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MUNIYIELD ARIZONA FUND INC /NJ/
Form N-Q
April 02, 2007

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 811-7083

Name of Fund: BlackRock MuniYield Arizona Fund, Inc.

Fund Address: P.O. Box 9011
Princeton, NJ 08543-9011

Name and address of agent for service: Robert C. Doll, Jr., Chief Executive
Officer, BlackRock MuniYield Arizona Fund, 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: (609) 282-2800

Date of fiscal year end: 10/31/2007

Date of reporting period: 11/01/06 - 01/31/07

Item 1 - Schedule of Investments

BlackRock MuniYield Arizona Fund, Inc.

Schedule of Investments as of January 31, 2007

Face Amount	Municipal Bonds
Arizona - 128.1%	
\$ 1,000	Arizona Educational Loan Marketing Corporation, Educational Loan Revenue Refunding Junior Sub-Series, 6.30% due 12/01/2008
1,800	Arizona Health Facilities Authority, Hospital System Revenue Bonds (Phoenix Child Hospital), Series A, 6.125% due 11/15/2009 (h)
1,435	Arizona Health Facilities Authority Revenue Bonds (Catholic Healthcare West), Ser due 7/01/2020
3,285	Arizona Student Loan Acquisition Authority, Student Loan Revenue Refunding Bonds, Subordinated Series B-1, 6.15% due 5/01/2029
1,000	Arizona Student Loan Acquisition Authority, Student Loan Revenue Refunding Bonds, Senior-Series A-1, 5.90% due 5/01/2024
1,000	Arizona Tourism and Sports Authority, Tax Revenue Bonds (Baseball Training Facili

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due 7/01/2016

2,000	Arizona Tourism and Sports Authority, Tax Revenue Bonds (Multi-Purpose Stadium Fa Series A, 5.375% due 7/01/2013 (g) (h)
1,500	Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Senior Series A, 5% d
1,500	Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Sub-Series B, 5% due
750	Gladden Farms Community Facilities District, Arizona, GO, 5.50% due 7/15/2031
3,000	Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series B, 5%
1,670	Maricopa County, Arizona, Hospital Revenue Refunding Bonds (Sun Health Corporatio due 4/01/2007 (h)
735	Maricopa County, Arizona, Hospital Revenue Refunding Bonds (Sun Health Corporatio due 4/01/2018
900	Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools P 6.625% due 7/01/2020
2,400	Maricopa County, Arizona, IDA, Hospital Facility Revenue Refunding Bonds (Samarit Series A, 7% due 12/01/2016 (b) (g)
2,000	Maricopa County, Arizona, IDA, S/F Mortgage Revenue Bonds, AMT, Series 3-B, 5.25% due 8/01/2038 (d) (e)

Portfolio Abbreviations

To simplify the listings of BlackRock MuniYield Arizona Fund, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list below.

AMT	Alternative Minimum Tax (subject to)
COP	Certificates of Participation
GO	General Obligation Bonds
IDA	Industrial Development Authority
PCR	Pollution Control Revenue Bonds
RIB	Residual Interest Bonds
S/F	Single-Family

BlackRock MuniYield Arizona Fund, Inc.

Schedule of Investments as of January 31, 2007 (concluded)

Face	
Amount	Municipal Bonds

Arizona (concluded)

\$	1,000	Maricopa County, Arizona, Peoria Unified School District Number 11, GO, Second Se
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due 7/01/2025 (c)

1,485 Maricopa County, Arizona, Pollution Control Corporation, PCR, Refunding (Public S of New Mexico Project), Series A, 6.30% due 12/01/2026

655 Maricopa County, Arizona, Public Finance Corporation, Lease Revenue Bonds, RIB, S 7.12% due 7/01/2014 (a)(j)

1,825 Maricopa County, Arizona, Scottsdale Unified School District Number 48, GO, 6.60%

500 Maricopa County, Arizona, Tempe Elementary Unified School District Number 3, GO, 7.50% due 7/01/2010 (c)

1,000 Maricopa County, Arizona, Unified School District Number 090, School Improvement, Mountain), Series A, 5% due 7/01/2014

1,000 Mesa, Arizona, IDA Revenue Bonds (Discovery Health Systems), Series A, 5.625% due

1,000 Nogales, Arizona, Municipal Development Authority, Inc., Revenue Bonds, 5% due 6/

4,500 Northern Arizona University System Revenue Bonds, 5.50% due 6/01/2014 (c)(h)

3,325 Phoenix, Arizona, Civic Improvement Corporation, Excise Tax Revenue Bonds (Civic Project), Sub-Series A, 5% due 7/01/2035 (c)

600 Phoenix, Arizona, Civic Improvement Corporation, Senior Lien Airport Revenue Bond 5.25% due 7/01/2032 (c)

2,500 Phoenix, Arizona, Civic Improvement Corporation, Water System Revenue Refunding B 5.50% due 7/01/2020 (c)

2,000 Phoenix, Arizona, Civic Improvement Corporation, Water System Revenue Refunding B due 7/01/2029 (g)

745 Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Proje due 7/01/2021

995 Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Proje due 7/01/2031

1,000 Pima County, Arizona, IDA, Education Revenue Refunding Bonds (Arizona Charter Sch Series O, 5% due 7/01/2026

985 Pima County, Arizona, IDA, Education Revenue Refunding Bonds (Arizona Charter Sch Series A, 6.75% due 7/01/2021

1,000 Pima County, Arizona, IDA, Revenue Refunding Bonds (Health Partners), Series A, 5 due 4/01/2014 (g)

3,050 Pima County, Arizona, Unified School District Number 1, Tucson, GO, Refunding, 7.

1,250 Pinal County, Arizona, COP, 5% due 12/01/2026

1,250 Pinal County, Arizona, COP, 5% due 12/01/2029

500 Pinal County, Arizona, IDA, Wastewater Revenue Bonds (San Manuel Facilities Proje due 6/01/2026

2,000 Queen Creek Improvement District Number 001, Arizona, Special Assessment Bonds, 5

1,500 Salt River Project, Arizona, Agriculture Improvement and Power District, Electric Refunding Bonds, Series A, 5% due 1/01/2035

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2,250	Scottsdale, Arizona, IDA, Hospital Revenue Bonds (Scottsdale Healthcare), 5.80% due 12/01/2035 (i)
1,195	Show Low, Arizona, IDA, Hospital Revenue Bonds (Navapache Regional Medical Center), 5.80% due 12/01/2035 (i)
1,500	South Campus Group LLC, Arizona Student Housing Revenue Bonds (Arizona State University Campus Project), Series 2003, 5.625% due 9/01/2035 (g)
285	Tucson and Pima County, Arizona, IDA, S/F Mortgage Revenue Refunding Bonds (Mortgage Securities Program), AMT, Series A-1, 6% due 7/01/2021 (d) (e)
1,350	Tucson, Arizona, Airport Authority Incorporated, Subordinate Lien Revenue Bonds, 5.80% due 12/01/2025 (g)
1,000	Tucson, Arizona, IDA, Joint S/F Mortgage Revenue Refunding Bonds, AMT, Series A-1, 6% due 7/01/2038 (d) (e)
1,000	Tucson, Arizona, IDA, Senior Living Facilities Revenue Bonds (Christian Care Tucson), Series A, 6.125% due 7/01/2010 (h) (i)
1,105	University of Arizona, COP, Refunding, Series A, 5.125% due 6/01/2029 (a)
2,000	University of Arizona, COP, Series B, 5% due 6/01/2028 (a)
1,275	Vistancia Community Facilities District, Arizona, GO, 6.75% due 7/15/2022
750	Vistancia Community Facilities District, Arizona, GO, 5.75% due 7/15/2024
500	Watson Road Community Facilities District, Arizona, Special Assessment Revenue Bonds, 6.75% due 7/01/2030
2,000	Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Yavapai Regional Medical Center), Series A, 6% due 8/01/2033
Guam - 1.6%	
1,000	Guam Government Waterworks Authority, Water and Wastewater System, Revenue Refunding Bonds, 5.875% due 7/01/2035
Puerto Rico - 19.0%	
1,700	Puerto Rico Commonwealth Highway and Transportation Authority, Transportation Revenue Bonds, Series G, 5% due 7/01/2033
2,000	Puerto Rico Commonwealth, Public Improvement, GO, Series A, 5.125% due 7/01/2031
1,000	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series II, 5.25% due 7/01/2031
1,500	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series NN, 5.125% due 7/01/2031
1,000	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series NN, 5% due 7/01/2031
1,500	Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Revenue Bonds (Cogeneration Facility-AES Puerto Rico Project), AMT, 6.625% due 6/01/2033
2,000	Puerto Rico Public Buildings Authority, Government Facilities Revenue Refunding Bonds, 5.25% due 7/01/2033
1,000	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Revenue Bonds, 5.80% due 7/01/2033

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due 8/01/2029

Total Municipal Bonds (Cost - \$92,361) - 148.7%

Municipal Bonds Held in Trust (1)

Arizona - 19.8%

\$ 8,670 Arizona State University Revenue Bonds, 5.50% due 7/01/2012 (c)
 3,190 Maricopa County, Arizona, Public Finance Corporation, Lease Revenue Bonds, 5.50%
 due 7/01/2015 (a)

Puerto Rico - 1.6%

1,000 Puerto Rico Commonwealth, Public Improvement, GO, 5.75% due 7/01/2016 (g)

Total Municipal Bonds Held in Trust (Cost - \$13,473) - 21.4%

Shares

Held Short-Term Securities

825 CMA Arizona Municipal Money Fund, 2.99% (f) (k)

Total Short-Term Securities (Cost - \$825) - 1.3%

Total Investments (Cost - \$106,659*) - 171.4%

Other Assets Less Liabilities - 0.9%

Liability for Trust Certificates, Including Interest Expense Payable - (10.0%)

Preferred Stock, at Redemption Value - (62.3%)

Net Assets Applicable to Common Stock - 100.0%

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2007, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$	100,307
		=====
Gross unrealized appreciation	\$	4,291
Gross unrealized depreciation		(92)

Net unrealized appreciation	\$	4,199
		=====

(a) AMBAC Insured.

(b) Escrowed to maturity.

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- (c) FGIC Insured.
- (d) FHLMC Collateralized.
- (e) FNMA/GNMA Collateralized.
- (f) 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	Dividend Income
CMA Arizona Municipal Money Fund	(593)	\$10

- (g) MBIA Insured.
- (h) Prerefunded.
- (i) Radian Insured.
- (j) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (k) Represents the current yield as of January 31, 2007.
- (l) Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund may have acquired the residual interest certificates. These securities serve as collateral in a financing transaction.

Item 2 - Controls and Procedures

- 2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.
- 2(b) - As of September 29, 2006, with the conclusion of the combination of Merrill Lynch's asset management business with BlackRock, the registrant was migrated to BlackRock's trading and compliance monitoring systems, and various personnel changes occurred. In conjunction with these business improvements, there were no changes in the registrants internal control over financial reporting (as defined in Rule 30a-3(d) under Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal half-year of the period covered by this report that has materially affected, or is reasonably likely to affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

Certifications - Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the

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Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock MuniYield Arizona Fund, Inc.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
BlackRock MuniYield Arizona Fund, Inc.

Date: March 26, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
BlackRock MuniYield Arizona Fund, Inc.

Date: March 26, 2007

By: /s/ Donald C. Burke

Donald C. Burke
Chief Financial Officer
BlackRock MuniYield Arizona Fund, Inc.

Date: March 26, 2007