

BLACKROCK MUNIYIELD INVESTMENT QUALITY FUND  
Form N-Q  
December 21, 2012

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 811-07156

Name of Fund: BlackRock MuniYield Investment Quality Fund (MFT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniYield

Investment Quality Fund, 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: 07/31/2013

Date of reporting period: 10/31/2012

Item 1 Schedule of Investments

## Schedule of Investments October 31, 2012 (Unaudited)

## BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Alabama 4.2%</b>  |              |              |
| Birmingham Special Care Facilities<br>Financing Authority, RB, Children s<br>Hospital (AGC):                           |              |              |
| 6.13%, 6/01/34   | \$ 1,500     | \$ 1,790,205 |
| 6.00%, 6/01/39   | 2,985        | 3,549,941    |
| Selma IDB, RB, International Paper Co.<br>Project, 5.38%, 12/01/35   | 350          | 383,408      |
|  |              | 5,723,554    |
| <b>Arizona 0.4%</b>  |              |              |
| Arizona Board of Regents, Refunding<br>RB, University of Arizona, Series A,<br>5.00%, 6/01/42                          | 500          | 573,760      |
| <b>California 20.1%</b>  |              |              |
| California Educational Facilities<br>Authority, RB, University of Southern<br>California, Series A, 5.25%, 10/01/38    | 1,960        | 2,321,150    |
| California Health Facilities Financing<br>Authority, RB:<br>Stanford Hospital and Clinics,<br>Series A, 5.00%, 8/15/42 | 1,110        | 1,247,918    |
| Sutter Health, Series B,<br>6.00%, 8/15/42   | 1,150        | 1,381,794    |
| California State Public Works Board, RB,<br>Various Capital Projects, Series G-1<br>(AGC), 5.25%, 10/01/24             | 2,000        | 2,319,760    |
| California State University, RB,<br>Systemwide, Series A (AGM), 5.00%,<br>11/01/39                                     | 700          | 764,561      |
| City of San Jose California, Refunding<br>ARB, Series A-1, AMT:<br>5.50%, 3/01/30                                      | 1,600        | 1,834,464    |
| 6.25%, 3/01/34   | 1,250        | 1,502,550    |
| County of Sacramento California, ARB,<br>Senior, Series A (AGC), 5.50%,<br>7/01/41                                     | 1,400        | 1,574,874    |
| Los Angeles Community College District<br>California, GO, Election of 2001,<br>Series A (NPFGC), 5.00%, 8/01/32        | 2,780        | 3,161,916    |
| Redondo Beach Unified School District,<br>GO, Election of 2008, Series E,<br>5.50%, 8/01/34                            | 1,000        | 1,192,790    |
| San Bernardino Community College<br>District, GO, Election of 2002,<br>Series A, 6.25%, 8/01/33                        | 840          | 1,006,202    |
| San Diego Public Facilities Financing<br>Authority, Refunding RB, Series B<br>(AGC), 5.38%, 8/01/34                    | 1,020        | 1,198,296    |
| State of California, GO, Various Purpose<br>(AGC), 5.50%, 11/01/39   | 3,450        | 3,962,773    |
| State of California, GO, Refunding, Tax-<br>Exempt, Various Purpose,   | 2,260        | 2,495,673    |

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5.00%, 9/01/41

|  | <b>Par</b>   |              |
|--|--------------|--------------|
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>California (concluded)</b>  |              |              |
| University of California, Refunding RB, 5.00%, 5/15/37   | \$ 1,000     | \$ 1,165,730 |
|  |              | 27,130,451   |
| <b>Colorado 3.6%</b>   |              |              |
| City & County of Denver Colorado, Refunding ARB, Airport Revenue, Series B, 5.00%, 11/15/37                | 600          | 681,612      |
| Colorado Health Facilities Authority, RB, Hospital NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/26      | 1,300        | 1,550,406    |
| University of Colorado, Refunding RB, Enterprise System, Series A-2: 5.00%, 6/01/32                        | 1,185        | 1,423,742    |
| 5.00%, 6/01/33   | 1,030        | 1,229,799    |
|  |              | 4,885,559    |
| <b>Florida 3.1%</b>  |              |              |
| City of Jacksonville Florida Sales Tax, Refunding RB, Better Jacksonville, Series A, 5.00%, 10/01/30       | 755          | 873,150      |
| County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32                                       | 1,000        | 1,105,280    |
| County of Miami-Dade Florida, Refunding RB, Special Obligation, Sub-Series B, 5.00%, 10/01/31 (a)          | 530          | 597,061      |
| Florida Housing Finance Corp., HRB, Brittany Rosemont Apartments, Series C-1, AMT (AMBAC), 6.75%, 8/01/14  | 225          | 225,533      |
| Jacksonville Florida Port Authority, Refunding RB, AMT, 5.00%, 11/01/38                                    | 850          | 918,765      |
| Manatee County Housing Finance Authority, RB, Series A, AMT (Fannie Mae), 5.90%, 9/01/40                   | 360          | 391,608      |
|  |              | 4,111,397    |
| <b>Georgia 2.4%</b>  |              |              |
| City of Atlanta Georgia, Refunding ARB, Series C, AMT: 5.00%, 1/01/37                                      | 2,000        | 2,198,840    |
| 5.00%, 1/01/42   | 1,000        | 1,098,600    |
|  |              | 3,297,440    |
| <b>Illinois 15.0%</b>  |              |              |
| Chicago Illinois Board of Education, GO, Series A: 5.50%, 12/01/39   | 1,500        | 1,755,855    |
| 5.00%, 12/01/42  | 1,890        | 2,053,674    |
| Chicago Transit Authority, RB: Federal Transit Administration Section 5309, Series A (AGC), 6.00%, 6/01/26 | 1,400        | 1,646,680    |
| Sales Tax Receipts Revenue, 5.25%, 12/01/36  | 425          | 487,777      |

BLACKROCK MUNIYIELD INVESTMENT QUALITY FUND

OCTOBER 31, 2012

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## Schedule of Investments (continued)

## BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value                  |
|---|--------------|------------------------|
| <b>Municipal Bonds</b>  |              |                        |
| <b>Illinois (concluded)</b>   |              |                        |
| Chicago Transit Authority, RB<br>(concluded):<br>Sales Tax Receipts Revenue,<br>5.25%, 12/01/40   | \$ 2,355     | \$ 2,698,901           |
| City of Chicago Illinois, ARB, O Hare<br>International Airport, General, Third Lien:<br>Series A, 5.75%, 1/01/39                          | 770          | 908,885                |
| Series C, 6.50%, 1/01/41  | 3,680        | 4,567,432              |
| City of Chicago Illinois, Refunding RB,<br>O Hare International Airport, General,<br>Third Lien, Series C (AGC), 5.25%,<br>1/01/38        | 525          | 607,635                |
| Cook County Forest Preserve District,<br>GO, Series C, 5.00%, 12/15/32  | 385          | 443,023                |
| Cook County Forest Preserve District,<br>GO, Refunding, Limited Tax Project,<br>Series B, 5.00%, 12/15/32                                 | 180          | 207,128                |
| Illinois Finance Authority, RB, Carle<br>Foundation, Series A, 6.00%,<br>8/15/41  | 1,555        | 1,866,389              |
| Metropolitan Pier & Exposition Authority,<br>Refunding RB, McCormick Place<br>Project, Series B, 5.00%, 12/15/28                          | 1,360        | 1,597,007              |
| Railsplitter Tobacco Settlement<br>Authority, RB:<br>5.50%, 6/01/23   | 940          | 1,097,807              |
| 6.00%, 6/01/28  | 270          | 320,544                |
|   |              | 20,258,737             |
| <b>Indiana 4.0%</b>   |              |                        |
| Indiana Finance Authority Waste Water<br>Utility, RB, CWA Authority Project, First<br>Lien, Series A, 5.00%, 10/01/41                     | 1,500        | 1,686,915              |
| Indianapolis Local Public Improvement<br>Bond Bank, Refunding RB,<br>Waterworks Project, Series A (AGC),<br>5.50%, 1/01/38                | 3,310        | 3,760,590<br>5,447,505 |
| <b>Kansas 2.6%</b>  |              |                        |
| Kansas Development Finance Authority,<br>Refunding RB, Adventist Health<br>System, Sunbelt Obligation Group,<br>Series A, 5.00%, 11/15/32 | 3,000        | 3,472,920              |
| <b>Louisiana 0.5%</b>   |              |                        |
| New Orleans Aviation Board Louisiana,<br>Refunding GARB, Restructuring (AGC):<br>Series A-1, 6.00%, 1/01/23                               | 375          | 447,904                |
| Series A-2, 6.00%, 1/01/23  | 160          | 191,105<br>639,009     |
| <b>Michigan 4.9%</b>  |              |                        |
| City of Detroit Michigan, RB, Second<br>Lien, Series B (AGM), 6.25%, 7/01/36  | 1,800        | 2,102,436              |
|   |              | <b>Value</b>           |

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|  | <b>Par<br/>(000)</b> |              |
|--|----------------------|--------------|
| <b>Municipal Bonds</b>   |                      |              |
| <b>Michigan (concluded)</b>  |                      |              |
| City of Detroit Michigan, Refunding RB (AGM):  |                      |              |
| Senior Lien, Series C-1, 7.00%, 7/01/27  | \$ 1,650             | \$ 2,020,326 |
| Sewage Disposal System,<br>Senior Lien, Series B,<br>7.50%, 7/01/33  | 660                  | 827,772      |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39               | 1,265                | 1,631,218    |
|  |                      | 6,581,752    |
| <b>Minnesota 2.7%</b>  |                      |              |
| City of Minneapolis Minnesota,<br>Refunding RB, Fairview Health<br>Services, Series B (AGC), 6.50%, 11/15/38         | 3,000                | 3,705,180    |
| <b>Mississippi 1.7%</b>  |                      |              |
| Mississippi Development Bank,<br>Refunding RB, Jackson Mississippi Water & Sewer System, Series A,<br>5.00%, 9/01/30 | 1,965                | 2,291,976    |
| <b>Nevada 4.1%</b>   |                      |              |
| Clark County Water Reclamation<br>District, GO, Series A, 5.25%,<br>7/01/34  | 1,500                | 1,834,185    |
| County of Clark Nevada, ARB:<br>Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39             | 2,375                | 2,676,388    |
| Subordinate Lien, Series A-2<br>(NPFGC), 5.00%, 7/01/36  | 1,000                | 1,052,460    |
|  |                      | 5,563,033    |
| <b>New Jersey 3.1%</b>   |                      |              |
| New Jersey Health Care Facilities<br>Financing Authority, RB, Virtua Health (AGC), 5.50%, 7/01/38                    | 1,400                | 1,562,484    |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System:<br>Series A, 5.50%, 6/15/41               | 1,195                | 1,397,684    |
| Series B, 5.25%, 6/15/36   | 1,000                | 1,155,810    |
|  |                      | 4,115,978    |
| <b>New York 6.9%</b>   |                      |              |
| Metropolitan Transportation Authority,<br>Refunding RB, Transportation<br>Revenue, Series C, 5.00%, 11/15/28         | 1,200                | 1,415,820    |
| New York City Municipal Water Finance Authority, Refunding RB, Series FF-2,<br>5.50%, 6/15/40                        | 1,545                | 1,851,435    |
| New York City Transitional Finance<br>Authority, RB, Fiscal 2009, Series S-4<br>(AGC), 5.50%, 1/15/29                | 2,000                | 2,394,920    |

## Schedule of Investments (continued)

## BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Municipal Bonds</b>  |              |              |
| <b>New York (concluded)</b>   |              |              |
| New York State Dormitory Authority, RB,<br>Series B:<br>5.00%, 3/15/37  | \$2,150      | \$ 2,481,874 |
| 5.00%, 3/15/42  | 1,000        | 1,148,220    |
|   |              | 9,292,269    |
| <b>North Carolina 1.2%</b>  |              |              |
| North Carolina Medical Care<br>Commission, RB, Duke University<br>Health System, Health Care Facilities,<br>Series A, 5.00%, 6/01/32    | 1,360        | 1,586,290    |
| <b>Pennsylvania 3.4%</b>  |              |              |
| Pennsylvania Higher Educational<br>Facilities Authority, RB, Temple<br>University, 5.00%, 4/01/42                                       | 2,000        | 2,257,680    |
| Pennsylvania Turnpike Commission, RB,<br>Sub-Series A, 6.00%, 12/01/41  | 2,000        | 2,281,140    |
|   |              | 4,538,820    |
| <b>Puerto Rico 1.2%</b>   |              |              |
| Puerto Rico Sales Tax Financing Corp.,<br>RB, First Sub-Series A, 6.38%,<br>8/01/39   | 1,425        | 1,647,072    |
| <b>South Carolina 0.8%</b>  |              |              |
| City of North Charleston South Carolina,<br>RB, 5.00%, 6/01/35  | 905          | 1,026,514    |
| <b>Texas 19.0%</b>  |              |              |
| Austin Community College District, RB,<br>Educational Facilities Project, Round<br>Rock Campus, 5.25%, 8/01/33                          | 2,250        | 2,577,870    |
| City of Houston Texas, Refunding RB,<br>Combined, First Lien, Series A (AGC):<br>6.00%, 11/15/35  | 2,700        | 3,325,347    |
| 6.00%, 11/15/36   | 2,055        | 2,545,097    |
| 5.38%, 11/15/38   | 1,000        | 1,157,400    |
| Frisco ISD Texas, GO, School Building<br>(AGC), 5.50%, 8/15/41  | 1,210        | 1,507,999    |
| Harris County Health Facilities<br>Development Corp., Refunding RB,<br>Memorial Hermann Healthcare<br>System, Series B, 7.25%, 12/01/35 | 500          | 627,465      |
| Katy ISD Texas, GO, Refunding,<br>Unlimited Tax School Building, Series<br>A (PSF-GTD), 5.00%, 2/15/42                                  | 755          | 883,939      |
| Lamar Texas Consolidated ISD, GO,<br>Refunding, School House, Series A<br>(PSF-GTD), 5.00%, 2/15/45                                     | 1,000        | 1,162,810    |
| North Texas Tollway Authority, RB,<br>Special Projects System, Series A,<br>5.50%, 9/01/41  | 2,750        | 3,275,195    |
| North Texas Tollway Authority,<br>Refunding RB:<br>First Tier (AGM), 6.00%, 1/01/43   | 1,000        | 1,200,580    |
| Series K-1 (AGC), 5.75%, 1/01/38  | 1,400        | 1,600,816    |

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|   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Municipal Bonds</b>  |              |              |
| <b>Texas (concluded)</b>  |              |              |
| Tarrant County Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC), 6.50%, 7/01/37           | \$1,100      | \$ 1,293,556 |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.00%, 8/15/42  | 1,000        | 1,006,530    |
| Texas Tech University, Refunding RB, Improvement Bonds, 14th Series A, 5.00%, 8/15/29   | 1,105        | 1,317,878    |
| University of Texas System, Refunding RB, Financing System, Series B, 5.00%, 8/15/43  | 1,835        | 2,168,144    |
|   |              | 25,650,626   |
| <b>Virginia 6.0%</b>  |              |              |
| Fairfax County IDA, RB, Inova Health System Project, Series A, 5.00%, 5/15/40   | 700          | 786,940      |
| Norfolk EDA, Refunding RB, Sentara Healthcare, Series B, 5.00%, 11/01/36  | 4,000        | 4,575,200    |
| Virginia Public School Authority, RB, School Financing, 6.50%, 12/01/35   | 1,000        | 1,241,730    |
| Virginia Resources Authority, RB, 5.00%, 11/01/42   | 1,245        | 1,454,061    |
|   |              | 8,057,931    |
| <b>Washington 1.5%</b>  |              |              |
| City of Seattle Washington, Refunding RB, Series A, 5.25%, 2/01/36  | 1,000        | 1,169,680    |
| State of Washington, GO, Various Purpose, Series B, 5.25%, 2/01/36  | 725          | 853,840      |
|   |              | 2,023,520    |
| <b>Wisconsin 1.3%</b>   |              |              |
| Wisconsin Health & Educational Facilities Authority, RB, Series D, 5.00%, 11/15/41  | 1,250        | 1,395,225    |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert Health, Inc. Obligated Group, Series A, 5.00%, 4/01/42 | 320          | 357,075      |
|   |              | 1,752,300    |
| <b>Total Municipal Bonds 113.7%</b>   |              | 153,373,593  |

**Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (b)**

|   |       |           |
|---|-------|-----------|
| <b>Alabama 1.2%</b>   |       |           |
| Mobile Board of Water & Sewer Commissioners, RB (NPFGC), 5.00%, 1/01/31 | 1,500 | 1,590,855 |

BLACKROCK MUNIYIELD INVESTMENT QUALITY FUND

OCTOBER 31, 2012

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## Schedule of Investments (continued)

## BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value                  |
|--|--------------|------------------------|
| <b>Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (b)</b>                                    |              |                        |
| <b>District of Columbia 0.7%</b>   |              |                        |
| District of Columbia Water & Sewer Authority, Refunding RB, Series A, 6.00%, 10/01/35 (c)                    | \$ 750       | \$ 915,085             |
| <b>Florida 2.9%</b>  |              |                        |
| County of Miami-Dade Florida, Refunding RB, Transit System, Sales Surtax, 5.00%, 7/01/42                     | 660          | 744,612                |
| Hillsborough County Aviation Authority, RB, Series A, AMT (AGC), 5.50%, 10/01/38                             | 2,499        | 2,728,027              |
| Lee County Housing Finance Authority, RB, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40 | 465          | 494,300<br>3,966,939   |
| <b>Illinois 3.3%</b>   |              |                        |
| Chicago Transit Authority, Refunding RB, Federal Transit Administration Section 5309 (AGM), 5.00%, 6/01/28   | 2,999        | 3,311,103              |
| City of Chicago Illinois, Refunding RB, 5.00%, 11/01/42  | 960          | 1,090,573<br>4,401,676 |
| <b>Kentucky 0.9%</b>   |              |                        |
| Kentucky State Property & Building Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27            | 1,002        | 1,163,294              |
| <b>Massachusetts 1.7%</b>  |              |                        |
| Massachusetts School Building Authority, RB, Senior, Series B, 5.00%, 10/15/41                               | 2,040        | 2,370,480              |
| <b>Nevada 7.3%</b>   |              |                        |
| Clark County Water Reclamation District, GO:<br>Limited Tax, 6.00%, 7/01/38                                  | 2,010        | 2,467,657              |
| Series B, 5.50%, 7/01/29   | 1,994        | 2,460,322              |
| Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28                                     | 4,200        | 4,925,046<br>9,853,025 |
| <b>New Jersey 2.2%</b>   |              |                        |
| New Jersey EDA, RB, School Facilities Construction, Series Z (AGC), 6.00%, 12/15/34                          | 1,000        | 1,177,010              |
| New Jersey State Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29              | 1,610        | 1,783,753<br>2,960,763 |
| <b>New York 21.3%</b>  |              |                        |
| Hudson New York Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47                                     | 1,000        | 1,180,576              |
| New York City Municipal Water Finance Authority, Refunding RB:<br>5.00%, 6/15/45                             | 2,999        | 3,429,636              |
|  |              | <b>Value</b>           |

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|   | <b>Par<br/>(000)</b> |                    |
|---|----------------------|--------------------|
| <b>Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (b)</b>   |                      |                    |
| <b>New York (concluded)</b>   |                      |                    |
| New York City Municipal Water Finance Authority, Refunding RB (concluded):<br>Second General Resolution,<br>Fiscal 2012, Series BB,<br>5.25%, 6/15/44 | \$ 2,999             | \$ 3,523,180       |
| Series FF-2, 5.50%, 6/15/40   | 1,095                | 1,311,879          |
| New York City Transitional Finance<br>Authority, RB:<br>Fiscal 2009, Series S-3,<br>5.25%, 1/15/39  | 1,000                | 1,128,675          |
| Sub-Series E-1, 5.00%,<br>2/01/42   | 1,160                | 1,336,747          |
| New York Liberty Development Corp.,<br>RB, 1 World Trade Center Project,<br>5.25%, 12/15/43   | 3,000                | 3,449,743          |
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51   | 1,770                | 2,086,812          |
| New York State Dormitory Authority,<br>ERB, Series B, 5.25%, 3/15/38  | 3,250                | 3,922,977          |
| New York State Dormitory Authority, RB, General Purpose, Series C, 5.00%, 3/15/41   | 4,500                | 5,147,460          |
| New York State Thruway Authority,<br>Refunding RB, Series G (AGM), 5.00%, 1/01/32   | 2,000                | 2,206,620          |
|   |                      | 28,724,305         |
| <b>Puerto Rico 1.0%</b>   |                      |                    |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, Series C, 5.25%,<br>8/01/40  | 1,200                | 1,317,204          |
| <b>Texas 4.2%</b>   |                      |                    |
| City of San Antonio Texas, Refunding<br>RB, Series A, 5.25%,<br>2/01/31 (c)   | 2,609                | 3,137,523          |
| Waco Educational Finance Corp.,<br>Refunding RB, Baylor University,<br>5.00%, 3/01/43   | 2,220                | 2,547,849          |
|   |                      | 5,685,372          |
| <b>Utah 0.8%</b>  |                      |                    |
| City of Riverton Utah Hospital, RB, IHC<br>Health Services, Inc., 5.00%, 8/15/41  | 1,005                | 1,101,430          |
| <b>Washington 1.6%</b>  |                      |                    |
| University of Washington, Refunding RB, Series A, 5.00%, 7/01/41  | 1,875                | 2,190,569          |
| <b>Total Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts</b>   | <b>49.1%</b>         | <b>66,240,997</b>  |
| <b>Total Long-Term Investments</b>  |                      |                    |
| <b>(Cost \$198,823,201)</b>   | <b>162.8%</b>        | <b>219,614,590</b> |

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

|  | Shares    | Value          |
|--|-----------|----------------|
| <b>Short-Term Securities</b>   |           |                |
| FBI Institutional Tax-Exempt Fund, 0.04% (d)(e)  | 4,210,779 | \$ 4,210,779   |
| <b>Total Short-Term Securities</b>   |           |                |
| (Cost \$4,210,779) 3.1%  |           | 4,210,779      |
| <b>Total Investments</b>   |           |                |
| (Cost \$203,033,980*) 165.9%   |           | 223,825,369    |
| <b>Other Assets Less Liabilities</b> 1.2%  |           | 1,646,464      |
| <b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable</b> (25.2)% |           | (34,024,745)   |
| <b>VMTP Shares, at Liquidation Value</b> (41.9)%   |           | (56,500,000)   |
| <b>Net Assets Applicable to Common Shares</b> 100.0%   |           | \$ 134,947,088 |

\* As of October 31, 2012, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

|                               |                |
|-------------------------------|----------------|
| Tax Cost                      | \$ 169,220,560 |
| Gross unrealized appreciation | \$ 20,811,398  |
| Gross unrealized depreciation | (212,481)      |
| Net unrealized appreciation   | \$ 20,598,917  |

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

| Counterparty   | Value      | Unrealized<br>Appreciation |
|--|------------|----------------------------|
| Citigroup, Inc.  | \$ 597,061 | \$ 2,009                   |
| (b) 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.   |            |                            |
| (c) All or a portion of security is subject to a recourse agreement which may require the Fund to pay the Liquidity Provider in the event there is a shortfall between the TOB Trust Certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements is \$2,114,529. |            |                            |
| (d) Investments in issuers considered to be an affiliate of the Fund during the period ended October 31, 2012, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:   |            |                            |

Affiliate

Net

Income

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|                                   | Shares<br>Held at<br>July 31,<br>2012 | Activity  | Shares<br>Held at<br>October 31,<br>2012 |       |
|-----------------------------------|---------------------------------------|-----------|--|-------|
| FFI Institutional Tax-Exempt Fund |                                       | 4,210,779 | 4,210,779                                | \$134 |

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

## Portfolio Abbreviations

To simplify the listings 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                    |
| EDA        | Economic Development Authority           |
| ERB        | Education Revenue Bonds                  |
| Fannie Mae | Federal National Mortgage-Association    |
| GARB       | General Airport Revenue Bonds            |
| Ginnie Mae | Government National Mortgage-Association |
| GO         | General Obligation Bonds                 |
| HRB        | Housing Revenue Bonds                    |
| IDA        | Industrial Development Authority         |
| IDB        | Industrial Development Board             |
| ISD        | Independent School District              |
| NPFGC      | National Public Finance Guarantee Corp.  |
| PSF-GTD    | Permanent School Fund Guaranteed         |
| RB         | Revenue Bonds                            |
| S/F        | Single-Family                            |

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

**Level 1** unadjusted price quotations in active markets/exchanges for identical assets and liabilities that the Fund has the ability to access

**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)

Schedule of Investments (concluded)

BlackRock MuniYield Investment Quality Fund (MFT)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks 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 Fund's investments categorized in the disclosure hierarchy as of October 31, 2012:

|                          | Level 1             | Level 2               | Level 3 | Total                 |
|--------------------------|---------------------|-----------------------|---------|-----------------------|
| <b>Assets:</b>           |                     |                       |         |                       |
| Investments:             |                     |                       |         |                       |
| Long-Term                |                     |                       |         |                       |
| Investments <sup>1</sup> |                     | \$ 219,614,590        |         | \$ 219,614,590        |
| Short-Term               |                     |                       |         |                       |
| Securities ..            | \$ 4,210,779        |                       |         | 4,210,779             |
| <b>Total</b>             | <b>\$ 4,210,779</b> | <b>\$ 219,614,590</b> |         | <b>\$ 223,825,369</b> |

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

Certain of the Fund's liabilities are held at carrying amount, which approximates fair value for financial reporting purposes. As of October 31, 2012, such liabilities are categorized within the disclosure hierarchy as follows:

|                           | Level 1 | Level 2                | Level 3 | Total                  |
|---------------------------|---------|------------------------|---------|------------------------|
| <b>Liabilities:</b>       |         |                        |         |                        |
| TOB trust certificates .. |         | \$ (34,005,892)        |         | \$ (34,005,892)        |
| VMTP Shares               |         | (56,500,000)           |         | (56,500,000)           |
| <b>Total</b>              |         | <b>\$ (90,505,892)</b> |         | <b>\$ (90,505,892)</b> |

There were no transfers between levels during the period ended October 31, 2012.

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 13a-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

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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 Investment Quality Fund

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniYield Investment Quality Fund  
Date: December 21, 2012

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/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniYield Investment Quality Fund  
Date: December 21, 2012

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock MuniYield Investment Quality Fund  
Date: December 21, 2012