

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC
Form N-Q
October 29, 2009

**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: 8/31/09

FORM N-Q

Item 1. Schedule of Investments.

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STATEMENT OF INVESTMENTS

Dreyfus Strategic Municipal Bond Fund, Inc.

August 31, 2009 (Unaudited)

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Long-Term Municipal Investments--147.1%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Alaska--2.1%				
Alaska Housing Finance Corporation, General Mortgage Revenue (Insured; National Public Finance Guarantee Corp.)				
	6.05	6/1/39	3,970,000	3,970,000
Alaska Housing Finance Corporation, Single-Family Residential Mortgage Revenue (Veterans Mortgage Program)				
	6.25	6/1/35	3,975,000	4,006,720
Arizona--2.5%				
Glendale Western Loop 101 Public Facilities Corporation, Third Lien Excise Tax Revenue				
	7.00	7/1/33	6,010,000	6,482,266
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)				
	5.50	7/1/26	4,000,000	3,027,400
Arkansas--.5%				
Arkansas Development Finance Authority, SFMR (Mortgage Backed Securities Program) (Collateralized: FNMA and GNMA)				
	6.25	1/1/32	2,015,000	2,055,481
California--17.5%				
Beverly Hills Unified School District, GO				
	0.00	8/1/30	8,000,000 a	2,552,880
California, GO (Various Purpose)				
	5.75	4/1/31	7,800,000	8,174,166
California, GO (Various Purpose)				
	5.00	11/1/32	2,600,000	2,526,836
California, GO (Various Purpose)				
	6.50	4/1/33	5,000,000	5,545,200
California Department of Veteran Affairs, Home Purchase Revenue				
	5.20	12/1/28	2,950,000	2,950,914
California Educational Facilities Authority, Revenue (University of Southern California)				
	5.25	10/1/38	5,000,000	5,284,500

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California Enterprise Development Authority, Sewage Facilities Revenue (Anheuser-Busch Project)	5.30	9/1/47	1,000,000	821,500
California Health Facilities Financing Authority, Revenue (Cedars-Sinai Medical Center) (Prerefunded)	6.25	12/1/09	3,750,000 b	3,842,625
California Housing Finance Agency, Home Mortgage Revenue	5.05	8/1/27	2,500,000	2,153,850
California Pollution Control Financing Authority, SWDR (Waste Management, Inc. Project)	5.13	11/1/23	1,500,000	1,400,910
California Statewide Communities Development Authority, Environmental Facilities Revenue (Microgy Holdings Project)	9.00	12/1/38	2,000,000	1,603,760
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/33	10,535,000	8,462,133
Los Angeles Department of Water and Power, Power System Revenue	5.00	7/1/34	2,885,000	2,932,141
Sacramento City Unified School District, GO (Insured; FSA)	0.00	7/1/24	5,220,000 a	2,151,005
Sacramento County, Airport System Subordinate and Passenger Facility Charges Grant Revenue	6.00	7/1/35	4,000,000	4,048,800
San Diego Public Facilities Financing Authority, Senior Sewer Revenue	5.25	5/15/34	2,500,000	2,547,400
Santa Margarita/Dana Point Authority, Revenue (Santa				

Margarita Water District
Improvement Districts Numbers

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2,3 and 4)	5.13	8/1/38	5,000,000	5,091,100
Silicon Valley Tobacco				
Securitization Authority, Tobacco Settlement Asset-Backed Bonds (Santa Clara County Tobacco Securitization Corporation)	0.00	6/1/36	15,290,000 a	1,466,005
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)				
	5.88	1/1/29	2,000,000	2,091,140
Colorado--3.5%				
Colorado Health Facilities Authority, Revenue (American Baptist Homes of the Midwest Obligated Group)				
	5.90	8/1/37	2,500,000	1,825,375
Colorado Health Facilities Authority, Revenue (American Housing Foundation I, Inc. Project) (Prerefunded)				
	8.50	12/1/11	1,870,000 b	2,150,051
Colorado Housing and Finance Authority, Single Family Program Senior and Subordinate Bonds (Collateralized; FHA)				
	6.60	8/1/32	1,375,000	1,448,507
Northwest Parkway Public Highway Authority, Revenue (Prerefunded)				
	7.13	6/15/11	7,000,000 b	7,806,960
Connecticut--3.7%				
Connecticut Development Authority, PCR (Connecticut Light and Power Company Project)				
	5.95	9/1/28	9,000,000	8,924,220
Connecticut Resources Recovery Authority, Special Obligation Revenue (American REF-FUEL Company of Southeastern Connecticut Project)				
	6.45	11/15/22	4,985,000	4,801,552
District of Columbia--1.5%				
District of Columbia Tobacco Settlement Financing Corporation, Tobacco				

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Settlement Asset-Backed Bonds	0.00	6/15/46	104,040,000 a	3,123,281
Metropolitan Washington Airports Authority, Special Facility Revenue (Caterair International Corporation)	10.13	9/1/11	2,400,000	2,352,768
Florida--5.6%				
Florida Housing Finance Corporation, Housing Revenue (Seminole Ridge Apartments) (Collateralized; GNMA)	6.00	4/1/41	6,415,000	6,484,474
Highlands County Health Facilities Authority, HR (Adventist Health System/Sunbelt Obligated Group)	5.25	11/15/36	2,875,000	2,712,103
Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System)	6.00	10/1/26	3,675,000	3,677,609
Orange County Health Facilities Authority, HR (Orlando Regional Healthcare System) (Prerefunded)	6.00	10/1/09	70,000 b	71,021
Orange County Health Facilities Authority, Revenue (Adventist Health System) (Prerefunded)	6.25	11/15/12	3,000,000 b	3,380,910
Orange County School Board, COP (Master Lease Purchase Agreement) (Insured; Assured Guaranty)	5.50	8/1/34	4,500,000	4,663,710
Georgia--3.0%				
Atlanta, Water and Wastewater Revenue	6.00	11/1/28	4,865,000	5,029,096
Augusta, Airport Revenue	5.45	1/1/31	2,500,000	1,884,300
Georgia Housing and Finance Authority, SFMR	5.60	12/1/32	2,060,000	1,949,790
Savannah Economic Development Authority, EIR (International Paper Company Project)	6.20	8/1/27	2,670,000	2,522,456
Idaho--.1%				

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Idaho Housing and Finance Association, SFMR (Collateralized; FNMA)	6.35	1/1/30	220,000	220,935
Illinois--4.8%				
Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA)	6.25	10/1/32	1,340,000	1,377,064
Illinois Health Facilities Authority, Revenue (Advocate Health Care Network) (Prerefunded)	6.13	11/15/10	5,000,000 b	5,335,750
Illinois Health Facilities Authority, Revenue (OSF Healthcare System) (Prerefunded)	6.25	11/15/09	10,900,000 b	11,137,293
Indiana--1.7%				
Franklin Township School Building Corporation, First Mortgage Bonds (Prerefunded)	6.13	7/15/10	6,000,000 b	6,421,080
Kentucky--.3%				
Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's HealthCare, Inc. Project)	6.13	2/1/37	1,000,000	1,016,690
Louisiana--2.4%				
Lakeshore Villages Master Community Development District, Special Assessment Revenue	5.25	7/1/17	1,987,000	1,569,035
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	4,000,000	3,611,120
West Feliciana Parish, PCR (Entergy Gulf States Project)	7.00	11/1/15	1,270,000	1,269,949
West Feliciana Parish, PCR (Entergy Gulf States				

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Project)	6.60	9/1/28	2,545,000	2,545,764
Maryland--1.3%				
Maryland Economic Development Corporation, Senior Student Housing Revenue (University of Maryland, Baltimore Project)	5.75	10/1/33	2,550,000	1,677,518
Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership Facility)	8.75	11/15/10	3,710,000	3,315,367
Massachusetts--5.8%				
Massachusetts Educational Financing Authority, Education Loan Revenue (Insured; Assured Guaranty)	6.13	1/1/22	8,000,000	8,356,560
Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) (Prerefunded)	9.00	12/15/12	1,900,000 b	2,290,412
Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.75	7/1/32	115,000	118,248
Massachusetts Housing Finance Agency, Housing Revenue	7.00	12/1/38	5,000,000	5,491,850
Massachusetts Housing Finance Agency, SFHR	5.00	12/1/31	6,000,000	5,566,320
Michigan--5.2%				
Detroit, Sewage Disposal System Senior Lien Revenue (Insured; FSA)	7.50	7/1/33	3,500,000	4,148,865
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	4,000,000	2,942,040
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	7,720,000	6,466,504

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Royal Oak Hospital Finance
 Authority, HR (William

Beaumont Hospital Obligated Group)	8.00	9/1/29	5,000,000	5,743,950
Minnesota--.2%				
Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue (HealthEast Project)	6.00	11/15/35	1,105,000	902,498
Mississippi--1.1%				
Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project)	5.90	5/1/22	4,260,000	4,000,992
Missouri--1.5%				
Missouri Health and Educational Facilities Authority, Health Facilities Revenue (BJC Health System)	5.25	5/15/32	5,525,000	5,548,537
Nebraska--.2%				
Nebraska Investment Finance Authority, SFMR	9.63	3/1/26	600,000 c,d	610,770
Nevada--3.5%				
Clark County, IDR (Nevada Power Company Project)	5.60	10/1/30	5,500,000	4,780,985
Washoe County, GO Convention Center Revenue (Reno-Sparks Convention and Visitors Authority) (Insured; FSA) (Prerefunded)	6.40	1/1/10	8,000,000 b	8,159,520
New Hampshire--3.8%				
New Hampshire Business Finance Authority, PCR (Public Service Company of New Hampshire Project) (Insured; National Public Finance Guarantee Corp.)	6.00	5/1/21	2,690,000	2,724,432
New Hampshire Business Finance Authority, PCR (Public Service				

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Company of New Hampshire Project) (Insured; National Public Finance Guarantee Corp.)	6.00	5/1/21	6,000,000	6,076,800
New Hampshire Industrial				
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Development Authority, PCR (Connecticut Light and Power Company Project)	5.90	11/1/16	5,400,000	5,406,318
New Jersey--5.3%				
New Jersey Economic Development Authority, School Facilities Construction Revenue	5.50	12/15/29	5,000,000	5,371,500
New Jersey Economic Development Authority, Special Facility Revenue (Continental Airlines, Inc. Project)	6.25	9/15/19	2,620,000	2,267,636
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/29	250,000	198,935
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.00	6/1/13	10,095,000 b	12,093,507
New York--8.7%				
Austin Trust (Port Authority of New York and New Jersey, Consolidated Bonds, 151st Series)	6.00	9/15/28	10,000,000 d,e	10,687,950
Long Island Power Authority, Electric System General Revenue	6.25	4/1/33	3,000,000	3,387,450
Metropolitan Transportation Authority, Transportation Revenue	6.25	11/15/23	8,425,000	9,517,386
New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy				

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International Airport Project)	7.75	8/1/31	5,000,000	4,277,650
New York State Dormitory Authority, Revenue (Marymount Manhattan College) (Insured; Radian)	6.25	7/1/29	4,000,000	4,036,720
New York State Dormitory				
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Authority, Revenue (Suffolk County Judicial Facility)	9.50	4/15/14	605,000	790,420
North Carolina--1.3%				
North Carolina Eastern Municipal Power Agency, Power System Revenue	6.70	1/1/19	2,500,000	2,543,200
North Carolina Housing Finance Agency, Home Ownership Revenue	5.88	7/1/31	2,365,000	2,368,737
Ohio--1.4%				
Cuyahoga County, Hospital Facilities Revenue (UHHS/CSAHS-Cuyahoga, Inc. and CSAHS/UHHS-Canton, Inc. Project)	7.50	1/1/30	3,500,000	3,555,545
Port of Greater Cincinnati Development Authority, Tax Increment Development Revenue (Fairfax Village Red Bank Infrastructure Project)	5.63	2/1/36	2,530,000	1,642,400
Rhode Island--1.5%				
Rhode Island Health and Educational Building Corporation, Hospital Financing Revenue (Lifespan Obligated Group Issue) (Insured; Assured Guaranty)	7.00	5/15/39	5,000,000	5,647,650
South Carolina--4.1%				
Greenville Hospital System, Hospital Facilities Revenue (Insured; AMBAC)	5.50	5/1/26	7,000,000	7,117,250
Richland County, EIR (International Paper				

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Company Project)	6.10	4/1/23	8,500,000	8,146,995
Tennessee--4.8%				
Johnson City Health and Educational Facilities Board, Hospital First Mortgage Revenue (Mountain States Health Alliance) (Prerefunded)	7.50	7/1/12	2,000,000 b	2,289,080
Johnson City Health and				
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Educational Facilities Board, Hospital First Mortgage Revenue (Mountain States Health Alliance) (Prerefunded)	7.50	7/1/12	4,875,000 b	5,579,633
Memphis Center City Revenue Finance Corporation, Sports Facility Revenue (Memphis Redbirds Baseball Foundation Project)	6.50	9/1/28	6,000,000 f	2,837,940
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/29	2,500,000	2,777,875
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/34	3,000,000	3,268,860
Tennessee Housing Development Agency, Homeownership Program Revenue	6.00	1/1/28	1,320,000	1,342,361
Texas--27.3%				
Brazos River Authority, PCR (TXU Electric Company Project)	8.25	5/1/33	2,500,000	1,308,850
Brazos River Harbor Navigation District, Revenue (The Dow Chemical Company Project)	5.13	5/15/33	5,000,000	3,978,200
Dallas-Fort Worth International				

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Airport Facility Improvement Corporation, Revenue (Learjet Inc. Project)	6.15	1/1/16	3,000,000	2,844,300
Gregg County Health Facilities Development Corporation, HR (Good Shepherd Medical Center Project) (Insured; Radian) (Prerefunded)	6.38	10/1/10	2,500,000 b	2,662,200
Gulf Coast Industrial Development Authority, Environmental Facilities Revenue (Microgy Holdings Project)	7.00	12/1/36	5,000,000	2,203,200
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System)	7.25	12/1/35	9,290,000	10,214,820
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System) (Prerefunded)	6.38	6/1/11	7,000,000 b	7,727,650
Harris County Hospital District, Senior Lien Revenue (Insured; National Public Finance Guarantee Corp.)	5.25	2/15/42	5,000,000	4,803,600
Harris County-Houston Sports Authority, Third Lien Revenue (Insured; National Public Finance Guarantee Corp.)	0.00	11/15/31	9,685,000 a	1,916,758
Houston, Combined Utility System First Lien Revenue (Insured; Assured Guaranty)	6.00	11/15/36	5,000,000	5,648,800
Lubbock Housing Financing Corporation, SFMR (Collateralized: FNMA and GNMA)	6.70	10/1/30	845,000	886,870
Matagorda County Navigation District Number One, Revenue (Houston Lighting and Power				

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Company Project) (Insured; AMBAC)	5.13	11/1/28	4,295,000	3,592,810
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty)	5.75	1/1/40	14,705,000	15,519,804
North Texas Tollway Authority, Second Tier System Revenue	5.75	1/1/38	6,650,000	6,566,942
Sabine River Authority, PCR (TXU Electric Company Project)	6.45	6/1/21	4,900,000	2,222,885
Texas (Veterans' Land)	6.00	12/1/30	3,935,000	3,958,531
Texas,				

GO (Veterans Housing Assistance Program) (Collateralized; FHA)	6.10	6/1/31	8,510,000	8,521,659
Texas Department of Housing and Community Affairs, Home Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	12.01	7/2/24	850,000 c	954,321
Texas Department of Housing and Community Affairs, Residential Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	5.35	7/1/33	5,035,000	5,037,215
Texas Turnpike Authority, Central Texas Turnpike System Revenue (Insured; AMBAC)	5.25	8/15/42	5,375,000	4,933,014
Tomball Hospital Authority, Revenue (Tomball Regional Hospital)	6.00	7/1/25	4,650,000	3,842,574
Willacy County Local Government Corporation, Project Revenue	6.88	9/1/28	4,000,000	3,139,200
Virginia--6.9%				
Henrico County Industrial Development Authority, Revenue (Bon Secours Health System)				

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(Insured; FSA)	11.09	8/23/27	7,350,000 c	8,261,033
Virginia Housing Development Authority, Commonwealth Mortgage Revenue	6.25	7/1/31	5,250,000	5,674,620
Virginia Housing Development Authority, Rental Housing Revenue	6.20	8/1/24	8,520,000	8,610,823
Washington County Industrial Development Authority, HR (Mountain States Health Alliance)	7.75	7/1/38	3,000,000	3,345,690
Washington--4.4%				
Washington Health Care Facilities Authority, Mortgage Revenue (Highline Medical Center)				
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(Collateralized; FHA)	6.25	8/1/36	6,000,000	6,404,940
Washington Higher Educational Facilities Authority, Revenue (Whitman College) (Prerefunded)	5.88	10/1/09	10,000,000 b	10,046,100
Wisconsin--7.4%				
Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds	6.13	6/1/27	6,455,000	7,080,941
Badger Tobacco Asset Securitization Corporation, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.00	6/1/12	14,570,000 b	16,653,364
Wisconsin Health and Educational Facilities Authority, Revenue (Aurora Health Care, Inc.)	6.40	4/15/33	4,000,000	4,006,000
U.S. Related--2.2%				
Government of Guam, GO	7.00	11/15/39	1,500,000	1,512,285
Puerto Rico Commonwealth, Public Improvement GO	5.50	7/1/32	1,500,000	1,428,735
Puerto Rico Sales Tax Financing				

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Corporation, Sales Tax Revenue				
(First Subordinate Series)	6.00	8/1/42	5,000,000	5,223,850
Total Long-Term Municipal Investments				
(cost \$565,841,130)				551,309,345
Short-Term Municipal	Coupon	Maturity	Principal	
Investment--.2%	Rate (%)	Date	Amount (\$)	Value (\$)
Idaho;				
Idaho Health Facilities Authority,				
Revenue (Saint Luke's Regional				
Medical Center Project)				
(Insured; FSA and Liquidity				
Facility; Bank of Montreal)				
(cost \$700,000)	0.20	9/1/09	700,000 ⁹	700,000
Total Investments (cost \$566,541,130)			147.3%	552,009,345
Cash and Receivables (Net)			2.3%	8,747,718
Preferred Stock, at redemption value			(49.6%)	(186,000,000)

Net Assets Applicable to Common Shareholders	100.0%	374,757,063
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- a Security issued with a zero coupon. Income is recognized through the accretion of discount.
- b 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.
- 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 may be resold in transactions exempt from registration, normally to qualified institutional buyers. At August 31, 2009, these securities amounted to \$11,298,720 or 3.0% of net assets applicable to Common Shareholders.
- e Collateral for floating rate borrowings.
- f Non-income producing--security in default.
- g Variable rate demand note - rate shown is the interest rate in effect at August 31, 2009. Maturity date represents the next demand date, or the ultimate maturity date if earlier.

At August 31, 2009, the aggregate cost of investment securities for income tax purposes was \$566,541,130. Net unrealized depreciation on investments was \$14,531,785 of which \$27,194,301 related to appreciated investment securities and \$41,726,086 related to depreciated investment securities.

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

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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 Markets Assurance Corporation	COP	Certificate of Participation
CP	Commercial Paper	EDR	Economic Development Revenue
EIR	Environmental Improvement Revenue	FGIC	Financial Guaranty Insurance Company
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 FAS 157. These inputs are summarized in the three broad levels listed below.

Level 1 - quoted prices in active markets for identical investments.

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 the 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, 2009 in valuing the fund's investments:

Assets (\$)	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
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Investments in Securities:

Municipal Bonds	-	552,009,345	-	552,009,345
Other Financial Instruments+	-	-	-	-
Liabilities (\$)				
Other Financial Instruments+	-	-	-	-

Other financial instruments include derivative instruments, such as futures, forward foreign currency exchange contracts, swap contracts and options contracts. Amounts shown represents unrealized appreciation (depreciation), or in the case of options, market value at period end.

The fund adopted Statement of Financial Accounting Standards No. 161 Disclosures about Derivative Instruments and Hedging Activities (FAS 161). FAS 161 requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of gains and losses on derivative instruments and disclosures about credit-risk-related contingent features in derivative agreements. Since the fund held no derivatives during the period, FAS 161 disclosures did not impact the notes to the financial statements.

Portfolio valuation: Investments in municipal debt securities are valued on the last business day of each week and month by an independent pricing service (the Service) approved by the Board of Directors. Investments for which quoted bid prices are readily available and are representative of the bid side of the market in the judgment of the Service are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of the portfolio securities) are carried at fair value as determined by the Service, based on methods which include consideration of: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. Options and financial futures on municipal securities and U.S.Treasury securities are valued at the last sales price on the securities exchange on which such securities are primarily traded or at the last sales price on the national securities market on the last business day of each week and month.

Inverse Floater Securities: The fund may participate in secondary inverse floater structures in which fixed-rate, tax-exempt municipal bonds purchased by the fund are transferred to a trust. The trust subsequently issues two or more variable rate securities that are collateralized by the cash flows of the fixed-rate, tax-exempt municipal bonds. One or more of these variable rate securities pays interest based on a short-term floating rate set by a remarketing agent at predetermined intervals. A residual interest tax-exempt security is also

created by the trust, which is transferred to the fund, and is paid interest based on the remaining cash flow of the trust, after payment of interest on the other securities and various expenses of the trust.

The fund accounts for the transfer of bonds to the trusts as secured borrowings, with the securities transferred remaining in the fund s investments, and the related floating rate certificate securities reflected as fund liabilities.

Additional 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.

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,

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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: October 28, 2009

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: October 28, 2009

By: /s/ James Windels
James Windels
Treasurer

Date: October 28, 2009

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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