

BLACKROCK MARYLAND MUNICIPAL BOND TRUST
Form N-Q
July 27, 2016

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: 811-21051

Name of Fund: BlackRock Maryland Municipal Bond Trust (BZM)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Maryland
Municipal Bond Trust, 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: 08/31/2016

Date of reporting period: 05/31/2016

Item 1 Schedule of Investments

Schedule of Investments May 31, 2016 (Unaudited)

BlackRock Maryland Municipal Bond Trust (BZM)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Maryland 137.1%		
Corporate 1.8%		
Maryland EDC, Refunding RB:		
CNX Marine Terminals, Inc., 5.75%, 9/01/25	\$ 320	\$ 309,898
Potomac Electric Power Co., 6.20%, 9/01/22	250	284,112
		594,010
County/City/Special District/School District 23.4%		
City of Baltimore Maryland, RB, Series C, Wastewater Project, 5.00%, 7/01/39	1,000	1,179,330
County of Anne Arundel Maryland Consolidated, Refunding, Special Tax, The Villages of Dorchester and Farmington Project, 5.00%, 7/01/32	500	585,275
County of Anne Arundel Maryland Consolidated, Special Tax District, Villages at Two Rivers Project, 5.25%, 7/01/44	250	259,660
County of Frederick Maryland, RB, Jefferson Technology Park Project, Series B, 7.13%, 7/01/43	250	284,685
County of Howard Maryland, Tax Allocation Bonds, Annapolis Junction Town Center Project, 6.10%, 2/15/44	250	272,050
County of Montgomery Maryland, GO, Refunding, Consolidated Public Improvement, Series A, 5.00%, 7/01/19 (a)	175	196,599
County of Prince George's Maryland, Special Obligation, Remarketing, National Harbor Project, 5.20%, 7/01/34	1,449	1,450,449
State of Maryland, GO, Refunding, State & Local Facilities Loan, 3rd Series C, 5.00%, 11/01/20	500	585,005
State of Maryland, GO:		
State & Local Facilities Loan, 1st Series B, 5.00%, 3/15/19 (a)	250	277,812
	Par	
Municipal Bonds	(000)	Value
Maryland (continued)		
County/City/Special District/School District (continued)		
State of Maryland, GO (continued):		
State & Local Facilities Loan, 2nd Series B, 3.00%, 8/01/27	\$ 2,425	\$ 2,529,857
		7,620,722
Education 26.7%		
County of Anne Arundel Maryland, Refunding RB, Maryland Economic Development, Anne Arundel Community College Project:		
4.00%, 9/01/27	510	562,168
3.25%, 9/01/28	360	378,364
Maryland EDC, Refunding RB:		
University of Maryland College Park Project (AGM), 5.00%, 6/01/43	1,350	1,592,001
University of Maryland Project, 5.00%, 7/01/39	500	542,110
University Village at Sheppard Pratt, 5.00%, 7/01/33	1,000	1,101,660
Maryland Health & Higher Educational Facilities Authority, Refunding RB:		
4.00%, 7/01/39	100	106,169
Goucher College, Series A, 5.00%, 7/01/34	1,000	1,157,980
Johns Hopkins University Project, Series A, 4.00%, 7/01/37	10	10,771
Loyola University Maryland, Series A, 5.00%, 10/01/39	900	1,037,268
Maryland Institute College of Art, 5.00%, 6/01/29	500	567,260
Notre Dame Maryland University, 5.00%, 10/01/42	1,000	1,117,600
University System of Maryland, RB, Auxiliary Facility and Tuition, Series A, 5.00%, 4/01/24	400	502,176
		8,675,527
Health 43.5%		
City of Gaithersburg Maryland, Refunding RB, Asbury Maryland Obligation, Series B, 6.00%, 1/01/23	250	280,445

Schedule of Investments (continued)

BlackRock Maryland Municipal Bond Trust (BZM)

	Par	
	(000)	Value
Municipal Bonds		
Maryland (continued)		
Health (continued)		
County of Howard Maryland, Refunding RB, Vantage House Facility, Series A, 5.25%, 4/01/33	\$ 550	\$ 551,314
County of Montgomery Maryland, RB, Trinity Health Credit Group, 5.00%, 12/01/45	750	899,565
County of Montgomery Maryland, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/40	1,000	1,132,120
Maryland Health & Higher Educational Facilities Authority, RB, Ascension Health Alliance, Series B, 5.00%, 11/15/51	1,000	1,130,550
Maryland Health & Higher Educational Facilities Authority, Refunding RB:		
Anne Arundel Health System, 5.00%, 7/01/40	1,000	1,078,050
Charlestown Community Project, 6.25%, 1/01/41	1,000	1,154,380
Frederick Memorial Hospital, Series A, 4.00%, 7/01/38	1,250	1,296,450
Lifebridge Health Issue, 4.13%, 7/01/47	500	535,075
Medstar Health, Inc., 5.00%, 8/15/42	1,000	1,158,830
Meritus Medical Center Issue, 5.00%, 7/01/40	1,000	1,148,530
Peninsula Regional Medical Center, 5.00%, 7/01/45	700	803,061
University of Maryland, 5.00%, 7/01/35	200	234,020
University of Maryland, 4.00%, 7/01/41	500	525,660
University of Maryland Medical System, 5.13%, 7/01/39	1,000	1,082,360
University of Maryland Medical System, Series A, 5.00%, 7/01/43	1,000	1,125,230
		14,135,640
Housing 13.8%		
County of Howard Maryland Housing Commission, RB, M/F Housing:		
Columbia Commons Apartments, Series A, 5.00%, 6/01/44	550	611,594
Gateway Village Apartments, 4.00%, 6/01/46 (b)	500	525,645
	Par	
	(000)	Value
Municipal Bonds		
Maryland (continued)		
Housing (continued)		
Maryland Community Development Administration, HRB, Residential:		
M/F Housing, Series A, 4.05%, 7/01/42	\$ 1,220	\$ 1,264,396
S/F Housing, Series H, AMT, 5.10%, 9/01/37	875	885,027
Maryland Community Development Administration, RB:		
3.70%, 7/01/35	500	517,045
S/F Housing, 5.05%, 9/01/39	500	519,790
S/F Housing, Series B, 4.75%, 9/01/39	150	154,640
		4,478,137
Transportation 14.7%		
Maryland EDC, RB:		
Term Project, Series B, 5.75%, 6/01/35	500	546,925
Transportation Facilities Project, Series A, 5.75%, 6/01/35	500	547,455
Maryland State Department of Transportation, RB, Consolidated, 4.00%, 5/15/22	1,000	1,087,170
Maryland State Transportation Authority, RB, Baltimore/Washington International Thurgood Marshall Airport Project, Series A, AMT, 4.00%, 6/01/29	1,925	2,065,352
Maryland State Transportation Authority, Refunding RB, Baltimore/Washington International Thurgood Marshall Airport Project, Series B, AMT, 5.00%, 3/01/23	445	519,631
		4,766,533
Utilities 13.2%		
City of Annapolis Maryland Water & Sewer Revenue, Refunding RB, Series A, 3.38%, 8/01/40	780	801,302
City of Baltimore Maryland, RB:		
Wastewater Project, Series C, 5.00%, 7/01/38	1,000	1,179,270
Water Project, Series A, 5.00%, 7/01/43	1,000	1,172,460
County of Montgomery Maryland, RB, Water Quality Protection Charge, Series A: 5.00%, 4/01/31	500	572,030

Schedule of Investments (continued)

BlackRock Maryland Municipal Bond Trust (BZM)

	Par	
	(000)	Value
Municipal Bonds		
Maryland (continued)		
Utilities (continued)		
County of Montgomery Maryland, RB, Water Quality Protection Charge, Series A (continued):		
5.00%, 4/01/32	\$ 500	\$ 569,860
		4,294,922
Total Municipal Bonds in Maryland		44,565,491
District of Columbia 3.4%		
Transportation 3.4%		
Washington Metropolitan Area Transit Authority, Refunding RB, Series A, 5.13%, 7/01/32	1,000	1,109,620
Puerto Rico 1.4%		
Tobacco 1.4%		
Children s Trust Fund Tobacco Settlement, Refunding RB, Asset-Backed, 5.63%, 5/15/43	450	448,871
Total Municipal Bonds 141.9%		46,123,982
	Par	
	(000)	Value
Municipal Bonds Transferred to		
Tender Option Bond Trusts (c)		
Maryland 9.9%		
Transportation 9.9%		
State of Maryland Transportation Authority, RB, Transportation Facilities Project (AGM),		
5.00%, 7/01/41	\$ 3,000	\$ 3,233,850
Total Long-Term Investments		
(Cost \$46,254,394) 151.8%		49,357,832
Short-Term Securities	Shares	
BlackRock Liquidity Funds, MuniCash, 0.21% (d)(e)	508,015	508,015
Total Short-Term Securities		
(Cost \$508,015) 1.6%		508,015
Total Investments (Cost \$46,762,409*) 153.4%		49,865,847
Other Assets Less Liabilities 0.4%		148,696
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (4.6)%		(1,501,550)
VRDP Shares, at Liquidation Value (49.2)%		(16,000,000)
Net Assets Applicable to Common Shares 100.0%		\$ 32,512,993

* As of May 31, 2016, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows:

Tax cost	\$ 45,271,250
Gross unrealized appreciation	\$ 3,115,104
Gross unrealized depreciation	(20,507)
Net unrealized appreciation	\$ 3,094,597

Schedule of Investments (continued)

BlackRock Maryland Municipal Bond Trust (BZM)

Notes to Schedule of Investments

- (a) U.S. 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.
- (c) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Trust. These bonds serve as collateral in a secured borrowing.
- (d) During the period ended May 31, 2016, investments in issuers considered to be affiliates of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

	Shares Held	Net	Shares Held	Value at	
	at August 31,	Activity	at May 31,	May 31,	Income
Affiliate	2015		2016	2016	
BlackRock Liquidity Funds, MuniCash		508,015	508,015	\$ 508,015	\$ 161
FFI Institutional Tax-Exempt Fund	334,132	(334,132)			26
Total				\$ 508,015	\$ 187

- (e) Current yield as of period end.

For Trust compliance purposes, the Trust's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

			Unrealized
Contracts		Notional	Appreciation
Short	Issue	Value	(Depreciation)
(2)	5-Year U.S. Treasury Note	\$240,234	\$ (203)
(4)	10-Year U.S. Treasury Note	\$518,750	119
(2)	Long U.S. Treasury Bond	\$326,625	(317)
Total			\$ (401)

Portfolio Abbreviations

Edgar Filing: BLACKROCK MARYLAND MUNICIPAL BOND TRUST - Form N-Q

AGM	Assured Guaranty Municipal Corp.
AMT	Alternative Minimum Tax (subject to)
EDC	Economic Development Corp.
GO	General Obligation Bonds
HRB	Housing Revenue Bonds
M/F	Multi-Family
RB	Revenue Bonds
S/F	Single-Family

4	BLACKROCK MARYLAND MUNICIPAL BOND TRUST	MAY 31, 2016
---	---	--------------

Schedule of Investments (continued)

BlackRock Maryland Municipal Bond Trust (BZM)

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that the Trust has the ability to access

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 Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The significant unobservable inputs used by the Global Valuation Committee in determining the price for Fair Valued Investments are typically categorized as level 3.

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Trust's most recent financial statements as contained in its semi-annual report.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 49,357,832		\$ 49,357,832
Short-Term Securities	\$ 508,015			508,015
Total	\$ 508,015	\$ 49,357,832		\$ 49,865,847
Derivative Financial Instruments ²				
Assets:				
Interest rate contracts	\$ 119			\$ 119
Liabilities:				
Interest rate contracts	(520)			(520)
Total	\$ (401)			\$ (401)

¹ See above Schedule of Investments for values in each sector.

² Derivative financial instruments are futures contracts, which are valued at the unrealized appreciation (depreciation) on the instrument.

Schedule of Investments (concluded)

BlackRock Maryland Municipal Bond Trust (BZM)

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial reporting purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for futures contracts	\$ 14,350			\$ 14,350
Liabilities:				
TOB Trust Certificates		\$ (1,500,000)		(1,500,000)
VRDP Shares		(16,000,000)		(16,000,000)
Total	\$ 14,350	\$ (17,500,000)		\$ (17,485,650)

During the period ended May 31, 2016, there were no transfers between levels.

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 Maryland Municipal Bond Trust

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Maryland Municipal Bond Trust

Date: July 22, 2016

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 Maryland Municipal Bond Trust

Date: July 22, 2016

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock Maryland Municipal Bond Trust

Date: July 22, 2016