MUNIYIELD INSURED FUND INC
Form N-CSR
January 24, 2007

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 811-06540

Name of Fund: BlackRock MuniYield Insured Fund, Inc.

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

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

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 10/31/06

Date of reporting period: 11/01/05 - 10/31/06

Item 1 - Report to Stockholders

ALTERNATIVES   BLACKROCK SOLUTIONS   EQUITIES
FIXED INCOME   LIQUIDITY   REAL ESTATE

Annual Reports   BLACKROCK

OCTOBER 31, 2006

BlackRock MuniYield Fund, Inc.

BlackRock MuniYield Insured Fund, Inc.

BlackRock MuniYield Quality Fund, Inc.

BlackRock MuniYield Quality Fund II, Inc.

NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

BlackRock MuniYield Fund, Inc.
BlackRock MuniYield Insured Fund, Inc.
BlackRock MuniYield Quality Fund, Inc.
BlackRock MuniYield Quality Fund II, Inc.

Quality Profiles as of October 31, 2006

| BlackRock MuniYield Fund, Inc. by S&P/Moody's Rating | Percent of Total Investments |
|---|---|
| AAA/Aaa | 41.7% |
| AA/Aa | 12.0 |
| A/A | 10.0 |
| BBB/Baa | 10.2 |
| BB/Ba | 1.4 |
| B/B | 4.5 |
| CCC/Caa | 2.2 |
| NR (Not Rated) | 17.1 |
| Other* | 0.9 |

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

| BlackRock MuniYield Insured Fund, Inc. by S&P/Moody's Rating | Percent of Total Investments |
|---|---|
| AAA/Aaa | 83.1% |
| AA/Aa | 3.8 |
| A/A | 6.1 |
| BBB/Baa | 1.7 |
| NR (Not Rated) | 2.5 |
| Other* | 2.8 |

* Includes portfolio holdings in variable rate demand notes.

| BlackRock MuniYield Quality Fund, Inc. by S&P/Moody's Rating | Percent of Total Investments |
|---|---|
| AAA/Aaa | 86.9% |
| AA/Aa | 5.2 |
| A/A | 6.8 |
| BBB/Baa | 0.3 |
| Other* | 0.8 |

* Includes portfolio holdings in short-term investments.

| BlackRock MuniYield Quality Fund II, Inc. by S&P/Moody's Rating | Percent of Total Investments |
|---|---|
| AAA/Aaa | 86.8% |
| AA/Aa | 5.4 |
| A/A | 6.3 |
| BBB/Baa | 0.3 |
| Other* | 1.2 |

* Includes portfolio holdings in short-term investments.

Announcement of Annual Stockholders Meeting

Each Fund has determined that its annual stockholders meeting originally scheduled to be held in April 2007 will be postponed until and will be held in June 2007. Proposals of stockholders intended to be presented at the meeting must be received by each Fund by February 15, 2007 for inclusion in the Fund's proxy statement and form of proxy for that meeting. The persons named as proxies in the proxy materials for each Fund's 2007 Annual meeting of stockholders may exercise discretionary authority with respect to any stockholder proposal presented at such meeting if written notice of such proposal has not been received by the Funds by April 1, 2007. Written proposals and notices should be sent to the Secretary of the Fund, 800 Scudders Mill Road, Plainsboro, New Jersey 08536.



A Letter to Shareholders

Dear Shareholder

Ten months into 2006, we are able to say it has been an interesting year for investors. After a volatile start and far-reaching mid-year correction, the financial markets regained some positive momentum through late summer and fall. For the six- and 12-month periods ended October 31, 2006, most major market indexes managed to post positive returns:

| Total Returns as of October 31, 2006 | 6-month | 12-month |
|---|---|---|
| U.S. equities (Standard & Poor's 500 Index) | +6.11% | +16.34% |
| Small cap U.S. equities (Russell 2000 Index) | +0.90 | +19.98 |
| International equities (MSCI Europe, Australasia, Far East Index) | +3.77 | +27.52 |
| Fixed income (Lehman Brothers Aggregate Bond Index) | +4.60 | + 5.19 |
| Tax-exempt fixed income (Lehman Brothers Municipal Bond Index) | +4.12 | + 5.75 |
| High yield bonds (Credit Suisse High Yield Index) | +4.66 | +10.29 |

The Federal Reserve Board (the Fed), after raising the target short-term interest rate 17 times between June 2004 and June 2006, finally opted to pause on August 8, 2006. This left the federal funds rate at 5.25%, where it remained through the September and October Fed meetings. In interrupting its two-year rate-hiking campaign, the Fed acknowledged that economic growth is slowing, led by softness in the housing market. However, the central bankers continue to take a cautionary position on inflation, despite a decline in energy prices in recent months. At the time of this writing, the price of oil had settled into the $60-per-barrel range after reaching nearly $78 per barrel earlier in the year.

Notwithstanding the mid-year correction, equity markets generally found support in solid corporate earnings reports in the first three quarters of the year. Overall corporate health, including strong company balance sheets, helped to sustain robust dividend-distribution, share-buyback and merger-and-acquisition activity. Many international equity markets fared equally well or better, thanks in part to higher economic growth rates and low inflation.

In the U.S. bond market, prices declined for much of the year as investors focused on decent economic activity and inflation concerns. Bond prices began to improve in late June as the economy showed signs of weakening and inflation pressures subsided. Notably, the Treasury curve inverted periodically, a phenomenon typically associated with periods of economic weakness. At the end of October, the one-month Treasury bill offered the highest yield on the curve at 5.18%, while the 30-year Treasury bond had a yield of 4.72%.

Amid the uncertainty inherent in the financial markets, we encourage you to review your goals periodically with your financial professional and to make portfolio changes, as needed. For additional insight and timely "food for thought" for investors, we also invite you to visit Shareholder magazine at www.blackrock.com/shareholdermagazine. We are pleased to make our investor-friendly magazine available to you online. We thank you for trusting BlackRock with your investment assets, and we look forward to continuing to serve your investment needs.

Sincerely,

/s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
President and Director



A Discussion With Your Funds' Portfolio Managers

The Funds recorded total returns that surpassed their respective Lipper group averages for the fiscal year, while also continuing to provide shareholders with an attractive monthly income stream.

Describe the recent market environment relative to municipal bonds.

Supported by a positive technical backdrop, municipal bonds managed to significantly outperform their taxable counterparts for the 12-month period ended October 31, 2006. Despite considerable volatility, taxable bond yields were little changed over the past year. Tax-exempt bonds, in the meantime, saw their yields decline (as prices, which move opposite of yields, rose).

For much of the first half of the fiscal period, longer-maturity U.S. Treasury bond yields rose (and prices declined) as investors focused on strong U.S. economic activity and inflationary concerns triggered by rising oil prices. By mid-May 2006, the yield on 30-year U.S. Treasury bonds rose more than 70 basis points (.70%) to 5.31%. Bond prices began to improve in late June as economic activity weakened and inflationary pressures subsided. Bond price improvement accelerated after the Federal Reserve Board (the Fed) refrained from raising the target interest rate at its August 8 meeting, a move that came after 17 consecutive interest rate hikes since June 2004. Recent declines in oil prices, and especially gasoline prices, helped to reverse earlier inflationary concerns and support higher bond prices. Over the 12-month period, 30-year U.S. Treasury bond yields fell four basis points to 4.72%, while 10-year Treasury yields rose four basis points to 4.61%.

Meanwhile, the municipal bond market found support in declining new-issue volume and increasing investor demand. As reported by Municipal Market Data, yields on AAA-rated municipal issues maturing in 30 years declined 52 basis points to 4.07% over the past 12 months. Shorter maturities experienced smaller yield declines, with yields on AAA-rated municipal issues maturing in 10 years falling 28 basis points to 3.64%.

Demand for municipal product by retail and institutional investors has remained very strong despite the recent decline in bond yields. The strong demand is reflected in continued flows into long-term, tax-exempt mutual funds. As reported by the Investment Company Institute, long-term municipal bond funds saw net new cash inflows of more than $1.3 billion during September 2006, a material increase from $344 million in July and $283 million in June. During the first nine months of 2006, long-term tax-exempt bond funds had net new cash flows of over $9.6 billion, a 43% increase versus the same period a year earlier. Recent weekly fund flows, reported by AMG Data, averaged $416 million in October 2006, well above the July average of $247 million and the year-to-date weekly average of $315 million.

Also supporting municipal bond price improvement has been a decline in new issuance. In the first 10 months of 2006, more than $295 billion in new long-term municipal bonds was underwritten, a decline of over 12.5% versus the same period a year ago. Notably, after declining for much of the year, refunding activity increased slightly in October as the lower interest rate environment sparked an increase in refinancing activity. On a year-to-date basis, however, refunding activity has declined over 50% relative to last year's refunding issuance.

Looking ahead, the positive technical framework in the municipal marketplace suggests that the tax-exempt market should continue to perform well. New supply is expected to remain manageable and tax-exempt bond yield ratios remain in their recent range of 86% - 89% of comparable long-term U.S. Treasury yields, well within their recent historic norms. These ratios argue for continued strong demand from non-traditional, arbitrage-related accounts, which continue to be attracted to the municipal bond market given its relatively steep yield curve. Taken together, these factors suggest that the municipal market is poised to continue to perform well as we approach year-end.



BlackRock MuniYield Fund, Inc.

How did the Fund perform during the fiscal year?

For the 12-month period ended October 31, 2006, the Common Stock of BlackRock MuniYield Fund, Inc. (formerly MuniYield Fund, Inc.) had net annualized yields of 6.23% and 5.92%, based on a year-end per share net asset value of $14.98 and a per share market price of $15.76, respectively, and $.933 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +10.30%, based on a change in per share net asset value from $14.48 to $14.98, and assuming reinvestment of all distributions.

The Fund's total return, based on net asset value, exceeded the +8.42% average return of the Lipper General Municipal Debt Funds (Leveraged) category for the 12-month period. (Funds in this Lipper category invest primarily in municipal debt issues rated in the top four credit-rating categories. These funds can be leveraged via use of debt, preferred equity and/or reverse repurchase agreements.)

As in prior reporting periods, Fund performance continued to be driven by our exposure to lower-rated, higher-yielding credits. As credit spreads contracted throughout the period, lower-rated instruments outperformed the broader market and provided both price appreciation and incremental yield for the Fund. It should be noted that the spread contraction trend slowed considerably over the latter six months of the period, and the benefits of the Fund's spread product exposure decreased. Still, positive security selection kept the Fund's performance ahead of the median of its Lipper peer group throughout the 12-month period.

Another factor benefiting performance was our active management of the portfolio's duration, or its sensitivity to interest rate risk. Entering the fiscal year, we had a neutral duration posture compared to our Lipper peers, with the intention of lengthening that position slightly going into the end of 2005, which we did. In light of market improvement, we subsequently shortened our duration modestly in a timely move ahead of the market backup that occurred in the beginning of 2006. Through the last six months of the period, we maintained a generally neutral duration, although we have remained flexible with respect to market moves. We also continued to position the portfolio to take advantage of the flattening trend in the municipal yield curve. The curve did flatten over the 12 months, further benefiting Fund performance.

For the six-month period ended October 31, 2006, the total investment return on the Fund's Common Stock was +6.03%, based on a change in per share net asset value from $14.57 to $14.98, and assuming reinvestment of all distributions.

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

What changes were made to the portfolio during the period?

Portfolio activity during the period was focused on taking advantage of the further flattening of the municipal yield curve, as well as improving the overall quality and diversification of the Fund. Our yield curve strategy evolved in response to municipal market moves over the 12-month period. In the first half of the period, we typically made purchases in the 20-year - 30-year maturity range using proceeds from the sale of bonds with much shorter maturities, such as those in the five-year - 10-year area. We also looked to sell longer bonds that were likely to be called by their issuers in that five-year - 10-year time frame. As we perceived a shift in value to the 10-year - 15-year maturity range, we focused our buying activity in that area of the curve during the latter half of the period. Most notably, we participated in the initial offering of a New Jersey Transportation Trust Fund debt refinancing transaction, which was worth $2.8 billion and included a number of attractively priced opportunities in the 15-year sector. While we have been reluctant to fund these purchases by selling bonds at the long end of the curve, which may yet benefit from additional flattening, we believe the Fund will be better served by a shift to the intermediate range.

In addition to pursuing our yield curve strategy, we also sought opportunities to reduce our weighting in non-investment grade, high yield bonds. Given the demand for high yield issues that was initially sparked by high call activity in the low interest rate environment of the last few years, we were able to sell bonds that we believed had become overvalued and were unlikely to continue their outperformance. Despite the loss of yield associated with our reductions in high yield paper, the Fund performed quite well throughout the 12-month period as the high yield positions that were retained, particularly those in the health care and airline sectors, continued to outperform.

For the six-month period ended October 31, 2006, the Fund's Auction Market Preferred Stock had average yields of: 3.27% for Series A, 3.24% for Series B, 3.38% for Series C, 3.30% for Series D, 3.21% for Series E, 3.22% for Series F and 3.23% for Series G. The Fed raised short-term interest rates six times during the 12-month period, but opted to keep the target rate on hold at 5.25% in August, September and October 2006. As such, the Fund's borrowing costs started to stabilize and even move slightly lower late in the period. Despite the Fed's rate increases during the period, the municipal yield curve remained positively sloped and continued to generate an income benefit to the Common Stock shareholder from the leveraging of Preferred Stock. However, should the spread between short-term and long-term interest rates narrow, the benefits of leverage will decline and, as a result, reduce the yield on the Fund's Common Stock. (For a more complete explanation of the benefits and risks of leveraging, see page 11 of this report to shareholders.)

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

At period-end, the Fund was neutrally positioned in terms of interest rate risk, and our exposure to lower-rated securities had been reduced. Our yield curve outlook changed during the period as it became likely that the Fed would pause in its monetary tightening program, which it did in the third quarter of 2006. With the majority of the curve flattening likely behind us, we began the process of reducing our exposure to the long end of the curve over the latter half of the reporting period. We now see that the most attractive value is closer to the middle of the curve, around the 10-year - 15-year range. We will continue to use periods of market strength to sell high yield issues and those at the long end of the yield curve in order to further improve the portfolio's credit quality and allocate more assets to the intermediate part of the curve.

BlackRock MuniYield Insured Fund, Inc.

How did the Fund perform during the fiscal year?

For the 12-month period ended October 31, 2006, the Common Stock of BlackRock MuniYield Insured Fund, Inc. (formerly MuniYield Insured Fund, Inc.) had net annualized yields of 4.99% and 5.31%, based on a year-end per share net asset value of $15.30 and a per share market price of $14.36, respectively, and $.763 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +8.09%, based on a change in per share net asset value from $15.27 to $15.30, and assuming reinvestment of all distributions.

The Fund's total return, based on net asset value, exceeded the +7.11% average return of the Lipper Insured Municipal Debt Funds (Leveraged) category for the 12-month period. (Funds in this Lipper category invest primarily in municipal debt issues insured as to timely payment. These funds can be leveraged via use of debt, preferred equity and/or reverse repurchase agreements.)

The Fund's outperformance can be attributed to a few factors, including our focus on bonds issued by high-tax and specialty states and our emphasis on the long end of the municipal yield curve. The Fund was able to realize price outperformance from its holdings of bonds issued by higher-tax states such as California and New York. Approximately 33% of the Fund's assets was allocated to California and 15.4% to New York municipal issues, which performed well and boosted Fund performance for the year. We also purchased bonds issued by specialty states, such as Nebraska, Kansas and Missouri, where favorable supply/demand dynamics led to solid price performance for these states' bonds. Finally, the Fund's slightly longer maturity compared to its peers proved advantageous as the yield curve continued to flatten and long-term bonds outperformed short-term issues. This strategy also helped the portfolio to maintain an above-average yield.

For the six-month period ended October 31, 2006, the total investment return on the Fund's Common Stock was +5.68%, based on a change in per share net asset value from $14.85 to $15.30, and assuming reinvestment of all distributions.

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



reinvestment of dividends, please refer to the Financial Highlights section of this report. As a closed-end fund, the Fund's shares may trade in the secondary market at a premium or discount to the Fund's net asset value. As a result, total investment returns based on changes in the market value of the Fund's Common Stock can vary significantly from total investment returns based on changes in the Fund's net asset value.

What changes were made to the portfolio during the period?

We did not significantly alter our strategy or the Fund's portfolio during the past 12 months. We continued to target additional yield for the portfolio by investing in longer-dated bonds, specifically in the 25-year - 30-year maturity range, while also seeking to protect the Fund's underlying value.

As new municipal bond issuance declined during the year, we found few compelling opportunities to restructure the portfolio. Having said that, we did notice a marked narrowing of credit spreads between municipal bonds issued by high-tax states and those issued by low-tax states and sought to capitalize on this trend. When available, we found it advantageous to purchase high-quality bonds issued by the high-tax states, as opposed to bonds issued by low-tax states. Because of the relatively high income taxes imposed by these states, their securities typically meet with strong retail demand, which in turn creates a solid technical market, leading to better liquidity. We participated in these transactions in such high-tax states as California, New York and New Jersey.

In our efforts to maintain a diversified portfolio, we also bought approximately $30 million in general obligation bonds of the State of Louisiana. Although these issues came with shorter maturities than we had been targeting, this was a rare opportunity to participate in the Louisiana debt market in bonds that were offering yields comparable to other states' 30-year issues. We also found a number of compelling opportunities in the Pacific Northwest, specifically bonds issued by the State of Washington. These made up approximately 10% - 11% of the portfolio at period-end. We observe solid credit fundamentals in this region of the country.

Importantly, the Fund continued to be fully invested throughout the period, consistent with our goal of maintaining an attractive level of income.

For the six-month period ended October 31, 2006, the Fund's Auction Market Preferred Stock had average yields of: 3.05% for Series A, 3.00% for Series B, 2.97% for Series C, 3.12% for Series D, 2.92% for Series E, 3.06% for Series F, 2.86% for Series G, 2.90% for Series H and 2.87% for Series I. The Fed raised short-term interest rates six times during the 12-month period, but opted to keep the target rate on hold at 5.25% in August, September and October 2006. As such, the Fund's borrowing costs began to stabilize and even move slightly lower late in the period. Despite the Fed's interest rate increases during the period, the municipal yield curve remained positively sloped and continued to generate an income benefit to the Common Stock shareholder from the leveraging of Preferred Stock. However, should the spread between short-term and long-term interest rates narrow, the benefits of leverage will decline and, as a result, reduce the yield on the Fund's Common Stock. (For a more complete explanation of the benefits and risks of leveraging, see page 11 of this report to shareholders.)

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

We ended the period with a fully invested portfolio and a slightly long duration relative to our peers. Municipal yields and credit spreads are near their all-time lows and the slope of the yield curve is historically very flat. However, a favorable supply/demand environment should continue to be supportive of present valuations in the municipal market.

Against this backdrop, we intend to continue our efforts to enhance yield for shareholders while also protecting the Fund's underlying value. To that end, we continue to look for maturities in the 25-year area and to favor a neutral to slightly long portfolio duration, which we believe offers the benefit of incremental yield. Recently, we started looking down the yield curve slightly at opportunities in the 15-year - 17-year area. Ultimately, we believe that above-average yields can provide for competitive Fund returns over time.





BlackRock MuniYield Quality Fund, Inc.

How did the Fund perform during the fiscal year?

For the 12-month period ended October 31, 2006, the Common Stock of BlackRock MuniYield Quality Fund, Inc. (formerly MuniYield Quality Fund, Inc.) had net annualized yields of 5.04% and 5.33%, based on a year-end per share net asset value of $15.32 and a per share market price of $14.48, respectively, and $.772 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +7.78%, based on a change in per share net asset value from $15.02 to $15.32, and assuming reinvestment of all distributions.

The Fund's total return, based on net asset value, outpaced the +7.11% average return of the Lipper Insured Municipal Debt Funds (Leveraged) category for the 12-month period. (Funds in this Lipper category invest primarily in municipal debt issues insured as to timely payment. These funds can be leveraged via use of debt, preferred equity and/or reverse repurchase agreements.) The Fund also provided an above-average yield relative to its Lipper peers.

The bulk of the Fund's outperformance occurred in the latter six months of the fiscal year, when our fully invested position allowed the portfolio to take advantage of the bond market rally that ensued once the Fed stopped raising interest rates. Also contributing to performance was the Fund's above-average yield, which is additive to total return, and the advance refunding of several positions. When bonds are refunded ahead of their maturity date, they generally rise sharply in value. The price appreciation was somewhat more muted given the flatness of the yield curve, but prerefundings are a special event nonetheless and contributed to the positive performance of the Fund during this 12-month period.

For the six-month period ended October 31, 2006, the total investment return on the Fund's Common Stock was +5.62%, based on a change in per share net asset value from $14.89 to $15.32, and assuming reinvestment of all distributions.

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

What changes were made to the portfolio during the period?

Municipal bonds fared quite well during the year, supported by low new issuance, healthy investor demand and strong performance relative to the taxable bond market. We did not make significant changes to the portfolio's composition or our investment strategy over the past 12 months. Given the limited supply in the market, and the generally low coupons available on new issues, there were few compelling opportunities to restructure the portfolio. We did sell some of the recently advance refunded positions, as their book yields were not significantly above current market yields, and moved into higher-yielding current issues. For the most part, we targeted the 20-year maturity range for the relative yield enhancement it offered. Nevertheless, we were reluctant to restructure the portfolio significantly, as most of the securities held in the portfolio have higher yields than those currently available in the market.

Overall, we maintained a fairly neutral duration profile for most of the period and a fully invested stance. Both of these factors aided performance, particularly as the bond markets embarked on a strong rally in the final three months of the period. In managing the Fund's duration, we employed hedging strategies rather than trading in and out of bonds. We felt this was a prudent approach, as it allowed us to target our desired duration without having to give up attractively structured bonds that contribute meaningfully to the Fund's distribution rate.



For the six-month period ended October 31, 2006, the Fund's Auction Market Preferred Stock had average yields of 3.32% for Series A, 3.24% for Series B, 3.38% for Series C, 3.26% for Series D and 3.23% for Series E. The Fed raised short-term interest rates six times during the 12-month period, but opted to keep the target rate on hold at 5.25% in August, September and October 2006. As such, the Fund's borrowing costs began to stabilize and even move slightly lower late in the period. Despite the Fed's interest rate increases during the period, the municipal yield curve remained positively sloped and continued to generate an income benefit to the Common Stock shareholder from the leveraging of Preferred Stock. However, should the spread between short-term and long-term interest rates narrow, the benefits of leverage will decline and, as a result, reduce the yield on the Fund's Common Stock. (For a more complete explanation of the benefits and risks of leveraging, see page 11 of this report to shareholders.)

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

We remained fully invested at period-end and fairly neutral with respect to interest rate risk. The bond market has come a long way in recent months, despite some uncertain rhetoric from the Fed. The central bankers acknowledge that the economy is slowing, led by a sharp deceleration in housing, but continue to take a cautionary tone on inflation. Against this backdrop, we believe a neutral stance is appropriate. We will look to sell into strength as the market presents opportunities, particularly at the longer end of the curve. We also continue to explore opportunities back down the curve in the 15-year - 20-year range. We have found that we can move five years - 10 years down the curve without sacrificing a significant amount of yield. Given the degree of yield-curve flattening that has occurred over the course of the Fed's interest rate-hiking campaign, we believe this maturity range could perform well in the future. Overall, we remain committed to our goal of providing shareholders with an attractive level of tax-exempt income.

BlackRock MuniYield Quality Fund II, Inc.

How did the Fund perform during the fiscal year?

For the 12-month period ended October 31, 2006, the Common Stock of BlackRock MuniYield Quality Fund II, Inc. (formerly MuniYield Quality II Fund, Inc.) had net annualized yields of 5.12% and 5.40%, based on a year-end per share net asset value of $13.64 and a per share market price of $12.93, respectively, and $.698 per share income dividends. Over the same period, the total investment return on the Fund's Common Stock was +7.98%, based on a change in per share net asset value from $13.36 to $13.64, and assuming reinvestment of all distributions.

The Fund's total return, based on net asset value, outpaced the +7.11% average return of the Lipper Insured Municipal Debt Funds (Leveraged) category for the 12-month period. (Funds in this Lipper category invest primarily in municipal debt issues insured as to timely payment. These funds can be leveraged via use of debt, preferred equity and/or reverse repurchase agreements.) The Fund also provided an above-average yield relative to its Lipper peers.

The bulk of the Fund's outperformance occurred in the latter six months of the fiscal year, when our fully invested position allowed the portfolio to take advantage of the bond market rally that ensued once the Fed stopped raising interest rates. Also contributing to performance was the Fund's above-average yield, which is additive to total return, and the advance refunding of several positions. When bonds are refunded ahead of their maturity date, they generally rise sharply in value. The price appreciation was somewhat more muted given the flatness of the yield curve, but prerefundings are a special event nonetheless and contributed to the positive performance of the Fund during this 12-month period.

For the six-month period ended October 31, 2006, the total investment return on the Fund's Common Stock was +5.74%, based on a change in per share net asset value from $13.25 to $13.64, and assuming reinvestment of all distributions.





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

What changes were made to the portfolio during the period?

Municipal bonds fared quite well during the year, supported by low new issuance, healthy investor demand and strong performance relative to the taxable bond market. We did not make significant changes to the portfolio's composition or our investment strategy over the past 12 months. Given the limited supply in the market, and the generally low coupons available on new issues, there were few compelling opportunities to restructure the portfolio. We did sell some of the recently advance refunded positions, as their book yields were not significantly above current market yields, and moved into higher-yielding current issues. For the most part, we targeted the 20-year maturity range for the relative yield enhancement it offered. Nevertheless, we were reluctant to restructure the portfolio significantly, as most of the securities held in the portfolio have higher yields than those currently available in the market.

Overall, we maintained a fairly neutral duration profile for most of the period and a fully invested stance. Both of these factors aided performance, particularly as the bond markets embarked on a strong rally in the final three months of the period. In managing the Fund's duration, we employed hedging strategies rather than trading in and out of bonds. We felt this was a prudent approach, as it allowed us to target our desired duration without having to give up attractively structured bonds that contribute meaningfully to the Fund's distribution rate.

For the six-month period ended October 31, 2006, the Fund's Auction Market Preferred Stock had average yields of 3.33% for Series A, 3.44% for Series B, 3.21% for Series C and 3.22% for Series D. The Fed raised short-term interest rates six times during the 12-month period, but opted to keep the target rate on hold at 5.25% in August, September and October 2006. As such, the Fund's borrowing costs began to stabilize during the period, the municipal yield curve remained positively sloped and continued to generate an income benefit to the Common Stock shareholder from the leveraging of Preferred Stock. However, should the spread between short-term and long-term interest rates narrow, the benefits of leverage will decline and, as a result, reduce the yield on the Fund's Common Stock. (For a more complete explanation of the benefits and risks of leveraging, see page 11 of this report to shareholders.)

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

We remained fully invested at period-end and fairly neutral with respect to interest rate risk. The bond market has come a long way in recent months, despite some uncertain rhetoric from the Fed. The central bankers acknowledge that the economy is slowing, led by a sharp deceleration in housing, but continue to take a cautionary tone on inflation. Against this backdrop, we believe a neutral stance is appropriate. We will look to sell into strength as the market presents opportunities, particularly at the longer end of the curve. We also continue to explore opportunities back down the curve in the 15-year - 20-year range. We have found that we can move five years - 10 years down the curve without sacrificing a significant amount of yield. Given the degree of yield-curve flattening that has occurred over the course of the Fed's interest rate-hiking campaign, we believe this maturity range could perform well in the future. Overall, we remain committed to our goal of providing shareholders with an attractive level of tax-exempt income.

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

William R. Bock
Vice President and Portfolio Manager
BlackRock MuniYield Insured Fund, Inc.

Michael A. Kalinoski, CFA

Vice President and Portfolio Manager
BlackRock MuniYield Quality Fund, Inc.
BlackRock MuniYield Quality Fund II, Inc.

November 20, 2006



The Benefits and Risks of Leveraging

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

To illustrate these concepts, assume a fund's Common Stock capitalization of $100 million and the issuance of Preferred Stock for an additional $50 million, creating a total value of $150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are approximately 3% and long-term interest rates are approximately 6%, the yield curve has a strongly positive slope. The fund pays dividends on the $50 million of Preferred Stock based on the lower short-term interest rates. At the same time, the fund's total portfolio of $150 million earns the income based on long-term interest rates.

In this case, the dividends paid to Preferred Stock shareholders are significantly lower than the income earned on the fund's long-term investments, and therefore the Common Stock shareholders are the beneficiaries of the incremental yield. However, if short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Stock will be reduced or eliminated completely. At the same time, the market value of the fund's Common Stock (that is, its price as listed on the New York Stock Exchange) may, as a result, decline. Furthermore, if long-term interest rates rise, the Common Stock's net asset value will reflect the full decline in the price of the portfolio's investments, since the value of the fund's Preferred Stock does not fluctuate. In addition to the decline in net asset value, the market value of the fund's Common Stock may also decline.

As of October 31, 2006, BlackRock MuniYield Fund, Inc., BlackRock MuniYield Insured Fund, Inc., BlackRock MuniYield Quality Fund, Inc. and MuniYield Quality Fund II, Inc. had leverage amounts, due to Auction Market Preferred Stock, of 33.78%, 35.62%, 34.92% and 34.40% of total net assets, respectively, before the deduction of Preferred Stock.

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

Swap Agreements

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



Schedule of Investments as of October 31, 2006
BlackRock MuniYield Fund, Inc. (in Thousands)

| Face Amount | Municipal Bonds | Value |
|---|---|---|
| Alabama--2.2% | | |
| $ 5,250 | Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5.50% due 1/01/2022 | $ 5,733 |
| | Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project) Series A: | |
| 2,200 | 5.625% due 8/01/2025 | 2,214 |
| 6,425 | 5.875% due 8/01/2036 | 6,559 |
| Arizona--11.6% | | |
| | Arizona State Transportation Board, Highway Revenue Bonds, Sub-Series A: | |
| 5,825 | 5% due 7/01/2021 | 6,230 |
| 7,030 | 5% due 7/01/2022 | 7,504 |
| 5,240 | 5% due 7/01/2023 | 5,576 |
| 3,300 | Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.75% due 7/01/2029 | 3,315 |
| | Maricopa County, Arizona, IDA, M/F Housing Revenue Refunding Bonds (CRS Pine Ridge Housing Corporation), Series A-1 (e)(i): | |
| 5,000 | 6% due 10/20/2031 | 5,381 |
| 5,000 | 6.05% due 10/20/2036 | 5,327 |
| | Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT: | |
| 3,000 | 6.25% due 6/01/2019 | 3,088 |
| 5,090 | 6.30% due 4/01/2023 | 5,195 |

| | | |
|---|---|---|
| | Phoenix, Arizona, IDA, M/F Housing Revenue Bonds (Summit Apartments LLC Project) (i): | |
| 1,610 | 6.25% due 7/20/2022 | 1,763 |
| 1,425 | 6.45% due 7/20/2032 | 1,557 |
| 1,305 | 6.55% due 7/20/2037 | 1,429 |
| 1,400 | Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project II), Series A, 6.75% due 7/01/2031 | 1,485 |
| 17,500 | Salt River Project, Arizona, Agriculture Improvement and Power District, Electric System Revenue Bonds, Series A, 5% due 1/01/2037 | 18,624 |
| | Vistancia Community Facilities District, Arizona, GO: | |
| 3,000 | 5.50% due 7/15/2020 | 3,120 |
| 2,125 | 5.75% due 7/15/2024 | 2,230 |
| 5,900 | Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Yavapai Regional Medical Center), Series A, 6% due 8/01/2033 | 6,406 |
| Arkansas--0.7% | | |
| | University of Arkansas, University Construction Revenue Bonds (UAMS Campus), Series B (k): | |
| 2,000 | 5% due 11/01/2020 | 2,137 |
| 1,600 | 5% due 11/01/2027 | 1,695 |
| 1,000 | University of Arkansas, University Revenue Refunding Bonds (UAMS Campus), Series A, 5% due 11/01/2014 (k) | 1,086 |
| California--14.4% | | |
| 8,760 | California State, GO, 5% due 2/01/2033 | 9,160 |
| | California State Public Works Board, Lease Revenue Bonds: | |
| 2,000 | (Department of Corrections), Series C, 5% due 6/01/2025 | 2,098 |
| 4,500 | (Department of Mental Health--Coalinga State Hospital), Series A, 5.125% due 6/01/2029 | 4,744 |
| | California State, Various Purpose, GO: | |
| 6,800 | 5.25% due 11/01/2025 | 7,310 |
| 10,000 | 5% due 4/01/2031 (a) | 10,511 |
| 5,550 | 5.50% due 11/01/2033 | 6,104 |
| | Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds: | |
| 5,500 | Series A-3, 7.875% due 6/01/2042 | 6,758 |
| 7,500 | Series A-4, 7.80% due 6/01/2042 | 9,184 |
| | Los Angeles, California, Unified School District, GO, Series A (h): | |
| 7,570 | 5% due 7/01/2022 | 8,050 |
| 18,400 | 5% due 7/01/2023 | 19,455 |
| 5,145 | Santa Clara, California, Subordinated Electric Revenue Bonds, Series A, 5% due 7/01/2022 (k) | 5,465 |
| 7,465 | University of California Revenue Bonds (Multiple Purpose Projects), Series Q, 5% due 9/01/2021 (h) | 7,960 |
| Colorado--5.1% | | |
| 3,245 | Colorado Educational and Cultural Facilities Authority, Revenue Refunding Bonds (University of Denver Project), Series B, 5.25% due 3/01/2035 (d) | 3,524 |
| 330 | Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Series D-2, 6.90% due 4/01/2029 | 333 |
| 8,000 | Denver, Colorado, City and County Airport Revenue Bonds, AMT, Series D, 7.75% due 11/15/2013 (a) | 9,132 |
| 4,755 | Denver, Colorado, Urban Renewal Authority, Tax Increment Revenue Bonds (Pavilions), AMT, 7.75% | |

due 3/01/2007 (l) 4,853

Portfolio Abbreviations

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

| | |
|---|---|
| AMT | Alternative Minimum Tax (subject to) |
| COP | Certificates of Participation |
| DATES | Daily Adjustable Tax-Exempt Securities |
| DRIVERS | Derivative Inverse Tax-Exempt Receipts |
| EDA | Economic Development Authority |
| GO | General Obligation Bonds |
| HDA | Housing Development Authority |
| HFA | Housing Finance Agency |
| IDA | Industrial Development Authority |
| IDB | Industrial Development Board |
| IDR | Industrial Development Revenue Bonds |
| M/F | Multi-Family |
| PCR | Pollution Control Revenue Bonds |
| PILOT | Payment in Lieu of Taxes |
| S/F | Single-Family |
| VRDN | Variable Rate Demand Notes |



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

| Face Amount | Municipal Bonds | Value |
|---|---|---|
| Colorado (concluded) | | |
| | Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee), Series A: | |
| $ 1,615 | 7.10% due 9/01/2014 | $ 1,738 |
| 5,065 | 7.35% due 9/01/2031 | 5,407 |
| | Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees): | |
| 6,850 | 8% due 12/01/2025 | 7,595 |
| 1,885 | 8.125% due 12/01/2025 | 1,899 |
| Connecticut--0.1% | | |
| 450 | Connecticut State Development Authority, IDR (AFCO Cargo BDL-LLC Project), AMT, 7.35% due 4/01/2010 | 473 |
| Delaware--0.3% | | |
| 2,000 | New Castle County, Delaware, PCR (General Motors Corporation Project), VRDN, 7.10% due 10/01/2008 (n) | 2,000 |
| Florida--6.3% | | |
| 4,240 | Highlands County, Florida, Health Facilities Authority, Hospital Revenue Bonds (Adventist Health System), | |

| | | |
|---|---|---|
| | Series C, 5.25% due 11/15/2036 | 4,523 |
| | Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT: | |
| 11,500 | Series A, 7.125% due 4/01/2030 | 12,651 |
| 5,000 | Series B, 7.125% due 4/01/2030 | 5,500 |
| 4,705 | Lee County, Florida, Revenue Bonds, 5% due 10/01/2022 (a) | 5,016 |
| 5,450 | Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds, Series B, 6.50% due 5/01/2037 | 6,053 |
| 1,100 | Orange County, Florida, Health Facilities Authority, Health Care Revenue Refunding Bonds (Orlando Lutheran Towers), 5.375% due 7/01/2020 | 1,116 |
| 2,500 | Orlando, Florida, Greater Orlando Aviation Authority, Airport Facilities Revenue Bonds (JetBlue Airways Corp.), AMT, 6.50% due 11/15/2036 | 2,616 |
| 4,620 | Santa Rosa Bay Bridge Authority, Florida, Revenue Bonds, 6.25% due 7/01/2028 | 4,675 |
| Georgia--1.6% | | |
| 4,600 | Atlanta, Georgia, Tax Allocation Bonds (Atlantic Station Project), 7.90% due 12/01/2024 | 5,117 |
| | Brunswick and Glynn County, Georgia, Development Authority, First Mortgage Revenue Bonds (Coastal Community Retirement Corporation Project), Series A: | |
| 2,285 | 7.125% due 1/01/2025 | 2,253 |
| 3,595 | 7.25% due 1/01/2035 | 3,556 |
| Idaho--1.6% | | |
| 180 | Idaho Housing Agency, S/F Mortgage Revenue Refunding Bonds, AMT, Senior Series C-2, 7.15% due 7/01/2023 | 185 |
| 10,000 | Power County, Idaho, Industrial Development Corporation, Solid Waste Disposal Revenue Bonds (FMC Corporation Project), AMT, 6.45% due 8/01/2032 | 10,663 |
| Illinois--5.1% | | |
| 675 | Beardstown, Illinois, IDR (Jefferson Smurfit Corp. Project), 8% due 10/01/2016 | 690 |
| 1,000 | Bolingbrook, Illinois, Special Services Area Number 1, Special Tax Bonds (Forest City Project), 5.90% due 3/01/2027 (p) | 1,013 |
| 13,200 | Chicago, Illinois, O'Hare International Airport Revenue Bonds, Third Lien, AMT, Series B-2, 6% due 1/01/2029 (f) | 14,813 |
| 3,915 | Chicago, Illinois, O'Hare International Airport, Special Facility Revenue Refunding Bonds (American Airlines Inc. Project), 8.20% due 12/01/2024 | 4,037 |
| | Illinois State Finance Authority Revenue Bonds, Series A: | |
| 1,750 | (Friendship Village of Schaumburg), 5.625% due 2/15/2037 | 1,788 |
| 2,155 | (Landing At Plymouth Place Project), 6% due 5/15/2037 | 2,261 |
| 5,000 | Illinois State Finance Authority, Revenue Refunding Bonds (Northwestern University), 5% due 12/01/2042 | 5,249 |
| 4,000 | Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Bonds (McCormick Place Expansion), Series A, 5.50% due 6/15/2023 (k) | 4,346 |
| Indiana--1.1% | | |
| 2,850 | Indiana Municipal Power Agency, Power Supply System | |

| | | |
|---|---|---|
| | Revenue Bonds, Series A, 5% due 1/01/2029 (d) | 3,010 |
| 4,300 | Indiana Transportation Finance Authority, Highway Revenue Bonds, Series A, 5% due 6/01/2028 (h) | 4,503 |
| Kansas--0.2% | | |
| 1,250 | Lenexa, Kansas, Health Care Facility Revenue Bonds (Lakeview Village Inc.), Series C, 6.875% due 5/15/2032 | 1,365 |
| Kentucky--0.5% | | |
| | Kentucky Economic Development Finance Authority, Health System Revenue Refunding Bonds (Norton Healthcare, Inc.), Series A: | |
| 2,350 | 6.625% due 10/01/2010 (l) | 2,622 |
| 650 | 6.625% due 10/01/2028 | 722 |
| Louisiana--5.7% | | |
| 6,750 | Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25% due 8/15/2036 | 7,139 |
| 1,000 | Louisiana Public Facilities Authority, Revenue Refunding Bonds (Pennington Medical Foundation Project), 5% due 7/01/2031 | 1,038 |
| 10,000 | Louisiana State Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series B, 5% due 6/01/2020 (a) | 10,789 |
| 19,000 | Port New Orleans, Louisiana, IDR, Refunding (Continental Grain Company Project), 6.50% due 1/01/2017 | 19,379 |



Schedule of Investments (continued)

BlackRock MuniYield Fund, Inc. (in Thousands)

| Face Amount | Municipal Bonds | Value |
|---|---|---|
| Maryland--3.6% | | |
| | Baltimore, Maryland, Convention Center Hotel Revenue Bonds: | |
| $ 5,615 | Senior Series A, 5.25% due 9/01/2039 (f) | $ 6,105 |
| 1,920 | Sub-Series B, 5.875% due 9/01/2039 | 2,032 |
| 3,000 | Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration -- AES Warrior Run), AMT, 7.40% due 9/01/2019 | 3,023 |
| | Maryland State Health and Higher Educational Facilities Authority, Revenue Refunding Bonds: | |
| 6,375 | (Peninsula Regional Medical Center), 5% due 7/01/2036 | 6,694 |
| 4,000 | (University of Maryland Medical System), 6% due 7/01/2032 | 4,364 |
| 500 | Maryland State Industrial Development Financing Authority, Economic Development Revenue Bonds (Our Lady of Good Counsel School), Series A, | |

| | | |
|---|---|---|
| | 6% due 5/01/2035 | 537 |
| 1,500 | Prince Georges County, Maryland, Special Obligation Bonds (National Harbor Project), 5.20% due 7/01/2034 | 1,532 |
| Massachusetts--4.9% | | |
| 1,410 | Massachusetts State College Building Authority, Project Revenue Bonds, Series A, 5% due 5/01/2031 (a) | 1,501 |
| 10,000 | Massachusetts State, Consolidated Loan, GO, Series C, 5% due 9/01/2015 (l) | 10,964 |
| 3,500 | Massachusetts State Development Finance Agency, Human Service Provider Revenue Bonds (Seven Hills Foundation & Affiliates), 5% due 9/01/2035 (m) | 3,647 |
| 2,750 | Massachusetts State Development Finance Agency, Revenue Refunding Bonds (Western New England College), Series A, 5% due 9/01/2033 (b) | 2,894 |
| 3,125 | Massachusetts State Health and Educational Facilities Authority, Revenue Bonds (University of Massachusetts Memorial Healthcare), Series D, 5% due 7/01/2033 | 3,186 |
| 10,000 | Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.25% due 1/01/2014 (d)(l) | 10,961 |
| Michigan--1.5% | | |
| 6,060 | Macomb County, Michigan, Hospital Finance Authority, Hospital Revenue Bonds (Mount Clemens General Hospital), Series B, 5.875% due 11/15/2034 | 6,419 |
| 1,000 | Michigan State Hospital Finance Authority, Revenue Refunding Bonds (Henry Ford Health System), Series A, 5.25% due 11/15/2032 | 1,071 |
| 2,500 | Michigan State Strategic Fund, PCR, Refunding (General Motors Corp.), 6.20% due 9/01/2020 | 2,512 |
| Minnesota--1.8% | | |
| | Eden Prairie, Minnesota, M/F Housing Revenue Bonds (Rolling Hills Project), Series A (i): | |
| 420 | 6% due 8/20/2021 | 460 |
| 2,000 | 6.20% due 2/20/2043 | 2,172 |
| 945 | Minneapolis, Minnesota, M/F Housing Revenue Bonds (Gaar Scott Loft Project), AMT, 5.95% due 5/01/2030 | 985 |
| | Minnesota State Municipal Power Agency, Electric Revenue Bonds: | |
| 4,500 | 5% due 10/01/2030 | 4,707 |
| 3,340 | 5% due 10/01/2035 | 3,486 |
| Missouri--4.1% | | |
| 2,690 | Fenton, Missouri, Tax Increment Revenue Refunding and Improvement Bonds (Gravois Bluffs), 7% due 10/01/2011 (l) | 3,113 |
| 2,500 | Missouri Joint Municipal Electric Utility Commission, Power Project Revenue Bonds (Latan 2 Project), Series A, 4.50% due 1/01/2036 (a) | 2,504 |
| | Missouri State Highways and Transportation Commission, First Lien State Road Revenue Bonds, Series A: | |
| 5,000 | 5% due 5/01/2020 | 5,433 |
| 15,000 | 5% due 5/01/2021 | 16,262 |
| 85 | Missouri State Housing Development Commission, S/F Mortgage Revenue Bonds, Homeownership, AMT, Series B, 7.55% due 9/01/2027 (g)(i) | 86 |
| Nebraska--0.3% | | |
| | Lincoln, Nebraska, Sanitation and Sewer Revenue Bonds: | |
| 865 | 4.25% due 6/15/2024 | 862 |

| | | |
|---|---|---|
| 905 | 4.25% due 6/15/2025 | 898 |
| New Hampshire--0.6% | | |
| 3,425 | New Hampshire Health and Education Facilities Authority, Revenue Refunding Bonds (Elliot Hospital), Series B, 5.60% due 10/01/2022 | 3,705 |
| New Jersey--17.3% | | |
| 11,435 | New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50% due 6/15/2024 | 12,120 |
| | New Jersey EDA, First Mortgage Revenue Bonds, Series A: | |
| 710 | (Lions Gate Project), 5.75% due 1/01/2025 | 732 |
| 230 | (Lions Gate Project), 5.875% due 1/01/2037 | 237 |
| 3,000 | (The Presbyterian Home), 6.375% due 11/01/2031 | 3,184 |
| 20,000 | New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5% due 7/01/2029 (k) | 21,119 |
| 4,400 | New Jersey EDA, Retirement Community Revenue Bonds (Cedar Crest Village Inc. Facility), Series A, 7.25% due 11/15/2031 | 4,786 |
| 8,825 | New Jersey EDA, School Facilities Construction Revenue Bonds, Series O, 5.25% due 3/01/2023 | 9,574 |
| | New Jersey EDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), AMT: | |
| 3,905 | 6.25% due 9/15/2019 | 4,043 |
| 14,000 | 6.25% due 9/15/2029 | 14,469 |
| | New Jersey Health Care Facilities Financing Authority Revenue Bonds (Pascack Valley Hospital Association): | |
| 1,515 | 6% due 7/01/2013 | 1,548 |
| 1,835 | 6.625% due 7/01/2036 | 1,891 |
| 3,000 | New Jersey State Educational Facilities Authority, Revenue Bonds (Richard Stockton College), Series F, 4.25% due 7/01/2036 (k) | 2,945 |
| | New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds: | |
| 3,975 | Series A, 5.50% due 12/15/2021 | 4,607 |
| 6,600 | Series A, 5.50% due 12/15/2022 | 7,673 |
| 13,110 | Series C, 5.05% due 12/15/2035 (a)(p) | 3,691 |
| 5,425 | Series D, 5% due 6/15/2019 (h) | 5,848 |
| 9,410 | Series D, 5% due 6/15/2020 | 10,012 |
| 7,000 | Series D, 5% due 6/15/2020 (h) | 7,527 |



Schedule of Investments (continued)

BlackRock MuniYield Fund, Inc. (in Thousands)

| Face Amount | Municipal Bonds | Value |
|---|---|---|
| New York--17.5% | | |
| $ 2,200 | Dutchess County, New York, IDA, Civic Facility Revenue Refunding Bonds (Saint Francis Hospital), Series A, 7.50% due 3/01/2029 | $ 2,424 |
| 2,400 | Erie County, New York, IDA, Revenue Bonds (Orchard | |

| | | |
|---|---|---|
| | Park Ccrc, Inc. Project), Series A, 6% due 11/15/2026 | 2,556 |
| 11,000 | Metropolitan Transportation Authority, New York, Transportation Revenue Refunding Bonds, Series F, 5% due 11/15/2035 | 11,563 |
| | New York City, New York, City IDA, PILOT Revenue Bonds: | |
| 2,000 | (Queens Baseball Stadium Project), 5% due 1/01/2022 (a) | 2,166 |
| 2,175 | (Queens Baseball Stadium Project), 5% due 1/01/2023 (a) | 2,349 |
| 13,250 | (Yankee Stadium Project), 5% due 3/01/2036 (k) | 14,118 |
| 1,250 | New York City, New York, City IDA, Special Facility Revenue Bonds (British Airways Plc Project), AMT, 7.625% due 12/01/2032 | 1,402 |
| 10,000 | New York City, New York, City Municipal Water Finance Authority, Water and Sewer System, Revenue Refunding Bonds, 5.50% due 6/15/2010 (l) | 10,760 |
| | New York City, New York, GO: | |
| 10,000 | Series M, 5% due 4/01/2021 | 10,620 |
| 2,500 | Series O, 5% due 6/01/2033 | 2,624 |
| 6,500 | New York Liberty Development Corporation, Revenue Bonds (Goldman Sachs Headquarters), 5.25% due 10/01/2035 | 7,552 |
| | New York State Dormitory Authority, Non-State Supported Debt, Revenue Refunding Bonds (Mount Sinai Health), Series A: | |
| 3,145 | 6.75% due 7/01/2010 (l) | 3,500 |
| 1,855 | 6.75% due 7/01/2020 | 2,019 |
| 5,000 | New York State Dormitory Authority, State Personal Income Tax Revenue Bonds (Education), Series F, 5% due 3/15/2035 | 5,294 |
| 8,360 | New York State Dormitory Authority, Supported Debt Revenue Refunding Bonds (Department of Health), Series A, 5% due 7/01/2023 (c) | 8,879 |
| 2,500 | Suffolk County, New York, IDA, IDR, Refunding (Nissequogue Cogeneration Partners Facility), AMT, 5.50% due 1/01/2023 | 2,483 |
| 9,400 | Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series C-1, 5.50% due 6/01/2021 | 10,277 |
| 10,000 | Triborough Bridge and Tunnel Authority, New York, Subordinate Revenue Bonds, 5.25% due 11/15/2030 | 10,665 |
| | Westchester County, New York, IDA, Continuing Care Retirement Mortgage Revenue Bonds (Kendal on Hudson Project), Series A: | |
| 3,450 | 6.375% due 1/01/2024 | 3,689 |
| 2,895 | 6.50% due 1/01/2034 | 3,098 |
| North Carolina--1.8% | | |
| 4,750 | North Carolina Eastern Municipal Power Agency, Power System Revenue Bonds, Series D, 6.75% due 1/01/2026 | 5,166 |
| 165 | North Carolina HFA, Home Ownership Revenue Bonds, AMT, Series 8-A, 6.20% due 7/01/2016 | 170 |
| 785 | North Carolina, HFA, S/F Revenue Bonds, Series II, 6.20% due 3/01/2016 (e) | 819 |
| | North Carolina Medical Care Commission, Health Care Facilities, First Mortgage Revenue Bonds: | |
| 1,000 | (Arbor Acres Community Project), 6.375% due 3/01/2032 | 1,074 |
| 5,000 | (Presbyterian Homes Project), 5.40% due 10/01/2027 | 5,163 |
| Ohio--3.1% | | |

BlackRock MuniYield Fund, Inc. (in Thousands)

| | | |
|---|---|---|
| 3,000 | Cincinnati, Ohio, City School District, GO (Classroom Construction and Improvement), Refunding, 5.25% due 12/01/2020 (d) | 3,429 |
| | Cuyahoga County, Ohio, Mortgage Revenue Bonds (West Tech Apartments Project), AMT (i): | |
| 141 | 5.75% due 9/20/2020 | 141 |
| 225 | 5.85% due 9/20/2030 | 225 |
| 5,065 | Hamilton County, Ohio, Sewer System Improvement Revenue Bonds (The Metropolitan Sewer District of Greater Cincinnati), Series B, 5% due 12/01/2028 (k) | 5,396 |
| 2,175 | Lucas County, Ohio, Health Care Facility Revenue Refunding and Improvement Bonds (Sunset Retirement Communities), Series A, 6.625% due 8/15/2030 | 2,342 |
| 5,000 | Mason, Ohio, City School District, GO (School Improvement), 5% due 12/01/2031 (h) | 5,274 |
| 970 | Port of Greater Cincinnati Development Authority, Ohio, Special Assessment Revenue Bonds (Cooperative Public Parking Infrastructure Project), 6.30% due 2/15/2024 | 1,062 |
| | Toledo-Lucas County, Ohio, Port Authority Revenue Bonds (Saint Mary Woods Project), Series A: | |
| 750 | 6% due 5/15/2024 | 766 |
| 2,250 | 6% due 5/15/2034 | 2,277 |
| Oregon--1.4% | | |
| 4,405 | Oregon State Department of Administrative Services, COP, Series A, 6% due 5/01/2010 (a)(l) | 4,796 |
| 2,870 | Oregon State, GO, Refunding (Veterans Welfare), Series 80A, 5.70% due 10/01/2032 | 2,891 |
| 1,830 | Portland, Oregon, Housing Authority, Housing Revenue Bonds (Pine Square and University Place), Series A, 5.875% due 1/01/2022 | 1,879 |
| Pennsylvania--5.6% | | |
| 5,270 | Pennsylvania Economic Development Financing Authority, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT, Series A, 6.25% due 11/01/2027 | 5,558 |
| 16,270 | Pennsylvania State Higher Educational Facilities Authority, Health Services Revenue Refunding Bonds (Allegheny Delaware Valley Obligation), Series C, 5.875% due 11/15/2016 (k) | 16,623 |





| Face Amount | Municipal Bonds | Value |
|---|---|---|
| Pennsylvania (concluded) | | |
| $ 1,265 | Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, 7.75% due 12/01/2017 | $ 1,268 |
| | Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, Refunding: | |

| | | |
|---|---|---|
| 3,650 | (Days Inn), Series B, 6.50% due 2/01/2007 (l) | 3,746 |
| 4,000 | (Doubletree), Series A, 6.50% due 2/01/2007 (l) | 4,106 |
| 5,000 | Sayre, Pennsylvania, Health Care Facilities Authority, Revenue Bonds (Guthrie Healthcare System), Series B, 7.125% due 12/01/2031 | 5,993 |
| Rhode Island--1.1% | | |
| 4,240 | Central Falls, Rhode Island, Detention Facility Corporation, Detention Facility, Revenue Refunding Bonds, 7.25% due 7/15/2035 | 4,771 |
| | Woonsocket, Rhode Island, GO (d): | |
| 1,225 | 6% due 10/01/2017 | 1,343 |
| 1,195 | 6% due 10/01/2018 | 1,306 |
| Tennessee--2.2% | | |
| 4,340 | Hardeman County, Tennessee, Correctional Facilities Corporation Revenue Bonds, 7.75% due 8/01/2017 | 4,476 |
| 10,000 | McMinn County, Tennessee, IDB, Solid Waste Revenue Bonds (Recycling Facility--Calhoun Newsprint), AMT, 7.40% due 12/01/2022 | 10,150 |
| Texas--13.2% | | |
| 5,000 | Alliance Airport Authority, Inc., Texas, Special Facilities Revenue Bonds (American Airlines Inc. Project), AMT, 7.50% due 12/01/2029 | 5,100 |
| | Austin, Texas, Convention Center Revenue Bonds (Convention Enterprises Inc.), First Tier, Series A: | |
| 5,000 | 6.70% due 1/01/2028 | 5,331 |
| 5,000 | 6.70% due 1/01/2032 | 5,294 |
| | Bexar County, Texas, Housing Finance Corporation, M/F Housing Revenue Bonds (Water at Northern Hills Apartments), Series A (k): | |
| 1,300 | 5.80% due 8/01/2021 | 1,331 |
| 2,460 | 6% due 8/01/2031 | 2,518 |
| 1,000 | 6.05% due 8/01/2036 | 1,024 |
| 3,755 | Brazos River Authority, Texas, Revenue Refunding Bonds (Reliant Energy Inc. Project), Series B, 7.75% due 12/01/2018 | 3,996 |
| 5,480 | Dallas-Fort Worth, Texas, International Airport Facilities Improvement Corporation Revenue Bonds (American Airlines, Inc.), AMT, 7.25% due 11/01/2030 | 5,562 |
| | Gregg County, Texas, Health Facilities Development Corporation, Hospital Revenue Bonds (Good Shepherd Medical Center Project) (m): | |
| 3,000 | 6.875% due 10/01/2020 | 3,374 |
| 2,000 | 6.375% due 10/01/2025 | 2,214 |
| 5,000 | Guadalupe-Blanco River Authority, Texas, Sewage and Solid Waste Disposal Facility Revenue Bonds (E. I. du Pont de Nemours and Company Project), AMT, 6.40% due 4/01/2026 | 5,108 |
| 3,900 | Gulf Coast, Texas, IDA, Solid Waste Disposal Revenue Bonds (Citgo Petroleum Corporation Project), AMT, 7.50% due 5/01/2025 | 4,387 |
| | Houston, Texas, Airport System, Special Facilities Revenue Bonds (Continental Airlines), AMT, Series E: | |
| 3,500 | 7.375% due 7/01/2022 | 3,839 |
| 3,000 | 7% due 7/01/2029 | 3,245 |
| 1,600 | Houston, Texas, Industrial Development Corporation Revenue Bonds (Air Cargo), AMT, 6.375% due 1/01/2023 | 1,716 |

| | | |
|---|---|---|
| | Lower Colorado River Authority, Texas, PCR (Samsung Austin Semiconductor), AMT: | |
| 4,830 | 6.375% due 4/01/2027 | 4,981 |
| 3,330 | 6.95% due 4/01/2030 | 3,674 |
| 7,030 | Matagorda County, Texas, Navigation District Number 1, Revenue Refunding Bonds (Reliant Energy Inc.), Series C, 8% due 5/01/2029 | 7,475 |
| 3,900 | Port Corpus Christi, Texas, Individual Development Corporation, Environmental Facilities Revenue Bonds (Citgo Petroleum Corporation Project), AMT, 8.25% due 11/01/2031 | 4,035 |
| 6,500 | Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier, Series A, 5.50% due 8/15/2039 (a) | 7,051 |
| 7,020 | Tyler, Texas, Waterworks and Sewer Revenue Bonds, 5.70% due 9/01/2010 (d)(l) | 7,546 |
| Virginia--2.5% | | |
| | James City County, Virginia, EDA, Residential Care Facility, First Mortgage Revenue Refunding Bonds (Williamsburg Landing, Inc.), Series A: | |
| 1,500 | 5.35% due 9/01/2026 | 1,541 |
| 2,000 | 5.50% due 9/01/2034 | 2,056 |
| | Pocahontas Parkway Association, Virginia, Toll Road Revenue Bonds (l): | |
| 5,000 | Senior Series A, 5.50% due 8/15/2008 | 5,264 |
| 24,800 | Senior Series B, 6.67% due 8/15/2008 (p) | 6,991 |
| 1,000 | Winchester, Virginia, IDA, Residential Care Facilities, Revenue Bonds (Westminster-Canterbury), Series A, 5.20% due 1/01/2027 | 1,017 |
| Washington--0.3% | | |
| | Vancouver, Washington, Housing Authority, Housing Revenue Bonds (Teal Pointe Apartments Project), AMT: | |
| 945 | 6% due 9/01/2022 | 970 |
| 1,250 | 6.20% due 9/01/2032 | 1,282 |
| Wisconsin--0.6% | | |
| 695 | Milwaukee, Wisconsin, Revenue Bonds (Air Cargo), AMT, 6.50% due 1/01/2025 | 750 |
| | Wisconsin Health and Educational Facilities Authority, Revenue Refunding Bonds (Eastcastle Place Inc. Project): | |
| 1,000 | 6% due 12/01/2024 | 1,031 |
| 1,800 | 6.125% due 12/01/2034 | 1,845 |
| 700 | Wisconsin State, GO, AMT, Series B, 6.20% due 11/01/2026 (k) | 708 |



Schedule of Investments (concluded)

BlackRock MuniYield Fund, Inc. (in Thousands)

| Face Amount | Municipal Bonds | Value |
|---|---|---|

| | | |
|---|---|---|
| Wyoming--0.4% | | |
| $ 2,500 | Wyoming Student Loan Corporation, Student Loan Revenue Refunding Bonds, Series A, 6.20% due 6/01/2024 | $ 2,658 |
| U.S. Virgin Islands--1.0% | | |
| 6,250 | Virgin Islands Public Finance Authority, Refinery Facilities Revenue Bonds (Hovensa Refinery), AMT, 6.125% due 7/01/2022 | 6,910 |
| | Total Municipal Bonds (Cost--$889,759)--141.3% | 950,288 |
| | Municipal Bonds Held in Trust (o) | |
| New York--3.3% | | |
| | New York City, New York, GO, Refunding, Series A (d): | |
| 10,000 | 6.375% due 5/15/2014 | 10,959 |
| 10,000 | 6.375% due 5/15/2015 | 10,959 |
| South Carolina--2.8% | | |
| | Charleston Educational Excellence Financing Corporation, South Carolina, Revenue Bonds (Charleston County School District) (b): | |
| 7,795 | 5.25% due 12/01/2028 | 8,444 |
| 6,920 | 5.25% due 12/01/2029 | 7,491 |
| 2,510 | 5.25% due 12/01/2030 | 2,717 |
| Puerto Rico--5.6% | | |
| 30,000 | Puerto Rico Commonwealth Highway and Transportation Authority, Transportation Revenue Bonds, Series B, 5.875% due 7/01/2035 (k) | 32,678 |
| 5,000 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series HH, 5.75% due 7/01/2010 (h)(l) | 5,415 |
| | Total Municipal Bonds Held in Trust (Cost--$75,321)--11.7% | 78,663 |
| Shares Held | Short-Term Securities | |
| 6,924 | Merrill Lynch Institutional Tax-Exempt Fund, 3.38% (j)(q) | 6,924 |
| | Total Short-Term Securities (Cost--$6,924)--1.0% | 6,924 |
| Total Investments (Cost--$972,004*)--154.0% | | 1,035,875 |
| Other Assets Less Liabilities--2.5% | | 16,485 |
| Liability for Trust Certificates, Including Interest Expense Payable--(5.4%) | | (36,610) |
| Preferred Stock, at Redemption Value--(51.1%) | | (343,383) |

| | |
|---|---|
| Net Assets Applicable to Common Stock--100.0% | $ 672,367 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2006, as computed for federal income tax purposes, were as follows:

| | |
|---|---|
| Aggregate cost ............................................ | $ 937,168 |
| Gross unrealized appreciation ............................. | $ 62,754 |
| Gross unrealized depreciation ............................. | (160) |
| Net unrealized appreciation ............................... | $ 62,594 |

(a) AMBAC Insured.
(b) Assured Guaranty Insured.
(c) CIFG Insured.
(d) FGIC Insured.
(e) FHA Insured.
(f) XL Capital Insured.
(g) FNMA Collateralized.
(h) FSA Insured.
(i) GNMA Collateralized.
(j) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Net Activity | Dividend Income |
|---|---|---|
| Merrill Lynch Institutional Tax-Exempt Fund | 4,424 | $ 346 |

(k) MBIA Insured.
(l) Prerefunded.
(m) Radian Insured.
(n) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.
(o) Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1(c) to Financial Statements for details of Municipal Bonds Held in Trust.
(p) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
(q) Represents the current yield as of October 31, 2006.

See Notes to Financial Statements.



Schedule of Investments as of October 31, 2006
BlackRock MuniYield Insured Fund, Inc. (in Thousands)

| Face Amount | Municipal Bonds | Value |
|---|---|---|
| Alaska--0.4% | | |
| $ 3,695 | Alaska Energy Authority, Power Revenue Refunding Bonds (Bradley Lake), Fourth Series, 6% due 7/01/2018 (g) | $ 4,371 |
| Arizona--2.2% | | |
| 21,355 | Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Senior Series A, 5% due 7/01/2036 (c) | 22,460 |
| California--29.8% | | |
| 10,000 | Alameda Corridor Transportation Authority, California, Capital Appreciation Revenue Refunding Bonds, Subordinate Lien, Series A, 5.40% due 10/01/2014 (a)(m) | 8,123 |
| 5,000 | Antioch, California, Public Finance Authority, Lease Revenue Refunding Bonds (Municipal Facilities Project), Series A, 5.50% due 1/01/2032 (b) | 5,326 |
| 10,000 | California Infrastructure and Economic Development Bank, Bay Area Toll Bridges Revenue Bonds, First Lien, Series A, 5% due 7/01/2025 (c)(i) | 11,334 |
| | California State Public Works Board, Lease Revenue Bonds: | |
| 5,500 | (Department of Corrections), Series C, 5.25% due 6/01/2028 | 5,854 |
| 3,755 | (Department of General Services), Series D, 5.25% due 6/01/2028 | 3,997 |
| 5,250 | (Department of Mental Health--Coalinga State Hospital), Series A, 5.125% due 6/01/2029 | 5,534 |
| 12,000 | California State, Various Purpose, GO, 5.25% due 11/01/2029 | 12,840 |
| 32,000 | California State, Various Purpose, GO, Refunding, 5% due 6/01/2034 (d) | 33,729 |
| 7,740 | California Statewide Communities Development Authority, Health Facility Revenue Bonds (Memorial Health Services), Series A, 6% due 10/01/2023 | 8,617 |
| 4,205 | California Statewide Communities Development Authority, Water Revenue Bonds (Pooled Financing Program), Series C, 5.25% due 10/01/2034 (g) | 4,492 |
| 5,800 | Fairfield-Suisun, California, Unified School District, GO (Election of 2002), 5.50% due 8/01/2028 (b) | 6,403 |
| 6,060 | Glendale, California, Community College District, GO (Election of 2002), Series D, 5% due 11/01/2031 (b) | 6,483 |
| 13,155 | Huntington Beach, California, Union High School District, GO (Election of 2004), 5% due 8/01/2029 (g) | 13,916 |
| 1,000 | Long Beach, California, Harbor Revenue Refunding Bonds, AMT, Series B, 5.20% due 5/15/2027 (b) | 1,060 |
| 42,750 | Los Angeles, California, Unified School District, GO, Series A, 5% due 1/01/2028 (b) | 45,202 |
| | Los Angeles, California, Water and Power Revenue Bonds (Power System) (g): | |
| 12,775 | Series B, 5% due 7/01/2035 | 13,386 |
| 35,200 | Sub-Series A-1, 5% due 7/01/2035 | 37,305 |
| 7,500 | Modesto, California, Irrigation District, COP, Refunding and Capital Improvements, Series A, 5% due 10/01/2036 (a) | 7,957 |

| | | |
|---|---|---|
| 10,365 | Pasadena, California, Area Community College District, GO (Election of 2002), Series B, 5% due 8/01/2031 (a) | 11,073 |
| 145 | Port of Oakland, California, Revenue Bonds, AMT, Series K, 5.75% due 11/01/2021 (c) | 154 |
| 10,000 | Riverside County, California, Public Financing Authority, Tax Allocation Revenue Bonds (Redevelopment Projects), 5% due 10/01/2035 (e) | 10,458 |
| 3,000 | Riverside County, California, Public Financing Authority, Tax Allocation Revenue Refunding Bonds (Jurupa Valley Project and Interstate 215 Corridor Project), 5% due 10/01/2023 (b) | 3,221 |
| | San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Bonds (g): | |
| 7,500 | 5% due 7/01/2031 | 7,920 |
| 10,000 | 5% due 7/01/2036 | 10,539 |
| 8,170 | San Francisco, California, Community College District, GO (Election of 2001), Series C, 5% due 6/15/2029 (g) | 8,736 |
| 8,310 | Stockton, California, Public Financing Authority, Lease Revenue Bonds (Parking & Capital Projects), 5.25% due 9/01/2034 (c) | 8,911 |
| 12,000 | West Valley Mission Community College District, California, GO (Election of 2004), Series A, 5% due 8/01/2030 (g) | 12,810 |
| Colorado--1.0% | | |
| 10,000 | Colorado HFA, Revenue Refunding Bonds (Adventist Health System/Sunbelt Obligor Group), Series D, 5.125% due 11/15/2029 | 10,558 |
| District of Columbia--3.6% | | |
| | District of Columbia, Ballpark Revenue Bonds, Series B-1 (c): | |
| 25,000 | 5% due 2/01/2031 | 26,420 |
| 10,000 | 5% due 2/01/2035 | 10,537 |
| Florida--1.4% | | |
| 4,715 | Highlands County, Florida, Health Facilities Authority, Hospital Revenue Bonds (Adventist Health System), Series C, 5.25% due 11/15/2036 | 5,029 |
| 1,000 | Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, 5.375% due 10/01/2027 (c) | 1,060 |
| 5,000 | Orange County, Florida, Health Facilities Authority, Hospital Revenue Bonds (Adventist Health System), 5.625% due 11/15/2032 | 5,407 |
| 3,225 | Pinellas County, Florida, Health Facilities Authority, Revenue Refunding Bonds (Pooled Hospital Loan Program), DATES, VRDN, 3.65% due 12/01/2015 (a)(h) | 3,225 |
| Georgia--4.6% | | |
| | Atlanta, Georgia, Airport General Revenue Refunding Bonds (g): | |
| 26,500 | AMT, Series A, 5.125% due 1/01/2030 | 27,753 |
| 12,500 | Series B, 5.25% due 1/01/2033 | 13,428 |
| | Burke County, Georgia, Development Authority, PCR, Refunding, VRDN (a)(h): | |
| 3,000 | (Oglethorpe Power Corporation), 3.61% due 1/01/2021 | 3,000 |
| 3,000 | (Oglethorpe Power Corporation--Vogtle), | |

| | | |
|---|---|---|
| | 3.61% due 1/01/2022 | 3,000 |
| **Hawaii--0.5%** | | |
| 2,000 | Hawaii State, GO, Series CX, 5.50% due 2/01/2021 (g) | 2,168 |
| 3,000 | Hawaii State Harbor System Revenue Bonds, AMT, Series A, 5% due 1/01/2031 (g) | 3,130 |



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

| Face Amount | Municipal Bonds | Value |
|---|---|---|
| **Illinois--4.8%** | | |
| $ 15,400 | Chicago, Illinois, GO, Series C, 5% due 1/01/2035 (b) | $ 16,097 |
| | Chicago, Illinois, O'Hare International Airport, Revenue Refunding Bonds, AMT: | |
| 1,500 | Third Lien, Series C-2, 5.25% due 1/01/2034 (e) | 1,577 |
| 13,000 | Illinois Health Facilities Authority Revenue Refunding Bonds (University of Chicago Hospitals), VRDN, 3.63% due 8/01/2026 (b)(h) | 13,000 |
| 5,000 | Illinois State, GO, 5% due 4/01/2028 (a) | 5,299 |
| 6,035 | McLean and Woodford Counties, Illinois, Community Unit, School District Number 005, GO, Refunding, 6.375% due 12/01/2016 (g) | 6,786 |
| 4,800 | Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Refunding Bonds (McCormick Place Expansion Project), Series B, 5.75% due 6/15/2023 (b) | 5,301 |
| 1,000 | Regional Transportation Authority, Illinois, Revenue Bonds, Series C, 7.75% due 6/01/2020 (c) | 1,381 |
| **Indiana--5.6%** | | |
| 2,250 | Indiana Health Facilities Financing Authority, Hospital Revenue Bonds (Deaconess Hospital Obligated Group), Series A, 5.375% due 3/01/2034 (a) | 2,419 |
| | Indiana Transportation Finance Authority, Highway Revenue Bonds, Series A: | |
| 3,000 | 5.25% due 6/01/2026 (c) | 3,268 |
| 3,750 | 5% due 6/01/2028 (g) | 3,927 |
| 14,000 | 5.25% due 6/01/2028 (c) | 15,078 |
| 20,000 | 5.25% due 6/01/2029 (c) | 21,526 |
| 2,705 | Indianapolis, Indiana, Local Public Improvement Bond Bank, Revenue Bonds (Waterworks Project), Series A, 5.125% due 7/01/2027 (b) | 2,855 |
| | Indianapolis, Indiana, Local Public Improvement Bond Bank, Revenue Refunding Bonds (Indianapolis Airport Authority Project), AMT, Series B (b): | |
| 2,000 | 5.25% due 1/01/2028 | 2,141 |
| 6,525 | 5.25% due 1/01/2030 | 6,975 |
| **Louisiana--6.6%** | | |
| 3,750 | Louisiana Local Government, Environmental | |

| | | |
|---|---|---|
| | Facilities, Community Development Authority Revenue Bonds (Capital Projects and Equipment Acquisition), Series A, 6.30% due 7/01/2030 (a) | 4,482 |
| 6,615 | Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25% due 8/15/2036 | 6,996 |
| 31,255 | Louisiana State, GO, Series C, 5% due 5/01/2022 (g) | 33,654 |
| | Louisiana State, Gas and Fuels Tax Revenue Bonds, Series A: | |
| 4,500 | 5% due 5/01/2025 (e) | 4,801 |
| 13,000 | 5% due 5/01/2031 (g) | 13,860 |
| 3,545 | New Orleans, Louisiana, GO (Public Improvements), 5% due 10/01/2033 (b) | 3,693 |
| Massachusetts--4.5% | | |
| 2,500 | Massachusetts State, HFA, Housing Development Revenue Refunding Bonds, Series B, 5.40% due 12/01/2028 (b) | 2,582 |
| 12,805 | Massachusetts State, HFA, Rental Housing Mortgage Revenue Bonds, AMT, Series A, 5.15% due 7/01/2026 (g) | 13,079 |
| 7,550 | Massachusetts State Port Authority Revenue Bonds, Series A, 5% due 7/01/2033 (b) | 7,902 |
| | Massachusetts State Special Obligation Dedicated Tax Revenue Bonds (c)(f): | |
| 10,160 | 5.25% due 1/01/2014 | 11,136 |
| 10,000 | 5.75% due 1/01/2014 | 11,273 |
| Michigan--3.6% | | |
| 11,250 | Detroit, Michigan, Sewage Disposal System, Second Lien Revenue Bonds, Series B, 5% due 7/01/2036 (c) | 11,903 |
| 4,325 | Michigan Higher Education Student Loan Authority, Student Loan Revenue Bonds, AMT, Series XVII-Q, 5% due 3/01/2031 (a) | 4,481 |
| 20,000 | Wayne County, Michigan, Airport Authority Revenue Bonds (Detroit Metropolitan Wayne County Airport), AMT, 5% due 12/01/2029 (b) | 20,905 |
| Missouri--2.9% | | |
| | Missouri Joint Municipal Electric Utility Commission, Power Project Revenue Bonds (Latan 2 Project), Series A (a): | |
| 6,550 | 5% due 1/01/2026 | 6,986 |
| 7,930 | 5% due 1/01/2027 | 8,452 |
| 8,325 | 5% due 1/01/2028 | 8,860 |
| 150 | Missouri State Housing Development Commission, S/F Mortgage Revenue Bonds (Homeownership Loan Program), AMT, Series C-1, 7.15% due 3/01/2032 (k) | 153 |
| 5,000 | Missouri State Housing Development Commission, S/F Mortgage Revenue Refunding Bonds (Homeownership Loan Program), AMT, Series D-1, 5% due 9/01/2037 (k)(l) | 5,116 |
| Nebraska--3.3% | | |
| 15,435 | Nebraska Public Power District Revenue Bonds, Series A, 5% due 1/01/2035 (a) | 16,137 |
| 6,780 | Omaha Convention Hotel Corporation, Nebraska, Convention Center Revenue Bonds, First Tier, Series A, 5.125% due 4/01/2032 (a) | 7,134 |
| 10,000 | Omaha Public Power District, Nebraska, Electric | |

| | | |
|---|---|---|
| | System Revenue Bonds, Series A, 5% due 2/01/2034 | 10,463 |
| **Nevada--7.5%** | | |
| 25,000 | Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series A-2, 5% due 7/01/2030 (c) | 26,198 |
| 6,000 | Henderson, Nevada, Health Care Facilities Revenue Bonds (Catholic Healthcare West), Series A, 5.625% due 7/01/2024 | 6,502 |
| 5,000 | Humboldt County, Nevada, PCR, Refunding (Sierra Pacific Project), 6.55% due 10/01/2013 (a) | 5,078 |
| 1,165 | Reno, Nevada, Capital Improvement Revenue Bonds, 5.50% due 6/01/2019 (c) | 1,264 |
| 12,500 | Truckee Meadows, Nevada, Water Authority, Water Revenue Refunding Bonds, 4.75% due 7/01/2032 (g) | 12,831 |
| | Washoe County, Nevada, Gas Facilities Revenue Bonds (Sierra Pacific Power Company), AMT: | |
| 15,000 | 6.65% due 12/01/2017 (a) | 15,036 |
| 5,000 | 6.55% due 9/01/2020 (b) | 5,078 |
| 5,000 | Washoe County, Nevada, Water Facility Revenue Bonds (Sierra Pacific Power Company), AMT, 6.65% due 6/01/2017 (b) | 5,118 |



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

| Face Amount | Municipal Bonds | Value |
|---|---|---|
| **New Hampshire--1.0%** | | |
| $ 10,000 | New Hampshire State Business Finance Authority, PCR, Refunding (Public Service Company Project), AMT, Series B, 4.75% due 5/01/2021 (b) | $ 10,278 |
| **New Jersey--5.3%** | | |
| 16,000 | Garden State Preservation Trust of New Jersey, Open Space and Farmland Preservation Revenue Bonds, Series A, 5.75% due 11/01/2028 (g) | 19,749 |
| | New Jersey EDA, Cigarette Tax Revenue Bonds: | |
| 3,060 | 5.75% due 6/15/2029 | 3,329 |
| 2,610 | 5.50% due 6/15/2031 | 2,780 |
| 14,135 | 5.75% due 6/15/2034 | 15,283 |
| | New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds, Series C (a)(m): | |
| 20,000 | 4.96% due 12/15/2035 | 5,631 |
| 20,000 | 5.03% due 12/15/2036 | 5,344 |
| | Newark, New Jersey, Housing Authority, Port Authority--Port Newark Marine Terminal Additional Rent-Backed Revenue Bonds (City of Newark Redevelopment Projects) (b): | |
| 1,500 | 5.50% due 1/01/2027 | 1,652 |
| 1,380 | 5.50% due 1/01/2028 | 1,520 |

| | | |
|---|---|---|
| New Mexico--0.2% | | |
| 1,605 | New Mexico Educational Assistance Foundation, Student Loan Revenue Refunding Bonds (Student Loan Program), AMT, First Sub-Series A-2, 6.65% due 11/01/2025 | 1,607 |
| 445 | New Mexico Mortgage Finance Authority, S/F Mortgage Revenue Bonds, AMT, Series C-2, 6.95% due 9/01/2031 (k) | 452 |
| New York--15.4% | | |
| 10,250 | Long Island Power Authority, New York, Electric System Revenue Bonds, Series A, 5.10% due 9/01/2029 | 10,836 |
| 12,500 | Metropolitan Transportation Authority, New York, Commuter Facilities Revenue Refunding Bonds, Series B, 5.125% due 7/01/2024 (a)(i) | 12,870 |
| 11,250 | Metropolitan Transportation Authority, New York, Transportation Revenue Refunding Bonds, Series F, 5% due 11/15/2030 | 11,878 |
| 30,000 | New York City, New York, City Municipal Water Finance Authority, Water and Sewer System, Revenue Refunding Bonds, Series B, 5% due 6/15/2036 (g) | 31,678 |
| | New York City, New York, GO: | |
| 1,880 | Series B, 5.875% due 8/01/2016 (b) | 2,038 |
| 10,000 | Series J, 5.25% due 5/15/2024 | 10,732 |
| 1,000 | Series J, 5.25% due 5/15/2025 | 1,075 |
| 20,000 | Series M, 5% due 4/01/2030 (n) | 21,182 |
| 6,000 | Sub-Series C-1, 5.25% due 8/15/2026 | 6,439 |
| 2,250 | New York City, New York, IDA Civic Facilities Revenue Bonds (YMCA of Greater New York Project), 5% due 8/01/2026 | 2,361 |
| 11,865 | New York State Dormitory Authority, Supported Debt Revenue Bonds (Mental Health Services Facilities Improvement), Series E, 5% due 2/15/2035 | 12,430 |
| 6,645 | New York State Urban Development Corporation, Personal Income Tax Revenue Bonds, Series B, 5% due 3/15/2030 (g) | 7,046 |
| 19,500 | Port Authority of New York and New Jersey, Consolidated Revenue Bonds, AMT, One Hundred Thirty-Seventh Series, 5.125% due 7/15/2030 (g) | 20,644 |
| 7,190 | Port Authority of New York and New Jersey, Consolidated Revenue Refunding Bonds, AMT, One Hundred Thirty-Eighth Series, 5% due 12/01/2011 (c) | 7,603 |
| Pennsylvania--2.5% | | |
| | Philadelphia, Pennsylvania, School District, GO, Series D (c): | |
| 12,115 | 5.125% due 6/01/2034 | 12,838 |
| 6,000 | 5.25% due 6/01/2034 | 6,438 |
| 5,000 | Sayre, Pennsylvania, Health Care Facilities Authority Revenue Bonds (Guthrie Healthcare System), Series B, 7.125% due 12/01/2031 | 5,993 |
| South Carolina--4.1% | | |
| 5,000 | Berkeley County, South Carolina, School District, Installment Lease Revenue Bonds (Securing Assets for Education Project), 5.125% due 12/01/2030 | 5,301 |
| | Charleston Educational Excellence Financing Corporation, South Carolina, Revenue Bonds | |

| | | |
|---|---|---|
| | (Charleston County School District) (n): | |
| 3,895 | 5.25% due 12/01/2028 | 4,219 |
| 3,465 | 5.25% due 12/01/2029 | 3,751 |
| 1,160 | 5.25% due 12/01/2030 | 1,256 |
| | Kershaw County, South Carolina, Public Schools Foundation, Installment Power Revenue Refunding Bonds (d): | |
| 3,775 | 5% due 12/01/2030 | 3,986 |
| 3,690 | 5% due 12/01/2031 | 3,893 |
| 1,185 | South Carolina Housing Finance and Development Authority, Mortgage Revenue Refunding Bonds, AMT, Series A-2, 6.35% due 7/01/2019 (g) | 1,239 |
| 18,030 | South Carolina Transportation Infrastructure Bank Revenue Bonds, Series A, 5% due 10/01/2029 (a) | 18,826 |
| Tennessee--4.1% | | |
| 3,955 | Blount County, Tennessee, Public Building Authority, Local Government Public Improvement Revenue Bonds, VRDN, Series A3A, 3.65% due 6/01/2026 (a)(h) | 3,955 |
| | Sevier County, Tennessee, Public Building Authority, Local Government Public Improvement Revenue | |