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MUNIYIELD FUND INC
Form N-CSRS
July 05, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSRS

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number 811-06414

Name of Fund: MuniYield 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, MuniYield 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: 10/31/06

Date of reporting period: 11/01/05 - 04/30/06

Item 1 - Report to Stockholders

Semi-Annual Reports
April 30, 2006

MuniYield Fund, Inc.

MuniYield Quality Fund, Inc.

MuniYield Quality Fund II, Inc.

MuniYield Fund, Inc.
MuniYield Quality Fund, Inc.
MuniYield Quality Fund II, Inc.

Announcement to Shareholders

On February 15, 2006, BlackRock, Inc. ("BlackRock") and Merrill Lynch & Co., Inc. ("Merrill Lynch") entered into an agreement to contribute Merrill Lynch's investment management business, Merrill Lynch Investment Managers, L.P. and certain affiliates (including Fund Asset Management, L.P. and Merrill Lynch Investment Managers International Limited), to BlackRock to create a new independent company that will be one of the world's largest asset management firms with over \$1 trillion in assets under management (based on combined assets under management as of March 31, 2006). The transaction is expected to close in the third quarter of 2006, at which time the new company will operate under the BlackRock name. The Funds' Board of Directors has approved a new investment advisory agreement with BlackRock Advisors, Inc. or its successor ("BlackRock

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Advisors") on substantially the same terms and for the same advisory fee as the current investment advisory agreement with the Investment Adviser. If the new agreement is approved by the Funds' shareholders, BlackRock Advisors is expected to become the Funds' investment adviser upon the closing of the transaction between Merrill Lynch and BlackRock.

Quality Profiles as of April 30, 2006

MuniYield Fund, Inc. by S&P/Moody's Rating	Percent of Total Investments
AAA/Aaa	38.9%
AA/Aa	11.1
A/A	10.9
BBB/Baa	11.3
BB/Ba	3.7
B/B	4.1
CCC/Caa	2.1
NR (Not Rated)	16.9
Other*	1.0

* Includes portfolio holdings in short-term investments and variable rate demand notes.

MuniYield Quality Fund, Inc. by S&P/Moody's Rating	Percent of Total Investments
AAA/Aaa	85.8%
AA/Aa	6.3
A/A	5.9
BBB/Baa	0.3
NR (Not Rated)	0.9
Other*	0.8

* Includes portfolio holdings in short-term investments.

MuniYield Quality Fund II, Inc. by S&P/Moody's Rating	Percent of Total Investments
AAA/Aaa	88.7%
AA/Aa	6.0
A/A	4.0
BBB/Baa	0.4
Other*	0.9

* Includes portfolio holdings in short-term investments.

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A Letter From the President

Dear Shareholder

You may be aware that changes are on the horizon at Merrill Lynch Investment

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Managers ("MLIM"). On February 15, 2006, Merrill Lynch announced plans to combine the firm's investment advisory business, including MLIM, with another highly regarded investment manager -- BlackRock, Inc. ("BlackRock").

We believe this merger of asset management strength will benefit our investors. MLIM is a leading investment management organization with over \$576 billion in assets under management globally and 2,757 employees in 17 countries. It offers over 100 investment strategies in vehicles ranging from mutual funds to institutional portfolios. BlackRock is one of the largest publicly traded investment management firms in the United States with \$463.1 billion in assets under management and 1,839 employees. It manages assets on behalf of institutional and individual investors worldwide through a variety of equity, fixed income, liquidity and alternative investment products.

At the completion of the transaction, which is expected in the third quarter of this year, the resultant firm will be a top-10 investment manager worldwide with over \$1 trillion in assets under management.* The combined company will provide a wider selection of high-quality investment solutions across a range of asset classes and investment styles. MLIM and BlackRock possess complementary capabilities that together create a well-rounded organization uniting some of the finest money managers in the industry. At the same time, the firms share similar values and beliefs -- they are focused on delivering excellence on behalf of clients, and both make investment performance their single most important mission. In short, the merger only reinforces our commitment to shareholders.

Most of MLIM's investment products -- including mutual funds, separately managed accounts, annuities and variable insurance funds -- eventually will carry the "BlackRock" name. As a shareholder in one or more MLIM-advised mutual funds, you will receive a proxy package in the coming weeks in connection with this transaction. After you receive this information, should you have any questions or concerns, do not hesitate to contact your financial advisor.

As always, we thank you for entrusting us with your investment assets, and we look forward to continuing to serve your investment needs with even greater strength and scale as the new BlackRock.

Sincerely,

/s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
President and Chief Investment Officer
Merrill Lynch Investment Managers

* \$1.039 trillion in assets under management as of March 31, 2006.

Data, including assets under management, are as of March 31, 2006.

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A Discussion With Your Funds' Portfolio Managers

The Funds outperformed their respective Lipper category averages for the period while also offering shareholders an attractive level of tax-exempt income.

Describe the recent market environment relative to municipal bonds.

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Long-term bond yields rose sharply during the six-month period ended April 30, 2006, with much of the increase occurring in March and April 2006. Bond prices, which move opposite of yields, declined. Bond prices were pressured as investors focused on solid economic growth, both globally and in the United States, and renewed inflationary pressures deriving from rising commodity prices. First quarter 2006 gross domestic product growth was recently estimated at 4.8%, well above the 1.7% rate recorded in the fourth quarter of 2005.

The Federal Reserve Board (the Fed) continued to raise short-term interest rates at each of its meetings during the period, bringing the federal funds target rate to 4.75% at period-end, and to 5% on May 10. In response, the Treasury curve continued to flatten, with short-term interest rates rising more than longer-term interest rates. Over the past six months, 30-year U.S. Treasury bond yields rose 41 basis points (.41%) to 5.17% and 10-year U.S. Treasury note yields rose 50 basis points to 5.07%, the highest level since May 2002.

While the municipal yield curve also flattened during the period, the market's strong technical position provided significant price support. This allowed municipal bond prices to improve slightly or decline much less than those of their taxable counterparts. As measured by Municipal Market Data, yields on AAA-rated issues maturing in 30 years fell six basis points to 4.53%, while yields on AAA-rated issues maturing in 10 years rose 16 basis points to 4.08%.

For the most part, the tax-exempt market's recent outperformance has been fostered by a dramatic decline in new bond issuance so far in 2006. In 2005, more than \$408 billion in new long-term tax-exempt bonds was underwritten, a new annual record and an increase of more than 13% compared to 2004. Over the past six months, \$170 billion in long-term municipal bonds was issued, a decline of 8.6% versus the same period a year earlier. The record new issuance in 2005 was largely triggered by a 47% increase in refunding activity as issuers took advantage of historically low bond yields and a flattening yield curve to refinance outstanding higher-couponed debt. Year-to-date through April 2006, refunding issuance declined more than 55% relative to the first four months of 2005. This decline already has led some analysts to reduce their forecasts for 2006 new issuance from the \$350 billion - \$370 billion range to \$300 billion - \$325 billion. Lower annual issuance would further solidify the tax-exempt market's already positive technical position.

The tax-exempt market has continued to enjoy strong investor demand. As reported by the Investment Company Institute, long-term municipal bond funds received net new monies of \$5.0 billion in 2005 -- a sharp reversal from the \$3.7 billion outflow in 2004. During the first quarter of 2006, tax-exempt mutual funds received over \$9.3 billion, slightly higher than the \$8.9 billion inflow during the same period in 2005. Recent statistics from AMG Data Services indicate that, thus far in 2006, weekly cash flows into long-term municipal bond funds averaged over \$300 million, a significant improvement from the weekly average of \$65 million in December 2005.

Looking ahead, the fundamentals for the tax-exempt bond market appear favorable, and continued positive cash flows are anticipated. Given their attractive yields relative to comparable U.S. Treasury bonds, and the prospects for reduced issuance in 2006, we believe municipal bonds could enjoy solid results in the coming months.

MuniYield Fund, Inc.

How did the Fund perform during the period?

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For the six-month period ended April 30, 2006, the Common Stock of MuniYield Fund, Inc. had net annualized yields of 6.69% and 6.42%, based on a period-end per share net asset value of \$14.57 and a per share market price of \$15.18, respectively, and \$.483 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +4.03%, based on a change in per share net asset value from \$14.48 to \$14.57, and assuming reinvestment of all distributions.

The Fund's total return, based on net asset value, significantly exceeded the +2.60% average return of the Lipper General Municipal Debt Funds (Leveraged) category for the six-month period. (Funds in this Lipper category invest primarily in municipal debt issues rated in the top four credit-rating categories. These funds can be leveraged via use of debt, preferred equity and/or reverse repurchase agreements.) As in prior periods, Fund performance continued to be driven by our overweight exposure to lower-rated, higher-yielding credits. As credit spreads tightened throughout the period, lower-rated instruments outperformed the broader market and provided both price appreciation and incremental yield for the Fund. Our exposure to airline-related debt, in particular, proved to be the most significant factor in the Fund's outperformance. The airline sector had been the sole laggard in the high yield space until investors finally took notice of the industry's improving prospects within the past three months to six months.

Also benefiting Fund performance was our active management of the portfolio's duration, or its sensitivity to interest rate risk. Entering the period, we had a neutral duration posture compared to our Lipper peers, with the intention of lengthening that position slightly going into the end of 2005 -- which we did. In light of market improvement, we subsequently shortened our duration modestly in a timely move ahead of the market backup that occurred in the latter half of the period. We also continued to position the portfolio to take advantage of the flattening trend in the municipal yield curve. The curve did flatten further over the past six months, and our strategy contributed to performance.

For a description of the Fund's total investment return based on a change in the per share market value of the Fund's Common Stock (as measured by the trading price of the Fund's shares on the New York Stock Exchange), and assuming reinvestment of dividends, please refer to the Financial Highlights section of this report. As a closed-end fund, the Fund's shares may trade in the secondary market at a premium or discount to the Fund's net asset value. As a result, total investment returns based on changes in the market value of the Fund's Common Stock may vary significantly from total investment returns based on changes in the Fund's net asset value.

What changes were made to the portfolio during the period?

We had anticipated further flattening of the municipal yield curve during the period and, as such, portfolio activity remained focused on taking advantage of that trend. To that end, we typically made purchases in the 20-year - 30-year maturity range using proceeds from the sale of bonds with much shorter maturities, such as those in the five-year - 10-year area. We also looked to sell longer-dated bonds that were likely to be called by their issuers in that five-year - 10-year time frame.

In fact, the problem of longer, higher-coupon issues being called by issuers is one that has challenged most investors as long-term interest rates declined or failed to rise as anticipated. As a result, many portfolios have seen a tremendous influx of cash, which they have opted to invest in lower-rated, higher-yielding credits. During this period, we sought to take advantage of the fairly aggressive pricing that this demand has caused by selling some of our high yield issues, and thereby reducing our overweight position in this sector.

A number of factors have combined to sharply reduce the overall supply of

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municipal issues in the early months of 2006. The low interest rate environment of 2005 may have exhausted much of the potential new-issue supply, and with interest rates having risen somewhat over the past few months, some issuers may have been discouraged from coming to market. Despite this dearth of new supply, our superior research and analysis capabilities allowed the Fund to identify opportunities in lesser known issues that most other investors may have overlooked. This activity has helped us to maintain a competitive dividend distribution rate despite the ill effects of early calls, scant supply and declining yields.

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A Discussion With Your Funds' Portfolio Managers (continued)

For the six-month period ended April 30, 2006, the Fund's Auction Market Preferred Stock (AMPS) had an average yield of 3.06% for Series A, 2.96% for Series B, 3.15% for Series C, 3.21% for Series D, 2.96% for Series E, 3.03% for Series F and 2.99% for Series G. The Fed raised the short-term interest rate target 100 basis points during the six-month period (and another 25 basis points on May 10), and this continued to affect the Fund's borrowing costs. We would expect additional increases in the cost of funds to be more limited as the Fed nears a pause in its monetary tightening campaign. Despite the rate increases during the period, the tax-exempt yield curve maintained a positive slope, allowing us to borrow at a lower rate than where we invest. This continued to generate an income benefit to the holders of Common Stock from the leveraging of Preferred Stock. However, should the spread between short-term and long-term interest rates narrow, the benefits of leveraging will decline and, as a result, reduce the yield on the Fund's Common Stock. At the end of the period, the Fund's leverage amount, due to AMPS, was 34.50% of total net assets, before the deduction of Preferred Stock. (For a more complete explanation of the benefits and risks of leveraging, see page 10 of this report to shareholders.)

How would you characterize the Fund's position at the close of the period?

At period-end, the Fund was neutrally positioned in terms of both interest rate risk and credit quality, having reduced our overweight position in lower-rated securities somewhat. Our yield curve outlook has changed in response to recent speculation that the Fed may be closer to the end of its monetary tightening program. Therefore, we believe the majority of the curve flattening is behind us, and we are in the early stages of reducing our exposure to the long end of the curve. We now see the most attractive value closer to the middle of the curve, around the 10-year -- 15-year range. While we believe there is still some risk of further Fed tightening, the markets tend to anticipate and react to those moves before the fact, so we prefer to be at the front end of that trend.

MuniYield Quality Fund, Inc.

How did the Fund perform during the period?

For the six-month period ended April 30, 2006, the Common Stock of MuniYield Quality Fund, Inc. had net annualized yields of 5.50% and 5.91%, based on a period-end per share net asset value of \$14.89 and a per share market price of \$13.85, respectively, and \$.406 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +2.04%, based on a change in per share net asset value from \$15.02 to \$14.89, and assuming reinvestment of all distributions.

The Fund's total return, based on net asset value, outpaced the +1.94% average return of the Lipper Insured Municipal Debt Funds (Leveraged) category for the six-month period. (Funds in this Lipper category invest primarily in municipal

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debt issues insured as to timely payment. These funds can be leveraged via use of debt, preferred equity and/or reverse repurchase agreements.)

Overall, the municipal market performed fairly well in this period of rising interest rates. The yield curve continued to flatten as the long end rallied slightly while the short end underperformed. Against this backdrop, Fund performance benefited from our strategy of moving further out on the curve as opportunities presented themselves. Also contributing to Fund results was our focus on maintaining an above-average yield and, consistent with that goal, remaining fully invested.

For a description of the Fund's total investment return based on a change in the per share market value of the Fund's Common Stock (as measured by the trading price of the Fund's shares on the New York Stock Exchange), and assuming reinvestment of dividends, please refer to the Financial Highlights section of this report. As a closed-end fund, the Fund's shares may trade in the secondary market at a premium or discount to the Fund's net asset value. As a result, total investment returns based on changes in the market value of the Fund's Common Stock can vary significantly from total investment returns based on changes in the Fund's net asset value.

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What changes were made to the portfolio during the period?

We entered the period with a neutral posture as the Fed appeared to be approaching a pause in its rate-hiking campaign. Although both the Treasury and the municipal yield curves continued to flatten during the past six months, the move was not nearly as dramatic as we have seen in prior periods. Notably, the municipal curve retained a positive slope, particularly relative to the Treasury curve which actually inverted early in 2006, and this contributed to the market's and the Fund's positive performance.

The other important dynamic in the municipal market during the six-month period was the drop in new issuance, especially fixed rate, longer-term issuance. This decline in supply supported the performance of the municipal market, but also meant there were fewer options for restructuring the portfolio. Notwithstanding that fact, we were still able to take advantage of inter-period volatility, using backups in market yields to selectively book tax losses (that is, taking losses to offset any gains) and swap into other bonds in instances where we thought it would be beneficial to the Fund. In addition, we sold some of the portfolio's premium-coupon, short-call bonds into a strong market inquiry. Given that there was an interested buyer in the market, we were able to sell the bonds at very favorable prices. Generally speaking, we redeployed the proceeds from the sale into bonds with maturities in the 25-year range and with coupons of approximately 5%.

For the six-month period ended April 30, 2006, the Fund's Auction Market Preferred Stock (AMPS) had average yields of 3.09% for Series A, 3.00% for Series B, 3.23% for Series C, 3.02% for Series D and 3.01% for Series E. The Fed raised the short-term interest rate target 100 basis points during the six-month period (and another 25 basis points on May 10), and this continued to affect the Fund's borrowing costs. We would expect additional increases in the cost of funds to be more limited as the Fed nears a pause in its monetary tightening campaign. Despite the rate increases during the period, the tax-exempt yield curve maintained a positive slope, allowing us to borrow at a lower rate than where we invest. This continued to generate an income benefit to the holders of Common Stock from the leveraging of Preferred Stock. However, should the spread between short-term and long-term interest rates narrow, the benefits of leveraging will decline and, as a result, reduce the yield on the Fund's Common

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Stock. At the end of the period, the Fund's leverage amount, due to AMPS, was 35.57% of total net assets, before the deduction of Preferred Stock. (For a more complete explanation of the benefits and risks of leveraging, see page 10 of this report to shareholders.)

How would you characterize the Fund's position at the close of the period?

We remain focused on generating an attractive level of tax-exempt income for our shareholders. The Fund ended the period fully invested and with an overall neutral market posture, in keeping with our internal Investment Committee's recommendation. After 16 consecutive interest rate hikes, the Fed may be near a pause in its monetary tightening program. However, global economies and certain pockets of the U.S. economy continue to show solid growth, leading us to believe that it still may be early to become too aggressive. We believe a neutral posture is prudent in the current environment and should provide for competitive performance.

On a tactical basis, we recently started to look at opportunities back down the yield curve in the 15-year - 20-year area, as opposed to the previously favored 25-year - 30-year range. We have found that we can move five years - 10 years down the yield curve without sacrificing a significant amount of yield. Given the degree of yield-curve flattening that has occurred over the course of the Fed's rate-hiking campaign, we believe this maturity range could be ready to outperform. As always, we will continue to monitor the economy, the Fed and the municipal market, and stand ready to adjust our approach as needed.

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A Discussion With Your Funds' Portfolio Managers (concluded)

MuniYield Quality Fund II, Inc.

How did the Fund perform during the period?

For the six-month period ended April 30, 2006, the Common Stock of MuniYield Quality Fund II, Inc. had net annualized yields of 5.51% and 5.85%, based on a period-end per share net asset value of \$13.25 and a per share market price of \$12.47, respectively, and \$.362 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +2.11%, based on a change in per share net asset value from \$13.36 to \$13.25, and assuming reinvestment of all distributions.

The Fund's total return, based on net asset value, outpaced the +1.94% average return of the Lipper Insured Municipal Debt Funds (Leveraged) category for the six-month period. (Funds in this Lipper category invest primarily in municipal debt issues insured as to timely payment. These funds can be leveraged via use of debt, preferred equity and/or reverse repurchase agreements.)

Overall, the municipal market performed fairly well in this period of rising interest rates. The yield curve continued to flatten as the long end rallied slightly while the short end underperformed. Against this backdrop, Fund performance benefited from our strategy of moving further out on the curve as opportunities presented themselves. Also contributing to Fund results was our focus on maintaining an above-average yield and, consistent with that goal, remaining fully invested.

For a description of the Fund's total investment return based on a change in the per share market value of the Fund's Common Stock (as measured by the trading price of the Fund's shares on the New York Stock Exchange), and assuming reinvestment of dividends, please refer to the Financial Highlights section of

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What changes were made to the portfolio during the period?

We entered the period with a neutral posture as the Fed appeared to be approaching a pause in its rate-hiking campaign. Although both the Treasury and the municipal yield curves continued to flatten during the past six months, the move was not nearly as dramatic as we have seen in prior periods. Notably, the municipal curve retained a positive slope, particularly relative to the Treasury curve which actually inverted early in 2006, and this contributed to the market's and the Fund's positive performance.

The other important dynamic in the municipal market during the six-month period was the drop in new issuance, especially fixed rate, longer-term issuance. This decline in supply supported the performance of the municipal market, but also meant there were fewer options for restructuring the portfolio. Notwithstanding that fact, we were still able to take advantage of inter-period volatility, using backups in market yields to selectively book tax losses (that is, taking losses to offset any gains) and swap into other bonds in instances where we thought it would be beneficial to the Fund. In addition, we sold some of the portfolio's premium-coupon, short-call bonds into a strong market inquiry. Given that there was an interested buyer in the market, we were able to sell the bonds at very favorable prices. Generally speaking, we redeployed the proceeds from the sale into bonds with maturities in the 25-year range and with coupons of approximately 5%.

For the six-month period ended April 30, 2006, the Fund's Auction Market Preferred Stock (AMPS) had average yields of 3.12% for Series A, 3.33% for Series B, 2.99% for Series C and 2.99% for Series D. The Fed raised the short-term interest rate target 100 basis points during the six-month period (and another 25 basis points on May 10), and this continued to affect the Fund's borrowing costs. We would expect additional increases in the cost of funds to be more limited as the Fed nears a pause in its monetary tightening campaign. Despite the rate increases during the period, the tax-exempt yield curve maintained a positive slope, allowing us to borrow at a lower rate than where we invest. This continued to

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generate an income benefit to the holders of Common Stock from the leveraging of Preferred Stock. However, should the spread between short-term and long-term interest rates narrow, the benefits of leveraging will decline and, as a result, reduce the yield on the Fund's Common Stock. At the end of the period, the Fund's leverage amount, due to AMPS, was 35.07% of total net assets, before the deduction of Preferred Stock. (For a more complete explanation of the benefits and risks of leveraging, see page 10 of this report to shareholders.)

How would you characterize the Fund's position at the close of the period?

We remain focused on generating an attractive level of tax-exempt income for our shareholders. The Fund ended the period fully invested and with an overall neutral market posture, in keeping with our internal Investment Committee's recommendation. After 16 consecutive interest rate hikes, the Fed may be near a pause in its monetary tightening program. However, global economies and certain pockets of the U.S. economy continue to show solid growth, leading us to believe that it still may be early to become too aggressive. We believe a neutral

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posture is prudent in the current environment and should provide for competitive performance.

On a tactical basis, we recently started to look at opportunities back down the yield curve in the 15-year - 20-year area, as opposed to the previously favored 25-year - 30-year range. We have found that we can move five years - 10 years down the yield curve without sacrificing a significant amount of yield. Given the degree of yield-curve flattening that has occurred over the course of the Fed's rate-hiking campaign, we believe this maturity range could be ready to outperform. As always, we will continue to monitor the economy, the Fed and the municipal market, and stand ready to adjust our approach as needed.

Theodore R. Jaeckel Jr., CFA
Vice President and Portfolio Manager
MuniYield Fund, Inc.

Michael A. Kalinoski, CFA
Vice President and Portfolio Manager
MuniYield Quality Fund, Inc.
MuniYield Quality Fund II, Inc.

May 17, 2006

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The Benefits and Risks of Leveraging

The Funds utilize leveraging to seek to enhance the yield and net asset value of their Common Stock. However, these objectives cannot be achieved in all interest rate environments. To leverage, each Fund issues Preferred Stock, which pays dividends at prevailing short-term interest rates, and invests the proceeds in long-term municipal bonds. The interest earned on these investments, net of dividends to Preferred Stock, is paid to Common Stock shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share net asset value of each Fund's Common Stock. However, in order to benefit Common Stock shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. At the same time, a period of generally declining interest rates will benefit Common Stock shareholders. If either of these conditions change, then the risks of leveraging will begin to outweigh the benefits.

To illustrate these concepts, assume a fund's Common Stock capitalization of \$100 million and the issuance of Preferred Stock 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 approximately 3% and long-term interest rates are approximately 6%, the yield curve has a strongly positive slope. The fund pays dividends on the \$50 million of Preferred Stock 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 Stock shareholders are significantly lower than the income earned on the fund's long-term investments, and therefore the Common Stock shareholders are the beneficiaries of the incremental yield. However, if short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Stock will be reduced or eliminated completely. At the same time, the market value of the fund's Common Stock (that is, its price as listed on the New York Stock Exchange) may, as a result, decline. Furthermore, if long-term interest rates rise, the Common Stock's net asset

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value will reflect the full decline in the price of the portfolio's investments, since the value of the fund's Preferred Stock does not fluctuate. In addition to the decline in net asset value, the market value of the fund's Common Stock may also decline.

As a part of their investment strategy, the Funds may invest in certain securities whose potential income return is inversely related to changes in a floating interest rate ("inverse floaters"). In general, income on inverse floaters will decrease when short-term interest rates increase and increase when short-term interest rates decrease. Investments in inverse floaters may be characterized as derivative securities and may subject the Funds to the risks of reduced or eliminated interest payments and losses of invested principal. In addition, inverse floaters have the effect of providing investment leverage and, as a result, the market value of such securities will generally be more volatile than that of fixed rate, tax-exempt securities. To the extent the Funds invest in inverse floaters, the market value of each Fund's portfolio and the net asset value of each Fund's shares may also be more volatile than if the Funds did not invest in these securities. As of April 30, 2006, the percentages of MuniYield Fund, Inc.'s, MuniYield Quality Fund, Inc.'s and MuniYield Quality Fund II, Inc.'s total net assets invested in inverse floaters were 6.43%, 12.71% and 12.59%, respectively, before the deduction of Preferred Stock.

Swap Agreements

The Funds may invest in swap agreements, which are over-the-counter contracts in which one party agrees to make periodic payments based on the change in market value of a specified bond, basket of bonds, or index in return for periodic payments based on a fixed or variable interest rate or the change in market value of a different bond, basket of bonds or index. Swap agreements may be used to obtain exposure to a bond or market without owning or taking physical custody of securities. Swap agreements involve the risk that the party with whom each Fund has entered into a swap will default on its obligation to pay the Fund and the risk that the Fund will not be able to meet its obligations to pay the other party to the agreement.

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Schedule of Investments MuniYield Fund, Inc. (in Thousands)

Face Amount	Municipal Bonds	Value
=====		
Alabama--1.6%		
\$ 2,500	Huntsville, Alabama, Health Care Authority Revenue Bonds, Series B, 5.75% due 6/01/2032	\$ 2,621
5,250	Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5.50% due 1/01/2022	5,605
2,200	Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project) Series A, 5.625% due 8/01/2025	2,202
=====		
Arizona--9.5%		
	Arizona State Transportation Board, Highway Revenue Bonds, Sub-Series A:	
5,825	5% due 7/01/2021	6,075
7,030	5% due 7/01/2022	7,321

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5,240	5% due 7/01/2023	5,446
3,400	Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.75% due 7/01/2029	3,384
	Maricopa County, Arizona, IDA, M/F Housing Revenue Refunding Bonds (CRS Pine Ridge Housing Corporation), Series A-1 (e) (i):	
5,000	6% due 10/20/2031	5,258
5,000	6.05% due 10/20/2036	5,212
	Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT:	
5,800	6.25% due 6/01/2019	5,449
6,900	6.30% due 4/01/2023	6,137
	Phoenix, Arizona, IDA, M/F Housing Revenue Bonds (Summit Apartments LLC Project) (i):	
1,610	6.25% due 7/20/2022	1,720
1,425	6.45% due 7/20/2032	1,523
1,305	6.55% due 7/20/2037	1,398
1,400	Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project II), Series A, 6.75% due 7/01/2031	1,459
	Vistancia Community Facilities District, Arizona, GO:	
3,000	5.50% due 7/15/2020	2,997
2,125	5.75% due 7/15/2024	2,143
5,900	Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Yavapai Regional Medical Center), Series A, 6% due 8/01/2033	6,237
=====		
Arkansas--0.9%		
	University of Arkansas, University Construction Revenue Bonds (UAMS Campus), Series B (k):	
2,000	5% due 11/01/2020	2,082
1,600	5% due 11/01/2027	1,653
1,000	University of Arkansas, University Revenue Refunding Bonds (UAMS Campus), Series A, 5% due 11/01/2014 (k)	1,062
1,000	Washington County, Arkansas, Hospital Construction Revenue Refunding Bonds (Regional Medical Center), Series A, 5% due 2/01/2035	978
=====		
California--14.5%		
8,760	California State, GO, 5% due 2/01/2033	8,877
	California State Public Works Board, Lease Revenue Bonds:	
2,000	(Department of Corrections), Series C, 5% due 6/01/2025	2,046
4,500	(Department of Mental Health--Coalinga State Hospital), Series A, 5.125% due 6/01/2029	4,612
	California State, Various Purpose, GO:	
6,800	5.25% due 11/01/2025	7,144
10,000	5% due 4/01/2031 (a)	10,276
5,550	5.50% due 11/01/2033	5,971
	Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds:	
5,500	Series A-3, 7.875% due 6/01/2042	6,546
7,500	Series A-4, 7.80% due 6/01/2042	8,893
	Los Angeles, California, Unified School District, GO, Series A (h):	
7,570	5% due 7/01/2022	7,868
18,400	5% due 7/01/2023	19,049
5,145	Santa Clara, California, Subordinated Electric Revenue	

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		Bonds, Series A, 5% due 7/01/2022 (k)	5,336
7,465		University of California Revenue Bonds (Multiple Purpose Projects), Series Q, 5% due 9/01/2021 (h)	7,746
=====			
Colorado--5.3%			
3,245		Colorado Educational and Cultural Facilities Authority, Revenue Refunding Bonds (University of Denver Project), Series B, 5.25% due 3/01/2035 (d)	3,442
355		Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Series D-2, 6.90% due 4/01/2029	362
8,000		Denver, Colorado, City and County Airport Revenue Bonds, AMT, Series D, 7.75% due 11/15/2013 (a) (p)	9,158
5,050		Denver, Colorado, Urban Renewal Authority, Tax Increment Revenue Bonds (Pavilions), AMT, 7.75% due 9/01/2016	5,200
		Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee), Series A:	
1,735		7.10% due 9/01/2014	1,854
5,065		7.35% due 9/01/2031	5,360

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedules of Investments, we have abbreviated the names of many of the securities according to the list at right.

AMT	Alternative Minimum Tax (subject to)
COP	Certificates of Participation
DRIVERS	Derivative Inverse Tax-Exempt Receipts
EDA	Economic Development Authority
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
IDA	Industrial Development Authority
IDB	Industrial Development Board
IDR	Industrial Development Revenue Bonds
M/F	Multi-Family
PCR	Pollution Control Revenue Bonds
RIB	Residual Interest Bonds
ROLS	Reset Option Long Securities
S/F	Single-Family
VRDN	Variable Rate Demand Notes

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Schedule of Investments (continued) MuniYield Fund, Inc. (in Thousands)

Face Amount	Municipal Bonds	Value
=====		
Colorado (concluded)		
	Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees):	
\$ 6,850	8% due 12/01/2025	\$ 7,520
1,885	8.125% due 12/01/2025	1,879
=====		

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Connecticut--0.7%			
5,000	Bridgeport, Connecticut, Senior Living Facilities Revenue Bonds (3030 Park Retirement Community Project), 7.25% due 4/01/2035		4,212
450	Connecticut State Development Authority, IDR (AFCO Cargo BDL-LLC Project), AMT, 7.35% due 4/01/2010		469
=====			
Delaware--0.3%			
2,000	New Castle County, Delaware, PCR (General Motors Corporation Project), VRDN, 7.875% due 10/01/2008 (n)		2,000
=====			
Florida--5.7%			
	Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT:		
11,500	Series A, 7.125% due 4/01/2030		12,690
5,000	Series B, 7.125% due 4/01/2030		5,517
4,705	Lee County, Florida, Revenue Bonds, 5% due 10/01/2022 (a)		4,892
5,450	Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds, Series B, 6.50% due 5/01/2037		6,030
1,100	Orange County, Florida, Health Facilities Authority, Health Care Revenue Refunding Bonds (Orlando Lutheran Towers), 5.375% due 7/01/2020		1,077
2,500	Orlando, Florida, Greater Orlando Aviation Authority, Airport Facilities Revenue Bonds (JetBlue Airways Corp.), AMT, 6.50% due 11/15/2036		2,506
4,620	Santa Rosa Bay Bridge Authority, Florida, Revenue Bonds, 6.25% due 7/01/2028		4,680
=====			
Georgia--1.7%			
4,600	Atlanta, Georgia, Tax Allocation Bonds (Atlantic Station Project), 7.90% due 12/01/2024		5,101
	Brunswick & Glynn County, Georgia, Development Authority, First Mortgage Revenue Bonds (Coastal Community Retirement Corporation Project), Series A:		
2,285	7.125% due 1/01/2025		2,312
3,595	7.25% due 1/01/2035		3,633
=====			
Idaho--1.7%			
290	Idaho Housing Agency, S/F Mortgage Revenue Refunding Bonds, AMT, Senior Series C-2, 7.15% due 7/01/2023		291
10,000	Power County, Idaho, Industrial Development Corporation, Solid Waste Disposal Revenue Bonds (FMC Corporation Project), AMT, 6.45% due 8/01/2032		10,675
=====			
Illinois--4.9%			
725	Beardstown, Illinois, IDR (Jefferson Smurfit Corp. Project), 8% due 10/01/2016		745
1,000	Bolingbrook, Illinois, Special Services Area Number 1, Special Tax Bonds (Forest City Project), 5.90% due 3/01/2027 (r)		927
13,200	Chicago, Illinois, O'Hare International Airport Revenue Bonds, Third Lien, AMT, Series B-2, 6% due 1/01/2029 (q)		14,544
3,915	Chicago, Illinois, O'Hare International Airport, Special Facility Revenue Refunding Bonds (American Airlines Inc. Project), 8.20% due 12/01/2024		3,931
20	Chicago, Illinois, S/F Mortgage Revenue Bonds, AMT,		

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	Series B, 7.625% due 9/01/2027 (f) (g) (i)	20
3,285	Illinois Development Finance Authority Revenue Bonds (Presbyterian Home Lake Project), Series B, 6.30% due 9/01/2022 (h)	3,376
	Illinois State Finance Authority Revenue Bonds, Series A:	
1,750	(Friendship Village of Schaumburg), 5.625% due 2/15/2037	1,766
2,155	(Landing At Plymouth Place Project), 6% due 5/15/2037	2,212
4,000	Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Bonds (McCormick Place Expansion), Series A, 5.50% due 6/15/2023 (k)	4,286
=====		
Indiana--1.0%		
2,850	Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series A, 5% due 1/01/2029 (d)	2,926
3,750	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series A, 5% due 6/01/2028 (h)	3,844
=====		
Kansas--0.2%		
1,250	Lenexa, Kansas, Health Care Facility Revenue Bonds (Lakeview Village Inc.), Series C, 6.875% due 5/15/2032	1,333
=====		
Kentucky--0.5%		
3,000	Kentucky Economic Development Finance Authority, Health System Revenue Refunding Bonds (Norton Healthcare Inc.), Series A, 6.625% due 10/01/2028	3,231
=====		
Louisiana--5.8%		
6,750	Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25% due 8/15/2036	6,859
1,000	Louisiana Public Facilities Authority, Revenue Refunding Bonds (Pennington Medical Foundation Project), 5% due 7/01/2031	1,001
10,000	Louisiana State Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series B, 5% due 6/01/2020 (a)	10,426
19,000	Port New Orleans, Louisiana, IDR, Refunding (Continental Grain Company Project), 6.50% due 1/01/2017	19,377
=====		
Maryland--3.6%		
	Baltimore, Maryland, Convention Center Hotel Revenue Bonds:	
5,615	Senior Series A, 5.25% due 9/01/2039 (q)	5,927
1,920	Sub-Series B, 5.875% due 9/01/2039	1,999
3,000	Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration -- AES Warrior Run), AMT, 7.40% due 9/01/2019	3,031
	Maryland State Health and Higher Educational Facilities Authority, Revenue Refunding Bonds:	
6,375	(Peninsula Regional Medical Center), 5% due 7/01/2036	6,435
4,000	(University of Maryland Medical System), 6% due 7/01/2032	4,289

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Schedule of Investments (continued) MuniYield Fund, Inc. (in Thousands)

Face Amount	Municipal Bonds	Value
=====		
Maryland (concluded)		
\$ 500	Maryland State Industrial Development Financing Authority, Economic Development Revenue Bonds (Our Lady of Good Counsel School), Series A, 6% due 5/01/2035	\$ 530
1,500	Prince Georges County, Maryland, Special Obligation Bonds (National Harbor Project), 5.20% due 7/01/2034	1,504
=====		
Massachusetts--9.4%		
6,640	Massachusetts Bay Transportation Authority, Sales Tax Revenue Refunding Bonds, Senior Series A, 5% due 7/01/2012 (l)	7,045
1,410	Massachusetts State College Building Authority, Project Revenue Bonds, Series A, 5% due 5/01/2031 (a)	1,458
10,000	Massachusetts State, Consolidated Loan, GO, Series C, 5% due 9/01/2022	10,424
3,500	Massachusetts State Development Finance Agency, Human Service Provider Revenue Bonds (Seven Hills Foundation & Affiliates), 5% due 9/01/2035 (m)	3,536
1,700	Massachusetts State Development Finance Agency Revenue Bonds (WGBH Educational Foundation), Series A, 5.375% due 1/01/2012 (a) (l)	1,846
2,750	Massachusetts State Development Finance Agency, Revenue Refunding Bonds (Western New England College), Series A, 5% due 9/01/2033 (b)	2,810
3,125	Massachusetts State Health and Educational Facilities Authority, Revenue Bonds (University of Massachusetts Memorial Healthcare), Series D, 5% due 7/01/2033	3,088
19,330	Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5% due 8/15/2030 (h)	20,027
10,000	Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.25% due 1/01/2014 (d) (l)	10,723
=====		
Michigan--1.3%		
6,060	Macomb County, Michigan, Hospital Finance Authority, Hospital Revenue Bonds (Mount Clemens General Hospital), Series B, 5.875% due 11/15/2034	6,380
2,500	Michigan State Strategic Fund, PCR, Refunding (General Motors Corp.), 6.20% due 9/01/2020	2,158
=====		
Minnesota--1.2%		
	Eden Prairie, Minnesota, M/F Housing Revenue Bonds (Rolling Hills Project), Series A (i):	
420	6% due 8/20/2021	455
2,000	6.20% due 2/20/2043	2,147
960	Minneapolis, Minnesota, M/F Housing Revenue Bonds (Gaar Scott Loft Project), AMT, 5.95% due 5/01/2030	992
	Minnesota State Municipal Power Agency, Electric Revenue Bonds:	

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1,000	5% due 10/01/2030	1,019
3,340	5% due 10/01/2035	3,398
=====		
Missouri--0.5%		
2,690	Fenton, Missouri, Tax Increment Revenue Refunding and Improvement Bonds (Gravois Bluffs), 7% due 10/01/2011 (l)	3,071
110	Missouri State Housing Development Commission, S/F Mortgage Revenue Bonds, Homeownership, AMT, Series B, 7.55% due 9/01/2027 (g) (i)	111
=====		
Nebraska--0.3%		
	Lincoln, Nebraska, Sanitation and Sewer Revenue Bonds:	
865	4.25% due 6/15/2024	823
905	4.25% due 6/15/2025	858
=====		
New Hampshire--0.5%		
3,425	New Hampshire Health and Education Facilities Authority, Revenue Refunding Bonds (Elliot Hospital), Series B, 5.60% due 10/01/2022	3,605
=====		
New Jersey--19.0%		
11,435	New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50% due 6/15/2024	11,843
	New Jersey EDA, First Mortgage Revenue Bonds, Series A:	
710	(Lions Gate Project), 5.75% due 1/01/2025	722
230	(Lions Gate Project), 5.875% due 1/01/2037	234
3,000	(The Presbyterian Home), 6.375% due 11/01/2031	3,116
20,000	New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5% due 7/01/2029 (k)	20,621
4,400	New Jersey EDA, Retirement Community Revenue Bonds (Cedar Crest Village Inc. Facility), Series A, 7.25% due 11/15/2031	4,746
	New Jersey EDA, School Facilities Construction Revenue Bonds, Series O:	
8,825	5.25% due 3/01/2023	9,349
1,585	5.25% due 3/01/2026	1,673
	New Jersey EDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), AMT:	
3,905	6.25% due 9/15/2019	3,842
14,000	6.25% due 9/15/2029	13,646
3,680	New Jersey Health Care Facilities Financing Authority Revenue Bonds (Pascack Valley Hospital Association), 6.625% due 7/01/2036	3,785
1,400	New Jersey Health Care Facilities Financing Authority, Revenue Refunding Bonds (Pascack Valley Hospital Association), 5.125% due 7/01/2028	1,240
	New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds, Series D:	
9,715	5% due 6/15/2019 (h)	10,141
9,410	5% due 6/15/2020	9,723
7,000	5% due 6/15/2020 (h)	7,286
20,575	Port Authority of New York and New Jersey, Special Obligation Revenue Bonds, DRIVERS, AMT, Series 192, 7.343% due 12/01/2025 (k) (o)	21,725
=====		
New York--20.2%		
2,200	Dutchess County, New York, IDA, Civic Facility Revenue Refunding Bonds (Saint Francis Hospital), Series A, 7.50% due 3/01/2029	2,389

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11,390	Metropolitan Transportation Authority, New York, Commuter Facilities Revenue Bonds, Series A, 6.10% due 7/01/2006 (d) (l)	11,664
11,000	Metropolitan Transportation Authority, New York, Transportation Revenue Refunding Bonds, Series F, 5% due 11/15/2035	11,226
1,250	New York City, New York, City IDA, Special Facility Revenue Bonds (British Airways Plc Project), AMT, 7.625% due 12/01/2032	1,356
14,000	New York City, New York, City Municipal Water Finance Authority, Water and Sewer System, Revenue Refunding Bonds, 5.50% due 6/15/2010 (l)	15,072

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Schedule of Investments (continued) MuniYield Fund, Inc. (in Thousands)

Face Amount	Municipal Bonds	Value
New York (concluded)		
	New York City, New York, GO:	
\$10,000	Series M, 5% due 4/01/2021	\$ 10,334
2,500	Series O, 5% due 6/01/2033	2,551
10,000	New York City, New York, GO, Refunding, Trust Receipts, Series R, 8.629% due 5/15/2014 (d) (o)	12,055
6,500	New York Liberty Development Corporation, Revenue Bonds (Goldman Sachs Headquarters), 5.25% due 10/01/2035	7,012
	New York State Dormitory Authority, Revenue Refunding Bonds (Mount Sinai Health), Series A:	
5,000	6.75% due 7/01/2020	5,398
315	6.50% due 7/01/2025	336
5,000	New York State Dormitory Authority, State Personal Income Tax Revenue Bonds (Education), Series F, 5% due 3/15/2035	5,144
8,360	New York State Dormitory Authority, Supported Debt Revenue Refunding Bonds (Department of Health), Series A, 5% due 7/01/2023 (c)	8,652
8,725	Port Authority of New York and New Jersey, Revenue Refunding Bonds, AMT, 120th Series, 6% due 10/15/2032 (k)	9,070
2,500	Suffolk County, New York, IDA, IDR, Refunding (Nissequogue Cogeneration Partners Facility), AMT, 5.50% due 1/01/2023	2,304
9,400	Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series C-1, 5.50% due 6/01/2021	10,053
10,000	Triborough Bridge and Tunnel Authority, New York, Subordinate Revenue Bonds, 5.25% due 11/15/2030	10,456
	Westchester County, New York, IDA, Continuing Care Retirement Mortgage Revenue Bonds (Kendal on Hudson Project), Series A:	
3,450	6.375% due 1/01/2024	3,657
2,895	6.50% due 1/01/2034	3,075

North Carolina--1.1%

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4,750	North Carolina Eastern Municipal Power Agency, Power System Revenue Bonds, Series D, 6.75% due 1/01/2026	5,165
215	North Carolina HFA, Home Ownership Revenue Bonds, AMT, Series 8-A, 6.20% due 7/01/2016	221
815	North Carolina, HFA, S/F Revenue Bonds, Series II, 6.20% due 3/01/2016 (e)	834
1,000	North Carolina Medical Care Commission, Health Care Facilities, First Mortgage Revenue Bonds (Arbor Acres Community Project), 6.375% due 3/01/2032	1,048
=====		
Ohio--3.6%		
	Cuyahoga County, Ohio, Mortgage Revenue Bonds (West Tech Apartments Project), AMT (i):	
1,410	5.75% due 9/20/2020	1,463
2,250	5.85% due 9/20/2030	2,334
5,065	Hamilton County, Ohio, Sewer System Improvement Revenue Bonds (The Metropolitan Sewer District of Greater Cincinnati), Series B, 5% due 12/01/2028 (k)	5,248
2,175	Lucas County, Ohio, Health Care Facility Revenue Refunding and Improvement Bonds (Sunset Retirement Communities), Series A, 6.625% due 8/15/2030	2,307
5,000	Mason, Ohio, City School District, GO (School Improvement), 5% due 12/01/2031 (h)	5,147
2,495	Mason, Ohio, Sewer System Revenue Refunding and Improvement Bonds, 5% due 12/01/2028 (k)	2,575
970	Port of Greater Cincinnati Development Authority, Ohio, Special Assessment Revenue Bonds (Cooperative Public Parking Infrastructure Project), 6.30% due 2/15/2024	1,043
	Toledo-Lucas County, Ohio, Port Authority Revenue Bonds (Saint Mary Woods Project), Series A:	
750	6% due 5/15/2024	761
2,250	6% due 5/15/2034	2,263
=====		
Oklahoma--0.6%		
4,080	Norman, Oklahoma, Regional Hospital Authority, Hospital Revenue Bonds, 5.375% due 9/01/2036	4,081
=====		
Oregon--1.5%		
4,405	Oregon State Department of Administrative Services, COP, Series A, 6% due 5/01/2010 (a) (l)	4,806
2,870	Oregon State, GO, Refunding (Veterans Welfare), Series 80A, 5.70% due 10/01/2032	2,887
1,830	Portland, Oregon, Housing Authority, Housing Revenue Bonds (Pine Square and University Place), Series A, 5.875% due 1/01/2022	1,814
=====		
Pennsylvania--6.2%		
2,570	Allegheny County, Pennsylvania, IDA, Environmental Improvement Revenue Refunding Bonds, 5.50% due 11/01/2016	2,659
5,270	Pennsylvania Economic Development Financing Authority, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT, Series A, 6.25% due 11/01/2027	5,594
16,270	Pennsylvania State Higher Educational Facilities Authority, Health Services Revenue Refunding Bonds (Allegheny Delaware Valley Obligation), Series C, 5.875% due 11/15/2016 (k)	16,770
	Philadelphia, Pennsylvania, Authority for IDR,	

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	Commercial Development:	
1,265	7.75% due 12/01/2017	1,280
3,650	(Days Inn), Refunding, Series B, 6.50% due 2/01/2007 (1)	3,781
4,000	(Doubletree), Refunding, Series A, 6.50% due 2/01/2007 (1)	4,144
5,000	Sayre, Pennsylvania, Health Care Facilities Authority, Revenue Bonds (Guthrie Healthcare System), Series B, 7.125% due 12/01/2031	5,856

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Schedule of Investments (continued)

MuniYield Fund, Inc.

(in Thousands)

Face Amount	Municipal Bonds	Value
Rhode Island--1.1%		
\$ 4,240	Central Falls, Rhode Island, Detention Facility Corporation, Detention Facility, Revenue Refunding Bonds, 7.25% due 7/15/2035	\$ 4,630
1,225	Woonsocket, Rhode Island, GO (d): 6% due 10/01/2017	1,340
1,195	6% due 10/01/2018	1,305
South Carolina--1.5%		
	Charleston Educational Excellence Financing Corporation, South Carolina, Revenue Bonds, ROLS (b) (o):	
3,898	Series II-R-481X-1, 6.586% due 12/01/2028	4,317
3,460	Series II-R-481X-2, 6.586% due 12/01/2029	3,827
1,255	Series II-R-481X-3, 6.586% due 12/01/2030	1,386
Tennessee--2.3%		
4,610	Hardeman County, Tennessee, Correctional Facilities Corporation Revenue Bonds, 7.75% due 8/01/2017	4,758
10,000	McMinn County, Tennessee, IDB, Solid Waste Revenue Bonds (Recycling Facility--Calhoun Newsprint), AMT, 7.40% due 12/01/2022	10,028
Texas--12.7%		
5,000	Alliance Airport Authority, Inc., Texas, Special Facilities Revenue Bonds (American Airlines Inc. Project), AMT, 7.50% due 12/01/2029	4,834
	Austin, Texas, Convention Center Revenue Bonds (Convention Enterprises Inc.), First Tier, Series A:	
5,000	6.70% due 1/01/2028	5,316
5,000	6.70% due 1/01/2032	5,275
	Bexar County, Texas, Housing Finance Corporation, M/F Housing Revenue Bonds (Water at Northern Hills Apartments), Series A (k):	
1,300	5.80% due 8/01/2021	1,320
2,460	6% due 8/01/2031	2,497
1,000	6.05% due 8/01/2036	1,015
6,650	Brazos River Authority, Texas, PCR, Refunding	

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	(Utilities Electric Company), AMT, Series B, 5.05% due 6/01/2030	6,656
3,755	Brazos River Authority, Texas, Revenue Refunding Bonds (Reliant Energy Inc. Project), Series B, 7.75% due 12/01/2018	4,070
	Gregg County, Texas, Health Facilities Development Corporation, Hospital Revenue Bonds (Good Shepherd Medical Center Project) (m):	
3,000	6.875% due 10/01/2020	3,333
2,000	6.375% due 10/01/2025	2,182
5,000	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% due 4/01/2026	5,108
3,900	Gulf Coast, Texas, IDA, Solid Waste Disposal Revenue Bonds (Citgo Petroleum Corporation Project), AMT, 7.50% due 5/01/2025	4,382
1,600	Houston, Texas, Industrial Development Corporation Revenue Bonds (Air Cargo), AMT, 6.375% due 1/01/2023	1,707
	Lower Colorado River Authority, Texas, PCR (Samsung Austin Semiconductor), AMT:	
4,830	6.375% due 4/01/2027	5,036
3,330	6.95% due 4/01/2030	3,686
7,030	Matagorda County, Texas, Navigation District Number 1, Revenue Refunding Bonds (Reliant Energy Inc.), Series C, 8% due 5/01/2029	7,557
3,900	Port Corpus Christi, Texas, Individual Development Corporation, Environmental Facilities Revenue Bonds (Citgo Petroleum Corporation Project), AMT, 8.25% due 11/01/2031	4,083
6,500	Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier, Series A, 5.50% due 8/15/2039 (a)	6,971
7,020	Tyler, Texas, Waterworks and Sewer Revenue Bonds, 5.70% due 9/01/2010 (d) (l)	7,558
=====		
Utah--0.3%		
1,545	Utah State Board of Regents, Revenue Refunding Bonds (University of Utah Research Facilities), Series A, 5.50% due 4/01/2010 (k) (l)	1,656
=====		
Virginia--2.7%		
	James City County, Virginia, EDA, Residential Care Facility, First Mortgage Revenue Refunding Bonds (Williamsburg Landing, Inc.), Series A:	
1,500	5.35% due 9/01/2026	1,516
2,000	5.50% due 9/01/2034	2,026
	Pocahontas Parkway Association, Virginia, Toll Road Revenue Bonds:	
6,750	Senior Series A, 5.50% due 8/15/2028	6,876
24,800	Senior Series B, 6.67% due 8/15/2029 (r)	6,510
1,000	Winchester, Virginia, IDA, Residential Care Facilities, Revenue Bonds (Westminster-Canterbury), Series A, 5.20% due 1/01/2027	1,001
=====		
Washington--0.3%		
	Vancouver, Washington, Housing Authority, Housing Revenue Bonds (Teal Pointe Apartments Project), AMT:	
945	6% due 9/01/2022	948
1,250	6.20% due 9/01/2032	1,254

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SEMI-ANNUAL REPORTS

APRIL 30, 2006

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Schedule of Investments (concluded)

MuniYield Fund, Inc.

(in Thousands)

Face Amount	Municipal Bonds	Value
Wisconsin--0.7%		
\$ 695	Milwaukee, Wisconsin, Revenue Bonds (Air Cargo), AMT, 6.50% due 1/01/2025	\$ 746
	Wisconsin Health and Educational Facilities Authority, Revenue Refunding Bonds (Eastcastle Place Inc. Project):	
1,000	6% due 12/01/2024	1,022
1,800	6.125% due 12/01/2034	1,829
700	Wisconsin State, GO, AMT, Series B, 6.20% due 11/01/2026 (k)	701
Wyoming--0.4%		
2,500	Wyoming Student Loan Corporation, Student Loan Revenue Refunding Bonds, Series A, 6.20% due 6/01/2024	2,648
Puerto Rico--3.2%		
15,000	Puerto Rico Commonwealth Highway and Transportation Authority, Transportation Revenue Bonds, Trust Receipts, Class R, Series B, 7.659% due 7/01/2035 (k) (o)	17,721
2,500	Puerto Rico Electric Power Authority, Power Revenue Bonds, Trust Receipts, Class R, Series 16 HH, 7.405% due 7/01/2013 (h) (o)	2,928
U.S. Virgin Islands--1.0%		
6,250	Virgin Islands Public Finance Authority, Refinery Facilities Revenue Bonds (Hovenssa Refinery), AMT, 6.125% due 7/01/2022	6,854
	Total Municipal Bonds (Cost--\$930,972)--149.5%	973,669
Shares Held Short-Term Securities		
8,238	Merrill Lynch Institutional Tax-Exempt Fund, 3.49% (j) (s)	8,238
	Total Short-Term Securities (Cost--\$8,238)--1.3%	8,238
	Total Investments (Cost--\$939,210*)--150.8%	981,907
	Other Assets Less Liabilities--1.9%	12,666

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Preferred Stock, at Redemption Value--(52.7%)

(343,344

Net Assets Applicable to Common Stock--100.0%

\$ 651,229

* The cost and unrealized appreciation (depreciation) on investments as of April 30, 2006, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 938,575
	=====
Gross unrealized appreciation	\$ 47,762
Gross unrealized depreciation	(4,430)

Net unrealized appreciation	\$ 43,332
	=====

- (a) AMBAC Insured.
- (b) Assured Guaranty Insured.
- (c) CIFG Insured.
- (d) FGIC Insured.
- (e) FHA Insured.
- (f) FHLMC Collateralized.
- (g) FNMA Collateralized.
- (h) FSA Insured.
- (i) GNMA Collateralized.
- (j) 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
Merrill Lynch Institutional Tax-Exempt Fund	5,738	\$231

- (k) MBIA Insured.
- (l) Prerefunded.
- (m) Radian Insured.
- (n) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.
- (o) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (p) Tradable Custodial Receipts (TRACERS).
- (q) XL Capital Insured.
- (r) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
- (s) Represents the current yield as of 4/30/2006.
- o Forward interest rate swaps outstanding as of April 30, 2006 were as follows:

	Notional Amount	Unrealized Appreciation
Pay a fixed rate of 4.069% and receive a floating rate based on 1-week Bond		

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Market Association Rate

Broker, JPMorgan Chase Bank

Expires June 2021

\$35,000

\$611

See Notes to Financial Statements.

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Schedule of Investments

MuniYield Quality Fund, Inc.

(in Thousands)

Face Amount	Municipal Bonds	Value
=====		
Arizona--1.1%		
\$ 2,350	Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Sub-Series B, 5% due 7/01/2036 (d)	\$ 2,404
2,345	Maricopa County, Arizona, Public Finance Corporation, Lease Revenue Bonds, RIB, Series 511X, 6.93% due 7/01/2014 (a) (i)	2,693
=====		
California--22.4%		
4,150	Alameda Corridor Transportation Authority, California, Capital Appreciation Revenue Refunding Bonds, Subordinate Lien, Series A, 5.45% due 10/01/2025 (a) (m)	3,161
1,250	Anaheim, California, Public Financing Authority, Electric System Distribution Facilities Revenue Bonds, Series A, 5% due 10/01/2031 (f)	1,281
4,450	California State, GO, Refunding: 5.25% due 9/01/2010 (h)	4,708
2,850	ROLS, Series II-R-272, 6.566% due 2/01/2033 (i) (j)	3,093
3,450	California State University, Systemwide Revenue Bonds, Series A, 5% due 11/01/2035 (d)	3,538
3,300	California State, Various Purpose, GO: 5.50% due 4/01/2028	3,570
12,500	5.25% due 11/01/2029	13,051
3,200	5.50% due 11/01/2033	3,443
2,100	California State, Various Purpose, GO, Refunding, 5% due 12/01/2031 (g)	2,159
1,200	Chino Valley, California, Unified School District, GO (Election of 2002), Series C, 5.25% due 8/01/2030 (g)	1,278
	Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds:	
5,000	RIB, Series RR II R 285X, 7.073% due 6/01/2043 (b) (i)	5,924
7,080	RIB, Series RR II R 287X, 7.326% due 6/01/2038 (i) (k)	8,497
1,600	Series B, 5.50% due 6/01/2013 (b) (h)	1,748
10,650	Los Angeles, California, Unified School District, GO, Series A, 5% due 1/01/2028 (g)	11,007
4,000	Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series B-1, 5% due 10/01/2029 (d)	4,123
2,000	Mount Diablo, California, Unified School District, GO (Election of 2002), 5% due 7/01/2027 (d)	2,059
2,000	Poway, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Paguay Redevelopment	

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	Project), 5.125% due 6/15/2033 (a)	2,059
2,225	San Diego, California, Community College District, GO (Election of 2002), 5% due 5/01/2030 (f)	2,300
9,000	San Diego County, California, Water Authority, Water Revenue Refunding Bonds, COP, Series A, 5% due 5/01/2032 (g)	9,233
5,655	San Ramon Valley, California, Unified School District, GO (Election of 2002), 5% due 8/01/2024 (f)	5,872
1,950	Tamalpais, California, Union High School District, GO (Election of 2001), 5% due 8/01/2028 (f)	2,007
1,700	University of California, Limited Project Revenue Bonds, Series B, 5% due 5/15/2033 (f)	1,753
2,100	University of California Revenue Bonds (Multiple Purpose Projects), Series Q, 5% due 9/01/2034 (f)	2,160
3,150	Ventura County, California, Community College District, GO (Election of 2002), Series B, 5% due 8/01/2030 (g)	3,258
=====		
Colorado--4.1%		
	Colorado Health Facilities Authority Revenue Bonds, Series A:	
1,650	(Catholic Health Initiatives), 5.50% due 3/01/2032 (c)	1,774
1,600	(Covenant Retirement Communities Inc.), 5.50% due 12/01/2027 (j)	1,683
1,000	(Covenant Retirement Communities Inc.), 5.50% due 12/01/2033 (j)	1,046
	Colorado Housing and Finance Authority, Revenue Refunding Bonds, AMT:	
1,265	(S/F Program), Series B-2, 6.80% due 2/01/2031 (g)	1,302
875	Series C-2, 7.25% due 10/01/2031 (a)	885
9,000	E-470 Public Highway Authority, Colorado, Capital Appreciation Revenue Refunding Bonds, Series B, 5.485% due 9/01/2029 (g) (m)	2,617
11,125	Northwest Parkway, Colorado, Public Highway Authority, Capital Appreciation Revenue Bonds, Senior Convertible, Series C, 5.345% due 6/15/2025 (f) (m)	9,497
=====		
District of Columbia--0.6%		
2,500	District of Columbia, Revenue Refunding Bonds (Catholic University of America Project), 5.625% due 10/01/2029 (a)	2,646
=====		
Florida--2.2%		
2,240	Beacon Tradeport Community Development District, Florida, Special Assessment Revenue Refunding Bonds (Commercial Project), Series A, 5.625% due 5/01/2032 (j)	2,401
5,200	Orange County, Florida, Sales Tax Revenue Refunding Bonds, Series B, 5.125% due 1/01/2032 (d)	5,377
2,100	Pasco County, Florida, School Board, COP, Series A, 5% due 8/01/2030 (a)	2,159
=====		
Georgia--6.0%		
3,500	Atlanta, Georgia, Airport Passenger Facility, Charge and Subordinate Lien General Revenue Refunding Bonds, Series C, 5% due 1/01/2033 (f)	3,580
5,000	Atlanta, Georgia, Airport Passenger Facility, Charge Revenue Refunding Bonds, ROLS, Series II-R-517X, 6.079% due 1/01/2033 (f) (i)	5,228
4,200	Atlanta, Georgia, Water and Wastewater Revenue Bonds, 5% due 11/01/2034 (f)	4,302
	Augusta, Georgia, Water and Sewer Revenue Bonds (f):	

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5,000	5.25% due 10/01/2034	5,286
3,220	5.25% due 10/01/2039	3,388
4,785	Monroe County, Georgia, Development Authority, PCR, Refunding (Oglethorpe Power Corporation--Scherer), Series A, 6.80% due 1/01/2011	5,331
=====		
Hawaii--0.5%		
2,000	Hawaii State, GO, Series CX, 5.50% due 2/01/2021 (f)	2,137
=====		
Illinois--21.6%		
5,000	Chicago, Illinois, Board of Education, GO, RIB, Series 467, 7.43% due 12/01/2027 (a) (i)	5,506
	Chicago, Illinois, GO (Lakefront Millennium Parking Facilities) (g):	
5,000	5.125% due 1/01/2028	5,120
2,500	5.372% due 1/01/2029 (m)	2,694

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Schedule of Investments (continued)

MuniYield Quality Fund, Inc.

(in Thousands)

Face Amount	Municipal Bonds	Value
=====		
Illinois (concluded)		
	Chicago, Illinois, O'Hare International Airport Revenue Bonds, Third Lien, AMT, Series B-2:	
\$ 3,400	5.75% due 1/01/2023 (f)	\$ 3,696
4,000	5.75% due 1/01/2024 (f)	4,348
3,300	6% due 1/01/2029 (b)	3,636
	Chicago, Illinois, O'Hare International Airport Revenue Refunding Bonds, AMT:	
2,665	3rd Lien, Series A-2, 5.75% due 1/01/2021 (f)	2,897
6,835	DRIVERS, Series 250, 7.343% due 1/01/2021 (g) (i)	7,731
2,500	DRIVERS, Series 844Z, 6.838% due 7/01/2010 (g) (i)	2,741
6,250	RIB, Series 994X, 6.65% due 1/01/2032 (g) (i)	6,611
5,080	Cook County, Illinois, Capital Improvement, GO, Series C, 5.50% due 11/15/2012 (a) (h)	5,547
2,130	Illinois Development Finance Authority Revenue Bonds (Presbyterian Home Lake Project), Series B, 6.25% due 9/01/2017 (f)	2,187
	Illinois Sports Facilities Authority, State Tax Supported Revenue Bonds (a):	
28,525	5.212% due 6/15/2030 (m)	24,722
5,500	5% due 6/15/2032	5,629
3,750	Illinois Student Assistance Commission, Student Loan Revenue Refunding Bonds, AMT, Sub-Series CC, 6.875% due 3/01/2015	3,756
	Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Refunding Bonds (McCormick Place Expansion Project):	
7,000	5.50% due 12/15/2024 (d)	7,409
3,500	Series B, 5.75% due 6/15/2023 (g)	3,824
=====		

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Indiana--5.3%

	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series A:	
3,750	5% due 6/01/2028 (f)	3,844
7,500	5.25% due 6/01/2029 (d)	7,914
	Indianapolis, Indiana, Local Public Improvement Bond Bank, Revenue Refunding Bonds (Indianapolis Airport Authority Project), AMT, Series B (g):	
6,470	5.25% due 1/01/2028	6,754
5,055	5.25% due 1/01/2030	5,269

Louisiana--6.2%

8,500	Louisiana Local Government, Environmental Facilities, Community Development Authority Revenue Bonds (Capital Projects and Equipment Acquisition), Series A, 6.30% due 7/01/2030 (a)	9,413
2,800	Louisiana State Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series B, 5% due 6/01/2023 (a)	2,906
4,675	Louisiana State Transportation Authority, Senior Lien Toll Revenue Capital Appreciation Bonds, Series B, 5.31% due 12/01/2027 (a) (m)	1,512
	New Orleans, Louisiana, Ernest N. Morial Exhibit Hall Authority, Special Tax, Sub-Series A (a):	
6,800	5.25% due 7/15/2028	6,997
5,000	5% due 7/15/2033	5,048
1,900	Terrebonne Parish, Louisiana, Hospital Service District Number 1, Hospital Revenue Bonds (Terrebonne General Medical Center Project), 5.50% due 4/01/2033 (a)	2,034

Maryland--1.3%

5,615	Baltimore, Maryland, Convention Center Hotel Revenue Bonds, Senior Series A, 5.25% due 9/01/2039 (b)	5,927
-------	--	-------

Massachusetts--9.3%

	Massachusetts Bay, Massachusetts, Transportation Authority, General Transportation System, Revenue Refunding Bonds, Series A (g):	
3,730	7% due 3/01/2011	4,245
3,550	7% due 3/01/2014	4,173
2,000	Massachusetts Bay Transportation Authority, Sales Tax Revenue Refunding Bonds, Senior Series A, 5% due 7/01/2035	2,046
900	Massachusetts Bay Transportation Authority, Special Assessment Revenue Refunding Bonds, Series A, 5% due 7/01/2031	929
3,400	Massachusetts State, Consolidated Loan, GO, Series C, 5% due 9/01/2025	3,528
4,000	Massachusetts State HFA, Rental Housing Mortgage Revenue Bonds, AMT, Series C, 5.60% due 1/01/2045 (f)	4,188
1,915	Massachusetts State Port Authority, Special Facilities Revenue Bonds, DRIVERS, AMT, Series 501, 6.838% due 7/01/2009 (a) (i)	2,080
12,300	Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5% due 8/15/2030 (f)	12,743
2,400	Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.25% due 1/01/2014 (d) (h)	2,574
1,210	Massachusetts State Water Resource Authority, General Revenue Refunding Bonds, Series B, 5.125% due 8/01/2027 (g)	1,255

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4,200	University of Massachusetts Building Authority, Facilities Revenue Bonds, Senior Series 4-A, 5.125% due 11/01/2014 (g) (h)	4,509
=====		
Michigan--4.2%		
5,000	Detroit, Michigan, Water Supply System Revenue Bonds, Series B, 5.25% due 7/01/2032 (g)	5,249
2,300	Michigan Higher Education Student Loan Authority, Student Loan Revenue Refunding Bonds, AMT, Series XVII-G, 5.20% due 9/01/2020 (a)	2,373
	Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Project), AMT (b):	
1,700	Series A, 5.50% due 6/01/2030	1,797
3,300	Series C, 5.65% due 9/01/2029	3,473
5,800	Series C, 5.45% due 12/15/2032	6,069
=====		
Nebraska--2.0%		
6,315	Municipal Energy Agency of Nebraska, Power Supply System Revenue Bonds, Series A, 5% due 4/01/2033 (f)	6,471
2,300	Washington County, Nebraska, Wastewater Facilities Revenue Bonds (Cargill Inc. Project), AMT, 5.90% due 11/01/2027	2,466
=====		
Nevada--7.0%		
4,100	Carson City, Nevada, Hospital Revenue Bonds (Carson-Tahoe Hospital Project), Series A, 5.50% due 9/01/2033 (j)	4,309
	Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series A-2 (d):	
2,000	5% due 7/01/2030	2,044
19,100	5% due 7/01/2036	19,458
5,710	Washoe County, Nevada, School District, GO, 5.875% due 12/01/2009 (f) (h)	6,112
=====		

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Schedule of Investments (continued)

MuniYield Quality Fund, Inc.

(in Thousands)

Face Amount	Municipal Bonds	Value
=====		
New Hampshire--3.5%		
\$10,000	New Hampshire Health and Education Facilities Authority Revenue Bonds (Dartmouth-Hitchcock Obligation Group, 5.50% due 8/01/2027 (f)	\$ 10,726
5,000	New Hampshire State Business Finance Authority, PCR, Refunding (Public Service Company), AMT, Series D, 6% due 5/01/2021 (g)	5,279
=====		
New Jersey--6.0%		
910	New Jersey EDA, Cigarette Tax Revenue Bonds: 5.75% due 6/15/2029	961

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1,385	5.50% due 6/15/2031	1,434
5,500	New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5.25% due 7/01/2031 (g)	5,826
	New Jersey EDA, Revenue Bonds, ROLS (e) (i):	
3,575	Series II-R-309-1, 7.073% due 6/15/2024	4,017
3,000	Series II-R-309-2, 7.073% due 6/15/2031	3,383
	New Jersey EDA, School Facilities Construction Revenue Bonds, Series O:	
3,860	5.125% due 3/01/2028	4,006
7,500	5.125% due 3/01/2030	7,766
=====		
New York--9.3%		
8,990	Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series A, 5% due 11/15/2032 (d)	9,234
3,150	New York City, New York, City Municipal Water Finance Authority, Water and Sewer System, Revenue Refunding Bonds, Series A, 5% due 6/15/2035 (g)	3,228
	New York City, New York, GO:	
6,920	RIB, Series 394, 7.654% due 8/01/2016 (g) (i)	8,128
5,000	Series B, 5.875% due 8/15/2006 (b) (h)	5,106
140	Series F, 5.75% due 2/01/2019 (b)	142
265	New York City, New York, GO, Refunding, Series G, 5.75% due 2/01/2017 (f)	269
8,000	New York State Thruway Authority, General Revenue Refunding Bonds, Series G, 5% due 1/01/2032 (f)	8,273
7,320	Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A-1, 5.25% due 6/01/2022 (a)	7,723
=====		
Ohio--1.1%		
2,500	Columbus, Ohio, City School District, GO (School Facilities Construction and Improvements), 5.25% due 12/01/2027 (f)	2,656
2,000	Jackson, Ohio, Hospital Facilities Revenue Bonds (Consolidated Health System--Jackson Hospital), 6.125% due 10/01/2009 (h) (j)	2,162
=====		
Oklahoma--0.5%		
	Tulsa, Oklahoma, Airports Improvement Trust, General Revenue Bonds (Tulsa International Airport), AMT, Series B (d):	
1,000	6% due 6/01/2019	1,064
1,000	6.125% due 6/01/2026	1,069
=====		
Oregon--1.9%		
7,500	Portland, Oregon, Sewer System Revenue Bonds, RIB, Series 386, 7.38% due 8/01/2020 (d) (i)	8,664
=====		
Pennsylvania--6.7%		
	Pennsylvania State Public School Building Authority, School Lease Revenue Bonds (The School District of Philadelphia Project) (f):	
6,000	5.25% due 6/01/2025	6,355
16,725	5% due 6/01/2033	17,105
6,250	Philadelphia, Pennsylvania, Authority for Industrial Development, Lease Revenue Bonds, Series B, 5.50% due 10/01/2021 (f)	6,694
=====		
Rhode Island--0.6%		
2,500	Providence, Rhode Island, GO, Series A, 5.70% due 7/15/2007 (f) (h)	2,583

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=====			
South Carolina--2.0%			
8,900	South Carolina Transportation Infrastructure Bank		
	Revenue Bonds, Series A, 5% due 10/01/2033 (a)		9,101
=====			
Tennessee--4.1%			
7,850	Chattanooga, Tennessee, IDB, Lease Rent Revenue		
	Bonds (Southside Redevelopment Corporation),		
	5.875% due 10/01/2024 (a)		8,436
5,000	Memphis-Shelby County, Tennessee, Airport Authority,		
	Airport Revenue Bonds, AMT, Series D, 6.25%		
	due 3/01/2018 (a)		5,389
	Tennessee HDA, Homeownership Revenue Bonds,		
	AMT, Series 2-C (a):		
2,075	6.10% due 7/01/2013		2,094
2,390	6.20% due 7/01/2015		2,439
=====			
Texas--11.8%			
2,000	Austin, Texas, Convention Center Revenue Bonds		
	(Convention Enterprises Inc.), Trust Certificates,		
	Second Tier, Series B, 6% due 1/01/2023		2,118
1,000	Bell County, Texas, Health Facilities Development		
	Revenue Bonds (Lutheran General Health Care		
	System), 6.50% due 7/01/2019 (c)		1,190
	Dallas-Fort Worth, Texas, International Airport Revenue		
	Refunding and Improvement Bonds, AMT, Series A (d):		
1,835	5.875% due 11/01/2017		1,969
2,145	5.875% due 11/01/2018		2,302
2,385	5.875% due 11/01/2019		2,559
5,235	Denton, Texas, Utility System Revenue Bonds, RIB,		
	Series 369, 7.88% due 12/01/2017 (f) (i)		6,203
	Gregg County, Texas, Health Facilities Development		
	Corporation, Hospital Revenue Bonds (Good		
	Shepherd Medical Center Project) (j):		
6,000	6.875% due 10/01/2020		6,667
2,600	6.375% due 10/01/2025		2,837
4,000	Harris County-Houston Sports Authority, Texas,		
	Revenue Refunding Bonds, Senior Lien, Series G,		
	5.75% due 11/15/2020 (g)		4,314
9,250	Leander, Texas, Independent School District, Capital		
	Appreciation, GO, Refunding (School Building),		
	5.46% due 8/15/2028 (d) (m)		2,847
7,150	North Harris County, Texas, Regional Water Authority,		
	Senior Lien Revenue Bonds, 5.125%		
	due 12/15/2035 (g)		7,391
7,200	Texas State Turnpike Authority, Central Texas Turnpike		
	System Revenue Bonds, First Tier, Series A, 5.75%		
	due 8/15/2038 (a)		7,828
4,600	Travis County, Texas, Health Facilities Development		
	Corporation, Revenue Refunding Bonds (Ascension		
	Health Credit), Series A, 6.25% due 11/15/2009 (g) (h)		5,008
=====			

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Schedule of Investments (concluded)

MuniYield Quality Fund, Inc.

(in Thousands)

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Face Amount	Municipal Bonds	Value
=====		
Utah--3.7%		
\$15,000	Salt Lake City, Utah, Hospital Revenue Refunding Bonds (IHC Hospitals Inc.), 6.30% due 2/15/2015 (g)	\$ 16,955
=====		
Virginia--0.7%		
3,100	Halifax County, Virginia, IDA, Exempt Facility Revenue Refunding Bonds (Old Dominion Electric Cooperative Project), AMT, 5.625% due 6/01/2028 (a)	3,335
=====		
Washington--5.8%		
7,500	Energy Northwest, Washington, Electric Revenue Bonds, DRIVERS, Series 242, 7.373% due 7/01/2017 (g) (i)	8,841
2,400	Port of Tacoma, Washington, Revenue Refunding Bonds, Series A, 5.25% due 12/01/2034 (a)	2,527
4,475	Seattle, Washington, Municipal Light and Power Revenue Refunding Bonds, 5% due 11/01/2028 (f)	4,590
5,100	Tacoma, Washington, Regional Water Supply System, Water Revenue Bonds, 5% due 12/01/2032 (g)	5,206
5,000	Washington State, GO, Series A and AT-6, 6.25% due 2/01/2011 (f)	5,325
=====		
Puerto Rico--1.7%		
	Puerto Rico Electric Power Authority, Power Revenue Bonds:	
1,475	Series II, 5.25% due 7/01/2031	1,527
6,000	Series NN, 5.125% due 7/01/2029	6,164

	Total Municipal Bonds (Cost--\$670,895)--153.2%	693,796
=====		
Shares Held	Short-Term Securities	
=====		
5,713	Merrill Lynch Institutional Tax-Exempt Fund, 3.49% (1) (n)	5,713

	Total Short-Term Securities (Cost--\$5,713)--1.3%	5,713
=====		
Total Investments (Cost--\$676,608*)--154.5%		699,509
Other Assets Less Liabilities--0.8%		3,622
Preferred Stock, at Redemption Value--(55.3%)		(250,234)
Net Assets Applicable to Common Stock--100.0%		\$ 452,897
=====		

* The cost and unrealized appreciation (depreciation) on investments as of April 30, 2006, as computed for federal income tax purposes, were as follows:

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Aggregate cost	\$ 676,540
	=====
Gross unrealized appreciation	\$ 25,175
Gross unrealized depreciation	(2,206)

Net unrealized appreciation	\$ 22,969
	=====

- (a) AMBAC Insured.
- (b) XL Capital Insured.
- (c) Escrowed to maturity.
- (d) FGIC Insured.
- (e) Assured Guaranty Insured.
- (f) FSA Insured.
- (g) MBIA Insured.
- (h) Prerefunded.
- (i) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (j) Radian Insured.
- (k) CIFG Insured.
- (l) 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
Merrill Lynch Institutional Tax-Exempt Fund	(5,787)	\$69

- (m) Represents a zero coupon bond; the interest rate shown is the effective yield at the time of purchase.
- (n) Represents the current yield as of 4/30/2006.
- o Forward interest rate swaps outstanding as of April 30, 2006 were as follows:

	Notional Amount	Unrealized Appreciation
Pay a fixed rate of 3.844% and receive a floating rate based on 1-week Bond Market Association Rate		
Broker, JPMorgan Chase Bank Expires May 2016	\$40,000	\$ 635
Pay a fixed rate of 4.034% and receive a floating rate based on 1-week Bond Market Association Rate		
Broker, JPMorgan Chase Bank Expires July 2016	\$15,000	37
Total		\$ 672
		=====

See Notes to Financial Statements.

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Schedule of Investments MuniYield Quality Fund II, Inc. (in Thousands)

Face Amount	Municipal Bonds	Value
=====		
Arizona--1.5%		
\$ 1,500	Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Sub-Series B, 5% due 7/01/2036 (c)	\$ 1,535
2,700	Northern Arizona University System Revenue Bonds, 5.50% due 6/01/2034 (c)	2,914
=====		
California--26.3%		
8,150	Alameda Corridor Transportation Authority, California, Capital Appreciation Revenue Refunding Bonds, Subordinate Lien, Series A, 5.319% due 10/01/2025 (a) (p)	6,207
3,800	Anaheim, California, Public Financing Authority, Electric System Distribution Facilities Revenue Bonds, Series A, 5% due 10/01/2031 (f)	3,894
2,500	California Health Facilities Financing Authority Revenue Bonds (Kaiser Permanente), RIB, Series 26, 6.89% due 6/01/2022 (f) (l)	2,763
2,200	California State, GO, Refunding: 5.25% due 9/01/2010 (j)	2,327
1,950	ROLS, Series II-R-272, 6.566% due 2/01/2033 (k) (l)	2,116
2,750	California State, Various Purpose, GO: 5.25% due 11/01/2029	2,871
6,500	5.50% due 11/01/2033	6,993
1,350	California State, Various Purpose, GO, Refunding, 5% due 12/01/2031 (i)	1,388
2,200	California State University, Systemwide Revenue Bonds, Series A, 5% due 11/01/2035 (c)	2,256
15,000	East Side Union High School District, California, Santa Clara County, Capital Appreciation, GO (Election of 2002), Series E, 5.15% due 8/01/2029 (h) (p)	4,539
2,770	Fairfield-Suisun, California, Unified School District, GO (Election of 2002), 5.50% due 8/01/2028 (i)	3,005
2,300	Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds, Series B (j): 5.50% due 6/01/2013 (h)	2,513
3,725	5.625% due 6/01/2013 (b) (q)	4,098
2,815	John Swett Unified School District, California, GO, Series A, 5.50% due 8/01/2026 (f)	3,019
9,300	Los Angeles, California, Unified School District, GO, Series A, 5% due 1/01/2028 (i)	9,612
2,600	Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series B-1, 5% due 10/01/2029 (c)	2,680
2,900	Palm Springs, California, Financing Authority, Lease Revenue Refunding Bonds (Convention Center Project), Series A, 5.50% due 11/01/2029 (i)	3,170
1,250	Poway, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Paguay Redevelopment Project), 5.125% due 6/15/2033 (a)	1,287
6,000	Sacramento, California, Municipal Utility District, Electric Revenue Bonds, Series N, 5%	

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	due 8/15/2028 (i)	6,141
1,000	San Diego, California, Community College District, GO (Election of 2002), 5% due 5/01/2030 (f)	1,034
1,325	Tamalpais, California, Union High School District, GO (Election of 2001), 5% due 8/01/2028 (f)	1,364
1,000	University of California, Limited Project Revenue Bonds, Series B, 5% due 5/15/2033 (f)	1,031
1,350	University of California Revenue Bonds (Multiple Purpose Projects), Series Q, 5% due 9/01/2034 (f)	1,389
2,025	Ventura County, California, Community College District, GO (Election of 2002), Series B, 5% due 8/01/2030 (i)	2,095
=====		
Colorado--6.0%		
	Colorado Health Facilities Authority Revenue Bonds, Series A:	
1,150	(Catholic Health Initiatives), 5.50% due 3/01/2032 (n)	1,236
1,200	(Covenant Retirement Communities Inc.), 5.50% due 12/01/2027 (k)	1,262
675	(Covenant Retirement Communities Inc.), 5.50% due 12/01/2033 (k)	706
1,475	Colorado Housing and Finance Authority, Revenue Refunding Bonds (S/F Program), AMT, Series B-2, 6.80% due 2/01/2031 (i)	1,518
7,500	E-470 Public Highway Authority, Colorado, Capital Appreciation Revenue Refunding Bonds, Series B, 5.607% due 9/01/2032 (i) (p)	1,838
10,975	Northwest Parkway, Colorado, Public Highway Authority, Capital Appreciation Revenue Bonds, Senior Convertible, Series C, 5.327% due 6/15/2025 (f) (p)	9,369
1,735	Northwest Parkway, Colorado, Public Highway Authority Revenue Bonds, Series A, 5.50% due 6/15/2021 (a)	1,868
=====		
Florida--2.4%		
	Miami-Dade County, Florida, Subordinate Special Obligation Revenue Bonds, Series A (i) (p):	
4,575	5.21% due 10/01/2034	1,006
4,495	5.22% due 10/01/2035	930
3,575	Orange County, Florida, Sales Tax Revenue Refunding Bonds, Series B, 5.125% due 1/01/2032 (c)	3,697
1,350	Pasco County, Florida, School Board, COP, Series A, 5% due 8/01/2030 (a)	1,388
=====		
Georgia--8.3%		
5,000	Atlanta, Georgia, Airport General Revenue Refunding Bonds, Series B, 5.25% due 1/01/2033 (f)	5,250
8,500	Atlanta, Georgia, Airport Passenger Facility Charge Revenue Refunding Bonds, ROLS, Series II-R-517X, 6.079% due 1/01/2033 (f) (l)	8,888
5,000	Atlanta, Georgia, Airport Revenue Refunding Bonds, Series A, 5.875% due 1/01/2017 (c)	5,366
2,700	Atlanta, Georgia, Water and Wastewater Revenue Bonds, 5% due 11/01/2034 (f)	2,766
2,170	Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25% due 10/01/2039 (f)	2,283
=====		
Illinois--19.3%		
	Chicago, Illinois, O'Hare International Airport, General Revenue Bonds, Third Lien, Series A:	
2,300	5.25% due 1/01/2026 (i)	2,441

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2,900	5% due 1/01/2033 (c)	2,983
	Chicago, Illinois, O'Hare International Airport Revenue Bonds, Third Lien, AMT, Series B-2:	
5,200	5.75% due 1/01/2023 (f)	5,653
2,200	6% due 1/01/2029 (h)	2,424
4,750	Chicago, Illinois, O'Hare International Airport, Revenue Refunding Bonds, DRIVERS, AMT, Series 844Z, 6.838% due 7/01/2010 (i) (l)	5,208
2,460	Cook County, Illinois, Capital Improvement, GO, Series C, 5.50% due 11/15/2012 (a) (j)	2,686
10,000	Illinois Regional Transportation Authority Revenue Bonds, 6.50% due 7/01/2026 (i)	12,586

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Schedule of Investments (continued)

MuniYield Quality Fund II, Inc.

(in Thousands)

Face Amount	Municipal Bonds	Value
=====		
Illinois (concluded)		
\$21,675	Illinois Sports Facilities Authority, State Tax Supported Revenue Bonds, 5.264% due 6/15/2030 (a) (p)	\$ 18,785
3,625	Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax, Revenue Refunding Bonds, DRIVERS, Series 269, 7.363% due 6/15/2023 (i) (l)	4,295
=====		
Indiana--4.3%		
	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series A:	
3,350	5% due 6/01/2028 (f)	3,434
3,750	5.25% due 6/01/2028 (c)	3,960
5,000	5.25% due 6/01/2029 (c)	5,276
=====		
Kansas--0.6%		
1,680	Sedgwick and Shawnee Counties, Kansas, S/F Mortgage-Backed Revenue Refunding Bonds, AMT, Series A-2, 6.45% due 12/01/2033 (e) (i)	1,733
=====		
Louisiana--7.2%		
2,330	Jefferson Parish, Louisiana, Home Mortgage Authority, S/F Mortgage Revenue Bonds, AMT, Series B-1, 6.65% due 12/01/2033 (e) (i)	2,382
5,500	Lafayette, Louisiana, Utilities Revenue Bonds, 5% due 11/01/2028 (i)	5,661
3,900	Louisiana Local Government, Environmental Facilities, Community Development Authority Revenue Bonds (Capital Projects and Equipment Acquisition), Series A, 6.30% due 7/01/2030 (a)	4,319
1,800	Louisiana State Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series B, 5% due 6/01/2023 (a)	1,868
3,185	Louisiana State Transportation Authority, Senior Lien Toll Revenue Capital Appreciation Bonds, Series B, 5.31% due 12/01/2027 (a) (p)	1,030

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4,650	New Orleans, Louisiana, Ernest N. Morial Exhibit Hall Authority, Special Tax, Sub-Series A, 5.25% due 7/15/2028 (a)	4,785
1,300	Terrebonne Parish, Louisiana, Hospital Service District Number 1, Hospital Revenue Bonds (Terrebonne General Medical Center Project), 5.50% due 4/01/2033 (a)	1,392
=====		
Massachusetts--12.2%		
1,375	Massachusetts Bay Transportation Authority, Sales Tax Revenue Refunding Bonds, Senior Series A, 5% due 7/01/2035	1,407
8,600	Massachusetts Bay Transportation Authority, Special Assessment Revenue Refunding Bonds, Series A, 5% due 7/01/2031	8,874
2,100	Massachusetts State, Consolidated Loan, GO, Series C, 5% due 9/01/2025	2,179
10,000	Massachusetts State, HFA, Housing Revenue Bonds, DRIVERS, AMT, Series 982, 6.358% due 1/01/2011 (f) (l)	10,322
2,785	Massachusetts State Port Authority, Special Facilities Revenue Bonds, DRIVERS, AMT, Series 501, 6.838% due 7/01/2009 (a) (l)	3,024
4,450	Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5% due 8/15/2030 (f)	4,610
1,800	Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.25% due 1/01/2014 (c) (j)	1,930
840	Massachusetts State Water Resource Authority, General Revenue Refunding Bonds, Series B, 5.125% due 8/01/2027 (i)	871
2,700	University of Massachusetts Building Authority, Facilities Revenue Bonds, Senior Series 4-A, 5.125% due 11/01/2014 (i) (j)	2,898
=====		
Michigan--6.2%		
8,900	Detroit, Michigan, Water Supply System Revenue Bonds, Series B, 5.25% due 7/01/2032 (i)	9,344
1,000	Michigan Higher Education Student Loan Authority, Student Loan Revenue Refunding Bonds, AMT, Series XVII-G, 5.20% due 9/01/2020 (a)	1,032
2,685	Michigan State, HDA, Revenue Refunding Bonds, Series C, 5.90% due 12/01/2015 (d) (f)	2,744
	Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Project), AMT (h):	
1,000	Series A, 5.50% due 6/01/2030	1,057
3,900	Series C, 5.45% due 12/15/2032	4,081
=====		
Missouri--2.0%		
	Saint Louis County, Missouri, Pattonville R-3 School District, GO (Missouri Direct Deposit Program) (c) (j):	
4,000	5.75% due 3/01/2010	4,318
1,500	6% due 3/01/2010	1,632
=====		
Nebraska--0.4%		
1,300	Municipal Energy Agency of Nebraska, Power Supply System Revenue Bonds, Series A, 5% due 4/01/2033 (f)	1,332
=====		
Nevada--2.4%		
2,800	Carson City, Nevada, Hospital Revenue Bonds (Carson-Tahoe Hospital Project), Series A, 5.50%	

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	due 9/01/2033 (k)	2,943
	Clark County, Nevada, Airport System Subordinate	
	Lien Revenue Bonds, Series A-2 (c):	
1,500	5% due 7/01/2030	1,533
2,700	5% due 7/01/2036	2,751
=====		
New Jersey--7.0%		
	New Jersey EDA, Cigarette Tax Revenue Bonds:	
1,070	5.75% due 6/15/2029	1,130
500	5.50% due 6/15/2031	518
	New Jersey EDA, Motor Vehicle Surcharge Revenue	
	Bonds, Series A (i):	
2,400	5% due 7/01/2029	2,475
4,800	5.25% due 7/01/2033	5,081
	New Jersey EDA, Revenue Bonds, ROLS (g) (l) (m):	
2,300	Series II-R-309-1, 7.073% due 6/15/2024	2,584
2,000	Series II-R-309-2, 7.073% due 6/15/2031	2,256
	New Jersey EDA, School Facilities Construction	
	Revenue Bonds:	
2,600	Series O, 5.125% due 3/01/2028	2,698
4,000	Series P, 5.125% due 9/01/2028	4,158
=====		

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Schedule of Investments (continued)

MuniYield Quality Fund II, Inc. (in Thousands)

Face Amount	Municipal Bonds	Value
=====		
New Mexico--2.3%		
\$ 6,295	New Mexico State Highway Commission, Tax Revenue	
	Bonds, Senior Sub-Lien, Series A, 6%	
	due 6/15/2010 (f) (j)	\$ 6,817
=====		
New York--9.1%		
1,800	Metropolitan Transportation Authority, New York,	
	Transportation Revenue Bonds, Series A, 5%	
	due 11/15/2032 (c)	1,849
9,280	Nassau Health Care Corporation, New York, Health	
	System Revenue Bonds, 5.75% due 8/01/2009 (f) (j)	10,032
2,025	New York City, New York, City Municipal Water Finance	
	Authority, Water and Sewer System, Revenue	
	Refunding Bonds, Series A, 5% due 6/15/2035 (i)	2,075
5,000	New York State Dormitory Authority Revenue	
	Refunding Bonds (State University Educational	
	Facilities), 5.75% due 5/15/2010 (c) (j)	5,432
7,115	Tobacco Settlement Financing Corporation of New York	
	Revenue Bonds, Series A-1, 5.25% due 6/01/2022 (a)	7,506
=====		
Ohio--2.3%		
	Plain, Ohio, Local School District, GO, Refunding (c):	
5,120	6% due 6/01/2011 (j)	5,639
1,170	6% due 12/01/2020	1,278
=====		

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Pennsylvania--4.9%

3,335	Delaware River Port Authority of Pennsylvania and New Jersey Revenue Bonds, RIB, Series 396, 7.903% due 1/01/2019 (f) (l)	3,811
7,075	Pennsylvania State Public School Building Authority, School Lease Revenue Bonds (The School District of Philadelphia Project), 5% due 6/01/2033 (f)	7,236
3,230	Philadelphia, Pennsylvania, Authority for Industrial Development, Lease Revenue Bonds, Series B, 5.50% due 10/01/2020 (f)	3,473

Rhode Island--1.4%

4,010	Rhode Island State Health and Educational Building Corporation, Higher Education Facilities Revenue Bonds (University of Rhode Island), Series A, 5.70% due 9/15/2009 (i) (j)	4,294
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South Carolina--5.0%

	Charleston Educational Excellence Financing Corporation, South Carolina, Revenue Bonds, ROLS (l) (m):	
1,362	Series II-R-481X-1, 6.586% due 12/01/2028	1,509
1,213	Series II-R-481X-2, 6.586% due 12/01/2029	1,341
440	Series II-R-481X-3, 6.586% due 12/01/2030	486
	South Carolina Transportation Infrastructure Bank Revenue Bonds (a):	
5,000	DRIVERS, Series 1285Z, 5.879% due 4/01/2011 (l)	5,226
6,100	Series A, 5% due 10/01/2033	6,238

Tennessee--0.8%

2,150	Chattanooga, Tennessee, IDB, Lease Rent Revenue Bonds (Southside Redevelopment Corporation), 5.875% due 10/01/2024 (a)	2,311
-------	--	-------

Texas--11.1%

2,000	Corpus Christi, Texas, Utility System Revenue Refunding Bonds, Series A, 6% due 7/15/2010 (f) (j)	2,171
3,250	Dallas-Fort Worth, Texas, International Airport Revenue Bonds, DRIVERS, AMT, Series 202, 7.843% due 11/01/2028 (c) (l)	3,630
4,000	Gregg County, Texas, Health Facilities Development Corporation, Hospital Revenue Bonds (Good Shepherd Medical Center Project), 6.875% due 10/01/2020 (k)	4,445
9,345	Leander, Texas, Independent School District, Capital Appreciation, GO, Refunding (School Building), 5.51% due 8/15/2030 (c) (p)	2,570
3,500	Lower Colorado River Authority, Texas, PCR (Samsung Austin Semiconductor), AMT, 6.375% due 4/01/2027	3,650
4,925	North Harris County, Texas, Regional Water Authority, Senior Lien Revenue Bonds, 5.125% due 12/15/2035 (i)	5,091
2,300	Texas State Transportation Commission, GO (Mobility Fund), Series A, 5% due 4/01/2028	2,370
	Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier, Series A (a):	
4,800	5.75% due 8/15/2038	5,219
3,600	5.50% due 8/15/2039	3,861

Virginia--0.8%

2,100	Halifax County, Virginia, IDA, Exempt Facility Revenue Refunding Bonds (Old Dominion Electric Cooperative Project), AMT, 5.625% due 6/01/2028 (a)	2,259
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Washington--6.6%			
7,470	Port of Seattle, Washington, Revenue Bonds, AMT, Series B, 6% due 2/01/2016 (i)		8,005
1,600	Port of Tacoma, Washington, Revenue Refunding Bonds, Series A, 5.25% due 12/01/2034 (a)		1,685
6,150	Seattle, Washington, Municipal Light and Power Revenue Bonds, 6% due 10/01/2009 (i) (j)		6,643
3,100	Seattle, Washington, Municipal Light and Power Revenue Refunding Bonds, 5% due 11/01/2028 (f)		3,180
=====			
Puerto Rico--1.6%			
	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series NN:		
2,500	5.125% due 7/01/2024		2,591
2,000	5.125% due 7/01/2029		2,055

	Total Municipal Bonds (Cost--\$436,371)--152.0%		450,273
=====			
Shares			
Held	Short-Term Securities		
=====			
4,209	Merrill Lynch Institutional Tax-Exempt Fund, 3.49% (o) (r)		4,209

	Total Short-Term Securities (Cost--\$4,209)--1.4%		4,209
=====			
Total Investments (Cost--\$440,580*)--153.4%			454,482

Other Assets Less Liabilities--0.7%			1,922
Preferred Stock, at Redemption Value--(54.1%)			(160,139)
Net Assets Applicable to Common Stock--100.0%			\$ 296,265

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Schedule of Investments (concluded)

MuniYield Quality Fund II, Inc. (in Thousands)

* The cost and unrealized appreciation (depreciation) on investments as of April 30, 2006, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 440,580
	=====
Gross unrealized appreciation	\$ 15,607
Gross unrealized depreciation	(1,705)

Net unrealized appreciation	\$ 13,902
	=====

- (a) AMBAC Insured.
- (b) CIFG Insured.
- (c) FGIC Insured.
- (d) FHA Insured.
- (e) FNMA/GNMA Collateralized.

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- (f) FSA Insured.
- (g) The security may be offered and sold to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933.
- (h) XL Capital Insured.
- (i) MBIA Insured.
- (j) Prerefunded.
- (k) Radian Insured.
- (l) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (m) Assured Guaranty Insured.
- (n) Escrowed to maturity.
- (o) 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
Merrill Lynch Institutional Tax-Exempt Fund	2,809	\$47

- (p) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
- (q) Tradable Custodial Receipts (TRACERS).
- (r) Represents the current yield as of 4/30/2006.
- o Forward interest rate swaps outstanding as of April 30, 2006 were as follows:

	Notional Amount	Unrealized Appreciation
Pay a fixed rate of 3.844% and receive a floating rate based on 1-week Bond Market Association rate		
Broker, JPMorgan Chase Bank Expires May 2016	\$30,000	\$ 476
Pay a fixed rate of 4.034% and receive a floating rate based on 1-week Bond Market Association rate		
Broker, JPMorgan Chase Bank Expires July 2016	\$15,000	37
Total		\$ 513 =====

See Notes to Financial Statements.

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As of April 30, 2006

Fund, Inc.

Assets

Investments in unaffiliated securities, at value*	\$ 973,668,90
Investments in affiliated securities, at value**	8,238,24
Unrealized appreciation on interest rate swaps	611,31
Cash	157,32
Interest receivable	16,325,63
Receivable for securities sold	50,62
Prepaid expenses and other assets	24,09
Total assets	999,076,14

Liabilities

Payable for securities purchased	3,924,79
Payable to investment adviser	379,63
Payable for offering costs	-
Dividends payable to Common Stock shareholders	1
Payable to other affiliates	11,92
Accrued expenses and other liabilities	186,51
Total liabilities	4,502,86

Preferred Stock

Preferred Stock, at redemption value, par value \$.05 and \$.10 per share*** of AMPS@ at \$25,000 per share liquidation preference	343,343,93
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Net Assets Applicable to Common Stock

Net assets applicable to Common Stock	\$ 651,229,34
---------------------------------------	---------------

Net Assets Consist of

Undistributed investment income--net	\$ 8,500,72
Undistributed (accumulated) realized capital gains (losses)--net	(41,335,28)
Unrealized appreciation--net	43,308,06
Total accumulated earnings (losses)--net	10,473,49
Common Stock, par value \$.10 per share+	4,471,01
Paid-in capital in excess of par	636,284,82
Net assets	\$ 651,229,34
Net asset value per share of Common Stock	\$ 14.5
Market price	\$ 15.1
* Identified cost for unaffiliated securities	\$ 930,972,15
** Identified cost for affiliated securities	\$ 8,238,24
*** Preferred Stock authorized, issued and outstanding:	
Series A Shares, \$.05 per share	1,80

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Series B Shares, \$.05 per share	1,80
Series C Shares, \$.05 per share	1,80
Series D Shares, \$.05 per share	1,80
Series D Shares, \$.10 per share	
Series E Shares, \$.05 per share	2,80
Series F Shares, \$.05 per share	1,72
Series G Shares, \$.05 per share	2,00
+ Common Stock issued and outstanding	44,710,18

@ Auction Market Preferred Stock.

See Notes to Financial Statements.

SEMI-ANNUAL REPORTS

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Statements of Operations

For the Six Months Ended April 30, 2006

MuniYield
Fund, Inc.

Investment Income

Interest	\$ 27,193,07
Dividends from affiliates	230,97
Total income	27,424,05

Expenses

Investment advisory fees	2,467,80
Accounting services	139,39
Commission fees	440,86
Transfer agent fees	64,95
Professional fees	35,24
Custodian fees	24,17
Printing and shareholder reports	29,90
Pricing fees	16,49
Directors' fees and expenses	19,44
Listing fees	13,94
Other	47,87
Total expenses before reimbursement	3,300,09
Reimbursement of expenses	(15,69)
Total expenses after reimbursement	3,284,40

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Investment income--net	24,139,64
=====	
Realized & Unrealized Gain (Loss)--Net	

Realized gain (loss) on:	
Investments--net	6,078,45
Futures contracts and forward interest rate swaps--net	1,541,41

Total realized and unrealized gain--net	7,619,87

Change in unrealized appreciation on:	
Investments--net	(1,701,55
Forward interest rate swaps--net	611,31

Total change in unrealized appreciation--net	(1,090,24

Total realized and unrealized gain (loss)--net	6,529,62

=====	
Dividends & Distributions to Preferred Stock Shareholders	

Investment income--net	(5,179,25
Realized gain--net	(23,32

Total dividends and distributions to Preferred Stock shareholders	(5,202,58

Net Increase in Net Assets Resulting from Operations	\$ 25,466,68
=====	

See Notes to Financial Statements.

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Statements of Changes in Net Assets

MuniYield Fund, Inc.

Increase (Decrease) in Net Assets:

Operations

Investment income--net	
Realized gain--net	
Change in unrealized appreciation--net	
Dividends and distributions to Preferred Stock shareholders	

Net increase in net assets resulting from operations	
=====	
Dividends and Distributions to Common Stock Shareholders	

Investment income--net	
Realized gain--net	

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Net decrease in net assets resulting from dividends and
distributions to Common Stock shareholders

===== Stock Transactions =====

Value of shares issued to Common Stock shareholders in
reinvestment of dividends
Offering and underwriting costs resulting from the issuance of
Preferred Stock
Adjustment of offering costs resulting from the issuance of
Preferred Stock

Net increase in net assets derived from stock transactions

===== Net Assets Applicable to Common Stock =====

Total increase in net assets applicable to Common Stock
Beginning of period

End of period*

* Undistributed investment income--net

See Notes to Financial Statements.

SEMI-ANNUAL REPORTS

APRIL 30, 2006

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Statements of Changes in Net Assets

MuniYield Quality Fund, Inc.

Increase (Decrease) in Net Assets:

===== Operations =====

Investment income--net
Realized gain--net
Change in unrealized appreciation--net
Dividends to Preferred Stock shareholders

Net increase in net assets resulting from operations

===== Dividends to Common Stock Shareholders =====

Investment income--net

Net decrease in net assets resulting from dividends to Common
Stock shareholders

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Stock Transactions

Offering and underwriting costs resulting from the issuance of
Preferred Stock
Adjustment of offering costs resulting from the issuance of
Preferred Stock

Net decrease in net assets derived from stock transactions

Net Assets Applicable to Common Stock

Total decrease in net assets applicable to Common Stock
Beginning of period

End of period*

* Undistributed investment income--net

See Notes to Financial Statements.

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SEMI-ANNUAL REPORTS

APRIL 30, 2006

Statements of Changes in Net Assets

MuniYield Quality Fund II, Inc.

Increase (Decrease) in Net Assets:

Operations

Investment income--net
Realized gain--net
Change in unrealized appreciation--net
Dividends to Preferred Stock shareholders

Net increase in net assets resulting from operations

Dividends to Common Stock Shareholders

Investment income--net

Net decrease in net assets resulting from dividends to Common
Stock shareholders

Stock Transactions

Offering and underwriting costs resulting from the issuance of
Preferred Stock
Adjustment of offering costs resulting from the issuance of
Preferred Stock

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Net increase (decrease) in net assets derived from stock transactions

Net Assets Applicable to Common Stock

Total decrease in net assets applicable to Common Stock
Beginning of period
End of period*
* Undistributed investment income--net

See Notes to Financial Statements.

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APRIL 30, 2006

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Financial Highlights

MuniYield Fund, Inc.

The following per share data and ratios have been derived from information provided in the financial statements.

	For the Six Months Ended April 30, 2006	---
--	---	-----

Per Share Operating Performance

Net asset value, beginning of period	\$14.48	\$14.48
Investment income--net	.54+	1.00
Realized and unrealized gain (loss)--net	.16	0.16
Dividends and distributions to Preferred Stock shareholders from:		
Investment income--net	(.12)	(.12)
Realized gain--net	--++	0.00
Total from investment operations	.58	1.00
Less dividends and distributions to Common Stock shareholders from:		
Investment income--net	(.49)	(.49)
Realized gain--net	--++	0.00
Total dividends and distributions to Common Stock shareholders	(.49)	(.49)
Offering and underwriting costs resulting from issuance of Preferred Stock	--	0.00
Adjustment of offering costs resulting from the issuance of Preferred Stock	--@	0.00
Net asset value, end of period	\$14.57	\$14.57
Market price per share, end of period	\$15.18	\$15.18

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Total Investment Return*

Based on net asset value per share	4.03%@@	8
Based on market price per share	10.52%@@	10

Ratios Based on Average Net Assets of Common Stock

Total expenses, net of reimbursement**	1.02%***	1
Total expenses**	1.02%***	1
Total investment income--net**	7.46%***	7
Amount of dividends to Preferred Stock shareholders	1.60%***	1
Investment income--net, to Common Stock shareholders	5.86%***	6

Ratios Based on Average Net Assets of Preferred Stock

Dividends to Preferred Stock shareholders	3.05%***	2
---	----------	---

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Financial Highlights (concluded)

MuniYield Fund, Inc.

The following per share data and ratios have been derived from information provided in the financial statements.

For the Six
Months Ended
April 30, -----
2006 2005

Supplemental Data

Net assets applicable to Common Stock, end of period (in thousands)	\$651,229	\$644,825
Preferred Stock outstanding, end of period (in thousands)	\$343,000	\$343,000
Portfolio turnover	16.10%	32.66%

Leverage

Asset coverage per \$1,000	\$ 2,899	\$ 2,880
----------------------------------	----------	----------

Dividends Per Share on Preferred Stock Outstanding

Series A--Investment income--net	\$ 380	\$ 524
Series B--Investment income--net	\$ 367	\$ 549
Series C--Investment income--net	\$ 390	\$ 531

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Series D--Investment income--net	\$	398	\$	509
Series E--Investment income--net	\$	367	\$	522
Series F--Investment income--net	\$	376	\$	494
Series G+++--Investment income--net	\$	371	\$	533

* Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

** Do not reflect the effect of dividends to Preferred Stock shareholders.

*** Annualized.

+ Based on average shares outstanding.

++ Amount is less than \$(.01) per share.

+++ Series G was issued on August 31, 2004.

@ Amount is less than \$.01 per share.

@@ Aggregate total investment return.

See Notes to Financial Statements.

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Financial Highlights

MuniYield Quality Fund, Inc.

		For the Six Months Ended	
The following per share data and ratios have been derived from information provided in the financial statements.		April 30, 2006	---
			20

Per Share Operating Performance

Net asset value, beginning of period	\$15.02	\$15
Investment income--net	.50+	
Realized and unrealized gain (loss)--net	(.08)	(
Dividends and distributions to Preferred Stock shareholders:		
Investment income--net	(.13)	(
Realized gain--net	--	
Total from investment operations	.29	
Less dividends and distributions to Common Stock shareholders:		
Investment income--net	(.42)	(
Realized gain--net	--	
Total dividends and distributions to Common Stock shareholders	(.42)	(
Offering and underwriting costs resulting from the issuance of Preferred Stock	--	(
Adjustment of offering costs resulting from the issuance of Preferred Stock	--@	

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Net asset value, end of period	\$14.89	\$15
Market price per share, end of period	\$13.85	\$14
=====		
Total Investment Return*		

Based on net asset value per share	2.04%@@	3
Based on market price per share	(.10%)@@	2
=====		
Ratios Based on Average Net Assets of Common Stock		

Total expenses, net of reimbursement**	1.04%***	
Total expenses**	1.05%***	
Total investment income--net**	6.63%***	6
Amount of dividends to Preferred Stock shareholders	1.67%***	
Investment income--net, to Common Stock shareholders	4.96%***	5
=====		
Ratios Based on Average Net Assets of Preferred Stock		

Dividends to Preferred Stock shareholders	3.07%***	2
=====		

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Financial Highlights (concluded)

MuniYield Quality Fund, Inc.

The following per share data and ratios have been derived from information provided in the financial statements.	For the Six Months Ended	
	April 30,	-----
	2006	2005

Supplemental Data

Net assets applicable to Common Stock, end of period (in thousands)	\$452,897	\$456,886
Preferred Stock outstanding, end of period (in thousands)	\$250,000	\$250,000
Portfolio turnover	27.34%	35.62%
=====		
Leverage		

Asset coverage per \$1,000	\$ 2,812	\$ 2,828
=====		

Dividends Per Share on Preferred Stock Outstanding

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Series A--Investment income--net	\$	383	\$	540
Series B--Investment income--net	\$	372	\$	520
Series C--Investment income--net	\$	401	\$	536
Series D--Investment income--net	\$	375	\$	514
Series E+--Investment income--net	\$	373	\$	72

* Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

** Do not reflect the effect of dividends to Preferred Stock shareholders.

*** Annualized.

+ Based on average shares outstanding.

++ Series E was issued on September 21, 2005.

@ Amount is less than \$(.01) per share.

@@ Aggregate total investment return.

See Notes to Financial Statements.

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Financial Highlights

MuniYield Quality Fund II, Inc.

	For the Six Months Ended April 30,	
	2006	2005
The following per share data and ratios have been derived from information provided in the financial statements.		
Per Share Operating Performance		
Net asset value, beginning of period	\$13.36	\$13.36
Investment income--net	.43+	(.06)
Realized and unrealized gain (loss)--net	(.06)	(.06)
Dividends to Preferred Stock shareholders from investment income--net	(.11)	(.11)
Total from investment operations	.26	(.11)
Less dividends to Common Stock shareholders from investment income--net	(.37)	(.37)
Offering and underwriting costs resulting from issuance of Preferred Stock	--	(.01)
Adjustment of offering costs resulting from the issuance of Preferred Stock	--++	(.01)
Net asset value, end of period	\$13.25	\$13.25

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Market price per share, end of period	\$12.47	\$12.47
=====		
Total Investment Return*		

Based on net asset value per share	2.11%@	3.11%
=====		
Based on market price per share	(.16%)@	8.16%
=====		
Ratios Based on Average Net Assets of Common Stock		

Total expenses, net of reimbursement**	1.05%***	1.05%
=====		
Total expenses**	1.06%***	1.06%
=====		
Total investment income--net**	6.45%***	6.45%
=====		
Amount of dividends to Preferred Stock shareholders	1.67%***	1.67%
=====		
Investment income--net, to Common Stock shareholders	4.78%***	5.16%
=====		
Ratios Based on Average Net Assets of Preferred Stock		

Dividends to Preferred Stock shareholders	3.14%***	2.14%
=====		
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Financial Highlights (concluded)		
MuniYield Quality Fund II, Inc.		
The following per share data and ratios have been derived from information provided in the financial statements.		
=====		
Supplemental Data		

Net assets applicable to Common Stock, end of period (in thousands)	\$296,265	\$298,722
=====		
Preferred Stock outstanding, end of period (in thousands)	\$160,000	\$160,000
=====		
Portfolio turnover	28.37%	37.55%
=====		
Leverage		

Asset coverage per \$1,000	\$ 2,852	\$ 2,867
=====		
Dividends Per Share on Preferred Stock Outstanding		

Series A--Investment income--net	\$ 387	\$ 536
=====		

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Series B--Investment income--net	\$	413	\$	514
=====				
Series C--Investment income--net	\$	371	\$	510
=====				
Series D+++--Investment income--net	\$	371	\$	71
=====				

- * Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.
- ** Do not reflect the effect of dividends to Preferred Stock shareholders.
- *** Annualized.
- + Based on average shares outstanding.
- ++ Amount is less than \$.01 per share.
- +++ Series D was issued on September 21, 2005.
- @ Aggregate total investment return.

See Notes to Financial Statements.

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Notes to Financial Statements

1. Significant Accounting Policies:

MuniYield Fund, Inc., MuniYield Quality Fund, Inc. and MuniYield Quality Fund II, Inc. (the "Funds" or individually as the "Fund") are registered under the Investment Company Act of 1940, as amended, as non-diversified, closed-end management investment companies. The Funds' financial statements are prepared in conformity with U.S. generally accepted accounting principles, which may require the use of management accruals and estimates. Actual results may differ from these estimates. These unaudited financial statements reflect all adjustments, which are, in the opinion of management, necessary to present a fair statement of the results for the interim period. All such adjustments are of a normal, recurring nature. The Funds determine and make available for publication the net asset value of their Common Stock on a daily basis. The Funds' Common Stock shares are listed on the New York Stock Exchange under the symbol MYD for MuniYield Fund, Inc., MQY for MuniYield Quality Fund, Inc. and MQT for MuniYield Quality Fund II, Inc. The following is a summary of significant accounting policies followed by the Funds.

(a) Valuation of investments -- Municipal bonds are traded primarily in the over-the-counter ("OTC") markets and are valued at the last available bid price in the OTC market or on the basis of values as obtained by a pricing service. Pricing services use valuation matrixes that incorporate both dealer-supplied valuations and valuation models. The procedures of the pricing service and its valuations are reviewed by the officers of the Funds under the general direction of the Board of Directors. Such valuations and procedures are reviewed periodically by the Board of Directors of the Funds. Financial futures contracts and options thereon, which are traded on exchanges, are valued at their closing prices as of the close of such exchanges. Options written or purchased are valued at the last sale price in the case of exchange-traded options. In the case of options traded in the OTC market, valuation is the last asked price (options written) or the last bid price (options purchased). Swap agreements are valued by quoted fair values received daily by the Funds' pricing service. Short-term investments with a remaining maturity of 60 days or less are valued at amortized cost, which approximates market value, under which method the investment is valued at cost and any premium or discount is amortized on a

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straight line basis to maturity. Investments in open-end investment companies are valued at their net asset value each business day. Securities and other assets for which market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors of the Funds.

(b) Derivative financial instruments -- Each Fund may engage in various portfolio investment strategies both to increase the return of each Fund and to hedge, or protect, its exposure to interest rate movements and movements in the securities markets. Losses may arise due to changes in the value of the contract or if the counterparty does not perform under the contract.

- o Financial futures contracts -- Each Fund may purchase or sell financial futures contracts and options on such futures contracts. Futures contracts are contracts for delayed delivery of securities at a specific future date and at a specific price or yield. Upon entering into a contract, the Fund deposits and maintains as collateral such initial margin as required by the exchange on which the transaction is effected. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as variation margin and are recorded by the Fund as unrealized gains or losses. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.
- o Options -- Each Fund may purchase and write call and put options. When the Fund writes an option, an amount equal to the premium received by the Fund is reflected as an asset and an equivalent liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option written. When a security is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the security acquired or deducted from (or added to) the proceeds of the security sold. When an option expires (or the Fund enters into a closing transaction), the Fund realizes a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premium paid or received).

Written and purchased options are non-income producing investments.

- o Forward interest rate swaps -- Each Fund may enter into forward interest rate swaps. In a forward interest rate swap, the Fund and the counterparty agree to make periodic net payments on a specified notional contract amount, commencing on a specified future effective date, unless terminated earlier. When the agreement is closed,

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Notes to Financial Statements (continued)

the Fund records a realized gain or loss in an amount equal to the value of the agreement.

(c) Income taxes -- It is each Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

(d) Security transactions and investment income -- Security transactions are

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recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on security transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income is recognized on the accrual basis. The Funds amortize all premiums and discounts on debt securities.

(e) Dividends and distributions -- Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates.

(f) Offering expenses -- Direct expenses relating to the public offering of each Fund's Preferred Stock were charged to capital at the time of issuance of the shares. Any adjustments to estimates of offering costs were recorded back to capital.

2. Investment Advisory Agreement and Transactions with Affiliates:

Each Fund has entered into an Investment Advisory Agreement with Fund Asset Management, L.P. ("FAM"). The general partner of FAM is Princeton Services, Inc. ("PSI"), an indirect, wholly-owned subsidiary of Merrill Lynch & Co., Inc. ("ML & Co."), which is the limited partner.

FAM is responsible for the management of the Funds' portfolios and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Funds. For such services, each Fund pays a monthly fee at an annual rate of .50% of the Fund's average weekly net assets, including proceeds from the issuance of Preferred Stock. The Investment Adviser has agreed to reimburse its management fee by the amount of management fees each Fund pays to FAM indirectly through its investment in Merrill Lynch Institutional Tax-Exempt Fund. For the six months ended April 30, 2006, FAM reimbursed each Fund as follows:

	Reimbursement
MuniYield Fund, Inc.	\$15,691
MuniYield Quality Fund, Inc.	\$ 4,760
MuniYield Quality Fund II, Inc.	\$ 3,113

For the six months ended April 30, 2006, the Funds reimbursed FAM for certain accounting services. The reimbursements were as follows:

	Reimbursement
MuniYield Fund, Inc.	\$10,595
MuniYield Quality Fund, Inc.	\$ 7,902
MuniYield Quality Fund II, Inc.	\$ 5,025

Certain officers and/or directors of the Funds are officers and/or directors of FAM, PSI, and/or ML & Co.

In February 2006, ML & Co. and BlackRock, Inc. entered into an agreement to contribute ML & Co.'s investment management business, including FAM, to the investment management business of BlackRock, Inc. The transaction is expected to close in the third quarter of 2006.

3. Investments:

Purchases and sales of investments, excluding short-term securities, for the six

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months ended April 30, 2006 were as follows:

	MuniYield Fund, Inc.	MuniYield Quality Fund, Inc.	MuniYield Quality Fund II, Inc.
Total Purchases	\$170,256,735	\$192,111,191	\$128,867,595
Total Sales	\$155,960,946	\$191,225,197	\$129,124,261

4. Stock Transactions:

Each Fund is authorized to issue 200,000,000 shares of stock, including Preferred Stock, par value \$.10 per share all of which were initially classified as Common Stock. The Board of Directors is authorized, however, to reclassify any unissued shares of stock without approval of the holders of Common Stock.

Common Stock

MuniYield Fund, Inc.

Shares issued and outstanding during the six months ended April 30, 2006 and the year ended October 31, 2005, increased by 186,342 and 93,211, respectively, as a result of dividend reinvestment.

MuniYield Quality Fund, Inc.

Shares issued and outstanding during the six months ended April 30, 2006 and the year ended October 31, 2005 remained constant.

MuniYield Quality Fund II, Inc.

Shares issued and outstanding during the six months ended April 30, 2006 and the year ended October 31, 2005 remained constant.

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Notes to Financial Statements (concluded)

Preferred Stock

Auction Market Preferred Stock are redeemable shares of Preferred Stock of the Funds, with a liquidation preference of \$25,000 per share, plus accrued and unpaid dividends that entitle their holders to receive cash dividends at an annual rate that may vary for the successive dividend periods. The yields in effect at April 30, 2006 were as follows:

	MuniYield Fund, Inc.	MuniYield Quality Fund, Inc.	MuniYield Quality Fund II, Inc.
Series A	3.40%	3.52%	3.35%
Series B	3.36%	3.75%	3.39%
Series C	3.275%	3.60%	3.775%
Series D	3.65%	3.60%	3.70%
Series E	3.65%	3.60%	--
Series F	3.65%	--	--
Series G	3.64%	--	--

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MuniYield Fund, Inc.

Shares issued and outstanding during the six months ended April 30, 2006 and the year ended October 31, 2005 remained constant.

MuniYield Quality Fund, Inc.

Shares issued and outstanding during the six months ended April 30, 2006 remained constant and during the year ended October 31, 2005 increased by 2,000 shares from the issuance of an additional series of Preferred Stock.

MuniYield Quality Fund II, Inc.

Shares issued and outstanding during the six months ended April 30, 2006 remained constant and during the year ended October 31, 2005 increased by 400 shares from the issuance of an additional series of Preferred Stock.

Each Fund pays commissions to certain broker-dealers at the end of each auction at an annual rate ranging from .25% to .375%, calculated on the proceeds of each auction. For the six months ended April 30, 2006, MLPF&S earned commissions as follows:

	Commissions
MuniYield Fund, Inc.	\$184,769
MuniYield Quality Fund, Inc.	\$168,821
MuniYield Quality Fund II, Inc.	\$ 96,323

5. Capital Loss Carryforward:

MuniYield Fund, Inc.

At October 31, 2005, the Fund had a net capital loss carryforward of \$43,211,705, of which \$3,242,729 expires in 2006, \$7,973,446 expires in 2007, \$25,806,020 expires in 2008, \$6,000,235 expires in 2009 and \$189,275 expires in 2010. These amounts will be available to offset like amounts of any future taxable gains.

MuniYield Quality Fund, Inc.

At October 31, 2005, the Fund had a net capital loss carryforward of \$2,453,619, of which \$114,477 expires in 2010 and \$2,339,142 expires in 2012. These amounts will be available to offset like amounts of any future taxable gains.

MuniYield Quality Fund II, Inc.

At October 31, 2005, the Fund had a net capital loss carryforward of \$35,441,922, of which \$2,730,523 expires in 2007, \$26,079,903 expires in 2008, \$1,096,837 expires in 2010 and \$5,534,659 expires in 2012. These amounts will be available to offset like amounts of any future taxable gains.

6. Subsequent Event:

Each Fund paid a tax-exempt income dividend to holders of Common Stock on May 30, 2006 to shareholders of record on May 15, 2006. The amount of the tax-exempt income dividend was as follows:

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	Per Share Amount
MuniYield Fund, Inc.	\$.080000
MuniYield Quality Fund, Inc.	\$.066000
MuniYield Quality Fund II, Inc.	\$.059000

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Officers and Directors

Robert C. Doll, Jr., President and Director
 James H. Bodurtha, Director
 Kenneth A. Froot, Director
 Joe Grills, Director
 Herbert I. London, Director
 Roberta Cooper Ramo, Director
 Robert S. Salomon, Jr., Director
 Donald C. Burke, Vice President and Treasurer
 Kenneth A. Jacob, Senior Vice President
 John M. Loffredo, Senior Vice President
 Theodore R. Jaeckel Jr., Vice President
 Michael A. Kalinoski, Vice President
 Jeffrey Hiller, Chief Compliance Officer
 Alice A. Pellegrino, Secretary

Effective January 1, 2006, Stephen B. Swensrud retired as Director of MuniYield Fund, Inc., MuniYield Quality Fund, Inc. and MuniYield Quality Fund II, Inc. The Funds' Board of Directors wishes Mr. Swensrud well in his retirement.

MuniYield Fund, Inc. and
 MuniYield Quality Fund II, Inc.:

Custodian

The Bank of New York
 100 Church Street
 New York, NY 10286

Transfer Agents

Common Stock:

The Bank of New York
 101 Barclay Street -- 11 East
 New York, NY 10286

Preferred Stock:

The Bank of New York
 101 Barclay Street -- 7 West
 New York, NY 10286

MuniYield Quality Fund, Inc.:

Custodian

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State Street Bank and Trust Company
P.O. Box 351
Boston, MA 02101

Transfer Agents

Common Stock:

Computershare Trust Company, N.A.
P.O. Box 43010
Providence, RI 02940-3010
800-426-5523

Preferred Stock:

The Bank of New York
101 Barclay Street -- 7 West
New York, NY 10286

Investment Objectives

NYSE Symbol MYD MuniYield Fund, Inc. 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.

NYSE Symbol MQY MuniYield Quality Fund, Inc. 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.

NYSE Symbol MQT MuniYield Quality Fund II, Inc. 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.

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Proxy Results

MuniYield Fund, Inc.

During the six-month period ended April 30, 2006, MuniYield Fund, Inc.'s Common Stock shareholders voted on the following proposal. The proposal was approved at a shareholders' meeting on April 27, 2006. A description of the proposal and number of shares voted are as follows:

Shares Voted
For

Shares
From

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1. To elect the Fund's Directors:	Robert C. Doll, Jr.	42,882,365	877
	Kenneth A. Froot	42,912,916	846
	Joe Grills	42,842,249	917
	Roberta Cooper Ramo	42,908,788	850
	Robert S. Salomon, Jr.	42,911,254	848

During the six-month period ended April 30, 2006, MuniYield Fund, Inc.'s Preferred Stock shareholders (Series A - G) voted on the following proposal. The proposal was approved at a shareholders' meeting on April 27, 2006. A description of the proposal and number of shares voted are as follows:

		Shares Voted For	Shares From
1. To elect the Fund's Board of Directors:	Robert C. Doll, Jr.	13,160	7
	James H. Bodurtha	13,160	7
	Kenneth A. Froot	13,160	7
	Joe Grills	13,156	7
	Herbert I. London	13,160	7
	Roberta Cooper Ramo	13,160	7
	Robert S. Salomon, Jr.	13,148	8

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Proxy Results (continued)

MuniYield Quality Fund, Inc.

During the six-month period ended April 30, 2006, MuniYield Quality Fund, Inc.'s Common Stock shareholders voted on the following proposal. The proposal was approved at a shareholders' meeting on April 27, 2006. A description of the proposal and number of shares voted are as follows:

		Shares Voted For	Shares From
1. To elect the Fund's Directors:	Robert C. Doll, Jr.	28,353,448	511
	James H. Bodurtha	28,354,859	510
	Kenneth A. Froot	28,346,128	519
	Joe Grills	28,345,286	519
	Roberta Cooper Ramo	28,349,552	515

During the six-month period ended April 30, 2006, MuniYield Quality Fund, Inc.'s Preferred Stock shareholders (Series A - E) voted on the following proposal. The proposal was approved at a shareholders' meeting on April 27, 2006. A description of the proposal and number of shares voted are as follows:

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	Shares Voted For	Shares From
1. To elect the Fund's Board of Directors: Robert C. Doll, Jr., James H. Bodurtha, Kenneth A. Froot, Joe Grills, Herbert I. London, Roberta Cooper Ramo and Robert S. Salomon, Jr.	9,108	1

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Proxy Results (concluded)

MuniYield Quality Fund II, Inc.

During the six-month period ended April 30, 2006, MuniYield Quality Fund II, Inc.'s Common Stock shareholders voted on the following proposal. The proposal was approved at a shareholders' meeting on April 27, 2006. A description of the proposal and number of shares voted are as follows:

		Shares Voted For	Shares From
1. To elect the Fund's Directors:	Robert C. Doll, Jr.	21,062,253	565
	James H. Bodurtha	21,061,304	566
	Kenneth A. Froot	21,052,448	575
	Joe Grills	21,063,501	564
	Roberta Cooper Ramo	21,059,752	568

During the six-month period ended April 30, 2006, MuniYield Quality Fund II, Inc.'s Preferred Stock shareholders (Series A - D) voted on the following proposal. The proposal was approved at a shareholders' meeting on April 27, 2006. A description of the proposal and number of shares voted are as follows:

		Shares Voted For	Shares From
1. To elect the Fund's Board of Directors: Robert C. Doll, Jr., James H. Bodurtha, Kenneth A. Froot, Joe Grills, Herbert I. London, Roberta Cooper Ramo and Robert S. Salomon, Jr.		6,137	6

Dividend Policy

The Funds' dividend policy is to distribute all or a portion of their net investment income to its share holders on a monthly basis. In order to provide

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shareholders with a more stable level of dividend distributions, the Funds may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any month pay out such accumulated but undistributed income in addition to net investment income earned in that month. As a result, the dividends paid by the Funds for any particular month may be more or less than the amount of net investment income earned by the Funds during such month. The Funds' current accumulated but undistributed net investment income, if any, is disclosed in the Statement of Assets, Liabilities and Capital, which comprises part of the Financial Information included in this report.

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Availability of Quarterly Schedule of Investments

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the SEC's Web site at <http://www.sec.gov>. The Funds' Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Electronic Delivery

The Funds offer electronic delivery of communications to their shareholders. In order to receive this service, you must register your account and provide us with e-mail information. To sign up for this service, simply access this Web site at <http://www.icsdelivery.com/live> and follow the instructions. When you visit this site, you will obtain a personal identification number (PIN). You will need this PIN should you wish to update your e-mail address, choose to discontinue this service and/or make any other changes to the service. This service is not available for certain retirement accounts at this time.

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Mercury Advisors

A Division of Merrill Lynch Investment Managers

www.mercury.ml.com

These reports, including the financial information herein, are transmitted to shareholders of MuniYield Fund, Inc., MuniYield Quality Fund, Inc. and MuniYield Quality Fund II, Inc. for their information. This is not a prospectus. Past performance results shown in these reports should not be considered a representation of future performance. The Funds have leveraged their Common Stock and intend to remain leveraged by issuing Preferred Stock to provide the Common Stock shareholders with potentially higher rates of return. Leverage creates risks for Common Stock shareholders, including the likelihood of greater volatility of net asset value and market price of shares of the Common Stock, and the risk that fluctuations in the short-term dividend rates of the Preferred Stock may affect the yield to Common Stock shareholders. Statements and other

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information herein are as dated and are subject to change.

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling toll-free 1-800-637-3863; (2) at www.mutualfunds.ml.com; and (3) on the Securities and Exchange Commission's Web site at <http://www.sec.gov>. Information about how the Funds voted proxies relating to securities held in the Funds' portfolios during the most recent 12-month period ended June 30 is available (1) at www.mutualfunds.ml.com and (2) on the Securities and Exchange Commission's Web site at <http://www.sec.gov>.

MuniYield Fund, Inc.
MuniYield Quality Fund, Inc.
MuniYield Quality Fund II, Inc.
Box 9011
Princeton, NJ 08543-9011

#MYQII -- 4/06

- Item 2 - Code of Ethics - Not Applicable to this semi-annual report
- Item 3 - Audit Committee Financial Expert - Not Applicable to this semi-annual report
- Item 4 - Principal Accountant Fees and Services - Not Applicable to this semi-annual report
- Item 5 - Audit Committee of Listed Registrants - Not Applicable to this semi-annual report
- Item 6 - Schedule of Investments - Not Applicable
- Item 7 - Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies - Not Applicable to this semi-annual report
- Item 8 - Portfolio Managers of Closed-End Management Investment Companies - Not Applicable to this semi-annual report
- Item 9 - Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers - Not Applicable
- Item 10 - Submission of Matters to a Vote of Security Holders - Not Applicable
- Item 11 - Controls and Procedures
 - 11(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.
 - 11(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 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 materially affect, the registrant's internal

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control over financial reporting.

Item 12 - Exhibits attached hereto

12(a) (1) - Code of Ethics - Not Applicable to this semi-annual report

12(a) (2) - Certifications - Attached hereto

12(a) (3) - Not Applicable

12(b) - Certifications - Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MuniYield Fund, Inc.

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

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

Date: June 22, 2006

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 of
MuniYield Fund, Inc.

Date: June 22, 2006

By: /s/ Donald C. Burke

Donald C. Burke,
Chief Financial Officer of
MuniYield Fund, Inc.

Date: June 22, 2006