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MUNIYIELD FUND INC

Form N-Q

September 29, 2004

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT
INVESTMENT COMPANY

Investment Company Act file number 811-6414

Name of Fund: MuniYield Fund, Inc.

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

Name and address of agent for service: Terry K. Glenn, President,
MuniYield Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ,
08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-
9011

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

Date of fiscal year end: 10/31/04

Date of reporting period: 05/01/04 - 07/31/04

Item 1 - Schedule of Investments

MuniYield Fund, Inc.

Schedule of Investments as of July 31, 2004

| State | S&P Ratings | Moody's Ratings | Face Amount | Municipal Bonds |
|----------------|----------------|--------------------|----------------|---|
| Alabama - 0.4% | NR* | A2 | \$2,500 | Huntsville, Alabama, Health Care Authority Revenue Bonds Series B, 5.75% due 6/01/2032 |
| Alaska - 0.3% | NR* | Ba1 | 2,050 | Valdez, Alaska, Marine Terminal Revenue Refunding Bonds (Amerada Hess Pipeline Corporation), 6.10% due 2/01/2032 |
| Arizona - 8.9% | | | | Arizona State Transportation Board, Highway Revenue Bonds Sub-Series A: |
| | AA | Aa2 | 5,825 | 5% due 7/01/2021 |
| | AA | Aa2 | 7,030 | 5% due 7/01/2022 |
| | AA | Aa2 | 5,240 | 5% due 7/01/2023 |
| | NR* | Baa3 | 2,300 | Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.75% due 7/01/2032 |
| | | | | Maricopa County, Arizona, IDA, M/F Housing Revenue Bonds (CRS Pine Ridge Housing Corporation), Series A-1 (g) due 7/01/2032 |

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|-----|-----|-------|----------------------|
| AAA | NR* | 5,000 | 6% due 10/20/2031 |
| AAA | NR* | 5,000 | 6.05% due 10/20/2036 |

Portfolio Abbreviations

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

| | |
|---------|--|
| AMT | Alternative Minimum Tax (subject to) |
| COP | Certificates of Participation |
| DRIVERS | Derivative Inverse Tax-Exempt Receipts |
| EDA | Economic Development Authority |
| GO | General Obligation Bonds |
| 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 |
| RITR | Residual Interest Trust Receipts |
| S/F | Single-Family |
| VRDN | Variable Rate Demand Notes |

MuniYield Fund, Inc.

Schedule of Investments as of July 31, 2004 (concluded)

| State | S&P Ratings | Moody's Ratings | Face Amount | Municipal Bonds |
|------------------------|-------------|-----------------|-------------|---|
| Arizona (concluded) | | | | Phoenix, Arizona, IDA, Airport Facility Revenue Refu (America West Airlines Inc. Project), AMT: |
| | NR* | Caa2 | \$5,800 | 6.25% due 6/01/2019 |
| | NR* | Caa2 | 6,900 | 6.30% due 4/01/2023 |
| | | | | Phoenix, Arizona, IDA, M/F Housing Revenue Bonds (Su Apartments LLC Project) (g): |
| | AAA | NR* | 1,610 | 6.25% due 7/20/2022 |
| | AAA | NR* | 1,425 | 6.45% due 7/20/2032 |
| | AAA | NR* | 1,305 | 6.55% due 7/20/2037 |
| | NR* | Baa3 | 1,400 | Pima County, Arizona, IDA, Education Revenue Bonds (C Charter Schools Project II), Series A, 6.75% due 7/0 |
| | | | | Pima County, Arizona, IDA, M/F Housing Revenue Bonds Village), Series A (g): |
| | AAA | NR* | 990 | 5.90% due 10/20/2021 |
| | AAA | NR* | 1,725 | 6% due 10/20/2031 |
| | AAA | NR* | 2,295 | 6.05% due 10/20/2041 |
| | NR* | Baa2 | 2,500 | Yavapai County, Arizona, IDA, Hospital Facility Reve (Yavapai Regional Medical Center), Series A, 6% due |

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| California - 21.7% | AAA | Aaa | 3,370 | Anaheim, California, Union High School District, GO, 5% due 8/01/2022 (i) |
| | BBB | A3 | 8,760 | California State, GO, 5% due 2/01/2033 |
| | BBB- | Baa1 | 2,000 | California State Public Works Board, Lease Revenue B (Department of Corrections), Series C, 5% due 6 |
| | BBB- | Baa1 | 4,500 | (Department of Mental Health - Coalinga State Ho Series A, 5.125% due 6/01/2029 |
| | BBB | A3 | 6,800 | California State, Various Purpose, GO: 5.25% due 11/01/2025 |
| | AAA | Aaa | 10,000 | 5% due 4/01/2031 (c) |
| | BBB | A3 | 5,550 | 5.50% due 11/01/2033 |
| | | | | Golden State Tobacco Securitization Corporation of C Tobacco Settlement Revenue Bonds: |
| | BBB | Baa3 | 5,500 | Series A-3, 7.875% due 6/01/2042 |
| | BBB | Baa3 | 7,500 | Series A-4, 7.80% due 6/01/2042 |
| | BBB- | Baa1 | 5,000 | Series B, 5.50% due 6/01/2018 |
| | BBB- | Baa1 | 5,000 | Series B, 5.375% due 6/01/2028 |
| | BBB- | Aaa | 9,520 | Series B, 5.50% due 6/01/2043 |
| | AAA | Aaa | 10,000 | Los Angeles, California, Community Redevelopment Age Redevelopment Financing Authority Revenue Bonds (Bun Series A, 5% due 12/01/2027 (i) |
| | AAA | Aaa | 18,400 | Los Angeles, California, Unified School District, GO 5% due 7/01/2023 (i) |
| | AA | Aa3 | 1,250 | Sacramento County, California, Sanitation District, Authority Revenue Refunding Bonds, Trust Receipts, C Series A, 10.57% due 12/01/2019 (k) |
| | AAA | Aaa | 5,145 | Santa Clara, California, Subordinated Electric Reven Series A, 5% due 7/01/2022 (e) |
| | AAA | Aaa | 10,000 | University of California Hospital Revenue Bonds (UCL Center), Series A, 5% due 5/15/2039 (c) |
| | AAA | Aaa | 7,465 | University of California Revenue Bonds (Multiple Pur Series Q, 5% due 9/01/2021 (i) |
| | AAA | Aaa | 3,000 | University of California, Revenue Refunding Bonds, S 5.125% due 5/15/2019 |
| | AAA | Aaa | 2,500 | 5.125% due 5/15/2020 |
| Colorado - 4.9% | AA | Aa2 | 650 | Colorado HFA, Revenue Refunding Bonds (S/F Program), 6.90% due 4/01/2029 |
| | AAA | Aaa | 8,000 | Denver, Colorado, City and County Airport Revenue Bo Series D, 7.75% due 11/15/2013 (c) |
| | NR* | Baa2 | 5,500 | Denver, Colorado, Urban Renewal Authority, Tax Incre Bonds (Pavilions), AMT, 7.75% due 9/01/2016 |
| | | | | Elk Valley, Colorado, Public Improvement Revenue Bon Improvement Fee), Series A: |
| | NR* | NR* | 1,735 | 7.10% due 9/01/2014 |
| | NR* | NR* | 5,065 | 7.35% due 9/01/2031 |

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|--------------------|-----|--------|--------|---|
| | NR* | NR* | 6,850 | Plaza Metropolitan District No. 1, Colorado, Tax All Revenue Bonds (Public Improvement Fees), 8% due 12/0 |
| Connecticut - 0.1% | NR* | NR* | 600 | Connecticut State Development Authority, IDR (AFCO C Project), AMT, 7.35% due 4/01/2010 |
| Florida - 4.3% | | | | Hillsborough County, Florida, IDA, Exempt Facilities (National Gypsum), AMT: |
| | NR* | NR* | 11,500 | Series A, 7.125% due 4/01/2030 |
| | NR* | NR* | 5,000 | Series B, 7.125% due 4/01/2030 |
| | NR* | NR* | 4,200 | Midtown Miami, Florida, Community Development Distri Assessment Revenue Bonds, Series B, 6.50% due 5/01/2 |
| | AAA | Aaa | 2,140 | Saint Lucie County, Florida, Sales Tax Revenue Refun Improvement Bonds, 5.25% due 10/01/2022 (e) |
| | B- | B1 | 3,000 | Santa Rosa Bay Bridge Authority, Florida, Revenue Bo due 7/01/2028 |
| Georgia - 3.0% | AAA | Aaa | 12,140 | Atlanta, Georgia, Airport Revenue Refunding Bonds, S 5.875% due 1/01/2016 (h) |
| | NR* | NR* | 4,600 | Atlanta, Georgia, Tax Allocation Revenue Bonds (Atla Project), 7.90% due 12/01/2024 |
| Idaho - 1.8% | AA | NR* | 545 | Idaho Housing Agency, S/F Mortgage Revenue Refunding Senior Series C-2, 7.15% due 7/01/2023 |
| | BB+ | Ba3 | 10,000 | Power County, Idaho, Industrial Development Corporat Waste Disposal Revenue Bonds (FMC Corporation Projec 6.45% due 8/01/2032 |
| Illinois - 4.7% | NR* | B2 | 795 | Beardstown, Illinois, IDR (Jefferson Smurfit Corp. P due 10/01/2016 |
| | AAA | Aaa | 13,200 | Chicago, Illinois, O'Hare International Airport Reve 3rd Lien, AMT, Series B-2, 6% due 1/01/2029 (j) |
| | NR* | Aaa | 230 | Chicago, Illinois, S/F Mortgage Revenue Bonds, AMT, 7.625% due 9/01/2027 (f)(g)(l) |
| | B | Ba3 | 2,750 | Illinois Development Finance Authority, PCR, Refundi Power Company Project), Series A, 7.375% due 7/01/20 |
| | AAA | Aaa | 3,285 | Illinois Development Finance Authority Revenue Bonds Home Lake Project), Series B, 6.30% due 9/01/2022 (i) |
| | NR* | NR* | 1,760 | Illinois Educational Facilities Authority, Revenue R (Chicago Osteopathic Health System), 7.25% due 11/15 |
| | NR* | B2 | 1,250 | Illinois Health Facilities Authority Revenue Bonds (Hospital Project), 6.70% due 3/01/2014 |
| | A1 | VMIG1+ | 10 | Illinois Health Facilities Authority, Revenue Refund (University of Chicago Hospitals), VRDN, 1.08% due 8 |

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| | AAA | Aaa | 4,000 | Metropolitan Pier and Exposition Authority, Illinois State Tax Revenue Bonds (McCormick Place Expansion), 5.50% due 6/15/2023 (e) |
| Kansas - 0.2% | BB+ | NR* | 1,250 | Lenexa, Kansas, Health Care Facility Revenue Bonds (Lakeview Village Inc.), Series C, 6.875% due 5/15/2023 |
| Kentucky - 0.5% | NR* | NR* | 3,000 | Kentucky Economic Development Finance Authority, Health Care Revenue Refunding Bonds (Norton Healthcare Inc.), Series A, 6.50% due 10/01/2028 |
| Louisiana - 3.8% | B | NR* | 4,125 | Hodge, Louisiana, Utility Revenue Refunding Bonds (Spartan Corporation), AMT, 7.45% due 3/01/2024 |
| | BB- | NR* | 19,000 | Port New Orleans, Louisiana, IDR, Refunding (Continental Company Project), 6.50% due 1/01/2017 |
| Maryland - 1.2% | NR* | NR* | 3,000 | Maryland State Energy Financing Administration, Limited Revenue Bonds (Cogeneration-AES Warrior Run), AMT, 7.50% due 9/01/2019 |
| | A | A3 | 4,000 | Maryland State Health and Higher Educational Facilities Authority Revenue Refunding Bonds (University of Maryland Medical Center), 6% due 7/01/2032 |
| Massachusetts 1.7% | AAA | Aaa | 10,000 | Massachusetts State Special Obligation Dedicated Tax Revenue Bonds, 5.25% due 1/01/2029 (h) |
| Michigan - 0.5% | BBB- | NR* | 3,325 | Macomb County, Michigan, Hospital Finance Authority, Revenue Bonds (Mount Clemens General Hospital), Series A, 6.50% due 11/15/2034 |
| Minnesota - 0.6% | | | | Eden Prairie, Minnesota, M/F Housing Revenue Bonds (Greenwood Project), Series A (g): |
| | NR* | A1 | 420 | 6% due 8/20/2021 |
| | NR* | A1 | 2,000 | 6.20% due 2/20/2043 |
| | NR* | Aa2 | 985 | Minneapolis, Minnesota, M/F Housing Revenue Bonds (Greenwood Loft Project), AMT, 5.95% due 5/01/2030 |
| Missouri - 0.7% | | | | Fenton, Missouri, Tax Increment Revenue Refunding Bonds (Gravois Bluffs): |
| | NR* | NR* | 635 | 6.75% due 10/01/2015 |
| | NR* | NR* | 2,800 | 7% due 10/01/2021 |
| | AAA | NR* | 445 | Missouri State Housing Development Commission, S/F Mortgage Revenue Bonds, Homeownership, AMT, Series B, 7.55% due 9/01/2023 |
| New Hampshire 0.6% | BBB+ | Baa1 | 3,425 | New Hampshire Health and Education Facilities Authority Revenue Refunding Bonds (Elliot Hospital), Series B, 5.60% due 11/15/2034 |

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| New Jersey - 10.6% | NR* | NR* | 3,000 | New Jersey EDA, First Mortgage Revenue Bonds (The Pr Home), Series A, 6.375% due 11/01/2031 |
| | NR* | NR* | 4,400 | New Jersey EDA, Retirement Community Revenue Bonds (Village Inc. Facility), Series A, 7.25% due 11/15/20 |
| | B | Caa2 | 3,905 | New Jersey EDA, Special Facility Revenue Bonds (Cont Airlines Inc. Project), AMT: 6.25% due 9/15/2019 |
| | B | Caa2 | 16,195 | 6.25% due 9/15/2029 |
| | B+ | NR* | 3,680 | New Jersey Health Care Facilities Financing Authorit Bonds (Pascack Valley Hospital Association), 6.625% |
| | B+ | NR* | 1,500 | New Jersey Health Care Facilities Financing Authorit Refunding Bonds (Pascack Valley Hospital Association) due 7/01/2028 |
| | AAA | NR* | 4,360 | Port Authority of New York and New Jersey Revenue Re DRIVERS, AMT, Series 177, 10.618% due 10/15/2032 (e) |
| | AAA | NR* | 20,575 | Port Authority of New York and New Jersey, Special O Revenue Bonds, DRIVERS, AMT, Series 192, 10.117% due 12/01/2025 (e) (k) |
| | BBB | Baa3 | 7,500 | Tobacco Settlement Financing Corporation of New Jers Asset-Backed Revenue Refunding Bonds, 6% due 6/01/20 |
| | BBB | Baa3 | 4,500 | Tobacco Settlement Financing Corporation of New Jers Bonds, 6.75% due 6/01/2039 |
| New York - 20.6 % | NR* | NR* | 2,240 | Dutchess County, New York, IDA, Civic Facility Reven Bonds (Saint Francis Hospital), Series A, 7.50% due |
| | AAA | Aaa | 5,595 | Metropolitan Transportation Authority, New York, Com Revenue Bonds, RITR, Series 9, 10.74% due 7/01/2006 |
| | BB- | Ba2 | 1,250 | New York City, New York, City IDA, Special Facilitie Bonds, AMT: (British Airways PLC Project), 7.625% due 12/01/ |
| | BBB+ | A3 | 10,000 | (Terminal One Group Association Project), 6.125% |
| | AAA | NR* | 5,000 | New York City, New York, City Municipal Water Financ Water and Sewer System Revenue Bonds (k): DRIVERS, Series 198, 10.147% due 6/15/2026 (e) |
| | AAA | Aaa | 3,000 | RITR, Series 11, 10.29% due 6/15/2026 (i) |
| | AA+ | Aa2 | 14,000 | New York City, New York, City Municipal Water Financ Water and Sewer System Revenue Refunding Bonds, 5.50 |
| | AAA | Aaa | 2,000 | New York City, New York, GO, Refunding (h): Series G, 5.75% due 2/01/2014 (e) |
| | NR* | Aaa | 10,000 | Trust Receipts, Series R, 11.34% due 5/15/2014 (|
| | AA- | NR* | 6,795 | New York State Dormitory Authority, Hospital Revenue Bonds (North General Hospital), 5.75% due 2/15/2015 |
| BB | Ba1 | 5,000 | New York State Dormitory Authority, Revenue Refundin (Mount Sinai Health), Series A: 6.75% due 7/01/2020 | |

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| | BB | Ba1 | 315 | 6.50% due 7/01/2025 |
| | AA | A1 | 10,000 | New York State Urban Development Corporation, Person Tax Revenue Bonds (State Facilities), Series A, 5.50% |
| | NR* | NR* | 2,500 | Suffolk County, New York, IDA, IDR, Refunding (Nisse Cogeneration Partners Facility), AMT, 5.50% due 1/01/2021 |
| | AAA | Aaa | 13,875 | Tobacco Settlement Financing Corporation of New York Series A-1, 5.25% due 6/01/2022 (c) |
| | AA- | A3 | 9,400 | Series C-1, 5.50% due 6/01/2021 |
| | A+ | A1 | 10,000 | Triborough Bridge and Tunnel Authority, New York, Su Revenue Bonds, 5.25% due 11/15/2030 |
| | NR* | NR* | 3,450 | Westchester County, New York, IDA, Continuing Care R Mortgage Revenue Bonds (Kendal on Hudson Project), S 6.375% due 1/01/2024 |
| | NR* | NR* | 2,895 | 6.50% due 1/01/2034 |
| North Carolina 1.3% | BBB | Baa2 | 4,750 | North Carolina Eastern Municipal Power Agency, Power Bonds, Series D, 6.75% due 1/01/2026 |
| | AA | Aa2 | 380 | North Carolina HFA, Home Ownership Revenue Bonds, AM 6.20% due 7/01/2016 |
| | AA | Aa2 | 1,055 | North Carolina HFA, S/F Revenue Bonds, Series II, 6. 3/01/2016 (d) |
| | NR* | NR* | 1,000 | North Carolina Medical Care Commission, Health Care First Mortgage Revenue Bonds (Arbor Acres Community 6.375% due 3/01/2032 |
| Ohio - 2.4% | | | | Cuyahoga County, Ohio, Mortgage Revenue Bonds (West Project), AMT (g): |
| | NR* | Aaa | 1,410 | 5.75% due 9/20/2020 |
| | NR* | Aaa | 2,250 | 5.85% due 9/20/2030 |
| | NR* | NR* | 2,175 | Lucas County, Ohio, Health Care Facility Revenue Ref Improvement Bonds (Sunset Retirement Communities), S 6.625% due 8/15/2030 |
| | NR* | Aaa | 5,000 | Mason, Ohio, City School District, GO (School Improv due 12/01/2031(i) |
| | | | | Mason, Ohio, Sewer System Revenue Refunding and Impr Bonds (e): |
| | NR* | Aaa | 350 | 4.625% due 12/01/2025 |
| | NR* | Aaa | 2,495 | 5% due 12/01/2028 |
| | NR* | NR* | 970 | Port of Greater Cincinnati Development Authority, Oh Assessment Revenue Bonds (Cooperative Public Parking Project), 6.30% due 2/15/2024 |
| Oregon - 1.8% | AAA | Aaa | 4,405 | Oregon State Department of Administrative Services, 6% due 5/01/2010 (b) (c) |
| | AA- | Aa3 | 4,305 | Oregon State, GO, Refunding (Veterans Welfare), Seri |

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| | | | | due 10/01/2032 |
|----------------------|------|------|--------|---|
| | NR* | NR* | 1,830 | Portland, Oregon, Housing Authority, Housing Revenue Bonds (Water at Northern Hills Apartments, Square and University Place), Series A, 5.875% due 10/01/2032 |
| Pennsylvania - 11.5% | AAA | Aaa | 5,000 | Lehigh County, Pennsylvania, IDA, PCR, Refunding (Pennsylvania Electric Power and Light Company Project), Series B, 6.40% due 10/01/2032 |
| | NR* | NR* | 12,100 | Pennsylvania Economic Development Financing Authority, Facilities Revenue Bonds (National Gypsum Company), Series A, 6.25% due 11/01/2027 |
| | NR* | NR* | 8,800 | Series B, 6.125% due 11/01/2027 |
| | AAA | Aaa | 16,270 | Pennsylvania State Higher Educational Facilities Authority, Health Services Revenue Refunding Bonds (Allegheny Division Valley Obligation), Series C, 5.875% due 11/15/2016 |
| | NR* | NR* | 1,265 | Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, 7.75% due 12/01/2017 |
| | NR* | NR* | 3,650 | Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, Refunding: (Days Inn), Series B, 6.50% due 10/01/2027 |
| | NR* | NR* | 4,000 | (Doubletree), Series A, 6.50% due 10/01/2027 |
| | AAA | Aaa | 10,965 | Philadelphia, Pennsylvania, School District, GO, Series A, due 2/01/2012 (b) (i) |
| | A- | NR* | 5,000 | Sayre, Pennsylvania, Health Care Facilities Authority, (Guthrie Health Issue), Series B, 7.125% due 12/01/2017 |
| Rhode Island - 0.5% | NR* | Aaa | 1,225 | Woonsocket, Rhode Island, GO (h): 6% due 10/01/2017 |
| | NR* | Aaa | 1,195 | 6% due 10/01/2018 |
| Tennessee - 2.4% | NR* | NR* | 4,610 | Hardeman County, Tennessee, Correctional Facilities Revenue Bonds, 7.75% due 8/01/2017 |
| | BB | Ba2 | 10,000 | McMinn County, Tennessee, IDB, Solid Waste Revenue Bonds (Recycling Facility-Calhoun Newsprint), AMT, 7.40% due 8/01/2017 |
| Texas - 20.3% | | | | Austin, Texas, Convention Center Revenue Bonds (Convention Enterprises Inc.), First Tier, Series A: |
| | BBB- | Baa3 | 5,000 | 6.70% due 1/01/2028 |
| | BBB- | Baa3 | 5,000 | 6.70% due 1/01/2032 |
| | NR* | Aaa | 1,300 | Bexar County, Texas, Housing Finance Corporation, Muni Revenue Bonds (Water at Northern Hills Apartments), 5.80% due 8/01/2021 |
| | NR* | Aaa | 2,460 | 6% due 8/01/2031 |
| | NR* | Aaa | 1,000 | 6.05% due 8/01/2036 |
| | BBB | Baa2 | 6,850 | Brazos River Authority, Texas, PCR, Refunding (Utility Company), AMT, Series B, 5.05% due 6/01/2030 |
| | BBB- | NR* | 3,755 | Brazos River Authority, Texas, Revenue Refunding Bonds (Energy Inc. Project), Series B, 7.75% due 12/01/2018 |

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| | BBB- | Baa3 | 5,045 | Dallas-Fort Worth, Texas, International Airport Facility Improvement Corporation Revenue Bonds (Learjet Inc.) Series 2001-A-1, 6.15% due 1/01/2016 |
| | CCC | Caa2 | 7,500 | Dallas-Fort Worth, Texas, International Airport Facility Improvement Corporation Revenue Refunding Bonds (AMT, Series B, 6.05% due 5/01/2029 |
| | | | | Gregg County, Texas, Health Facilities Development Corporation Hospital Revenue Bonds (Good Shepherd Medical Center) |
| | AA | Baa2 | 3,000 | 6.875% due 10/01/2020 |
| | AA | Baa2 | 2,000 | 6.375% due 10/01/2025 |
| | AA- | Aa3 | 5,000 | Guadalupe-Blanco River Authority, Texas, Sewage and Disposal Facility Revenue Bonds (E. I. du Pont de Nemours and Company Project), AMT, 6.40% due 4/01/2026 |
| | BB | Ba3 | 3,900 | Gulf Coast, Texas, IDA, Solid Waste Disposal Revenue Bonds (Citgo Petroleum Corporation Project), AMT, 7.50% due 11/01/2031 |
| | AAA | Aaa | 18,200 | Houston, Texas, Combined Utility System First Lien Revenue Refunding Bonds, Series A, 5.25% due 5/15/2025 (e) |
| | NR* | Baa3 | 1,600 | Houston, Texas, Industrial Development Corporation Revenue Bonds (Air Cargo), AMT, 6.375% due 1/01/2023 |
| | | | | Lower Colorado River Authority, Texas, PCR (Samsung Semiconductor), AMT: |
| | A- | A3 | 6,200 | 6.375% due 4/01/2027 |
| | A- | A3 | 3,330 | 6.95% due 4/01/2030 |
| | BBB- | Ba2 | 7,030 | Matagorda County, Texas, Navigation District Number 10 Refunding Bonds (Reliant Energy Inc.), Series C, 8% due 11/01/2031 |
| | BB | Ba3 | 3,900 | Port Corpus Christi, Texas, Individual Development Corporation Environmental Facilities Revenue Bonds (Citgo Petroleum Corporation Project), AMT, 8.25% due 11/01/2031 |
| | B- | B1 | 11,500 | Red River Authority, Texas, PCR, Refunding (Celanese Corporation), AMT, Series B, 6.70% due 11/01/2030 |
| | | | | San Antonio, Texas, Water Revenue Refunding Bonds: |
| | AA- | Aa3 | 1,000 | 5.875% due 5/15/2016 |
| | AA- | Aa3 | 1,000 | 5.875% due 5/15/2017 |
| | AAA | Aaa | 6,500 | Texas State Turnpike Authority, Central Texas Turnpike Authority Revenue Bonds, First Tier, Series A, 5.50% due 8/15/2031 |
| | AAA | Aaa | 7,020 | Tyler, Texas, Waterworks and Sewer Revenue Bonds, Series A, 5.50% due 9/01/2030 (h) |
| Utah - 0.3% | AAA | Aaa | 1,545 | Utah State Board of Regents, Revenue Refunding Bonds (Utah State Board of Regents of Utah Research Facilities), Series A, 5.50% due 4/01/2031 |
| Virginia - 2.5% | AAA | Aaa | 5,000 | Fairfax County, Virginia, EDA, Resource Recovery Revenue Bonds, AMT, Series A, 6.10% due 2/01/2011(c) |
| | | | | Pocahontas Parkway Association, Virginia, Toll Road Revenue Bonds, Series A, 5.50% due 8/15/2031 |
| | NR* | B1 | 6,200 | First Tier, Sub-Series C, 6.25%** due 8/15/2031 |
| | BB | Ba2 | 6,500 | Senior Series A, 5.50% ** due 8/15/2028 |

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| | BB | Ba2 | 24,800 | Senior Series B, 6.67%** due 8/15/2029 |
| Washington - 0.3% | | | | Vancouver, Washington, Housing Authority, Housint Re (Teal Pointe Apartments Project), AMT: |
| | NR* | NR* | 945 | 6% due 9/01/2022 |
| | NR* | NR* | 1,250 | 6.20% due 9/01/2032 |
| West Virginia 0.6% | B- | B2 | 1,000 | Princeton, West Virginia, Hospital Revenue Refunding (Community Hospital Association Inc. Project), 6% du |
| | BBB | Baa2 | 3,000 | Upshur County, West Virginia, Solid Waste Disposal R (TJ International Project), AMT, 7% due 7/15/2025 |
| Wisconsin - 0.3% | NR* | Baa3 | 700 | Milwaukee, Wisconsin, Revenue Bonds (Air Cargo), AMT 1/01/2025 |
| | AAA | Aaa | 1,140 | Wisconsin State, GO, AMT, Series B, 6.20% due 11/01/ |
| Wyoming - 0.9% | BB+ | Ba3 | 2,550 | Sweetwater County, Wyoming, Solid Waste Disposal Rev (FMC Corporation Project), AMT, Series A, 7% due 6/0 |
| | AA | NR* | 2,500 | Wyoming Student Loan Corporation, Student Loan Reven Bonds, Series A, 6.20% due 6/01/2024 |
| Puerto Rico - 7.2% | AAA | Aaa | 15,000 | Puerto Rico Commonwealth, Highway and Transportation Transportation Revenue Bonds, Trust Receipts, Class 10.418% due 7/01/2035(e) (k) |
| | A | Baa1 | 16,360 | Puerto Rico Commonwealth, Highway and Transportation Transportation Revenue Refunding Bonds, Series D, 5. |
| | AAA | Aaa | 2,500 | Puerto Rico Electric Power Authority, Power Revenue Receipts, Class R, Series 16 HH, 10.07% due 7/01/201 |
| | AAA | NR* | 4,350 | Puerto Rico Public Finance Corporation Revenue Bonds Series 272, 9.985% due 8/01/2030(k) |
| Virgin Islands 1.1% | BBB- | Baa3 | 6,250 | Virgin Islands Public Finance Authority, Refinery Fa Bonds (Hovensa Refinery), AMT, 6.125% due 7/01/2022 |
| | | | | Total Municipal Bonds (Cost - \$850,093) - 144.5% |
| | | | Shares Held | Short-Term Securities |
| | | | 7,713 | Merrill Lynch Institutional Tax-Exempt Fund ++ |
| | | | | Total Short-Term Securities (Cost - \$7,713) - 1.3% |
| | | | | Total Investments (Cost - \$857,806***) - 145.8% |
| | | | | Other Assets Less Liabilities - 2.0% |
| | | | | Preferred Stock, at Redemption Value - (47.8%) |

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Net Assets Applicable to Common Stock - 100.0%

- (a) Radian Insured.
- (b) Prerefunded.
- (c) AMBAC Insured.
- (d) FHA Insured.
- (e) MBIA Insured.
- (f) FNMA Collateralized.
- (g) GNMA Collateralized.
- (h) FGIC Insured.
- (i) FSA Insured.
- (j) XL Capital Insured.
- (k) The interest rate is subject to change periodically and inversely based upon prevailing market rates. The interest rate shown is the rate in effect at July 31, 2004.

(l) FHLMC Collateralized.

(m) The interest rate is subject to change periodically based upon prevailing market rates. The interest rate shown is the rate in effect at July 31, 2004.

* Not Rated.

** Represents a zero coupon; the interest rate shown reflects the effective yield at the time of purchase by the Fund.

*** The cost and unrealized appreciation/depreciation of investments as of July 31, 2004, as computed for federal income tax purposes, were as follows:

| | (in Thousands) |
|-------------------------------|---------------------|
| Aggregate cost | \$ 857,933 ===== |
| Gross unrealized appreciation | \$ 44,048 |
| Gross unrealized depreciation | (9,064) ----- |
| Net unrealized appreciation | \$ 34,984 ===== |

+ Highest short-term rating by Moody's Investors Service, Inc.

++ Investments in companies considered to be an affiliate of the Fund (such companies are defined as "Affiliated Companies" in Section 2(a)(3) of the Investment Company Act of 1940) were as follows:

| | (in Thousands) | |
|--|----------------|----------|
| | Net | Dividend |
| | | |

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| Affiliate | Activity | Income |
|---|----------|--------|
| Merrill Lynch Institutional Tax-Exempt Fund | (8,900) | \$ 100 |

Item 2 - Controls and Procedures

2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.

2(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

Certifications - Attached hereto

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

MuniYield Fund, Inc.

By: /s/ Terry K. Glenn
Terry K. Glenn,
President of
MuniYield Fund, Inc.

Date: September 17, 2004

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

By: /s/ Terry K. Glenn
Terry K. Glenn,
President of
MuniYield Fund, Inc.

Date: September 17, 2004

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By: /s/ Donald C. Burke
Donald C. Burke,
Chief Financial Officer of
MuniYield Fund, Inc.

Date: September 17, 2004