

BLACKROCK MUNIYIELD MICHIGAN QUALITY FUND, INC.

Form N-Q

June 20, 2018

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 811-07080

Name of Fund: BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniYield

Michigan Quality Fund, Inc., 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 07/31/2018

Date of reporting period: 04/30/2018

Item 1 Schedule of Investments

Schedule of Investments (unaudited)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

April 30, 2018

(Percentages shown are based on Net Assets)

| | <i>Par</i> | <i>Value</i> |
|--|--------------|---------------|
| | <i>(000)</i> | |
| <i>Security</i> | | |
| Municipal Bonds 138.3% | | |
| Michigan 138.3% | | |
| Corporate 3.9% | | |
| County of Monroe Michigan EDC, Refunding RB, Detroit Edison Co. Project, Series AA (NPFGC), 6.95%, 09/01/22 | \$ 14,500 | \$ 17,118,990 |
| County/City/Special District/School District 27.5% | | |
| Anchor Bay School District, GO, Refunding (Q-SBLF): | | |
| 4.38%, 05/01/27 | 1,600 | 1,686,592 |
| 4.50%, 05/01/29 | 1,505 | 1,587,835 |
| Battle Creek School District Michigan, GO, Refunding (Q-SBLF): | | |
| 5.00%, 05/01/35 | 1,100 | 1,231,318 |
| 5.00%, 05/01/36 | 1,500 | 1,674,600 |
| 5.00%, 05/01/37 | 1,170 | 1,305,322 |
| Berkley School District, GO, School Building & Site (Q-SBLF), 5.00%, 05/01/35 | 2,965 | 3,273,745 |
| Byron Center Public Schools, GO, School Building & Site, Series I (Q-SBLF): | | |
| 5.00%, 05/01/43 | 1,580 | 1,756,423 |
| 5.00%, 05/01/47 | 3,635 | 4,029,070 |
| Columbia Michigan School District, GO, Unlimited Tax, School Building & Site (Q-SBLF), 5.00%, 05/01/38 | 5,185 | 5,690,382 |
| Comstock Park Michigan Public Schools, GO, School Building & Site, Series B (Q-SBLF) ^(a) : | | |
| 5.50%, 05/01/21 | 1,200 | 1,318,656 |
| 5.50%, 05/01/21 | 2,185 | 2,401,053 |
| County of Genesee Michigan, GO, Refunding, Series A (NPFGC), 5.00%, 05/01/19 | 1,000 | 1,015,420 |
| Country of Saginaw Michigan, GO, 4.00%, 11/01/42 | 2,000 | 2,049,300 |
| Dearborn Brownfield Redevelopment Authority, GO, Limited Tax, Redevelopment, Series A (AGC), 5.50%, 05/01/39 | 5,300 | 5,471,031 |
| Dearborn School District, GO, School Building & Site, Series A (Q-SBLF): | | |
| 5.00%, 05/01/32 | 1,500 | 1,672,725 |
| 5.00%, 05/01/33 | 1,600 | 1,777,328 |
| 5.00%, 05/01/34 | 1,200 | 1,329,132 |
| Dexter Community Schools, GO, Refunding School Building & Site (Q-SBLF), 4.00%, 05/01/31 | 1,540 | 1,635,649 |
| Dowagiac Union School District, GO, (Q-SBLF), 5.00%, 05/01/41 | 1,140 | 1,264,260 |
| | <i>Par</i> | <i>Value</i> |
| | <i>(000)</i> | |
| <i>Security</i> | | |
| County/City/Special District/School District (continued) | | |
| East Lansing School District, GO, School Building & Site, Series I (Q-SBLF): | | |
| 5.00%, 05/01/34 | \$ 600 | \$ 676,854 |
| 5.00%, 05/01/35 | 700 | 787,346 |
| 5.00%, 05/01/36 | 550 | 616,814 |

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| | | |
|---|-------|-----------|
| 5.00%, 05/01/37 | 550 | 616,363 |
| 5.00%, 05/01/39 | 740 | 826,254 |
| 5.00%, 05/01/42 | 1,000 | 1,112,470 |
| Farmington Public School District, GO, Refunding, School Building & Site (AGM): | | |
| 5.00%, 05/01/33 | 1,500 | 1,670,055 |
| 5.00%, 05/01/34 | 1,500 | 1,666,080 |
| 5.00%, 05/01/35 | 1,000 | 1,110,060 |
| Flint EDC, RB, Michigan Department of Human Services Office Building Project, 5.25%, 10/01/41 | | |
| | 4,950 | 5,396,045 |
| Fraser Public School District, Refunding, GO, School Building & Site (Q-SBLF): | | |
| 5.00%, 05/01/38 | 750 | 841,110 |
| 5.00%, 05/01/43 | 2,000 | 2,223,320 |
| 5.00%, 05/01/47 | 3,225 | 3,574,622 |
| Gibraltar School District, GO, (Q-SBLF): | | |
| 5.00%, 05/01/35 | 1,000 | 1,139,190 |
| 5.00%, 05/01/36 | 750 | 853,710 |
| Goodrich Area School District, GO, School Building & Site (Q-SBLF): | | |
| 5.50%, 05/01/21 ^(a) | 1,540 | 1,689,919 |
| 5.50%, 05/01/36 | 460 | 501,837 |
| Goodrich Area School District Michigan, GO, School Building & Site (Q-SBLF): | | |
| 5.50%, 05/01/21 ^(a) | 2,575 | 2,829,616 |
| 5.50%, 05/01/32 | 1,000 | 1,096,430 |
| Grand Rapids Public Schools, GO, Refunding Unlimited Tax (AGM), 5.00%, 05/01/29 | 1,000 | 1,159,250 |
| Grandville Public Schools, GO, School Building & Site, Series II (AGM), 5.00%, 05/01/40 | 3,250 | 3,522,968 |
| Hudsonville Michigan Public Schools, GO, School Building & Site (Q-SBLF), 5.25%, 05/01/21 ^(a) | | |
| | 6,750 | 7,378,897 |
| Hudsonville Public Schools, GO, Refunding Unlimited Tax (Q-SBLF): | | |
| 5.00%, 05/01/38 | 1,835 | 2,060,944 |
| 5.00%, 05/01/40 | 2,450 | 2,741,575 |
| Kentwood Public Schools, GO, School Building & Site: | | |
| 5.00%, 05/01/41 | 1,120 | 1,238,776 |

Schedule of Investments (unaudited) (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

April 30, 2018

(Percentages shown are based on Net Assets)

| <i>Security</i> | <i>Par</i> <i>(000)</i> | <i>Value</i> |
|---|----------------------------|--------------|
| County/City/Special District/School District (continued) | | |
| Kentwood Public Schools, GO, School Building & Site (continued): | | |
| 5.00%, 05/01/44 | \$ 1,815 | \$ 2,003,488 |
| Livonia Public Schools School District Michigan, GO, Series I (AGM), 5.00%, 05/01/43 | 5,000 | 5,485,200 |
| Mattawan Consolidated School District, GO, Series I (Q-SBLF), 5.00%, 05/01/39 | 3,375 | 3,684,589 |
| Portage Public Schools, GO, Refunding School Building & Site: | | |
| 5.00%, 11/01/34 | 1,000 | 1,125,370 |
| 5.00%, 11/01/36 | 1,000 | 1,116,400 |
| 5.00%, 11/01/37 | 1,250 | 1,394,575 |
| 5.00%, 11/01/35 | 1,340 | 1,501,979 |
| Romeo Community School District, GO, Refunding School Building & Site, Series 1 (Q-SBLF), 5.00%, 05/01/41 | 2,250 | 2,495,250 |
| Troy School District, GO, School Building & Site (Q-SBLF), 5.00%, 05/01/28 | 2,000 | 2,253,140 |
| Walled Lake Consolidated School District, GO, School Building & Site (Q-SBLF): | | |
| 5.00%, 05/01/37 | 2,850 | 3,146,001 |
| 5.00%, 05/01/40 | 2,630 | 2,898,944 |
| 5.00%, 05/01/43 | 1,530 | 1,682,388 |
| Zeeland Public Schools, GO, School Building & Site, Series A (AGM): | | |
| 5.00%, 05/01/33 | 1,000 | 1,113,370 |
| 5.00%, 05/01/34 | 1,000 | 1,110,720 |
| 5.00%, 05/01/35 | 1,000 | 1,110,060 |
| | | 121,621,820 |
| Education 23.4% | | |
| City of Grand Rapids Michigan, EDC, RB, Ferris State University Project, Series A, 5.50%, 10/01/35 | | |
| | 760 | 816,217 |
| Eastern Michigan University, Refunding RB, Series A (BAM), 5.00%, 03/01/36 | | |
| | 500 | 560,965 |
| Ferris State University, Refunding RB: | | |
| 5.00%, 10/01/41 | 2,250 | 2,507,963 |
| General (AGM), 4.50%, 10/01/24 | 1,595 | 1,611,652 |
| General (AGM), 4.50%, 10/01/25 | 1,405 | 1,419,907 |
| | <i>Par</i> <i>(000)</i> | <i>Value</i> |
| Security | | |
| Education (continued) | | |
| Michigan Finance Authority, Refunding RB: | | |
| College for Creative Studies, 4.00%, 12/01/33 | \$ 1,720 | \$ 1,669,415 |
| College for Creative Studies, 5.00%, 12/01/36 | 1,550 | 1,659,306 |
| College for Creative Studies, 5.00%, 12/01/40 | 2,900 | 3,028,789 |
| College for Creative Studies, 5.00%, 12/01/45 | 4,400 | 4,572,128 |
| Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/29 | 5,900 | 6,026,673 |
| Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/30 | 2,850 | 2,906,430 |
| Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/31 | 3,150 | 3,204,495 |
| Michigan State University, Refunding RB, General, Series C: | | |

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| | | |
|--|--------|-------------|
| 5.00%, 02/15/40 | 8,470 | 8,844,882 |
| 5.00%, 02/15/44 | 1,000 | 1,045,160 |
| Michigan Technological University, RB, General, Series A, 5.00%, 10/01/45 | 1,800 | 1,994,742 |
| Oakland University, RB: | | |
| 5.00%, 03/01/41 | 3,635 | 4,026,453 |
| General, 5.00%, 03/01/32 | 400 | 432,344 |
| General, Series A, 5.00%, 03/01/38 | 5,490 | 5,969,826 |
| General, Series A, 5.00%, 03/01/43 | 16,845 | 18,285,584 |
| University of Michigan, RB, Series A, 5.00%, 04/01/39 | 3,425 | 3,874,840 |
| Wayne State University, GRB, Series A, 5.00%, 11/15/43 | 6,030 | 6,815,528 |
| Wayne State University, RB, General, Series A, 5.00%, 11/15/40 | 3,000 | 3,321,660 |
| West Bloomfield School District, GO, School Building & Site (AGM), 5.00%, 05/01/35 | 1,800 | 2,036,538 |
| Western Michigan University, Refunding RB, General, University and College Improvements: | | |
| 5.25%, 11/15/40 | 3,500 | 3,859,975 |
| 5.25%, 11/15/43 | 8,475 | 9,519,035 |
| (AGM), 5.25%, 11/15/33 | 1,000 | 1,125,920 |
| (AGM), 5.00%, 11/15/39 | 1,750 | 1,938,580 |
| | | 103,075,007 |
| Health 34.2% | | |
| Grand Traverse County Hospital Finance Authority, RB, Series A: | | |
| 5.00%, 07/01/44 | 4,230 | 4,530,415 |

Schedule of Investments (unaudited) (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

April 30, 2018

(Percentages shown are based on Net Assets)

| <i>Security</i> | <i>Par (000)</i> | <i>Value</i> |
|---|----------------------|--------------|
| Health (continued) | | |
| Grand Traverse County Hospital Finance Authority, RB, Series A (continued): 5.00%, 07/01/47 | \$ 2,200 | \$ 2,353,736 |
| Kalamazoo Hospital Finance Authority, RB, Bronson Methodist Hospital (AGM): 5.25%, 05/15/20 ^(a) | 4,140 | 4,400,282 |
| 5.25%, 05/15/36 | 3,360 | 3,517,013 |
| Kent Hospital Finance Authority Michigan, Refunding RB, Spectrum Health, Series A, 5.00%, 11/15/29 | 7,500 | 8,064,825 |
| Michigan Finance Authority, RB: | | |
| Beaumont Health Credit Group, 4.00%, 11/01/46 | 1,025 | 1,019,813 |
| Sparrow Obligated Group, 5.00%, 11/15/36 | 2,500 | 2,717,175 |
| Sparrow Obligated Group, 5.00%, 11/15/45 | 3,750 | 4,076,137 |
| Michigan Finance Authority, Refunding RB: | | |
| Henry Ford Health System, 5.00%, 11/15/37 | 3,000 | 3,327,210 |
| Henry Ford Health System, 3.25%, 11/15/42 | 1,145 | 984,139 |
| Henry Ford Health System, 4.00%, 11/15/46 | 8,500 | 8,442,625 |
| Hospital, McLaren Health Care, 5.00%, 05/15/32 | 1,000 | 1,121,960 |
| Hospital, McLaren Health Care, 5.00%, 05/15/33 | 2,000 | 2,237,200 |
| Hospital, McLaren Health Care, 5.00%, 05/15/34 | 5,000 | 5,566,300 |
| Hospital, McLaren Health Care, 5.00%, 05/15/34 | 1,500 | 1,669,890 |
| Hospital, McLaren Health Care, 5.00%, 05/15/35 | 4,945 | 5,495,181 |
| Hospital; Trinity Health Credit Group, 5.00%, 12/01/39 | 4,980 | 5,391,348 |
| MidMichigan Health, 5.00%, 06/01/39 | 1,500 | 1,645,470 |
| Trinity Health Corp., Series 2016, 4.00%, 12/01/40 | 5,000 | 5,071,500 |
| Trinity Health Credit Group, 5.00%, 12/01/21 ^(a) | 20 | 21,925 |
| Trinity Health Credit Group, 5.00%, 12/01/31 | 5,000 | 5,464,950 |
| Trinity Health Credit Group, 5.00%, 12/01/35 | 6,500 | 7,050,810 |
| | <i>Par (000)</i> | <i>Value</i> |
| Health (continued) | | |
| Michigan State Hospital Finance Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/25 | \$ 6,000 | \$ 6,274,620 |
| Michigan State Hospital Finance Authority, Refunding RB: | | |
| Ascension Senior Credit Group, 5.00%, 11/15/47 | 2,750 | 3,104,007 |
| Henry Ford Health System, 5.75%, 11/15/19 ^(a) | 3,165 | 3,345,626 |
| Hospital, Oakwood Obligated Group, 5.00%, 11/01/32 | 4,000 | 4,351,800 |
| McLaren Health Care, Series A, 5.75%, 05/15/18 ^(a) | 4,000 | 4,005,760 |
| McLaren Health Care, Series A, 5.00%, 06/01/35 | 2,250 | 2,416,185 |
| Trinity Health, 6.50%, 12/01/18 ^(a) | 425 | 436,500 |
| Trinity Health, 6.50%, 12/01/33 | 80 | 82,194 |
| Trinity Health Credit Group, 6.50%, 12/01/18 ^(a) | 1,895 | 1,946,279 |
| Trinity Health Credit Group, Series A, 6.13%, 12/01/18 ^(a) | 940 | 963,688 |
| Trinity Health Credit Group, Series A, 6.25%, 12/01/18 ^(a) | 1,500 | 1,538,880 |

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| | | |
|---|--------|------------|
| Trinity Health Credit Group, Series C, 4.00%, 12/01/32 | 5,300 | 5,416,017 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB: | | |
| Beaumont Health Credit Group, Series D, 5.00%, 09/01/39 | 27,365 | 29,646,694 |
| William Beaumont Hospital, Series V, 8.25%, 09/01/18 ^(a) | 2,000 | 2,042,360 |
| Series W, 6.00%, 08/01/19 ^(a) | 1,500 | 1,573,875 |

151,314,389

Housing 5.3%

Michigan State HDA, RB:

| | | |
|--|-------|-----------|
| M/F Housing, Rental Housing Revenue, Series A, 4.45%, 10/01/34 | 1,000 | 1,034,750 |
| M/F Housing, Rental Housing Revenue, Series A, 4.63%, 10/01/39 | 3,490 | 3,595,747 |
| M/F Housing, Rental Housing Revenue, Series A, 4.75%, 10/01/44 | 5,000 | 5,152,150 |
| M/F Housing, Rental Housing Revenue, Series A, 4.30%, 10/01/40 | 3,320 | 3,387,064 |
| S/F Housing, Series A, 4.75%, 12/01/25 | 1,645 | 1,703,398 |

Schedule of Investments (unaudited) (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

April 30, 2018

(Percentages shown are based on Net Assets)

| <i>Security</i> | <i>Par (000)</i> | <i>Value</i> |
|--|----------------------|--------------|
| Housing (continued) | | |
| Michigan State HDA, RB (continued): | | |
| Williams Pavilion, AMT (Ginnie Mae), 4.75%, 04/20/37 | \$ 3,240 | \$ 3,242,300 |
| Michigan State HDA, Refunding RB, M/F Housing, Series A, 6.05%, 10/01/41 | 4,875 | 5,184,611 |
| | | 23,300,020 |
| State 17.2% | | |
| Michigan Finance Authority, Refunding RB, Detroit Regional Convention Facility Authority Local Project Bonds, 5.00%, 10/01/39 | 5,400 | 5,819,742 |
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 5.00%, 04/15/35 | 4,000 | 4,539,000 |
| Michigan State Finance Authority, RB, Local Government Loan Program, Series F, 5.00%, 04/01/31 | 1,000 | 1,075,180 |
| Michigan Strategic Fund, RB, Michigan Senate Offices Project, Series A, 5.25%, 10/15/40 | 3,000 | 3,292,230 |
| Michigan Strategic Fund, Refunding RB, Cadillac Place Office Building Project, 5.25%, 10/15/31 | 7,000 | 7,693,770 |
| State of Michigan, COP, (AMBAC), 0.00%, 06/01/22 ^{(b)(c)} | 3,000 | 2,729,400 |
| State of Michigan Building Authority, RB, Local Government Loan Program, Series F, 5.25%, 10/01/41 | 8,595 | 9,287,499 |
| State of Michigan Building Authority, Refunding RB: Facilities Program, Series I, 6.25%, 10/15/18 ^(a) | 3,780 | 3,854,428 |
| Facilities Program, Series I, 6.25%, 10/15/18 ^(a) | 2,260 | 2,304,500 |
| Facilities Program, Series I, 6.25%, 10/15/38 | 210 | 214,114 |
| Facilities Program, Series I (AGC), 5.25%, 10/15/24 | 6,000 | 6,281,340 |
| Facilities Program, Series I (AGC), 5.25%, 10/15/25 | 3,500 | 3,663,590 |
| Facilities Program, Series I (AGC), 5.25%, 10/15/26 | 1,000 | 1,046,300 |
| Facilities Program, Series I-A, 5.50%, 10/15/45 | 2,000 | 2,195,880 |