

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC
Form N-Q
October 14, 2004

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT
COMPANY

Investment Company Act file number 811-5877

DREYFUS STRATEGIC MUNICIPAL BOND FUND, INC.
(Exact name of Registrant as specified in charter)

c/o The Dreyfus Corporation
200 Park Avenue
New York, New York 10166
(Address of principal executive offices) (Zip code)

Mark N. Jacobs, Esq.
200 Park Avenue
New York, New York 10166
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 922-6000

Date of fiscal year end: 11 /30
Date of reporting period: 8/31/04

FORM N-Q

Item 1. Schedule of Investments.

Dreyfus Strategic Municipal Bond Fund, Inc.
Statement of Investments
August 31, 2004 (Unaudited)

| Long-Term Municipal Investments--141.8% | Principal Amount (\$) | Value (\$) |
|--|----------------------------------|-------------------|
| Alaska--4.4% | | |
| Alaska Housing Finance Corp.: | | |
| 6.25%, 6/1/2035 | 5,905,000 | 6,275,421 |
| 6.05%, 6/1/2039 (Insured; MBIA) | 11,915,000 | 12,417,098 |

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Arizona--2.2%

| | | |
|--|-----------|-----------|
| Apache County Industrial Development Authority, PCR (Tucson Electric Power Co.) 5.85%, 3/1/2028 | 2,220,000 | 2,197,645 |
| Arizona Water Infrastructure Finance Authority, Revenue 5%, 10/1/2021 | 3,000,000 | 3,204,450 |
| Maricopa County Pollution Control Corp., PCR (El Paso Electric Co.) 6.25%, 5/1/2037 | 4,000,000 | 4,118,040 |

Arkansas--2.2%

| | | |
|---|-----------|-----------|
| Arkansas Development Finance Authority, SFMR 6.25%, 1/1/2032 | 3,840,000 | 4,043,251 |
| Little Rock School District 5.25%, 2/1/2030 (Insured; FSA) | 5,000,000 | 5,235,050 |

California--10.2%

| | | |
|---|------------|------------|
| California 5.50%, 4/1/2028 | 5,450,000 | 5,805,613 |
| California Economic Recovery 5.25%, 7/1/2014 (Insured; FGIC) | 7,435,000 | 8,436,420 |
| California Department of Water Resources, Power Supply Revenue 6%, 5/1/2015 | 12,500,000 | 14,273,500 |
| California Department of Veteran Affairs Home Purchase Revenue 5.20%, 12/1/2028 | 5,000,000 | 5,014,950 |
| California Health Facilities Financing Authority, Revenue (Cedars-Sinai Medical Center) 6.25%, 12/1/2034 | 3,750,000 | 4,023,900 |
| San Diego Unified School District Crossover (Election 1998) 5.50%, 7/1/2023 (Insured; MBIA) | 5,000,000 | 5,765,300 |

Colorado--3.5%

| | | |
|--|-----------|-----------|
| Colorado Health Facilities Authority, Revenue (American Housing Foundation 1, Inc.) 8.50%, 12/1/2031 | 2,035,000 | 2,026,412 |
|--|-----------|-----------|

Denver City and County, Special Facilities Airport Revenue

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| | | | |
|--|-----------|---|-----------|
| (United Air Lines) 6.875%, 10/1/2032 | 2,700,000 | a | 1,950,750 |
| Northwest Parkway Public Highway Authority, Revenue (First Tier Subordinated) 7.125%, 6/15/2041 | 5,500,000 | | 5,840,065 |
| Silver Dollar Metropolitan District 7.05%, 12/1/2030 | 4,885,000 | | 4,945,818 |
| Connecticut--2.7% | | | |
| Connecticut Development Authority, PCR (Connecticut Light and Power) 5.95%, 9/1/2028 | 6,000,000 | | 6,283,260 |
| Connecticut Resource Recovery Authority (American Refunding-Fuel Company) 6.45%, 11/15/2022 | 4,985,000 | | 5,104,141 |
| District of Columbia--1.3% | | | |
| Metropolitan Washington Airports Authority, Special Facilities Revenue (Caterair International Corp.) 10.125%, 9/1/2011 | 5,620,000 | | 5,627,025 |
| Florida--3.2% | | | |
| Florida Housing Finance Corp., Housing Revenue (Seminole Ridge Apartments) 6%, 4/1/2041 (Collateralized; GNMA) | 6,415,000 | | 6,712,399 |
| Orange County Health Facilities Authority, Revenue: (Adventist Health System) 6.25%, 11/15/2024 | 3,000,000 | | 3,250,650 |
| (Orlando Regional Healthcare System) 6%, 10/1/2026 | 3,500,000 | | 3,664,500 |
| Georgia--1.4% | | | |
| Atlanta Airport Revenue 5.25%, 1/1/2025 (Insured; FSA) | 3,000,000 | | 3,110,580 |
| Savannah Economic Development Authority, Environmental Improvement Revenue (International Paper Company) 6.20%, 8/1/2027 | 2,670,000 | | 2,812,685 |
| Idaho--.2% | | | |
| Idaho Housing & Finance Association, SFMR 6.35%, 1/1/2030 (Collateralized; FNMA) | 890,000 | | 936,093 |
| Illinois--5.3% | | | |

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| | | | |
|--|------------|--|------------|
| Chicago O'Hare International Airport General Airport Revenue (3rd Lien B-2 XLCA) 6%, 1/1/2029 | 5,000,000 | | 5,480,250 |
| Illinois Health Facilities Authority, Revenue: (Advocate Network Health Care) 6.125%, 11/15/2022 | 5,000,000 | | 5,537,900 |
| (OSF Healthcare Systems) 6.25%, 11/15/2029 | 10,900,000 | | 11,475,629 |

Indiana--1.7%

| | | | |
|--|-----------|---|-----------|
| Franklin Township School Building Corporation 6.125%, 1/15/2022 (Prerefunded 7/15/2010) | 6,000,000 | b | 7,135,380 |
|--|-----------|---|-----------|

Kansas--1.7%

| | | | |
|---|-----------|--|-----------|
| Wyandotte County Kansas City, Unified Government Utility Systems Revenue 5.65%, 9/1/2022 (Insured; AMBAC) | 6,365,000 | | 7,332,671 |
|---|-----------|--|-----------|

Louisiana--2.6%

| | | | |
|--|-----------|--|-----------|
| Parish of De Soto, Environmental Improvement Revenue (International Paper Co.) 6.55%, 4/1/2019 | 2,900,000 | | 3,030,674 |
| West Feliciana Parish, PCR (Entergy Gulf States): 7%, 11/1/2015 | 3,000,000 | | 3,049,860 |
| 6.60%, 9/1/2028 | 4,700,000 | | 4,791,133 |

Maryland--2.7%

| | | | |
|---|-----------|--|-----------|
| Maryland Economic Development Corp., Student Housing Revenue (University of Maryland) 5.75%, 10/1/2033 | 2,550,000 | | 2,629,892 |
| Maryland Industrial Development Financing Authority, EDR (Medical Waste Associates Limited Partnership) 8.75%, 11/15/2010 | 3,710,000 | | 3,290,139 |
| Maryland State and Local Facilities Loan 5%, 8/1/2017 | 5,000,000 | | 5,467,850 |

Massachusetts--5.1%

| | | | |
|--|--|--|--|
| Massachusetts Development Finance Agency Revenue | | | |
|--|--|--|--|

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| | | | |
|----------------------------------|-----------|--|-----------|
| (WGBH Educational Foundation): | | | |
| 5.37%, 1/1/2042 (Insured; AMBAC) | 6,500,000 | | 6,800,885 |
| 5.75%, 1/1/2042 (Insured; AMBAC) | 5,000,000 | | 5,815,900 |

Massachusetts Health and Educational Facilities

| | | | |
|--|-----------|---|-----------|
| Authority, Revenue: | | | |
| (Beth Israel) 10.215%, 7/1/2025 (Insured; AMBAC) | 3,250,000 | c | 3,269,435 |
| (Civic Investments) 9%, 12/15/2015 | 2,000,000 | | 2,314,540 |
| (Partners Healthcare System) 5.75%, 7/1/2032 | 3,000,000 | | 3,185,040 |

Pittsfield, SWDR (Vicon Recovery Associates)

| | | | |
|------------------|---------|--|---------|
| 7.95%, 11/1/2004 | 310,000 | | 310,000 |
|------------------|---------|--|---------|

Michigan--2.8%

Michigan Hospital Finance Authority, HR

| | | | |
|---|-----------|---|-----------|
| (Genesys Health System Obligated Group) | | | |
| 8.125%, 10/1/2021 (Prerefunded 10/1/2005) | 5,000,000 | b | 5,449,000 |

Michigan Strategic Fund, SWDR

| | | | |
|---|-----------|--|-----------|
| (Genesee Power Station) 7.50%, 1/1/2021 | 7,550,000 | | 6,534,827 |
|---|-----------|--|-----------|

Mississippi--.8%

Mississippi Business Finance Corporation, PCR

| | | | |
|--|-----------|--|-----------|
| (Systems Energy Resources, Inc.) 5.90%, 5/1/2022 | 3,160,000 | | 3,192,358 |
|--|-----------|--|-----------|

Missouri--.5%

Saint Louis Industrial Development Authority

| | | | |
|--|-----------|--|-----------|
| (Saint Louis Convention) 7.25%, 12/15/2035 | 2,625,000 | | 2,261,989 |
|--|-----------|--|-----------|

Nebraska--.6%

Nebraska Investment Finance Authority, SFMR

| | | | |
|-------------------|-----------|-----|-----------|
| 10.199%, 3/1/2026 | 2,150,000 | c,d | 2,542,332 |
|-------------------|-----------|-----|-----------|

Nevada--4.6%

Clark County, IDR

| | | | |
|--|-----------|--|-----------|
| (Southwest Gas Corporation) 6.50%, 12/1/2033 | 5,000,000 | | 5,041,150 |
|--|-----------|--|-----------|

Washoe County:

| | | | |
|--|-----------|---|-----------|
| (Reno-Sparks Convention) 6.40%, 7/1/2029 | | | |
| (Insured; FSA) (Prerefunded 1/1/2010) | 8,000,000 | b | 9,397,760 |

Water Facility Revenue (Sierra Pacific Power Co.)

| | | | |
|--------------|-----------|--|-----------|
| 5%, 3/1/2036 | 5,000,000 | | 5,019,600 |
|--------------|-----------|--|-----------|

New Hampshire--3.6%

New Hampshire Business Finance Authority, PCR
(Public Service Co.):

| | | |
|---------------------------------------|-----------|-----------|
| 6%, Series D 5/1/2021 (Insured; MBIA) | 2,690,000 | 2,978,772 |
| 6%, Series E 5/1/2021 (Insured; MBIA) | 6,000,000 | 6,644,100 |

New Hampshire Industrial Development Authority, PCR
(Connecticut Light) 5.90%, 11/1/2016

| | |
|-----------|-----------|
| 5,400,000 | 5,553,738 |
|-----------|-----------|

New Jersey--5.7%

New Jersey Economic Development Authority
Special Facilities Revenue (Continental Airlines, Inc.):

| | | |
|-------------------|-----------|-----------|
| 6.25%, 9/15/2019 | 3,620,000 | 2,847,999 |
| 6.25%, 9/15/2029 | 5,000,000 | 3,661,750 |
| 7.20%, 11/15/2030 | 7,000,000 | 5,592,370 |

New Jersey Educational Facilities Authority, Revenue
Higher Education Capital Improvement
5.25%, 9/1/2019 (Insured; AMBAC)

| | |
|-----------|-----------|
| 3,000,000 | 3,259,920 |
|-----------|-----------|

Tobacco Settlement Financing Corporation
7%, 6/1/2041

| | |
|-----------|-----------|
| 9,095,000 | 8,782,496 |
|-----------|-----------|

New Mexico--1.0%

New Mexico Finance Authority
Transportation Revenue
5.25%, 6/15/2020 (Insured; MBIA)

| | |
|-----------|-----------|
| 4,000,000 | 4,379,400 |
|-----------|-----------|

New York--4.6%

New York City 5.75%, 8/1/2014

| | |
|-----------|-----------|
| 5,000,000 | 5,606,200 |
|-----------|-----------|

New York City Transitional Finance Authority, Revenue
(Future Tax Secured)

| | | |
|--------------------|-----------|-----------|
| 5.375%, 11/15/2021 | 5,000,000 | 5,445,550 |
|--------------------|-----------|-----------|

New York State Dormitory Authority, Revenue:

| | | |
|-------------------------|-----------|-----------|
| City University Systems | 3,060,000 | 3,350,088 |
|-------------------------|-----------|-----------|

(Consolidated 4th General) 5.50%, 7/1/2017

| | | |
|-------------------------|---------|---------|
| Judicial Facility Lease | 605,000 | 871,515 |
|-------------------------|---------|---------|

(Suffolk County) 9.50%, 4/15/2014

| | | |
|---|-----------|-----------|
| (Marymount Manhattan College) 6.25%, 7/1/2029 | 4,000,000 | 4,361,200 |
|---|-----------|-----------|

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North Carolina--.7%

| | | | |
|---|-----------|--|-----------|
| North Carolina Eastern Municipal Power Agency, Power Systems Revenue 6.70%, 1/1/2019 | 2,500,000 | | 2,809,475 |
|---|-----------|--|-----------|

Ohio--6.4%

| | | | |
|---|------------|--|------------|
| Cuyahoga County, HR (Metrohealth Systems) 6.15%, 2/15/2029 | 10,000,000 | | 10,411,100 |
|---|------------|--|------------|

| | | | |
|--|-----------|--|-----------|
| Cuyahoga County Hospital Facilities, Revenue (UHHS/CSAHS Cuyahoga Inc. & CSAHS/UHHS Canton Inc.) 7.50%, 1/1/2030 | 3,500,000 | | 3,869,495 |
|--|-----------|--|-----------|

| | | | |
|---|-----------|--|-----------|
| Mahoning County Hospital Facilities, Revenue (Forum Health Obligation Group) 6%, 11/15/2032 | 4,000,000 | | 4,208,960 |
|---|-----------|--|-----------|

| | | | |
|---|-----------|--|-----------|
| Ohio Air Quality Development Authority, PCR (Cleveland Electric Illuminating Co.) 6.10%, 8/1/2020 | 2,400,000 | | 2,520,960 |
|---|-----------|--|-----------|

| | | | |
|---|-----------|-----|-----------|
| Ohio Housing Finance Agency, Mortgage Revenue 10.620%, 3/1/2029 (Collateralized; GNMA) | 1,720,000 | c,d | 1,882,488 |
|---|-----------|-----|-----------|

| | | | |
|---|-----------|--|-----------|
| Ohio Water Development Authority, PCR (Cleveland Electric) 6.10%, 8/1/2020 | 4,000,000 | | 4,201,600 |
|---|-----------|--|-----------|

Oklahoma--3.6%

| | | | |
|---|-----------|--|-----------|
| Oklahoma Development Finance Authority, Revenue (St. John Health System) 6%, 2/15/2029 | 9,000,000 | | 9,867,240 |
|---|-----------|--|-----------|

| | | | |
|--|-----------|--|-----------|
| Oklahoma Industries Authority, Health System Revenue (Obligation Group) 5.75%, 8/15/2029 (Insured; MBIA) | 5,000,000 | | 5,438,100 |
|--|-----------|--|-----------|

Oregon--1.4%

| | | | |
|---|-----------|--|-----------|
| Umatilla County Hospital Facility Authority, Revenue (Catholic Health Initiatives) 5.50%, 3/1/2022 | 2,395,000 | | 2,538,987 |
|---|-----------|--|-----------|

| | | | |
|--|-----------|--|-----------|
| Western Generation Agency, Cogeneration Project Revenue (Wauna Cogeneration) 7.40%, 1/1/2016 | 3,250,000 | | 3,312,563 |
|--|-----------|--|-----------|

Pennsylvania--1.4%

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| | | | |
|--|------------|---|------------|
| Allegheny County Port Authority, Special Transportation Revenue 6.125%, 3/1/2029 (Insured; MBIA) (Prerefunded 3/1/2009) | 4,750,000 | b | 5,492,235 |
| Pennsylvania Housing Finance Agency, Multi-Family Development Revenue 8.25%, 12/15/2019 | 265,000 | | 265,649 |
| Rhode Island--1.6% | | | |
| Rhode Island Health & Educational Building Corporation Higher Educational Facilities (University of Rhode Island) 5.875%, 9/15/2029 (Insured; MBIA) | 5,910,000 | | 6,593,787 |
| South Carolina--7.9% | | | |
| Berkeley County School District Installment Purchase Revenue (Securing Assets For Education) 5%, 12/1/2028 | 2,810,000 | | 2,812,473 |
| Greenville County School District Installment Purchase Revenue (Building Equity Sooner Tomorrow) 5.50%, 12/1/2028 | 10,000,000 | | 10,415,100 |
| Greenville Hospital System, Hospital Facilities Revenue 5.50%, 5/1/2026 (Insured; AMBAC) | 7,000,000 | | 7,506,450 |
| Richland County, Environmental Improvement Revenue (International Paper Company) 6.10%, 4/1/2023 | 6,500,000 | | 6,891,495 |
| South Carolina Medical Facilities, Hospital Facilities Revenue 6%, 7/1/2019 (Prerefunded 7/1/2009) | 5,000,000 | b | 5,765,750 |
| Tennessee--3.9% | | | |
| Johnson City Health and Educational Facilities Board, HR (1st Mortgage-Mountain State Health): 7.50%, 7/1/2025 | 2,000,000 | | 2,348,460 |
| 7.50%, 7/1/2033 | 3,000,000 | | 3,504,540 |
| Memphis Center City Revenue Finance Corp. Sports Facility Revenue (Memphis Redbirds) 6.50%, 9/1/2028 | 6,000,000 | | 6,016,680 |

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Tennessee Housing Development Agency
(Homeownership Program):

| | | |
|-----------------|-----------|-----------|
| 6%, 1/1/2028 | 2,820,000 | 2,893,066 |
| 6.40%, 7/1/2031 | 1,695,000 | 1,793,208 |

Texas--22.2%

Austin Airport System Revenue

| | | |
|-----------------------------------|-----------|-----------|
| 5.25%, 11/15/2017 (Insured; MBIA) | 2,500,000 | 2,735,500 |
|-----------------------------------|-----------|-----------|

Dallas Fort Worth International Airport, Revenue:

| | | |
|---|-----------|-----------|
| 5.50%, 11/1/2021 (Insured; FSA) Facility Improvement Corp. | 7,000,000 | 7,528,780 |
| (2001-A-1 Bombardier Inc.) 6.15%, 1/1/2016 | 850,000 | 844,917 |

Gregg County Health Facilities Development
Corp., HR (Good Shepherd Medical Center)

| | | |
|-------------------|-----------|-----------|
| 6.375%, 10/1/2025 | 2,500,000 | 2,845,625 |
|-------------------|-----------|-----------|

Harris County Health Facilities Development
Corp., HR (Memorial Hermann Healthcare)

| | | |
|------------------|-----------|-----------|
| 6.375%, 6/1/2029 | 7,000,000 | 7,616,140 |
|------------------|-----------|-----------|

Harris County-Houston Sports Authority Revenue
(Third Lien-A-3)

| | | |
|---|-----------|-----------|
| Zero Coupon, 11/15/2031 (Insured; MBIA) | 9,685,000 | 2,107,553 |
|---|-----------|-----------|

Katy Independent School District

| | | |
|-------------------|------------|------------|
| 6.125%, 2/15/2032 | 11,360,000 | 12,588,016 |
|-------------------|------------|------------|

Sabine River Authority, PCR (TXU Electric):

| | | |
|-----------------|-----------|-----------|
| 6.45%, 6/1/2021 | 2,900,000 | 3,046,624 |
| 5.50%, 5/1/2022 | 5,490,000 | 5,819,345 |

Springhill Courtland Heights Public Facility Corp. MFHR

| | | |
|------------------|-----------|-----------|
| 5.85%, 12/1/2028 | 6,030,000 | 6,203,543 |
|------------------|-----------|-----------|

Texas:

| | | |
|---------------------------|-----------|-----------|
| (Veterans) 6%, 12/1/2030 | 3,935,000 | 4,205,413 |
|---------------------------|-----------|-----------|

(Veterans Housing Assistance Program)

| | | |
|-----------------|-----------|-----------|
| 6.10%, 6/1/2031 | 8,510,000 | 9,048,938 |
|-----------------|-----------|-----------|

Texas Department of Housing and Community Affairs:

Collateralized Home Mortgage Revenue

| | | |
|-------------------|-----------|-------------|
| 12.015%, 7/2/2024 | 2,500,000 | c 2,586,025 |
|-------------------|-----------|-------------|

Residential Mortgage Revenue

| | | |
|-----------------|-----------|-----------|
| 5.35%, 7/1/2033 | 5,735,000 | 5,842,130 |
|-----------------|-----------|-----------|

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|---|-------------------------|---|-------------------------|
| Texas Turnpike Authority, Central Texas Turnpike System Revenue 5.25%, 5/15/2042 (Insured; AMBAC) | 6,875,000 | | 7,084,275 |
| Tomball Hospital Authority, Revenue: 6.125%, 7/1/2023 (Tomball Regional Hospital) 6%, 7/1/2025 | 3,680,000 4,650,000 | | 3,679,926 4,616,753 |
| Tyler Health Facilities Development Corp., HR (East Texas Medical Center Regional Health) 6.75%, 11/1/2025 | 5,850,000 | | 5,864,801 |
| Utah--.9% | | | |
| Carbon County, SWDR (Sunnyside Cogeneration) 7.10%, 8/15/2023 | 4,122,000 | | 4,007,862 |
| Virginia--5.2% | | | |
| Henrico County Economic Development Authority, Revenue (Bon Secours Health System) 5.60%, 11/15/2030 (Insured; FSA) | 3,140,000 | | 3,230,369 |
| <hr/> | | | |
| Henrico County Industrial Development Authority, Revenue (Bon Secours Health System) 10.256%, 8/23/2027 | 7,500,000 | c | 9,924,600 |
| Virginia Housing Development Authority, Rental Housing 6.20%, 8/1/2024 | 8,520,000 | | 9,106,432 |
| Washington--3.4% | | | |
| Energy Northwest, Revenue (Wind Project) 6%, 7/1/2023 | 3,670,000 | | 3,948,259 |
| Washington Higher Education Facilities Authority, Revenue (Whitman College) 5.875%, 10/1/2029 | 10,000,000 | | 10,632,200 |
| Wisconsin--5.0% | | | |
| Badger Tobacco Asset Securitization Corp. Tobacco Settlement Revenue: 7%, 6/1/2028 6.375%, 6/1/2032 | 13,500,000 2,150,000 | | 13,474,755 1,906,427 |

Wisconsin Health and Educational Facilities

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| | | | |
|---|-----------|--|-----------|
| Authority, Revenue (Aurora Health Care) 6.40%, 4/15/2033 | 5,500,000 | | 5,780,720 |
|---|-----------|--|-----------|

Wyoming--3.6%

| | | | |
|--|-----------|--|-----------|
| Sweetwater County, SWDR (FMC Corp.): 7%, 6/1/2024 | 2,140,000 | | 2,176,915 |
| 6.90%, 9/1/2024 | 2,465,000 | | 2,509,000 |

| | | | |
|--|-----------|--|-----------|
| Wyoming Student Loan Corp., Student Loan Revenue: | | | |
| 6.20%, 6/1/2024 | 5,000,000 | | 5,378,850 |
| 6.25%, 6/1/2029 | 5,000,000 | | 5,337,800 |

| | | | |
|---|--|--|--------------------|
| Total Long-Term Investments (cost \$581,167,037) | | | 601,804,662 |
|---|--|--|--------------------|

Short-Term Municipal Investments--3.0%

Alaska--1.8%

| | | | |
|--|-----------|---|-----------|
| Valdez, Marine Terminal Revenue, VRDN (Exxon Pipeline Co. Project): | | | |
| 1.27%, Series A | 1,200,000 | e | 1,200,000 |
| 1.27%, Series C | 6,300,000 | e | 6,300,000 |

Louisiana--.7%

| | | | |
|---|-----------|---|-----------|
| East Baton Rouge Parish, PCR, VRDN (Exxon Project) 1.23% | 3,100,000 | e | 3,100,000 |
|---|-----------|---|-----------|

Texas--.5%

| | | | |
|---|-------------|--|-----------|
| Lower Neches Valley Authority, IDC Exempt Facilities Revenue, VRDN (ExxonMobil Project) 1.27% | 2,100,000 e | | 2,100,000 |
|---|-------------|--|-----------|

| | | | |
|---|----------------|--|----------------------|
| Total Short-Term Investments (cost \$12,700,000) | | | 12,700,000 |
| Total Investments (cost \$593,867,037) | 144.8% | | 614,504,662 |
| Liabilities, Less Cash and Receivables | (1.0%) | | (4,207,011) |
| Preferred Stock, at redemption value | (43.8%) | | (186,000,000) |
| Net Assets | 100.0% | | 424,297,651 |

Notes to Statement of Investments:

a Non-income producing security, interest payments in default.

b 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, 2004 these securities amount to \$4,424,820 or 1.0% of net assets.

e Securities payable on demand. Variable interest rate - subject to periodic change.

f Securities valuation policies and other investment related disclosures are hereby incorporated by reference to the 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, 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/ Stephen E. Canter
Stephen E. Canter
President

Date: October 14, 2004

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/ Stephen E. Canter
Stephen E. Canter
Chief Executive Officer

Date: October 14, 2004

By: /s/ James Windels
James Windels
Chief Financial Officer

Date: October 14, 2004

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)