

DREYFUS STRATEGIC MUNICIPALS INC  
Form N-Q  
February 16, 2006

**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 811-5245

Dreyfus Strategic Municipals, 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)

Mark N. Jacobs, 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: 9/30

Date of reporting period: 12/31/05

---

**FORM N-Q**

**Item 1. Schedule of Investments.**

**Dreyfus Strategic Municipals, Inc.**  
Statement of Investments  
December 31, 2005 (Unaudited)

	Principal	Value (\$)
	Amount (\$)	
<b>Long-Term Municipal Investments--147.7%</b>		

---

**Alabama--5.3%**

Houston County Health Care Authority 6.25%, 10/1/2030 (Insured; AMBAC)	8,000,000	8,752,800
Jefferson County, Limited Obligation School Warrant: 5.25%, 1/1/2018	16,000,000	17,087,040
5.50%, 1/1/2022	4,000,000	4,336,200

**Alaska--.7%**

Alaska Housing Finance Corp. 6%, 6/1/2049 (Insured; MBIA)	4,000,000	4,160,520
--	-----------	-----------

**Arizona--3.5%**

Coconino County Pollution Control Corp., PCR (Nevada Power Co. Project) 6.375%, 10/1/2036	3,500,000	3,580,185
Maricopa Pollution Control Corp., PCR (Public Service Co.) 5.75%, 11/1/2022	6,000,000	6,090,540
Scottsdale Industrial Development Authority, HR (Scottsdale Healthcare) 5.80%, 12/1/2031	6,000,000	6,443,700
Tucson, Water System Revenue 5%, 7/1/2021 (Insured; FGIC)	3,500,000	3,698,660

**Arkansas--2.5%**

Arkansas Development Finance Authority, SFMR (Mortgage Backed Securities Program): 6.45%, 7/1/2031 (Collateralized: FNMA and GNMA)	605,000	634,705
6.25%, 1/1/2032 (Collateralized; GNMA)	3,110,000	3,138,208
Little Rock School District 5.25%, 2/1/2030 (Insured; FSA)	6,000,000	6,307,200
Pulaski County, HR (Arkansas Children's Hospital Project) 5%, 3/1/2035 (Insured; AMBAC)	4,000,000	4,136,520

**California--9.7%**

California: 5.50%, 4/1/2028	4,000,000	4,346,160
5.25%, 4/1/2034	5,000,000	5,271,650

California Infrastructure and Economic Development Bank, Revenue (Bay Area Toll Bridges) 5.25%, 7/1/2017 (Insured; FSA)	12,360,000		13,478,333
California Pollution Control Financing Authority, SWDR (Keller Canyon Landfill Co. Project) 6.875%, 11/1/2027	2,000,000		2,006,240
California Statewide Communities Development Authority, Revenue (Bentley School) 6.75%, 7/1/2032	2,000,000		2,186,740
Golden State Tobacco Securitization Corp: Tobacco Settlement Revenue:			
5%, 6/1/2021	1,945,000		1,959,899
7.80%, 6/1/2042	8,100,000		9,744,381
7.90%, 6/1/2042 (LOC; Bank of New York)	2,000,000		2,418,500
Los Angeles Unified School District 5.25%, 7/1/2020 (Insured; FSA)	7,200,000		7,826,976
State Public Works Board of California, LR, Department of General Services (Butterfield State Office Complex) 5.25%, 6/1/2030	5,000,000		5,298,950
<b>Colorado--5.1%</b>			
Beacon Point Metropolitan District 6.25%, 12/1/2035	2,000,000		2,014,560
Colorado Housing and Finance Authority (Single Family Program) 6.60%, 8/1/2032 (Collateralized; FHA)	2,615,000		2,689,161
Denver City and County, Special Facilities Airport Revenue (United Airlines Project) 6.875%, 10/1/2032	7,135,000	a	6,738,865
Northwest Parkway Public Highway Authority, Revenue 7.125%, 6/15/2041	10,750,000		10,234,860
Silver Dollar Metropolitan District 7.05%, 12/1/2006	4,870,000	b	5,025,548
Southlands Metropolitan District Number 1 7.125%, 12/1/2034	2,000,000		2,183,260

---

**Florida--3.8%**

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Deltona, Utilities System Revenue 5.125% 10/1/2027 (Insured; MBIA)	6,000,000		6,345,300
Florida Housing Finance Corp., Housing Revenue (Nelson Park Apartments) 6.40%, 3/1/2040 (Insured; FSA)	12,380,000		13,050,253
Orange County Health Facility Authority, HR (Regional Healthcare Systems) 6%, 10/1/2026	2,000,000		2,111,140
<b>Georgia--2.2%</b>			
Augusta, Water and Sewer Revenue 5.25%, 10/1/2039 (Insured; FSA)	3,000,000		3,200,910
Brooks County Development Authority, Sewer Revenue, Health and Housing Facilities 5.70%, 1/20/2039 (Collateralized; GNMA)	4,445,000		4,887,144
Milledgeville-Baldwin County Development Authority, Revenue (Georgia College and State Foundation): 6%, 9/1/2013	2,090,000		2,312,689
6%, 9/1/2033	2,000,000		2,172,780
<b>Hawaii--.5%</b>			
Hawaii Department of Transportation, Special Facility Revenue (Caterair International Corp. Project) 10.125%, 12/1/2010	2,800,000		2,807,028
<b>Idaho--.6%</b>			
Power County Industrial Development Corp, SWDR (FMC Corp. Project) 6.45%, 8/1/2032	3,250,000		3,418,740
<b>Illinois--13.1%</b>			
Chicago: 6.125%, 7/1/2010 (Insured; FGIC)	1,250,000	b	1,399,625
6.125%, 7/1/2010 (Insured; FGIC)	14,565,000	b	16,308,430
SFMR 6.55%, 4/1/2033 (Collateralized: FHLMC, FNMA and GNMA) (Wastewater Transmission Revenue)	4,100,000		4,233,004
6%, 1/1/2010 (Insured; MBIA)	3,000,000	b	3,316,410
Chicago-O'Hare International Airport, Special Facility Revenue (American Airlines Inc. Project) 8.20%, 12/1/2024	9,000,000		8,537,220

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Illinois Educational Facilities Authority, Revenue: (Northwestern University) 5%, 12/1/2038	5,000,000		5,136,300
(University of Chicago): 5.125%, 7/1/2008 (Insured; MBIA)	5,000	b	5,267
5.125%, 7/1/2038 (Insured; MBIA)	6,995,000		7,256,543

Illinois Health Facilities Authority, Revenue: (Advocate Network Health Care) 6.125%, 11/15/2010	4,020,000	b	4,484,230
(OSF Healthcare System) 6.25%, 11/15/2009	7,730,000	b	8,580,609
(Swedish American Hospital) 6.875%, 5/15/2010	4,970,000	b	5,608,794

Lombard Public Facilities Corp., Conference Center and First Tier Hotel Revenue 7.125% 1/1/2036	3,500,000		3,686,655
--	-----------	--	-----------

Metropolitan Pier and Exposition Authority, Dedicated State Tax Revenue (McCormick Place Expansion) 5.25%, 6/15/2042 (Insured; MBIA)	5,325,000		5,599,291
--	-----------	--	-----------

**Indiana--2.3%**

Franklin Township Independent School Building Corp., First Mortgage 6.125%, 7/15/2010	6,500,000	b	7,318,155
--	-----------	---	-----------

Indiana Housing Finance Authority, SFMR 5.95%, 1/1/2029	1,070,000		1,094,974
---	-----------	--	-----------

Petersburg, PCR (Indiana Power and Light) 6.375%, 11/1/2029	4,150,000		4,430,830
--	-----------	--	-----------

**Kansas--4.6%**

Kansas Development Finance Authority, Revenue: (Board of Regents-Scientific Resource) 5%, 10/1/2021 (Insured; AMBAC)	5,290,000		5,631,893
Health Facility (Sisters of Charity) 6.25%, 12/1/2028	3,000,000		3,282,630

Sedgwick and Shawnee Counties, SFMR (Mortgage Backed Securities Project) 6.30%, 12/1/2032 (Collateralized: FNMA and GNMA)	5,945,000		6,154,264
---	-----------	--	-----------

Wichita, HR (Christian Health System Inc.) 6.25%, 11/15/2024	10,000,000		10,760,400
---	------------	--	------------

**Kentucky--.8%**

---

Kentucky Economic Development Finance Authority,  
MFHR (GNMA Collateralized-Christian  
Care Communities Projects):

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

5.25%, 11/20/2025	2,370,000	2,553,130
5.375%, 11/20/2035	1,805,000	1,947,270

**Louisiana--.8%**

Louisiana Public Facilities Authority, HR (Franciscan Missionaries of our Lady Health System Project) 5.25%, 8/15/2036	3,000,000	b 3,093,120
--	-----------	-------------

Parish of Saint James, SWDR (Freeport-McMoRan Partnership Project) 7.70%, 10/1/2022	1,390,000	1,391,529
--	-----------	-----------

**Maine--.5%**

Maine Housing Authority, Mortgage Purchase 5.30%, 11/15/2023	2,825,000	2,947,209
--	-----------	-----------

**Maryland--1.6%**

Maryland Economic Development Corp., Student Housing Revenue (University of Maryland): 6.50%, 6/1/2027	3,000,000	3,339,180
5.75%, 10/1/2033	4,500,000	4,581,180

Prince Georges County, Special Obligation (National Harbor Project) 5.20%, 7/1/2034	1,000,000	1,001,110
---	-----------	-----------

**Massachusetts--2.5%**

Massachusetts Health and Educational Facilities Authority, Revenue: Civic Investments 9%, 12/15/2015	1,900,000	2,314,941
(Partners Healthcare System) 5.75%, 7/1/2032	5,000,000	5,446,600

Massachusetts Industrial Finance Agency, Revenue (Ogden Haverhill Project) 5.60%, 12/1/2019	6,000,000	6,145,560
--	-----------	-----------

**Michigan--5.1%**

Charyl Stockwell Academy, COP 5.90%, 10/1/2035	2,580,000	2,610,470
---	-----------	-----------

Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project) 6.25%, 7/1/2040	3,000,000	3,280,920
---	-----------	-----------

---

Michigan Hospital Finance Authority, HR  
(Ascension Health Credit)

6.125%, 11/15/2009	5,000,000	b	5,528,650
<b>Michigan Strategic Fund:</b>			
RRR (Detroit Edison Co.)			
5.25%, 12/15/2032 (Insured; XLCA)	3,000,000		3,142,380
SWDR (Genesee Power Station Project)			
7.50%, 1/1/2021	14,000,000		13,972,560
<b>Minnesota--3.5%</b>			
Duluth Economic Development Authority, Health Care Facilities Revenue (Saint Luke's Hospital) 7.25%, 6/15/2032	5,000,000		5,380,650
Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue (HealthEast Project):			
6%, 11/15/2025	2,000,000		2,171,300
6%, 11/15/2030	2,000,000		2,163,160
Saint Paul Port Authority, Hotel Facility Revenue (Radisson Kellogg Project) 7.375%, 8/1/2029	3,000,000		3,141,060
United Hospital District of Todd, Morrison, Cass and Wadena Counties, General Obligation Health Care Facilities Revenue (Lakewood Health System) 5.125%, 12/1/2024	1,500,000		1,552,035
Winona, Health Care Facilities Revenue (Winona Health) 6%, 7/1/2026	5,000,000		5,348,250
<b>Mississippi--3.4%</b>			
Claiborne County, PCR (System Energy Resources, Inc.) 6.20%, 2/1/2026	4,545,000		4,601,176
Mississippi Business Finance Corp., PCR (System Energy Resources Inc. Project) 5.875%, 4/1/2022	14,310,000		14,547,546
<b>Missouri--2.5%</b>			
Missouri Development Finance Board, Infrastructure Facilities Revenue (Branson):			
5.375%, 12/1/2027	2,000,000		2,080,680
5.50%, 12/1/2032	4,500,000		4,698,225

---

Missouri Health and Educational Facilities Authority,  
Health Facilities Revenue (Saint Anthony's

Medical Center) 6.25%, 12/1/2010	6,750,000	b	7,612,110
<b>Montana--.3%</b>			
Montana Board of Housing, SFMR 6.45%, 6/1/2029	1,490,000		1,505,317
<b>Nevada--2.9%</b>			
Clark County, IDR (Nevada Power Co. Project) 5.60%, 10/1/2030	3,000,000		2,999,730
Washoe County (Reno-Sparks Convention Center) 6.40%, 1/1/2010 (Insured; FSA)	12,000,000	b	13,329,480
<b>New Hampshire--2.6%</b>			
New Hampshire Business Finance Authority, PCR (Public Service Co. of New Hampshire) 6%, 5/1/2021 (Insured; AMBAC)	7,000,000		7,474,670
New Hampshire Health and Educational Facilities Authority, Revenue (Exeter Project): 6%, 10/1/2024	1,000,000		1,117,690
5.75%, 10/1/2031	1,000,000		1,065,690
New Hampshire Industrial Development Authority, PCR (Connecticut Light and Power) 5.90%, 11/1/2016	5,000,000		5,112,850
<b>New Jersey--4.8%</b>			
New Jersey Economic Development Authority, Cigarette Tax Revenue 5.75%, 6/15/2034	2,500,000		2,634,150
New Jersey Health Facilities Financing Authority, Revenue (Christian Health Care Center) 8.75%, 7/1/2006	12,745,000	b	13,309,349
New Jersey Turnpike Authority, Turnpike Revenue 5%, 1/1/2035 (Insured; AMBAC)	4,500,000		4,671,675
Tobacco Settlement Financing Corp. of New Jersey 7%, 6/1/2041	5,640,000		6,434,902

**New Mexico--1.2%**


---

Farmington, PCR  
(Tucson Electric Power Co., San Juan)



6.95%, 10/1/2020	4,000,000		4,176,160
New Mexico Mortgage Finance Authority, SFMR 7%, 9/1/2031 (Collateralized: FHLMC, FNMA and GNMA)	2,365,000		2,378,268
<b>New York--8.4%</b>			
Long Island Power Authority, Electric System Revenue 5.889% 12/1/2016	10,000,000	c,d	10,995,300
New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project) 8%, 8/1/2028	2,800,000		2,959,880
Tobacco Settlement Financing Corp. of New York: 5.50%, 6/1/2020	16,000,000		17,500,160
5.25%, 6/1/2021 (Insured; AMBAC)	5,000,000		5,376,050
Triborough Bridge and Tunnel Authority, Revenue 5.25%, 11/15/2030	5,220,000		5,553,401
Westchester Tobacco Asset Securitization Corp. 5.125%, 6/1/2038	5,000,000		4,831,200
<b>North Carolina--.6%</b>			
Gaston County Industrial Facilities and Pollution Control Financing Authority, Exempt Facilities Revenue (National Gypsum Co. Project) 5.75%, 8/1/2035	3,000,000		3,135,480
<b>North Dakota--.2%</b>			
North Dakota Housing Finance Agency, Home Mortgage Revenue (Housing Finance Program) 6.15%, 7/1/2031	1,090,000		1,101,794
<b>Ohio--7.9%</b>			
Canal Winchester Local School District: Zero Coupon, 12/1/2029 (Insured; MBIA)	3,955,000		1,283,714
Zero Coupon, 12/1/2031 (Insured; MBIA)	3,955,000		1,161,663
Cincinnati, Water System Revenue 5%, 12/1/2021	3,800,000		3,998,512

---

Cincinnati City School District

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

(Classroom Facilities Construction and Improvement) 5%, 12/1/2031 (Insured; FSA)	2,000,000		2,088,280
Cleveland State University 5%, 6/1/2034 (Insured; FGIC)	5,000,000		5,210,800
Cuyahoga County, Revenue 6%, 1/1/2032	750,000		830,010
Mahoning County, HR (Forum Health Obligation Group) 6%, 11/15/2032	7,000,000		7,410,900
Ohio Air Quality Development Authority, PCR (Cleveland Electric Illuminating) 6.10%, 8/1/2020 (Insured; ACA)	3,000,000		3,126,660
Ohio Water Development Authority, Pollution Control Facilities Revenue (Cleveland Electric Illuminating) 6.10%, 8/1/2020 (Insured; ACA)	4,350,000		4,533,657
Toledo Lucas County Port Authority, Airport Revenue (Baxter Global Project) 6.25%, 11/1/2013	4,200,000		4,286,520
Trotwood-Madison City School District, School Improvement 5%, 12/1/2030 (Insured; FGIC)	10,495,000		10,927,079
<b>Oklahoma--2.8%</b>			
Oklahoma Housing Finance Agency, SFMR (Homeownership Loan Program): 7.55%, 9/1/2027 (Collateralized: FNMA and GNMA)	1,455,000		1,511,469
7.55%, 9/1/2028	1,270,000		1,278,458
Oklahoma State Industries Authority, Health System Revenue: 5.75%, 8/15/2009 (Insured; MBIA)	5,160,000	b	5,598,239
5.75%, 8/15/2029 (Insured; MBIA)	7,070,000		7,581,656
<b>Oregon--3.1%</b>			
Port of Portland, International Airport Revenue (Portland International Airport) 5.50%, 7/1/2024 (Insured; AMBAC)	5,000,000		5,316,750
Tigard - Tualatin School District No. 23J, GO (Washington and Clackamas Counties) 5.375%, 6/15/2012 (Insured; MBIA)	3,000,000	b	3,303,840

---

 Western Generation Agency, Cogeneration Project Revenue  
 (Wauna Cogeneration Project):

7.40%, 1/1/2016	5,750,000	5,828,775
7.125%, 1/1/2021	2,900,000	2,939,063

**Pennsylvania--2.5%**

## Abington School District

5.125%, 10/1/2034 (Insured; FSA)	4,085,000	4,313,147
----------------------------------	-----------	-----------

 Pennsylvania Economic Development Financing Authority,  
 Exempt Facilities Revenue

(Reliant Energy Seward, LLC Project)

6.75%, 12/1/2036	5,000,000	5,340,850
------------------	-----------	-----------

## York County Hospital Authority, Revenue

(Health Center - Lutheran Social Services) 6.50%, 4/1/2022	4,250,000	4,289,185
--	-----------	-----------

**South Carolina--3.0%**
 Greenville County School District , Installment Purchase Revenue  
 (Building Equity Sooner for Tomorrow):

5.50%, 12/1/2028	5,000	5,396
7.22%, 12/1/2028	10,010,000	c,d 11,594,283

## Greenville Hospital System, Hospital Facilities Revenue

5.50%, 5/1/2026 (Insured; AMBAC)	5,000,000	5,388,850
----------------------------------	-----------	-----------

**Tennessee--4.1%**
 Chattanooga Health and Educational Facilities Board,  
 Revenue (CDFI Phase I LLC Project):

5.125%, 10/1/2035	2,190,000	2,156,931
6%, 10/1/2035	1,500,000	1,524,735

## Johnson City Health and Educational Facilities Board, HR:

7.50%, 7/1/2025	5,000,000	5,927,950
7.50%, 7/1/2033	3,000,000	3,529,740

 Memphis Center City Revenue Finance Corp., Tennessee Sports  
 Facility Revenue (Memphis Redbirds) 6.50%, 9/1/2028

10,000,000	10,200,200
------------	------------

**Texas--10.1%**
 Alliance Airport Authority Inc., Special Facilities Revenue  
 (American Airlines Inc. Project)

7.50%, 12/1/2029	3,500,000		3,026,835
<hr/>			
Austin Convention Enterprises Inc., Convention Center Hotel Revenue 6.70%, 1/1/2028	4,000,000		4,287,480
Brazos River Authority, PCR (TXU Energy Co. LLC Project) 6.75%, 10/1/2038	1,650,000		1,835,229
Dallas-Fort Worth International Airport Facilities Improvement Corp., Revenue: (American Airlines Inc.) 6.375%, 5/1/2035	6,630,000		4,904,874
(Bombardier Inc.) 6.15%, 1/1/2016	2,000,000		2,038,280
Harris County Health Facilities Development Corp., HR (Memorial Hermann Hospital System Project) 6.375%, 6/1/2011	8,500,000	b	9,678,950
Sabine River Authority, PCR (TXU Electric Co. Project) 6.45%, 6/1/2021	11,300,000		12,120,945
Sam Rayburn Municipal Power Agency, Power Supply System Revenue 5.75%, 10/1/2021	6,000,000		6,574,680
Texas Department of Housing and Community Affairs, Collateralized Home Mortgage Revenue 10.383%, 7/2/2024	1,550,000	c	1,595,694
Texas Turnpike Authority, Central Texas Turnpike System Revenue 5.75%, 8/15/2038 (Insured; AMBAC)	7,100,000		7,820,863
Tyler Health Facilities Development Corp., HR (East Texas Medical Center Regional Health Care System Project) 6.75%, 11/1/2025	3,000,000		3,001,560
<b>Utah--.7%</b>			
Carbon County, SWDR (Sunnyside Cogeneration) 7.10%, 8/15/2023	3,722,000		3,761,565
<b>Vermont--.2%</b>			
Vermont Housing Finance Agency, Single Family Housing 6.40%, 11/1/2030 (Insured; FSA)	1,335,000		1,345,974
<b>Virginia--3.1%</b>			

Greater Richmond Convention Center Authority, Hotel Tax Revenue (Convention Center Expansion Project) 6.25%, 6/15/2010	10,500,000	b	11,771,655
<hr/>			
Pittsylvania County Industrial Development Authority, Exempt Facility Revenue 7.65%, 1/1/2010	1,000,000		1,071,280
Tobacco Settlement Financing Corp. of Virginia, Tobacco Settlement Asset-Backed Bonds 5.625%, 6/1/2037	4,750,000		4,794,697
<b>Washington--3.5%</b>			
Energy Northwest, Wind Project Revenue 5.875%, 1/1/2007	3,000,000	b	3,161,280
Public Utility District Number 1 of Pend Orielle County, Electric Revenue 6.375%, 1/1/2006	3,755,000	b	3,830,400
Seattle, Water System Revenue 6%, 7/1/2009 (Insured; FGIC)	10,000,000	b	10,952,800
Snohomish County Housing Authority, Revenue (Whispering Pines Apartments Project) 5.60%, 9/1/2025	1,675,000		1,671,884
<b>West Virginia--3.0%</b>			
Braxton County, SWDR (Weyerhaeuser Co. Project) 6.125%, 4/1/2026	14,000,000		14,458,500
West Virginia Water Development Authority, Water Development Revenue 6.375%, 7/1/2039 (Insured; AMBAC)	2,250,000		2,484,585
<b>Wisconsin--5.8%</b>			
Badger Tobacco Asset Securitization Corp., Tobacco Settlement Revenue 7%, 6/1/2028 Madison, IDR	22,995,000		25,552,504
(Madison Gas and Electric Co.) 5.875%, 10/1/2034	2,390,000		2,565,713
Wisconsin Health and Educational Facilities Authority, Revenue (Aurora Health Care Inc.) 6.40%, 4/15/2033	4,000,000		4,399,040
<b>Wyoming--.8%</b>			
Sweetwater County, SWDR (FMC Corp. Project) 5.60%, 12/1/2035	4,500,000		4,564,395
<b>U.S. Related--1.5%</b>			
<hr/>			
Children's Trust Fund of Puerto Rico, Tobacco Settlement Asset-Backed Bonds Zero Coupon, 5/15/2055	20,000,000		672,800
Guam Housing Corp., SFMR 5.75%, 9/1/2031 (Collateralized; FHLMC)	965,000		1,080,057
Puerto Rico Highway and Transportation Authority, Transportation Revenue 6%, 7/1/2010	6,000,000	b	6,648,720
<b>Total Long-Term Municipal Investments</b>			

(cost \$783,663,477)			<b>833,337,617</b>
<b>Short-Term Municipal Investment--.4%</b>			
<hr/>			
<b>New Jersey;</b>			
New Jersey Educational Facilities Authority, Revenue (Princeton University) 3.15%			
(cost \$2,100,000)	2,100,000	e	<b>2,100,000</b>
<b>Total Investments</b> (cost \$785,763,477)	<b>148.1%</b>		<b>835,437,617</b>
<b>Cash and Receivables (Net)</b>	<b>2.4%</b>		<b>13,457,962</b>
<b>Preferred Stock, at redemption value</b>	<b>(50.5%)</b>		<b>(285,000,000)</b>
<b>Net Assets applicable to Common Shareholders</b>	<b>100.0%</b>		<b>563,895,579</b>

## Notes to Statements of Investments:

- a Non-income producing security; interest payments in default.
- b These securities are prerefunded; the date shown represents the prerefunded date. Bonds which prerefunded are collateralized by U.S. Government securities which are held in escrow and are used for principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.
- c Inverse floater security--the interest rate is subject to change periodically.
- d Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities were resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2005, these securities amounted to \$22,589,583 or 4.0% of net assets applicable to common shareholders.
- e Securities payable on demand. Variable interest rate--subject to periodic change.

Securities valuation policies and other investment related disclosures are hereby incorporated by reference into the annual and semi annual reports previously filed with the Securities and Exchange Commission on Form N-Q. See Item 19 of the 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.

-2-

---

**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 Municipals, Inc.

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.

**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)

-3-

---