

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC
 Form N-Q
 October 27, 2008

**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: 8/31/08

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Item 1. Schedule of Investments.

STATEMENT OF INVESTMENTS

**Dreyfus Strategic Municipal Bond Fund, Inc.
 August 31, 2008 (Unaudited)**

Long-Term Municipal Investments--152.0%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Alaska--4.1%				
Alaska Housing Finance Corporation, General Mortgage Revenue (Insured; MBIA, Inc.)				
	6.05	6/1/39	11,915,000	11,961,111
Alaska Housing Finance Corporation, Single-Family Residential Mortgage Revenue (Veterans Mortgage Program)				
	6.25	6/1/35	3,975,000	4,027,788
Arizona--2.6%				

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Apache County Industrial Development Authority, PCR (Tucson Electric Power Company Project)	5.85	3/1/28	2,220,000	2,143,699
Arizona Health Facilities Authority, Revenue (Banner Health)	5.50	1/1/38	4,500,000	4,428,810
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)	5.50	7/1/26	4,000,000	3,697,960
Arkansas--.6%				
Arkansas Development Finance Authority, SFMR (Mortgage Backed Securities Program) (Collateralized: FNMA and GNMA)	6.25	1/1/32	2,380,000	2,452,876
California--5.9%				
California, GO (Various Purpose)	5.25	11/1/27	4,240,000	4,320,348
California Department of Veteran Affairs, Home Purchase Revenue	5.20	12/1/28	2,950,000	2,950,944
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California Educational Facilities Authority, Revenue (University of Southern California)	4.50	10/1/33	7,650,000	7,242,255
California Enterprise Development Authority, Sewage Facilities Revenue (Anheuser-Busch Project)	5.30	9/1/47	1,000,000	895,090
California Health Facilities Financing Authority, Revenue (Cedars-Sinai Medical Center)	6.25	12/1/09	3,750,000 a	3,990,112
California Statewide Communities Development Authority, Environmental Facilities Revenue (Microgy Holdings Project)	9.00	12/1/38	2,000,000	2,005,460
Silicon Valley Tobacco Securitization Authority, Tobacco Settlement Asset-Backed Bonds (Santa Clara County Tobacco Securitization Corporation)	0.00	6/1/36	15,290,000 b	1,701,165
Colorado--3.5%				
Colorado Health Facilities Authority, Revenue (American Baptist Homes of the Midwest Obligated Group)	5.90	8/1/37	2,500,000	2,156,575
Colorado Health Facilities Authority, Revenue (American				

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Housing Foundation I, Inc. Project)	8.50	12/1/31	1,920,000	2,004,192
Colorado Housing Finance Authority (Single Family Program) (Collateralized; FHA)	6.60	8/1/32	1,560,000	1,660,573
Northwest Parkway Public Highway Authority, Revenue	7.13	6/15/11	7,000,000 a	7,895,230
Connecticut--6.8%				
Connecticut Development Authority, PCR (Connecticut Light and Power Company Project)	5.95	9/1/28	9,000,000	8,765,100
Connecticut Health and Educational Facilities Authority, Revenue (Yale University Issue)	5.05	7/1/42	9,650,000	9,863,361
Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project)	6.45	11/15/22	4,985,000	4,875,280
Mohegan Tribe of Indians of Connecticut Gaming Authority, Priority Distribution Payment Public Improvement Revenue	6.25	1/1/31	3,470,000	3,172,274
District of Columbia--3.4%				
District of Columbia Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds	0.00	6/15/46	104,040,000 b	4,864,910
Metropolitan Washington Airports Authority, Airport System Revenue	5.13	10/1/24	5,275,000	5,186,855
Metropolitan Washington Airports Authority, Special Facility Revenue (Caterair International Corporation)	10.13	9/1/11	3,100,000	3,101,271
Florida--5.6%				
Escambia County, EIR (International Paper Company Project)	5.00	8/1/26	1,825,000	1,476,991
Florida Housing Finance Corporation, Housing Revenue (Seminole Ridge Apartments) (Collateralized; GNMA)	6.00	4/1/41	6,415,000	6,306,458
Highlands County Health Facilities Authority, HR (Adventist Health System/Sunbelt				

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Obligated Group)	5.25	11/15/36	5,000,000	4,838,850
Jacksonville Economic Development Commission, Health Care Facilities Revenue (Florida Proton Therapy Institute Project)	6.25	9/1/27	2,095,000 c	2,088,066
Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System)	6.00	10/1/09	70,000 a	73,595
Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System)	6.00	10/1/26	3,675,000	3,739,312
Orange County Health Facilities Authority, Revenue (Adventist Health System)	6.25	11/15/12	3,000,000 a	3,401,640
Georgia--1.7%				
Augusta, Airport Revenue	5.45	1/1/31	2,500,000	2,083,625
Georgia Housing and Finance Authority, SFMR	5.60	12/1/32	2,090,000	2,218,848
Savannah Economic Development Authority, EIR (International Paper Company Project)	6.20	8/1/27	2,670,000	2,483,287
Idaho--.1%				
Idaho Housing and Finance Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	260,000	261,193
Illinois--8.5%				
Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA)	6.25	10/1/32	1,605,000	1,650,004
Chicago O'Hare International Airport, Special Facility Revenue (American Airlines, Inc. Project)	5.50	12/1/30	4,000,000	2,340,320
Illinois Educational Facilities Authority, Revenue				
(Northwestern University)	5.00	6/1/12	11,720,000 c,d	11,767,466
Illinois Health Facilities Authority, Revenue (Advocate Health Care Network)	6.13	11/15/10	5,000,000 a	5,413,200
Illinois Health Facilities Authority, Revenue (OSF Healthcare System)	6.25	11/15/09	10,900,000 a	11,539,285
Indiana--1.7%				
Franklin Township School Building Corporation, First Mortgage Bonds	6.13	7/15/10	6,000,000 a	6,555,600
Kentucky--1.0%				

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Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's Healthcare, Inc. Project)	6.13	2/1/37	4,000,000	4,067,000
Louisiana--6.1%				
Lakeshore Villages Master Community Development District, Special Assessment Revenue	5.25	7/1/17	1,987,000	1,785,419
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	4,000,000	3,936,320
Saint John the Baptist Parish, Revenue (Marathon Oil Corporation Project)	5.13	6/1/37	12,000,000	10,370,880
West Feliciana Parish, PCR (Entergy Gulf States Project)	7.00	11/1/15	3,000,000	3,010,320
West Feliciana Parish, PCR (Entergy Gulf States Project)	6.60	9/1/28	4,700,000	4,701,598
Maryland--2.7%				
Maryland Economic Development Corporation, Senior Student Housing Revenue (University of Maryland, Baltimore Project)	5.75	10/1/33	2,550,000	2,137,486
Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue)	5.25	7/1/38	5,000,000	5,206,300
Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility)	8.75	11/15/10	3,710,000	3,188,226
Massachusetts--2.0%				
Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue)	9.00	12/15/12	2,000,000 a	2,415,260
Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.75	7/1/32	115,000	116,986
Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	6,000,000	5,260,380
Michigan--4.4%				

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Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	4,000,000	3,737,560
Michigan Strategic Fund, SWDR (Genesee Power Station				