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MUNIYIELD ARIZONA FUND INC /NJ/
Form N-Q
September 26, 2006

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 811-7083

Name of Fund: MuniYield Arizona 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, MuniYield Arizona 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: 10/31/2006

Date of reporting period: 05/01/06 - 07/31/06

Item 1 - Schedule of Investments

MuniYield Arizona Fund, Inc.

Schedule of Investments as of July 31, 2006

	Face Amount	Municipal Bonds
Arizona - 139.4%	\$ 1,000	Arizona Educational Loan Marketing Corporation, Educational Loan R Bonds, AMT, Junior Sub-Series, 6.30% due 12/01/2008
	1,800	Arizona Health Facilities Authority, Hospital System Revenue Bonds Children's Hospital), Series A, 6.125% due 11/15/2022
	1,785	Arizona Health Facilities Authority Revenue Bonds (Catholic Health Series A, 6.625% due 7/01/2020
	4,335	Arizona State University Revenue Bonds, DRIVERS, Series 270, 7.024
	3,285	Arizona Student Loan Acquisition Authority, Student Loan Revenue R Junior Subordinated Series B-1, 6.15% due 5/01/2029
	1,000	Arizona Student Loan Acquisition Authority, Student Loan Revenue R Senior Series A-1, 5.90% due 5/01/2024
	1,000	Arizona Tourism and Sports Authority, Tax Revenue Bonds (Baseball Project), 5% due 7/01/2016

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2,000	Arizona Tourism and Sports Authority, Tax Revenue Bonds (Multi-Purpose Facility), Series A, 5.375% due 7/01/2023 (b)
1,000	Cottonwood, Arizona, Senior Lien Water System Revenue Bonds, 5% due 7/01/2023 (b)
750	Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Senior Series A, 5.25% due 7/01/2025 (e)
1,500	Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Senior Series A, due 7/01/2036 (e)
2,000	Downtown Phoenix Hotel Corporation, Arizona, Revenue Bonds, Sub-Series A, due 7/01/2036 (e)
750	Gladden Farms Community Facilities District, Arizona, GO, 5.50% due 7/01/2023 (b)
3,000	Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series A, due 8/01/2030 (b)
1,670	Maricopa County, Arizona, Hospital Revenue Refunding Bonds (Sun Health Services), Series A, 6.125% due 4/01/2007 (i)
735	Maricopa County, Arizona, Hospital Revenue Refunding Bonds (Sun Health Services), Series A, 6.125% due 4/01/2018
900	Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Child Care Project 1), Series A, 6.625% due 7/01/2020
2,400	Maricopa County, Arizona, IDA, Hospital Facility Revenue Refunding Bonds (Samaritan Health Services), Series A, 7% due 12/01/2016 (b) (d)

Portfolio Abbreviations

To simplify the listings of MuniYield Arizona 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
GO	General Obligation Bonds
IDA	Industrial Development Authority
PCR	Pollution Control Revenue Bonds
RIB	Residual Interest Bonds
RITR	Residual Interest Trust Receipts
S/F	Single-Family

MuniYield Arizona Fund, Inc.

Schedule of Investments as of July 31, 2006 (concluded)

Face
Amount Municipal Bonds

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Arizona (concluded)	\$ 1,000	Maricopa County, Arizona, Peoria Unified School District Number 11 Series, 5% due 7/01/2025 (e)
	1,485	Maricopa County, Arizona, Pollution Control Corporation, PCR, Refu (Public Service Company of New Mexico Project), Series A, 6.30% du
	2,250	Maricopa County, Arizona, Public Finance Corporation, Lease Revenue Series 511X, 7.09% due 7/01/2014 (a) (k)
	1,825	Maricopa County, Arizona, Scottsdale Unified School District Numbe due 7/01/2012
	500	Maricopa County, Arizona, Tempe Elementary Unified School District Refunding, 7.50% due 7/01/2010 (e)
	1,000	Maricopa County, Arizona, Unified School District Number 090, Scho GO (Saddle Mountain), Series A, 5% due 7/01/2014
	1,000	Mesa, Arizona, IDA Revenue Bonds (Discovery Health Systems), Serie 5.625% due 1/01/2010 (b) (i)
	1,000	Nogales, Arizona, Municipal Development Authority, Inc., Revenue B 6/01/2030 (a)
	4,500	Northern Arizona University System Revenue Bonds, 5.50% due 6/01/2
	3,325	Phoenix, Arizona, Civic Improvement Corporation, Excise Tax Revenue (Civic Plaza Expansion Project), Sub-Series A, 5% due 7/01/2035 (e)
	500	Phoenix, Arizona, Civic Improvement Corporation, Senior Lien Airpo AMT, Series B, 5.25% due 7/01/2032 (e)
	2,500	Phoenix, Arizona, Civic Improvement Corporation, Water System Reve Junior Lien, 5.50% due 7/01/2020 (e)
	2,000	Phoenix, Arizona, Civic Improvement Corporation, Water System Reve Junior Lien, 5% due 7/01/2029 (b)
	750	Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Series C, 6.70% due 7/01/2021
	1,000	Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Series C, 6.75% due 7/01/2031
	985	Pima County, Arizona, IDA, Education Revenue Refunding Bonds (Arizona Charter Schools Project II), Series A, 6.75% due 7/01/202
	1,000	Pima County, Arizona, IDA, Revenue Refunding Bonds (Health Partner 5.625% due 4/01/2014 (b)
	3,050	Pima County, Arizona, Unified School District Number 1, Tucson, GO 7.50% due 7/01/2009 (e)
	1,250	Pinal County, Arizona, COP, 5% due 12/01/2026
	1,250	Pinal County, Arizona, COP, 5% due 12/01/2029
	1,000	Pinal County, Arizona, IDA, Correctional Facilities Contract Reven (Florence West Prison Project), Series A, 5.25% due 10/01/2023 (c)
	500	Pinal County, Arizona, IDA, Wastewater Revenue Bonds (San Manuel F

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		AMT, 6.25% due 6/01/2026
	2,500	Salt River Project, Arizona, Agriculture Improvement and Power Dis System Revenue Refunding Bonds, Series A, 5% due 1/01/2035
	2,250	Scottsdale, Arizona, IDA, Hospital Revenue Bonds (Scottsdale Health 12/01/2011 (i)
	1,000	Scottsdale, Arizona, Municipal Property Corporation, Excise Tax Re due 7/01/2029
	1,500	Scottsdale, Arizona, Municipal Property Corporation, Excise Tax Re due 7/01/2030
	1,195	Show Low, Arizona, IDA, Hospital Revenue Bonds (Navapache Regional 5% due 12/01/2035 (j)
	1,500	South Campus Group LLC, Arizona Student Housing Revenue Bonds (Arizona State University South Campus Project), Series 2003, 5.62
	340	Tucson and Pima County, Arizona, IDA, S/F Mortgage Revenue Refundi (Mortgage-Backed Securities Program), AMT, Series A-1, 6% due 7/01
	1,000	Tucson, Arizona, IDA, Senior Living Facilities Revenue Bonds (Chri Inc. Project), Series A, 6.125% due 7/01/2024 (j)
	1,105	University of Arizona, COP, Refunding, Series A, 5.125% due 6/01/2
	2,000	University of Arizona, COP, Series B, 5% due 6/01/2028 (a)
	1,275	Vistancia Community Facilities District, Arizona, GO, 6.75% due 7/
	750	Vistancia Community Facilities District, Arizona, GO, 5.75% due 7/
	500	Watson Road Community Facilities District, Arizona, Special Assess 6% due 7/01/2030
	2,000	Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Yav Medical Center), Series A, 6% due 8/01/2033
Guam - 1.6%	1,000	Guam Government Waterworks Authority, Water and Wastewater System, Bonds, 5.875% due 7/01/2035
Puerto Rico - 19.8%	500	Puerto Rico Commonwealth, GO, Refunding, RITR, Class R, Series 3, 7/01/2016 (b) (k)
	1,700	Puerto Rico Commonwealth Highway and Transportation Authority, Tra Bonds, Series G, 5% due 7/01/2033
	2,000	Puerto Rico Commonwealth, Public Improvement, GO, Series A, 5.125%
	1,000	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 7/01/2031
	1,500	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 7/01/2029
	1,000	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 7/01/2032 (b)

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1,500	Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Facilities Revenue Bonds (Cogeneration Facility-AES Puerto Rico Pr due 6/01/2026
2,000	Puerto Rico Public Buildings Authority, Government Facilities Revenue Series I, 5.25% due 7/01/2033
1,000	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Series E, 5.50% due 8/01/2029
	Total Municipal Bonds (Cost - \$99,433) - 160.8%

Shares Held	Short-Term Securities
1,504	CMA Arizona Municipal Money Fund, 2.96% (1) (m)
	Total Short-Term Securities (Cost - \$1,504) - 2.4%
	Total Investments (Cost - \$100,938*) - 163.2%
	Other Assets Less Liabilities - 0.0%
	Preferred Stock, at Redemption Value - (63.2%)
	Net Assets Applicable to Common Stock - 100.0%

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

Aggregate cost	\$	100,946
		=====
Gross unrealized appreciation	\$	3,289
Gross unrealized depreciation		(163)

Net unrealized appreciation	\$	3,126
		=====

- (a) AMBAC Insured.
- (b) MBIA Insured.
- (c) ACA Insured.
- (d) Escrowed to maturity.
- (e) FGIC Insured.
- (f) FHLMC Collateralized.
- (g) FNMA/GNMA Collateralized.
- (h) XL Capital Insured.
- (i) Prerefunded.

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- (j) Radian Insured.
- (k) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (l) 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
CMA Arizona Municipal Money Fund	\$ (103)	\$ 17

- (m) Represents the current yield as of July 31, 2006.

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 Arizona Fund, Inc.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
MuniYield Arizona Fund, Inc.

Date: September 20, 2006

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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/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
MuniYield Arizona Fund, Inc.

Date: September 20, 2006

By: /s/ Donald C. Burke

Donald C. Burke
Chief Financial Officer
MuniYield Arizona Fund, Inc.

Date: September 20, 2006