

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC

Form N-Q

October 25, 2007

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: 8/31/07

FORM N-Q

Item 1. Schedule of Investments.

STATEMENT OF INVESTMENTS

Dreyfus Strategic Municipal Bond Fund, Inc.
August 31, 2007 (Unaudited)

| Long-Term Municipal Investments--146.9% | Coupon Rate (%) | Maturity Date | Principal Amount (\$) | Value (\$) |
|--|----------------------------|--------------------------|----------------------------------|-------------------|
| Alaska--3.9% Alaska Housing Finance | | | | |

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

| | | | | |
|--|------|----------|-------------|------------|
| Corporation, General Mortgage Revenue (Insured; MBIA) | 6.05 | 6/1/39 | 11,915,000 | 12,106,474 |
| Alaska Housing Finance Corporation, Single-Family Residential Mortgage Revenue (Veterans Mortgage Program) | 6.25 | 6/1/35 | 4,180,000 | 4,304,188 |
| Arizona--.5% | | | | |
| Apache County Industrial Development Authority, PCR (Tucson Electric Power Company Project) | 5.85 | 3/1/28 | 2,220,000 | 2,220,200 |
| Arkansas--.6% | | | | |
| Arkansas Development Finance Authority, SFMR (Mortgage Backed Securities Program) (Collateralized: FNMA and GNMA) | 6.25 | 1/1/32 | 2,500,000 | 2,548,875 |
| California--9.2% | | | | |
| California, GO (Various Purpose) | 5.50 | 4/1/14 | 4,605,000 a | 5,066,881 |
| California, GO (Various Purpose) | 5.25 | 11/1/27 | 4,240,000 | 4,385,093 |
| California Department of Veteran Affairs, Home Purchase Revenue | 5.20 | 12/1/28 | 2,950,000 | 2,950,796 |
| California Health Facilities Financing Authority, Revenue (Cedars-Sinai Medical Center) | 6.25 | 12/1/09 | 3,750,000 a | 3,998,550 |
| California Health Facilities Financing Authority, Revenue (Sutter Health) | 5.25 | 11/15/46 | 5,000,000 | 5,095,000 |
| Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds | 5.75 | 6/1/47 | 15,000,000 | 14,598,900 |
| Silicon Valley Tobacco Securitization Authority, Tobacco Settlement Asset-Backed Bonds (Santa Clara County Tobacco Securitization Corporation) | 0.00 | 6/1/36 | 15,290,000 | 2,315,059 |
| Colorado--4.0% | | | | |
| Colorado Health Facilities Authority, Revenue (American Baptist Homes of the Midwest | | | | |
| Obligated Group) | 5.90 | 8/1/37 | 2,500,000 | 2,431,450 |
| Colorado Health Facilities Authority, Revenue (American | | | | |

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

| | | | | |
|---|--------|-----------|-------------|-----------|
| Housing Foundation I, Inc. Project) | 8.50 | 12/1/31 | 1,970,000 | 2,056,503 |
| Colorado Housing Finance Authority (Single Family Program) (Collateralized; FHA) | 6.60 | 8/1/32 | 1,755,000 | 1,849,559 |
| Denver City and County, Special Facilities Airport Revenue (United Air Lines Project) | 5.75 | 10/1/32 | 3,000,000 | 2,950,920 |
| Northwest Parkway Public Highway Authority, Revenue | 7.13 | 6/15/41 | 7,000,000 | 7,358,540 |
| Connecticut--3.7% | | | | |
| Connecticut Development Authority, PCR (Connecticut Light and Power Company Project) | 5.95 | 9/1/28 | 9,000,000 | 9,253,980 |
| Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project) | 6.45 | 11/15/22 | 4,985,000 | 4,989,835 |
| Mohegan Tribe of Indians of Connecticut Gaming Authority, Priority Distribution Payment Public Improvement Revenue | 6.25 | 1/1/31 | 1,000,000 | 1,045,090 |
| District of Columbia--2.7% | | | | |
| District of Columbia Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds Metropolitan Washington Airports Authority, Special Facility Revenue (Caterair International Corporation) | 0.00 | 6/15/46 | 104,040,000 | 7,559,546 |
| 10.13 | 9/1/11 | 3,700,000 | 3,704,588 | |
| Florida--6.6% | | | | |
| Escambia County, EIR (International Paper Company Project) | 5.00 | 8/1/26 | 1,825,000 | 1,697,159 |
| Escambia County, EIR (International Paper Company Project) | 5.00 | 8/1/26 | 2,300,000 | 2,138,885 |
| Florida Housing Finance Corporation, Housing Revenue (Seminole Ridge Apartments) (Collateralized; GNMA) | 6.00 | 4/1/41 | 6,415,000 | 6,552,858 |
| Highlands County Health Facilities Authority, HR (Adventist Health System/Sunbelt Obligated Group) | 5.25 | 11/15/36 | 7,400,000 | 7,399,408 |

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

Jacksonville Economic Development

| | | | | |
|--|------|----------|-------------|-----------|
| Commission, Health Care Facilities Revenue (Florida Proton Therapy Institute Project) | 6.25 | 9/1/27 | 2,595,000 | 2,589,135 |
| Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System) | 6.00 | 10/1/09 | 70,000 a | 73,752 |
| Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System) | 6.00 | 10/1/26 | 3,675,000 | 3,786,095 |
| Orange County Health Facilities Authority, Revenue (Adventist Health System) | 6.25 | 11/15/12 | 3,000,000 a | 3,338,730 |
| Georgia--2.5% | | | | |
| Atlanta, Airport Revenue (Insured; FSA) | 5.25 | 1/1/25 | 3,000,000 | 3,063,630 |
| Augusta, Airport Revenue | 5.45 | 1/1/31 | 2,500,000 | 2,390,200 |
| Georgia Housing and Finance Authority, SFMR | 5.60 | 12/1/32 | 2,180,000 | 2,277,926 |
| Savannah Economic Development Authority, EIR (International Paper Company Project) | 6.20 | 8/1/27 | 2,670,000 | 2,760,566 |
| Idaho--.1% | | | | |
| Idaho Housing and Finance Association, SFMR (Collateralized; FNMA) | 6.35 | 1/1/30 | 320,000 | 326,656 |
| Illinois--7.9% | | | | |
| Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA) | 6.25 | 10/1/32 | 1,805,000 | 1,840,179 |
| Chicago O'Hare International Airport, General Airport Third Lien Revenue (Insured; XLCA) | 6.00 | 1/1/29 | 5,000,000 | 5,363,450 |
| Chicago O'Hare International Airport, Special Facility Revenue (American Airlines, Inc. Project) | 5.50 | 12/1/30 | 4,000,000 | 3,776,880 |
| Illinois Educational Facilities Authority, Revenue (Northwestern University) | 5.00 | 12/1/38 | 5,000,000 | 5,062,500 |
| Illinois Health Facilities Authority, Revenue (Advocate Health Care Network) | 6.13 | 11/15/10 | 5,000,000 a | 5,363,000 |
| Illinois Health Facilities | | | | |

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

| | | | | |
|--|------|----------|--------------|------------|
| Authority, Revenue (OSF Healthcare System) | 6.25 | 11/15/09 | 10,900,000 a | 11,577,326 |
| Indiana--1.6% | | | | |
| Franklin Township School Building Corporation, First Mortgage Bonds | 6.13 | 7/15/10 | 6,000,000 a | 6,505,020 |
| Louisiana--2.3% | | | | |
| <hr/> | | | | |
| Lakeshore Villages Master Community Development District, Special Assessment Revenue | 5.25 | 7/1/17 | 2,000,000 | 1,937,920 |
| West Feliciana Parish, PCR (Entergy Gulf States Project) | 7.00 | 11/1/15 | 3,000,000 | 3,032,940 |
| West Feliciana Parish, PCR (Entergy Gulf States Project) | 6.60 | 9/1/28 | 4,700,000 | 4,703,243 |
| Maryland--1.3% | | | | |
| Maryland Economic Development Corporation, Senior Student Housing Revenue (University of Maryland, Baltimore Project) | 5.75 | 10/1/33 | 2,550,000 | 2,451,723 |
| Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) | 8.75 | 11/15/10 | 3,710,000 | 3,107,273 |
| Massachusetts--2.0% | | | | |
| Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) | 9.00 | 12/15/12 | 2,000,000 a | 2,416,740 |
| Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue) | 5.75 | 7/1/32 | 115,000 | 123,811 |
| Massachusetts Housing Finance Agency, SFHR | 5.00 | 12/1/31 | 6,000,000 | 5,831,160 |
| Michigan--4.8% | | | | |
| Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project) | 6.00 | 7/1/35 | 4,000,000 | 4,103,800 |
| Michigan Strategic Fund, SWDR (Genesee Power Station Project) | 7.50 | 1/1/21 | 8,420,000 | 8,290,164 |
| Michigan Tobacco Settlement Finance Authority, Tobacco | | | | |

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

| | | | | |
|--|------|----------|---------------|-----------|
| Settlement Asset-Backed Bonds | 6.00 | 6/1/48 | 7,500,000 | 7,534,875 |
| Minnesota--1.0% | | | | |
| Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue (HealthEast Project) | 6.00 | 11/15/25 | 1,240,000 | 1,284,938 |
| Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue (HealthEast Project) | 6.00 | 11/15/35 | 3,000,000 | 3,070,860 |
| Mississippi--.8% | | | | |
| Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project) | 5.90 | 5/1/22 | 3,160,000 | 3,190,462 |
| Nebraska--.2% | | | | |
| Nebraska Investment Finance Authority, SFMR | 7.31 | 3/1/26 | 1,000,000 b,c | 1,016,740 |
| Nevada--2.8% | | | | |
| Clark County, IDR (Nevada Power Company Project) | 5.60 | 10/1/30 | 3,000,000 | 3,005,730 |
| Washoe County, GO Convention Center Revenue (Reno-Sparks Convention and Visitors Authority) (Insured; FSA) | 6.40 | 1/1/10 | 8,000,000 a | 8,482,720 |
| New Hampshire--3.5% | | | | |
| New Hampshire Business Finance Authority, PCR (Public Service Company of New Hampshire Project) (Insured; MBIA) | 6.00 | 5/1/21 | 2,690,000 | 2,774,816 |
| New Hampshire Business Finance Authority, PCR (Public Service Company of New Hampshire Project) (Insured; MBIA) | 6.00 | 5/1/21 | 6,000,000 | 6,189,180 |
| New Hampshire Industrial Development Authority, PCR (Connecticut Light and Power Company Project) | 5.90 | 11/1/16 | 5,400,000 | 5,488,506 |
| New Jersey--6.0% | | | | |
| New Jersey Economic Development Authority, Special Facility Revenue (Continental Airlines, Inc. Project) | 6.25 | 9/15/19 | 4,620,000 | 4,661,534 |
| Tobacco Settlement Financing Corporation of New Jersey, | | | | |

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

| | | | | |
|---|------|---------|--------------|------------|
| Tobacco Settlement Asset-Backed Bonds | 7.00 | 6/1/13 | 10,095,000 a | 11,723,223 |
| Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds | 5.00 | 6/1/29 | 5,000,000 | 4,477,500 |
| Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds | 5.00 | 6/1/41 | 5,000,000 | 4,334,250 |
| New York--4.8% | | | | |
| New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project) | 8.00 | 8/1/28 | 3,000,000 | 3,475,680 |
| New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project) | 7.75 | 8/1/31 | 10,000,000 | 11,488,800 |
| New York State Dormitory Authority, Revenue (Marymount Manhattan College) (Insured; Radian) | 6.25 | 7/1/29 | 4,000,000 | 4,177,480 |
| New York State Dormitory Authority, Revenue (Suffolk County Judicial Facility) | 9.50 | 4/15/14 | 605,000 | 795,666 |
| North Carolina--1.4% | | | | |
| North Carolina Eastern Municipal Power Agency, Power System Revenue | 6.70 | 1/1/19 | 2,500,000 | 2,647,150 |
| North Carolina Housing Finance Agency, Home Ownership Revenue | 5.88 | 7/1/31 | 3,030,000 | 3,063,209 |
| Ohio--5.3% | | | | |
| Cuyahoga County, Hospital Facilities Revenue (UHHS/CSAHS-Cuyahoga, Inc. and CSAHS/UHHS-Canton, Inc. Project) | 7.50 | 1/1/30 | 3,500,000 | 3,784,130 |
| Cuyahoga County, Hospital Improvement Revenue (The Metrohealth Systems Project) | 6.15 | 2/15/09 | 10,000,000 a | 10,437,200 |
| Ohio Air Quality Development Authority, PCR (The Cleveland | | | | |

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

| | | | | |
|---|------|----------|---------------|-----------|
| Electric Illuminating Company Project) (Insured; ACA) | 6.10 | 8/1/20 | 2,400,000 | 2,445,048 |
| Ohio Housing Finance Agency, Residential Mortgage Revenue (Mortgage-Backed Securities Program) (Collateralized; GNMA) | 6.15 | 3/1/29 | 1,510,000 | 1,540,200 |
| Ohio Water Development Authority, PCR (The Cleveland Electric Illuminating Company Project) (Insured; ACA) | 6.10 | 8/1/20 | 4,000,000 | 4,075,080 |
| Oklahoma--3.5% | | | | |
| Oklahoma Development Finance Authority, Revenue (Saint John Health System) | 6.00 | 2/15/09 | 6,750,000 a | 7,028,977 |
| Oklahoma Development Finance Authority, Revenue (Saint John Health System) | 6.00 | 2/15/29 | 2,250,000 | 2,330,168 |
| Oklahoma Industries Authority, Health System Revenue (Obligated Group) (Insured; MBIA) | 5.75 | 8/15/09 | 2,105,000 a | 2,204,630 |
| Oklahoma Industries Authority, Health System Revenue (Obligated Group) (Insured; MBIA) | 5.75 | 8/15/29 | 2,895,000 | 3,002,810 |
| <hr/> | | | | |
| Pennsylvania--3.5% | | | | |
| Allegheny County Port Authority, Special Transportation Revenue (Insured; MBIA) | 6.13 | 3/1/09 | 4,750,000 a | 4,960,710 |
| Lehman Municipal Trust Receipts (Pennsylvania Economic Development Financing Authority, SWDR (USG Corporation Project)) | 6.00 | 6/1/31 | 7,000,000 c,d | 7,047,005 |
| Pennsylvania Economic Development Financing Authority, Exempt Facilities Revenue (Reliant Energy Seward, LLC Project) | 6.75 | 12/1/36 | 2,000,000 | 2,174,100 |
| Pennsylvania Housing Finance Agency, Multi-Family Development Revenue | 8.25 | 12/15/19 | 241,000 | 241,492 |
| Rhode Island--.8% | | | | |
| Rhode Island Health and Educational Building Corporation, Higher Educational Facilities Revenue | | | | |

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

| | | | | |
|---|------|---------|------------------|------------|
| (University of Rhode Island - Auxiliary Enterprise Revenue Issue) (Insured; MBIA) | 5.88 | 9/15/09 | 3,000,000 a | 3,155,700 |
| South Carolina--10.4% | | | | |
| Greenville County School District, Installment Purchase Revenue (Building Equity Sooner for Tomorrow) | 5.50 | 12/1/12 | 19,000,000 a,c,d | 20,797,685 |
| Greenville Hospital System, Hospital Facilities Revenue (Insured; AMBAC) | 5.50 | 5/1/26 | 7,000,000 | 7,350,070 |
| Medical University of South Carolina, Hospital Facilities Revenue | 6.00 | 7/1/09 | 5,000,000 a | 5,248,050 |
| Richland County, EIR (International Paper Company Project) | 6.10 | 4/1/23 | 6,500,000 | 6,731,075 |
| Securing Assets for Education, Installment Purchase Revenue (Berkeley County School District Project) | 5.13 | 12/1/30 | 3,280,000 | 3,324,378 |
| Tennessee--6.4% | | | | |
| Johnson City Health and Educational Facilities Board, Hospital First Mortgage Revenue (Mountain States Health Alliance) | 7.50 | 7/1/25 | 2,000,000 | 2,274,720 |
| Johnson City Health and Educational Facilities Board, Hospital First Mortgage Revenue (Mountain States Health Alliance) | 7.50 | 7/1/33 | 4,875,000 | 5,531,029 |
| Memphis Center City Revenue Finance Corporation, Sports Facility Revenue (Memphis Redbirds Baseball Foundation Project) | 6.50 | 9/1/28 | 6,000,000 | 5,732,040 |
| Shelby County Health Educational and Housing Facility Board, Revenue (Saint Jude Children's Research Hospital) | 5.00 | 7/1/36 | 2,250,000 | 2,248,133 |
| Tennessee Energy Acquisition Corporation, Gas Project Revenue | 5.25 | 9/1/21 | 9,000,000 | 9,274,950 |
| Tennessee Housing Development Agency (Homeownership Program) | 6.00 | 1/1/28 | 1,445,000 | 1,456,603 |

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

Texas--22.8%

| | | | | |
|--|------|----------|--------------|------------|
| Alliance Airport Authority Inc., Special Facilities Revenue (American Airlines, Inc. Project) | 5.75 | 12/1/29 | 2,000,000 | 1,921,040 |
| Brazos River Harbor Navigation District, Revenue (The Dow Chemical Company Project) | 5.13 | 5/15/33 | 5,000,000 | 4,694,200 |
| Cities of Dallas and Fort Worth, Dallas/Fort Worth International Airport, Facility Improvement Corporation Revenue (Learjet Inc. Project) | 6.15 | 1/1/16 | 3,000,000 | 3,000,840 |
| Gregg County Health Facilities Development Corporation, HR (Good Shepherd Medical Center Project) (Insured; Radian) | 6.38 | 10/1/10 | 2,500,000 a | 2,715,025 |
| Gulf Coast Industrial Development Authority, Environmental Facilities Revenue (Microgy Holdings Project) | 7.00 | 12/1/36 | 5,000,000 | 5,194,650 |
| Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System) | 6.38 | 6/1/11 | 7,000,000 a | 7,694,540 |
| Harris County-Houston Sports Authority, Third Lien Revenue (Insured; MBIA) | 0.00 | 11/15/31 | 9,685,000 | 2,654,465 |
| Katy Independent School District, Unlimited Tax School Building Bonds (Permanent School Fund Guarantee Program) | 6.13 | 2/15/09 | 10,000,000 a | 10,349,700 |
| Lubbock Housing Financing Corporation, SFMR (Collateralized: FNMA and GNMA) | 6.70 | 10/1/30 | 1,430,000 | 1,434,361 |
| Sabine River Authority, | | | | |
| PCR (TXU Electric Company Project) | 6.45 | 6/1/21 | 4,900,000 | 4,986,436 |
| Texas (Veterans Housing Assistance Program) (Collateralized; FHA) | 6.10 | 6/1/31 | 8,510,000 | 8,751,344 |
| Texas (Veterans' Land) | 6.00 | 12/1/30 | 3,935,000 | 4,084,766 |
| 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) | 9.16 | 7/2/24 | 1,200,000 b | 1,265,604 |
| Texas Department of Housing and Community Affairs, Residential Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA) | 5.35 | 7/1/33 | 5,205,000 | 5,232,066 |
| Texas Transportation Commission, GO (Mobility Fund) (Insured; FGIC) | 4.50 | 4/1/35 | 7,500,000 | 7,047,450 |
| Texas Turnpike Authority, Central Texas Turnpike System Revenue (Insured; AMBAC) | 5.25 | 8/15/42 | 6,775,000 | 6,913,278 |
| Tomball Hospital Authority, Revenue (Tomball Regional Hospital) | 6.00 | 7/1/25 | 4,650,000 | 4,728,167 |
| Tyler Health Facilities Development Corporation, HR (East Texas Medical Center Regional Healthcare System Project) | 6.75 | 11/1/25 | 5,850,000 | 5,889,195 |
| Willacy County Local Government Corporation, Project Revenue | 6.00 | 3/1/09 | 3,000,000 | 3,059,340 |
| Willacy County Local Government Corporation, Project Revenue | 6.88 | 9/1/28 | 4,000,000 | 4,044,400 |
| Virginia--6.1% | | | | |
| Henrico County Industrial Development Authority, Revenue (Bon Secours Health System) (Insured; FSA) | 7.67 | 8/23/27 | 7,500,000 b | 9,524,775 |
| Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset-Backed Bonds | 5.63 | 6/1/15 | 2,000,000 a | 2,206,900 |
| Virginia Housing Development Authority, Commonwealth Mortgage Revenue | 5.10 | 10/1/35 | 4,900,000 | 4,760,889 |
| Virginia Housing Development Authority, Rental Housing Revenue | 6.20 | 8/1/24 | 8,520,000 | 8,771,255 |
| Washington--3.7% | | | | |
| Washington Higher Education Facilities Authority, Revenue (Seattle University Project) (Insured; AMBAC) | 5.25 | 11/1/37 | 5,000,000 | 5,209,650 |

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

| | | | | |
|---|------|---------|----------------|----------------------|
| Washington Higher Educational Facilities Authority, Revenue (Whitman College) | 5.88 | 10/1/09 | 10,000,000 a | 10,435,000 |
| Wisconsin--7.7% | | | | |
| Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds | 6.13 | 6/1/27 | 9,080,000 c,d | 9,296,376 |
| Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds | 7.00 | 6/1/28 | 14,570,000 | 15,356,051 |
| Wisconsin Health and Educational Facilities Authority, Revenue (Aurora Health Care, Inc.) | 6.40 | 4/15/33 | 5,500,000 | 5,752,120 |
| Wisconsin Health and Educational Facilities Authority, Revenue (Marshfield Clinic) | 5.38 | 2/15/34 | 2,000,000 | 1,939,560 |
| Wyoming--1.2% | | | | |
| Sweetwater County, SWDR (FMC Corporation Project) | 5.60 | 12/1/35 | 5,000,000 | 4,940,100 |
| U.S. Related--1.3% | | | | |
| Children's Trust Fund of Puerto Rico, Tobacco Settlement Asset-Backed Bonds | 0.00 | 5/15/50 | 5,000,000 | 295,400 |
| Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue | 5.25 | 8/1/57 | 5,000,000 | 5,122,100 |
| Total Investments (cost \$606,328,017) | | | 146.9% | 613,222,501 |
| Liabilities, Less Cash and Receivables | | | (2.3%) | (9,768,496) |
| Preferred Stock, at redemption value | | | (44.6%) | (186,000,000) |
| Net Assets Applicable to Common Shareholders | | | 100.0% | 417,454,005 |

- a 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.
- b Inverse floater security--the interest rate is subject to change periodically.
- c 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 August 31, 2007, these securities amounted to \$38,157,806 or 9.1% of net assets applicable to Common Shareholders.
- d Collateral for floating rate borrowings.

Securities valuation policies and other 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.

Summary of Abbreviations

| | | | |
|------------|-------------------------|------------|--------------------------|
| ACA | American Capital Access | AGC | ACE Guaranty Corporation |
|------------|-------------------------|------------|--------------------------|

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

| | | | |
|-------------|----------------------------------|--------------|---|
| AGIC | Asset Guaranty Insurance Company | AMBAC | American Municipal Bond Assurance Corporation |
| ARRN | Adjustable Rate Receipt Notes | BAN | Bond Anticipation Notes |

| | | | |
|---------------|--|--------------|--|
| BIGI | Bond Investors Guaranty Insurance | BPA | Bond Purchase Agreement |
| CGIC | Capital Guaranty Insurance Company | CIC | Continental Insurance Company |
| CIFG | CDC Ixis Financial Guaranty | CMAC | Capital Market Assurance Corporation |
| COP | Certificate of Participation | CP | Commercial Paper |
| EDR | Economic Development Revenue | EIR | Environmental Improvement Revenue |
| FGIC | Financial Guaranty Insurance Company | FHA | Federal Housing Administration |
| FHLB | Federal Home Loan Bank | FHLMC | Federal Home Loan Mortgage Corporation |
| FNMA | Federal National Mortgage Association | FSA | Financial Security Assurance |
| GAN | Grant Anticipation Notes | GIC | Guaranteed Investment Contract |
| GNMA | Government National Mortgage Association | GO | General Obligation |
| HR | Hospital Revenue | IDB | Industrial Development Board |
| IDC | Industrial Development Corporation | IDR | Industrial Development Revenue |
| LOC | Letter of Credit | LOR | Limited Obligation Revenue |
| LR | Lease Revenue | MBIA | Municipal Bond Investors Assurance Insurance Corporation |
| MFHR | Multi-Family Housing Revenue | MFMR | Multi-Family Mortgage Revenue |
| PCR | Pollution Control Revenue | 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 |

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.

SIGNATURES

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

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/ J. David Officer
J. David Officer
President

Date: October 23, 2007

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/ J. David Officer
J. David Officer
President

Date: October 23, 2007

By: /s/ James Windels
James Windels
Treasurer

Date: October 23, 2007

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)
