

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC  
Form N-Q  
April 29, 2009

**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: 2/28/09

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**FORM N-Q**

**Item 1. Schedule of Investments.**

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**STATEMENT OF INVESTMENTS**

**Dreyfus Strategic Municipal Bond Fund, Inc.**

**February 28, 2009 (Unaudited)**

| <b>Long-Term Municipal<br/>Investments--148.3%</b> | <b>Coupon<br/>Rate (%)</b> | <b>Maturity<br/>Date</b> | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------|--------------------------|----------------------------------|-------------------|
| <b>Alaska--4.7%</b>                                |                            |                          |                                  |                   |
| Alaska Housing Finance                             |                            |                          |                                  |                   |

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|                                    |      |         |             |            |
|------------------------------------|------|---------|-------------|------------|
| Corporation, General Mortgage      |      |         |             |            |
| Revenue (Insured; MBIA, Inc.)      | 6.05 | 6/1/39  | 11,915,000  | 11,922,626 |
| Alaska Housing Finance             |      |         |             |            |
| Corporation, Single-Family         |      |         |             |            |
| Residential Mortgage Revenue       |      |         |             |            |
| (Veterans Mortgage Program)        | 6.25 | 6/1/35  | 3,975,000   | 4,006,204  |
| <b>Arizona--2.7%</b>               |      |         |             |            |
| Glendale Western Loop 101 Public   |      |         |             |            |
| Facilities Corporation, Third      |      |         |             |            |
| Lien Excise Tax Revenue            | 7.00 | 7/1/33  | 6,010,000   | 6,351,668  |
| Pima County Industrial Development |      |         |             |            |
| Authority, Education Revenue       |      |         |             |            |
| (American Charter Schools          |      |         |             |            |
| Foundation Project)                | 5.50 | 7/1/26  | 4,000,000   | 2,882,440  |
| <b>Arkansas--.7%</b>               |      |         |             |            |
| Arkansas Development Finance       |      |         |             |            |
| Authority, SFMR (Mortgage          |      |         |             |            |
| Backed Securities Program)         |      |         |             |            |
| (Collateralized: FNMA and GNMA)    | 6.25 | 1/1/32  | 2,265,000   | 2,326,268  |
| <b>California--9.6%</b>            |      |         |             |            |
| Beverly Hills Unified School       |      |         |             |            |
| District, GO                       | 0.00 | 8/1/30  | 8,000,000 a | 2,359,520  |
| California Department of Veteran   |      |         |             |            |
| Affairs, Home Purchase Revenue     | 5.20 | 12/1/28 | 2,950,000   | 2,949,823  |
| California Educational Facilities  |      |         |             |            |
| Authority, Revenue (University     |      |         |             |            |
| of Southern California)            | 5.25 | 10/1/38 | 5,000,000   | 5,105,550  |
| California Enterprise Development  |      |         |             |            |
| Authority, Sewage Facilities       |      |         |             |            |
| Revenue (Anheuser-Busch            |      |         |             |            |
| Project)                           | 5.30 | 9/1/47  | 1,000,000   | 703,930    |
| California Health Facilities       |      |         |             |            |
| Financing Authority, Revenue       |      |         |             |            |
| (Cedars-Sinai Medical Center)      | 6.25 | 12/1/09 | 3,750,000 b | 3,949,275  |
| California Housing Finance Agency, |      |         |             |            |
| Home Mortgage Revenue              | 5.05 | 8/1/27  | 2,500,000   | 2,070,450  |
| California Pollution Control       |      |         |             |            |
| Financing Authority, SWDR          |      |         |             |            |
| (Waste Management, Inc.            |      |         |             |            |
| Project)                           | 5.13 | 11/1/23 | 1,500,000   | 1,253,505  |
| California Statewide Communities   |      |         |             |            |

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|---|------|---------|--------------|-----------|
| Development Authority,<br>Environmental Facilities<br>Revenue (Microgy Holdings<br>Project)   | 9.00 | 12/1/38 | 2,000,000    | 1,597,320 |
| Golden State Tobacco  |      |         |              |           |
| Securitization Corporation,<br>Tobacco Settlement<br>Asset-Backed Bonds   | 5.00 | 6/1/33  | 2,535,000    | 1,579,001 |
| Los Angeles Department of Water<br>and Power, Power System Revenue  | 5.00 | 7/1/34  | 2,885,000    | 2,827,935 |
| Sacramento City Unified School<br>District, GO (Insured; FSA)   | 0.00 | 7/1/24  | 5,220,000 a  | 2,266,994 |
| Santa Margarita/Dana Point<br>Authority, Revenue (Santa<br>Margarita Water District<br>Improvement Districts Numbers<br>2, 3 and 4)                           | 5.13 | 8/1/38  | 5,000,000    | 4,928,750 |
| Silicon Valley Tobacco<br>Securitization Authority,<br>Tobacco Settlement<br>Asset-Backed Bonds (Santa<br>Clara County Tobacco<br>Securitization Corporation) | 0.00 | 6/1/36  | 15,290,000 a | 986,664   |
| <b>Colorado--3.7%</b>   |      |         |              |           |
| Colorado Health Facilities<br>Authority, Revenue (American<br>Baptist Homes of the Midwest<br>Obligated Group)  | 5.90 | 8/1/37  | 2,500,000    | 1,511,925 |
| Colorado Health Facilities<br>Authority, Revenue (American<br>Housing Foundation I, Inc.<br>Project)  | 8.50 | 12/1/11 | 1,870,000 b  | 2,179,055 |
| Colorado Housing Finance<br>Authority, Single Family<br>Program Senior and Subordinate<br>Bonds (Collateralized; FHA)   | 6.60 | 8/1/32  | 1,440,000    | 1,508,832 |
| Northwest Parkway Public Highway<br>Authority, Revenue  | 7.13 | 6/15/11 | 7,000,000 b  | 7,484,470 |
| <b>Connecticut--4.1%</b>  |      |         |              |           |

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|--|-------|----------|---------------|-----------|
| Connecticut Development Authority,<br>PCR (Connecticut Light and<br>Power Company Project)   | 5.95  | 9/1/28   | 9,000,000     | 7,521,750 |
| Connecticut Resources Recovery<br>Authority, Special Obligation<br>Revenue (American REF-FUEL<br>Company of Southeastern<br>Connecticut Project) | 6.45  | 11/15/22 | 4,985,000     | 4,491,286 |
| Mohegan Tribe of Indians of<br>Connecticut Gaming Authority,<br>Priority Distribution Payment<br>Public Improvement Revenue                      | 6.25  | 1/1/31   | 3,470,000 c   | 1,997,367 |
| <b>District of Columbia--1.4%</b>  |       |          |               |           |
| District of Columbia Tobacco<br>Settlement Financing<br>Corporation, Tobacco<br>Settlement Asset-Backed Bonds                                    | 0.00  | 6/15/46  | 104,040,000 a | 2,021,497 |
| Metropolitan Washington Airports<br>Authority, Special Facility<br>Revenue (Caterair<br>International Corporation)                               | 10.13 | 9/1/11   | 2,700,000     | 2,609,010 |
| <b>Florida--6.7%</b>   |       |          |               |           |
| <hr/>  |       |          |               |           |
| Escambia County,<br>EIR (International Paper<br>Company Project)   | 5.00  | 8/1/26   | 1,825,000     | 1,074,377 |
| Florida Housing Finance<br>Corporation, Housing Revenue<br>(Seminole Ridge Apartments)<br>(Collateralized; GNMA)                                 | 6.00  | 4/1/41   | 6,415,000     | 6,426,739 |
| Highlands County Health Facilities<br>Authority, HR (Adventist<br>Health System/Sunbelt<br>Obligated Group)                                      | 5.25  | 11/15/36 | 2,875,000     | 2,415,719 |
| Jacksonville Economic Development<br>Commission, Health Care<br>Facilities Revenue (Florida<br>Proton Therapy Institute<br>Project)              | 6.25  | 9/1/27   | 2,095,000 c   | 1,565,950 |
| Orange County Health Facilities  |       |          |               |           |

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|---|------|----------|--------------|------------|
| Authority, HR (Orlando<br>Regional Healthcare System)   | 6.00 | 10/1/09  | 70,000 b     | 72,913     |
| Orange County Health Facilities   |      |          |              |            |
| Authority, HR (Orlando<br>Regional Healthcare System)   | 6.00 | 10/1/26  | 3,675,000    | 3,384,491  |
| Orange County Health Facilities   |      |          |              |            |
| Authority, Revenue (Adventist<br>Health System)   | 6.25 | 11/15/12 | 3,000,000 b  | 3,404,220  |
| Orange County School Board,<br>COP (Master Lease Purchase<br>Agreement) (Insured; Assured<br>Guaranty)    | 5.50 | 8/1/34   | 4,500,000 d  | 4,459,635  |
| <b>Georgia--1.6%</b>  |      |          |              |            |
| Augusta,<br>Airport Revenue   | 5.45 | 1/1/31   | 2,500,000    | 1,592,325  |
| Georgia Housing and Finance<br>Authority, SFMR  | 5.60 | 12/1/32  | 2,090,000    | 1,982,616  |
| Savannah Economic Development<br>Authority, EIR (International<br>Paper Company Project)                  | 6.20 | 8/1/27   | 2,670,000    | 1,822,328  |
| <b>Idaho--.1%</b>   |      |          |              |            |
| Idaho Housing and Finance<br>Association, SFMR<br>(Collateralized; FNMA)                                  | 6.35 | 1/1/30   | 225,000      | 226,325    |
| <b>Illinois--5.9%</b>   |      |          |              |            |
| Chicago,<br>SFMR (Collateralized: FHLMC,<br>FNMA and GNMA)  | 6.25 | 10/1/32  | 1,430,000    | 1,472,871  |
| Chicago O'Hare International<br>Airport, Special Facility<br>Revenue (American Airlines,<br>Inc. Project) | 5.50 | 12/1/30  | 4,000,000    | 1,742,720  |
| Illinois Health Facilities<br>Authority, Revenue (Advocate<br>Health Care Network)                        | 6.13 | 11/15/10 | 5,000,000 b  | 5,423,300  |
| Illinois Health Facilities<br>Authority, Revenue (OSF<br>Healthcare System)                               | 6.25 | 11/15/09 | 10,900,000 b | 11,427,451 |

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**Indiana--1.9%**

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|   |      |          |             |           |
|---|------|----------|-------------|-----------|
| Franklin Township School Building Corporation, First Mortgage Bonds   | 6.13 | 7/15/10  | 6,000,000 b | 6,544,260 |
| <b>Kentucky--.9%</b>  |      |          |             |           |
| Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's Healthcare, Inc. Project)       | 6.13 | 2/1/37   | 3,000,000   | 2,952,540 |
| <b>Louisiana--3.4%</b>  |      |          |             |           |
| Lakeshore Villages Master Community Development District, Special Assessment Revenue  | 5.25 | 7/1/17   | 1,987,000   | 1,511,849 |
| Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects) | 6.75 | 11/1/32  | 4,000,000   | 2,653,800 |
| West Feliciana Parish, PCR (Entergy Gulf States Project)  | 7.00 | 11/1/15  | 3,000,000   | 2,921,430 |
| West Feliciana Parish, PCR (Entergy Gulf States Project)  | 6.60 | 9/1/28   | 4,700,000   | 4,441,970 |
| <b>Maryland--1.4%</b>   |      |          |             |           |
| Maryland Economic Development Corporation, Senior Student Housing Revenue (University of Maryland, Baltimore Project)                     | 5.75 | 10/1/33  | 2,550,000   | 1,444,320 |
| Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility)                          | 8.75 | 11/15/10 | 3,710,000   | 3,181,993 |
| <b>Massachusetts--6.2%</b>  |      |          |             |           |
| Massachusetts Educational Financing Authority, Education Loan Revenue (Insured; Assured Guaranty)   | 6.13 | 1/1/22   | 8,000,000   | 8,153,920 |
| Massachusetts Health and Educational Facilities   |      |          |             |           |

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|---|------|----------|-------------|-----------|
| Authority, Revenue (Civic Investments Issue)  | 9.00 | 12/15/12 | 1,900,000 b | 2,325,106 |
| Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue) | 5.75 | 7/1/32   | 115,000     | 115,250   |
| Massachusetts Housing Finance Agency, Housing Revenue   | 7.00 | 12/1/38  | 5,000,000   | 5,334,300 |
| Massachusetts Housing Finance Agency, SFHR  | 5.00 | 12/1/31  | 6,000,000   | 5,307,300 |
| <b>Michigan--4.2%</b>   |      |          |             |           |
| Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)                              | 6.00 | 7/1/35   | 4,000,000   | 2,792,760 |
| Michigan Strategic Fund, SWDR (Genesee Power Station Project)   | 7.50 | 1/1/21   | 7,720,000   | 6,193,910 |
| Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group)                  | 8.00 | 9/1/29   | 5,000,000   | 5,305,550 |
| <b>Minnesota--2.3%</b>  |      |          |             |           |
| Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue (HealthEast Project)        | 6.00 | 11/15/35 | 11,250,000  | 7,901,887 |
| <b>Mississippi--1.0%</b>  |      |          |             |           |
| Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project)                 | 5.90 | 5/1/22   | 4,260,000   | 3,513,265 |
| <b>Missouri--1.6%</b>   |      |          |             |           |
| Missouri Health and Educational Facilities Authority, Health Facilities Revenue (BJC Health System)   | 5.25 | 5/15/32  | 5,900,000   | 5,552,785 |
| <b>Nebraska--.2%</b>  |      |          |             |           |
| Nebraska Investment Finance Authority, SFMR   | 8.64 | 3/1/26   | 700,000 c,e | 704,984   |
| <b>Nevada--3.1%</b>   |      |          |             |           |

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|--|------|---------|----------------|------------|
| Clark County,<br>IDR (Nevada Power Company<br>Project)   | 5.60 | 10/1/30 | 3,000,000      | 2,058,120  |
| Washoe County,<br>GO Convention Center Revenue<br>(Reno-Sparks Convention and<br>Visitors Authority) (Insured;<br>FSA)         | 6.40 | 1/1/10  | 8,000,000 b    | 8,383,520  |
| <b>New Hampshire--3.9%</b>   |      |         |                |            |
| New Hampshire Business Finance<br>Authority, PCR (Public Service<br>Company of New Hampshire<br>Project) (Insured; MBIA, Inc.) | 6.00 | 5/1/21  | 2,690,000      | 2,491,370  |
| New Hampshire Business Finance<br>Authority, PCR (Public Service<br>Company of New Hampshire<br>Project) (Insured; MBIA, Inc.) | 6.00 | 5/1/21  | 6,000,000      | 5,556,960  |
| New Hampshire Industrial<br>Development Authority, PCR<br>(Connecticut Light and Power<br>Company Project)                     | 5.90 | 11/1/16 | 5,400,000      | 5,326,884  |
| <b>New Jersey--4.6%</b>  |      |         |                |            |
| New Jersey Economic Development<br>Authority, Special Facility<br>Revenue (Continental Airlines,<br>Inc. Project)              | 6.25 | 9/15/19 | 4,620,000      | 3,426,700  |
| Tobacco Settlement Financing<br>Corporation of New Jersey,<br>Tobacco Settlement   |      |         |                |            |
| Asset-Backed Bonds   | 7.00 | 6/1/13  | 10,095,000 b   | 12,186,886 |
| <b>New York--8.7%</b>  |      |         |                |            |
| Austin Trust<br>(Port Authority of New York<br>and New Jersey, Consolidated<br>Bonds, 151th Series)                            | 6.00 | 9/15/28 | 10,000,000 c,f | 10,174,150 |
| Long Island Power Authority,<br>Electric System General Revenue  | 6.25 | 4/1/33  | 3,000,000      | 3,217,980  |
| Metropolitan Transportation<br>Authority, Transportation   |      |         |                |            |



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|---|------|----------|-----------|-----------|
| Revenue   | 6.25 | 11/15/23 | 5,000,000 | 5,635,150 |
| New York City Industrial  |      |          |           |           |
| Development Agency, Special<br>Facility Revenue (American<br>Airlines, Inc. John F. Kennedy<br>International Airport Project) | 8.00 | 8/1/28   | 3,000,000 | 2,317,680 |
| New York City Industrial  |      |          |           |           |
| Development Agency, Special<br>Facility Revenue (American<br>Airlines, Inc. John F. Kennedy<br>International Airport Project) | 7.75 | 8/1/31   | 5,000,000 | 3,712,550 |
| New York State Dormitory  |      |          |           |           |
| Authority, Revenue (Marymount<br>Manhattan College) (Insured;<br>Radian)  | 6.25 | 7/1/29   | 4,000,000 | 3,703,160 |
| New York State Dormitory  |      |          |           |           |
| Authority, Revenue (Suffolk<br>County Judicial Facility)  | 9.50 | 4/15/14  | 605,000   | 805,116   |
| <b>North Carolina--1.5%</b>   |      |          |           |           |
| North Carolina Eastern Municipal  |      |          |           |           |
| Power Agency, Power System<br>Revenue   | 6.70 | 1/1/19   | 2,500,000 | 2,557,950 |
| North Carolina Housing Finance  |      |          |           |           |
| Agency, Home Ownership Revenue  | 5.88 | 7/1/31   | 2,575,000 | 2,557,361 |
| <b>Ohio--1.5%</b>   |      |          |           |           |
| Cuyahoga County,  |      |          |           |           |
| Hospital Facilities Revenue<br>(UHHS/CSAHS-Cuyahoga, Inc. and<br>CSAHS/UHHS-Canton, Inc.<br>Project)                          | 7.50 | 1/1/30   | 3,500,000 | 3,393,915 |
| Port of Greater Cincinnati  |      |          |           |           |
| Development Authority, Tax<br>Increment Development Revenue<br>(Fairfax Village Red Bank<br>Infrastructure Project)           | 5.63 | 2/1/36   | 2,530,000 | 1,650,749 |
| <b>Oklahoma--1.5%</b>   |      |          |           |           |
| Oklahoma Development Finance  |      |          |           |           |
| Authority, Revenue (Saint John<br>Health System)  | 6.00 | 2/15/29  | 2,250,000 | 2,256,097 |
| Oklahoma Industries Authority,<br>Health System Revenue   |      |          |           |           |

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|---|------|----------|-------------|-----------|
| (Obligated Group) (Insured;<br>MBIA, Inc.)  | 5.75 | 8/15/09  | 2,895,000 b | 2,994,414 |
| <b>Pennsylvania--2.4%</b>   |      |          |             |           |
| Allegheny County Port Authority,<br>Special Transportation Revenue  |      |          |             |           |
| <hr/>   |      |          |             |           |
| (Insured; MBIA, Inc.)   | 6.13 | 3/1/09   | 4,750,000 b | 4,800,492 |
| Pennsylvania Economic Development<br>Financing Authority, SWDR (USG<br>Corporation Project)   | 6.00 | 6/1/31   | 7,000,000   | 3,136,630 |
| Pennsylvania Housing Finance<br>Agency, Multi-Family<br>Development Revenue   | 8.25 | 12/15/19 | 214,000     | 214,475   |
| <b>South Carolina--3.9%</b>   |      |          |             |           |
| Greenville Hospital System,<br>Hospital Facilities Revenue  |      |          |             |           |
| (Insured; AMBAC)  | 5.50 | 5/1/26   | 7,000,000   | 7,032,760 |
| Richland County,<br>EIR (International Paper<br>Company Project)  | 6.10 | 4/1/23   | 8,500,000   | 6,208,315 |
| <b>Tennessee--4.7%</b>  |      |          |             |           |
| Johnson City Health and<br>Educational Facilities Board,<br>Hospital First Mortgage<br>Revenue (Mountain States<br>Health Alliance) | 7.50 | 7/1/12   | 2,000,000 b | 2,284,420 |
| Johnson City Health and<br>Educational Facilities Board,<br>Hospital First Mortgage<br>Revenue (Mountain States<br>Health Alliance) | 7.50 | 7/1/12   | 4,875,000 b | 5,568,274 |
| Knox County Health, Educational<br>and Housing Facility Board,<br>Revenue (University Health<br>System, Inc.)                       | 5.25 | 4/1/36   | 3,650,000   | 2,712,023 |
| Memphis Center City Revenue<br>Finance Corporation, Sports<br>Facility Revenue (Memphis<br>Redbirds Baseball Foundation<br>Project) | 6.50 | 9/1/28   | 6,000,000 g | 4,046,040 |

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|                                   |      |          |             |           |
|-----------------------------------|------|----------|-------------|-----------|
| Tennessee Housing Development     |      |          |             |           |
| Agency, Homeownership Program     |      |          |             |           |
| Revenue                           | 6.00 | 1/1/28   | 1,340,000   | 1,359,819 |
| <b>Texas--29.0%</b>               |      |          |             |           |
| Brazos River Authority,           |      |          |             |           |
| PCR (TXU Electric Company         |      |          |             |           |
| Project)                          | 8.25 | 5/1/33   | 3,000,000   | 1,764,450 |
| Brazos River Harbor Navigation    |      |          |             |           |
| District, Revenue (The Dow        |      |          |             |           |
| Chemical Company Project)         | 5.13 | 5/15/33  | 5,000,000   | 3,125,700 |
| 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   | 2,477,970 |
| Gregg County Health Facilities    |      |          |             |           |
| Development Corporation, HR       |      |          |             |           |
| (Good Shepherd Medical Center     |      |          |             |           |
| Project) (Insured; Radian)        | 6.38 | 10/1/10  | 2,500,000 b | 2,686,950 |
| Gulf Coast Industrial Development |      |          |             |           |
| Authority, Environmental          |      |          |             |           |
| Facilities Revenue (Microgy       |      |          |             |           |
| <hr/>                             |      |          |             |           |
| Holdings Project)                 | 7.00 | 12/1/36  | 5,000,000   | 3,226,750 |
| Harris County Health Facilities   |      |          |             |           |
| Development Corporation, HR       |      |          |             |           |
| (Memorial Hermann Healthcare      |      |          |             |           |
| System)                           | 6.38 | 6/1/11   | 7,000,000 b | 7,821,870 |
| Harris County Health Facilities   |      |          |             |           |
| Development Corporation, HR       |      |          |             |           |
| (Memorial Hermann Healthcare      |      |          |             |           |
| System)                           | 7.25 | 12/1/35  | 9,290,000   | 9,776,146 |
| Harris County Hospital District,  |      |          |             |           |
| Senior Lien Revenue (Insured;     |      |          |             |           |
| MBIA, Inc.)                       | 5.25 | 2/15/42  | 5,000,000   | 4,357,400 |
| Harris County-Houston Sports      |      |          |             |           |
| Authority, Third Lien Revenue     |      |          |             |           |
| (Insured; MBIA, Inc.)             | 0.00 | 11/15/31 | 9,685,000 a | 1,601,899 |
| Lubbock Housing Financing         |      |          |             |           |
| Corporation, SFMR                 |      |          |             |           |

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|                                 |       |         |            |            |
|---------------------------------|-------|---------|------------|------------|
| (Collateralized: FNMA and GNMA) | 6.70  | 10/1/30 | 900,000    | 946,881    |
| Matagorda County Navigation     |       |         |            |            |
| District Number One, Revenue    |       |         |            |            |
| (Houston Lighting and Power     |       |         |            |            |
| Company Project) (Insured;      |       |         |            |            |
| AMBAC)                          | 5.13  | 11/1/28 | 4,295,000  | 3,288,338  |
| North Texas Tollway Authority,  |       |         |            |            |
| First Tier System Revenue       |       |         |            |            |
| (Insured; Assured Guaranty)     | 5.75  | 1/1/40  | 14,705,000 | 15,020,422 |
| North Texas Tollway Authority,  |       |         |            |            |
| Second Tier System Revenue      | 5.75  | 1/1/38  | 6,650,000  | 6,083,686  |
| Sabine River Authority,         |       |         |            |            |
| PCR (TXU Electric Company       |       |         |            |            |
| Project)                        | 6.45  | 6/1/21  | 4,900,000  | 2,634,828  |
| Texas                           |       |         |            |            |
| (Veterans' Land)                | 6.00  | 12/1/30 | 3,935,000  | 3,822,931  |
| Texas,                          |       |         |            |            |
| GO (Veterans Housing            |       |         |            |            |
| Assistance Program)             |       |         |            |            |
| (Collateralized; FHA)           | 6.10  | 6/1/31  | 8,510,000  | 8,336,651  |
| Texas Department of Housing and |       |         |            |            |
| Community Affairs, Home         |       |         |            |            |
| Mortgage Revenue                |       |         |            |            |
| (Collateralized: FHLMC, FNMA    |       |         |            |            |
| and GNMA)                       | 10.93 | 7/2/24  | 900,000 e  | 947,043    |
| Texas Department of Housing and |       |         |            |            |
| Community Affairs, Residential  |       |         |            |            |
| Mortgage Revenue                |       |         |            |            |
| (Collateralized: FHLMC, FNMA    |       |         |            |            |
| and GNMA)                       | 5.35  | 7/1/33  | 5,070,000  | 4,717,889  |
| Texas Turnpike Authority,       |       |         |            |            |
| Central Texas Turnpike System   |       |         |            |            |
| Revenue (Insured; AMBAC)        | 5.25  | 8/15/42 | 5,375,000  | 4,644,537  |
| Tomball Hospital Authority,     |       |         |            |            |
| Revenue (Tomball Regional       |       |         |            |            |
| Hospital)                       | 6.00  | 7/1/25  | 4,650,000  | 3,672,198  |
| Tyler Health Facilities         |       |         |            |            |
| Development Corporation, HR,    |       |         |            |            |
| Refunding and Improvement       |       |         |            |            |

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|   |                        |                      |                              |                    |
|---|------------------------|----------------------|------------------------------|--------------------|
| Bonds (East Texas Medical Center Regional Healthcare System Project)  | 5.25                   | 11/1/32              | 6,915,000                    | 4,682,700          |
| Willacy County Local Government Corporation, Project Revenue  | 6.88                   | 9/1/28               | 4,000,000                    | 2,916,640          |
| <b>Virginia--6.4%</b>   |                        |                      |                              |                    |
| Henrico County Industrial Development Authority, Revenue (Bon Secours Health System) (Insured; FSA)           | 10.73                  | 8/23/27              | 7,450,000 e                  | 7,647,947          |
| Virginia Housing Development Authority, Commonwealth Mortgage Revenue   | 6.25                   | 7/1/31               | 5,250,000                    | 5,491,290          |
| Virginia Housing Development Authority, Rental Housing Revenue  | 6.20                   | 8/1/24               | 8,520,000                    | 8,613,209          |
| <b>Washington--4.8%</b>   |                        |                      |                              |                    |
| Washington Health Care Facilities Authority, Mortgage Revenue (Highline Medical Center) (Collateralized; FHA) | 6.25                   | 8/1/36               | 6,000,000                    | 6,169,500          |
| Washington Higher Educational Facilities Authority, Revenue (Whitman College)                                 | 5.88                   | 10/1/09              | 10,000,000 b                 | 10,319,500         |
| <b>Wisconsin--8.0%</b>  |                        |                      |                              |                    |
| Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds                        | 6.13                   | 6/1/27               | 8,280,000                    | 7,899,700          |
| Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds                        | 7.00                   | 6/1/28               | 14,570,000                   | 14,689,911         |
| Wisconsin Health and Educational Facilities Authority, Revenue (Aurora Health Care, Inc.)                     | 6.40                   | 4/15/33              | 5,500,000                    | 4,502,465          |
| <b>Total Long-Term Municipal Investments</b><br>(cost \$562,208,354)  |                        |                      |                              | <b>504,397,635</b> |
| <b>Short-Term Municipal Investments--6.8%</b>   | <b>Coupon Rate (%)</b> | <b>Maturity Date</b> | <b>Principal Amount (\$)</b> | <b>Value (\$)</b>  |
| <b>Florida--2.4%</b>  |                        |                      |                              |                    |

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|  |      |         |             |           |
|--|------|---------|-------------|-----------|
| Hillsborough County School Board,<br>COP (Master Lease Purchase<br>Agreement) (LOC; Wachovia Bank) | 0.60 | 3/1/09  | 4,900,000 h | 4,900,000 |
| Lee Memorial Health System,<br>HR (LOC; Bank of America)   | 0.55 | 3/1/09  | 3,200,000 h | 3,200,000 |
| <b>New York--3.4%</b>  |      |         |             |           |
| Monroe County,<br>GO Notes, RAN  | 6.50 | 4/15/09 | 5,000,000   | 5,019,200 |
| New York City,<br>GO Notes (Liquidity Facility;<br>Allied Irish Banks)                             | 0.70 | 3/1/09  | 6,600,000 h | 6,600,000 |
| <b>Pennsylvania--1.0%</b>  |      |         |             |           |
| Lancaster County Hospital<br>Authority, Health System  |      |         |             |           |

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|   |      |        |                |                      |
|---|------|--------|----------------|----------------------|
| Revenue (The Lancaster General<br>Hospital Refunding Project)<br>(LOC; Bank of America) | 0.52 | 3/1/09 | 3,300,000 h    | 3,300,000            |
| <b>Total Short-Term Municipal Investments</b><br>(cost \$23,000,000)                    |      |        |                | <b>23,019,200</b>    |
| <b>Total Investments</b> (cost \$585,208,354)   |      |        | <b>155.1%</b>  | <b>527,416,835</b>   |
| <b>Liabilities, Less Cash and Receivables</b>   |      |        | <b>(.4%)</b>   | <b>(1,363,985)</b>   |
| <b>Preferred Stock, at redemption value</b>   |      |        | <b>(54.7%)</b> | <b>(186,000,000)</b> |
| <b>Net Assets Applicable to Common Shareholders</b>                                     |      |        | <b>100.0%</b>  | <b>340,052,850</b>   |

- a Security issued with a zero coupon. Income is recognized through the accretion of discount.
- b 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.
- 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 February 28, 2009, these securities amounted to \$14,442,451 or 4.2% of net assets applicable to Common Shareholders.
- d Purchased on delayed delivery basis.
- e Inverse floater security--the interest rate is subject to change periodically.
- f Collateral for floating rate borrowings.
- g Non-income producing--security in default.
- h Variable rate demand note - rate shown is the interest rate in effect at February 28, 2009. Maturity date represents the next demand date, or the ultimate maturity date if earlier.
- i At February 28, 2009, the fund had \$98,381,062 or 28.9% of net assets applicable to Common Shareholders invested in securities whose payment of principal and interest is dependent upon revenues generated from health care projects.

At February 28, 2009, the aggregate cost of investment securities for income tax purposes was \$585,208,354. Net unrealized depreciation on investments was \$57,791,519 of which \$15,860,641 related to appreciated investment securities and \$73,652,160 related to depreciated investment securities.

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.

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### Summary of Abbreviations

|              |   |             |                                       |
|--------------|---|-------------|---------------------------------------|
| <b>ABAG</b>  | Association Of Bay Area Governments           | <b>ACA</b>  | American Capital Access               |
| <b>AGC</b>   | ACE Guaranty Corporation                      | <b>AGIC</b> | Asset Guaranty Insurance Company      |
| <b>AMBAC</b> | American Municipal Bond Assurance Corporation | <b>ARRN</b> | Adjustable Rate Receipt Notes         |
| <b>BAN</b>   | Bond Anticipation Notes                       | <b>BIGI</b> | Bond Investors Guaranty Insurance     |
| <b>BPA</b>   | Bond Purchase Agreement                       | <b>CGIC</b> | Capital Guaranty Insurance Company    |
| <b>CIC</b>   | Continental Insurance Company                 | <b>CIFG</b> | CDC Ixis Financial Guaranty           |
| <b>CMAC</b>  | Capital Market Assurance Corporation          | <b>COP</b>  | Certificate of Participation          |
| <b>CP</b>    | Commercial Paper                              | <b>EDR</b>  | Economic Development Revenue          |
| <b>EIR</b>   | Environmental Improvement Revenue             | <b>FGIC</b> | Financial Guaranty Insurance Company  |
| <b>FHA</b>   | Federal Housing Administration                | <b>FHLB</b> | Federal Home Loan Bank                |
| <b>FHLMC</b> | Federal Home Loan Mortgage Corporation        | <b>FNMA</b> | Federal National Mortgage Association |

|               |                                    |              |  |
|---------------|------------------------------------|--------------|--|
| <b>FSA</b>    | Financial Security Assurance       | <b>GAN</b>   | Grant Anticipation Notes                 |
| <b>GIC</b>    | Guaranteed Investment Contract     | <b>GNMA</b>  | Government National Mortgage Association |
| <b>GO</b>     | General Obligation                 | <b>HR</b>    | Hospital Revenue                         |
| <b>IDB</b>    | Industrial Development Board       | <b>IDC</b>   | Industrial Development Corporation       |
| <b>IDR</b>    | Industrial Development Revenue     | <b>LOC</b>   | Letter of Credit                         |
| <b>LOR</b>    | Limited Obligation Revenue         | <b>LR</b>    | Lease Revenue                            |
| <b>MFHR</b>   | Multi-Family Housing Revenue       | <b>MFMR</b>  | Multi-Family Mortgage Revenue            |
| <b>PCR</b>    | Pollution Control Revenue          | <b>PILOT</b> | Payment in Lieu of Taxes                 |
| <b>RAC</b>    | Revenue Anticipation Certificates  | <b>RAN</b>   | Revenue Anticipation Notes               |
| <b>RAW</b>    | Revenue Anticipation Warrants      | <b>RRR</b>   | Resources Recovery Revenue               |
| <b>SAAN</b>   | State Aid Anticipation Notes       | <b>SBPA</b>  | Standby Bond Purchase Agreement          |
| <b>SFHR</b>   | Single Family Housing Revenue      | <b>SFMR</b>  | Single Family Mortgage Revenue           |
| <b>SONYMA</b> | State of New York Mortgage Agency  | <b>SWDR</b>  | Solid Waste Disposal Revenue             |
| <b>TAN</b>    | Tax Anticipation Notes             | <b>TAW</b>   | Tax Anticipation Warrants                |
| <b>TRAN</b>   | Tax and Revenue Anticipation Notes | <b>XLCA</b>  | XL Capital Assurance                     |

Various inputs are used in determining the value of the fund's investments relating to Financial Accounting Standard No. 157 (FAS 157),

Fair Value Measurements.

These inputs are summarized in the three broad levels listed below.

**Level 1** - quoted prices in active markets for identical investments.

**Level 2** - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

**Level 3** - significant unobservable inputs (including 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, 2009 in valuing the fund's investments:

|                              | Level 1 -<br>Quoted<br>Prices | Level 2 - Other<br>Significant Observable<br>Inputs | Level 3 -<br>Significant<br>Unobservable<br>Inputs | Total       |
|------------------------------|-------------------------------|---|--|-------------|
| <b>Assets (\$)</b>           |                               |   |  |             |
| Investment in Securities     | 0                             | 527,416,835   | 0  | 527,416,835 |
| Other Financial Instruments+ | 0                             | 0   | 0  | 0           |
| <b>Liabilities (\$)</b>      |                               |   |  |             |
| Other Financial Instruments+ | 0                             | 0   | 0  | 0           |

Other financial instruments include derivative instruments, such as futures, forward currency exchange contracts, swap contracts and any options contracts.

**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**

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: April 23, 2009

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/ J. David Officer  
J. David Officer  
President

Date: April 23, 2009

By: /s/ James Windels  
James Windels  
Treasurer

Date: April 23, 2009

**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)