

BLACKROCK MUNIYIELD QUALITY FUND INC  
Form N-Q  
March 31, 2010  
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 811-06660

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, 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: 04/30/2010

Date of reporting period: 01/31/2010

Item 1 – Schedule of Investments

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Schedule of Investments January 31, 2010 (Unaudited)

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

| <b>Municipal Bonds</b>  | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>Alabama 2.5%</b>   |                      |              |
| Alabama Public School & College Authority, Refunding RB, Series A, 5.00%, 5/01/29 | \$ 1,200             | \$ 1,237,596 |
| County of Jefferson Alabama, RB, Series A, 4.75%, 1/01/25                         | 3,000                | 2,334,270    |
| University of Alabama, RB, Series A (NPFGC), 5.00%, 7/01/34                       | 7,125                | 7,320,795    |
|   |                      | 10,892,661   |

|  |       |           |
|--|-------|-----------|
| <b>Alaska 1.0%</b>   |       |           |
| Borough of Matanuska-Susitna Alaska, RB, Goose Creek Correctional Center (AGC), 6.00%, 9/01/32 | 3,925 | 4,385,756 |

|  |       |           |
|--|-------|-----------|
| <b>Arizona 1.2%</b>  |       |           |
| Salt Verde Financial Corp., RB, Senior, 5.00%, 12/01/32                              | 2,970 | 2,609,769 |
| State of Arizona, COP, Department of Administration, Series A (AGM), 5.00%, 10/01/27 | 1,850 | 1,888,295 |
| State of Arizona, COP, Department of Administration, Series A (AGM), 5.25%, 10/01/28 | 800   | 826,912   |
|  |       | 5,324,976 |

|   |       |           |
|---|-------|-----------|
| <b>California 18.6%</b>   |       |           |
| Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.52%, 10/01/25 (a) | 4,150 | 3,249,159 |
| Arcadia Unified School District California, GO, CAB, Election of 2006, Series A (AGM), 4.96%, 8/01/39 (b)             | 2,200 | 293,392   |
| Cabrillo Community College District California, GO, CAB, Election of 2004, Series B (NPFGC), 5.18%, 8/01/37 (b)       | 3,250 | 485,388   |

| <b>Municipal Bonds</b>  | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>California (continued)</b>   |                      |              |
| Cabrillo Community College District California, GO, CAB, Election of 2004, Series B (NPFGC), 4.87%, | \$ 7,405             | \$ 1,024,112 |

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|  |        |            |
|--|--------|------------|
| 8/01/38 (b)<br>California Health Facilities Financing<br>Authority, Refunding RB, St. Joseph<br>Health System, Series A, 5.75%,<br>7/01/39 | 775    | 798,250    |
| California State University, RB,<br>Systemwide, Series A (NPFGC),<br>5.00%, 11/01/35   | 2,400  | 2,358,864  |
| Carlsbad Unified School District, GO,<br>Election, Series B, 6.09%,<br>5/01/34 (a)   | 5,000  | 3,079,100  |
| Chino Valley Unified School District, GO,<br>Election of 2002, Series C (NPFGC),<br>5.25%, 8/01/30   | 1,200  | 1,218,888  |
| City of San Jose California, Refunding<br>RB, Series A, AMT (AMBAC), 5.50%,<br>3/01/32   | 5,100  | 5,048,286  |
| Coast Community College District<br>California, GO, Refunding, CAB,<br>Election of 2002, Series C (AGM),<br>5.52%, 8/01/31 (a)             | 2,800  | 2,364,096  |
| El Monte Union High School District<br>California, GO, Election of 2002,<br>Series C, (AGM), 5.25%, 6/01/28                                | 6,110  | 6,369,186  |
| Fresno Unified School District California,<br>GO, Election of 2001, Series E (AGM),<br>5.00%, 8/01/30                                      | 1,230  | 1,250,479  |
| Golden State Tobacco Securitization<br>Corp. California, RB, Enhanced Asset-<br>Backed, Series B (Syncora), 5.50%,<br>6/01/13 (c)          | 10,000 | 11,368,800 |
| Hartnell Community College District<br>California, GO, CAB, Election of 2002,<br>Series D, 7.26%, 8/01/34 (b)                              | 4,125  | 1,993,984  |

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Portfolio Abbreviations

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To simplify the listing of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

|       |   |
|-------|---|
| AGC   | Assured Guaranty Corp.                  |
| AGM   | Assured Guaranty Municipal Corp.        |
| AMBAC | American Municipal Bond Assurance Corp. |
| AMT   | Alternative Minimum Tax (subject to)    |
| ARB   | Airport Revenue Bonds                   |
| BHAC  | Berkshire Hathaway Assurance Corp.      |
| CAB   | Capital Appreciation Bonds              |
| CIFG  | CDC IXIS Financial Guaranty             |
| COP   | Certificates of Participation           |
| EDA   | Economic Development Authority          |
| ERB   | Education Revenue Bonds                 |
| FGIC  | Financial Guaranty Insurance Co.        |
| GAN   | Grant Anticipation Notes                |
| GO    | General Obligation Bonds                |
| HFA   | Housing Finance Agency                  |
| IDA   | Industrial Development Authority        |
| ISD   | Independent School District             |

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|           |   |
|-----------|---|
| NPFGC     | National Public Finance Guarantee Corp. |
| PSF - GTD | Permanent School Fund Guaranteed        |
| RB        | Revenue Bonds                           |
| S/F       | Single-Family                           |

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BLACKROCK MUNIYIELD QUALITY FUND, INC.

JANUARY 31, 2010

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Schedule of Investments (continued)

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

| Municipal Bonds  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>California (concluded)</b>  |              |              |
| Los Angeles Municipal Improvement Corp., RB, Series B1 (NPFGC), 4.75%, 8/01/37   | \$ 3,210     | \$ 2,837,608 |
| Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC), 5.00%, 10/01/29                                  | 4,000        | 4,121,360    |
| Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC), 5.00%, 10/01/36                                  | 2,275        | 2,312,970    |
| Mount Diablo Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/27                                | 2,000        | 2,016,800    |
| Orange County Sanitation District, COP (NPFGC), 5.00%, 2/01/33   | 2,750        | 2,805,742    |
| Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/30   | 3,500        | 3,664,080    |
| Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/31   | 1,200        | 1,249,608    |
| Port of Oakland, RB, Series K, AMT (NPFGC), 5.75%, 11/01/29  | 2,405        | 2,406,347    |
| Poway Redevelopment Agency California, Tax Allocation Bonds, Refunding, Paguay Redevelopment Project (AMBAC), 5.13%, 6/15/33 | 2,000        | 1,767,700    |
| Sacramento Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/30                                  | 2,500        | 2,510,500    |
| San Bernardino Community College District California, GO, CAB, Election, Series B, 6.52%, 8/01/34 (a)                        | 10,000       | 5,926,400    |
| San Jose Unified School District Santa Clara County California, GO, Election of 2002, Series B (NPFGC), 5.00%, 8/01/29       | 2,825        | 2,897,348    |
| San Mateo County Community College District, GO, Election of 2001, Series A (NPFGC), 5.00%, 9/01/26                          | 2,725        | 2,780,454    |
| State of California, GO, 5.13%, 6/01/27  | 30           | 29,574       |
| State of California, GO, 5.50%, 4/01/28  | 5            | 5,050        |
| Ventura County Community College District, GO, Election of 2002, Series B (NPFGC), 5.00%, 8/01/30                            | 3,150        | 3,218,355    |
|  |              | 81,451,880   |
| <b>Colorado 1.1%</b>   | 1,600        | 1,467,072    |

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|   |       |                  |
|---|-------|------------------|
| Colorado Health Facilities Authority, RB,<br>Covenant Retirement Communities,<br>Series A (Radian), 5.50%, 12/01/27 |       |                  |
| Colorado Health Facilities Authority, RB,<br>Covenant Retirement Communities,<br>Series A (Radian), 5.50%, 12/01/33 | 900   | 793,566          |
| E-470 Public Highway Authority<br>Colorado, Refunding RB, CAB,<br>Series B (NPFGC), 5.51%,<br>9/01/29 (b)           | 9,000 | 2,484,450        |
|   |       | <u>4,745,088</u> |

| Municipal Bonds   | Par<br>(000) | Value             |
|---|--------------|-------------------|
| <b>Florida 6.8%</b>   |              |                   |
| City of Miami Florida, RB (NPFGC),<br>5.00%, 1/01/37  | \$ 650       | \$ 636,786        |
| City of Tallahassee Florida, RB (NPFGC),<br>5.00%, 10/01/32   | 2,700        | 2,739,339         |
| County of Duval Florida, COP, Master<br>Lease Program (AGM), 5.00%,<br>7/01/33  | 4,050        | 4,033,233         |
| County of Miami-Dade Florida, GO,<br>Building Better Communities Program,<br>Series B, 6.38%, 7/01/28                   | 3,300        | 3,763,155         |
| County of Miami-Dade Florida,<br>Refunding RB, Miami International<br>Airport, AMT (AGC), 5.00%, 10/01/40               | 8,200        | 7,769,172         |
| County of Miami-Dade Florida,<br>Refunding RB, Miami International<br>Airport, Series A, AMT (CIFG), 5.00%,<br>10/01/38 | 2,900        | 2,652,833         |
| County of Orange Florida, Refunding RB,<br>Series B (NPFGC), 5.13%, 1/01/32   | 2,200        | 2,213,244         |
| Florida State Department of<br>Environmental Protection, RB,<br>Series B (NPFGC), 5.00%, 7/01/27                        | 2,545        | 2,649,599         |
| Sarasota County Public Hospital District,<br>RB, Sarasota Memorial Hospital<br>Project, Series A, 5.63%, 7/01/39        | 375          | 381,150           |
| South Florida Water Management<br>District, COP (AGC), 5.00%, 10/01/22  | 2,700        | 2,878,092         |
|   |              | <u>29,716,603</u> |

|   |       |                  |
|---|-------|------------------|
| <b>Georgia 0.9%</b>   |       |                  |
| Augusta-Richmond County Georgia, RB<br>(AGM), 5.25%, 10/01/39   | 2,820 | 2,915,260        |
| Gwinnett County Hospital Authority,<br>Refunding RB, Gwinnett Hospital<br>System, Series D (AGM), 5.50%,<br>7/01/41 | 1,125 | 1,129,050        |
|   |       | <u>4,044,310</u> |

**Hawaii 0.3%**

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|   |       |           |
|---|-------|-----------|
| State of Hawaii, GO, Series CX (AGM),<br>5.50%, 2/01/21   | 1,155 | 1,237,790 |
| <b>Illinois 22.8%</b>   |       |           |
| Chicago Board of Education Illinois, GO,<br>Refunding, Chicago School Reform<br>Board, Series A (NPFGC), 5.50%,<br>12/01/26 | 2,000 | 2,216,700 |
| City of Chicago Illinois, ARB, General,<br>Third Lien, Series B-2, AMT (AGM),<br>5.75%, 1/01/23                             | 3,400 | 3,506,726 |
| City of Chicago Illinois, ARB, General,<br>Third Lien, Series B-2, AMT (AGM),<br>5.75%, 1/01/24                             | 4,000 | 4,114,080 |
| City of Chicago Illinois, ARB, General,<br>Third Lien, Series B-2, AMT (Syncora),<br>6.00%, 1/01/29                         | 3,300 | 3,405,402 |

## Schedule of Investments (continued)

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

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Illinois (concluded)</b>   |              |              |
| City of Chicago Illinois, GO, City of Chicago Illinois, GO, CAB, City Colleges (NPFGC), 5.88%, 1/01/31 (b)                      | \$ 13,000    | \$ 4,342,650 |
| City of Chicago Illinois, RB, Series A (AGC) 5.00%, 1/01/38   | 4,000        | 4,062,600    |
| City of Chicago Illinois, Refunding, ARB, General, Third Lien, Series A-2, AMT (AGM), 5.75%, 1/01/21                            | 2,665        | 2,768,882    |
| City of Chicago Illinois, Refunding RB, General Airport, Third Lien, Series A AMT (NPFGC), 5.75%, 1/01/21                       | 13,665       | 14,008,538   |
| City of Chicago Illinois, Refunding RB, General Airport, Third Lien, Series A, AMT (NPFGC), 5.50%, 1/01/22                      | 5,000        | 5,088,150    |
| City of Chicago Illinois, Refunding RB, General Airport, Third Lien, Series A, AMT (NPFGC), 5.38%, 1/01/32                      | 12,500       | 11,964,375   |
| County of Cook Illinois, GO, Capital Improvement, Series C (AMBAC), 5.50%, 11/15/12 (c)   | 5,080        | 5,727,852    |
| Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.52%, 6/15/30 (a)                                       | 28,525       | 28,341,584   |
| Metropolitan Pier & Exposition Authority Illinois, Refunding RB, McCormick Place Expansion Project (NPFGC), 5.50%, 12/15/24     | 5,000        | 5,067,250    |
| Regional Transportation Authority, RB, Series B (NPFGC), 5.75%, 6/01/33   | 3,200        | 3,626,784    |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34   | 1,700        | 1,751,952    |
|   |              | 99,993,525   |
| <b>Indiana 2.4%</b>   |              |              |
| Indiana Municipal Power Agency, RB, Indiana Municipal Power Agency, Series B, 5.75%, 1/01/34                                    | 550          | 565,290      |
| Indiana Municipal Power Agency, RB, Series A (NPFGC), 5.00%, 1/01/37  | 2,750        | 2,682,350    |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Airport Authority Project, Series B, AMT (NPFGC), 5.25%, 1/01/28 | 2,370        | 2,292,406    |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Airport Authority Project, Series B, AMT                         | 5,055        | 4,873,323    |



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(NPFGC), 5.25%, 1/01/30

10,413,369

**Iowa 1.1%**

Iowa Finance Authority, RB, Series A  
(AGC), 5.63%, 8/15/37 4,825 4,988,616

**Louisiana 0.8%**

Louisiana Public Facilities Authority,  
Refunding RB, Christus Health,  
Series B (AGC), 6.50%, 7/01/30 1,800 2,010,186

**Municipal Bonds**

**Par  
(000)**

**Value**

**Louisiana (concluded)**

Louisiana State Transportation  
Authority, RB, CAB, Senior Lien,  
Louisiana 1 Project, Series B  
(AMBAC), 5.31%, 12/01/27 (b) \$ 2,425 \$ 952,491  
Rapides Finance Authority Louisiana,  
RB, Cleco Power LLC Project, AMT  
(AMBAC), 4.70%, 11/01/36 800 663,160  
  
3,625,837

**Maryland 0.4%**

Maryland Community Development  
Administration, Refunding RB,  
Residential, Series A, AMT, 5.75%,  
9/01/39 1,575 1,660,097

**Massachusetts 1.8%**

Massachusetts HFA, RB, Rental  
Mortgage, Series C, AMT (AGM),  
5.60%, 1/01/45 4,000 4,016,840  
Massachusetts HFA, RB, S/F Housing,  
Series 128, AMT (AGM), 4.80%,  
12/01/27 2,200 2,110,702  
Massachusetts Water Resources  
Authority, Refunding RB, General,  
Series A, (NPFGC), 5.00%, 8/01/34 1,800 1,853,316  
  
7,980,858

**Michigan 7.3%**

City of Detroit Michigan, RB, System,  
Second Lien, Series B (NPFGC),  
5.00%, 7/01/36 4,650 4,190,534  
City of Detroit Michigan, Refunding RB,  
Second Lien, Series E (BHAC), 5.75%,  
7/01/31 8,300 8,852,448  
Michigan Higher Education Student  
Loan Authority, Refunding RB, Student  
Loan, Series XVII-G, AMT (AMBAC),  
5.20%, 9/01/20 2,140 2,140,920  
5,800 5,460,294

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|   |       |            |
|---|-------|------------|
| Michigan Strategic Fund, RB, Detroit Edison Co. Project, Series C, AMT (Syncora), 5.45%, 12/15/32             |       |            |
| Michigan Strategic Fund, Refunding RB, Detroit Edison Co., Pollution, Series C, AMT (Syncora), 5.65%, 9/01/29 | 1,935 | 1,928,073  |
| Michigan Strategic Fund, Refunding RB, Detroit Edison Co. Project, Series A, AMT (Syncora), 5.50%, 6/01/30    | 1,700 | 1,623,789  |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39        | 3,510 | 4,069,564  |
| State of Michigan, RB, GAN, GAN (AGM), 5.25%, 9/15/26   | 3,350 | 3,534,853  |
|   |       | 31,800,475 |
| <b>Minnesota 0.7%</b>   |       |            |
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38        | 2,700 | 2,999,295  |

BLACKROCK MUNIYIELD QUALITY FUND, INC.

JANUARY 31, 2010

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## Schedule of Investments (continued)

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

| Municipal Bonds   | Par<br>(000) | Value             |
|---|--------------|-------------------|
| <b>Nevada 8.9%</b>  |              |                   |
| City of Carson City Nevada, RB, Carson-Tahoe Hospital Project, Series A (Radian), 5.50%, 9/01/33            | \$ 4,100     | \$ 3,718,290      |
| City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/34                           | 1,150        | 1,262,067         |
| County of Clark Nevada, RB, Southwest Gas Corp. Project, Series A, AMT (FGIC), 4.75%, 9/01/36               | 45           | 37,414            |
| County of Clark Nevada, RB, Southwest Gas Corp. Project, Series D, AMT (NPFGC), 5.25%, 3/01/38              | 12,000       | 10,889,760        |
| County of Clark Nevada, RB, Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/30                            | 2,000        | 2,022,840         |
| County of Clark Nevada, RB, Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/36                            | 19,100       | 18,905,753        |
| Las Vegas Valley Water District, GO, Refunding, Series A (NPFGC), 5.00%, 6/01/24                            | 2,050        | 2,118,675         |
|   |              | <u>38,954,799</u> |
| <b>New Jersey 7.6%</b>  |              |                   |
| New Jersey EDA, RB, Cigarette Tax (Radian), 5.75%, 6/15/29  | 710          | 696,943           |
| New Jersey EDA, RB, Cigarette Tax (Radian), 5.50%, 6/15/31  | 1,285        | 1,196,386         |
| New Jersey EDA, RB, Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/31                               | 20,065       | 20,079,848        |
| New Jersey EDA, RB, School Facilities Construction, Series O, 5.13%, 3/01/28                                | 1,120        | 1,163,635         |
| New Jersey EDA, RB, School Facilities Construction, Series O, 5.13%, 3/01/30                                | 7,500        | 7,700,475         |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A (NPFGC), 5.75%, 6/15/25 | 2,200        | 2,556,092         |
|   |              | <u>33,393,379</u> |
| <b>New York 2.7%</b>  |              |                   |
|   | 10,000       | 10,387,400        |

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|   |       |                   |
|---|-------|-------------------|
| City of New York New York, GO, Series B (NPFGC), 5.88%, 8/01/10 (c)<br>Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34 | 1,500 | 1,589,805         |
|   |       | <u>11,977,205</u> |

**Oregon 0.2%**

|   |     |         |
|---|-----|---------|
| Medford Hospital Facilities Authority, RB, Asante Health System, Series A (AGC), 5.00%, 8/01/40 (d) | 750 | 730,523 |
|---|-----|---------|

| <b>Municipal Bonds</b>   | <b>Par (000)</b> | <b>Value</b>     |
|--|------------------|------------------|
| <b>Pennsylvania 1.5%</b>   |                  |                  |
| Pennsylvania HFA, Refunding RB, S/F, Series 73A, AMT, 5.45%, 10/01/32        | \$ 2,120         | \$ 2,127,886     |
| Pennsylvania HFA, Refunding RB, Series 99A, AMT, 5.25%, 10/01/32             | 2,000            | 2,004,300        |
| Pennsylvania Turnpike Commission, RB, CAB, Sub-Series E, 6.48%, 12/01/38 (a) | 4,100            | 2,588,699        |
|  |                  | <u>6,720,885</u> |

**Puerto Rico 2.5%**

|  |        |                   |
|--|--------|-------------------|
| Puerto Rico Electric Power Authority, Refunding RB, Series VV (NPFGC), 5.25%, 7/01/30          | 1,600  | 1,617,984         |
| Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.38%, 8/01/39                  | 4,700  | 5,001,270         |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.75%, 8/01/41 (b) | 28,000 | 4,161,920         |
|  |        | <u>10,781,174</u> |

**South Carolina 0.7%**

|   |       |           |
|---|-------|-----------|
| Berkeley County School District, RB, Securing Assets For Education, 5.13%, 12/01/30 | 3,175 | 3,238,056 |
|---|-------|-----------|

**Texas 15.6%**

|  |       |           |
|--|-------|-----------|
| Bell County Health Facility Development Corp. Texas, RB, Lutheran General Health Care System, 6.50%, 7/01/19 (e)                 | 1,000 | 1,238,630 |
| City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC), 6.00%, 11/15/35                                       | 2,850 | 3,217,792 |
| Dallas-Fort Worth International Airport Facilities Improvement Corp., Refunding RB, Joint Series A, AMT (NPFGC), 5.88%, 11/01/17 | 1,835 | 1,911,850 |
|  | 2,145 | 2,225,159 |

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|   |       |           |
|---|-------|-----------|
| Dallas-Fort Worth International Airport<br>Facilities Improvement Corp.,<br>Refunding RB, Joint Series A, AMT<br>(NPFGC), 5.88%, 11/01/18 |       |           |
| Dallas-Fort Worth International Airport<br>Facilities Improvement Corp.,<br>Refunding RB, Joint Series A, AMT<br>(NPFGC), 5.88%, 11/01/19 | 2,385 | 2,468,857 |
| Gregg County Health Facilities<br>Development Corp. Texas, RB, Good<br>Shepherd Medical Center Project<br>(Radian), 6.38%, 10/01/10 (c)   | 2,600 | 2,724,982 |
| Gregg County Health Facilities<br>Development Corp. Texas, RB, Good<br>Shepherd Medical Center Project<br>(Radian), 6.88%, 10/01/10 (c)   | 3,000 | 3,154,140 |
| Harris County-Houston Sports Authority,<br>Refunding RB, Senior Lien, Series G<br>(NPFGC), 5.75%, 11/15/20                                | 3,900 | 3,959,631 |

## Schedule of Investments (continued)

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

| Municipal Bonds  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Texas (concluded)</b>   |              |                   |
| Lewisville ISD Texas, GO, Refunding, CAB, School Building (NPFGC), 4.67%, 8/15/24 (b)      | \$ 6,150     | \$ 3,062,762      |
| Lone Star College System, GO, 5.00%, 8/15/33   | 4,800        | 4,985,856         |
| Mansfield ISD Texas, GO, School Building (PSF-GTD), 5.00%, 2/15/33                         | 2,300        | 2,415,437         |
| North Harris County Regional Water Authority, RB, Senior Lien (NPFGC), 5.13%, 12/15/35     | 1,710        | 1,733,820         |
| North Texas Tollway Authority, Refunding RB, CAB, System, First Tier (AGC), 5.73%, 1/01/31 | 10,000       | 2,926,600         |
| North Texas Tollway Authority, Refunding RB, First Tier, Series A, 6.00%, 1/01/28          | 3,380        | 3,593,244         |
| North Texas Tollway Authority, Refunding RB, System, First Tier (NPFGC), 5.75%, 1/01/40    | 12,300       | 12,550,059        |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.75%, 8/15/38           | 7,200        | 7,233,480         |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.00%, 8/15/42           | 10,000       | 9,139,200         |
|  |              | <u>68,541,499</u> |
| <b>Utah 4.0%</b>   |              |                   |
| City of Salt Lake City Utah, Refunding RB, IHC Hospitals Inc. (NPFGC), 6.30%, 2/15/15 (e)  | 15,000       | 17,477,250        |
| <b>Vermont 0.4%</b>  |              |                   |
| Vermont HFA, Refunding RB, Multiple Purpose, Series C, AMT (AGM), 5.50%, 11/01/38          | 1,820        | 1,837,163         |
| <b>Washington 1.8%</b>   |              |                   |
| City of Tacoma Washington, RB (NPFGC), 5.00%, 12/01/32                                     | 5,100        | 5,156,100         |
| Port of Tacoma Washington, RB, Series A, (AMBAC), 5.25%, 12/01/34 (c)                      | 2,400        | 2,812,992         |
|  |              | <u>7,969,092</u>  |
| <b>Wisconsin 0.4%</b>  |              |                   |

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|   |       |             |
|---|-------|-------------|
| Wisconsin Housing & EDA, Refunding<br>RB, Series C, AMT, 4.88%, 3/01/36 | 1,890 | 1,742,013   |
| <b>Total Municipal Bonds 116.0%</b>                                     |       | 508,624,174 |

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

**California 8.5%**

|  |       |           |
|--|-------|-----------|
| Anaheim Public Financing Authority<br>California, RB, Electric System<br>Distribution Facilities, Series A (AGM),<br>5.00%, 10/01/31 | 1,244 | 1,245,496 |
|--|-------|-----------|

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

|  | Par<br>(000) | Value         |
|--|--------------|---------------|
| <b>California (concluded)</b>  |              |               |
| Golden State Tobacco Securitization<br>Corporation, California, RB, Enhanced<br>Asset Bank, Series B (CIFG), 5.63%,<br>6/01/13 (b) | \$ 14,160    | \$ 16,155,994 |
| Los Angeles Community College District<br>California, GO, 2008 Election,<br>Series A, 6.00%, 8/01/33                               | 2,639        | 2,927,249     |
| San Diego Community College District<br>California, GO, California, GO, Election<br>of 2002, 5.25%, 8/01/33                        | 508          | 519,991       |
| San Diego County Water Authority, COP,<br>Refunding, Series 2008-A (AGM),<br>5.00%, 5/01/33  | 5,170        | 5,249,980     |
| San Diego County Water Authority, COP,<br>Refunding, Series A (NPFGC), 5.00%,<br>5/01/32   | 9,003        | 9,091,255     |
| Tamalpais Union High School District<br>California, GO, Election of 2001<br>(AGM), 5.00%, 8/01/28                                  | 1,950        | 1,973,108     |
|  |              | 37,163,073    |

**Colorado 0.3%**

|   |       |           |
|---|-------|-----------|
| Colorado Health Facilities Authority,<br>Refunding RB, Catholic Healthcare,<br>Series A, 5.50%, 7/01/34 | 1,220 | 1,285,641 |
|---|-------|-----------|

**District of Columbia 0.3%**

|  |       |           |
|--|-------|-----------|
| District of Columbia, RB, Series A,<br>5.50%, 12/01/30 | 1,320 | 1,466,045 |
|--|-------|-----------|

**Florida 7.2%**

|  |       |           |
|--|-------|-----------|
| City of Tallahassee, Florida, RB (NPFGC),<br>5.00%, 10/01/37                       | 6,000 | 6,007,140 |
| County of Seminole, Florida, Refunding<br>RB, Series B (NPFGC), 5.25%,<br>10/01/31 | 6,300 | 6,884,892 |

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|  |        |            |
|--|--------|------------|
| Florida State Board of Education, GO,<br>Series D, 5.00%, 6/01/37                  | 2,399  | 2,457,972  |
| Jacksonville Electric Authority Florida,<br>RB, Sub-Series A, 5.63%, 10/01/32      | 4,310  | 4,613,855  |
| Miami Dade County School Board,<br>Florida, COP, Series B (AGC), 5.25%,<br>5/01/27 | 11,350 | 11,751,790 |

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31,715,649

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**Georgia 3.5%**

|  |        |            |
|--|--------|------------|
| City of Atlanta Georgia, RB, General,<br>Subordinate Lien, Series C (AGM),<br>5.00%, 1/01/33 | 10,000 | 10,027,100 |
| City of Augusta, Georgia, RB (AGM),<br>0.25%, 10/01/34                                       | 5,000  | 5,196,650  |

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15,223,750

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**Illinois 4.8%**

|  |        |            |
|--|--------|------------|
| City of Chicago, Illinois, Refunding RB,<br>Second Lien (AGM), 5.25%, 11/01/33 | 14,429 | 15,118,639 |
|--|--------|------------|

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BLACKROCK MUNIYIELD QUALITY FUND, INC.

JANUARY 31, 2010

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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<br>Option Bond Trusts (f)  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Illinois (concluded)</b>  |              |                   |
| Illinois State Toll Highway Authority, RB,<br>Series B, 5.50%, 1/01/33   | \$ 2,000     | \$ 2,137,113      |
| Metropolitan Pier & Exposition Authority,<br>Illinois, Refunding RB, McCormick<br>Place Expansion, Series B (NPFGC),<br>5.75%, 6/15/23 | 3,499        | 3,784,631         |
|  |              | <u>21,040,383</u> |
| <b>Massachusetts 4.0%</b>  |              |                   |
| Massachusetts School Building<br>Authority, RB, Series A (AGM), 5.00%,<br>8/15/30  | 16,500       | 17,304,116        |
| <b>Nevada 1.8%</b>   |              |                   |
| City of Las Vegas, Nevada, GO, Limited<br>Tax Performing Arts Center, 6.00%,<br>4/01/39  | 5,007        | 5,429,016         |
| Clark County Water Reclamation<br>District, GO, Series B, 5.75%,<br>7/01/34  | 2,429        | 2,666,096         |
|  |              | <u>8,095,112</u>  |
| <b>New Hampshire 2.3%</b>  |              |                   |
| New Hampshire Health & Education<br>Facilities Authority, RB, Dartmouth<br>Hitchcock Obligation (AGM), 5.50%,<br>8/01/27               | 10,000       | 10,189,400        |
| <b>New Jersey 1.2%</b>   |              |                   |
| New Jersey EDA, RB, Cigarette Tax,<br>(AGC), 5.50%, 6/15/24  | 5,150        | 5,330,405         |
| <b>New York 5.1%</b>   |              |                   |
| Erie County Industrial Development<br>Agency, RB, City School District of<br>Buffalo Project, Series A (AGM),<br>5.75%, 5/01/28        | 2,007        | 2,183,425         |
| New York City Municipal Water Finance<br>Authority, RB, Fiscal 2009, Series A,<br>5.75%, 6/15/40                                       | 3,509        | 3,913,435         |
| New York State Dormitory Authority,<br>ERB, Series B, 5.75%, 3/15/36   | 1,545        | 1,718,735         |
|  | 14,200       | 14,510,270        |

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|   |  |            |
|---|--|------------|
| New York State Thruway Authority, RB,<br>Series G (AGM), 5.00%, 1/01/32 |  | 22,325,865 |
|---|--|------------|

|   |     |         |
|---|-----|---------|
| <b>Ohio 0.2%</b>  |     |         |
| State of Ohio, RB, Cleveland Clinic<br>Health, Series B, 5.50%, 1/01/34 | 780 | 814,609 |

|  |       |           |
|--|-------|-----------|
| <b>South Carolina 1.2%</b>   |       |           |
| South Carolina State Public Service<br>Authority, RB, Santee Cooper,<br>Series A, 5.50%, 1/01/38 | 4,695 | 5,051,022 |

| Municipal Bonds Transferred to Tender<br>Option Bond Trusts (f)  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Texas 2.6%</b>  |              |              |
| Clear Creek Independent School District,<br>Texas, GO, Refunding, School Building<br>(PSF - GTD), 5.00%, 2/15/33 | \$ 5,900     | \$ 6,344,181 |
| Cypress Fairbanks Independent School<br>District, GO, Refunding, Schoolhouse<br>(PSF - GTD), 5.00%, 2/15/32      | 4,750        | 5,012,153    |
|  |              | 11,356,334   |

|   |       |           |
|---|-------|-----------|
| <b>Virginia 0.8%</b>  |       |           |
| Fairfax County IDA Virginia, Refunding<br>RB, Health Care, Inova Health System,<br>Series A, 5.50%, 5/15/35 | 450   | 467,906   |
| Virginia Housing Development Authority,<br>RB, Series H, Sub-Series H 1 (NPFGC),<br>5.35%, 7/01/31          | 3,195 | 3,224,873 |
|   |       | 3,692,779 |

|  |       |           |
|--|-------|-----------|
| <b>Washington 0.6%</b>   |       |           |
| Central Puget Sound Regional<br>Transportation Authority, Washington,<br>RB, Series A (AGM), 5.00%, 11/01/32 | 2,504 | 2,608,879 |

|   |  |             |
|---|--|-------------|
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 44.4%</b> |  | 194,663,062 |
|---|--|-------------|

|  |  |             |
|--|--|-------------|
| <b>Total Long-Term Investments<br/>(Cost \$689,788,600) 160.4%</b> |  | 703,287,236 |
|--|--|-------------|

| Short-Term Securities                              | Shares    |           |
|--|-----------|-----------|
| FFI Institutional Tax-Exempt Fund,<br>0.16% (g)(h) | 5,501,884 | 5,501,884 |

|   |  |                |
|---|--|----------------|
| <b>Total Short-Term Securities</b>                          |  |                |
| (Cost \$5,501,884) 1.2%                                     |  | 5,501,884      |
| <b>Total Investments</b>                                    |  |                |
| (Cost \$695,290,484*) 161.6%                                |  | 708,789,120    |
| <b>Other Assets Less Liabilities</b> 1.2%                   |  | 5,288,227      |
| <b>Liability for Trust Certificates, Including Interest</b> |  |                |
| <b>Expense and Fees Payable</b> (22.5)%                     |  | (98,839,089)   |
| <b>Preferred Shares, at Redemption Value</b> (40.3)%        |  | (176,653,794)  |
| <b>Net Assets Applicable to Common Shares</b> 100.0%        |  | \$ 438,584,464 |

Schedule of Investments (concluded)

BlackRock MuniYield Quality Fund, Inc. (MQY)

\* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2010, as computed for federal income tax purposes, were as follows:

|                               |                |
|-------------------------------|----------------|
| Aggregate cost                | \$ 600,702,040 |
| Gross unrealized appreciation | \$ 24,549,457  |
| Gross unrealized depreciation | (15,229,396)   |
| Net unrealized appreciation   | \$ 9,320,061   |

- (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 reflects the current yield as of report date.
- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) U.S. 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.
- (d) When-issued security. Unsettled when-issued security transactions were as follows:

| Counterparty        | Value      | Unrealized<br>Appreciation |
|---------------------|------------|----------------------------|
| Merrill Lynch & Co. | \$ 730,523 |                            |

- (e) Security is collateralized by Municipal or U.S. Treasury Obligations.
- (f) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction.
- (g) 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<br>Activity | Income    |
|-----------------------------------|-----------------|-----------|
| FFI Institutional Tax-Exempt Fund | \$ (5,407,270)  | \$ 22,345 |

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

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 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, repayment 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)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of January 31, 2010 in determining the fair valuation of the Fund's investments:

| Valuation Inputs                             | Investments in Securities |
|--|---------------------------|
|  | Assets                    |
| Level 1 - Short-Term Securities              | \$ 5,501,884              |
| Level 2 - Long-Term Investments <sup>1</sup> | 703,287,236               |
| Level 3                                      |                           |
| <b>Total</b>                                 | <b>\$ 708,789,120</b>     |

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

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### Item 2 – Controls and Procedures

2(a) – The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13(a)-15(b) under the Securities Exchange Act of 1934, as amended.

2(b) – There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

### Item 3 – Exhibits

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/ Anne F. Ackerley  
Anne F. Ackerley  
Chief Executive Officer of  
BlackRock MuniYield Quality Fund, Inc.

Date: March 19, 2010

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/ Anne F. Ackerley  
Anne F. Ackerley  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniYield Quality Fund, Inc.

Date: March 19, 2010

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock MuniYield Quality Fund, Inc.

Date: March 19, 2010

