BLACKROCK MUNIYIELD QUALITY FUND III, INC Form N-CSRS April 02, 2012 UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-06540

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniYield Quality Fund III, Inc., 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 07/31/2012

Date of reporting period: 01/31/2012

Item 1 - Report to Stockholders

January 31, 2012

Semi-Annual Report (Unaudited)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE) BlackRock MuniYield California Quality Fund, Inc. (MCA) BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM) BlackRock MuniYield New York Quality Fund, Inc. (MYN) BlackRock MuniYield Quality Fund III, Inc. (MYI)

Not FDIC Insured § No Bank Guarantee § May Lose Value

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SEMI-ANNUAL REPORT

Dear Shareholder

Early in 2011, global financial market action was dominated by political revolutions in the Middle East and North Africa, soaring prices of oil and other commodities, and natural disasters in Japan resulting in global supply chain disruptions. But corporate earnings were strong and the global economic recovery appeared to be on track. Investors demonstrated steadfast confidence as risk assets, including equities, commodities and high yield bonds, charged forward. Markets reversed sharply in May, however, when escalating political strife in Greece rekindled fears about sovereign debt problems spreading across Europe. Concurrently, global economic indicators signaled that the recovery had slowed. Confidence was further shaken by the prolonged debt ceiling debate in Washington, DC. On August 5th, Standard & Poor s downgraded the US government s credit rating and turmoil erupted in financial markets around the world. Extraordinary levels of volatility persisted in the months that followed as Greece teetered on the brink of default, debt problems escalated in Italy and Spain, and exposure to European sovereign bonds stressed banks globally. Financial markets whipsawed on hopes and fears. Macro news flow became a greater influence on trading decisions than the fundamentals of the securities traded, resulting in highly correlated asset prices. By the end of the third quarter, equity markets had fallen nearly 20% from their April peak while safe-haven assets such as US Treasuries and gold had rallied to historic highs.

October brought enough positive economic data to assuage fears of a global double-dip recession. Additionally, European leaders began to show progress toward stemming the region s debt crisis. Investors came back from the sidelines and risk assets rallied through the month. Eventually, a lack of definitive details about Europe s rescue plan raised doubts among investors and thwarted the rally at the end of October. The last two months of 2011 saw political instability in Greece, unsustainable yields on Italian bonds, and US policymakers in gridlock over budget issues. Global central bank actions and improving economic data invigorated investors, but confidence was easily tempered by sobering news flow. Sentiment improved in the New Year as investors saw bright spots in global economic data, particularly from the United States, China and Germany. International and emerging markets rebounded strongly through January. US stocks rallied on solid improvement in the domestic labor market and indications from the Federal Reserve that interest rates would remain low through 2014. Nonetheless, investors maintained caution as US corporate earnings began to weaken and a European recession appeared inevitable.

US equities and high yield bonds recovered their late-summer losses and posted positive returns for both the 6- and 12-month periods ended January 31, 2012. International markets, however, experienced some significant downturns in 2011 and remained in negative territory despite a strong rebound at the end of the period. Fixed income securities benefited from declining yields and delivered positive returns for the 6- and 12-month periods. US Treasury bonds outperformed other fixed income classes despite their quality rating downgrade, while municipal bonds also delivered superior results. Continued low short-term interest rates kept yields on money market securities near their all-time lows.

Many of the themes that caused uncertainty in 2011 remain unresolved. For investors, the risks are daunting. BlackRock remains committed to helping you keep your financial goals on track in this challenging environment.

Sincerely,

Rob Kapito President, BlackRock Advisors, LLC

BlackRock remains committed to helping you keep your financial goals on track in this challenging environment.

Rob Kapito President, BlackRock Advisors, LLC

Total Returns as of January 31, 2012

	6-month	12-month
US large cap equities (S&P 500 [®] Index)	2.71%	4.22%
US small cap equities	0.22	2.86
(Russell 2000 [®] Index)		
International equities	(10.42)	(9.59)
(MSCI Europe, Australasia,		

Far East Index)		
Emerging market	(9.56)	(6.64)
equities (MSCI Emerging		
Markets Index)		
3-month Treasury	0.02	0.09
bill (BofA Merrill Lynch		
3-Month Treasury		
Bill Index)		
US Treasury securities	10.81	18.49
(BofA Merrill Lynch 10-		
Year US Treasury Index)		
US investment grade	4.25	8.66
bonds (Barclays		
Capital US Aggregate		
Bond Index)		
Tax-exempt municipal	7.25	14.40
bonds (S&P Municipal		
Bond Index)		
US high yield bonds	1.84	5.81
(Barclays Capital US		
Corporate High Yield 2%		
Issuer Capped Index)		

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

THIS PAGE NOT PART OF YOUR FUND REPORT

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Municipal Market Overview

For the 12-Month Period Ended January 31, 2012

One year ago, the municipal bond market was steadily recovering from a difficult fourth quarter of 2010 that brought severe losses amid a steepening US Treasury yield curve and a flood of inflated headlines about municipal finance troubles. Retail investors had lost confidence in municipals and retreated from the market. Political uncertainty surrounding the midterm elections and tax policies exacerbated the situation. These conditions combined with seasonal illiquidity weakened willful market participation from the trading community. December 2010 brought declining demand with no comparable reduction in supply as issuers rushed their deals to market before the Build America Bond program was retired. This supply-demand imbalance led to wider quality spreads and higher yields for municipal bonds heading into 2011.

Demand is usually strong at the beginning of a new year, but retail investors continued to move away from municipal mutual funds in the first half of 2011. From the middle of November 2010, outflows persisted for 29 consecutive weeks, totaling \$35.1 billion before the trend finally broke in June 2011. However, weak demand was counterbalanced by lower supply in 2011. According to Thomson Reuters, new issuance was down 32% in 2011 as compared to the prior year. While these technical factors were improving, municipalities were struggling to balance their budgets, although the late-2010 predictions for widespread municipal defaults did not materialize. Other concerns that resonated at the beginning of the year, such as rising interest rates, weakening credits and higher rates of inflation, abated as these scenarios also did not come to fruition.

On August 5th, 2011, Standard & Poor s (S&P) downgraded the US government s credit rating from AAA to AA+. While this led to the downgrade of approximately 11,000 municipal issues directly tied to the US debt rating, this represented a very small fraction of the municipal market and said nothing about the individual municipal credits themselves. In fact, demand for municipal bonds increased as severe volatility in US equities drove investors to more stable asset classes. The municipal market benefited from an exuberant Treasury market and continued muted new issuance. As supply remained constrained, demand from both traditional and non-traditional buyers was strong, pushing long-term municipal bond yields lower and sparking a curve-flattening trend that continued through year end. Ultimately, 2011 was one of the strongest performance years in municipal market history. The S&P Municipal Bond Index returned 10.62% in 2011, making municipal bonds a top-performing fixed income asset class for the year.

Supply and demand technicals continued to be favorable in January 2012. Overall, the municipal yield curve flattened during the period from January 31, 2011 to January 31, 2012. As measured by Thomson Municipal Market Data, yields declined by 161 basis points (bp) to 3.17% on AAA-rated 30-year municipal bonds and by 163 bps to 1.68% on 10-year bonds, while yields on 5-year issues fell 117 bps to 0.68%. While the entire municipal curve flattened over the 12-month time period, the spread between 2- and 30-year maturities tightened by 120 bps, and in the 2-to 10-year range, the spread tightened by 124 bps.

The fundamental picture for municipalities continues to improve. Austerity has been the general theme across the country, while a small number of states continue to rely on a kick-the-can approach to close their budget shortfalls, with aggressive revenue projections and accounting gimmicks. The market s technical factors are also improving as demand outpaces supply in what is historically a light issuance period. It has been over a year since the first highly publicized interview about the fiscal problems plaguing state and local governments. Thus far, the prophecy of widespread defaults across the municipal market has not materialized. In 2011, there were fewer municipal defaults than seen in 2010. Throughout 2011 monetary defaults in the S&P Municipal Bond Index totaled roughly \$805 million, representing less than 0.48% of the index. BlackRock maintains the view that municipal bond defaults will remain in the periphery and the overall market is fundamentally sound. We continue to recognize that careful credit research and security selection remain imperative amid uncertainty in this economic environment.

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

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SEMI-ANNUAL REPORT

Fund Summary as of January 31, 2012

BlackRock MuniHoldings Quality Fund II, Inc.

Fund Overview

BlackRock MuniHoldings Quality Fund II, Inc. s (MUE) (the Fund) investment objective is to provide shareholders with current income exempt from federal income taxes. The Fund seeks to achieve its investment objective by investing primarily in long-term, investment grade municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Fund invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the six months ended January 31, 2012, the Fund returned 22.02% based on market price and 15.78% based on net asset value (NAV). For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 21.10% based on market price and 13.67% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period-end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. As the yield curve flattened during the period (longer-term interest rates fell more than shorter rates), rising bond prices in the long end of the municipal curve contributed positively to the Fund s performance. The Fund s longer-dated holdings in the health, transportation and education sectors experienced the best price appreciation.

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

Fund Information

Symbol on New York Stock Exchange (NYSE)	MUE
Initial Offering Date	February 26, 1999
Yield on Closing Market Price as of January 31, 2012 (\$14.72) ¹	5.99%
Tax Equivalent Yield ²	9.22%
Current Monthly Distribution per Common Share ³	\$0.0735
Current Annualized Distribution per Common Share ³	\$0.8820
Economic Leverage as of January 31, 2012 ⁴	38%

- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- 2 Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution rate is not constant and is subject to change.
- ⁴ Represents Variable Rate Muni Term Preferred Shares (VMTP Shares) and tender option bond trusts (TOBs) as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 10.

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

	1/31/12	7/31/11	Change	High	Low
Market Price	\$14.72	\$12.46	18.14%	\$14.79	\$11.45
Net Asset Value	\$14.65	\$13.07	12.09%	\$14.65	\$13.07

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

Sector Allocations

	1/31/12	7/31/11
County/City/Special District/School District	31%	26%
Transportation	25	19
Utilities	20	23
Health	9	9
State	9	9
Education	2	2
Housing	2	2
Corporate	1	9
Tobacco	1	1

Credit Quality Allocations⁵

	1/31/12	7/31/11
AAA/Aaa	11%	16%
AA/Aa	69	62
Α	19	18
BBB/Baa	6	3
BB/Ba	6	1
В	1	

⁵ Using the higher of Standard & Poor s (S&P s) or Moody s Investors Service (Moody s) ratings.

⁶ Amount rounds to less than 1%.

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JANUARY 31, 2012

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Fund Summary as of January 31, 2012

BlackRock MuniYield California Quality Fund, Inc.

Fund Overview

BlackRock MuniYield California Quality Fund, Inc. s (MCA) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal and California income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and California income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the six months ended January 31, 2012, the Fund returned 21.86% based on market price and 15.68% based on NAV. For the same period, the closed-end Lipper California Municipal Debt Funds category posted an average return of 21.02% based on market price and 14.53% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Fund s slightly long duration (sensitivity to interest rate movements) had a positive impact on performance as interest rates generally declined amid the investor flight-to-quality in the US Treasury market. Increased exposure to inverse floating rate instruments (tender option bonds) while the municipal yield curve was historically steep boosted the Fund s income accrual. The Fund s holdings of higher quality essential service revenue bonds contributed positively, as did holdings of select general obligation bonds and school district credits with stronger underlying fundamentals. Additionally, purchases of zero-coupon bonds deemed undervalued added to the Fund s total return.

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Fund Information

Symbol on NYSE	MCA
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of January 31, 2012 (\$15.36) ¹	5.74%
Tax Equivalent Yield ²	8.83%
Current Monthly Distribution per Common Share ³	\$0.0735
Current Annualized Distribution per Common Share ³	\$0.8820
Economic Leverage as of January 31, 2012 ⁴	39%

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

- 2 Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The Monthly Distribution per Common Share, declared on March 1, 2012, was increased to \$0.0760 per share. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.
- ⁴ Represents Variable Rate Demand Preferred Shares (VRDP Shares) and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 10.

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

	1/31/12	7/31/11	Change	High	Low
Market Price	\$15.36	\$13.00	18.15%	\$ 15.40	\$ 12.60
Net Asset Value	\$16.05	\$14.31	12.16%	\$ 16.05	\$ 14.31
The following charts show the sector and credit quality allocations of the Fu	ind s long-	term invest	ments:		

Sector Allocations

	1/31/12	7/31/11
County/City/Special District/School District	47%	45%
Utilities	25	28
Education	10	10
Transportation	8	8
Health	7	4
State	3	1
Corporate	5	4
Housing	5	

⁵ Amount rounds to less than 1%.

Credit Quality Allocations⁶

	1/31/12	7/31/11
AAA/Aaa	10%	11%
AA/Aa	79	79
A	10	10
BBB/Baa	1	

⁶ Using the higher of S&P s or Moody s ratings.

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Fund Summary as of January 31, 2012

BlackRock MuniYield Michigan Quality Fund II, Inc.

Fund Overview

BlackRock MuniYield Michigan Quality Fund II, Inc. s (MYM) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal and Michigan income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and Michigan income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the six months ended January 31, 2012, the Fund returned 27.51% based on market price and 13.36% based on NAV. For the same period, the closed-end Lipper Michigan Municipal Debt Funds category posted an average return of 19.01% based on market price and 12.19% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period-end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. During the period, the Fund benefited from the declining interest rate environment (bond prices rise as interest rates fall), the flattening of the yield curve (long interest rates fell more than short and intermediate rates) and tightening of credit spreads. The Fund s exposure to zero-coupon bonds and the health sector had a positive impact on performance as these holdings derived the greatest benefit from the decline in interest rates and spread tightening during the period.

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Fund Information

Symbol on NYSE	MYM
Initial Offering Date	February 28, 1992
Yield on Closing Market Price as of January 31, 2012 (\$15.16) ¹	5.66%
Tax Equivalent Yield ²	8.71%
Current Monthly Distribution per Common Share ³	\$0.0715
Current Annualized Distribution per Common Share ³	\$0.8580
Economic Leverage as of January 31, 2012 ⁴	35%

- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- 2 Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution rate is not constant and is subject to change.
- ⁴ Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 10.

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

Market Price	\$	15.16	\$	12.28	23.45%	\$15.16	\$12.17
Net Asset Value	\$	14.85	\$	13.53	9.76%	\$14.85	\$13.53
The following charts show the sector and credit quality allocations of the Fund s long-term investments:							

Sector Allocations

	1/31/12	7/31/11
County/City/Special District/School District	24%	23%
Health	17	14
State	16	11
Utilities	15	17
Education	12	9
Transportation	8	11
Housing	4	4
Corporate	4	11

Credit Quality Allocations⁵

	1/31/12	7/31/11
AAA/Aaa	2%	2%
AA/Aa	74	69
A	20	24
BBB/Baa	2	3
Not Rated ⁶	2	2

⁵ Using the higher of S&P s or Moody s ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of January 31, 2012 and July 31, 2011, the market value of these securities was \$2,665,600, representing 1%, and \$5,295,911, representing 2%, respectively, of the Fund s long-term investments.

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Fund Summary as of January 31, 2012

BlackRock MuniYield New York Quality Fund, Inc.

Fund Overview

BlackRock MuniYield New York Quality Fund, Inc. s (MYN) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes and New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the six months ended January 31, 2012, the Fund returned 18.96% based on market price and 13.13% based on NAV. For the same period, the closed-end Lipper New York Municipal Debt Funds category posted an average return 17.53% based on market price and 11.32% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. As the yield curve flattened during the period (longer-term interest rates fell more than shorter rates), rising bond prices in the long end of the municipal curve contributed positively to the Fund s performance. Additionally, the Fund benefited from its long duration bias (greater sensitivity to interest rate movements) as overall interest rates declined. The Fund s heavy exposures to transportation and education, which were among the better performing sectors for the period, had a positive impact on performance.

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

Fund Information

Symbol on NYSE	MYN
Initial Offering Date	February 28, 1992
Yield on Closing Market Price as of January 31, 2012 (\$14.53) ¹	5.86%
Tax Equivalent Yield ²	9.02%
Current Monthly Distribution per Common Share ³	\$0.071
Current Annualized Distribution per Common Share ³	\$0.852
Economic Leverage as of January 31, 2012 ⁴	38%

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

- 2 Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution rate is not constant and is subject to change.
- ⁴ Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 10.

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

	1/31/12	7/31/11	Change	High	Low
Market Price	\$ 14.53	\$ 12.60	15.32%	\$ 14.59	\$ 12.10
Net Asset Value	\$ 14.74	\$ 13.44	9.67%	\$ 14.74	\$ 13.44

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

Sector Allocations

	1/31/12	7/31/11
County/City/Special District/School District	29%	28%
Transportation	27	29
Education	12	11
Utilities	9	8
State	9	11
Health	8	5
Housing	3	3
Corporate	2	4
Tobacco	1	1

Credit Quality Allocations⁵

	1/31/12	7/31/11
AAA/Aaa	13%	12%
AA/Aa	54	54
Α	23	21
BBB/Baa	9	10
BB/Ba	1	2
Not Rated		16

⁵ Using the higher of S&P s or Moody s ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2011, the market value of these securities was \$3,909,236, representing 1% of the Fund s long-term investments.

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Fund Summary as of January 31, 2012

BlackRock MuniYield Quality Fund III, Inc.

Fund Overview

BlackRock MuniYield Quality Fund III, Inc. s (MYI) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the six months ended January 31, 2012, the Fund returned 26.48% based on market price and 16.31% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 21.10% based on market price and 13.67% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period-end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. During the period, the Fund benefited from the declining interest rate environment (bond prices rise as interest rates fall), the flattening of the yield curve (long interest rates fell more than short and intermediate rates) and tightening of credit spreads. The Fund s exposure to zero-coupon bonds and the health sector had a positive impact on performance as these holdings derived the greatest benefit from the decline in interest rates and spread tightening during the period.

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Fund Information

Symbol on NYSE	MYI
Initial Offering Date	March 27, 1992
Yield on Closing Market Price as of January 31, 2012 (\$14.91) ¹	5.79%
Tax Equivalent Yield ²	8.91%
Current Monthly Distribution per Common Share ³	\$0.072
Current Annualized Distribution per Common Share ³	\$0.864
Economic Leverage as of January 31, 2012 ⁴	37%

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

- 2 Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution rate is not constant and is subject to change.
- ⁴ Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 10.

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

	1/31/12	7/31/11	Change	High	Low
Market Price	\$ 14.91	\$ 12.17	22.51%	\$ 14.93	\$ 11.86
Net Asset Value	\$ 14.86	\$ 13.19	12.66%	\$ 14.86	\$ 13.19
The following charts show the sector and credit quality allocations of the Fund	s long-term	investments:			

Sector Allocations

	1/31/12	7/31/11
Transportation	27%	27%
County/City/Special District/School District	21	24
Utilities	18	17
State	11	10
Education	9	9
Health	8	7
Housing	5	5
Corporate	1	1

Credit Quality Allocations⁵

	1/31/12	7/31/11
AAA/Aaa	10%	7%
AA/Aa	66	65
A	21	21
BBB/Baa	3	3
Not Rated		46

⁵ Using the higher of S&P s or Moody s ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2011, the market value of these securities was \$20,992,023, representing 1% of the Fund s long-term investments.

SEMI-ANNUAL REPORT

The Benefits and Risks of Leveraging

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

To obtain leverage, the Funds issue Variable Rate Demand Preferred Shares (VRDP Shares) or Variable Rate Muni Term Preferred Shares (VMTP Shares) and previously issued and had outstanding Auction Market Preferred Shares (AMPS) (VRDP Shares, VMTP Shares, and as applicable AMPS, are collectively referred to as Preferred Shares). Preferred Shares pay dividends at prevailing short-term interest rates, and the Funds invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund s shareholders will benefit from the incremental net income.

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

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

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

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

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

Under the Investment Company Act of 1940, as amended (the 1940 Act), the Funds are permitted to issue senior securities in the form of equity securities (e.g., Preferred Shares) up to 50% of their total managed assets. In addition, each Fund voluntarily limits its economic leverage to 45% of its total managed assets. As of January 31, 2012, the Funds had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

	Percent of Economic Leverage	
MUE	38%	

	MCA	39%
MVN 38%	MCA MYM	35%
5070	MYN	38%
MYI 37%	MYI	37%

Derivative Financial Instruments

The Funds may invest in various derivative financial instruments, including financial futures contracts as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Funds ability to use a derivative financial instrument successfully depends on the investment advisor s ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Fund can realize on an investment, may result in lower dividends paid to shareholders or may cause a Fund to hold an investment that it might otherwise sell. The Funds investments in these instruments are discussed in detail in the Notes to Financial Statements.

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SEMI-ANNUAL REPORT

Schedule of Investments January 31, 2012 (Unaudited)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE) (Percentages shown are based on Net Assets)

	Par	X7.1
Municipal Bonds Alabama 3.1%	(000)	Value
Birmingham Special Care Facilities Financing		
Authority, RB, Children s Hospital (AGC),		
6.00%, 6/01/39	\$ 5,225	\$ 5,992,552
County of Jefferson Alabama, RB, Series A,	-, -	-))
5.50%, 1/01/22	3,580	3,279,889
Selma Industrial Development Board, RB,		
International Paper Co. Project, Series A,		
5.38%, 12/01/35	940	982,657
		10,255,098
California 16.0%		
California Educational Facilities Authority, RB,		
University of Southern California, Series A, 5.25%,	5 0 5 0	5 (50 505
	5,050	5,679,785
California Health Facilities Financing Authority, RB:	415	445 990
Scripps Health, Series A, 5.00%, 11/15/40 (a) Sutter Health, Series B, 6.00%, 8/15/42	2,865	445,880 3,300,594
City of San Jose California Airport, RB, Series A-1,	2,803	5,500,594
AMT, 5.50%, 3/01/30	4,045	4,397,158
City of Sunnyvale California, Refunding RB, 5.25%,	1,015	1,577,150
4/01/40	2,800	3,172,960
County of Sacramento California, RB, Senior Series A	,	
(AGC), 5.50%, 7/01/41	3,500	3,808,875
Emery Unified School District, GO, Election of 2010,		
Series A (AGM), 5.50%, 8/01/35	1,875	2,111,269
Los Angeles Community College District California, GO:		
Election of 2001, Series A (NPFGC), 5.00%,		
8/01/32	5,000	5,469,050
Election of 2008, Series C, 5.25%, 8/01/39	2,500	2,864,750
Oceanside Unified School District California, GO,	2 175	2 524 527
Series A (AGC), 5.25%, 8/01/33	3,175	3,534,537
Port of Oakland, Refunding RB, Series M, AMT (NPFGC), 5.38%, 11/01/27	2,220	2,249,504
Redondo Beach Unified School District, GO,	2,220	2,249,304
Election of 2008, Series E, 5.50%, 8/01/34	2,670	3,121,951
Roseville Joint Union High School District California,	2,070	5,121,751
GO, Election of 2004, Series A (NPFGC), 5.00%,		
8/01/29	2,985	3,206,099
San Bernardino Community College District, GO,		
Election of 2002, Series A, 6.25%, 8/01/33	2,165	2,590,444

Municipal Bonds	Par (000)	Value
California (concluded)		
San Francisco City & County Airports Commission,		
RB, Specialty Facility Lease, SFO Fuel, Series A,		
AMT (AGM), 6.10%, 1/01/20	\$ 1,250	\$ 1,253,350
State of California, GO, Refunding, Veterans,		
Series BZ, AMT (NPFGC), 5.35%, 12/01/21	10	10,017
	2,430	1,778,566

Stockton Public Financing Authority California, RB, Redevelopment Projects, Series A (Radian), 5.25%, 9/01/34		
Ventura County Community College District, GO,		
Election of 2002, Series C, 5.50%, 8/01/33	3,175	3,632,517
		52,627,306
Colorado 1.5%		
Colorado Health Facilities Authority, RB, Hospital,		
NCMC, Inc. Project, Series B (AGM), 6.00%,		
5/15/26	3,300	3,902,415
Colorado Housing & Finance Authority, Refunding RB,		
S/F Program, Senior Series A-2, AMT, 7.50%,	100	
4/01/31	120	121,760
Regional Transportation District, COP, Series A,		044 754
5.00%, 6/01/25	765	864,756
Florida 11.20		4,888,931
Florida 11.3%		
City of Jacksonville Florida, RB, Series A, 5.25%, 10/01/26	2,000	2 207 290
	2,000	2,397,380
County of Lee Florida, Refunding ARB, Series A, AMT,	2 500	2 700 200
5.38%, 10/01/32 County of Miami-Dade Florida, RB, Miami	2,500	2,700,300
International Airport, Series A, AMT (AGM):		
5.25%, 10/01/41	4.610	4,806,939
5.50%, 10/01/41	4,010	4,800,939
Jacksonville Port Authority, RB, AMT (AGC), 6.00%,	4,100	4,410,177
11/01/38	3,625	3,679,665
Orange County Health Facilities Authority, RB,	5,025	5,077,005
The Nemours Foundation Project, Series A, 5.00%,		
1/01/29	2,540	2,790,190
Orange County School Board, COP, Series A (AGC),	2,510	2,790,190
5.50%, 8/01/34	7,600	8,462,524
Tohopekaliga Water Authority, Refunding RB,	,,	0,102,021
Series A, 5.25%, 10/01/36	6,965	7,895,872
	-,, 00	37,151,047
		27,121,017

Portfolio Abbreviations

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

ACA	American Capital Access Corp.
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.
BOCES	Board of Cooperative Educational Services
CAB	Capital Appreciation Bonds
СОР	Certificates of Participation
EDA	Economic Development Authority
EDC	Economic Development Corp.
ERB	Education Revenue Bonds
FGIC	Financial Guaranty Insurance Co.
FHA	Federal Housing Administration
GAB	Grant Anticipation Bonds
GAN	Grant Anticipation Notes
GO	General Obligation Bonds
HDA	Housing Development Authority

HFA HRB	Housing Finance Agency Housing Revenue Bonds
	e
IDRB	Industrial Development Revenue Bonds
ISD	Independent School District
LRB	Lease Revenue Bonds
MRB	Mortgage Revenue Bonds
NPFGC	National Public Finance Guarantee Corp.
PILOT	Payment in Lieu of Taxes
PSF-GTD	Permanent School Fund Guaranteed
Q-SBLF	Qualified School Bond Loan Fund
RB	Revenue Bonds
S/F	Single-Family
SONYMA	State of New York Mortgage Agency
Syncora	Syncora Guarantee
XLCA	XL Capital Assurance, Inc.

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2012

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Schedule of Investments (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE) (Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Idaho 0.1%	(000)	Varue
Idaho Housing & Finance Association, RB, S/F		
Mortgage, Series E, AMT, 6.00%, 1/01/32	\$ 230	\$ 232,203
Illinois 14.3%	¢ _200 .	
Chicago Board of Education Illinois, GO, Refunding,		
Chicago School Reform Board, Series A (NPFGC),		
5.50%, 12/01/26	1,205	1,468,473
Chicago Board of Education Illinois, GO, Series A:	1,203	1,100,175
5.50%, 12/01/39	3,405	3,858,137
5.00%, 12/01/41	7,455	7,981,249
City of Chicago Illinois, RB:	7,+55	7,901,249
O Hare International Airport, General, Third Lien,		
-	2,030	2,232,472
Series C (AGM), 5.25%, 1/01/35		
Sales Tax, Series A, 5.25%, 1/01/38	1,310	1,477,235
Series A, 5.75%, 1/01/39	2,000	2,282,800
City of Chicago Illinois, Refunding RB, General,	0.005	10.050 (55
Third Lien, Series C, 6.50%, 1/01/41	9,085	10,978,677
City of Chicago Illinois Transit Authority, RB:		
Federal Transit Administration Section 5309,		
Series A (AGC), 6.00%, 6/01/26	3,400	4,032,502
Sales Tax Receipts, 5.25%, 12/01/36	1,060	1,185,080
Sales Tax Receipts, 5.25%, 12/01/40	3,135	3,496,748
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	2,350	2,681,162
6.00%, 6/01/28	670	751,284
State of Illinois, RB, Build Illinois, Series B, 5.25%,		
6/15/28	4,000	4,551,440
		46,977,259
Indiana 5.3%		
Indiana Finance Authority WasteWater Utility, RB,		
Series A, 5.25%, 10/01/31	3,225	3,721,521
Indiana Municipal Power Agency, RB, Series A		
(NPFGC), 5.00%, 1/01/42	6,300	6,641,712
Indianapolis Local Public Improvement Bond Bank,		
RB, Series K, 5.00%, 6/01/25	3,720	4,284,324
Indianapolis Local Public Improvement Bond Bank,	-)	1 - 1-
Refunding RB, Waterworks Project, Series A (AGC),		
5.50%, 1/01/38	2,370	2,657,339
	_,	17,304,896
Iowa 0.6%		17,501,070
Iowa Finance Authority, Refunding RB, Iowa Health		
System (AGC), 5.25%, 2/15/29	1,710	1,890,747
Kansas 0.4%	1,710	1,090,747
Sedgwick & Shawnee Counties Kansas, MRB,		
Series A-2, AMT (Ginnie Mae), 6.20%, 12/01/33	1,130	1,147,538
	1,130	1,147,338
Michigan 7.2%		
City of Detroit Michigan, RB, Series B:	4 170	4 600 415
Second Lien (NPFGC), 5.50%, 7/01/29	4,170	4,688,415
Senior Lien (AGM), 7.50%, 7/01/33	1,330	1,678,793
City of Detroit Michigan, Refunding RB, Senior Lien:		
Series C-1 (AGM), 7.00%, 7/01/27	4,180	5,177,557

Series C-2 (BHAC), 5.25%, 7/01/29	1,860	2,071,556
Hudsonville Public Schools, GO, School Building &		
Site (Q-SBLF), 5.25%, 5/01/41	3,420	3,806,323
Michigan State Building Authority, Refunding RB,		
Facilities Program, Series I (AGC):		
5.25%, 10/15/24	1,440	1,674,374
5.25%, 10/15/25	750	868,140

Municipal Bonds	Par (000)	Value
Michigan (concluded)	(000)	, urue
Royal Oak Hospital Finance Authority Michigan,		
Refunding RB, William Beaumont Hospital, 8.25%,		
9/01/39	\$ 3,115	\$ 3,852,071
		23,817,229
Minnesota 0.7%		
City of Minneapolis Minnesota, Refunding RB,		
Fairview Health Services, Series B (AGC), 6.50%,		
11/15/38	1,975	2,331,448
Nevada 4.6%		
Clark County Water Reclamation District, GO,		
Series A, 5.25%, 7/01/34	3,210	3,605,280
County of Clark Nevada, RB:		
Las Vegas-McCarran International Airport,		
Series A (AGM), 5.25%, 7/01/39	4,565	4,977,904
Subordinate Lien, Series A-2 (NPFGC), 5.00%,	(500	< <01 0 15
7/01/36	6,520	6,691,215
Norre Lourson 7 201		15,274,399
New Jersey 7.3%		
New Jersey EDA, RB, Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	11,000	11,801,350
New Jersey Health Care Facilities Financing Authority,	11,000	11,801,550
RB, Virtua Health (AGC), 5.50%, 7/01/38	3,400	3,722,116
New Jersey Transportation Trust Fund Authority, RB,	5,+00	5,722,110
Transportation System:		
Series A, 5.50%, 6/15/41	3,030	3,476,592
Series A (AGC), 5.63%, 12/15/28	2,930	3,382,685
Series B, 5.25%, 6/15/36	1,500	1,687,725
	,,	24,070,468
New York 6.5%		,,
Hudson New York Yards Infrastructure Corp., RB,		
Series A, 5.75%, 2/15/47	940	1,062,209
New York City Municipal Water Finance Authority, RB,		
Second General Resolution:		
Fiscal 2009, Series EE, 5.25%, 6/15/40	6,930	7,726,049
Fiscal 2011, Series EE, 5.38%, 6/15/43	2,220	2,538,659
Fiscal 2012, Series BB, 5.00%, 6/15/44	2,500	2,784,150
New York City Transitional Finance Authority, RB:		
Fiscal 2009, Series S-3, 5.25%, 1/15/39	2,300	2,543,547
Sub-Series S-2A, 5.00%, 7/15/30	4,045	4,672,461
		21,327,075
North Carolina 0.3%		
North Carolina HFA, RB, Home Ownership,		
Series 14A, AMT (AMBAC), 5.35%, 1/01/22	920	921,086
Pennsylvania 1.6%		
Delaware River Port Authority, RB, Series D (AGM),		
5.00%, 1/01/40	3,000	3,241,920
Philadelphia Hospitals & Higher Education Facilities		
Authority, RB, Children s Hospital, Series D, 5.00%,		0 1 40 505
7/01/32	1,940	2,148,705
		5,390,625

Puerto Rico 1.2%		
Puerto Rico Sales Tax Financing Corp., RB, First		
Sub-Series A, 6.38%, 8/01/39	3,500	4,085,865

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

Schedule of Investments (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE) (Percentages shown are based on Net Assets)

		_	
Municipal Bonds		Par 000)	Value
South Carolina 5.8%	(000)	vulue
South Carolina State Housing Finance &			
Development Authority, Refunding RB, Series A-2,			
AMT (AGM), 6.35%, 7/01/19	\$	140	\$ 141,940
South Carolina State Public Service Authority, RB,	Ψ	110	φ 111,910
Series A:			
(AMBAC), 5.00%, 1/01/42		15,000	16,141,200
Santee Cooper, 5.50%, 1/01/38		2,500	2,842,550
		2,500	19,125,690
Texas 20.4%			17,125,070
City of Austin Texas, Refunding RB, Series A (AGM):			
5.00%, 11/15/28		1,795	2,064,483
5.00%, 11/15/29		2,270	2,584,508
City of Houston Texas, Refunding RB, Combined,		2,270	2,501,500
First Lien, Series A (AGC), 6.00%, 11/15/35		6,700	8,074,974
Clifton Higher Education Finance Corp., Refunding		0,700	0,074,974
RB, Baylor University, 5.25%, 3/01/32		3,120	3,596,705
Dallas Area Rapid Transit, Refunding RB, Senior Lien,		5,120	5,590,705
5.25%, 12/01/38		5 6 5 5	6 205 146
,		5,655	6,295,146
Harris County Cultural Education Facilities Finance Corp., RB, Children s Hospital Project, 5.25%,			
		2 090	2 279 419
		2,080	2,378,418
Harris County Health Facilities Development Corp.,			
Refunding RB, Memorial Hermann Healthcare		1 000	1 100 0 40
System, Series B, 7.25%, 12/01/35		1,000	1,189,940
Lubbock Cooper ISD Texas, GO, School Building		1.050	1 412 462
(AGC), 5.75%, 2/15/42		1,250	1,412,463
North Texas Tollway Authority, RB:		1 000	1 120 5 10
First Tier, Series K-2 (AGC), 6.00%, 1/01/38		1,000	1,138,540
Special Projects System, Series A, 5.50%,			0.444.000
9/01/41		7,880	9,111,802
North Texas Tollway Authority, Refunding RB, System,			
First Tier (NPFGC):			
Series A, 5.63%, 1/01/33		10,975	12,069,756
Series A, 5.75%, 1/01/40		11,575	12,556,328
Series B, 5.75%, 1/01/40		1,000	1,084,780
Tarrant County Cultural Education Facilities Finance			
Corp., Refunding RB, Christus Health, Series A			
(AGC), 6.50%, 7/01/37		3,000	3,464,820
			67,022,663
Utah 0.8%			
City of Riverton Utah, RB, IHC Health Services, Inc.,			
5.00%, 8/15/41		2,500	2,691,625
Virginia 0.8%			
Virginia Public School Authority, RB, School			
Financing, 6.50%, 12/01/35		2,195	2,596,400
Washington 1.5%			
City of Seattle Washington, Refunding RB, Series A,			
5.25%, 2/01/36		2,400	2,759,832
State of Washington, GO, Various Purpose, Series B,			
5.25%, 2/01/36		1,865	2,157,190

Total Municipal Bonds 111.3%

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4,917,022
366,046,620
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Municipal Bonds Transferred to Tender Option Bond Trusts (b)	Par 000)	Value
Alabama 1.2%		
Mobile Board of Water & Sewer Commissioners, RB		
(NPFGC), 5.00%, 1/01/31	\$ 3,750	\$ 3,978,075
California 3.4%		
City of San Jose California, GO, Libraries, Parks, and		
Public Safety Project (NPFGC), 5.00%, 9/01/30	3,805	4,002,88
San Diego Community College District California,		
GO, Election of 2002 (AGM), 5.00%, 5/01/30	1,486	1,629,45
Sequoia Union High School District California, GO,		
Election of 2004, Series B (AGM), 5.50%,		
7/01/35	5,189	5,654,55
		11,286,89
Colorado 3.0%		, ,
Colorado Health Facilities Authority, RB, Catholic		
Health, Series C-3 (AGM), 5.10%, 10/01/41	9,410	9,902,04
District of Columbia 0.7%	>,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
District of Columbia Water & Sewer Authority, RB,		
Series A, 6.00%, 10/01/35	1,700	2,123,76
Florida 7.1%	1,700	2,123,70
City of St. Petersburg Florida, Refunding RB (NPFGC),		
5.00%, 10/01/35	6,493	6,802,18
	0,495	0,002,10
County of Miami-Dade Florida, GO, Building Better		
Communities Program, Series B-1, 6.00%,	10 500	14 250 12
7/01/38	12,500	14,359,12
Lee County Housing Finance Authority, RB,		
Multi-County Program, Series A-2, AMT (Ginnie		
Mae), 6.00%, 9/01/40	2,115	2,260,66
~		23,421,97
Georgia 2.1%		
Augusta-Richmond County Georgia, Water & Sewer,		
RB (AGM), 5.25%, 10/01/34	6,290	6,828,36
Illinois 6.1%		
Chicago Illinois O Hare International Airport, RB,		
Series A, 5.00%, 1/01/38	15,000	15,891,37
City of Chicago Illinois, Refunding RB, Second Lien		
(AGM), 5.25%, 11/01/33	3,969	4,310,86
		20,202,23
Kentucky 0.8%		
Kentucky State Property & Building Commission,		
Refunding RB, Project No. 93 (AGC), 5.25%,		
2/01/27	2,304	2,656,81
Massachusetts 3.5%	_,	_,,.
Massachusetts School Building Authority, RB:		
Dedicated Sales Tax, Senior Series B, 5.00%,		
10/15/41	5,080	5,760,36
Series A (AGM), 5.00%, 8/15/30	4,994	5,576,01
56116374 (215191), 5.0070, 0115150	т,99 т	11,336,37
Nevada 6.5%		11,550,57
Clark County Water Reclamation District, GO:	10.000	11 700 00
Limited Tax, 6.00%, 7/01/38	10,000	11,700,80
Series B, 5.50%, 7/01/29	8,247	9,699,47
		21,400,27
New Jersey 1.3%		
New Jersey State Housing & Mortgage Finance		

Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29

3,941 4,227,388

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2012

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Schedule of Investments (concluded)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE) (Percentages shown are based on Net Assets)

Municipal Bonds Transferred to	Par	
Tender Option Bond Trusts (b)	(000)	Value
New York 6.4%		
New York Liberty Development Corp., RB:		
1 World Trade Center Port Authority Construction,		
5.25%, 12/15/43	\$ 7,515	\$ 8,537,265
4 World Trade Center Project, 5.75%, 11/15/51	4,400	5,006,892
Sales Tax Asset Receivable Corp., RB, Series A		
(AMBAC), 5.25%, 10/15/27	6,751	7,449,442
		20,993,599
Puerto Rico 1.0%		
Puerto Rico Sales Tax Financing Corp., RB, Sales Tax,		
Series C, 5.25%, 8/01/40	3,020	3,353,740
Washington 2.3%		
City of Bellevue Washington, GO, Refunding (NPFGC),		
5.50%, 12/01/39	6,883	7,676,150
Total Municipal Bonds Transferred to		
Tender Option Bond Trusts 45.4%		149,387,701
Total Long-Term Investments		
(Cost \$472,315,149) 156.7%		515,434,321

Short-Term Securities	Shares	
FFI Institutional Tax-Exempt Fund, 0.01% (c)(d)	11,617,912	11,617,912
Total Short-Term Securities		
(Cost \$11,617,912) 3.6%		11,617,912
Total Investments (Cost \$483,933,061) 160.3%		527,052,233
Other Assets Less Liabilities 1.9%		6,180,292
Liability for TOB Trust Certificates, Including		
Interest Expense and Fees Payable (22.4)%		(73,390,506)
VMTP Shares, at Liquidation Value (39.8)%		(131,000,000)
Net Assets Applicable to Common Shares 100.0%	\$	328,842,019

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

		Unre	alized
Counterparty	Value	Appre	ciation
JPMorgan Securities	\$ 445,880	\$	4,486

(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. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

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

	Shares Held at July 31,	Net	Shares Held at January 31,	
Affiliate FFI Institutional	2011	Activity	2012	Income
Tax-Exempt Fund	13,223,965	(1,606,053)	11,617,912	\$ 583

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

Financial futures contracts sold as of January 31, 2012 were as follows:

Contracts	Issue 10-Year US	Exchange Chicago	Expiration	Notional Value	-	nrealized preciation
111	Treasury Note	Board of Trade	March 2012	\$ 14,679,750	\$	(194,461)

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

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

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

The following tables summarize the inputs used as of January 31, 2012 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs	I	Level 1	Level 2	Level 3	Total
Assets:					
Investments:					
Long-Term					
Investments ¹			\$ 515,434,321		\$ 515,434,321
Short-Term					
Securities	\$	11,617,912			11,617,912
Total	\$	11,617,912	\$ 515,434,321		\$ 527,052,233

See above Schedule of Investments for values in each state or political subdivision.

Valuation Inputs	Level 1	Level 2	Level 3	Total	
•					

Derivative Financial Instruments ² Liabilities:			
Interest rate			
contracts	\$ (194,461)	\$	(194,461)
•			

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

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

Schedule of Investments January 31, 2012 (Unaudited)

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

		Par	
Municipal Bonds		(000)	Value
California 88.4%			
Corporate 0.5%			
City of Chula Vista California,			
Refunding RB, San Diego Gas & Electric, Series A,	.		• • • • • • • • • • • • • • • • • • •
5.88%, 2/15/34	\$	2,435	\$ 2,818,001
County/City/Special District/			
School District 37.1%			
Bay Area Governments Association, Refunding RB,			
California Redevelopment Agency Pool, Series A		255	050 (10
(AGM), 6.00%, 12/15/24		255	259,610
California State Public Works Board, RB, Various		2 025	0 070 100
Capital Projects, Sub-Series I-1, 6.13%, 11/01/29		2,035	2,378,182
Chabot-Las Positas Community College District, GO,		10,000	0 000 000
CAB, Series C (AMBAC), 6.03%, 8/01/37 (a)		10,000	2,399,200
County of Kern California, COP, Capital Improvements		2 000	2 219 920
Projects, Series A (AGC), 6.00%, 8/01/35		2,000	2,318,820
Desert Community College District, GO, CAB, Election of 2004, Series C (AGM), 5.90%,			
8/01/46 (a)		5,000	712.050
Fairfield-Suisun Unified School District California,		5,000	712,050
GO, Election of 2002 (NPFGC), 5.50%, 8/01/28		2,500	2,715,525
Fremont Unified School District Alameda County		2,500	2,713,325
California, GO, Series A (NPFGC), 5.50%, 8/01/26		10,755	11,148,418
Fresno Joint Powers Financing Authority California,		10,755	11,140,410
RB, Series A (AGM), 5.75%, 6/01/26		3,295	3,310,717
Grossmont Healthcare District, GO, Election of 2006,		5,295	5,510,717
Series B, 6.13%, 7/15/40		2,500	2,972,250
Grossmont Union High School District, GO, Election		,	j- · j
of 2008, Series C, 5.50%, 8/01/33		1,855	2,210,511
Lodi Unified School District, GO, Election of 2002			
(AGM), 5.00%, 8/01/29		5,000	5,245,950
Los Angeles Community Redevelopment Agency			
California, RB, Bunker Hill Project, Series A (AGM),			
5.00%, 12/01/27		10,000	10,559,100
Los Angeles County Metropolitan Transportation			
Authority, Refunding RB, Proposition A, First Tier,			
Senior Series A (AMBAC), 5.00%, 7/01/27		5,240	5,692,317
Los Angeles Municipal Improvement Corp.,			
Refunding RB, Real Property, Series B (AGC),			
5.50%, 4/01/39		2,015	2,220,067
Merced Union High School District, GO, CAB,			
Election of 2008, Series C (a):			
6.61%, 8/01/33		2,500	781,875
6.40%, 8/01/36		4,000	1,044,120
7.07%, 8/01/41		5,000	739,350
Norwalk-La Mirada Unified School District California,			
GO, CAB, Election of 2002, Series E (AGC), 5.53%,		7 500	1 700 005
8/01/38 (a) Oblone Community College District, GO, Election of		7,500	1,790,025
Ohlone Community College District, GO, Election of 2010, Series A, 5.25%, 8/01/41		8,140	9,205,607
2010, SUILS A, J.2J /0, 0/01/41		2,500	2,770,300
		2,300	2,770,500

Orange County Sanitation District, COP, Series A,		
5.00%, 2/01/35		
Orange County Water District, COP, Refunding,		
5.25%, 8/15/34	9,045	10,356,435
Orchard School District California, GO, Election of		
2001, Series A (AGC), 5.00%, 8/01/34	7,490	8,350,975
Oxnard Union High School District California, GO,		
Refunding, Series A (NPFGC), 6.20%, 8/01/30	9,645	10,719,164
	Par	
Municipal Bonds	(000)	Value
California (continued)		
County/City/Special District/		
School District (concluded)		
Pittsburg Unified School District, GO, Election of		
2006, Series B (AGM):		
5.50%, 8/01/34	\$ 2,000	\$ 2,263,020
5.63%, 8/01/39	4,500	5,076,720
Port of Oakland, Refunding RB, Series M (NPFGC),		
5.38%, 11/01/27	5,000	5,066,450
Redlands Unified School District California, GO,		
Election of 2008 (AGM), 5.25%, 7/01/33	5,000	5,559,550
Sacramento Area Flood Control Agency, Special		
Assessment Bonds, Refunding, Consolidated,		
Capital Assessment District, Series A (NPFGC),	1.2.50	
5.00%, 10/01/32	4,350	4,724,492
San Bernardino Community College District, GO,	4 2 1 5	4 0 41 0 10
Election of 2002, Series C (AGM), 5.00%, 8/01/27	4,315	4,841,818
San Diego Community College District California,	7.115	7 050 540
GO, Election of 2006 (AGM), 5.00%, 8/01/32	7,115	7,850,549
San Diego County Water Authority, COP, Refunding,	4.005	5 070 405
Series 2008-A (AGM), 5.00%, 5/01/38	4,895	5,272,405
San Jose Financing Authority, RB, Civic Center	11 400	11 460 000
Project, Series B (AMBAC), 5.00%, 6/01/32	11,400	11,460,990
San Jose Financing Authority, RB, Convention Center		
Expansion & Renovation Project:	2,570	2,752,290
5.75%, 5/01/36 5.75%, 5/01/42	4,500	5,114,745
San Juan Unified School District, GO, Election of	4,500	5,114,745
2002 (AGM), 5.00%, 8/01/34	6,475	7,183,753
San Leandro Unified School District California, GO,	0,475	7,105,755
Election of 2010, Series A, 5.75%, 8/01/41	3,000	3,481,020
Snowline Joint Unified School District, COP, Refunding,	5,000	5,401,020
Refining Project (AGC), 5.75%, 9/01/38	5,600	6,372,688
Walnut Valley Unified School District, GO, Election of	5,000	0,372,000
2007, Series B, 5.75%, 8/01/41	7,680	8,911,411
West Contra Costa Unified School District	7,000	0,711,111
California, GO:		
Election of 2002, Series B (AGM), 5.00%,		
8/01/32	6,690	6,744,256
Election of 2010, Series A, 5.25%, 8/01/41	6,140	6,803,059
Westminster Redevelopment Agency California,	-, -	- , ,
Tax Allocation Bonds, Subordinate, Commercial		
Redevelopment Project No. 1 (AGC), 6.25%,		
11/01/39	4,300	5,156,732
	,	204,536,516
Education 5.1%		. ,
Anaheim City School District California, GO, Election		
of 2010 (AGM), 6.25%, 8/01/40	3,750	4,520,100
California Educational Facilities Authority, RB,	4,220	4,746,276
University of Southern California, Series A, 5.25%,		

10/01/38		
California Municipal Finance Authority, RB, Emerson		
College, 6.00%, 1/01/42	2,500	2,769,775
Gavilan Joint Community College District, GO,		
Election of 2004, Series D:		
5.50%, 8/01/31	2,165	2,607,548
5.75%, 8/01/35	8,400	9,991,128
Rio Hondo Community College District California,		
GO, CAB, Election of 2004, Series C, 5.35%,		
8/01/37 (a)	12,005	3,313,140
		27,947,967

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Manifest Davids		Par	¥7-1
Municipal Bonds California (continued)		(000)	Value
California (continued)			
Health 10.7%			
ABAG Finance Authority for Nonprofit Corps,			
Refunding RB, Sharp Healthcare, Series A, 6.00%, 8/01/30	\$	2,250	t 2712410
	φ	2,230	\$ 2,713,410
California Health Facilities Financing Authority, RB: Cedars-Sinai Medical Center, 5.00%, 8/15/34		2,550	2,689,052
Providence Health Services, Series B, 5.50%,		2,550	2,089,032
10/01/39		4,105	4,536,394
Sutter Health, Series A, 5.25%, 11/15/46		8,000	8,337,920
California Health Facilities Financing Authority,		8,000	0,557,920
Refunding RB:			
Catholic Healthcare West, Series A, 6.00%,			
7/01/34		2,130	2,457,083
Catholic Healthcare West, Series A, 6.00%,		2,150	2,437,083
7/01/39		5,500	6,256,415
Sutter Health, Series B, 6.00%, 8/15/42		7,715	8,887,989
California Statewide Communities Development		7,715	0,007,909
Authority, RB:			
Health Facility, Memorial Health Services,			
Series A, 6.00%, 10/01/23		3,685	3,829,636
Kaiser Permanente, Series B, 5.25%, 3/01/45		3,800	3,932,278
Sutter Health, Series A, 6.00%, 8/15/42		4,085	4,706,083
California Statewide Communities Development		4,005	4,700,005
Authority, Refunding RB:			
Catholic Healthcare West, Series D (BHAC)			
5.50%, 7/01/31		865	938,110
Trinity Health Credit Group, 5.00%, 12/01/41		5,000	5,369,250
City of Newport Beach California, RB, Hoag Memorial		2,000	0,000,200
Hospital Presbyterian, 6.00%, 12/01/40		3,825	4,551,406
		0,020	59,205,026
Housing 0.1%			.,,
California Rural Home Mortgage Finance Authority,			
RB, Mortgage-Backed Securities Program, AMT			
(Ginnie Mae):			
Series A, 6.35%, 12/01/29 (b)		70	72,234
Series B, 6.25%, 12/01/31		50	50,539
County of San Bernardino California, Refunding RB,			
Home Mortgage-Backed Securities, Series A-1,			
AMT (Ginnie Mae), 6.25%, 12/01/31		95	103,702
			226,475
State 4.5%			,
California State Public Works Board, RB, Department			
of Education, Riverside Campus Project, Series B,			
6.50%, 4/01/34		3,670	4,234,079
State of California, GO, Various Purpose:			
6.00%, 3/01/33		7,000	8,314,740
6.00%, 4/01/38		7,000	8,124,410
6.00%, 11/01/39		3,375	3,953,171
			24,626,400
Transportation 13.3%			

Transportation 13.3%

City of San Jose California, RB, Series A-1, AMT, 6.25%, 3/01/34	1,400	1,614,816
County of Orange California, RB, Series B, 5.75%,		
7/01/34	5,000	5,626,700
Senior Series B, AMT (AGM), 5.25%, 7/01/33	7,500	7,986,375
Subordinated and Passenger Facility Charges/		
Grant, Series C (AGC), 5.75%, 7/01/39	5,455	6,013,046

Municipal Bonds	Par (000)	Value
California (concluded)	(000)	(uruc
Transportation (concluded)		
Los Angeles Department of Airports, RB, Los Angeles		
International Airport, Senior Series A:		
5.25%, 5/15/29	\$ 3,760	\$ 4,291,514
5.00%, 5/15/35	2,945	3,284,971
5.25%, 5/15/39	2,785	3,099,789
Los Angeles Harbor Department, RB, Series B:	2,103	5,077,107
5.25%, 8/01/34	5,530	6,284,568
5.25%, 8/01/39	2,480	2,781,494
San Diego County Regional Airport Authority, RB,	2,100	2,701,171
Series B, 5.00%, 7/01/40	6,350	6,790,436
San Francisco City & County Airports	0,550	0,790,150
Commission, RB:		
Series E, 6.00%, 5/01/39	9,650	11,182,420
Special Facility Lease, SFO Fuel, Series A,	9,050	11,102,420
AMT (AGM), 6.10%, 1/01/20	1,000	1 002 680
	1,000	1,002,680
Special Facility Lease, SFO Fuel, Series A,	985	0.07 000
AMT (AGM), 6.13%, 1/01/27	983	987,009
San Francisco City & County Airports Commission,		
Refunding RB, Second Series 34E, AMT (AGM):	5.000	5 792 800
5.75%, 5/01/24	5,000	5,723,800
5.75%, 5/01/25	3,500	3,971,415
San Joaquin County Transportation Authority, RB,	2 (00	2 001 070
Limited Tax, Series A, 6.00%, 3/01/36	2,400	2,881,968
		73,523,001
Utilities 17.1%		
Anaheim Public Financing Authority, RB, Electric		
System Distribution Facilities, Series A, 5.38%,		
10/01/36	5,000	5,759,150
City of Los Angeles California, Refunding RB,		
Sub-Series A:		
5.00%, 6/01/28	2,000	2,328,160
5.00%, 6/01/32	3,000	3,408,570
Dublin-San Ramon Services District, Refunding RB,		
5.00%, 8/01/41	4,000	4,739,200
East Bay Municipal Utility District, RB, Series A		
NPFGC), 5.00%, 6/01/37	4,000	4,598,280
East Bay Municipal Utility District, Refunding RB,		
Sub-Series A:		
5.00%, 6/01/30	5,000	5,943,200
(AMBAC), 5.00%, 6/01/33	4,125	4,524,383
Imperial Irrigation District, Refunding RB, Electric		
System, Series B, 5.13%, 11/01/38	5,500	5,872,570
Los Angeles Department of Water & Power, RB:		
5.25%, 7/01/39	8,000	9,163,040
5.00%, 7/01/41	7,500	8,342,925
Power System, Series A, Sub Series A-2 (NPFGC),	.,	- ,- ,- ,- ==
5.00%, 7/01/27	16,000	16,681,760
Dxnard Financing Authority, RB, Redwood Trunk Sewer		10,001,700
& Headworks, Series A (NPFGC), 5.25%, 6/01/34	9,750	10,436,302
	2,150	10,150,502

San Diego Public Facilities Financing Authority,		
Refunding RB, Senior Series A, 5.25%, 5/15/34	1,000	1,136,460
San Francisco City & County Public Utilities		
Commission, RB, Sub-Series A, 5.00%, 11/01/37	10,000	11,317,800
		94,251,800
Total Municipal Bonds in California		487,135,186

See Notes to Financial Statements.

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

Municipal Bonds		Par (000)		Value
Puerto Rico 0.5%		(000)		value
State 0.5%				
Puerto Rico Sales Tax Financing Corp., RB, CAB,				
Senior Series C, 6.00%, 8/01/39 (a)	\$	12,420	\$	2,892,245
Total Municipal Bonds in Puerto Rico	Ψ	12,420	Ψ	2,892,245
Total Municipal Bonds 88.9%				490,027,431
Total Municipal Bonds 60.970				490,027,431
Municipal Bonds Transferred to				
Tender Option Bond Trusts (c)				
California 72.3%				
County/City/Special District/				
School District 38.7%				
Arcadia Unified School District California, GO,				
Election of 2006, Series A (AGM), 5.00%,				
8/01/37		7,925		8,432,275
Desert Community College District California, GO,				
Series C (AGM), 5.00%, 8/01/37		12,150		12,954,451
Fremont Unified School District Alameda County				
California, GO, Election of 2002, Series B (AGM),				
5.00%, 8/01/30		15,997		17,268,200
Los Angeles Community College District				
California, GO:				
Election of 2001, Series A (AGM), 5.00%,				
8/01/32		12,000		13,125,720
Election of 2001, Series A (NPFGC), 5.00%,				
8/01/32		26,438		28,917,619
Election of 2003, Series E (AGM), 5.00%,				
8/01/31		7,497		8,098,213
Election of 2003, Series F-1, 5.00%, 8/01/33		12,000		13,236,360
Election of 2008, Series A, 6.00%, 8/01/33		9,596		11,537,726
Los Angeles County Metropolitan Transportation				
Authority, Refunding RB, Proposition A, First Tier,				
Senior Series A (AMBAC), 5.00%, 7/01/35		6,828		7,519,960
Los Angeles County Sanitation Districts Financing				
Authority, Refunding RB, Capital Project 14 (BHAC),				
5.00%, 10/01/34		4,998		5,283,704
Los Angeles Unified School District California, GO,				
Series I, 5.00%, 1/01/34		5,000		5,499,750
Ohlone Community College District, GO, Series B				
(AGM), 5.00%, 8/01/30		19,998		21,420,560
Poway Unified School District, GO, Election of 2002,				
Improvement District 02, Series 1-B (AGM),				
5.00%, 8/01/30		10,000		10,875,600
San Bernardino Community College District				
California, GO, Election of 2002, Series C (AGM),				
5.00%, 8/01/31		7,550		8,370,006
San Diego County Water Authority, COP, Series A				
(AGM), 5.00%, 5/01/30		7,350		7,804,010
San Francisco Bay Area Rapid Transit District,				
Refunding RB, Series A (NPFGC), 5.00%, 7/01/30		19,630		21,554,918
		10,497		11,526,464
		-		. ,

San Francisco Bay Area Transit Financing Authority, Refunding RB, Series A (NPFGC), 5.00%, 7/01/34

213,425,536

Municipal Bonds Transferred to Tender Option Bond Trusts (c)	Par (000)	Value
California (concluded)	(000)	Value
Education 11.4%		
California State University, Refunding RB,		
Systemwide, Series C (NPFGC), 5.00%,		
11/01/35	\$ 20,000 \$	20,973,00
Los Rios Community College District, GO, Election of		,,,,,,,,,
2008, Series A, 5.00%, 8/01/35	11,000	12,127,61
University of California, RB:	· · · · · · · · · · · · · · · · · · ·	, ,
Limited Project, Series D (AGM), 5.00%, 5/15/41	8,000	8,536,00
Series L, 5.00%, 5/15/40	7,398	7,893,85
Series O, 5.75%, 5/15/34	11,190	13,166,71
		62,697,17
Utilities 22.2%		
City of Napa California, RB (AMBAC), 5.00%,		
5/01/35	9,070	9,743,90
East Bay Municipal Utility District, RB, Sub-Series A		
NPFGC), 5.00%, 6/01/35	15,000	16,602,30
East Bay Municipal Utility District, Refunding RB,		
Sub-Series A (AMBAC), 5.00%, 6/01/37	7,990	8,640,78
Los Angeles Department of Water & Power, RB,		
Power System:		
Sub-Series A-1 (AGM), 5.00%, 7/01/31	5,007	5,342,21
Sub-Series A-1 (AGM), 5.00%, 7/01/37	13,525	14,573,02
Sub-Series A-1 (AMBAC), 5.00%, 7/01/37	5,029	5,419,00
Sub-Series A-2 (AGM), 5.00%, 7/01/35	7,500	8,007,07
Metropolitan Water District of Southern		
California, RB:		
Series A, 5.00%, 7/01/37	15,000	16,504,95
Series B-1 (NPFGC), 5.00%, 10/01/33	7,175	7,591,90
Rancho Water District Financing Authority,		
Refunding RB, Series A (AGM), 5.00%, 8/01/34	9,277	10,136,17
San Diego County Water Authority, COP, Refunding,		
Series 2008-A (AGM), 5.00%, 5/01/33	8,510	9,205,69
San Diego County Water Authority, COP, Series A		
AGM), 5.00%, 5/01/31	10,000	10,582,60
		122,349,62
Fotal Municipal Bonds Transferred to		200 152 22
Fender Option Bond Trusts 72.3%		398,472,33
Fotal Long-Term Investments		000 100 = 1
(Cost \$824,423,644) 161.2%		888,499,76

Short-Term Securities	Shares	
BIF California Municipal Money Fund,		
0.00% (d)(e)	12,391,222	12,391,222
Total Short-Term Securities		
(Cost \$12,391,222) 2.2%		12,391,222
Total Investments (Cost \$836,814,866) 163.4%		900,890,988
Other Assets Less Liabilities 1.1%		6,375,683
Liability for TOB Trust Certificates, Including		
Interest Expense and Fees Payable (34.3)%		(189,300,981)
VRDP Shares, at Liquidation Value (30.2)%		(166,500,000)
Net Assets Applicable to Common Shares 100.0%		\$ 551,465,690

See Notes to Financial Statements.

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BlackRock MuniYield California Quality Fund, Inc. (MCA)

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) Variable rate security. Rate shown is as of report date.
- (c) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (d) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

	Shares Held at July 31,	Net	Shares Held at January 31,	
Affiliate	2011	Activity	2012	Income
BIF California				
Municipal				
Money Fund	15,276,406	(2,885,184)	12,391,222	

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

For Fund compliance purposes, the Fund s sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes and/or as defined by Fund management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Financial futures contracts sold as of January 31, 2012 were as follows:

Contracts	Issue 10-Year US	Exchange Chicago	Expiration	Notional Value	I	Unrealized Depreciation
	Treasury	Board of	March			
65	Note	Trade	2012	\$ 8,596,250	\$	(113,874)

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

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

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

The following tables summarize the inputs used as of January 31, 2012 in determining the fair valuation of Fund s investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term				
Investments ¹		\$ 888,499,766		\$ 888,499,766
Short-Term				
Securities	\$ 12,391,222			12,391,222
Total	\$ 12,391,222	\$ 888,499,766		\$ 900,890,988

See above Schedule of Investments for values in each sector.

Valuation Inputs]	Level 1	Level 2	Level 3	Total
Derivative Financial					
Instruments ²					
Liabilities:					
Investments:					
Interest rate					
contracts	\$	(113,874)			\$ (113,874)
	\$	(113,874)			\$ (113,874)

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

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2012

Schedule of Investments January 31, 2012 (Unaudited)

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

	Par	
Municipal Bonds	(000)	Value
Michigan 129.2%		
Corporate 5.6%		
Delta County EDC, Refunding RB, Mead Westvaco-		
Escanaba, Series A, 6.25%, 4/15/12 (a)	\$ 2,420	\$ 2,450,201
Dickinson County EDC Michigan, Refunding RB,		
International Paper Co. Project, Series A, 5.75%,		
6/01/16	2,500	2,531,650
Monroe County EDC Michigan, Refunding RB,		
Detroit Edison Co. Project, Series AA (NPFGC),		
6.95%, 9/01/22	3,805	5,125,373
		10,107,224
County/City/Special District/ School District 32.7%		
Adrian City School District Michigan, GO (AGM),		
5.00%, 5/01/14 (a)	2,400	2,644,560
Anchor Bay School District, GO, Refunding (Q-SBLF):		
4.13%, 5/01/25	2,000	2,171,560
4.25%, 5/01/26	1,145	1,238,363
4.38%, 5/01/27	640	692,736
4.38%, 5/01/28	400	430,220
4.50%, 5/01/29	605	653,418
Bay City School District Michigan, GO, School		
Building & Site (AGM), 5.00%, 5/01/36	200	209,646
Charter Township of Canton Michigan, GO, Capital		
Improvement (AGM):		
5.00%, 4/01/25	1,250	1,372,425
5.00%, 4/01/26	1,250	1,364,275
5.00%, 4/01/27	500	543,220
City of Oak Park Michigan, GO, Street Improvement		
(NPFGC), 5.00%, 5/01/30	600	642,324
Comstock Park Public Schools, GO, School Building		
& Site, Series B (Q-SBLF):		
5.50%, 5/01/36	450	507,294
5.50%, 5/01/41	830	934,306
County of Genesee Michigan, GO, Refunding,		
Series A (NPFGC), 5.00%, 5/01/19	400	438,544
County of Genesee Michigan, GO, Water Supply		
System (NPFGC), 5.13%, 11/01/33	500	511,680
Dearborn Brownfield Redevelopment Authority, GO,		
Limited Tax, Redevelopment, Series A (AGC),		
5.50%, 5/01/39	2,000	2,221,600
Detroit City School District Michigan, GO, School		
Building & Site Improvement (FGIC):		
Series A, 5.38%, 5/01/13 (a)	1,480	1,573,832
Series B, 5.00%, 5/01/28	1,600	1,624,704
Eaton Rapids Public Schools Michigan, GO, School		
Building & Site (AGM), 5.25%, 5/01/23	2,000	2,189,080
Flint EDC, RB, Michigan Department of Human		
Services Office Building, 5.25%, 10/01/41	1,880	1,950,575
	1,255	1,383,989

Fraser Public School District, GO, School Building &		
Site (AGM), 5.00%, 5/01/25		
Gibraltar School District Michigan, GO, School		
Building & Site Improvement (FGIC):		
5.00%, 10/01/28	585	608,301
5.00%, 5/01/13 (a)	3,065	3,377,323
Goodrich Area School District, GO, School Building &		
Site (Q-SBLF):		
5.50%, 5/01/32	400	461,020
5.50%, 5/01/36	800	904,520
5.50%, 5/01/41	1,000	1,127,320

		Par	¥7.1
Municipal Bonds Michigan (continued)		(000)	Value
Michigan (continued) County/City/Special District/			
School District (concluded)			
Grand Rapids Building Authority Michigan, RB,			
Series A (AMBAC) (a):			
5.50%, 10/01/12	\$	535	\$ 553,880
	¢	130	\$ 555,880 134,588
5.50%, 10/01/12 Cull Lake Community School District, CO. Defunding		150	154,500
Gull Lake Community School District, GO, Refunding		615	642 017
(AGM), 4.00%, 5/01/26 Harper Creek Community School District Michigan,		015	642,017
		1,000	1 124 640
GO, Refunding (AGM), 5.00%, 5/01/22 Harper Woods School District Michigan, GO,		1,000	1,124,640
Refunding, School Building & Site (FGIC), 5.00%, 5/01/34		10	10,291
		10	10,291
Hudsonville Public Schools, GO, School Building &		750	824 720
Site (Q-SBLF), 5.25%, 5/01/41		750	834,720
Jonesville Community Schools Michigan, GO,		1 095	1 126 006
Refunding (NPFGC), 5.00%, 5/01/29		1,085	1,136,906
L Anse Creuse Public Schools Michigan, GO, School			
Building & Site (AGM):		1 000	1 105 700
5.00%, 5/01/25		1,000	1,105,790
5.00%, 5/01/26		1,050	1,161,079
5.00%, 5/01/35		2,000	2,077,580
Lincoln Consolidated School District Michigan, GO,		0.205	0 451 700
Refunding (NPFGC), 4.63%, 5/01/28		2,325	2,451,782
Livonia Public School School District Michigan, GO,		500	525.015
Refunding, Series A (NPFGC), 5.00%, 5/01/24		500	535,915
Ludington Area School District Michigan, GO		1 440	1 520 0/5
(NPFGC), 5.25%, 5/01/23		1,440	1,539,965
New Lothrop Area Public Schools Michigan, GO,		1 200	1 050 000
School Building & Site (AGM), 5.00%, 5/01/35		1,200	1,253,232
Parchment School District, County of Kalamazoo,			
State of Michigan, GO, School Building and Site,		500	(7(10)
5.00%, 5/01/25		590	676,429
Pontiac Tax Increment Finance Authority Michigan,			
Tax Allocation Bonds, Refunding, Tax Increment		(10	(57.440
Development (ACA), 5.38% , $6/01/12$ (a)		640	657,440
Reed City Public Schools Michigan, GO, School		1 000	1 102 000
Building & Site (AGM), 5.00%, 5/01/14 (a)		1,000	1,103,090
Rochester Community School District, GO (NPFGC),		265	206 724
5.00%, 5/01/19		265	306,724
Romulus Community Schools, GO, Refunding (AGM):		(07	700.040
4.00%, 5/01/24		685	728,943
4.13%, 5/01/25		715	764,428
4.25%, 5/01/26		740	788,744
4.25%, 5/01/27		725	764,861
4.50%, 5/01/29		630	670,667

Southfield Public Schools Michigan, GO, School Building & Site, Series B (AGM), 5.00%,		
5/01/14 (a)	1,000	1,103,090
Sparta Area Schools Michigan, GO, School Building		
& Site (FGIC), 5.00%, 5/01/14 (a)	1,000	1,100,720
Thornapple Kellogg School District Michigan, GO,		
School Building & Site (NPFGC), 5.00%, 5/01/32	1,500	1,601,775
Van Dyke Public Schools Michigan, GO, School		
Building & Site (AGM), 5.00%, 5/01/28	750	828,128
Zeeland Public Schools Michigan, GO, School		
Building & Site (NPFGC), 5.00%, 5/01/29	1,230	1,277,367
		58,711,626

See Notes to Financial Statements.

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

Municipal Bonds	Par (000)	Value
Michigan (continued)	(000)	, unit
Education 11.7%		
Ferris State University, Refunding RB, General (AGM):		
4.50%, 10/01/23	\$ 1,360	\$ 1,492,899
4.50%, 10/01/24	1,595	1,740,751
4.50%, 10/01/25	1,405	1,527,277
Michigan Higher Education Facilities Authority, RB, Limited Obligation, Hillsdale College Project,		
5.00%, 3/01/35	1,030	1,045,007
Michigan Higher Education Facilities Authority, Refunding RB, Limited Obligation, Creative Studies,	4.000	
5.90%, 6/01/12 (a)	1,000	1,018,820
Michigan Higher Education Student Loan Authority, RB, Student Loan (AMBAC):		
Series XVII-I, 5.20%, 3/01/24	2,515	2,584,138
Series XVII-P, 4.88%, 3/01/30	2,700	2,731,293
Series XVII-Q, AMT, 5.00%, 3/01/31	500	511,270
Michigan State University, Refunding RB, General,		
Series C:	2.550	4.146.505
5.00%, 2/15/40	3,770	4,146,585
5.00%, 2/15/44	1,000	1,089,670
Saginaw Valley State University Michigan, Refunding	1 450	1 507 707
RB, General (FGIC), 5.00%, 7/01/24	1,450	1,507,797
Western Michigan University, Refunding RB, General,	1 400	1 551 294
5.25%, 11/15/40	1,400	1,551,284
Health 24.8%		20,946,791
Dickinson County Healthcare System, Refunding RB		
(ACA), 5.80%, 11/01/24	2,170	2,170,043
Flint Hospital Building Authority Michigan, Refunding	2,170	2,170,045
RB, Hurley Medical Center (ACA):		
6.00%, 7/01/20	640	643,488
Series A, 5.38%, 7/01/20	385	379,964
Kalamazoo Hospital Finance Authority, RB, Bronson	0.00	017,701
Methodist Hospital (AGM), 5.25%, 5/15/36	2,750	2,982,238
Kent Hospital Finance Authority Michigan, RB,	_,	_,, -,
Spectrum Health, Series A, 5.00%, 11/15/29	3,000	3,317,670
Michigan State Finance Authority, RB, Trinity	,	, ,
Health Credit:		
5.00%, 12/01/31	1,900	2,077,365
5.00%, 12/01/35	1,900	2,026,046
Michigan State Hospital Finance Authority, RB:		
Ascension Health Senior Credit Group, 5.00%,		
11/15/25	2,300	2,622,437
McLaren Health Care, Series C, 5.00%, 8/01/35	1,585	1,619,141
Mercy Health Services, Series R (AMBAC),		
5.38%, 8/15/26 (a)	2,000	2,008,160
MidMichigan Obligation Group, Series A, 5.00%,		
4/15/26	380	396,557

MidMichigan Obligation Group, Series A		
(AMBAC), 5.50%, 4/15/18	1,000	1,006,400
Trinity Health Credit, Series A, 5.00%,		
12/01/16 (a)	145	174,006
Trinity Health Credit, Series A, 5.00%, 12/01/26	855	919,800
Trinity Health Credit, Series C, 5.38%, 12/01/30	1,765	1,789,816

Municipal Bonds		Par (000)	Value
Michigan (continued)		(000)	value
Health (concluded)			
Michigan State Hospital Finance Authority,			
Refunding RB:			
5.38%, 12/01/12 (a)	\$	1,000	\$ 1,042,870
5.38%, 12/01/12 (a)	Ψ	185	192,931
6.25%, 12/01/28		570	668,661
6.50%, 12/01/33		1,400	1,643,922
Hospital, Crittenton, Series A, 5.63%, 3/01/27		1,300	1,314,313
Hospital, Oakwood Obligation Group, Series A,		1,500	1,511,515
5.00%, 7/15/21		400	428,388
Hospital, Oakwood Obligation Group, Series A, 5.00%, 7/15/25		2,470	2,581,693
Hospital, Oakwood Obligation Group, Series A,			
5.00%, 7/15/37		3,340	3,354,162
Hospital, Sparrow Obligated, 5.00%, 11/15/31		1,595	1,650,745
McLaren Health Care, 5.75%, 5/15/38		1,500	1,624,635
Trinity Health Credit, Series A, 6.13%, 12/01/23		940	1,131,826
Royal Oak Hospital Finance Authority Michigan,			
Refunding RB, William Beaumont Hospital, 8.25%,		1 000	1.00((0))
9/01/39		1,000	1,236,620
Sturgis Building Authority, RB, Sturgis Hospital			
Project (FGIC), 4.75%, 10/01/34		3,525	3,583,022
			44,586,919
Housing 5.8%			
Michigan State HDA, RB:			
Deaconess Tower AMT (Ginnie Mae), 5.25%,			
2/20/48		1,000	1,022,120
Series A, 4.75%, 12/01/25		2,675	2,815,866
Series A, 6.00%, 10/01/45		4,280	4,379,724
Series A (NPFGC), 5.30%, 10/01/37		20	20,009
Michigan State HDA, Refunding RB, Series A, 6.05%,			
10/01/41		2,000	2,140,260
			10,377,979
State 16.3%			
Michigan Municipal Bond Authority, RB, Clean Water Revolving Fund:			
5.00%, 10/01/27		750	872,288
Pooled Project, 5.00%, 10/01/27		760	904,788
Michigan Municipal Bond Authority, Refunding RB,			
Local Government, Charter County Wayne,			
Series B (AGC):			
5.00%, 11/01/15		1,000	1,119,370
5.00%, 11/01/16		500	576,530
5.38%, 11/01/24		125	146,775
Michigan State Building Authority, RB, Facilities			
Program, Series H (AGM), 5.00%, 10/15/26		3,000	3,410,370
Michigan State Building Authority, Refunding RB:		2,000	2, 12, 27, 0
Series A, 5.50%, 10/15/45		750	846,788
Series I, 6.25%, 10/15/38		2,350	2,724,002
Series I (AGC), 5.25%, 10/15/24		2,000	2,325,520
Series I (AGC), 5.25%, 10/15/25		1,500	1,736,280
561651 (1150), 5.25 /0, 10(15)25		1,500	1,750,200

Series I (AGC), 5.25%, 10/15/26		400	460,064
Series II (NPFGC), 5.00%, 10/15/29		2,000	2,059,540
Michigan State Finance Authority, R	B, Local		
Government Loan Program, Series F	5.25%,		
10/01/41		2,510	2,646,017
Michigan Strategic Fund, RB, Cadilla	ac Place Office		
Building Project, 5.25%, 10/15/31		1,000	1,109,860
State of Michigan, RB, GAB (AGM)	, 5.25%, 9/15/27	3,250	3,624,920
See Notes to Financial Statements.			
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BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM) (Percentages shown are based on Net Assets)

	Par			
Municipal Bonds	(000)		Value	
Michigan (concluded)				
State (concluded)				
State of Michigan Trunk Line Revenue, RB, Fund:				
5.00%, 11/15/29	\$	750),560
5.00%, 11/15/33		1,150	1,315	
5.00%, 11/15/36		2,220	2,511	
			29,270	,697
Transportation 11.2%				
Wayne County Airport Authority, RB, Detroit				
Metropolitan Wayne County Airport, AMT (NPFGC):				
5.25%, 12/01/25		4,475	4,676	,733
5.25%, 12/01/26		3,700	3,841	,858
5.00%, 12/01/34		3,550	3,595	,440
Wayne County Airport Authority, Refunding RB,				
AMT (AGC):				
5.75%, 12/01/26		3,060	3,347	,395
5.38%, 12/01/32		4,300	4,550	,045
			20,011	,471
Utilities 21.1%				
City of Detroit Michigan, RB:				
Second Lien, Series B (AGM), 7.00%, 7/01/36		2,000	2,420	0,260
Senior Lien, Series A (AGM), 5.00%, 7/01/25		1,200	1,279	
Senior Lien, Series A (NPFGC), 5.00%, 7/01/34		4,000	4,025	
City of Detroit Michigan, Refunding RB, Second Lien,		,	,	,
Series C (AGM), 5.00%, 7/01/29		6,475	6,663	.228
City of Grand Rapids Michigan, RB (FGIC), 5.00%,		.,	0,000	,
1/01/34		6,900	7,134	. 393
City of Grand Rapids Michigan, Refunding RB,		0,500	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,070
Series A (NPFGC), 5.50%, 1/01/22		1,500	1,929	0.570
City of Port Huron Michigan, RB, Water Supply:		1,000	1,7 = 7	,070
5.25%, 10/01/31		190	206	6,807
5.63%, 10/01/40		500		2,035
City of Wyoming Michigan, RB, Sewer System		500	5-2	,055
(NPFGC), 5.00%, 6/01/30		5,300	5,563	145
Lansing Board of Water & Light, RB, Series A:		5,500	5,505	,115
5.00%, 7/01/27		1,210	1,397	550
5.00%, 7/01/31		2,600	2,928	·
5.00%, 7/01/37		1,270	1,410	
5.50%, 7/01/41		2,000	2,321	
5.50%, 7/01/41		2,000	37,823	
Total Municipal Bonds in Michigan			231,836	
i otai Municipai Donus in Micingan			251,050	,555
Guam 2.0%				
State 1.6%				
Government of Guam Business Privilege, RB,				
Series A, 5.13%, 1/01/42		1,800	1,958	220
Territory of Guam, RB, Section 30, Series A, 5.63%,		1,000	1,938	,220
12/01/29		850	014	1,804
12(01/2)		050	2 873	

Utilities 0.4%

2,873,024

Guam Power Authority, Refunding RB, Series A (AGM), 5.00%, 10/01/37 Total Municipal Bonds in Guam

Municipal Bonds (f) Puerto Rico 8.2% State 6.4% (f) Puerto Rico Public Buildings Authority, Refunding RB. (f) Government Facilities, Series M-3 (NPFGC), (f) Government Facilities, Series M-3 (NPFGC), (f) CAB, Series A (NPFGC) 5.18%, 8/01/43 (b) (CAB, Series A (NPFGC) 5.00%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 (f) Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 (f) Utilities 0.5% (f) Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/31 (f) Utilities 0.5% (f) Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/31 (f) Utilities 0.5% (f) Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/31 (f) Municipal Bonds in Puerto Rico (f) Total Municipal Bonds 139.4% (f) Municipal Bonds Transferred to (f) Tender Option Bond Trusts (c) (f) Michigan 11.4% (f) County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, Sc	Par	
State 6.4% Puerto Rico Public Buildings Authority, Refunding RB, Government Facilities, Series M-3 (NPFGC), 6.00%, 7/01/27 \$ Puerto Rico Sales Tax Financing Corp., Refunding RB: CAB, Series A (NPFGC) 5.18%, 8/01/43 (b) CAB, Series A (NPFGC) 5.00%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/31 Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/31 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity	000)	Value
Puerto Rico Public Buildings Authority, Refunding RB, Government Facilities, Series M-3 (NPFGC), 6.00%, 7/01/27 \$ Puerto Rico Sales Tax Financing Corp., Refunding RB: CAB, Series A (NPFGC) 5.18%, 8/01/43 (b) CAB, Series A (NPFGC) 5.18%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Government Facilities, Series M-3 (NPFGC), 6.00%, 7/01/27 \$ Puerto Rico Sales Tax Financing Corp., Refunding RB: CAB, Series A (NPFGC) 5.18%, 8/01/43 (b) CAB, Series A (NPFGC) 5.00%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/33 Total Municipal Bonds in Puerto Rico Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
6.00%, 7/01/27 \$ Puerto Rico Sales Tax Financing Corp., Refunding RB: CAB, Series A (NPFGC) 5.18%, 8/01/43 (b) CAB, Series A (NPFGC) 5.00%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Puerto Rico Sales Tax Financing Corp., Refunding RB: CAB, Series A (NPFGC) 5.18%, 8/01/43 (b) CAB, Series A (NPFGC) 5.00%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 17/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 17/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
CAB, Series A (NPFGC) 5.18%, 8/01/43 (b) CAB, Series A (NPFGC) 5.00%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/101/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	1,200 \$	5 1,347,588
CAB, Series A (NPFGC) 5.00%, 8/01/46 (b) First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 1/01/39 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
First Sub-Series C (AGM), 5.13%, 8/01/42 Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 1/115/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	12,500	2,223,000
Transportation 1.3% Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 1/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 1/115/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	30,000	4,421,100
Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	3,200	3,462,048
Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		11,453,736
Refunding RB, Series CC (AGC), 5.50%, 7/01/31 Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Utilities 0.5% Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Puerto Rico Electric Power Authority, RB, 5.50%, 7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	2,000	2,387,240
7/01/38 Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Total Municipal Bonds in Puerto Rico Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Total Municipal Bonds 139.4% Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	880	936,601
Municipal Bonds Transferred to Tender Option Bond Trusts (c) Michigan 11.4% County/City/Special District/ School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		14,777,577
Tender Option Bond Trusts (c)Michigan 11.4%County/City/Special District/ School District 4.2%Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31Education 6.2%Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35Health 1.0%Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		250,180,228
School District 4.2% Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Building & Site (AGM), 5.00%, 5/01/37 Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Building & Site (AGM), 5.00%, 5/01/31 Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	3,970	4,401,618
Education 6.2% Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	2,850	3,092,963
Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		7,494,581
General (AGM), 5.00%, 7/01/31 Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		
Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	0.500	0.504.655
(AGM), 5.00%, 11/15/35 Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	2,500	2,724,275
Health 1.0% Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	7 700	0.007.464
Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39	7,790	8,397,464
Michigan Finance Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/39		11,121,739
Health Credit Group, 5.00%, 12/01/39		
Total Municipal Bonds Transferred to	1,650	1,749,891
Tender Option Bond Trusts 11.4%		20,366,211
Total Long-Term Investments		
(Cost \$253,548,109) 150.8%		270,546,439

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2012

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693,274

3,566,298

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

Short-Term Securities	Shares	Value
BIF Michigan Municipal Money Fund, 0.00% (d)(e)	3,688,890	\$ 3,688,890
Total Short-Term Securities		
(Cost \$3,688,890) 2.1%		3,688,890
Total Investments (Cost \$257,236,999) 152.9%		274,235,329
Other Assets Less Liabilities 1.3%		2,333,911
Liability for TOB Trust Certificates, Including		
Interest Expense and Fees Payable (5.5)%		(9,858,402)
VRDP Shares, at Liquidation Value (48.7)%		(87,300,000)
Net Assets Applicable to Common Shares 100.0%		\$ 179,410,838

- (a) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (d) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

	Shares Held at July 31,	Net	Shares Held at January 31,	
Affiliate	2011	Activity	2012	Income
BIF Michigan				
Municipal	2 010 2/0	(70 (22	2 (00 000	
Money Fund	3,018,268	670,622	3,688,890	

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

For Fund compliance purposes, the Fund s sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Financial futures contracts sold as of January 31, 2012 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized epreciation
	10-Year US	Chicago			
	Treasury	Board of	March		
20	Note	Trade	2012	\$ 2,645,000	\$ (35,038)

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

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

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

The following tables summarize the inputs used as of January 31, 2012 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term				
Investments ¹		\$ 270,546,439		\$ 270,546,439
Short-Term				
Securities	\$ 3,688,890			3,688,890
Total	\$ 3,688,890	\$ 270,546,439		\$ 274,235,329

See above Schedule of Investments for values in each sector.

Valuation Inputs	Lev	vel 1	Level 2	Level 3	Total
Derivative Financial					
Instruments ²					
Liabilities:					
Interest rate					
contracts	\$	(35,038)			\$ (35,038)

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

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2012

Schedule of Investments January 31, 2012 (Unaudited)

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

Municipal Bonds	Par (000)	Value
New York 105.7%	(000)	value
Corporate 3.7%		
New York City Industrial Development Agency,		
Refunding RB, Terminal One Group Association		
Project, AMT, 5.50%, 1/01/24 (a)	\$ 1,500	\$ 1,596,435
New York Liberty Development Corp., RB, Goldman	φ 1,500	φ 1,570,455
Sachs Headquarters, 5.25%, 10/01/35	3,400	3,726,842
New York State Energy Research & Development	5,400	3,720,042
Authority, Refunding RB, Brooklyn Union		
Gas/Keyspan, Series A, AMT (FGIC), 4.70%,		
2/01/24	4,750	5,032,577
Suffolk County Industrial Development Agency	т,750	5,052,577
New York, RB, Keyspan, Port Jefferson, AMT,		
5.25%, 6/01/27	4,625	4,745,620
Suffolk County Industrial Development Agency	4,023	4,745,020
New York, Refunding RB, Ogden Martin System		
Huntington, AMT (AMBAC), 6.25%, 10/01/12	6,470	6,707,902
Tunungton, AMT (AMDAC), 0.25 %, 10/01/12	0,470	21,809,376
County/City/Special District/		21,007,570
School District 30.9%		
Amherst Development Corp., RB, University at		
Buffalo Foundation Faculty-Student Housing Corp.,		
Series A (AGM), 4.63%, 10/01/40	2,000	2,098,920
Buffalo & Erie County Industrial Land Development	2,000	2,070,720
Corp., RB, Buffalo State College Foundation		
Housing Corp. Project, Series A, 5.38%, 10/01/41	1,040	1,136,668
City of New York, New York, GO:	1,010	1,150,000
Series A-1, 5.00%, 8/01/35	1,950	2,194,744
Series D, 5.00%, 10/01/33	8,350	9,560,917
City of New York, New York, GO, Refunding:	0,550	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Series 02-B (AMBAC), 7.00%, 2/01/18	70	70,379
Series E, 5.00%, 8/01/27	1,070	1,247,374
County of Onondaga New York, RB, Syracuse	1,070	1,217,871
University Project:		
5.00%, 12/01/30	1,190	1,381,423
5.00%, 12/01/36	1,150	1,298,545
Dutchess County Resource Recovery Agency	-,	-,_, 0,0 .0
New York, RB, Solid Waste System, Series A		
(NPFGC), 5.40%, 1/01/13	1,700	1,734,221
Erie County Industrial Development Agency, RB:	-,	-,
City of Buffalo Project (AGM), 5.75%,		
5/01/12 (b)	1,900	1,926,543
School District of Buffalo Project, Series A,	,	,,
5.25%, 5/01/31	2,305	2,654,715
Erie County Industrial Development Agency,	,	, , · · -
Refunding RB, School District of Buffalo Project,		
Series A, 5.25%, 5/01/32	1,000	1,145,720
Hudson New York Yards Infrastructure Corp., RB,	-,- 50	,,
Series A:		
5.00%, 2/15/47	750	770,468
(AGM), 5.00%, 2/15/47	4,580	4,759,536
	,	· · ·

(FGIC), 5.00%, 2/15/47	3,985	4,093,751
(NPFGC), 4.50%, 2/15/47	17,525	17,311,370
New York City Industrial Development Agency, RB:		
Queens Baseball Stadium (AMBAC),		
5.00%, 1/01/36	10,800	9,884,808
Queens Baseball Stadium (AMBAC),		
5.00%, 1/01/39	1,750	1,586,795
Yankee Stadium (AGC), 6.38%, 1/01/39	1,000	1,124,880
	Par	
Municipal Bonds	(000)	Value
New York (continued)		
County/City/Special District/		
School District (concluded)		
New York City Industrial Development Agency,		
RB, PILOT:		
CAB, Yankee Stadium (AGC), 6.58%,	¢ 5.000	¢ 1.005.000
3/01/39 (c)	\$ 5,000	\$ 1,335,600
CAB, Yankee Stadium (AGC), 6.52%,	1 220	000 420
3/01/43 (c)	4,330	909,430
Yankee Stadium (FGIC), 5.00%, 3/01/46	9,650	9,819,454
Yankee Stadium (NPFGC), 5.00%, 3/01/36	2,250	2,314,800
New York City Transitional Finance Authority, RB:	1 700	1764702
Fiscal 2008, Series S-1, 4.50%, 1/15/38	1,700 6,000	1,764,702
Fiscal 2009, Series S-1 (AGC), 5.50%, 7/15/38	,	6,713,640
Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/39 Future Tax Secured, Series C (FGIC), 5.00%,	1,500	1,689,675
2/01/33	12,395	13,223,854
Future Tax Secured, Series E (NPFGC), 5.25%,	12,393	15,225,054
2/01/13 (b)	2,445	2,567,592
Future Tax Secured, Series E (NPFGC), 5.25%,	2,775	2,307,392
2/01/22	55	57,457
Future Tax Secured, Sub-Series D-1, 5.00%,	55	57,457
11/01/38	4,125	4,694,291
Series S-2 (AGM), 5.00%, 1/15/37	5,000	5,333,750
Series S-2 (NPFGC), 4.25%, 1/15/34	5,980	6,116,703
New York City Transitional Finance Authority,		0,110,100
Refunding RB, Series A (FGIC), 5.00%, 11/15/26	1,000	1,003,280
New York Convention Center Development Corp., RB,		, ,
Hotel Unit Fee Secured (AMBAC):		
5.00%, 11/15/30	1,500	1,579,665
5.00%, 11/15/35	11,600	12,069,568
5.00%, 11/15/44	14,470	14,906,415
New York Liberty Development Corp., Refunding RB,		
4 World Trade Denter Project:		
5.00%, 11/15/31	2,570	2,809,010
5.75%, 11/15/51	3,460	3,937,238
North Country Development Authority, Refunding RB		
(AGM), 6.00%, 5/15/15	840	901,144
Saint Lawrence County Industrial Development		
Agency, RB, Clarkson University Project, 5.38%,		
9/01/41	500	560,185
Sales Tax Asset Receivable Corp., RB, Series A		
(AMBAC), 5.00%, 10/15/32	11,200	12,207,216
Syracuse Industrial Development Agency New York,		
RB, Carousel Center Project, Series A, AMT		
(Syncora), 5.00%, 1/01/36	3,400	2,996,828
Tompkins County Industrial Development Agency, RB,		
Civic Facility Cornell University Project, Series A,		
5.00%, 7/01/37	675	762,946
Town of Huntington New York, GO, Refunding (AMBAC):		

5.50%, 4/15/12	460	465,069
5.50%, 4/15/13	455	483,792
Town of North Hempstead New York, GO, Refunding, Series B (NPFGC):		
6.40%, 4/01/13	1,745	1,864,498
6.40%, 4/01/17	555	698,673
		179,768,252
See Notes to Financial Statements.		

SEMI-ANNUAL REPORT

JANUARY 31, 2012

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

Municipal Bonds (000) Value New York (continued)		Par	
Education 14.8% City of Tory New York, Refunding RJ, Rensselaer 5 5.725 5 6,124,433 Makison County Industrial Development Agency 5 5.410 5,843,720 Scoles, 7,01/35 5,410 5,843,720 5.004,707,000 5,410 5,843,720 Scoles, 7,071/35 2,675 2,846,548 Morroe County Industrial Development Corp., RB, 5 7,000,700 2,675 2,846,548 Morroe County Industrial Development Agency, RB, 7,000 7,006,160 7,000 7,006,160 New York City Industrial Development Agency, 8 7,000 7,006,160 7,000 7,006,160 7,000 7,006,160 7,000 7,006,160 7,000 7,006,160 7,000 7,006,160 7,000 7,006,160 7,000 7,006,160 7,000 7,006,160 7,000 7,007,053 5,000 6,286,830 863,736 2,000 8,000 8,03,736 2,000 6,286,830 863,736 2,000 2,015,400 1,00,400 1,20,640 1,000 1,20,640 1,000 1,20,640 <	Municipal Bonds	(000)	Value
City of Troy New York, Refunding RB, Renselaer s 5,725 \$ 6,124,433 Madison Comp Industrial Development Agency s 5,725 \$ 6,124,433 New York, RP, Colgate University Project, Series A (AMBAC): 5,410 5,843,720 5,00%, 701/30 2,675 2,846,548 Monroe County Industrial Development Corp., RB, university Rochester Project, Series B, 4,50%, 701/35 3,885 4,079,638 New York City Industrial Development Agency, RE, 7000 7,006,160 New York City Industrial Development Agency, RE, 701,41 7,000 7,006,160 New York City Industrial Development Agency, Refinding RB, Nightingale Bamford School 7 Kerfunding RB, Nightingale Bamford School 7 6,286,830 New York City Industrial Development Agency, 8 7 Refinding RB, Nightingale Bamford School 7 6,286,830 New York City Industrial Development Agency, 8 7 Refinding RB, Nightingale Bamford School 7 8 New York City Industrial Development Agency, 8 7 Refinding RB, School (S, 50%, 11/1533			
Polytechnic, Series A. 5.13%, 900/40 \$ 5,725 \$ 6,124,433 Madison Commy Industrial Development Agency S S.410 S.4433 Madison Commy Industrial Development Corp., RB, 2,675 2,846,548 Monroe County Industrial Development Corp., RB, University of Rochester Project, Series B, 4,50%, 7001/35 3,885 4,079,658 New York City Industrial Development Agency, RB, New York City Industrial Development Agency, RE 1,225 1,321,015 New York City Industrial Development Agency, RE, 1,225 1,321,015 New York City Industrial Development Agency, RE 1,000 1,120,016 New York City Industrial Resources, Refunding 1,000 1,120,640 1,000 1,120,640 1,000 1,120,640 New York City Industrial Resources, Refunding 1,000 1,120,640 New York State Dormitory Authority, RB, 1,000 1,120,640 New York State Dormitory Authority, RB, 1,000 1,120,640 1,000 1,120,640 1,001,710 2,055 3,00			
Madison County Industrial Development Agency New York, RB, Colgate University Project, Scries A (AMBAC): 5.00%, 7/01/30 5,410 5,843,720 S00%, 7/01/35 2,675 2,846,548 Morroe County Industrial Development Corp., RB, 1 1 University of Rochester Project, Series B, 4,50%, 7001,700 7,000 7,006,160 New York City Industrial Development Agency, RB, 8 8 8 New York City Industrial Development Agency, RB, 7,000 7,006,160 1 New York City Industrial Development Agency, RB, 7,000 7,006,160 1 New York City Industrial Development Agency, RB, 8 8,079,638 1 1,001 1,120,51 1,321,015 New York City Transitional Finance Authority, RB, 5,500 6,286,830 New York City Trust for Cultural Resources, Refunding 8 8 8,0736 5,500 6,286,830 New York State Dornitory Authority, LBB, State 1,000 1,120,640 New York State Dornitory Authority, RB, 5,00%, 7/01/40 2,025 2,263,113 3,035 2,263,110 New York State Dornitory Authority, RB; 1,000 1,120,640 1,000 1,120,640 <			
New York, RB, Colgate University Project. 5.410 5.843.20 Sories A (AMBAC): 2.675 2.846.548 Mornoe County Industrial Development Corp., RB, 1 University of Rochester Project, Series B, 4.50%, 7001/35 3.885 4.079.638 New York City Industrial Development Agency, RB, 700 7.000 7.006,160 New York City Industrial Development Agency, 8.00 8.00 Refunding RB, Nightingale-Bamford School 1.275 1.321.015 New York City Transitional Finance Authority, RB, 1.000 1.120.640 New York State Dornitory Authority, LRB, State 2.035 2.226.310 New York State Dornitory Authority, RB; 2.005 2.226.310 New York State Dornitory Authority, RB; 2.005 2.205.00 Convert of the Sacred Heart (AGM), 5.75%, 1.000		\$ 5,725	\$ 6,124,433
Series A (AMBAC): 5.410 5.843.720 5.00%, 7/01/30 5.410 5.843.720 5.00%, 7/01/35 2.675 2.846.548 Morroe County Industrial Development Corp., RB, University of Rochester Project, Series B, 4.50%, 7/01/35 3.885 4.079.638 New York City Industrial Development Agency, RB, New York City Industrial Development Agency, RB, New York City Industrial Development Agency, RB, New York City Industrial Development Agency, RE, functional RB, Nightingale-Bamford School 7,000 7,000.160 New York City Transitional Finance Authority, RB, Tiscal 2009, Scires S-4 (AGC), 5.50%, 11/51/3 5,500 6,286.830 New York City Transitional Finance Authority, RB, Tiscal 2009, Scires S-4 (AGC), 5,50%, 11/51/3 5,500 6,286.830 New York State Dormitory Authority, LB, State 1,000 1,120.640 New York State Dormitory Authority, RB: 2,075 2,414,346 Convert of the Sacred Heart (AGM), 5,75%, 11/01/4 2,075 2,414,346 Cornell University, Series A, 5,00%, 7/01/28 325 373.084 Fordham University, Series A, 5,00%, 7/01/28 1,550 1,614.000 Fordham University, Series A, 5,00%, 7/01/28 2,507 3,200.200 2,161.460 Haverstraw King 's Daughter	Madison County Industrial Development Agency		
5.00%, 7/01/30 5.410 5.843, 720 5.00%, 7/01/35 2,675 2,846,548 Monroe County Industrial Development Corp., RB,	New York, RB, Colgate University Project,		
5.00%, 7/01/35 2,675 2,846,548 Monroe County Industrial Development Agency, RB, 3,885 4,079,638 New York City Industrial Development Agency, RB, 7,000 7,000,610 New York City Industrial Development Agency, RB, 7,000 7,000,610 New York City Industrial Development Agency, 7,000 7,000,610 New York City Industrial Development Agency, 7,000 7,000,610 New York City Industrial Development Agency, 7,000 7,000,610 New York City Transitional Finance Authority, RB, 7,000 7,001,610 Fiscal 2009, Szöfes J 4,107,513 5,500 6,286,830 New York City Transt for Cultural Resources, Refunding 7,000 1,120,640 New York State Dormitory Authority, LRB, State 7,000 1,120,640 New York State Dormitory Authority, RB; 8,000 83,736 Convent of the Sacred Heart (AGM), 5,75%, 11/128 800 83,736 So0%, 7,01/40 2,075 2,414,346 Convent of the Sacred Heart (AGM), 5,75%, 11/128 325 37,084 Fortham University, Series A, 5,00%, 701/28 1,550 1,767,434	Series A (AMBAC):		
Morace County Industrial Development Corp., RB, University of Rochester Project, Series B, 4.50%, Y01/35 3,885 4,079,638 New York City Industrial Development Agency, RB, 7,000 7,006,160 New York City Industrial Development Agency, RB, 7,000 7,006,160 New York City Industrial Development Agency, 7,001 7,000 7,006,160 New York City Industrial Development Agency, 8,000	5.00%, 7/01/30	5,410	5,843,720
University of Rochester Project, Series B, 4.50%, 701/35 3,885 4,079,638 New York City Industrial Development Agency, RB, 701/41 7,000 7,006,160 New York City Industrial Development Agency, Refunding RB, Nightingale-Bamford School (AMBAC), 5.25%, 11/51/8 1,275 1,321,015 New York City Transitional Finance Authority, RB, Fiscal 2009, Spries S-4 (ACG), 5.50%, 11/57,33 5,500 6,286,830 New York City Trunsitional Finance Authority, RB, Fiscal 2009, Spries S-4 (ACG), 5.50%, 11/57,33 5,500 6,286,830 New York City Trunsitional Finance Authority, RB, Fiscal 2009, Spries S-4 (ACG), 5.50%, 11/57,33 1,000 1,120,640 New York State Dormitory Facilities, Series A: 5,00%, 7/01/35 8,000 8,83,736 5,00%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: Convent of the Sacred Heart (ACM), 5,75%, 11/01/40 2,075 2,414,346 Cornell University, Series A, 5,00%, 7/01/28 3,25 373,084 Fordham University, Series A, 5,00%, 7/01/28 1,550 1,767,434 Gendral Purpose, Series A, 4,50%, 7/01/28 3,25 373,084 Fordham University, Series A, 5,00%, 7/01/36 1,550 1,767,434 Gendral Purpose, Series A, 4,50%, 31/51/5 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4,00%, 7/01/29 585 6,01,488 Haverstraw King s Daughters Public Library, 4,00%, 7/01/29 665 718,785 Mount Sinai School of Medicine, 5,13%, 7/01/30 6,07,794 1,000 7,104 New York University, Series A, 4,50%, 31/535 New York University, Series A, 5,00%, 7/01/43 4,050 Mount Sinai School of Medicine, 5,13%, 7/01/29 665 718,785 Mount Sinai School of Medicine ANYU (NPFGC), 5,00%, 7/01/43 4,050 New York University, Series B, 5,00%, 7/01/43 4,050 New York University, Series B, 5,00%, 7/01/43 1,000 1,106,840 New York University, Series B, 5,00%, 7/01/38 2,257 New York University, Seri	5.00%, 7/01/35	2,675	2,846,548
701/35 3,885 4,079,638 New York City Industrial Development Agency, RB, 7,000 7,006,160 New York City Industrial Development Agency, 7,001 7,006,160 New York City Industrial Development Agency, 1,275 1,321,015 New York City Industrial Development Agency, 1,275 1,321,015 New York City Transitional Finance Authority, RB, 5,500 6,286,830 Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/33 5,500 6,286,830 New York Kity Transit Coclutural Resources Refunding 2000 1,120,640 New York State Dormitory Authority, LRB, State 1,000 1,120,640 University Dormitory Facilities, Series A: 5,000 883,736 5,00%, 7/01/40 2,005 2,226,510 New York State Dormitory Authority, RB: 2,005 2,226,510 Corneot of the Sacred Heart (AGM), 5,75%, 11/01/40 1,000 1,124,800 Corneot of the Sacred Heart (AGM), 5,75%, 1,767,434 1,600 1,124,800 Corneot of the Sacred Heart (AGM), 5,75%, 1,767,434 1,600 1,124,800 1,800 1,883 1,400%,701/28 5,55 6,01,488 1,400%,701/29 5,65 <td>Monroe County Industrial Development Corp., RB,</td> <td></td> <td></td>	Monroe County Industrial Development Corp., RB,		
New York City Industrial Development Agency, RB, 7,000 7,006,160 New York University Project (BHAC), 5,00%, 7,000 7,006,160 New York City Industrial Development Agency, 8 8 Refunding RB, Nightingale-Bamford School 1,275 1,321,015 New York City Transitional Finance Authority, RB, 1,275 1,321,015 New York City Transitional Finance Authority, RB, 1,000 1,120,640 New York State Dormitory Authority, LRB, State 1,000 1,120,640 New York State Dormitory Authority, RB, State 000 883,736 S00%, 7/01/35 800 883,736 S00%, 7/01/40 2,075 2,414,346 Corrent of the Sacred Heart (AGM), 5.75%, 11/01/40 2,075 2,414,346 Cordham University, Series A, 5.00%, 7/01/40 1,000 1,124,800 Cordham University, Series A, 5.00%, 7/01/36 1,550 1,767,434 Gendral Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 505 601, 637,962	University of Rochester Project, Series B, 4.50%,		
New York University Project (BHAC), 5.0%, 7,000 7,000,160 Y01/41 7,000 7,000,160 New York City Industrial Development Agency, 7,000 7,000,160 Refunding RB, Nightingale-Bamford School 1,275 1,321,015 New York City Transitional Finance Authority, RB, 1,275 1,321,015 New York City Transitional Finance Authority, RB, 1,000 1,120,640 New York State Dormitory Authority, LRB, State 1,000 1,120,640 New York State Dormitory Facilities, Series A: 500%, 7/01/35 800 883,736 500%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 11/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 2,075 2,414,346 2,000 2,414,346 Cornell University, Series A, 5.00%, 7/01/28 325 373,084 601 61,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/28 2,000 2,161,460 1,000 1,124,800 1,616,480 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 565 601,488 601,488	7/01/35	3,885	4,079,638
7/01/41 7,000 7,006,160 New York City Industrial Development Agency, Refunding RB, Nightingale-Bamford School 1,275 1,321,015 (AMBAC), 5.25%, 1/15/13 5,500 6,286,830 5,500 6,286,830 New York City Transitional Finance Authority, RB, 5,500 6,286,830 RB, Museum of Modern Art, Series 1A, 5.00%, 1/15/133 5,500 6,286,830 New York State Dormitory Authority, LRB, State 1,000 1,120,640 New York State Dormitory Facilities, Series A: 2,035 2,226,310 S00%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 2,007 2,414,346 Corneut of the Sacred Heart (AGM), 5,75%, 1/10/40 1,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/40 1,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Gomeral Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 4,00%, 7/01/30 610 637,962 Mount Sinai School of Medicine at NYU (NPFGC), 7,100	New York City Industrial Development Agency, RB,		
New York City Industrial Development Agency, Refunding RB, Nightingale-Bamford School (AMBAC), 52%, 1/15/18 1,275 1,321,015 New York City Transitional Finance Authority, RB, 5,500 6,286,830 Fiscal 2009, Series S-4 (AGC), 5,50%, 1/15/33 5,500 6,286,830 New York City Trust for Cultural Resources, Refunding 1,000 1,120,640 New York State Dormitory Authority, LRB, State 1,000 1,120,640 University Dormitory Facilities, Series A: 5,00%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 2,005 2,226,310 New York State Dormitory Authority, RB: 2,005 2,414,346 Convent of the Sacred Heart (AGM), 5,75%, 11/01/40 1,000 1,124,800 1,000 1,124,800 Fordham University, Series A, 5,00%, 7/01/40 1,550 1,767,434 General Purpose, Series A, 4,50%, 315/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 4,00%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 665 718,785	New York University Project (BHAC), 5.00%,		
Refunding RB, Nightingale-Bamford School 1,275 1,321,015 (AMBAC), 5.25%, 1/15/18 1,275 1,321,015 New York City Transitional Finance Authority, RB, 5,500 6,286,830 New York City Trust for Cultural Resources, Refunding 8 8 RB, Museum of Modern Art, Series 1A, 5.00%, 1/15/3 1,000 1,120,640 New York State Dormitory Authority, LRB, State 800 883,736 2,00%, 7/01/25 800 883,736 5,00%, 7/01/40 2,075 2,414,346 Convent of the Sacred Heart (AGM), 5.75%, 11/01/40 1,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/28 325 373,044 Fordham University, Series A, 5.00%, 7/01/28 325 617,801 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 655 601,488 H	7/01/41	7,000	7,006,160
Refunding RB, Nightingale-Bamford School 1,275 1,321,015 (AMBAC), 5.25%, 1/15/18 1,275 1,321,015 New York City Transitional Finance Authority, RB, 5,500 6,286,830 New York City Trust for Cultural Resources, Refunding 8 8 RB, Museum of Modern Art, Series 1A, 5.00%, 1/15/3 1,000 1,120,640 New York State Dormitory Authority, LRB, State 800 883,736 2,00%, 7/01/25 800 883,736 5,00%, 7/01/40 2,075 2,414,346 Convent of the Sacred Heart (AGM), 5.75%, 11/01/40 1,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/28 325 373,044 Fordham University, Series A, 5.00%, 7/01/28 325 617,801 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 655 601,488 H	New York City Industrial Development Agency,		
(AMBAČ), 5.25%, 1/15/18 1,275 1,321,015 New York City Transitional Finance Authority, RB, 5500 6,286,830 New York City Trust for Cultural Resources, Refunding 7,000 6,286,830 RB, Museum of Modern Art, Series 1A, 5.00%, 4,001/31 1,000 1,120,640 New York State Dormitory Authority, LRB, State 10,000 1,120,640 University Dormitory Facilities, Series A: 5,00%, 7,01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 2,035 2,226,310 New York State Dormitory Authority, RB: 11/01/40 2,075 2,414,346 Cornent of the Sacred Heart (AGM), 5,75%, 11/01/40 2,075 2,414,346 2,000 2,161,460 1,24,800 Cornell University, Series A, 5,00%, 7/01/28 325 373,084 1,550 1,767,434 General Purpose, Series A, 4,50%, 3/15/35 2,000 2,161,460 1,24,800 1,012,480 1,000 1,124,800 1,007,710/28 565 601,488 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 565 601,488 1,00%, 7/01/28 565 601,488 1,00%, 7/01/28 565			
New York City Transitional Finance Authority, RB, 5,500 6,286,830 Fiscal 2009, Series S-4 (AGC), 5.0%, 1/15/33 5,500 6,286,830 New York City Trust for Cultural Resources, Refunding 1,000 1,120,640 New York State Dormitory Authority, LRB, State 1,000 1,20,640 University Dormitory Facilities, Series A: 800 883,736 5,00%, 7/01/35 800 883,736 0,00%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 20075 2,414,346 Convent of the Sacred Heart (AGM), 5.75%, 11/01/40 2,0075 2,414,346 Cornell University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/36 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4,00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 4,00%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library,		1,275	1,321,015
Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/33 5,500 6,286,830 New York City Trust for Cultural Resources, Refunding		· · · · · · · · · · · · · · · · · · ·	, ,
New York City Trust for Cultural Resources, Refunding RB, Museum of Modern Art, Series 1A, 5.00%, 4/01/31 1,000 1,120,640 New York State Dormitory Authority, LRB, State 1000 1,120,640 University Dormitory Facilities, Series A: 2005 2,226,310 So0%, 7/01/35 800 883,736 S.00%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 2005 2,212,310 Convent of the Sacred Heart (AGM), 5.75%, 1,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/28 325 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 400%, 7/01/28 400%, 7/01/29 Haverstraw King s Daughters Public Library, 400%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 400%, 7/01/3 665 718,785 Mount Sinai School of Medicine, 5.13%, 7,100 7,463,662 New York University, Series 1 (AMBAC), 5.50%, 7,100 7,463,662		5.500	6.286.830
RB, Museum of Modern Art, Series 1A, 5.00%, 1,000 1,120,640 V01/31 1,000 1,120,640 New York State Dormitory Authority, LRB, State 500%, 7/01/35 800 883,736 5.00%, 7/01/35 800 883,736 5.00%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB: 2007 2,414,346 Convent of the Sacred Heart (AGM), 5.75%, 11/0140 2,075 2,414,346 Cornell University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/36 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4.00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 4.00%, 7/01/30 610 637,962 Mount Sinai School of Medicine, 5.13%, 7/100 7,463,662 Now, 7/01/30 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 7,100 7,463,662 New York University, Series 1 (AMBAC), 5.50%, 7/101 7,463,662 New York University, Series B, 5.00%, 7/01/34 4,050 4,050 4,555 <td></td> <td>-,</td> <td>-,,</td>		-,	-,,
4/01/31 1,000 1,120,640 New York State Dormitory Authority, LRB, State University Dormitory Facilities, Series A: 800 883,736 5.00%, 7/01/35 800 2,235 2,226,310 New York State Dormitory Authority, RB: 2,075 2,414,346 Convent of the Sacred Heart (AGM), 5.75%, 11/01/40 2,075 2,414,346 Condell University, Series A, 5.00%, 7/01/40 1,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/36 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4.00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 585 617,801 4.00%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 585 617,801 4.00%, 7/01/30 665 718,785 Mount Sinai School of Medicine, 5.13%, 7,100 7,463,662 New York University, Series 1 (AMBAC), 5.50%, 7,01/3 4,580 6,007,174 New York University, Serie	•		
New York State Dormitory Authority, LRB, State 10.111 University Dormitory Facilities, Series A: 500%, 7/01/35 800 883,736 5.00%, 7/01/35 2,035 2,226,310 New York State Dormitory Authority, RB: 2,075 2,414,346 Convent of the Sacred Heart (AGM), 5.75%, 11/01/40 2,075 2,414,346 Cornell University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/26 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 400%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 400%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 400%, 7/01/30 665 718,785 Mount Sinai School of Medicine, 5.13%, 7/100 7,463,662 New York University, Series I (AMBAC), 5.50%, 7,100 7,463,662 New York University, Series I (AMBAC), 5.50%, 7,100 1,006,840 New Yo		1.000	1 120 640
University Dormitory Facilities, Series A: 5.00%, 7/01/35 800 883,736 5.00%, 7/01/35 2,035 2,226,310 New York State Dormitory Authority, RB:		1,000	1,120,010
5.00%, 7/01/35 800 883,736 5.00%, 7/01/40 2,035 2,226,310 New York State Dornitory Authority, RB:			
5.00%, 7/01/40 2,035 2,226,310 New York State Dormitory Authority, RB:		800	883 736
New York State Dormitory Authority, RB: Convent of the Sacred Heart (AGM), 5.75%, 11/01/40 2,075 2,414,346 Cornell University, Series A, 5.00%, 7/01/40 1,000 1,124,800 Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/36 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 4.00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 4.00%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 4.00%, 7/01/30 610 637,962 Mount Sinai School of Medicine, 5.13%, 7/10/30 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 5.00%, 7/10/3 4,050 4,536 6,007,174 New York University, Series 1 (AMBAC), 5.50%, 7/10 7,463,662 7.100 7,463,662 New York University, Series B, 5.00%, 7/01/34 4,050 4,532,557 6,007,174			
Convent of the Sacred Heart (AGM), 5.75%, 2,075 2,414,346 11/01/40 2,075 2,414,346 Cornell University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.50%, 7/01/26 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 2000 2,161,460 Haverstraw King s Daughters Public Library, 565 601,488 Haverstraw King s Daughters Public Library, 585 617,801 4.00%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 665 718,785 Mount Sinai School of Medicine, 5.13%, 7,100 7,463,662 Nount Sinai School of Medicine at NYU (NPFGC), 5,50%, 7/01/3 4,050 4,532,557 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 10/104 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 1,255 1,259,405<		2,055	2,220,310
11/01/40 2,075 2,414,346 Cornell University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.00%, 7/01/36 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 2,000 2,161,460 4.00%, 7/01/28 565 601,488 Haverstraw King s Daughters Public Library, 565 601,488 Haverstraw King s Daughters Public Library, 4.00%, 7/01/30 610 637,962 Mownt Sinai School of Medicine, 5.13%, 7/101 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 5.00%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 5.00%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 7/100 7,463,662 5.00%, 7/01/43 6.007,174 New York University, Series 1, 5.00%, 7/01/34 1,000 1,106,840 6.007,174 New York University, Series 1, 5.00%, 7/01/34 1,000 1,106,840 6.007,174 <t< td=""><td></td><td></td><td></td></t<>			
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Fordham University, Series A, 5.00%, 7/01/28 325 373,084 Fordham University, Series A, 5.50%, 7/01/36 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 565 601,488 Haverstraw King s Daughters Public Library, 585 617,801 4.00%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 661 637,962 Mount Sinai School of Medicine, 5.13%, 7/01/30 610 637,962 Mount Sinai School of Medicine at NYU (NPFGC), 500%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 1,000 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 1,000 1,106,840 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 1,200 1,255 1,259,405			
Fordham University, Series A, 5.50%, 7/01/36 1,550 1,767,434 General Purpose, Series A, 4.50%, 3/15/35 2,000 2,161,460 Haverstraw King s Daughters Public Library, 565 601,488 Haverstraw King s Daughters Public Library, 585 617,801 4.00%, 7/01/29 585 617,801 Haverstraw King s Daughters Public Library, 610 637,962 Mount Sinai School of Medicine, 5.13%, 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 500%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 8 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405			
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Haverstraw King s Daughters Public Library, 565 601,488 Haverstraw King s Daughters Public Library, 585 617,801 Haverstraw King s Daughters Public Library, 585 617,801 Haverstraw King s Daughters Public Library, 610 637,962 Mount Sinai School of Medicine, 5.13%, 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 665 718,785 S.00%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,580 New York University, Series 1 (AMBAC), 5.50%, 7/14 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405			
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Haverstraw King s Daughters Public Library, 585 617,801 Haverstraw King s Daughters Public Library, 610 637,962 4.00%, 7/01/30 610 637,962 Mount Sinai School of Medicine, 5.13%, 665 718,785 7/01/39 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 500%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405		5/5	(01 499
4.00%, 7/01/29585617,801Haverstraw King s Daughters Public Library, 4.00%, 7/01/30610637,962Mount Sinai School of Medicine, 5.13%, 7/01/39665718,785Mount Sinai School of Medicine at NYU (NPFGC), 5.00%, 7/01/357,1007,463,662New School (AGM), 5.50%, 7/01/434,0504,532,557New York University, Series 1 (AMBAC), 5.50%, 7/01/404,5806,007,174New York University, Series B, 5.00%, 7/01/341,0001,106,840New York University, Series C, 5.00%, 7/01/382,0002,167,440Rensselaer County Industrial Development Agency1,2551,259,405		303	001,488
Haverstraw King s Daughters Public Library, 610 637,962 4.00%, 7/01/30 610 637,962 Mount Sinai School of Medicine, 5.13%, 665 718,785 7/01/39 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405		595	(17.901
4.00%, 7/01/30 610 637,962 Mount Sinai School of Medicine, 5.13%, 7 7/01/39 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 7,100 7,463,662 S.00%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 7 7 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405		585	617,801
Mount Sinai School of Medicine, 5.13%, 7/01/39 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 7,100 7,463,662 S.00%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405		(10	(27.0(2
7/01/39 665 718,785 Mount Sinai School of Medicine at NYU (NPFGC), 7,100 7,463,662 5.00%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405	,	610	637,962
Mount Sinai School of Medicine at NYU (NPFGC), 7,100 7,463,662 5.00%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405			
5.00%, 7/01/35 7,100 7,463,662 New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 4,580 6,007,174 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405		665	718,785
New School (AGM), 5.50%, 7/01/43 4,050 4,532,557 New York University, Series 1 (AMBAC), 5.50%, 4,580 6,007,174 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405			
New York University, Series 1 (AMBAC), 5.50%, 4,580 6,007,174 7/01/40 4,580 6,007,174 New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405			
7/01/404,5806,007,174New York University, Series B, 5.00%, 7/01/341,0001,106,840New York University, Series C, 5.00%, 7/01/382,0002,167,440Rensselaer County Industrial Development Agency1,2551,259,405		4,050	4,532,557
New York University, Series B, 5.00%, 7/01/34 1,000 1,106,840 New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405			
New York University, Series C, 5.00%, 7/01/38 2,000 2,167,440 Rensselaer County Industrial Development Agency 1,255 1,259,405			
Rensselaer County Industrial Development Agency1,2551,259,405			
New York, RB, Polytechnic Institute, Series B		1,255	1,259,405
	New York, RB, Polytechnic Institute, Series B		

(AMBAC), 5.50%, 8/01/22		
Tompkins County Development Corp., RB, Ithaca		
College Project (AGM):		
5.50%, 7/01/33	500	575,185
5.25%, 7/01/36	860	955,598
Troy Industrial Development Authority, RB, Rensselaer		
Polytechnic Institute Project, Series E, 5.20%,	2 200	0.459.070
4/01/37	2,280	2,458,273
	_	
Munisipal Danda	Par	Value
Municipal Bonds New York (continued)	(000)	value
Education (concluded)		
Trust for Cultural Resources, RB, Carnegie Hall,		
Series A:		
4.75%, 12/01/39	\$ 3,550	\$ 3,754,267
5.00%, 12/01/39	2,150	2,311,207
Trust for Cultural Resources, Refunding RB, American		
Museum of Natural History, Series A (NPFGC):		
5.00%, 7/01/36	4,750	4,932,590
5.00%, 7/01/44	500	516,400
Health 10.2%		86,196,788
Dutchess County Industrial Development Agency,		
RB, Vassar Brothers Medical Center (AGC):		
5.50%, 4/01/30	250	281,120
5.50%, 4/01/34	490	546,017
Monroe County Industrial Development Corp., RB,		
Unity Hospital of Rochester Project (FHA),		
5.50%, 8/15/40	4,650	5,265,102
New York City Health & Hospital Corp., Refunding RB,		
Health System, Series A, 5.00%, 2/15/30	2,200	2,427,832
New York City Industrial Development Agency, RB, Royal Charter, New York Presbyterian (AGM),		
5.75%, 12/15/29	7,970	8,157,773
New York State Dormitory Authority, MRB, Montefiore	1,210	0,157,775
Hospital (FGIC), 5.00%, 8/01/33	1,500	1,557,045
New York State Dormitory Authority, RB:	,	, ,
Healthcare, Series A, 5.00%, 3/15/38	2,000	2,202,160
Hudson Valley Hospital (BHAC), 5.00%, 8/15/36	6,500	6,983,600
New York & Presbyterian Hospital (AGM),		
5.00%, 8/15/36	5,000	5,167,100
New York University Hospitals Center, Series A,	2 450	2 020 612
5.75%, 7/01/31 New York University Hospitals Center, Series A,	3,450	3,838,643
5.00%, 7/01/36	1,500	1,526,985
New York University Hospitals Center, Series A,	1,500	1,520,705
6.00%, 7/01/40	1,100	1,212,882
North Shore-Long Island Jewish Health System,		
Series A, 5.50%, 5/01/37	2,075	2,299,349
North Shore-Long Island Jewish Obligated Group,		
Series A, 5.00%, 5/01/32	4,000	4,364,680
North Shore-Long Island Jewish Obligated Group,	0.000	10 000 00 /
Series A, 5.25%, 5/01/34 New York State Dermitery Authority, Befunding BB	9,220	10,208,384
New York State Dormitory Authority, Refunding RB, Saint Luke s Roosevelt Hospital (FHA), 4.90%,		
8/15/31	2,900	3,071,651
010/01	2,700	59,110,323
Housing 3.5%		,
Monroe County Industrial Development Agency.		

Monroe County Industrial Development Agency, IDRB, Southview Towers Project, AMT (SONYMA):

6.13%, 2/01/20	925	927,498
6.25%, 2/01/31	1,125	1,127,047
New York City Housing Development Corp., RB, AMT:		
Series A-1-A, 5.00%, 11/01/30	750	761,198
Series A-1-A, 5.45%, 11/01/46	1,335	1,348,524
Series C, 5.00%, 11/01/26	1,500	1,540,095
Series C, 5.05%, 11/01/36	2,000	2,052,700
Series H-1, 4.70%, 11/01/40	1,340	1,341,260
Series H-2-A, 5.20%, 11/01/35	840	854,624
Series H-2-A, 5.35%, 5/01/41	600	605,544

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2012

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

Munic pail bonds (000) Value New York Continued) Housing concluded) New York Mortgage, Series 97, 5.50%, 01031 S 945 S Series 133, 495%, 10001/21 500 537,529 Series 143, 495%, 10001/27 940 951051 Series 143, 495%, 1001/27 2,435 2,542,590 New York State Philips Housing, Series 143, 495%, 101/37 2,445 2,509,279 Onters Industrial Development Agency New York, 2,000 2,082,440 New York State, GO, Series E, 3,75%, 121/5/31 2,000 2,007,91 2,007,92 New York State, Dornitory Authority, ERB, Series C, 5,006, 12,17,50 1,983,293 Mental Health Services Fauctities, Series B, 5,007, 1,983,293 5,007 1,983,293 Mort State, GO, Sories E, 3,05%, 1001/37 4,050<		Par	
New York (continued) New York Morigage Agency, Refunding RB, AMT: Homsony concluded) S 945 S 945,633 Series 133, 455%, 1001/21 1,000 1,114,476 S 945 S 945,633 Series 133, 455%, 1001/27 1,100 1,114,476 Series 143, 490%, 1001/27 2,485 2,2542,950 New York State IFTA, RB, State Philips Housing, Series A, AMT (Fanine Mae), 465%, 111/538 1,500 1,511,370 Yonk State IFTA, RB, State Philips Housing, Series A, AMT (Fanine Mae), 465%, 111/538 2,000 2,082,440 New York State, GO, Series E, 375%, 121/5721 2,000 2,082,440 20,670,781 New York State, GO, Series E, 375%, 121/5721 2,000 2,082,440 New York State Dornitory Authority, RB: 7,071,735 New York State Dornitory Authority, RB: 1,750 1,983,293 Menaid Health Services Facilities, Series B, 5,25%, 211/571 1,852 1,950 1,970 1,983,293 Menaid Health Services Financing Program, Series A 1,550 591,465 550 591,465 School Districts Financing Program, Series C 1,500 1,500 1,695,240	Municipal Bonds		Value
Housing concluded) New York Mortgage Agency, Refunding RB, AMT: Homeowner Mortgage, Series 97, 5.50%, 401/31 \$ 945 \$ 945, 633 Series 133, 495%, 1001/21 \$ 200 \$ 537,529 Series 143, 495%, 1001/27 1,100 1,114,476 Series 143, 495%, 1001/27 940 951,054 Series 143, 495%, 1001/27 940 951,054 Series 143, 495%, 1001/27 940 951,054 Series 143, 495%, 1001/27 2,435 2,542,290 New York State Philips Housing, T 8 Series 143, 495%, 101/37 2,445 2,509,279 Yonters Industrial Development Agency New York, 8 0,670,781 RJ, Monastery Mutor Associates LP Project, AMT 2,000 2,082,440 New York State, GO, Series E, 3,75%, 121/5/31 2,000 2,082,440 New York State, GO, Series E, 3,75%, 121/5/31 6,230 7,071,735 New York State, GO, Series E, 3,75%, 121/5/31 1,500 1,793,731 Stool Districts Financing Program, Series A 50 50 51,793 Stool Districts Financing Program, Series A 500	•		, and o
New York Mortgage, Series 97, 50%, \$ 945 \$ 945, 5 401/31 \$ 945 \$ 945, 5 scries 113, 4, 95%, 1001/27 1,100 1,114,476 Scries 113, 4, 95%, 1001/27 2,483 2,542,950 Scries 143, 4, 95%, 1001/27 2,483 2,542,950 New York State IH7A, RB, State Philips Housing, - - Scries A, AMT (Framine Mae), 4,65%, 111/538 1,500 1,511,370 Yonk State IH7A, RB, State Philips Housing, - - Scries A, AMT (Framine Mae), 4,65%, 111/538 1,500 1,511,370 Yonk State IDA, State, DP Neev York, RB, Monatery Manor Associates ID Project, AMT - SMW York State, OD, Series E, 3,75%, 121/571 2,000 2,082,440 New York State Dormitory Authority, RB: - - Master BOCES Program Lease (AGC), 5,00%, 81/52 550 591,465 School, 12/191 4,050 4,344,556 School Districts Financing Program, Series A - - GAMM, Solow, 100/173 4,050 4,344,556 School Districts Financing Program, Series C - -			
40(1/1) \$ 945 \$ 945.63 Series 134.945%, 10001/27 1.100 Series 143, 45%, 10001/27 1.100 Series 143, 49.90%, 10001/27 2,445 Series 143, 49.90%, 10001/27 2,445 Series 143, 49.90%, 10001/27 2,445 Series A, AMT (Famine Mac), 465%, 11/15/38 1.500 New York State HFA, RB, State Philips Housing, 5 Series A, AMT (Famine Mac), 465%, 11/15/18 1.500 State 7.1% 2,445 SONYMA), 5.25%, 4/01/37 2,445 Sony Manor Associates LP Project, AMT 20,070,781 State 7.1% 2,000 2,082,440 New York State, GO, Series E, 3.75%, 12/15/31 2,000 2,082,440 New York State Dormitory Authority, EB, Series C, 5 500%, 12/15/31 New York State Dormitory Authority, RB, Series C, 5 5 State 7.1% 1,570 1,983,293 Matter BOCES Program Lease (AGC), 5.00%, 1,570 1,719,731 Stobol Districts Financing Program, Series A 4,050 4,344,556 School Districts Financing Program, Series C 5 5			
Series 133, 495%, 1001/21 520 537,529 Series 143, 495%, 1001/27 1,100 1,114,476 Series 143, 495%, 1001/27 2,485 2,542,950 Series 143, 495%, 1001/27 2,485 2,542,950 Series 143, 495%, 1001/27 1,500 1,511,370 Series A, AMT (Fanic Mae), 4.65%, 11/15/38 1,500 1,511,370 Vorkers Industrial Development Agency New York, The Manostery Manor Associates LP Project, AMT 2,609,279 State 7.1% 2,445 2,509,279 New York State, GO, Series E, 3,75%, 12/15/31 2,000 2,082,440 New York State Dormitory Authority, EB, Series C, 500%, 2057, 21/15/31 6,230 7,071,735 New York State Dormitory Authority, RB: 4,1570 1,983,293 Meater BOCES Program Lease (AGC), 5,00%, 300, 100/175 550 591,465 School Districts Financing Program, Series A 4,050 4,344,556 CAGM), 5,00%, 100/175 4,050 4,344,556 School Districts Financing Program, Series A 4,380 4,382,447 CAGM), 5,00%, 100/175 4,050 4,360 4,362,4455 School Distr	Homeowner Mortgage, Series 97, 5.50%,		
Series 143, 43%, 100/127 1,100 1,114,476 Series 143 (NPFGC), 4.85%, 100/127 2,485 2,542,950 New York State HFA, RD, State Philips Housing,	4/01/31	\$ 945	\$ 945,633
Series 143, 490%, 100/127 2,485 2,542,950 New York State HFA, RB, State Philips Housing, 1,500 1,511,370 Yonkers Industrial Development Agency New York, 2 2 2,502,970 (SONYMA), 5.25%, 40/137 2,645 2,509,279 20,670,781 State 7,1% 2,000 2,082,440 20,670,781 New York State CO, Series E, 3,75%, 12/15/31 6,230 7,071,735 20,670,781 New York State Dornitory Authority, ERB, Series C, 5,00%, 811,573 6,230 7,071,735 20,670,781 New York State Dornitory Authority, RB: 3457 20,670,781 20,670,781 State Dornitory Authority, ERB, Series C, 5,00%, 811,570 1,983,293 3457 2,701,735 2,539,2174 1,983,293 Meater BOCES Program Lease (AGC), 5,00%, 811,570 1,719,731 5,50 5,51 5,50 5,51 5,50 5,51 5,51 5,51 5,51 5,50 5,51 5,50 5,51 5,50 5,51 5,50 5,51 5,50 5,51 5,50 5,51 5,51 5,51 5,50 5,50	Series 133, 4.95%, 10/01/21	520	537,529
Series 143 (NPFCC), 485%, 1001/27 2,485 2,542,950 New York State HFA, RB, State Philips Housing, 1,500 1,511,370 Series A, ANT (Fannie Mae), 4,65%, 11/15/38 1,500 1,511,370 Yonkers Industrial Development Agency New York, 2,445 2,509,279 State 7,1% 2,045 2,00670,781 New York State, GO, Series E, 3,75%, 12/15/31 2,000 2,082,440 New York State Dormitory Authority, RB, Series C, 5,00%, 12/15/31 6,230 7,071,735 New York State Dormitory Authority, RB: 6,230 7,071,735 5,078, 12/15/31 5,038,293 Mental Health Services Facilities, Series B, 1,570 1,719,313 5,050 1,750 1,793,31 School Districts Financing Program, Series A 1,605 4,344,556 550 591,465 School Districts Financing Program, Series A 1,500 1,695,240 5,438,350 NePFGC), 5,75%, 10/01/30 6,900 7,098,858 7,978,120 1,500 1,695,240 5,500 5,500 5,500 5,505,240 5,500 5,500 5,526,500 5,500 5,500,5,240	Series 143, 4.85%, 10/01/27	1,100	1,114,476
New York State HEA, RB, State Philips Housing. 1,500 1,511,370 Series A, AMT (Famic Mae), 4,65%, 11/15/38 1,500 1,511,370 Yonkers Industrial Development Agency New York, 2,445 2,509,279 State 7.1% 20,670,781 20,670,781 New York State, GO, Series E, 3.75%, 12/15/31 2,000 2,082,440 New York State Dormitory Authority, ERB, Series C, 6,230 7,071,735 New York State Dormitory Authority, RE 6,230 7,071,735 New York State Dormitory Authority, RE 6,230 7,071,735 Meater BOCES Program Lease (AGC), 5,00%, 1,570 1,983,293 Mental Health Services Facilities, Series B, 1,570 1,719,731 School, 100/135 550 591,465 School Districts Financing Program, Series C 6,900 7,988,383 (NPFGC), 5,17%, 100/130 6,900 7,988,383 New York State Thruway Authority, RB: 1,500 1,692,440 School Districts Financing Program, Series C 6,900 7,988,383 (NPFGC), 5,17%, 100/130 6,900 7,988,383 New York State Urban Development Corp., RB:		940	
Series A, AMT (Famile Mae), 4.65%, 11/15/38 ⁻ 1,500 1,511,370 Yonkers Industrial Development Agency New York, R.8 2,445 2,509,279 SUM CONTRAIS, 5.25%, 4/01/37 2,445 2,007,781 State 7.1% 2,000 2,082,440 New York State, GO, Series E, 3.75%, 12/15/31 6,230 7,071,735 New York State Dormitory Authority, ERB, Series C, 6,230 7,071,735 New York State Dormitory Authority, RB: 1,570 1,983,293 Mental Health Services Facilities, Series B, 1,570 1,983,293 Mental Health Services Facilities, Series B, 2,25%, 21/5714 0,500 School Districts Financing Program, Series A 4,050 4,344,556 CAGM), 5,00%, 1001/37 4,050 4,344,556 School Districts Financing Program, Series E 0,900 7,098,858 New York State Thruway Authority, RB: 3000 3,159,570 Scene A (AMBAC), 5,00%, 4/01/27 1,500 1,656,240 Scries A (AMBAC), 5,00%, 4/01/27 1,500 1,656,240 Scries A (AMBAC), 5,00%, 3/15/29 3,000 3,159,570 State Personal Income Tax, Series A, 3,00%, 3/15/29 5,000 5,356,500		2,485	2,542,950
Yonkers Industrial Development Agency New York, RB, Monastery Manor Associates LP Project, AMT 20.070,781 State 7.1% 2,445 2,509,279 20.070,781 State 7.1% 2,445 2,509,279 20.070,781 State 7.1% 2,445 2,509,279 20.070,781 State 7.1% 2,000 2,082,440 New York State, GO, Series E, 3.75%, 12/15/31 6,230 7,071,735 New York State Dormitory Authority, ERB, Series C, 50.0%, 12/15/31 6,230 7,071,735 New York State Dormitory Authority, RB: 8/15/28 1,750 1,983,293 Mental Health Services Facilities, Series B, 525%, 21/51/4 (b) 1,570 1,719,731 School Districts Financing Program, Series A (AGM), 5.00%, 1001/35 550 591,465 School Districts Financing Program, Series C (AGM), 5.00%, 1001/37 4,050 4,344,556 School Districts Financing Program, Series E (NFFGC), 5.75%, 1001/30 6,900 7,098,858 New York State Thruway Authority, RB: Second General, Series B, 5.00%, 4/01/27 1,500 1,605,240 Series A (AMBAC), 5.00%, 4/01/27 1,500 1,500 1,605,240 Series A (AMBAC), 5.00%, 4/01/27 1,500 1,500 1,507,078 State Personal Income Tax, Series A, 3.50%, 3/151,3 (b) 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, 3/151,3 (b) 3,000 5,286,000 State Personal Income Tax, Series A, 3.50%, 3/152 5,000 5,298,600 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,298,600 Series A-1 (NPFGC), 5.00%, 2/15/47 5,007,715 5,007,715,007,715,007,715,7150 CASC, 5.00%, 2/15/47 5,007,7150 Series A-1 (NPFGC), 5.00%, 2/15/47 5,007,7150 Series A-1 (NPFGC), 5.00%, 2/15/47 5,007,7150 Series A-1 (NPFGC), 5.00%, 2/15/47 5,007,715			
RB. Monastery Manor Associates LP Project, AMT 2,445 2,509,279 (SONYMA), 5.25%, 40/1/37 2,000 2,082,440 New York State, GO, Series E, 3,75%, 12/15/31 2,000 2,082,440 New York State Dormitory Authority, ERB, Series C, 6,230 7,071,735 Sow York State Dormitory Authority, RB: 8 8 Master BOCES Program Lease (AGC), 5.00%, 8 1,570 1,983,293 Mental Health Services Facilities, Series B, 1,570 1,719,731 School Districts Financing Program, Series A 8 1,570 1,719,731 School Districts Financing Program, Series C 6,000 7,098,858 1,500 1,690,240 CAGM), 5.00%, 100/1/37 4,050 4,344,556 5chool Districts Financing Program, Series E 1 500 1,695,240 Second General, Series B, 5.00%, 4/01/27 1,500 1,695,240 5,269 2,526,217 Second Schueral, Series B, 5.00%, 4/01/26 4,380 4,332,147 1,500 1,695,240 5,000 5,056,500 5,240 5,000 5,156,50 5,000 5,256,001,26,200 5,000 5,050,006,31,59,570 3,159,270 3,150,270 3,150,270 5,000		1,500	1,511,370
(SONYMA), 5.25%, 4/01/37 2,445 2,509,279 State 7.1% 20,670,781 State Dormitory Authority, ERB, Series C, 20,000 2,082,440 New York State, CO, Series E, 3,75%, 12/15/31 6,230 7,071,735 New York State Dormitory Authority, RB: 6,230 7,071,735 New York State Dormitory Authority, RB: 6,230 7,071,735 Master BOCES Program Lease (AGC), 5,00%, 1,570 1,983,293 Mental Health Services Facilities, Series B, 1,570 1,719,731 School Districts Financing Program, Series A 4,050 4,344,556 School Districts Financing Program, Series E 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/27 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/26 4,380 4,832,147 New York State Provany Authority, RB: 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/27 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/27 1,500 1,507,570 State Personal Income Tax, Series A, 3,50%, 3/15/129 5,000 5,356,500 State Personal Income Tax, Series A, 3,50%, 3/15			
State 20,670,781 State 7.1% New York State, CO, Series E, 3.75%, 12/15/31 2.000 2.082,440 New York State Dormitory Authority, ERB, Series C, 5.00%, 12/15/31 6.230 7,071,735 New York State Dormitory Authority, RB: 1.750 1.983,293 1.750 1.983,293 Mental Health Services Facilities, Series B, 2.25%, 21/5/14 (b) 1.570 1.719,731 School Districts Financing Program, Series A (AGM), 5.00%, 100/1/37 4.050 4.344,556 School Districts Financing Program, Series E 1.500 1.699,838 1.699,838 New York State Thruway Authority, RB: 2.55%, 100/1/37 4.050 4.344,556 School Districts Financing Program, Series E 1.500 1.695,240 1.500 1.695,240 New York State Thruway Authority, RB: 2.500,00 3.000 3.159,570 1.500 1.505,500 1.507,5173 Series A (ABAC), 5.00%, 4/01/27 1.500 1.500, 5.156,500 5.000 5.256,500 5.000 5.256,500 5.000 5.256,500 5.000 5.256,500 5.000 5.256,500			
State 7.1% New York State, GO, Series E, 3.75%, 12/15/31 2,000 2,082,440 New York State Dormitory Authority, REB, Series C, 6,230 7,071,735 S.00%, 12/15/31 6,230 7,071,735 Master BOCES Program Lease (AGC), 5,00%, 1,750 1,983,293 Master BOCES Program Lease (AGC), 5,00%, 1,570 1,719,731 School Districts Financing Program, Series B, 1,570 1,719,731 School Districts Financing Program, Series A 6,500 591,465 School Districts Financing Program, Series C 4,050 4,344,556 School Districts Financing Program, Series E 1,500 1,695,240 Katte Thruway Authority, RB: 2 2 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/26 4,380 4,321,47 New York State Urban Development Corp., RB: 2 Personal Income Tax, Series C-1 (NPFGC), 3,000 3,159,570 3,159,570 State Personal Income Tax, Stare Facilities, 1,500 1,566,570 State Personal Income Tax, Stare Facilities, 1,500 5,000 5,356,500 4,1567,50 5,000	(SONYMA), 5.25%, 4/01/37	2,445	
New York State, GO, Series E, 3.75%, 12/15/31 2,000 2,082,440 New York State Dormitory Authority, BB, Series C, 6,230 7,071,735 Solow, 12/15/31 6,230 7,071,735 Master BOCES Program Lease (AGC), 5,00%, 8/15/28 1,750 1,983,293 Master BOCES Program Lease (AGC), 5,00%, 1,570 1,719,731 School Districts Financing Program, Series R, 525%, 2/15/14 (b) 500 1,719,731 School Districts Financing Program, Series C 4,050 4,344,556 School Districts Financing Program, Series E 1 (NPFGC), 5,75%, 10/01/37 4,050 4,344,556 School Districts Financing Program, Series E 1 (NPFGC), 5,75%, 10/01/30 6,900 7,098,858 New York State Urban Development Corp., RB: 2 Personal Income Tax, Series A, 3,50%, 3/15/13 (b) 3,000 3,159,570 3,000 3,159,570 State Personal Income Tax, State Facilities, Series A, 10,127 1,500 1,566,750 3,000 3,159,570 State Personal Income Tax, State Facilities, Series A, 1,012 1,500 1,566,750 3,159,570 3,159,570 3,159,570 3,152,55 1,500			20,670,781
New York State Dormitory Authority, ERB, Series C, 6,230 7,071,735 Sow York State Dormitory Authority, RB: 6,230 7,071,735 Master BOCES Program Lease (AGC), 5,00%, 1,750 1,983,293 Mental Health Services Facilities, Series B, 1,570 1,719,731 School Districts Financing Program, Series A 555 591,465 AGM), 5,00%, 10/01/35 550 591,465 School Districts Financing Program, Series C 4,050 4,344,556 School Districts Financing Program, Series E (NPFGC), 5,75%, 10/01/30 6,900 7,098,858 New York State Urban Development Corp., RB: 500 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/27 1,500 1,695,240 4,380 4,332,147 New York State Urban Development Corp., RB: 7000 3,000 3,159,570 5155,500 515,500 515,500,500 515,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515,500,500 515			
5.00%, 12/13/31 6,230 7,071,735 New York State Dormitory Atthority, RB:		2,000	2,082,440
New York State Dormitory Authority, RB: Master BOCES Program Lease (AGC), 5.00%, 8/15/28 1,750 1,983,293 Mental Health Services Facilities, Series B, 1,570 1,719,731 School Districts Financing Program, Series A 1,570 1,719,731 School Districts Financing Program, Series C			
Master BOCES Program Lease (AGC), 5.00%, 1,750 1,983,293 8/15/28 1,570 1,719,731 School Districts Financing Program, Series A 1 (AGM), 5.00%, 10/01/35 550 591,465 School Districts Financing Program, Series A 1 1 (AGM), 5.00%, 10/01/35 550 591,465 School Districts Financing Program, Series C 1 1 (AGM), 5.00%, 10/01/37 6,900 7,098,858 New York State Thruway Authority, RB: 1 1 Second General, Series B, 5.00%, 4/01/27 1,500 1,695,240 Series A (ABBAC), 5.00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: 1 1 Personal Income Tax, Series A, 3.50%, 3/15/13 (b) 3,000 3,159,570 State Personal Income Tax, State Facilities, Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,258,600 5,258,600 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,298,600 5,298,600 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,298,600 5,298,600 5,298,600		6,230	7,071,735
8/15/28 1,750 1,983,293 Mental Health Services Facilities, Series B, 1,570 1,719,731 School Districts Financing Program, Series A 550 591,465 School Districts Financing Program, Series C 4,050 4,344,556 School Districts Financing Program, Series E			
Mental Health Services Facilities, Series B, 1.570 1.719,731 School Districts Financing Program, Series A 550 591,465 AGM), 5.00%, 10/01/35 550 591,465 School Districts Financing Program, Series C 4,050 4,344,556 AGM), 5.00%, 10/01/37 6,900 7,098,858 NPFGC), 5.75%, 10/01/30 6,900 7,098,858 Second General, Series B, 5,00%, 4/01/27 1,500 1,695,240 Secies A (AMBAC), 5.00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: 2 2 Personal Income Tax, Series A, 3.50%, 3/15/13 (b) 3,000 3,159,570 State Personal Income Tax, State Facilities, 3 3 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,298,600 Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 7,318,357 7,318,357 Tansportation 22.8% 7,318,357 7,318,357 Hudson New York Yards Infrastructure Corp., RB: 7,318,357		1 7 5 0	1 002 202
5.25%, 2/15/14 (b) 1,570 1,719,731 School Districts Financing Program, Series A 550 591,465 (AGM), 5.00%, 10/01/35 500 4,050 4,344,556 School Districts Financing Program, Series C 4,050 4,344,556 (NPFGC), 5.75%, 10/01/30 6,900 7,098,858 New York State Thruway Authority, RB: 500 1,605,240 Scries A (AMBAC), 5.00%, 4/01/27 1,500 1,605,240 Series A (AMBAC), 5.00%, 4/01/26 4,380 4,832,147 New York State Thruway Authority, RB: 500 5,000 5,052,40 Series A (AMBAC), 5.00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: 500 5,000 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, 3/15/13 (b) 3,000 3,159,570 5,000 5,356,500 State Personal Income Tax, State Facilities, 5,000 5,356,500 4,1502,285 Tobacco Settlement Financing Corp. New York, RB: 5,000 5,298,600 5,000, 5,298,600 5,000, 5,298,600 5,009, 5,298,600 5,019,731,738,357 7,318,357 7,318,357 7,318,357 7,318,357 7,318,357		1,750	1,983,293
School Districts Financing Program, Series A 550 591,465 CAGM, 5.00%, 10/01/35 4,050 4,344,556 School Districts Financing Program, Series C 7,098,858 (NPFGC), 5.75%, 10/01/30 6,900 7,098,858 New York State Thruway Authority, RB: 7 7,098,858 Second General, Series B, 5.00%, 4/01/27 1,500 1,695,240 Series A (AMBAC), 5.00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: 7 7 Personal Income Tax, Series C-1 (NPFGC), 3,000 3,159,570 State Personal Income Tax, State Facilities, 7 3 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 State Personal Income Tax, State Facilities, 3 41,502,285 Tobacco Settlement Financing Corp. New York, RB: 5,000 5,298,600 Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600		1.570	1 710 721
(AGM), 5.00%, 10/01/35 550 591,465 School Districts Financing Program, Series C		1,570	1,/19,/31
School Districts Financing Program, Series C 4,050 4,344,556 School Districts Financing Program, Series E 6,000 7,098,858 New York State Thruway Authority, RB: 1,500 1,695,240 Second General, Series B, 5,00%, 4/01/27 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: Personal Income Tax, Series C-1 (NPFGC), State Personal Income Tax, Series A, 3.50%, 3,000 3,159,570 State Personal Income Tax, State Facilities, Series A-1 (NPFGC), 5,00%, 3/15/29 5,000 5,356,500 Series A-1 (NPFGC), 5,00%, 3/15/29 5,000 5,356,500 41,502,285 Tobacco 1.3% 1,500 5,000 5,298,600 Series A-1 (AMBAC), 5,25%, 6/01/20 5,000 5,298,600 Series A-1 (AMBAC), 5,25%, 6/01/20 5,000 5,298,600 Series B-1C, 5,50%, 6/01/22 1,900 2,019,757 Transportation 22.8% T 7,318,357 Thasportation 22.8% 4,300 4,468,560 Series A (NPFGC), 5,00%, 2/15/47 4,300 4,468,560 <td></td> <td>550</td> <td>501 465</td>		550	501 465
(AGM), 5.00%, 10/01/37 4,050 4,344,556 School Districts Financing Program, Series E		550	591,465
School Districts Financing Program, Series E (NPFGC), 5,75%, 10/01/30 6,900 7,098,858 New York State Thruway Authority, RB: Second General, Series B, 5,00%, 4/01/26 1,500 1,695,240 Series A (AMBAC), 5,00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: Personal Income Tax, Series C-1 (NPFGC), 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, 3,000 3,159,570 State Personal Income Tax, State Facilities, 3,000 3,566,570 State Personal Income Tax, State Facilities, 3,000 5,356,500 State Personal Income Tax, State Facilities, 3,000 5,356,500 State Personal Income Tax, State Facilities, 3,000 5,356,500 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Transportation 22.8% 3,300 4,468,560 Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560		4.050	1 2 1 1 556
(NPFGC), 5.75%, 10/01/30 6,900 7,098,858 New York State Thruway Authority, RB:		4,030	4,544,550
New York State Thruway Authority, RB: 1,500 1,695,240 Secies A (AMBAC), 5,00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: - - Personal Income Tax, Series C-1 (NPFGC), 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, - - 3/15/28 1,500 1,566,750 State Personal Income Tax, State Facilities, - - Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Tobacco 1.3% - 41,502,285 Tobacco Settlement Financing Corp. New York, RB: - - - Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 - - Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 - - - Transportation 22.8% - - - - - - Hudson New York Yards Infrastructure Corp., RB: - - - - - - - - - - - - - -		6 000	7 000 050
Second General, Series B, 5.00%, 4/01/27 1,500 1,695,240 Series A (AMBAC), 5.00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB:		0,900	7,098,838
Series A (AMBAC), 5.00%, 4/01/26 4,380 4,832,147 New York State Urban Development Corp., RB: - Personal Income Tax, Series C-1 (NPFGC), 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, - - 3/15/28 1,500 1,566,750 State Personal Income Tax, State Facilities, - - Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 41,502,285 - - Tobacco 1.3% - - Tobacco Settlement Financing Corp. New York, RB: - - - Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 - <t< td=""><td></td><td>1 500</td><td>1 605 240</td></t<>		1 500	1 605 240
New York State Urban Development Corp., RB: 7 Personal Income Tax, Series C-1 (NPFGC), 3,000 3,159,570 5.00%, 3/15/13 (b) 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, 1,500 1,566,750 State Personal Income Tax, State Facilities, 5,000 5,356,500 State Personal Income Tax, State Facilities, 5,000 5,356,500 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Tobacco 1.3% 7 41,502,285 Tobacco Settlement Financing Corp. New York, RB: 5,000 5,298,600 Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 7,018,357 7,318,357 Transportation 22.8% 7,318,357 7,318,357 Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560			
Personal Income Tax, Series C-1 (NPFGC), 5.00%, 3/15/13 (b) 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, 1,500 1,566,750 3/15/28 1,500 1,566,750 State Personal Income Tax, State Facilities, 5,000 5,356,500 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Tobacco 1.3% 1 1 1 Tobacco 5ettlement Financing Corp. New York, RB: 5,000 5,298,600 Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 7,318,357 7,318,357 Transportation 22.8% 1 1 1 Hudson New York Yards Infrastructure Corp., RB: 1 1 1 (AGC), 5.00%, 2/15/47 4,300 4,468,560 5 Series A (NPFGC), 5.00%, 2/15/47 550 571,560		4,500	4,052,147
5.00%, 3/15/13 (b) 3,000 3,159,570 State Personal Income Tax, Series A, 3.50%, 1,500 1,566,750 State Personal Income Tax, State Facilities, 5,000 5,000 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Tobacco 1.3% Tobacco Settlement Financing Corp. New York, RB: Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Tasportation 22.8% 7,318,357 Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 5,500 571,560			
State Personal Income Tax, Series A, 3.50%, 1,500 1,566,750 State Personal Income Tax, State Facilities, 5,000 5,356,500 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 Tobacco 1.3% Tobacco Settlement Financing Corp. New York, RB: Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Tansportation 22.8% 7,318,357 Transportation 22.8% 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560		3 000	3 159 570
3/15/28 1,500 1,566,750 State Personal Income Tax, State Facilities, 5,000 5,356,500 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 41,502,285 Tobacco 1.3% Tobacco Settlement Financing Corp. New York, RB: Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Transportation 22.8% Hudson New York Yards Infrastructure Corp., RB: 7,318,357 (AGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560		5,000	5,157,570
State Personal Income Tax, State Facilities, 1 Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 41,502,285 Tobacco 1.3% Tobacco Settlement Financing Corp. New York, RB: Series A-1 (AMBAC), 5.25%, 6/01/20 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 7,318,357 Transportation 22.8% Hudson New York Yards Infrastructure Corp., RB: (AGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47		1 500	1 566 750
Series A-1 (NPFGC), 5.00%, 3/15/29 5,000 5,356,500 41,502,285 Tobacco 1.3% Tobacco Settlement Financing Corp. New York, RB: Series A-1 (AMBAC), 5.25%, 6/01/20 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 7,318,357 Transportation 22.8% Hudson New York Yards Infrastructure Corp., RB: (AGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47		1,000	1,500,750
41,502,285 Tobacco 1.3% Tobacco Settlement Financing Corp. New York, RB: Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Transportation 22.8% 7,318,357 Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560		5.000	5,356,500
Tobacco 1.3% Tobacco Settlement Financing Corp. New York, RB: 5,000 Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Transportation 22.8% 7,318,357 Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560	56165777 (111766), 5.0070, 5715725	5,000	, ,
Tobacco Settlement Financing Corp. New York, RB: Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Transportation 22.8% 7,318,357 Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560	Tobacco 1.3%		11,002,200
Series A-1 (AMBAC), 5.25%, 6/01/20 5,000 5,298,600 Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Transportation 22.8% 7,318,357 Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560			
Series B-1C, 5.50%, 6/01/22 1,900 2,019,757 Transportation 22.8% Hudson New York Yards Infrastructure Corp., RB: 4,300 (AGC), 5.00%, 2/15/47 4,300 Series A (NPFGC), 5.00%, 2/15/47 550		5.000	5.298.600
7,318,357 Transportation 22.8% Hudson New York Yards Infrastructure Corp., RB: (AGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560			
Transportation 22.8% Hudson New York Yards Infrastructure Corp., RB: (AGC), 5.00%, 2/15/47 (AGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560		-,, 00	
Hudson New York Yards Infrastructure Corp., RB: 4,300 4,468,560 (AGC), 5.00%, 2/15/47 4,300 4,468,560 Series A (NPFGC), 5.00%, 2/15/47 550 571,560	Transportation 22.8%		.,===;=0,
(AGC), 5.00%, 2/15/474,3004,468,560Series A (NPFGC), 5.00%, 2/15/47550571,560			
Series A (NPFGC), 5.00%, 2/15/47 550 571,560		4.300	4,468,560
	Metropolitan Transportation Authority, RB:		

Series 2008C, 6.50%, 11/15/28	3,200	3,987,136
Transportation, Series A, 5.00%, 11/15/27	1,000	1,166,120
Transportation, Series D, 5.25%, 11/15/29	1,000	1,146,030
Transportation, Series D, 5.25%, 11/15/41	4,000	4,473,680
Municipal Bonds	Par (000)	Value
New York (continued)	(000)	value
Transportation (concluded)		
Metropolitan Transportation Authority, Refunding RB:		
Series A, 5.13%, 1/01/29	\$ 1,000 \$	5 1,015,380
Series A (AGM), 5.00%, 11/15/32	1,015	1,044,983
Series A (NPFGC), 5.13%, 11/15/22	1,390	1,431,839
Series B, 5.00%, 11/15/34	1,500	1,659,705
Series C (AGM), 5.13%, 7/01/12 (b)	1,640	1,673,833
Transportation, Series F (NPFGC), 5.25%,	,	,,
11/15/12 (b)	6,235	6,483,028
New York Liberty Development Corp., RB,		
1 World Trade Center Port Authority Construction,		
5.25%, 12/15/43	3,500	3,976,105
New York State Thruway Authority, RB:		
Series F (AMBAC), 5.00%, 1/01/30	6,000	6,440,280
Series G (AGM), 4.75%, 1/01/29	7,250	7,766,128
Series G (AGM), 4.75%, 1/01/30	9,000	9,619,380
Series G (AGM), 5.00%, 1/01/30	2,000	2,171,620
Series G (AGM), 5.00%, 1/01/32	1,030	1,126,006
Niagara Falls Bridge Commission, Refunding RB,		
Bridge System, Series A (AGC), 4.00%, 10/01/19	1,900	2,099,348
Niagara Frontier Transportation Authority New York,		
RB, Buffalo Niagara International Airport, Series B		
(NPFGC), 5.50%, 4/01/19	2,705	2,706,028
Port Authority of New York & New Jersey, RB:		
124th Series, AMT (NPFGC), 5.00%, 8/01/36	500	500,480
163rd Series, 5.00%, 7/15/35	2,500	2,821,150
Port Authority of New York & New Jersey, RB,		
JFK International Air Terminal, Special Project,		
Series 6, AMT (NPFGC):		
6.25%, 12/01/13	4,425	4,607,000
6.25%, 12/01/14	7,380	7,791,804
5.75%, 12/01/22	10,160	10,160,508
5.75%, 12/01/25	3,500	3,499,825
Triborough Bridge & Tunnel Authority, RB:	< 000	() ()))
Sub-Series A (NPFGC), 5.25%, 11/15/30	6,000	6,368,220
Subordinate Bonds (AMBAC), 5.00%, 11/15/28	1,965	2,059,163
Triborough Bridge & Tunnel Authority, Refunding RB:	2 000	2 210 200
Series C, 5.00%, 11/15/38	2,000	2,210,300
Series E (NPFGC), 5.25%, 11/15/23	7,000	7,217,490
Series E (NPFGC), 5.00%, 11/15/32	19,675	20,200,913
Utilities 11.4%		132,463,602
Buffalo Sewer Authority New York, Refunding RB,		
Series F (NPFGC), 6.00%, 7/01/13	2,275	2,357,583
Long Island Power Authority, RB, Series A:	2,273	2,007,000
(AGM), 5.00%, 5/01/36	3,775	4,143,855
(AMBAC), 5.00%, 9/01/29	7,000	7,507,710
Long Island Power Authority, Refunding RB:	.,	.,,10
General, Series A (AGC), 6.00%, 5/01/33	1,500	1,793,340
General, Series B (AGM), 5.00%, 12/01/35	4,000	4,207,880
Series A (AGC), 5.75%, 4/01/39	1,015	1,173,908
New York City Municipal Water Finance Authority, RB:		2,2,2,2,200
Second General Resolution, Series FF,		
5.00%, 6/15/31	1,500	1,721,805
····· / ·· ··· ·· ·· ·· ·· ·· ·· ·· ·· ·	1,000	1,721,000

Second General Resolution, Series GG,		
5.00%, 6/15/39	1,000	1,098,730
Second General Resolution, Series HH,		
5.00%, 6/15/32	9,900	11,436,876
Series B, 5.00%, 6/15/36	2,000	2,137,300
Series DD, 5.00%, 6/15/32	6,750	7,508,903
Series DD (AGM), 4.50%, 6/15/39	1,000	1,047,900

See Notes to Financial Statements.

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

Par Numicipal Bonds Par (000) Value New York (concluded)			Den	
New York (concluded)	Municinal Bonds			Value
Utilities (concluded) Site Site Site Site Site Site Site Site			(000)	value
New York City Municipal Water Finance Authority, Refunding RB: 5 1,000 \$ 1,147,870 Series DR, S00%, 6(15/3) 9,000 9,900,810 9,900,810 New York State Environmental Facilities Corp., Revolving Funds, New York City Municipal Water, 2 2 Scow, 6(15/3) 1,040 2,374,848 New York State Environmental Facilities Corp., Refunding RB, Revolving Funds, New York City				
Refunding RB: s 1,000 \$ 1,147,870 Series BB, 5,00%, 6/1537 \$,000 \$ 1,147,870 Series DG, CAGM, 5,00%, 6/1537 \$,000 \$,0000 9,000,810 New York State Environmental Facilities Corp., RB, 2,100 2,374,848 Revolving Funds, New York City Municipal Water, 2,100 2,374,848 New York State Environmental Facilities Corp., RB, 1,040 1,174,977 Reudning RB, Revolving Funds, New York City 1 1,040 1,174,977 Municipal Bonds in New York 615,148,629 63,088,865 704al Municipal Bonds in New York 615,148,629 Guam 1.0% T 2,240 2,243,674 5,25%, 1000/121 2,240 2,243,674 S.25%, 10/01/21 2,240 2,243,674 5,25%, 10/01/21 2,240 2,243,674 S.25%, 10/01/21 2,240 2,243,674 5,25%, 10/01/21 2,240 2,243,674 S.25%, 10/01/21 2,240 2,243,674 5,25%, 10/01/21 2,240 2,243,674 S.25%, 10/01/21 2,240 2,243,674 5,25%,10/01/21				
Second General Resolution, Fiscal 2011, \$ 1,000 \$ 1,1147,870 Series BB, 500%, 617537 9,000 9,900,810 New York State Environmental Facilities Corp., RB, 2,100 2,374,848 Revolving Funds, New York City Municipal Water, 2,100 2,374,848 New York State Environmental Facilities Corp., 2,100 2,374,848 New York State Environmental Facilities Corp., 2,100 2,374,848 Municipal Water, Series B, 5,00%, 6,15/33 1,040 1,174,597 New York State Environmental Facilities Corp. 66,308,865 615,148,629 Souw, Infisoral 2004 65,308,865 615,148,629 Souw, Infisoral 2007 2,240 2,243,674 Souw, Informational Airport Authority, Refunding RB, 2,250 2,255,100 Series C, AMT (NPEFGC): 2,260 2,243,674 Souw, 1000/1/37 1,380 1,494,871 Souw, 1000/1/37				
Series BF, 500%, 6(15)1 \$ 1,000 \$ 1,147,870 Series D1 (Af0M, 500%, 6(15)677 9,000 9,000,810 9,000,810 New York State Environmental Facilities Corp., RB, 2,100 2,374,848 New York State Environmental Facilities Corp., RB, 2,100 2,374,848 New York State Environmental Facilities Corp., RB, 1,040 1,174,597 Municipal Water, Series B, 5,00%, 6(15)33 1,040 1,174,597 New York State Environmental Facilities Corp., RB, 4920 5,574,950 5,00%, 11/15/38 4920 5,574,950 Caam I.0% T 615,148,629 Guann I.0% T 2,240 2,243,674 Series C, AMT (NPFCC); 2,240 2,243,674 2,296,749 Utilities 0.3% 1,380 1,494,871 5,791,950 4,296,749 Utilities 0.3% 1,380 1,494,871 5,791,620 2,255 Guam International Airport Authority, Refunding RB, Series A (AGM), 5,791,620 4,296,749 4,296,749 Utilities 0.3% 1,001/37 1,380 1,494,871 5,791,620				
Series D. (AGM), 5.00%, 6/15/37 9,000 9,000, 810 New York State Environmental Facilities Corp., RB, 2,100 2,374,848 New York State Environmental Facilities Corp., 3 3 Refunding KB, Revolving Funds, New York City 3 1,040 1,174,597 Municipal Water, Series B, Sovié, 6/15/33 1,040 1,174,597 1 New York State Environmental Facilities Corp., 66,308,865 66,308,865 66,308,865 Total Municipal Bonds in New York 615,148,629 66,308,865 615,148,629 Guam 1.0% Transportation 7,7% 2,240 2,243,674 Scries C, ANT (NPEGC): 2,240 2,243,674 2,050 2,050 2,050,97,99 Utilities 0.3% Guam Nore Authority, Refunding RB, Series A (AGM), 3 1,494,871 5,05%,1001/32 2,050 2,050,97,99 1,030 1,494,871 Stower Authority, Refunding RB, Series A (AGM), Subordinaute, Capital Fund Modernization, 5,13%,1201/27 3,500 3,829,945 5,13%,1201/27 3,500 3,829,945 5,13%,1201/27 3,500 3,829,945 5,13%,1201/27		\$	1.000	\$ 1 147 870
New York State Environmental Pacilities Corp., RB, 2,100 2,374.848 Revolving Funds, New York City Municipal Water, 2,100 2,374.848 New York State Environmental Pacilities Corp., Refunding RB, Revolving Funds, New York City 1 Municipal Water, Series B, 500%, 6/15/33 1.040 1.174.597 New York State Power Authority, RB, Series A, 66,308.865 615.148.629 Guam 1.0% 615.148.629 615.148.629 Guam 1.0% 7 2,240 2,243.674 Series C, AMT (NPFGC): 2,240 2,243.674 2,243.674 Series V, 10/121 2,240 2,243.674 2,25%, 100/122 2,050 2,053.075 Guam Inergenet Authority, Refunding RB, Series A (AGM), 5,098.100 2,050 2,059 2,059 2,059 2,043.674 2,043.674 2,043.674 2,043.674 2,043.674 2,043.675 2,059 2,059 2,059 2,059 2,059 2,059 2,059 2,059 2,043.674 2,059 2,059 2,043.675 5,079.626 2,944.674 2,059 2,059 2,059 2,059 <t< td=""><td></td><td>Ψ</td><td>,</td><td></td></t<>		Ψ	,	
Revolving Funds, New York City Municipal Water, 2,100 2,374,848 New York State Environmental Facilities Corp., 2,100 2,374,848 New York State Environmental Facilities Corp., 2,100 2,374,848 New York State Environmental Facilities Corp., 2,100 2,374,848 Nunicipal Ware, Series B, S, Dorg, M1/533 1,040 1,174,597 New York State Power Authority, RB, Series A, 66,308,865 66,308,865 Total Municipal Bonds in New York 615,148,629 66,308,865 Guam 1.0% Transportation 0.7% 2,240 2,243,674 Scries C, AMT (NPFGC): 2,250 2,050 2,053,075 Scries C, MT (NPFGC): 2,250 2,050 2,053,075 Guam Power Authority, Refunding RB, Series A (AGM), 3,000 1,494,871 Sories O, MT (NPFGC): 1,380 1,494,871 Sories O, MT (NPFGC): 1,380 1,494,871 Sories O, Moning B, Bories A (AGM), 3,500 3,529,915 State G, G 4,296,749 4,296,749 Works D, Lotty J, Refunding RB, Series A (AGM), 3,500 3,529,516			2,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
5.0%, 6/15/36 2,100 2,374,848 New York Stute Environmental Facilities Corp., Refunding RB, Revolving Funds, New York City 1,040 1,174,597 New York Stute Dover Authority, RB, Series A, 5.0%, 11/15/38 4,920 5,574,950 66.30,865 66.30,8,865 66.30,8,865 66.30,8,865 Total Municipal Bonds in New York 615,148,629 Guam International Airport Authority, Refunding RB, Series C, AMT (NPFGC): 2,240 2,243,674 5.2%, 10/01/21 2,240 2,243,674 4,296,749 Utilities 0.3% 2,050 2,050 2,053,075 5.2%, 10/01/22 2,050 2,053,075 4,296,749 Utilities 0.3% 5,00%, 10/01/37 1,380 1,494,871 Total Municipal Bonds in Guam 5,791,620 2,050 2,053,075 Puerto Rico 12.4% Enverto Rico Housing Finance Authority, Refunding RB, Series A (AGM), 5,00%, 10/01/37 1,380 1,494,871 Total Municipal Bonds in Guam 5,791,620 Puerto Rico L2.4% Enverto Rico Housing Finance Authority, Refunding RB, Series A (AGM), 5,000 3,829,945 State 6.9% State 6.9% State 6.9% State 6.9%	-			
New York State Environmental Facilities Corp., Refunding RB, Revolving Funds, New York City Municipal Water, Series B, 5.00%, 6/15/33 1.040 1.174.597 New York State Power Authority, RB, Series A, 66.308.865 Total Municipal Bonds in New York 6615.148.629 Guam 1.0% 6615.148.629 Guam 1.0% 7 Transportation 0.7% 2.240 2.243.674 Scries C, AMT (NPFGC): 2.240 2.243.674 5.25%, 10/01/21 2.240 2.243.674 5.25%, 10/01/22 2.050 2.053.075 Guam Authority, Refunding RB, Series A (AGM), 1,380 1.494.871 Total Municipal Bonds in Guam 5.791.620 2.040 Villities 0.3% 1,380 1.494.871 Total Municipal Bonds in Guam 5.791.620 2.050 Puerto Rico 12.4% 2.000 2.304.320 Guam Ower Authority, Refunding RB, Series A (AGM), 5.350 3.829.945 State 6.9% 2 2000 2.304.320 Corpet Rico 12.4% 2.000 2.304.320 Puerto Rico Housing Finance Authorit			2 100	2 374 848
Refunding RB, Revolving Funds, New York Čity Municipal Water, Series B, 5.00%, 6/15/33 1,040 1,174,597 New York State Power Authority, RB, Series A, 5,05%, 1/11/5/38 4,920 5,574,950 Total Municipal Bonds in New York 615,148,629 66,308,865 66,308,865 Guam 1.0% Transportation 0.7% 66,308,865 66,308,865 Guam International Airport Authority, Refunding RB, 2,240 2,243,674 Series C, AMT (NPFGC): 2,240 2,243,674 5,25%, 10/01/21 2,240 2,243,674 5,25%, 10/01/22 2,050 2,053,075 5,00%, 10/01/37 1,380 1,494,871 5,00%, 10/01/37 1,380 1,494,871 5,00%, 10/01/37 1,380 1,494,871 Total Municipal Bonds in Guam 5,791,620 2 Puerto Rico Ibusing Finance Authority, Refunding RB, Series A (AGM), 5 5 Subordinate, Capital Pund Modernization, 5 5 5 Subordinate, Capital Pund Modernization, 5 5 5 Sub-Series C-7, 6,00%, 7/01/20 2,000 2,3			2,100	2,374,040
Municipal Water, Series B, 500%, 0/15/33 1,040 1,174,597 New York State Power Authority, RB, Series A, 4,920 5,574,950 Sco0%, 11/15/38 4,920 5,574,950 Guam L0% 615,148,629 Guam Infermational Airport Authority, Refunding RB, 525%, 10001/21 2,240 2,243,674 Scries C, AMT (NPFGC): 2,050 2,053,075 4,296,749 Utilities 0.3% 1,380 1.494,871 Total Municipal Bonds in Guam 5,791,620 2,050, 2,053,075 Scries C, AMT (NPFGC): 1,380 1.494,871 Total Municipal Bonds in Guam 5,791,620 2,050,075 Puerto Rico 12.4% 5,791,620 2,000 2,304,320 Puerto Rico Housing Finance Authority, Refunding 8,840 3,829,945 3,500 3,829,945 State 6.9% Commonwealth of Puerto Rico, GO, 2,000 2,304,320 2,124,420 Subscriits C-7, 6.00%, 7/01/23 3,000 2,203,020 2,204,202 2,000 2,234,202 Subscriits C-7, 6.00%, 7/01/23 3,000 2,2000 2,304,320 2,124,420	-			
New York State Power Authority, RB, Series A, 4,920 5,574,950 66,308,865 Total Municipal Bonds in New York 615,148,629 66,308,865 Guam 1.0% 7 Transportation 0.7% 2 Guam International Airport Authority, Refunding RB, 2,240 2,243,674 Series C, AMT (NPFGC): 2,240 2,243,674 2,256,710 2,5%, 1001/22 2,050 2,053,075 4,296,749 Utilities 0.3% 1,380 1,494,871 Total Municipal Bonds in Guam 5,791,020 2,710 Puerto Rico 12.4% Housing 0.7% Puerto Rico 12.4% Housing 0.7% Commowealth of Puerto Rico, GO, Refunding (NPFGC): Public Improvement, Series A, 5,50%, 7/01/20 2,000 2,304,320 Sub-Series C-7, 6,00%, 7/01/27 2,000 2,212,420 Sub-Series C-7, 6,00%, 7/01/28 2,000 2,212,420			1.040	1 174 507
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66.308,865 Total Municipal Bonds in New York 615,148,629 Guam 1.0%			4 920	5 574 950
Total Municipal Bonds in New York 615,148,629 Guam 1.0% Transportation 0.7% Guam International Airport Authority, Refunding RB, 2.240 Series C, AMT (NPFGC): 2.050 5.25%, 10/01/21 2.040 S.25%, 10/01/22 2.050 Output 4.296,749 Utilities 0.3% Guam Power Authority, Refunding RB, Series A (AGM), 1,380 5.00%, 10/01/37 1,380 1,494,871 Total Municipal Bonds in Guam 5,791,620 5,791,620 Puerto Rico 12.4%	5.00%, 11/15/58		4,920	
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Transportation 0.7% Guan International Airport Authority, Refunding RB, Series C, AMT (NPFGC): 5.25%, 10/01/21 2,240 2,243,674 5.25%, 10/01/22 2,050 2,053,075 4,296,749 4,296,749 Utilities 0.3% 4,296,749 Guan Power Authority, Refunding RB, Series A (AGM), 5,00%, 10/01/37 1,380 1,494,871 Total Municipal Bonds in Guam 5,791,620 5,098 1,000/137 5,791,620 Puerto Rico 12.4% 1 5,791,620 5,098 1,000/137 5,791,620 Puerto Rico 12.4% 1 5,791,620 5,791,620 5,791,620 5,791,620 Puerto Rico Housing Finance Authority, Refunding 8 5,791,620 5,791,	Cuem 10%			
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Guam Power Authority, Refunding RB, Series A (AGM), 1,380 1,494,871 5.00%, 10/01/37 1,380 1,494,871 Total Municipal Bonds in Guam 5,791,620 Puerto Rico 12.4%				4,290,749
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Commonwealth of Puerto Rico, GO, Refunding (NPFGC): Public Improvement, Series A, 5.50%, 7/01/20 Sub-Series C-7, 6.00%, 7/01/27 Sub-Series C-7, 6.00%, 7/01/28 Puerto Rico Infrastructure Financing Authority, RB, Series A (c): (AMBAC), 4.67%, 7/01/35 (AMBAC), 5.02%, 7/01/43 (ABAC), 5.02%, 7/01/43 (ABBAC), 5.02%, 7/01/43 (AMBAC), 5.02%, 7/01/31 (ACC) (AMBAC), 7/01/28 (ACC) (AMBAC), 5.02%, 7/01/43 (ACC) (AMBAC), 7/01/28 (ACC) (ACC) (AMBAC), 5.02%, 7/01/43 (ACC) (AMBAC), 5.02%, 7/01/43 (ACC) (AMBAC), 5.02%, 7/01/31 (ACC) (ACC) <td></td> <td></td> <td>3,500</td> <td>3,829,945</td>			3,500	3,829,945
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(FGIC), 4.62%, 7/01/3122,0307,188,169Puerto Rico Public Buildings Authority, Refunding RB, Government Facilities Series M-3 (NPFGC), 6.00%, 7/01/282,8503,200,521Puerto Rico Sales Tax Financing Corp., RB:2,8503,200,521			,	
Puerto Rico Public Buildings Authority, RefundingRB, Government Facilities Series M-3 (NPFGC),6.00%, 7/01/282,8509.00%, 7/01/282,8502,8503,200,521				
RB, Government Facilities Series M-3 (NPFGC),6.00%, 7/01/282,8509.200,521Puerto Rico Sales Tax Financing Corp., RB:			22,030	/,188,169
6.00%, 7/01/28 2,850 3,200,521 Puerto Rico Sales Tax Financing Corp., RB:				
Puerto Rico Sales Tax Financing Corp., RB:				
			2,850	3,200,521
First Sub-Series A, 5.63%, 8/01/30 2,000 2,126,500			0.000	0.107.500
	rirst sud-series A, 3.03%, 8/01/30		2,000	2,126,500

First Sub-Series A, 5.75%, 8/01/37	7,150	8,002,995
First Sub-Series A (AGM), 5.00%, 8/01/40	2,100	2,247,021
Senior Series C, 5.25%, 8/01/40	2,035	2,259,888
	Par	
Municipal Bonds	(000)	Value
Puerto Rico (concluded)		
State (concluded)		
Puerto Rico Sales Tax Financing Corp., Refunding		
RB (NPFGC) (c):		
5.96%, 8/01/43	\$ 4,000 \$	711,360
CAB, Series A, 5.75%, 8/01/41	12,800	2,553,216
	12,000	40,071,568
Transportation 3.7%		10,071,500
Puerto Rico Highway & Transportation Authority, RB:		
	655	700 411
Series G (FGIC), 5.25%, 7/01/13 (b)		700,411
Series G (FGIC), 5.25%, 7/01/13 (b)	345	368,919
Series Y (AGM), 6.25%, 7/01/21	6,275	7,527,992
Puerto Rico Highway & Transportation Authority,		
Refunding RB:		
Series AA-1 (AGM), 4.95%, 7/01/26	3,660	3,968,904
Series CC (AGM), 5.50%, 7/01/29	2,500	3,002,150
Series CC (AGM), 5.50%, 7/01/31	2,500	2,984,050
Series D, 5.75%, 7/01/12 (b)	3,000	3,068,010
		21,620,436
Utilities 1.1%		
Puerto Rico Aqueduct & Sewer Authority, RB,		
Senior Lien, Series A (AGC), 5.13%, 7/01/47	1,950	2,051,595
Puerto Rico Electric Power Authority, RB, Series RR	1,750	2,051,555
(NPFGC), 5.00%, 7/01/24	1,000	1,056,130
	1,000	1,030,130
Puerto Rico Electric Power Authority, Refunding RB,	2 000	2 4 6 4 0 1 0
Series VV (NPFGC), 5.25%, 7/01/30	3,000	3,464,010
		6,571,735
Total Municipal Bonds in Puerto Rico		72,093,684
Total Municipal Bonds 119.1%		693,033,933
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
New York 36.9%		
County/City/Special District/		
School District 14.5%		
City of New York, New York, GO:		
Series J, 5.00%, 5/15/23	6,750	7,363,710
Sub-Series C-3 (AGC), 5.75%, 8/15/28	14,400	17,413,632
New York Convention Center Development Corp.,	,	, ,
RB, Hotel Unit Fee Secured (AMBAC), 5.00%,		
11/15/35	20,000	20,809,600
New York State Dormitory Authority, RB, State	20,000	20,009,000
University Dormitory Facilities, Series A, 5.25%,	6.000	6 004 500
7/01/29 Salar Tan Assat Descinable Come, DD	6,000	6,904,500
Sales Tax Asset Receivable Corp., RB,		
Series A (AMBAC):		
5.25%, 10/15/27	13,000	14,293,565
5.00%, 10/15/32	16,000	17,592,080
		84,377,087

See Notes to Financial Statements.

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

Municipal Bonds Transferred to	Par	
Tender Option Bond Trusts (d)	(000)	Value
New York (concluded)		
Education 3.3%		
New York State Dormitory Authority, LRB, State		
University Dormitory Facilities, Series A, 5.00%,		
7/01/35	\$ 5,198	\$ 5,831,790
New York State Dormitory Authority, RB, New York		
University, Series A:		
5.00%, 7/01/38	6,498	7,042,327
(AMBAC), 5.00%, 7/01/37	5,707	6,140,989
		19,015,106
State 2.7%		
New York State Dormitory Authority, ERB, Series B,		
5.75%, 3/15/36	7,850	9,257,897
New York State Dormitory Authority, RB, Mental		
Health Services Facilities, Series C, AMT (AGM),		
5.40%, 2/15/33	6,297	6,695,752
	-,	15,953,649
Transportation 14.3%		,,,,,,,,,,,,-
Hudson New York Yards Infrastructure Corp., RB,		
Series A, 5.75%, 2/15/47	9,739	11,005,368
Metropolitan Transportation Authority, RB, Series A	2,102	11,000,000
(NPFGC), 5.00%, 11/15/31	3,901	4,339,682
New York Liberty Development Corp., RB,	5,501	1,000,002
1 World Trade Center Port Authority Construction,		
5.25%, 12/15/43	18,000	20,448,540
New York State Thruway Authority, RB, Series G	10,000	20,440,540
(AGM), 5.00%, 1/01/32	16,000	17,491,360
New York State Thruway Authority, Refunding RB,	10,000	17,491,500
	10,000	10,772,900
Series H (AGM), 5.00%, 1/01/37	10,000	10,772,900
Port Authority of New York & New Jersey, RB:		
Consolidated, 155th Series, AMT (AGM),	2,500	0 (22 450
5.13%, 7/15/30	2,500	2,633,450
Consolidated, 169th Series, 5.00%, 10/15/25	7,990	9,326,571
Consolidated, 169th Series, 5.00%, 10/15/26	6,000	6,948,900
		82,966,771
Utilities 2.1%		
New York City Municipal Water Finance Authority, RB:	1.001	(=0.0.0.0.0
Fiscal 2009, Series A, 5.75%, 6/15/40	4,094	4,783,938
Second General Resolution, Fiscal 2012,		
Series B, AMT, 5.00%, 6/15/44	3,991	4,444,844
Series FF-2, 5.50%, 6/15/40	2,759	3,176,988
		12,405,770
Total Municipal Bonds Transferred to		
Tender Option Bond Trusts 36.9%		214,718,383
Total Long-Term Investments		
(Cost \$848,905,956) 156.0%		907,752,316

Short-Term Securities	Shares	Value
BIF New York Municipal Money Fund,		
0.00% (e)(f)	17,806,810	\$ 17,806,810

Total Short-Term Securities	
(Cost \$17,806,810) 3.1%	17,806,810
Total Investments (Cost \$866,712,766) 159.1%	925,559,126
Other Assets Less Liabilities 1.3%	7,415,866
Liability for TOB Trust Certificates, Including	
Interest Expense and Fees Payable (17.8)%	(103,552,956)
VRDP Shares, at Liquidation Value (42.6)%	(247,700,000)
Net Assets Applicable to Common Shares 100.0%	\$ 581,722,036
Interest Expense and Fees Payable (17.8)% VRDP Shares, at Liquidation Value (42.6)%	\$ (247,700,000)

(a) Variable rate security. Rate shown is as of report date.

- (b) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (d) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (e) Represents the current yield as of report date.

See

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

Affiliate	Shares Held at July 31, 2011	Net Activity	Shares Held at January 31, 2012	Inco	me
BIF New York Municipal					
Money Fund	14,521,616	3,285,194	17,806,810	\$	1

For Fund compliance purposes, the Fund s sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Financial futures contracts sold as of January 31, 2012 were as follows:

Contracts	Issue 10-Year US	Exchange Chicago Board of	Expiration	Notional Value	-	nrealized preciation	
168	Treasury Note	Trade	March 2012	\$ 22,218,000	\$	(294,319)	
e Notes to Financial State	ements.						
	SEMI-ANNUAL REPO	RT		JANUARY 31, 2	2012		27

Schedule of Investments (concluded)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

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

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

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

The following tables summarize the inputs used as of January 31, 2012 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs		Level 1	Level 2	Level 3	Total
Assets:					
Investments:					
Long-Term					
Investments ¹			\$ 907,752,316		\$ 907,752,316
Short-Term					
Securities	\$	17,806,810			17,806,810
Total	\$	17,806,810	\$ 907,752,316		\$ 925,559,126
Securities	\$ \$		\$ 907,752,316		\$

¹ See above Schedule of Investments for values in each sector.

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial				
Instruments ²				
Liabilities:				
Interest rate				
contracts	\$ (294,319)			\$ (294,319)

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

See Notes to Financial Statements.

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JANUARY 31, 2012

Schedule of Investments January 31, 2012 (Unaudited)

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

		Par	
Municipal Bonds		000)	Value
Alabama 0.4%	(000)	value
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC),			
6.00%, 6/01/39	\$	3,605	\$ 4,134,575
Alaska 1.7%			
Alaska Housing Finance Corp., RB, General Housing, Series B (NPFGC), 5.25%, 12/01/30		2,000	2,073,380
Alaska Industrial Development & Export Authority, RB, Providence Health Services, Series A,		2,000	2,070,000
5.50%, 10/01/41		2,690	3,029,101
Borough of Matanuska-Susitna Alaska, RB, Goose		10.150	10 000 550
Creek Correctional Center (AGC), 6.00%, 9/01/28		10,150	12,339,558
Arizona 0.6%			17,442,039
Maricopa County & Phoenix Industrial Development Authorities, Refunding RB, S/F, Series A-2, AMT		1 420	1 462 062
(Ginnie Mae), 5.80%, 7/01/40		1,420	1,463,963
State of Arizona, COP, Department of Administration,		2 725	1 225 454
Series A (AGM), 5.00%, 10/01/27		3,725	4,225,454
California 11.9%			5,689,417
Alameda Corridor Transportation Authority, Refunding			
RB, CAB, Subordinate Lien, Series A (AMBAC),		10.000	0.040.000
5.40%, 10/01/24 (a)		10,000	9,840,600
California Health Facilities Financing Authority, Refunding RB:			
Saint Joseph Health System, Series A, 5.75%, 7/01/39		1,550	1,699,621
Sutter Health, Series B, 5.88%, 8/15/31		3,200	3,790,464
California HFA, RB, AMT, Home Mortgage, Series K, 5.50%, 2/01/42		3,925	3,912,872
California State University, RB, Systemwide, Series A:			
5.50%, 11/01/39		1,525	1,687,855
(NPFGC), 5.00%, 11/01/32		9,865	10,265,322
California State University, Refunding RB, Systemwide, Series A (AGM), 5.00%, 11/01/37		3,545	3,940,728
California Statewide Communities Development Authority, RB (AGM):			
Saint Joseph Health System, Series E, 5.25%,			
7/01/47		5,000	5,281,800
Sutter Health, Series D, 5.05%, 8/15/38		300	315,495
City of Redding California, COP, Refunding, Series A		500	515,195
(AGM), 5.00%, 6/01/30		1,900	2,098,018
City of San Jose California, RB, Series A-1, AMT, 5.75%, 3/01/34		2,300	2,541,224
City of San Jose California, Refunding RB, Series A, AMT (AMBAC), 5.50%, 3/01/32		11,965	12,664,235
Coast Community College District, GO, Election of 2002, Series C (AGM), 6.05%, 8/01/33 (b)		8,100	2,559,600
County of Sacramento California, RB, Senior Series A (AGM), 5.00%, 7/01/41		14,500	15,329,835
		1,200	10,027,000

Dublin Unified School District California, GO, CAB,		
Election of 2004, Series D, 6.95%, 8/01/34 (b)	5,000	1,285,250
Fairfield-Suisun Unified School District California,		
GO, Election of 2002 (NPFGC), 5.50%, 8/01/28	5,800	6,300,018
Long Beach Unified School District, GO, Election of		
2008, Series B, 6.53%, 8/01/34 (b)	5,000	1,592,600

Municipal Bonds	Par (000)	Value
California (concluded)		
Los Angeles Community College District California,		
GO, Election of 2001, Series A (AGM), 5.00%,		
8/01/32	\$ 1,200	\$ 1,312,572
Norwalk-La Mirada Unified School District California,		
GO, Refunding, CAB, Election of 2002, Series E		
(AGC), 6.47%, 8/01/38 (b)	7,620	1,818,665
Oceanside Unified School District California, GO,		
Series A (AGC), 5.25%, 8/01/33	2,500	2,783,100
Port of Oakland, Refunding RB, Series M (NPFGC),		
5.38%, 11/01/27	8,030	8,136,719
Poway Unified School District, GO, CAB, School		
Facilities Improvement, District, Election of 2008,		
Series B, 6.27%, 8/01/36 (b)	10,000	2,836,200
Rio Hondo Community College District California,		
GO, CAB, Election of 2004, Series C, 6.17%,		
8/01/38 (b)	12,940	3,378,763
San Bernardino Community College District, GO,		
Election of 2002, Series C (AGM), 5.00%,		
8/01/31	2,165	2,400,141
San Joaquin County Transportation Authority, RB,		
Limited Tax, Measure K, Series A, 6.00%, 3/01/36	1,830	2,197,501
San Marcos Unified School District, GO, Election of		
2010, Series A:		
5.00%, 8/01/34	1,800	1,998,180
5.00%, 8/01/38	1,600	1,754,592
State of California, GO, Series 2007-2 (NPFGC),	,	,,
5.50%, 4/01/30	10	10,674
Walnut Valley Unified School District, GO, CAB,		
Election of 2007, Series B, 6.15%, 8/01/36 (b)	6,545	1,865,652
West Valley-Mission Community College District,	0,010	1,000,002
GO, Election of 2004, Series A (AGM), 5.00%,		
8/01/30	3,600	3,889,944
0.01150	5,000	119,488,240
Connecticut 0.5%		119,100,210
Connecticut Housing Finance Authority, RB,		
Sub-Series E-2, 5.00%, 11/15/31	3,465	3,627,474
Connecticut State Health & Educational Facilities	5,405	5,027,474
Authority, RB, Hartford Healthcare, Series A,		
5.00%, 7/01/32	765	823,890
5.00%, //01/52	705	4,451,364
Florida 14.4%		4,451,504
Broward County School Board Florida, COP, Series A		
	15 000	16 102 200
(AGM), 5.25%, 7/01/33 Collier County School Board, COB (ACM), 5.00%	15,000	16,192,200
Collier County School Board, COP (AGM), 5.00%,	5 000	5 496 000
2/15/23	5,000	5,486,000
County of Broward Florida, Water & Sewer Utility, RB,	0.050	0 501 000
Series A, 5.25%, 10/01/34	2,250	2,521,980
County of Lee Florida, Refunding RB, Series A, AMT:	2 (00	0.005.150
5.63%, 10/01/26	2,600	2,887,170
5.38%, 10/01/32	3,440	3,715,613

County of Miami-Dade Florida, GO, Building Better Communities Program:	
Series B, 6.38%, 7/01/28	6,000
Series B-1, 5.75%, 7/01/33	3,700

See Notes to Financial Statements.

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7,279,920 4,257,183

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

Municipal Bonds	Par (000)	Value
Florida (concluded)		
County of Miami-Dade Florida, RB:		
Miami International Airport, AMT (NPFGC),		
5.38%, 10/01/25	\$ 7,500	\$ 7,618,050
Miami International Airport, AMT (NPFGC),		
5.38%, 10/01/27	1,000	1,012,840
Miami International Airport, Series A, AMT (AGM),		
5.50%, 10/01/41	19,020	20,103,760
Water & Sewer System (AGM), 5.00%,	11,700	10 706 054
10/01/39 Country of Microsi Dada Elavida, Dafor dira DDa	11,700	12,736,854
County of Miami-Dade Florida, Refunding RB:		
Miami International Airport (AGC), 5.00%, 10/01/40	11,000	11,271,700
Series C (BHAC), 6.00%, 10/01/23	20,095	24,443,558
Transit System Sales Surtax (AGM), 5.00%,	20,093	24,445,556
7/01/35	2,800	2,997,876
Highlands County Health Facilities Authority, RB,	2,000	2,777,070
Adventist Health System/Sunbelt, Series B,		
6.00%, 11/15/37	1,750	2,002,280
Miami-Dade County School Board, COP, RB,	1,700	2,002,200
Series B (AGC), 5.25%, 5/01/31	1,010	1,108,990
Orange County School Board, COP, Series A (AGC),	-,	-,- • • ,, , , •
5.50%, 8/01/34	12,000	13,361,880
Sarasota County Public Hospital District, RB,	· · · · · ·	, ,
Sarasota Memorial Hospital Project, Series A,		
5.63%, 7/01/39	5,135	5,492,293
		144,490,147
Georgia 1.8%		
Burke County Development Authority, RB, Oglethorpe		
Power Corp., Vogtle Project, Series C, 5.70%,		
1/01/43	6,450	6,942,135
City of Atlanta Georgia, RB, General, Series B (AGM),		
5.25%, 1/01/33	10,000	10,728,500
Gwinnett County Hospital Authority, Refunding RB,		
Gwinnett Hospital System, Series D (AGM),		
5.50%, 7/01/41	525	574,035
		18,244,670
Illinois 17.6%		
Chicago Board of Education Illinois, GO, Series A,		7 221 020
5.50%, 12/01/39	6,470	7,331,028
Chicago Park District, GO, Harbor Facilities, Series C:	1 000	4 400 000
5.25%, 1/01/37	4,000	4,422,320
5.25%, 1/01/40 Chiegge Trappit Authority, BB, Salas Tay Despirits	1,505	1,660,316
Chicago Transit Authority, RB, Sales Tax Receipts,	1 (20	1 011 120
5.25%, 12/01/36 City of Chicago Illinois APP. Constal Third Lion	1,620	1,811,160
City of Chicago Illinois, ARB, General, Third Lien,		
Series B-2, AMT (NPFGC): 5.25%, 1/01/27	10.000	10,362,800
6.00%, 1/01/27	26,230	27,992,918
City of Chicago Illinois, GO, CAB, City Colleges	20,230	21,772,710
(NPFGC) (b):		

5.60%, 1/01/29	4,000	1,853,240
5.70%, 1/01/33	7,950	2,722,239
City of Chicago Illinois, RB, Series A:		
O Hare International Airport, General, Third Lien,		
5.75%, 1/01/39	9,000	10,272,600
Second Lien (AMBAC), 5.00%, 11/01/36	3,500	3,620,750
Second Lien (AMBAC), 5.00%, 11/01/36	3,500	3,620,750

Municipal Bonds	Par (000)	Value
Illinois (concluded)	(000)	value
City of Chicago Illinois, Refunding RB, ARB, O Hare		
International Airport, General, Third Lien,		
Series C-2, AMT (AGM), 5.25%, 1/01/30	\$ 16,400	\$ 16,710,288
Illinois Finance Authority, RB, Series A, 5.75%,	φ 10,100	\$ 10,710,200
8/15/34	8,700	9,367,812
Illinois Finance Authority, Refunding RB, Northwestern	0,700	9,507,012
Memorial Hospital, Series A, 6.00%, 8/15/39	5,250	6,037,972
Illinois Municipal Electric Agency, RB,	5,250	0,037,972
Series A (NPFGC):		
	18,400	19,439,784
5.00%, 2/01/35		
5.25%, 2/01/35	15,000	15,996,000
Illinois State Toll Highway Authority, RB, Series B:	4 000	4 402 000
5.50%, 1/01/33	4,000	4,403,880
(BHAC), 5.50%, 1/01/33	2,000	2,213,160
Kane, Kendall, Etc. Counties Community College		
District No. 516 Illinois, GO, CAB, Series E		
(NPFGC), 5.21%, 12/15/25 (b)	5,000	2,527,250
Metropolitan Pier & Exposition Authority, RB, CAB,		
McCormick Place Expansion Project, Series A		
(NPFGC) (b):		
5.15%, 12/15/26	10,000	5,476,400
5.76%, 6/15/32	14,000	5,119,100
5.97%, 12/15/34	41,880	12,973,168
Metropolitan Pier & Exposition Authority, Refunding		
RB, CAB, McCormick Place Expansion Project,		
Series B (AGM), 6.25%, 6/15/44 (b)	9,430	1,628,184
Railsplitter Tobacco Settlement Authority, RB,	,	
6.00%, 6/01/28	1,700	1,906,244
Regional Transportation Authority, RB, Series C	· · · ·))
(NPFGC), 7.75%, 6/01/20	1,000	1,257,910
	1,000	177,106,523
Indiana 2.9%		177,100,525
City of Indianapolis Indiana, Refunding RB, Second		
Lien, Series B (AGC), 5.25%, 8/15/27	5,000	5,589,100
Indiana Finance Authority, RB, Wastewater Utility,	5,000	5,569,100
5.25%, 10/01/38	2,900	2 242 274
	2,900	3,242,374
Indiana Municipal Power Agency, RB:	2.950	4 071 001
Series A (NPFGC), 5.00%, 1/01/37	3,850	4,071,221
Series B, 5.75%, 1/01/34	1,050	1,122,838
Series B, 6.00%, 1/01/39	5,000	5,702,500
Indianapolis Local Public Improvement Bond Bank,		
Refunding RB, Waterworks Project, Series A:		
5.75%, 1/01/38	2,900	3,274,883
(AGC), 5.25%, 1/01/29	1,350	1,526,715
(AGC), 5.50%, 1/01/38	4,250	4,765,270
		29,294,901
Iowa 3.3%		
Iowa Finance Authority, RB, Series A (AGC), 5.63%,		
8/15/37	12,650	13,950,294
Iowa Student Loan Liquidity Corp., RB, Senior		

Iowa Student Loan Liquidity Corp., RB, Senior Series A-2, AMT:

5.60%, 12/01/26	4,530	4,851,449
5.70%, 12/01/27	4,530	4,813,397
5.75%, 12/01/28	2,400	2,536,392
5.80%, 12/01/29	3,060	3,233,471
5.85%, 12/01/30	3,170	3,341,782
		32,726,785

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par	
Municipal Bonds	(000)	Value
Kentucky 1.0%	(000)	vulue
Kentucky State Property & Buildings Commission,		
Refunding RB, Project No. 93 (AGC), 5.25%,		
2/01/28	\$ 4,000	\$ 4,586,200
Louisville & Jefferson County Metropolitan Sewer		
District Kentucky, RB, Series A (NPFGC), 5.25%,		
5/15/37	5,000	5,429,400
		10,015,600
Louisiana 0.9%		
Jefferson Parish Hospital Service District No. 1,		
Refunding RB, Jefferson Medical Center, Series A		
(AGM), 6.00%, 1/01/39	2,150	2,391,316
New Orleans Aviation Board Louisiana, RB,		
New Orleans Aviation, Series A, AMT (AGM),		
5.25%, 1/01/32	6,505	6,932,964
		9,324,280
Massachusetts 4.2%		
Massachusetts HFA, RB:		
S/F Housing, Series 128, AMT (AGM), 4.88%,		
12/01/38 (c)	8,060	8,185,978
Series B, 7.00%, 12/01/38	3,150	3,565,075
Massachusetts HFA, Refunding RB:		
Housing Development, Series B (NPFGC),		
5.40%, 12/01/28	1,835	1,836,193
Rental Housing, Series A, AMT (AGM), 5.15%,		
7/01/26	15,490	15,709,029
Series C, AMT, 5.35%, 12/01/42	3,100	3,258,565
Massachusetts Port Authority, Refunding RB,		
BOSFUEL Project, AMT (NPFGC), 5.00%, 7/01/38	8,925	9,042,899
		41,597,739
Michigan 8.4%		
City of Detroit Michigan, RB, Series B (AGM):	1.075	1.046.005
Second Lien, 6.25%, 7/01/36	1,075	1,246,807
Second Lien, 7.00%, 7/01/36	500	605,065
Senior Lien, 7.50%, 7/01/33	1,000	1,262,250
City of Detroit Michigan, Refunding RB:	1 500	1 057 075
Senior Lien, Series C-1 (AGM), 7.00%, 7/01/27	1,500	1,857,975
Senior Lien, Series D (AGM), 5.00%, 7/01/23	5,000	5,365,700
Series D (NPFGC), 5.00%, 7/01/33	5,000	5,109,000
Kalamazoo Hospital Finance Authority, RB, Bronson	410	111 (25
Methodist Hospital (AGM), 5.25%, 5/15/36	410	444,625
Lansing Board of Water & Light Utilities, RB,	2 1 9 5	2 (07 721
Series A, 5.50%, 7/01/41	3,185	3,697,721
Michigan State Building Authority, Refunding RB,		
Facilities Program:	2 105	2 622 244
Series I, 6.25%, 10/15/38	3,125	3,622,344
Series I, (AGC), 5.25%, 10/15/24	1,750	2,034,830
Series I, (AGC), 5.25%, 10/15/25	3,250	3,761,940
Series I-A, 5.38%, 10/15/36	2,075	2,342,571
Series II-A, 5.38%, 10/15/41	1,900	2,138,431
Series II-A, (AGM), 5.25%, 10/15/36	8,040	9,020,076

Michigan State Finance Authority, Refunding RB,	11 (00	10 000 044
Trinity Health Credit Group, 5.00%, 12/01/39	11,600	12,302,264
Michigan State HDA, RB, Series C, 5.50%, 12/01/28	2,900	3,043,956
Michigan Strategic Fund, Refunding RB, Detroit		
Edison Co. Project, Series A (Syncora), 5.50%,		
6/01/30	2,500	2,542,475
	Par	
Municipal Bonds	(000)	Value
Michigan (concluded)		
State of Michigan, RB, GAN (AGM):		
5.25%, 9/15/22	\$ 10,000	\$ 11,456,900
5.25%, 9/15/26	6,650	7,452,189
Wayne County Airport Authority, Refunding RB, AMT		
(AGC), 5.38%, 12/01/32	5,000	5,290,750
	,	84,597,869
Minnesota 0.7%		
City of Minneapolis Minnesota, Refunding RB,		
Fairview Health Services, Series B (AGC), 6.50%,		
	5 500	6,492,640
11/15/38	5,500	0,492,040
Nevada 2.9%		
City of Las Vegas Nevada, GO, Limited Tax, Performing		
Arts Center, 6.00%, 4/01/34	2,250	2,625,413
County of Clark Nevada, RB:		
Las Vegas-McCarran International Airport,		
Series A (AGC), 5.25%, 7/01/39	5,170	5,637,626
Subordinate Lien, Series A-2 (NPFGC), 5.00%,		
7/01/30	19,900	20,641,474
	- ,	28,904,513
New Jersey 4.9%		,
New Jersey EDA, RB, Cigarette Tax, 5.75%, 6/15/34	4,000	4,151,200
New Jersey EDA, Refunding RB, School Facilities	4,000	4,131,200
Construction, Series N-1:	7.500	0 (10 105
(AMBAC), 5.50%, 9/01/24	7,500	9,610,125
(NPFGC), 5.50%, 9/01/28	1,685	2,150,481
New Jersey Higher Education Student Assistance		
Authority, RB, Series 1, AMT:		
5.50%, 12/01/25	1,250	1,379,838
5.50%, 12/01/26	1,800	1,960,164
5.75%, 12/01/28	200	220,846
5.88%, 12/01/33	6,895	7,618,079
New Jersey Transportation Trust Fund Authority, RB,	-,	.,
Transportation System:		
CAB, Series A, 5.92%, 12/15/35 (b)	18,525	5,470,988
	10,000	
CAB, Series C (AGC), 5.72%, 12/15/25 (b)	,	5,821,000
Series A (NPFGC), 5.75%, 6/15/25	4,250	5,543,190
Series B, 5.25%, 6/15/36	4,970	5,591,995
		49,517,906
New York 2.5%		
City of New York, New York, GO, Series J, 5.25%,		
5/15/24	10,000	10,952,000
Hudson New York Yards Infrastructure Corp., RB,		
5.75%, 2/15/47	1,920	2,169,619
New York City Transitional Finance Authority, RB,	,	,,
Fiscal 2009, Series S-4, 5.50%, 1/15/34	7,250	8,262,970
New York State Dormitory Authority, ERB, Series B,	7,200	0,202,770
	2 250	3 620 270
5.25%, 3/15/38	3,250	3,638,278
North Constine 0.40		25,022,867
North Carolina 0.4%		
North Carolina Medical Care Commission, RB,		
Novant Health Obligation, Series A, 4.75%,		
11/01/43	4,075	4,133,028

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

	Par	
Municipal Bonds	(000)	Value
Ohio 0.6%		
County of Lucas Ohio, Refunding RB, Promedica		
Healthcare, Series A, 6.50%, 11/15/37	\$ 3,000	\$ 3,656,760
Ohio Higher Educational Facility Commission,		
Refunding RB, Summa Health System, 2010		
Project (AGC), 5.25%, 11/15/40	2,450	2,614,738
		6,271,498
Pennsylvania 2.7%		
Pennsylvania Turnpike Commission, RB:		
Series A (AMBAC), 5.50%, 12/01/31	15,600	17,051,112
Sub-Series C (AGC), 6.25%, 6/01/38	5,695	6,777,506
Subordinate, Special Motor License Fund, 6.00%,		
12/01/36	2,575	3,119,226
		26,947,844
Puerto Rico 3.5%		
Puerto Rico Public Buildings Authority, Refunding		
RB, Government Facilities, Series M-3 (NPFGC),		
6.00%, 7/01/27	3,720	4,177,523
Puerto Rico Sales Tax Financing Corp., RB:		
CAB, Series C, 5.95%, 8/01/38 (b)	9,400	2,314,092
CAB, Series C, 6.12%, 8/01/39 (b)	24,000	5,588,880
First Sub-Series A, 5.75%, 8/01/37	2,000	2,238,600
First Sub-Series A, 6.38%, 8/01/39	10,195	11,901,541
First Sub-Series A, 5.50%, 8/01/42	5,155	5,654,055
Puerto Rico Sales Tax Financing Corp., Refunding RB:		
CAB, Series A (NPFGC), 5.68%, 8/01/41 (b)	7,500	1,496,025
First Sub-Series C, 6.00%, 8/01/39	1,180	1,352,304
		34,723,020
South Carolina 0.4%		
South Carolina Jobs-EDA, Refunding RB, Palmetto		
Health, Series A (AGM), 6.50%, 8/01/39	3,600	4,190,976
South Carolina State Housing Finance & Development		
Authority, Refunding RB, Series A-2, AMT (AGM),		
6.35%, 7/01/19	75	76,039
		4,267,015
Tennessee 0.4%		
Memphis Center City Revenue Finance Corp., RB,		
Pyramid and Pinch Distribution, Series B (AGM),		
5.25%, 11/01/30	3,785	4,301,160
Texas 12.4%		
City of Houston Texas, RB, Combined, First Lien,		
Series A (AGM), 5.00%, 11/15/36	10,000	10,850,300
City of Houston Texas, Refunding RB, Combined,		
First Lien, Series A (AGC):		
6.00%, 11/15/35	5,700	6,869,754
5.38%, 11/15/38	3,650	4,131,873
Dallas ISD, GO, School Building (PSF-GTD), 6.38%,		
2/15/34	10,000	12,593,700
Dallas-Fort Worth International Airport Facilities		
Improvement Corp., Refunding RB, Joint Series A,		
AMT (NPFGC), 5.63%, 11/01/26	12,210	12,234,298

Grand Prairie ISD Texas, GO, Refunding, CAB,		
6.59%, 8/15/28 (b)	10,000	4,165,900
Harris County Hospital District, RB, Senior Lien,		
Series A (NPFGC), 5.25%, 2/15/37	5,850	6,107,342
Judson ISD Texas, GO, School Building (AGC),		
5.00%, 2/01/37	10,000	10,593,200
	Par	
Municipal Bonds	(000)	Value
Texas (concluded)		
North Texas Tollway Authority, Refunding RB,		
First Tier, System:		
Series A, 6.00%, 1/01/28	\$ 6,275	\$ 7,327,568
Series A (NPFGC), 5.13%, 1/01/28	20,000	21,980,600
Series B (NPFGC), 5.75%, 1/01/40	10,000	10,847,800
Texas Department of Housing & Community Affairs,	2 970	2 974 412
MRB, Series A, AMT (NPFGC), 5.45%, 9/01/23 Texas State Turnpike Authority, RB, First Tier,	3,870	3,874,412
Series A (AMBAC):		
5.50%, 8/15/39	5,500	5,544,330
5.00%, 8/15/42	6,900	6,905,658
, ,	,	124,026,735
Utah 1.5%		
Utah Transit Authority, Refunding RB, CAB,		
Sub-Series A (b):		
(AGC), 5.45%, 6/15/20	10,000	7,335,800
(NPFGC), 5.23%, 6/15/24	13,930	7,984,537
Viennest 0.20		15,320,337
Vermont 0.3%		
Vermont HFA, HRB, Series 12B, AMT (AGM), 6.30%, 11/01/19	255	260,146
Vermont HFA, Refunding RB, Multiple Purpose,	255	200,140
Series C, AMT (AGM), 5.50%, 11/01/38 (c)	2,145	2,245,171
	_,	2,505,317
Washington 1.0%		, ,
Washington Health Care Facilities Authority, RB,		
Providence Health & Services, Series A:		
5.00%, 10/01/39	1,125	1,194,604
5.25%, 10/01/39	2,725	2,950,303
Washington Health Care Facilities Authority,		
Refunding RB, Catholic Health Initiatives, Series D, 6.38%, 10/01/36	5,400	6,284,304
0.38%, 10/01/50	5,400	10,429,211
Wisconsin 1.1%		10,429,211
Wisconsin Health & Educational Facilities		
Authority, RB:		
Ascension Health Senior Credit Group,		
5.00%, 11/15/33	3,745	4,063,737
Froedtert & Community Health, Inc.,		
5.25%, 4/01/39	3,500	3,725,190
SynergyHealth Inc., 6.00%, 11/15/32	3,395	3,505,405
		11,294,332
Total Municipal Bonds 104.9%		1,052,761,572

Municipal Bonds Transferred to
Tender Option Bond Trusts (d)
Arizona 1.5%
Arizona School Facilities Board, COP (AGC),
5.13%, 9/01/21

11,429,500

3,833,095

10,000

3,500

Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38

15,262,595

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Foothil-De Anza Community College District, GO, Election of 1999, Series C (NPFGC), 5.00%, 8701/36 7,500 7,905,2 Las Virgenes Unified School District California, GO, Series A (AGM), 5.00%, 8701/31 10,000 10,740,- GO, Election of 2008, Series A, 6.00%, 8701/33 5,248 6,309,4 GO, Election of 2008, Series A, 6.00%, 8701/33 10,780 11,618,2 San Diego Community College District California, GO, Election of 2002, 5,25%, 8701/33 1,047 1,201,3 San Diego Community College District California, GO, Election of 2002, 5,25%, 8701/33 9,370 10,155,5 San Diego Community College District Ralifornia, GO, Election of 2002, 5,25%, 8701/33 9,370 10,135,5 San Fire Scows, 7001/36 10,000 10,806,7 2,050,7 CalGM), 5,00%, 701/36 10,000 10,805,7 2,050,7 Colorado Daw, 7001/36 2,205 2,594,7 119,378,8 Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 Commecticut State Health & Educational Facility 3,00 5,796,0 Ourside Health Facilities Authority, RB, 2,255 3,137,4 District of Columbia RB, Series A, 5,50%, 1201/30 2,595 3,137,4 <th>Municipal Bonds Transferred to</th> <th>Par</th> <th></th>	Municipal Bonds Transferred to	Par	
Alameda County Joint Powers Authority, Refunding BL Lases (AGM), 500%, 120(1/34) \$ 6,990 \$ 7,538,3 California State University, RB, Systemwide, Series A (AGM); 500%, 1101/37 18,435 20,433 (20,000 21,388,4 Foothil D-E Araz Community College District, GO, Election of 1999, Series C (NPFGC), 5.00%, 801/36 7,500 7,500 20,000 21,388,4 Foothil D-E Araz Community College District, GO, Election of 1999, Series C (NPFGC), 5.00%, 801/36 7,500 7,500 7,905,5 801/36 7,500 7,900,5 801/36 7,500 7,900,5 801/37 10,700 10,700 10,740 80 ,Election of 2008, Series A, 6,00%, 801/33 7,500 7,900,5 80 ,File College District California, GO, Election of 2008, Series A, 6,00%, 801/33 10,77 12,01,3 80 Digo Community College District California, GO, Election of 2002, 5,25%, 801/33 10,47 12,01,3 80 Digo County Water Authority, COP, Refunding, Series 2008, 4 (AGM), 5,00%, 5/01/33 9,370 10,135,4 80 ,File Substrict California, RB, Series A, 5,05%, 701/34 20,205 2,2594,4 80 ,Colorado D,3% 201/37 10,136 10,000 10,805,4 80 ,Colorado Health Facilities Authority, Refunding RB, Catholic Healtheare, Series A, 5,05%, 701/34 22,05 2,2594, 701/29 5,113,137, 701/34 24,69 2,733,1 701/29 5,113,137, 701/34 7,2459 2,733,1 701/29 5,113,137,137,137,137,137,137,137,137,137	• • • •	(000)	Value
RB, Lease (AGM), 500%, 1201/34 \$ 6,990 \$ 7,538; California Situs University, RB, Systemwide, \$ 7,996 \$ 8,645; Son%, 11/01/33 7,996 \$ 8,645; Son%, 11/01/37 18,445 \$ 20,493; City of Riverside California, RB, Issue D (AGM), 20,000 \$ 21,388,6 Foothill-De Anza Community College District, GO, 20,000 \$ 21,388,6 Election of 1999, Series C (NPFCC), 500%, 801/36 Solow, 1001/38 7,500 \$ 7,905; Solow, 1001/38 10,000 \$ 10,740; Los Angeles Community College District California, GO, 5,248 \$ 6,309,4 Constraint on Strict California, GO, 5,248 \$ 6,309,4 Orange County Sanitation District California, GO, 10,780 \$ 11,618; San Diego Community College District California, 10,780 \$ 11,618; San Diego County Water Authority, COP, Refunding, 9,370 \$ 10,135; Series 208 A, ICAGM), 500%, 501/33 \$ 9,370 \$ 10,135; 9,370 \$ 10,135; Son Diego County Water Authority, Refunding, RB, Catholis, Colloga B, Series A, 50%, 70/34 \$ 2,205 \$ 2,594; 119,378; Colorado Halth Facilities Authority, Refunding RB, Catholis Health & Educational Facility 2,409 \$ 2,733; Colorado Halth Facilities Authority, Refunding RB, Catholis, RB, Series A, 5,50%, 700/34 \$ 2,469 \$ 2,733; 10,000 \$ 10,481; <td></td> <td></td> <td></td>			
California State University, RB, Systemwide, Series A (AGM): 500%, 11/01/37 1, 18/435 20,430, City of Riverside California, RB, Issue D (AGM), 500%, 10/01/38 20,000 21,388, Foothill-De Anza Community College District, GO, Election of 1999, Series C (NPFGC), 500%, 800/36 7,500 7,905, Las Virgenes Unified School District California, GO, Election of 2008, Software, 801/33 5,248 6,309,4 Orange County Sunitation District, COP, Series B (AGM), 500%, 201/37 10,700 11,618, San Diego Community College District California, GO, Election of 2002, Series A, 6,00%, 801/33 5,248 6,309,4 Orange County Sunitation District, COP, Series B (AGM), 5,00%, 201/37 10,700 11,618, San Diego Community College District California, GO, Election of 2002, 5,25%, 801/33 10,780 11,618, San Diego Community College District California, GO, Election of 2002, 5,25%, 801/33 9,370 10,135, Series 2008-A (AGM), 5,00%, 5/01/33 9,370 10,135, San Fencisco Bay Area Rapid Transit District, RB Colorado Health Facilities Authority, Refunding, 82 Calorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5,50%, 701/34 2,205 2,594, 2015/34 2,205 2,594, Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5,50%, 701/34 2,469 2,733, Connecticut Mate Health & Educational Facility Authority, RB, Yale University, Refunding RB, Catholic Healthcare, Series A, 5,50%, 7101/30 5,796,6 District of Columbia, RB, Series A, 5,50%, 7101/30 2,595 3,137, 701/29 5,101 5,796, 701/29 5,101 5,796, 701/29 5,101 5,796, 701/29 5,101 5,796,700,702 1,330 3,350, 7000 10,481, 8eries A, 4,208, 5,00%, 1001/32 10,000 10,481, 8eries A, 6,00%, 1001/35 4,281 5,346,3 Metropolita Washington Airports Authority, RB, Series A, 6,00%, 1001/35 4,281 5,346,3 Metropolita Washington Airports Authority, RB, Series A, 6,00%, 1001/35 4,212,20,00%, 1001/32 10,000 10,481, 189,652 Florid 3,49% City of Jalihahasee Florida, Energy System, RB (NPFCC), 5,00%, 1001/32 10,000 2,1248, 701/31 10,800 2,1248, 701/31 10,800 2,1248, 701/31 10,800 2,1248, 701/31 10,800		\$ 6 000	¢ 7 5 2 9 5 7 5
Series A (AGM): 50%, 11/01/33 796 8,645, 50%, 11/01/33 796 8,645, 50%, 11/01/33 796 8,645, 50%, 11/01/33 20,493, City of Riverside California, RB, Issue D (AGM), 500%, 10/01/38 20,000 21,388, Foothill-De Anza Community College District, GO, Election of 1999, Series C (NPFGC), 500%, 8001/31 10,000 10,740, 400, 120, 800, 50%, 8001/33 5,248 6,309, 7,9005, 200, 8,001/33 5,248 6,309, 07,9005, 200, 8,001/33 5,248 6,309, 07,9005, 200, 8,001/33 5,248 6,309, 07,9005, 200, 8,001/33 5,248 6,309, 07,9005, 200, 8,001/33 5,248 6,309, 07,9005, 200, 8,001/33 5,248 6,309, 07,900, 11,618, San Diego Community College District California, GO, Election of 2008, Series A, 6,00%, 8001/33 5,248 6,309, 07,900 11,618, San Diego Community College District California, GO, Election of 2002, 5,25%, 80/1/33 10,780 11,618, San Diego Community College District, California, GO, Election of 2002, 5,25%, 80/1/33 9,370 10,135, 5an Fancisco Bay Area Rapid Transir District, RB (AGM), 5,00%, 7/01/36 10,000 10,805, 2007, 7,01/36 10,000 10,805, 2007, 7,01/36 10,000 10,805, 200,57,70, 500,700, 119,378 2,205 2,594, 119,378, 2,378, 2,37		\$ 0,990	\$ 7,338,373
5.00%, 11/01/3 7,996 8,645. 5.00%, 11/01/37 18,435 20,493. City of Riverside California, RB, Issue D (AGM), 20,000 21,388. 5.00%, 11/01/37 20,000 21,388. Score, 10/01/38 20,000 21,388. Forbill-De Aza Community College District, GO, 7,500 7,905.3 Las Virgenes Unified School District California, GO, 7,500 7,906.3 Las Angeles Community College District California, 0000 10,740. Corange County Sunitation District, COP, Series B 6,009. 2,248 6,309. Cong District California, GO, 10,780 11,618. 300.150. 30,70 10,135. San Diego Community College District California, GO, 9,370 10,135. 310.147 120.13. San Diego County Water Authority, COP, Refunding, 9,370 10,135. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37. 311.37.			
500%, 11/01/37 18,435 20,493, City of Riverside California, RB, Issue D (AGM), 20,000 21,388,0 Poothil-De Araz Community College District, GO, 20,000 21,388,0 Poothil-De Araz Community College District, GO, 7,500 7,005,5 Stricts A, Sport S, School District California, GO, 10,000 10,740, Las Virgenes Unified School District California, GO, 5,248 6,309,0 Op, Election of 2008, Series A, 6,00%, 801/33 5,248 6,309,0 Orange County Sanitation District, COP, Series B 10,780 11,618. San Diego Community College District California, 00,780 11,618. San Diego County Water Authority, COP, Refunding, 9,370 10,135. San Diego County Water Authority, COP, Refunding, 9,370 10,135. San Francisco Bay Area Rapid Transit District, RB 119,378. 119,378. Colorado 0.3% 2,00%, 70/136 10,000 10,805. Colorado Health Facilities Authority, Refunding RB, 2,469 2,733, Colorado Health Facilities Authority, Refunding RB, 2,469 2,734, Connecticut State Health & Educational Facil		7 996	8 645 524
City of Riverside California, RB, Issue D (AGM), 20,000 21,388,4 5.00%, 10/01/38 20,000 21,388,4 Foohili-De Araz Community College District, GO, 7,500 7,905,5 Election of 1999, Series C (NPFGC), 5,00%, 80/036 7,500 7,905,5 Las Virgenes Unified School District California, GO, 10,000 10,740, Los Angeles Community College District California, 6,01,780 11,618, GO, Election of 2008, Series A, 6,00%, 80/03 5,248 6,309,4 Orange County Sonitation District, COP, Series B 10,780 11,618, GO, Election of 2002, 5,25%, 80/133 9,370 10,135,5 San Diego Community College District California, 9,370 10,35,5 GO, Election of 2002, 5,25%, 80/133 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,4 (GMM), 5,00%, 70/136 2,205 2,594,2 Colorado 0,3% 2,269 2,733,2 Colorado 10,3% 2,469 2,733,2 Colorado 11, P, Series A, 5,50%, 7/01/34 2,469 2,733,2 Connecticut State Health Sciutority, RE, Mitridy, RB, 5,010 5,796,5			
5.0%, 1001/38 20,000 21,388,4 Foothill-De Anza Community College District, GO, 2 2 Election of 1999, Series C (NPFGC), 5.00%, 7,500 7,503 8/01/36 7,500 7,905,5 Las Virgenes Unified School District California, GO, 10,000 10,740, Los Angeles Community College District California, 600, Election of 2008, Series A, 6,00%, 8001/33 5,248 6,309,4 GO, Election of 2008, Series A, 6,00%, 8001/33 5,248 6,309,4 11,618,5 San Diege Community College District California, 600, 200,77 11,618,5 30,000 11,618,5 San Diege Commy Water Authority, COP, Refunding, 9,370 10,135,5 30,137 10,000 10,805,4 JifS34 10,000 10,805,4 119,378,5 Colorado Bay Area Rapid Transit District, RB 10,000 10,805,4 Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 2,733,2 Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 Connecticut Outhaba, RB, Series A, 5,50%, 7/01/34 2,469 2,733,2 Conneticut Outhaba, RB, Ser	·	10,+55	20,493,491
Foodhil-De Anza Community College District, GO, Election of 1999, Series C (NPFGC), 5.00%, S01/36 7,500 Series A (AGM), 5.00%, 8001/31 10,000 Las Virgenes Unified School District California, GO, 5,248 GO, Election of 2008, Series A, 6.00%, 801/33 5,248 6,309,4 Orange County Sanitation District, COP, Series B 10,477 10,780 11,618, San Diego Community College District California, 00 10,780 11,618, GO, Election of 2002, 525%, 801/33 10,47 1,201,4 5,016 San Diego County Water Authority, COP, Refunding, 9,370 10,135,9 Series 2008-A (AGM), 5.00%, 5/01/33 9,370 10,135,9 San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,4 University of California, RB, Series O, 5.75%, 2,205 2,594,3 5/15/34 2,205 2,594,3 119,378, Colorado 0.3% 2 2 2 Colorado Halth Facilities Authority, Refunding RB, 2,469 2,733,2 Colorado 10,9% 5,010 5,796,6 District of Columbia AB,	-	20,000	21,388,600
Election of 1999, Series C (NPFGC), 5.00%, 8/01/36 7,500 7,500, 7,500, 7,500, 7,500, 7,500, 2,500, 7,500, 2,500, 7,500, 2,500, 7,500, 2,500, 7,500, 2,500, 7,500, 2		20,000	21,500,000
8/01/36 7,500 7,905.2 Las Virgenes Unified School District California, GO, 10,000 10,740, Los Angeles Community College District California, 0 0 GO, Election of 2008, Series A, 6,00%, 8/01/33 5,248 6,309,4 Orange County Sanitation District, COP, Series B 0 11,618,2 GO, Election of 2002, S.25%, 8/01/33 1,047 1,201,3 San Diego Community College District California, 9,370 10,135,5 Scries 2008 A, (AGM), 5,00%, 5/01/33 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,4 (AGM), 5,00%, 7/01/36 10,000 10,805,4 119,378. Colorado 0.3% 2,205 2,594,2 119,378. Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 2,469 2,733,2 Colorado 0.3% 2,469 2,733,2 2,469 2,734,2 2,469 2,734,2 2,469 2,734,2 2,469 2,734,2 2,469 2,734,2 2,469 2,734,2 2,469 2,735,2 2,505,3,137,4 2,255 3,137,4 2,455,346,3 3,210,35,56,4 3,300,3,576,6,	• • • • • • • • • • • • • • • • • • • •		
Las Virgenes Unified School District California, GO, Series A (AGM), 5.00%, 8/01/31 0.0,000 10,740,- Los Angeles Community College District California, GO, Election of 2008, Series A, 6.00%, 8/01/33 5,248 6,309,0 Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/37 10,780 11,618, San Diego Community College District California, GO, Election of 2008, 5,25%, 8/01/33 1,047 1,201,3 San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB (AGM), 5.00%, 7/01/36 10,000 10,805,0 University of California, RB, Series O, 5.75%, 5/15/34 2,205 2,594,3 Colorado 0.3% Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 2,469 2,733,2 Connecticut 0.6% Connecticut State Health & Educational Facility Authority, RB, Yale University, Series T-1, 4.70%, 7/01/29 5,010 5,796,0 District of Columbia 1.9% District of Columbia 1.9% Series A, 6.00%, 10/01/32 10,000 10,481,2 Series A, 6.00%, 10/01/32 3,300 3,550,5 Columbia 4.281 5,346,3 Metropolitan Washington Airports Authority, RB, Series A, 6.00%, 10/01/32 3,300 3,550,5 Columbia 3.4% Cruty of Malahassee Florida, RB, (XLCA), 5.00%, 7/01/34 9,800 21,248, Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 19,800 21,248, Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 19,800 21,248, Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 19,800 21,248, Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 1,240, Conw, Health Facilities Authority, RB,		7.500	7,905,525
Series Å (AGM), 5.00%, 8/01/31 10,000 10,740,7 Los Angeles Community College District California, 6,309,0 GO, Election of 2008, Series A, 6.00%, 8/01/33 5,248 6,309,0 Grange County Sanitation District, COP, Series B 10,780 11,618,3 GAGM), 5.00%, 2/01/37 10,780 11,618,3 San Diego Community College District California, 10,780 11,618,3 GO, Election of 2002, S.25%, 8/01/33 9,370 10,135,5 San Diego County Water Authority, COP, Refunding, 9,370 10,135,5 Series 2008-A (AGM), 5.00%, 5/01/33 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB 2,205 2,594,4 (Inversity of California, RB, Series O, 5.75%, 5/15/3 2,205 2,594,4 Colorado 0.3% 2,469 2,733,2 Colorado Halth Facilities Authority, Refunding RB, 2,469 2,733,2 Connecticut 0.6% 2,595 3,137,4 Connecticut State Health & Educational Facility 3,299 3,596,4 Metropolitan Washington Airports Authority, RB, 2,595 3,137,4 District of Columbia		.,	.,,,.
Los Angeles Community College District California, GO, Election of 2008, Series A, 6.00%, 8/01/33 5,248 6,309,0 CAGM), 5.00%, 20/137 10,780 11,618,. San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33 10,477 1,201,1 San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB (AGM), 5.00%, 7/01/36 10,000 10,805,7 (JIS) 40,000 10,805,7 (JIS) 40,00	-	10.000	10,740,468
GO, Election of 2008, Series A, 6.00%, 8/01/33 5,248 6,309,6 Orange County Sanitation District, COP, Series B 10,780 11,618,7 AGM), 5.00%, 2/01/37 10,780 11,618,7 San Diego Community College District California, 10,47 1,201,4 GO, Election of 2002, 5.25%, 8/01/33 9,370 10,135,5 San Diego Community College District California, 9,370 10,135,5 San Diego County Water Authority, COP, Refunding, 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,6 (AGM), 5.00%, 7/01/36 10,000 10,805,6 University of California, RB, Series O, 5.75%, 5/15/34 2,205 2,594,2 Colorado 0.3% 2,205 2,594,2 119,378, Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 Connecticut 0.6% 2,469 2,733,3 Connecticut State Health & Educational Facility 3,010 5,796,0 Juthority, RB, Yale University, Series T, 4,70%, 7/01/34 2,595 3,137,0 District of Columbia 1.9% 5,010 5,796,0 <td< td=""><td></td><td>-,</td><td>- , ,</td></td<>		-,	- , ,
Orange County Sanitation District, COP, Series B 10,780 11,618,5 (AGM), 5,00%, 2/01/37 10,780 11,618,5 San Diego Community College District California, 10,47 1,201,4 GO, Election of 2002, 5,25%, 8/01/33 9,370 10,135,5 San Diego Community College District, RB 9,370 10,135,5 Series 2008, A(GM), 5,00%, 5/01/33 9,370 10,000 10,805,4 (AGM), 5,00%, 7/01/36 10,000 10,805,4 119,378, CAGD A, 7/01/36 2,205 2,594,3 119,378, Colorado 0.3% 2,469 2,733,1 Connecticut State Health & Educational Facility 2,469 2,733,1 Connecticut State Health & Educational Facility 2,469 2,733,1 Connecticut State Health & Educational Facility 3,010 5,796,0 District of Columbia 1.9% 2,595 3,137,4 District of Columbia 1.9% 4,281 5,346,3 District of Columbia Nater & Sewer Authority, RB, 3,000 3,504,5504,5504,5504,5504,5504,5504,5504		5,248	6,309,694
San Diego Community College District California, 1,047 1,201,4 GO, Election of 2002, 5.25%, 8/01/33 9,370 10,135,5 San Diego County Water Authority, COP, Refunding, 9,370 10,135,5 Sar Francisco Bay Area Rapid Transit District, RB 10,000 10,805,4 (AGM), 5.00%, 7/01/36 10,000 10,805,4 University of California, RB, Series O, 5.75%, 2,205 2,594,2 5/15/34 2,205 2,594,2 Colorado 0.3% 119,378, Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 Connecticut 0.6% 2,469 2,733,4 Connecticut State Health & Educational Facility 2,469 2,733,4 Authority, RB, Yale University, Series T-1, 4.70%, 7/01/29 5,010 5,796,0 District of Columbia, RB, Series A, 5.50%, 12/01/30 2,595 3,137,- District of Columbia, RB, Series A, 5.50%, 12/01/30 2,595 3,137,- District of Columbia, RB, Series A, 0.00/1/32 10,000 10,481,1 Series A, 6.0%, 10/01/35 4,281 5,346,3 Metropolitan Washington Airports Authority, RB, 3,300 3,550,5			
San Diego Community College District California, 1,047 1,201,4 GO, Election of 2002, 5.25%, 8/01/33 1,047 1,201,4 San Diego County Water Authority, COP, Refunding, 9,370 10,135,5 Series 2008-A (AGM), 5.00%, 5/01/33 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,4 (AGM), 5.00%, 7/01/36 10,000 10,805,4 University of California, RB, Series O, 5.75%, 2,205 2,594,2 5/15/34 2,205 2,594,2 Colorado 0.3% 119,378, Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 Connecticut 0.6% 2,469 2,733,4 Connecticut State Health & Educational Facility 2,469 2,734,4 Authority, RB, Yale University, Series T-1, 4.70%, 7/01/29 5,010 5,796,4 District of Columbia 1.9% 2,595 3,137,4 3,346,4 District of Columbia, RB, Series A, 5.50%, 12/01/30 2,595 3,137,4 District of Columbia, RB, Series A, 5.00%, 10/01/32 10,000 10,481,1 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,5,56,5,65,76,55,756,55,7		10,780	11,618,361
San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,0 (AGM), 5.00%, 7/01/36 10,000 10,805,0 University of California, RB, Series O, 5.75%, 2,205 2,594,2 5/15/34 2,205 2,594,2 Colorado O.3% 119,378, 119,378, Colorado Naft 2,469 2,733,2 Connecticut 0.6% 2,469 2,733,2 Connecticut State Health & Educational Facility 2,469 2,733,2 Connecticut State Health & Educational Facility 3,010 5,796,0 Obistrict of Columbia 1.9% 5,010 5,796,0 District of Columbia, RB, Series A, 5,50%, 1/201/30 2,595 3,137,- District of Columbia, RB, Series A, 5,50%, 1/201/30 4,281 5,346,3 District of Columbia Mater & Sewer Authority, RB, 8 8 Series A, 6,00%, 10/01/35 4,281 5,346,3 Metropolitan Washington Airports Authority, RB, 18,965,5 18,965,5 Florida 3.4% 19,800 21,248, City of Tallahassee Florida,			
Series 2008-A (ÅGM), 5.00%, 5/01/33 9,370 10,135,5 San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,4 (AGM), 5.00%, 7/01/36 10,000 10,805,4 University of California, RB, Series O, 5.75%, 2,205 2,594,3 5/15/34 2,205 2,594,3 Colorado 0.3% 119,378, Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 2,469 2,733,3 Connecticut 0.6% 701/29 5,010 5,796,6 Zouthority, RB, Yale University, Series T-1, 4.70%, 701/29 5,010 5,796,6 District of Columbia 1.9% 701 701/29 5,010 5,796,6 District of Columbia Nater & Sewer Authority, RB, 2,595 3,137,7 701/29 701 5,010 5,796,6 Series A, 6.00%, 10/01/35 4,281 5,346,8 746,8	GO, Election of 2002, 5.25%, 8/01/33	1,047	1,201,835
San Francisco Bay Area Rapid Transit District, RB 10,000 10,805,4 (AGM), 5.00%, 7/01/36 10,000 10,805,4 University of California, RB, Series O, 5.75%, 5,225 2,594,2 5/15/34 2,205 2,594,2 Colorado 0.3% 119,378, Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,2 Connecticut 0.6% 2 2,595 3,137,4 Connecticut State Health & Educational Facility 3,010 5,796,6 Authority, RB, Yale University, Series T-1, 4,70%, 7/01/29 5,010 5,796,0 District of Columbia RB, Series A, 5.50%, 12/01/30 2,595 3,137,4 District of Columbia RB, Series A, 5.00%, 12/01/30 2,595 3,137,4 Series A, 6.00%, 10/01/35 4,281 5,346,3 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,1 Series B, AMT (AMBAC), 5.00%, 10/01/32 3,300 3,550,2 County of Miami Dade Florida, Energy System, RB 18,965,5 18,965,5 (NPFGC), 5.00%, 10/01/32 3,300 3,550,2 County of Miami Dade Florida, RB, (XLCA), 5.00%,	San Diego County Water Authority, COP, Refunding,		
(AGM), 5.00%, 7/01/36 10,000 10,805,0 University of California, RB, Series O, 5.75%, 5/15/34 2,205 2,594,2 5/15/34 2,205 2,594,2 Colorado 0.3% 119,378, Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 2,469 2,733,2 Connecticut 0.6% 2,469 2,733,2 Connecticut 0.6% 2 2,595 3,137,4 Colorado Paulina 1.9% 5,010 5,796,0 District of Columbia 1.9% 2,295 3,137,4 District of Columbia ARB, Series A, 5.50%, 12/01/30 2,595 3,137,4 District of Columbia Nage even Authority, RB, Series A, 6.00%, 10/01/35 4,281 5,346,4 Metropolitan Washington Airports Authority, RB, Series A, 6.00%, 10/01/32 10,000 10,481,2 Series A, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,2 18,965,3 Florida 3.4% 2 3,300 3,550,2 County of Miami Dade Florida, RB, (XLCA), 5.00%, 70/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 3,299 3,595,5 Highlands County Health Facilities Authority, RB, 3,299<	Series 2008-A (AGM), 5.00%, 5/01/33	9,370	10,135,997
University of California, RB, Series O, 5.75%, 5/15/34 2,205 2,594,4 119,378, Colorado 0.3% Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 2,469 2,733,7 Connecticut 0.6% Connecticut State Health & Educational Facility Authority, RB, Yale University, Series T-1, 4.70%, 7/01/29 5,010 5,796,0 District of Columbia 1.9% District of Columbia, RB, Series A, 5.50%, 12/01/30 2,595 3,137,4 District of Columbia RB, Series A, 5.50%, 12/01/30 2,595 3,137,4 District of Columbia Vater & Sewer Authority, RB, Series A, 6.00%, 10/01/35 4,281 5,346,4 Metropolitan Washington Airports Authority, RB, Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,7 Refored 3.4% City of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/32 3,300 3,550,7 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248, Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 3,229 3,595,0 Highlands County Health Facilities Authority, RB,	San Francisco Bay Area Rapid Transit District, RB		
5/15/34 2,205 2,594,3 Colorado 0.3% 119,378, Colorado Health Facilities Authority, Refunding RB, 2,469 2,733,3 Connecticut 0.6% 2,469 2,733,3 Connecticut State Health & Educational Facility 2,469 2,733,3 Authority, RB, Yale University, Series T-1, 4.70%, 701/29 5,010 5,796,0 District of Columbia 1.9% 2,595 3,137,4 District of Columbia XB, Series A, 5.50%, 12/01/30 2,595 3,137,4 District of Columbia NaB, Series A, 5.50%, 12/01/30 2,595 3,137,4 Series A, 6.00%, 10/01/35 4,281 5,346,4 Metropolitan Washington Airports Authority, RB, 8 8 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,1 Series B, AMT (AMBAC), 5.00%, 10/01/32 3,300 3,550,2 County of Tallahassee Florida, Energy System, RB 8 119,800 21,248,1 Florida 34% 19,800 21,248,1 5,096, 6/01/37 3,299 3,595,0 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7 3,299 3,595,0 5,00%, 6/01/37 3,299 3,595,0 Florida State Board	(AGM), 5.00%, 7/01/36	10,000	10,805,600
119,378, Colorado 0.3% Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 2,469 2,733, Connecticut 0.6% 2 2,733, Connecticut State Health & Educational Facility 2 2,733, Authority, RB, Yale University, Series T-1, 4.70%, 701/29 5,010 5,796,0 District of Columbia 1.9% 2 2,595 3,137,- District of Columbia, RB, Series A, 5.50%, 12/01/30 2,595 3,137,- District of Columbia Water & Sewer Authority, RB, 2 8 Series A, 6.00%, 10/01/35 4,281 5,346,3 Metropolitan Washington Airports Authority, RB, 18,965,3 18,965,3 Florida 3.4% 18,965,3 18,965,3 City of Tallahassee Florida, Energy System, RB 3,300 3,550,3 (NPFGC), 5.00%, 10/01/32 3,300 3,550,3 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 3,299 3,595,0 Stope, 6/01/37 3,299 3,595,0 Highlands County Health Facilities Authority, RB, 3,299<	University of California, RB, Series O, 5.75%,		
Colorado 0.3% 2,469 2,733, Catholic Health Facilities Authority, Refunding RB, 2,469 2,733, Connecticut 0.6% 2 2 Connecticut State Health & Educational Facility 3,010 5,796,0 Authority, RB, Yale University, Series T-1, 4.70%, 701/29 5,010 5,796,0 District of Columbia 1.9% 2,595 3,137,0 District of Columbia RB, Series A, 5.50%, 12/01/30 2,595 3,137,0 District of Columbia Water & Sewer Authority, RB, 4,281 5,346,3 Series A, 6.00%, 10/01/35 4,281 5,346,3 Metropolitan Washington Airports Authority, RB, 8 8 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,2 City of Tallahassee Florida, Energy System, RB 8 8 (NPFGC), 5.00%, 10/01/32 3,300 3,550,2 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7 19,800 21,248, Florida State Board of Education, GO, Series D, 5,00%, 6/01/37 3,299 3,595,01 Highlands County Health Facilities Authority, RB, 3,299 3,595,01 3,505,01 </td <td>5/15/34</td> <td>2,205</td> <td>2,594,513</td>	5/15/34	2,205	2,594,513
Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/342,4692,733,7Connecticut 0.6%Connecticut State Health & Educational Facility Authority, RB, Yale University, Series T-1, 4.70%, 7/01/295,0105,796,0District of Columbia 1.9%5,0105,796,05,0105,796,0District of Columbia RB, Series A, 5.50%, 12/01/302,5953,137,25,346,3District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/354,2815,346,3Metropolitan Washington Airports Authority, RB, Series B, AMT (AMBAC), 5.00%, 10/01/3210,00010,481,2 18,965,5Florida 3.4%10,00010,481,2 18,965,5City of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/323,3003,550,5County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/3119,80021,248,5Florida State Board of Education, GO, Series D, 5.00%, 6/01/373,2993,595,0Highlands County Health Facilities Authority, RB,3,2993,595,0			119,378,143
Catholic Healthcare, Series A, 5.50%, 7/01/34 2,469 2,733, 2 Connecticut 0.6% Connecticut State Health & Educational Facility Authority, RB, Yale University, Series T-1, 4.70%, 7/01/29 5,010 5,796,0 District of Columbia 1.9% 5 5,010 5,796,0 District of Columbia XB, Series A, 5.50%, 12/01/30 2,595 3,137,0 District of Columbia Water & Sewer Authority, RB, 2,595 3,137,0 Series A, 6.00%, 10/01/35 4,281 5,346,3 Metropolitan Washington Airports Authority, RB, 10,000 10,481,3 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,4 City of Tallahassee Florida, Energy System, RB 3,300 3,550,2 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 3,299 3,595,4 Highlands County Health Facilities Authority, RB, 3,299 3,595,5			
Connecticut 0.6% Solution Connecticut State Health & Educational Facility Solution Authority, RB, Yale University, Series T-1, 4.70%, 7/01/29 District of Columbia 1.9% Solution District of Columbia 1.9% 2,595 District of Columbia RB, Series A, 5.50%, 12/01/30 2,595 District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35 Series A, 6.00%, 10/01/35 4,281 Metropolitan Washington Airports Authority, RB, Series B, AMT (AMBAC), 5.00%, 10/01/32 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 Series B, AMT (AMBAC), 5.00%, 10/01/32 3,300 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 City of Tallahassee Florida, Energy System, RB Series County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 Florida 3.4% 19,800 21,248, 5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248, 5 Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 3,299 3,595, 5 Solo%, 6/01/37 3,299 3,595, 5	· · ·		
Connecticut State Health & Educational Facility Authority, RB, Yale University, Series T-1, 4.70%, 7/01/29 $5,010$ $5,796,$ $5,010$ District of Columbia 1.9%District of Columbia, RB, Series A, 5.50%, 12/01/30 $2,595$ $3,137,$ $2,595$ District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35 $4,281$ $5,346,$ $3,137,$ Metropolitan Washington Airports Authority, RB, Series B, AMT (AMBAC), 5.00%, 10/01/32 $10,000$ $10,481,$ $18,965,$ Florida 3.4%Cuty of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/32 $3,300$ $3,550,$ $2,00W, 10/01/32$ County of Miami Dade Florida, RB, (XLCA), 5.00%, $7/01/31$ $19,800$ $21,248,$ $21,248,$ Florida State Board of Education, GO, Series D, $5.00\%, 6/01/37$ $3,299$ $3,595,$ Statistic Board of Education, GO, Series D, $5.00\%, 6/01/37$ $3,299$ $3,595,$		2,469	2,733,387
Authority, RB, Yale University, Series T-1, 4.70%, 5,010 5,796, 7/01/29 5,010 5,796, District of Columbia 1.9% 2,595 3,137, District of Columbia Water & Sewer Authority, RB, 2,595 3,137, District of Columbia Water & Sewer Authority, RB, 4,281 5,346,8 Series A, 6.00%, 10/01/35 4,281 5,346,8 Metropolitan Washington Airports Authority, RB, 10,000 10,481,2 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,2 Florida 3.4% 18,965,5 18,965,5 City of Tallahassee Florida, Energy System, RB 3,300 3,550,5 (NPFGC), 5.00%, 10/01/32 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 19,800 21,248,5 Florida State Board of Education, GO, Series D, 3,299 3,595,5 5.00%, 6/01/37 3,299 3,595,5 Highlands County Health Facilities Authority, RB, 3,299 3,595,5			
7/01/29 5,010 5,796,0 District of Columbia 1.9% 2,595 3,137,2 District of Columbia Water & Sewer Authority, RB, 2,595 3,137,2 District of Columbia Water & Sewer Authority, RB, 4,281 5,346,3 Series A, 6.00%, 10/01/35 4,281 5,346,3 Metropolitan Washington Airports Authority, RB, 10,000 10,481,2 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,2 Florida 3.4% 18,965,5 18,965,5 City of Tallahassee Florida, Energy System, RB 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 3,299 3,595,0 5.00%, 6/01/37 3,299 3,595,0 Highlands County Health Facilities Authority, RB, 3,299 3,595,0	-		
District of Columbia 1.9% 2,595 3,137,4 District of Columbia Water & Sewer Authority, RB, 2,595 3,137,4 District of Columbia Water & Sewer Authority, RB, 4,281 5,346,3 Series A, 6.00%, 10/01/35 4,281 5,346,3 Metropolitan Washington Airports Authority, RB, 10,000 10,481,4 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,4 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,4 City of Tallahassee Florida, Energy System, RB 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 5,00%, 6/01/37 3,299 3,595,0 Highlands County Health Facilities Authority, RB, 3,299 3,595,0		5 010	5 504 010
District of Columbia, RB, Series A, 5.50%, 12/01/30 2,595 3,137,4 District of Columbia Water & Sewer Authority, RB, 4,281 5,346,8 Series A, 6.00%, 10/01/35 4,281 5,346,8 Metropolitan Washington Airports Authority, RB, 10,000 10,481,3 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,3 Florida 3.4% 10,000 10,481,5 City of Tallahassee Florida, Energy System, RB 3,300 3,550,5 (NPFGC), 5.00%, 10/01/32 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 19,800 21,248,5 Florida State Board of Education, GO, Series D, 3,299 3,595,0 5.00%, 6/01/37 3,299 3,595,0 Highlands County Health Facilities Authority, RB, 3,299 3,595,0		5,010	5,796,019
District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35 4,281 5,346,8 Metropolitan Washington Airports Authority, RB, Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,3 Florida 3.4% City of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/32 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 19,800 21,248,5 Florida State Board of Education, GO, Series D, 3,299 3,595,0 5.00%, 6/01/37 3,299 3,595,0 Highlands County Health Facilities Authority, RB, 3,299 3,595,0		2.505	2 127 407
Series A, 6.00%, 10/01/35 4,281 5,346,4 Metropolitan Washington Airports Authority, RB, 10,000 10,481,2 Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,2 Florida 3.4% 18,965,2 City of Tallahassee Florida, Energy System, RB 3,300 3,550,5 (NPFGC), 5.00%, 10/01/32 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 19,800 21,248,5 Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 3,299 3,595,0 Highlands County Health Facilities Authority, RB, 3,299 3,595,0		2,595	3,137,407
Metropolitan Washington Airports Authority, RB, Series B, AMT (AMBAC), 5.00%, 10/01/3210,00010,481,3Florida 3.4% 18,965,3Florida 3.4% 3.3003,550,3City of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/323,3003,550,3County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/3119,80021,248,3Florida State Board of Education, GO, Series D, 5.00%, 6/01/373,2993,595,0Highlands County Health Facilities Authority, RB,3,2993,595,0	-	4 291	5 246 800
Series B, AMT (AMBAC), 5.00%, 10/01/32 10,000 10,481,3 18,965,5 18,965,5 Florida 3.4% 3,300 City of Tallahassee Florida, Energy System, RB 3,300 (NPFGC), 5.00%, 10/01/32 3,300 County of Miami Dade Florida, RB, (XLCA), 5.00%, 19,800 7/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 3,299 3,595,6 5.00%, 6/01/37 3,299 3,595,6 Highlands County Health Facilities Authority, RB, 3,299 3,595,6		4,281	5,346,890
18,965,5 Florida 3.4% City of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/32 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248, Florida State Board of Education, GO, Series D, 3,299 3,595,0 5.00%, 6/01/37 3,299 3,595,0 Highlands County Health Facilities Authority, RB, 3,299 3,595,0		10,000	10 491 200
Florida3.4%City of Tallahassee Florida, Energy System, RB(NPFGC), 5.00%, 10/01/32County of Miami Dade Florida, RB, (XLCA), 5.00%,7/01/3119,80021,248,Florida State Board of Education, GO, Series D,5.00%, 6/01/373,2993,595,0Highlands County Health Facilities Authority, RB,	Series D, AMIT (AMDAC), 5.00%, 10/01/52	10,000	
City of Tallahassee Florida, Energy System, RB (NPFGC), 5.00%, 10/01/32 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 7/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 5.00%, 6/01/37 3,299 3,595,6 Highlands County Health Facilities Authority, RB,	Florida 3.1%		18,905,597
(NPFGC), 5.00%, 10/01/32 3,300 3,550,5 County of Miami Dade Florida, RB, (XLCA), 5.00%, 19,800 21,248,5 7/01/31 19,800 21,248,5 Florida State Board of Education, GO, Series D, 3,299 3,595,6 5.00%, 6/01/37 3,299 3,595,6 Highlands County Health Facilities Authority, RB, 3,299 3,595,6			
County of Miami Dade Florida, RB, (XLCA), 5.00%,7/01/3119,8007/01/3119,800Florida State Board of Education, GO, Series D,5.00%, 6/01/373,2993,595,0Highlands County Health Facilities Authority, RB,		3 200	3 550 536
7/01/3119,80021,248,7Florida State Board of Education, GO, Series D, 5.00%, 6/01/373,2993,595,0Highlands County Health Facilities Authority, RB,3,2993,595,0		5,500	5,550,550
Florida State Board of Education, GO, Series D,5.00%, 6/01/373,2993,595,0Highlands County Health Facilities Authority, RB,		19 800	21 248 172
5.00%, 6/01/373,2993,595,0Highlands County Health Facilities Authority, RB,3,2993,595,0		12,000	21,270,172
Highlands County Health Facilities Authority, RB,		3 200	3,595,004
		5,277	5,595,004
	Adventist, Series C, 5.25%, 11/15/36	5,400	5,679,180
	1	5,100	34,072,892

Georgia 1.1%				
Metropolitan Atlanta Rapid Transit Authority, RB,				
Third Indenture, Series B (AGM), 5.00%, 7/01/37		10,000		10,693,644
Hawaii 1.0%				
Honolulu City & County Board of Water Supply, RB,				
Series A (FGIC), 5.00%, 7/01/33		9,830		10,245,023
Municipal Bonds Transferred to		Par		
Tender Option Bond Trusts (d)	(000)		Value
Illinois 3.0%				
City of Chicago Illinois, GO, Refunding, Series A	<i>.</i>	44.000	<i>.</i>	
(AGC), 5.25%, 1/01/24	\$	11,000	\$	12,237,830
City of Chicago Illinois, RB, Sales Tax Revenue,		2 100		2 424 461
Series A, 5.00%, 1/01/41		2,190		2,424,461
Illinois Finance Authority, RB, University of Chicago,		10,000		11 002 200
Series B, 6.25%, 7/01/38 State of Illinois BP, Build Illinois, Series P, 5.25%		10,000		11,903,200
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34		3,499		3,874,479
0/15/57		5,777		30,439,970
Kentucky 0.7%				50,457,770
Kentucky State Property & Building Commission,				
Refunding RB, Project No. 93 (AGC), 5.25%,				
2/01/27		5,985		6,900,816
Louisiana 1.1%		-,,		0,, 00,000
State of Louisiana Gas & Fuels, RB, Series A (AGM),				
5.00%, 5/01/36		10,000		10,648,100
Nevada 0.6%				
Clark County Water Reclamation District, GO,				
Series B:				
5.50%, 7/01/29		510		599,604
5.75%, 7/01/34		4,813		5,712,413
				6,312,017
New Jersey 1.3%				
Garden State Preservation Trust, RB, Election of				
2005, Series A (AGM), 5.75%, 11/01/28		10,000		13,349,300
New York 5.0%				
New York City Municipal Water Finance Authority,		17.577		10 175 (42
RB, Series DD, 5.00%, 6/15/37		17,567		19,175,643
Port Authority of New York & New Jersey,				
RB, Consolidated: 143rd Series, 5.00%, 10/01/30		5,180		5,519,964
155th Series (AGM), 5.13%, 7/15/30		19,500		20,540,910
Triborough Bridge & Tunnel Authority, RB, General,		19,500		20,540,910
Series A-2, 5.25%, 11/15/34		4,500		5,135,310
		1,200		50,371,827
North Carolina 1.0%)
North Carolina HFA, RB, Series 31-A, AMT, 5.25%,				
7/01/38		9,886		10,105,068
Ohio 0.7%				
County of Montgomery Ohio, RB, Catholic Health,				
Series C-1 (AGM), 5.00%, 10/01/41		4,990		5,390,572
State of Ohio, RB, Cleveland Clinic Health, Series B,				
5.50%, 1/01/34		1,520		1,681,667
				7,072,239
Puerto Rico 0.7%				
Puerto Rico Sales Tax Financing Corp., RB, Senior		< F 10		
Series C, 5.25%, 8/01/40		6,540		7,262,735
South Carolina 0.5%				
South Carolina State Housing Finance &				
Development Authority, Refunding RB, Series B-1,		1 570		4,777,578
5.55%, 7/01/39		4,528		+,///,3/8

South Dakota 0.2% South Dakota HDA, RB, Homeownership Mortgage, Series K, 5.05%, 5/01/36	2,500	2,521,025
See Notes to Financial Statements.		
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Schedule of Investments (continued)

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

Municipal Bonds Transferred to		Par		
Tender Option Bond Trusts (d) Texas 4.1%		(000)		Value
Friendswood ISD Texas, GO, Schoolhouse (PSF-GTD),				
5.00%, 2/15/37	\$	12,955	\$	14,129,951
Houston ISD, GO, Schoolhouse (PSF-GTD), 5.00%,	Ŷ	12,500	Ŷ	11,122,201
2/15/33		10,000		10,948,300
North East ISD Texas, GO, School Building, Series A, 5.00%, 8/01/37		3,500		3,871,175
Texas State University Systems, Refunding RB,				
5.25%, 3/15/26		10,000		12,120,400
				41,069,826
Virginia 0.4%				
University of Virginia, Refunding RB, General, 5.00%, 6/01/40		3,944		1 286 240
Washington 5.7%		5,944		4,386,240
Central Puget Sound Regional Transit Authority, RB,				
Series A (AGM), 5.00%, 11/01/34		16,770		18,688,404
County of King Washington, RB (AGM), 5.00%,				
1/01/37		15,785		17,171,357
Port of Seattle Washington, Refunding RB, Series B,				
AMT (NPFGC), 5.20%, 7/01/29		20,565		21,046,834
				56,906,595
Wisconsin 1.6%				
State of Wisconsin, Refunding RB, Series A, 6.00%, 5/01/36		10,000		11,883,800
Wisconsin Health & Educational Facilities Authority,		10,000		11,005,000
Refunding RB, Froedtert & Community Health Inc.,				
5.25%, 4/01/39		3,959		4,213,870
				16,097,670
Total Municipal Bonds Transferred to				
Tender Option Bond Trusts 48.3%				485,368,306
Total Long-Term Investments				
(Cost \$1,408,088,309) 153.2%				1,538,129,878

Short-Term Securities	Shares	
FFI Institutional Tax-Exempt Fund, 0.01% (e)(f)	37,110,706	37,110,706
Total Short-Term Securities		
(Cost \$37,110,706) 3.7%		37,110,706
Total Investments (Cost \$1,445,199,015) 156.9%		1,575,240,584
Other Assets Less Liabilities 1.9%		18,842,164
Liability for TOB Trust Certificates, Including		
Interest Expense and Fees Payable (23.3)%		(233,855,171)
VRDP Shares, at Liquidation Value (35.5)%		(356,400,000)
Net Assets Applicable to Common Shares 100.0%	5	5 1,003,827,577
	ч Ч	1,005,027,577

(a) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.

(b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

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

	Shares Held at July 31,	, Net 31,		_
Affiliate	2011	Activity	2012	Income
FFI Institutional Tax-Exempt Fund	4,703,282	32.407.424	37.110.706	\$ 1.266
I I I I I I I I I I I I I I I I I I I	,,	- , ,	, - ,	. ,

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

Financial futures contracts sold as of January 31, 2012 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	-	Inrealized
	10-Year US	Chicago				
	Treasury	Board of				
120	Note	Trade	March 2012	\$ 15,870,000	\$	(210,228)

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

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

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund s own assumptions used in determining the fair value of investments and derivative financial instruments)

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

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock MuniYield Quality Fund III, Inc. (MYI)

The following tables summarize the inputs used as of January 31, 2012 in determining the fair valuation of the Fund s investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term				
Investments ¹		\$ 1,538,129,878		\$ 1,538,129,878
Short-Term				
Securities	\$ 37,110,706			37,110,706
Total	\$ 37,110,706	\$ 1,538,129,878		\$ 1,575,240,584

See above Schedule of Investments for values in each state or political subdivision.

Valuation Inputs	Ι	Level 1	Level 2	Level 3	Total
Derivative Financial					
Instruments ²					
Liabilities:					
Interest rate					
contracts	\$	(210,228)			\$ (210,228)

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

See Notes to Financial Statements.

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Statements of Assets and Liabilities

January 31, 2012 (Unaudited) Assets		BlackRock MuniHoldings Quality Fund II, Inc. (MUE)		BlackRock MuniYield California Quality Fund, Inc. (MCA)		BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM)		BlackRock MuniYield New York Quality Fund, Inc. (MYN)		BlackRock MuniYield Quality 'und III, Inc. (MYI)
Investments at value unaffiliated	d \$	515,434,321	\$	888,499,766	\$	270,546,439	\$	907,752,316	\$ 1	,538,129,878
Investments at value affiliated	ψ	11,617,912	Ψ	12,391,222	Ψ	3,688,890	Ψ	17,806,810	Ψι	37,110,706
Cash pledged as collateral for fina	ncial futures	11,017,712		12,571,222		5,000,070		17,000,010		57,110,700
contracts	inerar rutures	214,000		125,000		39,000		263,000		231,000
Interest receivable		5,447,078		12,522,348		2,960,636		9,673,089		16,912,134
Investments sold receivable		5,740,751		2,228,500		2,700,050		70,000		6,346,806
Deferred offering costs		98,465		416,513		295,109		568,437		828,976
Prepaid expenses		7,795		12,948		295,109		13,443		50,376
Other assets		1,195				54,931				420,199
		528 560 222		279,955		,		272,303	-	
Total assets		538,560,322		916,476,252		277,606,458		936,419,398	1	,600,030,075
Accrued Liabilities				C (F (F)				(0.001		1
Bank overdraft	61	142,793		84,548		30,650		69,986		156,172
1 5	mon Shares	1,650,050		2,525,548		849,324		2,763,570		4,865,207
Investments purchased payable		3,245,416		6,070,196						< < a 10 m
Investment advisory fees payable		229,290		376,620		115,380		377,679		662,497
Officer s and Directors fees pay	able	13,826		138,376		9,515		122,507		209,284
Interest expense and fees payable		27,898		85,876		18,091		70,330		83,855
Margin variation payable		24,281		14,219		1,250		36,750		26,249
Other accrued expenses payable		21,815				16,410		36,174		27,741
Total accrued liabilities		5,355,369		9,295,383		1,040,620		3,476,996		6,031,005
Other Liabilities										
TOB trust certificates		73,362,934		189,215,179		9,855,000		103,520,366		233,771,493
VMTP Shares, at liquidation value 3^{4}	e of \$100,000	121 000 000								
per share ^{3,4}	C \$ 100 000	131,000,000								
VRDP Shares, at liquidation value	e of \$100,000			166 500 000		97 200 000		247 700 000		256 400 000
per share ^{3,4}		204 262 024		166,500,000		87,300,000		247,700,000		356,400,000
Total other liabilities		204,362,934		355,715,179		97,155,000		351,220,366		590,171,493
Total liabilities		209,718,303		365,010,562		98,195,620		354,697,362		596,202,498
Net Assets Applicable to Commo		229 9 42 010	¢	551 465 600	¢	170 410 020	¢	501 700 000	¢.	002 927 577
Shareholders	\$	328,842,019	\$	551,465,690	\$	179,410,838	\$	581,722,036	\$1	,003,827,577
Net Assets Applicable to Commo	on									
Shareholders Consist of			<i>.</i>	10 - 10			+		*	
Paid-in capital ⁵	\$	299,338,538	\$	495,191,219	\$	163,446,264	\$	550,701,852	\$	951,288,315
Undistributed net investment inco	me	5,159,882		7,862,592		1,953,210		8,346,889		15,835,958
Accumulated net realized loss		(18,581,112)		(15,550,368)		(2,951,928)		(35,878,746)		(93,128,037)
Net unrealized appreciation/depre		42,924,711		63,962,247		16,963,292		58,552,041		129,831,341
Net Assets Applicable to Commo	on									
Shareholders	\$	328,842,019	\$	551,465,690	\$	179,410,838	\$	581,722,036		,003,827,577
Net asset value per Common Shar		14.65	\$	16.05	\$	14.85	\$	14.74	\$	14.86
	filiated \$	472,315,149	\$	824,423,644	\$	253,548,109	\$	848,905,956		,408,088,309
² Investments at cost affili		11,617,912	\$	12,391,222	\$	3,688,890	\$	17,806,810	\$	37,110,706
³ VMTP/VRDP Shares outst	anding, par									
value \$0.10 per share		1,310		1,665		873		2,477		3,564
⁴ Preferred Shares authorized	d	8,180		12,665		4,833		14,637		26,364

5	Common Shares outstanding, 200 million shares authorized, \$0.10 par value	22,449,776	34,361,200	12,083,491	39,453,493	67,568,648
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See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

Statements of Operations

Six Months Ended January 31, 2012 (Unaudited) Investment Income	BlackRock MuniHoldings Quality Fund II, Inc. (MUE)	BlackRock MuniYield California Quality Fund, Inc. (MCA)	BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM)	BlackRock MuniYield New York Quality Fund, Inc. (MYN)	BlackRock MuniYield Quality Fund III, Inc. (MYI)
Interest	\$ 11,756,907	\$ 19,381,430	\$ 6,255,624	\$ 20,462,850	\$ 37,160,473
Income affiliated	583	4,244	\$ 0,233,024	\$ 20,402,830 4,604	\$ 37,100,473 8,896
Total income	11,757,490	19,385,674	6,255,624	20,467,454	37,169,369
	, ,	, ,		, ,	, ,
Expenses					
Investment advisory	1,394,898	2,186,425	668,639	2,220,798	3,815,147
Liquidity fees		650,057	340,842	967,082	1,391,474
Remarketing fees on Preferred Shares	50,684	85,100	44,620	126,603	182,160
Professional	65,106	91,131	43,911	72,286	100,131
Accounting services	53,266	50,959	38,170	68,987	91,662
Officer and Directors	22,904	23,158	9,664	25,702	56,482
Transfer agent	32,233	17,230	14,333	28,433	40,398
Custodian	17,908	15,475	7,900	17,433	32,496
Printing	9,309	7,712	5,167	15,803	19,792
Registration	11,605	5,058	4,598	6,972	12,575
Miscellaneous	36,163	42,955	23,609	49,124	74,811
Total expenses excluding interest expense, fees					
and amortization of offering costs	1,694,076	3,175,260	1,201,453	3,599,223	5,817,128
Interest expense, fees and amortization of					
offering costs ¹	398,096	1,043,876	264,589	951,043	1,667,073
Total expenses	2,092,172	4,219,136	1,466,042	4,550,266	7,484,201
Less fees waived by advisor	(88,603)	(7,197)	(472)	(11,697)	(5,511)
Total expenses after fees waived	2,003,569	4,211,939	1,465,570	4,538,569	7,478,690
Net investment income	9,753,921	15,173,735	4,790,054	15,928,885	29,690,679
Realized and Unrealized Gain (Loss)					
Net realized gain (loss) from:					
Investments	2,661,900	4,358,726	676,640	1,381,370	3,951,672
Financial futures contracts	(488,321)	34,610	(298,327)	(1,247,758)	(2,565,348)
i manetal futures contracts	2,173,579	4,393,336	378,313	133,612	1,386,324
Net change in unrealized	2,115,517	4,373,330	576,515	155,012	1,500,524
appreciation/depreciation on:	22 225 110	55 269 000	16 020 645	50 100 545	100 202 045
Investments	33,325,110	55,368,088	16,020,645	52,183,545	109,303,845
Financial futures contracts	79,661	(113,874)	143,603	224,943	1,221,984
	33,404,771	55,254,214	16,164,248	52,408,488	110,525,829
Total realized and unrealized gain	35,578,350	59,647,550	16,542,561	52,542,100	111,912,153
Dividends to AMPS Shareholders From					
Net investment income	(130,644)				
Net Increase in Net Assets Applicable to Common Shareholders Resulting from					
Operations	\$ 45,201,627	\$ 74,821,285	\$ 21,332,615	\$ 68,470,985	\$ 141,602,832

¹ Related to TOBs, VMTP Shares and/or VRDP Shares.

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

JANUARY 31, 2012

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Statements of Changes in Net Assets

		lity Fund II onths	IuniHoldings II, Inc. (MUE)				MuniYield Fund, Inc. (MCA)			
Increase (Decrease) in Net Assets Applicable to Common Shareholders:	Januar 201 (Unauc	ry 31, 2	Ŋ	Year Ended July 31, 2011		January 31, 2012 Unaudited)		Year Ended July 31, 2011		
Operations										
Net investment income	\$ 9,7	53,921	\$	19,996,239	\$	15,173,735	\$	31,308,367		
Net realized gain (loss)	2,1	73,579		(5,411,971)		4,393,336		(4,612,878)		
Net change in unrealized appreciation/depreciation	33,4	04,771		(5,414,974)		55,254,214		(8,190,700)		
Dividends to AMPS Shareholders from net investment										
income	(1	30,644)		(479,559)				(767,289)		
Net increase in net assets applicable to Common										
Shareholders resulting from operations	45,2	201,627		8,689,735		74,821,285		17,737,500		
Dividends to Common Shareholders From										
Net investment income	(9,8	896,028)		(19,768,276)		(15,153,289)		(29,808,341)		
Capital Share Transactions										
Reinvestment of common dividends	1	80,124		767,545						
Net Assets Applicable to Common Shareholders										
Total increase (decrease) in net assets applicable to										
Common Shareholders	35,4	85,723		(10,310,996)		59,667,996		(12,070,841)		
Beginning of period	293,3	356,296		303,667,292		491,797,694		503,868,535		
End of period	\$ 328,8	342,019	\$	293,356,296	\$	551,465,690	\$	491,797,694		
Undistributed net investment income	\$ 5,1	59,882	\$	5,432,633	\$	7,862,592	\$	7,842,146		
		igan Quality (MYN onths ed	2				ock MuniYield lity Fund, Inc. (MYN) Year Ended			
Increase (Decrease) in Net Assets Applicable to Common Shareholders:	201 (Unauc	2		July 31, 2011		2012 Unaudited)		July 31, 2011		
Operations										
Net investment income		90,054	\$	10,384,846	\$	15,928,885	\$	34,301,968		
Net realized gain (loss)		378,313		(8,833)		133,612		(7,030,663)		
Net change in unrealized appreciation/depreciation	16,1	64,248		(3,139,760)		52,408,488		(10,452,591)		
Dividends to AMPS Shareholders from net investment income				(376,980)				(1,105,803)		
Net increase in net assets applicable to Common										
Shareholders resulting from operations	21,3	332,615		6,859,273		68,470,985		15,712,911		
Dividends to Common Shareholders From										
Net investment income	(5,3	392,272)		(10,355,821)		(16,807,188)		(33,574,394)		
Capital Share Transactions										
Reinvestment of common dividends	1	94,168						107,768		

16,134,511

(3,496,548)

51,663,797

Net Assets Applicable to Common Shareholders

Total increase (decrease) in net assets applicable to

Common Shareholders

(17,753,715)

Beginning of period	163,276,327	166,772,875	530,058,239	547,811,954
End of period	\$ 179,410,838	\$ 163,276,327	\$ 581,722,036	\$ 530,058,239
Undistributed net investment income	\$ 1,953,210	\$ 2,555,428	\$ 8,346,889	\$ 9,225,192

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

Statements of Changes in Net Assets

	BlackRock MuniYield Quality Fund III, Inc. (MYI) Six Months Ended								
	-	January 31, 2012		Year Ended July 31,					
Increase (Decrease) in Net Assets Applicable to Common Shareholders:	(Unaudited)		2011					
Operations Net investment income	¢	20 (00 (70	¢	60 206 007					
	\$	29,690,679	\$	60,306,907					
Net realized gain (loss)		1,386,324		(8,829,974)					
Net change in unrealized appreciation/depreciation		110,525,829		(23,059,984)					
Dividends to AMPS Shareholders from net investment income				(1,979,653)					
Net increase in net assets applicable to Common Shareholders resulting from operations		141,602,832		26,437,296					
Dividends to Common Shareholders From									
Net investment income		(29,286,616)		(58,264,384)					
Capital Share Transactions									
Reinvestment of common dividends		526,172		2,578,449					
Net Assets Applicable to Common Shareholders									
Total increase (decrease) in net assets applicable to Common Shareholders		112,842,388		(29,248,639)					
Beginning of period		890,985,189		920,233,828					
End of period	\$1	,003,827,577	\$	890,985,189					
Undistributed net investment income	\$	15,835,958	\$	15,431,895					
See Notes to Financial Statements.									
SEMI-ANNUAL REPORT	J	ANUARY 31, 20	12	39					

Statements of Cash Flows

Six Months Ended January 31, 2012 (Unaudited)	BlackRock MuniHoldings Quality Fund II, Inc. (MUE)	BlackRock MuniYield California Quality Fund, Inc. (MCA)	BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM)	BlackRock MuniYield New York Quality Fund, Inc. (MYN)	BlackRock MuniYield Quality Fund III, Inc. (MYI)
Cash Provided by (Used for) Operating Activities					
Net increase in net assets resulting from operations, excluding dividends to AMPS Shareholders Adjustments to reconcile net increase	\$ 45,332,271	\$ 74,821,285	\$ 21,332,615	\$ 68,470,985	\$ 141,602,832
(decrease) in net assets resulting from operations to net cash provided by (used for) operating activities:					
(Increase) decrease in interest receivable	(318,132)	(423,926)	21,816	(186,698)	(11,238)
Decrease in income receivable affiliated		335		363	610
(Increase) decrease in cash pledged as					
collateral for financial futures contracts	(74,000)	(125,000)	55,000	87,400	495,000
Decrease in prepaid expenses	13,850	25,246	51,118	183,146	
Decrease in other assets		(187,357)	(54,931)	(172,097)	(252,030)
Increase in investment advisory fees payable	19,543	22,299	5,462	15,676	50,546
Increase (decrease) in interest expense and fees					
payable	(10,282)	(40,929)	(5,595)	23,732	(32,419)
Decrease in other accrued expenses payable	(110,587)	(31,382)	(6,837)	(125,430)	(99,267)
Increase (decrease) in margin variation payable Increase (decrease) in Officer s and Director s	(81,407)	14,219	(55,843)	(264,375)	(525,939)
fees payable	12,103	46,963	8,735	17,492	203,232
Net realized and unrealized gain on investments	(35,987,010)	(59,711,633)	(16,697,285)	(53,548,589)	(113,227,792)
Amortization of premium and accretion of	521 504	1 450 500	44.104	500 502	(1.510.0(0))
discount on investments	731,794	1,452,530	44,194	580,503	(1,512,360)
Amortization of deferred offering costs	4,405	159,239	26,860	270,687	419,511
Proceeds from sales of long-term investments	75,757,739	165,952,095	33,798,614	118,491,421	178,896,946
Purchases of long-term investments Net proceeds from sales (purchases) of	(89,285,669)	(179,503,293)	(33,414,261)	(138,485,221)	(176,970,534)
short-term securities	2,621,053	2,885,184	(670,622)	(3,285,194)	(32,407,424)
Cash provided by (used for) operating					
activities	(1,374,329)	5,355,875	4,439,040	(7,926,199)	(3,370,326)
Cash Provided by (Used for) Financing Activities					
Cash receipts from issuance of VMTP	131,000,000				
Cash payments on redemption of AMPS	(131,000,000)				
Cash receipts from TOB trust certificates	11,260,000	25,870,903	825,000	47,502,925	42,548,943
Cash payments for TOB trust certificates	(80,000)	(16,078,138)		(22,597,363)	(10,374,918)
Cash dividends paid to Common Shareholders	(9,714,950)	(15,153,289)	(5,192,990)	(16,844,816)	(28,757,502)
Cash dividends paid to Preferred Shareholders	(130,644)				
Cash payments for offering costs	(102,870)	(79,899)	(41,893)	(118,865)	(171,028)
Increase (decrease) in bank overdraft	142,793	84,548	(29,157)	(15,682)	124,831
Cash provided for (used for) financing					
activities	1,374,329	(5,355,875)	(4,439,040)	7,926,199	3,370,326
Cash					

Net increase in cash					
Cash at beginning of year					
Cash at end of year					
Cash Flow Information					
Cash paid during the year for interest and fees	\$ 403,973	\$ 743,384	\$ 155,938	\$ 607,738	\$ 1,239,139
Noncash Financing Activities					
Capital shares issued in reinvestment of					
dividends paid to Common Shareholders	\$ 180,124		\$ 194,168		\$ 526,172

A Statement of Cash Flows is presented when a Fund had a significant amount of borrowing during the period, based on the average borrowing outstanding in relation to average total assets.

See Notes to Financial Statements.

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Financial Highlights

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

	Ja	x Months Ended nuary 31, 2012 naudited)	20	Year Ended July 31, 2011 2010 200					Period October 1, 2007 to July 31, 2009 2008				Year Ended September 30, 2007 20		
Per Share Operating Performance															
Net asset value, beginning of period	\$	13.07	\$	13.57	\$	12.27	\$	12.84	\$	13.72	\$	14.15	\$	14.23	
Net investment income ¹		0.43		0.89		0.92		0.90		0.78		0.97		0.93	
Net realized and unrealized gain (loss)		1.60		(0.49)		1.26		(0.71)		(0.91)		(0.45)		0.03	
Dividends to AMPS Shareholders from															
net investment income		(0.01)		(0.02)		(0.02)		(0.12)		(0.25)		(0.33)		(0.29)	
Net increase (decrease) from investment				. ,		~ /		. ,				. ,		. ,	
operations		2.02		0.38		2.16		0.07		(0.38)		0.19		0.67	
Dividends to Common Shareholders										()					
from net investment income		(0.44)		(0.88)		(0.86)		(0.64)		(0.50)		(0.62)		(0.75)	
Net asset value, end of period	\$	14.65	\$	13.07	\$	13.57	\$	12.27	\$	12.84	\$	13.72	\$	14.15	
Market price, end of period	\$	14.72		12.46	\$	14.26	\$	11.40	\$	11.30	\$	12.39	\$	12.96	
······································	+		Ŧ		Ŧ		+		Ŧ		Ŧ		Ŧ		
Total Investment Return Applicable to Common Shareholders ²															
Based on net asset value		15.78% ³		3.19%		18.04%		1.58%		(2.41)%	3	1.73%		5.19%	
Based on market price		$22.02\%^{3}$		(6.38)%		33.51%		7.24%		(4.89)%		0.31%		(1.37)%	
				(0.00)/0		0010170				(1.02)//0		0.0170		(1107)/0	
Ratio to Average Net Assets															
Applicable to Common Shareholders															
Total expenses ⁴		1.35%5		1.30%		1.28%		1.66%		1.55%5		1.61%		1.64%	
Total expenses after fees waived and															
paid indirectly ⁴		1.29%5		1.23%		1.15%		1.45%		1.45%5		1.54%		1.57%	
Total expenses after fees waived and															
paid indirectly and excluding interest															
expense, fees and amortization offering															
costs ^{4,6}		$1.04\%^{5}$		1.07%		0.99%		1.04%		1.15%5		1.17%		1.16%	
Net investment income ⁴		6.30%5		6.93%		6.92%		7.61%		6.74% ⁵		6.94%		6.70%	
Dividends to AMPS Shareholders		0.08%5		0.17%		0.18%		1.03%		2.19%5		2.37%		2.10%	
Net investment income to Common															
Shareholders		6.22%5		6.76%		6.74%		6.58%		4.55% ⁵		4.57%		4.60%	
				0.00				2.0070							
Supplemental Data															
Net assets applicable to Common															
Shareholders, end of period (000)	\$	328,842	\$ 29	3,356	\$3	303,667	\$	274,342	\$ 2	86,933	\$	306,769	\$ 3	16,216	
AMPS outstanding at \$25,000		/ -		-)		,		. ,-)		,		-, -	
liquidation preference, end of period															
(000)			\$ 13	1,000	\$ 1	131,000	\$	131,000	\$ 1	45,300	\$	204,500	\$ 2	04,500	
VMTP Shares outstanding at \$100,000			÷ 10	,		,000	+*		<i></i>	-,- 50	+	,2 00		,2 50	
liquidation value, end of period (000)	\$	131,000													
Portfolio turnover	Ψ	151,000		24%		20%		37%		43%		43%		35%	
Asset coverage per AMPS at \$25,000		10,0		2170		2070		5170		10 /0		10 70		5570	
liquidation preference, end of period			\$ 8	30,983	\$	82,953	\$	77,357	\$	74,376	\$	62,514	\$	63,667	
Asset coverage per VMTP Shares at			ψυ	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Ψ	02,700	Ψ	. 1,551	Ψ	, 1,570	Ψ	52,511	Ψ		
\$100,000 liquidation value, end of															
period	\$	351,024													
Period	Ψ	221,021													

¹ Based on average Common Shares outstanding.

- ² Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.
- ³ Aggregate total investment return.
- ⁴ Do not reflect the effect of dividends to AMPS Shareholders.
- ⁵ Annualized.
- ⁶ Interest expense, fees and amortization of offering costs relate to TOBs and/or VMTP Shares. See Note 1 and Note 7 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VMTP Shares, respectively.

See Notes to Financial Statements.

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JANUARY 31, 2012

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Financial Highlights

BlackRock MuniYield California Quality Fund, Inc. (MCA)

		x Months Ended muary 31, 2012		Yea	r En	ded July	31,			Period ovember 1, 2007 to July 31,		Year E Octob		
	(U	naudited)		2011		2010		2009		2008		2007	2	2006
Per Share Operating Performance														
Net asset value, beginning of period	\$	14.31	\$		\$		\$	13.86	\$	14.63	\$	15.09	\$	14.82
Net investment income ¹		0.44		0.91		0.87		0.86		0.68		0.92		0.96
Net realized and unrealized gain (loss)		1.74		(0.37)		1.15		(0.51)		(0.75)		(0.42)		0.35
Dividends to AMPS Shareholders from				(0,02)		(0,02)		(0.10)		(0.20)		(0, 0, 0)		(0.24)
net investment income				(0.02)		(0.03)		(0.12)		(0.20)		(0.28)		(0.24)
Net increase (decrease) from investment		2.18		0.52		1.00		0.23		(0, 27)		0.22		1.07
operations Dividends to Common Shareholders		2.18		0.52		1.99		0.25		(0.27)		0.22		1.07
from net investment income		(0.44)		(0.87)		(0.76)		(0.66)		(0.50)		(0.68)		(0.80)
Capital charges with respect to issuance		(0.++)		(0.07)		(0.70)		(0.00)		(0.50)		(0.00)		(0.00)
of AMPS														$(0.00)^2$
Net asset value, end of period	\$	16.05	\$	14.31	\$	14.66	\$	13.43	\$	13.86	\$	14.63	\$	15.09
Market price, end of period	\$	15.36	\$	13.00	\$		\$			12.33	\$	13.16	\$	14.64
Total Investment Return Applicable to Common Shareholders ³														
Based on net asset value		15.68%	4	4.21%		15.69%	, 1	3.03%	, 0	(1.54)%	4	1.76%		7.57%
Based on market price		21.86%		(1.01)9		23.00%		4.17%		(2.63)%		(5.65)%		9.22%
		21.0070		(1101)/	0	201007			5	(2.00)/0		(0.00)		,. <u></u> ,.
Ratios to Average Net Assets Applicable to Common Shareholders														
Total expenses ⁵		1.63%	6	1.50%		1.11%	, 2	1.40%	b	$1.38\%^{6}$		1.53%		1.60%
Total expenses after fees waived and paid indirectly ⁵		1.63%	6	1.49%		1.10%	,	1.38%	6	1.36%6		1.53%		1.59%
Total expenses after fees waived and paid indirectly and excluding interest														
expense, fees and amortization costs ^{5,7}		1.22%		1.15%		0.95%	,	1.02%		$1.04\%^{6}$		1.03%		1.03%
Net investment income ⁵		5.86%	6	6.49%		6.10%		6.60%		6.15%6		6.22%		6.46%
Dividends to AMPS Shareholders				0.16%		0.20%	,	0.91%	, 0	$1.78\%^{6}$		1.87%		1.62%
Net investment income to Common			6											~
Shareholders		5.86%	0	6.33%		5.90%	2	5.69%	0	4.37%6		4.35%		4.84%
Supplemental Data														
Net assets applicable to Common														
Shareholders, end of period (000)	\$	551,466	\$	491,798	\$ 5	503.869	\$	461,505	\$	476.235	\$	502,855	\$ 5	18,667
AMPS outstanding at \$25,000	φ	551,100	Ψ	191,790	ψυ	,00,007	Ψ	101,505	Ψ	110,235	Ψ	502,055	ψU	10,007
liquidation preference, end of period														
(000)					\$ 1	166,525	\$	166,525	\$	192,300	\$	275,000	\$ 2	75,000
VRDP Shares outstanding at \$100,000														
liquidation value, end of period (000)	\$	166,500	\$	166,500										
Portfolio turnover		20%	2	26%		30%	,	25%	6	25%		25%		27%
Asset coverage per AMPS at \$25,000														
liquidation preference, end of period					\$ 1	100,648	\$	94,289	\$	86,933	\$	70,733	\$	72,170
Asset coverage per VRDP Shares at						100,010	Ψ	,205	Ψ	00,755		,		,
\$100,000 liquidation value, end of period	\$	431,211	<i>•</i>	395,374		100,010	Ψ	,205	Ψ	00,700				,

- ¹ Based on average Common Shares outstanding.
- ² Amount is less than (0.01) per share.
- ³ Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.
- ⁴ Aggregate total investment return.
- ⁵ Do not reflect the effect of dividends to AMPS Shareholders.
- ⁶ Annualized.
- ⁷ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 1 and Note 7 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

See Notes to Financial Statements.

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Financial Highlights

BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM)

	Ei Janu 2	x Months Ended nuary 31, Year Ended July 31, 2012						Period ovember 1, 2007 to July 31,		Year Ended October 31,				
	(Una	udited)		2011		2010		2009		2008		2007		2006
Per Share Operating Performance	¢	10.50	¢	10.00	¢	10.07	*	12.24	¢	14.10	<i>(</i>	14.50	¢	1454
Net asset value, beginning of period	\$	13.53	\$	13.82	\$	12.87	\$	13.24	\$	14.13	\$		\$	14.54
Net investment income ¹		0.40		0.86		0.91		0.93		0.70		0.97		0.97
Net realized and unrealized gain								(0.40)		(0,00)		(a. 17)		
(loss)		1.37		(0.26)		0.90		(0.49)		(0.88)		(0.47)		0.13
Dividends to AMPS Shareholders				(0.02)		(0.0.1)		(0.1.1)		(0.01)		(0,00)		(0.00)
from net investment income				(0.03)		(0.04)		(0.14)		(0.21)		(0.29)		(0.26)
Net increase (decrease) from				0.57				0.00		(0, 20)		0.01		0.04
investment operations		1.77		0.57		1.77		0.30		(0.39)		0.21		0.84
Dividends to Common Shareholders		(0.45)		(0.00)		(0.00)				(0.50)		(0, (0))		(0.70)
from net investment income		(0.45)		(0.86)		(0.82)		(0.67)		(0.50)		(0.68)		(0.78)
Capital charges with respect to														(0,00)2
issuance of AMPS	¢	14.05	¢	10.50	¢	10.00		10.07	¢	10.04	<i>(</i>	14.10	¢	$(0.00)^2$
Net asset value, end of period	\$	14.85	\$	13.53	\$	13.82	\$	12.87	\$	13.24	\$		\$	14.60
Market price, end of period	\$	15.16	\$	12.28	\$	13.67	\$	11.58	\$	11.63	\$	12.61	\$	13.97
Total Investment Return Applicable to Common Shareholders ³														
Based on net asset value		13.36%		4.74%		14.62%		3.81%		(2.48)%		1.78%		6.09%
Based on market price		27.51%	4	(3.89)%	,	26.01%	,	6.34%	,	(4.01)%	4	(5.07)%	6	2.42%
Ratios to Average Net Assets Applicable to Common Shareholders														
Total expenses ⁵		1.72%	6	1.32%		1.08%	,	1.28%		$1.48\%^{6}$		1.69%		1.65%
Total expenses after fees waived ⁵		1.72%		1.32%		1.08%		1.28%		1.48%*		1.69%		1.63%
Total expenses after fees waived		1.7270		1.5170		1.07%	9	1.20%)	1.43%		1.08%	,	1.04%
excluding interest expense, fees and														
amortization of offering costs ^{5,7}		1.41%	6	1.21%		1.03%		1.12%	_	$1.14\%^{6}$		1.14%		1.13%
Net investment income ⁵		5.62%		6.46%		6.74%		7.43%		6.61% ⁶		6.77%		6.72%
Dividends to AMPS Shareholders		5.0270		0.40%		0.28%		1.15%		1.98%		2.05%		1.78%
Net investment income to Common				0.2370		0.28 /	9	1.13 /0)	1.9870		2.05 /	,	1.7070
Shareholders		5.62%	6	6.23%		6.46%	,	6.28%		4.63%6		4.72%		4.94%
Shareholders		5.0270		0.2570		0.4076)	0.20 /)	4.05 //		4.727	,	4.9470
Supplemental Data														
Net assets applicable to Common														
Shareholders, end of period (000)	\$ 1	179,411	\$	163,276	\$	166,773	\$	155,360	\$	159,759	\$	170,559	\$	176,216
AMPS outstanding at \$25,000	Ψ.1	,	Ψ		Ψ		Ψ		Ψ	-07,707	Ψ	,	Ψ	
liquidation preference, end of period														
(000)					\$	87,350	\$	87,350	\$	87,350	\$	99,000	\$	99,000
VRDP Shares outstanding at					ψ	07,550	Ψ	01,550	Ψ	07,550	ψ	,000	Ψ	<i>,</i> ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
\$100,000 liquidation value, end of														
period (000)	\$	87,300	\$	87,300										
Portfolio turnover	Ψ	13%	φ	18%		18%	, 1	9%	ว	20%		10%	1	14%
Asset coverage per AMPS at \$25,000		1370		1070		10/0	/	1	/	2070		10/0		17/0
liquidation preference, end of period					\$	72,733	\$	69,467	\$	70,730	\$	68,076	\$	69,507

Asset coverage per VRDP Shares at \$100,000 liquidation value, end of period \$305,511 \$287,029

- ¹ Based on average Common Shares outstanding.
- ² Amount is less than (0.01) per share.
- ³ Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.
- ⁴ Aggregate total investment return.
- ⁵ Do not reflect the effect of dividends to AMPS Shareholders.
- ⁶ Annualized.
- ⁷ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 1 and Note 7 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

See Notes to Financial Statements.

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Financial Highlights

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

	l Jan	Months Ended wary 31, 2012		Yea	ır E	Ended July	31,		Period lovember 1, 2007 to July 31,		Year E Octobe		
		audited)		2011		2010		2009	2008		2007		2006
Per Share Operating Performance	Ì	, í											
Net asset value, beginning of period	\$	13.44	\$	13.89	\$	12.65	\$	13.16	\$ 13.94	\$	14.40	\$	14.26
Net investment income ¹		0.40		0.87		0.90		0.87	0.66		0.84		0.92
Net realized and unrealized gain (loss)		1.33		(0.44)		1.08		(0.61)	(0.77)		(0.38)		0.23
Dividends to AMPS Shareholders from													
net investment income				(0.03)		(0.04)		(0.13)	(0.19)		(0.27)		(0.24)
Net increase (decrease) from investment													
operations		1.73		0.40		1.94		0.13	(0.30)		0.19		0.91
Dividends to Common Shareholders													
from net investment income		(0.43)		(0.85)		(0.70)		(0.64)	(0.48)		(0.65)		(0.77)
Capital charges with respect to issuance of AMPS													$(0.00)^2$
Net asset value, end of period	\$	14.74	\$	13.44	\$	13.89	\$	12.65	\$ 13.16	\$	13.94	\$	14.40
Market price, end of period	\$	14.53	\$	12.60	\$	13.57	\$	11.36	\$ 11.80	\$	12.80	\$	14.10
Total Investment Return Applicable to Common Shareholders ³													
Based on net asset value		13.13%	4	3.36%		16.15%	,	2.29%	(1.86)%	4	1.66%		6.71%
Based on market price		18.96%		(0.81)%		26.36%		2.44%	(4.16)%		(4.67)%		13.13%
Ratios to Average Net Assets Applicable to Common Shareholders			6										
Total expenses ⁵		1.65%		1.34%		1.11%		1.34%	1.48%6		1.64%		1.56%
Total expenses after fees waived ⁵		1.64%	6	1.33%		1.10%)	1.32%	1.46%6		1.63%		1.56%
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs ^{5,7}		1.30%	6	1.14%		1.00%		1.06%	$1.04\%^{6}$		1.04%		1.03%
Net investment income ⁵		5.76%		6.55%		6.69%		7.11%	6.36%		5.96%		6.50%
Dividends to AMPS Shareholders		5.70%		0.33%		0.09%		1.09%	1.82%6		1.88%		1.68%
Net investment income to Common				0.2170		0.2770)	1.0970	1.02 /0		1.00 ///		1.00 /0
Shareholders		5.76%	6	6.34%		6.42%)	6.02%	4.54%6		4.08%		4.82%
Supplemental Data													
Net assets applicable to Common													
Shareholders, end of period (000) AMPS outstanding at \$25,000	\$	581,722	\$	530,058	\$	547,812	\$	499,093	\$ 518,912	\$	549,910	\$ 5	67,954
liquidation preference, end of period (000)					\$	247,700	\$	247,700	\$ 259,475	\$	304,000	\$ 3	604,000
VRDP Shares outstanding at \$100,000 liquidation preference, end of period													
(000)	\$	247,700		247,700		a ~~		22 ~	180				100
Portfolio turnover		14%		18%		7%)	22%	17%		25%		43%
Asset coverage per AMPS at \$25,000 liquidation preference, end of period Asset coverage per VRDP Share at					\$	80,293	\$	75,376	\$ 75,011	\$	70,242	\$	71,725
\$100,000 liquidation value, end of period	\$	334,849	\$	313,992									
		,		, -									

- ¹ Based on average Common Shares outstanding.
- ² Amount is less than (0.01) per share.
- ³ Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends.
- ⁴ Aggregate total investment return.
- ⁵ Do not reflect the effect of dividends to AMPS Shareholders.
- ⁶ Annualized.
- ⁷ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 1 and Note 7 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

See Notes to Financial Statements.

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Financial Highlights

BlackRock MuniYield Quality Fund III, Inc. (MYI)

	Er Janu	Aonths nded ary 31, 012		Yea	ır E	Cnded July (31,		No	Period ovember 1, 2007 to July 31,		Year Octob		
		udited)		2011		2010		2009	J	2008		2007		2006
Per Share Operating Performance														
Net asset value, beginning of period	\$	13.19	\$	13.67	\$		\$	12.86	\$	14.57	\$	15.30	\$	15.27
Net investment income ¹		0.44		0.89		0.89		0.87		0.70		1.04		0.98
Net realized and unrealized gain														
(loss)		1.66		(0.48)		1.31		(0.66)		(1.69)		(0.79)		0.46
Dividends and distributions to AMPS Shareholders from:														
Net investment income				(0.03)		(0.03)		(0.12)		(0.22)		(0.31)		(0.25)
Net realized gain														(0.04)
Net increase (decrease) from														
investment operations		2.10		0.38		2.17		0.09		(1.21)		(0.06)		1.15
Dividends and distributions to														
Common Shareholders from:														
Net investment income		(0.43)		(0.86)		(0.77)		(0.68)		(0.50)		(0.67)		(0.78)
Net realized gain														(0.34)
Total dividends and distributions to														
Common Shareholders		(0.43)		(0.86)		(0.77)		(0.68)		(0.50)		(0.67)		(1.12)
Net asset value, end of period	\$	14.86	\$	13.19	\$		\$	12.27	\$	12.86	\$	14.57	\$	15.30
Market price, end of period	\$	14.91	\$	12.17	\$	14.17	\$	12.12	\$	12.22	\$	13.04	\$	14.36
Total Investment Return Applicable to Common Shareholders ²														
Based on net asset value		16.31%	3	3.22%		18.19%		1.70%		(8.22)%	3	(0.06)%	6	8.09%
Based on market price		26.48%	3	(8.12)%	6	24.03%		5.72%		(2.55)%	3	(4.70)%	6	5.38%
Ratios to Average Net Assets Applicable to Common Shareholders			-											
Total expenses ⁴		1.59%	5	1.32%		1.11%		1.46%		1.64%5		1.71%		1.67%
Total expenses after fees waived and			5			~								
paid indirectly ⁴		1.59%	3	1.32%		1.11%		1.45%		1.63%5		1.71%		1.67%
Total expenses after fees waived and														
paid indirectly and excluding interest		1 000	5	1 1007		0.070		1.060		1.0(0)5		1.0207		1.0207
expense and fees ^{4,6} Net investment income ⁴		1.23% 6.31%		1.12% 6.85%		0.97% 6.73%		1.06% 7.52%		$1.06\%^{5}$ $6.51\%^{5}$		1.03% 6.94%		1.02% 6.52%
Dividends to AMPS Shareholders		0.51%		0.83%		0.75%		1.04%		$2.03\%^{5}$		2.06%		1.67%
Net investment income to Common				0.2270		0.2070		1.04 /0		2.03 /0		2.00 /0		1.0770
Shareholders		6.31%	5	6.63%		6.47%		6.48%		4.48%5		4.88%		4.85%
Supplemental Data														
Net assets applicable to Common														
Shareholders, end of period (000)	\$ 1,0	03,828	\$	890,985	\$	920,234	\$	825,622	\$	865,447	\$	980,741	\$	1,030,048
AMPS outstanding at \$25,000														
liquidation preference, end of period														
(000)					\$	356,450	\$	358,625	\$	377,175	\$	570,000	\$	570,000
VRDP Shares outstanding at \$100,000 liquidation value, end of	\$ 3	56,400	\$	356,400										

period (000)												
Portfolio turnover		10%	. 1	12%	139	%	30%	6	70%	117%	,	95%
Asset coverage per AMPS at \$25,000												
liquidation preference, end of period												
(000)				\$	89,545	\$	82,559	\$	82,381	\$ 68,039	\$	70,198
Asset coverage per VRDP Shares at \$100,000 liquidation value, end of period	\$	381.658	\$ 349.99	96								
r · · · ·	· ·		, , . ,	-								

¹ Based on average Common Shares outstanding.

- ² Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.
- ³ Aggregate total investment return.
- ⁴ Do not reflect the effect of dividends to AMPS Shareholders.
- ⁵ Annualized.
- ⁶ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 1 and Note 7 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

See Notes to Financial Statements.

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Notes to Financial Statements (Unaudited) **1. Organization and Significant Accounting Policies:**

BlackRock MuniHoldings Quality Fund II, Inc. (MUE), BlackRock MuniYield California Quality Fund, Inc. (MCA), BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM), BlackRock MuniYield New York Quality Fund, Inc. (MYN) and BlackRock MuniYield Quality Fund III, Inc. (MYI), (collectively, the Funds or individually a Fund), are registered under the 1940 Act as non-diversified, closed-end management investment companies. The Funds are organized as Maryland corporations. The Funds financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), which may require management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The Boards of Directors of the Funds are collectively referred to throughout this report as the Board of Directors or the Board, and the directors thereof are collectively referred to throughout this report as Directors. The Funds determine and make available for publication the NAVs of their Common Shares on a daily basis.

The following is a summary of significant accounting policies followed by the Funds:

Valuation: US GAAP defines fair value as the price the Funds would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Funds fair value their financial instruments at market value using independent dealers or pricing services under policies approved by each Fund s Board. Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Short-term securities with remaining maturities of 60 days or less may be valued at amortized cost, which approximates fair value. Investments in open-end registered investment companies are valued at NAV each business day.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment or if a price is not available, the investment will be valued in accordance with a policy approved by the Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the investment advisor and/or the sub-advisor seeks to determine the price that each Fund might reasonably expect to receive from the current sale of that asset in an arm s-length transaction. Fair value determinations shall be based upon all available factors that the investment advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof.

Zero-Coupon Bonds: The Funds may invest in zero-coupon bonds, which are normally issued at a significant discount from face value and do not provide for periodic interest payments. Zero-coupon bonds may experience greater volatility in market value than similar maturity debt obligations which provide for regular interest payments.

Forward Commitments and When-Issued Delayed Delivery Securities: The Funds may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale commitment is made. The Funds may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, the Funds may be required to pay more at settlement than the security is worth. In addition, the Funds are not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed delivery basis, the Funds assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations. In the event of default by the counterparty, the Funds maximum amount of loss is the unrealized appreciation of unsettled when-issued transactions, which is shown in the Schedules of Investments.

Municipal Bonds Transferred to TOBs: The Funds leverage their assets through the use of TOBs. A TOB is established by a third party sponsor forming a special purpose entity, into which one or more funds, or an agent on behalf of the funds, transfers municipal bonds. Other funds managed by the investment advisor may also contribute municipal bonds to a TOB into which a Fund has contributed bonds. A TOB typically issues two classes of beneficial interests: short-term floating rate certificates, which are sold to third party investors, and residual certificates (TOB Residuals), which are generally issued to the participating funds that made the transfer. The TOB Residuals held by a Fund include the right of a Fund (1) to cause the holders of a proportional share of the short-term floating rate certificates to tender their certificates at par, including during instances of a rise in short-term interest rates, and (2) to transfer, within seven days, a corresponding share of the municipal bonds from the TOB to a Fund. The TOB may also be terminated without the consent of a Fund upon the occurrence of certain events as defined in the TOB agreements. Such termination events may include the bankruptcy or default of the municipal bond, a substantial downgrade in credit quality of the municipal bond or the inability to remarket the short-term floating rate certificates to third party investors. During

the six months ended January 31, 2012, no TOBs that the Funds participated in were terminated without the consent of the Funds.

The cash received by the TOB from the sale of the short-term floating rate certificates, less transaction expenses, is paid to a Fund in exchange for TOB trust certificates. The Funds typically invest the cash in additional

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Notes to Financial Statements (continued)

municipal bonds. Each Fund s transfer of the municipal bonds to a TOB is accounted for as a secured borrowing, therefore the municipal bonds deposited into a TOB are presented in the Funds Schedules of Investments and the TOB trust certificates are shown in other liabilities in the Statements of Assets and Liabilities.

Interest income, including amortization and accretion of premiums and discounts, from the underlying municipal bonds is recorded by the Funds on an accrual basis. Interest expense incurred on the secured borrowing and other expenses related to remarketing, administration and trustee services to a TOB are shown as interest expense and fees in the Statements of Operations. The short-term floating rate certificates have interest rates that generally reset weekly and their holders have the option to tender certificates to the TOB for redemption at par at each reset date. At January 31, 2012, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for TOB trust certificates and the range of interest rates on the liability for TOB trust certificates were as follows:

	Underlying				
	Municipal				
	Bonds	Liability for			
	Transferred to	TOB Trust	Range of		
	TOBs	Certificates	Interest Rates		
MUE	\$ 149,387,701	\$ 73,362,934	0.07% 0.33%		
MCA	\$ 398,472,335	\$ 189,215,179	0.05% 0.18%		
MYM	\$ 20,366,211	\$ 9,855,000	0.08% 0.28%		
MYN	\$ 214,718,383	\$ 103,520,366	0.05% 0.23%		
MYI	\$ 485,368,306	\$ 233,771,493	0.08% 0.23%		

For the six months ended January 31, 2012, the Funds average TOB trust certificates outstanding and the daily weighted average interest rate, including fees, were as follows:

	Average Trust Certificates Outstanding	Daily Weighted Average Interest Rate
MUE	\$ 65,774,021	0.63%
MCA	\$ 187,884,169	0.64%
MYM	\$ 9,133,125	0.58%
MYN	\$ 85,819,256	0.71%
MYI	\$ 224,824,314	0.62%

Should short-term interest rates rise, the Funds investments in TOBs may adversely affect the Funds net investment income and dividends to Common Shareholders. Also, fluctuations in the market value of municipal bonds deposited into the TOB may adversely affect the Funds NAVs per share.

Segregation and Collateralization: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that the Funds either deliver collateral or segregate assets in connection with certain investments (e.g., financial futures contracts), the Funds will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on their books and records cash or liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party to such transactions has requirements to deliver/deposit securities as collateral for certain investments.

Investment Transactions and Investment Income: For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

Dividends and Distributions: Dividends from net investment income are declared and paid monthly. Distributions of capital gains, if any, are recorded on the ex-dividend dates. The amount and timing of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from US GAAP. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 7.

Income Taxes: It is each Fund s policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Each Fund files US federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Funds US federal tax returns remains open for each of the following periods:

	Year Ended	Period
MUE	July 31, 2011	October 1, 2007 to
	July 31, 2010	July 31, 2008
	July 31, 2009	
MCA	July 31, 2011	November 1, 2007 to
	July 31, 2010	July 31, 2008
	July 31, 2009	
MYM	July 31, 2011	November 1, 2007 to
	July 31, 2010	July 31, 2008
	July 31, 2009	
MYN	July 31, 2011	November 1, 2007 to
	July 31, 2010	July 31, 2008
	July 31, 2009	
MYI	July 31, 2011	November 1, 2007 to
	July 31, 2010	July 31, 2008
	July 31, 2009	

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Notes to Financial Statements (continued)

The statutes of limitations on each Fund s state and local tax returns may remain open for an additional year depending upon the jurisdiction. Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

Recent Accounting Standards: In May 2011, the Financial Accounting Standards Board (the FASB) issued amended guidance to improve disclosure about fair value measurements which will require the following disclosures for fair value measurements categorized as Level 3: quantitative information about the unobservable inputs and assumptions used in the fair value measurement, a description of the valuation policies and procedures and a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs and the interrelationships between those unobservable inputs. In addition, the amounts and reasons for all transfers in and out of Level 1 and Level 2 will be required to be disclosed. The amended guidance is effective for financial statements for fiscal years beginning after December 15, 2011, and interim periods within those fiscal years. Management is evaluating the impact of this guidance on the Funds financial statement disclosures.

In December 2011, the FASB issued guidance that will expand current disclosure requirements on the offsetting of certain assets and liabilities. The new disclosures will be required for investments and derivative financial instruments subject to master netting or similar agreements which are eligible for offset in the Statements of Assets and Liabilities and will require an entity to disclose both gross and net information about such investments and transactions in the financial statements. The guidance is effective for financial statements with fiscal years beginning on or after January 1, 2013, and interim periods within those fiscal years. Management is evaluating the impact of this guidance on the Funds financial statement disclosures.

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by each Fund s Board, independent Directors (Independent Directors) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Directors. This has approximately the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Fund. Each Fund may, however, elect to invest in common shares of certain other BlackRock Closed-End Funds selected by the Independent Directors in order to match its deferred compensation obligations. Investments to cover each Fund s deferred compensation liability, if any, are included in other assets in the Statements of Assets and Liabilities. Dividends and distributions from the BlackRock Closed-End Fund investments under the plan are included in income affiliated in the Statements of Operations.

Offering Costs: The Funds incurred costs in connection with its issuance of VRDP Shares and VMTP Shares. For VRDP Shares, these costs were recorded as a deferred charge and will be amortized over the 30-year life of the VRDP Shares with the exception of upfront fees paid to the liquidity provider which are amortized over the life of the liquidity agreement. For VMTP Shares, these costs were recorded as a deferred charge and will be amortized over the 3-year life of the space. Amortization of these costs is included in interest expense, fees and amortization of offering costs in the Statements of Operations.

Other: Expenses directly related to a Fund are charged to that Fund. Other operating expenses shared by several funds are pro rated among those funds on the basis of relative net assets or other appropriate methods.

The Funds have an arrangement with the custodian whereby fees may be reduced by credits earned on uninvested cash balances, which, if applicable, are shown as fees paid indirectly in the Statements of Operations. The custodian imposes fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

2. Derivative Financial Instruments:

The Funds engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Funds and to economically hedge, or protect, their exposure to certain risks such as interest rate risk. These contracts may be transacted on an exchange.

Losses may arise if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument or if the counterparty does not perform under the contract. Counterparty risk related to exchange-traded financial futures contracts is deemed to be minimal due to the protection against defaults provided by the exchange on which these contracts trade.

Financial Futures Contracts: The Funds purchase or sell financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk). Financial futures contracts are agreements between the Funds and

counterparty to buy or sell a specific quantity of an underlying instrument at a specified price and at a specified date. Depending on the terms of the particular contract, futures contracts are settled either through physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date. Pursuant to the contract, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recorded by the Funds as unrealized appreciation or depreciation. When the contract is closed, the Funds record a realized gain or loss equal to the difference

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Notes to Financial Statements (continued)

between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures contracts involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest or foreign currency exchange rates and the underlying assets.

Derivative Financial Instruments Categorized by Risk Exposure:

Fair Values of Derivative Financial Instruments as of January 31, 2012									
		Liability Derivatives							
		MUE	MCA	MYM	MYN	MYI			
	Statement of Assets and Liabilities Location			Value					
Interest rate contracts	Net unrealized appreciation/depreciation ¹	\$ 194,461	\$ 113,874	\$ 35,038	\$ 294,319	\$ 210,228			

¹ Includes cumulative appreciation/depreciation on financial futures contracts as reported in the Schedules of Investments. Only current day s margin variation is reported within the Statements of Assets and Liabilities.

The Effect of Derivative Financial Instruments in the Statements of Operations Six Months Ended January 31, 2012

	Net Realized Gain (Loss) From						
	MUE	MCA	MYM	MYN	MYI		
Interest rate contracts:							
Financial futures contracts	\$ (488,321)	\$ 34,610	\$ (298,327)	\$ (1,247,758)	\$ (2,565,348)		

	Net Change in Unrealized Appreciation/Depreciation on								
	MUE	MCA	MYM	MY	N	MYI			
Interest rate contracts:									
Financial futures contracts	\$ 79,661	\$ (113,874)	\$ 143,603	\$ 22-	4,943 \$	1,221,984			
For the six months ended January 31, 2012, the average quarterly balances of outstanding derivative financial instruments were as follows:									

	MUE	MCA	MYM	MYN	MYI
Financial future contracts:					
Average number of contracts sold	56	33	10	84	60
Average notional value of contracts sold	\$ 7,339,875	\$ 4,298,125	\$ 1,322,500	\$11,109,000	\$ 7,935,000
2 Investment Advisory Agreement and Other Transactions wi	th Affiliators				

3. Investment Advisory Agreement and Other Transactions with Affiliates:

The PNC Financial Services Group, Inc. (PNC) and Barclays Bank PLC (Barclays) are the largest stockholders of BlackRock, Inc. (BlackRock). Due to the ownership structure, PNC is an affiliate for 1940 Act purposes, but Barclays is not.

Each Fund entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager), the Funds investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Fund s portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of each Fund. For such services, each Fund pays the Manager a monthly fee based on a percentage of each Fund s average daily net assets at the following annual rates:

MUE	0.55%
MCA	0.50%
МҮМ	0.50%
MYN	0.50%
MYI	0.50%

Average daily net assets are the average daily value of each Fund s total assets minus the sum of its accrued liabilities.

The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Fund pays to the Manager indirectly through its investment in affiliated money market funds. However, the

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Notes to Financial Statements (continued)

Manager does not waive its investment advisory fees by the amount of investment advisory fees paid in connection with each Fund s investment in other affiliated investment companies, if any. These amounts are included in fees waived by advisor in the Statements of Operations. For the six months ended January 31, 2012, the amounts waived were as follows:

MUE	\$ 2,618	3
MUE MCA	\$ 7,197	1
MYM	\$ 472	
MYN MYI	\$ 11,697	1
MYI	\$ 5,511	L

The Manager, for MUE, voluntarily agreed to waive its investment advisory fee on the proceeds of the Preferred Shares and TOBs that exceed 35% of total assets minus the sum of its accrued liabilities. This amount is included in fees waived by advisor in the Statements of Operations. For the six months ended January 31, 2012, the waiver was \$85,985.

The Manager entered into a sub-advisory agreement with BlackRock Investment Management, LLC (BIM), an affiliate of the Manager. The Manager pays BIM, for services it provides, a monthly fee that is a percentage of the investment advisory fees paid by each Fund to the Manager.

Certain officers and/or Directors of the Funds are officers and/or directors of BlackRock or its affiliates. The Funds reimburse the Manager for compensation paid to the Funds Chief Compliance Officer.

4. Investments:

Purchases and sales of investments excluding short-term securities for the six months ended January 31, 2012 were as follows:

	Purchases		Sales
MUE	\$ 85,599,969	\$	80,885,784
MCA	\$ 175,373,389	\$	168,180,595
МҮМ	\$ 33,414,261	\$	33,798,614
MYN	\$ 133,430,752	\$	117,995,518
MYI	\$ 153,394,475	\$	180,958,621

5. Income Tax Information:

As of July 31, 2011, the Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

Expires July 31,		MUE		MCA		MYM		MYN	MYI
2012	\$	259,900	\$	2,675,948	\$	1,194,375	\$	16,583,200	
2014								3,107,506	\$ 1,213,491
2015				1,362,395					5,979,955
2016						823,067		2,330,288	25,066,903
2017		8,936,425		2,753,866		253,932		2,295,738	21,251,301
2018		6,013,130		5,944,218				3,370,191	26,460,028
2019								1,287,746	
Total	\$	15,209,455	\$	12,736,427	\$	2,271,374	\$	28,974,669	\$ 79,971,678
Under the Regulated Investment Company Modernization Act of 2010, capital losses incurred by the Funds after July 31, 2011 will not be									

subject to expiration. In addition, any such losses must be utilized prior to the losses incurred in pre-enactment taxable years.

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

	MUE	MCA	MYM	MYN	MYI
Tax cost	\$ 410,598,433	\$ 646,931,592	\$ 247,380,522	\$ 763,647,519	\$ 1,214,278,215
Gross unrealized appreciation	\$ 44,249,543	\$ 64,748,669	\$ 18,365,965	\$ 63,704,663	\$ 128,891,638
Gross unrealized depreciation	(1,158,677)	(4,452)	(1,366,158)	(5,313,422)	(1,700,762)
Net unrealized appreciation	\$ 43,090,866	\$ 64,744,217	\$ 16,999,807	\$ 58,391,241	\$ 127,190,876

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Notes to Financial Statements (continued) 6. Concentration, Market and Credit Risk:

MCA, MYM and MYN invest a substantial amount of their assets in issuers located in a single state or limited number of states. Please see the Schedules of Investments for concentrations in specific states.

Many municipalities insure repayment of their bonds, which may reduce the potential for loss due to credit risk. The market value of these bonds may fluctuate for other reasons, including market perception of the value of such insurance, and there is no guarantee that the insurer will meet its obligation.

In the normal course of business, the Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Funds may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Funds may be exposed to counterparty credit risk, or the risk that an entity with which the Funds have unsettled or open transactions may fail to or be unable to perform on its commitments. The Funds manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Funds exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded in the Funds Statements of Assets and Liabilities, less any collateral held by the Funds.

As of January 31, 2012, MUE invested a significant portion of its assets in securities in the County/City/Special District/School District, Transportation and Utilities sectors. MCA invested a significant portion of its assets in securities in the County/City/Special District/School District and Utilities sectors. MYM invested a significant portion of its assets in securities in the County/City/Special District/School District sector. MYN and MYI invested a significant portion of its assets in securities in the County/City/Special District/School District and Transportation sectors. Changes in economic conditions affecting the County/City/Special District/School District, Transportation and Utilities sectors would have a greater impact on the Funds and could affect the value, income and/or liquidity of positions in such securities.

7. Capital Share Transactions:

Each Fund is authorized to issue 200 million shares, all of which were initially classified as Common Shares. The par value for each Fund s Common Shares is \$0.10. The par value for each Fund s Preferred Shares is \$0.10 except certain series of MYM and MYN AMPS which are \$0.05. The Board is authorized, however, to reclassify any unissued Common Shares to Preferred Shares without approval of Common Shareholders.

Common Shares

For the periods shown, shares issued and outstanding increased by the following amounts as a result of dividend reinvestment:

MUE 13,093 MYM 13,770 MYN	r Ended 31, 2011
	57,701
MYN	
	7,531
MYI 37,185	190,432

Shares issued and outstanding remained constant for MCA for the six months ended January 31, 2012 and the year ended July 31, 2011.

Preferred Shares

The Funds Preferred Shares rank prior to the Funds Common Shares as to the payment of dividends by the Funds and distribution of assets upon dissolution or liquidation of the Funds. The 1940 Act prohibits the declaration of any dividend on the Funds Common Shares or the repurchase

of the Funds Common Shares if the Funds fail to maintain the asset coverage of at least 200% of the liquidation preference of the outstanding Preferred Shares. In addition, pursuant to the Preferred Shares governing instrument, the Funds are restricted from declaring and paying dividends on classes of shares ranking junior to or on parity with the Preferred Shares or repurchasing such shares if the Funds fail to declare and pay dividends on the Preferred Shares, redeem any Preferred Shares required to be redeemed under the Preferred Shares governing instrument or comply with the basic maintenance amount requirement of the rating agencies then rating the Preferred Shares.

The holders of Preferred Shares have voting rights equal to the holders of Common Shares (one vote per share) and will vote together with holders of Common Shares (one vote per share) as a single class. However, the holders of Preferred Shares, voting as a separate class, are also entitled to elect two Directors for each Fund. In addition, the 1940 Act requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding Preferred Shares, voting separately as a class would be required to (a) adopt any plan of reorganization that would adversely affect the Preferred Shares, (b) change the Funds sub-classification as a closed-end investment company or change its fundamental investment restrictions or (c) change its business so as to cease to be an investment company.

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Notes to Financial Statements (continued) **VRDP Shares**

MCA, MYM, MYN and MYI (collectively, the VRDP Funds), have issued Series W-7 VRDP Shares, \$100,000 liquidation value per share, in a privately negotiated offering. The VRDP Shares were offered to qualified institutional buyers as defined pursuant to Rule 144A under the Securities Act of 1933 and include a liquidity feature that allows the holders of VRDP Shares to have their shares purchased by the liquidity provider in the event of a failed remarketing. The VRDP Funds are required to redeem the VRDP Shares owned by the liquidity provider after six months of continuous, unsuccessful remarketing. Upon the occurrence of an unsuccessful remarketing, the VRDP Funds are required to segregate liquid assets to fund the redemption. The VRDP Shares are subject to certain restrictions on transfer.

The VRDP Shares issued for the year ended July 31, 2011 were as follows:

	Issue Date	Shares Issued	Aggregate Principal	Maturity Date
MCA	4/21/11	1,665	\$ 166,500,000	5/01/41
MYM	5/19/11	873	\$ 87,300,000	6/01/41
MYN	4/21/11	2,477	\$ 247,700,000	5/01/41
MYI	5/19/11	3,564	\$ 356,400,000	6/01/41
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The VRDP Funds have entered into a fee agreement with the liquidity provider that required a per annum liquidity fee to be paid to the liquidity provider. These fees are shown as liquidity fees in the Statements of Operations.

The fee agreement between the VRDP Funds and the liquidity provider is for a 1-year term and is scheduled to expire on April 18, 2012 for MCA and MYN and May 16, 2012 for MYM and MYI unless renewed or terminated in advance. In the event the fee agreement is not renewed or is terminated in advance, and the VRDP Funds do not enter into a fee agreement with an alternate liquidity provider, the VRDP Shares will be subject to mandatory purchase by the liquidity provider prior to the termination of the fee agreement. The VRDP Funds are required to redeem any VRDP Shares purchased by the liquidity provider six months after the purchase date. Immediately after the purchase of any VRDP Shares by the liquidity provider to begin to segregate liquid assets with the VRDP Fund s custodian to fund the redemption. There is no assurance the VRDP Funds will replace such redeemed VRDP Shares with any other preferred shares or other form of leverage.

Each VRDP Fund is required to redeem its VRDP Shares on the maturity date, unless earlier redeemed or repurchased. Six months prior to the maturity date, each VRDP Fund is required to begin to segregate liquid assets with the Fund s custodian to fund the redemption. In addition, VRDP Funds are required to redeem certain of their outstanding VRDP Shares if they fail to maintain certain asset coverage, basic maintenance amount or leverage requirements.

Subject to certain conditions, VRDP Shares may be redeemed, in whole or in part, at any time at the option of VRDP Funds. The redemption price per VRDP Share is equal to the liquidation value per share plus any outstanding unpaid dividends. In the event of an optional redemption of VRDP Shares prior to the initial termination date of the fee agreement, the VRDP Funds must pay the liquidity provider fees on such redeemed VRDP Shares for the remaining term of the fee agreement up to the initial termination date.

Dividends on the VRDP Shares are payable monthly at a variable rate set weekly by the remarketing agent. Such dividend rates are generally based upon a spread over a base rate and cannot exceed a maximum rate as discussed below. In the event of a failed remarketing, the dividend rate of the VRDP Shares will be reset to a maximum rate. The maximum rate is determined based on, among other things, the long-term preferred share rating assigned to the VRDP Shares and the length of time that the VRDP Shares fail to be remarketed. At the date of issuance, the VRDP Shares were assigned a long-term rating of Aaa from Moody s and AAA from Fitch. Moody s has announced a review of its rating methodologies with respect to investment company securities, and any amendments to its rating methodologies may adversely affect Moody s current long-term ratings of the VRDP Shares.

The short-term ratings on the VRDP Shares are directly related to the short-term ratings of the liquidity provider. Changes in the credit quality of the liquidity provider could cause a change in the short-term credit ratings of the VRDP Shares. Although not directly correlated, a change in the short-term credit rating of the VRDP Shares may adversely affect the dividend rate paid on such shares. As of January 31, 2012, the short-term ratings of the liquidity provider and the VRDP Shares are P-1/F-1 and P-1/F-1 as rated by Moody s and Fitch, respectively. The liquidity provider may be terminated prior to the scheduled termination date if the liquidity provider fails to maintain short-term debt ratings in one of the two highest rating categories. Moody s has placed the liquidity provider and the short-term ratings of the VRDP Shares on review for possible downgrade.

For financial reporting purposes, VRDP Shares are considered debt of the issuer; therefore, the liquidation value of VRDP Shares is recorded as a liability in the Statements of Assets and Liabilities. Unpaid dividends are included in interest expense and fees payable in the Statements of Assets and Liabilities, and the dividends paid on the VRDP Shares are included as a component of interest expense, fees and amortization of offering costs in the Statements of Operations. VRDP Shares are treated as equity for tax purposes. Dividends paid to holders of VRDP Shares are generally classified as tax-exempt income for tax-reporting purposes.

The VRDP Funds pay commissions of 0.10% on the aggregate principal amount of all VRDP Shares, which are included in remarketing fees on Preferred Shares in the Statements of Operations. All of the VRDP Funds VRDP Shares have successfully remarketed since issuance, with an

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Notes to Financial Statements (continued)

annualized dividend rates for the six months ended January 31, 2012 as follows:

	Rate
MCA	0.30%
MYM	0.28%
MYN	0.26%
MYI	0.28%
VRDP Shares issued and outstanding remained constant for the six months ended January 31, 2012	

VRDP Shares issued and outstanding remained constant for the six months ended January 31, 2012.

VMTP Shares

MUE has issued Series W-7 VMTP Shares, \$100,000 liquidation value per share, in a privately negotiated offering and sale of VMTP Shares exempt from registration under the Securities Act of 1933.

The VMTP Shares issued for the six months ended January 31, 2012 were as follows:

	Issue	Shares	Aggregate	Term			
	Date	Issued	Principal	Date			
MUE	12/16/11	1,310	\$ 131,000,000	1/02/15			
MUE is required to redeem its VMTP Shares on the term date, unless earlier redeemed or repurchased or unless extended. There is no assurance							
that the term of the Fund s VMTP Shares will be extended or that the Fund s VMTP Shares will be replaced with any other preferred shares or							
other form of leverage upon the redemption or repurchase of the VMTP Shares. Six months prior to term date, The Fund is required to begin to							
segregate liquid assets with the Fund s custodian to fund the redemption. In addition,	the Fund is re	equired to red	leem certain of its ou	itstanding			

Subject to certain conditions, the Fund's VMTP Shares may be redeemed, in whole or in part, at any time at the option of the Fund. The redemption price per VMTP Share is equal to the liquidation value per share plus any outstanding unpaid dividends and applicable redemption premium. If the Fund redeems the VMTP Shares on a date that is one year or more prior to the term date and the VMTP Shares are rated above A1/A+ by Moody's and Fitch, respectively, (the Rating Agencies), then such redemption is subject to a scheduled redemption premium based on the time remaining to the term date, subject to certain exceptions for redemptions that are required to maintain minimum asset coverage requirements. The VMTP Shares are subject to certain restrictions on transfer, and the Fund may also be required to register the VMTP Shares for sale under the Securities Act of 1933 under certain circumstances. In addition, amendments to the VMTP governing document generally require the consent of the holders of VMTP Shares.

Dividends on the VMTP Shares are payable monthly at a variable rate set weekly at a fixed rate spread to the Securities Industry and Financial Markets Association Municipal Swap Index (SIFMA). The fixed spread is determined based on the long-term preferred share rating assigned to the VMTP Shares by the Rating Agencies. At the date of issuance, the VMTP Shares were assigned a long-term rating of Aaa from Moody s and AAA from Fitch. Moody s has announced a review of its rating methodologies with respect to investment company securities, and any amendments to its respective rating methodologies may adversely affect the Moody s current long-term ratings of the VMTP Shares. The dividend rate on the VMTP Shares is subject to a step-up spread if the Fund fails to comply with certain provisions, including, among others, the timely payment of dividends, redemptions or gross-up payments, and maintaining certain asset coverage and leverage requirements.

The average annualized dividend rate of the VMTP Shares for the six months ended January 31, 2012 for MUE was 1.09%.

VMTP Shares if it fails to maintain certain asset coverage, basic maintenance amount or leverage requirements.

For financial reporting purposes, the VMTP Shares are considered debt of the issuer; therefore, the liquidation value of VMTP Shares is recorded as a liability in the Statements of Assets and Liabilities. Unpaid dividends are included in interest expense and fees payable in the Statements of Assets and Liabilities, and the dividends paid on the VMTP Shares are included as a component of interest expense, fees and amortization of offering costs in the Statements of Operations. VMTP Shares are treated as equity for tax purposes. Dividends paid to holders of VMTP Shares are generally classified as tax-exempt income for tax-reporting purposes.

AMPS

The AMPS are redeemable at the option of each Fund, in whole or in part, on any dividend payment date at their liquidation preference per share plus any accumulated and unpaid dividends whether or not declared. The AMPS are also subject to mandatory redemption at their liquidation preference plus any accumulated and unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of a Fund, as set forth in each Fund s Articles Supplementary/Statement of Preferences and/or Certificate of Designation (the Governing Instrument) are not satisfied.

From time to time in the future, each Fund may effect repurchases of its AMPS at prices below their liquidation preference as agreed upon by the Fund and seller. Each Fund also may redeem its AMPS from time to time as provided in the applicable Governing Instrument. Each Fund intends to effect such redemptions and/or repurchases to the extent necessary to maintain applicable asset coverage requirements or for such other reasons as the Board may determine.

Dividends on seven-day and 28-day AMPS are cumulative at a rate which is reset every seven or 28 days, respectively, based on the results of an auction. If the AMPS fail to clear the auction on an auction date, each Fund is required to pay the maximum applicable rate on the AMPS to

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Notes to Financial Statements (concluded)

holders of such shares for successive dividend periods until such time as the shares are successfully auctioned. The maximum applicable rate on the AMPS is as footnoted in the table below. The low, high and average dividend rates on the AMPS for each Fund for the period were as follows:

	Series	Low	High	Average
MUE	A^1	0.17%	0.31%	0.23%
	\mathbf{B}^1	0.18%	0.31%	0.23%
	C^1	0.18%	0.31%	0.23%

¹ The maximum applicable rate on this series of AMPS is the higher of 110% of the AA commercial paper rate or 110% of 90% of the Kenny S&P 30-day High Grade Index rate divided by 1.00 minus the marginal tax rate.

Since February 13, 2008, the AMPS of the Funds failed to clear any of their auctions. As a result, the AMPS dividend rates were reset to the maximum applicable rate, which ranged from 0.17% to 0.31% for the six months ended January 31, 2012. A failed auction is not an event of default for the Funds but it has a negative impact on the liquidity of AMPS. A failed auction occurs when there are more sellers of a fund s AMPS than buyers. A successful auction for the Funds MAPS may not occur for some time, if ever, and even if liquidity does resume, holders of AMPS may not have the ability to sell the AMPS at their liquidation preference.

The Funds pay commissions of 0.15% on the aggregate principal amount of all shares that fail to clear their auctions and 0.25% on the aggregate principal amount of all shares that successfully clear their auctions. Certain broker dealers have individually agreed to reduce commissions for failed auctions. The commissions paid to these broker dealers are included in remarketing fees on Preferred Shares in the Statements of Operations.

During the six months ended January 31, 2012, MUE announced the following redemptions of AMPS at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:

		Series	Redemption Date	Shares Redeemed	Aggregate Principal
MUE		А	1/06/12	1,345	\$ 33,625,000
		В	1/05/12	1,345	\$ 33,625,000
		С	1/11/12	2,550	\$ 63,750,000

During the year ended July 31, 2011, certain Funds announced the following redemptions of AMPS at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:

	Series	Redemption Date	Shares Redeemed	Aggregate Principal
MCA	А	6/06/11	1,090	\$ 27,250,000
	В	5/16/11	1,090	\$ 27,250,000
	С	5/18/11	969	\$ 24,225,000
	D	5/13/11	1,211	\$ 30,275,000
	E	5/13/11	1,211	\$ 30,275,000
	F	5/12/11	1,090	\$ 27,250,000
MYM	А	5/31/11	1,941	\$ 48,525,000
	В	6/08/11	1,200	\$ 30,000,000
	С	6/09/11	353	\$ 8,825,000
MYN	А	5/24/11	1,385	\$ 34,625,000
	В	5/10/11	1,385	\$ 34,625,000
	С	5/16/11	2,282	\$ 57,050,000
	D	5/18/11	1,597	\$ 39,925,000
	Е	5/19/11	1,793	\$ 44,825,000
	F	5/13/11	1,466	\$ 36,650,000

MYI	А	6/23/11	1,376	\$ 34,400,000
	В	6/30/11	1,376	\$ 34,400,000