

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC  
Form N-Q  
April 26, 2013

**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      811-5877

Dreyfus Strategic Municipal Bond Fund, Inc.  
(Exact name of Registrant as specified in charter)

c/o The Dreyfus Corporation

200 Park Avenue

New York, New York 10166

(Address of principal executive offices) (Zip code)

Janette E. Farragher, Esq.

200 Park Avenue

New York, New York 10166

(Name and address of agent for service)

Registrant's telephone number, including area code:      (212) 922-6000

Date of fiscal year end:      11/30

Date of reporting period:      2/28/13

**FORM N-Q**

**Item 1. Schedule of Investments.**

---

**STATEMENT OF INVESTMENTS****Dreyfus Strategic Municipal Bond Fund, Inc.****February 28, 2013 (Unaudited)**

<b>Long-Term Municipal Investments--141.7%</b>	<b>Coupon Rate (%)</b>	<b>Maturity Date</b>	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Alabama--.7%</b>				
Jefferson County, Limited Obligation School Warrants	5.25	1/1/17	2,000,000	2,000,840
Jefferson County, Limited Obligation School Warrants	5.00	1/1/24	1,000,000	980,270
<b>Alaska--2.4%</b>				
Northern Tobacco Securitization Corporation of Alaska, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/32	2,500,000	2,296,775
Northern Tobacco Securitization Corporation of Alaska, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/46	9,465,000	8,353,620
<b>Arizona--7.4%</b>				
Barclays Capital Municipal Trust Receipts (Salt River Project Agricultural Improvement and Power District, Salt River Project Electric System Revenue)	5.00	1/1/38	13,198,367 a,b	15,045,971
Glendale Western Loop 101 Public Facilities Corporation, Third Lien Excise Tax Revenue (Prerefunded)	7.00	1/1/14	6,010,000 c	6,347,942
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)	5.50	7/1/26	4,000,000	4,044,240
Pima County Industrial Development Authority, IDR (Tucson Electric Power Company Project)	5.75	9/1/29	6,000,000	6,354,300
Salt Verde Financial Corporation,				

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Senior Gas Revenue	5.00	12/1/37	1,000,000	1,157,680
<b>California--16.0%</b>				
Barclays Capital Municipal Trust Receipts (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport))	5.00	5/15/31	5,247,500 a,b,d	6,031,719
California, GO (Various Purpose)	5.75	4/1/31	7,800,000	9,333,558
California, GO (Various Purpose)	6.00	3/1/33	2,250,000	2,795,062
California, GO (Various Purpose)	6.50	4/1/33	5,000,000	6,276,100
<hr/>				
GO (Various Purpose)	6.00	11/1/35	5,000,000	6,171,600
California State Public Works Board, LR (The Regents of the University of California) (Various University of California Projects)	5.00	4/1/34	3,000,000	3,311,490
California Statewide Communities Development Authority, Revenue (Front Porch Communities and Services Project)	5.13	4/1/37	4,975,000 b	5,215,740
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds	4.50	6/1/27	2,000,000	1,879,320
Los Angeles Department of Water and Power, Power System Revenue	5.00	7/1/34	2,885,000	3,285,582
Los Angeles Department of Water and Power, Water System Revenue	5.00	7/1/43	5,000,000	5,771,800
Sacramento City Unified School District, GO (Insured; Assured Guaranty Municipal Corp.)	0.00	7/1/24	5,220,000 e	3,294,290
Sacramento County, Airport System Subordinate and Passenger Facility Charges				

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Grant Revenue San Buenaventura, Revenue (Community Memorial Health System)	6.00	7/1/35	4,000,000 d	4,740,880
San Diego Public Facilities Financing Authority, Senior Sewer Revenue Santa Margarita/Dana Point Authority, Revenue (Santa Margarita Water District Improvement Districts Numbers 2,3 and 4)	7.50	12/1/41	1,500,000	1,834,200
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)	5.25	5/15/34	2,500,000	2,867,725
<b>Colorado--.4%</b> Colorado Housing and Finance Authority, Single Family Program Senior and Subordinate Bonds (Collateralized; FHA) The Plaza Metropolitan District Number 1, Revenue	5.13	8/1/38	5,000,000	5,815,650
<b>Connecticut--1.1%</b> Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project)	5.88	1/1/29	2,000,000	2,367,660
<b>Florida--5.6%</b> Citizens Property Insurance Corporation, Personal Lines	6.60	8/1/32	650,000	688,825
Account/Commercial Lines Account Senior Secured Revenue Mid-Bay Bridge Authority, Springing Lien Revenue Palm Beach County Health Facilities Authority, Retirement Community Revenue	4.00	12/1/16	1,000,000	1,069,040
	6.45	11/15/22	4,985,000	4,994,422
	5.00	6/1/22	3,500,000	4,179,140
	7.25	10/1/34	5,000,000 d	6,430,050

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

(Adult Communities Total Services, Inc. Retirement - Life Communities, Inc. Obligated Group)	5.50	11/15/33	6,825,000	7,524,494
Saint Johns County Industrial Development Authority, Revenue (Presbyterian Retirement Communities Project)	6.00	8/1/45	3,500,000	3,944,535
South Lake County Hospital District, Revenue (South Lake Hospital, Inc.)	6.25	4/1/39	2,500,000	2,873,400
<b>Georgia--3.7%</b>				
Atlanta, Airport General Revenue	5.00	1/1/26	3,500,000 d	4,013,415
Atlanta, Water and Wastewater Revenue	6.00	11/1/28	4,865,000	5,957,582
Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.)	5.25	11/1/34	1,000,000	1,141,970
Augusta, Airport Revenue	5.45	1/1/31	2,500,000 d	2,540,925
Savannah Economic Development Authority, EIR (International Paper Company Project)	6.20	8/1/27	2,670,000	2,720,490
<b>Hawaii--1.2%</b>				
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawai'i Pacific Health Obligated Group)	5.63	7/1/30	2,500,000	2,821,350
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawaiian Electric Company, Inc. and Subsidiary Projects)	6.50	7/1/39	2,000,000	2,350,900
<b>Idaho--.0%</b>				
Idaho Housing and Finance Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	185,000	185,420
<b>Illinois--2.0%</b>				
Chicago,				

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

General Airport Third Lien Revenue (Chicago O'Hare International Airport)	5.63	1/1/35	3,000,000 d	3,522,450
Illinois Finance Authority, Revenue (Sherman Health Systems)	5.50	8/1/37	1,020,000	1,117,155
Railsplitter Tobacco Settlement				
<hr/>				
Authority, Tobacco Settlement Revenue	6.00	6/1/28	3,600,000	4,316,148
<b>Indiana--.7%</b>				
Indianapolis Local Public Improvement Bond Bank, Revenue (Indianapolis Airport Authority Project) (Insured; AMBAC)	5.00	1/1/36	3,000,000 d	3,175,200
<b>Iowa--.4%</b>				
Tobacco Settlement Authority of Iowa, Tobacco Settlement Asset-Backed Bonds	5.60	6/1/34	2,000,000	1,989,960
<b>Kentucky--.3%</b>				
Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's HealthCare, Inc. Project) (Prerefunded)	6.13	2/1/18	1,000,000 c	1,255,930
<b>Louisiana--1.2%</b>				
Lakeshore Villages Master Community Development District, Special Assessment Revenue	5.25	7/1/17	1,987,000 f	795,535
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	4,000,000	4,542,960
<b>Maine--.6%</b>				
Maine Health and Higher Educational Facilities				

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Authority, Revenue (MaineGeneral Medical Center Issue)	7.50	7/1/32	2,000,000	2,581,840
<b>Massachusetts--11.5%</b>				
Barclays Capital Municipal Trust Receipts (Massachusetts Health and Educational Facilities Authority, Revenue (Massachusetts Institute of Technology Issue))	5.00	7/1/38	10,200,000 a,b	11,762,334
JPMorgan Chase Putters/Drivers Trust (Massachusetts, Consolidated Loan)	5.00	4/1/19	6,400,000 a,b	7,691,584
JPMorgan Chase Putters/Drivers Trust (Massachusetts Development Finance Agency, Revenue (Harvard University Issue))	5.25	2/1/34	10,000,000 a,b	12,089,600
Massachusetts Development Finance Agency, Revenue (Tufts Medical Center Issue)	7.25	1/1/32	2,500,000	3,160,450
Massachusetts Health and Educational Facilities Authority, Revenue (Suffolk University Issue)	6.25	7/1/30	5,000,000	5,814,250
<hr/>				
Massachusetts Housing Finance Agency, Housing Revenue	7.00	12/1/38	4,575,000	5,276,851
Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	5,315,000	5,483,751
<b>Michigan--8.3%</b>				
Detroit, Sewage Disposal System Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.50	7/1/33	3,500,000	4,365,375
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/31	3,780,000	4,083,232
Detroit,				



Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Water Supply System Senior				
Lien Revenue	5.00	7/1/36	3,290,000	3,496,053
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	2,000,000	2,112,980
Michigan Finance Authority, Clean Water Revolving Fund Revenue	5.00	10/1/31	2,000,000	2,392,920
Michigan Strategic Fund, LOR (State of Michigan Cadillac Place Office Building Project)	5.25	10/15/31	4,500,000	5,174,235
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	6,120,000	6,119,816
Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group)	8.00	9/1/29	5,000,000	6,367,000
Wayne County Airport Authority, Airport Revenue (Detroit Metropolitan Wayne County Airport) (Insured; National Public Finance Guarantee Corp.)	5.00	12/1/34	2,450,000 d	2,623,901
<b>Nevada--1.3%</b>				
Clark County, Passenger Facility Charge Revenue (Las Vegas-McCarran International Airport)	5.00	7/1/30	5,000,000 d	5,645,500
<b>New Jersey--3.8%</b>				
New Jersey Economic Development Authority, Cigarette Tax Revenue	5.00	6/15/25	2,490,000	2,868,853
New Jersey Economic Development Authority, School Facilities Construction Revenue	5.50	12/15/29	5,000,000	5,816,550
New Jersey Economic Development Authority, Special Facility Revenue (Continental Airlines, Inc. Project)	5.13	9/15/23	2,500,000 d	2,568,650
New Jersey Economic Development				

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Authority, Water Facilities

---

Revenue (New Jersey - American Water Company, Inc. Project)	5.70	10/1/39	3,000,000	3,353,040
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement				
Asset-Backed Bonds	4.50	6/1/23	1,475,000	1,472,507
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement				
Asset-Backed Bonds	5.00	6/1/41	1,000,000	885,610
<b>New Mexico--1.3%</b>				
Farmington, PCR (Public Service Company of New Mexico San Juan Project)	5.90	6/1/40	5,000,000	5,573,000
<b>New York--15.6%</b>				
Austin Trust (Port Authority of New York and New Jersey, Consolidated Bonds, 151st Series)	6.00	9/15/28	10,000,000 a,b,d	11,842,000
Barclays Capital Municipal Trust Receipts (New York City Transitional Finance Authority, Future Tax Secured Revenue)	5.00	5/1/30	4,488,203 a,b	5,254,915
Barclays Capital Municipal Trust Receipts (New York City Transitional Finance Authority, Future Tax Secured Subordinate Revenue)	5.50	11/1/27	5,000,000 a,b	6,101,950
JPMorgan Chase Putters/Drivers Trust (New York City Transitional Finance Authority, Future Tax Secured Subordinate Revenue)	5.25	11/1/18	5,000,000 a,b	6,060,400
Long Island Power Authority, Electric System General Revenue Metropolitan Transportation	6.25	4/1/33	3,000,000	3,714,750

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Authority, Transportation Revenue	6.25	11/15/23	9,425,000 d	11,889,260
Metropolitan Transportation Authority, Transportation Revenue	5.00	11/1/28	1,500,000 d	1,761,945
New York City Educational Construction Fund, Revenue	6.50	4/1/28	2,785,000	3,650,077
New York City Industrial Development Agency, Senior Airport Facilities Revenue (Transportation Infrastructure Properties, LLC Obligated Group)	5.00	7/1/22	2,165,000 d	2,341,036
New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project)	7.75	8/1/31	5,000,000 d,f	5,693,000
New York State Dormitory				

---

Authority, Revenue (Orange Regional Medical Center Obligated Group)	6.25	12/1/37	2,500,000	2,766,950
New York State Dormitory Authority, Revenue (Suffolk County Judicial Facility)	9.50	4/15/14	605,000	643,061
Niagara Area Development Corporation, Solid Waste Disposal Facility Revenue (Covanta Energy Project)	5.25	11/1/42	2,000,000	2,098,560
Port Authority of New York and New Jersey, Special Project Bonds (JFK International Air Terminal LLC Project)	6.00	12/1/36	4,710,000 d	5,595,197
<b>North Carolina--2.5%</b> Barclays Capital Municipal Trust Receipts (North Carolina Medical Care Commission, Health Care Facilities Revenue				

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

(Duke University Health System))	5.00	6/1/42	10,000,000 a,b	11,266,200
<b>Ohio--5.9%</b>				
Buckeye Tobacco Settlement Financing Authority, Tobacco Settlement Asset-Backed Bonds	5.88	6/1/47	2,500,000	2,194,025
Butler County, Hospital Facilities Revenue (UC Health)	5.50	11/1/40	3,000,000	3,325,020
Cleveland, Airport System Revenue	5.00	1/1/30	2,000,000 d	2,256,360
Ohio Air Quality Development Authority, Air Quality Revenue (Ohio Valley Electric Corporation Project)	5.63	10/1/19	4,200,000	4,915,050
Port of Greater Cincinnati Development Authority, Tax Increment Development Revenue (Fairfax Village Red Bank Infrastructure Project)	5.63	2/1/36	2,530,000 b	2,174,004
Southeastern Ohio Port Authority, Hospital Facilities Improvement Revenue (Memorial Health System Obligated Group Project)	6.00	12/1/42	2,000,000	2,219,660
Toledo-Lucas County Port Authority, Special Assessment Revenue (Crocker Park Public Improvement Project)	5.38	12/1/35	3,000,000	3,079,680
University of Akron, General Receipts Bonds (Insured; Assured Guaranty Municipal Corp.)	5.00	1/1/22	5,000,000	5,970,450
<b>Oregon--.4%</b>				
Warm Springs Reservation Confederated Tribes, Hydroelectric Revenue (Pelton Round Butte Project)	6.38	11/1/33	1,500,000	1,734,345

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

**Pennsylvania--2.3%**

Commonwealth Financing Authority of Pennsylvania, Revenue	5.00	6/1/23	1,000,000	1,223,220
JPMorgan Chase Putters/Drivers Trust (Geisinger Authority, Health System Revenue (Geisinger Health System))	5.13	6/1/35	3,000,000 a,b	3,366,300
Philadelphia, GO	6.50	8/1/41	4,700,000	5,722,861

**Rhode Island--1.4%**

Rhode Island Health and Educational Building Corporation, Hospital Financing Revenue (Lifespan Obligated Group Issue) (Insured; Assured Guaranty Municipal Corp.)	7.00	5/15/39	5,000,000	6,028,550
---	------	---------	-----------	-----------

**Tennessee--1.5%**

Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/29	2,500,000	3,016,375
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/34	3,000,000	3,595,140

**Texas--19.0%**

Barclays Capital Municipal Trust Receipts (Leander Independent School District, Unlimited Tax School Building Bonds (Permanent School Fund Guarantee Program))	5.00	8/15/40	9,997,299 a,b	11,368,499
Barclays Capital Municipal Trust Receipts (Texas A&M University System Board of Regents, Financing System Revenue) Dallas and Fort Worth, Joint Improvement Revenue	5.00	5/15/39	13,160,000 a,b	14,841,716

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

(Dallas/Fort Worth International Airport)	5.00	11/1/42	5,000,000 d	5,410,800
Dallas-Fort Worth International Airport Facility Improvement Corporation, Revenue (Learjet Inc. Project)	6.15	1/1/16	3,000,000 d	3,005,880
Gulf Coast Industrial Development Authority, SWDR (CITGO Petroleum Corporation Project)	4.88	5/1/25	1,000,000	1,031,110
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System) Houston,	7.25	12/1/35	9,290,000	11,560,569
<hr/>				
Combined Utility System First Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	6.00	11/15/36	5,000,000	6,128,600
Love Field Airport Modernization Corporation, Special Facilities Revenue (Southwest Airlines Company - Love Field Modernization Program Project)	5.00	11/1/28	1,000,000 d	1,099,740
Matagorda County Navigation District Number One, Revenue (Houston Lighting and Power Company Project) (Insured; AMBAC)	5.13	11/1/28	4,295,000	5,177,622
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Municipal Corp.)	5.75	1/1/40	14,705,000 d	17,115,297
North Texas Tollway Authority, Second Tier System Revenue	5.75	1/1/38	6,650,000 d	7,365,341
Texas Department of Housing and Community Affairs, Home Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	13.40	7/2/24	500,000 g	532,530

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

**Vermont--.9%**

Burlington,

Airport Revenue	3.50	7/1/18	4,000,000 d	4,012,480
-----------------	------	--------	-------------	-----------

**Virginia--7.7%**

Henrico County Industrial

Development Authority, Revenue

(Bon Secours Health System,

Inc.) (Insured; Assured

Guaranty Municipal Corp.)

11.22	8/23/27	7,050,000 g	9,524,127
-------	---------	-------------	-----------

Virginia Commonwealth

Transportation Board,

Transportation Capital

Projects Revenue

5.00	5/15/21	8,565,000 d	10,800,122
------	---------	-------------	------------

Virginia Commonwealth

Transportation Board,

Transportation Capital

Projects Revenue

5.00	5/15/22	3,840,000 d	4,875,533
------	---------	-------------	-----------

Virginia Housing Development

Authority, Commonwealth

Mortgage Revenue

6.25	7/1/31	4,845,000	5,558,620
------	--------	-----------	-----------

Washington County Industrial

Development Authority, HR

(Mountain States Health

Alliance)

7.75	7/1/38	3,000,000	3,720,960
------	--------	-----------	-----------

**Washington--5.3%**

Barclays Capital Municipal Trust

Receipts (King County, Sewer

Revenue)

5.00	1/1/29	8,577,246 a,b	10,098,652
------	--------	---------------	------------

Seattle,

Water System Revenue

5.00	9/1/24	5,000,000	6,215,600
------	--------	-----------	-----------

Washington Health Care Facilities

Authority, Mortgage Revenue

(Highline Medical Center)

(Collateralized; FHA)

6.25	8/1/36	5,975,000	7,174,840
------	--------	-----------	-----------

**West Virginia--1.9%**

The County Commission of Harrison

County, SWDR (Allegheny Energy

Supply Company, LLC Harrison

Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Station Project)	5.50	10/15/37	7,920,000	8,400,031
<b>Wisconsin--1.2%</b>				
Public Finance Agency, Senior Airport Facilities Revenue (Transportation Infrastructure Properties, LLC Obligated Group)	5.00	7/1/42	1,500,000 d	1,558,800
Wisconsin Health and Educational Facilities Authority, Revenue (Aurora Health Care, Inc.)	6.40	4/15/33	4,000,000	4,016,080
<b>U.S. Related--6.2%</b>				
Puerto Rico Aqueduct and Sewer Authority, Senior Lien Revenue	5.13	7/1/37	3,100,000	3,028,545
Puerto Rico Commonwealth, Public Improvement GO	5.50	7/1/32	1,500,000	1,527,990
Puerto Rico Commonwealth, Public Improvement GO	6.00	7/1/39	1,610,000	1,704,974
Puerto Rico Commonwealth, Public Improvement GO	6.50	7/1/40	2,390,000	2,651,657
Puerto Rico Electric Power Authority, Power Revenue	5.25	7/1/24	1,895,000	2,002,920
Puerto Rico Electric Power Authority, Power Revenue	5.00	7/1/42	1,900,000	1,881,114
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	5.38	8/1/39	2,500,000	2,649,425
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	6.00	8/1/42	10,000,000	11,048,500
Virgin Islands Public Finance Authority, Revenue (Virgin Islands Matching Fund Loan Notes) (Senior Lien/Capital Projects)	5.00	10/1/39	1,250,000	1,315,463
<b>Total Long-Term Municipal Investments</b> (cost \$556,054,749)				<b>630,409,670</b>
<b>Short-Term Municipal Investments--1.4%</b>	<b>Coupon Rate (%)</b>	<b>Maturity Date</b>	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>California--.1%</b>				
California Infrastructure and Economic Development Bank,				



Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

Revenue, Refunding (Los Angeles County Museum of Natural History Foundation) (LOC; Wells Fargo Bank)	0.08	3/1/13	200,000 h	200,000
--	------	--------	-----------	---------

**Massachusetts--.4%**

Massachusetts Health and Educational Facilities Authority, Revenue (Baystate

Medical Center Issue) (LOC; Wells Fargo Bank)	0.08	3/1/13	1,900,000 h	1,900,000
---	------	--------	-------------	-----------

**New York--.9%**

New York City, GO Notes (LOC; JPMorgan Chase Bank)	0.11	3/1/13	3,100,000 h	3,100,000
New York City, GO Notes (LOC; JPMorgan Chase Bank)	0.11	3/1/13	1,000,000 h	1,000,000

**Total Short-Term Municipal Investments**

(cost \$6,200,000) **6,200,000**

**Total Investments** (cost \$562,254,749) **143.1 %** **636,609,670**

**Liabilities, Less Cash and Receivables** **(11.7 %)** **(52,096,516 )**

**Preferred Stock, at redemption value** **(31.4 %)** **(139,500,000 )**

**Net Assets Applicable to Common Shareholders** **100.0 %** **445,013,154**

- a Collateral for floating rate borrowings.
- b Securities exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At February 28, 2013, these securities were valued at \$140,211,584 or 31.5% of net assets applicable to Common Shareholders.
- c These securities are prerefunded; the date shown represents the prerefunded date. Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.
- d At February 28, 2013, the fund had \$137,915,481 or 31.0% of net assets applicable to Common Shareholders invested in securities whose payment of principal and interest is dependent upon revenues generated from transportation.
- e Security issued with a zero coupon. Income is recognized through the accretion of discount.
- f Non-income producing--security in default.
- g Inverse floater security--the interest rate is subject to change periodically. Rate shown is the interest rate in effect at February 28, 2013.
- h Variable rate demand note - rate shown is the interest rate in effect at February 28, 2013. Maturity date represents the next demand date, or the ultimate maturity date if earlier.

At February 28, 2013, net unrealized appreciation on investments was \$74,354,921 of which \$75,848,282 related to appreciated investment securities and \$1,493,361 related to depreciated investment securities. At February 28, 2013, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes.

## Edgar Filing: DREYFUS STRATEGIC MUNICIPAL BOND FUND INC - Form N-Q

### Summary of Abbreviations

<b>ABAG</b>	Association of Bay Area Governments	<b>ACA</b>	American Capital Access
<b>AGC</b>	ACE Guaranty Corporation	<b>AGIC</b>	Asset Guaranty Insurance Company
<b>AMBAC</b>	American Municipal Bond Assurance Corporation	<b>ARRN</b>	Adjustable Rate Receipt Notes
<b>BAN</b>	Bond Anticipation Notes	<b>BPA</b>	Bond Purchase Agreement
<b>CIFG</b>	CDC Ixis Financial Guaranty	<b>COP</b>	Certificate of Participation
<b>CP</b>	Commercial Paper	<b>DRIVERS</b>	Derivative Inverse Tax-Exempt Receipts
<b>EDR</b>	Economic Development Revenue	<b>EIR</b>	Environmental Improvement Revenue

<b>FGIC</b>	Financial Guaranty Insurance Company	<b>FHA</b>	Federal Housing Administration
<b>FHLB</b>	Federal Home Loan Bank	<b>FHLMC</b>	Federal Home Loan Mortgage Corporation
<b>FNMA</b>	Federal National Mortgage Association	<b>GAN</b>	Grant Anticipation Notes
<b>GIC</b>	Guaranteed Investment Contract	<b>GNMA</b>	Government National Mortgage Association
<b>GO</b>	General Obligation	<b>HR</b>	Hospital Revenue
<b>IDB</b>	Industrial Development Board	<b>IDC</b>	Industrial Development Corporation
<b>IDR</b>	Industrial Development Revenue	<b>LIFERS</b>	Long Inverse Floating Exempt Receipts
<b>LOC</b>	Letter of Credit	<b>LOR</b>	Limited Obligation Revenue
<b>LR</b>	Lease Revenue	<b>MERLOTS</b>	Municipal Exempt Receipt Liquidity Option Tender
<b>MFHR</b>	Multi-Family Housing Revenue	<b>MFMR</b>	Multi-Family Mortgage Revenue
<b>PCR</b>	Pollution Control Revenue	<b>P-FLOATS</b>	Puttable Floating Option Tax-Exempts Receipts
<b>PILOT</b>	Payment in Lieu of Taxes	<b>PUTTERS</b>	Puttable Tax-Exempt Receipts
<b>RAC</b>	Revenue Anticipation Certificates	<b>RAN</b>	Revenue Anticipation Notes
<b>RAW</b>	Revenue Anticipation Warrants	<b>ROCS</b>	Reset Option Certificates
<b>RRR</b>	Resources Recovery Revenue	<b>SAAN</b>	State Aid Anticipation Notes
<b>SBPA</b>	Standby Bond Purchase Agreement	<b>SFHR</b>	Single Family Housing Revenue
<b>SFMR</b>	Single Family Mortgage Revenue	<b>SONYMA</b>	State of New York Mortgage Agency
<b>SPEARS</b>	Short Puttable Exempt Adjustable Receipts	<b>SWDR</b>	Solid Waste Disposal Revenue
<b>TAN</b>	Tax Anticipation Notes	<b>TAW</b>	Tax Anticipation Warrants
<b>TRAN</b>	Tax and Revenue Anticipation Notes	<b>XLCA</b>	XL Capital Assurance

The following is a summary of the inputs used as of February 28, 2013 in valuing the fund's investments:

<b>Assets (\$)</b>	<b>Level 1 - Unadjusted Quoted Prices</b>	<b>Level 2 - Other Significant</b>	<b>Level 3 - Significant Unobservable Inputs</b>	<b>Total</b>
--------------------	---	--	--	--------------

**Observable  
Inputs**

Investments in Securities:

Municipal Bonds	-	636,609,670	-	<b>636,609,670</b>
-----------------	---	-------------	---	--------------------

**Liabilities (\$)**

Floating Rate Notes+	-	(57,128,615 )	-	<b>(57,128,615 )</b>
----------------------	---	---------------	---	----------------------

+ Certain of the fund's liabilities are held at carrying amount, which approximates fair value for financial reporting purposes.

The Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) is the exclusive reference of authoritative U.S. generally accepted accounting principles (“GAAP”) recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange

Commission (“SEC”) under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

Portfolio valuation: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This 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).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

Level 1—unadjusted quoted prices in active markets for identical investments.

Level 2—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).

Level 3—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in securities are valued each business day by an independent pricing service (the “Service”) approved by the Board of

Directors. Investments for which quoted bid prices are readily available and are representative of the bid side of the market in the judgment of the Service are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of the portfolio securities) are carried at fair value as determined by the Service, based on methods which include consideration of the following: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. All preceding securities are categorized as Level 2 in the hierarchy.

When market quotations or official closing prices are not readily available,

or are determined not to reflect accurately fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Board of Directors. Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized as Level 2 or 3 depending on the relevant inputs used.

For restricted securities where observable inputs are limited, assumptions about market activity and risk are used and are categorized as Level 3 in the hierarchy.

**Inverse Floater Securities:** The fund participates in secondary inverse floater structures in which fixed-rate, tax-exempt municipal bonds are transferred to a trust. The trust subsequently issues two or more variable rate securities that are collateralized by the cash flows of the fixed-rate, tax-exempt municipal bonds. One or more of these variable rate securities pays interest based on a short-term floating rate set by a remarketing agent at predetermined intervals. A residual interest tax-exempt security is also created by the trust, which is transferred to the fund, and is paid interest based on the remaining cash flow of the trust, after payment of interest on the other securities and various expenses of the trust.

Additional investment related disclosures are hereby incorporated by reference to the annual and semi-annual reports previously filed with the Securities and Exchange Commission on Form N-CSR.

## **Item 2. Controls and Procedures.**

(a) The Registrant's principal executive and principal financial officers have concluded, based on their evaluation of the Registrant's disclosure controls and procedures as of a date within 90 days of the filing date of this report, that the Registrant's disclosure controls and procedures are reasonably designed to ensure that information required to be disclosed by the Registrant on Form N-Q is recorded, processed, summarized and reported within the required time periods and that information required to be disclosed by the Registrant in the reports that it files or submits on Form N-Q is accumulated and communicated to the Registrant's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

(b) There were no changes to the Registrant's internal control over financial reporting that occurred during the Registrant's most recently ended fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

## **Item 3. Exhibits.**

(a) Certifications of principal executive and principal financial officers as required by Rule 30a-2(a) under the Investment Company Act of 1940.

---

**FORM N-Q**

**SIGNATURES**

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.

Dreyfus Strategic Municipal Bond Fund, Inc.

By: /s/ Bradley J. Skapyak  
Bradley J. Skapyak

President

Date: April 25, 2013

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/ Bradley J. Skapyak  
Bradley J. Skapyak

President

Date: April 25, 2013

By: /s/ James Windels  
James Windels

Treasurer

Date: April 25, 2013

**EXHIBIT INDEX**

(a) Certifications of principal executive and principal financial officers as required by Rule 30a-2(a) under the Investment Company Act of 1940. (EX-99.CERT)