seen in the 5- to 10-year range, where the spread tightened by 18 bps, while the overall slope between 2- and 30-year maturities decreased by 9 bps to 3.31%.

The fundamental picture for municipalities is improving. Austerity is the general theme across the country, while a small number of states continue to rely on the kick the can approach to close their shortfalls, using aggressive revenue projections and accounting gimmicks. It has been nearly a year since the first highly publicized interview about the fiscal problems plaguing state and local governments. Thus far, the prophecy of widespread defaults across the municipal market has not materialized. According to S&P's, municipal defaults in 2011 are down 69% compared to the same period in 2010. Year-to-date monetary defaults in the S&P/InvestorTools Main Municipal Bond Index total roughly \$750 million, representing less than 0.5% of the index. BlackRock maintains the view that municipal bond defaults will remain in the periphery and the overall market is fundamentally sound. We continue to recognize that careful credit research and security selection remain imperative amid uncertainty in this economic environment.

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

Fund Summary as of October 31, 2011

BlackRock MuniYield Fund, Inc.

**Fund Overview**

**BlackRock MuniYield Fund, Inc. s (MYD) (the Fund )** investment objective is 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. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests, under normal market conditions, at least 75% of its assets in municipal bonds rated investment grade and invests primarily in long-term municipal bonds with a maturity of more than ten years at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

**Performance**

For the six months ended October 31, 2011, the Fund returned 12.37% based on market price and 11.34% based on net asset value ( NAV ). For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 11.60% based on market price and 11.08% based on NAV. During the period, Lipper combined the General Municipal Debt Funds (Leveraged) and Insured Municipal Debt Funds (Leveraged) categories into one General & Insured Municipal Debt Funds (Leveraged) category. All returns reflect reinvestment of dividends. The Fund s premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Fund performed well due to its yield-curve-flattening bias and duration positioning. The Fund has consistently emphasized longer-dated securities in order to benefit from long-term rates declining faster than short-term rates, a scenario that occurred during the period. In addition, the Fund s holdings generated a high distribution yield, which in the aggregate had a meaningful impact on returns. Sector concentrations in health and transportation had a positive impact on performance, as did holding only minimal exposure to pre-refunded and escrowed issues, which underperformed the broader market. Detracting from performance was the Fund s long-standing focus on corporate-related debt, which modestly underperformed for the six-month period. Additionally, low exposure to the top-performing tobacco sector was a modest impediment to performance.

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.

**Fund Information**

Symbol on New York Stock Exchange ( NYSE )	MYD
Initial Offering Date	November 29, 1991
Yield on Closing Market Price as of October 31, 2011 (\$14.28) <sup>1</sup>	6.93%
Tax Equivalent Yield <sup>2</sup>	10.66%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0825
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.9900
Leverage as of October 31, 2011 <sup>4</sup>	37%

<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 distribution rate is not constant and is subject to change.

<sup>4</sup> Represents Variable Rate Demand Preferred Shares ( VRDP 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 VRDP Shares and TOBs, minus the sum

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of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 8.

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

	10/31/11	4/30/11	Change	High	Low
Market Price	\$ 14.28	\$ 13.17	8.43%	\$ 14.79	\$ 12.73
Net Asset Value	\$ 14.02	\$ 13.05	7.43%	\$ 14.33	\$ 13.05

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

### Sector Allocations

	10/31/11	4/30/11
Health	23%	23%
Transportation	18	15
Corporate	14	15
State	14	13
Education	11	9
Utilities	10	10
County/City/Special District/School District	8	9
Tobacco	1	1
Housing	1	5

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

	10/31/11	4/30/11
AAA/Aaa	10%	13%
AA/Aa	39	36
A	23	22
BBB/Baa	12	12
BB/Ba	2	2
B	4	3
CCC/Caa	1	2
CC/Ca	1	1
Not Rated <sup>6</sup>	8	9

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

<sup>6</sup> The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of October 31, 2011 and April 30, 2011, the market value of these securities was \$5,125,586, representing 1% and \$3,786,237, representing 0%, respectively, of the Fund's long-term investments.

Fund Summary as of October 31, 2011

BlackRock MuniYield Quality Fund, Inc.

**Fund Overview**

**BlackRock MuniYield Quality Fund, Inc. s (MQY) (the Fund )** investment objective is 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. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests in municipal bonds which are in the three highest quality rating categories (A or better) or, if unrated, of comparable quality at the time of investment. The Fund invests primarily in long-term municipal bonds with maturities of more than ten years at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

**Performance**

For the six months ended October 31, 2011, the Fund returned 14.04% based on market price and 12.62% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 11.60% based on market price and 11.08% based on NAV. During the period, Lipper combined the General Municipal Debt Funds (Leveraged) and Insured Municipal Debt Funds (Leveraged) categories into one General & Insured Municipal Debt Funds (Leveraged) category. 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. The following discussion relates to performance based on NAV. The Fund s performance was positively impacted by its longer duration holdings (those with higher sensitivity to interest rate movements) as yields fell during the period (bond prices rise when their yields fall). The Fund also benefited from its yield curve positioning. The Fund favored longer-term securities, which outperformed those with short and intermediate maturities as rates fell more on the long end of the curve. Given the broad rally in the municipal market during the period, most sectors performed well. However, the Fund s exposure to bonds with shorter maturities or shorter call dates detracted from performance as the yield curve flattened.

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**Fund Information**

Symbol on NYSE	MQY
Initial Offering Date	June 26, 1992
Yield on Closing Market Price as of October 31, 2011 (\$14.52) <sup>1</sup>	6.36%
Tax Equivalent Yield <sup>2</sup>	9.78%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0770
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.9240
Leverage as of October 31, 2011 <sup>4</sup>	38%

<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 distribution rate is not constant and is subject to change.

<sup>4</sup> Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP 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 8.

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

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	10/31/11	4/30/11	Change	High	Low
Market Price	\$ 14.52	\$ 13.15	10.42%	\$ 15.17	\$ 12.76
Net Asset Value	\$ 14.96	\$ 13.72	9.04%	\$ 15.22	\$ 13.72

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

**Sector Allocations**

	10/31/11	4/30/11
County/City/Special District/School District	26%	25%
Transportation	20	22
Utilities	19	17
State	17	15
Health	11	9
Education	4	4
Housing	2	3
Corporate	1	3
Tobacco		2

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

	10/31/11	4/30/11
AAA/Aaa	18%	12%
AA/Aa	51	59
A	24	23
BBB/Baa	7	6

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

Fund Summary as of October 31, 2011

BlackRock MuniYield Quality Fund II, Inc.

**Fund Overview**

**BlackRock MuniYield Quality Fund II, Inc. s (MQT) (the Fund )** investment objective is 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. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests in municipal bonds which are in the three highest quality rating categories (A or better) or, if unrated, of comparable quality at the time of investment. The Fund invests primarily in long-term municipal bonds with maturities of more than ten years at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

**Performance**

For the six months ended October 31, 2011, the Fund returned 11.22% based on market price and 13.32% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 11.60% based on market price and 11.08% based on NAV. During the period, Lipper combined the General Municipal Debt Funds (Leveraged) and Insured Municipal Debt Funds (Leveraged) categories into one General & Insured Municipal Debt Funds (Leveraged) category. 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. The following discussion relates to performance based on NAV. The Fund s performance was positively impacted by its longer duration holdings (those with higher sensitivity to interest rate movements) as yields fell during the period (bond prices rise when their yields fall). The Fund also benefited from its yield curve positioning. The Fund favored longer-term securities, which outperformed those with short and intermediate maturities as rates fell more on the long end of the curve. Given the broad rally in the municipal market during the period, most sectors performed well. However, the Fund s exposure to bonds with shorter maturities or shorter call dates detracted from performance as the yield curve flattened.

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.

**Fund Information**

Symbol on NYSE	MQT
Initial Offering Date	August 28, 1992
Yield on Closing Market Price as of October 31, 2011 (\$12.47) <sup>1</sup>	6.54%
Tax Equivalent Yield <sup>2</sup>	10.06%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0680
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.8160
Leverage as of October 31, 2011 <sup>4</sup>	38%

<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 distribution rate is not constant and is subject to change.

<sup>4</sup> Represents Auction Market Preferred Shares ( AMPS ) and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to AMPS 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 8.

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

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	10/31/11	4/30/11	Change	High	Low
Market Price	\$ 12.47	\$ 11.59	7.59%	\$ 12.95	\$ 11.05
Net Asset Value	\$ 12.99	\$ 11.85	9.62%	\$ 13.20	\$ 11.85

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

**Sector Allocations**

	10/31/11	4/30/11
County/City/Special District/School District	33%	29%
Transportation	20	22
State	16	17
Utilities	14	13
Health	9	8
Housing	6	7
Education	1	3
Corporate	1	1

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

	10/31/11	4/30/11
AAA/Aaa	14%	9%
AA/Aa	64	68
A	18	19
BBB/Baa	4	4

<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 ( Common Shares ). However, these objectives cannot be achieved in all interest rate environments.

To leverage, the Funds issue AMPS or VRDP Shares (collectively, Preferred Shares ), which pay dividends at prevailing short-term interest rates, and invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally 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 shareholders will benefit from the incremental net income.

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 securities purchased by the Fund with assets received from Preferred Shares issuance earn income based on long-term interest rates. In this case, the dividends paid to holders of Preferred Shares ( Preferred Shareholders ) are significantly lower than the income earned on the Fund s long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental net income.

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

Furthermore, the value of the Funds 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 Funds Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds NAV positively or negatively in addition to the impact on Fund performance from leverage from Preferred Shares discussed above.

The Funds may also leverage their assets through the use of TOBs, 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 bonds deposited into the TOB trust may adversely affect each Fund s NAV per share.

The use of leverage may enhance opportunities for increased income 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 NAVs, market prices and dividend rates than comparable portfolios 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, each Fund s 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. Each Fund may be required to sell portfolio securities at inopportune times or at distressed 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 a Fund to incur losses. The use of leverage may limit each Fund s 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 rating agencies that rate the Preferred Shares issued by the Funds. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to 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/or TOBs will not exceed 50% (45% for MYD and MQY) of its total managed assets at the time such leverage is incurred. As of October 31, 2011, the Funds had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

	<b>Percent of Leverage</b>
MYD	37%
MQY	38%

### Derivative Financial Instruments

The Funds may invest in various derivative financial instruments, including financial futures contracts as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial 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. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Funds' ability to use a derivative financial instrument successfully depends on the investment advisor's ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Fund can realize on an investment, may result in lower dividends paid to shareholders or may cause a Fund to hold an investment that it might otherwise sell. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.



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California Statewide Communities Development Authority, RB, John Muir Health, 5.13%, 7/01/39	4,375	4,295,331
Los Angeles Department of Airports, RB, Series A, 5.25%, 5/15/39	1,605	1,712,904
Los Angeles Department of Airports, Refunding RB, Senior, Los Angeles International Airport, Series A, 5.00%, 5/15/40	11,970	12,598,305
State of California, GO: (AMBAC), 5.00%, 4/01/31	10	10,136
Various Purpose, 6.00%, 3/01/33	5,085	5,722,659
Various Purpose, 6.50%, 4/01/33	14,075	16,411,591
Various Purpose, 5.00%, 10/01/41	6,190	6,170,687
University of California, RB, Limited Project, Series B, 4.75%, 5/15/38	4,435	4,460,191
		69,055,813

**Colorado 2.7%**

City & County of Denver Colorado, RB, Series D, AMT (AMBAC), 7.75%, 11/15/13	3,990	4,256,931
Colorado Housing & Finance Authority, Refunding RB, S/F Program, Senior Series D-2, AMT, 6.90%, 4/01/29	115	121,700
Plaza Metropolitan District No. 1 Colorado, Tax Allocation Bonds, Public Improvement Fee, Tax Increment: 8.00%, 12/01/25	6,850	6,906,650
Subordinate, 8.13%, 12/01/25	1,885	1,761,495

**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 following list:

<b>ACA</b>	American Capital Access Corp.
<b>AGC</b>	Assured Guaranty Corp.
<b>AGM</b>	Assured Guaranty Municipal Corp.
<b>AMBAC</b>	American Municipal Bond Assurance Corp.
<b>AMT</b>	Alternative Minimum Tax (subject to)
<b>ARB</b>	Airport Revenue Bonds
<b>BHAC</b>	Berkshire Hathaway Assurance Corp.
<b>CAB</b>	Capital Appreciation Bonds
<b>COP</b>	Certificate of Participation
<b>EDA</b>	Economic Development Authority
<b>EDC</b>	Economic Development Corp.
<b>ERB</b>	Education Revenue Bonds
<b>FHA</b>	Federal Housing Administration
<b>GAB</b>	Grant Anticipation Bonds
<b>GARB</b>	General Airport Revenue Bonds
<b>GO</b>	General Obligation Bonds
<b>HDA</b>	Housing Development Authority
<b>HFA</b>	Housing Finance Agency
<b>HRB</b>	Housing Revenue Bonds
<b>IDA</b>	Industrial Development Authority
<b>IDRB</b>	Industrial Development Revenue Bonds
<b>ISD</b>	Independent School District
<b>MRB</b>	Mortgage Revenue Bonds
<b>NPFGC</b>	National Public Finance Guarantee Corp.
<b>PSF-GTD</b>	Permanent School Fund Guaranteed
<b>Radian</b>	Radian Corp.
<b>RB</b>	Revenue Bonds

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<b>S/F</b>	Single-Family
<b>SAN</b>	State Aid Notes
<b>SO</b>	Special Obligation
<b>Syncora</b>	Syncora Guaranteed
<b>TRAN</b>	Tax Revenue Anticipation Notes

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Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Colorado (concluded)</b>		
University of Colorado, RB, Series A:		
5.25%, 6/01/30	\$ 2,250	\$ 2,450,745
5.38%, 6/01/32	1,250	1,361,425
5.38%, 6/01/38	830	890,515
		17,749,461
<b>Connecticut 1.6%</b>		
Connecticut State Health & Educational Facility Authority, RB:		
Ascension Health Senior Credit, 5.00%, 11/15/40	2,770	2,845,565
Wesleyan University, 5.00%, 7/01/35	2,225	2,379,749
Wesleyan University, 5.00%, 7/01/39	5,000	5,325,200
		10,550,514
<b>Delaware 1.5%</b>		
County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Project, 6.00%, 10/01/40		
	2,305	2,318,484
Delaware State EDA, RB, Exempt Facilities, Indian River Power, 5.38%, 10/01/45		
	8,275	7,588,837
		9,907,321
<b>District of Columbia 1.9%</b>		
Metropolitan Washington Airports Authority, RB:		
CAB, Second Senior Lien, Series B (AGC), 7.00%, 10/01/31 (a)	8,350	2,572,385
CAB, Second Senior Lien, Series B (AGC), 7.03%, 10/01/32 (a)	15,000	4,347,000
CAB, Second Senior Lien, Series B (AGC), 7.05%, 10/01/33 (a)	13,410	3,654,895
First Senior Lien, Series A, 5.25%, 10/01/44	1,500	1,558,980
		12,133,260
<b>Florida 9.0%</b>		
City of Clearwater Florida, RB, Series A, 5.25%, 12/01/39		
	6,900	7,426,263
County of Broward Florida, RB, Series A, 5.25%, 10/01/34		
	2,155	2,313,608
County of Miami-Dade Florida, RB, Water & Sewer System, 5.00%, 10/01/34		
	11,450	11,960,326
County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41		
	7,530	7,741,744
Greater Orlando Aviation Authority Florida, RB, Special Purpose, JetBlue Airways Corp., AMT, 6.50%, 11/15/36		
	2,500	2,350,425
Hillsborough County IDA, RB, AMT, National Gypsum Co.:		
Series A, 7.13%, 4/01/30	11,500	10,248,800
Series B, 7.13%, 4/01/30	5,000	4,456,000
Mid-Bay Bridge Authority, RB, Series A, 7.25%, 10/01/40		
	4,615	4,830,428
Midtown Miami Community Development District, Special Assessment Bonds, Series B, 6.50%, 5/01/37		
	5,170	5,186,492

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Santa Rosa Bay Bridge Authority, RB, 6.25%, 7/01/28 (b)(c)	4,620	1,616,954 58,131,040
	<b>Par (000)</b>	<b>Value</b>
<b>Municipal Bonds</b>		
<b>Georgia 1.4%</b>		
DeKalb Private Hospital Authority, Refunding RB, Children s Healthcare, 5.25%, 11/15/39	\$ 1,700	\$ 1,747,073
Metropolitan Atlanta Rapid Transit Authority, RB, Third Series, 5.00%, 7/01/39	6,945	7,240,788 8,987,861
<b>Guam 0.7%</b>		
Territory of Guam, GO, Series A:		
6.00%, 11/15/19	1,270	1,292,619
6.75%, 11/15/29	1,815	1,871,138
7.00%, 11/15/39	1,200	1,243,440 4,407,197
<b>Hawaii 0.5%</b>		
State of Hawaii, Refunding RB, Series A, 5.25%, 7/01/30	2,760	2,900,953
<b>Idaho 1.6%</b>		
Power County Industrial Development Corp., RB, FMC Corp. Project, AMT, 6.45%, 8/01/32	10,000	10,008,100
<b>Illinois 9.4%</b>		
Bolingbrook Special Service Area No. 1, Special Tax Bonds, Forest City Project, 5.90%, 3/01/27	1,000	832,420
City of Chicago Illinois, Board of Education, GO, Series A:		
5.50%, 12/01/39	4,280	4,534,660
5.00%, 12/01/41	1,410	1,405,587
City of Chicago Illinois, RB, General, Third Lien:		
Series A, 5.63%, 1/01/35	4,200	4,538,310
Series A, 5.75%, 1/01/39	3,500	3,819,935
Series C, 6.50%, 1/01/41	11,920	13,713,006
City of Chicago Illinois, Transit Authority, RB, Sales Tax Receipts Revenue, 5.25%, 12/01/40	2,130	2,193,794
Illinois Finance Authority, RB, Navistar International, Recovery Zone, 6.50%, 10/15/40	3,130	3,229,002
Illinois Finance Authority, Refunding RB: Central DuPage Health, Series B, 5.50%, 11/01/39	3,235	3,349,195
Friendship Village Schaumburg, Series A, 5.63%, 2/15/37	875	712,451
Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Expansion Project (AGM):		
CAB, Series B, 6.25%, 6/15/46 (a)	11,405	1,372,592
CAB, Series B, 6.25%, 6/15/47 (a)	27,225	3,082,142
Series B, 5.00%, 6/15/50	6,405	6,244,234
Series B-2, 5.00%, 6/15/50	5,085	4,949,078
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	2,730	2,881,733
6.00%, 6/01/28	2,335	2,427,980
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34	1,275	1,334,390 60,620,509
<b>Indiana 2.2%</b>		
Indiana Finance Authority, RB, Sisters of St. Francis Health, 5.25%, 11/01/39	1,690	1,722,042
Indiana Finance Authority, Refunding RB, Parkview Health System, Series A, 5.75%, 5/01/31	6,645	6,957,780

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Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Indiana (concluded)</b>		
Indiana Finance Authority, Wastewater Utility, RB, First Lien, CWA Authority, Series A, 5.25%, 10/01/38	\$ 3,200	\$ 3,413,920
Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39	2,230	2,434,246
		14,527,988
<b>Kansas 1.3%</b>		
Kansas Development Finance Authority, Refunding RB:		
Adventist Health, 5.75%, 11/15/38	4,380	4,727,422
Sisters of Leavenworth, Series A, 5.00%, 1/01/40	3,365	3,400,736
		8,128,158
<b>Louisiana 3.9%</b>		
East Baton Rouge Sewerage Commission, RB, Series A, 5.25%, 2/01/39	1,610	1,704,298
Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Projects, 6.75%, 11/01/32	9,000	9,391,590
New Orleans Aviation Board, Refunding RB, Passenger Facility Charge, Series A, 5.25%, 1/01/41	1,260	1,284,204
Port of New Orleans Louisiana, Refunding RB, Continental Grain Co. Project, 6.50%, 1/01/17	13,000	13,003,900
		25,383,992
<b>Maine 0.5%</b>		
Maine Health & Higher Educational Facilities Authority, RB, Series A, 5.00%, 7/01/39	3,140	3,189,738
<b>Maryland 0.7%</b>		
County of Prince George's Maryland, SO, National Harbor Project, 5.20%, 7/01/34	1,500	1,364,325
Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35	880	870,654
Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25	1,690	1,696,693
Maryland Industrial Development Financing Authority, RB, Our Lady Of Good Counsel School, Series A, 6.00%, 5/01/35	500	502,030
		4,433,702
<b>Massachusetts 3.2%</b>		
Massachusetts Bay Transportation Authority, Refunding RB, Senior Series A-1, 5.25%, 7/01/29	3,250	3,884,823
Massachusetts Development Finance Agency, RB, Seven Hills Foundation & Affiliates (Radian), 5.00%, 9/01/35	3,500	2,923,305
Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare, Series J1, 5.00%, 7/01/39	3,640	3,714,074
	9,200	9,824,496

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Massachusetts State School Building Authority, RB,  
Sales Tax Revenue, Senior, Series B, 5.00%,  
10/15/41

20,346,698

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Michigan 3.3%</b>		
City of Detroit Michigan, RB, Senior Lien, Series B (AGM), 7.50%, 7/01/33	\$ 1,835	\$ 2,175,374
Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.50%, 5/15/36	2,795	2,811,938
Michigan State Hospital Finance Authority, Refunding RB, Hospital, Henry Ford Health, 5.75%, 11/15/39	6,085	6,218,261
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital: 8.00%, 9/01/29	2,000	2,383,040
8.25%, 9/01/39	6,365	7,549,272
		21,137,885
<b>Minnesota 0.5%</b>		
City of Eden Prairie Minnesota, RB, Rolling Hills Project, Series A (Ginnie Mae): 6.00%, 8/20/21	420	441,617
6.20%, 2/20/43	2,000	2,101,660
City of Minneapolis Minnesota, HRB, Gaar Scott Loft Project, Mandatory Put Bonds, AMT, 5.95%, 5/01/30 (d)	850	851,360
		3,394,637
<b>Mississippi 0.00%</b>		
University of Southern Mississippi, RB, Campus Facilities Improvements Project, 5.38%, 9/01/36	280	301,364
<b>New Hampshire 0.5%</b>		
New Hampshire Health & Education Facilities Authority, Refunding RB, Elliot Hospital, Series B, 5.60%, 10/01/22	2,860	2,954,923
<b>New Jersey 6.9%</b>		
New Jersey EDA, RB: Cigarette Tax, 5.50%, 6/15/24	9,715	9,558,297
Continental Airlines Inc. Project, AMT, 6.25%, 9/15/19	3,905	3,825,026
Continental Airlines Inc. Project, AMT, 6.25%, 9/15/29	11,000	10,400,170
First Mortgage, Lions Gate Project, Series A, 5.75%, 1/01/25	710	656,203
First Mortgage, Lions Gate Project, Series A, 5.88%, 1/01/37	230	199,067
First Mortgage, Presbyterian Homes, Series A, 6.38%, 11/01/31	3,000	2,643,930
Motor Vehicle Surcharge, Series A (NPFGB), 5.00%, 7/01/29	10,000	10,239,800
New Jersey Health Care Facilities Financing Authority, RB, Pascack Valley Hospital Association (b)(c): 6.00%, 7/01/13	1,335	13
6.63%, 7/01/36	1,835	18
New Jersey Transportation Trust Fund Authority, RB, Transportation System: CAB, Series C (AMBAC), 5.05%, 12/15/35 (a)	13,110	3,039,685
Series A, 5.50%, 6/15/41	3,630	3,919,602
		44,481,811

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Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>New York 5.9%</b>		
Dutchess County Industrial Development Agency New York, Refunding RB, St. Francis Hospital, Series A, 7.50%, 3/01/29	\$ 2,100	\$ 2,077,635
Hudson New York Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47	3,260	3,452,047
Metropolitan Transportation Authority, Refunding RB: Series B, 5.00%, 11/15/34	4,910	5,175,533
Transportation, Series D, 5.25%, 11/15/40	2,465	2,584,207
New York City Industrial Development Agency, RB, British Airways Plc Project, 7.63%, 12/01/32	1,250	1,254,975
New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49	2,480	2,573,422
Port Authority of New York & New Jersey, RB, JFK International Air Terminal: 6.00%, 12/01/36	2,625	2,717,715
6.00%, 12/01/42	1,485	1,552,894
State of New York Dormitory Authority, RB, North Shore Long Island Jewish, Obligated Group, Series A, 5.00%, 5/01/41	2,560	2,532,736
Triborough Bridge & Tunnel Authority, RB, Subordinate Bonds, 5.25%, 11/15/30	10,000	10,479,900
Westchester County Industrial Development Agency New York, MRB, Kendal on Hudson Project, Series A, 6.38%, 1/01/24	3,450	3,444,721
		37,845,785
<b>North Carolina 1.2%</b>		
North Carolina HFA, RB:		
Home Ownership, Series 8A, AMT, 6.20%, 7/01/16	80	80,143
S/F, Series II (FHA), 6.20%, 3/01/16	405	406,276
North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/42	2,805	2,852,685
North Carolina Medical Care Commission, Refunding RB, First Mortgage, Presbyterian Homes, 5.40%, 10/01/27	5,000	4,575,050
		7,914,154
<b>Ohio 1.0%</b>		
County of Lucas Ohio, Refunding RB, Sunset Retirement, Series A, 6.63%, 8/15/30	2,175	2,176,783
County of Montgomery Ohio, Refunding RB, Catholic Healthcare, Series A, 5.00%, 5/01/39	2,840	2,871,865
Toledo-Lucas County Port Authority, RB, St. Mary Woods Project, Series A: 6.00%, 5/15/24	750	397,298
6.00%, 5/15/34	2,250	1,191,892
		6,637,838

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	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Pennsylvania 2.2%</b>		
Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A, 5.38%, 11/15/40	\$ 5,490	\$ 4,504,380
Pennsylvania Economic Development Financing Authority, RB: Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40	3,805	3,997,533
National Gypsum Co., Series A, AMT, 6.25%, 11/01/27	5,270	4,481,555
Philadelphia Authority for Industrial Development, RB, Commercial Development, AMT, 7.75%, 12/01/17	1,265	1,266,063
		14,249,531
<b>Puerto Rico 2.7%</b>		
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.50%, 8/01/44	10,120	11,395,829
Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB (a): First Sub-Series C, 6.58%, 8/01/38	23,695	4,416,274
Series A (AMBAC), 6.43%, 8/01/47	14,900	1,542,299
		17,354,402
<b>Rhode Island 0.8%</b>		
Central Falls Detention Facility Corp., Refunding RB, 7.25%, 7/15/35	4,240	3,310,719
City of Woonsocket Rhode Island, GO (NPFGC): 6.00%, 10/01/17	1,200	1,173,132
6.00%, 10/01/18	695	673,587
		5,157,438
<b>South Carolina 1.6%</b>		
South Carolina State Ports Authority, RB, 5.25%, 7/01/40	6,695	7,061,484
South Carolina State Public Service Authority, Refunding RB, Santee Cooper Project, Series C, 5.00%, 12/01/36	3,125	3,357,938
		10,419,422
<b>Tennessee 0.4%</b>		
Hardeman County Correctional Facilities Corp. Tennessee, RB, 7.75%, 8/01/17	2,870	2,868,422
<b>Texas 16.9%</b>		
Alliance Airport Authority Texas, Refunding RB, American Airlines Inc. Project, AMT, 5.75%, 12/01/29	3,500	1,855,035
Bexar County Housing Finance Corp., RB, Waters at Northern Hills Apartments, Series A (NPFGC): 6.00%, 8/01/31	805	711,620
6.05%, 8/01/36	1,000	866,850
Brazos River Authority, Refunding RB, TXU Electric Co. Project, Series C, Mandatory Put Bonds, AMT, 5.75%, 5/01/36 (d)	4,580	4,580,000
Central Texas Regional Mobility Authority, RB, Senior Lien, 6.25%, 1/01/46	4,365	4,439,118
City of Dallas Texas, Refunding RB, Waterworks & Sewer System, 5.00%, 10/01/35	3,060	3,320,957

See Notes to Financial Statements.



## Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Texas (concluded)</b>		
City of Houston Texas, RB:		
Senior Lien, Series A, 5.50%, 7/01/39	\$ 3,100	\$ 3,291,301
Special Facilities, Continental Airlines, Series E, AMT, 7.38%, 7/01/22	3,500	3,500,945
Special Facilities, Continental Airlines, Series E, AMT, 7.00%, 7/01/29	3,000	2,996,580
City of Houston Texas, Refunding RB, Sub-Lien Series A, AMT, 5.00%, 7/01/21	6,240	6,658,454
Dallas-Fort Worth International Airport Facilities Improvement Corp., Refunding RB, American Airlines Inc. Project, AMT, 5.50%, 11/01/30	12,500	6,625,125
Gulf Coast IDA, RB, Citgo Petroleum Corp. Project, Mandatory Put Bonds, AMT, 7.50%, 5/01/25 (d)	3,900	3,931,590
Harris County Texas Metropolitan Transit Authority, TRAN, RB, Series A, 5.00%, 11/01/41	6,920	7,391,598
Houston Industrial Development Corp., RB, Senior, Air Cargo, AMT, 6.38%, 1/01/23	1,620	1,432,663
La Vernia Higher Education Finance Corp., RB, KIPP Inc., Series A, 6.38%, 8/15/44	1,000	1,059,920
Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, Series A, 6.30%, 11/01/29	4,320	4,643,093
North Texas Tollway Authority, RB:		
CAB, Special Projects System, Series B, 7.55%, 9/01/37 (a)	4,110	810,985
Toll, 2nd Tier, Series F, 6.13%, 1/01/31	12,140	12,716,650
San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply, 5.50%, 8/01/25	6,365	6,633,094
Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien:		
LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40	8,730	9,385,536
NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39	6,655	7,101,084
Texas State Public Finance Authority, Refunding ERB, KIPP Inc., Series A (ACA), 5.00%, 2/15/36	1,000	947,440
Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.50%, 8/15/39	14,210	14,168,507
		109,068,145
<b>US Virgin Islands 0.9%</b>		
Virgin Islands Public Finance Authority, RB, Senior Secured, Hovensa Refinery, AMT, 6.13%, 7/01/22	6,250	5,730,937
<b>Utah 1.1%</b>		
City of Riverton Utah, RB, IHC Health Services Inc., 5.00%, 8/15/41	7,310	7,408,320
<b>Virginia 0.6%</b>		
James City County EDA, RB, First Mortgage, Williamsburg Lodge, Series A:		
5.35%, 9/01/26	1,500	1,365,960
5.50%, 9/01/34	2,000	1,706,660

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Winchester IDA Virginia, RB, Westminster-Canterbury, Series A, 5.20%, 1/01/27	1,000	1,000,210
		4,072,830

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Washington 1.0%</b>		
Vancouver Housing Authority Washington, HRB, Teal Pointe Apartments Project, AMT: 6.00%, 9/01/22	\$ 945	\$ 878,018
6.20%, 9/01/32	1,250	1,070,575
Washington Health Care Facilities Authority, RB, Swedish Health Services, Series A, 6.75%, 11/15/41	4,045	4,457,307
		6,405,900
<b>Wisconsin 4.3%</b>		
City of Milwaukee Wisconsin, RB, Senior, Air Cargo, AMT, 6.50%, 1/01/25	600	529,464
State of Wisconsin, Refunding RB, Series A, 6.00%, 5/01/36	14,300	15,999,841
Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/33	4,970	5,135,998
Wisconsin Health & Educational Facilities Authority, Refunding RB, Franciscan Sisters Healthcare, 5.00%, 9/01/26	6,470	6,220,452
		27,885,755
<b>Wyoming 1.1%</b>		
County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, 5.25%, 7/15/26	6,195	6,670,714
Wyoming Municipal Power Agency, RB, Series A, 5.00%, 1/01/42	595	608,263
		7,278,977
<b>Total Municipal Bonds 116.8%</b>		754,921,771

**Municipal Bonds Transferred to  
Tender Option Bond Trusts (e)**

<b>Alabama 0.7%</b>		
Alabama Special Care Facilities Financing Authority- Birmingham, Refunding RB, Ascension Health Senior Credit, Series C-2, 5.00%, 11/15/36	4,538	4,618,930
<b>California 6.2%</b>		
Bay Area Toll Authority, Refunding RB, San Francisco Bay Area, Series F-1, 5.63%, 4/01/44	6,581	7,127,377
California Educational Facilities Authority, RB, University of Southern California, Series B, 5.25%, 10/01/39	5,310	5,737,402
Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32	4,650	4,879,152
San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33	2,154	2,346,410
San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39	19,080	19,923,527
		40,013,868

See Notes to Financial Statements.



Schedule of Investments (continued)

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

Municipal Bonds Transferred to Tender Option Bond Trusts (e)	Par (000)	Value
<b>Colorado 2.6%</b>		
Colorado Health Facilities Authority, RB, Catholic Health (AGM):		
Series C-3, 5.10%, 10/01/41	\$ 7,490	\$ 7,589,093
Series C-7, 5.00%, 9/01/36	4,800	4,863,744
Colorado Health Facilities Authority, Refunding RB, Catholic Health, Series A, 5.50%, 7/01/34	4,299	4,503,753
		16,956,590
<b>Connecticut 3.0%</b>		
Connecticut State Health & Educational Facility Authority, RB, Yale University:		
Series T-1, 4.70%, 7/01/29	9,130	9,735,684
Series X-3, 4.85%, 7/01/37	9,270	9,742,307
		19,477,991
<b>Georgia 1.0%</b>		
Private Colleges & Universities Authority, Refunding RB, Emory University, Series C, 5.00%, 9/01/38		
	6,398	6,722,211
<b>New Hampshire 0.7%</b>		
New Hampshire Health & Education Facilities Authority, Refunding RB, Dartmouth College, 5.25%, 6/01/39		
	4,048	4,476,546
<b>New York 3.2%</b>		
New York City Municipal Water & Sewer Finance Authority, RB, Series FF-2, 5.50%, 6/15/40		
	3,194	3,519,397
New York State Dormitory Authority, ERB, Series F, 5.00%, 3/15/35	16,723	17,308,541
		20,827,938
<b>North Carolina 3.6%</b>		
North Carolina Capital Facilities Finance Agency, Refunding RB:		
Duke University Project,		
Series A, 5.00%, 10/01/41	18,897	19,741,381
Wake Forest University, 5.00%, 1/01/38	3,120	3,298,620
		23,040,001
<b>Ohio 4.5%</b>		
State of Ohio, Refunding RB, Cleveland Clinic Health, Series A, 5.50%, 1/01/39		
	27,900	29,036,088
<b>South Carolina 2.8%</b>		
Charleston Educational Excellence Finance Corp., RB, Charleston County School (AGC):		
5.25%, 12/01/28	7,795	8,263,947
5.25%, 12/01/29	6,920	7,306,689
5.25%, 12/01/30	2,510	2,643,457
		18,214,093
<b>Tennessee 1.8%</b>		
Shelby County Health Educational & Housing Facilities Board, Refunding RB, St. Jude's Children's Research Hospital, 5.00%, 7/01/31		
	11,240	11,660,264
<b>Municipal Bonds Transferred to Tender Option Bond Trusts (e)</b>		
<b>Virginia 3.8%</b>		

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Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35	\$ 6,266	\$ 6,695,614
University of Virginia, Refunding RB, General, 5.00%, 6/01/40	10,619	11,437,733
Virginia Small Business Financing Authority, Refunding RB, Sentara Healthcare, 5.00%, 11/01/40	6,075	6,274,421
		24,407,768
<b>Washington 0.9%</b>		
Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32	5,384	5,680,414
<b>Wisconsin 1.8%</b>		
Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health Inc., 5.25%, 4/01/39	11,458	11,590,168
<b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 36.6%</b>		236,722,870
<b>Total Long-Term Investments (Cost \$970,176,301) 153.4%</b>		991,644,641
<b>Short-Term Securities</b>		
Michigan Finance Authority, RB, SAN, Detroit Schools, Series A-1, 6.45%, 2/20/12	6,640	6,640,000
	<b>Shares</b>	
FII Institutional Tax-Exempt Fund, 0.01% (f)(g)	23,365,055	23,365,055
<b>Total Short-Term Securities (Cost \$30,005,055) 4.6%</b>		30,005,055
<b>Total Investments (Cost \$1,000,181,356*) 158.0%</b>		1,021,649,696
<b>Other Assets Less Liabilities 0.1%</b>		357,786
<b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (19.2)%</b>		(124,166,520)
<b>VRDP Shares, at Liquidation Value (38.9)%</b>		(251,400,000)
<b>Net Assets Applicable to Common Shares 100.0%</b>		\$ 646,440,962

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 874,630,951
Gross unrealized appreciation	\$ 45,095,400
Gross unrealized depreciation	(22,196,649)
Net unrealized appreciation	\$ 22,898,751

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) Issuer filed for bankruptcy and/or is in default of interest payments.
- (c) Non-income producing security.
- (d) Variable rate security. Rate shown is as of report date.
- (e) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

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See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock MuniYield Fund, Inc. (MYD)

(f) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at April 30, 2011	Net Activity	Shares Held at October 31, 2011	Income
FFI Institutional Tax-Exempt Fund	16,277,332	7,087,723	23,365,055	\$ 1,876

(g) Represents the current yield as of report date.

Financial futures contracts sold as of October 31, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
129	10-Year US Treasury Note	Chicago Board of Trade	December 2011	\$ 16,649,063	\$ 144,801

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities

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)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of October 31, 2011 in determining the fair valuation of the Fund's investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments:				
Long-Term Investments <sup>1</sup>		\$ 991,644,641		\$ 991,644,641
Short-Term Securities	\$ 23,365,055	6,640,000		30,005,055
<b>Total</b>	\$ 23,365,055	\$ 998,284,641		\$ 1,021,649,696

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<sup>1</sup> See above Schedule of Investments for value in each state or political subdivision.

<b>Valuation Inputs</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Derivative Financial Instruments <sup>2</sup>				
<b>Assets:</b>				
Interest rate contracts	\$ 144,801			\$ 144,801

<sup>2</sup> Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

See Notes to Financial Statements.

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Schedule of Investments October 31, 2011 (Unaudited)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Alabama 2.2%</b>		
County of Jefferson Alabama, RB, Series A, 4.75%, 1/01/25	\$ 3,000	\$ 2,644,500
University of Alabama, RB, Series A (NPFGC), 5.00%, 7/01/34	7,125	7,281,394
		9,925,894
<b>Alaska 1.2%</b>		
Alaska Housing Finance Corp., RB, General Housing, Series B (NPFGC), 5.25%, 12/01/30	600	612,924
Borough of Matanuska-Susitna Alaska, RB, Goose Creek Correctional Center (AGC), 6.00%, 9/01/32	4,425	4,992,639
		5,605,563
<b>Arizona 0.7%</b>		
Arizona State Health Facilities Authority, RB, Catholic Healthcare West, Series B-2 (AGM), 5.00%, 3/01/41 (a)	550	543,290
State of Arizona, COP, Department of Administration, Series A (AGM):		
5.00%, 10/01/27	1,850	1,979,593
5.25%, 10/01/28	800	864,440
		3,387,323
<b>California 17.7%</b>		
Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.45%, 10/01/25 (b)	4,150	3,694,579
Anaheim Public Financing Authority California, RB, Electric System Distribution Facilities, Series A (AGM), 5.00%, 10/01/31	1,250	1,284,675
Cabrillo Community College District, GO, CAB, Election of 2004, Series B (NPFGC) (c):		
5.18%, 8/01/37	3,250	637,780
4.87%, 8/01/38	7,405	1,361,631
California Health Facilities Financing Authority, Refunding RB:		
St. Joseph Health System, Series A, 5.75%, 7/01/39	775	807,077
Sutter Health, Series B, 5.88%, 8/15/31	1,500	1,619,970
California State University, RB, Systemwide, Series A (NPFGC), 5.00%, 11/01/35	2,130	2,154,218
Carlsbad Unified School District, GO, Election of 2006, Series B, 6.00%, 5/01/34 (b)	5,000	3,384,650
Chino Valley Unified School District, GO, Election of 2002, Series C (NPFGC), 5.25%, 8/01/30	1,200	1,250,400
City of San Jose California, RB, Series A-1, AMT, 5.75%, 3/01/34	1,150	1,200,531
City of San Jose California, Refunding RB, Series A, AMT (AMBAC), 5.50%, 3/01/32	5,100	5,165,331
Coast Community College District California, GO, Refunding, CAB, Election of 2002, Series C (AGM), 5.00%, 8/01/31 (b)	2,800	2,583,840
	6,110	6,518,148

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El Monte Union High School District California, GO, Election of 2002, Series C (AGM), 5.25%, 6/01/28		
Grossmont-Cuyamaca Community College District California, GO, Refunding, CAB, Election of 2002, Series C (AGC), 5.80%, 8/01/30 (c)	10,030	3,289,539
Hartnell Community College District California, GO, CAB, Election of 2002, Series D, 6.38%, 8/01/34 (b)	4,125	2,332,027
	<b>Par (000)</b>	<b>Value</b>
<b>Municipal Bonds</b>		
<b>California (concluded)</b>		
Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32	\$ 770	\$ 807,946
Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC): 5.00%, 10/01/29	3,465	3,577,370
5.00%, 10/01/36	2,035	2,090,678
Mount Diablo Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/27	1,750	1,772,208
Orange County Sanitation District, COP, Series B (AGM): 5.00%, 2/01/30	3,500	3,699,710
5.00%, 2/01/31	1,200	1,263,792
Poway Redevelopment Agency California, Tax Allocation Bonds, Refunding, Paguay Redevelopment Project (AMBAC), 5.13%, 6/15/33	2,000	1,802,840
Poway Unified School District, GO, CAB, School Facilities Improvement, Election of 2007-1, 6.26%, 8/01/36 (c)	5,000	1,090,050
Sacramento Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/30	1,450	1,489,948
San Bernardino Community College District California, GO, CAB, Election of 2008, Series B, 6.38%, 8/01/34 (b)	10,000	6,743,500
San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/38	3,000	3,119,700
San Diego County Water Authority, SAN, Series A (NPFGC), 5.00%, 5/01/32	3,150	3,190,383
San Diego Unified School District California, GO, CAB, Election of 2008, Series C, 6.84%, 7/01/38 (c)	2,200	438,570
San Joaquin County Transportation Authority, RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	900	1,027,701
San Jose Unified School District Santa Clara County California, GO, Election of 2002, Series B (NPFGC), 5.00%, 8/01/29	2,825	2,913,366
San Marcos Unified School District, GO, Election of 2010, Series A: 5.00%, 8/01/34	900	936,585
5.00%, 8/01/38	760	787,846
State of California, GO: 5.13%, 6/01/27	30	30,039
5.50%, 4/01/28	5	5,251
Ventura County Community College District, GO, Election of 2002, Series B (NPFGC), 5.00%, 8/01/30	3,150	3,271,842
Yosemite Community College District, GO, CAB, Election of 2004, Series D, 6.55%, 8/01/36 (c)	15,000	3,270,150
		80,613,871
<b>Colorado 1.5%</b>		

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Colorado Health Facilities Authority, RB, Covenant Retirement Communities, Series A (Radian):		
5.50%, 12/01/27	1,600	1,500,848
5.50%, 12/01/33	900	833,877
E-470 Public Highway Authority Colorado, Refunding RB, CAB, Series B (NPFGC), 5.61%, 9/01/29 (c)	9,000	2,670,570
Regional Transportation District, COP, Series A, 5.38%, 6/01/31	1,885	1,998,534
		7,003,829

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Connecticut 0.2%</b>		
Connecticut State Health & Educational Facilities Authority, RB, Hartford Healthcare, Series A, 5.00%, 7/01/32	\$ 900	\$ 904,734
<b>Florida 12.4%</b>		
County of Duval Florida, COP, Master Lease Program (AGM), 5.00%, 7/01/33	7,050	7,210,035
County of Lee Florida, Refunding ARB, Series A, AMT: 5.63%, 10/01/26	1,280	1,331,174
5.38%, 10/01/32	1,700	1,690,412
County of Miami-Dade Florida, GO, Building Better Communities Program, Series B, 6.38%, 7/01/28	3,300	3,701,544
County of Miami-Dade Florida, RB: Series A, 5.50%, 10/01/36	6,490	6,759,984
Water & Sewer System (AGM), 5.00%, 10/01/39	4,000	4,157,320
County of Miami-Dade Florida, Refunding RB, Miami International Airport, AMT (AGC), 5.00%, 10/01/40	8,200	7,861,094
Florida Ports Financing Commission, Refunding RB, State Transportation Trust Fund, Series B, AMT: 5.13%, 6/01/27	1,395	1,475,575
5.38%, 10/01/29	1,900	2,009,915
Florida State Department of Environmental Protection, RB, Series B (NPFGC), 5.00%, 7/01/27	2,545	2,687,927
Highlands County Health Facilities Authority, RB, Adventist Health System/Sunbelt, Series B, 6.00%, 11/15/37	1,250	1,349,900
Hillsborough County Aviation Authority Florida, RB, Series A, AMT (AGC), 5.38%, 10/01/33	2,700	2,764,800
Orange County School Board, COP, Series A: (AGC), 5.50%, 8/01/34	3,550	3,763,178
(NPFGC), 5.00%, 8/01/31	5,000	5,075,600
Sarasota County Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39	375	381,859
South Florida Water Management District, COP: (AGC), 5.00%, 10/01/22	2,700	2,878,011
(AMBAC), 5.00%, 10/01/36	1,500	1,528,065
		56,626,393
<b>Georgia 1.0%</b>		
Burke County Development Authority, RB, Oglethorpe Power, Vogtle Project, Series C, 5.70%, 1/01/43	3,150	3,260,817
Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41	1,125	1,172,734
		4,433,551
<b>Illinois 20.3%</b>		
City of Chicago Illinois, ARB, General, Third Lien, Series B-2, AMT:		

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(AGM), 5.75%, 1/01/23	3,400	3,562,452
(AGM), 5.75%, 1/01/24	4,000	4,172,400
(Syncora), 6.00%, 1/01/29	3,300	3,426,423
City of Chicago Illinois, Board of Education, GO, Series A, 5.50%, 12/01/39 (a)	3,180	3,369,210
City of Chicago Illinois, Board of Education, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26	2,000	2,146,940

	Par (000)	Value
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**Municipal Bonds**

**Illinois (concluded)**

City of Chicago Illinois, GO, CAB, City Colleges (NPFGC), 5.90%, 1/01/31 (c)	\$ 13,000	\$ 4,163,120
City of Chicago Illinois, Park District, GO, Harbor Facilities, Series C, 5.25%, 1/01/40	750	787,222
City of Chicago Illinois, RB, Series A: (AGC), 5.00%, 1/01/38	4,000	4,071,920
General, Third Lien, 5.75%, 1/01/39	5,500	6,002,755
Waterworks Revenue, Second Lien (AMBAC), 5.00%, 11/01/36	1,500	1,507,245
City of Chicago Illinois, Refunding ARB, General, Third Lien, Series A-2, AMT (AGM), 5.75%, 1/01/21	2,665	2,810,029
City of Chicago Illinois, Refunding GARB, Third Lien, Series A, AMT (NPFGC): 5.75%, 1/01/21	5,500	5,531,955
5.38%, 1/01/32	5,000	5,000,100
City of Chicago Illinois, Transit Authority, Sales Tax Receipts, RB, 5.25%, 12/01/36 (a)	840	868,543
County of Cook Illinois, GO, Capital Improvement, Series C (AMBAC), 5.50%, 11/15/26 (d)	5,080	5,351,628
Illinois Finance Authority, RB, Carle Foundation, Series A, 5.75%, 8/15/34	850	856,239
Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.50%, 6/15/30	26,525	27,920,215
Metropolitan Pier & Exposition Authority, RB, CAB, McCormick Place Expansion Project, Series A (NPFGC), 5.82%, 6/15/30 (c)	15,000	5,153,700
Metropolitan Pier & Exposition Authority, Refunding RB, CAB, McCormick Place Expansion Project, Series B (AGM) (c): 5.83%, 6/15/27	1,750	740,688
6.25%, 6/15/44	4,625	639,083
Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28	900	935,838
Regional Transportation Authority, RB, Series B (NPFGC), 5.75%, 6/01/33	3,200	3,680,928
		92,698,633

**Indiana 1.9%**

Indiana Finance Authority Wastewater Utility, RB, First Lien, CWA Authority, Series A, 5.25%, 10/01/38	1,400	1,493,590
Indiana Municipal Power Agency, RB: Series A (NPFGC), 5.00%, 1/01/37	2,750	2,816,412
Series B, 5.75%, 1/01/34	550	564,916
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A: 5.75%, 1/01/38	1,300	1,408,446
(AGC), 5.25%, 1/01/29	2,350	2,523,759
		8,807,123

**Iowa 1.8%**

	7,700	8,087,772
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Iowa Finance Authority, RB, Series A (AGC), 5.63%,  
8/15/37

**Louisiana 0.9%**

Jefferson Parish Hospital Service District No. 1,  
Refunding RB, Jefferson Medical Center, Series A,  
6.00%, 1/01/39

1,900

1,989,794

Louisiana Public Facilities Authority, Refunding RB,  
Christus Health, Series B (AGC), 6.50%, 7/01/30

1,800

2,018,304

4,008,098

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Massachusetts 2.3%</b>		
Massachusetts HFA, RB, Rental Mortgage, Series C, AMT (AGM), 5.60%, 1/01/45	\$ 4,000	\$ 4,009,240
Massachusetts HFA, Refunding RB, Series C, AMT: 5.00%, 12/01/30	3,000	2,956,350
5.35%, 12/01/42	1,525	1,536,407
Massachusetts Water Resources Authority, Refunding RB, General, Series A (NPFGC), 5.00%, 8/01/34	1,800	1,892,484
		10,394,481
<b>Michigan 11.8%</b>		
City of Detroit Michigan, RB, System, Second Lien, Series B (NPFGC), 5.00%, 7/01/36	3,150	3,114,562
City of Detroit Michigan, Refunding RB: Second Lien, Series E (BHAC), 5.75%, 7/01/31	8,300	8,896,189
Series D (NPFGC), 5.00%, 7/01/28	6,000	5,952,720
Series D (NPFGC), 5.00%, 7/01/33	1,000	1,000,340
Kalamazoo Hospital Finance Authority, RB, Bronson Methodist Hospital (AGM), 5.25%, 5/15/36	575	588,087
Lansing Board of Water & Light Utilities, RB, Series A, 5.50%, 7/01/41	2,500	2,751,700
Michigan Higher Education Student Loan Authority, Refunding RB, Student Loan, Series XVII-G, AMT (AMBAC), 5.20%, 9/01/20	2,140	2,153,311
Michigan State Building Authority, Refunding RB, Facilities Program:		
Series I-A, 5.38%, 10/15/36	1,200	1,290,468
Series I-A, 5.38%, 10/15/41	1,000	1,070,400
Series II-A (AGM), 5.25%, 10/15/36	4,270	4,549,301
Michigan State Finance Authority, Refunding RB, Trinity Health, 5.00%, 12/01/39	5,700	5,665,686
Michigan State HDA, RB, Series C, AMT, 5.50%, 12/01/28	1,455	1,481,816
Michigan Strategic Fund, Refunding RB, Detroit Edison Co. Project, AMT (Syncora):		
Series A, 5.50%, 6/01/30	1,700	1,703,213
Series C, 5.45%, 12/15/32	5,800	5,801,450
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	3,510	4,163,070
State of Michigan, RB, GAB (AGM), 5.25%, 9/15/26	3,350	3,599,709
		53,782,022
<b>Minnesota 0.7%</b>		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38	2,700	3,027,834
<b>Nevada 3.8%</b>		
City of Carson City Nevada, RB, Carson-Tahoe Hospital Project, Series A (Radian), 5.50%, 9/01/33	3,900	3,664,050
City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/34	1,150	1,282,250

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County of Clark Nevada, RB, Subordinate Lien,

Series A-2 (NPFGC):

5.00%, 7/01/30	2,000	2,020,740
5.00%, 7/01/36	10,350	10,421,104
		17,388,144

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>New Jersey 6.2%</b>		
New Jersey EDA, RB:		
Cigarette Tax (Radian), 5.50%, 6/15/31	\$ 1,285	\$ 1,193,225
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/31	14,975	15,727,793
School Facilities Construction, Series O, 5.13%, 3/01/30	5,000	5,175,550
New Jersey Higher Education Student Assistance Authority, RB, Series 1, AMT:		
5.50%, 12/01/25	800	821,768
5.75%, 12/01/27	375	387,735
5.75%, 12/01/28	400	412,640
5.88%, 12/01/33	1,980	2,058,527
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A (NPFGC), 5.75%, 6/15/25	2,000	2,312,220
		28,089,458
<b>New York 0.7%</b>		
Hudson New York Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47		
	1,000	1,058,910
New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36	2,000	2,260,960
		3,319,870
<b>North Carolina 0.5%</b>		
North Carolina Medical Care Commission, RB, Novant Health Obligation, Series A, 4.75%, 11/01/43		
	2,300	2,112,688
<b>Ohio 0.5%</b>		
County of Lucas Ohio, Refunding RB, Promedica Healthcare, Series A, 6.50%, 11/15/37		
	725	825,355
Ohio Higher Educational Facility Commission, Refunding RB, Summa Health System, 2010 Project (AGC), 5.25%, 11/15/40	1,400	1,413,496
		2,238,851
<b>Pennsylvania 2.1%</b>		
Pennsylvania HFA, Refunding RB, S/F, Series 99A, AMT, 5.25%, 10/01/32		
	2,000	2,024,940
Pennsylvania Turnpike Commission, RB, Subordinate, Special Motor License Fund:		
6.00%, 12/01/36	775	893,962
5.50%, 12/01/41	6,000	6,569,520
		9,488,422
<b>Puerto Rico 3.9%</b>		
Puerto Rico Sales Tax Financing Corp., RB:		
First Sub-Series A, 6.38%, 8/01/39	4,700	5,209,198
First Sub-Series A, 6.00%, 8/01/42	5,000	5,390,800
First Sub-Series C, 5.50%, 8/01/40	1,630	1,683,545
Puerto Rico Sales Tax Financing Corp., Refunding RB:		
CAB, Series A (NPFGC), 5.72%, 8/01/41 (c)	28,000	4,359,880
First Sub-Series C, 6.00%, 8/01/39	1,050	1,140,636
		17,784,059
<b>South Carolina 0.6%</b>		
South Carolina Jobs-EDA, Refunding RB, Palmetto Health, Series A (AGM), 6.50%, 8/01/39		
	320	350,189

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South Carolina Transportation Infrastructure Bank, RB,  
Series A, 5.25%, 10/01/40

2,500

2,630,425

2,980,614

See Notes to Financial Statements.

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## Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Tennessee 0.3%</b>		
Memphis Center City Revenue Finance Corp., RB, Subordinate, Pyramid & Pinch District, Series B (AGM), 5.25%, 11/01/30	\$ 1,520	\$ 1,614,772
<b>Texas 10.6%</b>		
Bell County Health Facility Development Corp. Texas, RB, Lutheran General Health Care System, 6.50%, 7/01/19 (e)	1,000	1,250,290
City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC), 6.00%, 11/15/35	2,850	3,253,617
Comal ISD, GO, School Building (PSF-GTD), 5.00%, 2/01/36	2,500	2,613,575
Dallas-Fort Worth International Airport Facilities Improvement Corp., Refunding RB, Joint Series A, AMT (NPFGC):		
5.88%, 11/01/17	1,125	1,129,095
5.88%, 11/01/18	1,315	1,319,787
5.88%, 11/01/19	1,465	1,468,706
Lone Star College System, GO, 5.00%, 8/15/33	4,800	5,192,304
Mansfield ISD Texas, GO, School Building (PSF-GTD), 5.00%, 2/15/33	2,300	2,453,686
North Texas Tollway Authority, Refunding RB, First Tier: Series A, 6.00%, 1/01/28	3,380	3,744,127
System (NPFGC), 5.75%, 1/01/40	12,300	12,816,477
Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC):		
5.75%, 8/15/38	7,200	7,226,784
5.00%, 8/15/42	6,045	5,761,913
		48,230,361
<b>Utah 3.7%</b>		
City of Salt Lake City Utah, Refunding RB, IHC Hospitals Inc. (NPFGC), 6.30%, 2/15/15 (e)	15,000	16,789,650
<b>Vermont 0.0%</b>		
Vermont HFA, Refunding RB, Multiple Purpose, Series C, AMT (AGM), 5.50%, 11/01/38 (f)	70	71,970
<b>Washington 1.0%</b>		
Central Puget Sound Regional Transit Authority, RB, Series A, 5.00%, 11/01/36	2,000	2,101,400
Washington Health Care Facilities Authority, RB, Providence Health & Services, Series A:		
5.00%, 10/01/39	1,525	1,532,213
5.25%, 10/01/39	850	871,463
		4,505,076
<b>Wisconsin 0.9%</b>		
Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/33	1,850	1,911,790
Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health, 5.25%, 4/01/39	2,000	2,023,160
		3,934,950

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Total Municipal Bonds 111.4%

507,856,006

Municipal Bonds Transferred to Tender Option Bond Trusts (g)	Par (000)	Value
<b>Arizona 2.4%</b>		
Phoenix Civic Improvement Corp., RB, Subordinate, Civic Plaza Expansion Project, Series A, 5.00%, 7/01/37	\$ 8,000	\$ 8,125,200
Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38	2,750	2,883,513
		11,008,713
<b>California 6.0%</b>		
California State University, Refunding RB, Systemwide, Series A (AGM), 5.00%, 11/01/32	7,000	7,296,940
Los Angeles Community College District California, GO, Series A: Election of 2001 (AGM), 5.00%, 8/01/32	6,120	6,421,594
Election of 2008, 6.00%, 8/01/33	2,639	3,008,099
Orange County Sanitation District, COP (NPFGC), 5.00%, 2/01/33	2,749	2,795,694
San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33	509	554,013
San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33	5,170	5,421,107
Tamalpais Union High School District California, GO, Election of 2001 (AGM), 5.00%, 8/01/28	1,950	2,031,978
		27,529,425
<b>Colorado 0.3%</b>		
Colorado Health Facilities Authority, Refunding RB, Catholic Health, Series A, 5.50%, 7/01/34	1,220	1,277,809
<b>District of Columbia 0.3%</b>		
District of Columbia, RB, Series A, 5.50%, 12/01/30	1,320	1,495,494
<b>Florida 11.5%</b>		
City of Tallahassee Florida, Energy System, RB (NPFGC): 5.00%, 10/01/32	2,700	2,786,319
5.00%, 10/01/37	6,000	6,210,780
County of Miami-Dade Florida, RB, Water & Sewer System (AGM), 5.00%, 10/01/39	8,728	9,071,404
County of Seminole Florida, Refunding RB, Series B (NPFGC), 5.25%, 10/01/31	6,300	6,943,293
Florida State Board of Education, GO, Series D, 5.00%, 6/01/37	2,399	2,532,300
Highlands County Health Facilities Authority, RB, Adventist, Series C, 5.25%, 11/15/36	5,990	6,079,790
Jacksonville Electric Authority Florida, RB, Sub-Series A, 5.63%, 10/01/32	4,310	4,662,213
Miami-Dade County School Board, COP, Refunding, Series B (AGC), 5.25%, 5/01/27	11,350	11,899,454
Orange County School Board, COP, Series A (NPFGC), 5.00%, 8/01/30	2,000	2,032,800
		52,218,353
<b>Georgia 2.3%</b>		
Augusta-Richmond County Georgia, Water & Sewer, RB (AGM), 5.25%, 10/01/34	5,000	5,296,100
City of Atlanta Georgia, RB, General, Subordinate Lien, Series C (AGM), 5.00%, 1/01/33	5,000	5,095,850
		10,391,950
<b>Hawaii 1.3%</b>		
Honolulu City & County Board of Water Supply, RB, Series A (NPFGC), 5.00%, 7/01/33	6,000	6,139,320

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Municipal Bonds Transferred to Tender Option Bond Trusts (g)	Par (000)	Value
<b>Illinois 5.2%</b>		
City of Chicago Illinois, Refunding RB, Second Lien (AGM), 5.25%, 11/01/33	\$ 14,429	\$ 15,054,858
Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33	2,000	2,109,493
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34	6,198	6,486,837
		23,651,188
<b>Massachusetts 3.9%</b>		
Massachusetts School Building Authority, RB, Series A (AGM), 5.00%, 8/15/30	16,500	17,602,271
<b>Nevada 1.8%</b>		
City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/39	5,007	5,552,763
Clark County Water Reclamation District, GO, Series B, 5.75%, 7/01/34	2,429	2,726,141
		8,278,904
<b>New York 6.8%</b>		
Erie County Industrial Development Agency, RB, City School District of Buffalo Project, Series A (AGM), 5.75%, 5/01/28	2,007	2,200,390
New York City Municipal Water & Sewer Finance Authority, RB, Fiscal 2009, Series A, 5.75%, 6/15/40	3,509	3,954,502
New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36	1,545	1,746,592
New York State Thruway Authority, RB, Series G (AGM), 5.00%, 1/01/32	10,000	10,427,500
Port Authority of New York & New Jersey, RB, Series 169, 5.00%, 10/15/34	10,830	11,137,789
Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34	1,500	1,643,865
		31,110,638
<b>North Carolina 0.5%</b>		
North Carolina HFA, RB, Series 31-A, AMT, 5.25%, 7/01/38	2,369	2,374,600
<b>Ohio 0.2%</b>		
State of Ohio, RB, Cleveland Clinic Health, Series B, 5.50%, 1/01/34	780	818,025
<b>South Carolina 1.1%</b>		
South Carolina State Public Service Authority, RB, Santee Cooper, Series A, 5.50%, 1/01/38	4,695	5,105,390
<b>Texas 3.0%</b>		
Clear Creek ISD Texas, GO, Refunding, School Building (PSF-GTD), 5.00%, 2/15/33	5,900	6,491,357
Cypress-Fairbanks ISD, GO, Refunding, Schoolhouse (PSF-GTD), 5.00%, 2/15/32	4,750	5,095,800
North East ISD Texas, GO, School Building, Series A (PSF-GTD), 5.00%, 8/01/37	2,000	2,117,500
		13,704,657

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Municipal Bonds Transferred to Tender Option Bond Trusts (g)	Par (000)	Value
<b>Virginia 0.1%</b>		
Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35	\$ 450	\$ 480,546
<b>Washington 0.6%</b>		
Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32	2,504	2,642,421
<b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 47.3%</b>		215,829,704
<b>Total Long-Term Investments (Cost \$700,971,731) 158.7%</b>		723,685,710

Short-Term Securities	Shares	
FFI Institutional Tax-Exempt Fund, 0.01% (h)(i)	18,133,131	18,133,131
<b>Total Short-Term Securities (Cost \$18,133,131) 4.0%</b>		18,133,131
<b>Total Investments (Cost \$719,104,862*) 162.7%</b>		741,818,841
<b>Liabilities in Excess of Other Assets (0.5%)</b>		(2,196,724)
<b>Liability for Trust Certificates, Including Interest Expense and Fees Payable (23.5%)</b>		(106,945,194)
<b>VRDP Shares, at Liquidation Value (38.7%)</b>		(176,600,000)
<b>Net Assets Applicable to Common Shares 100.0%</b>		\$ 456,076,923

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 612,340,979
Gross unrealized appreciation	\$ 27,813,750
Gross unrealized depreciation	(5,226,312)
Net unrealized appreciation	\$ 22,587,438

(a) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
JPMorgan Securities	\$ 543,290	\$ 9,790
Pershing LLC	\$ 3,369,210	\$ 77,401
Wells Fargo Bank	\$ 868,543	\$ 3,402

- (b) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (d) US 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.
- (e) Security is collateralized by Municipal or US Treasury obligations.
- (f) Variable rate security. Rate shown is as of report date.

- (g) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

See Notes to Financial Statements.

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Schedule of Investments (concluded)

**BlackRock MuniYield Quality Fund, Inc. (MQY)**

(h) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at April 30, 2011	Net Activity	Shares Held at October 31, 2011	Income
FFI Institutional Tax-Exempt Fund	4,098,484	14,034,647	18,133,131	\$ 1,260

(i) Represents the current yield as of report date.

**Fair Value Measurements** Various inputs are used in determining the fair value of investments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities

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)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments is based on the pricing transparency of the investment and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of October 31, 2011 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments:				
Long-Term Investments <sup>1</sup>		\$ 723,685,710		\$ 723,685,710
Short-Term Securities	\$ 18,133,131			18,133,131
<b>Total</b>	\$ 18,133,131	\$ 723,685,710		\$ 741,818,841

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

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Schedule of Investments October 31, 2011 (Unaudited)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Alabama 0.8%</b>		
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/39	\$ 650	\$ 712,290
County of Jefferson Alabama, RB, Series A, 4.75%, 1/01/25	2,000	1,763,000
		2,475,290
<b>Arizona 0.8%</b>		
State of Arizona, COP, Department of Administration, Series A (AGM):		
5.00%, 10/01/27	1,300	1,391,065
5.00%, 10/01/29	925	961,103
		2,352,168
<b>California 16.5%</b>		
Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.45%, 10/01/25 (a)	7,150	6,365,359
Anaheim Public Financing Authority California, RB, Electric System Distribution Facilities, Series A (AGM), 5.00%, 10/01/31	750	770,805
Cabrillo Community College District, GO, CAB, Election of 2004, Series B (NPFGC) (b):		
5.18%, 8/01/37	2,100	412,104
4.87%, 8/01/38	4,800	882,624
California Health Facilities Financing Authority, Refunding RB:		
St. Joseph Health System, Series A, 5.75%, 7/01/39	500	520,695
Sutter Health, Series B, 5.88%, 8/15/31	1,000	1,079,980
California State University, RB, SystemWide, Series A:		
5.25%, 11/01/38	3,000	3,130,260
5.50%, 11/01/39	1,000	1,059,150
City of San Jose California, RB, Series A-1, AMT, 5.75%, 3/01/34	700	730,758
Coast Community College District California, GO, Refunding, CAB, Election of 2002, Series C (AGM), 5.00%, 8/01/13 (a)	1,800	1,661,040
East Side Union High School District, GO, CAB (AGM), 4.92%, 8/01/29 (b)	15,000	4,972,650
El Monte Union High School District California, GO, Election of 2002, Series C (AGM), 5.25%, 6/01/28	4,000	4,267,200
Fairfield-Suisun Unified School District California, GO, Election of 2002 (NPFGC), 5.50%, 8/01/28	2,770	2,944,565
Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32	2,200	2,308,416
Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC):		
5.00%, 10/01/29	2,255	2,328,130
5.00%, 10/01/36	1,340	1,376,662
Monterey Peninsula Community College District, GO, CAB, Series C (AGM), 5.08%, 8/01/28 (b)	11,975	4,531,220

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Poway Redevelopment Agency California, Tax Allocation Bonds, Refunding, Paguay Redevelopment Project (AMBAC), 5.13%, 6/15/33	1,250	1,126,775
Sacramento Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/30	925	950,484
San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/38	2,015	2,095,398
San Diego Unified School District California, GO, CAB, Election of 2008, Series C, 6.84%, 7/01/38 (b)	1,400	279,090

Municipal Bonds	Par (000)	Value
<b>California (concluded)</b>		
San Joaquin County Transportation Authority, RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	\$ 575	\$ 656,587
San Marcos Unified School District, GO, Election of 2010, Series A:		
5.00%, 8/01/34	600	624,390
5.00%, 8/01/38	490	507,954
State of California, GO, 5.13%, 6/01/27	20	20,026
Ventura County Community College District, GO, Election of 2002, Series B (NPFGC), 5.00%, 8/01/30	2,025	2,103,327
Yosemite Community College District, GO, CAB, Election of 2004, Series D, 6.55%, 8/01/36 (b)	2,000	436,020
		48,141,669
<b>Colorado 1.1%</b>		
Colorado Health Facilities Authority, RB, Covenant Retirement Communities, Series A (Radian):		
5.50%, 12/01/27	200	187,606
5.50%, 12/01/33	675	625,408
E-470 Public Highway Authority Colorado, Refunding RB, CAB, Series B (NPFGC), 5.63%, 9/01/32 (b)	5,500	1,288,210
Regional Transportation District, COP, Series A, 5.38%, 6/01/31	1,000	1,060,230
		3,161,454
<b>Connecticut 0.2%</b>		
Connecticut State Health & Educational Facility Authority, RB, Hartford Healthcare, Series A, 5.00%, 7/01/32	580	583,051
<b>Florida 19.5%</b>		
Broward County School Board Florida, COP, Series A (AGM), 5.25%, 7/01/33	1,400	1,445,150
County of Duval Florida, COP, Master Lease Program (AGM), 5.00%, 7/01/33	8,600	8,795,220
County of Miami-Dade, RB:		
Jackson Health System (AGC), 5.63%, 6/01/34	1,000	1,036,440
Water & Sewer System (AGM), 5.00%, 10/01/39	6,900	7,171,377
County of Miami-Dade, Refunding RB, Miami International Airport, AMT (AGC), 5.00%, 10/01/40	12,550	12,031,308
County of Miami-Dade Expressway Authority, RB, Series A (AGC), 5.00%, 7/01/35	2,300	2,381,627
County of Miami-Dade School Board, COP, RB, Series B (AGC), 5.25%, 5/01/31	725	760,344
Florida Ports Financing Commission, Refunding RB, State Transportation Trust Fund, Series B, AMT, 5.38%, 10/01/29	2,400	2,538,840
Highlands County Health Facilities Authority, RB, Adventist Health System/Sunbelt, Series B, 6.00%, 11/15/37	550	593,956
	3,250	3,328,000

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Hillsborough County Aviation Authority Florida, RB,  
Series A, AMT (AGC), 5.38%, 10/01/33

Lee County, Refunding RB, Series A, AMT:

5.63%, 10/01/26	825	857,983
5.38%, 10/01/32	1,100	1,093,796
Orange County School Board, COP, Series A:		
(AGC), 5.50%, 8/01/34	3,400	3,604,170
(NPFGC), 5.00%, 8/01/31	9,000	9,136,080

See Notes to Financial Statements.

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Schedule of Investments (continued)

**BlackRock MuniYield Quality Fund II, Inc (MQT)**  
(Percentages shown are based on Net Assets)

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Florida (concluded)</b>		
Sarasota County Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39	\$ 250	\$ 254,573
South Florida Water Management District, COP (AGC), 5.00%, 10/01/22	1,800	1,918,674
		56,947,538
<b>Georgia 0.6%</b>		
Burke County Development Authority, RB, Oglethorpe Power-Vogtle Project, Series C, 5.70%, 1/01/43	1,000	1,035,180
Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41	730	760,974
		1,796,154
<b>Illinois 20.3%</b>		
City of Chicago Illinois, ARB, General, Third Lien, Series B-2, AMT: (AGM), 5.75%, 1/01/23	5,200	5,448,456
(Syncora), 6.00%, 1/01/29	2,200	2,284,282
City of Chicago Illinois, Board of Education, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26	2,500	2,683,675
City of Chicago Illinois, Board of Education, GO, Series A, 5.50%, 12/01/39 (c)	2,050	2,171,975
City of Chicago Illinois, GO, CAB, City Colleges (NPFGC), 5.90%, 1/01/31 (b)	8,370	2,680,409
City of Chicago Illinois, Park District, GO, Harbor Facilities, Series C: 5.25%, 1/01/37	4,000	4,210,760
5.25%, 1/01/40	500	524,815
City of Chicago Illinois, RB: Series A, (AGC), 5.00%, 1/01/38	4,000	4,071,920
O Hare International Airport, Third Lien, Series A, 5.75%, 1/01/39	2,000	2,182,820
City of Chicago Illinois, Refunding RB, ARB, O Hare International Airport, General, Third Lien, Series C-2, AMT (AGM), 5.25%, 1/01/30	2,000	2,002,680
City of Chicago Illinois, Transit Authority Sales Tax Receipts, RB, 5.25%, 12/01/36 (c)	515	532,500
County of Cook Illinois, GO, Capital, Improvement, Series C (AMBAC), 5.50%, 11/15/12 (d)	2,460	2,591,536
Illinois Finance Authority, RB, Carle Foundation, Series A, 5.75%, 8/15/34	400	402,936
Illinois Finance Authority, Refunding RB, Central DuPage Health, Series B, 5.50%, 11/01/39	2,070	2,143,071
Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.50%, 6/15/30	18,175	19,131,005
Metropolitan Pier & Exposition Authority, RB, CAB, McCormick Place Expansion Project, Series A (NPFGC), 6.01%, 12/15/36 (b)	10,000	2,226,300

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Metropolitan Pier & Exposition Authority, Refunding RB, CAB, McCormick Place Expansion Project, Series B (AGM) (b):		
5.83%, 6/15/27	1,125	476,156
6.25%, 6/15/44	2,980	411,776
Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28	575	597,897
Regional Transportation Authority, RB, Series B (NPFGC), 5.75%, 6/01/33	2,000	2,300,580
		59,075,549

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Indiana 1.8%</b>		
Indiana Finance Authority Wastewater Utility, CWA Authority, First Lien, RB, Series A, 5.25%, 10/01/38	\$ 1,000	\$ 1,066,850
Indiana Municipal Power Agency, RB, Series B, 5.75%, 1/01/34	350	359,492
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A: 5.75%, 1/01/38	2,000	2,166,840
(AGC), 5.50%, 1/01/38	1,575	1,695,440
		5,288,622
<b>Iowa 1.8%</b>		
Iowa Finance Authority, RB, Series A (AGC), 5.63%, 8/15/37	4,925	5,173,023
<b>Kentucky 0.7%</b>		
Kentucky State Property & Buildings Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/29	2,000	2,131,240
<b>Louisiana 0.9%</b>		
Jefferson Parish Hospital Service District No. 1, Refunding RB, Jefferson Medical Center, Series A, 6.00%, 1/01/39	1,230	1,288,130
Louisiana Public Facilities Authority, Refunding RB, Christus Health, Series B (AGC), 6.50%, 7/01/30	1,150	1,289,472
		2,577,602
<b>Massachusetts 8.3%</b>		
Massachusetts HFA, RB, Rental Mortgage, Series F, AMT (AGM) 5.25%, 1/01/46	15,550	15,560,885
Massachusetts HFA, Refunding RB, Series C, AMT: 5.00%, 12/01/30	5,000	4,927,250
5.35%, 12/01/42	975	982,293
Massachusetts Water Resources Authority, Refunding RB, Series A (NPFGC), 5.00%, 8/01/34	2,700	2,838,726
		24,309,154
<b>Michigan 11.1%</b>		
City of Detroit Michigan, RB, Second Lien:		
Series B (AGM), 6.25%, 7/01/36	350	392,451
Series B (AGM), 7.00%, 7/01/36	200	235,650
System, Series A (BHAC), 5.50%, 7/01/36	5,500	5,761,745
System, Series B (NPFGC), 5.00%, 7/01/36	2,000	1,977,500
City of Detroit Michigan, Refunding RB:		
Second Lien, Series E (BHAC), 5.75%, 7/01/31	2,200	2,358,026
Series D (NPFGC), 5.00%, 7/01/28	4,000	3,968,480
Series D (NPFGC), 5.00%, 7/01/33	1,000	1,000,340
Kalamazoo Hospital Finance Authority, RB, Bronson Methodist Hospital (AGM), 5.25%, 5/15/36	375	383,535
Lansing Board of Water & Light Utilities, RB, Series A, 5.50%, 7/01/41	1,700	1,871,156

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Michigan Higher Education Student Loan Authority, Refunding RB, Student Loan, Series XVII-G, AMT (AMBAC), 5.20%, 9/01/20	1,000	1,006,220
Michigan State Building Authority, Refunding RB, Facilities Program:		
Series I-A, 5.38%, 10/15/41	600	642,240
Series II-A, 5.38%, 10/15/36	1,000	1,075,390
Series II-A (AGM), 5.25%, 10/15/36	1,900	2,024,279
Michigan State Finance Authority, Refunding RB, Trinity Health, 5.00%, 12/01/39	3,700	3,677,726

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Michigan (concluded)</b>		
Michigan State HDA, RB, Series C, AMT, 5.50%, 12/01/28	\$ 900	\$ 916,587
Michigan Strategic Fund, Refunding RB, Detroit Edison Co. Project, AMT (Syncora):		
Series A, 5.50%, 6/01/30	1,000	1,001,890
Series C, 5.45%, 12/15/32	3,900	3,900,975
		32,194,190
<b>Minnesota 0.7%</b>		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38	1,800	2,018,556
Dakota County Community Development Agency, RB, Mortgage-Backed Securities Program, Series B, AMT (Ginnie Mae), 5.15%, 12/01/38	(e)	4
		2,018,560
<b>Nevada 2.9%</b>		
City of Carson City Nevada, RB, Carson-Tahoe Hospital Project, Series A (Radian), 5.50%, 9/01/33	2,650	2,489,675
County of Clark Nevada, RB: Las Vegas-McCarran International Airport, Series A (AGC), 5.25%, 7/01/39	1,700	1,772,063
Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/30	1,500	1,515,555
Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/36	2,700	2,718,549
		8,495,842
<b>New Jersey 4.6%</b>		
New Jersey EDA, RB: Cigarette Tax (Radian), 5.50%, 6/15/31	85	78,929
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	8,200	8,490,854
New Jersey EDA, Refunding RB, School Facilities Construction, Series N-1 (AGM), 5.50%, 9/01/25	2,000	2,259,340
New Jersey Higher Education Student Assistance Authority, RB, Series 1, AMT: 5.50%, 12/01/25	500	513,605
5.50%, 12/01/26	350	356,493
5.75%, 12/01/28	200	206,320
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A (NPFGC), 5.75%, 6/15/25	1,400	1,618,554
		13,524,095
<b>New York 1.4%</b>		
Hudson New York Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47	610	645,935
New York City Transitional Finance Authority, RB, Fiscal 2009, Series S-4, 5.50%, 1/15/33	3,035	3,270,091
		3,916,026
<b>North Carolina 0.6%</b>		
	2,020	1,855,491

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North Carolina Medical Care Commission, RB,  
Novant Health Obligation, Series A, 4.75%,  
11/01/43

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Ohio 0.5%</b>		
County of Lucas Ohio, Refunding RB, Promedica Healthcare, Series A, 6.50%, 11/15/37	\$ 460	\$ 523,673
Ohio Higher Educational Facility Commission, Refunding RB, Summa Health System, 2010 Project (AGC), 5.25%, 11/15/40	900	908,676
		1,432,349
<b>Pennsylvania 2.0%</b>		
Pennsylvania HFA, Refunding RB, Series 99A, AMT, 5.25%, 10/01/32	1,340	1,356,710
Pennsylvania Turnpike Commission, RB, Subordinate, Special Motor License Fund: 6.00%, 12/01/36	500	576,750
5.50%, 12/01/41	2,245	2,458,095
Philadelphia School District, GO, Series E, 6.00%, 9/01/38	1,300	1,412,736
		5,804,291
<b>Puerto Rico 3.2%</b>		
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A: 5.75%, 8/01/37	620	649,927
6.38%, 8/01/39	3,000	3,325,020
5.50%, 8/01/42	350	360,728
6.00%, 8/01/42	2,500	2,695,400
Puerto Rico Sales Tax Financing Corp., Refunding RB: CAB, Series A (NPFGC), 5.73%, 8/01/41 (b)	10,000	1,557,100
First Sub-Series C, 6.00%, 8/01/39	725	787,582
		9,375,757
<b>South Carolina 1.3%</b>		
South Carolina Jobs-EDA, Refunding RB, Palmetto Health, Series A (AGM), 6.50%, 8/01/39	100	109,434
South Carolina Transportation Infrastructure Bank, RB, Series A, 5.25%, 10/01/40	3,420	3,598,421
		3,707,855
<b>Tennessee 0.4%</b>		
Memphis Center City Revenue Finance Corp., RB, Subordinate, Pyramid & Pinch District, Series B (AGM), 5.25%, 11/01/30	990	1,051,727
<b>Texas 8.3%</b>		
Dallas-Fort Worth International Airport Facilities Improvement Corp., RB, Series A, AMT (NPFGC), 5.50%, 11/01/33	5,000	5,028,150
Lone Star College System, GO, 5.00%, 8/15/33	3,000	3,245,190
Mansfield ISD Texas, GO, School Building (PSF-GTD), 5.00%, 2/15/33	1,065	1,136,163
North Texas Tollway Authority, RB, System, First Tier, Series K-1 (AGC), 5.75%, 1/01/38	3,400	3,664,146
North Texas Tollway Authority, Refunding RB, First Tier: Series A, 6.00%, 1/01/28	2,415	2,675,168
System (NPFGC), 5.75%, 1/01/40	3,600	3,751,164
Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.75%, 8/15/38	4,800	4,817,856
		24,317,837
<b>Vermont 0.7%</b>		

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Vermont HFA, Refunding RB, Multiple Purpose, Series C, AMT (AGM), 5.50%, 11/01/38 (f)	1,935	1,989,451
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See Notes to Financial Statements.

## Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds</b>		
<b>Washington 1.8%</b>		
Central Puget Sound Regional Transit Authority, RB, Series A, 5.00%, 11/01/36	\$ 1,400	\$ 1,470,980
Washington Health Care Facilities Authority, RB, Providence Health & Services, Series A: 5.00%, 10/01/39	1,000	1,004,730
5.25%, 10/01/39	550	563,888
Washington Health Care Facilities Authority, Refunding RB, Providence Health, Series D (AGM), 5.25%, 10/01/33	2,000	2,086,980
		5,126,578
<b>Wisconsin 1.1%</b>		
Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/33	1,200	1,240,080
Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health, 5.25%, 4/01/39	2,000	2,023,160
		3,263,240
<b>Total Municipal Bonds 113.9%</b>		332,085,803
<b>Municipal Bonds Transferred to Tender Option Bond Trusts (g)</b>		
<b>Arizona 1.0%</b>		
Phoenix Civic Improvement Corp., RB, Junior Lien, Series A, 5.00%, 7/01/34	1,000	1,070,180
Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38	1,750	1,834,962
		2,905,142
<b>California 4.7%</b>		
Los Angeles Community College District California, GO, Series A: Election of 2001 (AGM), 5.00%, 8/01/32	4,330	4,543,382
Election of 2008, 6.00%, 8/01/33	1,699	1,937,034
Orange County Sanitation District, COP (NPFGC), 5.00%, 2/01/33	2,299	2,338,217
San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33	359	391,068
San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33	3,030	3,177,167
Tamalpais Union High School District California, GO, Election of 2001 (AGM), 5.00%, 8/01/28	1,320	1,375,493
		13,762,361
<b>Colorado 0.3%</b>		
Colorado Health Facilities Authority, Refunding RB, Catholic Health, Series A, 5.50%, 7/01/34	780	816,960
<b>District of Columbia 1.0%</b>		
District of Columbia, RB, Series A, 5.50%, 12/01/30	855	968,672
District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35	1,580	1,863,205
		2,831,877

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Municipal Bonds Transferred to Tender Option Bond Trusts (g)	Par (000)	Value
<b>Florida 5.6%</b>		
City of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/37	\$ 4,000	\$ 4,140,520
County of Seminole Florida, Refunding RB, Series B (NPFGC), 5.25%, 10/01/31	4,200	4,628,862
Florida State Board of Education, GO, Series D, 5.00%, 6/01/37	1,189	1,255,599
Highlands County Health Facilities Authority, RB, Adventist, Series C, 5.25%, 11/15/36	4,000	4,059,960
Miami-Dade County Expressway Authority, RB, Series A (AGC), 5.00%, 7/01/35	2,100	2,174,529
		16,259,470
<b>Georgia 7.0%</b>		
City of Atlanta Georgia, RB, General (AGM): Series B, 5.25%, 1/01/33	4,999	5,173,880
Subordinate Lien, Series C, 5.00%, 1/01/33	15,000	15,287,550
		20,461,430
<b>Hawaii 1.8%</b>		
Honolulu City & County Board of Water Supply, RB, Series A (NPFGC), 5.00%, 7/01/33	5,000	5,116,100
<b>Illinois 8.1%</b>		
City of Chicago Illinois, Refunding RB, Second Lien (AGM), 5.25%, 11/01/33	2,549	2,659,827
Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33	3,499	3,691,613
Metropolitan Pier & Exposition Authority, RB, McCormick Place Expansion Project, Series A (NPFGC), 5.00%, 12/15/28	3,500	3,522,540
Regional Transportation Authority, RB (NPFGC), 6.50%, 7/01/26	10,000	12,525,160
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34	1,130	1,182,278
		23,581,418
<b>Louisiana 1.6%</b>		
State of Louisiana Gas & Fuels, RB, Series A (AGM), 5.00%, 5/01/36	4,600	4,745,682
<b>Massachusetts 2.6%</b>		
Massachusetts School Building Authority, RB, Series A (AGM), 5.00%, 8/15/30	7,195	7,675,561
<b>Nevada 1.9%</b>		
City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/39	3,298	3,657,509
Clark County Water Reclamation District, GO, Series B, 5.75%, 7/01/34	1,574	1,766,943
		5,424,452
<b>New York 1.2%</b>		
New York City Municipal Water & Sewer Finance Authority, RB, Fiscal 2009, Series A, 5.75%, 6/15/40	1,050	1,182,971
New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36	1,005	1,136,132
Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34	1,200	1,315,092
		3,634,195
<b>Ohio 0.2%</b>		
State of Ohio, RB, Cleveland Clinic Health, Series B, 5.50%, 1/01/34	500	524,375

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par (000)	Value
<b>Municipal Bonds Transferred to</b>		
<b>Tender Option Bond Trusts (g)</b>		
<b>South Carolina 2.6%</b>		
Charleston Educational Excellence Finance Corp., RB, Charleston County School (AGC):		
5.25%, 12/01/28	\$ 2,725	\$ 2,888,936
5.25%, 12/01/29	2,425	2,560,509
5.25%, 12/01/30	880	926,790
South Carolina State Public Service Authority, RB, Santee Cooper, Series A, 5.50%, 1/01/38	1,125	1,223,336
		7,599,571
<b>Texas 4.6%</b>		
Clear Creek ISD Texas, GO, Refunding, School Building (PSF-GTD), 5.00%, 2/15/33	1,900	2,090,437
Cypress-Fairbanks ISD, GO, Refunding, Schoolhouse (PSF-GTD), 5.00%, 2/15/32	5,250	5,632,200
Harris County Cultural Education Facilities Finance Corp., RB, Texas Children's Hospital Project, 5.50%, 10/01/39	4,000	4,203,960
North East ISD Texas, GO, School Building, Series A (PSF-GTD), 5.00%, 8/01/37	1,400	1,482,250
		13,408,847
<b>Virginia 0.1%</b>		
Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35	300	320,364
<b>Wisconsin 0.4%</b>		
Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health Inc., 5.25%, 4/01/39	1,250	1,264,198
<b>Total Municipal Bonds Transferred to</b>		
<b>Tender Option Bond Trusts 44.7%</b>		130,332,003
<b>Total Long-Term Investments</b>		
<b>(Cost \$450,911,807) 158.7%</b>		462,417,806
<b>Short-Term Securities</b>		
FFI Institutional Tax-Exempt Fund, 0.01% (h)(i)	10,257,797	\$ 10,257,797
<b>Total Short-Term Securities</b>		
<b>(Cost \$10,257,797) 3.5%</b>		10,257,797
<b>Total Investments (Cost \$461,152,416*) 162.2%</b>		472,675,603
<b>Other Assets Less Liabilities 0.0%</b>		8,010
<b>Liability for TOB Trust Certificates, Including</b>		
<b>Interest Expense and Fees Payable (22.2)%</b>		(64,618,287)
<b>AMPS, at Redemption Value (40.0)%</b>		(116,579,110)
<b>Net Assets Applicable to Common Shares 100.0%</b>		\$ 291,486,216

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

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Aggregate cost	\$	397,400,065
Gross unrealized appreciation	\$	16,785,788
Gross unrealized depreciation		(6,090,921)
Net unrealized appreciation	\$	10,694,867

- (a) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
Jefferies and Company	\$ 2,171,975	\$ 49,897
Wells Fargo	\$ 532,500	\$ 2,086

- (d) US 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.
- (e) Amount is less than \$1,000.
- (f) Variable rate security. Rate shown is as of report date.
- (g) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (h) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at April 30, 2011	Net Activity	Shares Held at October 31, 2011	Income
FFI Institutional Tax-Exempt Fund	3,066,084	7,191,713	10,257,797	\$ 980

- (i) Represents the current yield as of report date.

See Notes to Financial Statements.

## Schedule of Investments (concluded)

## BlackRock MuniYield Quality Fund II, Inc. (MQT)

Fair Value Measurements Various inputs are used in determining the fair value of investments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities

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)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments is based on the pricing transparency of the investment and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of October 31, 2011 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments:				
Long-Term Investments <sup>1</sup>		\$ 462,417,806		\$ 462,417,806
Short-Term Securities	\$ 10,257,797			10,257,797
<b>Total</b>	\$ 10,257,797	\$ 462,417,806		\$ 472,675,603

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

## Statements of Assets and Liabilities

	<b>BlackRock MuniYield Fund, Inc. (MYD)</b>	<b>BlackRock MuniYield Quality Fund, Inc. (MQY)</b>	<b>BlackRock MuniYield Quality Fund II, Inc. (MQT)</b>
<b>October 31, 2011 (Unaudited)</b>			
<b>Assets</b>			
Investments at value unaffiliated	\$ 998,284,641	\$ 723,685,710	\$ 462,417,806
Investments at value affiliated	23,365,055	18,133,131	10,257,797
Cash pledged as collateral for financial futures contracts	248,080		
Interest receivable	16,232,761	9,748,012	6,293,136
Investments sold receivable	5,524,002	10,126,073	6,762,482
Deferred offering costs	802,583	340,641	
Income receivable affiliated	460	1,327	
TOB trust receivable		5,415,000	
Prepaid expenses	6,818	4,829	3,129
Other assets	115,766	81,887	
<b>Total assets</b>	<b>1,044,580,166</b>	<b>767,536,610</b>	<b>485,734,350</b>
<b>Accrued Liabilities</b>			
Bank overdraft		149,535	13,676
Investments purchased payable	17,780,070	24,818,565	11,220,291
Income dividends payable Common Shares	3,802,716	2,347,295	1,525,753
Investment advisory fees payable	427,547	311,441	190,851
Margin variation payable	124,969		
Officers and Directors fees payable	110,328	74,455	2,252
Interest expense and fees payable	46,526	54,770	37,616
Other accrued expenses payable	327,054	213,202	97,914
<b>Total accrued liabilities</b>	<b>22,619,210</b>	<b>27,969,263</b>	<b>13,088,353</b>
<b>Other Liabilities</b>			
TOB trust certificates	124,119,994	106,890,424	64,580,671
VRDP Shares, at liquidation value of \$100,000 per share <sup>3,4</sup>	251,400,000	176,600,000	
Total other liabilities	375,519,994	283,490,424	64,580,671
<b>Total liabilities</b>	<b>398,139,204</b>	<b>311,459,687</b>	<b>77,669,024</b>
<b>AMPS at Redemption Value</b>			
\$25,000 per share liquidation preference, plus unpaid dividends <sup>3,4</sup>			116,579,110
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$ 646,440,962</b>	<b>\$ 456,076,923</b>	<b>\$ 291,486,216</b>
<b>Net Assets Applicable to Common Shareholders Consist of</b>			
Paid-in capital <sup>5,6</sup>	\$ 632,204,036	\$ 427,068,944	\$ 287,556,661
Undistributed net investment income	14,769,757	8,786,449	6,381,923
Accumulated net realized loss	(22,145,972)	(2,492,449)	(13,958,367)
Net unrealized appreciation/depreciation	21,613,141	22,713,979	11,505,999
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$ 646,440,962</b>	<b>\$ 456,076,923</b>	<b>\$ 291,486,216</b>
Net asset value per Common Share	\$ 14.02	\$ 14.96	\$ 12.99
<sup>1</sup> Investments at cost unaffiliated	\$ 976,816,301	\$ 700,971,731	\$ 450,911,807
<sup>2</sup> Investments at cost affiliated	\$ 23,365,055	\$ 18,133,131	\$ 10,257,797
<sup>3</sup> Preferred Shares outstanding:			
Par value \$0.05 per share			4,371
Par value \$0.10 per share	2,514	1,766	292
<sup>4</sup> Preferred Shares authorized	16,214	11,766	6,400
<sup>5</sup> Common Shares outstanding, \$0.10 par value	46,093,534	30,484,353	22,437,548
<sup>6</sup> Common Shares authorized	200 Million	200 Million	200 Million

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

OCTOBER 31, 2011

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## Statements of Operations

Six Months Ended October 31, 2011 (Unaudited)	BlackRock MuniYield Fund, Inc. (MYD)	BlackRock MuniYield Quality Fund, Inc. (MQY)	BlackRock MuniYield Quality Fund II, Inc. (MQT)
<b>Investment Income</b>			
Interest	\$ 28,541,037	\$ 17,605,880	\$ 11,278,383
Income affiliated	6,265	4,364	980
Total income	28,547,302	17,610,244	11,279,363
<b>Expenses</b>			
Investment advisory	2,518,833	1,803,453	1,159,814
Liquidity fees	608,911	187,862	
Remarketing fees on Preferred Shares	126,929	152,382	88,102
Professional	98,992	76,938	64,468
Accounting services	82,511	55,097	43,000
Transfer agent	30,332	26,397	24,608
Officer and Directors	33,553	17,727	13,314
Printing	23,739		