

DREYFUS STRATEGIC MUNICIPAL BOND FUND INC  
Form N-CSRS  
July 31, 2017

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT  
INVESTMENT COMPANIES

Investment Company Act file number 811-05877

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)

Bennett A. MacDougall, Esq.

200 Park Avenue

New York, New York 10166  
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 922-6400

Date of fiscal year end: 11/30

Date of reporting period: 05/31/2017

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**FORM N-CSR**

**Item 1. Reports to Stockholders.**

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Dreyfus Strategic Municipal Bond Fund, Inc.

**SEMIANNUAL REPORT**  
May 31, 2017

**Dreyfus Strategic Municipal Bond Fund, Inc.**

**Protecting Your Privacy**  
**Our Pledge to You**

**THE FUND IS COMMITTED TO YOUR PRIVACY.** On this page, you will find the Fund's policies and practices for collecting, disclosing, and safeguarding "nonpublic personal information," which may include financial or other customer information. These policies apply to individuals who purchase Fund shares for personal, family, or household purposes, or have done so in the past. This notification replaces all previous statements of the Fund's consumer privacy policy, and may be amended at any time. We'll keep you informed of changes as required by law.

**YOUR ACCOUNT IS PROVIDED IN A SECURE ENVIRONMENT.** The Fund maintains physical, electronic and procedural safeguards that comply with federal regulations to guard nonpublic personal information. The Fund's agents and service providers have limited access to customer information based on their role in servicing your account.

**THE FUND COLLECTS INFORMATION IN ORDER TO SERVICE AND ADMINISTER YOUR ACCOUNT.** The Fund collects a variety of nonpublic personal information, which may include:

- Information we receive from you, such as your name, address, and social security number.
- Information about your transactions with us, such as the purchase or sale of Fund shares.
- Information we receive from agents and service providers, such as proxy voting information.

**THE FUND DOES NOT SHARE NONPUBLIC PERSONAL INFORMATION WITH ANYONE, EXCEPT AS PERMITTED BY LAW.**

*Thank you for this opportunity to serve you.*

The views expressed in this report reflect those of the portfolio manager(s) only through the end of the period covered and do not necessarily represent the views of Dreyfus or any other person in the Dreyfus organization. Any such views are subject to change at any time based upon market or other conditions and Dreyfus disclaims any responsibility to

update such views. These views may not be relied on as investment advice and, because investment decisions for a Dreyfus fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Dreyfus fund.

Not FDIC-Insured • Not Bank-Guaranteed • May Lose Value

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## **Dreyfus Strategic Municipal Bond Fund, Inc.**

The Fund

### A LETTER FROM THE CEO OF DREYFUS

Dear Shareholder:

We are pleased to present this semiannual report for Dreyfus Strategic Municipal Bond Fund, Inc., covering the six-month period from December 1, 2016 through May 31, 2017. For information about how the fund performed during the reporting period, as well as general market perspectives, we provide a Discussion of Fund Performance on the pages that follow.

Stocks advanced solidly, but higher-quality bonds produced more mildly positive returns over the reporting period amid heightened market volatility stemming from various economic and political developments. Equity markets reached a series of new highs in the wake of the November 2016 election's unexpected outcome as investors revised their expectations for U.S. fiscal, regulatory, and tax policies, and the rally continued in December. Generally strong economic data and better-than-expected corporate earnings continued to support stock prices over the first five months of 2017. In the bond market, yields of U.S. government securities moved higher and prices fell early in the reporting period in anticipation of higher short-term U.S. interest rates and more stimulative fiscal policies, but they recouped previous losses when political uncertainty caused some of those expectations to moderate. In contrast, lower rated

corporate-backed bonds advanced steadily in a more business-friendly market environment.

Some asset classes and industry groups seem likely to benefit from a changing economic and geopolitical landscape, while others probably will face challenges as conditions evolve. Consequently, selectivity may be key to investment success in the months ahead. As always, we encourage you to discuss the implications of our observations with your financial advisor.

Thank you for your continued confidence and support.

Sincerely,

Mark D. Santero  
Chief Executive Officer  
The Dreyfus Corporation  
June 15, 2017

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## DISCUSSION OF FUND PERFORMANCE

*For the period from December 1, 2016 through May 31, 2017, as provided by Daniel Rabasco and Jeffrey Burger, Portfolio Managers*

### **Market and Fund Performance Overview**

For the six-month period ended May 31, 2017, Dreyfus Strategic Municipal Bond Fund achieved a total return of 6.69% on a net-asset-value basis.<sup>1</sup> Over the same period, the fund provided aggregate income dividends of \$0.249 per share, which reflects an annualized distribution rate of 5.89%.<sup>2</sup>

Municipal bonds fared well over the reporting period when long-term interest rates moderated and supply-and-demand dynamics became more balanced. In this environment, the fund benefited from its focus on higher-yielding, longer-term securities.

### **The Fund's Investment Approach**

The fund seeks to maximize current income exempt from federal income tax to the extent believed by Dreyfus to be consistent with the preservation of capital. In pursuing this goal, the fund invests at least 80% of its assets in municipal bonds. Under normal market conditions, the weighted average maturity of the fund's portfolio is expected to exceed 10 years. Under normal market conditions, the fund invests at least 80% of its net assets in municipal bonds considered investment grade or the unrated equivalent as determined by Dreyfus.

The fund also has issued auction-rate preferred stock (ARPS), a percentage of which remains outstanding from its initial public offering, and has invested the proceeds in a manner consistent with its investment objective. This, along with the fund's participation in secondary inverse floater structures, has the effect of "leveraging" the portfolio, which can magnify gain and loss potential depending on market conditions.

Over time, many of the fund's older, higher-yielding bonds have matured or were redeemed by their issuers. We have attempted to replace those bonds with investments consistent with the fund's investment policies. We have also sought to upgrade the fund with newly issued bonds that, in our opinion, have better structural or income characteristics than existing holdings. When such opportunities arise, we usually look to sell bonds that are close to their optional redemption date or maturity.

### **Supply-and-Demand Dynamics Buoyed Municipal Bonds**

Volatility in the municipal bond market increased markedly in the weeks prior to the start of the reporting period when issuers came to market with a flood of new securities in anticipation of short-term interest-rate hikes from the Federal Reserve Board. In addition, the unexpected election of a new presidential administration sparked uncertainty regarding potential changes in tax policy.

These negative trends reversed in December, and municipal bonds rebounded from low valuations, recouping previous losses when the supply of newly issued securities moderated and demand increased as investors realized that tax reform will take time and political capital to enact.

Although growth in tax revenues has slowed, and several states are facing pressure from underfunded pension systems, credit conditions have remained stable for most municipal bond issuers.

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### **DISCUSSION OF FUND PERFORMANCE *(continued)***

#### **Long Duration Posture Supported Fund Results**

A relatively long average duration and an emphasis on municipal bonds with longer maturities proved detrimental during the market selloff prior to the reporting period, but the same positioning helped the fund participate more fully in the benefits of declining longer-term bond yields over the first five months of 2017.

Our sector allocation and security selection strategies also produced relatively strong results. An emphasis on higher-yielding revenue-backed bonds and a correspondingly underweighted position in lower-yielding general obligation bonds enabled the fund to maintain a positive yield. The fund achieved particularly favorable contributions from revenue bonds backed by airports and states' settlement of litigation with U.S. tobacco companies. The fund further benefited from lack of exposure to distressed Puerto Rico securities. These positions more than offset relatively weak results from municipal bonds backed by revenues from health care facilities and essential municipal services, such as public power plants and water-and-sewer facilities.

The fund's leveraging strategy proved effective in this market environment, helping to magnify its positive results.

#### **Positioned for a Constructive Market Environment**

The municipal bond market recently has shown signs of renewed strength. Investors who may have overreacted to the tax implications of the presidential election appear to have adopted a more balanced perspective, and tax-exempt investments should remain attractive to high earners even if the top tax rate is reduced somewhat. In addition, municipal bonds historically have proved less sensitive to rising short-term interest rates than U.S. Treasury securities with comparable maturities.

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As of the end of the reporting period, we have maintained the fund's emphasis on higher-yielding revenue-backed bonds. We also have retained relatively light exposure to general obligation bonds, which typically offer lower yields. We have continued to set the fund's average duration in a relatively long position.

June 15, 2017

*Bonds are subject generally to interest-rate, credit, liquidity, and market risks, to varying degrees, all of which are more fully described in the fund's prospectus. Generally, all other factors being equal, bond prices are inversely related to interest-rate changes, and rate increases can cause price declines.*

*High yield bonds are subject to increased credit risk and are considered speculative in terms of the issuer's perceived ability to continue making interest payments on a timely basis and to repay principal upon maturity.*

*The use of leverage may magnify the fund's gains or losses. For derivatives with a leveraging component, adverse changes in the value or level of the underlying asset can result in a loss that is much greater than the original investment in the derivative.*

*<sup>1</sup> Total return includes reinvestment of dividends and any capital gains paid, based upon net asset value per share. Past performance is no guarantee of future results. Income may be subject to state and local taxes, and some income may be subject to the federal alternative minimum tax (AMT) for certain investors. Capital gains, if any, are fully taxable. Return figures provided reflect the absorption of certain fund expenses by The Dreyfus Corporation pursuant to an undertaking in effect through November 30, 2017, at which time it may be extended, terminated, or modified. Had these expenses not been absorbed, the fund's returns would have been lower.*

*<sup>2</sup> Annualized distribution rate per share is based upon dividends per share paid from net investment income during the period, divided by the market price per share at the end of the period, adjusted for any capital gain distributions.*

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### STATEMENT OF INVESTMENTS

May 31, 2017 (Unaudited)

<b>Long-Term Municipal Investments - 144.1%</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Alabama - 4.6%</b>				
Birmingham Special Care Facilities Financing Authority, Improvement Revenue (Methodist Home for the Aging)	5.50	6/1/30	1,800,000	1,955,592
Birmingham Special Care Facilities Financing Authority, Improvement Revenue (Methodist Home for the Aging)	6.00	6/1/50	2,750,000	3,048,238
Jefferson County, Limited Obligation School Warrants	5.25	1/1/19	2,150,000	2,156,859
Jefferson County, Limited Obligation School Warrants	5.00	1/1/24	1,000,000	1,003,190
	0/7.75	10/1/46	6,000,000 <sup>a</sup>	4,844,880

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Jefferson County, Sewer Revenue Warrants				
Lower Alabama Gas District, Gas Project Revenue	5.00	9/1/46	5,000,000	6,248,850
				<b>19,257,609</b>
<b>Alaska - 2.0%</b>				
Northern Tobacco Securitization Corporation of Alaska, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/46	8,465,000	<b>8,238,815</b>
<b>Arizona - 6.3%</b>				
Arizona Industrial Development Authority, Education Revenue (BASIS Schools Projects)	5.25	7/1/47	1,500,000	b 1,559,100
Phoenix Industrial Development Authority, Education Facility Revenue (BASIS Schools Projects)	5.00	7/1/46	2,000,000	b 2,040,660
Phoenix Industrial Development Authority, Education Facility Revenue (BASIS Schools Projects)	5.00	7/1/45	1,000,000	b 1,021,010
Phoenix Industrial Development Authority, Education Facility Revenue (Legacy Traditional Schools Project)	6.75	7/1/44	1,000,000	b 1,144,630
Phoenix Industrial Development Authority, Education Facility Revenue (Legacy Traditional Schools Projects)	5.00	7/1/45	1,300,000	b 1,324,180
Salt Verde Financial Corporation, Senior Gas Revenue	5.00	12/1/37	4,550,000	5,550,044
Tender Option Bond Trust Receipts (Series 2016-XM0447), (Salt River Project Agricultural Improvement and Power District, Salt River Project Electric System Revenue) Recourse	5.00	1/1/38	13,198,367 <sup>b,c</sup>	13,521,833
				<b>26,161,457</b>
<b>California - 17.1%</b>				
California, GO (Various Purpose)	5.75	4/1/31	7,800,000	8,483,982
California, GO (Various Purpose)	6.00	3/1/33	2,250,000	2,538,653

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STATEMENT OF INVESTMENTS (Unaudited) (continued)

<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>California - 17.1% (continued)</b>				
California, GO (Various Purpose)	6.50	4/1/33	5,000,000	5,511,100
California, GO (Various Purpose)	6.00	11/1/35	5,000,000	5,601,100
California Statewide Communities Development Authority, Revenue (Front Porch Communities and Services Project)	5.13	4/1/37	4,975,000	b 4,983,955
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds	5.75	6/1/47	305,000	305,000
	5.75	6/1/47	4,695,000	4,729,743



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Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds Sacramento County, Airport System Subordinate and Passenger Facility Charges Grant Revenue	6.00	7/1/35	4,000,000	4,206,680
San Buenaventura, Revenue (Community Memorial Health System) Santa Margarita/Dana Point Authority, Revenue (Santa Margarita Water District Improvement Districts Numbers 2,3 and 4) (Prerefunded)	7.50	12/1/41	1,500,000	1,765,575
Tender Option Bond Trust Receipts (Series 2016-XM0379), (Los Angeles Department of Water and Power, Water System Revenue) Non-recourse	5.00	7/1/20	5,000,000	d 5,256,050
Tender Option Bond Trust Receipts (Series 2016-XM0387), (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport)) Non-recourse	5.00	5/15/21	6,000,000	b,c 5,656,950
Tender Option Bond Trust Receipts (Series 2016-XM0390), (The Regents of the University of California, General Revenue) Non-recourse	5.00	5/15/21	6,250,000	b,c 6,750,900
Tender Option Bond Trust Receipts (Series 2016-XM0440), (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport)) Recourse	5.00	5/15/31	5,247,500	b,c 7,252,062
Tobacco Securitization Authority, North Tobacco Settlement Revenue (Capital Appreciation-2nd Sub-Asset Backed C)	0.00	6/1/45	3,185,000	e 5,824,659
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project) (Prerefunded)	5.88	1/1/19	2,000,000	d 340,190
				d 2,157,700
				<b>71,364,299</b>

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<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Colorado - 2.3%</b>				
Bellevue Station Metropolitan District Number 2, GO	5.13	12/1/46	2,375,000	2,445,371
Dominion Water and Sanitation District, Tap Fee Revenue	6.00	12/1/46	1,500,000	1,561,320
Tender Option Bond Trust Receipts (Series 2016-XM0385), (Board of Governors of the Colorado State University, System Enterprise Revenue) Non-recourse	5.00	3/1/20	4,950,000	b,c 5,578,848
				<b>9,585,539</b>
<b>District of Columbia - 5.3%</b>				
District of Columbia Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds	0.00	6/15/46	35,000,000	e 5,111,400
Tender Option Bond Trust Receipts (Series 2016-XM0437), (District of Columbia, Income Tax Secured Revenue) Recourse	5.00	12/1/35	14,828,227	b,c 17,006,457

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**22,117,857**

**Florida - 5.4%**

Cape Coral Health Facilities Authority, Senior Housing Revenue (Gulf Care, Inc. Project)	5.88	7/1/40	1,600,000	b	1,704,672
Mid-Bay Bridge Authority, Springing Lien Revenue (Prerefunded)	7.25	10/1/21	5,000,000	d	6,256,600
Palm Beach County Health Facilities Authority, Retirement Community Revenue (Adult Communities Total Services, Inc. Retirement - Life Communities, Inc. Obligated Group) (Prerefunded)	5.50	11/15/20	6,825,000	d	7,823,566
Saint Johns County Industrial Development Authority, Revenue (Presbyterian Retirement Communities Project) (Prerefunded)	6.00	8/1/20	3,500,000	d	4,029,655
South Lake County Hospital District, Revenue (South Lake Hospital, Inc.)	6.25	4/1/39	2,500,000		2,692,125

**22,506,618**

**Georgia - 3.5%**

Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.)	5.25	11/1/34	275,000		302,104
Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.) (Prerefunded)	5.25	11/1/19	725,000	d	799,603
Atlanta, Water and Wastewater Revenue (Prerefunded)	6.00	11/1/19	4,865,000	d	5,452,595
Atlanta Development Authority, Senior Lien Revenue (New Downtown Atlanta Stadium Project)	5.25	7/1/40	1,000,000		1,167,450

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*STATEMENT OF INVESTMENTS (Unaudited) (continued)*

<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)		Value (\$)
<b>Georgia - 3.5% (continued)</b>					
Tender Option Bond Trust Receipts (Series 2016-XM0435), (Private Colleges and Universities Authority, Revenue (Emory University)) Recourse	5.00	10/1/43	6,000,000	b,c	6,907,500
					<b>14,629,252</b>
<b>Hawaii - 1.2%</b>					
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawai'i Pacific Health Obligated Group)	5.63	7/1/30	2,500,000		2,757,000
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawaiian Electric Company, Inc. and Subsidiary Projects)	6.50	7/1/39	2,000,000		2,165,400
					<b>4,922,400</b>
<b>Illinois - 8.2%</b>					
	5.63	1/1/35	3,000,000		3,378,630

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Chicago, General Airport Third Lien Revenue (Chicago O'Hare International Airport)					
Chicago, GO (Project and Refunding Series)	6.00	1/1/38	3,000,000	3,135,420	
Chicago, Second Lien Wastewater Transmission Revenue	5.00	1/1/39	2,330,000	2,541,494	
Illinois Finance Authority, Revenue (Plymouth Place, Inc.)	5.25	5/15/45	1,000,000	1,040,170	
Metropolitan Pier and Exposition Authority, Dedicated Tax Revenue (Capital Appreciation-McCormick Place Expansion Project) (Insured; MBIA Insurance Corporation)	0.00	12/15/36	2,500,000 e	1,067,100	
Metropolitan Pier and Exposition Authority, Revenue (McCormick Place Expansion Project)	5.00	12/15/28	2,500,000	2,634,225	
Metropolitan Pier and Exposition Authority, Revenue (McCormick Place Expansion Project)	5.00	6/15/52	3,550,000	3,562,496	
Metropolitan Pier and Exposition Authority, Revenue (McCormick Place Expansion Project)	5.00	6/15/53	2,500,000	2,513,850	
Railsplitter Tobacco Settlement Authority, Tobacco Settlement Revenue	6.00	6/1/28	3,600,000	4,126,284	
Tender Option Bond Trust Receipts (Series 2017-XM0492), (Illinois Finance Authority, Revenue (The University of Chicago)) Non-recourse	5.00	10/1/40	9,000,000 b,c	10,275,390	
					<b>34,275,059</b>
<b>Iowa - 1.8%</b>					
Iowa Finance Authority, Midwestern Disaster Area Revenue (Iowa Fertilizer Company Project)	5.25	12/1/25	5,125,000	5,310,320	
Tobacco Settlement Authority of Iowa, Tobacco Settlement Asset-Backed Bonds	5.60	6/1/34	2,000,000 a	2,000,140	
					<b>7,310,460</b>

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<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Kentucky - .7%</b>				
Christian County, HR (Jennie Stuart Medical Center)	5.50	2/1/44	2,800,000	<b>2,963,884</b>
<b>Louisiana - 1.2%</b>				
Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	4,000,000	4,075,360
New Orleans, Water Revenue	5.00	12/1/40	1,000,000	1,137,020
				<b>5,212,380</b>
<b>Maine - .5%</b>				
	7.50	7/1/32	2,000,000	<b>2,289,160</b>

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Maine Health and Higher Educational Facilities Authority,  
Revenue (Maine General Medical Center Issue)

**Maryland - 2.0%**

Maryland Health and Higher Educational Facilities Authority,  
Revenue (Adventist HealthCare Issue) 5.50 1/1/46 3,250,000 3,718,293

Tender Option Bond Trust Receipts (Series 2016-XM0391),  
(Mayor and City Council of Baltimore, Project Revenue (Water  
Projects)) Non-recourse 5.00 7/1/21 4,000,000 b,c 4,525,640

**8,243,933**

**Massachusetts - 9.7%**

Massachusetts Development Finance Agency,  
Revenue (Tufts Medical Center Issue) 7.25 1/1/32 2,500,000 2,938,350

Massachusetts Health and Educational Facilities Authority,  
Revenue (Suffolk University Issue) 6.25 7/1/30 1,730,000 1,897,170

Massachusetts Health and Educational Facilities Authority,  
Revenue (Suffolk University Issue) (Prerefunded) 6.25 7/1/19 3,270,000 d 3,625,907

Massachusetts Housing Finance Agency,  
Housing Revenue 7.00 12/1/38 4,575,000 4,789,933

Tender Option Bond Trust Receipts (Series 2016-XM0368),  
(Massachusetts Development Finance Agency, Revenue (Harvard  
University Issue)) Non-recourse 5.25 8/1/18 10,000,000 b,c 11,517,600

Tender Option Bond Trust Receipts (Series 2016-XM0372),  
(Massachusetts, Consolidated Loan) Non-recourse 5.00 4/1/19 6,400,000 b,c 7,338,240

Tender Option Bond Trust Receipts (Series 2016-XM0386),  
(University of Massachusetts Building Authority, Project and Refunding  
Revenue) Non-recourse 5.00 5/1/21 7,406,665 b,c 8,410,312

**40,517,512**

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*STATEMENT OF INVESTMENTS (Unaudited) (continued)*

<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Michigan - 4.4%</b>				
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/31	3,780,000	4,092,606
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/36	3,290,000	3,543,659
Great Lakes Water Authority, Sewage Disposal System Second Lien Revenue	5.00	7/1/36	2,000,000	2,248,220
Michigan Finance Authority, Local Government Loan Program Revenue (Detroit Water and Sewerage Department, Water Supply System Revenue Senior Lien Local Project Bonds) (Insured; National Public Finance Guarantee Corp.)	5.00	7/1/36	1,000,000	1,113,250
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	2,180,000	2,140,455

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Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group) (Prerefunded)	8.00	9/1/18	5,000,000	d 5,439,500
				<b>18,577,690</b>

**Missouri - 1.8%**

Missouri Health and Educational Facilities Authority, Revenue (Lutheran Senior Services Projects)	5.00	2/1/46	2,200,000	2,366,342
Saint Louis Land Clearance Redevelopment Authority, Annual Appropriation Redevelopment Revenue (National Geospatial-Intelligence Agency Site Improvements Project)	5.13	6/1/46	5,000,000	5,216,450
				<b>7,582,792</b>

**New Jersey - 4.2%**

Essex County Improvement Authority, SWDR (Covanta Project)	5.25	7/1/45	1,000,000	b 1,006,730
New Jersey Economic Development Authority, School Facilities Construction Revenue	5.50	12/15/29	1,690,000	1,770,613
New Jersey Economic Development Authority, School Facilities Construction Revenue	5.25	6/15/40	4,250,000	4,457,102
New Jersey Economic Development Authority, School Facilities Construction Revenue (Prerefunded)	5.50	6/15/19	3,310,000	d 3,617,929
New Jersey Economic Development Authority, Water Facilities Revenue (New Jersey - American Water Company, Inc. Project)	5.70	10/1/39	3,000,000	3,253,110
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	4.50	6/1/23	905,000	910,493

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<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>New Jersey - 4.2% (continued)</b>				
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	4.63	6/1/26	1,600,000	1,604,080
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/41	1,000,000	999,580
				<b>17,619,637</b>
<b>New Mexico - 1.3%</b>				
Farmington, PCR (Public Service Company of New Mexico San Juan Project)	5.90	6/1/40	5,000,000	<b>5,514,500</b>
<b>New York - 15.5%</b>				
Long Island Power Authority, Electric System General Revenue (Prerefunded)	6.25	4/1/19	3,000,000	d 3,290,280
Metropolitan Transportation Authority, Transportation Revenue	6.25	11/15/23	1,715,000	1,849,816
Metropolitan Transportation Authority, Transportation Revenue (Prerefunded)	6.25	11/15/18	6,650,000	d 7,170,628
Metropolitan Transportation Authority, Transportation Revenue (Prerefunded)	6.25	11/15/18	60,000	d 64,697

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New York City Educational Construction Fund, Revenue	6.50	4/1/28	2,785,000	3,308,107
New York Convention Center Development Corporation, Senior Lien Revenue (Hotel Unit Fee Secured)	0.00	11/15/47	5,600,000 e	1,719,368
New York Liberty Development Corporation, Revenue (3 World Trade Center Project)	5.00	11/15/44	5,500,000 b	5,913,820
New York Transportation Development Corporation, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project)	5.00	8/1/26	500,000	539,160
New York Transportation Development Corporation, Special Facility Revenue (LaGuardia Airport Terminal B Redevelopment Project)	5.00	7/1/46	3,000,000	3,280,080
Niagara Area Development Corporation, Solid Waste Disposal Facility Revenue (Covanta Energy Project)	5.25	11/1/42	2,000,000 b	2,010,520
Port Authority of New York and New Jersey, Special Project Bonds (JFK International Air Terminal LLC Project)	6.00	12/1/36	4,710,000	5,323,006
Tender Option Bond Trust Receipts (Series 2016-XM0370), (New York City Transitional Finance Authority, Future Tax Secured Subordinate Revenue) Non-recourse	5.25	11/1/18	5,000,000 b,c	5,707,100

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STATEMENT OF INVESTMENTS (Unaudited) (continued)

Long-Term Municipal Investments - 144.1% (continued)	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>New York - 15.5% (continued)</b>				
Tender Option Bond Trust Receipts (Series 2016-XM0436), (New York City Municipal Water Finance Authority, Water and Sewer System Second General Resolution Revenue) Recourse	5.00	6/15/44	12,600,000 b,c	14,129,766
Tender Option Bond Trust Receipts (Series 2016-XM0438), (New York City Transitional Finance Authority, Future Tax Secured Subordinate Revenue) Recourse	5.50	11/1/27	5,000,000 b,c	5,738,050
Tender Option Bond Trust Receipts (Series 2016-XM0439), (New York City Transitional Finance Authority, Future Tax Secured Revenue) Recourse	5.00	5/1/30	4,488,203 b,c	4,837,637
				<b>64,882,035</b>
<b>North Carolina - 2.7%</b>				
Tender Option Bond Trust Receipts (Series 2016-XM0444), (North Carolina Medical Care Commission, Health Care Facilities Revenue (Duke University Health System)) Recourse	5.00	6/1/42	10,000,000 b,c	<b>11,174,500</b>
<b>Ohio - 7.3%</b>				
Buckeye Tobacco Settlement Financing Authority, Tobacco Settlement Asset-Backed Bonds	5.88	6/1/30	2,000,000	1,982,100
Buckeye Tobacco Settlement Financing Authority, Tobacco Settlement Asset-Backed Bonds	0.00	6/1/47	13,000,000 e	944,190
	6.50	6/1/47	11,285,000	11,314,228

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Buckeye Tobacco Settlement Financing Authority, Tobacco Settlement Asset-Backed Bonds Butler County, Hospital Facilities Revenue (UC Health)	5.50	11/1/40	2,040,000	2,269,622
Butler County, Hospital Facilities Revenue (UC Health) (Prerefunded)	5.50	11/1/20	960,000	d 1,099,162
Centerville, Health Care Revenue (Graceworks Lutheran Services)	5.25	11/1/47	1,500,000	1,581,180
Cuyahoga County Hospital, Revenue (The Metrohealth System)	5.00	2/15/57	1,000,000	1,047,690
Ohio Air Quality Development Authority, Air Quality Revenue (Ohio Valley Electric Corporation Project)	5.63	10/1/19	4,200,000	4,367,286
Port of Greater Cincinnati Development Authority, Tax Increment Development Revenue (Fairfax Village Red Bank Infrastructure Project)	5.63	2/1/36	2,530,000	b 2,516,287

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<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Ohio - 7.3% (continued)</b>				
Southeastern Ohio Port Authority, Hospital Facilities Improvement Revenue (Memorial Health System Obligated Group Project)	6.00	12/1/42	2,000,000	2,212,360
Southeastern Ohio Port Authority, Hospital Facilities Improvement Revenue (Memorial Health System Obligated Group Project)	5.00	12/1/43	1,000,000	1,027,050
				<b>30,361,155</b>
<b>Oregon - .4%</b>				
Warm Springs Reservation Confederated Tribes, Hydroelectric Revenue (Pelton Round Butte Project)	6.38	11/1/33	1,500,000	<b>1,601,745</b>
<b>Pennsylvania - 2.3%</b>				
Crawford County Hospital Authority, HR (Meadville Medical Center Project)	6.00	6/1/46	1,000,000	1,020,680
Philadelphia, GO (Prerefunded)	6.50	8/1/20	4,700,000	d 5,498,624
Tender Option Bond Trust Receipts (Series 2016-XM0373), (Geisinger Authority, Health System Revenue (Geisinger Health System)) Non-recourse	5.13	6/1/35	3,000,000	b,c 3,266,970
				<b>9,786,274</b>
<b>Rhode Island - 1.3%</b>				
Rhode Island Health and Educational Building Corporation, Hospital Financing Revenue (Lifespan Obligated Group Issue) (Insured; Assured Guaranty Corp.) (Prerefunded)	7.00	5/15/19	5,000,000	d <b>5,585,000</b>
<b>South Carolina - 2.7%</b>				
Tender Option Bond Trust Receipts (Series 2016-XM0384), (South Carolina Public Service Authority, Revenue Obligations (Santee	5.13	6/1/37	10,200,000	b,c <b>11,140,644</b>

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Cooper)) Non-recourse

**Tennessee - 2.3%**

Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University) (Prerefunded)	5.50	10/1/19	2,050,000	d	2,263,959
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University) (Prerefunded)	5.50	10/1/19	450,000	d	496,967
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University) (Prerefunded)	5.50	10/1/19	3,000,000	d	3,313,110

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*STATEMENT OF INVESTMENTS (Unaudited) (continued)*

<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)		Value (\$)
<b>Tennessee - 2.3% (continued)</b>					
Tender Option Bond Trust Receipts (Series 2016-XM0388), (Metropolitan Government of Nashville and Davidson County, Water and Sewer Revenue) Non-recourse	5.00	7/1/21	3,000,000	b,c	3,426,210
					<b>9,500,246</b>
<b>Texas - 16.9%</b>					
Central Texas Regional Mobility Authority, Senior Lien Revenue	5.00	1/1/45	1,500,000		1,696,635
Clifton Higher Education Finance Corporation, Education Revenue (International Leadership of Texas)	5.75	8/15/45	2,500,000		2,680,350
Clifton Higher Education Finance Corporation, Education Revenue (Uplift Education)	4.50	12/1/44	2,500,000		2,547,425
Harris County Health Facilities Development Corporation, HR (Memorial Hermann Healthcare System) (Prerefunded)	7.25	12/1/18	7,290,000	d	7,981,384
Harris County-Houston Sports Authority, Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.) Houston,	0.00	11/15/51	7,500,000	e	1,556,250
Combined Utility System First Lien Revenue (Insured; Assured Guaranty Corp.) Houston,	6.00	11/15/36	230,000		252,285
Combined Utility System First Lien Revenue (Insured; Assured Guaranty Corp.) (Prerefunded)	6.00	5/15/19	4,770,000	d	5,238,080
Love Field Airport Modernization Corporation, Special Facilities Revenue (Southwest Airlines Company - Love Field Modernization Program Project)	5.00	11/1/28	1,000,000		1,111,750
New Hope Cultural Education Facilities Finance Corporation, Student Housing Revenue (National Campus and Community Development Corporation - College Station Properties LLC - Texas A&M University Project)	5.00	7/1/35	500,000		537,650



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North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Corp.)	5.75	1/1/40	1,575,000	1,618,486
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Corp.) (Prerefunded)	5.75	1/1/18	2,500,000 d	2,571,850
Tarrant County Cultural Education Facilities Finance Corporation, Retirement Facility Revenue (Buckingham Senior Living Community, Inc. Project)	5.50	11/15/45	3,000,000	3,159,390

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<b>Long-Term Municipal Investments - 144.1% (continued)</b>	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Texas - 16.9% (continued)</b>				
Tender Option Bond Trust Receipts (Series 2016-XM0377), (San Antonio, Electric and Gas Systems Junior Lien Revenue) Non-recourse	5.00	2/1/21	12,450,000 b,c	14,140,959
Tender Option Bond Trust Receipts (Series 2016-XM0443), (Texas A&M University System Board of Regents, Financing System Revenue) Recourse	5.00	5/15/39	13,160,000 b,c	14,480,869
Tender Option Bond Trust Receipts (Series 2017-XF2422), (Leander Independent School District, Unlimited Tax School Building Bonds (Permanent School Fund Guarantee Program)) Recourse	5.00	8/15/40	9,997,299 b,c	10,869,199
Texas Department of Housing and Community Affairs, Home Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	12.42	7/2/24	100,000 f	105,154
				<b>70,547,716</b>
<b>Virginia - 3.1%</b>				
Chesterfield County Economic Development Authority, Retirement Facilities First Mortgage Revenue (Brandermill Woods Project)	5.13	1/1/43	700,000	714,280
Henrico County Industrial Development Authority, Revenue (Bon Secours Health System, Inc.) (Insured; Assured Guaranty Municipal Corp.)	9.76	8/23/27	6,050,000 f	7,892,467
Virginia College Building Authority, Educational Facilities Revenue (Marymount University Project) (Green Bonds)	5.00	7/1/45	1,000,000 b	1,043,500
Washington County Industrial Development Authority, HR (Mountain States Health Alliance)	7.75	7/1/38	3,000,000	3,246,330