

WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Form N-Q

April 25, 2012

**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 811-7362

Western Asset Municipal Partners Fund Inc.  
(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY  
(Address of principal executive offices)

10018  
(Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902  
(Name and address of agent for service)

Registrant's telephone number, including area code: (888) 777-0102

Date of fiscal year end: November 30

Date of reporting period: February 29, 2012

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ITEM 1. SCHEDULE OF INVESTMENTS.

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**WESTERN ASSET MUNICIPAL PARTNERS FUND INC.**

FORM N-Q

FEBRUARY 29, 2012

## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited)

February 29, 2012

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
MUNICIPAL BONDS 150.6%				
<b>Alaska 1.5%</b>				
Valdez, AK, Marine Terminal Revenue, BP Pipelines Inc. Project	5.000%	1/1/21	\$ 2,000,000	\$ 2,412,920
<b>Arizona 2.7%</b>				
Glendale, AZ, Transportation Excise Tax Revenue, NATL	5.000%	7/1/28	2,855,000	3,098,703
Phoenix, AZ, Civic Improvement Corp., Water System Revenue	5.000%	7/1/29	1,000,000	1,141,140
<i>Total Arizona</i>				<i>4,239,843</i>
<b>California 21.7%</b>				
California Health Facilities Finance Authority Revenue, Catholic Healthcare West	5.625%	7/1/32	5,000,000	5,362,700
California Health Facilities Financing Authority Revenue, Catholic Healthcare West	5.250%	3/1/24	2,500,000	2,834,900
California State, GO, Unrefunded Balance	5.125%	6/1/24	35,000	35,064
California Statewide CDA Revenue, Insured Health Facility L.A., Jewish Home, CA, Mortgage Insurance	5.000%	11/15/28	1,500,000	1,558,125
Los Angeles, CA, Department of Water & Power Revenue, Power Systems, Subordinated, AGM	5.000%	7/1/35	5,000,000	5,312,150
Lower Tule River, CA, Irrigation District Revenue, COP	5.000%	8/1/40	1,000,000	995,440
M-S-R Energy Authority, CA, Gas Revenue	7.000%	11/1/34	2,490,000	3,233,141
M-S-R Energy Authority, CA, Gas Revenue	6.500%	11/1/39	3,000,000	3,685,710
Modesto, CA, Irrigation District Electric Revenue	5.000%	7/1/19	3,000,000	3,545,100
Turlock, CA, Irrigation District Revenue	5.000%	1/1/35	2,500,000	2,645,700
Turlock, CA, Public Financing Authority, Tax Allocation Revenue, AGM	5.000%	9/1/30	2,500,000	2,554,350
University of California Revenues, AMBAC	5.000%	5/15/36	2,620,000	2,705,307
<i>Total California</i>				<i>34,467,687</i>
<b>Colorado 7.9%</b>				
Colorado Health Facilities Authority Revenue:				
Poudre Valley Health Care	5.000%	3/1/25	2,850,000	2,980,188
Sisters of Charity Leavenworth Health System Inc.	5.250%	1/1/25	3,500,000	4,005,925
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	5.750%	11/15/18	425,000	475,150
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.500%	11/15/38	4,000,000	5,002,840
<i>Total Colorado</i>				<i>12,464,103</i>
<b>Florida 10.3%</b>				
Florida State Board of Education, GO	5.000%	6/1/26	5,500,000	6,544,560
Miami-Dade County, FL, GO, Seaport	5.000%	10/1/23	2,315,000	2,666,486
Orlando & Orange County, FL, Expressway Authority Revenue	5.000%	7/1/30	2,000,000	2,214,880

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Orlando, FL, Utilities Commission, Utility System Revenue	5.250%	10/1/22	3,440,000	4,365,326
Seminole Tribe Florida Special Obligation Revenue	5.250%	10/1/27	500,000	485,995(a)
<i>Total Florida</i>				<i>16,277,247</i>
<b>Illinois 17.4%</b>				
Chicago, IL, Midway Airport Revenue:				
NATL	5.500%	1/1/29	2,000,000	2,002,240
NATL	5.625%	1/1/29	3,750,000	3,752,625(b)
Chicago, IL, Park District, GO, Refunding, FGIC	5.000%	1/1/29	5,000,000	5,422,350

*See Notes to Schedule of Investments.*

## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited) (cont d)

February 29, 2012

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Illinois continued</b>				
Chicago, IL, Public Building Commission, Building Revenue, Chicago School Reform, FGIC	5.250%	12/1/18	\$ 1,000,000	\$ 1,189,330
Illinois EFA Revenue, Northwestern University	5.500%	12/1/13	1,070,000	1,111,826
Illinois Health Facilities Authority Revenue: Refunding, Lutheran General Health System	7.000%	4/1/14	1,420,000	1,496,510
Refunding, SSM Health Care, NATL	6.550%	6/1/13	1,850,000	1,989,250(c)
Servantoor Project, AGM	6.000%	8/15/12	705,000	723,090(c)
South Suburban Hospital Project	7.000%	2/15/18	440,000	517,092(c)
Illinois Municipal Electric Agency Power Supply, FGIC	5.250%	2/1/28	4,145,000	4,541,594
Illinois State, GO, First Series, AGM	5.500%	5/1/16	1,500,000	1,731,645
Metropolitan Pier & Exposition Authority, IL, Dedicated State Tax Revenue, McCormick Place, AGM	5.000%	6/15/50	3,000,000	3,121,440
<i>Total Illinois</i>				27,598,992
<b>Indiana 1.4%</b>				
Indianapolis, IN, Local Public Improvement Bond Bank	5.000%	6/1/27	2,000,000	2,223,280
<b>Maryland 7.3%</b>				
Maryland State EDC, EDR, Transportation Facilities Project	5.750%	6/1/35	1,000,000	1,055,580
Maryland State Health & Higher EFA Revenue: Carroll County General Hospital Issue	6.000%	7/1/37	3,000,000	3,015,480
Suburban Hospital	5.500%	7/1/16	2,500,000	2,743,000
University of Maryland Medical Systems	6.000%	7/1/32	1,000,000	1,018,770(d)
Maryland State, GO	5.000%	8/1/21	3,000,000	3,709,620
<i>Total Maryland</i>				11,542,450
<b>Massachusetts 0.9%</b>				
Massachusetts State Water Pollution Abatement Trust Revenue, MWRA Program, Unrefunded Balance	5.750%	8/1/29	355,000	356,076
Massachusetts State Water Resources Authority, NATL	5.000%	8/1/34	1,000,000	1,090,230
<i>Total Massachusetts</i>				1,446,306
<b>Michigan 6.6%</b>				
Detroit, MI, GO, District State Aid	5.250%	11/1/24	3,500,000	3,979,010
Michigan State Hospital Finance Authority Revenue: McLaren Health Care Corp.	5.750%	5/15/38	2,000,000	2,162,880
Trinity Health Corp.	5.375%	12/1/30	2,745,000	2,785,681
Trinity Health Corp.	5.375%	12/1/30	255,000	264,797(d)
Wayne County, MI, Airport Authority Revenue, Detroit Metropolitan Airport	5.000%	12/1/18	1,170,000	1,303,450(b)
<i>Total Michigan</i>				10,495,818
<b>Missouri 1.4%</b>				
Boone County, MO, Hospital Revenue, Boone Hospital Center	5.375%	8/1/38	2,000,000	2,136,500
<b>Nevada 1.4%</b>				

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Clark County, NV, GO, AMBAC	5.000%	11/1/21	2,000,000	2,259,700
<b>New York 28.9%</b>				
Brooklyn Arena, NY, Local Development Corp., Barclays Center Project	6.250%	7/15/40	1,000,000	1,076,990
Hudson, NY, Yards Infrastructure Corp. Revenue	5.750%	2/15/47	2,500,000	2,820,175

*See Notes to Schedule of Investments.*

## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited) (cont d)

February 29, 2012

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>New York continued</b>				
Liberty, NY, Development Corporation Revenue, Goldman Sachs Headquarters	5.250%	10/1/35	\$ 1,500,000	\$ 1,657,725
MTA, NY, Revenue	5.000%	11/15/25	1,000,000	1,148,070
MTA, NY, Revenue	5.250%	11/15/40	1,000,000	1,104,890
Nassau County, NY, Industrial Development Agency Revenue, Continuing Care Retirement, Amsterdam at Harborside	6.700%	1/1/43	500,000	402,630
New York City, NY, Municipal Water Finance Authority, Water & Sewer System Revenue, Second General Resolution Fiscal 2011	5.000%	6/15/31	4,850,000	5,510,424
New York City, NY, TFA Revenue, Unrefunded Balance, Future Tax Secured	5.500%	11/15/17	15,000	15,542
New York City, NY\TFA Revenue, Future Tax Secured	5.500%	11/15/17	4,100,000	4,251,577(d)
New York Liberty Development Corp., Liberty Revenue:				
4 World Trade Center LLC Project	5.750%	11/15/51	2,000,000	2,254,840
Second Priority, Bank of America Tower	5.125%	1/15/44	2,500,000	2,655,050
New York State Dormitory Authority Revenue, Court Facilities Lease, NYC Issue, Non State Supported Debt, AMBAC	5.500%	5/15/30	3,365,000	4,243,972
New York State Dormitory Authority Revenue, Non-State Supported Debt, Columbia University	5.000%	7/1/38	2,000,000	2,234,820
New York State Thruway Authority, Second General Highway & Bridge Trust Fund, AMBAC	5.000%	4/1/26	4,700,000	5,223,251
New York State Urban Development Corp. Revenue, State Personal Income Tax	5.000%	3/15/26	5,000,000	5,719,200
Port Authority of New York & New Jersey	5.000%	1/15/41	5,000,000	5,554,900
<i>Total New York</i>				<i>45,874,056</i>
<b>North Carolina 0.8%</b>				
North Carolina Medical Care Commission Health Care Facilities Revenue, Novant Health Obligation Group	5.000%	11/1/39	1,200,000	1,234,524
<b>Ohio 0.7%</b>				
Ohio State Air Quality Development Authority Revenue, FirstEnergy Generation Corp.	5.700%	8/1/20	1,000,000	1,128,670
<b>Oklahoma 1.4%</b>				
Grand River Dam Authority, OK, Revenue	5.250%	6/1/40	2,000,000	2,228,820
<b>Oregon 0.9%</b>				
Multnomah County, OR, Hospital Facilities Authority Revenue, Providence Health Systems	5.250%	10/1/18	1,250,000	1,377,500
<b>Pennsylvania 6.0%</b>				
Central Bradford, PA, Progress Authority Revenue, Guthrie Healthcare Systems	5.000%	12/1/26	5,130,000	5,809,930
	6.250%	1/1/32	500,000	550,200



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Pennsylvania Economic Development Financing Authority, Sewer Sludge Disposal Revenue, Philadelphia Biosolids Facility Philadelphia, PA, Gas Works Revenue, 7th General Ordinance, AMBAC	5.000%	10/1/17	2,685,000	3,071,130
<i>Total Pennsylvania</i>				<i>9,431,260</i>
<b>Puerto Rico 2.6%</b>				
Puerto Rico Commonwealth Aqueduct & Sewer Authority Revenue	5.250%	7/1/42	2,000,000	2,003,000
Puerto Rico Sales Tax Financing Corp., Sales Tax Revenue	5.000%	8/1/40	2,000,000	2,161,940
<i>Total Puerto Rico</i>				<i>4,164,940</i>

*See Notes to Schedule of Investments.*

## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited) (cont d)

February 29, 2012

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Tennessee 3.7%</b>				
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	2/1/20	\$ 3,555,000	\$ 3,771,499
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	2/1/21	2,000,000	2,123,880
<i>Total Tennessee</i>				5,895,379
<b>Texas 17.7%</b>				
Austin, TX, Water & Wastewater System Revenue	5.000%	11/15/26	2,500,000	2,902,650
Austin, TX, Water & Wastewater System Revenue	5.125%	11/15/28	2,210,000	2,566,694
Beaumont, TX, ISD, GO, School Building, PSF	5.000%	2/15/33	1,100,000	1,201,959
Harris County, TX, Health Facilities Development Corp., Hospital Revenue, Memorial Hermann Healthcare Systems	5.250%	12/1/18	2,960,000	3,254,165
Harris County, TX, Metropolitan Transit Authority Sales & Use Tax	5.000%	11/1/36	2,500,000	2,820,200
Kemp, TX, ISD, GO, School Building	5.250%	2/15/33	3,450,000	3,809,180
Mesquite, TX, ISD No. 1, GO, Capital Appreciation, PSFG	0.000%	8/15/27	1,000,000	483,660
North Texas Tollway Authority Revenue	5.750%	1/1/40	2,500,000	2,692,800
Texas State Turnpike Authority Revenue, First Tier, AMBAC	5.500%	8/15/39	5,000,000	5,025,200
Texas State, GO, Water Financial Assistance	5.000%	8/1/27	2,755,000	3,321,345
<i>Total Texas</i>				28,077,853
<b>Washington 5.2%</b>				
Chelan County, WA, Public Utility District, Chelan Hydro System No.1, Construction Revenue, AMBAC	5.450%	7/1/37	2,900,000	2,945,472(b)(d)
Port of Seattle, WA, Revenue, Refunding, Intermediate Lien, NATL	5.000%	3/1/30	2,000,000	2,152,700
Washington State Health Care Facilities Authority Revenue, PeaceHealth	5.000%	11/1/28	3,000,000	3,208,260
<i>Total Washington</i>				8,306,432
<b>Wisconsin 2.2%</b>				
Wisconsin State HEFA Revenue, SSM Health Care Corp.	5.000%	6/1/25	3,110,000	3,443,578
TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS (Cost		\$220,079,788)		238,727,858
<b>SHORT-TERM INVESTMENTS 1.3%</b>				
<b>California 0.9%</b>				
California Statewide CDA Revenue, Los Angeles County Museum of Art,	0.090%	12/1/37	1,505,000	1,505,000(e)(f)

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LOC-Union Bank N.A.

**Virginia 0.4%**

Virginia Commonwealth University,  
Health System Authority Revenue,

LOC-Wells Fargo Bank N.A.	0.130%	7/1/37	600,000	600,000(e)(f)
TOTAL SHORT-TERM INVESTMENTS (Cost \$2,105,000)				2,105,000
TOTAL INVESTMENTS 151.9% (Cost \$222,184,788#)				240,832,858
Auction Rate Cumulative Preferred Stock, at Liquidation Value - (53.6%)				(85,000,000)
Other Assets in Excess of Liabilities -				
1.7%				2,759,164
TOTAL NET ASSETS 100.0%			\$	158,592,022

- (a) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors, unless otherwise noted.
- (b) Income from this issue is considered a preference item for purposes of calculating the alternative minimum tax ( AMT ).
- (c) Bonds are escrowed to maturity by government securities and/or U.S. government agency securities and are considered by the manager to be triple-A rated even if issuer has not applied for new ratings.
- (d) Pre-Refunded bonds are escrowed with U.S. government obligations and/or U.S. government agency securities and are considered by the manager to be triple-A rated even if issuer has not applied for new ratings.

*See Notes to Schedule of Investments.*

**WESTERN ASSET MUNICIPAL PARTNERS FUND INC.**

Schedule of investments (unaudited) (cont d)

February 29, 2012

- (e) Variable rate demand obligations have a demand feature under which the Fund can tender them back to the issuer or liquidity provider on no more than 7 days notice.
- (f) Maturity date shown is the final maturity date. The security may be sold back to the issuer before final maturity.
- # Aggregate cost for federal income tax purposes is substantially the same.

Abbreviations used in this schedule:

AGM	- Assured Guaranty Municipal Corporation - Insured Bonds
AMBAC	- American Municipal Bond Assurance Corporation - Insured Bonds
CDA	- Communities Development Authority
COP	- Certificates of Participation
EDC	- Economic Development Corporation
EDR	- Economic Development Revenue
EFA	- Educational Facilities Authority
FGIC	- Financial Guaranty Insurance Company - Insured Bonds
GO	- General Obligation
HEFA	- Health & Educational Facilities Authority
ISD	- Independent School District
LOC	- Letter of Credit
MTA	- Metropolitan Transportation Authority
MWRA	- Massachusetts Water Resources Authority
NATL	- National Public Finance Guarantee Corporation - Insured Bonds
PSF	- Permanent School Fund
PSFG	- Permanent School Fund Guaranty
TFA	- Transitional Finance Authority

**Summary of Investments by Industry**

Health Care	18.3%
Local General Obligation	14.9
Transportation	13.8
Power	11.3
Special Tax Obligation	10.7
Water & Sewer	8.7
Industrial Revenue	7.0
Pre-Refunded/Escrowed to Maturity	4.8
Leasing	2.7
Education	2.5
State General Obligation	2.1
Other	2.1
Solid Waste/Resource Recovery	0.2
Short-Term Investments	0.9
	100.0%

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As a percentage of total investments. Please note that Fund holdings are as of February 29, 2012 and are subject to change.

### Ratings Table\*

#### Standard & Poor's/Moody's/Fitch\*\*

AAA/Aaa	17.6%
AA/Aa	41.9
A	33.2
BBB/Baa	6.0
A-1/VMIG 1	0.9
NR	0.4
	100.0%

\* As a percentage of total investments.

\*\* The ratings shown are based on each portfolio security's rating as determined by Standard & Poor's, Moody's or Fitch, each a Nationally Recognized Statistical Rating Organization (NRSRO). These ratings are the opinions of the NRSRO and are not measures of quality or guarantees of performance. Securities may be rated by other NRSROs, and these ratings may be higher or lower. In the event that a security is rated by multiple NRSROs and receives different ratings, the Fund will treat the security as being rated in the highest rating category received from a NRSRO. See pages 6 through 8 for definitions of ratings.

*See Notes to Schedule of Investments.*

Bond ratings

The definitions of the applicable rating symbols are set forth below:

Long-term security ratings (unaudited)

*Standard & Poor's Ratings Service (Standard & Poor's) Long-term Issue Credit Ratings* Ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standings within the major rating categories.

AAA	An obligation rated AAA has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated AA differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
A	An obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
BBB	An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
BB	An obligation rated BB is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions, which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
B	An obligation rated B is more vulnerable to nonpayment than obligations rated BB, but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.
CCC	An obligation rated CCC is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.
CC	An obligation rated CC is currently highly vulnerable to nonpayment.
C	The C rating may be used to cover a situation where a bankruptcy petition has been filed or similar action has been taken, but payments on this obligation are being continued.
D	An obligation rated D is in payment default. The D rating category is used when payments on an obligation are not made on the date due, even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The D rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments of an obligation are jeopardized.

*Moody's Investors Service (Moody's) Long-term Obligation Ratings* Numerical modifiers 1, 2 and 3 may be applied to each generic rating from Aaa to Caa, where 1 is the highest and 3 the lowest ranking within its generic category.

Aaa	Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.
Aa	Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
A	Obligations rated A are considered upper-medium grade and are subject to low credit risk.
Baa	Obligations rated Baa are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.

Ba Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk.  
B Obligations rated B are considered speculative and are subject to high credit risk.

Long-term security ratings (unaudited) (cont d)

Caa	Obligations rated Caa are judged to be of poor standing and are subject to very high credit risk.
Ca	Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery for principal and interest.
C	Obligations rated C are the lowest rated class and are typically in default, with little prospect of recovery for principal and interest.

*Fitch Ratings Service ( Fitch ) Structured, Project & Public Finance Obligations* Ratings from AA to CCC may be modified by the addition of a plus (+) or minus ( ) sign to show relative standings within the major rating categories.

AAA	Obligations rated AAA by Fitch denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	Obligations rated AA denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	Obligations rated A denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
BBB	Obligations rated BBB indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.
BB	Obligations rated BB indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists which supports the servicing of financial commitments.
B	Obligations rated B indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.
CCC	Default is a real possibility.
CC	Default of some kind appears probable.
C	Default is imminent or inevitable, or the issuer is in standstill.
NR	Indicates that the obligation is not rated by Standard & Poor's, Moody's or Fitch.

Short-term security ratings (unaudited)

*Standard & Poor's Municipal Short-Term Notes Ratings*

SP-1	A short-term obligation rated SP-1 is rated in the highest category by Standard & Poor's. Strong capacity to pay principal and interest. An issue determined to possess a very strong capacity to pay debt service is given a plus (+) designation.
SP-2	A short-term obligation rated SP-2 is a Standard & Poor's rating indicating satisfactory capacity to pay principal and interest, with some vulnerability to adverse financial and economic changes over the term of the notes.
SP-3	A short-term obligation rated SP-3 is a Standard & Poor's rating indicating speculative capacity to pay principal and interest.

*Standard & Poor's Short-Term Issues Credit Ratings*



A-1                    A short-term obligation rated A-1 is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

Short-term security ratings (unaudited) (cont d)

- A-2 A short-term obligation rated A-2 by Standard & Poor's is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.
- A-3 A short-term obligation rated A-3 by Standard & Poor's exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
- B A short-term obligation rated B by Standard & Poor's is regarded as having significant speculative characteristics. Ratings of B-1, B-2 and B-3 may be assigned to indicate finer distinctions within the B category. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

*Moody's Variable Rate Demand Obligations (VRDO) Ratings*

- VMIG 1 Moody's highest rating for issues having a variable rate demand feature VRDO. This designation denotes superior credit quality. Excellent protection is afforded by the superior short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price on demand.
- VMIG 2 This designation denotes strong credit quality. Good protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price on demand.
- VMIG 3 This designation denotes acceptable credit quality. Adequate protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price on demand.
- SG This designation denotes speculative-grade credit quality. Demand features rated in this category may be supported by a liquidity provider that does not have an investment grade short term rating or may lack the structural and/or legal protections necessary to ensure the timely payment of purchase price upon demand.

*Moody's Short-Term Municipal Obligations Ratings*

- MIG 1 Moody's highest rating for short-term municipal obligations. This designation denotes superior credit quality. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.
- MIG 2 This designation denotes strong credit quality. Margins of protection are ample, although not as large as the preceding group.
- MIG 3 This designation denotes acceptable credit quality. Liquidity and cash flow protection may be narrow, and market access for refinancing is likely to be less well-established.
- SG This designation denotes speculative-grade credit quality. Debt instruments in this category may lack sufficient margins of protection.

*Moody's Short-Term Obligations Ratings*

- P-1 Moody's highest rating for commercial paper and for VRDO prior to the advent of the VMIG 1 rating. Have a superior ability to repay short-term debt obligations.
- P-2 Have a strong ability to repay short-term debt obligations.
- P-3 Have an acceptable ability to repay short-term debt obligations.

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NP Issuers do not fall within any of the Prime rating categories.

*Fitch's Short-Term Issuer or Obligations Ratings*

F1 Fitch's highest rating indicating the strongest intrinsic capacity for timely payment of financial commitments; may have an added + to denote any exceptionally strong credit feature.

F2 Fitch rating indicating good intrinsic capacity for timely payment of financial commitments.

F3 Fitch rating indicating intrinsic capacity for timely payment of financial commitments is adequate.

B Fitch rating indicating minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term changes in financial and economic conditions.

C Fitch rating indicating default is a real possibility.

NR Indicates that the obligation is not rated by Standard & Poor's, Moody's or Fitch.

**Notes to schedule of investments (unaudited)**

**1. Organization and significant accounting policies**

Western Asset Municipal Partners Fund Inc. (the Fund) was incorporated in Maryland on November 24, 1992 and is registered as a diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act). The Board of Directors authorized 100 million shares of \$0.001 par value common stock. The Fund's primary investment objective is to seek a high level of current income which is exempt from federal income taxes, consistent with the preservation of capital. As a secondary investment objective, the Fund intends to enhance portfolio value by purchasing tax exempt securities that, in the opinion of the investment manager, may appreciate in value relative to other similar obligations in the marketplace.

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP).

**(a) Investment valuation.** The valuations for fixed income securities and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of fair valuation techniques and methodologies. Short-term fixed income securities that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market price may be determined by the manager using quotations from one or more broker/dealers. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund values these securities as determined in accordance with procedures approved by the Fund's Board of Directors.

The Fund has adopted Financial Accounting Standards Board Codification Topic 820 (ASC Topic 820). ASC Topic 820 establishes a single definition of fair value, creates a three-tier hierarchy as a framework for measuring fair value based on inputs used to value the Fund's investments, and requires additional disclosure about fair value. The hierarchy of inputs is summarized below.

- Level 1 quoted prices in active markets for identical investments
- Level 2 other significant observable inputs (including quoted prices for similar investments, 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.

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The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

The following is a summary of the inputs used in valuing the Fund's assets carried at fair value:

DESCRIPTION	QUOTED PRICES (LEVEL 1)	ASSETS		TOTAL
		OTHER SIGNIFICANT OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	
Municipal bonds		\$ 238,727,858		\$ 238,727,858
Short-term investments		2,105,000		2,105,000
Total investments		\$ 240,832,858		\$ 240,832,858

See Schedule of Investments for additional detailed categorizations.

**Notes to schedule of investments (unaudited) (continued)**

**(b) Futures contracts.** The Fund may use futures contracts generally to gain exposure to, or hedge against, changes in interest rates or gain exposure to, or hedge against, changes in certain asset classes. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the Fund is required to deposit cash or cash equivalents with a broker in an amount equal to a certain percentage of the contract amount. This is known as the initial margin and subsequent payments ( variation margin ) are made or received by the Fund each day, depending on the daily fluctuation in the value of the contract. For certain futures, including foreign denominated futures, variation margin is not settled daily, but is recorded as a net variation margin payable or receivable. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded.

Futures contracts involve, to varying degrees, risk of loss. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

**(c) Security transactions.** Security transactions are accounted for on a trade date basis.

**2. Investments**

At February 29, 2012, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

Gross unrealized appreciation	\$	18,753,252
Gross unrealized depreciation		(105,182)
Net unrealized appreciation	\$	18,648,070

**3. Derivative Instruments and Hedging Activities**

Financial Accounting Standards Board Codification Topic 815 requires enhanced disclosure about an entity's derivative and hedging activities.

At February 29, 2012, the Fund did not have any derivative instruments outstanding.

During the period ended February 29, 2012, the volume of derivative activity for the Fund was as follows:

	<b>Average Market Value</b>
Futures contracts (to sell)	\$ 4,737,844

At February 29, 2012, there were no open positions held in this derivative.

#### **4. Recent accounting pronouncement**

In May 2011, the Financial Accounting Standards Board issued Accounting Standard Update No. 2011-04, Fair Value Measurement (Topic 820) - Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs ( ASU No. 2011-04 ). ASU No. 2011-04 establishes common requirements for measuring fair value and for disclosing information about fair value measurements. ASU No. 2011-04 is effective during interim and annual periods beginning after December 15, 2011. Management is currently evaluating the impact the adoption of ASU No. 2011-04 will have on the Fund's financial statements and related disclosures.

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are likely to materially affect the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940, as amended, are attached hereto.

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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.

**Western Asset Municipal Partners Fund Inc.**

By /s/ R. Jay Gerken  
R. Jay Gerken  
Chief Executive Officer

Date: April 25, 2012

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/ R. Jay Gerken  
R. Jay Gerken  
Chief Executive Officer

Date: April 25, 2012

By /s/ Richard F. Sennett  
Richard F. Sennett  
Principal Financial Officer

Date: April 25, 2012

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