

Edgar Filing: BLACKROCK MUNIYIELD QUALITY FUND INC - Form N-Q

BLACKROCK MUNIYIELD QUALITY FUND INC

Form N-Q

April 02, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
INVESTMENT COMPANY

Investment Company Act File number 811-6660

Name of Fund: BlackRock MuniYield Quality Fund, Inc.

Fund Address: P.O. Box 9011  
Princeton, NJ 08543-9011

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

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 10/31/2007

Date of reporting period: 11/01/06 - 01/31/07

Item 1 - Schedule of Investments

BlackRock MuniYield Quality Fund, Inc.

Schedule of Investments as of January 31, 2007

(in Thousands)

State	Face Amount	Municipal Bonds
Alabama - 0.7%	\$ 3,000	Jefferson County, Alabama, Limited Obligation School Warrants, S due 1/01/2025
California - 18.7%	4,150	Alameda Corridor Transportation Authority, California, Capital A Refunding Bonds, Subordinate Lien, Series A, 5.45% due 10/01/201
	1,250	Anaheim, California, Public Financing Authority, Electric System Facilities Revenue Bonds, Series A, 5% due 10/01/2031 (f)
	2,790	California State, GO, 5.50% due 4/01/2014 (h)
	150	California State, GO, 5.50% due 4/01/2028
	4,450	California State, GO, Refunding, 5.25% due 9/01/2010 (h)
	2,300	California State, GO, Refunding, 5.125% due 6/01/2027
	3,450	California State University, Systemwide Revenue Bonds, Series A,
	10,000	California State, Various Purpose, GO, 5.25% due 11/01/2029
	3,200	California State, Various Purpose, GO, 5.50% due 11/01/2033
	3,875	Chabot-Las Positas, California, Community College District, GO ( Series B, 4.812% due 8/01/2025 (a) (n)
	1,200	Chino Valley, California, Unified School District, GO (Election 5.25% due 8/01/2030 (g)

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2,150	East Side Union High School District, California, Santa Clara Co (Election of Officers, Series D, 5% due 8/01/2026 (b)
1,600	Golden State Tobacco Securitization Corporation of California, Tobacco Revenue Bonds, Series B, 5.50% due 6/01/2013 (b) (h)
5,000	Hacienda-La Puente, California, Unified School District, GO (Election of Officers), Series B, 5% due 8/01/2027 (f)
7,300	Los Angeles, California, Unified School District, GO, Series A, 5% due 8/01/2027 (f)
4,000	Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series B-1, 5% due 10/01/2029 (d)
2,275	Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series B-1, 5% due 10/01/2036 (d)
2,000	Mount Diablo, California, Unified School District, GO (Election of Officers), due 7/01/2027 (d)
2,750	Orange County, California, Sanitation District, COP, 5% due 2/01/2027 (f)
2,000	Poway, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Covenant Redemption Project), 5.125% due 6/15/2033 (a)

Portfolio Abbreviations

To simplify the listings of BlackRock MuniYield Quality Fund, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list below.

AMT	Alternative Minimum Tax (subject to)
COP	Certificates of Participation
DRIVERS	Derivative Inverse Tax-Exempt Receipts
EDA	Economic Development Authority
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
IDA	Industrial Development Authority
IDB	Industrial Development Board
IDR	Industrial Development Revenue Bonds
PCR	Pollution Control Revenue Bonds
S/F	Single-Family

BlackRock MuniYield Quality Fund, Inc.

Schedule of Investments as of January 31, 2007

(in Thousands)

State	Face Amount	Municipal Bonds
	\$ 2,100	Sacramento, California, Unified School District, GO (Election of Officers), due 7/01/2030 (g)
	9,000	San Diego County, California, Water Authority, Water Revenue Refunding Bonds, Series A, 5% due 5/01/2032 (g)
	2,725	San Mateo County, California, Community College District, GO (Election of Officers), Series A, 5% due 9/01/2026 (d)
	1,950	Tamalpais, California, Union High School District, GO (Election of Officers), due 8/01/2028 (f)
	3,150	Ventura County, California, Community College District, GO (Election of Officers), Series B, 5% due 8/01/2030 (g)
Colorado - 4.0%	1,650	Colorado Health Facilities Authority Revenue Bonds (Catholic Health Services), Series A, 5.50% due 3/01/2032 (c)
	1,600	Colorado Health Facilities Authority Revenue Bonds (Covenant Redemption Project)

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		Inc.), Series A, 5.50% due 12/01/2027 (j)
	1,000	Colorado Health Facilities Authority Revenue Bonds (Covenant Ret
		Inc.), Series A, 5.50% due 12/01/2033 (j)
	985	Colorado Housing and Finance Authority, Revenue Refunding Bonds
		Series B-2, 6.80% due 2/01/2031 (g)
	9,000	E-470 Public Highway Authority, Colorado, Capital Appreciation R
		Series B, 5.485% due 9/01/2029 (g) (n)
	11,125	Northwest Parkway, Colorado, Public Highway Authority, Capital A
		Bonds, Senior Convertible, Series C, 5.345% due 6/15/2011 (f) (n)
-----		
District of	1,200	District of Columbia, COP, 5% due 1/01/2025 (d)
Columbia - 0.8%	2,500	District of Columbia, Revenue Refunding Bonds (Catholic Universi
		5.625% due 10/01/2029 (a)
-----		
Florida - 2.8%	2,235	Beacon Tradeport Community Development District, Florida, Specia
		Refunding Bonds (Commercial Project), Series A, 5.625% due 5/01/
	2,065	Highlands County, Florida, Health Facilities Authority, Hospital
		(Adventist Health System), Series C, 5.25% due 11/15/2036
	2,700	Highlands County, Florida, Health Facilities Authority, Hospital
		Bonds (Adventist Health System), Series G, 5.125% due 11/15/2032
	5,200	Orange County, Florida, Sales Tax Revenue Refunding Bonds, Serie
		due 1/01/2032 (d)
-----		
Georgia - 5.4%	3,500	Atlanta, Georgia, Airport Passenger Facility Charge and Subordin
		Revenue Refunding Bonds, Series C, 5% due 1/01/2033 (f)
	4,270	Atlanta, Georgia, Water and Wastewater Revenue Bonds, 5% due 11/
	1,200	Atlanta, Georgia, Water and Wastewater Revenue Bonds, Series A,
	1,675	Atlanta, Georgia, Water and Wastewater Revenue Bonds, Series A,
	5,000	Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25% due 10/01
	2,820	Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25% due 10/01
	4,785	Monroe County, Georgia, Development Authority, PCR, Refunding (O
		Corporation-Scherer), Series A, 6.80% due 1/01/2011
-----		
Hawaii - 0.5%	2,000	Hawaii State, GO, Series CX, 5.50% due 2/01/2021 (f)
-----		
Illinois - 16.3%	5,000	Chicago, Illinois, GO (Lakefront Millennium Parking Facilities),
		due 1/01/2009 (g) (h)
	2,500	Chicago, Illinois, GO (Lakefront Millennium Parking Facilities),
		due 1/01/2012 (g) (h) (n)
	3,400	Chicago, Illinois, O'Hare International Airport Revenue Bonds, T
		Series B-2, 5.75% due 1/01/2023 (f)

BlackRock MuniYield Quality Fund, Inc.

Schedule of Investments as of January 31, 2007

(in Thousands)

State	Face Amount	Municipal Bonds
	\$ 4,000	Chicago, Illinois, O'Hare International Airport Revenue Bonds, T
		Series B-2, 5.75% due 1/01/2024 (f)
	3,300	Chicago, Illinois, O'Hare International Airport Revenue Bonds, T
		B-2, 6% due 1/01/2029 (b)
	3	Chicago, Illinois, O'Hare International Airport, Revenue Refundi
		Series 250, 7.534% due 1/01/2021 (g) (i)
	2,665	Chicago, Illinois, O'Hare International Airport, Revenue Refundi
		AMT, Series A-2, 5.75% due 1/01/2021 (f)
	5,080	Cook County, Illinois, Capital Improvement, GO, Series C, 5.50%
	28,525	Illinois Sports Facilities Authority, State Tax Supported Revenue

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		due 6/15/2010 (a) (m) (n)
	5,500	Illinois Sports Facilities Authority, State Tax Supported Revenue Bonds, Series A, 5.50% due 6/15/2032 (a)
	3,750	Illinois Student Assistance Commission, Student Loan Revenue Refunding Bonds (McCormick Place Expansion Project), Series CC, 6.875% due 3/01/2015
	7,000	Metropolitan Pier and Exposition Authority, Illinois, Dedicated Refunding Bonds (McCormick Place Expansion Project), 5.50% due 1/01/2045 (f)
	3,500	Metropolitan Pier and Exposition Authority, Illinois, Dedicated Refunding Bonds (McCormick Place Expansion Project), Series B, 5.50% due 1/01/2045 (f)
-----		
Indiana - 5.2%	3,750	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series A, 5.25% due 6/01/2028 (f)
	7,500	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series A, 5.25% due 6/01/2029 (d)
	6,470	Indianapolis, Indiana, Local Public Improvement Bond Bank, Revenue Bonds (Indianapolis Airport Authority Project), AMT, Series B, 5.25% due 1/01/2045 (f)
	5,055	Indianapolis, Indiana, Local Public Improvement Bond Bank, Revenue Bonds (Indianapolis Airport Authority Project), AMT, Series B, 5.25% due 1/01/2045 (f)
-----		
Louisiana - 6.3%	8,500	Louisiana Local Government, Environmental Facilities, Community Revenue Bonds (Capital Projects and Equipment Acquisition), Series A, 6.3% due 7/01/2030 (a)
	2,800	Louisiana State Citizens Property Insurance Corporation, Assessment Bonds, Series B, 5% due 6/01/2023 (a)
	4,675	Louisiana State Transportation Authority, Senior Lien Toll Revenue Bonds, Series B, 5.31% due 12/01/2027 (a) (n)
	6,150	New Orleans, Louisiana, Ernest N. Morial Exhibit Hall Authority, Revenue Bonds (Sub-Series A), 5.25% due 7/15/2028 (a)
	5,000	New Orleans, Louisiana, Ernest N. Morial Exhibit Hall Authority, Revenue Bonds (Sub-Series A), 5% due 7/15/2033 (a)
	800	Rapides Financing Authority, Louisiana, Revenue Bonds (Cleco Power Service Corporation), 4.70% due 11/01/2036 (a)
	1,900	Terrebonne Parish, Louisiana, Hospital Service District Number 1, Revenue Bonds (Terrebonne General Medical Center Project), 5.50% due 4/01/2045 (f)
-----		
Maryland - 1.3%	5,615	Baltimore, Maryland, Convention Center Hotel Revenue Bonds, Series A, 1.3% due 9/01/2039 (b)
-----		
Massachusetts - 6.8%	3,730	Massachusetts Bay, Massachusetts, Transportation Authority, General Obligation Revenue Refunding Bonds, Series A, 7% due 3/01/2011 (g)
	3,550	Massachusetts Bay Transportation Authority, Revenue Refunding Bonds (Transportation System), Series A, 7% due 3/01/2014 (g)
	4,000	Massachusetts State, HFA, Rental Housing Mortgage Revenue Bonds, Series A, 6.8% due 1/01/2045 (f)
	3	Massachusetts State Port Authority, Special Facilities Revenue Bonds, Series 501, 7.029% due 7/01/2009 (a) (i)

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(in Thousands)

State	Face Amount	Municipal Bonds
	\$14,400	Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5% due 8/15/2030 (f)
	2,400	Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, Series A, 6.8% due 1/01/2014 (d) (h)
	1,210	Massachusetts State Water Resource Authority, General Revenue Refunding Bonds, Series A, 6.8% due 1/01/2045 (f)

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Series B, 5.125% due 8/01/2027 (g)

Michigan - 3.5%	2,350	Detroit, Michigan, Sewage Disposal System, Second Lien Revenue Bonds due 7/01/2036 (d)
	2,300	Michigan Higher Education Student Loan Authority, Student Loan Revenue Bonds, Series XVII-G, 5.20% due 9/01/2020 (a)
	1,700	Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Edison Company Pollution Control Project), AMT, Series A, 5.50%
	3,300	Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Edison Company Pollution Control Project), AMT, Series C, 5.65%
	5,800	Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Edison Company Pollution Control Project), AMT, Series C, 5.45%
Minnesota - 0.5%	2,100	Dakota County, Minnesota, Community Development Agency, S/F Mortgage-Backed Securities Program, Series B, 5.15% due 12/01/2027 (f)
Nebraska - 2.0%	6,315	Municipal Energy Agency of Nebraska, Power Supply System Revenue Bonds due 4/01/2033 (f)
	2,300	Washington County, Nebraska, Wastewater Facilities Revenue Bonds (Project), AMT, 5.90% due 11/01/2027
Nevada - 7.5%	4,100	Carson City, Nevada, Hospital Revenue Bonds (Carson-Tahoe Hospital), 5.50% due 9/01/2033 (j)
	2,000	Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds due 7/01/2030 (d)
	19,100	Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds due 7/01/2036 (d)
	2,300	Clark County, Nevada, IDR (Southwest Gas Corp. Project), AMT, Series A, 5.50% due 9/01/2036 (d)
	5,710	Washoe County, Nevada, School District, GO, 5.875% due 12/01/2027 (f)
New Hampshire - 3.4%	10,000	New Hampshire Health and Education Facilities Authority Revenue Bonds (Dartmouth-Hitchcock Obligation Group, 5.50% due 8/01/2027 (f))
	5,000	New Hampshire State Business Finance Authority, PCR, Refunding Bonds (Company), AMT, Series D, 6% due 5/01/2021 (g)
New Jersey - 4.4%	910	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/2029
	1,385	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50% due 6/15/2031
	5,500	New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, due 7/01/2031 (g)
	3,860	New Jersey EDA, School Facilities Construction Revenue Bonds, Series A, due 3/01/2028
	7,500	New Jersey EDA, School Facilities Construction Revenue Bonds, Series A, due 3/01/2030
New York - 4.7%	8,990	Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series A, 5% due 11/15/2032 (d)
	8,000	New York State Thruway Authority, General Revenue Refunding Bonds due 1/01/2032 (f)
	3,570	Tobacco Settlement Financing Corporation of New York Revenue Bonds, 5.25% due 6/01/2022 (a)
Ohio - 2.2%	2,500	Columbus, Ohio, City School District, GO (School Facilities Construction Improvements), 5.25% due 12/01/2014 (f) (h)

BlackRock MuniYield Quality Fund, Inc.  
Schedule of Investments as of January 31, 2007

(in Thousands)

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State	Amount	Municipal Bonds
	\$ 2,000	Jackson, Ohio, Hospital Facilities Revenue Bonds (Consolidated Hospital), 6.125% due 10/01/2009 (h) (j)
	5,250	Ohio State Air Quality, Development Authority Revenue Bonds (Day Company Project), 4.80% due 9/01/2036 (d)
Oklahoma - 0.5%	1,000	Tulsa, Oklahoma, Airports Improvement Trust, General Revenue Bonds (Airport), AMT, Series B, 6% due 6/01/2019 (d)
	1,000	Tulsa, Oklahoma, Airports Improvement Trust, General Revenue Bonds (Airport), AMT, Series B, 6.125% due 6/01/2026 (d)
Pennsylvania - 5.6%	11,750	Pennsylvania State Public School Building Authority, School Lease School District of Philadelphia Project), 5% due 6/01/2013 (f) (h)
	6,000	Pennsylvania State Public School Building Authority, School Lease School District of Philadelphia Project), 5.25% due 6/01/2013 (f)
	6,250	Philadelphia, Pennsylvania, Authority for Industrial Development Series B, 5.50% due 10/01/2021 (f)
Rhode Island - 0.6%	2,500	Providence, Rhode Island, GO, Series A, 5.70% due 7/15/2007 (f) (g)
South Carolina - 4.6%	3,750	Berkeley County, South Carolina, School District, Installment Lease (Securing Assets for Education Project), 5.125% due 12/01/2030
	3,200	Kershaw County, South Carolina, Public Schools Foundation, Installment Refunding Bonds, 5% due 12/01/2029 (k)
	4,500	Scago Educational Facilities Corporation for Pickens County School District, South Carolina, Revenue Bonds, 5% due 12/01/2031 (f)
	8,900	South Carolina Transportation Infrastructure Bank Revenue Bonds, due 10/01/2033 (a)
Tennessee - 4.0%	7,850	Chattanooga, Tennessee, IDB, Lease Rent Revenue Bonds (Southside Corporation), 5.875% due 10/01/2024 (a)
	5,000	Memphis-Shelby County, Tennessee, Airport Authority, Airport Revenue Bonds, Series D, 6.25% due 3/01/2018 (a)
	2,075	Tennessee HDA, Homeownership Revenue Bonds, AMT, Series 2-C, 6.125% due 10/01/2024 (a)
	2,390	Tennessee HDA, Homeownership Revenue Bonds, AMT, Series 2-C, 6.25% due 10/01/2024 (a)
Texas - 12.0%	2,000	Austin, Texas, Convention Center Revenue Bonds (Convention Center Certificates, Second Tier, Series B, 6% due 1/01/2011 (h)
	1,000	Bell County, Texas, Health Facilities Development Revenue Bonds (Health Care System), 6.50% due 7/01/2019 (c)
	1,835	Dallas-Fort Worth, Texas, International Airport Revenue Refunding Bonds, AMT, Series A, 5.875% due 11/01/2017 (d)
	2,145	Dallas-Fort Worth, Texas, International Airport Revenue Refunding Bonds, AMT, Series A, 5.875% due 11/01/2018 (d)
	2,385	Dallas-Fort Worth, Texas, International Airport Revenue Refunding Bonds, AMT, Series A, 5.875% due 11/01/2019 (d)

BlackRock MuniYield Quality Fund, Inc.

Schedule of Investments as of January 31, 2007

(in Thousands)

State	Face Amount	Municipal Bonds
	\$ 2,600	Gregg County, Texas, Health Facilities Development Corporation, (Good Shepherd Medical Center Project), 6.375% due 10/01/2010 (h)
	6,000	Gregg County, Texas, Health Facilities Development Corporation,

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	4,000	(Good Shepherd Medical Center Project), 6.875% due 10/01/2010 (h) Harris County-Houston Sports Authority, Texas, Revenue Refunding Series G, 5.75% due 11/15/2020 (g)
	9,250	Leander, Texas, Independent School District, Capital Appreciation (School Building), 5.46% due 8/15/2028 (d) (n)
	13,350	Leander, Texas, Independent School District, Capital Appreciation (School Building), 5.58% due 8/15/2035 (n)
	6,150	Lewisville, Texas, Independent School District, Capital Appreciation Building, GO, Refunding, 4.67% due 8/15/2024 (d) (n)
	7,150	North Harris County, Texas, Regional Water Authority, Senior Lien 5.125% due 12/15/2035 (g)
	2,100	Texas State Affordable Housing Corporation, S/F Mortgage Revenue Educators Program), AMT, Series A-1, 5.50% due 12/01/2039 (o) (p)
	7,200	Texas State Turnpike Authority, Central Texas Turnpike System Revenue Tier, Series A, 5.75% due 8/15/2038 (a)
	4,600	Travis County, Texas, Health Facilities Development Corporation, Bonds (Ascension Health Credit), Series A, 6.25% due 11/15/2009
Utah - 3.7%	15,000	Salt Lake City, Utah, Hospital Revenue Refunding Bonds (IHC Hospital due 2/15/2015 (g)
Virginia - 0.7%	3,100	Halifax County, Virginia, IDA, Exempt Facility Revenue Refunding Electric Cooperative Project), AMT, 5.625% due 6/01/2028 (a)
Washington - 2.6%	2,400	Port of Tacoma, Washington, Revenue Refunding Bonds, Series A, 5.50% due 12/01/2014 (a) (h)
	5,100	Tacoma, Washington, Regional Water Supply System, Water Revenue due 12/01/2032 (g)
	4,125	Washington State, GO, Series A and AT-6, 6.25% due 2/01/2011 (f)
Puerto Rico - 1.9%	1,475	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series A, due 7/01/2031
	6,925	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series B, due 7/01/2029
Total Municipal Bonds (Cost - \$586,829) - 133.2%		
Municipal Bonds Held in Trust (q)		
Arizona - 1.4%	6,000	Maricopa County, Arizona, Public Finance Corporation, Lease Revenue due 7/01/2014 (a) (h)
California - 7.1%	5,700	California State, GO, Refunding, 5.25% due 2/01/2033 (j)
	10,000	Golden State Tobacco Securitization Corporation of California, Tobacco Revenue Bonds, Series B, 5.50% due 6/01/2013 (b) (h)
	14,160	Golden State Tobacco Securitization Corporation of California, Tobacco Revenue Bonds, Series B, 5.625% due 6/01/2013 (h) (k)
Georgia - 2.2%	10,000	Atlanta, Georgia, Airport Passenger Facility Charge, Subordinated Bonds, Series C, 5% due 1/01/2033 (f)

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(in Thousands)

State	Face Amount	Municipal Bonds Held in Trust (q)
Illinois - 9.4%	\$10,000	Chicago, Illinois, Board of Education, GO (Chicago School Reform

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		due 12/01/2027 (a)
	13,665	Chicago, Illinois, O'Hare International Airport, General Airport Bonds, Third Lien, AMT, Series A, 5.75% due 1/01/2021 (g)
	5,000	Chicago, Illinois, O'Hare International Airport, General Airport Bonds, Third Lien, AMT, Series A, 5.50% due 1/01/2022 (g)
	12,500	Chicago, Illinois, O'Hare International Airport, General Airport Bonds, Third Lien, AMT, Series A, 5.375% due 1/01/2032 (g)
-----		
Massachusetts - 0.9%	3,825	Massachusetts State Port Authority, Special Facilities Revenue B Inc. Project), AMT, Series A, 5.50% due 1/01/2019 (a)
-----		
New Jersey - 3.1%	7,150	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50% due 6/15/2024
	6,000	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50% due 6/15/2031
-----		
New York - 3.2%	13,840	New York City, New York, GO, Series B, 5.875% due 8/01/2016 (g)
-----		
Oregon - 3.5%	15,000	Portland, Oregon, Sewer System Revenue Bonds, Series A, 5.75% due
-----		
Texas - 2.4%	10,470	Denton, Texas, Utility System Revenue Bonds, Series A, 6% due 12
-----		
Washington - 4.7%	20,000	Energy Northwest, Washington, Electric Revenue Refunding Bonds ( Series A, 5.75% due 7/01/2017 (g)
-----		
		Total Municipal Bonds Held in Trust (Cost - \$168,708) - 37.9%
-----		

Shares Held	Short-Term Securities
7,500	Merrill Lynch Institutional Tax-Exempt Fund, 3.46% (1) (m)
	Total Short-Term Securities (Cost - \$7,500) - 1.6%
	Total Investments (Cost - \$763,037*) - 172.7%
	Other Assets Less Liabilities - 0.1%
	Liability for Trust Certificates, Including Interest Expense Pay
	Preferred Stock, at Redemption Value - (54.2%)
	Net Assets Applicable to Common Stock - 100.0%

\* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2007, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 678,041
	=====
Gross unrealized appreciation	\$ 33,532
Gross unrealized depreciation	(210)
	-----
Net unrealized appreciation	\$ 33,322
	=====

- (a) AMBAC Insured.
- (b) XL Capital Insured.
- (c) Escrowed to maturity.



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- (d) FGIC Insured.
- (e) Assured Guaranty Insured.

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- (f) FSA Insured.
- (g) MBIA Insured.
- (h) Prerefunded.
- (i) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (j) Radian Insured.
- (k) CIFG Insured.
- (l) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity	Dividend Income
Merrill Lynch Institutional Tax-Exempt Fund	784	\$ 41

- (m) Represents the current yield as of January 31, 2007.
- (n) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
- (o) FNMA/GNMA Collateralized.
- (p) FHLMC Collateralized.
- (q) Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund may have acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
- o Forward interest rate swaps outstanding as of January 31, 2007 were as follows:

	Notional Amount	Unrealized Depreciation
Pay a fixed rate of 3.842% and receive a floating rate based on 1-week Bond Market Association rate		
Broker, JPMorgan Chase		
Expires May 2017	\$ 55,000	\$ (206)

### Item 2 - Controls and Procedures

- 2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's

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disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.

2(b) - As of September 29, 2006, with the conclusion of the combination of Merrill Lynch's asset management business with BlackRock, the registrant was migrated to BlackRock's trading and compliance monitoring systems, and various personnel changes occurred. In conjunction with these business improvements, there were no changes in the registrants internal control over financial reporting (as defined in Rule 30a-3(d) under Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal half-year of the period covered by this report that has materially affected, or is reasonably likely to affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

Certifications - Attached hereto

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

BlackRock MuniYield Quality Fund, Inc.

By: /s/ Robert C. Doll, Jr.  
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Robert C. Doll, Jr.  
Chief Executive Officer  
BlackRock MuniYield Quality Fund, Inc.

Date: March 26, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert C. Doll, Jr.  
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Robert C. Doll, Jr.  
Chief Executive Officer  
BlackRock MuniYield Quality Fund, Inc.

Date: March 26, 2007

By: /s/ Donald C. Burke  
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Donald C. Burke  
Chief Financial Officer  
BlackRock MuniYield Quality Fund, Inc.

Date: March 26, 2007