FORM N-30B-2

Periodic and interim reports mailed to investment company shareholders (other than annual and semi-annual reports mailed to shareholders pursuant to Rule 30e-1)

Filing Date: **1994-01-10** | Period of Report: **1993-11-30**
SEC Accession No. 0000900092-94-000009

(HTML Version on secdatabase.com)

FILER

MERRILL LYNCH HIGH INCOME MUNICIPAL BOND FUND INC
CIK:**867189**| IRS No.: **226515010** | State of Incorp.:**NJ** | Fiscal Year End: **0831**
Type: **N-30B-2** | Act: **40** | File No.: **811-06156** | Film No.: **94500852**

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Merrill Lynch High Income Municipal Bond Fund, Inc.

Quarterly
Report
November 30, 1993

This report, including the financial information herein, is transmitted to the shareholders of Merrill Lynch High Income Municipal Bond Fund, Inc. for their information. It is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in the report. Past performance results shown in this report should not be considered a representation of future performance.

Merrill Lynch High Income
Municipal Bond Fund, Inc.
Box 9011
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Merrill Lynch High Income Municipal Bond Fund, Inc.

DEAR SHAREHOLDER

For the three-month period ended November 30, 1993, Merrill Lynch High Income Municipal Bond Fund, Inc. earned $0.161 per share income dividends, representing a net annualized yield of 5.66%, based on a month-end per share net asset value of $11.43. Over the same period, the Fund's total investment return was +1.32%, based on a change in per share net asset value from $11.44 to $11.43, and assuming reinvestment of $0.161 per share income dividends.

The Environment
The US economy began to show some signs of improvement during the November quarter with little evidence of an appreciable increase in the rate of inflation. The industrial sector is demonstrating growing strength, yet capacity utilization is still well below the levels associated with rising inflation. Consumer spending has improved, but the labor market remains soft. Despite the areas of economic weakness that persist, concerns arose during the quarter that the rate of business activity might increase inflationary pressures.

Other developments during the November quarter had significant long-term implications for the US financial markets. Although

Boris Yeltsin's swift and apparently decisive victory over his hard-line opponents in Russia created little immediate disruption in the world financial markets, the future of political and economic reform in the former Soviet Union is far from certain. Evidence of greater progress toward a free-market economy and democratic government in Russia would have more positive implications for the US financial markets over the longer term. The outline for proposed healthcare reform is also very important for the US economy. As the various healthcare reform proposals are debated, investors will focus on their potential effects on the Federal budget, the US economy and the quality of healthcare delivery in the United States. Finally, the ratification of the North American Free Trade Agreement by the US Congress was important not only for the prospect of expanding trade with Canada and Mexico, but also as a positive influence on the recently concluded round of negotiations on the General Agreement on Tariffs and Trade. Further economic integration and growth through trade liberalization would be positive for the capital markets in the United States and around the world.

The Municipal Market
The municipal bond market exhibited considerable volatility during the quarter ended November 30, 1993. From September through mid-October, municipal bond yields continued their earlier decline. By mid-October, yields on tax-exempt revenue bonds maturing in 30 years, as reflected by the Bond Buyer Revenue Bond Index, had declined an additional 15 basis points (0.15%) to another record low of 5.41%. However, the municipal bond market then reacted sympathetically to a nervous US Treasury bond market during the remainder of the quarter, and tax-exempt bond yields rose to end the quarter at 5.47%. Despite the increase in bond yields late in the quarter, it is important to note that tax-exempt bond yields have declined approximately 70 basis points since the beginning of 1993.

The pace of new municipal bond issuance slowed during the November quarter. More than $62 billion in tax-exempt securities were issued over the last three months, an increase of more than 5% versus the November 1992 quarter's issuance. In recent quarters, however, new bond issuance had been increasing at a rate of approximately 25%. Even this relative decline in supply was unable to provide any technical support for the municipal bond market as investors became extremely concerned that economic growth would dramatically accelerate during the last calendar quarter of 1993 and continue into early 1994. This projected growth and expected associated inflationary pressures combined to cause yields to rise significantly in late October and November.

A number of additional factors have been involved in the recent increase in tax-exempt bond yields. Individual investors have demonstrated only limited interest in the municipal bond market over the last month. This probably has been related to a combination of seasonal factors and the desire to avoid the tax liability resulting from the large capital gains expected to be declared by most bond funds this year. Also, many larger institutional investors have been reluctant participants in the market in order not to jeopardize their already strong year-to-date performances. Consequently, recent interest rate volatility has been intensified by this decline in demand.

By early 1994, however, it is likely that demand will increase significantly. The proceeds from bond maturities, bond calls and coupon payments beginning in January will all need to be reinvested. The new higher marginal Federal tax rates will also go into effect in January. Given the ongoing attractive after-tax benefits municipal bonds provide, it is likely that both individual and institutional investors will return to the tax-exempt bond market. This increased demand should serve to stabilize the market in early 1994.

Portfolio Strategy

During the quarter ended November 30, 1993, our portfolio strategy continued to focus on generating a generous level of tax-exempt income for shareholders. Seeking to capitalize on several attractive investment opportunities, we added approximately $12.5 million in high-yielding tax-exempt bonds to the Fund's portfolio, with an average yield of 7.23%. These purchases reflect the Fund's continuing focus in the healthcare sector of the municipal bond market as well as an orientation toward more cyclical industries that stand to benefit from the incipient economic recovery.

We remain constructive on undervalued, lower-rated securities that demonstrate an upside potential both from a credit and performance standpoint. Existing holdings are regularly monitored for creditworthiness and ongoing viability. Throughout the November quarter, the Fund's cash reserves were held below 5% of net assets in an effort to sustain an attractive yield to shareholders.

We appreciate your investment in Merrill Lynch High Income Municipal Bond Fund, Inc., and we look forward to assisting you with your financial needs in the months and years ahead.

Sincerely,

(Arthur Zeikel)
Arthur Zeikel
President

(Vincent R. Giordano)
Vincent R. Giordano

Vice President and Portfolio Manager
December 22, 1993

PORTFOLIO COMPOSITION

For the Quarter Ended November 30, 1993

Top Ten States*

Texas	12.75%
Pennsylvania	9.16
Colorado	6.71
New Jersey	5.93
New York	5.61
Massachusetts	5.57
Louisiana	5.24
Missouri	5.22
Tennessee	3.37
Connecticut	3.28

Total Top Ten	62.84
Total Others	37.16

Total Portfolio	100.00%
	=========

Net assets as of November 30, 1993 were $223,179,897.

Quality Ratings*
(Based on Nationally Recognized Rating Services)

GRAPHIC AND IMAGE MATERIALS APPEAR HERE. SEE APPENDIX ITEM 1.

[FN]
* Based on total market value of the portfolio as of November 30, 1993.
++Temporary investments in short-term municipal securities.

OFFICERS AND DIRECTORS

Arthur Zeikel, President and Director
Ronald W. Forbes, Director
Charles C. Reilly, Director
Kevin A. Ryan, Director
Richard R. West, Director
Marc A. White, Director
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APPENDIX: GRAPHIC AND IMAGE MATERIALS.

ITEM 1

Pie Chart illustrating the following percentages:

Quality Ratings*
(Based on Nationally Recognized Rating Services)

AAA/Aaa	11%
AA/Aa	1%
A/A	7%
BBB/Baa	43%
BB/Ba	11%
B/B	2%
NR	24%
Other++	1%

[FN]
* Based on total market value of the portfolio as of November 30, 1993.
++Temporary investments in short-term municipal securities.