

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC  
Form N-Q  
April 25, 2007  
**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)

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: 11/30  
Date of reporting period: 2/28/07

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**FORM N-Q**

**Item 1. Schedule of Investments.**

**STATEMENT OF INVESTMENTS**

**Dreyfus Strategic Municipal Bond Fund, Inc.**  
**February 28, 2007 (Unaudited)**

| <b>Long-Term Municipal<br/>Investments--143.4%</b> | <b>Coupon<br/>Rate (%)</b> | <b>Maturity<br/>Date</b> | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------|--------------------------|----------------------------------|-------------------|
|--|----------------------------|--------------------------|----------------------------------|-------------------|

|  |  |  |  |  |
|--|--|--|--|--|
| <b>Alabama--1.0%</b><br>Jefferson County,<br>Limited Obligation School |  |  |  |  |
|--|--|--|--|--|

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|   |      |         |             |            |
|---|------|---------|-------------|------------|
| Warrants  | 5.50 | 1/1/22  | 4,000,000   | 4,384,640  |
| <b>Alaska--3.8%</b>   |      |         |             |            |
| Alaska Housing Finance Corp.<br>(Veterans Mortgage Program)   | 6.25 | 6/1/35  | 4,180,000   | 4,386,785  |
| Alaska Housing Finance Corp.,<br>General Mortgage Revenue<br>(Insured; MBIA)  | 6.05 | 6/1/39  | 11,915,000  | 12,264,348 |
| <b>Arizona--1.2%</b>  |      |         |             |            |
| Apache County Industrial<br>Development Authority, PCR<br>(Tucson Electric Power Co.<br>Project)  | 5.85 | 3/1/28  | 2,220,000   | 2,221,665  |
| Arizona Health Facilities<br>Authority, Health Care<br>Facilities Revenue (The<br>Beatitudes Campus Project)                                    | 5.10 | 10/1/22 | 3,000,000   | 3,067,710  |
| <b>Arkansas--.6%</b>  |      |         |             |            |
| Arkansas Development Finance<br>Authority, SFMR (Mortgage<br>Backed Securities Program)<br>(Collateralized: FNMA and GNMA)                      | 6.25 | 1/1/32  | 2,610,000   | 2,661,939  |
| <b>California--6.0%</b>   |      |         |             |            |
| California,<br>GO (Various Purpose)   | 5.50 | 4/1/14  | 4,605,000 a | 5,154,284  |
| California,<br>GO (Various Purpose)   | 5.25 | 11/1/27 | 4,240,000   | 4,566,862  |
| California Department of Veteran<br>Affairs, Home Purchase Revenue  | 5.20 | 12/1/28 | 2,950,000   | 2,952,478  |
| California Health Facilities<br>Financing Authority, Revenue<br>(Cedars-Sinai Medical Center)   | 6.25 | 12/1/09 | 3,750,000 a | 4,045,012  |
| California Statewide Communities<br>Development Authority, Sewage<br>and Solid Waste Disposal<br>Facilities Revenue<br>(Anheuser-Busch Project) | 4.80 | 9/1/46  | 3,500,000   | 3,538,325  |
| Chula Vista,<br>IDR (San Diego Gas and<br>Electric Co.)   | 5.00 | 12/1/27 | 3,000,000   | 3,189,810  |
| Silicon Valley Tobacco<br>Securitization Authority,<br>Tobacco Settlement   |      |         |             |            |
| <hr/>   |      |         |             |            |
| Asset-Backed Bonds (Santa<br>Clara County Tobacco<br>Securitization Corporation)  | 0.00 | 6/1/36  | 15,290,000  | 3,039,805  |

**Colorado--3.9%**

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| Colorado Health Facilities Authority, Revenue (American Housing Foundation I, Inc. Project)                        | 8.50  | 12/1/31  | 1,970,000   | 2,112,943 |
| Colorado Housing Finance Authority (Single Family Program) (Collateralized; FHA)                                   | 6.60  | 8/1/32   | 1,910,000   | 2,014,019 |
| Denver City and County, Special Facilities Airport Revenue (United Airlines Project)                               | 6.88  | 10/1/32  | 2,885,000   | 2,974,435 |
| Northwest Parkway Public Highway Authority, Revenue  | 7.13  | 6/15/41  | 7,000,000   | 7,562,590 |
| Salida Hospital District, HR   | 5.25  | 10/1/36  | 2,500,000   | 2,565,250 |
| <b>Connecticut--4.2%</b>   |       |          |             |           |
| Connecticut Development Authority, PCR (Connecticut Light and Power Co. Project)                                   | 5.95  | 9/1/28   | 9,000,000   | 9,427,500 |
| Connecticut Resources Recovery Authority (American REF-FUEL Co. of Southeastern Connecticut Project)               | 6.45  | 11/15/22 | 4,985,000   | 5,068,698 |
| Mohegan Tribe of Indians of Connecticut Gaming Authority, Priority Distribution Payment Public Improvement Revenue | 5.38  | 1/1/11   | 3,000,000   | 3,066,510 |
| Mohegan Tribe of Indians of Connecticut Gaming Authority, Priority Distribution Payment Public Improvement Revenue | 6.25  | 1/1/31   | 1,000,000   | 1,067,280 |
| <b>District of Columbia--3.1%</b>  |       |          |             |           |
| District of Columbia Tobacco Settlement Financing Corp., Tobacco Settlement Asset-Backed Bonds                     | 0.00  | 6/15/46  | 104,040,000 | 9,736,063 |
| Metropolitan Washington Airports Authority, Special Facilities Revenue (Caterair International Corp.)              | 10.13 | 9/1/11   | 4,000,000   | 4,006,840 |
| <b>Florida--5.0%</b>   |       |          |             |           |
| Escambia County, EIR (International Paper Company Project)   | 5.00  | 8/1/26   | 2,300,000   | 2,334,086 |
| Escambia County, EIR (International Paper Company Project)   | 5.00  | 8/1/26   | 1,825,000   | 1,852,046 |
| Florida Housing Finance Corp.,   |       |          |             |           |

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| Housing Revenue (Seminole Ridge Apartments)<br>(Collateralized; GNMA)                              | 6.00 | 4/1/41   | 6,415,000   | 6,706,433 |
| Highlands County Health Facilities Authority, HR (Adventist Health System/Sunbelt Obligated Group) | 5.25 | 11/15/36 | 4,000,000   | 4,277,560 |
| Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System)                 | 6.00 | 10/1/09  | 70,000 a    | 74,551    |
| Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System)                 | 6.00 | 10/1/26  | 3,430,000   | 3,632,027 |
| Orange County Health Facilities Authority, Revenue (Adventist Health System)                       | 6.25 | 11/15/12 | 3,000,000 a | 3,371,670 |
| <b>Georgia--2.5%</b>   |      |          |             |           |
| Atlanta, Airport Revenue (Insured; FSA)  | 5.25 | 1/1/25   | 3,000,000   | 3,206,850 |
| Augusta, Airport Revenue   | 5.45 | 1/1/31   | 2,500,000   | 2,674,050 |
| Georgia Housing and Finance Authority, SFMR  | 5.60 | 12/1/32  | 2,335,000   | 2,406,334 |
| Savannah Economic Development Authority, EIR (International Paper Co. Project)                     | 6.20 | 8/1/27   | 2,670,000   | 2,906,909 |
| <b>Idaho--.1%</b>  |      |          |             |           |
| Idaho Housing and Finance Association, SFMR<br>(Collateralized; FNMA)                              | 6.35 | 1/1/30   | 390,000     | 405,690   |
| <b>Illinois--8.1%</b>  |      |          |             |           |
| Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA)   | 6.25 | 10/1/32  | 1,985,000   | 1,999,471 |
| Chicago O'Hare International Airport, General Airport Third Lien Revenue (Insured; XLCA)           | 6.00 | 1/1/29   | 5,000,000   | 5,631,300 |
| Chicago O'Hare International Airport, Special Facilities Revenue (American Airlines Inc. Project)  | 8.20 | 12/1/24  | 5,700,000   | 5,871,000 |
| Illinois Educational Facilities Authority, Revenue<br>(Northwestern University)                    | 5.00 | 12/1/38  | 5,000,000   | 5,252,450 |
| Illinois Health Facilities Authority, Revenue (Advocate  |      |          |             |           |

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| Health Care Network)   | 6.13 | 11/15/10 | 5,000,000 a  | 5,419,500  |
| Illinois Health Facilities Authority, Revenue (OSF Healthcare System)  | 6.25 | 11/15/09 | 10,900,000 a | 11,722,514 |
| <b>Indiana--1.5%</b>   |      |          |              |            |
| Franklin Township School Building  |      |          |              |            |
| <hr/>  |      |          |              |            |
| Corp., First Mortgage  | 6.13 | 7/15/10  | 6,000,000 a  | 6,577,200  |
| <b>Louisiana--1.8%</b>   |      |          |              |            |
| West Feliciana Parish, PCR (Entergy Gulf States Project)   | 7.00 | 11/1/15  | 3,000,000    | 3,033,930  |
| West Feliciana Parish, PCR (Entergy Gulf States Project)   | 6.60 | 9/1/28   | 4,700,000    | 4,744,133  |
| <b>Maryland--1.3%</b>  |      |          |              |            |
| Maryland Economic Development Corp., Senior Student Housing Revenue (University of Maryland, Baltimore Project)  | 5.75 | 10/1/33  | 2,550,000    | 2,569,992  |
| Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) | 8.75 | 11/15/10 | 3,710,000    | 3,081,860  |
| <b>Massachusetts--3.3%</b>   |      |          |              |            |
| Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue)                     | 9.00 | 12/15/15 | 2,000,000    | 2,444,000  |
| Massachusetts Health and Educational Facilities Authority, Revenue (Partners Healthcare System)                  | 5.75 | 7/1/32   | 3,000,000    | 3,241,770  |
| Massachusetts Housing Finance Agency, SFHR   | 5.00 | 12/1/31  | 6,000,000    | 6,212,580  |
| Massachusetts Turnpike Authority, Metropolitan Highway System Revenue (Insured; MBIA)                            | 5.00 | 1/1/37   | 2,805,000    | 2,854,172  |
| <b>Michigan--2.9%</b>  |      |          |              |            |
| Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)   | 6.00 | 7/1/35   | 4,000,000    | 4,433,720  |
| Michigan Strategic Fund, SWDR (Genesee Power Station Project)  | 7.50 | 1/1/21   | 8,420,000    | 8,420,589  |
| <b>Minnesota--1.0%</b>   |      |          |              |            |
| Saint Paul Housing and   |      |          |              |            |

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| Redevelopment Authority,<br>Hospital Facility Revenue<br>(HealthEast Project)  | 6.00 | 11/15/25 | 1,000,000     | 1,121,230  |
| Saint Paul Housing and<br>Redevelopment Authority,<br>Hospital Facility Revenue<br>(HealthEast Project)              | 6.00 | 11/15/35 | 3,000,000     | 3,335,820  |
| <b>Mississippi--.7%</b>  |      |          |               |            |
| Mississippi Business Finance<br>Corp., PCR (System Energy<br>Resources, Inc. Project)                                | 5.90 | 5/1/22   | 3,160,000     | 3,193,812  |
| <b>Nebraska--.2%</b>   |      |          |               |            |
| <hr/>  |      |          |               |            |
| Nebraska Investment Finance<br>Authority, SFMR   | 8.00 | 3/1/26   | 1,000,000 b,c | 1,017,540  |
| <b>Nevada--2.6%</b>  |      |          |               |            |
| Clark County,<br>IDR (Nevada Power Co. Project)  | 5.60 | 10/1/30  | 3,000,000     | 3,019,650  |
| Washoe County<br>(Reno-Sparks Convention<br>Center) (Insured; FSA)   | 6.40 | 1/1/10   | 8,000,000 a   | 8,593,840  |
| <b>New Hampshire--3.3%</b>   |      |          |               |            |
| New Hampshire Business Finance<br>Authority, PCR (Public Service<br>Co. of New Hampshire Project)<br>(Insured; MBIA) | 6.00 | 5/1/21   | 2,690,000     | 2,806,289  |
| New Hampshire Business Finance<br>Authority, PCR (Public Service<br>Co. of New Hampshire Project)<br>(Insured; MBIA) | 6.00 | 5/1/21   | 6,000,000     | 6,259,380  |
| New Hampshire Industrial<br>Development Authority, PCR<br>(Connecticut Light and Power<br>Company Project)           | 5.90 | 11/1/16  | 5,400,000     | 5,547,906  |
| <b>New Jersey--6.0%</b>  |      |          |               |            |
| New Jersey Economic Development<br>Authority, Special Facility<br>Revenue (Continental Airlines,<br>Inc. Project)    | 6.25 | 9/15/19  | 4,620,000     | 4,792,973  |
| Tobacco Settlement Financing<br>Corporation of New Jersey,<br>Tobacco Settlement<br>Asset-Backed Bonds               | 7.00 | 6/1/13   | 10,095,000 a  | 11,943,193 |
| Tobacco Settlement Financing<br>Corporation of New Jersey,<br>Tobacco Settlement<br>Asset-Backed Bonds               | 4.75 | 6/1/34   | 5,000,000     | 4,746,950  |

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|---|------|---------|--------------|------------|
| Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds   | 5.00 | 6/1/41  | 5,000,000    | 4,899,200  |
| <b>New York--7.3%</b>   |      |         |              |            |
| Hudson Yards Infrastructure Corporation, Hudson Yards Senior Revenue  | 5.00 | 2/15/47 | 5,000,000    | 5,316,150  |
| New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project) | 8.00 | 8/1/28  | 3,000,000    | 3,708,990  |
| New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project) | 7.75 | 8/1/31  | 10,000,000   | 12,176,600 |
| <hr/>   |      |         |              |            |
| New York Liberty Development Corporation, Revenue (Goldman Sachs Headquarters Issue)  | 5.25 | 10/1/35 | 5,000,000    | 5,882,850  |
| New York State Dormitory Authority, Revenue (Marymount Manhattan College) (Insured; Radian)   | 6.25 | 7/1/29  | 4,000,000    | 4,237,320  |
| New York State Dormitory Authority, Revenue (Suffolk County Judicial Facility)  | 9.50 | 4/15/14 | 605,000      | 816,060    |
| <b>North Carolina--.6%</b>  |      |         |              |            |
| North Carolina Eastern Municipal Power Agency, Power System Revenue   | 6.70 | 1/1/19  | 2,500,000    | 2,697,225  |
| <b>Ohio--5.1%</b>   |      |         |              |            |
| Cuyahoga County, Hospital Facilities Revenue (UHHS/CSAHS-Cuyahoga, Inc. and CSAHS/UHHS-Canton, Inc. Project)                                  | 7.50 | 1/1/30  | 3,500,000    | 3,851,680  |
| Cuyahoga County, Hospital Improvement Revenue (The Metrohealth Systems Project)   | 6.15 | 2/15/09 | 10,000,000 a | 10,561,600 |
| Ohio Air Quality Development Authority, PCR (Cleveland Electric Illuminating Co. Project) (Insured; ACA)                                      | 6.10 | 8/1/20  | 2,400,000    | 2,465,784  |

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| Ohio Housing Finance Agency,<br>Residential Mortgage Revenue<br>(Mortgage-Backed Securities<br>Program) (Collateralized; GNMA)                     | 6.15 | 3/1/29   | 1,720,000     | 1,766,560 |
| Ohio Water Development Authority,<br>Pollution Control Facilities<br>Revenue (Cleveland Electric<br>Illuminating Co. Project)<br>(Insured; ACA)    | 6.10 | 8/1/20   | 4,000,000     | 4,109,640 |
| <b>Oklahoma--3.3%</b>  |      |          |               |           |
| Oklahoma Development Finance<br>Authority, Revenue (Saint John<br>Health System)   | 6.00 | 2/15/29  | 9,000,000     | 9,426,060 |
| Oklahoma Industries Authority,<br>Health System Revenue<br>(Obligated Group) (Insured;<br>MBIA)  | 5.75 | 8/15/09  | 2,105,000 a   | 2,227,237 |
| Oklahoma Industries Authority,<br>Health System Revenue<br>(Obligated Group) (Insured;<br>MBIA)  | 5.75 | 8/15/29  | 2,895,000     | 3,041,053 |
| <b>Oregon--.5%</b>   |      |          |               |           |
| Western Generation Agency,<br>Cogeneration Project Revenue   |      |          |               |           |
| (Wauna Cogeneration Project)   | 5.00 | 1/1/16   | 2,110,000     | 2,182,246 |
| <b>Pennsylvania--3.3%</b>  |      |          |               |           |
| Allegheny County Port Authority,<br>Special Transportation Revenue<br>(Insured; MBIA)  | 6.13 | 3/1/09   | 4,750,000 a   | 5,022,222 |
| Lehman Municipal Trust Receipts<br>(Pennsylvania Economic<br>Development Financing<br>Authority)   | 7.78 | 6/1/31   | 7,000,000 c,d | 7,359,205 |
| Pennsylvania Economic Development<br>Financing Authority, Exempt<br>Facilities Revenue (Reliant<br>Energy Seward, LLC Project)                     | 6.75 | 12/1/36  | 2,000,000     | 2,211,360 |
| Pennsylvania Housing Finance<br>Agency, Multi-Family<br>Development Revenue  | 8.25 | 12/15/19 | 241,000       | 241,641   |
| <b>Rhode Island--.7%</b>   |      |          |               |           |
| Rhode Island Health and<br>Educational Building Corp.,<br>Higher Educational Facilities<br>Revenue (University of Rhode<br>Island) (Insured; MBIA) | 5.88 | 9/15/09  | 3,000,000 a   | 3,190,140 |

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**South Carolina--10.1%**

|   |      |         |                |            |
|---|------|---------|----------------|------------|
| Greenville County School District,<br>Installment Purchase Revenue<br>(Building Equity Sooner for<br>Tomorrow)  | 7.08 | 12/1/28 | 19,000,000 c,d | 20,885,845 |
| Greenville Hospital System,<br>Hospital Facilities Revenue<br>(Insured; AMBAC)  | 5.50 | 5/1/26  | 7,000,000      | 7,481,250  |
| Medical University of South<br>Carolina, Hospital Facilities<br>Revenue   | 6.00 | 7/1/09  | 5,000,000 a    | 5,306,500  |
| Richland County,<br>EIR (International Paper Co.)<br>Securing Assets for Education,<br>Installment Purchase Revenue<br>(Berkeley County School<br>District Project) | 6.10 | 4/1/23  | 6,500,000      | 7,091,110  |
|   | 5.13 | 12/1/30 | 3,280,000      | 3,512,486  |

**Tennessee--7.3%**

|   |      |        |           |           |
|---|------|--------|-----------|-----------|
| Johnson City Health and<br>Educational Facilities Board,<br>Hospital First Mortgage<br>Revenue (Mountain States<br>Health Alliance) | 7.50 | 7/1/25 | 2,000,000 | 2,337,060 |
| Johnson City Health and<br>Educational Facilities Board,<br>Hospital First Mortgage<br>Revenue (Mountain States<br>Health Alliance) | 7.50 | 7/1/33 | 4,875,000 | 5,681,276 |
| Memphis Center City Revenue<br>Finance Corp., Sports Facility   |      |        |           |           |

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|   |      |        |           |            |
|---|------|--------|-----------|------------|
| Revenue (Memphis Redbirds<br>Baseball Foundation Project)           | 6.50 | 9/1/28 | 6,000,000 | 6,030,780  |
| Tennessee Energy Acquisition<br>Corporation, Gas Project<br>Revenue | 5.25 | 9/1/23 | 5,000,000 | 5,681,550  |
| Tennessee Energy Acquisition<br>Corporation, Gas Project<br>Revenue | 5.25 | 9/1/26 | 9,700,000 | 11,152,575 |
| Tennessee Housing Development<br>Agency (Homeownership Program)     | 6.00 | 1/1/28 | 1,575,000 | 1,588,309  |

**Texas--21.1%**

|  |      |         |           |           |
|--|------|---------|-----------|-----------|
| Alliance Airport Authority Inc.,<br>Special Facilities Revenue<br>(American Airlines, Inc.<br>Project) | 7.50 | 12/1/29 | 5,000,000 | 5,095,000 |
| Austin Convention Enterprises,   |      |         |           |           |

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| Inc., Convention Center Hotel<br>Second Tier Revenue  | 5.75 | 1/1/34   | 3,000,000    | 3,232,230  |
| Cities of Dallas and Fort Worth,<br>Dallas/Fort Worth<br>International Airport,<br>Facility Improvement Corp.,<br>Revenue (Bombardier Inc.) | 6.15 | 1/1/16   | 3,000,000    | 3,031,080  |
| Gregg County Health Facilities<br>Development Corp., HR (Good<br>Shephard Medical Center<br>Project) (Insured; Radian)                      | 6.38 | 10/1/10  | 2,500,000 a  | 2,746,125  |
| Gulf Coast Industrial Development<br>Authority, Environmental<br>Facilities Revenue (Microgy<br>Holdings Project)                           | 7.00 | 12/1/36  | 5,000,000    | 5,412,650  |
| Harris County Health Facilities<br>Development Corp., HR<br>(Memorial Hermann Healthcare<br>System)   | 6.38 | 6/1/11   | 7,000,000 a  | 7,780,640  |
| Harris County-Houston Sports<br>Authority, Third Lien Revenue<br>(Insured; MBIA)  | 0.00 | 11/15/31 | 9,685,000    | 2,944,046  |
| Katy Independent School District<br>(Permanent School Fund<br>Guaranteed)   | 6.13 | 2/15/09  | 10,000,000 a | 10,473,500 |
| Lubbock Housing Financing Corp.,<br>SFMR (Collateralized: FNMA<br>and GNMA)   | 6.70 | 10/1/30  | 1,625,000    | 1,647,311  |
| Sabine River Authority,<br>PCR (TXU Electric Co. Project)<br>Texas<br>(Veterans Housing Assistance<br>Program) (Collateralized; FHA)        | 6.45 | 6/1/21   | 4,900,000    | 5,158,475  |
| Texas<br>(Veterans' Land)   | 6.10 | 6/1/31   | 8,510,000    | 8,962,136  |
| Texas Department of Housing and   | 6.00 | 12/1/30  | 3,935,000    | 4,202,580  |
| <hr/>   |      |          |              |            |
| Community Affairs, Home<br>Mortgage Revenue<br>(Collateralized: FHLMC, FNMA<br>and GNMA)  | 9.82 | 7/2/24   | 1,300,000 b  | 1,371,981  |
| Texas Department of Housing and<br>Community Affairs, Residential<br>Mortgage Revenue<br>(Collateralized: FHLMC, FNMA<br>and GNMA)          | 5.35 | 7/1/33   | 5,265,000    | 5,458,647  |
| Texas Transportation Commission,  |      |          |              |            |

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| GO (Mobility Fund) (Insured;<br>FGIC)   | 4.50 | 4/1/35  | 7,500,000     | 7,563,375  |
| Texas Turnpike Authority,<br>Central Texas Turnpike System<br>Revenue (Insured; AMBAC)                                | 5.25 | 8/15/42 | 6,775,000     | 7,210,768  |
| Tomball Hospital Authority,<br>Revenue (Tomball Regional<br>Hospital)   | 6.00 | 7/1/25  | 4,650,000     | 4,847,579  |
| Tyler Health Facilities<br>Development Corp., HR (East<br>Texas Medical Center Regional<br>Healthcare System Project) | 6.75 | 11/1/25 | 5,850,000     | 5,904,347  |
| <b>Virginia--5.3%</b>   |      |         |               |            |
| Henrico County Industrial<br>Development Authority, Revenue<br>(Bon Secours Health System)<br>(Insured; FSA)          | 8.08 | 8/23/27 | 7,500,000 b   | 10,410,300 |
| Tobacco Settlement Financing<br>Corporation of Virginia,<br>Tobacco Settlement<br>Asset-Backed Bonds                  | 5.63 | 6/1/37  | 3,810,000     | 4,072,814  |
| Virginia Housing Development<br>Authority, Rental Housing<br>Revenue  | 6.20 | 8/1/24  | 8,520,000     | 8,982,636  |
| <b>Washington--2.4%</b>   |      |         |               |            |
| Washington Higher Educational<br>Facilities Authority, Revenue<br>(Whitman College)                                   | 5.88 | 10/1/09 | 10,000,000 a  | 10,551,400 |
| <b>Wisconsin--7.9%</b>  |      |         |               |            |
| Badger Tobacco Asset<br>Securitization Corporation,<br>Tobacco Settlement<br>Asset-Backed Bonds                       | 8.81 | 6/1/27  | 9,560,000 c,d | 10,238,330 |
| Badger Tobacco Asset<br>Securitization Corporation,<br>Tobacco Settlement<br>Asset-Backed Bonds                       | 7.00 | 6/1/28  | 14,570,000    | 16,441,954 |
| Wisconsin Health and Educational<br>Facilities Authority, Revenue<br>(Aurora Health Care, Inc.)                       | 6.40 | 4/15/33 | 5,500,000     | 6,153,675  |
| Wisconsin Health and Educational<br>Facilities Authority, Revenue   |      |         |               |            |
| (Marshfield Clinic)   | 5.38 | 2/15/34 | 2,000,000     | 2,131,680  |
| <b>Wyoming--3.6%</b>  |      |         |               |            |
| Sweetwater County,<br>SWDR (FMC Corp. Project)  | 5.60 | 12/1/35 | 5,000,000     | 5,349,300  |

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|  |      |         |            |                    |
|--|------|---------|------------|--------------------|
| Wyoming Student Loan Corp.,<br>Student Loan Revenue  | 6.20 | 6/1/24  | 5,000,000  | 5,308,900          |
| Wyoming Student Loan Corp.,<br>Student Loan Revenue  | 6.25 | 6/1/29  | 5,000,000  | 5,299,250          |
| <b>U.S. Related--.8%</b>   |      |         |            |                    |
| Children's Trust Fund of Puerto<br>Rico, Tobacco Settlement<br>Asset-Backed Bonds          | 0.00 | 5/15/55 | 20,000,000 | 733,800            |
| Puerto Rico Infrastructure<br>Financing Authority, Special<br>Tax Revenue (Insured; AMBAC) | 0.00 | 7/1/35  | 10,000,000 | 2,962,400          |
| <b>Total Long-Term Municipal Investments</b><br>(cost \$602,095,609)                       |      |         |            | <b>634,631,234</b> |

| <b>Short-Term Municipal<br/>Investment--.0%</b>  | <b>Coupon<br/>Rate (%)</b> | <b>Maturity<br/>Date</b> | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b>    |
|--|----------------------------|--------------------------|----------------------------------|----------------------|
| <b>Alaska;</b>   |                            |                          |                                  |                      |
| Valdez,<br>Marine Terminal Revenue (Exxon<br>Pipeline Co. Project)<br>(cost \$200,000) | 3.55                       | 3/1/07                   | 200,000 <sup>e</sup>             | <b>200,000</b>       |
| <b>Total Investments</b> (cost \$602,295,609)  |                            |                          | <b>143.4%</b>                    | <b>634,831,234</b>   |
| <b>Liabilities, Less Cash and Receivables</b>  |                            |                          | <b>(1.4%)</b>                    | <b>(5,997,421)</b>   |
| <b>Preferred Stock, at redemption value</b>  |                            |                          | <b>(42.0%)</b>                   | <b>(186,000,000)</b> |
| <b>Net Assets Applicable to Common Shareholders</b>                                    |                            |                          | <b>100.0%</b>                    | <b>442,833,813</b>   |

- a 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.
- b Inverse floater security--the interest rate is subject to change periodically.
- 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, 2007, these securities amounted to \$39,500,920 or 8.9% of net assets applicable to Common Shareholders.
- d Collateral for floating rate borrowings.
- 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 to the annual and semi-annual reports previously filed with the Securities and Exchange Commission on Form N-CSR.

Summary of Abbreviations

|             |                                    |              |   |
|-------------|------------------------------------|--------------|---|
| <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          |

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|               |  |              |  |
|---------------|--|--------------|--|
| <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>MBIA</b>  | Municipal Bond Investors Assurance Insurance Corporation |
| <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                                     |

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## 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.

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## 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 25, 2007

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/ J. David Officer  
J. David Officer  
President

Date: April 25, 2007

By: /s/ James Windels  
James Windels  
Treasurer

Date: April 25, 2007

**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)

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