

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC
Form N-Q
April 28, 2010

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)

Michael A. Rosenberg, 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: 2/28/10

FORM N-Q

Item 1. Schedule of Investments.

STATEMENT OF INVESTMENTS
Dreyfus Strategic Municipal Bond Fund, Inc.
February 28, 2010 (Unaudited)

Long-Term Municipal Investments--145.8%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
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Alaska--1.0%

Alaska Housing Finance Corporation, Single-Family Residential Mortgage Revenue (Veterans Mortgage Program)	6.25	6/1/35	3,975,000	3,988,356
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Arizona--7.3%

Barclays Capital Municipal Trust Receipts (Salt River Project Agricultural Improvement and Power District, Salt River Project Electric System Revenue)	5.00	1/1/38	13,200,000 a,b	13,697,904
Glendale Western Loop 101 Public Facilities Corporation, Third Lien Excise Tax Revenue	7.00	7/1/33	6,010,000	6,482,085
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)	5.50	7/1/26	4,000,000	3,372,680
Pima County Industrial Development Authority, IDR (Tucson Electric Power Company Project)	5.75	9/1/29	5,000,000	5,054,600

Arkansas--.5%

Arkansas Development Finance Authority, SFMR (Mortgage Backed Securities Program) (Collateralized: FNMA and GNMA)	6.25	1/1/32	1,915,000	2,000,658
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California--18.0%

Beverly Hills Unified School District, GO	0.00	8/1/30	8,000,000 c	2,688,080
California, GO (Various Purpose)	5.75	4/1/31	7,800,000	8,010,678

California, GO (Various Purpose)	5.00	11/1/32	2,600,000	2,410,252
California, GO (Various Purpose)	6.50	4/1/33	5,000,000	5,413,350
California, GO (Various Purpose)	6.00	11/1/35	5,000,000	5,185,250
California Department of Veteran Affairs, Home Purchase Revenue	5.20	12/1/28	2,950,000	2,951,475
California Educational Facilities				

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Authority, Revenue (University of Southern California)	5.25	10/1/38	5,000,000	5,332,600
California Enterprise Development Authority, Sewage Facilities Revenue (Anheuser-Busch Project)	5.30	9/1/47	1,000,000	941,270
California Housing Finance Agency, Home Mortgage Revenue	5.05	8/1/27	2,500,000	2,311,450
California Pollution Control Financing Authority, SWDR (Waste Management, Inc. Project)	5.13	11/1/23	1,500,000	1,499,160
Golden State Tobacco Securitization Corporation, Tobacco Settlement				
Asset-Backed Bonds	5.00	6/1/33	10,535,000	8,121,221
Los Angeles Department of Water and Power, Power System Revenue	5.00	7/1/34	2,885,000	2,977,464
Sacramento City Unified School District, GO (Insured; Assured Guaranty Municipal Corp.)	0.00	7/1/24	5,220,000 c	2,385,905
Sacramento County, Airport System Subordinate and Passenger Facility Charges Grant Revenue	6.00	7/1/35	4,000,000	4,320,920
San Diego Public Facilities Financing Authority, Senior Sewer Revenue	5.25	5/15/34	2,500,000	2,618,900
San Francisco City and County Public Utilities Commission,				
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San Francisco Water Revenue	5.00	11/1/29	4,000,000	4,222,800
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	5,121,850
Silicon Valley Tobacco Securitization Authority, Tobacco Settlement				
Asset-Backed Bonds (Santa Clara County Tobacco				

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Securitization Corporation)	0.00	6/1/36	15,290,000 c	1,633,278
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)	5.88	1/1/29	2,000,000	2,185,020
Colorado--3.3%				
Colorado Health Facilities Authority, Revenue (American Baptist Homes of the Midwest Obligated Group)	5.90	8/1/37	2,500,000	1,963,200
Colorado Health Facilities Authority, Revenue (American Housing Foundation I, Inc. Project) (Prerefunded)	8.50	12/1/11	1,815,000 d	2,040,895
Colorado Housing and Finance Authority, Single Family Program Senior and Subordinate Bonds (Collateralized; FHA)	6.60	8/1/32	1,230,000	1,307,269
Northwest Parkway Public Highway Authority, Revenue (Prerefunded)	7.13	6/15/11	7,000,000 d	7,713,930
Connecticut--3.6%				
Connecticut Development Authority, PCR (Connecticut Light and Power Company Project)	5.95	9/1/28	9,000,000	9,053,010
Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project)	6.45	11/15/22	4,985,000	4,984,651

District of Columbia--1.6%

District of Columbia Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds	0.00	6/15/46	104,040,000 c	4,041,954
Metropolitan Washington Airports Authority, Special Facility Revenue (Caterair International Corporation)	10.13	9/1/11	2,100,000	2,078,433

Florida--5.9%

Florida Housing Finance
Corporation, Housing Revenue

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(Seminole Ridge Apartments) (Collateralized; GNMA)	6.00	4/1/41	6,415,000	6,499,165
Highlands County Health Facilities Authority, HR (Adventist Health System/Sunbelt Obligated Group)	5.25	11/15/36	2,875,000	2,881,210
Miami-Dade County, Water and Sewer System Revenue	5.00	10/1/34	3,000,000 e	3,004,740
Orange County Health Facilities Authority, Revenue (Adventist Health System) (Prerefunded)	6.25	11/15/12	3,000,000 d	3,375,240
Orange County School Board, COP (Master Lease Purchase Agreement) (Insured; Assured Guaranty Municipal Corp.)	5.50	8/1/34	4,500,000	4,768,020
South Lake County Hospital District, Revenue (South Lake Hospital, Inc.)	6.25	4/1/39	2,500,000	2,539,300
Georgia--4.1%				
Atlanta, Water and Wastewater Revenue	6.00	11/1/28	4,865,000	5,169,111
Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.)	5.25	11/1/34	3,750,000	3,890,925
Augusta, Airport Revenue	5.45	1/1/31	2,500,000	2,265,250
Georgia Housing and Finance				
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Authority, SFMR	5.60	12/1/32	2,060,000	2,072,154
Savannah Economic Development Authority, EIR (International Paper Company Project)	6.20	8/1/27	2,670,000	2,670,668
Idaho--.1%				
Idaho Housing and Finance Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	220,000	220,277
Illinois--2.1%				
Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA)	6.25	10/1/32	1,195,000	1,255,252
Illinois Finance Authority,				

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Revenue (Sherman Health Systems)	5.50	8/1/37	2,020,000	1,791,033
Illinois Health Facilities Authority, Revenue (Advocate Health Care Network) (Prerefunded)	6.13	11/15/10	5,000,000 d	5,208,000
Indiana--1.6%				
Franklin Township School Building Corporation, First Mortgage Bonds (Prerefunded)	6.13	7/15/10	6,000,000 d	6,258,060
Kentucky--.3%				
Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's HealthCare, Inc. Project)	6.13	2/1/37	1,000,000	1,036,440
Louisiana--2.5%				
Lakeshore Villages Master Community Development District, Special Assessment Revenue	5.25	7/1/17	1,987,000	1,659,681
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects) West Feliciana Parish,	6.75	11/1/32	4,000,000	4,114,640
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PCR (Entergy Gulf States Project) West Feliciana Parish,	7.00	11/1/15	1,270,000	1,271,105
PCR (Entergy Gulf States Project)	6.60	9/1/28	2,545,000	2,547,011
Maryland--1.6%				
Maryland Economic Development Corporation, EDR (Transportation Facilities Project)	5.75	6/1/35	1,000,000	1,022,460
Maryland Economic Development Corporation, Senior Student Housing Revenue (University of				

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Maryland, Baltimore Project)	5.75	10/1/33	2,550,000	1,791,350
Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility)	8.75	11/15/10	3,710,000	3,457,497
Massachusetts--7.6%				
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	10,753,656
Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) (Prerefunded)	9.00	12/15/12	1,700,000 d	2,032,520
Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.75	7/1/32	115,000	118,011
Massachusetts Health and Educational Facilities Authority, Revenue (Suffolk University Issue)	6.25	7/1/30	5,000,000	5,334,750
Massachusetts Housing Finance Agency, Housing Revenue	7.00	12/1/38	5,000,000	5,581,750
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Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	6,000,000	6,023,400
Michigan--6.9%				
Detroit, Sewage Disposal System Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.50	7/1/33	3,500,000	4,210,605
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	4,000,000	3,339,000
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	7,420,000	6,578,349
Royal Oak Hospital Finance				

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Authority, HR (William Beaumont Hospital Obligated Group)	8.00	9/1/29	5,000,000	5,915,400
Wayne County Airport Authority, Airport Revenue (Detroit Metropolitan Wayne County Airport) (Insured; National Public Finance Guarantee Corp.)	5.00	12/1/34	8,260,000	6,939,722
Mississippi--1.1%				
Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project)	5.90	5/1/22	4,260,000	4,259,617
Missouri--1.4%				
Missouri Health and Educational Facilities Authority, Health Facilities Revenue (BJC Health System)	5.25	5/15/32	5,525,000	5,612,737
Nevada--2.6%				
Clark County, IDR (Nevada Power Company Project)	5.60	10/1/30	5,500,000	5,118,685
Clark County, Passenger Facility Charge Revenue (Las Vegas-McCarran International Airport)	5.00	7/1/30	5,000,000	4,980,700
New Hampshire--3.6%				
New Hampshire Business Finance Authority, PCR (Public Service Company of New Hampshire Project) (Insured; National Public Finance Guarantee Corp.)	6.00	5/1/21	2,690,000	2,732,125
New Hampshire Business Finance Authority, PCR (Public Service Company of New Hampshire Project) (Insured; National Public Finance Guarantee Corp.)	6.00	5/1/21	6,000,000	6,093,960
New Hampshire Industrial Development Authority, PCR (Connecticut Light and Power Company Project)	5.90	11/1/16	5,400,000	5,407,506

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New Jersey--5.3%

New Jersey Economic Development

Authority, School Facilities

Construction Revenue	5.50	12/15/29	5,000,000	5,447,700
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New Jersey Economic Development

Authority, Water Facilities

Revenue (New Jersey - American
Water Company, Inc. Project)

	5.70	10/1/39	3,000,000	3,004,650
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Tobacco Settlement Financing

Corporation of New Jersey,

Tobacco Settlement

Asset-Backed Bonds	5.00	6/1/29	250,000	196,193
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Tobacco Settlement Financing

Corporation of New Jersey,

Tobacco Settlement

Asset-Backed Bonds

(Prerefunded)	7.00	6/1/13	10,095,000 d	12,018,905
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New York--7.6%

Austin Trust

(Port Authority of New York
and New Jersey, Consolidated
Bonds, 151st Series)

	6.00	9/15/28	10,000,000 a,b	10,800,350
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Long Island Power Authority,
Electric System General Revenue

	6.25	4/1/33	3,000,000	3,460,890
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Metropolitan Transportation

Authority, Transportation

Revenue	6.25	11/15/23	8,425,000	9,798,781
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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	5,017,950
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New York State Dormitory

Authority, Revenue (Suffolk
County Judicial Facility)

	9.50	4/15/14	605,000	781,527
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North Carolina--6%

North Carolina Housing Finance
Agency, Home Ownership Revenue

	5.88	7/1/31	2,220,000	2,221,376
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Ohio--1.6%

Ohio Air Quality Development

Authority, Air Quality Revenue

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(Ohio Valley Electric Corporation Project)	5.63	10/1/19	4,200,000	4,401,222
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	1,817,552
Oregon--4%				
Warm Springs Reservation Confederated Tribes, Hydroelectric Revenue (Pelton Round Butte Project)	6.38	11/1/33	1,500,000	1,515,030
Pennsylvania--9%				
Pennsylvania Turnpike Commission, Turnpike Subordinate Revenue	5.25	6/1/39	3,545,000	3,622,990
Rhode Island--1.5%				
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	5,741,300
South Carolina--1.8%				
Greenville Hospital System, Hospital Facilities Revenue (Insured; AMBAC)	5.50	5/1/26	7,000,000	7,149,590
Tennessee--4.6%				
Johnson City Health and Educational Facilities Board, Hospital First Mortgage Revenue (Mountain States Health Alliance) (Prerefunded)	7.50	7/1/12	2,000,000 d	2,272,920
Johnson City Health and Educational Facilities Board, Hospital First Mortgage Revenue (Mountain States Health Alliance) (Prerefunded)	7.50	7/1/12	4,875,000 d	5,504,119
Memphis Center City Revenue Finance Corporation, Sports				

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Facility Revenue (Memphis Redbirds Baseball Foundation Project)	6.50	9/1/28	6,000,000 f	2,800,500
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/29	2,500,000	2,833,650
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/34	3,000,000	3,321,570
Tennessee Housing Development Agency, Homeownership Program Revenue	6.00	1/1/28	1,180,000	1,202,750
Texas--22.1%				
Brazos River Authority, PCR (TXU Electric Company Project)	8.25	5/1/33	1,750,000 b	1,189,055
Dallas-Fort Worth International Airport Facility Improvement Corporation, Revenue (Learjet Inc. Project)	6.15	1/1/16	3,000,000	3,000,600
Gregg County Health Facilities Development Corporation, HR				
(Good Shepherd Medical Center Project) (Insured; Radian) (Prerefunded)	6.38	10/1/10	2,500,000 d	2,610,450
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System)	7.25	12/1/35	9,290,000	10,462,491
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System) (Prerefunded)	6.38	6/1/11	7,000,000 d	7,593,040
Harris County Hospital District, Senior Lien Revenue (Insured; National Public Finance				

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Guarantee Corp.)	5.25	2/15/42	5,000,000	4,769,400
Harris County-Houston Sports Authority, Third Lien Revenue (Insured; National Public Finance Guarantee Corp.)	0.00	11/15/31	9,685,000 c	2,132,540
Houston, Combined Utility System First Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	6.00	11/15/36	5,000,000	5,667,450
Matagorda County Navigation District Number One, Revenue (Houston Lighting and Power Company Project) (Insured; AMBAC)	5.13	11/1/28	4,295,000	4,060,192
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Municipal Corp.)	5.75	1/1/40	14,705,000	15,787,435
North Texas Tollway Authority, Second Tier System Revenue	5.75	1/1/38	6,650,000	6,766,973
Sabine River Authority, PCR (TXU Electric Company Project)	6.45	6/1/21	4,900,000	3,021,291
Texas (Veterans' Land)	6.00	12/1/30	3,935,000	3,957,311
Texas Department of Housing and				

Community Affairs, Home Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	12.33	7/2/24	800,000 g	913,472
Texas Department of Housing and Community Affairs, Residential Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	5.35	7/1/33	5,035,000	5,077,646
Texas Turnpike Authority, Central Texas Turnpike System Revenue (Insured; AMBAC)	5.25	8/15/42	5,375,000	5,325,228
Tomball Hospital Authority, Revenue (Tomball Regional Hospital)	6.00	7/1/25	4,650,000	4,504,688

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Virginia--6.7%

Henrico County Industrial
Development Authority, Revenue
(Bon Secours Health System)

(Insured; Assured Guaranty Municipal Corp.)	11.17	8/23/27	7,350,000 g	8,474,329
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Virginia Housing Development
Authority, Commonwealth
Mortgage Revenue

	6.25	7/1/31	5,250,000	5,741,663
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Virginia Housing Development
Authority, Rental Housing
Revenue

	6.20	8/1/24	8,520,000	8,573,165
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Washington County Industrial
Development Authority, HR
(Mountain States Health
Alliance)

	7.75	7/1/38	3,000,000	3,438,090
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Washington--1.7%

Washington Health Care Facilities
Authority, Mortgage Revenue
(Highline Medical Center)
(Collateralized; FHA)

	6.25	8/1/36	6,000,000	6,459,240
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West Virginia--1.9%

The County Commission of Harrison
County, SWDR (Allegheny Energy
Supply Company, LLC Harrison

Station Project)	5.50	10/15/37	7,920,000	7,278,480
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Wisconsin--7.1%

Badger Tobacco Asset
Securitization Corporation,
Tobacco Settlement

Asset-Backed Bonds	6.13	6/1/27	6,455,000	6,965,590
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Badger Tobacco Asset
Securitization Corporation,
Tobacco Settlement

Asset-Backed Bonds (Prerefunded)	7.00	6/1/12	14,570,000 d	16,531,559
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Wisconsin Health and Educational
Facilities Authority, Revenue
(Aurora Health Care, Inc.)

	6.40	4/15/33	4,000,000	4,083,640
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U.S. Related--5.3%

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Government of Guam, GO	7.00	11/15/39	1,500,000	1,606,560
Puerto Rico Commonwealth, Public Improvement GO	5.50	7/1/32	1,500,000	1,497,960
Puerto Rico Commonwealth, Public Improvement GO	6.00	7/1/39	3,500,000	3,603,075
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	5.38	8/1/39	2,500,000	2,502,750
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	6.00	8/1/42	10,000,000	10,498,700
Virgin Islands Public Finance Authority, Revenue (Virgin Islands Matching Fund Loan Notes) (Senior Lien/Capital Projects)	5.00	10/1/39	1,250,000	1,127,150
Total Long-Term Municipal Investments (cost \$567,702,200)				570,064,358

Short-Term Municipal Investments--5.3%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
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California--1.3%

California Department of Water
Resources, Power Supply

Revenue (LOC; Landesbank Hessen-Thuringen Girozentrale)	0.11	3/1/10	5,000,000 h	5,000,000
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Idaho--.2%

Idaho Health Facilities Authority,
Revenue (Saint Luke's Regional
Medical Center Project)

(Insured; Assured Guaranty
Municipal Corp. and Liquidity
Facility; Bank of Montreal)

0.17	3/1/10	700,000 h	700,000
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Massachusetts--1.2%

Massachusetts Health and
Educational Facilities
Authority, Revenue (Harvard
University Issue)

0.09	3/1/10	5,000,000 h	5,000,000
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New York--1.3%

New York City,

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GO Notes (LOC; JPMorgan Chase Bank)	0.14	3/1/10 5,000,000 h	5,000,000
Utah--1.3%			
Murray City, HR (Intermountain Health Care Health Services, Inc.)	0.12	3/1/10 5,000,000 h	5,000,000
Total Short-Term Municipal Investments			
(cost \$20,700,000)			20,700,000
Total Investments (cost \$588,402,200)		151.1%	590,764,358
Liabilities, Less Cash and Receivables		(3.5%)	(13,724,687)
Preferred Stock, at redemption value		(47.6%)	(186,000,000)
Net Assets Applicable to Common Shareholders		100.0%	391,039,671

- 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 28, 2010 these securities had a total market value of \$38,258,517 or 9.8% of net assets applicable to Common Shareholders.
- c Security issued with a zero coupon. Income is recognized through the accretion of discount.
- d 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.
- e Purchased on a delayed delivery basis.
- f Non-income producing--security in default.
- g Inverse floater security--the interest rate is subject to change periodically.
- h Variable rate demand note - rate shown is the interest rate in effect at February 28, 2010. Maturity date represents the

next demand date, or the ultimate maturity date if earlier.

At February 28, 2010, the aggregate cost of investment securities for income tax purposes was \$588,402,200. Net unrealized appreciation on investments was \$2,362,158 of which \$30,355,656 related to appreciated investment securities and \$27,993,498 related to depreciated investment securities.

Summary of Abbreviations

<p>ABAG Association of Bay Area Governments</p> <p>AGC ACE Guaranty Corporation</p> <p>AMBAC American Municipal Bond Assurance Corporation</p> <p>BAN Bond Anticipation Notes</p> <p>CIFG CDC Ixis Financial Guaranty</p> <p>CP Commercial Paper</p> <p>EIR Environmental Improvement Revenue</p> <p>FHA Federal Housing Administration</p> <p>FHLMC Federal Home Loan Mortgage Corporation</p> <p>GAN Grant Anticipation Notes</p> <p>GNMA Government National Mortgage Association</p> <p>HR Hospital Revenue</p> <p>IDC Industrial Development Corporation</p> <p>LOC Letter of Credit</p> <p>LR Lease Revenue</p>	<p>ACA American Capital Access</p> <p>AGIC Asset Guaranty Insurance Company</p> <p>ARRN Adjustable Rate Receipt Notes</p> <p>BPA Bond Purchase Agreement</p> <p>COP Certificate of Participation</p> <p>EDR Economic Development Revenue</p> <p>FGIC Financial Guaranty Insurance Company</p> <p>FHLB Federal Home Loan Bank</p> <p>FNMA Federal National Mortgage Association</p> <p>GIC Guaranteed Investment Contract</p> <p>GO General Obligation</p> <p>IDB Industrial Development Board</p> <p>IDR Industrial Development Revenue</p> <p>LOR Limited Obligation Revenue</p> <p>MFHR Multi-Family Housing Revenue</p>
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MFMR	Multi-Family Mortgage Revenue	PCR	Pollution Control Revenue
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PILOT	Payment in Lieu of Taxes	RAC	Revenue Anticipation Certificates
RAN	Revenue Anticipation Notes	RAW	Revenue Anticipation Warrants
RRR	Resources Recovery Revenue	SAAN	State Aid Anticipation Notes
SBPA	Standby Bond Purchase Agreement	SFHR	Single Family Housing Revenue
SFMR	Single Family Mortgage Revenue	SONYMA	State of New York Mortgage Agency
SWDR	Solid Waste Disposal Revenue	TAN	Tax Anticipation Notes
TAW	Tax Anticipation Warrants	TRAN	Tax and Revenue Anticipation Notes
XLCA	XL Capital Assurance		

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.

The following is a summary of the inputs used as of February 28, 2010 in valuing the fund's investments:

Assets (\$)	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 -Significant Unobservable Inputs	Total
Investments in Securities:				
Municipal Bonds	-	590,764,358	-	590,764,358

The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) has become 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 ASC has superseded all existing non-SEC accounting and reporting standards. 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: Investments in municipal debt securities are valued on the last business day of each week and month 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. Options and financial futures on municipal

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securities and U.S. Treasury securities are valued at the last sales price on the securities exchange on which such securities are primarily traded or at the last sales price on the national securities market on the last business day of each week and month.

The fund adopted the provisions of ASC Topic 815 Derivatives and Hedging which requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of gains and losses on derivative instruments and disclosures about credit-risk-related contingent features in derivative agreements. The fund held no derivatives during the period ended February 28, 2010. These disclosures did not impact the notes to the financial statements.

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 22, 2010

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.

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

Date: April 22, 2010

By: /s/ James Windels
James Windels
Treasurer

Date: April 22, 2010

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)
