

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 Investments--152.0%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Alaska--4.1%				
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
Arizona--2.6%				

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

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
Arkansas--6%				
Arkansas Development Finance Authority, SFMR (Mortgage Backed Securities Program) (Collateralized: FNMA and GNMA)	6.25	1/1/32	2,380,000	2,452,876
California--5.9%				
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
<hr/>				
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
Colorado--3.5%				
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				

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

Housing Foundation I, Inc. Project)	8.50	12/1/31	1,920,000	2,004,192
Colorado Housing Finance Authority (Single Family Program) (Collateralized; FHA)	6.60	8/1/32	1,560,000	1,660,573
Northwest Parkway Public Highway Authority, Revenue	7.13	6/15/11	7,000,000 a	7,895,230
Connecticut--6.8%				
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 Columbia--3.4%				
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
Florida--5.6%				
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				

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

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
Georgia--1.7%				
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 Authority, EIR (International Paper Company Project)	6.20	8/1/27	2,670,000	2,483,287
Idaho--.1%				
Idaho Housing and Finance Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	260,000	261,193
Illinois--8.5%				
Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA)	6.25	10/1/32	1,605,000	1,650,004
Chicago O'Hare International Airport, Special Facility Revenue (American Airlines, Inc. Project)	5.50	12/1/30	4,000,000	2,340,320
Illinois Educational Facilities Authority, Revenue				
(Northwestern University)	5.00	6/1/12	11,720,000 c,d	11,767,466
Illinois Health Facilities Authority, Revenue (Advocate Health Care Network)	6.13	11/15/10	5,000,000 a	5,413,200
Illinois Health Facilities Authority, Revenue (OSF Healthcare System)	6.25	11/15/09	10,900,000 a	11,539,285
Indiana--1.7%				
Franklin Township School Building Corporation, First Mortgage Bonds	6.13	7/15/10	6,000,000 a	6,555,600
Kentucky--1.0%				

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

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
Louisiana--6.1%				
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
Maryland--2.7%				
Maryland Economic Development Corporation, Senior Student Housing Revenue (University of Maryland, Baltimore Project)	5.75	10/1/33	2,550,000	2,137,486
Maryland Health and Higher Educational Facilities Authority, Revenue (The Johns Hopkins University Issue)	5.25	7/1/38	5,000,000	5,206,300
Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility)	8.75	11/15/10	3,710,000	3,188,226
Massachusetts--2.0%				
Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue)	9.00	12/15/12	2,000,000 a	2,415,260
Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.75	7/1/32	115,000	116,986
Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	6,000,000	5,260,380
Michigan--4.4%				

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

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
Minnesota--2.8%				
Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue				
(HealthEast Project)	6.00	11/15/35	11,250,000	11,005,313
Mississippi--1.1%				
Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project)	5.90	5/1/22	4,260,000	4,137,184
Missouri--2.2%				
Missouri Health and Educational Facilities Authority, Health Facilities Revenue (BJC Health System)	5.25	5/15/32	8,400,000	8,399,328
Nebraska--.2%				
Nebraska Investment Finance Authority, SFMR	8.51	3/1/26	800,000 c,e	820,040
Nevada--2.8%				
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; FSA)	6.40	1/1/10	8,000,000 a	8,457,520
New Hampshire--3.6%				
New Hampshire Business Finance Authority, PCR (Public Service Company of New Hampshire 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	6,062,280
New Hampshire Industrial Development Authority, PCR (Connecticut Light and Power Company Project)	5.90	11/1/16	5,400,000	5,469,336
New Jersey--4.0%				

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

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 Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	7.00	6/1/13	10,095,000 a	11,961,061
New York--5.9%				
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 Carolina--1.3%				
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
Ohio--5.2%				
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,				

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

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
Oklahoma--1.4%				
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
Pennsylvania--2.9%				
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 Carolina--9.5%				
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
Tennessee--4.6%				
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				

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

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 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
Texas--27.7%				
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

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

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

Virginia--4.4%

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
--------------------------------------	------	--------	-----------	-----------

Washington--4.3%

Washington Health Care Facilities

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

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
Wisconsin--7.4%				
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 Investment--.5%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
North Carolina;				
North Carolina Education Assistance Authority, Student Loan Revenue (Insured; AMBAC and Liquidity Facility; Wachovia Bank) (cost \$1,800,000)	10.20	9/7/08	1,800,000 f	1,800,000
Total Investments (cost \$613,029,113)			152.5%	595,626,751
Liabilities, Less Cash and Receivables			(4.9%)	(19,054,621)
Preferred Stock, at redemption value			(47.6%)	(186,000,000)
Net Assets Applicable to Common Shareholders			100.0%	390,572,130

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 Security issued with a zero coupon. Income is recognized through the accretion of discount.

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 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.

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

g 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 Governments	ACA	American Capital Access
AGC	ACE Guaranty Corporation	AGIC	Asset Guaranty Insurance Company
AMBAC	American Municipal Bond Assurance Corporation	ARRN	Adjustable Rate Receipt Notes
BAN	Bond Anticipation Notes	BIGI	Bond Investors Guaranty Insurance
BPA	Bond Purchase Agreement	CGIC	Capital Guaranty Insurance Company
CIC	Continental Insurance Company	CIFG	CDC Ixis Financial Guaranty
CMAC	Capital Market Assurance Corporation	COP	Certificate of Participation
CP	Commercial Paper	EDR	Economic Development Revenue
EIR	Environmental Improvement Revenue	FGIC	Financial Guaranty Insurance Company
<hr/>			
FHA	Federal Housing Administration	FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation	FNMA	Federal National Mortgage Association
FSA	Financial Security Assurance	GAN	Grant Anticipation Notes
GIC	Guaranteed Investment Contract	GNMA	Government National Mortgage Association
GO	General Obligation	HR	Hospital Revenue
IDB	Industrial Development Board	IDC	Industrial 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	Payment in Lieu of Taxes
RAC	Revenue Anticipation Certificates	RAN	Revenue Anticipation Notes
RAW	Revenue Anticipation Warrants	RRR	Resources Recovery Revenue
SAAN	State Aid Anticipation Notes	SBPA	Standby Bond Purchase Agreement
SFHR	Single Family Housing Revenue	SFMR	Single Family Mortgage Revenue
SONYMA	State of New York Mortgage Agency	SWDR	Solid Waste Disposal Revenue
TAN	Tax Anticipation Notes	TAW	Tax Anticipation Warrants
TRAN	Tax and Revenue Anticipation Notes	XLCA	XL Capital 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.

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

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

<u>Valuation Inputs</u>	<u>Investments in Securities (\$)</u>	<u>Other Financial Instruments* (\$)</u>
Level 1 - Quoted Prices	0	0
Level 2 - Other Significant Observable Inputs	595,626,751	0
Level 3 - Significant Unobservable Inputs	0	0
Total	595,626,751	0

*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

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

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

J. David Officer
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)
