

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC  
Form N-Q  
October 24, 2013

**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)

John Pak, 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:      8/31/2013

**FORM N-Q**

**Item 1. Schedule of Investments.**

---

**STATEMENT OF INVESTMENTS**

**Dreyfus Strategic Municipal Bond Fund, Inc.**  
**August 31, 2013 (Unaudited)**

<b>Long-Term Municipal Investments--151.3%</b>	<b>Coupon Rate (%)</b>	<b>Maturity Date</b>	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Alabama--1.3%</b>				
Jefferson County, Limited Obligation School Warrants	5.25	1/1/17	2,000,000	1,991,520
Jefferson County, Limited Obligation School Warrants	5.25	1/1/19	2,150,000	2,131,424
Jefferson County, Limited Obligation School Warrants	5.00	1/1/24	1,000,000	992,370
<b>Alaska--2.2%</b>				
Northern Tobacco Securitization Corporation of Alaska, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/32	2,500,000	1,859,625
Northern Tobacco Securitization Corporation of Alaska, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/46	9,465,000	6,359,439
<b>Arizona--6.3%</b>				
Barclays Capital Municipal Trust Receipts (Series 21W) (Salt River Project Agricultural Improvement and Power District, Salt River Project Electric System Revenue)	5.00	1/1/38	13,198,367 a,b	13,294,529
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)	5.50	7/1/26	4,000,000	3,552,720
Pima County Industrial Development Authority, IDR (Tucson Electric Power Company Project)	5.75	9/1/29	6,000,000	6,110,760
Salt Verde Financial Corporation, Senior Gas Revenue	5.00	12/1/37	1,000,000	915,660
<b>California--15.3%</b>				

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

Barclays Capital Municipal Trust Receipts (Series 80W) (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport)) California,	5.00	5/15/31	5,247,500 a,b,c	5,374,104
GO (Various Purpose) California,	5.75	4/1/31	7,800,000	8,332,116
GO (Various Purpose) California,	6.00	3/1/33	2,250,000	2,536,987
GO (Various Purpose) California,	6.50	4/1/33	5,000,000	5,818,300
GO (Various Purpose) California State Public Works Board, LR (The Regents of the University of California) (Various University of California Projects)	6.00	11/1/35	5,000,000	5,611,300
California Statewide Communities Development Authority, Revenue (Front Porch Communities and Services Project)	5.00	4/1/34	3,000,000	3,062,550
Golden State Tobacco Securitization Corporation, Tobacco Settlement	5.13	4/1/37	4,975,000 b	4,449,292
Asset-Backed Bonds JPMorgan Chase Putters/Drivers Trust (Series 4361) (Los Angeles Department of Water and Power, Water System Revenue)	4.50	6/1/27	1,750,000	1,477,227
Los Angeles Department of Water and Power, Power System Revenue	5.00	7/1/20	5,000,000 a,b	5,081,800
Sacramento County, Airport System Subordinate and Passenger Facility Charges	5.00	7/1/34	2,885,000	2,930,698
Grant Revenue San Buenaventura,	6.00	7/1/35	4,000,000 c	4,436,480

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

Revenue (Community Memorial Health System)	7.50	12/1/41	1,500,000	1,619,250
Santa Margarita/Dana Point Authority, Revenue (Santa Margarita Water District Improvement Districts Numbers 2,3 and 4)	5.13	8/1/38	5,000,000	5,123,700
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)	5.88	1/1/29	2,000,000	2,227,520
<b>Colorado--1.5%</b>				
Colorado Housing and Finance Authority, Single Family Program Senior and Subordinate Bonds (Collateralized; FHA)	6.60	8/1/32	590,000	619,600
JPMorgan Chase Putter/Drivers Trust (Series 4386) (Board of Governors of the Colorado State University, System Enterprise Revenue)	5.00	3/1/20	4,950,000 a,b	5,021,874
<b>Connecticut--1.3%</b>				
Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project)	6.45	11/15/22	4,985,000	4,988,440
<b>District of Columbia--4.0%</b>				
RIB Floater Trust (Series 15U) (District of Columbia, Income Tax Secured Revenue)	5.00	12/1/35	14,828,227 a,b	15,315,170
<b>Florida--5.2%</b>				
Martin County Industrial Development Authority, IDR (Indiantown Cogeneration, L.P. Project)	4.20	12/15/25	1,750,000	1,496,495
Mid-Bay Bridge Authority, Springing Lien Revenue	7.25	10/1/34	5,000,000 c	5,455,600
Palm Beach County Health				

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

Facilities Authority, Retirement Community Revenue (Adult Communities Total Services, Inc. Retirement - Life Communities, Inc. Obligated Group)	5.50	11/15/33	6,825,000	6,689,865
Saint Johns County Industrial Development Authority, Revenue (Presbyterian Retirement Communities Project)	6.00	8/1/45	3,500,000	3,558,170
South Lake County Hospital District, Revenue (South Lake Hospital, Inc.)	6.25	4/1/39	2,500,000	2,623,850
<b>Georgia--4.7%</b>				
Atlanta, Water and Wastewater Revenue Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.)	6.00	11/1/28	4,865,000	5,519,634
Augusta, Airport Revenue	5.25	11/1/34	1,000,000	1,021,570
RIB Floater Trust (Series 20U) (Private Colleges and Universities Authority, Revenue (Emory University))	5.45	1/1/31	2,500,000 c	2,506,825
Savannah Economic Development Authority, EIR (International Paper Company Project)	5.00	10/1/43	6,000,000 a,b	6,147,900
<b>Hawaii--1.2%</b>				
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawai'i Pacific Health Obligated Group)	6.20	8/1/27	2,670,000	2,608,136
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawaiian Electric Company, Inc. and Subsidiary Projects)	5.63	7/1/30	2,500,000	2,530,875
<b>Idaho--.0%</b>				
Idaho Housing and Finance	6.50	7/1/39	2,000,000	2,138,600

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

Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	185,000	185,218
<b>Illinois--2.1%</b>				
Chicago, General Airport Third Lien Revenue (Chicago O'Hare International Airport)	5.63	1/1/35	3,000,000 c	3,074,880
Illinois Finance Authority,  Revenue (Sherman Health Systems)	5.50	8/1/37	1,020,000	1,044,123
Railsplitter Tobacco Settlement Authority, Tobacco Settlement Revenue	6.00	6/1/28	3,600,000	3,879,036
<b>Iowa--1.2%</b>				
Iowa Finance Authority, Midwestern Disaster Area Revenue (Iowa Fertilizer Company Project)	5.25	12/1/25	3,500,000	3,053,435
Tobacco Settlement Authority of Iowa, Tobacco Settlement Asset-Backed Bonds	5.60	6/1/34	2,000,000	1,642,860
<b>Kentucky--.3%</b>				
Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's HealthCare, Inc. Project) (Prerefunded)	6.13	2/1/18	1,000,000 d	1,205,070
<b>Louisiana--1.3%</b>				
Lakeshore Villages Master Community Development District, Special Assessment Revenue	5.25	7/1/17	1,987,000 e	783,474
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	4,000,000	4,161,760
<b>Maine--.6%</b>				

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

Maine Health and Higher Educational Facilities Authority, Revenue (MaineGeneral Medical Center Issue)	7.50	7/1/32	2,000,000	2,346,900
<b>Massachusetts--12.8%</b>				
Barclays Capital Municipal Trust Receipts (Series 15W) (Massachusetts Health and Educational Facilities Authority, Revenue (Massachusetts Institute of Technology Issue))	5.00	7/1/38	10,200,000 a,b	10,549,656
JPMorgan Chase Putters/Drivers Trust (Series 3840) (Massachusetts Development Finance Agency, Revenue (Harvard University Issue))	5.25	2/1/34	10,000,000 a,b	10,722,300
JPMorgan Chase Putters/Drivers Trust (Series 3898) (Massachusetts, Consolidated Loan)	5.00	4/1/19	6,400,000 a,b	6,873,472
Massachusetts Development Finance Agency, Revenue (Tufts Medical Center Issue)	7.25	1/1/32	2,500,000	2,813,075
<hr/>				
Massachusetts Educational Financing Authority, Education Loan Revenue (Issue K)	5.25	7/1/29	2,500,000	2,388,500
Massachusetts Health and Educational Facilities Authority, Revenue (Suffolk University Issue)	6.25	7/1/30	5,000,000	5,372,700
Massachusetts Housing Finance Agency, Housing Revenue	7.00	12/1/38	4,575,000	4,918,354
Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	5,015,000	5,025,732
<b>Michigan--7.9%</b>				
Detroit,				



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

Sewage Disposal System Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.50	7/1/33	3,500,000	3,785,075
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/31	3,780,000	3,286,937
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/36	3,290,000	2,768,502
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	2,000,000	1,915,440
Michigan Strategic Fund, LOR (State of Michigan Cadillac Place Office Building Project)	5.25	10/15/31	4,500,000	4,458,195
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	6,120,000	5,694,538
Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group)	8.00	9/1/29	5,000,000	5,942,750
Wayne County Airport Authority, Airport Revenue (Detroit Metropolitan Wayne County Airport) (Insured; National Public Finance Guarantee Corp.)	5.00	12/1/34	2,450,000 c	2,268,455
<b>Nevada--1.3%</b> Clark County, Passenger Facility Charge Revenue (Las Vegas-McCarran International Airport)	5.00	7/1/30	5,000,000 c	5,130,650
<b>New Jersey--4.2%</b> New Jersey Economic Development Authority, Cigarette Tax Revenue	5.00	6/15/25	2,490,000	2,515,348
New Jersey Economic Development Authority, Cigarette Tax Revenue	5.00	6/15/28	1,000,000	967,440
New Jersey Economic Development				

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

Authority, School Facilities

Construction Revenue	5.50	12/15/29	5,000,000	5,291,250
New Jersey Economic Development Authority, Special Facility Revenue (Continental Airlines, Inc. Project)	5.13	9/15/23	2,500,000 c	2,301,250
New Jersey Economic Development Authority, Water Facilities Revenue (New Jersey - American Water Company, Inc. Project)	5.70	10/1/39	3,000,000	3,115,260
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	4.63	6/1/26	1,600,000	1,248,512
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/41	1,000,000	679,670
<b>New Mexico--1.3%</b>				
Farmington, PCR (Public Service Company of New Mexico San Juan Project)	5.90	6/1/40	5,000,000	5,091,300
<b>New York--19.8%</b>				
Austin Trust (Series 1107) (Port Authority of New York and New Jersey, Consolidated Bonds, 151st Series)	6.00	9/15/28	10,000,000 a,b,c	10,917,000
Barclays Capital Municipal Trust Receipts (Series 7B) (New York City Transitional Finance Authority, Future Tax Secured Subordinate Revenue)	5.50	11/1/27	5,000,000 a,b	5,602,050
Barclays Capital Municipal Trust Receipts (Series 11B) (New York City Transitional Finance Authority, Future Tax Secured Revenue)	5.00	5/1/30	4,488,203 a,b	4,794,331
JPMorgan Chase Putters/Drivers				

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

Trust (Series 3857) (New York City Transitional Finance Authority, Future Tax Secured Subordinate Revenue)	5.25	11/1/18	5,000,000 a,b	5,611,650
Long Island Power Authority, Electric System General Revenue Metropolitan Transportation Authority, Transportation Revenue	6.25	4/1/33	3,000,000	3,319,920
New York City Educational Construction Fund, Revenue	6.25	11/15/23	9,425,000 c	11,164,384
New York City Industrial Development Agency, Senior Airport Facilities Revenue (Transportation Infrastructure Properties, LLC Obligated Group)	6.50	4/1/28	2,785,000	3,293,151
New York City Industrial	5.00	7/1/22	2,165,000 c	2,120,986

---

Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project)	7.75	8/1/31	5,000,000 c	5,583,700
New York State Dormitory Authority, Revenue (Orange Regional Medical Center Obligated Group)	6.25	12/1/37	2,500,000	2,450,800
New York State Dormitory Authority, Revenue (Suffolk County Judicial Facility)	9.50	4/15/14	605,000	625,455
Niagara Area Development Corporation, Solid Waste Disposal Facility Revenue (Covanta Energy Project)	5.25	11/1/42	2,000,000	1,643,420
Port Authority of New York and New Jersey, Special Project Bonds (JFK International Air Terminal LLC Project)	6.00	12/1/36	4,710,000 c	5,167,105
RIB Floater Trust (Series 16U)				

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

(New York City Municipal Water  
Finance Authority, Water and  
Sewer System Second General

Resolution Revenue	5.00	6/15/44	12,600,000 a,b	12,641,454
--------------------	------	---------	----------------	------------

**North Carolina--2.6%**

Barclays Capital Municipal Trust  
Receipts (Series 31W) (North  
Carolina Medical Care  
Commission, Health Care  
Facilities Revenue (Duke  
University Health System))

	5.00	6/1/42	10,000,000 a,b	9,731,600
--	------	--------	----------------	-----------

**Ohio--4.1%**

Butler County,  
Hospital Facilities Revenue  
(UC Health)

	5.50	11/1/40	3,000,000	2,903,250
--	------	---------	-----------	-----------

Muskingum County,  
Hospital Facilities Revenue  
(Genesis HealthCare System  
Obligated Group Project)

	5.00	2/15/20	1,250,000	1,224,925
--	------	---------	-----------	-----------

Ohio Air Quality Development  
Authority, Air Quality Revenue  
(Ohio Valley Electric  
Corporation Project)

	5.63	10/1/19	4,200,000	4,514,832
--	------	---------	-----------	-----------

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	1,906,001
--	------	--------	-------------	-----------

Southeastern Ohio Port Authority,  
Hospital Facilities  
Improvement Revenue (Memorial  
Health System Obligated Group  
Project)

	6.00	12/1/42	2,000,000	2,016,720
--	------	---------	-----------	-----------

Toledo-Lucas County Port  
Authority, Special Assessment

Revenue (Crocker Park Public  
Improvement Project)

	5.38	12/1/35	3,000,000	2,852,250
--	------	---------	-----------	-----------

**Oregon--.4%**

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

Warm Springs Reservation Confederated Tribes, Hydroelectric Revenue (Pelton Round Butte Project)	6.38	11/1/33	1,500,000	1,628,070
<b>Pennsylvania--2.1%</b>				
JPMorgan Chase Putters/Drivers Trust (Series 3916) (Geisinger Authority, Health System Revenue (Geisinger Health System))	5.13	6/1/35	3,000,000 a,b	2,993,130
Philadelphia, GO	6.50	8/1/41	4,700,000	5,099,312
<b>Rhode Island--1.4%</b>				
Rhode Island Health and Educational Building Corporation, Hospital Financing Revenue (Lifespan Obligated Group Issue) (Insured; Assured Guaranty Corp.)	7.00	5/15/39	5,000,000	5,467,800
<b>South Carolina--2.7%</b>				
JPMorgan Chase Putters/Drivers Trust (Series 4379) (South Carolina Public Service Authority, Revenue Obligations (Santee Cooper))	5.13	6/1/37	10,200,000 a,b	10,181,844
<b>Tennessee--1.6%</b>				
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/29	2,500,000	2,728,900
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/34	3,000,000	3,222,420
<b>Texas--22.9%</b>				
Barclays Capital Municipal Trust Receipts (Series 28W) (Leander Independent School District,				

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

Unlimited Tax School Building Bonds (Permanent School Fund Guarantee Program))	5.00	8/15/40	9,997,299 a,b	10,276,799
Barclays Capital Municipal Trust Receipts (Series 39W) (Texas A&M University System Board of Regents, Financing System Revenue)	5.00	5/15/39	13,160,000 a,b	13,431,096
Dallas-Fort Worth International Airport Facility Improvement Corporation, Revenue (Learjet  Inc. Project)	6.15	1/1/16	3,000,000 c	2,943,930
Gulf Coast Industrial Development Authority, SWDR (CITGO Petroleum Corporation Project)	4.88	5/1/25	1,000,000	920,680
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System) (Prerefunded)	7.25	12/1/18	7,290,000 d	9,395,498
Houston, Combined Utility System First Lien Revenue (Insured; Assured Guaranty Corp.)	6.00	11/15/36	5,000,000	5,677,850
JPMorgan Chase Putters/Drivers Trust (Series 4356) (San Antonio, Electric and Gas Systems Junior Lien Revenue)	5.00	2/1/21	12,450,000 a,b	12,598,778
Love Field Airport Modernization Corporation, Special Facilities Revenue (Southwest Airlines Company - Love Field Modernization Program Project)	5.00	11/1/28	1,000,000 c	949,920
Lower Colorado River Authority, Transmission Contract Revenue (Lower Colorado River Authority Transmission Services Corporation Project)	5.00	5/15/31	3,250,000	3,259,685
Matagorda County Navigation				

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

District Number One, Revenue (Houston Lighting and Power Company Project) (Insured; AMBAC)	5.13	11/1/28	4,295,000	4,383,434
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Corp.)	5.75	1/1/40	14,705,000 c	15,786,406
North Texas Tollway Authority, Second Tier System Revenue Texas Department of Housing and Community Affairs, Home Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	5.75	1/1/38	6,650,000 c	6,910,015
<b>Vermont--.9%</b> Burlington, Airport Revenue	13.43	7/2/24	400,000 f	426,032
<b>Virginia--4.2%</b> Henrico County Industrial Development Authority, Revenue (Bon Secours Health System, Inc.) (Insured; Assured Guaranty Municipal Corp.)	3.50	7/1/18	3,710,000 c	3,610,016
Virginia Housing Development Authority, Commonwealth Mortgage Revenue Washington County Industrial	11.24	8/23/27	6,850,000 f	8,055,600
Development Authority, HR (Mountain States Health Alliance)	6.25	7/1/31	4,175,000	4,544,446
<b>Washington--4.1%</b> Barclays Capital Municipal Trust Receipts (Series 27B) (King County, Sewer Revenue)	7.75	7/1/38	3,000,000	3,381,180
Washington Health Care Facilities Authority, Mortgage Revenue (Highline Medical Center)	5.00	1/1/29	8,577,246 a,b	9,033,788

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

(Collateralized; FHA)	6.25	8/1/36	5,975,000	6,694,509
<b>West Virginia--2.0%</b>				
The County Commission of Harrison County, SWDR (Allegheny Energy Supply Company, LLC Harrison Station Project)	5.50	10/15/37	7,920,000	7,558,531
<b>Wisconsin--.3%</b>				
Public Finance Agency, Senior Airport Facilities Revenue (Transportation Infrastructure Properties, LLC Obligated Group)	5.00	7/1/42	1,500,000 c	1,273,635
<b>U.S. Related--6.2%</b>				
Puerto Rico Aqueduct and Sewer Authority, Senior Lien Revenue	5.13	7/1/37	3,660,000	2,441,586
Puerto Rico Commonwealth, Public Improvement GO	5.50	7/1/32	1,500,000	1,142,805
Puerto Rico Commonwealth, Public Improvement GO	6.00	7/1/39	1,610,000	1,263,222
Puerto Rico Commonwealth, Public Improvement GO	6.50	7/1/40	2,390,000	1,991,611
Puerto Rico Electric Power Authority, Power Revenue	5.25	7/1/24	1,895,000	1,556,515
Puerto Rico Electric Power Authority, Power Revenue	5.00	7/1/42	1,900,000	1,264,583
Puerto Rico Electric Power Authority, Power Revenue (Insured; National Public Finance Guarantee Corp.)	5.50	7/1/17	1,755,000	1,780,009
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	5.38	8/1/39	2,500,000	2,027,175
Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue (First Subordinate Series)	6.00	8/1/42	10,000,000	8,912,500
Virgin Islands Public Finance Authority, Revenue (Virgin Islands Matching Fund Loan Notes) (Senior Lien/Capital Projects)	5.00	10/1/39	1,250,000	1,147,712
<b>Total Investments</b> (cost \$564,944,177)			<b>151.3 %</b>	<b>576,079,098</b>



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

<b>Liabilities, Less Cash and Receivables</b>	<b>(20.1 %)</b>	<b>(76,610,501 )</b>
<b>Preferred Stock, at redemption value</b>	<b>(31.2 %)</b>	<b>(118,800,000 )</b>
<b>Net Assets Applicable to Common Shareholders</b>	<b>100.0 %</b>	<b>380,668,597</b>

- a Collateral for floating rate borrowings.
- b Securities exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At August 31, 2013, these securities were valued at \$192,549,618 or 50.6% of net assets applicable to Common Shareholders.
- c At August 31, 2013, the fund had \$96,975,341 or 25.5% of net assets applicable to Common Shareholders invested in securities interest is dependent upon revenues generated from transportation.
- d These securities are prerefunded; the date shown represents the prerefunded date. Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.
- e Non-income producing--security in default.
- f Inverse floater security--the interest rate is subject to change periodically. Rate shown is the interest rate in at August 31, 2013.
- At August 31, 2013, net unrealized appreciation on investments was \$11,134,921 of which \$27,498,492 related to appreciated investment securities and \$16,363,571 related to depreciated investment securities. At August 31, 2013, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes.

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>BPA</b>	Bond Purchase Agreement
<b>CIFG</b>	CDC Ixis Financial Guaranty	<b>COP</b>	Certificate of Participation
<b>CP</b>	Commercial Paper	<b>DRIVERS</b>	Derivative Inverse Tax-Exempt Receipts
<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>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>LIFERS</b>	Long Inverse Floating Exempt Receipts
<b>LOC</b>	Letter of Credit	<b>LOR</b>	Limited Obligation Revenue
<b>LR</b>	Lease Revenue	<b>MERLOTS</b>	Municipal Exempt Receipts Liquidity Option
<b>MFHR</b>	Multi-Family Housing Revenue	<b>MFMR</b>	Multi-Family Mortgage Revenue
<b>PCR</b>	Pollution Control Revenue	<b>P-FLOATS</b>	Puttable Floating Option Tax-Exempts Receipts
<b>PILOT</b>	Payment in Lieu of Taxes	<b>PUTTERS</b>	Puttable Tax-Exempt Receipts
<b>RAC</b>	Revenue Anticipation Certificates	<b>RAN</b>	Revenue Anticipation Notes
<b>RAW</b>	Revenue Anticipation Warrants	<b>ROCS</b>	Reset Option Certificates
<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

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

<b>SFMR</b>	Single Family Mortgage Revenue	<b>SONYMA</b>	State of New York Mortgage Agency
<b>SPEARS</b>	Short Puttable Exempt Adjustable Receipts	<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

The following is a summary of the inputs used as of August 31, 2013 in valuing the fund's investments:

	<b>Level 1 - Unadjusted</b>	<b>Level 2 - Quoted Prices</b>	<b>Other Significant Observable Inputs</b>	<b>Level 3 - Significant Unobservable Inputs</b>	<b>Total</b>
<b>Assets (\$)</b>					
Investments in Securities:					
Municipal Bonds	-	576,079,098		-	<b>576,079,098</b>

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: The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

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. Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in securities are valued each business day by an independent pricing service (the "Service") approved by the Board of

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

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 the following: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. All preceding securities are categorized as Level 2 in the hierarchy.

When market quotations or official closing prices are not readily available,

---

or are determined not to reflect accurately fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market), but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Board of Directors. Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized as Level 2 or 3 depending on the relevant inputs used.

For restricted securities where observable inputs are limited, assumptions about market activity and risk are used and are categorized as Level 3 in the hierarchy.

Inverse Floater Securities: The fund participates in secondary inverse floater structures in which fixed-rate, tax-exempt municipal bonds are transferred to a trust. The trust subsequently issues two or more variable rate securities that are collateralized by the cash flows of the fixed-rate, tax-exempt municipal bonds. One or more of these variable rate securities pays interest based on a short-term floating rate set by a remarketing agent at predetermined intervals. A residual interest tax-exempt security is also created by the trust, which is transferred to the fund, and is paid interest based on the remaining cash flow of the trust, after payment of interest on the other securities and various expenses of the trust.

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: October 22, 2013

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: October 22, 2013

By: /s/ James Windels  
James Windels

Treasurer

Date: October 22, 2013

**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)