

BLACKROCK MUNIYIELD PENNSYLVANIA QUALITY FUND
Form N-CSRS
April 05, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT
COMPANIES**

Investment Company Act file number 811-07136

Name of Fund: BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

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

Date of fiscal year end: 07/31/2017

Date of reporting period: 01/31/2017

Item 1 Report to Stockholders

SEMI-ANNUAL REPORT (UNAUDITED)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

BlackRock MuniYield Investment Quality Fund (MFT)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Not FDIC Insured May Lose Value No Bank Guarantee

The Markets in Review

Dear Shareholder,

The 12 months ended January 31, 2017 was an exceptionally strong period for risk assets (such as stocks and high yield bonds), while higher-quality assets generated muted returns after struggling in the latter part of 2016. As the period began, worries about slowing growth in China and the instability of oil prices had global equity prices sliding. However, the broad market momentum shifted in the second half of 2016 as reflationary expectations in the United States helped drive a pick-up in global growth.

Markets were remarkably resilient during the period. Big surprises such as the United Kingdom's vote to leave the European Union and the outcome of the U.S. presidential election brought spikes in equity market volatility, but they were ultimately short-lived. Instead, investors used the sell-offs to seize upon buying opportunities, allowing markets to quickly rebound. We believe this reinforces the case for taking the long view rather than reacting to short-term market noise.

The global reflationary theme—rising nominal growth, wages and inflation—was the dominant driver of asset returns during the period, outweighing significant political upheavals and uncertainty. This trend accelerated after the U.S. election and continued into the beginning of 2017, stoked by expectations for an extra boost to U.S. growth via fiscal policy.

Although economic momentum is gaining traction, the capacity for rapid global growth is restrained by structural factors including an aging population, low productivity growth and excess savings. A tempered economic growth trend and high valuations across most assets have set the stage for muted investment returns going forward.

Equity markets still have room to move, although the disparity between winners and losers is widening, making stock selection increasingly important. Fixed income investors are also facing challenges as bond markets recalibrate to accommodate rising rates and higher inflation expectations. And in a world where political risk and policy uncertainty abound, there is no lack of potential catalysts for higher volatility.

In this environment, investors need to think globally, extend their scope across a broad array of asset classes and be nimble as market conditions change. We encourage you to talk with your financial advisor and visit blackrock.com for further insight about investing in today's markets.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of January 31, 2017

| | 6-month | 12-month |
|--|---------|----------|
| U.S. large cap equities (S&P 500® Index) | 5.96% | 20.04% |
| U.S. small cap equities (Russell 2000® Index) | 12.43 | 33.53 |
| International equities (MSCI Europe, Australasia, Far East Index) | 3.49 | 12.03 |
| Emerging market equities (MSCI Emerging Markets Index) | 4.92 | 25.41 |
| 3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index) | 0.20 | 0.37 |

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| | | |
|---|--------|--------|
| U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index) | (7.87) | (3.26) |
| U.S. investment grade bonds (Bloomberg Barclays U.S. Aggregate Bond Index) | (2.95) | 1.45 |
| Tax-exempt municipal bonds (S&P Municipal Bond Index) | (2.94) | 0.24 |
| U.S. high yield bonds (Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index) | 6.09 | 20.77 |

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

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SEMI-ANNUAL REPORT

JANUARY 31, 2017

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Municipal Market Overview

For the Reporting Period Ended January 31, 2017

Municipal Market Conditions

Municipal bonds generated modestly positive performance for the period, in spite of vastly rising interest rates as a result of generally stronger economic data, signs of inflation pressures, Fed monetary policy normalization, and market expectations for pro-growth fiscal policy. However, ongoing reassurance from the Fed that rates would be increased gradually and would likely remain low overall resulted in strong demand for fixed income investments. Investors favored the income, relative yield, and stability of municipal bonds amid bouts of interest rate volatility (bond prices rise as rates fall) resulting from the United Kingdom's decision to leave the European Union, the contentious U.S. election, and widening central bank divergence i.e., policy easing outside the United States while the Fed slowly commences policy tightening. During the 12 months ended January 31, 2017, municipal bond funds garnered net inflows of approximately \$24 billion (based on data from the Investment Company Institute).

For the same 12-month period, total new issuance remained robust from a historical perspective at \$451 billion (significantly above the \$394 billion issued in the prior 12-month period). A noteworthy portion of new supply during this period was attributable to refinancing activity (roughly 60%) as issuers continued to take advantage of low interest rates and a flatter yield curve to reduce their borrowing costs.

| | |
|--------------------------------------|---------|
| S&P Municipal Bond Index | |
| Total Returns as of January 31, 2017 | |
| 6 months: | (2.94)% |
| 12 months: | 0.24% |

A Closer Look at Yields

From January 31, 2016 to January 31, 2017, yields on AAA-rated 30-year municipal bonds increased by 33 basis points (bps) from 2.75% to 3.08%, while 10-year rates rose by 61 bps from 1.71% to 2.32% and 5-year rates increased 63 bps from 1.00% to 1.63% (as measured by Thomson Municipal Market Data). The municipal yield curve modestly flattened over the 12-month period with the spread between 2- and 30-year maturities flattening by

9 bps and the spread between 10- and 30-year maturities flattening by 28 bps.

During the same time period, on a relative basis, tax-exempt municipal bonds broadly underperformed U.S. Treasuries with the greatest underperformance experienced in the intermediate part of the yield curve. In absolute terms, the positive performance of municipal bonds was driven largely by a supply/demand imbalance within the municipal market as investors sought income and incremental yield in an environment where opportunities became increasingly scarce. More broadly, municipal bonds came under pressure post the November U.S. election, erasing a bulk of year-to-date performance and influencing a strong pattern of mutual fund inflows to turn negative in the closing months of the period. The asset class is known for its lower relative volatility and preservation of principal with an emphasis on income as tax rates rise.

Financial Conditions of Municipal Issuers

The majority of municipal credits remain strong, despite well-publicized distress among a few issuers. Four of the five states with the largest amount of debt outstanding California, New York, Texas and Florida have exhibited markedly improved credit fundamentals during the slow national recovery. However, several states with the largest unfunded pension liabilities have seen their bond prices decline noticeably and remain vulnerable to additional price deterioration. On the local level, Chicago's credit quality downgrade is an outlier relative to other cities due to its larger pension liability and inadequate funding remedies. BlackRock maintains the view that municipal bond defaults will remain minimal and in the periphery while the overall market is fundamentally sound. We continue to advocate careful credit research and believe that a thoughtful approach to structure and security selection remains imperative amid uncertainty in a modestly improving economic environment.

The opinions expressed are those of BlackRock as of January 31, 2017, and are subject to change at any time due to changes in market or economic conditions. The comments should not be construed as a recommendation of any individual holdings or market sectors. Investing involves risk including loss of principal. Bond values fluctuate in price so the value of your investment can go down depending on market conditions. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make

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principal and interest payments. There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable.

The Standard & Poor's Municipal Bond Index, a broad, market value-weighted index, seeks to measure the performance of the U.S. municipal bond market. All bonds in the index are exempt from U.S. federal income taxes or subject to the alternative minimum tax. Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an index.

The Benefits and Risks of Leveraging

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

In general, the concept of leveraging is based on the premise that the financing cost of leverage, which is based on short-term interest rates, is normally lower than the income earned by a Fund on its longer-term portfolio investments purchased with the proceeds from leverage. To the extent that the total assets of the Funds (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, the Funds' shareholders benefit from the incremental net income. The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV.

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it utilizes leverage for an additional \$30 million, creating a total value of \$130 million available for investment in longer-term income securities. If prevailing short-term interest rates are 3% and longer-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, a Fund's financing costs on the \$30 million of proceeds obtained from leverage are based on the lower short-term interest rates. At the same time, the securities purchased by a Fund with the proceeds from leverage earn income based on longer-term interest rates. In this case, a Fund's financing cost of leverage is significantly lower than the income earned on a Fund's longer-term investments acquired from leverage proceeds, and therefore the holders of Common Shares (Common Shareholders) are the beneficiaries of the incremental net income.

However, in order to benefit Common Shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Funds' return on assets purchased with leverage proceeds, income to shareholders is lower than if the Funds had not used leverage. Furthermore, the value of the Funds' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the value of the Funds' obligations under their respective leverage arrangements generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds' NAVs positively or

negatively. Changes in the future direction of interest rates are very difficult to predict accurately, and there is no assurance that a Fund's intended leveraging strategy will be successful.

The use of leverage also generally causes greater changes in each Fund's NAV, market price and dividend rates than comparable portfolios without leverage. In a declining market, leverage is likely to cause a greater decline in the NAV and market price of a Fund's Common Shares than if the Fund were not leveraged. In addition, each Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause the Funds to incur losses. The use of leverage may limit a Fund's ability to invest in certain types of securities or use certain types of hedging strategies. Each Fund incurs expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares. Moreover, to the extent the calculation of the Funds' investment advisory fees includes assets purchased with the proceeds of leverage, the investment advisory fees payable to the Funds' investment adviser will be higher than if the Funds did not use leverage.

To obtain leverage, each Fund has issued Variable Rate Demand Preferred Shares (VRDP Shares), or Variable Rate Muni Term Preferred Shares (VMTP Shares), (collectively, Preferred Shares) and/or leveraged its assets through the use of tender option bond trusts (TOB Trusts) as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (the 1940 Act), each Fund is permitted to issue debt up to $\frac{3}{3}$ 3% of its total managed assets or equity securities (e.g., Preferred Shares) up to 50% of its total managed assets. A Fund may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act. In addition, a Fund may also be subject to certain asset coverage, leverage or portfolio composition requirements imposed by the Preferred Shares' governing instruments or by agencies rating the Preferred Shares, which may be more stringent than those imposed by the 1940 Act.

If a Fund segregates or designates on its books and records cash or liquid assets having a value not less than the value of a Fund's obligations under the TOB Trust (including accrued interest), a TOB Trust is not considered a senior security and is not subject to the foregoing limitations and requirements under the 1940 Act.

Derivative Financial Instruments

The Funds may invest in various derivative financial instruments. These instruments are used to obtain exposure to a security, commodity, index, market, and/or other asset without owning or taking physical custody of securities, commodities and/or other referenced assets or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage and involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the

transaction or illiquidity of the instrument. The Funds' successful use of a derivative financial instrument depends on the investment adviser's ability to predict pertinent market movements accurately, which cannot be assured. The use of these instruments may result in losses greater than if they had not been used, may limit the amount of appreciation a Fund can realize on an investment and/or may result in lower distributions paid to shareholders. The Funds' investments in these instruments, if any, are discussed in detail in the Notes to Financial Statements.

Fund Summary as of January 31, 2017

BlackRock MuniHoldings California Quality Fund, Inc.

Fund Overview

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

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

Fund Information

| | |
|---|-------------------|
| Symbol on New York Stock Exchange (NYSE) | MUC |
| Initial Offering Date | February 27, 1998 |
| Yield on Closing Market Price as of January 31, 2017 (\$14.40) ¹ | 5.13% |
| Tax Equivalent Yield ² | 10.45% |
| Current Monthly Distribution per Common Share ³ | \$0.0615 |
| Current Annualized Distribution per Common Share ³ | \$0.7380 |
| Economic Leverage as of January 31, 2017 ⁴ | 41% |

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

² Tax equivalent yield assumes the maximum marginal federal and state tax rate of 50.93%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the six months ended January 31, 2017 were as follows:

| | Returns Based On | |
|---|------------------|---------|
| | Market Price | NAV |
| MUC ^{1,2} | (9.34)% | (5.20)% |
| Lipper California Municipal Debt Funds ³ | (8.72)% | (5.28)% |

¹ All returns reflect reinvestment of dividends and/or distributions.

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- ² The Fund's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.
- ³ Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. After producing slightly positive returns in August, municipal bonds began to move lower in September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. The municipal market subsequently stabilized and retraced some of its losses in December and January as the relative attractiveness of the asset class brought in new investors, but the modest rally was insufficient to make up for the earlier downturn.

California underperformed the national tax-exempt market, reflecting an unwinding of previously tight credit spreads for state and local issues, together with a larger calendar of new issuance. Despite the after-tax value provided by California muni bonds for retail investors subject to the state's high tax brackets, California funds were not immune to the redemptions experienced by both the general market and high-yield products in the latter part of the six month reporting period.

At the sector level, local school district and health care sectors represented the largest detractors from performance due to their higher weightings. To the extent that the Fund held zero coupon bonds, these positions detracted since the bonds' longer duration accentuated the negative price performance in a down market. (Duration is a measure of interest rate sensitivity.)

Reinvestment was a further drag on results, as the proceeds of higher-yielding bonds that matured or were called needed to be reinvested at materially lower prevailing rates. The Fund continued to employ leverage in order to increase income. Since leverage also amplifies the effect of market movements, it was a net detractor from performance at a time of falling prices.

The Fund sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Fund's positioning had a positive effect on returns. The Fund's exposure to pre-refunded issues also benefited performance, as their low duration enabled them to hold up better than longer-duration bonds at a time of rising yields.

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

BlackRock MuniHoldings California Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

| | 1/31/17 | 7/31/16 | Change | High | Low |
|-----------------|----------|----------|----------|----------|----------|
| Market Price | \$ 14.40 | \$ 16.28 | (11.55)% | \$ 16.35 | \$ 13.53 |
| Net Asset Value | \$ 15.27 | \$ 16.51 | (7.51)% | \$ 16.54 | \$ 14.92 |

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

| Sector Allocation | 1/31/17 | 7/31/16 |
|--|---------|---------|
| County/City/Special District/School District | 40% | 40% |
| Utilities | 19 | 19 |
| Transportation | 16 | 15 |
| Health | 14 | 14 |
| Education | 5 | 5 |
| State | 5 | 5 |
| Corporate | 1 | 2 |

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

Call/Maturity Schedule²

| Calendar Year Ended December 31, | |
|----------------------------------|-----|
| 2017 | 11% |
| 2018 | 12 |
| 2019 | 15 |
| 2020 | 5 |
| 2021 | 13 |

² Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

| Credit Quality Allocation ¹ | 1/31/17 | 7/31/16 |
|--|---------|---------|
| AAA/Aaa | 15% | 16% |
| AA/Aa | 73 | 73 |
| A | 10 | 8 |
| BBB/Baa | 1 | 1 |
| N/R | 1 | 2 |

¹

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For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either Standard & Poor's (S&P) or Moody's Investors Service (Moody's) if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

SEMI-ANNUAL REPORT

JANUARY 31, 2017

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Fund Summary as of January 31, 2017

BlackRock MuniHoldings New Jersey Quality Fund, Inc.

Fund Overview

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

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

Fund Information

| | |
|---|----------------|
| Symbol on NYSE | MUJ |
| Initial Offering Date | March 11, 1998 |
| Yield on Closing Market Price as of January 31, 2017 (\$14.20) ¹ | 5.70% |
| Tax Equivalent Yield ² | 11.06% |
| Current Monthly Distribution per Common Share ³ | \$0.0675 |
| Current Annualized Distribution per Common Share ³ | \$0.8100 |
| Economic Leverage as of January 31, 2017 ⁴ | 39% |

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

² Tax equivalent yield assumes the maximum marginal federal and state tax rate of 48.48%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the six months ended January 31, 2017 were as follows:

| | Returns Based On | |
|---|------------------|---------|
| | Market Price | NAV |
| MUJ ^{1,2} | (9.46)% | (6.03)% |
| Lipper New Jersey Municipal Debt Funds ³ | (9.68)% | (6.06)% |

¹ All returns reflect reinvestment of dividends and/or distributions.

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² The Fund's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. After producing slightly positive returns in August, municipal bonds began to move lower in September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. The municipal market subsequently stabilized and retraced some of its losses in December and January as the relative attractiveness of the asset class brought in new investors, but the modest rally was insufficient to make up for the earlier downturn.

New Jersey underperformed the broader U.S. municipal bond market. The state's credit rating remained under pressure due to continuing budgetary issues, lagging job growth versus the national averages, continued population out-migration and concerns about its pension-funding difficulties.

At the sector level, exposure to state tax-backed, transportation and education sectors detracted from performance. Holdings in longer-duration bonds, which were more sensitive to rising yields, also detracted. (Duration is a measure of interest-rate sensitivity.) Credit spreads widened during the six month reporting period, whereby the Fund's holdings in lower-rated investment-grade bonds were a further detractor.

Portfolio income, which was enhanced by the Fund's use of leverage, made a positive contribution during a period of falling prices. However, leverage also served to accentuate the price declines associated with rising yields.

At a time when lower-quality, longer-dated bonds experienced the largest underperformance, the Fund's positions in high-quality, short-dated issues performed relatively well and helped mitigate the impact of the market decline. The Fund sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Fund's positioning had a positive effect on returns. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Market Price and Net Asset Value Per Share Summary

| | 1/31/17 | 7/31/16 | Change | High | Low |
|-----------------|----------|----------|----------|----------|----------|
| Market Price | \$ 14.20 | \$ 16.12 | (11.91)% | \$ 16.25 | \$ 13.60 |
| Net Asset Value | \$ 15.13 | \$ 16.55 | (8.58)% | \$ 16.57 | \$ 14.88 |

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

| Sector Allocation | 1/31/17 | 7/31/16 |
|--|---------|---------|
| Transportation | 24% | 24% |
| Education | 20 | 21 |
| State | 19 | 20 |
| County/City/Special District/School District | 15 | 15 |
| Health | 13 | 11 |
| Housing | 4 | 4 |
| Utilities | 3 | 3 |
| Corporate | 2 | 2 |

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

Call/Maturity Schedule²

| Calendar Year Ended December 31, | |
|----------------------------------|----|
| 2017 | 8% |
| 2018 | 10 |
| 2019 | 4 |
| 2020 | 9 |
| 2021 | 17 |

² Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

| Credit Quality Allocation ¹ | 1/31/17 | 7/31/16 |
|--|---------|---------|
| AA/Aa | 58% | 57% |
| A | 34 | 35 |
| BBB/Baa | 8 | 8 |

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Fund Summary as of January 31, 2017

BlackRock MuniYield Investment Quality Fund

Fund Overview

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

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

Fund Information

| | |
|---|------------------|
| Symbol on NYSE | MFT |
| Initial Offering Date | October 30, 1992 |
| Yield on Closing Market Price as of January 31, 2017 (\$14.41) ¹ | 5.91% |
| Tax Equivalent Yield ² | 10.44% |
| Current Monthly Distribution per Common Share ³ | \$0.071 |
| Current Annualized Distribution per Common Share ³ | \$0.852 |
| Economic Leverage as of January 31, 2017 ⁴ | 40% |

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

² Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The monthly distribution per Common Share, declared on March 1, 2017, was decreased to \$0.067 per share. The yield on closing market price, current monthly distribution per Common Share and current annualized distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

⁴ Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the six months ended January 31, 2017 were as follows:

| | Returns Based On | |
|--|------------------|---------|
| | Market Price | NAV |
| MFT ^{1,2} | (7.78)% | (4.97)% |
| Lipper General & Insured Municipal Debt Funds (Leveraged) ³ | (7.34)% | (5.63)% |

¹ All returns reflect reinvestment of dividends and/or distributions.

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² The Fund's premium to NAV narrowed during the period, which accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. After producing slightly positive returns in August, municipal bonds began to move lower in September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. The municipal market subsequently stabilized and retraced some of its losses in December and January as the relative attractiveness of the asset class brought in new investors, but the modest rally was insufficient to make up for the earlier downturn.

Positions in bonds with longer maturities declined the most in value since they typically have longer durations (above-average interest rate sensitivity). The Fund's exposure to issues with 4% coupons also detracted from results, as lower coupons generally underperform in rising rate environments.

From a sector allocation perspective, the Fund's exposure to transportation and utilities sectors were the largest detractors.

Portfolio income, which was enhanced by the Fund's use of leverage, made a positive contribution during a period of falling prices. However, leverage also served to accentuate the price declines associated with rising yields.

The Fund sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Fund's positioning had a positive effect on returns. Positions in high-quality, short-duration bonds such as pre-refunded securities held up relatively well in the down market due to their lower interest rate sensitivity.

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

**BlackRock MuniYield Investment Quality
Fund**

Market Price and Net Asset Value Per Share Summary

| | 1/31/17 | 7/31/16 | Change | High | Low |
|-----------------|---------|---------|----------|----------|----------|
| Market Price | \$14.41 | \$16.09 | (10.44)% | \$ 16.43 | \$ 13.23 |
| Net Asset Value | \$14.35 | \$15.55 | (7.72)% | \$ 15.55 | \$ 14.10 |

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

| Sector Allocation | 1/31/17 | 7/31/16 |
|--|---------|---------|
| Transportation | 38% | 40% |
| County/City/Special District/School District | 18 | 15 |
| Utilities | 16 | 19 |
| Health | 11 | 10 |
| State | 9 | 9 |
| Education | 4 | 3 |
| Housing | 2 | 2 |
| Tobacco | 1 | 1 |
| Corporate | 1 | 1 |

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

Call/Maturity Schedule²

| Calendar Year Ended December 31, | |
|----------------------------------|-----|
| 2018 | 10% |
| 2019 | 25 |
| 2020 | 4 |
| 2021 | 20 |

² Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

| Credit Quality Allocation ¹ | 1/31/17 | 7/31/16 |
|--|---------|---------|
| AAA/Aaa | 7% | 6% |
| AA/Aa | 58 | 62 |
| A | 26 | 25 |
| BBB/Baa | 8 | 7 |
| N/R | 1 | |

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Fund Summary as of January 31, 2017

BlackRock MuniYield Michigan Quality Fund, Inc.

Fund Overview

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

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

Fund Information

| | |
|---|------------------|
| Symbol on NYSE | MIY |
| Initial Offering Date | October 30, 1992 |
| Yield on Closing Market Price as of January 31, 2017 (\$13.70) ¹ | 5.61% |
| Tax Equivalent Yield ² | 10.35% |
| Current Monthly Distribution per Common Share ³ | \$0.064 |
| Current Annualized Distribution per Common Share ³ | \$0.768 |
| Economic Leverage as of January 31, 2017 ⁴ | 39% |

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

² Tax equivalent yield assumes the maximum marginal federal and state tax rate of 45.81%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the six months ended January 31, 2017 were as follows:

| | Returns Based On | |
|---|------------------|---------|
| | Market Price | NAV |
| MIY ^{1,2} | (8.48)% | (4.98)% |
| Lipper Other States Municipal Debt Funds ³ | (8.44)% | (5.37)% |

¹ All returns reflect reinvestment of dividends and/or distributions.

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- ² The Fund's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.
- ³ Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. After producing slightly positive returns in August, municipal bonds began to move lower in September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. The municipal market subsequently stabilized and retraced some of its losses in December and January as the relative attractiveness of the asset class brought in new investors, but the modest rally was insufficient to make up for the earlier downturn.

Michigan's municipal bond market performed in line with the broader national indices during the period. The slightly longer duration (interest-rate sensitivity) of the Michigan index was a headwind during a period of sharply rising yields. However, the state's economy has benefited from a cyclical upturn in manufacturing in the last few years, helping its unemployment rate to fall in line with national averages after lagging considerably previously. Michigan's fiscal picture has improved in kind, and its budget has moved into surplus.

The Fund's duration positioning detracted from performance on an absolute basis, reflecting the aggressive increase in municipal bond yields. The Fund's exposure to the long end of the yield curve also detracted, as longer-term bonds sold off more than shorter-term issues. Additionally, holdings in the healthcare-related sectors underperformed due to uncertainty surrounding the future of the Affordable Care Act.

Portfolio income, which was enhanced by the Fund's use of leverage, made a positive contribution during a period of falling prices. However, leverage also served to accentuate the price declines associated with rising yields. The Fund sought to manage interest rate risk using U.S.

Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Fund's positioning had a positive effect on returns.

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

Market Price and Net Asset Value Per Share Summary

| | 1/31/17 | 7/31/16 | Change | High | Low |
|-----------------|---------|---------|----------|----------|----------|
| Market Price | \$13.70 | \$15.38 | (10.92)% | \$ 15.40 | \$ 13.25 |
| Net Asset Value | \$15.13 | \$16.36 | (7.52)% | \$ 16.36 | \$ 14.82 |

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

| Sector Allocation | 1/31/17 | 7/31/16 |
|--|---------|---------|
| Health | 27% | 25% |
| Education | 23 | 23 |
| County/City/Special District/School District | 17 | 19 |
| State | 10 | 9 |
| Utilities | 10 | 10 |
| Transportation | 7 | 7 |
| Housing | 4 | 4 |
| Corporate | 2 | 3 |

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

Call/Maturity Schedule²

| Calendar Year Ended December 31, | |
|----------------------------------|----|
| 2017 | 7% |
| 2018 | 12 |
| 2019 | 5 |
| 2020 | 5 |
| 2021 | 17 |

² Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

| Credit Quality Allocation ¹ | 1/31/17 | 7/31/16 |
|--|---------|---------|
| AAA/Aaa | 3% | 3% |
| AA/Aa | 66 | 69 |
| A | 26 | 26 |
| BBB/Baa | 3 | 1 |
| N/R | 2 | 1 |

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¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

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Fund Summary as of January 31, 2017

BlackRock MuniYield Pennsylvania Quality Fund

Fund Overview

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

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

Fund Information

| | |
|---|------------------|
| Symbol on NYSE | MPA |
| Initial Offering Date | October 30, 1992 |
| Yield on Closing Market Price as of January 31, 2017 (\$14.45) ¹ | 5.17% |
| Tax Equivalent Yield ² | 9.42% |
| Current Monthly Distribution per Common Share ³ | \$0.0623 |
| Current Annualized Distribution per Common Share ³ | \$0.7476 |
| Economic Leverage as of January 31, 2017 ⁴ | 40% |

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

² Tax equivalent yield assumes the maximum marginal federal and state tax rate of 45.14%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the six months ended January 31, 2017 were as follows:

| | Returns Based On | |
|---|------------------|---------|
| | Market Price | NAV |
| MPA ^{1,2} | (7.82)% | (6.41)% |
| Lipper Pennsylvania Municipal Debt Funds ³ | (9.20)% | (5.26)% |

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- ¹ All returns reflect reinvestment of dividends and/or distributions.
- ² The Fund's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.
- ³ Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. After producing slightly positive returns in August, municipal bonds began to move lower in September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. The municipal market subsequently stabilized and retraced some of its losses in December and January as the relative attractiveness of the asset class brought in new investors, but the modest rally was insufficient to make up for the earlier downturn.

Yield spreads were steady for Pennsylvania's general obligation municipal bonds after Governor Tom Wolf signed a \$31.5 billion budget for fiscal year 2017 in July. The rating agency Standard & Poor's subsequently removed the commonwealth from credit watch status and affirmed its AA-minus rating. Conversely, elevated supply and widening spreads in the health care and transportation sectors, the largest sectors in the state, weighed on the performance of these bonds.

At the sector level, health care, education and transportation sectors represented the largest detractors from Fund performance. Holdings in the corporate municipal sector also detracted, as a specific issuer received a multi-notch downgrade due to its deteriorating credit fundamentals. Reinvestment was a further drag on results, as the proceeds of higher-yielding bonds that matured or were called needed to be reinvested at materially lower prevailing rates.

The Fund's more-seasoned holdings, while producing generous yields compared to current market rates, detracted from performance. The prices of many of these investments declined due to the premium amortization that occurred as the bonds approached their first call dates. (A call is when an issuer redeems a bond prior to its maturity date; premium is amount by which a bond trades above its \$100 par value.)

The Fund continued to employ leverage in order to increase income. Since leverage also amplifies the effect of market movements, it was a net detractor from performance at a time of falling prices.

The Fund sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Fund's positioning had a positive effect on returns. The Fund's exposure to pre-refunded issues also benefited performance, as their low duration enabled them to hold up better than longer-duration bonds at a time of rising yields.

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

BlackRock MuniYield Pennsylvania Quality Fund

Market Price and Net Asset Value Per Share Summary

| | 1/31/17 | 7/31/16 | Change | High | Low |
|-----------------|---------|---------|----------|----------|----------|
| Market Price | \$14.45 | \$16.07 | (10.08)% | \$ 16.66 | \$ 13.84 |
| Net Asset Value | \$15.30 | \$16.76 | (8.71)% | \$ 16.77 | \$ 14.94 |

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

| Sector Allocation | 1/31/17 | 7/31/16 |
|--|---------|---------|
| Health | 20% | 20% |
| Education | 20 | 20 |
| County/City/Special District/School District | 19 | 20 |
| State | 14 | 13 |
| Transportation | 12 | 12 |
| Housing | 8 | 7 |
| Utilities | 5 | 6 |
| Corporate | 2 | 2 |

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

Call/Maturity Schedule³

| Calendar Year Ended December 31, | |
|----------------------------------|----|
| 2017 | 6% |
| 2018 | 11 |
| 2019 | 11 |
| 2020 | 7 |
| 2021 | 15 |

³ Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

| Credit Quality Allocation ¹ | 1/31/17 | 7/31/16 |
|--|---------|---------|
| AAA/Aaa | 1% | 1% |
| AA/Aa | 63 | 62 |
| A | 25 | 23 |

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| | | |
|------------------|---|---|
| BBB/Baa | 6 | 6 |
| BB/Ba | | 2 |
| CCC | 2 | |
| N/R ³ | 5 | 6 |

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

² Represents less than 1%.

³ The investment adviser evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment adviser has deemed certain of these unrated securities as investment grade quality. As of January 31, 2017 and July 31, 2016, the market value of unrated securities deemed by the investment adviser to be investment grade represents 2% and 1%, respectively, of the Fund's total investments.

Schedule of Investments January 31, 2017 (Unaudited)

BR MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

| | Par | |
|---|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| California 106.3% | | |
| Corporate 2.7% | | |
| California Pollution Control Financing Authority, Refunding RB, Waste Management, Inc., AMT: | | |
| Series A-1, 3.38%, 7/01/25 | \$ 5,000 | \$ 5,056,650 |
| Series B-1, 3.00%, 11/01/25 | 9,000 | 8,938,080 |
| City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34 | 2,435 | 2,659,799 |
| | | 16,654,529 |
| County/City/Special District/School District 36.3% | | |
| Centinela Valley Union High School District, GO, Election of 2010, Series A, 5.75%, 8/01/21 (a) | 9,120 | 10,794,614 |
| Chabot-Las Positas Community College District, GO, Refunding, 4.00%, 8/01/35 | 5,000 | 5,208,800 |
| County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 2/01/19 (a) | 3,500 | 3,836,210 |
| County of Los Angeles California Public Works Financing Authority, Refunding RB, Series D: 4.00%, 12/01/40 | 1,000 | 1,017,100 |
| 5.00%, 12/01/45 | 1,430 | 1,609,065 |
| County of Orange California Sanitation District, COP, Series A, 5.00%, 2/01/19 (a) | 2,500 | 2,692,400 |
| County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36 | 2,665 | 3,083,805 |
| County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/18 (a) | 4,000 | 4,270,720 |
| Culver City Redevelopment Finance Authority California, Refunding, Tax Allocation Bonds, Series A (AGM), 5.60%, 11/01/25 | 3,750 | 3,762,825 |
| Denair California Unified School District, GO, CAB (AGM), Election of 2007, 0.00%, 8/01/41 (b) | 4,260 | 1,394,639 |
| Desert Community College District California, GO, Election of 2004, Series C (AGM), 5.00%, 8/01/17 (a) | 16,530 | 16,881,758 |
| Fremont Union High School District, GO, Refunding, 4.00%, 8/01/40 | 2,500 | 2,601,925 |
| Garden Grove Unified School District, GO, Election of 2010, Series C, 5.25%, 8/01/40 | 5,500 | 6,285,180 |
| Gavilan Joint Community College District, GO, Election of 2004, Series D: 5.50%, 8/01/31 | 2,170 | 2,454,096 |
| 5.75%, 8/01/35 | 8,400 | 9,573,396 |
| Golden Empire Schools Financing Authority, Refunding RB, Kern High School District Projects, 1.16%, 5/01/17 (c) | 5,000 | 5,000,000 |
| Grossmont California Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/21 (a) | 2,000 | 2,397,580 |
| Imperial Irrigation District, Series A, Electric System Revenue, 5.13% 11/01/18 (a) | 8,000 | 8,572,320 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| California (continued) | | |
| County/City/Special District/School District (continued) | | |
| Kern Community College District, GO, Safety Repair & Improvements, Series C: 5.25%, 11/01/32 | \$ 5,715 | \$ 6,662,204 |
| 5.75%, 11/01/34 | 12,085 | 14,453,418 |
| Los Alamitos Unified School District, GO, Refunding, School Facilities Improvement: 5.25%, 8/01/23 (a) | 2,185 | 2,634,433 |
| 5.25%, 8/01/39 | 1,515 | 1,735,160 |
| Los Angeles Community College District California, GO, Election of 2001, Series A (NPFGC), 5.00%, 8/01/17 (a) | 6,645 | 6,786,406 |
| Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35 | 11,000 | 12,092,850 |
| Mount San Jacinto Community College District, GO, Series A, 5.00%, 8/01/35 | 3,565 | 4,059,180 |
| Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/35 | 10,000 | 10,958,000 |
| Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33 | 5,000 | 5,273,050 |
| Rio Elementary School District, GO, Series A, 5.25%, 8/01/40 | 5,865 | 6,664,810 |

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| | | |
|---|-------|-----------|
| Riverside Community College District Foundation, GO, Election of 2004 (a): | | |
| Series C (AGM), 5.00%, 8/01/17 | 8,750 | 8,936,200 |
| Series C (NPFGC), 5.00%, 8/01/17 | 8,910 | 9,099,605 |
| San Diego Regional Building Authority, RB, County Operations Center & Annex, Series A, 5.50%, 2/01/19 (a) | | |
| | 905 | 982,640 |
| San Diego Unified School District, GO, CAB, Series C (b): | | |
| Election of 2008, 0.00%, 7/01/42 | 3,605 | 1,204,503 |
| Election of 2008, 0.00%, 7/01/43 | 1,310 | 418,139 |
| Election of 2008, 0.00%, 7/01/45 | 1,575 | 458,530 |
| 0.00%, 7/01/47 | 1,000 | 266,430 |
| San Jose California Financing Authority, LRB, Convention Center Expansion & Renovation Project, Series A: | | |
| 5.75%, 5/01/36 | 2,560 | 2,566,886 |
| 5.75%, 5/01/42 | 4,500 | 5,113,305 |
| San Jose California Financing Authority, Refunding LRB, Civic Center Project, Series A, 5.00%, 6/01/39 | | |
| | 5,800 | 6,439,624 |
| San Marcos Redevelopment Agency Successor Agency, Refunding, Tax Allocation Bonds, Series A: | | |
| 5.00%, 10/01/32 | 1,700 | 1,936,844 |
| 5.00%, 10/01/33 | 1,125 | 1,276,256 |
| Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/19 (a) | | |
| | 5,635 | 6,286,237 |

Portfolio Abbreviations

| | | | | | |
|--------------|---|-------------|----------------------------------|----------------|---|
| AGC | Assured Guarantee Corp. | COP | Certificates of Participation | IDB | Industrial Development Board |
| AGM | Assured Guaranty Municipal Corp. | EDA | Economic Development Authority | ISD | Independent School District |
| AMBAC | American Municipal Bond Assurance Corp. | EDC | Economic Development Corp. | LRB | Lease Revenue Bonds |
| AMT | Alternative Minimum Tax (subject to) | ERB | Education Revenue Bonds | M/F | Multi-Family |
| ARB | Airport Revenue Bonds | GAB | Grant Anticipation Bonds | NPFGC | National Public Finance Guarantee Corp. |
| BAM | Build America Mutual Assurance Co. | GARB | General Airport Revenue Bonds | Q-SBLF | Qualified School Bond Loan Fund |
| BARB | Building Aid Revenue Bonds | GO | General Obligation Bonds | RB | Revenue Bonds |
| BHAC | Berkshire Hathaway Assurance Corp. | HDA | Housing Development Authority | S/F | Single-Family |
| CAB | Capital Appreciation Bonds | HFA | Housing Finance Agency | Syncora | Syncora Guarantee |
| CHF | Swiss Franc | IDA | Industrial Development Authority | | |

See Notes to Financial Statements.

Schedule of Investments (continued)

BR MuniHoldings California Quality Fund, Inc. (MUC)

| | Par | |
|---|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| California (continued) | | |
| County/City/Special District/School District (continued) | | |
| Sweetwater Union High School District, GO, Refunding, 4.00%, 8/01/42 | \$ 5,000 | \$ 5,052,800 |
| West Contra Costa California Unified School District, GO: Election of 2010, Series A (AGM), 5.25%, 8/01/41 | 5,390 | 6,080,243 |
| Election of 2010, Series B, 5.50%, 8/01/39 | 3,195 | 3,714,731 |
| Election of 2012, Series A, 5.50%, 8/01/39 | 2,500 | 2,906,675 |
| Yuba Community College District, GO, BAM, Election of 2006, Series C, 0.00%, 8/01/38 (b) | 5,150 | 2,089,509 |
| | | 227,585,101 |
| Education 2.6% | | |
| California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42 | 2,750 | 3,119,050 |
| University of California, Refunding RB: Series AO, 5.00%, 5/15/40 | 5,430 | 6,191,558 |
| Series AR, 5.00%, 5/15/41 | 2,360 | 2,705,032 |
| Series AR, 5.00%, 5/15/46 | 3,600 | 4,110,768 |
| | | 16,126,408 |
| Health 11.3% | | |
| ABAG Finance Authority for Nonprofit Corps., Refunding RB, Sharp Healthcare, Series B, 6.25%, 8/01/39 | 6,305 | 6,997,730 |
| California Health Facilities Financing Authority, RB: Children's Hospital, Series A, 5.25%, 11/01/41 | 8,000 | 8,839,440 |
| Providence Health Services, Series B, 5.50%, 10/01/39 | 4,130 | 4,497,818 |
| Sutter Health, Series B, 6.00%, 8/15/42 | 9,655 | 10,996,466 |
| California Health Facilities Financing Authority, Refunding RB: Dignity Health, Series A, 6.00%, 7/01/19 (a) | 3,700 | 4,111,403 |
| Providence Health and Services, Series A, 5.00%, 10/01/38 | 10,970 | 12,145,326 |
| St. Joseph Health System, Series A, 5.00%, 7/01/37 | 10,000 | 11,054,700 |
| Sutter Health, Series B, 5.00%, 11/15/46 | 2,275 | 2,526,024 |
| California Statewide Communities Development Authority, Refunding RB: CHF Irvine LLC, 5.00%, 5/15/40 | 750 | 799,275 |
| Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41 | 6,235 | 6,916,298 |
| Washington Township Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/38 | 1,625 | 1,859,650 |
| | | 70,744,130 |
| State 7.7% | | |
| State of California, GO, Various Purposes: 6.00%, 3/01/33 | 5,000 | 5,659,550 |
| 6.00%, 4/01/38 | 27,765 | 30,459,038 |
| State of California, GO, Refunding, Veterans Bond, 4.00%, 12/01/40 | 4,000 | 4,050,880 |
| State of California Public Works Board, LRB: Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34 | 3,670 | 4,060,121 |
| Various Capital Projects, Series I, 5.50%, 11/01/33 | 2,015 | 2,376,048 |
| State of California Public Works Board, RB, California State Prisons, Series C, 5.75%, 10/01/31 | 1,205 | 1,398,920 |
| | | 48,004,557 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| California (continued) | | |
| Transportation 22.0% | | |
| Alameda California Corridor Transportation Authority, Refunding RB, 2nd Subordinate Lien, Series B: 5.00%, 10/01/35 | \$ 1,500 | \$ 1,638,060 |
| 4.00%, 10/01/37 | 1,125 | 1,127,644 |
| City & County of San Francisco California Airports Commission, ARB, Series E, 6.00%, 5/01/39 | 9,650 | 10,613,938 |

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| | | |
|---|--------|-------------|
| City & County of San Francisco California Airports Commission, Refunding ARB, AMT: | | |
| 2nd Series 34E (AGM), 5.75%, 5/01/22 | 4,950 | 5,204,381 |
| 2nd Series A, 5.00%, 5/01/29 | 6,435 | 7,204,883 |
| City & County of San Francisco California Airports Commission, Refunding RB, AMT (AGM): | | |
| 2nd Series 32, 5.75%, 5/01/18 (a) | 2,290 | 2,423,461 |
| Balance 2nd, 5.75%, 5/01/24 | 2,710 | 2,857,939 |
| City of Los Angeles California Department of Airports, ARB: | | |
| AMT, Senior Series A, 5.00%, 5/15/40 | 3,830 | 4,257,543 |
| AMT, Series D, 5.00%, 5/15/35 | 2,000 | 2,233,960 |
| AMT, Series D, 5.00%, 5/15/36 | 1,500 | 1,667,445 |
| Los Angeles International Airport, Senior Series D, 5.25%, 5/15/29 | 2,590 | 2,877,594 |
| City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A: | | |
| 5.25%, 5/15/39 | 5,845 | 6,328,498 |
| Senior, 5.00%, 5/15/40 | 3,000 | 3,307,110 |
| City of San Jose California, Refunding ARB, Series A-1, AMT: | | |
| 5.25%, 3/01/23 | 3,785 | 4,205,362 |
| 6.25%, 3/01/34 | 1,400 | 1,607,564 |
| City of San Jose California, Refunding RB, Series A (AMBAC), 5.00%, 3/01/37 | 8,000 | 8,024,240 |
| County of Orange California, ARB, Series B, 5.75%, 7/01/34 | 6,345 | 6,466,316 |
| County of Sacramento California, Refunding ARB, Senior Series A, 5.00%, 7/01/41 | 2,500 | 2,787,925 |
| County of Sacramento California, ARB: | | |
| Senior Series A (AGC), 5.50%, 7/01/18 (a) | 8,200 | 8,720,126 |
| Senior Series B, 5.75%, 7/01/39 | 2,650 | 2,803,223 |
| Senior Series B, AMT (AGM), 5.75%, 7/01/28 | 13,275 | 14,069,509 |
| Senior Series B, AMT (AGM), 5.25%, 7/01/33 | 18,000 | 18,904,860 |
| Senior Series B, AMT (AGM), 5.25%, 7/01/39 | 4,995 | 5,208,786 |
| County of Sacramento California Airport System Revenue, Refunding ARB, Airport System Subordinate Revenue, Sub-Series B, 5.00%, 7/01/41 | | |
| | 1,250 | 1,388,675 |
| County of San Bernardino California Transportation Authority, RB, Series A, 5.25%, 3/01/40 | 4,545 | 5,230,659 |
| Port of Los Angeles California Harbor Department, RB, Series B, 5.25%, 8/01/19 (a) | 5,530 | 6,079,018 |
| Port of Los Angeles California Harbor Department, Refunding RB, Series A, AMT, 5.00%, 8/01/44 | 500 | 547,370 |
| | | 137,786,089 |
| Utilities 23.7% | | |
| Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A, 5.38%, 10/01/36 | | |
| | 2,200 | 2,473,570 |
| City of Los Angeles California Department of Water & Power, RB, Series A: | | |
| 5.38%, 7/01/38 | 9,375 | 10,064,250 |
| 5.00%, 7/01/41 | 1,705 | 1,952,788 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BR MuniHoldings California Quality Fund, Inc. (MUC)

| | Par | |
|---|--------------|--------------------|
| | (000) | Value |
| Municipal Bonds | | |
| California (continued) | | |
| Utilities (continued) | | |
| City of Los Angeles California Department of Water & Power, Refunding RB, Series A: 5.25%, 7/01/39 | \$ 16,000 | \$ 18,078,240 |
| 5.00%, 7/01/46 | 1,845 | 2,105,422 |
| City of Los Angeles California Wastewater System, Refunding RB, Sub-Series A, 5.00%, 6/01/28 | 2,000 | 2,206,560 |
| City of San Francisco California Public Utilities Commission Water Revenue, RB: Series A, 5.00%, 11/01/39 | 5,245 | 5,812,194 |
| Series B, 5.00%, 11/01/19 (a) | 10,000 | 11,040,100 |
| County of Kern California Water Agency Improvement District No. 4, Refunding RB, Series A (AGM): 4.00%, 5/01/35 | 1,460 | 1,492,835 |
| 4.00%, 5/01/36 | 1,430 | 1,455,411 |
| County of Los Angeles Sanitation Districts Financing Authority, RB, Series A, 4.00%, 10/01/42 | 4,935 | 5,006,015 |
| County of Sacramento California Sanitation Districts Financing Authority, RB, (NPFGC), 5.00%, 12/01/36 | 1,010 | 1,012,868 |
| Dublin-San Ramon Services District Water Revenue, Refunding RB, 6.00%, 8/01/41 | 4,000 | 4,609,200 |
| East Bay California Municipal Utility District Wastewater System Revenue, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/17 (a) | 17,015 | 17,257,464 |
| East Bay California Municipal Utility District Water System Revenue, Refunding RB (a): Series A (NPFGC), 5.00%, 6/01/17 | 6,670 | 6,765,781 |
| Sub-Series A (AGM), 5.00%, 6/01/17 | 10,000 | 10,143,600 |
| Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/18 (a) | 2,505 | 2,645,581 |
| El Dorado Irrigation District / El Dorado County Water Agency, Refunding RB, Series A (AGM), 5.25%, 3/01/39 | 10,000 | 11,337,200 |
| San Diego Public Facilities Financing Authority Sewer, Refunding RB, Senior Series A, 5.25%, 5/15/19 (a) | 11,000 | 12,090,792 |
| San Diego Public Facilities Financing Authority Water, Refunding RB, Series B, 5.50%, 8/01/19 (a) | 8,000 | 8,847,520 |
| San Juan Water District, Refunding RB, San Juan & Citrus Heights, 5.25%, 2/01/33 | 7,325 | 8,326,474 |
| Santa Clara Valley Water District, Refunding RB, Series A, 5.00%, 6/01/46 | 3,000 | 3,419,970 |
| | | 148,143,835 |
| Total Municipal Bonds 106.3% | | 665,044,649 |
| Municipal Bonds Transferred to Tender Option Bond Trusts (d) | | |
| California 60.2% | | |
| County/City/Special District/School District 30.3% | | |
| County of Alameda California Joint Powers Authority, Refunding LRB, (AGM), 5.00%, 12/01/17 (a) | 13,180 | 13,637,346 |
| County of Riverside California Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/45 | 10,000 | 11,405,667 |
| County of San Luis California Obispo Community College District, GO, Refunding, Election of 2014, Series A, 4.00%, 8/01/40 | 6,585 | 6,713,470 |
| County of San Mateo California Community College District, GO, Series A, 5.00%, 9/01/45 | 17,615 | 20,077,135 |
| | Par | |
| | (000) | Value |
| Municipal Bonds Transferred to Tender Option Bond Trusts (d) | | |
| California (continued) | | |
| County/City/Special District/School District (continued) | | |
| Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/21 (a) | \$ 40,000 | \$ 46,063,600 |
| Los Angeles Community College District California, GO (a): Election of 2001, Series E-1, 5.00%, 8/01/18 | 11,770 | 12,479,142 |
| Election of 2003, Series F-1, 5.00%, 8/01/18 | 10,000 | 10,602,500 |
| Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/19 (a) | 9,596 | 10,730,218 |

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| | | |
|--|--------|-------------|
| Palomar California Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/44 | 15,140 | 17,034,165 |
| Sacramento Area Flood Control Agency, Refunding RB, Consolidated Capital Assessment District No.2, 5.00%, 10/01/43 | 9,990 | 11,323,465 |
| Southwestern Community College District, GO, Election of 2008, Series D, 5.00%, 8/01/44 | 10,820 | 12,182,238 |
| West Valley-Mission Community College District, GO, Election of 2012, Series B, 4.00%, 8/01/40 | 17,000 | 17,709,240 |
| | | 189,958,186 |
| Education 5.9% | | |
| University of California, RB: | | |
| Series AM, 5.25%, 5/15/44 | 10,210 | 11,812,051 |
| Series O, 5.75%, 5/15/19 (a) | 11,193 | 12,349,124 |
| University of California, Refunding RB: | | |
| Series A, 5.00%, 11/01/43 | 6,001 | 6,824,097 |
| Series AF, 5.00%, 5/15/39 | 5,000 | 5,636,200 |
| | | 36,621,472 |
| Health 11.9% | | |
| California Health Facilities Financing Authority, RB, Sutter Health, Series A, 5.00%, 8/15/52 | 14,520 | 15,641,815 |
| California Health Facilities Financing Authority, Refunding RB: | | |
| Lucile Salter Packard Children's Hospital, Series B, 5.00%, 8/15/55 | 4,500 | 4,962,330 |
| Sutter Health, Series A, 5.00%, 8/15/43 | 19,425 | 21,393,694 |
| California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42 | 19,070 | 20,729,853 |
| Regents of the University of California Medical Center Pooled Revenue, Refunding RB, Series L, 5.00%, 5/15/41 | 10,375 | 11,713,682 |
| | | 74,441,374 |
| Transportation 4.0% | | |
| City of Los Angeles California Department of Airports, RB, AMT: | | |
| Los Angeles International Airport, Series B, 5.00%, 5/15/41 | 3,641 | 4,010,441 |
| Senior Revenue, Series A, 5.00%, 5/15/40 | 5,500 | 6,113,965 |
| City of Los Angeles California Department of Airports, Series D, 5.00%, 5/15/41 | 13,331 | 14,778,971 |
| | | 24,903,377 |
| Utilities 8.1% | | |
| City of Los Angeles California Wastewater System, RB, Green Bonds, Series A, 5.00%, 6/01/44 | 13,790 | 15,570,978 |
| County of San Diego California Water Authority Financing Corp., COP, Refunding, Series A (AGM), 5.00%, 5/01/18 (a) | 16,740 | 17,587,379 |
| East Bay California Municipal Utility District Water System Revenue, RB, Series C, 5.00%, 6/01/44 | 11,000 | 12,531,310 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BR MuniHoldings California Quality Fund, Inc. (MUC)

| | Par (000) | Value |
|--|--------------|----------------|
| Municipal Bonds Transferred to Tender Option Bond Trusts (d) California (continued) | | |
| Utilities (continued) | | |
| Rancho Water District Financing Authority, Refunding RB, Series A (AGM): | | |
| 5.00%, 8/01/18 (a) | \$ 2,013 | \$ 2,125,695 |
| 5.00%, 8/01/34 | 2,995 | 3,162,761 |
| | | 50,978,123 |
| Total Municipal Bonds Transferred to | | |
| Tender Option Bond Trusts 60.2% | | 376,902,532 |
| Total Investments (Cost \$999,209,169) 166.5% | | 1,041,947,181 |
| Other Assets Less Liabilities 2.8% | | 17,863,535 |
| Liability for TOB Trust Certificates, Including Interest | | |
| Expense and Fees Payable (28.7)% | | (179,845,277) |
| VMTP Shares at Liquidation Value (40.6)% | | (254,000,000) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 625,965,439 |

Notes to Schedule of Investments

(a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.

(b) Zero-coupon bond.

(c) Variable rate security. Rate as of period end.

(d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.

During the six months ended January 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at July 31, 2016 | Net Activity | Shares Held at January 31, 2017 | Value at January 31, 2017 | Income | Net Realized Gain ¹ | Change in Unrealized Appreciation (Depreciation) |
|---|------------------------------------|-----------------|---------------------------------------|---------------------------------|-----------|--------------------------------------|---|
| BlackRock Liquidity Funds, MuniCash, Institutional Class | | | | | \$ 17,111 | \$ 538 | |

¹ Includes net capital gain distributions.

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

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Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

| Contracts | Issue | Expiration | Notional Value | Unrealized Depreciation |
|--------------|----------------------------|------------|----------------|-------------------------|
| (68) | 5-Year U.S. Treasury Note | March 2017 | \$ 8,014,969 | \$ (21,193) |
| (245) | 10-Year U.S. Treasury Note | March 2017 | \$ 30,494,844 | (104,165) |
| (163) | Long U.S. Treasury Bond | March 2017 | \$ 24,587,531 | (33,575) |
| (36) | Ultra U.S. Treasury Bond | March 2017 | \$ 5,784,750 | (23,365) |
| Total | | | | \$ (182,298) |

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Liabilities | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Exchange Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|-------------------|--|---------------------|------------------|---------------------------|-------------------------------------|-------------------------|-----------------|------------|
| Futures contracts | Net unrealized depreciation ¹ | | | | | \$ 182,298 | | \$ 182,298 |

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BR MuniHoldings California Quality Fund, Inc. (MUC)

For the six months ended January 31, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| Net Realized Gain (Loss) from: | | | | | | | |
| Futures contracts | | | | | \$ 2,750,878 | | \$ 2,750,878 |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | | |
| Futures contracts | | | | | \$ (58,172) | | \$ (58,172) |

Average Quarterly Balances of Outstanding Derivative Financial Instruments

| | |
|---|---------------|
| Futures contracts: | |
| Average notional value of contracts short | \$ 50,430,086 |

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|---|--------------|------------------|---------|------------------|
| Assets: | | | | |
| Investments: | | | | |
| Long Term Investments ¹ | | \$ 1,041,947,181 | | \$ 1,041,947,181 |
| Derivative Financial Instruments ² | | | | |
| Liabilities: | | | | |
| Interest rate contracts | \$ (182,298) | | | \$ (182,298) |

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

² Derivative financial instruments are futures contracts. Futures contracts are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|------------------|---------|------------------|
| Liabilities: | | | | |
| TOB Trust Certificates | | \$ (179,415,265) | | \$ (179,415,265) |
| VMTP Shares at Liquidation Value | | (254,000,000) | | (254,000,000) |
| Total | | \$ (433,415,265) | | \$ (433,415,265) |

During the six months ended January 31, 2017, there were no transfers between levels.

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See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

JANUARY 31, 2017

Schedule of Investments January 31, 2017 (Unaudited)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

(Percentages shown are based on Net Assets)

| | Par | |
|--|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| New Jersey 139.8% | | |
| Corporate 3.4% | | |
| New Jersey EDA, Refunding RB: | | |
| Duke Farms Foundation Project, 4.00%, 7/01/46 | \$ 2,770 | \$ 2,787,977 |
| New Jersey American Water Co., Inc. Project, AMT, Series A, 5.70%, 10/01/39 | 7,500 | 8,167,350 |
| New Jersey American Water Co., Inc. Project, AMT, Series B, 5.60%, 11/01/34 | 3,150 | 3,430,571 |
| United Water of New Jersey, Inc., Series B (AMBAC), 4.50%, 11/01/25 | 1,000 | 1,035,950 |
| | | 15,421,848 |
| County/City/Special District/School District 19.5% | | |
| Borough of Edgewater New Jersey Board of Education, GO, Refunding, (AGM): | | |
| 4.25%, 3/01/34 | 1,535 | 1,599,363 |
| 4.25%, 3/01/35 | 1,600 | 1,665,632 |
| 4.30%, 3/01/36 | 1,670 | 1,739,756 |
| Casino Reinvestment Development Authority, Refunding RB: | | |
| 5.25%, 11/01/39 | 11,130 | 11,055,985 |
| 5.25%, 11/01/44 | 3,755 | 3,690,038 |
| City of Bayonne New Jersey, GO, Refunding, Qualified General Improvement (BAM), | | |
| 5.00%, 7/01/39 | 3,340 | 3,710,540 |
| City of Perth Amboy New Jersey, GO, CAB, Refunding (AGM): | | |
| 5.00%, 7/01/32 | 2,210 | 2,229,094 |
| 5.00%, 7/01/33 (a) | 670 | 675,729 |
| 5.00%, 7/01/35 | 595 | 599,820 |
| 5.00%, 7/01/37 | 705 | 710,358 |
| County of Essex New Jersey, GO, Vocational School, Series B, 3.00%, 9/01/46 | 3,450 | 2,865,190 |
| County of Essex New Jersey Improvement Authority, Refunding RB, Project Consolidation (NPFGC): | | |
| 5.50%, 10/01/27 | 250 | 311,928 |
| 5.50%, 10/01/28 | 4,840 | 6,073,716 |
| County of Hudson New Jersey Improvement Authority, RB: | | |
| CAB, Series A-1 (NPFGC), 0.00%, 12/15/32 (b) | 1,000 | 557,090 |
| Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39 | 3,000 | 3,191,160 |
| Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44 | 5,000 | 5,302,050 |
| County of Middlesex New Jersey Improvement Authority, RB, Senior Citizens Housing Project, AMT (AMBAC), 5.50%, 9/01/30 | 500 | 501,435 |
| County of Monmouth New Jersey Improvement Authority, Refunding RB, Governmental Loan (AMBAC): | | |
| 5.00%, 12/01/17 | 5 | 5,014 |
| 5.35%, 12/01/17 | 5 | 5,016 |
| 5.00%, 12/01/18 | 5 | 5,013 |
| 5.38%, 12/01/18 | 5 | 5,016 |
| 5.00%, 12/01/19 | 5 | 5,012 |
| County of Union New Jersey, GO, Refunding: | | |
| 4.00%, 3/01/21 (c) | 80 | 87,649 |
| 4.00%, 3/01/21 (c) | 75 | 82,171 |
| 4.00%, 3/01/21 (c) | 70 | 76,693 |
| 4.00%, 3/01/29 | 3,575 | 3,749,496 |
| 4.00%, 3/01/30 | 3,580 | 3,734,763 |
| 4.00%, 3/01/31 | 4,045 | 4,205,586 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| New Jersey (continued) | | |
| County/City/Special District/School District (continued) | | |
| County of Union New Jersey Utilities Authority, Refunding RB, Series A: | | |
| Resources Recovery Facility, Covanta Union, Inc., AMT, 5.25%, 12/01/31 | \$ 650 | \$ 697,755 |
| Solid Waste System, County Deficiency Agreement, 5.00%, 6/15/41 | 7,570 | 8,201,944 |
| Morristown New Jersey Parking Authority, RB, (NPFGC): | | |

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| | | |
|--|--------|------------|
| 5.00%, 8/01/30 | 1,830 | 1,862,226 |
| 5.00%, 8/01/33 | 3,000 | 3,052,560 |
| New Jersey Sports & Exposition Authority, Refunding RB, (NPFGC) (d): | | |
| 5.50%, 3/01/21 | 7,430 | 8,585,811 |
| 5.50%, 3/01/22 | 4,200 | 4,969,650 |
| Newark New Jersey Housing Authority, Refunding RB, Newark Redevelopment Project (NPFGC), 4.38%, 1/01/37 | | |
| | 1,720 | 1,720,327 |
| Township of Irvington New Jersey, GO, Refunding Series A (AGM), 5.00%, 7/15/33 | 1,175 | 1,306,048 |
| | | 88,836,634 |
| Education 31.7% | | |
| County of Gloucester New Jersey Improvement Authority, RB, Rowan University General Capital Improvement Projects: | | |
| 5.00%, 7/01/44 | 1,985 | 2,147,730 |
| Series A, 5.00%, 7/01/31 | 1,950 | 2,169,102 |
| Series A, 5.00%, 7/01/32 | 1,775 | 1,966,239 |
| Series A, 5.00%, 7/01/33 | 2,250 | 2,482,065 |
| Series A, 5.00%, 7/01/34 | 1,200 | 1,319,196 |
| New Jersey EDA, LRB, Rutgers The State University of New Jersey, College Avenue Redevelopment Project, 5.00%, 6/15/33 | | |
| | 3,065 | 3,467,404 |
| New Jersey EDA, RB, Provident Group Rowan Properties LLC, Series A: | | |
| 5.00%, 1/01/35 | 2,000 | 2,068,600 |
| 5.00%, 1/01/48 | 2,000 | 2,043,180 |
| New Jersey Educational Facilities Authority, RB, Higher Educational Capital Improvement Fund, Series A, 5.00%, 9/01/33 | | |
| | 6,370 | 6,389,683 |
| New Jersey Educational Facilities Authority, Refunding RB: | | |
| City of New Jersey University Issue, Series D, 4.00%, 7/01/34 | 320 | 321,866 |
| City of New Jersey University Issue, Series D, 4.00%, 7/01/35 | 745 | 746,721 |
| College of New Jersey, Series D (AGM), 5.00%, 7/01/18 (c) | 3,000 | 3,167,910 |
| College of New Jersey, Series D (AGM), 5.00%, 7/01/18 (c) | 10,260 | 10,834,252 |
| College of New Jersey, Series F, 4.00%, 7/01/34 | 1,000 | 1,010,150 |
| College of New Jersey, Series F, 4.00%, 7/01/35 | 1,280 | 1,287,962 |
| Montclair State University, Series A, 5.00%, 7/01/39 | 15,555 | 17,195,430 |
| Montclair State University, Series A, 5.00%, 7/01/44 | 3,540 | 3,901,115 |
| Montclair State University, Series B, 5.00%, 7/01/34 | 1,075 | 1,208,891 |
| New Jersey Institute of Technology, Series H, 5.00%, 7/01/31 | 4,000 | 4,342,560 |
| Ramapo College, Series I (AMBAC), 4.25%, 7/01/31 | 2,500 | 2,509,650 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

| | Par | |
|--|------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| New Jersey (continued) | | |
| Education (continued) | | |
| New Jersey Educational Facilities Authority, Refunding RB (continued): | | |
| Rowan University, Series B (AGC), 5.00%, 7/01/18 (c) | \$ 2,575 | \$ 2,717,269 |
| Seton Hall University, Series D, 5.00%, 7/01/38 | 500 | 548,780 |
| Seton Hall University, Series D, 5.00%, 7/01/43 | 600 | 655,992 |
| Stevens Institute of Technology, Series A, 5.00%, 7/01/27 | 2,800 | 2,835,280 |
| Stevens Institute of Technology, Series A, 5.00%, 7/01/34 | 2,400 | 2,429,568 |
| Stockton University, Series A, 5.00%, 7/01/41 | 2,370 | 2,523,718 |
| William Paterson University (AGC), 4.75%, 7/01/18 (c) | 4,735 | 4,983,445 |
| William Paterson University (AGC), 5.00%, 7/01/18 (c) | 230 | 242,873 |
| William Paterson University (AGC), 5.00%, 7/01/28 | 20 | 20,931 |
| William Paterson University (AGC), 4.75%, 7/01/34 | 380 | 395,363 |
| New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT: | | |
| 4.00%, 12/01/28 | 1,325 | 1,348,068 |
| 4.50%, 12/01/28 | 3,120 | 3,277,154 |
| 4.00%, 12/01/29 | 5,715 | 5,784,666 |
| 4.00%, 12/01/29 | 880 | 891,581 |
| 4.50%, 12/01/29 | 3,910 | 4,100,652 |
| 4.63%, 12/01/30 | 3,815 | 4,001,859 |
| 4.00%, 12/01/31 | 1,435 | 1,437,899 |
| 4.25%, 12/01/32 | 2,050 | 2,076,609 |
| 4.13%, 12/01/35 | 880 | 873,690 |
| 4.50%, 12/01/36 | 1,805 | 1,840,017 |
| New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT: | | |
| 5.38%, 12/01/24 | 1,080 | 1,180,732 |
| 5.50%, 12/01/26 | 1,295 | 1,406,331 |
| New Jersey Institute of Technology, RB, Series A: | | |
| 5.00%, 7/01/42 | 6,945 | 7,630,819 |
| 5.00%, 7/01/45 | 7,500 | 8,165,475 |
| Rutgers The State University of New Jersey, Refunding RB, Series L: | | |
| 5.00%, 5/01/30 | 1,565 | 1,780,313 |
| 5.00%, 5/01/43 | 10,000 | 11,119,600 |
| | | 144,848,390 |
| Health 18.9% | | |
| County of Camden New Jersey Improvement Authority, Refunding RB, Cooper Healthcare System, Series A, 5.00%, 2/15/33 | | |
| | 2,000 | 2,097,840 |
| New Jersey Health Care Facilities Financing Authority, RB: | | |
| Meridian Health System Obligated Group, Series I (AGC), 5.00%, 7/01/38 | 1,390 | 1,441,402 |
| Meridian Health System Obligated Group, Series II (AGC), 5.00%, 7/01/38 | 6,865 | 7,136,442 |
| Meridian Health System Obligated Group, Series V (AGC), 5.00%, 7/01/38 | 4,625 | 4,807,873 |
| Robert Wood Johnson University Hospital, Series A, 5.50%, 7/01/43 | 7,105 | 7,949,784 |
| Virtua Health, Series A (AGC), 5.50%, 7/01/38 | 4,035 | 4,356,549 |
| | Par | |
| Municipal Bonds | | |
| New Jersey (continued) | | |
| Health (continued) | | |
| New Jersey Health Care Facilities Financing Authority, Refunding RB: | | |
| AHS Hospital Corp., 5.50%, 7/01/21 (c) | \$ 4,055 | \$ 4,724,845 |
| AHS Hospital Corp., 6.00%, 7/01/21 (c) | 4,180 | 4,959,236 |
| Catholic Health East Issue, 5.00%, 11/15/33 | 1,925 | 2,104,429 |
| Hackensack University Medical Center (AGC), 5.13%, 1/01/27 | 1,500 | 1,542,615 |
| Hackensack University Medical Center (AGM), 4.63%, 1/01/30 | 7,795 | 8,149,361 |
| Meridian Health System Obligated Group, 5.00%, 7/01/25 | 1,000 | 1,128,340 |
| Meridian Health System Obligated Group, 5.00%, 7/01/26 | 3,720 | 4,166,363 |
| Princeton Healthcare System, 5.00%, 7/01/34 | 1,330 | 1,463,053 |

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| | | |
|--|--------|------------|
| Princeton Healthcare System, 5.00%, 7/01/39 | 1,825 | 1,968,463 |
| RWJ Barnabas Health Obligated Group, Series A, 4.00%, 7/01/43 | 1,865 | 1,849,912 |
| RWJ Barnabas Health Obligated Group, Series A, 5.00%, 7/01/43 | 3,080 | 3,344,788 |
| St. Barnabas Health Care System, Series A, 5.00%, 7/01/21 (c) | 3,640 | 4,163,978 |
| St. Barnabas Health Care System, Series A, 5.63%, 7/01/21 (c) | 4,450 | 5,208,681 |
| St. Barnabas Health Care System, Series A, 5.63%, 7/01/21 (c) | 4,860 | 5,688,581 |
| St. Joseph's Healthcare System Obligated Group, 4.00%, 7/01/34 | 570 | 537,140 |
| St. Joseph's Healthcare System Obligated Group, 5.00%, 7/01/41 | 1,520 | 1,589,631 |
| St. Joseph's Healthcare System Obligated Group, 4.00%, 7/01/48 | 2,020 | 1,816,485 |
| Virtua Health, 5.00%, 7/01/28 | 3,000 | 3,374,190 |
| Virtua Health, 5.00%, 7/01/29 | 715 | 797,797 |
| | | 86,367,778 |
| Housing 7.0% | | |
| County of Atlantic New Jersey Improvement Authority, RB, Stockton University Atlantic City, Series A (AGM), 4.00%, 7/01/46 | 1,500 | 1,487,130 |
| New Jersey Housing & Mortgage Finance Agency, RB: | | |
| Capital Fund Program, Series A (AGM), 5.00%, 5/01/27 | 6,450 | 6,597,512 |
| M/F Housing, Series A, 4.55%, 11/01/43 | 4,710 | 4,816,682 |
| M/F Housing, Series A, AMT (NPFGC), 4.85%, 11/01/39 | 1,335 | 1,335,627 |
| S/F Housing, Series AA, 6.50%, 10/01/38 | 190 | 195,571 |
| S/F Housing, Series B, 4.50%, 10/01/30 | 9,455 | 9,902,032 |
| New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT: | | |
| M/F Housing, Series 2, 4.60%, 11/01/38 | 3,120 | 3,198,998 |
| M/F Housing, Series 2, 4.75%, 11/01/46 | 3,795 | 3,886,763 |
| S/F Housing, Series T, 4.70%, 10/01/37 | 600 | 600,522 |
| | | 32,020,837 |
| State 26.1% | | |
| Garden State Preservation Trust, RB, CAB, Series B (AGM) (b): | | |
| 0.00%, 11/01/23 | 15,725 | 12,677,652 |
| 0.00%, 11/01/25 | 10,000 | 7,384,700 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

| | Par | |
|---|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| New Jersey (continued) | | |
| State (continued) | | |
| Garden State Preservation Trust, Refunding RB, Series C (AGM): | | |
| 5.25%, 11/01/20 | \$ 5,000 | \$ 5,609,050 |
| 5.25%, 11/01/21 | 7,705 | 8,782,621 |
| New Jersey EDA, RB: | | |
| CAB, Motor Vehicle Surcharge, Series A (NPFGC), 0.00%, 7/01/21 (b) | 2,325 | 2,073,389 |
| Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/24 | 1,785 | 2,009,178 |
| Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25 | 5,000 | 5,606,000 |
| Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/26 | 7,500 | 8,442,450 |
| Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33 | 18,105 | 18,574,825 |
| School Facilities Construction (AGC), 6.00%, 12/15/18 (c) | 3,960 | 4,319,766 |
| School Facilities Construction (AGC), 6.00%, 12/15/18 (c) | 40 | 43,603 |
| School Facilities Construction, Series KK, 5.00%, 3/01/38 | 325 | 323,729 |
| School Facilities Construction, Series U, 5.00%, 9/01/17 (c) | 2,810 | 2,876,962 |
| School Facilities Construction, Series U (AMBAC), 5.00%, 9/01/17 (c) | 1,070 | 1,095,498 |
| School Facilities Construction, Series Y, 5.00%, 9/01/18 (c) | 1,000 | 1,061,960 |
| Series WW, 5.25%, 6/15/33 | 380 | 387,714 |
| Series WW, 5.00%, 6/15/34 | 5,500 | 5,493,345 |
| Series WW, 5.00%, 6/15/36 | 3,115 | 3,110,982 |
| Series WW, 5.25%, 6/15/40 | 8,375 | 8,482,032 |
| New Jersey EDA, Refunding RB: | | |
| Cigarette Tax, 5.00%, 6/15/24 | 5,000 | 5,362,800 |
| Cigarette Tax, 5.00%, 6/15/26 | 1,250 | 1,325,788 |
| Cigarette Tax, 5.00%, 6/15/28 | 2,430 | 2,564,792 |
| Cigarette Tax, 5.00%, 6/15/29 | 3,195 | 3,359,415 |
| School Facilities Construction, Series N-1 (NPFGC), 5.50%, 9/01/27 | 1,000 | 1,154,830 |
| School Facilities Construction, Series NN, 5.00%, 3/01/29 | 5,000 | 5,089,050 |
| State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/19 (c) | 1,580 | 1,726,782 |
| | | 118,938,913 |
| Transportation 28.0% | | |
| Delaware River Port Authority, RB: | | |
| 5.00%, 1/01/29 | 2,000 | 2,254,780 |
| 5.00%, 1/01/37 | 8,830 | 9,682,625 |
| Series D, 5.05%, 1/01/35 | 1,430 | 1,552,694 |
| Series D (AGM), 5.00%, 1/01/40 | 5,200 | 5,641,324 |
| New Brunswick New Jersey Parking Authority, Refunding RB, City Guaranteed, Series A (BAM), 5.00%, 9/01/39 | | |
| | 1,520 | 1,709,498 |
| New Brunswick Parking Authority, Refunding RB, City Guaranteed, Series B (AGM): | | |
| 3.00%, 9/01/39 | 2,500 | 2,104,650 |
| 4.00%, 9/01/40 | 2,000 | 2,015,820 |
| New Jersey EDA, RB, Private Activity Bond, Goethals Bridge Replacement Project, AMT: | | |
| 5.13%, 1/01/34 | 2,290 | 2,412,126 |
| 5.38%, 1/01/43 | 7,730 | 8,170,223 |
| New Jersey State Turnpike Authority, RB, Series E, 5.00%, 1/01/45 | 8,000 | 8,817,440 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| New Jersey (continued) | | |
| Transportation (continued) | | |
| New Jersey State Turnpike Authority, Refunding RB: | | |
| Series A (AGM), 5.25%, 1/01/29 | \$ 4,000 | \$ 4,909,560 |
| Series A (BHAC), 5.25%, 1/01/29 | 500 | 614,825 |
| Series A (AGM), 5.25%, 1/01/30 | 4,000 | 4,919,160 |
| New Jersey Transportation Trust Fund Authority, RB: | | |
| CAB, Transportation System, Series A, 0.00%, 12/15/35 (b) | 6,000 | 2,147,100 |
| CAB, Transportation System, Series C (AGM), 0.00%, 12/15/32 (b) | 8,800 | 4,177,184 |
| CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/35 (b) | 4,160 | 1,641,078 |

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| | | |
|--|--------|-------------|
| CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/36 (b) | 7,210 | 2,686,518 |
| Federal Highway Reimbursement Revenue Notes, Series A, 5.00%, 6/15/30 | 2,250 | 2,366,955 |
| Federal Highway Reimbursement Revenue Notes, Series A-2, 5.00%, 6/15/30 | 10,520 | 10,773,322 |
| Transportation Program, Series AA, 5.00%, 6/15/33 | 3,000 | 3,016,650 |
| Transportation Program, Series AA, 5.25%, 6/15/33 | 5,690 | 5,803,800 |
| Transportation Program, Series AA, 5.25%, 6/15/34 | 1,305 | 1,333,279 |
| Transportation Program, Series AA, 5.00%, 6/15/38 | 2,340 | 2,327,692 |
| Transportation System, Series A, 6.00%, 6/15/35 | 6,365 | 6,889,476 |
| Transportation System, Series A (AGC), 5.63%, 12/15/28 | 2,780 | 2,997,035 |
| Transportation System, Series A (NPFGC), 5.75%, 6/15/24 | 1,205 | 1,394,956 |
| Transportation System, Series B, 5.25%, 6/15/36 | 2,500 | 2,539,800 |
| Transportation System, Series D, 5.00%, 6/15/32 | 3,300 | 3,336,201 |
| Port Authority of New York & New Jersey, ARB: Consolidated, 93rd Series, 6.13%, 6/01/94 | 1,000 | 1,184,060 |
| Special Project, JFK International Air Terminal LLC Project, Series 6, AMT (NPFGC), 5.75%, 12/01/25 | 3,000 | 3,044,640 |
| Special Project, JFK International Air Terminal LLC Project, Series 8, 6.00%, 12/01/42 | 4,000 | 4,500,000 |
| Port Authority of New York & New Jersey, Refunding ARB, AMT: 178th Series, 5.00%, 12/01/33 | 4,005 | 4,436,379 |
| Consolidated, 152nd Series, 5.75%, 11/01/30 | 6,000 | 6,324,720 |
| | | 127,725,570 |
| Utilities 5.2% | | |
| County of Essex New Jersey Utilities Authority, Refunding RB, (AGC), 4.13%, 4/01/22 | 2,000 | 2,094,320 |
| North Hudson New Jersey Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (d) | 6,045 | 6,800,081 |
| Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (b): 0.00%, 9/01/26 | 4,100 | 2,993,287 |
| 0.00%, 9/01/28 | 6,600 | 4,423,980 |
| 0.00%, 9/01/29 | 9,650 | 6,200,125 |
| 0.00%, 9/01/33 | 2,350 | 1,289,915 |
| | | 23,801,708 |
| Total Municipal Bonds in New Jersey | | 637,961,678 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

| | Par | |
|--|---------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Puerto Rico 1.3% | | |
| Health 1.3% | | |
| Puerto Rico Industrial Tourist Educational Medical & Environmental Control Facilities Financing Authority, RB, Hospital De La Concepcion, Series A: | | |
| 6.50%, 11/15/20 | \$ 1,445 | \$ 1,470,605 |
| 6.13%, 11/15/30 | 4,220 | 4,346,769 |
| Total Municipal Bonds in Puerto Rico | | 5,817,374 |
| Total Municipal Bonds 141.1% | | 643,779,052 |
| | | |
| Municipal Bonds Transferred to Tender Option Bond Trusts (e) | | |
| New Jersey 21.5% | | |
| County/City/Special District/School District 4.0% | | |
| County of Union New Jersey Utilities Authority, Refunding LRB, Resource Recovery Facility, Covanta Union, Inc., Series A, AMT, 5.25%, 12/01/31 | 17,300 | 18,571,031 |
| Education 1.2% | | |
| Rutgers The State University of New Jersey, RB, Series F, 5.00%, 5/01/19 (c) | 4,998 | 5,417,925 |
| State 4.8% | | |
| Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28 | 12,460 | 15,122,079 |
| New Jersey EDA, Refunding RB, Series NN, School Facilities Construction, 5.00%, 3/01/29 (f) | 6,698 | 6,817,454 |
| | | 21,939,533 |
| Transportation 11.5% | | |
| County of Hudson New Jersey Improvement Authority, RB, Hudson County Vocational-Technical Schools Project, 5.25%, 5/01/51 | 3,120 | 3,548,095 |
| New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (f) | 9,300 | 10,287,288 |
| | Par | |
| Municipal Bonds Transferred to Tender Option Bond Trusts (e) | (000) | Value |
| New Jersey (continued) | | |
| Transportation (continued) | | |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (f) | \$ 2,661 | \$ 2,702,968 |
| Port Authority of New York & New Jersey, ARB, Consolidated, 163rd Series, AMT, 5.00%, 7/15/39 | 15,545 | 17,056,686 |
| Port Authority of New York & New Jersey, RB, Consolidated, 169th Series, AMT, 5.00%, 10/15/41 | 10,000 | 10,689,800 |
| Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.25%, 11/01/35 | 7,827 | 8,152,427 |
| | | 52,437,264 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 21.5% | | 98,365,753 |
| Total Long-Term Investments | | |
| (Cost \$708,033,208) 162.6% | | 742,144,805 |
| | | |
| Short-Term Securities | Shares | |
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (g)(h) | 1,642,362 | 1,642,526 |
| Total Short-Term Securities | | |
| (Cost \$1,642,463) 0.4% | | 1,642,526 |
| Total Investments (Cost \$709,675,671) 163.0% | | 743,787,331 |

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| | | |
|--|---------------|-----------------------|
| Other Assets Less Liabilities | 1.1% | 4,347,334 |
| Liability for TOB Trust Certificates, Including | | |
| Interest Expense and Fees Payable | (12.1)% | (55,170,558) |
| VRDP Shares at Liquidation Value, Net of Deferred Offering Costs | (52.0)% | (236,599,378) |
| Net Assets Applicable to Common Shares | 100.0% | \$ 456,364,729 |

Notes to Schedule of Investments

- (a) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.
- (b) Zero-coupon bond.
- (c) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (d) Security is collateralized by municipal bonds or U.S. Treasury obligations.
- (e) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (f) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between June 15, 2019 to September 1, 2020, is \$13,907,845. See Note 4 of the Notes to Financial Statements for details.
- (g) During the six months ended January 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at July 31, 2016 | Net Activity | Shares Held at January 31, 2017 | Value at January 31, 2017 | Income | Net Realized Gain ¹ | Change in Unrealized Appreciation |
|--|------------------------------------|-----------------|---------------------------------------|---------------------------------|-----------|--------------------------------------|---|
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 15,571,111 | (13,928,749) | 1,642,362 | \$ 1,642,526 | \$ 12,499 | \$ 5,224 | \$ 63 |

¹ Includes net capital gain distributions.

- (h) Current yield as of period end.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

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

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

| Contracts | Issue | Expiration | Notional Value | Unrealized Depreciation |
|--------------|----------------------------|------------|----------------|-------------------------|
| Short | | | | |
| (66) | 5-Year U.S. Treasury Note | March 2017 | \$ 7,779,234 | \$ (17,980) |
| (310) | 10-Year U.S. Treasury Note | March 2017 | \$ 38,585,313 | (103,946) |
| (153) | Long U.S. Treasury Bond | March 2017 | \$ 23,079,094 | (27,959) |
| (12) | Ultra U.S. Treasury Bond | March 2017 | \$ 1,928,250 | (8,935) |
| Total | | | | \$ (158,820) |

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Liabilities | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|-------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|------------|
| Futures contracts | Net unrealized depreciation ¹ | | | | | \$ 158,820 | | \$ 158,820 |

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended January 31, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|---|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| Futures contracts | | | | | \$ 2,261,009 | | \$ 2,261,009 |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | | |
| Futures contracts | | | | | \$ 261,656 | | \$ 261,656 |

Average Quarterly Balances of Outstanding Derivative Financial Instruments

| | | | |
|-------------------------------------|-------|--|-------------------------|
| Futures contracts: | | | |
| Average notional value of contracts | long | | \$ 362,820 ¹ |
| Average notional value of contracts | short | | \$ 48,761,117 |

¹ Actual amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter.

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|--------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long Term Investments ¹ | | \$ 742,144,805 | | \$ 742,144,805 |
| Short Term Securities | \$ 1,642,526 | | | 1,642,526 |
| Total | \$ 1,642,526 | \$ 742,144,805 | | \$ 743,787,331 |

Derivative Financial Instruments²

| | | | | |
|-------------------------|--------------|--|--|--------------|
| Liabilities: | | | | |
| Interest rate contracts | \$ (158,820) | | | \$ (158,820) |

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

² Derivative financial instruments are futures contracts. Futures contracts are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|------------------|---------|------------------|
| Liabilities: | | | | |
| TOB Trust Certificates | | \$ (55,088,706) | | \$ (55,088,706) |
| VRDP Shares at Liquidation Value | | (237,100,000) | | (237,100,000) |
| Total | | \$ (292,188,706) | | \$ (292,188,706) |

During the six months ended January 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments January 31, 2017 (Unaudited)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

| | Par | |
|---|----------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Alabama 4.4% | | |
| City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC) (a): | | |
| 6.00%, 6/01/19 | \$ 2,985 | \$ 3,309,618 |
| 6.13%, 6/01/19 | 1,500 | 1,667,430 |
| City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35 | 350 | 388,507 |
| | | 5,365,555 |
| California 20.3% | | |
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/18 (a) | | |
| | 1,960 | 2,099,336 |
| California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42 | | |
| | 1,150 | 1,309,781 |
| City & County of San Francisco California Airports Commission, Refunding ARB, AMT, Series A: | | |
| 2nd, 5.50%, 5/01/28 | 720 | 831,917 |
| 2nd, 5.25%, 5/01/33 | 560 | 621,522 |
| 5.00%, 5/01/44 | 745 | 806,053 |
| City of San Jose California, Refunding ARB, Series A-1, AMT: | | |
| 5.50%, 3/01/30 | 1,600 | 1,790,176 |
| 6.25%, 3/01/34 | 1,250 | 1,435,325 |
| County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/18 (a) | | |
| | 1,400 | 1,488,802 |
| Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33 | | |
| | 970 | 1,145,056 |
| Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/21 (a) | | |
| | 1,000 | 1,173,260 |
| Riverside County Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/40 | | |
| | 2,000 | 2,286,040 |
| San Diego Public Facilities Financing Authority Water, Refunding RB, Series B (AGC), 5.38%, 8/01/19 (a) | | |
| | 1,020 | 1,124,927 |
| State of California, GO, Various Purposes (AGC), 5.50%, 11/01/39 | | |
| | 3,450 | 3,792,827 |
| State of California Public Works Board, LRB, Various Capital Projects, Series I, 5.50%, 11/01/31 | | |
| | 1,000 | 1,180,540 |
| State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33 | | |
| | 490 | 573,589 |
| Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40 | | |
| | 370 | 423,165 |
| University of California, Refunding RB, The Regents of Medical Center, Series J, 5.25%, 5/15/38 | | |
| | 2,235 | 2,568,104 |
| | | 24,650,420 |
| Colorado 2.6% | | |
| City & County of Denver Colorado Airport System, ARB, Series A, AMT: | | |
| 5.50%, 11/15/28 | 500 | 567,935 |
| 5.50%, 11/15/30 | 225 | 253,618 |
| 5.50%, 11/15/31 | 270 | 303,580 |
| Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/19 (a) | | |
| | 1,300 | 1,439,607 |
| Denver Convention Center Hotel Authority, Refunding RB, 5.00%, 12/01/40 | | |
| | 500 | 539,870 |
| | | 3,104,610 |
| Florida 13.3% | | |
| City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33 | | |
| | 270 | 309,434 |
| Par | | |
| | | |
| Municipal Bonds | | |
| | (000) | Value |
| Florida (continued) | | |
| County of Broward Florida Airport System Revenue, ARB, Series A, AMT, 5.00%, 10/01/45 | | |
| | \$ 575 | \$ 620,667 |
| | 1,170 | 1,321,737 |

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| | | |
|---|-------|------------|
| County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International Airport, Series A, AMT, 5.50%, 10/01/29 | | |
| County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32 | 1,000 | 1,106,960 |
| County of Lee Florida HFA, RB, S/F Housing, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40 | 90 | 90,877 |
| County of Manatee Florida HFA, RB, S/F Housing, Series A, AMT (Ginnie Mae, Fannie Mae & Freddie Mac), 5.90%, 9/01/40 | 85 | 86,186 |
| County of Miami-Dade Florida, RB, Seaport Department: | | |
| Series A, 6.00%, 10/01/38 | 1,840 | 2,147,004 |
| Series A, 5.50%, 10/01/42 | 2,125 | 2,395,831 |
| Series B, AMT, 6.00%, 10/01/26 | 590 | 695,911 |
| Series B, AMT, 6.00%, 10/01/27 | 775 | 913,345 |
| Series B, AMT, 6.25%, 10/01/38 | 310 | 367,161 |
| Series B, AMT, 6.00%, 10/01/42 | 410 | 472,295 |
| County of Miami-Dade Florida, Refunding RB: | | |
| Seaport Department, Series D, AMT, 6.00%, 10/01/26 | 735 | 866,940 |
| Water & Sewer System, Series B, 5.25%, 10/01/29 | 500 | 577,130 |
| County of Miami-Dade Florida Aviation, Refunding ARB, Series A, AMT, 5.00%, 10/01/31 | 2,165 | 2,360,716 |
| Orange County Health Facilities Authority, Refunding RB, Presbyterian Retirement Communities Project, 5.00%, 8/01/41 | 1,000 | 1,051,730 |
| Reedy Creek Florida Improvement District, GO, Series A, 5.25%, 6/01/32 | 710 | 816,954 |
| | | 16,200,878 |
| Hawaii 1.9% | | |
| State of Hawaii, Department of Transportation, COP, AMT: | | |
| 5.25%, 8/01/25 | 250 | 281,608 |
| 5.25%, 8/01/26 | 810 | 904,616 |
| State of Hawaii, Department of Transportation, RB, Series A, AMT, 5.00%, 7/01/45 | 1,000 | 1,073,790 |
| | | 2,260,014 |
| Illinois 18.8% | | |
| City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A, 5.00%, 1/01/41 | 1,010 | 1,068,590 |
| City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien: | | |
| Series A, 5.75%, 1/01/39 | 770 | 864,025 |
| Series C, 6.50%, 1/01/21 (a) | 3,680 | 4,377,323 |
| City of Chicago Illinois Transit Authority, RB: | | |
| Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 (a) | 1,400 | 1,523,648 |
| Sales Tax Receipts, 5.25%, 12/01/36 | 1,000 | 1,068,430 |
| City of Chicago Illinois Transit Authority, Refunding RB, Federal Transit Administration, Section 5309 (AGM), 5.00%, 6/01/28 | 3,000 | 3,145,020 |
| City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 1/01/42 | 1,375 | 1,444,547 |
| County of Cook Illinois Community College District No. 508, GO, City College of Chicago: | | |
| 5.50%, 12/01/38 | 1,000 | 1,072,780 |
| 5.25%, 12/01/43 | 1,160 | 1,223,881 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

| | Par | |
|--|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Illinois (continued) | | |
| Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41 | \$ 1,555 | \$ 1,764,972 |
| Illinois State Toll Highway Authority, RB, Series C, 5.00%, 1/01/38 | 1,000 | 1,094,940 |
| Railsplitter Tobacco Settlement Authority, RB: | | |
| 5.50%, 6/01/23 | 940 | 1,059,464 |
| 6.00%, 6/01/28 | 270 | 306,966 |
| State of Illinois, GO: | | |
| 5.25%, 2/01/32 | 1,000 | 1,019,340 |
| 5.50%, 7/01/33 | 1,500 | 1,563,210 |
| 5.50%, 7/01/38 | 280 | 289,453 |
| | | 22,886,589 |
| Indiana 4.1% | | |
| Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A, AMT, 5.00%, 7/01/40 | 375 | 380,490 |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC): | | |
| 5.50%, 1/01/19 (a) | 840 | 908,897 |
| 5.50%, 1/01/38 | 3,470 | 3,739,445 |
| | | 5,028,832 |
| Iowa 1.3% | | |
| Iowa Higher Education Loan Authority, RB, Private College Facility, Grinnell College Project, 5.00%, 12/01/41 (b) | 1,330 | 1,535,099 |
| Kentucky 0.9% | | |
| Kentucky State Property & Building Commission, Refunding RB, Project No. 93, (AGC): | | |
| 5.25%, 2/01/19 (a) | 885 | 955,703 |
| 5.25%, 2/01/27 | 115 | 122,998 |
| | | 1,078,701 |
| Louisiana 2.1% | | |
| City of New Orleans Louisiana Aviation Board, Refunding GARB, Restructuring (AGC): | | |
| Series A-1, 6.00%, 1/01/23 | 375 | 405,349 |
| Series A-2, 6.00%, 1/01/23 | 160 | 172,634 |
| Lake Charles Harbor & Terminal District, RB, Series B, AMT (AGM), 5.50%, 1/01/29 | 1,000 | 1,148,350 |
| Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29 | 805 | 850,627 |
| | | 2,576,960 |
| Massachusetts 2.3% | | |
| Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A, 5.00%, 1/01/47 | 645 | 685,403 |
| Massachusetts Development Finance Agency, Refunding RB, Emerson College, 5.00%, 1/01/41 | 525 | 550,499 |
| Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42 | 1,480 | 1,569,096 |
| | | 2,804,998 |
| Michigan 3.4% | | |
| City of Detroit Michigan Water Supply System Revenue, RB, 2nd Lien, Series B (AGM): | | |
| 6.25%, 7/01/36 | 5 | 5,406 |
| 6.25%, 7/01/19 (a) | 1,795 | 2,007,061 |
| Michigan Finance Authority, Refunding RB, Henry Ford Health System, 4.00%, 11/15/46 | 775 | 741,133 |
| Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a) | 1,265 | 1,405,706 |
| | | 4,159,306 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| Minnesota 2.7% | | |

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City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):

| | | |
|---------------------|--------|------------|
| 6.50%, 11/15/18 (a) | \$ 460 | \$ 503,612 |
| 6.50%, 11/15/38 | 2,540 | 2,742,997 |

3,246,609

Mississippi 1.5%

| | | |
|--|-------|-----------|
| Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40 | 1,190 | 1,506,480 |
|--|-------|-----------|

| | | |
|--|-----|---------|
| Mississippi State University Educational Building Corp., Refunding RB, Mississippi State University Improvement Project, 5.25%, 8/01/38 | 260 | 296,291 |
|--|-----|---------|

1,802,771

Nebraska 0.7%

| | | |
|---|-----|---------|
| County of Sarpy Nebraska Hospital Authority No. 1, Refunding RB, Nebraska Medicine, 4.00%, 5/15/51 | 920 | 896,466 |
|---|-----|---------|

Nevada 4.3%

| | | |
|--|-------|-----------|
| County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39 | 2,375 | 2,570,106 |
|--|-------|-----------|

| | | |
|---|-------|-----------|
| County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/38 | 1,000 | 1,042,320 |
|---|-------|-----------|

| | | |
|---|-------|-----------|
| County of Clark Nevada Water Reclamation District, GO, Series A, 5.25%, 7/01/19 (a) | 1,500 | 1,644,255 |
|---|-------|-----------|

5,256,681

New Jersey 4.9%

New Jersey EDA, RB:

| | | |
|---|-------|-----------|
| Private Activity Bond, Goethals Bridge Replacement Project, AMT, 5.38%, 1/01/43 | 1,000 | 1,056,950 |
|---|-------|-----------|

| | | |
|---|-----|---------|
| Private Activity Bond, Goethals Bridge Replacement Project, AMT (AGM), 5.00%, 1/01/31 | 530 | 579,810 |
|---|-----|---------|

| | | |
|---|-----|-----------|
| School Facilities Construction (AGC), 6.00%, 12/15/18 (a) | 980 | 1,069,033 |
|---|-----|-----------|

| | | |
|---|----|--------|
| School Facilities Construction (AGC), 6.00%, 12/15/18 (a) | 20 | 21,801 |
|---|----|--------|

| | | |
|---|-------|-----------|
| New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%, 7/01/38 | 1,400 | 1,511,566 |
|---|-------|-----------|

| | | |
|---|-------|-----------|
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series AA, 5.50%, 6/15/39 | 1,600 | 1,662,544 |
|---|-------|-----------|

5,901,704

New York 6.0%

| | | |
|---|-------|-----------|
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, Series FF-2, 5.50%, 6/15/40 | 1,545 | 1,687,264 |
|---|-------|-----------|

| | | |
|--|-------|-----------|
| City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/29 | 2,000 | 2,151,020 |
|--|-------|-----------|

| | | |
|---|-----|---------|
| New York Transportation Development Corp., RB, LaGuardia Airport Terminal B Redevelopment Project, Series A, AMT, 5.25%, 1/01/50 | 600 | 632,964 |
|---|-----|---------|

| | | |
|---|-------|-----------|
| Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 166th Series, 5.25%, 7/15/36 | 2,500 | 2,787,975 |
|---|-------|-----------|

7,259,223

Ohio 1.4%

| | | |
|--|-------|-----------|
| State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/31 | 1,500 | 1,710,915 |
|--|-------|-----------|

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

| | Par | |
|--|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| South Carolina 8.3% | | |
| County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38 | \$ 1,470 | \$ 1,684,649 |
| County of Charleston South Carolina Airport District, ARB, Series A, AMT: 5.50%, 7/01/26 | 1,810 | 2,068,902 |
| 6.00%, 7/01/38 | 1,155 | 1,311,110 |
| 5.50%, 7/01/41 | 1,000 | 1,106,150 |
| South Carolina Ports Authority, RB, AMT, 5.25%, 7/01/50 | 750 | 811,958 |
| State of South Carolina Public Service Authority, Refunding RB: Series C, 5.00%, 12/01/46 | 2,535 | 2,791,618 |
| Series E, 5.25%, 12/01/55 | 350 | 383,359 |
| | | 10,157,746 |
| Texas 19.6% | | |
| Austin Community College District Public Facility Corp., RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/18 (a) | 2,250 | 2,391,255 |
| City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37 | 930 | 1,053,272 |
| City of Frisco Texas ISD, GO, School Building (AGC), 5.50%, 8/15/41 | 1,210 | 1,319,299 |
| City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC): 5.38%, 5/15/19 (a) | 950 | 1,039,120 |
| 6.00%, 5/15/19 (a) | 2,560 | 2,836,147 |
| 6.00%, 5/15/19 (a) | 1,945 | 2,154,807 |
| 6.00%, 11/15/35 | 140 | 154,666 |
| 6.00%, 11/15/36 | 110 | 121,524 |
| 5.38%, 11/15/38 | 50 | 53,888 |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC): 6.50%, 1/01/19 (a) | 265 | 291,264 |
| 6.50%, 7/01/37 | 835 | 899,228 |
| Dallas-Fort Worth International Airport, ARB, Joint Improvement, Series H, AMT, 5.00%, 11/01/37 | 980 | 1,053,980 |
| Dallas-Fort Worth International Airport, Refunding ARB, Joint Revenue, Series E, AMT, 5.50%, 11/01/27 | 2,500 | 2,888,000 |
| Lower Colorado River Authority, Refunding RB, 5.50%, 5/15/33 | 730 | 837,456 |
| North Texas Tollway Authority, RB, Special Projects, Series A, 5.50%, 9/01/41 | 2,750 | 3,128,097 |
| North Texas Tollway Authority, Refunding RB, 1st Tier: (AGM), 6.00%, 1/01/43 | 1,000 | 1,137,800 |
| Series K-1 (AGC), 5.75%, 1/01/19 (a) | 1,400 | 1,520,890 |
| Red River Texas Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38 | 420 | 472,731 |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, Blueridge Transportation Group, AMT, 5.00%, 12/31/55 | 525 | 544,672 |
| | | 23,898,096 |
| Virginia 1.2% | | |
| City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43 | 380 | 419,429 |
| Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a) | 1,000 | 1,098,520 |
| | | 1,517,949 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| Washington 1.6% | | |
| City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36 | \$ 1,000 | \$ 1,114,240 |
| State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36 | 725 | 812,247 |
| | | 1,926,487 |
| Wisconsin 0.7% | | |
| | 800 | 800,600 |

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Wisconsin Health & Educational Facilities Authority, Refunding RB, Medical College of

Wisconsin, Inc., 4.00%, 12/01/46

| | | | |
|------------------------------|---------------|--|-------------|
| Total Municipal Bonds | 128.3% | | 156,027,209 |
|------------------------------|---------------|--|-------------|

Municipal Bonds Transferred to Tender Option Bond Trusts (c)

Alabama 0.8%

| | | | |
|---|-----|--|---------|
| Auburn University, Refunding RB, Series A, 4.00%, 6/01/41 | 920 | | 940,120 |
|---|-----|--|---------|

California 4.2%

| | | | |
|--|-------|--|-----------|
| City of Los Angeles Department of Airports, RB, Los Angeles International Airport, AMT, Series B, 5.00%, 5/15/46 | 2,050 | | 2,249,322 |
|--|-------|--|-----------|

| | | | |
|--|-------|--|-----------|
| Sacramento Area Flood Control Agency, Refunding RB, Consolidated Capital Assessment District No.2, 5.00%, 10/01/43 | 2,565 | | 2,907,376 |
|--|-------|--|-----------|

5,156,698

Connecticut 1.1%

| | | | |
|---|-------|--|-----------|
| Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45 | 1,216 | | 1,329,156 |
|---|-------|--|-----------|

District of Columbia 0.7%

| | | | |
|---|-----|--|---------|
| District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 6.00%, 10/01/18 (a)(d) | 759 | | 821,405 |
|---|-----|--|---------|

Florida 2.2%

| | | | |
|---|-------|--|-----------|
| County of Hillsborough Florida Aviation Authority, ARB, Tampa International Airport, Series A, AMT (AGC), 5.50%, 10/01/38 | 2,499 | | 2,637,540 |
|---|-------|--|-----------|

Nevada 7.4%

| | | | |
|---|-------|--|-----------|
| County of Clark Nevada Water Reclamation District, GO (a): Limited Tax, 6.00%, 7/01/18 | 2,010 | | 2,150,700 |
|---|-------|--|-----------|

| | | | |
|--------------------------|-------|--|-----------|
| Series B, 5.50%, 7/01/19 | 1,994 | | 2,198,013 |
|--------------------------|-------|--|-----------|

| | | | |
|--|-------|--|-----------|
| Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28 | 4,200 | | 4,700,388 |
|--|-------|--|-----------|

9,049,101

New Jersey 2.2%

| | | | |
|---|-------|--|-----------|
| New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29 | 1,610 | | 1,666,779 |
|---|-------|--|-----------|

| | | | |
|---|-------|--|-----------|
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (d) | 1,000 | | 1,016,153 |
|---|-------|--|-----------|

2,682,932

New York 15.1%

| | | | |
|--|--|--|--|
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution: | | | |
|--|--|--|--|

| | | | |
|---------------------------|-------|--|-----------|
| Series BB, 5.25%, 6/15/44 | 2,999 | | 3,391,540 |
|---------------------------|-------|--|-----------|

| | | | |
|-----------------------------|-------|--|-----------|
| Series FF-2, 5.50%, 6/15/40 | 1,095 | | 1,195,828 |
|-----------------------------|-------|--|-----------|

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

| | Par | |
|---|---------------|----------------|
| | (000) | Value |
| Municipal Bonds Transferred to Tender Option Bond Trusts (c) | | |
| New York (continued) | | |
| City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39 | \$ 1,000 | \$ 1,067,827 |
| Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (d) | 1,000 | 1,131,767 |
| Metropolitan Transportation Authority, Refunding RB, Series C-1, 5.25%, 11/15/56 | 2,360 | 2,672,016 |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43 | 3,000 | 3,349,916 |
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (d) | 1,770 | 2,014,595 |
| New York State Dormitory Authority, ERB, Personal Income Tax, Series B, 5.25%, 3/15/38 | 3,250 | 3,497,488 |
| | | 18,320,977 |
| Pennsylvania 1.5% | | |
| Pennsylvania Turnpike Commission, RB, Sub Series A, 13.56%, 12/01/42 | 1,664 | 1,897,148 |
| Texas 2.3% | | |
| City of San Antonio Texas Public Service Board, Refunding RB, Series A, 5.25%, 2/01/19 (a)(d) | 2,609 | 2,816,240 |
| | Par | |
| Municipal Bonds Transferred to Tender Option Bond Trusts (c) | | |
| Utah 0.9% | | |
| City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41 | \$ 1,005 | \$ 1,065,376 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 38.4% | | 46,716,693 |
| Total Long-Term Investments | | |
| (Cost \$188,980,309) 166.7% | | 202,743,902 |
| Short-Term Securities | | |
| | Shares | |
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (e)(f) | 1,295,564 | 1,295,693 |
| Total Short-Term Securities | | 1,295,693 |
| (Cost \$1,295,693) 1.0% | | 204,039,595 |
| Total Investments (Cost \$190,276,002) 167.7% | | (41,182) |
| Liabilities in Excess of Other Assets (0.0)% | | (25,859,871) |
| Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (21.3)% | | (56,500,000) |
| VMTP Shares at Liquidation Value (46.4)% | | |
| Net Assets Applicable to Common Shares 100.0% | | \$ 121,638,542 |

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) When-issued security.
- (c) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.

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- (d) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between February 1, 2017 to November 15, 2019, is 4,627,650. See Note 4 of the Notes to Financial Statements for details.
- (e) During the six months ended January 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at July 31, 2016 | Net Activity | Shares Held at January 31, 2017 | Value at January 31, 2017 | Income | Net Realized Gain ¹ | Change in Unrealized Appreciation (Depreciation) |
|--|------------------------------------|-----------------|---------------------------------------|---------------------------------|----------|--------------------------------------|---|
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 204,010 | 1,091,554 | 1,295,564 | \$ 1,295,693 | \$ 1,385 | \$ 1,844 | |

¹ Includes net capital gain distributions.

- (f) Current yield as of period end.

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

Derivative Financial Instruments Outstanding as of Period End

| Futures Contracts | | | | | Unrealized |
|-------------------|----------------------------|------------|----------------|----|-----------------|
| Contracts | | | | | Depreciation |
| Short | Issue | Expiration | Notional Value | | |
| (21) | 5-Year U.S. Treasury Note | March 2017 | \$ 2,475,211 | \$ | (4,683) |
| (55) | 10-Year U.S. Treasury Note | March 2017 | \$ 6,845,781 | \$ | (21,317) |
| (24) | Long U.S. Treasury Bond | March 2017 | \$ 3,620,250 | \$ | (6,169) |
| (5) | Ultra U.S. Treasury Bond | March 2017 | \$ 803,438 | \$ | (3,772) |
| Total | | | | \$ | (35,941) |

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Investment Quality Fund (MFT)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Liabilities | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|-------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|-----------|
| Futures contracts | Net unrealized depreciation ¹ | | | | | \$ 35,941 | | \$ 35,941 |

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended January 31, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|-------------|
| Futures contracts | | | | | \$ 523,596 | | \$ 523,596 |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | | |
| Futures contracts | | | | | \$ (15,095) | | \$ (15,095) |

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

| | | |
|-------------------------------------|-------|--------------|
| Average notional value of contracts | short | \$ 9,849,254 |
|-------------------------------------|-------|--------------|

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|--------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments ¹ | | \$ 202,743,902 | | \$ 202,743,902 |
| Short-Term Securities | \$ 1,295,693 | | | 1,295,693 |
| Total | \$ 1,295,693 | \$ 202,743,902 | | \$ 204,039,595 |

Derivative Financial Instruments²**Liabilities:**

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| | | |
|-------------------------|-------------|-------------|
| Interest rate contracts | \$ (35,941) | \$ (35,941) |
|-------------------------|-------------|-------------|

¹ See above Schedule of Investments for values in each state or political subdivision.

² Derivative financial instruments are futures contracts. Futures contracts are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|------------------------|---------|------------------------|
| Liabilities: | | | | |
| TOB Trust Certificates | | \$ (25,820,715) | | \$ (25,820,715) |
| VMTP Shares at Liquidation Value | | (56,500,000) | | (56,500,000) |
| Total | | \$ (82,320,715) | | \$ (82,320,715) |

During the six months ended January 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments January 31, 2017 (Unaudited)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

| | Par | |
|---|--------------|---------------|
| | (000) | Value |
| Municipal Bonds | | |
| Michigan 137.2% | | |
| Corporate 4.0% | | |
| County of Monroe Michigan EDC, Refunding RB, Detroit Edison Co. Project, Series AA (NPFGC), 6.95%, 9/01/22 | \$ 14,500 | \$ 18,033,505 |
| County/City/Special District/School District 22.6% | | |
| Anchor Bay School District, GO, Refunding, (Q-SBLF): | | |
| 4.38%, 5/01/27 | 1,600 | 1,720,144 |
| 4.50%, 5/01/29 | 1,505 | 1,600,778 |
| Battle Creek School District Michigan, GO, Refunding, (Q-SBLF): | | |
| 5.00%, 5/01/35 | 1,100 | 1,220,186 |
| 5.00%, 5/01/36 | 1,500 | 1,660,155 |
| 5.00%, 5/01/37 | 1,170 | 1,292,019 |
| Berkley School District, GO, School Building & Site (Q-SBLF), 5.00%, 5/01/35 | 2,965 | 3,290,112 |
| Charter Township of Canton Michigan, GO, Capital Improvement (AGM) (a): | | |
| 5.00%, 4/01/17 | 3,250 | 3,272,978 |
| 5.00%, 4/01/17 | 1,000 | 1,007,070 |
| Columbia Michigan School District, GO, Unlimited Tax, School Building & Site (Q-SBLF), 5.00%, 5/01/38 | 5,185 | 5,714,233 |
| Comstock Park Michigan Public Schools, GO, School Building & Site, Series B (Q-SBLF): | | |
| 5.50%, 5/01/36 | 1,200 | 1,342,212 |
| 5.50%, 5/01/41 | 2,185 | 2,443,944 |
| County of Genesee Michigan, GO, Refunding, Series A (NPFGC), 5.00%, 5/01/19 | 1,000 | 1,009,840 |
| Dearborn Brownfield Redevelopment Authority, GO, Limited Tax, Redevelopment, Series A (AGC), 5.50%, 5/01/39 | 5,300 | 5,684,197 |
| Dearborn School District, GO, School Building & Site, Series A (Q-SBLF): | | |
| 5.00%, 5/01/32 | 1,500 | 1,679,100 |
| 5.00%, 5/01/33 | 1,600 | 1,782,768 |
| 5.00%, 5/01/34 | 1,200 | 1,331,676 |
| Dowagiac Union School District, GO, (Q-SBLF), 5.00%, 5/01/41 | 1,140 | 1,267,406 |
| Farmington Public School District, GO, Refunding, School Building & Site (AGM): | | |
| 5.00%, 5/01/33 | 1,500 | 1,685,085 |
| 5.00%, 5/01/34 | 1,500 | 1,678,185 |
| 5.00%, 5/01/35 | 1,000 | 1,115,740 |
| Flint EDC, RB, Michigan Department of Human Services Office Building Project, 5.25%, 10/01/41 | 4,950 | 5,284,571 |
| Goodrich Area School District Michigan, GO, School Building & Site (Q-SBLF): | | |
| 5.50%, 5/01/32 | 1,000 | 1,118,510 |
| 5.50%, 5/01/36 | 2,000 | 2,237,020 |
| 5.50%, 5/01/41 | 2,575 | 2,880,163 |
| Grandville Public Schools, GO, School Building & Site, Series II (AGM), 5.00%, 5/01/40 | 3,250 | 3,569,670 |
| Hudsonville Michigan Public Schools, GO, School Building & Site (Q-SBLF), 5.25%, 5/01/41 | 6,750 | 7,491,015 |
| Kentwood Public Schools, GO, School Building & Site: | | |
| 5.00%, 5/01/41 | 1,120 | 1,247,030 |
| 5.00%, 5/01/44 | 1,815 | 2,016,338 |
| Livonia Public Schools School District Michigan, GO, Series I (AGM), 5.00%, 5/01/43 | 5,000 | 5,438,000 |
| Mattawan Consolidated School District, GO, Series I (Q-SBLF), 5.00%, 5/01/39 | 3,375 | 3,722,153 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| Michigan (continued) | | |
| County/City/Special District/School District (continued) | | |
| Portage Public Schools, GO, Refunding School Building & Site: | | |
| 5.00%, 11/01/34 | \$ 1,000 | \$ 1,123,490 |
| 5.00%, 11/01/36 | 1,000 | 1,117,610 |
| 5.00%, 11/01/37 | 1,250 | 1,392,825 |
| 5.00%, 11/01/35 | 1,340 | 1,502,086 |
| | 2,250 | 2,501,460 |

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| | | |
|---|-------|-------------|
| Romeo Community School District, GO, Refunding School Building & Site, Series 1 (Q-SBLF), 5.00%, 5/01/41 | | |
| Thornapple Kellogg School District Michigan, GO, Refunding, School Building & Site (NPFGC) (Q-SBLF), 5.00%, 5/01/17 (a) | 3,000 | 3,031,830 |
| Township of Montrose Michigan Community Schools, GO, (NPFGC) (Q-SBLF), 6.20%, 5/01/17 | 210 | 212,209 |
| Troy School District, GO, School Building & Site (Q-SBLF), 5.00%, 5/01/28 | 2,000 | 2,275,440 |
| Walled Lake Consolidated School District, GO, School Building & Site (Q-SBLF): | | |
| 5.00%, 5/01/37 | 2,850 | 3,140,900 |
| 5.00%, 5/01/40 | 2,630 | 2,893,421 |
| 5.00%, 5/01/43 | 1,530 | 1,678,410 |
| Zeeland Public Schools, GO, School Building & Site, Series A (AGM): | | |
| 5.00%, 5/01/33 | 1,000 | 1,106,630 |
| 5.00%, 5/01/34 | 1,000 | 1,102,110 |
| 5.00%, 5/01/35 | 1,000 | 1,098,360 |
| | | 100,979,079 |
| Education 25.3% | | |
| City of Grand Rapids Michigan, EDC, RB, Ferris State University Project, Series A, 5.50%, 10/01/35 | 760 | 835,111 |
| Ferris State University, Refunding RB: | | |
| 5.00%, 10/01/41 | 2,250 | 2,493,495 |
| General (AGM), 4.50%, 10/01/24 | 1,595 | 1,671,145 |
| General (AGM), 4.50%, 10/01/25 | 1,405 | 1,472,075 |
| Grand Valley State University, RB, (NPFGC), 5.50%, 2/01/18 | 390 | 396,139 |
| Michigan Finance Authority, Refunding RB: | | |
| College for Creative Studies, 4.00%, 12/01/33 | 1,720 | 1,664,564 |
| College for Creative Studies, 5.00%, 12/01/36 | 1,550 | 1,618,231 |
| College for Creative Studies, 5.00%, 12/01/40 | 2,900 | 3,013,709 |
| College for Creative Studies, 5.00%, 12/01/45 | 4,400 | 4,559,324 |
| Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/28 | 8,750 | 8,874,600 |
| Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/29 | 5,900 | 5,957,112 |
| Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/30 | 2,850 | 2,862,227 |
| Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/31 | 3,150 | 3,154,662 |
| Michigan State University, Refunding RB, General, Series C: | | |
| 5.00%, 2/15/40 | 8,470 | 9,146,922 |
| 5.00%, 2/15/44 | 1,000 | 1,079,920 |
| Michigan Technological University, RB, General, Series A, 5.00%, 10/01/45 | 1,800 | 1,972,062 |
| Oakland University, RB, General: | | |
| 5.00%, 3/01/32 | 400 | 441,416 |
| 5.00%, 3/01/47 | 2,500 | 2,758,625 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

| | Par | |
|--|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Michigan (continued) | | |
| Education (continued) | | |
| Oakland University, RB, General (continued): | | |
| Series A, 5.00%, 3/01/38 | \$ 5,490 | \$ 6,041,745 |
| Series A, 5.00%, 3/01/43 | 16,845 | 18,489,072 |
| University of Michigan, RB, Series A, 5.00%, 4/01/39 | 3,425 | 3,847,200 |
| University of Michigan, Refunding RB, 5.00%, 4/01/46 | 10,000 | 11,377,200 |
| Wayne State University, RB, General, Series A, 5.00%, 11/15/40 | 3,000 | 3,288,660 |
| Western Michigan University, Refunding RB, General, University and College | | |
| Improvements: | | |
| 5.25%, 11/15/40 | 3,500 | 3,910,165 |
| 5.25%, 11/15/43 | 8,475 | 9,434,200 |
| (AGM), 5.25%, 11/15/33 | 1,000 | 1,127,410 |
| (AGM), 5.00%, 11/15/39 | 1,750 | 1,919,505 |
| | | 113,406,496 |
| Health 35.5% | | |
| Grand Traverse County Hospital Finance Authority, RB, Series A: | | |
| 5.00%, 7/01/44 | 4,230 | 4,535,491 |
| 5.00%, 7/01/47 | 2,200 | 2,355,958 |
| Kalamazoo Hospital Finance Authority, RB (AGM), Bronson Methodist Hospital: | | |
| 5.25%, 5/15/20 (a) | 4,140 | 4,649,179 |
| 5.25%, 5/15/36 | 3,360 | 3,594,931 |
| Kent Hospital Finance Authority Michigan, Refunding RB, Spectrum Health, Series A, | | |
| 5.00%, 11/15/29 | 7,500 | 8,247,675 |
| Michigan Finance Authority, RB: | | |
| Beaumont Health Credit Group, 4.00%, 11/01/46 | 2,070 | 2,020,589 |
| Sparrow Obligated Group, 5.00%, 11/15/36 | 2,500 | 2,718,050 |
| Sparrow Obligated Group, 5.00%, 11/15/45 | 3,750 | 4,045,050 |
| Michigan Finance Authority, Refunding RB: | | |
| Henry Ford Health System, 5.00%, 11/15/41 | 3,000 | 3,233,280 |
| Henry Ford Health System, 3.25%, 11/15/42 | 1,145 | 935,431 |
| Henry Ford Health System, 4.00%, 11/15/46 | 6,000 | 5,737,800 |
| Hospital, McLaren Health Care, 5.00%, 5/15/32 | 1,000 | 1,110,100 |
| Hospital, McLaren Health Care, 5.00%, 5/15/33 | 2,000 | 2,211,100 |
| Hospital, McLaren Health Care, 5.00%, 5/15/34 | 5,000 | 5,501,300 |
| Hospital, McLaren Health Care, 5.00%, 5/15/34 | 1,500 | 1,650,390 |
| Hospital, McLaren Health Care, 5.00%, 5/15/35 | 4,945 | 5,422,242 |
| MidMichigan Health, 5.00%, 6/01/39 | 1,500 | 1,620,165 |
| Trinity Health Credit Group, 5.00%, 12/01/21 (a) | 20 | 23,103 |
| Trinity Health Credit Group, 5.00%, 12/01/31 | 5,000 | 5,640,900 |
| Trinity Health Credit Group, 5.00%, 12/01/35 | 6,500 | 7,291,960 |
| Trinity Health Credit Group, 5.00%, 12/01/39 | 4,980 | 5,577,052 |
| Michigan State Hospital Finance Authority, RB, Ascension Health Senior Credit Group, | | |
| 5.00%, 11/15/25 | 6,000 | 6,491,460 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| Michigan (continued) | | |
| Health (continued) | | |
| Michigan State Hospital Finance Authority, Refunding RB: | | |
| Henry Ford Health System, 5.75%, 11/15/19 (a) | \$ 3,165 | \$ 3,540,907 |
| Hospital, Oakwood Obligated Group, 5.00%, 11/01/32 | 4,000 | 4,318,480 |
| Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/17 (a) | 1,000 | 1,019,010 |
| Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/17 (a) | 5,730 | 5,838,927 |
| Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/17 (a) | 3,970 | 4,045,470 |
| Hospital, Sparrow Obligated Group, 5.00%, 11/15/17 (a) | 3,330 | 3,437,126 |
| Hospital, Sparrow Obligated Group, 5.00%, 11/15/31 | 1,365 | 1,392,955 |
| McLaren Health Care, Series A, 5.75%, 5/15/18 (a) | 6,000 | 6,357,060 |
| McLaren Health Care, Series A, 5.00%, 6/01/35 | 2,250 | 2,423,002 |

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| | | |
|---|--------|-------------|
| Trinity Health, 6.50%, 12/01/18 (a) | 425 | 465,834 |
| Trinity Health, 6.50%, 12/01/33 | 80 | 86,706 |
| Trinity Health Credit Group, 6.50%, 12/01/18 (a) | 1,895 | 2,077,072 |
| Trinity Health Credit Group, Series A, 6.13%, 12/01/18 (a) | 940 | 1,023,942 |
| Trinity Health Credit Group, Series A, 6.25%, 12/01/18 (a) | 1,500 | 1,637,340 |
| Trinity Health Credit Group, Series C, 4.00%, 12/01/32 | 5,300 | 5,404,410 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital: | | |
| Series D, 5.00%, 9/01/39 | 25,505 | 27,258,469 |
| Series W, 6.00%, 8/01/19 (a) | 1,500 | 1,670,820 |
| Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a) | 2,000 | 2,222,460 |
| | | 158,833,196 |
| Housing 6.6% | | |
| Michigan State HDA, RB: | | |
| M/F Housing, Rental Housing Revenue, Series A, 4.45%, 10/01/34 | 1,000 | 1,035,390 |
| M/F Housing, Rental Housing Revenue, Series A, 4.63%, 10/01/39 | 3,490 | 3,583,009 |
| M/F Housing, Rental Housing Revenue, Series A, 4.75%, 10/01/44 | 5,000 | 5,131,350 |
| M/F Housing, Series A, 4.30%, 10/01/40 | 3,320 | 3,347,921 |
| S/F Housing, Series A, 4.75%, 12/01/25 | 6,840 | 7,198,553 |
| Williams Pavilion, AMT (Ginnie Mae), 4.75%, 4/20/37 | 3,390 | 3,393,254 |
| Michigan State HDA, Refunding RB, M/F Housing, Series A, 6.05%, 10/01/41 | 5,460 | 5,790,057 |
| | | 29,479,534 |
| State 16.4% | | |
| Michigan Finance Authority, Refunding RB, Detroit Regional Convention Facility Authority Local Project Bonds, 5.00%, 10/01/39 | 5,400 | 5,853,384 |
| Michigan State Finance Authority, RB, Local Government Loan Program, Series F, 5.00%, 4/01/31 | 1,000 | 1,074,720 |
| Michigan Strategic Fund, RB, Michigan Senate Offices Project, Series A, 5.25%, 10/15/40 | 3,000 | 3,329,070 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

| | Par | |
|--|------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Michigan (continued) | | |
| State (continued) | | |
| Michigan Strategic Fund, Refunding RB, Cadillac Place Office Building Project, 5.25%, 10/15/31 | \$ 7,000 | \$ 7,842,380 |
| State of Michigan, COP, (AMBAC), 0.00%, 6/01/22 (b)(c) | 3,000 | 2,687,970 |
| State of Michigan Building Authority, RB, Local Government Loan Program, Series F, 5.25%, 10/01/41 | 8,595 | 9,256,213 |
| State of Michigan Building Authority, Refunding RB: | | |
| Facilities Program, Series I, 6.25%, 10/15/18 (a) | 3,780 | 4,103,757 |
| Facilities Program, Series I, 6.25%, 10/15/18 (a) | 2,260 | 2,453,569 |
| Facilities Program, Series I, 6.25%, 10/15/38 | 210 | 226,292 |
| Facilities Program, Series I (AGC), 5.25%, 10/15/24 | 6,000 | 6,549,240 |
| Facilities Program, Series I (AGC), 5.25%, 10/15/25 | 3,500 | 3,816,505 |
| Facilities Program, Series I (AGC), 5.25%, 10/15/26 | 1,000 | 1,089,330 |
| Facilities Program, Series I-A, 5.50%, 10/15/45 | 2,000 | 2,233,540 |
| Facilities Program, Series II (AGM), 5.00%, 10/15/26 | 7,500 | 8,118,600 |
| Series I, 5.00%, 4/15/41 | 4,750 | 5,273,973 |
| State of Michigan Trunk Line Fund, RB: | | |
| 5.00%, 11/15/33 | 3,000 | 3,356,730 |
| 5.00%, 11/15/36 | 5,345 | 5,954,918 |
| | | 73,220,191 |
| Transportation 11.4% | | |
| State of Michigan, RB, Garvee, GAB (AGM), 5.25%, 9/15/17 (a) | 8,500 | 8,732,900 |
| Wayne County Airport Authority, RB: | | |
| Detroit Metropolitan Wayne County Airport, AMT (NPFGC), 5.00%, 12/01/39 | 1,475 | 1,578,397 |
| Series D, 5.00%, 12/01/35 | 3,850 | 4,214,903 |
| Series D, 5.00%, 12/01/45 | 5,000 | 5,422,950 |
| Wayne County Airport Authority, Refunding RB, AMT: | | |
| (AGC), 5.75%, 12/01/25 | 4,000 | 4,284,200 |
| (AGC), 5.75%, 12/01/26 | 4,060 | 4,348,463 |
| (AGC), 5.38%, 12/01/32 | 13,000 | 13,694,590 |
| Series F, 5.00%, 12/01/34 | 8,000 | 8,708,000 |
| | | 50,984,403 |
| Utilities 15.4% | | |
| City of Detroit Michigan Sewage Disposal System, Refunding RB, Senior Lien, Series A, 5.25%, 7/01/39 | 2,655 | 2,861,984 |
| City of Detroit Michigan Water Supply System, RB, Senior Lien, Series A, 5.25%, 7/01/41 | 4,325 | 4,606,601 |
| City of Detroit Michigan Water Supply System Revenue, RB, Series A (NPFGC), 5.00%, 7/01/34 | 10 | 10,023 |
| City of Grand Rapids Michigan Sanitary Sewer System, Refunding RB, Series A (NPFGC), 5.50%, 1/01/22 | 1,280 | 1,432,179 |
| City of Holland Michigan Electric Utility System, RB, Series A, 5.00%, 7/01/39 | 10,000 | 11,138,800 |
| City of Lansing Michigan, RB, Board of Water & Light Utilities System, Series A: | | |
| 5.00%, 7/01/27 | 3,180 | 3,567,038 |
| 5.00%, 7/01/31 | 6,830 | 7,535,197 |
| | Par | |
| Municipal Bonds | | |
| Michigan (continued) | | |
| Utilities (continued) | | |
| City of Lansing Michigan, RB, Board of Water & Light Utilities System, Series A (continued): | | |
| 5.00%, 7/01/37 | \$ 3,335 | \$ 3,679,339 |
| 5.50%, 7/01/41 | 5,000 | 5,655,900 |
| City of Port Huron Michigan, RB, Water Supply System: | | |
| 5.25%, 10/01/31 | 500 | 535,345 |
| 5.63%, 10/01/40 | 1,500 | 1,642,830 |

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| | | |
|--|--------|--------------------|
| Great Lakes Water Authority Water Supply System Revenue, RB, Second Lien, Series B, 5.00%, 7/01/46 | 10,000 | 10,721,100 |
| Michigan Finance Authority, Refunding RB: Government Loan Program, 5.00%, 7/01/34 | 2,000 | 2,195,600 |
| Government Loan Program, 5.00%, 7/01/35 | 750 | 820,508 |
| Senior Lien, Detroit Water and Sewer, Series C-3 (AGM), 5.00%, 7/01/31 | 1,000 | 1,111,000 |
| Senior Lien, Detroit Water and Sewer, Series C-3 (AGM), 5.00%, 7/01/32 | 5,250 | 5,810,910 |
| Senior Lien, Detroit Water and Sewer, Series C-3 (AGM), 5.00%, 7/01/33 | 3,000 | 3,308,100 |
| Michigan Municipal Bond Authority, RB, State Clean Water Revolving Fund, Pooled Project, 5.00%, 10/01/20 (a) | 2,000 | 2,252,200 |
| | | 68,884,654 |
| Total Municipal Bonds 137.2% | | 613,821,058 |

Municipal Bonds Transferred to Tender Option Bond Trusts (d)

| | | |
|---|--------|------------|
| Michigan 24.8% | | |
| County/City/Special District/School District 4.2% | | |
| Lakewood Public Schools Michigan, GO, School Building & Site (AGM) (Q-SBLF), 5.00%, 5/01/17 (a) | 10,440 | 11,040,874 |
| Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/18 (a) | 7,500 | 7,873,275 |
| | | 18,914,149 |
| Education 12.0% | | |
| Michigan State University, Refunding RB, General, Series A, 5.00%, 8/15/38 | 10,000 | 11,274,300 |
| Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/18 (a) | 10,000 | 10,555,400 |
| Wayne State University, RB, General, Series A, 5.00%, 11/15/40 | 10,000 | 10,962,200 |
| Wayne State University, Refunding RB, General (AGM): 5.00%, 11/15/18 (a) | 8,880 | 9,364,746 |
| 5.00%, 11/15/35 | 11,120 | 11,727,024 |
| | | 53,883,670 |
| Health 8.6% | | |
| Michigan Finance Authority, RB, Beaumont Health Credit Group, 5.00%, 11/01/44 | 10,002 | 10,810,510 |
| Michigan Finance Authority, Refunding RB: Hospital, Trinity Health Credit Group, 5.00%, 12/01/39 | 190 | 212,779 |
| Trinity Health Corp., Series 2016, 5.00%, 12/01/45 | 19,735 | 21,596,346 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

| | Par (000) | Value |
|--|---------------|----------------|
| Municipal Bonds Transferred to Tender Option Bond Trusts (d) | | |
| Michigan (continued) | | |
| Health (continued) | | |
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 5.00%, 10/15/45 | \$ 5,150 | \$ 5,664,279 |
| | | 38,283,914 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 24.8% | | 111,081,733 |
| Total Long-Term Investments (Cost \$693,696,916) 162.0% | | 724,902,791 |
| Short-Term Securities | Shares | Value |
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (e)(f) | 4,724,982 | \$ 4,725,454 |
| Total Short-Term Securities (Cost \$4,725,361) 1.1% | | 4,725,454 |
| Total Investments (Cost \$698,422,277) 163.1% | | 729,628,245 |
| Other Assets Less Liabilities 1.6% | | 7,094,870 |
| Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (12.9)% | | (57,166,919) |
| Loan for TOB Trust Certificates | | (659,835) |
| VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (51.8)% | | (231,461,378) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 447,434,983 |

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Security is collateralized by municipal bonds or U.S. Treasury obligations.
- (c) Zero-coupon bond.
- (d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (e) During the six months ended January 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at July 31, 2016 | Net Activity | Shares Held at January 31, 2017 | Value at January 31, 2017 | Income | Net | |
|---|------------------------------------|-----------------|---------------------------------------|---------------------------------|----------|-------------------------------|---|
| | | | | | | Realized Gain ¹ | Change in Unrealized Appreciation |
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 4,096,066 | 628,916 | 4,724,982 | \$ 4,725,454 | \$ 9,319 | \$ 330 | \$ 93 |

¹ Includes net capital gain distributions.

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(f) Current yield as of period end.

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

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

| Contracts | Short | Issue | Expiration | Notional Value | Unrealized Appreciation (Depreciation) |
|--------------|-------|----------------------------|------------|----------------|--|
| (67) | | 5-Year U.S. Treasury Note | March 2017 | \$ 7,897,102 | \$ (7,737) |
| (272) | | 10-Year U.S. Treasury Note | March 2017 | \$ 33,855,500 | (39,097) |
| (158) | | Long U.S. Treasury Bond | March 2017 | \$ 23,833,312 | 55,351 |
| (24) | | Ultra U.S. Treasury Bond | March 2017 | \$ 3,856,500 | 396 |
| Total | | | | | \$ 8,913 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|-------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|-----------|
| Futures contracts | Net unrealized appreciation ¹ | | | | | \$ 55,747 | | \$ 55,747 |
| Liabilities | Derivative Financial Instruments | | | | | | | |
| Futures contracts | Net unrealized depreciation ¹ | | | | | \$ 46,834 | | \$ 46,834 |

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended January 31, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| Futures contracts | | | | | \$ 2,485,299 | | \$ 2,485,299 |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | | |
| Futures contracts | | | | | \$ 255,703 | | \$ 255,703 |

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

| | | |
|-------------------------------------|-------|-------------------------|
| Average notional value of contracts | long | \$ 483,760 ¹ |
| Average notional value of contracts | short | \$ 50,393,176 |

¹ Actual amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter.

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|--------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments ¹ | | \$ 724,902,791 | | \$ 724,902,791 |
| Short-Term Securities | \$ 4,725,454 | | | 4,725,454 |
| Total | \$ 4,725,454 | \$ 724,902,791 | | \$ 729,628,245 |

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Derivative Financial Instruments²

Assets:

| | | |
|-------------------------|-----------|-----------|
| Interest rate contracts | \$ 55,747 | \$ 55,747 |
|-------------------------|-----------|-----------|

Liabilities:

| | | |
|-------------------------|----------|----------|
| Interest rate contracts | (46,834) | (46,834) |
|-------------------------|----------|----------|

| | | |
|--------------|-----------------|-----------------|
| Total | \$ 8,913 | \$ 8,913 |
|--------------|-----------------|-----------------|

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

² Derivative financial instruments are futures contracts. Futures contracts are valued at the unrealized appreciation (depreciation) on the instrument.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|-------------------------|---------|-------------------------|
| TOB Trust Certificates | | \$ (57,062,222) | | \$ (57,062,222) |
| Loan for TOB Trust Certificates | | (659,835) | | (659,835) |
| VRDP Shares at Liquidation Value | | (231,900,000) | | (231,900,000) |
| Total | | \$ (289,622,057) | | \$ (289,622,057) |

During the six months ended January 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments January 31, 2017 (Unaudited)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

| | Par | |
|---|------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Pennsylvania 117.8% | | |
| Corporate 3.0% | | |
| County of Beaver Pennsylvania IDA, Refunding RB, First Energy Nuclear Energy Project, Series B, 3.50%, 12/01/35 (a) | \$ 3,745 | \$ 1,546,797 |
| Pennsylvania Economic Development Financing Authority, RB: | | |
| American Water Co. Project, 6.20%, 4/01/39 | 1,510 | 1,646,655 |
| Aqua Pennsylvania, Inc. Project, Series B, 4.50%, 12/01/42 | 2,630 | 2,712,030 |
| Pennsylvania Economic Development Financing Authority, Refunding RB, AMT: | | |
| Aqua Pennsylvania, Inc. Project, Series A, 5.00%, 12/01/34 | 180 | 191,392 |
| National Gypsum Co., 5.50%, 11/01/44 | 135 | 142,386 |
| | | 6,239,260 |
| County/City/Special District/School District 31.5% | | |
| Allentown Neighborhood Improvement Zone Development Authority, Refunding RB, Series A: | | |
| 5.00%, 5/01/35 | 190 | 197,900 |
| 5.00%, 5/01/42 | 450 | 466,133 |
| Bethlehem Area School District, GO, (BAM), Series A: | | |
| 5.00%, 8/01/34 | 1,610 | 1,784,991 |
| 5.00%, 8/01/35 | 1,210 | 1,336,832 |
| Borough of West Chester Pennsylvania, GO, Refunding, 3.50%, 11/15/35 | 1,095 | 1,061,154 |
| Boyertown Area School District, GO: | | |
| 5.00%, 10/01/36 | 610 | 674,446 |
| 5.00%, 10/01/38 | 920 | 1,014,732 |
| City of Philadelphia Pennsylvania, GO, Refunding, Series A: | | |
| (AGM), 5.25%, 12/15/18 (b) | 5,000 | 5,384,950 |
| (AGC), 5.00%, 8/01/24 | 2,370 | 2,561,946 |
| City of Pittsburgh Pennsylvania, GO, Series B, 5.00%, 9/01/26 | 1,095 | 1,237,821 |
| County of Bucks Pennsylvania Water & Sewer Authority, RB, Series A (AGM): | | |
| 5.00%, 12/01/37 | 780 | 867,422 |
| 5.00%, 12/01/40 | 1,000 | 1,111,360 |
| County of Dauphin General Authority, Refunding RB, Pinnacle Health System Project, 6.00%, 6/01/29 | 260 | 283,868 |
| County of Lycoming Pennsylvania Water & Sewer Authority, RB, (AGM), 5.00%, 11/15/19 (b) | 500 | 550,465 |
| County of Montgomery Pennsylvania IDA, RB, Acts Retirement Life Communities, Inc., 5.00%, 11/15/36 | 1,955 | 2,084,206 |
| County of Northampton Pennsylvania IDA, Route 33 Project, Tax Allocation Bonds, 7.00%, 7/01/32 | 180 | 202,568 |
| County of York Pennsylvania, GO, Refunding, 5.00%, 3/01/36 | 500 | 548,275 |
| East Stroudsburg Area School District, GO, Refunding, Series A (AGM), 5.00%, 9/01/25 | 3,000 | 3,066,030 |
| Lower Merion School District, GO, Refunding, Series A, 3.25%, 11/15/27 | 2,035 | 2,092,041 |
| Marple Newtown School District, GO, (AGM), 5.00%, 6/01/19 (b) | 4,100 | 4,455,880 |
| Northeastern School District York County, GO, Series B (NPFGC), 5.00%, 4/01/17 (b) | 1,585 | 1,596,206 |
| Owen J. Roberts School District, GO, 4.75%, 11/15/25 | 700 | 728,924 |
| Philadelphia School District, GO, Series E (b): | | |
| 2015, 6.00%, 9/01/18 | 5 | 5,383 |
| 2015-2, 6.00%, 9/01/18 | 5 | 5,383 |
| 2016, 6.00%, 9/01/18 | 3,340 | 3,595,577 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| Pennsylvania (continued) | | |
| County/City/Special District/School District (continued) | | |
| Shaler Area School District Pennsylvania, GO, CAB (Syncora), 0.00%, 9/01/30 (c) | \$ 6,145 | \$ 3,749,556 |
| State Public School Building Authority, RB (AGM): | | |
| Community College, Allegheny County Project, 5.00%, 7/15/34 | 2,190 | 2,407,029 |
| Corry Area School District, CAB, 0.00%, 12/15/22 (c) | 1,640 | 1,403,791 |
| Corry Area School District, CAB, 0.00%, 12/15/23 (c) | 1,980 | 1,626,194 |
| Corry Area School District, CAB, 0.00%, 12/15/24 (c) | 1,980 | 1,566,576 |

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| | | |
|--|-------|------------|
| Corry Area School District, CAB, 0.00%, 12/15/25 (c) | 1,770 | 1,342,793 |
| State Public School Building Authority, Refunding RB, Harrisburg School District Project, Series A (AGC) (b): | | |
| 5.00%, 5/15/19 | 215 | 233,355 |
| 5.00%, 5/15/19 | 215 | 233,251 |
| 5.00%, 5/15/19 | 855 | 927,581 |
| Township of Bristol Pennsylvania School District, GO: | | |
| 5.00%, 6/01/40 | 775 | 830,025 |
| (BAM), 5.00%, 6/01/42 | 1,685 | 1,863,981 |
| 5.25%, 6/01/43 | 6,925 | 7,640,837 |
| Township of Falls Pennsylvania, Refunding RB, Water & Sewer Authority, 5.00%, 12/01/37 | 1,270 | 1,375,702 |
| Township of Lower Paxton Pennsylvania, GO: | | |
| 5.00%, 4/01/42 | 435 | 483,007 |
| 5.00%, 4/01/46 | 1,435 | 1,589,506 |
| Township of Upper Moreland Pennsylvania School District, GO, 5.00%, 10/01/34 | 130 | 144,717 |
| | | 64,332,394 |
| Education 18.0% | | |
| County of Adams Pennsylvania IDA, Refunding RB, Gettysburg College: | | |
| 5.00%, 8/15/24 | 100 | 109,162 |
| 5.00%, 8/15/25 | 100 | 108,877 |
| 5.00%, 8/15/26 | 100 | 108,877 |
| County of Cumberland Pennsylvania Municipal Authority, RB, AICUP Financing Program, Dickinson College Project, 5.00%, 11/01/39 | 200 | 212,324 |
| County of Cumberland Pennsylvania Municipal Authority, Refunding RB, Diakon Lutheran: | | |
| 6.38%, 1/01/19 (b) | 900 | 988,335 |
| 6.38%, 1/01/39 | 100 | 108,678 |
| County of Delaware Pennsylvania Authority, RB, Villanova University: | | |
| 5.00%, 8/01/40 | 1,205 | 1,335,971 |
| 5.00%, 8/01/45 | 3,610 | 3,988,400 |
| County of Delaware Pennsylvania Authority, Refunding RB: | | |
| Haverford College, 5.00%, 11/15/35 | 415 | 451,238 |
| Villanova University, 5.25%, 12/01/19 (b) | 100 | 110,985 |
| County of Northampton Pennsylvania General Purpose Authority, Refunding RB, Moravian College: | | |
| 5.00%, 10/01/36 | 610 | 657,964 |
| 3.88%, 10/01/45 | 1,330 | 1,240,837 |
| Lancaster Higher Education Authority, RB, Harrisburg Area Community College Project, 3.00%, 4/01/36 | 1,090 | 961,108 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

| | Par | |
|---|------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Pennsylvania (continued) | | |
| Education (continued) | | |
| Pennsylvania Higher Educational Facilities Authority, RB: | | |
| Drexel University, Series A (NPFGC), 5.00%, 11/01/17 (b) | \$ 1,650 | \$ 1,700,457 |
| Shippensburg University Student Services, Student Housing, 5.00%, 10/01/44 | 1,460 | 1,502,690 |
| Thomas Jefferson University, 5.00%, 3/01/20 (b) | 1,000 | 1,068,920 |
| Pennsylvania Higher Educational Facilities Authority, Refunding RB: | | |
| Drexel University, Series A, 5.25%, 5/01/41 | 3,930 | 4,356,405 |
| La Salle University, 5.00%, 5/01/37 | 1,325 | 1,388,918 |
| La Salle University, 5.00%, 5/01/42 | 1,855 | 1,941,573 |
| State System of Higher Education, Series AL, 5.00%, 6/15/35 | 280 | 305,150 |
| Thomas Jefferson University, 4.00%, 3/01/37 | 385 | 388,831 |
| Thomas Jefferson University, 5.00%, 9/01/45 | 2,000 | 2,191,860 |
| University of the Sciences Philadelphia, 5.00%, 11/01/30 | 940 | 1,048,683 |
| University of the Sciences Philadelphia, 5.00%, 11/01/31 | 775 | 860,692 |
| University Properties, Inc. Student Housing Project, Series A, 5.00%, 7/01/35 | 300 | 314,925 |
| Widener University, Series A, 5.25%, 7/15/33 | 1,580 | 1,732,770 |
| Widener University, Series A, 5.50%, 7/15/38 | 385 | 423,073 |
| Pennsylvania State University, RB, 5.00%, 3/01/40 | 1,000 | 1,088,380 |
| Philadelphia Authority for Industrial Development, Refunding RB, 1st Series, 5.00%, 4/01/45 | 2,170 | 2,386,436 |
| Swarthmore Borough Authority, Refunding RB, Swarthmore College Project, 5.00%, 9/15/38 | 830 | 943,951 |
| Township of East Hempfield Pennsylvania IDA, RB, Student Services, Inc., Student Housing Project at Millersville University of Pennsylvania: | | |
| 5.00%, 7/01/35 | 485 | 503,294 |
| 5.00%, 7/01/35 | 435 | 452,865 |
| 5.00%, 7/01/45 | 300 | 308,268 |
| 5.00%, 7/01/47 | 820 | 842,648 |
| University of Pittsburgh, RB, Commonwealth System of Higher Education Capital Project, Series B, 5.00%, 3/15/19 (b) | 610 | 658,873 |
| | | 36,792,418 |
| Health 19.7% | | |
| City of Pottsville Pennsylvania Hospital Authority, Refunding RB, Lehigh Valley Health, Series B, 5.00%, 7/01/41 | | |
| | 3,000 | 3,240,960 |
| County of Allegheny Pennsylvania Hospital Development Authority, RB, University of Pittsburgh Medical Center Health, Series B (NPFGC), 6.00%, 7/01/26 | | |
| | 2,000 | 2,522,740 |
| County of Allegheny Pennsylvania Hospital Development Authority, Refunding RB, University of Pittsburgh Medical Center Health, Series A-1, 1.41%, 2/01/37 (a) | | |
| | 2,500 | 2,279,550 |
| County of Berks Pennsylvania Municipal Authority, Refunding RB, Reading Hospital & Medical Center Project: | | |
| Series A, 5.00%, 11/01/40 | 765 | 820,692 |
| Series A3, 5.50%, 11/01/31 | 500 | 547,355 |
| | Par | |
| Municipal Bonds | | |
| Pennsylvania (continued) | | |
| Health (continued) | | |
| County of Centre Pennsylvania Hospital Authority, RB, Mount Nittany Medical Center Project, 7.00%, 11/15/21 (b) | | |
| | \$ 2,410 | \$ 2,994,979 |
| County of Cumberland Pennsylvania Municipal Authority, Refunding RB: | | |
| Asbury Pennsylvania Obligated Group, 5.25%, 1/01/41 | 210 | 211,573 |
| Diakon Lutheran Social Ministries, 5.00%, 1/01/38 | 2,600 | 2,736,968 |
| County of Dauphin General Authority, Refunding RB, Pinnacle Health System Project, 6.00%, 6/01/19 (b) | | |
| | 240 | 266,218 |
| County of Franklin Pennsylvania IDA, Refunding RB, Chambersburg Hospital Project, 5.38%, 7/01/42 | | |
| | 415 | 449,437 |
| County of Lancaster Pennsylvania Hospital Authority, Refunding RB: | | |
| Masonic Villages of The Grand Lodge of Pennsylvania Project, 5.00%, 11/01/28 | 575 | 655,753 |
| Masonic Villages of The Grand Lodge of Pennsylvania Project, 5.00%, 11/01/35 | 425 | 465,532 |
| University of Pennsylvania Health System, 5.00%, 8/15/42 | 1,600 | 1,772,656 |

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| | | |
|---|-------|-----------|
| County of Lehigh Pennsylvania, RB, Lehigh Valley Health Network, Series A (AGM), 5.00%, 7/01/18 (b) | 7,995 | 8,430,887 |
| County of Montgomery Pennsylvania Higher Education & Health Authority, Refunding RB, Abington Memorial Hospital Obligated Group, Series A, 5.13%, 6/01/19 (b) | 490 | 514,407 |
| County of Montgomery Pennsylvania IDA, RB, Acts Retirement-Life Communities, Series A-1, 6.25%, 11/15/19 (b) | 235 | 266,598 |
| County of Montgomery Pennsylvania IDA, Refunding RB: Acts Retirement-Life Communities, 5.00%, 11/15/27 | 865 | 943,187 |
| Acts Retirement-Life Communities, 5.00%, 11/15/28 | 555 | 602,874 |
| Whitemarsh Continuing Care Retirement Community, 5.25%, 1/01/40 | 220 | 205,810 |
| County of Union Pennsylvania Hospital Authority, Refunding RB, Evangelical Community Hospital Project, 7.00%, 8/01/41 | 460 | 522,804 |
| Geisinger Authority Pennsylvania, RB, Health System, Series A, 5.25%, 6/01/39 | 1,000 | 1,063,560 |
| Lancaster IDA, Refunding RB, Garden Spot Village Project: 5.38%, 5/01/28 | 520 | 562,448 |
| 5.75%, 5/01/35 | 865 | 935,497 |
| Pennsylvania Higher Educational Facilities Authority, Refunding RB, University of Pittsburgh Medical Center, Series E, 5.00%, 5/15/31 | 1,000 | 1,076,130 |
| Philadelphia Hospitals & Higher Education Facilities Authority, RB, The Children's Hospital of Philadelphia Project, Series C, 5.00%, 7/01/41 | 940 | 1,026,555 |
| Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, Presbyterian Medical Center, 6.65%, 12/01/19 (d) | 1,310 | 1,430,468 |
| South Fork Municipal Authority, Refunding RB, Conemaugh Valley Memorial Hospital, Series B (AGC), 5.38%, 7/01/20 (b) | 2,055 | 2,322,171 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

| | Par | |
|---|--------------|--------------|
| | (000) | Value |
| Municipal Bonds | | |
| Pennsylvania (continued) | | |
| Health (continued) | | |
| Southcentral Pennsylvania General Authority, Refunding RB, Wellspan Health Obligation Group, Series A: | | |
| 6.00%, 12/01/18 (b) | \$ 595 | \$ 646,789 |
| 6.00%, 6/01/29 | 655 | 699,907 |
| | | 40,214,505 |
| Housing 10.5% | | |
| Pennsylvania HFA, RB: | | |
| Brinton Manor Apartments & Brinton Towers, M/F Housing, Series A, 4.25%, 10/01/35 | 400 | 407,540 |
| Brinton Manor Apartments & Brinton Towers, M/F Housing, Series A, 4.50%, 10/01/40 | 400 | 408,912 |
| S/F Housing Mortgage, Series 114-C, 3.65%, 10/01/37 | 2,305 | 2,275,242 |
| S/F Housing Mortgage, Series 118-B, 4.05%, 10/01/40 | 1,000 | 1,005,490 |
| S/F Housing Mortgage, Series 2015-117-B, 4.05%, 10/01/40 | 1,600 | 1,599,920 |
| Pennsylvania HFA, Refunding RB, S/F Housing Mortgage: | | |
| Series 096-A, AMT, 4.70%, 10/01/37 | 735 | 735,294 |
| Series 097-A, AMT, 4.65%, 10/01/31 | 1,300 | 1,301,183 |
| Series 099-A, AMT, 5.15%, 4/01/38 | 1,065 | 1,113,276 |
| Series 115-A, AMT, 4.20%, 10/01/33 | 750 | 775,808 |
| Series 119, 3.50%, 10/01/36 | 1,515 | 1,434,251 |
| Series 121, 3.10%, 10/01/36 | 3,000 | 2,676,240 |
| Philadelphia Housing Authority, RB, Capital Fund Program, M/F Housing, Series A (AGM), 5.50%, 12/01/18 | 3,000 | 3,026,280 |
| Philadelphia IDA, RB, Series A: | | |
| 3.00%, 12/01/29 | 750 | 694,545 |
| 3.50%, 12/01/36 | 790 | 705,225 |
| 4.00%, 12/01/46 | 2,970 | 2,655,625 |
| 4.00%, 12/01/51 | 790 | 691,961 |
| | | 21,506,792 |
| State 10.5% | | |
| Commonwealth of Pennsylvania, GO, 1st Series: | | |
| 5.00%, 4/01/26 | 1,385 | 1,579,371 |
| 5.00%, 6/01/28 | 4,460 | 4,997,965 |
| 5.00%, 3/15/33 | 1,775 | 1,960,434 |
| Pennsylvania Economic Development Financing Authority, RB, Pennsylvania Bridge Finco LP, AMT, 5.00%, 6/30/42 | | |
| | 7,500 | 7,914,675 |
| Pennsylvania Turnpike Commission, RB, Oil Franchise Tax, Remarketing, Series C (NPFGC), 5.00%, 12/01/18 (b) | | |
| | 4,600 | 4,921,448 |
| | | 21,373,893 |
| Transportation 17.8% | | |
| City of Philadelphia Pennsylvania, ARB, Series A: | | |
| 5.00%, 6/15/40 | 3,825 | 4,147,792 |
| AMT (AGM), 5.00%, 6/15/37 | 5,900 | 5,971,213 |
| Delaware River Port Authority, RB: | | |
| 5.00%, 1/01/29 | 475 | 535,510 |
| 5.00%, 1/01/37 | 2,285 | 2,505,640 |
| Series D, 5.00%, 1/01/40 | 750 | 812,542 |
| Series D (AGM), 5.00%, 1/01/40 | 1,560 | 1,692,397 |
| Pennsylvania Economic Development Financing Authority, Refunding RB, Amtrak Project, Series A, AMT, 5.00%, 11/01/41 | | |
| | 6,025 | 6,347,217 |
| Pennsylvania Turnpike Commission, RB: | | |
| CAB, Sub-Series A-3, 0.00%, 12/01/42 (c) | 4,760 | 1,546,381 |
| | Par | |
| | (000) | Value |
| Municipal Bonds | | |
| Pennsylvania (continued) | | |

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Transportation (continued)

| | | |
|---|----------|------------|
| Pennsylvania Turnpike Commission, RB (continued): | | |
| CAB, Sub-Series A-3 (AGM), 0.00%, 12/01/40 (c) | \$ 1,275 | \$ 490,340 |
| Series A, 5.13%, 12/01/20 (b) | 75 | 85,184 |
| Series A, 5.13%, 12/01/26 | 25 | 27,564 |
| Pennsylvania Turnpike Commission, Refunding RB: | | |
| Sub-Series A-1, 5.25%, 12/01/45 | 3,270 | 3,651,380 |
| Sub-Series B (AGM), 5.25%, 6/01/19 (b) | 1,695 | 1,848,974 |
| Sub-Series B (AGM), 5.25%, 6/01/39 | 1,805 | 1,933,552 |
| Southeastern Pennsylvania Transportation Authority, RB, Capital Grant Receipts: | | |
| 5.00%, 6/01/28 | 1,860 | 2,057,197 |
| 5.00%, 6/01/29 | 2,465 | 2,723,135 |
| | | 36,376,018 |

Utilities 6.8%

| | | |
|---|-------|--------------------|
| City of Philadelphia Pennsylvania Gas Works, RB, 9th Series: | | |
| 5.25%, 8/01/20 (b) | 660 | 745,246 |
| 5.25%, 8/01/40 | 1,040 | 1,137,687 |
| City of Philadelphia Pennsylvania Gas Works, Refunding RB: | | |
| 5.00%, 8/01/30 | 800 | 888,712 |
| 5.00%, 8/01/31 | 600 | 663,354 |
| 5.00%, 8/01/32 | 800 | 880,776 |
| 5.00%, 8/01/33 | 400 | 438,852 |
| 5.00%, 8/01/34 | 700 | 764,785 |
| City of Philadelphia Pennsylvania Water & Wastewater, RB: | | |
| Series A, 5.25%, 1/01/19 (b) | 800 | 862,312 |
| Series C (AGM), 5.00%, 8/01/40 | 3,350 | 3,648,485 |
| County of Allegheny Pennsylvania Sanitary Authority, RB, Sewer Improvement (BAM), | | |
| 5.25%, 12/01/41 | 1,410 | 1,577,832 |
| County of Bucks Pennsylvania Water & Sewer Authority, RB, Water System (AGM), | | |
| 5.00%, 12/01/41 | 30 | 32,416 |
| County of Delaware Pennsylvania Regional Water Quality Control Authority, RB, Sewer | | |
| Improvements, 5.00%, 5/01/33 | 420 | 465,255 |
| Pennsylvania Economic Development Financing Authority, RB, Philadelphia Biosolids | | |
| Facility, 6.25%, 1/01/32 | 1,605 | 1,709,116 |
| | | 13,814,828 |
| Total Municipal Bonds 117.8% | | 240,650,108 |

Municipal Bonds Transferred to Tender Option Bond Trusts (e)

Pennsylvania 45.0%

Education 13.6%

| | | |
|---|--------|------------|
| Pennsylvania Higher Educational Facilities Authority, RB, University of Pennsylvania Health | | |
| System, Series A: | | |
| 5.75%, 8/15/21 (b) | 5,120 | 6,051,635 |
| 4.00%, 8/15/39 | 7,815 | 7,892,278 |
| Pennsylvania Higher Educational Facilities Authority, Series AR, 4.00%, 6/15/38 | 11,335 | 11,374,638 |
| University of Pittsburgh, RB, The Commonwealth System of Higher Education, Capital Project, | | |
| Series B, 5.00%, 3/15/19 (b) | 2,202 | 2,378,081 |
| | | 27,696,632 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

| | Par | |
|---|-----------|----------------|
| | (000) | Value |
| Municipal Bonds Transferred to Tender Option Bond Trusts (e) | | |
| Health 13.5% | | |
| Geisinger Authority Pennsylvania, RB, Health System: | | |
| Series A, 5.13%, 6/01/34 | \$ 3,000 | \$ 3,180,120 |
| Series A, 5.25%, 6/01/39 | 3,128 | 3,327,118 |
| Series A-1, 5.13%, 6/01/41 | 7,430 | 8,013,462 |
| Pennsylvania Economic Development Financing Authority, RB, University of Pittsburgh Medical Center, Series B, 4.00%, 3/15/40 | | |
| | 8,000 | 7,963,840 |
| Philadelphia Hospitals & Higher Education Facilities Authority, RB, The Children's Hospital of Philadelphia Project, Series C, 5.00%, 7/01/41 | | |
| | 4,680 | 5,110,935 |
| | | 27,595,475 |
| Housing 3.0% | | |
| Pennsylvania HFA, Refunding RB, S/F Mortgage: | | |
| Series 114A, 3.70%, 10/01/42 | 2,922 | 3,020,304 |
| Series 115A, AMT, 4.20%, 10/01/33 | 3,000 | 3,103,230 |
| | | 6,123,534 |
| State 12.1% | | |
| Commonwealth of Pennsylvania, GO, 1st Series, 5.00%, 3/15/19 (b) | | |
| | 6,028 | 6,504,537 |
| General Authority of Southcentral Pennsylvania, Refunding RB, Wellspan Health Obligated Group, Series A, 5.00%, 6/01/44 | | |
| | 7,000 | 7,626,360 |
| Pennsylvania Turnpike Commission, RB, Oil Franchise Tax, Remarketing, Series C (NPFGC), 5.00%, 12/01/18 (b) | | |
| | 10,000 | 10,698,800 |
| | | 24,829,697 |
| Municipal Bonds Transferred to Tender Option Bond Trusts (e) | | |
| Transportation 0.9% | | |
| Pennsylvania Turnpike Commission, RB, Sub-Series A, 5.50%, 12/01/42 | \$ 1,680 | \$ 1,915,385 |
| Utilities 1.9% | | |
| County of Westmoreland Pennsylvania Municipal Authority, RB, Westmoreland County, Pennsylvania (BAM), 5.00%, 8/15/42 | | |
| | 3,493 | 3,844,227 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 45.0% | | 92,004,950 |
| Total Long-Term Investments | | |
| (Cost \$320,801,423) 162.8% | | 332,655,058 |
| Short-Term Securities 1.2% | | |
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (f)(g) | | |
| | 2,391,354 | 2,391,593 |
| Total Short-Term Securities | | |
| (Cost \$2,391,360) 1.2% | | 2,391,593 |
| Total Investments (Cost \$323,192,783) 164.0% | | 335,046,651 |
| Other Assets Less Liabilities 1.8% | | 3,751,299 |
| Liability for TOB Trust Certificates, Including Interest | | |
| Expense and Fees Payable (25.5)% | | (52,174,523) |
| VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (40.3)% | | (82,325,227) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 204,298,200 |

Notes to Schedule of Investments

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- (a) Variable rate security. Rate as of period end.

- (b) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.

- (c) Zero-coupon bond.

- (d) Security is collateralized by municipal bonds or U.S. Treasury obligations.

- (e) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.

- (f) During the six months ended January 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at July 31, 2016 | Net Activity | Shares Held at January 31, 2017 | Value at January 31, 2017 | Income | Net Realized Gain ¹ | Change in Unrealized Appreciation |
|--|------------------------------------|-----------------|---------------------------------------|---------------------------------|----------|--------------------------------------|---|
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 455,980 | 1,935,374 | 2,391,354 | \$ 2,391,593 | \$ 9,339 | \$ 241 | \$ 233 |

¹ Includes net capital gain distributions.

- (g) Current yield as of period end.

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

Derivative Financial Instruments Outstanding as of Period End

| Futures Contracts | | | | | Unrealized |
|-------------------|----------------------------|------------|----------------|--------------------|------------|
| Contracts | Issue | Expiration | Notional Value | Depreciation | |
| Short | | | | | |
| (15) | 5-Year U.S. Treasury Note | March 2017 | \$ 1,768,008 | \$ (4,744) | |
| (90) | 10-Year U.S. Treasury Note | March 2017 | \$ 11,202,187 | (37,376) | |
| (65) | Long U.S. Treasury Bond | March 2017 | \$ 9,804,844 | (12,895) | |
| (12) | Ultra U.S. Treasury Bond | March 2017 | \$ 1,928,250 | (8,371) | |
| Total | | | | \$ (63,386) | |

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Liabilities | Derivative Financial Instruments | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|-------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|-----------|
| Futures contracts | Net unrealized depreciation ¹ | | | | | \$ 63,386 | | \$ 63,386 |

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended January 31, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total |
|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| Futures contracts | | | | | \$ 1,072,338 | | \$ 1,072,338 |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | | |
| Futures contracts | | | | | \$ (33,510) | | \$ (33,510) |

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

| | | |
|-------------------------------------|-------|-------------------------|
| Average notional value of contracts | long | \$ 241,880 ¹ |
| Average notional value of contracts | short | \$ 18,098,613 |

¹ Actual amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter.

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|--------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments ¹ | | \$ 332,655,058 | | \$ 332,655,058 |
| Short-Term Securities | \$ 2,391,593 | | | 2,391,593 |
| Total | \$ 2,391,593 | \$ 332,655,058 | | \$ 335,046,651 |

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Derivative Financial Instruments²

Liabilities:

| | | |
|-------------------------|-------------|-------------|
| Interest rate contracts | \$ (63,386) | \$ (63,386) |
|-------------------------|-------------|-------------|

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

² Derivative financial instruments are futures contracts. Futures contracts are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|-------------------------|---------|-------------------------|
| Liabilities: | | | | |
| TOB Trust Certificates | | \$ (52,082,674) | | \$ (52,082,674) |
| VRDP Shares at Liquidation Value | | (82,600,000) | | (82,600,000) |
| Total | | \$ (134,682,674) | | \$ (134,682,674) |

During the six months ended January 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Statements of Assets and Liabilities

| | BlackRock MuniHoldings California Quality Fund, Inc. (MUC) | BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ) | BlackRock MuniYield Investment Quality Fund (MFT) | BlackRock MuniYield Michigan Quality Fund, Inc. (MIY) | BlackRock MuniYield Pennsylvania Quality Fund (MPA) |
|--|---|---|--|--|--|
| January 31, 2017 (Unaudited) | | | | | |
| Assets | | | | | |
| Investments at value unaffiliated | \$ 1,041,947,181 | \$ 742,144,805 | \$ 202,743,902 | \$ 724,902,791 | \$ 332,655,058 |
| Investments at value affiliated | | 1,642,526 | 1,295,693 | 4,725,454 | 2,391,593 |
| Cash pledged for futures contracts | 1,333,500 | 1,248,000 | 231,550 | 1,281,950 | 496,800 |
| Receivables: | | | | | |
| Interest unaffiliated | 15,156,466 | 5,606,028 | 2,143,477 | 8,281,394 | 3,400,289 |
| TOB Trust | 6,661,004 | | 1,105,000 | | 1,125,000 |
| Investments sold | 4,212,687 | 515,283 | 13,664 | 375,000 | 149 |
| Dividends affiliated | 2,362 | 1,128 | 307 | 527 | 1,449 |
| Prepaid expenses | 23,103 | 17,528 | 6,666 | 17,041 | 9,397 |
| Total assets | 1,069,336,303 | 751,175,298 | 207,540,259 | 739,584,157 | 340,079,735 |
| Liabilities | | | | | |
| Bank overdraft | 5,820,967 | 283,202 | 77,924 | 289,526 | 94,069 |
| Payables: | | | | | |
| Income dividends Common Shares | 2,521,653 | 2,035,386 | 601,664 | 1,893,009 | 831,852 |
| Investment advisory fees | 450,173 | 318,498 | 86,173 | 307,353 | 139,877 |
| Interest expense and fees | 430,011 | 81,851 | 39,156 | 104,697 | 91,849 |
| Officers and Directors fees | 300,814 | 1,193 | 725 | 1,397 | 8,595 |
| Other accrued expenses | 235,606 | 216,152 | 101,605 | 197,274 | 134,415 |
| Variation margin on futures contracts | 196,375 | 186,203 | 34,680 | 172,483 | 72,977 |
| Investments purchased | | | 2,639,075 | | |
| Total accrued liabilities | 9,955,599 | 3,122,485 | 3,581,002 | 2,965,739 | 1,373,634 |
| Other Liabilities | | | | | |
| TOB Trust Certificates | 179,415,265 | 55,088,706 | 25,820,715 | 57,062,222 | 52,082,674 |
| Loan for TOB Trust Certificates | | | | 659,835 | |
| VRDP Shares at liquidation value of \$100,000 per share, net of deferred offering costs ^{3,4} | | 236,599,378 | | 231,461,378 | 82,325,227 |
| VMTP Shares at liquidation value of \$100,000 per share ^{3,4} | 254,000,000 | | 56,500,000 | | |
| Total other liabilities | 433,415,265 | 291,688,084 | 82,320,715 | 289,183,435 | 134,407,901 |
| Total liabilities | 443,370,864 | 294,810,569 | 85,901,717 | 292,149,174 | 135,781,535 |
| Net Assets Applicable to Common Shareholders | \$ 625,965,439 | \$ 456,364,729 | \$ 121,638,542 | \$ 447,434,983 | \$ 204,298,200 |
| Net Assets Applicable to Common Shareholders Consist of | | | | | |
| Paid-in capital ^{5,6} | \$ 585,933,933 | \$ 424,127,549 | \$ 118,008,160 | \$ 421,036,239 | \$ 197,272,827 |
| Undistributed net investment income | 4,108,265 | 4,262,978 | 1,415,550 | 1,478,550 | 695,952 |
| Accumulated net realized loss | (6,632,473) | (5,978,638) | (11,512,820) | (6,294,687) | (5,461,061) |
| Net unrealized appreciation (depreciation) | 42,555,714 | 33,952,840 | 13,727,652 | 31,214,881 | 11,790,482 |
| Net Assets Applicable to Common Shareholders | \$ 625,965,439 | \$ 456,364,729 | \$ 121,638,542 | \$ 447,434,983 | \$ 204,298,200 |
| Net asset value per Common Share | \$ 15.27 | \$ 15.13 | \$ 14.35 | \$ 15.13 | \$ 15.30 |
| ¹ Investments at cost unaffiliated | \$ 999,209,169 | \$ 708,033,208 | \$ 188,980,309 | \$ 693,696,916 | \$ 320,801,423 |

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| | | | | | |
|--|------------|--------------|--------------|--------------|--------------|
| ² Investments at cost - affiliated | | \$ 1,642,463 | \$ 1,295,693 | \$ 4,725,361 | \$ 2,391,360 |
| ³ Preferred Shares Outstanding: | | | | | |
| Par value \$0.05 per share | | | 565 | | 826 |
| Par value \$0.10 per share | 2,540 | 2,371 | | 2,319 | |
| ⁴ Preferred Shares authorized | 18,140 | 9,847 | 1,000,000 | 8,046 | 1,000,000 |
| ⁵ Common Shares outstanding, par value \$0.10 per share | 41,002,483 | 30,153,865 | 8,474,134 | 29,578,269 | 13,352,365 |
| ⁶ Common Shares authorized | | | | | |