

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC  
Form N-Q  
April 27, 2012

**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:      2/29/2012

**FORM N-Q**

**Item 1. Schedule of Investments.**

---

**STATEMENT OF INVESTMENTS****Dreyfus Strategic Municipal Bond Fund, Inc.****February 29, 2012 (Unaudited)**

<b>Long-Term Municipal Investments--144.1%</b>	<b>Coupon Rate (%)</b>	<b>Maturity Date</b>	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Alabama--.2%</b>				
Jefferson County, Limited Obligation School				
Warrants	5.00	1/1/24	1,000,000	933,220
<b>Alaska--.7%</b>				
Northern Tobacco Securitization Corporation of Alaska, Tobacco Settlement Asset-Backed Bonds				
	5.00	6/1/32	2,500,000	2,070,925
Northern Tobacco Securitization Corporation of Alaska, Tobacco Settlement Asset-Backed Bonds				
	5.00	6/1/46	1,245,000	914,079
<b>Arizona--7.5%</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	14,391,449
Glendale Western Loop 101 Public Facilities Corporation, Third Lien Excise Tax Revenue				
	7.00	7/1/33	6,010,000	6,598,499
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)				
	5.50	7/1/26	4,000,000	3,776,080
Pima County Industrial Development Authority, IDR (Tucson Electric Power Company Project)				
	5.75	9/1/29	6,000,000	6,274,680
Salt Verde Financial Corporation, Senior Gas Revenue				
	5.00	12/1/37	1,000,000	1,001,420
<b>California--15.5%</b>				
Barclays Capital Municipal Trust				

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

Receipts (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport))	5.00	5/15/31	5,247,500 a,b	5,910,444
California, GO (Various Purpose)	5.75	4/1/31	7,800,000	9,103,458
California, GO (Various Purpose)	6.00	3/1/33	2,250,000	2,697,975
California, GO (Various Purpose)	6.50	4/1/33	5,000,000	6,158,350
California, GO (Various Purpose)	6.00	11/1/35	5,000,000	5,884,100
California Statewide Communities Development Authority, Revenue (Front Porch Communities and Services Project)	5.13	4/1/37	4,975,000 b	4,735,504
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds	4.50	6/1/27	2,000,000	1,677,960
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/33	8,335,000	6,383,360
Los Angeles Department of Water and Power, Power System Revenue	5.00	7/1/34	2,885,000	3,200,648
Sacramento City Unified School District, GO (Insured; Assured Guaranty Municipal Corp.)	0.00	7/1/24	5,220,000 c	3,239,114
Sacramento County, Airport System Subordinate and Passenger Facility Charges Grant Revenue	6.00	7/1/35	4,000,000	4,466,320
San Buenaventura, Revenue (Community Memorial Health System)	7.50	12/1/41	1,500,000	1,691,340
San Diego Public Facilities Financing Authority, Senior Sewer Revenue	5.25	5/15/34	2,500,000	2,835,325

Santa Margarita/Dana Point Authority, Revenue (Santa Margarita Water District Improvement Districts Numbers 2,3 and 4)	5.13	8/1/38	5,000,000	5,459,050
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)	5.88	1/1/29	2,000,000	2,320,180
<b>Colorado--.2%</b>				
Colorado Housing and Finance Authority, Single Family Program Senior and Subordinate Bonds (Collateralized; FHA)	6.60	8/1/32	830,000	896,275
<b>Connecticut--1.2%</b>				
Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project)	6.45	11/15/22	4,985,000	4,988,390
<b>Florida--6.7%</b>				
Florida, Department of Transportation Right-of-Way Acquisition and Bridge Construction Bonds	5.00	7/1/24	3,500,000	4,182,640
Mid-Bay Bridge Authority, Springing Lien Revenue	7.25	10/1/34	5,000,000	5,507,850
Orange County School Board, COP (Master Lease Purchase Agreement) (Insured; Assured Guaranty Municipal Corp.)	5.50	8/1/34	4,500,000	4,995,180
Palm Beach County Health Facilities Authority, Retirement Community Revenue (Adult Communities Total Services, Inc. Retirement - Life Communities, Inc. Obligated Group)	5.50	11/15/33	6,825,000	7,104,620
Saint Johns County Industrial				

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

Development Authority, Revenue

(Presbyterian Retirement

---

Communities Project)	6.00	8/1/45	3,500,000	3,774,190
South Lake County Hospital District, Revenue (South Lake Hospital, Inc.)	6.25	4/1/39	2,500,000	2,689,875
<b>Georgia--4.5%</b>				
Atlanta, Airport General Revenue	5.00	1/1/26	3,500,000	3,836,035
Atlanta, Water and Wastewater Revenue	6.00	11/1/28	4,865,000	5,794,069
Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.)	5.25	11/1/34	3,750,000	4,173,337
Augusta, Airport Revenue	5.45	1/1/31	2,500,000	2,396,725
Savannah Economic Development Authority, EIR (International Paper Company Project)	6.20	8/1/27	2,670,000	2,738,405
<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	2,740,000
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawaiian Electric Company, Inc. and Subsidiary Projects)	6.50	7/1/39	2,000,000	2,227,680
<b>Idaho--.0%</b>				
Idaho Housing and Finance Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	185,000	185,294
<b>Illinois--2.6%</b>				
Chicago, General Airport Third Lien Revenue (Chicago O'Hare				

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

International Airport) Chicago, SFMR (Collateralized: FHLMC,	5.63	1/1/35	3,000,000	3,440,370
<hr/>				
FNMA and GNMA) Illinois Finance Authority, Recovery Zone Facility Revenue (Navistar International Corporation Project)	6.25	10/1/32	785,000	812,718
Illinois Finance Authority, Revenue (Sherman Health Systems)	6.50	10/15/40	2,000,000	2,149,980
Railsplitter Tobacco Settlement Authority, Tobacco Settlement Revenue	5.50	8/1/37	1,020,000	1,036,901
<b>Indiana--.7%</b> Indianapolis Local Public Improvement Bond Bank, Revenue (Indianapolis Airport Authority Project) (Insured; AMBAC)	6.00	6/1/28	3,000,000	3,362,670
<b>Iowa--.4%</b> Tobacco Settlement Authority of Iowa, Tobacco Settlement Asset-Backed Bonds	5.00	1/1/36	3,000,000	3,063,690
<b>Kentucky--.3%</b> Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's HealthCare, Inc. Project)	5.60	6/1/34	2,000,000	1,766,060
<b>Louisiana--1.9%</b> Lakeshore Villages Master Community Development District, Special Assessment Revenue	6.13	2/1/37	1,000,000	1,073,140
Louisiana Local Government Environmental Facilities and Community Development	5.25	7/1/17	1,987,000 d	794,681

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

Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	4,000,000	4,397,520
Louisiana Public Facilities Authority, Revenue (Belle Chasse Educational Foundation				

---

Project)	6.50	5/1/31	2,750,000	2,991,175
----------	------	--------	-----------	-----------

**Maine--.5%**

Maine Health and Higher  
Educational Facilities

Authority, Revenue

(MaineGeneral Medical Center

Issue)	7.50	7/1/32	2,000,000	2,307,860
--------	------	--------	-----------	-----------

**Maryland--.4%**

Maryland Economic Development

Corporation, Senior Student

Housing Revenue (University of

Maryland, Baltimore Project)	5.75	10/1/33	2,550,000	1,652,247
------------------------------	------	---------	-----------	-----------

**Massachusetts--12.3%**

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	11,773,758
--------------------	------	--------	----------------	------------

JPMorgan Chase Putters/Drivers

Trust (Massachusetts,

Consolidated Loan)	5.00	4/1/19	6,400,000 a,b	7,660,736
--------------------	------	--------	---------------	-----------

JPMorgan Chase Putters/Drivers

Trust (Massachusetts

Development Finance Agency,

Revenue (Harvard University

Issue))	5.25	2/1/34	10,000,000 a,b	11,926,600
---------	------	--------	----------------	------------

Massachusetts Development Finance

Agency, Revenue (Tufts Medical

Center Issue)	7.25	1/1/32	2,500,000	2,983,525
---------------	------	--------	-----------	-----------

Massachusetts Health and

Educational Facilities

Authority, Revenue (Civic



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

Investments Issue)				
(Prerefunded)	9.00	12/15/12	1,300,000 e	1,402,453
Massachusetts Health and Educational Facilities Authority, Revenue (Suffolk University Issue)	6.25	7/1/30	5,000,000	5,653,050
Massachusetts Housing Finance				

---

Agency, Housing Revenue	7.00	12/1/38	4,575,000	5,183,246
Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	5,575,000	5,670,890
<b>Michigan--8.0%</b>				
Detroit, Sewage Disposal System Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.50	7/1/33	3,500,000	4,408,005
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/31	3,780,000	3,959,323
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/36	3,290,000	3,342,574
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	2,000,000	2,044,000
Michigan Strategic Fund, LOR (State of Michigan Cadillac Place Office Building Project)	5.25	10/15/31	4,500,000	4,985,460
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	6,620,000	6,456,023
Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group)	8.00	9/1/29	5,000,000	6,360,700
Wayne County Airport Authority, Airport Revenue (Detroit Metropolitan Wayne County				

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

Airport) (Insured; National Public Finance Guarantee Corp.)	5.00	12/1/34	2,450,000	2,457,718
<b>Minnesota--.6%</b>				
Tobacco Securitization Authority of Minnesota, Tobacco Settlement Revenue Bonds	5.25	3/1/31	2,500,000	2,724,375
<b>Nevada--1.3%</b>				
Clark County, Passenger Facility Charge				
<hr/>				
Revenue (Las Vegas-McCarran International Airport)	5.00	7/1/30	5,000,000	5,419,100
<b>New Hampshire--1.3%</b>				
New Hampshire Industrial Development Authority, PCR (Connecticut Light and Power Company Project)	5.90	11/1/16	5,400,000	5,414,472
<b>New Jersey--5.2%</b>				
New Jersey Economic Development Authority, School Facilities Construction Revenue	5.50	12/15/29	5,000,000	5,678,200
New Jersey Economic Development Authority, Water Facilities Revenue (New Jersey - American Water Company, Inc. Project)	5.70	10/1/39	3,000,000	3,297,300
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	4.50	6/1/23	1,500,000	1,414,935
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/41	1,000,000	761,360
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.00	6/1/13	10,095,000 e	10,951,561
<b>New Mexico--1.2%</b>				

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

Farmington, PCR (Public Service Company of New Mexico San Juan Project)	5.90	6/1/40	5,000,000	5,252,900
<b>New York--13.8%</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	11,934,100
Barclays Capital Municipal Trust Receipts (New York City Transitional Finance				
<hr/>				
Authority, Future Tax Secured Revenue)	5.00	5/1/30	4,488,203 a,b	5,105,264
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	6,151,850
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	6,096,800
Long Island Power Authority, Electric System General Revenue	6.25	4/1/33	3,000,000	3,603,510
Metropolitan Transportation Authority, Transportation Revenue	6.25	11/15/23	9,425,000	11,494,824
New York City Educational Construction Fund, Revenue	6.50	4/1/28	2,785,000	3,516,063
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	4,743,350
New York State Dormitory Authority, Revenue (Suffolk County Judicial Facility)	9.50	4/15/14	605,000	672,675

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

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	5,288,718
-------------------------------------------------	------	---------	-----------	-----------

**North Carolina--2.5%**

Barclays Capital Municipal Trust  
Receipts (North Carolina

Medical Care Commission,  
Health Care Facilities Revenue

(Duke University Health System))	5.00	6/1/42	10,000,000 a,b	10,693,000
-------------------------------------	------	--------	----------------	------------

**Ohio--5.4%**

Buckeye Tobacco Settlement

Financing Authority, Tobacco

Settlement Asset-Backed Bonds	5.88	6/1/47	2,500,000	1,865,975
-------------------------------	------	--------	-----------	-----------

Butler County,

Hospital Facilities Revenue

(UC Health)	5.50	11/1/40	3,000,000	3,161,460
-------------	------	---------	-----------	-----------

Cleveland,

Airport System Revenue

Ohio Air Quality Development	5.00	1/1/30	2,000,000	2,146,940
------------------------------	------	--------	-----------	-----------

Authority, Air Quality Revenue

(Ohio Valley Electric

Corporation Project)	5.63	10/1/19	4,200,000	4,844,616
----------------------	------	---------	-----------	-----------

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	2,015,423
-------------------------	------	--------	-------------	-----------

Toledo-Lucas County Port

Authority, Special Assessment

Revenue (Crocker Park Public

Improvement Project)	5.38	12/1/35	3,000,000	3,017,430
----------------------	------	---------	-----------	-----------

University of Akron,

General Receipts Bonds

(Insured; Assured Guaranty

Municipal Corp.)	5.00	1/1/22	5,000,000	5,890,500
------------------	------	--------	-----------	-----------

**Oregon--.4%**

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

Warm Springs Reservation Confederated Tribes, Hydroelectric Revenue (Pelton Round Butte Project)	6.38	11/1/33	1,500,000	1,558,860
<b>Pennsylvania--2.3%</b>				
Delaware County Industrial Development Authority, Charter School Revenue (Chester Community Charter School Project)	6.13	8/15/40	1,000,000	978,240
JPMorgan Chase Putters/Drivers Trust (Geisinger Authority, Health System Revenue (Geisinger Health System)) Philadelphia,	5.13	6/1/35	3,000,000 a,b	3,272,100
<hr/>				
GO	6.50	8/1/41	4,700,000	5,654,100
<b>Rhode Island--1.4%</b>				
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	5,959,200
<b>Tennessee--1.5%</b>				
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/29	2,500,000	3,008,750
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/34	3,000,000	3,528,930
<b>Texas--20.4%</b>				
Barclays Capital Municipal Trust Receipts (Leander Independent				

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

School District, Unlimited Tax School Building Bonds (Permanent School Fund Guarantee Program))	5.00	8/15/40	9,997,299 a,b	11,005,399
Barclays Capital Municipal Trust Receipts (Texas A&M University System Board of Regents, Financing System Revenue)	5.00	5/15/39	13,160,000 a,b	14,701,826
Dallas-Fort Worth International Airport Facility Improvement Corporation, Revenue (Learjet Inc. Project)	6.15	1/1/16	3,000,000	3,004,110
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System)	7.25	12/1/35	9,290,000	11,118,829
Harris County Health Facilities Development Corporation,				
<hr/>				
Revenue (CHRISTUS Health) (Insured; Assured Guaranty Municipal Corp.)	5.00	7/1/15	1,500,000	1,673,700
Houston, Combined Utility System First Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	6.00	11/15/36	5,000,000	6,010,800
Matagorda County Navigation District Number One, Revenue (Houston Lighting and Power Company Project) (Insured; AMBAC)	5.13	11/1/28	4,295,000	4,740,392
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Municipal Corp.)	5.75	1/1/40	14,705,000	16,237,702
North Texas Tollway Authority, Second Tier System Revenue	5.75	1/1/38	6,650,000	7,173,089
Texas Department of Housing and Community Affairs, Home				

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

Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	13.28	7/2/24	650,000 f	706,537
Texas Department of Housing and Community Affairs, Residential Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	5.35	7/1/33	4,475,000	4,488,291
Texas Turnpike Authority, Central Texas Turnpike System Revenue (Insured; AMBAC)	5.25	8/15/42	5,375,000	5,390,910
<b>Virginia--4.5%</b>				
Henrico County Industrial Development Authority, Revenue (Bon Secours Health System) (Insured; Assured Guaranty Municipal Corp.)	11.13	8/23/27	7,200,000 f	9,527,760
Virginia Housing Development Authority, Commonwealth Mortgage Revenue	6.25	7/1/31	5,140,000	5,775,458

---

Washington County Industrial Development Authority, HR (Mountain States Health Alliance)	7.75	7/1/38	3,000,000	3,616,260
<b>Washington--4.0%</b>				
Barclays Capital Municipal Trust Receipts (King County, Sewer Revenue)	5.00	1/1/29	8,577,246 a,b	10,063,731
Washington Health Care Facilities Authority, Mortgage Revenue (Highline Medical Center) (Collateralized; FHA)	6.25	8/1/36	5,975,000	6,933,032
<b>West Virginia--1.9%</b>				
The County Commission of Harrison County, SWDR (Allegheny Energy Supply Company, LLC Harrison Station Project)	5.50	10/15/37	7,920,000	8,150,789
<b>Wisconsin--5.4%</b>				

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

Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	6.13	6/1/12	3,865,000 e	3,923,787
Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.00	6/1/12	14,570,000 e	14,823,809
Wisconsin Health and Educational Facilities Authority, Revenue (Aurora Health Care, Inc.)	6.40	4/15/33	4,000,000	4,111,960
<b>U.S. Related--6.2%</b>				
Puerto Rico Aqueduct and Sewer Authority, Senior Lien Revenue	5.13	7/1/37	5,000,000	5,006,000
Puerto Rico Commonwealth, Public Improvement GO	5.50	7/1/32	1,500,000	1,582,260
Puerto Rico Commonwealth, Public Improvement GO	6.00	7/1/39	1,610,000	1,772,610
<hr/>				
Public Improvement GO	6.50	7/1/40	2,390,000	2,807,844
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	5.38	8/1/39	2,500,000	2,705,775
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	6.00	8/1/42	10,000,000	11,352,100
Virgin Islands Public Finance Authority, Revenue (Virgin Islands Matching Fund Loan Notes) (Senior Lien/Capital Projects)	5.00	10/1/39	1,250,000	1,275,650
<b>Total Long-Term Municipal Investments</b> (cost \$554,175,827)				<b>611,868,409</b>
<b>Short-Term Municipal Investments--1.0%</b>	<b>Coupon Rate (%)</b>	<b>Maturity Date</b>	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>California--1%</b>				



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

California,

GO Notes

(Kindergarten-University)

(LOC: California State

Teachers Retirement System and

Citibank NA)	0.15	3/1/12	400,000 g	400,000
--------------	------	--------	-----------	---------

**New York--.9%**

New York City,

GO Notes (LOC: JPMorgan Chase

Bank)	0.14	3/1/12	3,900,000 g	3,900,000
-------	------	--------	-------------	-----------

**Total Short-Term Municipal Investments**

(cost \$4,300,000)	<b>4,300,000</b>
--------------------	------------------

<b>Total Investments</b> (cost \$558,475,827)	<b>145.1 %</b>	<b>616,168,409</b>
-----------------------------------------------	----------------	--------------------

<b>Liabilities, Less Cash and Receivables</b>	<b>(12.3 %)</b>	<b>(52,063,026 )</b>
-----------------------------------------------	-----------------	----------------------

<b>Preferred Stock, at redemption value</b>	<b>(32.8 %)</b>	<b>(139,500,000 )</b>
---------------------------------------------	-----------------	-----------------------

<b>Net Assets Applicable to Common Shareholders</b>	<b>100.0 %</b>	<b>424,605,383</b>
-----------------------------------------------------	----------------	--------------------

a Collateral for floating rate borrowings.

b Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At February 29, 2012, these securities were valued at \$137,437,984 or 32.4% of net assets applicable to Common Shareholders.

c Security issued with a zero coupon. Income is recognized through the accretion of discount.

d Non-income producing--security in default.

e 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.

f Inverse floater security--the interest rate is subject to change periodically. Rate shown is the interest rate in effect at February 29, 2012.

g Variable rate demand note - rate shown is the interest rate in effect at February 29, 2012. Maturity date represents the next demand date, or the ultimate maturity date if earlier.

At February 29, 2012, net unrealized appreciation on investments was \$57,692,582 of which \$60,809,922 related to appreciated investment securities and \$3,117,340 related to depreciated investment securities. At February 29, 2012, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes.

### 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

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

<b>CP</b>	Commercial Paper	<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>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>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 29, 2012 in valuing the fund's investments:

<b>Assets (\$)</b>	<b>Level 1 - Unadjusted Quoted Prices</b>	<b>Level 2 - Other Significant Observable Inputs</b>	<b>Level 3 - Significant Unobservable Inputs</b>	<b>Total</b>
Investments in Securities:				
Municipal Bonds		-	616,168,409	- 616,168,409

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

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: 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.

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 23, 2012

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 23, 2012

By: /s/ James Windels  
James Windels

Treasurer

Date: April 23, 2012

**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)