

BLACKROCK MUNIYIELD QUALITY FUND, INC.

Form N-Q

March 23, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED

MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-06660

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

Quality Fund, 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: 04/30/2017

Date of reporting period: 01/31/2017

Item 1 Schedule of Investments

Schedule of Investments January 31, 2017 (Unaudited)

BlackRock MuniYield Quality Fund, Inc. (MQY)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Alabama 0.6%		
County of Jefferson Alabama, RB, Limited Obligation School, Series A, 4.75%, 1/01/25	\$ 3,000	\$ 3,012,134
Alaska 1.4%		
Alaska Industrial Development & Export Authority, RB, Providence Health Services, Series A, 5.50%, 10/01/41	1,400	1,550,654
Borough of Matanuska-Susitna Alaska, RB, Goose Creek Correctional Center (AGC), 6.00%, 9/01/19 (a)	4,425	4,952,371
		6,503,025
Arizona 0.7%		
County of Maricopa Arizona IDA, Refunding RB, Banner Health Obligation Group, Series A: 3.25%, 1/01/37	975	886,509
5.00%, 1/01/38	525	591,428
State of Arizona, COP, Department of Administration, Series A (AGM): 5.00%, 10/01/27	1,525	1,651,682
5.25%, 10/01/28	250	272,455
		3,402,074
California 20.0%		
Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.45%, 10/01/17 (a)	4,150	4,277,280
Cabrillo Community College District, GO, CAB, Election of 2004, Series B (NPFGC), 0.00%, 8/01/38 (b)	7,405	2,672,020
California Health Facilities Financing Authority, RB: St. Joseph Health System, Series A, 5.75%, 7/01/39	775	842,069
Sutter Health, Series B, 5.88%, 8/15/31	1,500	1,710,870
California State University, Refunding RB (AGM): 5.00%, 11/01/32	1,880	1,897,785
Systemwide, Series A, 5.00%, 5/01/17 (a)	2,660	2,688,435
California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42	2,000	2,174,080
	Par	
Municipal Bonds		
California (continued)		
Carlsbad California Unified School District, GO, Election of 2006, Series B, 6.00%, 5/01/34 (c)	\$ 5,000	\$ 5,270,150
City of San Jose California, Refunding ARB, AMT: Series A (AMBAC), 5.50%, 3/01/32	5,100	5,117,799
Series A-1, 5.75%, 3/01/34	1,150	1,298,270
Coast Community College District, GO, CAB, Election of 2002, Series C (AGM), 5.00%, 8/01/18 (a)	2,800	2,968,280
County of San Diego California Water Authority, COP, Refunding, Series A (AGM), 5.00%, 5/01/18 (a)	3,000	3,151,860
County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	900	1,041,435
El Monte Union High School District, GO, Series C (AGM), 5.25%, 6/01/18 (a)	6,110	6,455,398
Grossmont Union High School District, GO, CAB, Election of 2004, 0.00%, 8/01/31 (b)	5,000	2,827,600
Grossmont-Cuyamaca Community College District, GO, Refunding CAB, Election of 2002, Series C (AGC), 0.00%, 8/01/30 (b)	10,030	5,913,889
Hartnell Community College District California, GO, CAB, Election of 2002, Series D, 7.00%, 8/01/34 (c)	4,125	3,997,868
Los Angeles Community College District California, GO, Election of 2001, Series A (NPFGC), 5.00%, 8/01/17 (a)	6,890	7,036,619
Mount San Antonio Community College District, GO, Refunding, CAB, Election of 2008, Series A, 6.25%, 8/01/43 (c)	1,945	1,374,006
Poway Unified School District, GO, Refunding, CAB, School Facilities Improvement, Election of 2008, Series B, 0.00%, 8/01/36 (b)	5,000	2,185,250

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Rio Hondo Community College District California, GO, CAB, Election of 2004, Series C,
0.00%, 8/01/37 (b)

4,005

1,728,959

BLACKROCK MUNIYIELD QUALITY FUND, INC.

JANUARY 31, 2017

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Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)

	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
San Bernardino Community College District, GO, CAB, Election of 2008, Series B, 6.38%, 8/01/34 (c)	\$ 10,000	\$ 10,590,300
San Diego California Unified School District, GO, Election of 2008 (b):		
CAB, Series C, 0.00%, 7/01/38	2,200	877,140
CAB, Series G, 0.00%, 7/01/34	900	395,640
CAB, Series G, 0.00%, 7/01/35	950	392,502
CAB, Series G, 0.00%, 7/01/36	1,430	554,926
CAB, Series G, 0.00%, 7/01/37	950	347,092
San Diego California Unified School District, GO, Refunding, CAB, Series R-1, 0.00%, 7/01/31 (b)	1,725	978,713
San Marcos Unified School District, GO, Election of 2010, Series A:		
5.00%, 8/01/34	900	1,001,997
5.00%, 8/01/38	760	845,097
State of California, GO, 5.50%, 4/01/28	5	5,017
State of California, GO, Refunding, Various Purposes:		
5.00%, 9/01/41	2,300	2,566,501
5.00%, 10/01/41	1,300	1,456,273
State of California, GO, Various Purposes, 5.00%, 4/01/42	1,500	1,662,225
Yosemite Community College District, GO, CAB, Election of 2004, Series D, 0.00%, 8/01/36 (b)	15,000	6,555,750
		94,859,095
Colorado 0.6%		
Regional Transportation District, COP, Refunding, Series A, 5.38%, 6/01/31	1,885	2,072,086
Regional Transportation District, COP, Series A, 5.00%, 6/01/39	540	590,442
		2,662,528
Florida 12.6%		
City of Tallahassee Florida Energy System Revenue, RB, (NPFGC):		
5.00%, 10/01/32	2,700	2,763,720
5.00%, 10/01/37	6,000	6,138,900
	Par	
Municipal Bonds		
Florida (continued)		
County of Brevard Florida Health Facilities Authority, Refunding RB, Health First, Inc. Project, 5.00%, 4/01/39	\$ 2,175	\$ 2,307,849
County of Duval Florida School Board, COP, Master Lease Program (AGM), 5.00%, 7/01/17 (a)	4,765	4,848,864
County of Highlands Florida Health Facilities Authority, RB, Adventist Health System/Sunbelt, Series B, 6.00%, 11/15/37	1,250	1,383,225
County of Hillsborough Florida Aviation Authority, RB, Series A, AMT (AGC), 5.38%, 10/01/33	2,700	2,843,883
County of Lee Florida, Refunding ARB, Series A, AMT:		
5.63%, 10/01/26	1,280	1,438,515
5.38%, 10/01/32	1,700	1,881,832
County of Miami-Dade Florida, GO, Building Better Communities Program, Series B, 6.38%, 7/01/18 (a)	3,300	3,546,906
County of Miami-Dade Florida, RB, Seaport:		
Department, Series A, 6.00%, 10/01/38	2,755	3,214,672
Department, Series B, AMT, 6.25%, 10/01/38	560	663,258
Department, Series B, AMT, 6.00%, 10/01/42	895	1,030,986
Series B, AMT, 6.00%, 10/01/30	870	1,020,145
County of Miami-Dade Florida Aviation, Refunding ARB:		
AMT, 5.00%, 10/01/34	260	281,289
Series A, 5.50%, 10/01/36	6,490	7,109,665
Series A, AMT, 5.00%, 10/01/32	3,550	3,855,619
County of Miami-Dade Florida Educational Facilities Authority, RB, University Miami, Series A, 5.00%, 4/01/40	3,600	3,927,096
	1,080	1,131,581

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County of Orange Health Facilities Authority, Refunding RB, Presbyterian Retirement
Communities Project, 5.00%, 8/01/47

County of Palm Beach Florida Solid Waste Authority, Refunding RB, Series B:

5.00%, 10/01/21 (a)	45	51,721
5.00%, 10/01/31	2,780	3,106,650

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BLACKROCK MUNIYIELD QUALITY FUND, INC.

JANUARY 31, 2017

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)

	Par	
	(000)	Value
Municipal Bonds		
Florida (continued)		
County of Sarasota Florida Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39	\$ 375	\$ 401,123
Florida Ports Financing Commission, Refunding RB, State Transportation Trust Fund, Series B, AMT:		
5.13%, 6/01/27	1,395	1,566,529
5.38%, 10/01/29	1,900	2,146,734
Florida State Department of Environmental Protection, RB, Florida Forever Project, Series B (NPFGC), 5.00%, 7/01/27	1,350	1,386,693
Reedy Creek Improvement District, GO, Series A, 5.25%, 6/01/33	1,620	1,858,950
		59,906,405
Georgia 1.1%		
County of Burke Georgia Development Authority, Refunding RB, Oglethorpe Power-Vogle Project, Series C, 5.70%, 1/01/43	3,150	3,248,563
County of Gainesville Georgia & Hall Hospital Authority, Refunding RB, Northeast Georgia Health System, Inc. Project, Series A, 5.50%, 8/15/54	680	780,688
Private Colleges & Universities Authority, RB, Savannah College of Art & Design: 5.00%, 4/01/33	190	201,970
5.00%, 4/01/44	855	896,365
		5,127,586
Illinois 16.6%		
City of Chicago Illinois, GO, Refunding, Series A, Project, 5.25%, 1/01/33	1,615	1,549,318
City of Chicago Illinois, GO, Series A, 5.25%, 1/01/35	1,150	1,098,526
City of Chicago Illinois, Refunding GARB, O Hare International Airport, Passenger Facility Charge, Series B, AMT, 5.00%, 1/01/31	2,500	2,704,350
City of Chicago Illinois, Refunding RB, Series A: Sales Tax Receipts, 5.00%, 1/01/41	740	750,915
	Par	
Municipal Bonds		
Illinois (continued)		
City of Chicago Illinois, Refunding RB, Series A (continued):		
Waterworks, 2nd Lien (AMBAC), 5.00%, 11/01/36	\$ 1,500	\$ 1,503,675
City of Chicago Illinois Midway International Airport, Refunding RB, 2nd Lien, Series A, AMT, 5.00%, 1/01/34	1,460	1,559,236
City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien, Series A, 5.75%, 1/01/39	5,500	6,171,605
City of Chicago Illinois O Hare International Airport, RB, Senior Lien, Series D, 5.25%, 1/01/42	3,985	4,504,325
City of Chicago Illinois O Hare International Airport, Refunding GARB, Senior Lien, Series C, AMT, 5.38%, 1/01/39	4,090	4,475,933
City of Chicago Illinois O Hare International Airport, Refunding RB, Senior Lien, Series B, 5.00%, 1/01/41	3,800	4,133,032
City of Chicago Illinois Transit Authority, RB:		
5.25%, 12/01/49	710	777,152
Sales Tax Receipts, 5.25%, 12/01/36	840	897,481
County of Cook Illinois Forest Preserve District, GO, Refunding, Limited Tax Project, Series B, 5.00%, 12/15/37	380	403,283
Illinois Finance Authority, RB, Carle Foundation, Series A, 5.75%, 8/15/34	850	954,244
Illinois Finance Authority, Refunding RB:		
Silver Cross Hospital and Medical Centers, 4.13%, 8/15/37	1,690	1,651,029
Silver Cross Hospital and Medical Centers, 5.00%, 8/15/44	470	492,612
University of Chicago Medical Center, Series B, 4.00%, 8/15/41	1,100	1,104,510
Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.50%, 6/15/30	18,800	19,264,548
Illinois State Toll Highway Authority, RB, Series C, 5.00%, 1/01/38	3,245	3,553,080

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)

	Par	
	(000)	Value
Municipal Bonds		
Illinois (continued)		
Metropolitan Pier & Exposition Authority, RB, McCormick Place Expansion Project, Series A: CAB (NPFGC), 0.00%, 6/15/30 (b)	\$ 15,000	\$ 8,070,750
5.00%, 6/15/42	235	238,746
Metropolitan Pier & Exposition Authority, Refunding RB, CAB, McCormick Place Expansion Project, Series B (AGM), 0.00%, 6/15/44 (b)	4,625	1,119,620
Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28	900	1,023,219
Regional Transportation Authority, RB, Series B (NPFGC), 5.75%, 6/01/33	3,200	3,986,880
State of Illinois, GO:		
5.25%, 2/01/33	1,140	1,161,375
5.50%, 7/01/33	1,100	1,146,354
5.25%, 2/01/34	1,140	1,158,673
5.50%, 7/01/38	1,840	1,902,118
University of Illinois, RB, Auxiliary Facilities System, Series A, 5.00%, 4/01/39	1,245	1,341,948
		78,698,537
Indiana 1.6%		
Indiana Finance Authority, RB, Series A:		
CWA Authority Project, 1st Lien, 5.25%, 10/01/38	1,400	1,573,964
Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/44	690	714,074
Private Activity Bond, Ohio River Bridges, AMT, 5.00%, 7/01/40	1,190	1,207,422
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A:		
5.75%, 1/01/19 (a)	255	277,119
5.75%, 1/01/38	1,045	1,131,275
(AGC), 5.25%, 1/01/19 (a)	460	495,553
(AGC), 5.25%, 1/01/29	1,890	2,029,350
		7,428,757
Iowa 2.9%		
Iowa Finance Authority, RB, Iowa Health Care Facilities, Series A (AGC), 5.63%, 8/15/19 (a)	7,700	8,535,681
	Par	
Municipal Bonds		
	(000)	Value
Iowa (continued)		
Iowa Student Loan Liquidity Corp., RB, Senior Series A-2, AMT:		
5.60%, 12/01/26	\$ 1,345	\$ 1,443,145
5.70%, 12/01/27	1,340	1,429,968
5.80%, 12/01/29	910	968,768
5.85%, 12/01/30	1,225	1,305,090
		13,682,652
Louisiana 1.1%		
City of New Orleans Louisiana Aviation Board, RB, Series B, AMT, 5.00%, 1/01/40	2,260	2,410,403
Louisiana Public Facilities Authority, RB, Provident Group-Flagship Properties LLC, Series A, 5.00%, 7/01/56	855	903,547
Louisiana Public Facilities Authority, Refunding RB, Christus Health, Series B (AGC), 6.50%, 7/01/30	1,800	1,943,028
		5,256,978
Massachusetts 2.3%		
Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A, 5.00%, 1/01/47	2,855	3,033,837
Massachusetts Development Finance Agency, Refunding RB, Emmanuel College Issue, Series A, 5.00%, 10/01/43	505	533,098
Massachusetts HFA, Refunding RB, Series C, AMT:		
5.00%, 12/01/30	2,315	2,389,497
5.35%, 12/01/42	1,180	1,251,036

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Massachusetts School Building Authority, RB, Dedicated Sales Tax, Senior Series A, 5.00%, 5/15/43	1,720	1,927,260
Massachusetts Water Resources Authority, Refunding RB, General, Series A (NPFGC), 5.00%, 8/01/34	1,685	1,715,701
		10,850,429
Michigan 7.0%		
City of Detroit Michigan Sewage Disposal System, Refunding RB, 2nd Lien, Series E (BHAC), 5.75%, 7/01/18 (a)	8,300	8,836,097

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)

	Par	
	(000)	Value
Municipal Bonds		
Michigan (continued)		
City of Detroit Michigan Water Supply System Revenue, RB, Senior Lien, Series A, 5.25%, 7/01/41	\$ 3,000	\$ 3,195,330
City of Lansing Michigan, RB, Board of Water & Light Utilities System, Series A, 5.50%, 7/01/41	2,500	2,827,950
Michigan Finance Authority, Refunding RB:		
Henry Ford Health System, 3.25%, 11/15/42	1,200	980,364
Trinity Health Credit Group, 5.00%, 12/01/21 (a)	25	28,879
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, Series D, 5.00%, 9/01/39	1,470	1,571,063
Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a)	3,510	3,900,417
State of Michigan, RB, GAB (AGM), 5.25%, 9/15/17 (a)	3,350	3,441,790
State of Michigan Building Authority, Refunding RB, Facilities Program:		
Series I-A, 5.38%, 10/15/36	1,200	1,334,676
Series I-A, 5.38%, 10/15/41	1,000	1,110,830
Series II-A (AGM), 5.25%, 10/15/36	4,270	4,731,800
State of Michigan HDA, RB, S/F Housing, Series C, AMT, 5.50%, 12/01/28	765	797,643
Western Michigan University, Refunding RB, General, University and College Improvements (AGM), 5.00%, 11/15/39	520	570,367
		33,327,206
Minnesota 0.6%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):		
6.50%, 11/15/18	415	454,346
6.50%, 11/15/38	2,285	2,467,617
		2,921,963
Nebraska 0.2%		
Central Plains Energy Project Nebraska, RB, Gas Project No. 3, 5.25%, 9/01/37	1,000	1,083,810
	Par	
Municipal Bonds		
	(000)	Value
Nevada 0.6%		
City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/19 (a)	\$ 1,150	\$ 1,267,829
County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A, 5.25%, 7/01/42	1,500	1,622,340
		2,890,169
New Jersey 8.9%		
New Jersey EDA, RB:		
Goethals Bridge Replacement Project, AMT, Private Activity Bond, 5.38%, 1/01/43	1,220	1,289,479
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/31	12,375	12,696,131
Private Activity Bond, Goethals Bridge Replacement Project, AMT, 5.13%, 1/01/34	935	984,864
Series WW, 5.25%, 6/15/33	215	219,364
Series WW, 5.00%, 6/15/34	280	279,661
Series WW, 5.00%, 6/15/36	1,280	1,278,349
Series WW, 5.25%, 6/15/40	490	496,262
New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT:		
5.50%, 12/01/25	575	625,922
5.75%, 12/01/27	270	295,099
5.75%, 12/01/28	290	315,627
5.88%, 12/01/33	1,980	2,153,349
New Jersey Housing & Mortgage Finance Agency, Refunding RB, M/F Housing, Series 2, AMT, 4.35%, 11/01/33	1,225	1,246,768
New Jersey Transportation Trust Fund Authority, RB:		
Transportation Program, Series AA, 5.25%, 6/15/33	2,000	2,040,000
Transportation Program, Series AA, 5.00%, 6/15/38	2,405	2,392,350
Transportation System, CAB, Series A, 0.00%, 12/15/29 (b)	7,500	3,918,375
Transportation System, Series A, 5.50%, 6/15/41	1,605	1,639,219

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Transportation System, Series A (NPFGC), 5.75%, 6/15/25	2,000	2,313,780
Transportation System, Series AA, 5.50%, 6/15/39	3,565	3,704,356
Transportation System, Series B, 5.50%, 6/15/31	2,750	2,877,985
Transportation System, Series B, 5.00%, 6/15/42	725	719,802

BLACKROCK MUNIYIELD QUALITY FUND, INC.

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Schedule of Investments (continued)

BlackRock MuniYield Quality Fund, Inc. (MQY)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
New Jersey Transportation Trust Fund Authority, RB (continued):		
Transportation System, Series D, 5.00%, 6/15/32	\$ 825	\$ 834,050
		42,320,792
New Mexico 0.1%		
New Mexico Hospital Equipment Loan Council, Refunding RB, Presbyterian Healthcare Services, 5.00%, 8/01/44	500	552,025
New York 4.1%		
City of New York New York Transitional Finance Authority, Refunding RB, Future Tax Secured, Series B, 5.00%, 11/01/32	5,520	6,321,449
County of Erie New York Industrial Development Agency, RB, City School District of Buffalo, Series A (AGM), 5.75%, 5/01/17 (a)	2,000	2,024,860
Hudson Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47	1,000	1,131,870
New York Transportation Development Corp., RB, LaGuardia Airport Terminal B Redevelopment Project, Series A, AMT, 5.25%, 1/01/50	4,005	4,225,035
State of New York Dormitory Authority, RB, Series B, 5.75%, 3/15/36	2,000	2,179,220
State of New York HFA, RB, Affordable Housing, M/F Housing, Series B, AMT, 5.30%, 11/01/37	3,350	3,376,699
		19,259,133
North Carolina 0.2%		
North Carolina Housing Finance Agency, RB, Series 31-A, AMT, 5.25%, 7/01/38	1,035	1,041,303
Ohio 0.7%		
County of Lucas Ohio, Refunding RB, Promedica Healthcare, Series A, 6.50%, 11/15/37	725	855,087
State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1: 5.25%, 2/15/32	950	1,080,179
	Par	
	(000)	Value
Municipal Bonds		
Ohio (continued)		