

BLACKROCK MUNIYIELD QUALITY FUND II, INC.
Form N-CSR
July 02, 2009
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 811-06728

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

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

Date of fiscal year end: 04/30/2009

Date of reporting period: 04/30/2009

Item 1 – Report to Stockholders

Annual Report

APRIL 30, 2009

BlackRock MuniYield Fund, Inc. (MYD)

BlackRock MuniYield Quality Fund, Inc. (MQY)

BlackRock MuniYield Quality Fund II, Inc. (MQT)

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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Dear Shareholder

The past 12 months reveal a tale of two markets – one of investor pessimism and decided weakness, and another of optimism and some early signs of recovery. The majority of the past year was characterized by the former as the global financial crisis erupted into the worst recession in decades. Economic data were uniformly poor and daily headlines recounted the downfalls of storied financial firms, volatile swings in global financial markets, and monumental government actions that included widespread (and globally coordinated) monetary and quantitative easing by central banks and large-scale fiscal stimuli. Sentiment improved noticeably in March 2009, however, on the back of new program announcements by the Treasury and Federal Reserve Board, as well as signs of improved economic performance, such as in retail sales, consumer confidence and select areas of the housing market.

Against this backdrop, US equities contended with unprecedented levels of volatility, posting steep declines early, and then pared some of those losses in March and April. The experience in international markets was similar to that in the United States, though there was a marked divergence in regional performance. Notably, emerging economies, which lagged most developed regions through the downturn, were among the market leaders during the late-period rally.

In fixed income markets, while risk aversion remained a dominant theme overall, relatively attractive yields and distressed valuations, alongside a more favorable macro environment, eventually captured investor attention, leading to a modest recovery in non-Treasury assets. A notable example from the opposite end of the credit spectrum was the high yield sector, which generally outperformed in the first four months of 2009 after extraordinary challenges and severe underperformance last year. At the same time, the new year ushered in a return to normalcy for the tax-exempt market, which had registered one of its worst years on record in 2008.

All told, the major benchmark indexes posted mixed results for the current reporting period, reflective of a bifurcated market.

Total Returns as of April 30, 2009	6-month	12-month
US equities (S&P 500 Index)	(8.53)%	(35.31)%
Small cap US equities (Russell 2000 Index)	(8.40)	(30.74)
International equities (MSCI Europe, Australasia, Far East Index)	(2.64)	(42.76)
US Treasury securities (Merrill Lynch 10-Year US Treasury Index)	8.98	9.30
Taxable fixed income (Barclays Capital US Aggregate Bond Index)	7.74	3.84
Tax-exempt fixed income (Barclays Capital Municipal Bond Index)	8.20	3.11
High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	16.39	(12.55)

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

On June 16, 2009, BlackRock, Inc. announced that it received written notice from Barclays PLC (Barclays) in which Barclays Board of Directors had accepted BlackRock’s offer to acquire Barclays Global Investors (BGI). Barclays also notified BlackRock that its Board will recommend the transaction to Barclays’ shareholders for approval at a special meeting to be held in early August 2009. The combination of BlackRock and BGI will bring together market leaders in active and index strategies to create the preeminent asset management firm. The transaction is expected to close in the fourth quarter 2009 following approval by Barclays’ shareholders, the receipt of client consents and regulatory approvals, and satisfaction of customary closing conditions.

Through periods of market turbulence, as ever, BlackRock’s full resources are dedicated to the management of our clients’ assets. We thank you for entrusting BlackRock with your investments and look forward to continuing to serve you in the months and years ahead.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

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Fund Summary as of April 30, 2009

BlackRock MuniYield Fund, Inc.

Investment Objective

BlackRock MuniYield Fund, Inc. (MYD) (the Fund) seeks 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 by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

Performance

For the six months ended April 30, 2009, the Fund returned 22.93% based on market price and 11.76% based on net asset value (NAV). For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.50% on a market price basis and 9.58% on a NAV basis. 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. Portfolio positioning with respect to duration and yield curve has generally been neutral relative to the Fund's peer group. In general, the Fund's credit profile has consistently reflected a high level of exposure to the lower end of the ratings spectrum. While this strategy generates an above-average dividend yield, it also subjects the portfolio to additional volatility during periods when credit spreads are fluctuating. As a consequence, performance tended to suffer late last year when spreads widened, but, more recently, the strong rebound in lower-rated bonds has allowed the Fund to generate a strong competitive return, while maintaining the historically attractive dividend.

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	MYD
Initial Offering Date	November 29, 1991
Yield on Closing Market Price as of April 30, 2009 (\$11.45) ¹	6.71%
Tax Equivalent Yield ²	10.32%
Current Monthly Distribution per Common Share ³	\$0.064
Current Annualized Distribution per Common Share ³	\$0.768
Leverage as of April 30, 2009 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

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The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.069. 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 further change in the future.

- ⁴ Represents Auction Market Preferred Shares (Preferred 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 Preferred 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 7.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$ 11.45	\$ 9.66	18.53%	\$ 11.68	\$ 7.57
Net Asset Value	\$ 11.53	\$ 10.70	7.76%	\$ 11.55	\$ 9.39

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

Sector Allocations

	4/30/09	10/31/08
State	24%	22%
Health	18	19
Corporate	12	13
Education	10	9
County/City/Special District/School District	9	10
Housing	9	8
Utilities	8	7
Transportation	6	8
Tobacco	4	4

Credit Quality Allocations⁵

	4/30/09	10/31/08
AAA/Aaa	28%	32%
AA/Aa	26	24
A/A	20	15
BBB/Baa	9	8
BB/Ba	1	2
B/B	2	3
CCC/Caa	2	2
Not Rated ⁶	12	14

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

⁶ The investment advisor has deemed certain of these securities as investment grade quality. As of April 30, 2009 and October 31, 2008, the market value of these securities was \$18,072,535 representing 2% and \$21,126,114 representing 3%, respectively, of the

Fund's long-term investments.

Fund Summary as of April 30, 2009

BlackRock MuniYield Quality Fund, Inc.

Investment Objective

BlackRock MuniYield Quality Fund, Inc. (MQY) (the Fund) seeks 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 by investing primarily in a portfolio of long-term, high-grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

Performance

For the six months ended April 30, 2009, the Fund returned 16.47% based on market price and 17.07% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 19.11% on a market price basis and 13.36% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Benefiting Fund performance was our constructive market positioning during a period of declining yields and the stabilization of credit spreads, which began to tighten toward the end of the period. The Fund is more sensitive to credit spreads, in general, since the downgrades of the monoline insurers and, in particular, because of its more-than-average exposure to weaker underlying insured bonds. The municipal market generally returned to more typical functioning after an extended period of volatility. This allowed us to continue upgrading the Fund's overall credit quality, which we believe is warranted given the general economic weakness.

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Fund Information

Symbol on New York Stock Exchange	MQY
Initial Offering Date	June 26, 1992
Yield on Closing Market Price as of April 30, 2009 (\$12.32) ¹	5.55%
Tax Equivalent Yield ²	8.54%
Current Monthly Distribution per Common Share ³	\$0.057
Current Annualized Distribution per Common Share ³	\$0.684
Leverage as of April 30, 2009 ⁴	40%

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

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The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.067. 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 further change in the future.

- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred 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 7.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$ 12.32	\$ 10.90	13.03%	\$ 12.74	\$ 8.51
Net Asset Value	\$ 13.27	\$ 11.68	13.61%	\$ 13.49	\$ 10.32

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

Sector Allocations

	4/30/09	10/31/08
Transportation	26%	27%
County/City/Special District/ School District	20	17
State	18	20
Utilities	16	12
Health	7	8
Tobacco	5	5
Corporate	4	5
Housing	2	3
Education	2	3

Credit Quality Allocations⁵

	4/30/09	10/31/08
AAA/Aaa	39%	36%
AA/Aa	42	50
A/A	14	5
BBB/Baa	5	6
B/B		3

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

Fund Summary as of April 30, 2009

BlackRock MuniYield Quality Fund II, Inc.

Investment Objective

BlackRock MuniYield Quality Fund II, Inc. (MQT) (the Fund) seeks 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 by investing primarily in a portfolio of long-term, high-grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. The Fund invests primarily in insured municipal bonds. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

Performance

For the six months ended April 30, 2009, the Fund returned 19.90% based on market price and 17.27% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 19.11% on a market price basis and 13.36% on a NAV basis. 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. During the period, the Fund benefited from its above-average yield. Performance also was aided by our constructive market positioning during a period of declining yields and the stabilization of credit spreads, which began to tighten toward the end of the period. The Fund is more sensitive to credit spreads, in general, since the downgrades of the monoline insurers and, in particular, because of its more-than-average exposure to weaker underlying insured bonds. The municipal market generally returned to more typical functioning after an extended period of volatility. This allowed us to continue upgrading the Fund's overall credit quality, which we believe is warranted given the general economic weakness.

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	MQT
Initial Offering Date	August 28, 1992
Yield on Closing Market Price as of April 30, 2009 (\$10.16) ¹	5.91%
Tax Equivalent Yield ²	9.09%
Current Monthly Distribution per Common Share ³	\$0.05
Current Annualized Distribution per Common Share ³	\$0.60
Leverage as of April 30, 2009 ⁴	40%

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 Share, declared on June 1, 2009, was increased to \$0.0575. 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 further change in the future.

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⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred 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 7.

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

	4/30/09	10/31/08	Change	High	Low
Market Price	\$ 10.16	\$ 8.75	16.11%	\$ 10.33	\$ 6.60
Net Asset Value	\$ 11.55	\$ 10.17	13.57%	\$ 11.74	\$ 8.87

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

Sector Allocations

	4/30/09	10/31/08
Transportation	29%	28%
County/City/Special District/School District	23	19
State	18	22
Utilities	13	13
Housing	7	7
Corporate	3	4
Health	3	2
Education	2	3
Tobacco	2	2

Credit Quality Allocations⁵

	4/30/09	10/31/08
AAA/Aaa	46%	36%
AA/Aa	36	54
A/A	15	7
BBB/Baa	3	3

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

The Benefits and Risks of Leveraging

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

To leverage, each Fund issues Preferred Shares, which pay dividends at prevailing short-term interest rates, and invests the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will 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 Common Shareholders will benefit from the incremental yield.

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 Fund's total portfolio of \$150 million earns the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the Trust's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental yield.

Conversely, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Fund pays dividends on the higher short-term interest rates whereas the Fund's total portfolio earns income based on lower long-term interest rates. If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Shares will be reduced or eliminated completely.

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

The Funds may also, from time to time, leverage their assets through the use of tender option bond (TOB) programs, 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 securities deposited into the TOB trust may adversely affect each Fund's NAVs per share.

The use of leverage may enhance opportunities for increased returns 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' NAV, market price and dividend rate than a comparable portfolio 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, the Funds' net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Shareholders will be reduced. The Funds may be required to sell portfolio securities at inopportune times or below fair market 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 the Funds to incur losses. The use of leverage may limit the Funds' 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 ratings agencies that rate preferred shares issued by the Funds. The Funds will incur expenses in connection with the use of leverage, all of which are borne by the holders of the Common Shares and may reduce returns on the Common Shares.

Under the Investment Company Act of 1940, the Funds are permitted to issue Preferred Shares in an amount of up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Fund anticipates that the total economic leverage from Preferred Shares and TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of April 30, 2009, the Funds had economic leverage from Preferred Shares and TOBs as a percentage of their total managed assets as follows:

	Percent of Leverage
BlackRock MuniYield Fund, Inc.	39%

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BlackRock MuniYield Quality Fund, Inc.	40%
BlackRock MuniYield Quality Fund II, Inc.	40%

Derivative Instruments

The Funds may invest in various derivative instruments, including swap agreements and futures and other instruments specified in the Notes to Financials Statements, which constitute forms of economic leverage. Such 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. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the other party to the transaction and illiquidity of the derivative instrument. The Funds' ability to successfully use a derivative instrument depends on the Advisor's ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require the Funds to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation the Funds can realize on an investment or may cause the Funds to hold a security that it might otherwise sell. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.

ANNUAL REPORT

APRIL 30, 2009

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Schedule of Investments April 30, 2009

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

Municipal Bonds	Par (000)	Value
Alabama 1.3%		
Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5.50%, 1/01/22	\$ 5,250	\$ 3,259,620
Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project), Series A (a)(b):		
5.625%, 8/01/25	2,200	1,049,488
5.875%, 8/01/36	6,425	2,739,556
		7,048,664
Arizona 13.1%		
Arizona State Transportation Board, Highway Revenue Bonds, Sub-Series A:		
5%, 7/01/21	5,825	6,190,810
5%, 7/01/22	7,030	7,469,656
5%, 7/01/23	5,240	5,533,597
Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.75%, 7/01/29	3,300	2,202,321
Maricopa County, Arizona, IDA, M/F Housing Revenue Refunding Bonds (CRS Pine Ridge Housing Corporation), Series A-1 (c)(d):		
6%, 10/20/31	5,000	5,139,050
6.05%, 10/20/36	5,000	4,973,350
Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT:		
6.25%, 6/01/19	3,000	1,992,690
6.30%, 4/01/23	5,090	3,130,299
Phoenix, Arizona, IDA, M/F Housing Revenue Bonds (Summit Apartments LLC Project) (d):		
6.25%, 7/20/22	1,610	1,668,701
6.45%, 7/20/32	1,425	1,452,104
6.55%, 7/20/37	1,305	1,328,033
Pima County, Arizona, IDA, Education Revenue Refunding Bonds (Arizona Charter Schools Project II), Series A:		
6.75%, 7/01/11 (e)	565	631,421
6.75%, 7/01/31	765	537,390
Pima County, Arizona, IDA, Revenue Bonds (Tucson Electric Power Company), Series A, 6.375%, 9/01/29	3,000	2,705,010
Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds:		
5%, 12/01/32	10,020	6,957,788
5%, 12/01/37	11,525	7,764,854

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Municipal Bonds	Par (000)	Value
Arizona (concluded)		
Vistancia Community Facilities District, Arizona, GO:		
5.50%, 7/15/20	\$ 3,000	\$ 2,605,620
5.75%, 7/15/24	2,125	1,800,959
Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Yavapai Regional Medical Center), Series A, 6%, 8/01/33		
	5,900	4,654,687
		68,738,340
California 14.5%		
California Educational Facilities Authority Revenue Bonds (University of Southern California), Series A, 5.25%, 10/01/39		
	5,310	5,521,816
California State, GO:		
5%, 4/01/31 (f)	10	9,343
6.50%, 4/01/33	14,075	15,375,671
California State, GO, Refunding, 5%, 6/01/32		
California State Public Works Board, Lease Revenue Bonds:	11,335	10,514,686
(Department of Corrections), Series C, 5%, 6/01/25	2,000	1,874,960
(Department of Mental Health Coalinga State Hospital), Series A, 5.125%, 6/01/29	4,500	4,063,095
California State, Various Purpose, GO, 5.25%, 11/01/25	6,800	6,822,168
Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds (e):		
Series A-3, 7.875%, 6/01/13	5,500	6,658,245
Series A-4, 7.80%, 6/01/13	7,500	9,058,650
Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Refunding Bonds, Senior Series A-1, 5.125%, 6/01/47		
	2,090	1,073,445
San Diego, California, Community College District, GO (Election of 2002), 5.25%, 8/01/33		
	2,160	2,180,282
Santa Clara, California, Subordinated Electric Revenue Bonds, Series A, 5%, 7/01/22 (g)		
	5,145	5,150,402
University of California Revenue Bonds (Multiple Purpose Projects), Series Q, 5%, 9/01/21 (h)		
	7,465	7,743,221
		76,045,984
Colorado 7.4%		
Colorado Educational and Cultural Facilities Authority, Revenue Refunding Bonds (University of Denver Project), Series B, 5.25%, 3/01/16 (e)(i)		
	3,245	3,852,659
Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Series D-2, 6.90%, 4/01/29		
	210	222,394

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 list on the right.

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AMT	Alternative Minimum Tax (subject to)
CABS	Capital Appreciation Bonds
COP	Certificates of Participation
EDA	Economic Development Authority
EDR	Economic Development Revenue Bonds
GAN	Grant Anticipation Notes
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
IDA	Industrial Development Authority
IDR	Industrial Development Revenue Bonds
M/F	Multi-Family
PCR	Pollution Control Revenue Bonds
PILOT	Payment in Lieu of Taxes
S/F	Single-Family
VRDN	Variable Rate Demand Notes

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
Colorado (concluded)		
Colorado Health Facilities Authority, Revenue Refunding Bonds (Poudre Valley Health Care) (h):		
Series B, 5.25%, 3/01/36	\$ 2,840	\$ 2,680,051
Series C, 5.25%, 3/01/40	5,000	4,678,050
Denver, Colorado, City and County Airport Revenue Bonds, AMT, Series D, 7.75%, 11/15/13 (f)	6,195	6,666,873
Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee), Series A:		
7.10%, 9/01/14	1,105	1,089,210
7.35%, 9/01/31	5,065	4,027,384
Platte River Power Authority, Colorado, Power Revenue Bonds, Series HH:		
5%, 6/01/26	2,500	2,627,275
5%, 6/01/27	1,130	1,177,223
Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees):		
8%, 12/01/25	6,850	5,808,869
8.125%, 12/01/25	1,885	1,448,623
University of Colorado, Enterprise System Revenue Bonds, Series A:		
5.25%, 6/01/30	2,250	2,331,923
5.375%, 6/01/32	1,250	1,301,800
5.375%, 6/01/38	830	858,369
		38,770,703
Connecticut 0.0%		
Connecticut State Development Authority, IDR (AFSCO Cargo BDL-LLC Project), AMT, 7.35%, 4/01/10	125	123,097
Florida 5.4%		
Broward County, Florida, Water and Sewer Utility Revenue Bonds, Series A, 5.25%, 10/01/34	2,155	2,153,405
Greater Orlando Aviation Authority, Florida, Airport Facilities Revenue Bonds (JetBlue Airways Corp.), AMT, 6.50%, 11/15/36	2,500	1,482,625
Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT:		
Series A, 7.125%, 4/01/30	11,500	5,907,205
Series B, 7.125%, 4/01/30	5,000	2,568,350
Lee County, Florida, Revenue Bonds, 5%, 10/01/22 (f)	4,705	4,711,446
Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A, 5.25%, 10/01/38 (j)	5,150	4,645,248
Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds,	5,330	3,526,168

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Series B, 6.50%, 5/01/37

Orange County, Florida, Health Facilities Authority, Health Care Revenue Refunding Bonds (Orlando Lutheran Towers), 5.375%, 7/01/20	1,100	819,434
Santa Rosa Bay Bridge Authority, Florida, Revenue Bonds, 6.25%, 7/01/28	4,620	2,642,409

28,456,290

Municipal Bonds	Par (000)	Value
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Georgia 1.5%

Main Street Natural Gas, Inc., Georgia, Gas Project Revenue Bonds, Series A, 6.375%, 7/15/38 (a)(b)	\$ 3,445	\$ 1,283,297
Private Colleges and Universities Authority, Georgia, Revenue Refunding Bonds (Emory University Project), Series C, 5%, 9/01/38	6,400	6,499,840

7,783,137

Idaho 1.6%

Idaho Housing Agency, S/F Mortgage Revenue Refunding Bonds, AMT, Senior Series C-2, 7.15%, 7/01/23	30	30,043
Power County, Idaho, Industrial Development Corporation, Solid Waste Disposal Revenue Bonds (FMC Corporation Project), AMT, 6.45%, 8/01/32	10,000	8,626,500

8,656,543

Illinois 1.5%

Bolingbrook, Illinois, Special Services Area Number 1, Special Tax Bonds (Forest City Project), 5.90%, 3/01/27	1,000	688,160
Illinois State Finance Authority Revenue Bonds, Series A: (Friendship Village of Schaumburg), 5.625%, 2/15/37	1,750	987,385
(Landing At Plymouth Place Project), 6%, 5/15/37	2,155	1,369,395
(Monarch Landing, Inc. Project), 7%, 12/01/37	1,445	875,395
Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Bonds (McCormick Place Expansion), Series A, 5.50%, 6/15/23 (g)	4,000	4,179,280

8,099,615

Indiana 0.4%

Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series B, 6%, 1/01/39	2,230	2,297,368
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Kansas 0.3%

Lenexa, Kansas, Health Care Facility Revenue Bonds (Lakeview Village Inc.), Series C, 6.875%, 5/15/12 (e)	1,250	1,459,950
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Kentucky 0.8%

Kentucky Economic Development Finance Authority, Health System Revenue Refunding Bonds (Norton Healthcare, Inc.), Series A:		
6.625%, 10/01/10 (e)	2,350	2,555,131
6.625%, 10/01/28	650	598,474
Kentucky Economic Development Financing Authority, Louisville Arena Project Revenue Bonds (Louisville Arena Authority, Inc.), Sub-Series A-1, 6%, 12/01/38 (j)		
	800	824,224
		3,977,829

Louisiana 7.6%

East Baton Rouge, Louisiana, Sewer Commission Revenue Refunding Bonds, 5.25%, 2/01/39		
	1,610	1,564,324
Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Westlake Chemical Corporation), 6.75%, 11/01/32		
	10,000	6,960,500

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
Louisiana (concluded)		
Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25%, 8/15/36	\$ 6,750	\$ 5,746,073
Louisiana State Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series B, 5%, 6/01/20 (f)	10,000	9,208,900
Port New Orleans, Louisiana, IDR, Refunding (Continental Grain Company Project), 6.50%, 1/01/17	19,000	16,152,090
		<u>39,631,887</u>
Maryland 3.0%		
Baltimore, Maryland, Convention Center Hotel Revenue Bonds, Sub-Series B, 5.875%, 9/01/39	1,920	1,151,962
Maryland State Community Development Administration, Department of Housing and Community Development, Residential Revenue Refunding Bonds, AMT, Series A, 4.65%, 9/01/32	2,580	2,203,578
Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration AES Warrior Run), AMT, 7.40%, 9/01/19	3,000	2,277,630
Maryland State Health and Higher Educational Facilities Authority, Revenue Refunding Bonds: (Peninsula Regional Medical Center), 5%, 7/01/36	5,000	4,250,750
(University of Maryland Medical System), 6%, 7/01/12 (e)	4,000	4,563,040
Maryland State Industrial Development Financing Authority, EDR (Our Lady of Good Counsel School), Series A, 6%, 5/01/35	500	345,775
Prince Georges County, Maryland, Special Obligation Bonds (National Harbor Project), 5.20%, 7/01/34	1,500	832,155
		<u>15,624,890</u>
Massachusetts 3.2%		
Massachusetts State Development Finance Agency, Human Service Provider Revenue Bonds (Seven Hills Foundation & Affiliates), 5%, 9/01/35 (k)	3,500	2,656,185
Massachusetts State Development Finance Agency, Revenue Refunding Bonds (Western New England College), Series A, 5%, 9/01/33 (j)	2,750	2,663,292
Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.25%, 1/01/14 (e)(i)	10,000	11,298,700
		<u>16,618,177</u>

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Michigan 2.6%

Macomb County, Michigan, Hospital Finance Authority, Hospital Revenue Bonds (Mount Clemens General Hospital), Series B, 5.875%, 11/15/13 (e)	3,015	3,542,836
Michigan State Hospital Finance Authority, Revenue Refunding Bonds (Henry Ford Health System), Series A, 5.25%, 11/15/32	1,000	793,650
Royal Oak, Michigan, Hospital Finance Authority, Hospital Revenue Refunding Bonds (William Beaumont Hospital):		
8%, 9/01/29	2,000	2,223,540
8.25%, 9/01/39	6,365	7,082,717
		13,642,743

Municipal Bonds	Par (000)	Value
Minnesota 0.7%		
Eden Prairie, Minnesota, M/F Housing Revenue Bonds (Rolling Hills Project), Series A (d):		
6%, 8/20/21	\$ 420	\$ 451,269
6.20%, 2/20/43	2,000	2,122,940
Minneapolis, Minnesota, M/F Housing Revenue Bonds (Gaar Scott Loft Project), AMT,		
5.95%, 5/01/30	905	921,426
		3,495,635

Mississippi 0.5%

University of Southern Mississippi Education Building Corporation Revenue Bonds (Campus Facilities Improvements Project), 5.375%, 9/01/36	2,780	2,836,156
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Missouri 4.2%

Missouri State Highways and Transportation Commission, First Lien State Road Revenue Bonds, Series A:		
5%, 5/01/20	5,000	5,531,900
5%, 5/01/21	15,000	16,445,250
		21,977,150

Nebraska 0.3%

Lincoln, Nebraska, Sanitation and Sewer Revenue Bonds:		
4.25%, 6/15/24	865	877,127
4.25%, 6/15/25	905	911,027
		1,788,154

New Hampshire 0.7%

New Hampshire Health and Education Facilities Authority, Revenue Refunding Bonds (Elliot Hospital), Series B, 5.60%, 10/01/22	3,425	3,431,439
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New Jersey 16.9%

New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50%, 6/15/24	11,435	8,909,466
New Jersey EDA, First Mortgage Revenue Bonds, Series A:		
(Lions Gate Project), 5.75%, 1/01/25	710	548,127
(Lions Gate Project), 5.875%, 1/01/37	230	160,485
(The Presbyterian Home), 6.375%, 11/01/31	3,000	2,033,490
New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5%, 7/01/29 (g)	20,000	19,308,600
New Jersey EDA, School Facilities Construction Revenue Bonds, Series O, 5.25%, 3/01/23	8,825	9,110,577
New Jersey EDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), AMT:		
6.25%, 9/15/19	3,905	2,850,689
6.25%, 9/15/29	14,000	8,953,000
New Jersey Health Care Facilities Financing Authority Revenue Bonds (Pascack Valley Hospital Association) (a)(b):		
6%, 7/01/13	1,335	34,576
6.625%, 7/01/36	1,835	47,526

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
New Jersey (concluded)		
New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds:		
CABS, Series C, 5.05%, 12/15/35 (f)(l)	\$ 13,110	\$ 2,513,974
Series A, 5.50%, 12/15/21	3,975	4,340,024
Series A, 5.50%, 12/15/22	6,600	7,149,318
Series D, 5%, 6/15/19	5,425	5,748,655
Series D, 5%, 6/15/20	9,410	9,737,374
Series D, 5%, 6/15/20 (h)	7,000	7,289,380
		88,735,261
New York 11.1%		
Dutchess County, New York, IDA, Civic Facility Revenue Refunding Bonds (Saint Francis Hospital), Series A, 7.50%, 3/01/29		
	2,200	1,973,092
Metropolitan Transportation Authority, New York, Dedicated Tax Fund Revenue Bonds, Series B, 5%, 11/15/34		
	4,910	4,765,155
New York City, New York, City IDA, PILOT Revenue Bonds (Queens Baseball Stadium Project) (f):		
5%, 1/01/22	2,000	1,852,580
5%, 1/01/23	2,175	2,012,136
New York City, New York, City IDA, Special Facility Revenue Bonds (British Airways Plc Project), AMT, 7.625%, 12/01/32		
	1,250	840,675
New York City, New York, City Municipal Water Finance Authority, Second General Resolution, Water and Sewer System Revenue Bonds, Series FF-2, 5.50%, 6/15/40		
	3,200	3,365,984
New York City, New York, City Transitional Finance Authority, Building Aid Revenue Refunding Bonds, Series S-1, 4.50%, 1/15/38		
	1,970	1,702,356
New York City, New York, GO, Refunding, Series A (g)(i):		
6.375%, 5/15/14	1,020	1,079,976
6.375%, 5/15/15	95	100,586
New York City, New York, GO, Series O, 5%, 6/01/33		
	2,500	2,457,950
New York State Dormitory Authority, Non-State Supported Debt, Revenue Refunding Bonds, Series A:		
(Mount Sinai Health), 6.75%, 7/01/10 (e)	3,145	3,372,667
(Mount Sinai-NYU Medical Center Health System), 6.75%, 7/01/20	1,855	1,901,746
New York State Dormitory Authority, State Personal Income Tax Revenue Bonds (Education), Series F, 5%, 3/15/35		
	5,000	5,027,500
Suffolk County, New York, IDA, IDR, Refunding (Nissequoque Cogeneration Partners Facility), AMT, 5.50%, 1/01/23		
	2,500	1,765,725

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Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series C-1, 5.50%, 6/01/21	9,400	9,615,542
Triborough Bridge and Tunnel Authority, New York, Subordinate Revenue Bonds, 5.25%, 11/15/30	10,000	10,132,600
Westchester County, New York, IDA, Continuing Care Retirement, Mortgage Revenue Bonds (Kendal on Hudson Project), Series A: 6.50%, 1/01/13 (e)	2,895	3,374,846
6.375%, 1/01/24	3,450	2,708,043
		<u>58,049,159</u>

Municipal Bonds	Par (000)	Value
North Carolina 2.0%		
North Carolina Eastern Municipal Power Agency, Power System Revenue Bonds, Series D, 6.75%, 1/01/26	\$ 4,750	\$ 4,799,257
North Carolina HFA, Home Ownership Revenue Bonds, AMT, Series 8-A, 6.20%, 7/01/16	145	146,315
North Carolina, HFA, S/F Revenue Bonds, Series II, 6.20%, 3/01/16 (c)	550	551,056
North Carolina Medical Care Commission, Health Care Facilities, First Mortgage Revenue Bonds: (Arbor Acres Community Project), 6.375%, 3/01/12 (e)	1,000	1,138,410
(Presbyterian Homes Project), 5.40%, 10/01/27	5,000	3,829,000
		<u>10,464,038</u>

Ohio 3.3%		
American Municipal Power, Inc., Ohio, Revenue Refunding Bonds (Prairie State Energy Campus Project), Series A, 5%, 2/15/38	2,995	2,905,839
Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Bonds, Series A-2, 6.50%, 6/01/47	7,460	4,608,042
Hamilton County, Ohio, Sewer System Improvement Revenue Bonds (The Metropolitan Sewer District of Greater Cincinnati), Series B, 5%, 12/01/28 (g)	5,065	5,138,544
Lucas County, Ohio, Health Care Facility Revenue Refunding and Improvement Bonds (Sunset Retirement Communities), Series A, 6.625%, 8/15/30	2,175	2,006,285
Port of Greater Cincinnati Development Authority, Ohio, Special Assessment Revenue Bonds (Cooperative Public Parking Infrastructure Project), 6.30%, 2/15/24	825	646,693
Toledo-Lucas County, Ohio, Port Authority Revenue Bonds (Saint Mary Woods Project), Series A: 6%, 5/15/24	750	546,338
6%, 5/15/34	2,250	1,452,510
		<u>17,304,251</u>

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Oregon 1.6%

Oregon State Department of Administrative Services, COP, Series A, 6%, 5/01/10 (e)(f)	4,405	4,675,026
Oregon State, GO, Refunding (Veterans Welfare), Series 80A, 5.70%, 10/01/32	2,170	2,190,897
Portland, Oregon, Housing Authority, Housing Revenue Bonds (Pine Square and University Place), Series A, 5.875%, 1/01/22	1,610	1,287,887
		8,153,810

Pennsylvania 4.9%

Pennsylvania Economic Development Financing Authority, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT, Series A, 6.25%, 11/01/27	5,270	2,735,446
Pennsylvania HFA, S/F Mortgage Revenue Refunding Bonds, AMT, Series 97A, 4.60%, 10/01/27	2,450	2,128,340
Pennsylvania State Higher Educational Facilities Authority, Health Services Revenue Refunding Bonds (Allegheny Delaware Valley Obligation), Series C, 5.875%, 11/15/16 (g)	16,270	13,489,294

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
Pennsylvania (concluded)		
Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, 7.75%, 12/01/17	\$ 1,265	\$ 1,079,374
Sayre, Pennsylvania, Health Care Facilities Authority, Revenue Bonds (Guthrie Healthcare System), Series B, 7.125%, 12/01/11 (e)	5,000	6,088,350
		<u>25,520,804</u>
Puerto Rico 1.4%		
Puerto Rico Electric Power Authority, Power Revenue Refunding Bonds, Series UU, 5%, 7/01/23 (h)	7,100	7,194,572
Rhode Island 1.0%		
Central Falls, Rhode Island, Detention Facility Corporation, Revenue Refunding Bonds, 7.25%, 7/15/35	4,240	2,904,485
Woonsocket, Rhode Island, GO (g)(i): 6%, 10/01/17	1,225	1,275,715
6%, 10/01/18	1,195	1,241,019
		<u>5,421,219</u>
South Dakota 0.9%		
South Dakota State Health and Educational Facilities Authority Revenue Bonds (Sanford Health), 5%, 11/01/40	5,210	4,555,885
Tennessee 0.7%		
Hardeman County, Tennessee, Correctional Facilities Corporation Revenue Bonds, 7.75%, 8/01/17	3,775	3,439,100
Texas 13.7%		
Alliance Airport Authority, Inc., Texas, Special Facilities Revenue Refunding Bonds (American Airlines Inc. Project), AMT, 5.75%, 12/01/29	3,500	1,330,035
Austin, Texas, Convention Center Revenue Bonds (Convention Enterprises Inc.), First Tier, Series A, 6.70%, 1/01/11 (e)	5,000	5,465,300
Bexar County, Texas, Housing Finance Corporation, M/F Housing Revenue Bonds (Water at Northern Hills Apartments), Series A (g): 5.80%, 8/01/21	1,300	886,652
6%, 8/01/31	2,460	1,490,760
6.05%, 8/01/36	1,000	590,030
Brazos River Authority, Texas, PCR, Refunding (TXU Energy Company Project), AMT, Series C, 5.75%, 5/01/36 (p)	7,600	4,484,000
	<u>12,500</u>	<u>4,750,000</u>

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Dallas-Fort Worth, Texas, International Airport Facility Improvement Corporation, Revenue Refunding Bonds (American Airlines, Inc.), AMT, 5.50%, 11/01/30		
Gregg County, Texas, Health Facilities Development Corporation, Hospital Revenue Bonds (Good Shepherd Medical Center Project) (e)(k):		
6.375%, 10/01/10	2,000	2,145,960
6.875%, 10/01/10	3,000	3,239,610
Guadalupe-Blanco River Authority, Texas, Sewage and Solid Waste Disposal Facility Revenue Bonds (E. I. du Pont de Nemours and Company Project), AMT, 6.40%, 4/01/26	5,000	4,752,300
Gulf Coast, Texas, IDA, Solid Waste Disposal Revenue Bonds (Citgo Petroleum Corporation Project), AMT, 7.50%, 5/01/25	3,900	3,785,925

Municipal Bonds	Par (000)	Value
Texas (concluded)		
Houston, Texas, Airport System, Special Facilities Revenue Bonds (Continental Airlines), AMT, Series E:		
7.375%, 7/01/22	\$ 3,500	\$ 2,707,635
7%, 7/01/29	3,000	2,107,410
Houston, Texas, Industrial Development Corporation Revenue Bonds (Air Cargo), AMT, 6.375%, 1/01/23	1,590	1,257,308
Lower Colorado River Authority, Texas, PCR (Samsung Austin Semiconductor), AMT, 6.95%, 4/01/30	3,330	3,085,112
North Texas Tollway Authority, System Revenue Refunding Bonds, Second Tier, Series F, 6.125%, 1/01/31	12,140	12,168,286
San Antonio Energy Acquisition Public Facilities Corporation, Texas, Gas Supply Revenue Bonds:		
5.50%, 8/01/23	6,955	5,948,820
5.50%, 8/01/25	6,365	5,369,196
Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier, Series A, 5.50%, 8/15/39 (f)	6,500	6,206,655
		71,770,994

U.S. Virgin Islands 0.9%		
Virgin Islands Public Finance Authority, Refinery Facilities Revenue Bonds (Hovensa Refinery), AMT, 6.125%, 7/01/22	6,250	4,678,813

Virginia 1.8%		
Fairfax County, Virginia, IDA, Health Care Revenue Refunding Bonds (Inova Health System Project), Series A, 5.50%, 5/15/35	6,270	6,342,168
James City County, Virginia, EDA, Residential Care Facility, First Mortgage Revenue Refunding Bonds (Williamsburg Landing, Inc.), Series A:		
5.35%, 9/01/26	1,500	1,060,020
5.50%, 9/01/34	2,000	1,315,520
Winchester, Virginia, IDA, Residential Care Facilities, Revenue Bonds (Westminster-Canterbury), Series A,	1,000	732,660

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5.20%, 1/01/27

		9,450,368
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Washington 0.3%

Vancouver, Washington, Housing Authority, Housing Revenue Bonds (Teal Pointe Apartments Project), AMT:		
6%, 9/01/22	945	766,291
6.20%, 9/01/32	1,250	930,000
		1,696,291

Wisconsin 4.1%

Milwaukee, Wisconsin, Revenue Bonds (Air Cargo), AMT, 6.50%, 1/01/25		
	660	519,235
Wisconsin State Health and Educational Facilities Authority, Revenue Refunding Bonds (Franciscan Sisters Healthcare), 5%, 9/01/26		
	7,425	5,717,473
Wisconsin State, General Fund Annual Appropriation Bonds, Series A, 6%, 5/01/36		
	14,300	15,069,483
		21,306,191

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
Wyoming 0.9%		
Wyoming Community Development Authority, Housing Revenue Bonds, AMT, Series 3, 4.75%, 12/01/37	\$ 5,315	\$ 4,514,083
Total Municipal Bonds 136.1%		712,758,590

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

Alabama 0.8%		
Birmingham, Alabama, Special Care Facilities Financing Authority, Revenue Refunding Bonds (Ascension Health Credit), Series C-2, 5%, 11/15/36	4,538	4,392,975
Colorado 2.3%		
Colorado Health Facilities Authority Revenue Bonds (Catholic Health) (h):		
Series C-3, 5.10%, 10/01/41	7,490	7,180,663
Series C-7, 5%, 9/01/36	4,800	4,606,368
		11,787,031
Connecticut 3.6%		
Connecticut State Health and Educational Facilities Authority Revenue Bonds (Yale University):		
Series T-1, 4.70%, 7/01/29	9,130	9,385,183
Series X-3, 4.85%, 7/01/37	9,270	9,463,743
		18,848,926
North Carolina 3.7%		
North Carolina Capital Facilities Finance Agency, Revenue Refunding Bonds (Duke University Project), Series A, 5%, 10/01/41	18,898	19,248,469
South Carolina 3.3%		
Charleston Educational Excellence Financing Corporation, South Carolina, Revenue Bonds (Charleston County School District) (j):		
5.25%, 12/01/28	7,795	7,855,022
5.25%, 12/01/29	6,920	6,938,753
5.25%, 12/01/30	2,510	2,500,236

* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 867,869,792
Gross unrealized appreciation	\$ 19,457,667
Gross unrealized depreciation	(105,626,922)
Net unrealized depreciation	\$ (86,169,255)

- (a) Non-income producing security.
- (b) Issuer filed for bankruptcy and/or is in default of interest payments.
- (c) FHA Insured.
- (d) GNMA Collateralized.
- (e) 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.
- (f) AMBAC Insured.
- (g) NPFGC Insured.
- (h) FSA Insured.
- (i) FGIC Insured.
- (j) Assured Guaranty Insured.
- (k) Radian Insured.
- (l) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (m) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (n) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity	Income
FFI Institutional Tax-Exempt Fund	(5,352,245)	\$ 236,612

- (o) Represents the current yield as of report date.
- (p) Variable rate security. Rate shown is as of report date.

See Notes to Financial Statements.

ANNUAL REPORT

APRIL 30, 2009

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Schedule of Investments (concluded)

BlackRock MuniYield Fund, Inc. (MYD)

Effective November 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Investments in Securities
	Assets
Level 1	\$ 2,105,032
Level 2	849,732,581
Level 3	
Total	\$ 851,837,613

See Notes to Financial Statements.

Schedule of Investments April 30, 2009

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

Municipal Bonds	Par (000)	Value
Alabama 2.2%		
Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 4.75%, 1/01/25	\$ 3,000	\$ 1,805,100
University of Alabama, General Revenue Bonds, Series A, 5%, 7/01/34 (a)	7,125	7,205,370
		9,010,470
Alaska 1.0%		
Matanuska-Susitna, Alaska, Lease Revenue Bonds (Goose Creek Correctional Center Project), 6%, 9/01/32 (b)	3,925	4,215,529
Arizona 0.5%		
Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, 5%, 12/01/32	2,970	2,062,338
California 17.9%		
Alameda Corridor Transportation Authority, California, CABS, Subordinate Lien, Series A, 5.45%, 10/01/25 (c)(d)	4,150	3,033,028
Arcadia, California, Unified School District, GO (Election of 2006), CABS, Series A, 4.961%, 8/01/39 (e)(f)	2,200	309,144
Cabrillo, California, Community College District, GO (Election of 2004), Series B (a)(f): 5.188%, 8/01/37	3,250	526,825
4.87%, 8/01/38	7,405	1,123,264
California State, GO, 5.50%, 4/01/28	5	5,038
California State, GO, Refunding, 5.125%, 6/01/27	30	29,564
California State University, Systemwide Revenue Bonds, Series A, 5%, 11/01/35 (a)(g)	3,450	3,308,274
Chino Valley, California, Unified School District, GO (Election of 2002), Series C, 5.25%, 8/01/30 (a)	1,200	1,193,820
Coast Community College District, California, CABS, (Election of 2002), Series C, 5.448%, 8/01/13 (d)(e)	2,800	2,271,528
El Monte, California, Unified School District, GO (Election of 2002), Series C, 5.25%, 6/01/28	6,110	6,247,047
Fresno, California, Unified School District, GO (Election of 2001), Series E, 5%, 8/01/30 (e)	1,230	1,218,782
Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds, Series B, 5.50%, 6/01/13 (h)(i)	10,000	11,210,300
Los Angeles, California, Community College District, GO, Refunding (Election of 2008), Series A, 6%, 8/01/33	2,635	2,815,761
Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Series B1, 4.75%, 8/01/37 (a)(g)	3,210	2,961,450

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Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series B-1 (a)(g):		
5%, 10/01/29	4,000	4,050,400
5%, 10/01/36	2,275	2,280,278
Mount Diablo, California, Unified School District, GO (Election of 2002), 5%, 7/01/27 (a)(g)	2,000	1,981,020
Orange County, California, Sanitation District, COP:		
5%, 2/01/33 (a)(g)	2,750	2,723,380
Series B, 5%, 2/01/30 (e)	3,500	3,517,605
Series B, 5%, 2/01/31 (e)	1,200	1,201,440
Port of Oakland, California, Revenue Bonds, AMT, Series K, 5.75%, 11/01/29 (a)(g)	2,405	2,162,143

Municipal Bonds	Par (000)	Value
California (concluded)		
Poway, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Paguay Redevelopment Project), 5.125%, 6/15/33 (c)	\$ 2,000	\$ 1,648,260
Sacramento, California, Unified School District, GO (Election of 2002), 5%, 7/01/30 (a)	2,500	2,467,675
San Diego, California, Community College District, GO (Election of 2002), 5.25%, 8/01/33	500	504,695
San Jose, California, Airport Revenue Refunding Bonds, AMT, Series A, 5.50%, 3/01/32 (c)	5,100	4,660,737
San Jose, California, Unified School District, Santa Clara County, GO (Election of 2002), Series B, 5%, 8/01/29 (a)(g)	2,825	2,830,791
San Mateo County, California, Community College District, GO (Election of 2001), Series A, 5%, 9/01/26 (a)(g)	2,725	2,755,656
Ventura County, California, Community College District, GO (Election of 2002), Series B, 5%, 8/01/30 (a)	3,150	3,121,272
		72,159,177

Colorado 0.9%		
Colorado Health Facilities Authority Revenue Bonds (Covenant Retirement Communities Inc.), Series A (j):		
5.50%, 12/01/27	1,600	1,208,688
5.50%, 12/01/33	900	627,489
E-470 Public Highway Authority, Colorado, CABS, Series B, 5.506%, 9/01/29 (a)(f)	9,000	1,685,250
		3,521,427

District of Columbia 0.5%		
District of Columbia, Income Tax Revenue Bonds, Series A, 5.50%, 12/01/30	1,325	1,403,480
District of Columbia, Revenue Refunding Bonds (Catholic University of America), 5.625%, 10/01/29 (c)	570	576,851
		1,980,331

Florida 5.8%		
	2,235	1,844,322

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Beacon Tradeport Community Development District, Florida, Special Assessment Revenue Refunding Bonds (Commercial Project), Series A, 5.625%, 5/01/32 (j)		
Duval County, Florida, School Board, COP (Master Lease Program), 5%, 7/01/33 (e)	3,100	2,929,500
Florida State Department of Environmental Protection, Preservation Revenue Bonds, Series B, 5%, 7/01/27 (a)	2,545	2,491,300
Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT: 5%, 10/01/40 (b)(i)	8,200	7,070,942
Series A, 5%, 10/01/38 (k)	2,900	2,371,446
Miami-Dade County, Florida, GO (Building Better Communities Program), Series B, 6.375%, 7/01/28	3,300	3,660,954
Miami, Florida, Special Obligation Revenue Bonds (Street and Sidewalk Improvement Program), 5%, 1/01/37 (a)	1,100	1,010,515
Orange County, Florida, Sales Tax Revenue Refunding Bonds, Series B, 5.125%, 1/01/32 (a)(g)	2,200	2,118,490
		23,497,469

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
Georgia 2.0%		
Atlanta, Georgia, Water and Wastewater Revenue Bonds:		
5%, 11/01/34 (e)	\$ 2,020	\$ 1,997,033
Series A, 5%, 11/01/33 (a)	1,200	1,063,812
Series A, 5%, 11/01/39 (a)	2,525	2,192,432
Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25%, 10/01/39 (e)	2,820	2,858,324
		8,111,601
Hawaii 0.5%		
Hawaii State, GO, Series CX, 5.50%, 2/01/21 (e)	2,000	2,119,640
Illinois 20.8%		
Chicago, Illinois, O Hare International Airport, General Airport Revenue Bonds, Third Lien, AMT, Series B-2:		
5.75%, 1/01/23 (e)	3,400	3,449,640
5.75%, 1/01/24 (e)	4,000	4,046,920
6%, 1/01/29 (i)	3,300	3,232,581
Chicago, Illinois, O Hare International Airport, General Airport Revenue Refunding Bonds, Third Lien, AMT:		
Series A, 5.75%, 1/01/21 (a)	13,665	13,629,334
Series A, 5.50%, 1/01/22 (a)	5,000	4,857,550
Series A, 5.375%, 1/01/32 (a)	12,500	11,099,625
Series A-2, 5.75%, 1/01/21 (e)	2,665	2,705,002
Cook County, Illinois, Capital Improvement, GO, Series C, 5.50%, 11/15/12 (c)(h)	5,080	5,800,039
Illinois Sports Facilities Authority, State Tax Supported CABS, 5.348%, 6/15/30 (c)(d)	28,525	25,973,439
Illinois State Toll Highway Authority Revenue Bonds, Series B, 5.50%, 1/01/33	2,000	2,072,360
Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Refunding Bonds (McCormick Place Expansion Project), 5.50%, 12/15/24 (a)(g)	7,000	7,174,230
		84,040,720
Indiana 1.8%		
Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series B, 5.75%, 1/01/34		
	550	552,854
Indianapolis, Indiana, Local Public Improvement Bond Bank, Revenue Refunding Bonds (Indianapolis Airport Authority Project), AMT, Series B (a):		
5.25%, 1/01/28	2,470	2,255,678
5.25%, 1/01/30	5,055	4,581,144
		7,389,676

Louisiana 4.2%

East Baton Rouge, Louisiana, Sewage Commission Revenue Refunding Bonds Series B, 5.25%, 2/01/39	300	291,489
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue Bonds (Capital Projects and Equipment Acquisition Program), Series A, 6.30%, 7/01/30 (c)	5,100	4,604,484
Louisiana Public Facilities Authority, Revenue Refunding Bonds (CHRISTUS Health), Series B, 6.50%, 7/01/30 (b)	2,000	2,159,140
Louisiana State Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series C-2, 6.75%, 6/01/26 (b)	5,000	5,358,850

Municipal Bonds	Par (000)	Value
Louisiana (concluded)		
Louisiana State Gas and Fuels Tax Revenue Bonds, Series A, 4.75%, 5/01/39 (e)	\$ 2,550	\$ 2,440,019
Louisiana State Transportation Authority, Senior Lien Toll Revenue CABS, Series B, 5.31%, 12/01/27 (c)(f)	4,675	1,468,090
Rapides Financing Authority, Louisiana, Revenue Bonds (Cleco Power LLC Project), AMT, 4.70%, 11/01/36 (c)	800	538,704
		<u>16,860,776</u>

Maryland 0.4%

Maryland State Community Development Administration, Department of Housing and Community Development, Residential Revenue Refunding Bonds, AMT, Series A, 5.75%, 9/01/39	1,725	1,736,765
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Massachusetts 2.0%

Massachusetts State, HFA, Rental Housing Mortgage Revenue Bonds, AMT, Series C, 5.60%, 1/01/45 (e)	4,000	3,873,800
Massachusetts State, HFA, S/F Housing Revenue Bonds, AMT, Series 128, 4.80%, 12/01/27 (e)	2,200	2,003,408
Massachusetts State Port Authority, Special Facilities Revenue Bonds (Delta Air Lines Inc. Project), AMT, Series A, 5.50%, 1/01/19 (c)	3,825	2,407,570
		<u>8,284,778</u>

Michigan 7.6%

Detroit, Michigan, Sewage Disposal System, Second Lien Revenue Bonds, Series B, 5%, 7/01/36 (a)(g)	4,650	3,889,027
Detroit, Michigan, Sewage Disposal System, Second Lien Revenue Refunding Bonds, Series E, 5.75%, 7/01/31 (g)(l)	8,300	8,507,251
Michigan Higher Education Student Loan Authority, Student Loan Revenue Refunding Bonds, AMT, Series XVII-G, 5.20%, 9/01/20 (c)	2,140	1,829,764
Michigan State Revenue Bonds, GAN, 5.25%, 9/15/26 (e)	3,350	3,365,578

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Michigan State Strategic Fund, Limited Obligation
Revenue Refunding Bonds (Detroit Edison Company
Pollution Control Project), AMT (i):

Series A, 5.50%, 6/01/30	1,700	1,479,901
Series C, 5.65%, 9/01/29	3,300	2,965,083
Series C, 5.45%, 12/15/32	5,800	4,921,300

Royal Oak, Michigan, Hospital Finance Authority,
Hospital Revenue Refunding Bonds (William
Beaumont Hospital), 8.25%, 9/01/39

3,510	3,905,788
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30,863,692

Minnesota 1.2%

Dakota County, Minnesota, Community Development
Agency, S/F Mortgage Revenue Bonds (Mortgage-
Backed Securities Program), Series B, 5.15%,
12/01/38 (m)(n)(o)

173	172,111
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Minneapolis, Minnesota, Health Care System,
Revenue Refunding Bonds (Fairview Health
Services), Series B, 6.50%, 11/15/38 (b)

4,265	4,624,369
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4,796,480

Nebraska 0.6%

Washington County, Nebraska, Wastewater Facilities
Revenue Bonds (Cargill Inc. Project), AMT,
5.90%, 11/01/27

2,300	2,244,409
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See Notes to Financial Statements.

Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
Nevada 10.4%		
Carson City, Nevada, Hospital Revenue Bonds (Carson-Tahoe Hospital Project), Series A, 5.50%, 9/01/33 (j)	\$ 4,100	\$ 2,957,166
Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series A-2 (a)(g):		
5%, 7/01/30	2,000	1,890,020
5%, 7/01/36	19,100	17,608,290
Clark County, Nevada, IDR (Southwest Gas Corporation Project), AMT (g):		
Series A, 4.75%, 9/01/36	45	29,572
Series D, 5.25%, 3/01/38 (a)	12,000	8,612,640
Clark County, Nevada, Water Reclamation District, GO, Series B, 5.75%, 7/01/34	2,425	2,570,403
Las Vegas, Nevada, Limited Tax, GO (Performing Arts Center):		
6%, 4/01/34	1,150	1,183,707
6%, 4/01/39	5,000	5,151,500
Las Vegas Valley Water District, Nevada, GO, Refunding, Series A, 5%, 6/01/24 (a)(g)	2,050	2,071,341
		42,074,639
New Hampshire 1.1%		
New Hampshire State Business Finance Authority, PCR, Refunding (Public Service Company), AMT, Series D, 6%, 5/01/21 (a)	4,600	4,458,688
New Jersey 7.9%		
New Jersey EDA, Cigarette Tax Revenue Bonds (j):		
5.75%, 6/15/29	710	524,314
5.50%, 6/15/31	1,285	899,346
New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5.25%, 7/01/31 (a)	20,065	20,037,310
New Jersey EDA, School Facilities Construction Revenue Bonds, Series O:		
5.125%, 3/01/28	2,660	2,697,958
5.125%, 3/01/30	7,500	7,569,075
		31,728,003
New York 6.6%		
Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series A, 5%, 11/15/32 (a)(g)	8,990	8,688,026
New York City, New York, City Municipal Water Finance Authority, Water and Sewer System Revenue Bonds, Series A, 5.75%, 6/15/40	3,500	3,757,845
	10,000	10,764,400

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New York City, New York, GO, Series B, 5.875%, 8/01/10 (a)(h) Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A-1, 5.25%, 6/01/22 (c)	3,570	3,605,200
		26,815,471

Oklahoma 0.2%

Tulsa, Oklahoma, Airports Improvement Trust, General Revenue Bonds (Tulsa International Airport), AMT, Series B, 6.125%, 6/01/26 (a)(g)	680	680,823
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Municipal Bonds

	Par (000)	Value
Pennsylvania 1.0%		
Pennsylvania HFA, S/F Mortgage Revenue Refunding Bonds, AMT:		
Series 73A, 5.45%, 10/01/32	\$ 2,120	\$ 2,049,192
Series 99A, 5.25%, 10/01/32	2,000	1,881,880
		3,931,072

Puerto Rico 0.6%

Puerto Rico Electric Power Authority, Power Revenue Refunding Bonds, Series VV, 5.25%, 7/01/30 (a)(g)	2,400	2,229,024
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South Carolina 2.9%

Berkeley County, South Carolina, School District, Installment Lease Revenue Bonds (Securing Assets for Education Project), 5.125%, 12/01/30	3,750	3,684,937
Kershaw County, South Carolina, Public Schools Foundation, Installment Power Revenue Refunding Bonds, 5%, 12/01/29 (k)	3,000	2,928,270
South Carolina State Public Service Authority, Revenue Refunding Bonds, Series A, 5.50%, 1/01/38	4,700	4,933,261
		11,546,468

Tennessee 1.4%

Memphis-Shelby County, Tennessee, Airport Authority, Airport Revenue Bonds, AMT, Series D, 6.25%, 3/01/18 (c)	2,500	2,542,000
Tennessee Energy Acquisition Corporation, Gas Revenue Bonds, Series A, 5.25%, 9/01/26	4,035	3,259,998
		5,801,998

Texas 16.6%

Bell County, Texas, Health Facilities Development Revenue Bonds (Lutheran General Health Care System), 6.50%, 7/01/19 (p)	1,000	1,250,770
Dallas-Fort Worth, Texas, International Airport, Joint Revenue Bonds, AMT, Series B, 6%, 11/01/23 (a)	800	801,408
Dallas-Fort Worth, Texas, International Airport Revenue Refunding and Improvement Bonds, AMT,		

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Series A (a)(g):		
5.875%, 11/01/17	1,835	1,866,599
5.875%, 11/01/18	2,145	2,172,906
5.875%, 11/01/19	2,385	2,413,525
Gregg County, Texas, Health Facilities Development Corporation, Hospital Revenue Bonds (Good Shepherd Medical Center Project) (h)(j):		
6.375%, 10/01/10	2,600	2,789,748
6.875%, 10/01/10	3,000	3,239,610
Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Senior Lien, Series G, 5.75%, 11/15/20 (a)	3,900	3,786,042
Houston, Texas, Combined Utility System, First Lien Revenue Refunding Bonds, Series A, 6%, 11/15/35 (b)	2,850	3,033,397
Lewisville, Texas, Independent School District, Capital Appreciation and School Building, GO, Refunding, 4.671%, 8/15/24 (a)(f)(g)	6,150	2,702,187
Lone Star College System, Texas, GO, 5%, 8/15/33	4,800	4,810,272
Mansfield, Texas, Independent School District, GO, 5%, 2/15/33	2,300	2,344,413
North Harris County, Texas, Regional Water Authority, Senior Lien Revenue Bonds, 5.125%, 12/15/35 (a)	7,150	6,982,047

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

Municipal Bonds	Par (000)	Value
Texas (concluded)		
North Texas Tollway Authority, System Revenue Refunding Bonds, First Tier:		
5.75%, 1/01/40 (a)	\$ 12,300	\$ 12,340,467
Series A, 6%, 1/01/25	450	472,905
Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier, Series A (c):		
5.75%, 8/15/38	7,200	7,118,856
5%, 8/15/42	10,000	8,785,600
		66,910,752
Utah 4.4%		
Salt Lake City, Utah, Hospital Revenue Refunding Bonds (IHC Hospitals Inc.), 6.30%, 2/15/15 (a)(p)		
	15,000	17,585,250
Vermont 0.5%		
Vermont HFA, Revenue Refunding Bonds, AMT, Series C, 5.50%, 11/01/38 (e)		
	1,975	1,907,969
Virginia 0.1%		
Fairfax County, Virginia, IDA, Health Care Revenue Refunding Bonds (Inova Health System Project), Series A, 5.50%, 5/15/35		
	450	455,179
Washington 2.0%		
King County, Washington, Sewer, GO, 5%, 1/01/35 (a)(g)		
	100	100,091
Port of Tacoma, Washington, Revenue Refunding Bonds, Series A, 5.25%, 12/01/14 (c)(h)		
	2,400	2,807,640
Tacoma, Washington, Regional Water Supply System, Water Revenue Bonds, 5%, 12/01/32 (a)		
	5,100	5,113,056
		8,020,787
Total Municipal Bonds	125.6%	507,041,401

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

California 8.2%		
Anaheim, California, Public Financing Authority, Electric System Distribution Facilities Revenue Bonds, Series A, 5%, 10/01/31 (e)		
	1,244	1,224,518

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Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds, Series B, 5.625%, 6/01/38 (k)(h)	14,160	15,942,319
San Diego County, California, Water Authority, Water Revenue Refunding Bonds, COP, Series A: 5%, 5/01/32 (a)	9,003	9,009,626
5%, 5/01/33 (e)	5,170	5,084,850
Tamalpais, California, Union High School District, GO (Election of 2001), 5%, 8/01/28 (e)	1,950	1,905,287
		33,166,600

Municipal Bonds Transferred to Tender Option Bond Trusts (q)	Par (000)	Value
Florida 3.9%		
Jacksonville Electric Authority, Florida, Electric System Revenue Refunding Bonds, Series A, 5.63%, 10/01/32	\$ 4,310	\$ 4,460,979
Miami-Dade County, Florida, School Board COP, Series B, 5.25%, 5/01/27 (b)	11,350	11,290,526
		15,751,505

Georgia 3.7%		
Atlanta, Georgia, Airport Passenger Facility Charge and Subordinate Lien General Revenue Refunding Bonds, Series C, 5%, 1/01/33 (e)	10,000	9,903,400
Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25%, 10/01/34 (e)	5,000	5,079,800
		14,983,200

Illinois 4.5%		
Chicago, Illinois, Water Revenue Refunding Bonds, Second Lien, 5.25%, 11/01/33 (e)	14,429	14,590,067
Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Refunding Bonds (McCormick Place Expansion Project), Series B, 5.75%, 6/15/23 (a)	3,499	3,684,146
		18,274,213

Massachusetts 4.2%		
Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5%, 8/15/30 (e)	16,500	16,810,272

New Hampshire 2.5%		
New Hampshire Health and Education Facilities Authority Revenue Bonds (Dartmouth-Hitchcock Obligation Group), 5.5%, 8/01/27 (e)	10,000	10,081,900

New Jersey 2.3%		
New Jersey EDA, Cigarette Tax Revenue Bonds (b): 5.50%, 6/15/24	7,150	7,062,842

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5.50%, 6/15/31	2,400	2,339,904
		<hr/>
		9,402,746

New York 3.4%

Erie County, New York, IDA, School Facility Revenue Bonds (City of Buffalo Project), Series A, 5.75%, 5/01/28 (e)	2,007	2,065,860
New York State Dormitory Authority, State Personal Income Tax Revenue Bonds (Education), Series B, 5.75%, 3/15/36	1,545	1,668,090
New York State Thruway Authority, General Revenue Refunding Bonds, Series G, 5%, 1/01/32 (e)	10,000	10,015,100
		<hr/>
		13,749,050

Texas 2.7%

Clear Creek, Texas, Independent School District, GO, Refunding, 5%, 2/15/33	5,900	6,070,894
Cypress-Fairbanks, Texas, Independent School District, GO, 5%, 02/15/32	4,750	4,847,945
		<hr/>
		10,918,839

Virginia 0.8%

Virginia State, HDA, Commonwealth Mortgage Revenue Bonds, Series H, Sub-Series H-1, 5.35%, 7/01/31 (a)	3,195	3,211,614
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See Notes to Financial Statements.

Schedule of Investments (concluded)

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

Municipal Bonds Transferred to Tender Option Bond Trusts (q)	Par (000)	Value
Washington 0.6%		
Central Puget Sound Regional Transportation Authority, Washington, Sales and Use Tax Revenue Bonds, Series A, 5%, 11/01/32 (e)	\$ 2,504	\$ 2,526,941
Total Municipal Bonds Transferred to Tender Option Bond Trusts 36.8%		148,876,880
Total Long-Term Investments (Cost \$679,347,089) 162.4%		655,918,281
Short-Term Securities		
	Shares	
Money Market Fund 2.7%		
FFI Institutional Tax-Exempt Fund, 0.72% (r)(s)	10,909,154	10,909,154
Total Short-Term Securities (Cost \$10,909,154) 2.7%		10,909,154
Total Investments (Cost \$690,256,243*) 165.1%		666,827,435
Other Assets Less Liabilities 1.4%		5,610,700
Liability for Trust Certificates, Including Interest Expense and Fees Payable (19.0)%		(76,607,433)
Preferred Shares, at Redemption Value (47.5)%		(192,034,629)
Net Assets Applicable to Common Shares 100.0%		\$ 403,796,073

* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 613,911,222
Gross unrealized appreciation	\$ 13,815,767
Gross unrealized depreciation	(37,231,140)
Net unrealized depreciation	\$ (23,415,373)

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- (a) NPFGC Insured.
- (b) Assured Guaranty Insured.
- (c) AMBAC Insured.
- (d) Represents a step up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (e) FSA Insured.
- (f) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (g) FGIC Insured.
- (h) 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.
- (i) XL Capital Insured.
- (j) Radian Insured.
- (k) CIFG Insured.
- (l) BHAC Insured.
- (m) FNMA Collateralized.
- (n) FHLMC Collateralized.
- (o) GNMA Collateralized.
- (p) Security is collateralized by Municipal or U.S. Treasury Obligations.
- (q) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (r) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity	Income
FFI Institutional Tax-Exempt Fund	(3,155,502)	\$225,371

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

Effective November 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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)

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

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs	Investments in Securities
	Assets
Level 1	\$ 10,909,154
Level 2	655,918,281
Level 3	
Total	\$ 666,827,435

See Notes to Financial Statements.

Schedule of Investments April 30, 2009

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

Municipal Bonds	Par (000)	Value
Alabama 0.5%		
Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 4.75%, 1/01/25	\$ 2,000	\$ 1,203,400
Arizona 1.3%		
Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, 5%, 12/01/37	5,000	3,368,700
California 21.5%		
Alameda Corridor Transportation Authority, California, CABS, Subordinate Lien, Series A, 5.348%, 10/01/25 (a)(b)	7,150	5,225,578
Antelope Valley, California, Community College District, GO (Election of 2004), Series B, 5.25%, 8/01/39 (c)	550	546,651
Arcadia, California, Unified School District, GO (Election of 2006), CABS, Series A, 4.961%, 8/01/39 (d)(e)	1,400	196,728
Cabrillo, California, Community College District, GO (Election of 2004), Series B (c)(e): 5.188%, 8/01/37	2,100	340,410
4.870%, 8/01/38	4,800	72