DREYFUS STRATEGIC MUNICIPAL BOND FUND INC

Form N-Q

October 27, 2008

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number

811-5877

Dreyfus Strategic Municipal Bond Fund, Inc. (Exact name of Registrant as specified in charter)

c/o The Dreyfus Corporation 200 Park Avenue New York, New York 10166

(Address of principal executive offices)

(Zip code)

Michael A. Rosenberg, Esq. 200 Park Avenue New York, New York 10166 (Name and address of agent for service)

Registrant's telephone number, including area code:

(212) 922-6000

Date of fiscal year end: 11/30
Date of reporting period: 8/31/08

FORM N-Q

Item 1. Schedule of Investments.

STATEMENT OF INVESTMENTS

Dreyfus Strategic Municipal Bond Fund, Inc. August 31, 2008 (Unaudited)

Long-Term Municipal Investments152.0%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Alaska4.1%				
Alaska Housing Finance				
Corporation, General Mortgage				
Revenue (Insured; MBIA, Inc.)	6.05	6/1/39	11,915,000	11,961,111
Alaska Housing Finance				
Corporation, Single-Family				
Residential Mortgage Revenue				
(Veterans Mortgage Program)	6.25	6/1/35	3,975,000	4,027,788
Arizona2.6%				

Apache County Industrial Development Authority, PCR					
(Tucson Electric Power Company					
Project)		5.85	3/1/28	2,220,000	2,143,699
Arizona Health Facilities					
Authority, Revenue (Banner					
Health)		5.50	1/1/38	4,500,000	4,428,810
Pima County Industrial Development					
Authority, Education Revenue					
(American Charter Schools					
Foundation Project)		5.50	7/1/26	4,000,000	3,697,960
Arkansas6%					
Arkansas Development Finance					
Authority, SFMR (Mortgage					
Backed Securities Program)					
(Collateralized: FNMA and GNMA)		6.25	1/1/32	2,380,000	2,452,876
California5.9%					
California,					
GO (Various Purpose)		5.25	11/1/27	4,240,000	4,320,348
California Department of Veteran					
Affairs, Home Purchase Revenue		5.20	12/1/28	2,950,000	2,950,944
California Educational Facilities					
Authority, Revenue (University					
of Southern California)	4.50	10/1/33		7,650,000	7,242,255
California Enterprise Development					
Authority, Sewage Facilities					
Revenue (Anheuser-Busch					
Project)	5.30	9/1/47		1,000,000	895,090
California Health Facilities					
Financing Authority, Revenue					
(Cedars-Sinai Medical Center)	6.25	12/1/09		3,750,000 a	3,990,112
California Statewide Communities					
Development Authority,					
Environmental Facilities					
Revenue (Microgy Holdings					
Project)	9.00	12/1/38		2,000,000	2,005,460
Silicon Valley Tobacco					
Securitization Authority,					
Tobacco Settlement					
Asset-Backed Bonds (Santa					
Clara County Tobacco					
Securitization Corporation)	0.00	6/1/36		15,290,000 b	1,701,165
Colorado3.5%					
Colorado Health Facilities					
Authority, Revenue (American					
Baptist Homes of the Midwest					
Obligated Group)	5.90	8/1/37		2,500,000	2,156,575
Colorado Health Facilities					
Authority, Revenue (American					

Housing Foundation I, Inc.	8.50	12/1/31	1 020 00	0 2 004 102
Project) Colorado Housing Finance Authority	6.50	12/1/31	1,920,00	0 2,004,192
(Single Family Program)				
(Collateralized; FHA)	6.60	8/1/32	1,560,00	0 1,660,573
Northwest Parkway Public Highway	0.00	0/1/32	1,500,00	0 1,000,373
Authority, Revenue	7.13	6/15/11	7,000,000	a 7,895,230
Connecticut6.8%	7.10	3/13/11	7,000,000	7,500,200
Connecticut Development Authority,				
,				
PCR (Connecticut Light and				_
Power Company Project)	5.95	9/1/28	9,000,000	8,765,100
Connecticut Health and Educational				
Facilities Authority, Revenue				
(Yale University Issue)	5.05	7/1/42	9,650,000	9,863,361
Connecticut Resources Recovery				
Authority, Special Obligation				
Revenue (American REF-FUEL				
Company of Southeastern				
Connecticut Project)	6.45	11/15/22	4,985,000	4,875,280
Mohegan Tribe of Indians of				
Connecticut Gaming Authority,				
Priority Distribution Payment				
Public Improvement Revenue	6.25	1/1/31	3,470,000	3,172,274
District of Columbia3.4%				
District of Columbia Tobacco				
Settlement Financing				
Corporation, Tobacco				
Settlement Asset-Backed Bonds	0.00	6/15/46	104,040,000 b	4,864,910
Metropolitan Washington Airports				
Authority, Airport System				
Revenue	5.13	10/1/24	5,275,000	5,186,855
Metropolitan Washington Airports				
Authority, Special Facility				
Revenue (Caterair				
International Corporation)	10.13	9/1/11	3,100,000	3,101,271
Florida5.6%				
Escambia County,				
EIR (International Paper				
Company Project)	5.00	8/1/26	1,825,000	1,476,991
Florida Housing Finance				
Corporation, Housing Revenue				
(Seminole Ridge Apartments)				
(Collateralized; GNMA)	6.00	4/1/41	6,415,000	6,306,458
Highlands County Health Facilities				
Authority, HR (Adventist				
Health System/Sunbelt				

Obligated Group)	5.25	11/15/36	5,000,000	4,838,850
Jacksonville Economic Development				
Commission, Health Care				
Facilities Revenue (Florida				
Proton Therapy Institute				
Project)	6.25	9/1/27	2,095,000 c	2,088,066
Orange County Health Facilities				
Authority, HR (Orlando				
Regional Healthcare System)	6.00	10/1/09	70,000 a	73,595
Orange County Health Facilities				
Authority, HR (Orlando				
Regional Healthcare System)	6.00	10/1/26	3,675,000	3,739,312
Orange County Health Facilities				
Authority, Revenue (Adventist				
Health System)	6.25	11/15/12	3,000,000 a	3,401,640
Georgia1.7%			-,,	-, - ,
Augusta,				
Airport Revenue	5.45	1/1/31	2,500,000	2,083,625
Georgia Housing and Finance		., ., -, -	_,,,,,,,,	_,,,,
Authority, SFMR	5.60	12/1/32	2,090,000	2,218,848
Savannah Economic Development	0.00	,,,,,	_,,,,,,,,	_,
Authority, EIR (International				
Paper Company Project)	6.20	8/1/27	2,670,000	2,483,287
Idaho1%	0.20	0/1/21	2,070,000	2, 100,207
Idaho Housing and Finance				
Association, SFMR				
(Collateralized; FNMA)	6.35	1/1/30	260,000	261,193
Illinois8.5%	0.55	1/1/30	200,000	201,193
Chicago,				
SFMR (Collateralized: FHLMC,	6.05	10/1/00	1 605 000	1 650 004
FNMA and GNMA)	6.25	10/1/32	1,605,000	1,650,004
Chicago O'Hare International				
Airport, Special Facility				
Revenue (American Airlines,	5.50	40/4/00	4 000 000	0.040.000
Inc. Project)	5.50	12/1/30	4,000,000	2,340,320
Illinois Educational Facilities				
Authority, Revenue				
(Northwest and Heisters 11)	F 60	0/4/40	44 700 000 - 1	11 707 100
(Northwestern University)	5.00	6/1/12	11,720,000 c,d	11,767,466
Illinois Health Facilities				
Authority, Revenue (Advocate	2.42			
Health Care Network)	6.13	11/15/10	5,000,000 a	5,413,200
Illinois Health Facilities				
Authority, Revenue (OSF	0.57	44/45/00	40.222.222	44 500 005
Healthcare System)	6.25	11/15/09	10,900,000 a	11,539,285
Indiana1.7%				
Franklin Township School Building				
Corporation, First Mortgage				
Bonds	6.13	7/15/10	6,000,000 a	6,555,600
Kentucky1.0%				

Louisville/Jefferson County Metro				
Government, Health Facilities				
Revenue (Jewish Hospital and				
Saint Mary's Healthcare, Inc.				
Project)	6.13	2/1/37	4,000,000	4,067,000
Louisiana6.1%				
Lakeshore Villages Master				
Community Development				
District, Special Assessment				
Revenue	5.25	7/1/17	1,987,000	1,785,419
Louisiana Local Government				
Environmental Facilities and				
Community Development				
Authority, Revenue (Westlake				
Chemical Corporation Projects)	6.75	11/1/32	4,000,000	3,936,320
Saint John the Baptist Parish,				
Revenue (Marathon Oil				
Corporation Project)	5.13	6/1/37	12,000,000	10,370,880
West Feliciana Parish,				
PCR (Entergy Gulf States				
Project)	7.00	11/1/15	3,000,000	3,010,320
West Feliciana Parish,				
PCR (Entergy Gulf States				
Project)	6.60	9/1/28	4,700,000	4,701,598
Maryland2.7%				
Maryland Economic Development				_
Maryland Economic Development				
Corporation Senior Student				
Corporation, Senior Student				
Housing Revenue (University of	5 75	10/1/23	2 550 000	2 137 486
Housing Revenue (University of Maryland, Baltimore Project)	5.75	10/1/33	2,550,000	2,137,486
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher	5.75	10/1/33	2,550,000	2,137,486
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities	5.75	10/1/33	2,550,000	2,137,486
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns				
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue)	5.75 5.25	10/1/33 7/1/38	2,550,000 5,000,000	2,137,486 5,206,300
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development				
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR				
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates	5.25	7/1/38	5,000,000	5,206,300
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility)				
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0%	5.25	7/1/38	5,000,000	5,206,300
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and	5.25	7/1/38	5,000,000	5,206,300
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities	5.25	7/1/38	5,000,000	5,206,300
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic	5.25 8.75	7/1/38 11/15/10	5,000,000 3,710,000	5,206,300 3,188,226
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue)	5.25	7/1/38	5,000,000	5,206,300
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) Massachusetts Health and	5.25 8.75	7/1/38 11/15/10	5,000,000 3,710,000	5,206,300 3,188,226
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) Massachusetts Health and Educational Facilities	5.25 8.75	7/1/38 11/15/10	5,000,000 3,710,000	5,206,300 3,188,226
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) Massachusetts Health and Educational Facilities Authority, Revenue (Partners	5.25 8.75 9.00	7/1/38 11/15/10 12/15/12	5,000,000 3,710,000 2,000,000 a	5,206,300 3,188,226 2,415,260
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.25 8.75	7/1/38 11/15/10	5,000,000 3,710,000	5,206,300 3,188,226
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue) Massachusetts Housing Finance	5.25 8.75 9.00 5.75	7/1/38 11/15/10 12/15/12 7/1/32	5,000,000 3,710,000 2,000,000 a	5,206,300 3,188,226 2,415,260
Housing Revenue (University of Maryland, Baltimore Project) Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue) Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility) Massachusetts2.0% Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.25 8.75 9.00	7/1/38 11/15/10 12/15/12	5,000,000 3,710,000 2,000,000 a	5,206,300 3,188,226 2,415,260

Kent Hospital Finance Authority,				
Revenue (Metropolitan Hospital				
Project)	6.00	7/1/35	4,000,000	3,737,560
Michigan Strategic Fund,			,,	-, - ,
SWDR (Genesee Power Station				
Project)	7.50	1/1/21	8,120,000	7,841,484
Michigan Tobacco Settlement			-, -,	,- , -
Finance Authority, Tobacco				
Settlement Asset-Backed Bonds	6.00	6/1/48	6,900,000	5,752,737
Minnesota2.8%				
Saint Paul Housing and				
Redevelopment Authority,				
Hospital Facility Revenue				
(HealthEast Project)	6.00	11/15/35	11,250,000	11,005,313
Mississippi1.1%				
Mississippi Business Finance				
Corporation, PCR (System				
Energy Resources, Inc. Project)	5.90	5/1/22	4,260,000	4,137,184
Missouri2.2%				
Missouri Health and Educational				
Facilities Authority, Health				
Facilities Revenue (BJC Health				
System)	5.25	5/15/32	8,400,000	8,399,328
Nebraska2%				
Nebraska Investment Finance				
Authority, SFMR	8.51	3/1/26	800,000 c,e	820,040
Nevada2.8%				
Clark County,				
IDR (Nevada Power Company				
Project)	5.60	10/1/30	3,000,000	2,565,420
Washoe County,				
GO Convention Center Revenue				
(Reno-Sparks Convention and				
Visitors Authority) (Insured;	0.40	4/4/40	0.000.000	0.457.500
FSA)	6.40	1/1/10	8,000,000 a	8,457,520
New Hampshire3.6%				
New Hampshire Business Finance				
Authority, PCR (Public Service				
Company of New Hampshire	0.00	E/4/04	0.000.000	0.717.000
Project) (Insured; MBIA, Inc.)	6.00	5/1/21	2,690,000	2,717,922
New Hampshire Business Finance				
Authority, PCR (Public Service Company of New Hampshire				
Project) (Insured; MBIA, Inc.)	6.00	5/1/21	6,000,000	6 060 000
New Hampshire Industrial	0.00	JIIIZI	0,000,000	6,062,280
Development Authority, PCR				
(Connecticut Light and Power				
Company Project)	5.90	11/1/16	5,400,000	5,469,336
New Jersey4.0%	0.00	1 1/ 1/ 10	0,700,000	5,705,000
110.1. 90190y 410/0				

New Jersey Economic Development

Authority, Special Facility				
Revenue (Continental Airlines,				
Inc. Project)	6.25	9/15/19	4,620,000	3,781,193
Tobacco Settlement Financing		5, 75, 75	.,,,,	2,121,122
Corporation of New Jersey,				
Tobacco Settlement				
Asset-Backed Bonds	7.00	6/1/13	10,095,000 a	11,961,061
New York5.9%				, ,
Austin Trust				
(Port Authority of New York				
and New Jersey, Consolidated				
Bonds, 151th Series)	6.00	9/15/28	10,000,000 c,d	10,751,400
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	2,774,670
New York City Industrial				
Development Agency, Special				
Facility Revenue (American				
Airlines, Inc. John F. Kennedy				
International Airport Project)	7.75	8/1/31	5,000,000	4,483,500
New York State Dormitory				
Authority, Revenue (Marymount				
Manhattan College) (Insured;				
Radian)	6.25	7/1/29	4,000,000	4,085,080
New York State Dormitory				
Authority, Revenue (Suffolk				
County Judicial Facility)	9.50	4/15/14	605,000	794,831
North Carolina1.3%				
North Carolina Eastern Municipal				
Power Agency, Power System				
Revenue	6.70	1/1/19	2,500,000	2,599,675
North Carolina Housing Finance				
Agency, Home Ownership Revenue	5.88	7/1/31	2,605,000	2,585,358
Ohio5.2%				
Buckeye Tobacco Settlement				
Financing Authority, Tobacco				
Settlement Asset-Backed Bonds	6.50	6/1/47	7,000,000	6,250,160
Cuyahoga County,				
Hospital Facilities Revenue				
(UHHS/CSAHS-Cuyahoga, Inc. and				
CSAHS/UHHS-Canton, Inc.				
Project)	7.50	1/1/30	3,500,000	3,701,880
Cuyahoga County,				

Hospital Improvement Revenue (The Metrohealth Systems				
Project)	6.15	2/15/09	8,115,000 a	8,352,526
Port of Greater Cincinnati				
Development Authority, Tax				
Increment Development Revenue				
(Fairfax Village Red Bank				
Infrastructure Project)	5.63	2/1/36	2,530,000	2,180,683
Oklahoma1.4%				
Oklahoma Development Finance				
Authority, Revenue (Saint John				
Health System)	6.00	2/15/29	2,250,000	2,294,032
Oklahoma Industries Authority,				
Health System Revenue				
(Obligated Group) (Insured;				
MBIA, Inc.)	5.75	8/15/09	2,895,000 a	3,027,967
Pennsylvania2.9%				
Allegheny County Port Authority,				
Special Transportation Revenue				
(Insured; MBIA, Inc.)	6.13	3/1/09	4,750,000 a	4,902,997
Pennsylvania Economic Development				
Financing Authority, SWDR (USG				
Corporation Project)	6.00	6/1/31	7,000,000	6,104,350
Pennsylvania Housing Finance				
Agency, Multi-Family				
Development Revenue	8.25	12/15/19	235,000	235,444
South Carolina9.5%			•	•
Greenville County School District,				
Installment Purchase Revenue				
(Building Equity Sooner for				
Tomorrow)	5.50	12/1/12	19,000,000 a,c,d	21,337,095
Greenville Hospital System,				
Hospital Facilities Revenue				
(Insured; AMBAC)	5.50	5/1/26	7,000,000	7,262,080
Richland County,				
EIR (International Paper				
Company Project)	6.10	4/1/23	8,500,000	8,170,455
Tennessee4.6%				
Johnson City Health and				
Educational Facilities Board,				
Hospital First Mortgage				
Revenue (Mountain States				
Health Alliance)	7.50	7/1/12	2,000,000 a	2,389,220
Johnson City Health and				. ,
Educational Facilities Board,				
Hospital First Mortgage				
Revenue (Mountain States				
Health Alliance)	7.50	7/1/12	4,875,000 a	5,823,724
Knox County Health, Educational	7.50	1,1,12	4,070,000 a	0,020,724
raion County ricalli, Educational				

and Housing Facility Board,					
Revenue (University Health					
System, Inc.)	5.25	4/1/36		3,750,000	3,419,700
Memphis Center City Revenue					
Finance Corporation, Sports					
Facility Revenue (Memphis					
Redbirds Baseball Foundation		2///22			
Project)	6.50	9/1/28		6,000,000	5,143,140
Tennessee Housing Development					
Agency Homeownership Program					
Revenue	6.00	1/1/28		1,340,000	1,355,852
Texas27.7%					
Brazos River Authority,					
PCR (TXU Electric Company					
Project)	8.25	5/1/33		3,000,000	3,016,470
Brazos River Harbor Navigation					
District, Revenue (The Dow					
Chemical Company Project)	5.13	5/15/33	7,300,000		6,014,835
Cities of Dallas and Fort Worth,					
Dallas/Fort Worth					
International Airport,					
Facility Improvement					
Corporation Revenue (Learjet					
Inc. Project)	6.15	1/1/16		3,000,000	2,828,190
Gregg County Health Facilities					
Development Corporation, HR					
(Good Shepherd Medical Center					
Project) (Insured; Radian)	6.38	10/1/10		2,500,000 a	2,734,425
Gulf Coast Industrial Development					
Authority, Environmental					
Facilities Revenue (Microgy					
Holdings Project)	7.00	12/1/36		5,000,000	4,099,050
Harris County Health Facilities					
Development Corporation, HR					
(Memorial Hermann Healthcare					
System)	6.38	6/1/11		7,000,000 a	7,776,020
Harris County Hospital District,					
Senior Lien Revenue (Insured;					
MBIA, Inc.)	5.25	2/15/42		5,000,000	4,957,050
Harris County-Houston Sports					
Authority, Third Lien Revenue					
(Insured; MBIA, Inc.)	0.00	11/15/31		9,685,000 b	2,279,752
Katy Independent School District,					
Unlimited Tax School Building					
Bonds (Permanent School Fund					
Guarantee Program)	6.13	2/15/09		10,000,000 a	10,206,000
Lubbock Housing Financing					
Corporation, SFMR					
(Collateralized: FNMA and GNMA)	6.70	10/1/30		1,065,000	1,083,606

North Texas Tollway Authority, First Tier System Revenue	5.75	1/1/40		14,705,000 14,	472,808
North Texas Tollway Authority,					
Second Tier System Revenue	5.75	1/1/38		6,650,000 6,	438,996
Sabine River Authority,					
PCR (TXU Electric Company					
Project)	6.45	6/1/21	4,900,000	4,148,046	
Texas					
(Veterans Housing Assistance					
Program) (Collateralized; FHA)	6.10	6/1/31	8,510,000	8,604,206	
Texas					
(Veterans' Land)	6.00	12/1/30	3,935,000	4,006,696	
Texas Department of Housing and					
Community Affairs, Home					
Mortgage Revenue					
(Collateralized: FHLMC, FNMA					
and GNMA)	10.23	7/2/24	1,000,000 e	1,078,600	
Texas Department of Housing and					
Community Affairs, Residential					
Mortgage Revenue					
(Collateralized: FHLMC, FNMA					
and GNMA)	5.35	7/1/33	5,110,000	4,677,336	
Texas Turnpike Authority,					
Central Texas Turnpike System					
Revenue (Insured; AMBAC)	5.25	8/15/42	5,375,000	5,379,246	
Tomball Hospital Authority,					
Revenue (Tomball Regional					
Hospital)	6.00	7/1/25	4,650,000	4,673,576	
Tyler Health Facilities					
Development Corporation, HR,					
Refunding and Improvement					
Bonds (East Texas Medical					
Center Regional Healthcare					
System Project)	5.25	11/1/32	6,915,000	6,005,332	
Willacy County Local Government					
Corporation, Project Revenue	6.88	9/1/28	4,000,000	3,806,880	
Virginia4.4%					
Henrico County Industrial					
Development Authority, Revenue					
(Bon Secours Health System)					
(Insured; FSA)	7.20	8/23/27	7,450,000 e	8,644,459	
Virginia Housing Development					
-					
Authority, Rental Housing					
Revenue		6.20	8/1/24	8,520,000	8,623,859
Washington4.3%					
Washington Health Care Facilities					

Authority, Insured Mortgage				
Revenue (Highline Medical				
Center) (Collateralized; FHA)	6.25	8/1/36	6,000,000	6,284,160
Washington Higher Educational				
Facilities Authority, Revenue				
(Whitman College)	5.88	10/1/09	10,000,000 a	10,425,600
Wisconsin7.4%				
Badger Tobacco Asset				
Securitization Corporation,				
Tobacco Settlement				
Asset-Backed Bonds	6.13	6/1/27	8,360,000 c,d	8,322,213
Badger Tobacco Asset				
Securitization Corporation,				
Tobacco Settlement				
Asset-Backed Bonds	7.00	6/1/28	14,570,000	15,091,169
Wisconsin Health and Educational				
Facilities Authority, Revenue				
(Aurora Health Care, Inc.)	6.40	4/15/33	5,500,000	5,616,820
Total Long-Term Municipal Investments				
(cost \$611,229,113)				593,826,751
Short-Term Municipal	Coupon	Maturity	Principal	
Investment5%	Rate (%)	Date	Amount (\$)	Value (\$)
North Carolina;				
North Carolina Education				
Assistance Authority, Student				
Loan Revenue (Insured; AMBAC				
Loan Revenue (Insured; AMBAC and Liquidity Facility;				
and Liquidity Facility;	10.20	9/7/08	1,800,000 ^f	1,800,000
and Liquidity Facility; Wachovia Bank)	10.20	9/7/08	1,800,000 ^f 152.5 %	1,800,000 595,626,751
and Liquidity Facility; Wachovia Bank) (cost \$1,800,000)	10.20	9/7/08	, ,	
and Liquidity Facility; Wachovia Bank) (cost \$1,800,000) Total Investments (cost \$613,029,113)	10.20	9/7/08	152.5%	595,626,751

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 Security issued with a zero coupon. Income is recognized through the accretion of discount.
- 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 August 31, 2008, these securities amounted to \$55,086,280 or 14.1% of net assets applicable to Common Shareholders.
- d Collateral for floating rate borrowings.
- e Inverse floater security--the interest rate is subject to change periodically.
- f Variable rate demand note rate shown is the interest rate in effect at August 31, 2008. Maturity date represents the next demand date, not the ultimate maturity date.

At August 31, 2008, the fund had \$104,647,379 or 26.8% of net assets applicable to common shareholders invested in securities whose payment of principal and interest is dependent upon revenues generated from health care projects.

At August 31, 2008, the aggregate cost of investment securities for income tax purposes was \$613,029,113. Net unrealized depreciation on investments was \$17,402,362 of which \$16,308,313 related to appreciated investment securities and \$33,710,675 related to depreciated investment securities.

Securities valuation policies and other investment related disclosures are hereby incorporated by reference to the annual and semi-annual reports previously filed with the Securities and Exchange Commission on Form N-CSR.

Summary of Abbreviations

ABAG	Association Of Bay Area Governme	ents	ACA	American Capital Access	
AGC	ACE Guaranty Corporation		AGIC	Asset Guaranty Insurance Company	
AMBAC	American Municipal Bond Assurance	e Corporation	ARRN	Adjustable Rate Receipt Notes	
BAN	Bond Anticipation Notes		BIGI	Bond Investors Guaranty Insurance	
BPA	Bond Purchase Agreement Continental Insurance Company			Capital Guaranty Insurance Company	
CIC				CDC Ixis Financial Guaranty	
CMAC	Capital Market Assurance Corporation Commercial Paper		COP	Certificate of Participation	
CP			EDR	Economic Development Revenue	
EIR	Environmental Improvement Revenue		FGIC	Financial Guaranty Insurance Company	
FHA	Enderel Hausing Administration	FHLB	Endors	ıl Home Loan Bank	
FHLMC	Federal Housing Administration Federal Home Loan Mortgage Corporation	FNMA			
FSA	Financial Security Assurance	GAN	Federal National Mortgage Associatio Grant Anticipation Notes		
GIC	Guaranteed Investment Contract	GNMA		nment National Mortgage Association	
GO	General Obligation	HR		al Revenue	
IDB	Industrial Development Board	IDC		ial Development Corporation	
IDR	Industrial Development Revenue	LOC	Letter of Credit		
LOR	Limited Obligation Revenue	LR		Lease Revenue	
MFHR	Multi-Family Housing Revenue	MFMR		Multi-Family Mortgage Revenue	
PCR	Pollution Control Revenue	PILOT		ent in Lieu of Taxes	
RAC	Revenue Anticipation Certificates	RAN	•	ue Anticipation Notes	
RAW	Revenue Anticipation Warrants	RRR		rces Recovery Revenue	
SAAN	State Aid Anticipation Notes	SBPA		by Bond Purchase Agreement	
SFHR	Single Family Housing Revenue	SFMR	Single	Family Mortgage Revenue	
SONYMA	State of New York Mortgage Agency	SWDR	_	Vaste Disposal Revenue	
TAN	Tax Anticipation Notes	TAW	Tax Ar	nticipation Warrants	
TRAN	Tax and Revenue Anticipation Notes	XLCA	XI Car	oital Assurance	

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

These inputs are summarized in the three broad levels listed below. Level 1 - quoted prices in active markets for identical securities.

Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) **Level 3** - significant unobservable inputs (including fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of August 31, 2008 in valuing the fund's investments carried at fair value:

Investments in Securities (\$)	Other Financial Instruments* (\$)	
0		0
595,626,751		0
0		0
595,626,751		0
	0 595,626,751 0	0 595,626,751

^{*}Other financial instruments include derivative instruments, such as futures, forward currency exchange contracts and swap contracts, which are valued at the unrealized appreciation (depreciation) on the instrument.

Item 2. Controls and Procedures.

- (a) The Registrant's principal executive and principal financial officers have concluded, based on their evaluation of the Registrant's disclosure controls and procedures as of a date within 90 days of the filing date of this report, that the Registrant's disclosure controls and procedures are reasonably designed to ensure that information required to be disclosed by the Registrant on Form N-Q is recorded, processed, summarized and reported within the required time periods and that information required to be disclosed by the Registrant in the reports that it files or submits on Form N-Q is accumulated and communicated to the Registrant's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.
- (b) There were no changes to the Registrant's internal control over financial reporting that occurred during the Registrant's most recently ended fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 3. Exhibits.

(a) Certifications of principal executive and principal financial officers as required by Rule 30a-2(a) under the Investment Company Act of 1940.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dreyfus Strategic Municipal Bond Fund, Inc.

By:	/s/ J. David Officer
	J. David Officer
	President
D.	0 . 1 . 27 2000
Date:	October 27, 2008

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 Office	ľ
President	

Date: October 27, 2008

By: /s/ James Windels

James Windels Treasurer

Date: October 27, 2008

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)