

DEUTSCHE MUNICIPAL INCOME TRUST

Form N-Q

October 26, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**

**MANAGEMENT INVESTMENT COMPANY**

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Investment Company Act file number: 811-05655

Deutsche Municipal Income Trust

(Exact name of registrant as specified in charter)

345 Park Avenue  
New York, NY 10154

(Address of principal executive offices) (Zip code)

Paul Schubert

60 Wall Street

New York, NY 10005

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 250-3220

Date of fiscal year end: 11/30

Date of reporting period: 8/31/2016

## ITEM 1. SCHEDULE OF INVESTMENTS

Investment Portfolio

as of August 31, 2016 (Unaudited)

## Deutsche Municipal Income Trust

|  | Principal<br>Amount<br>(\$) | Value (\$) |
|--|-----------------------------|------------|
| Municipal Bonds and Notes  |                             | 121.3%     |
| Arizona  |                             | 1.2%       |
| Arizona, Salt Verde Financial Corp., Gas Revenue:<br>5.0%, 12/1/2037, GTY: Citigroup, Inc.   | 1,050,000                   | 1,030,030  |
| 5.5%, 12/1/2029, GTY: Citigroup, Inc.  | 1,400,000                   | 1,377,772  |
| Phoenix, AZ, Civic Improvement Corp., Airport<br>Revenue, Series A, 5.0%, 7/1/2040   | 3,000,000                   | 2,900,900  |
|  |                             | 6,543,702  |
| California   |                             | 17.6%      |
| California, Health Facilities Financing Authority<br>Revenue, Catholic Healthcare West, Series A, 6.0%,<br>7/1/2039                                  | 3,500,000                   | 3,495,005  |
| California, M-S-R Energy Authority, Series A, 7.0%,<br>11/1/2034, GTY: Citigroup, Inc.   | 3,180,000                   | 3,175,194  |
| California, San Gorgonio Memorial Healthcare, Election<br>of 2006, Series C, Prerefunded, 7.2%, 8/1/2039   | 5,000,000                   | 5,000,000  |
| California, South Bayside Waste Management Authority,<br>Solid Waste Enterprise Revenue, Shoreway<br>Environmental Center, Series A, 6.25%, 9/1/2029 | 5,345,000                   | 5,338,922  |
| California, State General Obligation:<br>Series A, 0.6% *, 5/1/2040, LOC: Royal Bank of<br>Canada  | 500,000                     | 500,000    |
| 5.0%, 11/1/2043  | 5,000,000                   | 4,865,650  |
| 5.25%, 4/1/2035  | 4,295,000                   | 4,185,182  |
| 5.5%, 3/1/2040   | 1,370,000                   | 1,374,884  |
| 6.0%, 4/1/2038   | 10,000,000                  | 10,004,500 |
| California, State Public Works Board, Lease Revenue,<br>Capital Projects, Series I-1, 6.375%, 11/1/2034  | 2,000,000                   | 2,006,200  |
| California, State Public Works Board, Lease Revenue,<br>Department of General Services, Buildings 8 & 9, Series<br>A, 6.25%, 4/1/2034                | 6,640,000                   | 6,608,471  |
| California, Statewide Communities Development<br>Authority Revenue, American Baptist Homes of the  | 1,250,000                   | 1,233,325  |

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| West, 6.25%, 10/1/2039, GTY: American Baptist Homes of the Midwest  |                |
| Long Beach, CA, Harbor Revenue, Series D, 5.0%, 5/15/2039   | 1,065,000,722  |
| Los Angeles, CA, Community College District, Election of 2008, Series C, 5.25%, 8/1/2039  | 3,000,000,250  |
| Los Angeles, CA, Department of Airports Revenue, Los Angeles International Airport, Series B, 5.0%, 5/15/2035                   | 8,500,000,510  |
| Port Oakland, CA, Series A, AMT, 5.0%, 11/1/2027, INS: NATL   | 5,850,000,882  |
| San Diego County, CA, Regional Airport Authority Revenue, Series B, AMT, 5.0%, 7/1/2043   | 7,000,000,800  |
| San Diego, CA, Community College District, Election of 2006, 5.0%, 8/1/2036   | 2,850,000,219  |
| San Diego, CA, Unified School District, Election 2012, Series C, 5.0%, 7/1/2035   | 5,000,000,950  |
|   | 94,485,666     |
| Colorado 3.6%   |                |
| Colorado, State Board of Governors, Colorado State University System Revenue, Series E-1, 5.0%, 3/1/2040                        | 8,000,000,160  |
| Colorado, State Health Facilities Authority Revenue, School Health Systems, Series A, 5.5%, 1/1/2035                            | 5,450,000,267  |
| Denver, CO, City & County Airport Revenue, Series A, AMT, 5.25%, 11/15/2043   | 2,400,000,872  |
|   | 19,113,299     |
| District of Columbia 0.9%   |                |
| District of Columbia, Metropolitan Airport Authority Systems Revenue:   |                |
| Series A, AMT, 5.0%, 10/1/2038  | 800,000,264    |
| Series A, AMT, 5.0%, 10/1/2043  | 3,400,000,404  |
|   | 4,829,668      |
| Florida 11.9%   |                |
| Florida, State Higher Educational Facilities, Financial Authority Revenue, Nova Southeastern University Project, 5.0%, 4/1/2034 | 1,350,000,280  |
| Miami-Dade County, FL, Aviation Revenue:  |                |
| Series A, AMT, 5.0%, 10/1/2035  | 5,000,000,750  |
| Series A, 5.5%, 10/1/2041   | 10,000,000,200 |
| Miami-Dade County, FL, Aviation Revenue, Miami International Airport:   |                |
| Series A, AMT, 5.25%, 10/1/2033, INS: AGC   | 6,605,000,461  |
| Series A, AMT, Prerefunded, 5.25%, 10/1/2033, INS: AGC  | 1,890,000,766  |
| Series A-1, 5.375%, 10/1/2035   | 2,000,000,880  |
| Miami-Dade County, FL, Expressway Authority, Toll Systems Revenue, Series A, 5.0%, 7/1/2035, INS: AGMC                          | 3,000,000,590  |
| North Brevard County, FL, Hospital District Revenue, Parrish Medical Center Project:  |                |
| 5.5%, 10/1/2028   | 1,520,000,386  |
| Prerefunded, 5.5%, 10/1/2028  | 3,770,000,693  |

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| 5.75%, 10/1/2038  | 1,440,000,240  |
| Prerefunded, 5.75%, 10/1/2038   | 3,560,000,781  |
| Orange County, FL, Health Facilities Authority Revenue,<br>Orlando Health, Inc.:  |                |
| Series A, 5.0%, 10/1/2035   | 720,000,338    |
| Series A, 5.0%, 10/1/2036   | 865,000,099    |
| Orlando & Orange County, FL, Expressway Authority<br>Revenue:   |                |
| Series C, 5.0%, 7/1/2035  | 2,700,000,893  |
| Series A, 5.0%, 7/1/2040  | 11,890,000,023 |
| Tallahassee, FL, Health Facilities Revenue, Memorial<br>Healthcare, Inc. Project, Series A, 5.0%, 12/1/2055   | 745,000,167    |
|   | 64,282,547     |
| Georgia 8.3%  |                |
| Atlanta, GA, Airport Revenue:   |                |
| Series A, 5.0%, 1/1/2035  | 1,030,000,909  |
| Series C, AMT, 5.0%, 1/1/2037   | 1,690,000,878  |
| Atlanta, GA, Water & Wastewater Revenue, Series A,<br>Prerefunded, 6.25%, 11/1/2039   | 5,810,000,228  |
| Gainesville & Hall County, GA, Hospital Authority<br>Revenue, Anticipation Certificates, Northeast Georgia<br>Healthcare, Series A, 5.5%, 2/15/2045             | 2,130,000,657  |
| Georgia, Main Street Natural Gas, Inc., Gas Project<br>Revenue:   |                |
| Series A, 5.0%, 3/15/2020, GTY: JPMorgan Chase &<br>Co.   | 7,250,000,745  |
| Series A, 5.5%, 9/15/2024, GTY: Merrill Lynch & Co.,<br>Inc.  | 5,000,000,400  |
| Series A, 5.5%, 9/15/2028, GTY: Merrill Lynch & Co.,<br>Inc.  | 10,000,000,300 |
| Georgia, Medical Center Hospital Authority Revenue,<br>Anticipation Certificates, Columbus Regional Healthcare<br>Systems, 6.5%, 8/1/2038, INS: AGC             | 3,300,000,743  |
| Georgia, Municipal Electric Authority Revenue, Project<br>One, Series A, 5.0%, 1/1/2035   | 1,010,000,393  |
|   | 44,536,253     |
| Guam 0.1%   |                |
| Guam, International Airport Authority Revenue, Series<br>C, AMT, 6.375%, 10/1/2043  | 535,000,636    |
| Hawaii 1.4%   |                |
| Hawaii, State Airports Systems Revenue:   |                |
| Series A, 5.0%, 7/1/2039  | 4,200,000,340  |
| Series A, AMT, 5.0%, 7/1/2041   | 1,490,000,679  |
| Hawaii, State Department of Budget & Finance, Special<br>Purpose Revenue, Hawaiian Electric Co., Inc., 6.5%,<br>7/1/2039, GTY: Sisters of Charity Health System | 1,000,000,610  |
|   | 7,626,629      |
| Idaho 1.0%  |                |
| Idaho, Health Facilities Authority Revenue, St. Luke's<br>Regional Medical Center:  |                |
| 5.0%, 7/1/2035, INS: AGMC   | 2,500,000,800  |

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| 6.75%, 11/1/2037  | 2,135,000,635 |
|   | 5,198,435     |
| Illinois 8.7%   |               |
| Chicago, IL, Airport Revenue, O'Hare International Airport:   |               |
| Series A, 5.75%, 1/1/2039   | 5,000,000,500 |
| Series B, 6.0%, 1/1/2041  | 9,000,000,800 |
| Illinois, Finance Authority Revenue, Advocate Health Care Network, Series D, Prerefunded, 6.5%, 11/1/2038                     | 1,000,000,230 |
| Illinois, Finance Authority Revenue, Memorial Health Systems, 5.5%, 4/1/2039  | 4,200,000,006 |
| Illinois, Finance Authority Revenue, Northwest Community Hospital, Series A, Prerefunded, 5.5%, 7/1/2038                      | 5,750,000,898 |
| Illinois, Metropolitan Pier & Exposition Authority, Dedicated State Tax Revenue, Series A, Zero Coupon, 12/15/2034, INS: NATL | 7,000,000,410 |
| Illinois, Railsplitter Tobacco Settlement Authority, 6.0%, 6/1/2028   | 915,000,868   |
| Illinois, State Finance Authority Revenue, Advocate Health Care Network:  |               |
| Series B, 5.375%, 4/1/2044  | 1,320,000,053 |
| Series B, Prerefunded, 5.375%, 4/1/2044   | 1,180,000,305 |
| Illinois, State Finance Authority Revenue, Ascension Health Credit Group, Series A, 5.0%, 11/15/2032                          | 730,000,698   |
| Illinois, State Finance Authority Revenue, OSF Healthcare Systems:  |               |
| Series A, 5.0%, 5/15/2041   | 1,580,000,522 |
| Series A, 5.0%, 11/15/2045  | 1,745,000,437 |
| Illinois, State Finance Authority Revenue, University of Chicago, Series A, 5.0%, 10/1/2038                                   | 4,445,000,966 |
| Springfield, IL, Electric Revenue, Senior Lien, 5.0%, 3/1/2040, INS: AGMC   | 970,000,521   |
|   | 46,999,214    |
| Indiana 2.1%  |               |
| Indiana, Finance Authority Hospital Revenue, Deaconess Hospital Obligation, Series A, Prerefunded, 6.75%, 3/1/2039            | 1,745,000,436 |
| Indiana, State Finance Authority Revenue, Community Foundation of Northwest Indiana, 5.0%, 3/1/2041                           | 5,000,000,750 |
| Indiana, State Municipal Power Agency Revenue, Series A, 5.0%, 1/1/2042   | 3,230,000,441 |
|   | 11,525,627    |
| Kentucky 1.7%   |               |
| Kentucky, Economic Development Finance Authority, Louisville Arena Project Revenue, Series A-1, 6.0%, 12/1/2042, INS: AGC     | 4,000,000,040 |
| Louisville & Jefferson County, KY, Metropolitan Government Health Systems Revenue, Norton Healthcare, Inc., 5.0%, 10/1/2030   | 5,000,000,000 |
|   | 9,306,040     |

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| Louisiana 0.9%  |               |
| Louisiana, Public Facilities Authority, Hospital Revenue, Lafayette General Medical Center, 5.5%, 11/1/2040                                   | 3,008,000,260 |
| Louisiana, St. John Baptist Parish Revenue, Marathon Oil Corp., Series A, 5.125%, 6/1/2037  | 1,440,000,315 |
|   | 4,781,575     |
| Maryland 0.5%   |               |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Anne Arundel Health Systems, Series A, Prerefunded, 6.75%, 7/1/2039 | 1,100,000,868 |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Washington County Hospital, Prerefunded, 5.75%, 1/1/2033            | 1,500,000,155 |
|   | 2,890,023     |
| Massachusetts 1.3%  |               |
| Massachusetts, State Development Finance Agency Revenue, Northeastern University, Series A, 5.25%, 3/1/2037                                   | 2,500,000,950 |
| Massachusetts, State Health & Educational Facilities Authority Revenue, Suffolk University, Series A, 5.75%, 7/1/2039                         | 3,570,000,698 |
|   | 7,044,648     |
| Michigan 5.1%   |               |
| Detroit, MI, Water & Sewerage Department, Sewerage Disposal System Revenue, Series A, 5.25%, 7/1/2039   | 1,120,000,214 |
| Michigan, State Building Authority Revenue, Series I-A, 5.375%, 10/15/2041  | 7,500,000,600 |
| Michigan, State Building Authority Revenue, Facilities Program:   |               |
| Series I, 5.0%, 4/15/2038   | 1,930,000,339 |
| Series H, 5.125%, 10/15/2033  | 2,490,000,278 |
| Series I, 6.0%, 10/15/2038  | 395,000,151   |
| Series I, Prerefunded, 6.0%, 10/15/2038   | 605,000,637   |
| Michigan, State Finance Authority Revenue, Trinity Health Corp., 5.0%, 12/1/2035  | 665,000,920   |
| Michigan, State Hospital Finance Authority Revenue, Henry Ford Health Hospital, 5.75%, 11/15/2039   | 5,000,000,950 |
| Royal Oak, MI, Hospital Finance Authority Revenue, William Beaumont Hospital, Prerefunded, 8.25%, 9/1/2039                                    | 1,800,000,402 |
| Wayne County, MI, Airport Authority Revenue, Series F, AMT, 5.0%, 12/1/2034   | 2,000,000,860 |
|   | 27,172,351    |
| Minnesota 0.2%  |               |
| Minneapolis, MN, Health Care Systems Revenue, Fairview Health Services, Series A, Prerefunded, 6.75%, 11/15/2032                              | 1,140,000,498 |
| Mississippi 0.3%  |               |
| Warren County, MS, Gulf Opportunity Zone, International Paper Co., Series A, 6.5%, 9/1/2032   | 1,520,000,114 |
| Missouri 0.1%   |               |

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| Missouri, State Health & Educational Facilities Authority<br>Revenue, Medical Research, Lutheran Senior Services,<br>Series A, 5.0%, 2/1/2046<br>Nevada 3.9%                          | 335,000,051    |
| Clark County, NV, Airport Revenue, Series B, 5.125%,<br>7/1/2036  | 4,305,400,404  |
| Henderson, NV, Health Care Facility Revenue, Catholic<br>Healthcare West, Series B, 5.25%, 7/1/2031   | 10,000,000,500 |
| Las Vegas Valley, NV, Water District, Series B, 5.0%,<br>6/1/2037   | 4,835,000,736  |
|   | 20,879,640     |
| New Jersey 1.7%   |                |
| New Jersey, Hospital & Healthcare Revenue, General<br>Hospital Center at Passaic, ETM, 6.75%, 7/1/2019, INS:<br>AGMC  | 3,190,000,549  |
| New Jersey, State Economic Development Authority<br>Revenue, The Goethals Bridge Replacement Project,<br>AMT, 5.125%, 7/1/2042, INS: AGMC   | 1,250,000,800  |
| New Jersey, State Transportation Trust Fund Authority,<br>Transportation Systems, Series A, 6.0%, 12/15/2038  | 1,952,000,162  |
| New Jersey, State Turnpike Authority Revenue, Series E,<br>5.25%, 1/1/2040  | 1,750,000,322  |
|   | 9,024,833      |
| New York 9.2%   |                |
| New York, General Obligation, Series A-4, 0.55% *,<br>8/1/2038, LOC: Bank of Tokyo-Mitsubishi UFJ   | 1,000,000,000  |
| New York, Metropolitan Transportation Authority<br>Revenue:   |                |
| Series C, 5.0%, 11/15/2038  | 6,000,000,440  |
| Series D, 5.0%, 11/15/2038  | 1,090,000,006  |
| Series C, 5.0%, 11/15/2042  | 5,000,000,900  |
| Series A-1, 5.25%, 11/15/2039   | 4,000,000,280  |
| New York, State Energy Research & Development<br>Authority Facilities Revenue, Consolidated Edison Co.,<br>Inc. Project, Series A-3, 0.62% *, 5/1/2039, LOC:<br>Mizuho Corporate Bank | 680,000,000    |
| New York, State Environmental Facilities Corp., State<br>Clean Water & Drinking Revolving Funds, New York<br>City Municipal Water Finance Authority Projects, 5.0%,<br>6/15/2036      | 2,000,000,000  |
| New York, State Liberty Development Corp. Revenue,<br>World Trade Center Port Authority Construction, 5.25%,<br>12/15/2043  | 8,000,000,200  |
| New York, Utility Debt Securitization Authority,<br>Restructuring Revenue:  |                |
| Series TE, 5.0%, 12/15/2034   | 800,000,320    |
| Series TE, 5.0%, 12/15/2035   | 1,000,000,300  |
| New York City, NY, Municipal Water Finance<br>Authority, Water & Sewer Revenue, Second General<br>Resolution, Series AA, 5.0%, 6/15/2044  | 5,000,000,700  |
|   | 3,750,000,300  |

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| New York City, NY, Municipal Water Finance Authority, Water & Sewer Systems Revenue, Second General Resolution, Series EE, 5.375%, 6/15/2043 |               |
| Port Authority of New York & New Jersey, One Hundred Eighty-Fourth:  |               |
| 5.0%, 9/1/2036   | 205,000,106   |
| 5.0%, 9/1/2039   | 510,000,011   |
| Port Authority of New York & New Jersey, One Hundred Ninety-Third:   |               |
| AMT, 5.0%, 10/15/2034  | 1,620,000,055 |
| AMT, 5.0%, 10/15/2035  | 800,000,872   |
|  | 49,365,490    |
| North Carolina 0.6%  |               |
| North Carolina, Medical Care Commission, Health Care Facilities Revenue, University Health System, Series D, Prerefunded, 6.25%, 12/1/2033   |               |
|  | 3,000,000,370 |
| North Dakota 0.7%  |               |
| Fargo, ND, Sanford Health Systems Revenue, 6.25%, 11/1/2031  |               |
|  | 3,240,000,349 |
| Ohio 2.9%  |               |
| Lucas County, OH, Hospital Revenue, Promedica Healthcare, Series A, 6.5%, 11/15/2037   |               |
|  | 1,500,000,595 |
| Ohio, State Hospital Facility Revenue, Cleveland Clinic Health:  |               |
| Series A, 5.5%, 1/1/2039   | 5,000,000,950 |
| Series B, 5.5%, 1/1/2039   | 3,500,000,165 |
| Ohio, State Turnpike Commission, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/2039  |               |
|  | 3,520,000,002 |
|  | 15,507,712    |
| Pennsylvania 5.2%  |               |
| Allegheny County, PA, Hospital Development Authority Revenue, University of Pittsburgh Medical, 5.625%, 8/15/2039                            |               |
|  | 1,700,000,314 |
| Franklin County, PA, Industrial Development Authority Revenue, Chambersburg Hospital Project, 5.375%, 7/1/2042                               |               |
|  | 7,000,000,000 |
| Pennsylvania, Commonwealth Financing Authority, Series A, 5.0%, 6/1/2035   |               |
|  | 1,560,000,927 |
| Pennsylvania, State Turnpike Commission Revenue:   |               |
| Series A, 5.0%, 12/1/2038  | 2,030,000,859 |
| Series A-1, 5.0%, 12/1/2040  | 5,000,000,750 |
| Series C, 5.0%, 12/1/2043  | 4,000,000,880 |
| Philadelphia, PA, Airport Revenue, Series A, 5.0%, 6/15/2035   |               |
|  | 2,835,000,486 |
|  | 28,049,216    |
| Puerto Rico 0.5%   |               |
| Puerto Rico, Sales Tax Financing Corp., Sales Tax Revenue:   |               |
| Series A, 5.5%, 8/1/2042   | 2,255,000,351 |
| Series A, 6.0%, 8/1/2042   | 3,200,000,648 |
|  | 2,850,999     |



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| Rhode Island 0.4%   |               |
| Rhode Island, Health & Educational Building Corp.,<br>Higher Education Facility Revenue, University of Rhode<br>Island, Series A, 6.25%, 9/15/2034          | 2,002,013,380 |
| South Carolina 6.9%   |               |
| Charleston County, SC, Airport District, Airport System<br>Revenue, Series A, AMT, 5.875%, 7/1/2032   | 6,560,993,163 |
| Greenwood County, SC, Hospital Revenue, Self Regional<br>Healthcare, Series B, 5.0%, 10/1/2031  | 1,000,046,620 |
| South Carolina, State Ports Authority Revenue, 5.25%,<br>7/1/2040   | 2,552,888,079 |
| South Carolina, State Public Service Authority Revenue:<br>Series A, 5.0%, 12/1/2036  | 2,222,000,938 |
| Series A, 5.0%, 12/1/2037   | 4,295,008,812 |
| Series E, 5.25%, 12/1/2055  | 7,572,000,396 |
| South Carolina, State Public Service Authority Revenue,<br>Santee Cooper, Series A, 5.75%, 12/1/2043  | 6,220,804,152 |
|   | 36,925,160    |
| Tennessee 1.2%  |               |
| Jackson, TN, Hospital Revenue, Jackson-Madison<br>Project:<br>5.625%, 4/1/2038  | 1,080,007,015 |
| Prerefunded, 5.625%, 4/1/2038   | 2,923,000,621 |
| Sullivan County, TN, Health, Educational & Housing<br>Facilities Board, Hospital Revenue, Wellmont Health<br>Systems Project, Series C, 5.25%, 9/1/2036     | 2,052,000,000 |
|   | 6,357,636     |
| Texas 16.8%   |               |
| Central Texas, Regional Mobility Authority Revenue,<br>Senior Lien, Series A, 5.0%, 1/1/2040  | 1,155,008,479 |
| Dallas-Fort Worth, International Airport Revenue, Series<br>F, AMT, 5.0%, 11/1/2035   | 2,002,069,360 |
| Harris County, TX, Health Facilities Development Corp.,<br>Hospital Revenue, Memorial Hermann Healthcare<br>System, Series B, Prerefunded, 7.25%, 12/1/2035 | 1,000,006,600 |
| Harris County, TX, Houston Port Authority, Series A,<br>AMT, 6.25%, 10/1/2029   | 3,003,005,340 |
| Houston, TX, Airport Revenue, People Mover Project,<br>Series A, AMT, 5.5%, 7/15/2017, INS: AGMC  | 730,003,007   |
| North Texas, Tollway Authority Revenue:<br>Series B, 5.0%, 1/1/2040   | 2,062,005,144 |
| First Tier, Series A, 5.625%, 1/1/2033  | 430,005,796   |
| First Tier, Series A, Prerefunded, 5.625%, 1/1/2033   | 3,073,003,909 |
| Second Tier, Series F, Prerefunded, 5.75%, 1/1/2038   | 6,506,942,455 |
| First Tier, 6.0%, 1/1/2043  | 5,005,901,950 |
| North Texas, Tollway Authority Revenue, Special<br>Project Systems, Series D, 5.0%, 9/1/2032  | 2,002,048,980 |
| Texas, Dallas/Fort Worth International Airport Revenue:<br>Series H, AMT, 5.0%, 11/1/2042   | 5,425,000,033 |
| Series F, 5.25%, 11/1/2033  | 3,504,008,485 |
| Series A, 5.25%, 11/1/2038  | 4,004,009,040 |

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| Texas, Grand Parkway Transportation Corp., System Toll Revenue:  |                    |
| Series B, 5.0%, 4/1/2053   | 3,500,000,955      |
| Series B, 5.25%, 10/1/2051   | 5,000,000,600      |
| Texas, Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue:   |                    |
| Series B, 1.137% **, 12/15/2026, GTY: Merrill Lynch & Co., Inc.  | 1,500,000,525      |
| Series D, 6.25%, 12/15/2026, GTY: Merrill Lynch & Co., Inc.  | 5,000,000,700      |
| Texas, SA Energy Acquisition Public Facility Corp., Gas Supply Revenue:  |                    |
| 5.5%, 8/1/2021, GTY: The Goldman Sachs Group, Inc.   | 1,155,000,433      |
| 5.5%, 8/1/2025, GTY: The Goldman Sachs Group, Inc.   | 7,250,000,670      |
| Texas, Southwest Higher Education Authority, Inc., Southern Methodist University Project, 5.0%, 10/1/2035                                      | 1,600,000,744      |
| Texas, State Municipal Gas Acquisition & Supply Corp. III Gas Supply Revenue:  |                    |
| 5.0%, 12/15/2030, GTY: Macquarie Group Ltd.  | 250,000,197        |
| 5.0%, 12/15/2031, GTY: Macquarie Group Ltd.  | 3,165,000,617      |
| 5.0%, 12/15/2032, GTY: Macquarie Group Ltd.  | 2,000,000,480      |
| Texas, State Transportation Commission, Turnpike Systems Revenue, Series C, 5.0%, 8/15/2034  | 1,235,000,315      |
| West Harris County, TX, Regional Water Authority, Water Systems Revenue, 5.0%, 12/15/2035  | 6,500,000,380      |
|  | 90,355,194         |
| Virginia 0.4%  |                    |
| Stafford County, VA, Economic Development Authority, Hospital Facilities Revenue, Mary Washington Healthcare, 5.0%, 6/15/2036                  | 400,000,828        |
| Washington County, VA, Industrial Development Authority, Hospital Facility Revenue, Mountain States Health Alliance, Series C, 7.75%, 7/1/2038 | 1,370,000,238      |
|  | 2,040,066          |
| Washington 3.7%  |                    |
| Washington, State Health Care Facilities Authority Revenue, Virginia Mason Medical Center, Series A, 6.125%, 8/15/2037                         | 6,000,000,880      |
| Washington, State Health Care Facilities Authority, Catholic Health Initiatives, Series A, 5.0%, 2/1/2041                                      | 5,000,000,150      |
| Washington, State Health Care Facilities Authority, Swedish Health Services, Series A, Prerefunded, 6.75%, 11/15/2041                          | 1,825,000,545      |
| Washington, State Motor Vehicle Tax-Senior 520 Corridor Program, Series C, 5.0%, 6/1/2031  | 5,000,000,400      |
|  | 20,018,975         |
| Wisconsin 0.3%   |                    |
| Wisconsin, State Health & Educational Facilities Authority Revenue, Prohealth Care, Inc. Obligation Group, Prerefunded, 6.625%, 2/15/2039      | 1,555,000,459      |
| <b>Total Municipal Bonds and Notes (Cost \$563,984,360)</b>  | <b>653,078,455</b> |

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|  |                |
|--|----------------|
| Underlying Municipal Bonds of Inverse Floaters (a) 33.4%   |                |
| California 2.1%  |                |
| University of California, State Revenues, Series K, 4.0%,<br>5/15/2036 (b)   | 10,000,000,600 |
| <i>Trust: California, Tender Option Bond Trust<br/>Receipts/Certificates of Various States, Series<br/>2016-XM0346, 144A, 12.13%, 5/15/2036, Leverage<br/>Factor at purchase date: 4 to 1</i>          |                |
| District of Columbia 2.3%  |                |
| District of Columbia, General Obligation, Series A,<br>5.0%, 6/1/2041 (b)  | 10,000,000,900 |
| <i>Trust: District of Columbia, Tender Option Bond Trust<br/>Receipts/Certificates of Various States, Series<br/>2016-XM0325, 144A, 16.13%, 6/1/2041, Leverage<br/>Factor at purchase date: 4 to 1</i> |                |
| Florida 2.3%   |                |
| Orange County, FL, School Board, Certificates of<br>Participation, Series C, 5.0%, 8/1/2034 (b)  | 10,000,000,300 |
| <i>Trust: Orange County, FL, School Board, Series<br/>2016-XM0182, 144A, 15.92, 8/1/2034, Leverage Factor<br/>at purchase date: 4 to 1</i>   |                |
| Massachusetts 9.0%   |                |
| Massachusetts, State Water Pollution Abatement Trust,<br>Series 13, 5.0%, 8/1/2032 (b)   | 18,250,000,020 |
| Massachusetts, State Water Pollution Abatement Trust,<br>Series 13, 5.0%, 8/28/2037 (b)  | 5,000,000,033  |
| <i>Trust: Massachusetts, State Pollution Control, Water<br/>Utility Improvements, Series 3159, 144A, 12.553%,<br/>2/1/2017 Leverage Factor at purchase date: 3 to 1</i>                                |                |
| Massachusetts, State General Obligation, Series E, 4.0%,<br>4/1/2038 (b)   | 10,000,000,300 |
| <i>Trust: Massachusetts, Tender Option Bond Trust<br/>Receipts/Certificates of Various States, Series<br/>2016-XM0335, 144A, 12.13%, 4/1/2038, Leverage<br/>Factor at purchase date: 4 to 1</i>        |                |
| Massachusetts, State Development Finance Agency<br>Revenue, Partners Healthcare System, Inc., Series Q,<br>5.0%, 7/1/2035 (b)  | 10,425,000,258 |
| <i>Trust: Massachusetts, State Development Finance<br/>Agency Revenue, Series 2016-XM0137, 144A, 16.109%,<br/>1/1/2024, Leverage Factor at purchase date: 4 to 1</i>                                   |                |
|  | 48,298,611     |
| Nevada 5.7%  |                |
| Clark County, NV, General Obligation, Limited<br>Tax-Bond Bank, 5.0%, 6/1/2028 (b)   | 6,296,000,732  |
| Clark County, NV, General Obligation, Limited<br>Tax-Bond Bank, 5.0%, 6/1/2029 (b)   | 6,611,000,419  |
|  | 6,416,000,606  |

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|   |                              |
|---|------------------------------|
| Clark County, NV, General Obligation, Limited<br>Tax-Bond Bank, 5.0%, 6/3/2030 (b)<br><i>Trust: Nevada, Tender Option Bond Trust</i><br><i>Receipts/Certificates of Various States, Series</i><br><i>2016-XM0280, 144A, 12.409%, 6/1/2030, Leverage</i><br><i>Factor at purchase date: 3 to 1</i> | 30,978,757                   |
| New York 2.6%<br>New York, State Dormitory Authority Revenues, State<br>Supported Debt, University Dormitory Facilities, 5.0%,<br>7/1/2025 (b)  | 5,425,667,647                |
| New York, State Dormitory Authority Revenues, State<br>Supported Debt, University Dormitory Facilities, 5.0%,<br>7/1/2027 (b)<br><i>Trust: New York, State Dormitory Authority Revenues,</i><br><i>Series 3169, 144A, 12.552%, 7/1/2025, Leverage Factor</i><br><i>at purchase date: 3 to 1</i>   | 8,088,001,823<br>14,009,470  |
| Tennessee 6.2%<br>Nashville & Davidson County, TN, Metropolitan<br>Government, 5.0%, 1/1/2027 (b)<br><i>Trust: Nashville &amp; Davidson County, TN, Metropolitan</i><br><i>Government, Series 2631-3, 144A, 16.425%, 7/1/2017</i><br><i>Leverage Factor at purchase date: 4 to 1</i>              | 10,756,689,383               |
| Nashville & Davidson County, TN, Metropolitan<br>Government, 5.0%, 1/1/2026 (b)<br><i>Trust: Nashville &amp; Davidson County, TN, Metropolitan</i><br><i>Government, Series 2631-2, 144A, 16.43%, 7/1/2017,</i><br><i>Leverage Factor at purchase date: 4 to 1</i>                                | 10,200,009,964               |
| Nashville & Davidson County, TN, Metropolitan<br>Government, 5.0%, 1/1/2028 (b)<br><i>Trust: Nashville &amp; Davidson County, TN, Metropolitan</i><br><i>Government, Series 2631-4, 144A, 16.437%, 7/1/2017,</i><br><i>Leverage Factor at purchase date: 4 to 1</i>                               | 10,564,926,328<br>33,375,675 |
| Virginia 3.2%<br>Virginia, State Resource Authority, Clean Water<br>Revenue, 5.0%, 10/1/2027 (b)  | 8,198,001,593                |
| Virginia, State Resource Authority, Clean Water<br>Revenue, 5.0%, 10/1/2028 (b)<br><i>Trust: Virginia, State Resource Authority, Clean Water</i><br><i>Revenue, Series 2917, 144A, 10.532%, 10/1/2028,</i><br><i>Leverage Factor at purchase date: 2.5 to 1</i>                                   | 7,638,000,886<br>17,252,479  |
| <b>Total Underlying Municipal Bonds of Inverse Floaters</b><br>(Cost \$171,771,492)   | <b>180,007,792</b>           |
|   | % Value (\$)<br>of<br>Net    |

|  | Assets                      |
|--|-----------------------------|
| <b>Total Investment Portfolio</b> (Cost \$735,755,852) † | 154.7 <b>833,086,247</b>    |
| <b>Floating Rate Notes (a)</b>                           | (21.3) <b>(114,766,576)</b> |
| <b>Series 2018 MTPS, at Liquidation Value</b>            | (36.9) <b>(198,750,000)</b> |
| <b>Other Assets and Liabilities, Net</b>                 | 3.5 <b>18,851,876</b>       |
| <b>Net Assets</b>  | 100.0 <b>538,421,547</b>    |

For information on the Fund's policies regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent semi-annual or annual financial statements.

- \* Variable rate demand notes are securities whose interest rates are reset periodically at market levels. These securities are often payable on demand and are shown at their current rates as of August 31, 2016.
- \*\* Floating rate securities' yields vary with a designated market index or market rate, such as the coupon-equivalent of the U.S. Treasury Bill rate. These securities are shown at their current rate as of August 31, 2016.  
The cost for federal income tax purposes was \$617,253,947. At August 31, 2016, net unrealized appreciation for all securities based on tax cost was \$101,065,724. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost of \$103,784,851 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$2,719,127.
- † Securities represent the underlying municipal obligations of inverse floating rate obligations held by the Fund. The Floating Rate Notes represents leverage to the Fund and is the amount owed to the floating rate note holders. Security forms part of the below inverse floater. The Fund accounts for these inverse floaters as a form of secured (a) borrowing, by reflecting the value of the underlying bond in the investments of the Fund and the amount owed to the floating rate note holder as a liability.

144A: Security 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.

AGC: Assured Guaranty Corp.

AGMC: Assured Guaranty Municipal Corp.

AMT: Subject to alternative minimum tax.

ETM: Bonds bearing the description ETM (escrow to maturity) are collateralized usually by U.S. Treasury securities which are held in escrow and used to pay principal and interest on bonds so designated.

GTY: Guaranty Agreement

INS: Insured

NATL: National Public Finance Guarantee Corp.

Prerefunded: Bonds which are prerefunded are collateralized usually by U.S. Treasury securities which are held in escrow and used to pay principal and interest on tax-exempt issues and to retire the bonds in full at the earliest refunding date.

### ***Fair Value Measurements***

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

*The following is a summary of the inputs used as of August 31, 2016 in valuing the Fund's investments.*

| Assets                               | Level 1 | Level 2       | Level 3 | Total         |
|--------------------------------------|---------|---------------|---------|---------------|
| Municipal Investments <sup>(c)</sup> | \$—     | \$833,086,247 | \$—     | \$833,086,247 |
| Total                                | \$—     | \$833,086,247 | \$—     | \$833,086,247 |

There have been no transfers between fair value measurement levels during the period ended August 31, 2016.

(c) See Investment Portfolio for additional detailed categorizations.

**ITEM 2. CONTROLS AND PROCEDURES**

(a) The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) There have been no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

**ITEM 3. EXHIBITS**

Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is filed and attached hereto as Exhibit 99.CERT.

**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.

Registrant: Deutsche Municipal Income Trust

/s/Brian E. Binder

By: Brian E. Binder

President

Date: October 21, 2016

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.

/s/Brian E. Binder

By: Brian E. Binder

President

Date: October 21, 2016

/s/Paul Schubert

By: Paul Schubert

Chief Financial Officer and Treasurer

Date: October 21, 2016