

DREYFUS STRATEGIC MUNICIPALS INC  
Form N-Q  
February 25, 2011

**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      811-5245

Dreyfus Strategic Municipals, Inc.  
(Exact name of Registrant as specified in charter)

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

Michael A. Rosenberg, Esq.  
  
200 Park Avenue  
  
New York, New York 10166  
(Name and address of agent for service)

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

Date of fiscal year end:      9/30

Date of reporting period:      12/31/10

**FORM N-Q**

**Item 1. Schedule of Investments.**

-2-

---

**STATEMENT OF INVESTMENTS****Dreyfus Strategic Municipals, Inc.****December 31, 2010 (Unaudited)**

<b>Long-Term Municipal Investments--158.6%</b>	<b>Coupon Rate (%)</b>	<b>Maturity Date</b>	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
<b>Arizona--6.4%</b>				
Arizona Housing Finance Authority, SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA)	5.55	12/1/41	5,565,000	5,540,458
Barclays Capital Municipal Trust Receipts (Salt River Project Agricultural Improvement and Power District, Salt River Project Electric System Revenue)	5.00	1/1/38	17,210,000 a,b	17,197,265
Glendale Western Loop 101 Public Facilities Corporation, Third Lien Excise Tax Revenue	6.25	7/1/38	5,000,000	5,146,200
Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)	5.63	7/1/38	3,410,000	2,830,402
<b>California--20.3%</b>				
Barclays Capital Municipal Trust Receipts (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport)	5.00	5/15/31	5,247,500 a,b	5,148,564
Beverly Hills Unified School District, GO California,	0.00	8/1/30	10,850,000 c	3,082,702
GO (Various Purpose) California,	5.75	4/1/31	10,800,000	10,908,324
GO (Various Purpose) California,	6.50	4/1/33	10,000,000	10,733,800

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

GO (Various Purpose)	6.00	11/1/35	7,500,000	7,698,225
<hr/>				
California Statewide Communities Development Authority, Revenue (Bentley School)	7.00	7/1/40	2,090,000	1,647,840
California Statewide Communities Development Authority, Revenue (Bentley School)	0.00	7/1/50	6,225,000 c	142,179
California Statewide Communities Development Authority, Revenue (Daughters of Charity Health System)	5.25	7/1/30	3,000,000	2,597,730
California Statewide Communities Development Authority, Revenue (Daughters of Charity Health System)	5.00	7/1/39	5,000,000	3,935,800
California Statewide Communities Development Authority, Student Housing Revenue (CHF-Irvine, LLC-UCI East Campus Apartments, Phase II)	5.75	5/15/32	2,500,000	2,370,375
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/33	12,275,000	8,473,923
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.80	6/1/13	8,100,000 d	9,337,923
Golden State Tobacco Securitization Corporation, Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.90	6/1/13	2,000,000 d	2,310,200
JPMorgan Chase Putters/Drivers Trust (California Educational Facilities Authority, Revenue (University of Southern				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

California)) Sacramento County, Airport System Subordinate and Passenger Facility Charges	5.25	10/1/16	10,100,000 a,b	10,295,536
<hr/>				
Grant Revenue San Diego Public Facilities Financing Authority, Senior	6.00	7/1/35	6,250,000	6,455,437
Sewer Revenue Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds (San Diego County Tobacco Asset Securitization Corporation)	5.25	5/15/34	2,500,000	2,538,750
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)	5.00	6/1/37	7,300,000	5,056,783
<b>Colorado--2.7%</b> Arkansas River Power Authority, Power Improvement Revenue (Insured; XLCA)	5.88	1/1/29	3,500,000	3,701,075
Beacon Point Metropolitan District, GO	5.25	10/1/40	3,975,000	3,419,136
Colorado Educational and Cultural Facilities Authority, Charter School Revenue (American Academy Project)	6.25	12/1/35	2,000,000	1,766,600
Colorado Housing and Finance Authority, Single Family Program Senior and Subordinate Bonds (Collateralized; FHA)	8.00	12/1/40	3,500,000	3,955,875
Southlands Metropolitan District Number 1, GO (Prerefunded)	6.60	8/1/32	1,120,000	1,187,088
<b>Delaware--.9%</b> Delaware Economic Development Authority, Exempt Facility Revenue (Indian River Power LLC Project)	7.13	12/1/14	2,000,000 d	2,428,900
	5.38	10/1/45	5,000,000	4,457,250

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

**Florida--6.8%**

Clearwater, Water and Sewer Revenue	5.25	12/1/39	5,000,000	5,020,950
Greater Orlando Aviation Authority, Airport Facilities Revenue	6.25	10/1/20	8,000,000	8,946,880

---

Miami-Dade County, Aviation Revenue	5.00	10/1/41	6,500,000	5,867,225
Orange County School Board, COP (Master Lease Purchase Agreement) (Insured; Assured Guaranty Municipal Corp.)	5.50	8/1/34	6,000,000	6,141,840
Saint Johns County Industrial Development Authority, Revenue (Presbyterian Retirement Communities Project)	6.00	8/1/45	6,500,000	6,406,400

**Georgia--7.9%**

Atlanta, Water and Wastewater Revenue	6.00	11/1/27	6,000,000	6,403,860
Atlanta, Water and Wastewater Revenue (Insured; Assured Guaranty Municipal Corp.)	5.25	11/1/34	6,000,000	5,887,560
Brooks County Development Authority, Senior Health and Housing Facilities Revenue (Presbyterian Home, Quitman, Inc.) (Collateralized; GNMA)	5.70	1/20/39	4,445,000	4,498,518
DeKalb County Hospital Authority, RAC (DeKalb Medical Center, Inc. Project)	6.13	9/1/40	7,765,000	7,613,350
Fulton County Development Authority, Revenue (Georgia Tech North Avenue Apartments Project) (Insured; XLCA)	5.00	6/1/32	2,500,000	2,451,575
Georgia Higher Education Facilities Authority, Revenue (USG Real Estate Foundation I,				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

LLC Project) (Insured; Assured Guaranty Municipal Corp.)	5.63	6/15/38	6,000,000	6,036,060
Milledgeville-Baldwin County Development Authority, Revenue (Georgia College and State Foundation)	6.00	9/1/13	2,090,000	2,366,528
Milledgeville-Baldwin County Development Authority, Revenue				
(Georgia College and State Foundation) (Prerefunded)	6.00	9/1/14	2,000,000 d	2,339,980
<b>Hawaii--1.8%</b>				
Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawai'i Pacific Health Obligated Group)	5.75	7/1/40	8,965,000	8,620,834
<b>Idaho--1.0%</b>				
Power County Industrial Development Corporation, SWDR (FMC Corporation Project)	6.45	8/1/32	5,000,000	4,953,700
<b>Illinois--3.1%</b>				
Chicago, SFMR (Collateralized: FHLMC, FNMA and GNMA)	6.55	4/1/33	1,595,000	1,681,656
Illinois Finance Authority, Recovery Zone Facility Revenue (Navistar International Corporation Project)	6.50	10/15/40	4,000,000	4,003,200
Metropolitan Pier and Exposition Authority, State Tax Revenue (McCormick Place Expansion Project) (Insured; National Public Finance Guarantee Corp.)	5.25	6/15/42	5,325,000	4,936,009
Railsplitter Tobacco Settlement Authority, Tobacco Settlement Revenue	6.00	6/1/28	4,000,000	3,936,160
<b>Indiana--2.3%</b>				
Indianapolis Local Public Improvement Bond Bank, Revenue				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

(Indianapolis Airport Authority Project) (Insured; AMBAC)	5.00	1/1/36	7,500,000	6,681,525
Petersburg, SWDR (Indianapolis Power and Light Company Project)	6.38	11/1/29	4,150,000	4,187,350
<b>Iowa--3%</b>				
Tobacco Settlement Authority of Iowa, Tobacco Settlement Asset-Backed Bonds	5.60	6/1/34	2,000,000	1,644,120
<hr/>				
<b>Kansas--1.2%</b>				
Sedgwick and Shawnee Counties, SFMR (Mortgage-Backed Securities Program)	6.45	12/1/33	4,220,000	4,433,152
(Collateralized: FNMA and GNMA) Sedgwick and Shawnee Counties, SFMR (Mortgage-Backed Securities Program)	5.70	12/1/35	1,270,000	1,306,830
(Collateralized: FNMA and GNMA) <b>Kentucky--2.0%</b>				
Kentucky Area Development Districts Financing Trust, COP (Lease Acquisition Program)	5.50	5/1/27	2,000,000	1,997,700
Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's HealthCare, Inc. Project)	6.13	2/1/37	2,300,000	2,371,024
Paducah Electric Plant Board, Revenue (Insured; Assured Guaranty Municipal Corp.)	5.25	10/1/35	5,000,000	4,961,900
<b>Louisiana--1.8%</b>				
Lakeshore Villages Master Community Development District, Special Assessment Revenue	5.25	7/1/17	2,979,000	1,586,109
Louisiana Local Government Environmental Facilities and				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Community Development Authority, Revenue (Westlake Chemical Corporation Projects)	6.75	11/1/32	7,000,000	7,053,900
<b>Maine--.6%</b>				
Maine Housing Authority, Mortgage Purchase Bonds	5.30	11/15/23	2,825,000	2,836,752
<b>Maryland--1.8%</b>				
Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue	5.75	9/1/37	1,915,000	1,983,940
<hr/>				
Maryland Economic Development Corporation, Senior Student Housing Revenue (University of Maryland, Baltimore Project)	5.75	10/1/33	4,590,000	3,100,040
Maryland Economic Development Corporation, Student Housing Revenue (University of Maryland, College Park Project) (Prerefunded)	6.50	6/1/13	3,000,000 d	3,398,760
<b>Massachusetts--8.5%</b>				
Barclays Capital Municipal Trust Receipts (Massachusetts Health and Educational Facilities Authority, Revenue (Massachusetts Institute of Technology Issue))	5.00	7/1/38	13,110,000 a,b	13,317,138
JPMorgan Chase Putters/Drivers Trust (Massachusetts Development Finance Agency, Revenue (Harvard University Issue))	5.25	2/1/34	10,000,000 a,b	10,507,000
Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue) (Prerefunded)	9.00	12/15/12	1,400,000 d	1,598,618

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Massachusetts Health and Educational Facilities Authority, Revenue (Partners HealthCare System Issue)	5.75	7/1/32	185,000	187,274
Massachusetts Health and Educational Facilities Authority, Revenue (Suffolk University Issue)	6.25	7/1/30	5,500,000	5,694,095
Massachusetts Housing Finance Agency, Rental Housing Mortgage Revenue (Insured; AMBAC)	5.50	7/1/40	4,000,000	3,213,680
Massachusetts Industrial Finance Agency, RRR (Ogden Haverhill Project)	5.60	12/1/19	6,000,000	6,012,480

---

**Michigan--11.4%**

Charyl Stockwell Academy, COP	5.90	10/1/35	2,580,000	1,968,179
Detroit, Sewage Disposal System Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.00	7/1/27	2,500,000	2,822,500
Detroit, Sewage Disposal System Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.50	7/1/33	5,700,000	6,589,371
Detroit School District, School Building and Site Improvement Bonds (GO - Unlimited Tax) (Insured; FGIC)	5.00	5/1/28	6,930,000	6,482,946
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.00	7/1/35	2,930,000	2,810,427
Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)	6.25	7/1/40	3,000,000	2,948,460
Michigan Hospital Finance Authority, HR (Henry Ford				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Health System)	5.63	11/15/29	5,000,000	4,872,100
Michigan Strategic Fund, LOR (The Detroit Edison Company Exempt Facilities Project) (Insured; XLCA)	5.25	12/15/32	3,000,000	2,788,770
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	11,800,000	10,920,192
Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group)	8.25	9/1/39	5,500,000	6,345,845
Wayne County Airport Authority, Airport Revenue (Detroit Metropolitan Wayne County Airport) (Insured; National Public Finance Guarantee Corp.)	5.00	12/1/34	7,000,000	5,818,960

**Minnesota--4.0%**

Dakota County Community Development Agency, SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA)	5.15	12/1/38	1,705,335	1,746,587
Dakota County Community Development Agency, SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA)	5.30	12/1/39	1,768,753	1,844,969
Minneapolis, Health Care System Revenue (Fairview Health Services) (Insured; Assured Guaranty Municipal Corp.)	6.50	11/15/38	5,000,000	5,333,700
North Oaks, Senior Housing Revenue (Presbyterian Homes of North Oaks, Inc. Project)	6.25	10/1/47	5,265,000	4,974,161
Winona,				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Health Care Facilities Revenue (Winona Health Obligated Group)	6.00	7/1/26	5,000,000	4,997,500
<b>Mississippi--3.9%</b>				
Clairborne County, PCR (System Energy Resources, Inc. Project)	6.20	2/1/26	4,545,000	4,545,454
Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project)	5.88	4/1/22	14,310,000	14,081,040
<b>Missouri--1.7%</b>				
Missouri Development Finance Board, Infrastructure Facilities Revenue (Branson Landing Project)	5.38	12/1/27	2,000,000	1,998,800
Missouri Development Finance Board, Infrastructure Facilities Revenue (Branson Landing Project)	5.50	12/1/32	4,500,000	4,376,970
Missouri Development Finance				
<hr/>				
Board, Infrastructure Facilities Revenue (Independence, Crackerneck Creek Project)	5.00	3/1/28	2,000,000	1,866,500
<b>Montana--.1%</b>				
Montana Board of Housing, SFMR	6.45	6/1/29	575,000	584,740
<b>Nevada--1.0%</b>				
Clark County, Passenger Facility Charge Revenue (Las Vegas-McCarran International Airport)	5.00	7/1/30	5,000,000	4,789,750
<b>New Hampshire--1.5%</b>				
New Hampshire Health and Educational Facilities Authority, Revenue (Exeter Project)	6.00	10/1/24	1,000,000	1,018,220
New Hampshire Health and Educational Facilities				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Authority, Revenue (Exeter Project)	5.75	10/1/31	1,000,000	1,013,450
New Hampshire Industrial Development Authority, PCR (Connecticut Light and Power Company Project)	5.90	11/1/16	5,000,000	5,008,900
<b>New Jersey--4.2%</b>				
New Jersey Economic Development Authority, Cigarette Tax Revenue	5.75	6/15/34	5,500,000	5,025,185
New Jersey Higher Education Student Assistance Authority, Student Loan Revenue (Insured; Assured Guaranty Municipal Corp.)	6.13	6/1/30	5,000,000	5,087,800
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/29	5,000,000	3,655,050
Tobacco Settlement Financing Corporation of New Jersey,				

---

Tobacco Settlement Asset-Backed Bonds (Prerefunded)	7.00	6/1/13	5,640,000 d	6,437,496
---	------	--------	-------------	-----------

<b>New Mexico--1.6%</b>				
Farmington, PCR (Public Service Company of New Mexico San Juan Project)	5.90	6/1/40	7,000,000	6,695,220
New Mexico Mortgage Finance Authority, Single Family Mortgage Program Revenue (Collateralized: FHLMC, FNMA and GNMA)	6.15	7/1/35	865,000	924,296

<b>New York--6.9%</b>				
Barclays Capital Municipal Trust Receipts (New York City Municipal Water Finance Authority, Water and Sewer				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

System General Resolution Revenue)	5.00	6/15/39	20,000,000 a,b	19,984,400
New York City Industrial Development Agency, PILOT Revenue (Yankee Stadium Project) (Insured; Assured Guaranty Municipal Corp.)	7.00	3/1/49	5,000,000	5,508,000
Port Authority of New York and New Jersey, Special Project Revenue (JFK International Air Terminal LLC Project)	6.00	12/1/36	2,000,000	1,986,880
Triborough Bridge and Tunnel Authority, Revenue	5.25	11/15/30	5,220,000	5,314,378
<b>North Carolina--.6%</b>				
North Carolina Housing Finance Agency, Home Ownership Revenue	5.88	7/1/31	2,710,000	2,710,705
<b>Ohio--4.5%</b>				
Buckeye Tobacco Settlement Financing Authority, Tobacco Settlement Asset-Backed Bonds Butler County, Hospital Facilities Revenue (UC Health)	5.88	6/1/30	3,000,000	2,165,910
	5.50	11/1/40	7,000,000	6,301,960

Canal Winchester Local School District, School Facilities Construction and Improvement and Advance Refunding Bonds (GO - Unlimited Tax) (Insured; National Public Finance Guarantee Corp.)	0.00	12/1/29	3,955,000 c	1,406,200
Canal Winchester Local School District, School Facilities Construction and Improvement and Advance Refunding Bonds (GO - Unlimited Tax) (Insured; National Public Finance Guarantee Corp.)	0.00	12/1/31	3,955,000 c	1,219,920
Ohio Air Quality Development				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Authority, Air Quality Revenue (Ohio Valley Electric Corporation Project)	5.63	10/1/19	5,900,000	6,086,499
Port of Greater Cincinnati Development Authority, Tax Increment Development Revenue (Fairfax Village Red Bank Infrastructure Project)	5.63	2/1/36	3,000,000 b	2,089,830
Toledo Lucas County Port Authority, Airport Revenue (Baxter Global Project)	6.25	11/1/13	2,300,000	2,255,150
<b>Oklahoma--1%</b>				
Oklahoma Housing Finance Agency, SFMR (Homeownership Loan Program)	7.55	9/1/28	260,000	264,438
<b>Oregon--7%</b>				
Warm Springs Reservation Confederated Tribes, Hydroelectric Revenue (Pelton Round Butte Project)	6.38	11/1/33	3,300,000	3,299,868
<b>Pennsylvania--1.4%</b>				
Delaware County Industrial Development Authority, Charter School Revenue (Chester Community Charter School Project)	6.13	8/15/40	5,000,000	4,571,650
<hr/>				
Philadelphia Authority for Industrial Development, Revenue (Please Touch Museum Project)	5.25	9/1/31	2,425,000	1,967,039
<b>Rhode Island--1.2%</b>				
Rhode Island Health and Educational Building Corporation, Hospital Financing Revenue (Lifespan Obligated Group Issue) (Insured; Assured Guaranty Municipal Corp.)	7.00	5/15/39	5,000,000	5,557,950

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

**South Carolina--6.2%**

Barclays Capital Municipal Trust Receipts (Columbia, Waterworks and Sewer System Revenue)	5.00	2/1/40	10,000,000 a,b	10,054,000
JPMorgan Chase Putters/Drivers Trust (South Carolina Public Service Authority, Revenue Obligations (Santee Cooper))	5.00	7/1/18	9,000,000 a,b	9,050,760
South Carolina Public Service Authority, Revenue Obligations	5.50	1/1/38	10,000,000	10,436,900

**Tennessee--3.6%**

Barclays Capital Municipal Trust Receipts (Rutherford County Health and Educational Facilities Board, Revenue (Ascension Health Senior Credit Group))	5.00	11/15/40	10,000,000 a,b	9,892,300
Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University)	5.50	10/1/34	7,000,000	7,369,180

**Texas--14.0%**

Barclays Capital Municipal Trust Receipts (Leander Independent School District, Unlimited Tax School Building Bonds (Permanent School Fund Guarantee Program))	5.00	8/15/40	8,510,000 a,b	8,577,697
---	------	---------	---------------	-----------

---

Cities of Dallas and Fort Worth, Dallas/Fort Worth International Airport, Joint Revenue (Insured; National Public Finance Guarantee Corp.)	6.25	11/1/28	3,000,000	3,010,800
Dallas Area Rapid Transit, Senior Lien Sales Tax Revenue Harris County Health Facilities Development Corporation, HR	5.25	12/1/48	10,000,000	10,025,900

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

(Memorial Hermann Healthcare System) Houston, Combined Utility System First Lien Revenue (Insured; Assured Guaranty Municipal Corp.)	7.25	12/1/35	2,000,000	2,181,880
JPMorgan Chase Putters/Drivers Trust (Mansfield Independent School District, Unlimited Tax School Building Bonds) (Permanent School Fund Guarantee Program)	5.00	8/15/16	5,000,000 a,b	5,042,950
North Texas Tollway Authority, First Tier System Revenue (Insured; Assured Guaranty Municipal Corp.)	5.75	1/1/40	10,300,000	10,495,803
North Texas Tollway Authority, Second Tier System Revenue	5.75	1/1/38	5,500,000	5,205,090
Sabine River Authority, PCR (TXU Electric Company Project)	6.45	6/1/21	11,300,000	3,228,297
Sam Rayburn Municipal Power Agency, Power Supply System Revenue	5.75	10/1/21	6,000,000	6,078,000
Texas Department of Housing and Community Affairs, Home Mortgage Revenue (Collateralized: FHLMC, FNMA and GNMA)	11.87	7/2/24	650,000 e	720,343
Texas Turnpike Authority, Central Texas Turnpike System				
<hr/>				
Revenue (Insured; AMBAC)	5.75	8/15/38	7,100,000	6,746,846
<b>Vermont--.1%</b> Vermont Housing Finance Agency, SFHR (Insured; Assured Guaranty Municipal Corp.)	6.40	11/1/30	485,000	494,773
<b>Virginia--2.1%</b> Barclays Capital Municipal Trust				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Receipts (Virginia Small Business Financing Authority, Health Care Facilities Revenue (Sentara Healthcare))	5.00	11/1/40	10,000,000 a,b	9,877,100
<b>Washington--4.9%</b>				
Barclays Capital Municipal Trust Receipts (King County, Limited Tax GO (Payable from Sewer Revenues))	5.13	1/1/33	10,000,000 a,b	10,197,200
Washington Health Care Facilities Authority, Mortgage Revenue (Highline Medical Center) (Collateralized; FHA)	6.25	8/1/36	6,000,000	6,260,520
Washington Higher Education Facilities Authority, Revenue (Seattle University Project) (Insured; AMBAC)	5.25	11/1/37	4,210,000	4,097,467
Washington Housing Finance Commission, Revenue (Single-Family Program) (Collateralized: FHLMC, FNMA and GNMA)	5.15	6/1/37	3,000,000	2,799,180
<b>West Virginia--.9%</b>				
The County Commission of Harrison County, SWDR (Allegheny Energy Supply Company, LLC Harrison Station Project)	5.50	10/15/37	2,000,000	1,786,940
West Virginia Water Development Authority, Water Development Revenue (Insured; AMBAC)	6.38	7/1/39	2,250,000	2,264,017
<b>Wisconsin--5.4%</b>				
Badger Tobacco Asset Securitization Corporation,				
<hr/>				
Tobacco Settlement Asset-Backed Bonds (Prerefunded)	6.13	6/1/12	6,860,000 d	7,239,632
Badger Tobacco Asset Securitization Corporation,				

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

Tobacco Settlement				
Asset-Backed Bonds				
(Prerefunded)	7.00	6/1/12	12,995,000 d	14,103,993
Madison,				
IDR (Madison Gas and Electric				
Company Projects)	5.88	10/1/34	2,390,000	2,390,884
Wisconsin Health and Educational				
Facilities Authority, Revenue				
(Aurora Health Care, Inc.)	6.40	4/15/33	2,000,000	2,023,880
<b>Wyoming--1.1%</b>				
Wyoming Municipal Power Agency,				
Power Supply System Revenue	5.50	1/1/33	2,360,000	2,403,872
Wyoming Municipal Power Agency,				
Power Supply System Revenue	5.38	1/1/42	2,750,000	2,755,555
<b>U.S. Related--6.1%</b>				
Government of Guam,				
LOR (Section 30)	5.75	12/1/34	2,000,000	1,951,680
Guam Housing Corporation,				
SFMR (Guaranteed				
Mortgage-Backed Securities				
Program) (Collateralized;				
FHLMC)	5.75	9/1/31	965,000	1,001,776
Puerto Rico Commonwealth,				
Public Improvement GO	5.50	7/1/32	2,000,000	1,945,960
Puerto Rico Commonwealth,				
Public Improvement GO	6.00	7/1/39	3,500,000	3,541,790
Puerto Rico Electric Power				
Authority, Power Revenue	5.25	7/1/40	2,500,000	2,333,500
Puerto Rico Sales Tax Financing				
Corporation, Sales Tax Revenue				
(First Subordinate Series)	5.38	8/1/38	5,000,000	4,835,800
Puerto Rico Sales Tax Financing				
Corporation, Sales Tax Revenue				
(First Subordinate Series)	5.38	8/1/39	2,500,000	2,409,800
<hr/>				
Puerto Rico Sales Tax Financing				
Corporation, Sales Tax Revenue				
(First Subordinate				
Series)	6.00	8/1/42	11,000,000	11,243,430

Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

**Total Long-Term Municipal Investments**

(cost \$767,941,351) **755,126,122**

<b>Short-Term Municipal Investments--1.5%</b>	<b>Coupon Rate (%)</b>	<b>Maturity Date</b>	<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
---	------------------------	----------------------	------------------------------	-------------------

**California--.5%**

California, Economic Recovery Bonds (LOC; JPMorgan Chase Bank)	0.27	1/1/11	2,500,000 f	2,500,000
--	------	--------	-------------	-----------

**New York--1.0%**

Long Island Power Authority, Electric System Subordinated Revenue (LOC; State Street Bank and Trust Co.)	0.27	1/1/11	2,300,000 f	2,300,000
---	------	--------	-------------	-----------

New York City, GO Notes (LOC; JPMorgan Chase Bank)	0.28	1/1/11	1,200,000 f	1,200,000
--	------	--------	-------------	-----------

New York City, GO Notes (LOC; JPMorgan Chase Bank)	0.28	1/1/11	1,200,000 f	1,200,000
--	------	--------	-------------	-----------

**Total Short-Term Municipal Investments**

(cost \$7,200,000) **7,200,000**

**Total Investments** (cost \$775,141,351) **160.1%** **762,326,122**

**Liabilities, Less Cash and Receivables** **(12.0%)** **(57,314,036)**

**Preferred Stock, at redemption value** **(48.1%)** **(228,750,000)**

**Net Assets Applicable to Common Shareholders** **100.0%** **476,262,086**

a Collateral for floating rate borrowings.

b 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 December 31, 2010, these securities had a market value of \$141,231,740 or 29.7% of net assets applicable to Common Shareholders.

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

d These securities are prerefunded; the date shown represents the prerefunded date. Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.

e Inverse floater security--the interest rate is subject to change periodically.

f Variable rate demand note - rate shown is the interest rate in effect at December 31, 2010. Maturity date represents the next demand date, or the ultimate maturity date if earlier.

## Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

At December 31, 2010, the aggregate cost of investment securities for income tax purposes was \$775,141,351. Net unrealized depreciation on investments was \$12,815,229 of which \$18,538,204 related to appreciated investment securities and \$31,353,433 related to depreciated investment securities.

### Summary of Abbreviations

<b>ABAG</b>	Association of Bay Area Governments	<b>ACA</b>	American Capital Access
<b>AGC</b>	ACE Guaranty Corporation	<b>AGIC</b>	Asset Guaranty Insurance Company
<b>AMBAC</b>	American Municipal Bond Assurance Corporation	<b>ARRN</b>	Adjustable Rate Receipt Notes
<b>BAN</b>	Bond Anticipation Notes	<b>BPA</b>	Bond Purchase Agreement
<b>CIFG</b>	CDC Ixis Financial Guaranty	<b>COP</b>	Certificate of Participation
<b>CP</b>	Commercial Paper	<b>EDR</b>	Economic Development Revenue
<b>EIR</b>	Environmental Improvement Revenue	<b>FGIC</b>	Financial Guaranty Insurance Company
<b>FHA</b>	Federal Housing Administration	<b>FHLB</b>	Federal Home Loan Bank
<b>FHLMC</b>	Federal Home Loan Mortgage Corporation	<b>FNMA</b>	Federal National Mortgage Association
<b>GAN</b>	Grant Anticipation Notes	<b>GIC</b>	Guaranteed Investment Contract
<b>GNMA</b>	Government National Mortgage Association	<b>GO</b>	General Obligation
<b>HR</b>	Hospital Revenue	<b>IDB</b>	Industrial Development Board
<b>IDC</b>	Industrial Development Corporation	<b>IDR</b>	Industrial Development Revenue
<b>LOC</b>	Letter of Credit	<b>LOR</b>	Limited Obligation Revenue
<b>LR</b>	Lease Revenue	<b>MFHR</b>	Multi-Family Housing Revenue
<b>MFMR</b>	Multi-Family Mortgage Revenue	<b>PCR</b>	Pollution Control Revenue

<b>PILOT</b>	Payment in Lieu of Taxes	<b>PUTTERS</b>	Puttable Tax-Exempt Receipts
<b>RAC</b>	Revenue Anticipation Certificates	<b>RAN</b>	Revenue Anticipation Notes
<b>RAW</b>	Revenue Anticipation Warrants	<b>RRR</b>	Resources Recovery Revenue
<b>SAAN</b>	State Aid Anticipation Notes	<b>SBPA</b>	Standby Bond Purchase Agreement
<b>SFHR</b>	Single Family Housing Revenue	<b>SFMR</b>	Single Family Mortgage Revenue
<b>SONYMA</b>	State of New York Mortgage Agency	<b>SWDR</b>	Solid Waste Disposal Revenue
<b>TAN</b>	Tax Anticipation Notes	<b>TAW</b>	Tax Anticipation Warrants
<b>TRAN</b>	Tax and Revenue Anticipation Notes	<b>XLCA</b>	XL Capital Assurance

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below.

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

## Edgar Filing: DREYFUS STRATEGIC MUNICIPALS INC - Form N-Q

**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.

The following is a summary of the inputs used as of December 31, 2010 in valuing the fund's investments:

Assets (\$)	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 -Significant Unobservable Inputs	Total
Investments in Securities:				
Municipal Bonds	-	762,326,122	-	<b>762,326,122</b>

The Financial Accounting Standards Board ( FASB ) Accounting Standards Codification ( ASC ) is the exclusive reference of authoritative U.S. generally accepted accounting principles ( GAAP ) recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ( SEC ) under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

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

The fund adopted the provisions of ASC Topic 815 Derivatives and Hedging which requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of gains and losses on derivative instruments and disclosures about credit-risk-related contingent features in derivative agreements. The fund held no derivatives during the period ended December 31, 2010.

Additional investment related disclosures are hereby incorporated by reference to the annual and semi-annual reports previously filed with the Securities and Exchange Commission on Form N-CSR.

### **Item 2. Controls and Procedures.**

(a) The Registrant's principal executive and principal financial officers have concluded, based on their evaluation of the Registrant's disclosure controls and procedures as of a date within 90 days of the filing date of this report, that

the Registrant's disclosure controls and procedures are reasonably designed to ensure that information required to be disclosed by the Registrant on Form N-Q is recorded, processed, summarized and reported within the required time periods and that information required to be disclosed by the Registrant in the reports that it files or submits on Form N-Q is accumulated and communicated to the Registrant's management, including its principal executive and principal financial officers, 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.

**FORM N-Q**

**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 Municipals, Inc.

By: /s/ Bradley J. Skapyak  
Bradley J. Skapyak

President

Date: February 23, 2011

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/Bradley J. Skapyak  
Bradley J. Skapyak

President

Date: February 23, 2011

By: /s/ James Windels  
James Windels

Treasurer

Date: February 23, 2011

**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)



