

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC
Form N-Q
April 27, 2011

**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: 2/28/2011

FORM N-Q

Item 1. Schedule of Investments.

-2-

STATEMENT OF INVESTMENTS**Dreyfus Strategic Municipal Bond Fund, Inc.****February 28, 2011 (Unaudited)**

Long-Term Municipal Investments--148.6%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Alaska--1.0%				
Alaska Housing Finance Corporation, Single-Family Residential Mortgage Revenue (Veterans Mortgage Program)	6.25	6/1/35	3,630,000	3,632,468
Arizona--7.9%				
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	13,189,440
Glendale Western Loop 101 Public Facilities Corporation, Third Lien Excise Tax Revenue	7.00	7/1/33	6,010,000	6,303,949
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)	5.50	7/1/26	4,000,000	3,488,360
Pima County Industrial Development Authority, IDR (Tucson Electric Power Company Project)	5.75	9/1/29	6,000,000	5,851,320
California--15.6%				
Barclays Capital Municipal Trust Receipts (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport))	5.00	5/15/31	5,247,500 a,b	5,233,850
Beverly Hills Unified School District, GO California,	0.00	8/1/30	8,000,000 c	2,406,800
GO (Various Purpose) California,	5.75	4/1/31	7,800,000	8,061,768

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

GO (Various Purpose) California,	6.00	3/1/33	2,250,000	2,365,762
GO (Various Purpose) California,	6.50	4/1/33	5,000,000	5,438,350
GO (Various Purpose) California Pollution Control Financing Authority, SWDR (Waste Management, Inc. Project)	6.00	11/1/35	5,000,000	5,203,400
Golden State Tobacco Securitization Corporation, Tobacco Settlement	5.13	11/1/23	1,500,000	1,497,810
Asset-Backed Bonds Golden State Tobacco Securitization Corporation, Tobacco Settlement	4.50	6/1/27	2,000,000	1,439,960
Asset-Backed Bonds Los Angeles Department of Water and Power, Power System Revenue	5.00	6/1/33	8,335,000	5,433,920
Sacramento City Unified School District, GO (Insured; Assured Guaranty Municipal Corp.)	5.00	7/1/34	2,885,000	2,824,502
Sacramento County, Airport System Subordinate and Passenger Facility Charges	0.00	7/1/24	5,220,000 c	2,361,058
Grant Revenue San Diego Public Facilities Financing Authority, Senior	6.00	7/1/35	4,000,000	4,048,120
Sewer Revenue Santa Margarita/Dana Point Authority, Revenue (Santa Margarita Water District Improvement Districts Numbers 2,3 and 4)	5.25	5/15/34	2,500,000	2,511,375
Silicon Valley Tobacco Securitization Authority, Tobacco Settlement	5.13	8/1/38	5,000,000	4,905,900
Asset-Backed Bonds (Santa Clara County Tobacco				

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

Securitization Corporation)	0.00	6/1/36	15,290,000 c	1,221,365
-----------------------------	------	--------	--------------	-----------

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

Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)	5.88	1/1/29	2,000,000	2,130,240
Colorado--1.6%				
Arkansas River Power Authority, Power Improvement Revenue	6.13	10/1/40	5,000,000	4,902,600
Colorado Housing and Finance Authority, Single Family Program Senior and Subordinate Bonds (Collateralized; FHA)	6.60	8/1/32	1,040,000	1,098,542
Connecticut--3.8%				
Connecticut Development Authority, PCR (Connecticut Light and Power Company Project)	5.95	9/1/28	9,000,000	9,034,470
Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project)	6.45	11/15/22	4,985,000	4,984,601
District of Columbia--.4%				
Metropolitan Washington Airports Authority, Special Facility Revenue (Caterair International Corporation)	10.13	9/1/11	1,300,000	1,292,343
Florida--5.1%				
Highlands County Health Facilities Authority, HR (Adventist Health System/Sunbelt Obligated Group)	5.00	11/15/27	3,500,000	3,372,985
Mid-Bay Bridge Authority, Springing Lien Revenue	7.25	10/1/34	5,000,000	5,035,500
Orange County School Board, COP (Master Lease Purchase Agreement) (Insured; Assured Guaranty Municipal Corp.)	5.50	8/1/34	4,500,000	4,520,880
Saint Johns County Industrial Development Authority, Revenue (Presbyterian Retirement Communities Project)	6.00	8/1/45	3,500,000	3,242,330

South Lake County Hospital

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

District, Revenue (South Lake Hospital, Inc.)	6.25	4/1/39	2,500,000	2,463,375
Georgia--4.3%				
Atlanta, Water and Wastewater Revenue	6.00	11/1/28	4,865,000	5,156,219
Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.)	5.25	11/1/34	3,750,000	3,739,612
Augusta, Airport Revenue	5.45	1/1/31	2,500,000	2,142,625
Georgia Housing and Finance Authority, SFMR	5.60	12/1/32	1,990,000	1,990,239
Savannah Economic Development Authority, EIR (International Paper Company Project)	6.20	8/1/27	2,670,000	2,688,904
Hawaii--1.2%				
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawai'i Pacific Health Obligated Group)	5.63	7/1/30	2,500,000	2,385,075
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawaiian Electric Company, Inc. and Subsidiary Projects)	6.50	7/1/39	2,000,000	1,973,520
Idaho--.1%				
Idaho Housing and Finance Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	210,000	210,153
Illinois--2.7%				
Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA)	6.25	10/1/32	935,000	965,369
Illinois, GO	5.00	3/1/28	2,500,000	2,329,050
Illinois Finance Authority, Recovery Zone Facility Revenue (Navistar International				

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

Corporation Project)	6.50	10/15/40	2,000,000	2,028,360
Illinois Finance Authority, Revenue (Sherman Health Systems)	5.50	8/1/37	2,020,000	1,706,173
Railsplitter Tobacco Settlement Authority, Tobacco Settlement Revenue	6.00	6/1/28	3,000,000	2,942,850
Indiana--1.2%				
Indianapolis Local Public Improvement Bond Bank, Revenue (Indianapolis Airport Authority Project) (Insured; AMBAC)	5.00	1/1/36	5,000,000	4,355,250
Iowa--.4%				
Tobacco Settlement Authority of Iowa, Tobacco Settlement Asset-Backed Bonds	5.60	6/1/34	2,000,000	1,595,580
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	972,750
Louisiana--1.4%				
Lakeshore Villages Master Community Development District, Special Assessment Revenue	5.25	7/1/17	1,987,000 d	1,045,540
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	4,000,000	4,130,880
Maryland--1.0%				
Maryland Economic Development Corporation, Senior Student Housing Revenue (University of Maryland, Baltimore Project)	5.75	10/1/33	2,550,000	1,704,726
Maryland Industrial Development				

Financing Authority, EDR

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

(Medical Waste Associates Limited Partnership Facility)	8.75	5/15/11	3,710,000 d	2,040,500
Massachusetts--10.6%				
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	10,385,130
JPMorgan Chase Putters/Drivers Trust (Massachusetts Development Finance Agency, Revenue (Harvard University Issue))	5.25	2/1/34	10,000,000 a,b	10,607,000
Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) (Prerefunded)	9.00	12/15/12	1,500,000 e	1,698,765
Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.75	7/1/32	115,000	115,637
Massachusetts Health and Educational Facilities Authority, Revenue (Suffolk University Issue)	6.25	7/1/30	5,000,000	5,180,100
Massachusetts Housing Finance Agency, Housing Revenue	7.00	12/1/38	5,000,000	5,402,400
Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	5,575,000	5,199,356
Michigan--6.8%				
Detroit, Sewage Disposal System Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.50	7/1/33	3,500,000	4,142,985
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	2,000,000	1,806,320

Michigan Strategic Fund,

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

SWDR (Genesee Power Station Project)	7.50	1/1/21	7,020,000	6,423,019
Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group)	8.00	9/1/29	5,000,000	5,613,400
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	6,878,763
Mississippi--1.2%				
Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project)	5.90	5/1/22	4,260,000	4,203,129
Nevada--1.3%				
Clark County, Passenger Facility Charge Revenue (Las Vegas-McCarran International Airport)	5.00	7/1/30	5,000,000	4,807,850
New Hampshire--3.9%				
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	2,698,662
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	6,019,320
New Hampshire Industrial Development Authority, PCR (Connecticut Light and Power Company Project)	5.90	11/1/16	5,400,000	5,409,612
New Jersey--5.4%				
New Jersey Economic Development Authority, School Facilities Construction Revenue	5.50	12/15/29	5,000,000	5,178,000

New Jersey Economic Development

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

Authority, Water Facilities Revenue (New Jersey - American Water Company, Inc. Project)	5.70	10/1/39	3,000,000	3,005,070
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/29	250,000	175,632
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.00	6/1/13	10,095,000 e	11,472,766
New Mexico--1.3%				
Farmington, PCR (Public Service Company of New Mexico San Juan Project)	5.90	6/1/40	5,000,000	4,805,200
New York--14.3%				
Austin Trust (Port Authority of New York and New Jersey, Consolidated Bonds, 151st Series)	6.00	9/15/28	10,000,000 a,b	10,449,300
Barclays Capital Municipal Trust Receipts (New York City Transitional Finance Authority, Future Tax Secured Revenue)	5.00	5/1/30	4,488,203 a,b	4,610,623
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	5,451,900
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	5,440,550
Long Island Power Authority, Electric System General Revenue Metropolitan Transportation	6.25	4/1/33	3,000,000	3,305,610

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

Authority, Transportation

Revenue	6.25	11/15/23	8,425,000	9,500,872
---------	------	----------	-----------	-----------

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

New York City Educational Construction Fund, Revenue	6.50	4/1/28	2,785,000	3,119,785
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	5,115,300
New York State Dormitory Authority, Revenue (Suffolk County Judicial Facility)	9.50	4/15/14	605,000	743,539
Port Authority of New York and New Jersey, Special Project Revenue (JFK International Air Terminal LLC Project)	6.00	12/1/36	4,710,000	4,630,684
North Carolina--3.2%				
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	9,470,600
North Carolina Housing Finance Agency, Home Ownership Revenue	5.88	7/1/31	2,040,000	2,040,551
Ohio--3.0%				
Butler County, Hospital Facilities Revenue (UC Health)	5.50	11/1/40	6,000,000	5,056,620
Ohio Air Quality Development Authority, Air Quality Revenue (Ohio Valley Electric Corporation Project)	5.63	10/1/19	4,200,000	4,246,788
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	1,733,126
Oregon--.4%				
Warm Springs Reservation Confederated Tribes,				

Hydroelectric Revenue (Pelton)

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

Round Butte Project)	6.38	11/1/33	1,500,000	1,490,940
Pennsylvania--.9%				
Delaware County Industrial Development Authority, Charter School Revenue (Chester Community Charter School Project)	6.13	8/15/40	3,500,000	3,143,910
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	5,507,500
South Carolina--1.8%				
JPMorgan Chase Putters/Drivers Trust (South Carolina Public Service Authority, Revenue Obligations (Santee Cooper))	5.00	7/1/18	6,450,000 a,b	6,538,494
Tennessee--1.6%				
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/29	2,500,000	2,723,800
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/34	3,000,000	3,175,530
Texas--22.9%				
Barclays Capital Municipal Trust Receipts (Leander Independent School District, Unlimited Tax School Building Bonds (Permanent School Fund Guarantee Program))	5.00	8/15/40	10,000,000 a,b	10,099,450
Barclays Capital Municipal Trust				

Receipts (Texas A&M University
System Board of Regents,

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

Financing System Revenue) Dallas-Fort Worth International Airport Facility Improvement Corporation, Revenue (Learjet Inc. Project)	5.00	5/15/39	13,160,000 a,b	13,241,066
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System)	6.15	1/1/16	3,000,000	2,973,180
Harris County Health Facilities Development Corporation, Revenue (CHRISTUS Health) (Insured; Assured Guaranty Municipal Corp.)	7.25	12/1/35	9,290,000	10,090,705
Houston, Combined Utility System First Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	5.00	7/1/15	1,500,000	1,606,380
Matagorda County Navigation District Number One, Revenue (Houston Lighting and Power Company Project) (Insured; AMBAC)	6.00	11/15/36	5,000,000	5,425,850
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Municipal Corp.)	5.13	11/1/28	4,295,000	3,803,008
North Texas Tollway Authority, Second Tier System Revenue	5.75	1/1/40	14,705,000	14,802,788
Texas Department of Housing and Community Affairs, Home Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	5.75	1/1/38	6,650,000	6,268,689
Texas Department of Housing and Community Affairs, Residential Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	12.77	7/2/24	750,000 f	834,705
	5.35	7/1/33	4,560,000	4,487,815

Texas Turnpike Authority,
Central Texas Turnpike System

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

Revenue (Insured; AMBAC) Tomball Hospital Authority, Revenue (Tomball Regional Hospital)	5.25	8/15/42	5,375,000	4,804,121
Virginia--4.5% Henrico County Industrial Development Authority, Revenue (Bon Secours Health System) (Insured; Assured Guaranty Municipal Corp.)	6.00	7/1/25	4,650,000	4,649,442
Virginia Housing Development Authority, Commonwealth Mortgage Revenue	11.11	8/23/27	7,300,000 f	7,777,566
Washington County Industrial Development Authority, HR (Mountain States Health Alliance)	6.25	7/1/31	5,140,000	5,297,849
Washington--1.8% Washington Health Care Facilities Authority, Mortgage Revenue (Highline Medical Center) (Collateralized; FHA)	7.75	7/1/38	3,000,000	3,302,580
West Virginia--1.9% The County Commission of Harrison County, SWDR (Allegheny Energy Supply Company, LLC Harrison Station Project)	6.25	8/1/36	5,975,000	6,408,367
Wisconsin--6.9% Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	5.50	10/15/37	7,920,000	7,022,822
Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.00	6/1/12	14,570,000 e	15,728,898
Wisconsin Health and Educational	6.13	6/1/27	5,260,000 e	5,496,437

Facilities Authority, Revenue

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

(Aurora Health Care, Inc.)	6.40	4/15/33	4,000,000	4,042,320
U.S. Related--5.4%				
Government of Guam, GO	7.00	11/15/39	1,500,000	1,567,350
Puerto Rico Commonwealth, Public Improvement GO	5.50	7/1/32	1,500,000	1,417,155
Puerto Rico Commonwealth, Public Improvement GO	6.00	7/1/39	3,500,000	3,415,860
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	5.38	8/1/39	2,500,000	2,313,550
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	6.00	8/1/42	10,000,000	9,999,400
Virgin Islands Public Finance Authority, Revenue (Virgin Islands Matching Fund Loan Notes) (Senior Lien/Capital Projects)	5.00	10/1/39	1,250,000	1,034,350
Total Long-Term Municipal Investments				542,236,559
(cost \$550,301,004)				
Short-Term Municipal Investments--2.2%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
California--.9%				
California, Economic Recovery Bonds (LOC; JPMorgan Chase Bank)	0.20	3/1/11	2,400,000 g	2,400,000
California Infrastructure and Economic Development Bank, Revenue (California Academy of Sciences, San Francisco, California) (LOC; Wells Fargo Bank)	0.20	3/1/11	800,000 g	800,000
New York--1.0%				
New York City, GO Notes (LOC; JPMorgan Chase Bank)	0.20	3/1/11	1,000,000 g	1,000,000
New York City, GO Notes (LOC; JPMorgan Chase				

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

Bank)	0.22	3/1/11	3,000,000 g	3,000,000
Texas--.3%				
Harris County Cultural Education Facilities Finance Corporation, Special Facilities Revenue, Refunding (Texas Medical Center) (LOC; JPMorgan Chase Bank)				
	0.22	3/1/11	1,000,000 g	1,000,000
Total Short-Term Municipal Investments (cost \$8,200,000)				8,200,000
Total Investments (cost \$558,501,004)			150.8 %	550,436,559
Liabilities, Less Cash and Receivables			(12.6 %)	(45,985,337)
Preferred Stock, at redemption value			(38.2 %)	(139,500,000)
Net Assets Applicable to Common Shareholders			100.0 %	364,951,222

- 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, 2011, these securities had a value of \$106,450,529 or 29.2% 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; interest payments 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 28, 2011.
- g Variable rate demand note - rate shown is the interest rate in effect at February 28, 2011. Maturity date represents the next demand date, or the ultimate maturity date if earlier.

At February 28, 2011, the aggregate cost of investment securities for income tax purposes was \$558,501,004. Net unrealized depreciation on investments was \$8,064,445 of which \$16,205,566 related to appreciated investment securities and \$24,270,011 related to depreciated investment securities.

Summary of Abbreviations

ABAG	Association of Bay Area Governments	ACA	American Capital Access
AGC	ACE Guaranty Corporation	AGIC	Asset Guaranty Insurance Company
AMBAC	American Municipal Bond Assurance Corporation	ARRN	Adjustable Rate Receipt Notes

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

BAN	Bond Anticipation Notes	BPA	Bond Purchase Agreement
CIFG	CDC Ixis Financial Guaranty	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
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	MFHR	Multi-Family Housing Revenue
MFMR	Multi-Family Mortgage Revenue	PCR	Pollution Control Revenue
PILOT	Payment in Lieu of Taxes	PUTTERS	Puttable Tax-Exempt Receipts
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

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

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, 2011 in valuing the fund's investments:

	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 -Significant Unobservable Inputs	Total
Assets (\$)				
Investments in Securities:				
Municipal Bonds	-	550,436,559	-	550,436,559

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: 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. Financial futures and options on municipal 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 each business day.

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, 2011.

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 26, 2011

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 26, 2011

By: /s/ James Windels
James Windels

Treasurer

Date: April 26, 2011

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)

