

BLACKROCK MUNIYIELD INVESTMENT QUALITY FUND

Form N-Q

December 22, 2011

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 811-07156

Name of Fund: BlackRock MuniYield Investment Quality Fund (MFT)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

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

Date of fiscal year end: 07/31/2012

Date of reporting period: 10/31/2011

Item 1 – Schedule of Investments

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Schedule of Investments October 31, 2011 (Unaudited)

**BlackRock MuniYield Investment Quality Fund (MFT)**  
(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>                       |              |              |
| <b>Alabama 4.2%</b>                          |              |              |
| Birmingham Special Care Facilities           |              |              |
| Financing Authority, RB, Children s          |              |              |
| Hospital (AGC):                              |              |              |
| 6.13%, 6/01/34                               | \$ 1,500     | \$ 1,660,155 |
| 6.00%, 6/01/39                               | 2,985        | 3,271,053    |
|  |              | 4,931,208    |
| <b>California 19.0%</b>                      |              |              |
| California Educational Facilities            |              |              |
| Authority, RB, University of Southern        |              |              |
| California, Series A, 5.25%, 10/01/38        |              |              |
|  | 1,960        | 2,117,760    |
| California Health Facilities Financing       |              |              |
| Authority, Refunding RB, Sutter              |              |              |
| Health, Series B, 6.00%, 8/15/42             |              |              |
|  | 1,150        | 1,253,937    |
| California State Public Works Board, RB,     |              |              |
| Various Capital Projects, Series G-1         |              |              |
| (AGC), 5.25%, 10/01/24                       |              |              |
|  | 2,000        | 2,193,300    |
| California State University, RB,             |              |              |
| Systemwide, Series A (AGM), 5.00%,           |              |              |
| 11/01/39                                     |              |              |
|  | 1,000        | 1,027,340    |
| City of San Jose California, RB, Series A-1, |              |              |
| AMT:   |              |              |
| 5.50%, 3/01/30                               | 1,600        | 1,624,368    |
| 6.25%, 3/01/34                               | 1,250        | 1,350,775    |
| County of Sacramento California, RB,         |              |              |
| Senior, Series A (AGC), 5.50%,               |              |              |
| 7/01/41                                      |              |              |
|  | 1,400        | 1,464,190    |
| Los Angeles Community College District       |              |              |
| California, GO:                              |              |              |
| Election of 2001, Series A (FGIC),           |              |              |
| 5.00%, 8/01/32                               |              |              |
|  | 2,780        | 2,916,998    |
| Election of 2008, Series C,                  |              |              |
| 5.25%, 8/01/39                               |              |              |
|  | 500          | 546,890      |
| Redondo Beach Unified School District,       |              |              |
| GO, Election of 2008, Series E,              |              |              |
| 5.50%, 8/01/34                               |              |              |
|  | 1,000        | 1,103,060    |
| San Bernardino Community College             |              |              |
| District, GO, Election of 2002, Series A,    |              |              |
| 6.25%, 8/01/33                               |              |              |
|  | 840          | 962,531      |
| San Diego Public Facilities Financing        |              |              |
| Authority, Refunding RB, Series B            |              |              |
| (AGC), 5.38%, 8/01/34                        |              |              |
|  | 1,020        | 1,111,892    |
| <br>   |              |              |
|  | Par<br>(000) | Value        |
| <b>Municipal Bonds</b>                       |              |              |
| <b>California (concluded)</b>                |              |              |
| San Jacinto Unified School District, GO,     |              |              |
| Election of 2006 (AGM), 5.25%,               |              |              |
| 8/01/32                                      |              |              |
|  | \$ 1,000     | \$ 1,045,800 |
| State of California, GO, Various Purpose     |              |              |
| (AGC), 5.50%, 11/01/39                       |              |              |
|  | 3,450        | 3,689,189    |
|  |              | 22,408,030   |

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| <b>Colorado 1.5%</b>   |       |           |
|--|-------|-----------|
| Colorado Health Facilities Authority, RB,<br>Hospital NCMC Inc. Project, Series B<br>(AGM), 6.00%, 5/15/26         | 1,300 | 1,460,563 |
| Regional Transportation District, COP,<br>Series A, 5.00%, 6/01/25   | 305   | 323,324   |
|  |       | 1,783,887 |
| <b>Florida 10.0%</b>   |       |           |
| City of Gainesville Florida, Refunding<br>RB, Series C, 5.25%, 10/01/34  | 2,000 | 2,154,780 |
| County of Lee Florida, Refunding RB,<br>Series A, AMT, 5.38%, 10/01/32   | 1,000 | 994,360   |
| Florida Housing Finance Corp., HRB,<br>Brittany Rosemont Apartments,<br>Series C-1, AMT (AMBAC), 6.75%,<br>8/01/14 | 345   | 345,745   |
| Jacksonville Economic Development<br>Commission, RB, Mayo Clinic, Series B<br>(NPFGC), 5.50%, 11/15/36             | 750   | 756,450   |
| Manatee County Housing Finance<br>Authority, RB, Series A, AMT (Fannie<br>Mae), 5.90%, 9/01/40                     | 545   | 592,524   |
| Orange County Health Facilities<br>Authority, RB, The Nemours<br>Foundation Project, Series A, 5.00%,<br>1/01/29   | 1,000 | 1,024,740 |
| Santa Rosa County School Board, COP,<br>Refunding, Series 2 (NPFGC), 5.25%,<br>2/01/26                             | 340   | 351,601   |
| South Broward Hospital District, RB,<br>Hospital (NPFGC), 5.63%, 5/01/12 (a)                                       | 3,000 | 3,110,640 |
| Village Center Community Development<br>District, RB, Series A (NPFGC):<br>5.38%, 11/01/34                         | 1,640 | 1,473,507 |
| 5.13%, 11/01/36  | 1,000 | 858,640   |

**Portfolio Abbreviations**

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

|       |   |
|-------|---|
| AGC   | Assured Guaranty Corp.                  |
| AGM   | Assured Guaranty Municipal Corp.        |
| AMBAC | American Municipal Bond Assurance Corp. |
| AMT   | Alternative Minimum Tax (subject to)    |
| BHAC  | Berkshire Hathaway Assurance Corp.      |
| CIFG  | CDC IXIS Financial Guaranty             |
| COP   | Certificates of Participation           |
| EDA   | Economic Development Authority          |
| ERB   | Education Revenue Bonds                 |
| FGIC  | Financial Guaranty Insurance Co.        |
| GARB  | General Airport Revenue Bonds           |
| GO    | General Obligation Bonds                |
| HRB   | Housing Revenue Bonds                   |
| IDA   | Industrial Development Authority        |
| ISD   | Independent School District             |
| NPFGC | National Public Finance Guarantee Corp. |
| RB    | Revenue Bonds                           |
| S/F   | Single-Family                           |



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Schedule of Investments (continued)

**BlackRock MuniYield Investment Quality Fund (MFT)**  
(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value      |
|---|--------------|------------|
| <b>Municipal Bonds</b>  |              |            |
| <b>Florida (concluded)</b>  |              |            |
| Volusia County IDA, RB, Student Housing-Stetson University Project, Series A (CIFG), 5.00%, 6/01/35               | \$ 200       | \$ 172,220 |
|   |              | 11,835,207 |
| <b>Georgia 0.9%</b>   |              |            |
| County of Fulton Georgia, RB (FGIC), 5.25%, 1/01/35   | 1,000        | 1,041,010  |
| <b>Illinois 16.4%</b>   |              |            |
| Chicago Board of Education, GO, Series A (b):   |              |            |
| 5.50%, 12/01/39   | 1,255        | 1,329,672  |
| 5.00%, 12/01/41   | 330          | 328,967    |
| Chicago Board of Education Illinois, GO, Refunding, Chicago School Reform Board, Series A (FGIC), 5.50%, 12/01/26 | 680          | 729,960    |
| Chicago Transit Authority, RB, Federal Transit Administration Section 5309, Series A (AGC), 6.00%, 6/01/26        | 1,400        | 1,579,452  |
| Chicago Transit Authority, RB, Sales Tax Revenue, 5.25%, 12/01/36 (b)   | 425          | 439,442    |
| City of Chicago Illinois, RB: General, Third Lien, Series C (AGC), 5.25%, 1/01/35                                 | 425          | 446,556    |
| General, Third Lien, Series A, 5.75%, 1/01/39   | 770          | 840,386    |
| City of Chicago Illinois, Refunding RB: Second Lien (NPFGC), 5.50%, 1/01/30                                       | 895          | 983,748    |
| General, Third Lien, Series C, 6.50%, 1/01/41   | 3,680        | 4,233,546  |
| Illinois Finance Authority, Refunding RB, Carle Foundation, Series A, 6.00%, 8/15/41                              | 1,555        | 1,591,807  |
| Illinois Municipal Electric Agency, RB, Series A (FGIC):  |              |            |
| 5.25%, 2/01/28  | 1,565        | 1,643,109  |
| 5.25%, 2/01/35  | 1,000        | 1,034,650  |
| Railsplitter Tobacco Settlement Authority, RB:  |              |            |
| 5.50%, 6/01/23  | 940          | 992,245    |
| 6.00%, 6/01/28  | 270          | 280,751    |
| State of Illinois, RB: (AGM), 5.00%, 6/15/27  | 1,000        | 1,037,810  |
| Build Illinois, Series B, 5.25%, 6/15/28  | 1,750        | 1,873,427  |
|   |              | 19,365,528 |
| <b>Indiana 7.3%</b>   |              |            |
| Indiana Finance Authority WasteWater Utility, RB, CWA Authority Project, First                                    | 1,830        | 1,978,303  |

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|   |       |           |
|---|-------|-----------|
| Lien, Series A, 5.25%, 10/01/31   |       |           |
| Indiana Municipal Power Agency, RB,<br>Series A (NPFGC), 5.00%, 1/01/42                   | 1,485 | 1,516,051 |
| Indianapolis Local Public Improvement<br>Bond Bank, RB, Series K (AGM),<br>5.00%, 6/01/25 | 1,440 | 1,532,405 |

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Indiana (concluded)</b>   |              |              |
| Indianapolis Local Public Improvement<br>Bond Bank, Refunding RB,<br>Waterworks Project, Series A (AGC),<br>5.50%, 1/01/38 | \$ 3,310     | \$ 3,563,116 |
|  |              | 8,589,875    |

|  |     |         |
|--|-----|---------|
| <b>Iowa 0.7%</b>   |     |         |
| Iowa Finance Authority, Refunding RB,<br>Iowa Health System (AGC), 5.25%,<br>2/15/29 | 725 | 761,178 |

|   |     |         |
|---|-----|---------|
| <b>Louisiana 0.5%</b>   |     |         |
| New Orleans Aviation Board Louisiana,<br>Refunding RB, Restructuring GARB<br>(AGC): |     |         |
| Series A-1, 6.00%, 1/01/23  | 375 | 432,154 |
| Series A-2, 6.00%, 1/01/23  | 160 | 184,385 |
|   |     | 616,539 |

|  |       |           |
|--|-------|-----------|
| <b>Massachusetts 1.8%</b>  |       |           |
| Massachusetts School Building<br>Authority, RB, Senior Dedicated Sales<br>Tax, Series B, 5.00%, 10/15/41 (b) | 2,035 | 2,173,136 |

|  |       |           |
|--|-------|-----------|
| <b>Michigan 17.7%</b>  |       |           |
| City of Detroit Michigan, RB:<br>Second Lien, Series B (FGIC),<br>5.50%, 7/01/29                 | 1,640 | 1,719,360 |
| Sewage Disposal System, Senior<br>Lien, Series B (AGM), 7.50%,<br>7/01/33                        | 1,500 | 1,778,235 |
| Senior Lien, Series B (BHAC),<br>5.50%, 7/01/35  | 3,750 | 3,926,287 |
| System, Second Lien, Series A<br>(BHAC), 5.50%, 7/01/36  | 2,265 | 2,372,791 |
| Second Lien, Series B (AGM),<br>6.25%, 7/01/36   | 1,800 | 2,018,322 |
| Second Lien, Series B (AGM),<br>7.00%, 7/01/36   | 200   | 235,650   |
| City of Detroit Michigan, Refunding RB:<br>Senior Lien, Series C-1 (AGM),<br>7.00%, 7/01/27      | 1,650 | 1,931,160 |
| Second Lien, Series E (BHAC),<br>5.75%, 7/01/31  | 2,270 | 2,433,054 |
| Michigan State Building Authority, RB,<br>Facilities Program, Series H (AGM),<br>5.00%, 10/15/26 | 375   | 401,651   |
| Michigan State Building Authority,<br>Refunding RB, Facilities Program,<br>Series I (AGC):       |       |           |
| 5.25%, 10/15/22  | 1,350 | 1,513,499 |
| 5.25%, 10/15/24  | 615   | 678,517   |
| 5.25%, 10/15/25  | 310   | 340,117   |
| Royal Oak Hospital Finance Authority<br>Michigan, Refunding RB, William                          | 1,265 | 1,500,366 |

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Beaumont Hospital, 8.25%, 9/01/39

20,849,009

BLACKROCK MUNIYIELD INVESTMENT QUALITY FUND

OCTOBER 31, 2011

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Schedule of Investments (continued)

**BlackRock MuniYield Investment Quality Fund (MFT)**  
(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Minnesota 2.9%</b>  |              |              |
| City of Minneapolis Minnesota,<br>Refunding RB, Series B (AGC), 6.50%,<br>11/15/38   | \$ 3,000     | \$ 3,364,260 |
| <b>Nevada 5.9%</b>   |              |              |
| Clark County Water Reclamation<br>District, GO, Series A, 5.25%,<br>7/01/34  | 2,000        | 2,137,680    |
| County of Clark Nevada, RB:<br>Subordinate Lien, Series A-2 (FGIC),<br>5.00%, 7/01/36  | 3,000        | 3,020,610    |
| Las Vegas-McCarran International<br>Airport, Series A (AGM), 5.25%,<br>7/01/39   | 1,675        | 1,746,003    |
|  |              | 6,904,293    |
| <b>New Jersey 1.2%</b>   |              |              |
| New Jersey Health Care Facilities<br>Financing Authority, RB, Virtua Health<br>(AGC), 5.50%, 7/01/38   | 1,400        | 1,466,710    |
| <b>New York 5.1%</b>   |              |              |
| Hudson Yards Infrastructure Corp., RB,<br>5.75%, 2/15/47   | 1,000        | 1,058,910    |
| New York City Municipal Water Finance<br>Authority, RB, Series FF-2, 5.50%,<br>6/15/40   | 1,545        | 1,702,296    |
| New York City Transitional Finance<br>Authority, RB, Series S-3, 5.25%,<br>1/15/39   | 1,000        | 1,067,200    |
| New York City Transitional Finance<br>Authority, RB, Fiscal 2009, Series S-4<br>(AGC), 5.50%, 1/15/29  | 2,000        | 2,201,840    |
|  |              | 6,030,246    |
| <b>Ohio 1.3%</b>   |              |              |
| Ohio Higher Educational Facility<br>Commission, Refunding RB, Summa<br>Health System, 2010 Project (AGC),<br>5.25%, 11/15/40                             | 1,550        | 1,564,942    |
| <b>Pennsylvania 7.1%</b>   |              |              |
| City of Philadelphia Pennsylvania, RB,<br>Series C (AGM):<br>5.00%, 8/01/35  | 1,615        | 1,697,817    |
| 5.00%, 8/01/40   | 2,880        | 3,012,710    |
| Pennsylvania Turnpike Commission, RB,<br>Sub-Series A, 6.00%, 12/01/41   | 2,000        | 2,126,480    |
| Philadelphia Hospitals and Higher<br>Education Facilities Authority, RB, The<br>Children s Hospital of Philadelphia<br>Project, Series D, 5.00%, 7/01/32 | 1,480        | 1,531,534    |
|  |              | 8,368,541    |
| <b>Puerto Rico 1.3%</b>  |              |              |
|  | 1,425        | 1,579,385    |



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Puerto Rico Sales Tax Financing Corp.,  
 RB, First Sub, Series A, 6.38%,  
 8/01/39

|   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Municipal Bonds</b>  |              |              |
| <b>Texas 21.9%</b>  |              |              |
| Austin Community College District, RB,<br>Educational Facilities Project, Round<br>Rock Campus, 5.25%, 8/01/33                          | \$ 2,250     | \$ 2,379,330 |
| City of Austin Texas, Refunding RB,<br>Series A (AGM):  |              |              |
| 5.00%, 11/15/28   | 720          | 778,126      |
| 5.00%, 11/15/29   | 915          | 980,230      |
| City of Houston Texas, Refunding RB,<br>Combined, First Lien, Series A (AGC):   |              |              |
| 6.00%, 11/15/35   | 2,700        | 3,082,374    |
| 6.00%, 11/15/36   | 2,055        | 2,341,693    |
| 5.38%, 11/15/38   | 1,000        | 1,083,970    |
| Clifton Higher Education Finance Corp.,<br>Refunding RB, Baylor University,<br>5.25%, 3/01/32   | 1,235        | 1,338,172    |
| County of Bexar Texas, RB, Venue<br>Project, Motor Vehicle Rental (BHAC):   |              |              |
| 5.00%, 8/15/27  | 1,040        | 1,114,651    |
| 5.00%, 8/15/28  | 1,090        | 1,161,515    |
| Frisco ISD Texas, GO, School Building<br>(AGC), 5.50%, 8/15/41  | 1,210        | 1,321,054    |
| Harris County Cultural Education<br>Facilities Finance Corp., RB, Texas<br>Children s Hospital Project, 5.25%,<br>10/01/29              | 800          | 849,408      |
| Harris County Health Facilities<br>Development Corp., Refunding RB,<br>Memorial Hermann Healthcare<br>System, Series B, 7.25%, 12/01/35 | 500          | 561,000      |
| Harris County Metropolitan Transit<br>Authority, RB, Series A, 5.00%,<br>11/01/36   | 505          | 541,552      |
| Lubbock Cooper ISD Texas, GO, School<br>Building (AGC), 5.75%, 2/15/42  | 500          | 541,665      |
| North Texas Tollway Authority, RB:<br>System, First Tier, Series K-1 (AGC),<br>5.75%, 1/01/38   | 1,400        | 1,508,766    |
| Special Projects System,<br>Series A, 5.50%, 9/01/41  | 2,120        | 2,304,397    |
| North Texas Tollway Authority,<br>Refunding RB, System, First Tier:<br>Series A (AGC), 5.75%, 1/01/40                                   | 1,500        | 1,601,550    |
| (AGM), 6.00%, 1/01/43   | 1,000        | 1,113,970    |
| Tarrant County Cultural Education<br>Facilities Finance Corp., Refunding<br>RB, Christus Health, Series A (AGC),<br>6.50%, 7/01/37      | 1,100        | 1,183,864    |
|   |              | 25,787,287   |
| <b>Utah 0.9%</b>  |              |              |
| City of Riverton Utah, RB, IHC Health<br>Services Inc., 5.00%, 8/15/41  | 1,000        | 1,013,450    |
| <b>Virginia 1.1%</b>  |              |              |
| Virginia Public School Authority, RB,<br>School Financing, 6.50%, 12/01/35  | 1,100        | 1,257,201    |



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Schedule of Investments (continued)

**BlackRock MuniYield Investment Quality Fund (MFT)**  
(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Washington 1.6%</b>   |              |              |
| City of Seattle Washington, Refunding<br>RB, Series A, 5.25%, 2/01/36  | \$ 1,000     | \$ 1,096,600 |
| State of Washington, GO, Various<br>Purpose, Series B, 5.25%, 2/01/36  | 725          | 797,979      |
|  |              | 1,894,579    |
| <b>West Virginia 0.6%</b>  |              |              |
| West Virginia University, RB, West<br>Virginia University Projects, Series B,<br>5.00%, 10/01/36                 | 680          | 727,716      |
| <b>Total Municipal Bonds 130.9%</b>  |              | 154,313,217  |
| <b>Municipal Bonds Transferred to Tender</b>   |              |              |
| <b>Option Bond (TOB) Trusts (c)</b>  |              |              |
| <b>Alabama 1.3%</b>  |              |              |
| Mobile Board of Water & Sewer<br>Commissioners, RB (NPFGC), 5.00%,<br>1/01/31                                    | 1,500        | 1,544,190    |
| <b>California 2.3%</b>   |              |              |
| San Diego Community College District<br>California, GO, Election of 2002<br>(AGM), 5.00%, 5/01/30                | 2,500        | 2,652,600    |
| <b>District of Columbia 0.8%</b>   |              |              |
| District of Columbia Water & Sewer<br>Authority, RB, Series A, 6.00%,<br>10/01/35                                | 750          | 884,433      |
| <b>Florida 3.9%</b>  |              |              |
| City of Jacksonville Florida, RB, Better<br>Jacksonville (NPFGC), 5.00%,<br>10/01/27                             | 1,320        | 1,347,007    |
| Hillsborough County Aviation Authority,<br>RB, Series A, AMT (AGC), 5.50%,<br>10/01/38                           | 2,499        | 2,553,903    |
| Lee County Housing Finance Authority,<br>RB, Multi-County Program, Series A-2<br>(Ginnie Mae), 6.00%, 9/01/40    | 645          | 679,288      |
|  |              | 4,580,198    |
| <b>Illinois 2.6%</b>   |              |              |
| Chicago Transit Authority, Refunding RB,<br>Federal Transit Administration Section<br>5309 (AGM), 5.00%, 6/01/28 | 2,999        | 3,076,683    |
| <b>Kentucky 0.9%</b>   |              |              |
| Kentucky State Property & Building<br>Commission, Refunding RB, Project<br>No. 93 (AGC), 5.25%, 2/01/27          | 1,002        | 1,084,099    |
| <b>Nevada 7.5%</b>   |              |              |
| Clark County Water Reclamation<br>District, GO:<br>Limited Tax, 6.00%, 7/01/38                                   | 2,010        | 2,258,074    |
| Series B, 5.50%, 7/01/29   | 1,994        | 2,209,611    |

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| Municipal Bonds Transferred to Tender<br>Option Bond (TOB) Trusts (c)                                 | Par<br>(000)  | Value          |
|---|---------------|----------------|
| <b>Nevada (concluded)</b>   |               |                |
| Las Vegas Valley Water District, GO,<br>Refunding, Series C, 5.00%, 6/01/28                           | \$ 4,200      | \$ 4,428,774   |
|   |               | 8,896,459      |
| <b>New Jersey 2.4%</b>  |               |                |
| New Jersey EDA, RB, School Facilities<br>Construction, Series Z (AGC), 6.00%,<br>12/15/34             | 1,000         | 1,101,360      |
| New Jersey State Housing & Mortgage<br>Finance Agency, RB, S/F Housing,<br>Series CC, 5.25%, 10/01/29 | 1,620         | 1,685,935      |
|   |               | 2,787,295      |
| <b>New York 5.8%</b>  |               |                |
| New York City Municipal Water Finance<br>Authority, RB, Series FF-2, 5.50%,<br>6/15/40                | 1,095         | 1,206,178      |
| New York State Dormitory Authority,<br>ERB, Series B, 5.25%, 3/15/38                                  | 3,250         | 3,522,123      |
| New York State Thruway Authority, RB,<br>Series G (AGM), 5.00%, 1/01/32                               | 2,000         | 2,085,500      |
|   |               | 6,813,801      |
| <b>Texas 2.4%</b>   |               |                |
| City of San Antonio Texas, Refunding<br>RB, Series A, 5.25%, 2/01/31                                  | 2,609         | 2,859,236      |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond (TOB) Trusts 29.9%</b>                 |               | 35,178,994     |
| <b>Total Long-Term Investments<br/>(Cost \$180,263,383) 160.8%</b>                                    |               | 189,492,211    |
| <b>Short-Term Securities</b>  |               |                |
|   | <b>Shares</b> |                |
| FFI Institutional Tax-Exempt Fund,<br>0.01% (d)(e)  | 4,692,211     | 4,692,211      |
| <b>Total Short-Term Securities<br/>(Cost \$4,692,211) 4.0%</b>  |               | 4,692,211      |
| <b>Total Investments (Cost \$184,955,594*) - 164.8%</b>   |               | 194,184,422    |
| <b>Liabilities in Excess of Other Assets (1.8)%</b>   |               | (2,066,205)    |
| <b>Liability for TOB Trust Certificates, Including Interest<br/>Expense and Fees Payable (15.0)%</b>  |               | (17,728,172)   |
| <b>AMPS, at Redemption Value (48.0)%</b>  |               | (56,528,454)   |
| <b>Net Assets Applicable to Common Shares 100.0%</b>  |               | \$ 117,861,591 |

Schedule of Investments (concluded)

**BlackRock MuniYield Investment Quality Fund (MFT)**

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011, as computed for federal income tax purposes, were as follows:

|                               |                |
|-------------------------------|----------------|
| Aggregate Cost                | \$ 167,265,191 |
| Gross unrealized appreciation | \$ 9,668,962   |
| Gross unrealized depreciation | (469,461)      |
| Net unrealized appreciation   | \$ 9,199,501   |

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

(b) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty              | Value        | Unrealized<br>Appreciation |
|---------------------------|--------------|----------------------------|
| Jefferies & Company, Inc. | \$ 1,658,639 | \$ 39,025                  |
| Wells Fargo               | \$ 439,442   | \$ 1,721                   |
| Barclays Capital, Inc.    | \$ 2,173,136 | \$ 6,899                   |

(c) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction.

(d) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate                         | Shares<br>Held at<br>July 31,<br>2011 | Net<br>Activity | Shares<br>Held at<br>October 31,<br>2011 | Income |
|-----------------------------------|---------------------------------------|-----------------|--|--------|
| FFI Institutional Tax-Exempt Fund | 6,706,791                             | (2,014,580)     | 4,692,211                                | \$ 121 |

(e) Represents the current yield as of report date.

**Fair Value Measurements** Various inputs are used in determining the fair value of investments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

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Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments is based on the pricing transparency of the investment and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of October 31, 2011 in determining the fair valuation of the Fund's investments:

| Valuation Inputs                   | Level 1             | Level 2               | Level 3 | Total                 |
|------------------------------------|---------------------|-----------------------|---------|-----------------------|
| <b>Assets:</b>                     |                     |                       |         |                       |
| Investments:                       |                     |                       |         |                       |
| Long-Term Investments <sup>1</sup> |                     | \$ 189,492,211        |         | \$ 189,492,211        |
| Short-Term Securities              | \$ 4,692,211        |                       |         | 4,692,211             |
| <b>Total</b>                       | <b>\$ 4,692,211</b> | <b>\$ 189,492,211</b> |         | <b>\$ 194,184,422</b> |

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

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### Item 2 – Controls and Procedures

2(a) – The registrant’s principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant’s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act )) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

2(b) – There were no changes in the registrant’s internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant’s last fiscal quarter that have materially affected, or are 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.

BlackRock MuniYield Investment Quality Fund

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniYield Investment Quality Fund

Date: December 21, 2011

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/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniYield Investment Quality Fund

Date: December 21, 2011

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock MuniYield Investment Quality Fund

Date: December 21, 2011

