

DREYFUS STRATEGIC MUNICIPALS INC  
Form N-Q  
February 15, 2007  
**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)

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: 9/30  
Date of reporting period: 12/31/06

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**FORM N-Q**

**Item 1. Schedule of Investments.**

**STATEMENT OF INVESTMENTS**

**Dreyfus Strategic Municipals, Inc.**  
**December 31, 2006 (Unaudited)**

| <b>Long-Term Municipal<br/>Investments--154.7%</b>       | <b>Coupon<br/>Rate (%)</b> | <b>Maturity<br/>Date</b> | <b>Principal<br/>Amount (\$)</b> | <b>Value (\$)</b> |
|--|----------------------------|--------------------------|----------------------------------|-------------------|
| <b>Alabama--5.3%</b>                                     |                            |                          |                                  |                   |
| Houston County Health Care<br>Authority (Insured; AMBAC) | 6.25                       | 10/1/09                  | 8,000,000 a                      | 8,620,080         |

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|  |      |         |             |            |
|--|------|---------|-------------|------------|
| Jefferson County,<br>Limited Obligation School<br>Warrants   | 5.25 | 1/1/18  | 16,000,000  | 17,256,960 |
| Jefferson County,<br>Limited Obligation School<br>Warrants   | 5.50 | 1/1/22  | 4,000,000   | 4,369,800  |
| <b>Alaska--.7%</b>   |      |         |             |            |
| Alaska Housing Finance Corp.<br>(Insured; MBIA)  | 6.00 | 6/1/49  | 4,000,000   | 4,172,840  |
| <b>Arizona--3.7%</b>   |      |         |             |            |
| Arizona Health Facilities<br>Authority, Health Care<br>Facilities Revenue (The<br>Beatitudes Campus Project)               | 5.10 | 10/1/22 | 3,000,000 b | 3,008,220  |
| Maricopa County Pollution Control<br>Corp., PCR (Public Service Co.<br>of New Mexico Palo Verde<br>Project)                | 5.75 | 11/1/22 | 6,000,000   | 6,068,400  |
| Navajo County Industrial<br>Development Authority, IDR<br>(Stone Container Corp. Project)                                  | 7.40 | 4/1/26  | 1,585,000   | 1,624,625  |
| Scottsdale Industrial Development<br>Authority, HR (Scottsdale<br>Healthcare)  | 5.80 | 12/1/11 | 6,000,000 a | 6,610,740  |
| Tucson,<br>Water System Revenue (Insured;<br>FGIC)   | 5.00 | 7/1/12  | 3,500,000 a | 3,734,640  |
| <b>Arkansas--1.6%</b>  |      |         |             |            |
| Arkansas Development Finance<br>Authority, SFMR (Mortgage<br>Backed Securities Program)<br>(Collateralized: FNMA and GNMA) | 6.25 | 1/1/32  | 2,675,000   | 2,730,319  |
| Little Rock School District<br>(Insured; FSA)  | 5.25 | 2/1/10  | 6,000,000 a | 6,271,020  |
| <b>California--8.4%</b>  |      |         |             |            |
| California,<br>GO  | 4.75 | 9/1/28  | 5,000,000   | 5,150,250  |
| California,<br>GO  | 5.25 | 4/1/34  | 5,000,000   | 5,355,100  |
| California,<br>GO (Various Purpose)  | 5.50 | 4/1/28  | 3,565,000   | 3,996,329  |
| California,<br>GO (Various Purpose)  | 5.00 | 2/1/33  | 10,000,000  | 10,445,200 |
| California Pollution Control<br>Financing Authority, SWDR<br>(Keller Canyon Landfill Co.<br>Project)                       | 6.88 | 11/1/27 | 2,000,000   | 2,012,920  |
| California Statewide Communities   |      |         |             |            |

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|---|------|---------|---------------|------------|
| Development Authority, Revenue<br>(Bentley School)  | 6.75 | 7/1/32  | 2,000,000     | 2,174,240  |
| <hr/>   |      |         |               |            |
| Golden State Tobacco<br>Securitization Corp., Tobacco<br>Settlement Asset-Backed Bonds                                | 5.00 | 6/1/21  | 1,590,000     | 1,602,100  |
| Golden State Tobacco<br>Securitization Corp., Tobacco<br>Settlement Asset-Backed Bonds                                | 7.80 | 6/1/42  | 8,100,000     | 9,889,857  |
| Golden State Tobacco<br>Securitization Corp., Tobacco<br>Settlement Asset-Backed Bonds                                | 7.90 | 6/1/42  | 2,000,000     | 2,453,220  |
| State Public Works Board of<br>California, LR Department of<br>General Services (Butterfield<br>State Office Complex) | 5.25 | 6/1/30  | 5,000,000     | 5,356,200  |
| <b>Colorado--6.4%</b>   |      |         |               |            |
| Beacon Point Metropolitan<br>District, GO   | 6.25 | 12/1/35 | 2,000,000     | 2,141,660  |
| Colorado Housing Finance Authority<br>(Single Family Program)<br>(Collateralized; FHA)                                | 6.60 | 8/1/32  | 2,100,000     | 2,197,923  |
| Denver City and County,<br>Special Facilities Airport<br>Revenue (United Airlines<br>Project)                         | 6.88 | 10/1/32 | 7,135,000     | 7,381,157  |
| Northwest Parkway Public Highway<br>Authority, Revenue  | 7.13 | 6/15/41 | 10,750,000    | 11,286,963 |
| Regional Transportation District,<br>Sales Tax Revenue (FasTracks<br>Project) (Insured; AMBAC)                        | 4.50 | 11/1/32 | 8,185,000     | 8,213,648  |
| Salida Hospital District,<br>HR   | 5.25 | 10/1/36 | 3,500,000     | 3,567,970  |
| Southlands Metropolitan District<br>Number 1, GO  | 7.13 | 12/1/34 | 2,000,000     | 2,219,200  |
| <b>Florida--4.2%</b>  |      |         |               |            |
| Deltona,<br>Utilities System Revenue<br>(Insured; MBIA)   | 5.13 | 10/1/27 | 6,000,000     | 6,350,220  |
| Florida Housing Finance Corp.,<br>Housing Revenue (Nelson Park<br>Apartments) (Insured; FSA)                          | 6.40 | 3/1/40  | 5,000         | 5,281      |
| Florida Housing Finance Corp.,<br>Housing Revenue (Nelson Park<br>Apartments) (Insured; FSA)                          | 9.50 | 3/1/40  | 8,250,000 c,d | 8,944,733  |
| Orange County Health Facilities<br>Authority, HR (Orlando)  |      |         |               |            |

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|--|-------|---------|--------------|------------|
| Regional Healthcare System)<br>Orange County Health Facilities<br>Authority, HR (Orlando<br>Regional Healthcare System)<br>Palm Bay,<br>Educational Facilities Revenue<br>(Patriot Charter School<br>Project)  | 6.00  | 10/1/09 | 45,000 a     | 48,159     |
| Regional Healthcare System)<br>Palm Bay,<br>Educational Facilities Revenue<br>(Patriot Charter School<br>Project)  | 6.00  | 10/1/26 | 1,955,000    | 2,070,032  |
| Palm Beach County School Board,<br>COP (Master Lease Purchase<br>Agreement) (Insured; FGIC)  | 7.00  | 7/1/36  | 1,000,000    | 1,103,390  |
| <b>Georgia--2.2%</b><br>Augusta,<br>Water and Sewer Revenue<br>(Insured; FSA)  | 5.00  | 8/1/29  | 5,470,000    | 5,742,570  |
|  | 5.25  | 10/1/39 | 3,000,000    | 3,238,410  |
| <hr/>  |       |         |              |            |
| Brooks County Development<br>Authority, Senior Health and<br>Housing Facilities Revenue<br>(Presbyterian Home, Quitman,<br>Inc.) (Collateralized; GNMA)<br>Milledgeville-Baldwin County<br>Development Authority, Revenue<br>(Georgia College and State<br>Foundation) | 5.70  | 1/20/39 | 4,445,000    | 4,908,925  |
| Milledgeville-Baldwin County<br>Development Authority, Revenue<br>(Georgia College and State<br>Foundation)  | 6.00  | 9/1/13  | 2,090,000    | 2,295,572  |
| Milledgeville-Baldwin County<br>Development Authority, Revenue<br>(Georgia College and State<br>Foundation)  | 6.00  | 9/1/33  | 2,000,000    | 2,203,480  |
| <b>Hawaii--.4%</b><br>Hawaii Department of<br>Transportation, Special<br>Facilities Revenue (Caterair<br>International Corp. Project)  | 10.13 | 12/1/10 | 2,400,000    | 2,407,608  |
| <b>Idaho--.6%</b><br>Power County Industrial<br>Development Corp., SWDR (FMC<br>Corp. Project)   | 6.45  | 8/1/32  | 3,250,000    | 3,460,178  |
| <b>Illinois--12.2%</b><br>Cary,<br>Special Service Area Number<br>One, Special Tax Bonds<br>(Insured; Radian)  | 5.00  | 3/1/30  | 1,950,000    | 2,021,740  |
| Chicago<br>(Insured; FGIC)   | 6.13  | 7/1/10  | 14,565,000 a | 15,864,344 |
| Chicago,<br>SFMR (Collateralized: FHLMC,   |       |         |              |            |

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|--|------|----------|-------------|-----------|
| FNMA and GNMA)<br>Chicago,<br>Wastewater Transmission<br>Revenue (Insured; MBIA)<br>Chicago O'Hare International<br>Airport, Special Facilities<br>Revenue (American Airlines<br>Inc. Project) | 6.55 | 4/1/33   | 2,990,000   | 3,015,086 |
| Illinois Educational Facilities<br>Authority, Revenue<br>(Northwestern University)<br>Illinois Educational Facilities<br>Authority, Revenue (University<br>of Chicago) (Insured; MBIA)         | 6.00 | 1/1/10   | 3,000,000 a | 3,222,750 |
| Illinois Health Facilities<br>Authority, Revenue (Advocate<br>Health Care Network)   | 8.20 | 12/1/24  | 6,500,000   | 6,696,950 |
| Illinois Health Facilities<br>Authority, Revenue (OSF<br>Healthcare System)  | 5.00 | 12/1/38  | 5,000,000   | 5,230,300 |
| Illinois Health Facilities<br>Authority, Revenue (Swedish<br>American Hospital)  | 5.13 | 7/1/08   | 5,000 a     | 5,163     |
| Illinois Housing Development<br>Authority, Homeowner Mortgage<br>Revenue   | 6.13 | 11/15/10 | 4,020,000 a | 4,367,449 |
| Lombard Public Facilities Corp.,<br>Conference Center and First<br>Tier Hotel Revenue  | 6.25 | 11/15/09 | 7,730,000 a | 8,356,826 |
|  | 6.88 | 5/15/10  | 4,960,000 a | 5,449,651 |
|  | 5.10 | 8/1/31   | 5,555,000   | 5,773,867 |
|  | 7.13 | 1/1/36   | 3,500,000   | 3,765,335 |
| <hr/>  |      |          |             |           |
| Metropolitan Pier and Exposition<br>Authority, Dedicated State Tax<br>Revenue (McCormick Place<br>Expansion) (Insured; MBIA)   | 5.25 | 6/15/42  | 5,325,000   | 5,702,276 |
| <b>Indiana--2.1%</b><br>Franklin Township School Building<br>Corp., First Mortgage   | 6.13 | 7/15/10  | 6,500,000 a | 7,142,265 |
| Indiana Housing Finance Authority,<br>SFMR   | 5.95 | 1/1/29   | 720,000     | 731,347   |
| Petersburg,<br>SWDR (Indianapolis Power and<br>Light Company Project)  | 6.38 | 11/1/29  | 4,150,000   | 4,503,497 |
| <b>Kansas--5.5%</b><br>Kansas Development Finance<br>Authority, Health Facilities<br>Revenue (Sisters of Charity of<br>Leavenworth Health Services   |      |          |             |           |

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| Corp.)   | 6.25 | 12/1/28  | 3,000,000  | 3,242,460  |
| Kansas Development Finance Authority, Revenue (Kansas Board of Regents-Scientific Research and Development Facilities Projects) (Insured; AMBAC) | 5.00 | 10/1/21  | 5,290,000  | 5,667,071  |
| Sedgwick and Shawnee Counties, SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA)                                  | 5.25 | 12/1/38  | 4,000,000  | 4,237,480  |
| Sedgwick and Shawnee Counties, SFMR (Mortgage-Backed Securities Program) (Collateralized: FNMA and GNMA)   | 6.30 | 12/1/32  | 4,795,000  | 4,866,206  |
| Sedgwick and Shawnee Counties, SFMR (Mortgage-Backed Securities Program) (Collateralized: FNMA and GNMA)   | 5.70 | 12/1/35  | 2,745,000  | 2,863,721  |
| Wichita, Hospital Facilities Improvement Revenue (Via Christi Health System Inc.)  | 6.25 | 11/15/24 | 10,000,000 | 10,609,000 |
| <b>Kentucky--1.2%</b>  |      |          |            |            |
| Kentucky Area Development Districts Financing Trust, COP (Lease Acquisition Program)   | 5.50 | 5/1/27   | 2,000,000  | 2,120,620  |
| Kentucky Economic Development Finance Authority, MFHR (Christian Care Communities Projects) (Collateralized; GNMA)                               | 5.25 | 11/20/25 | 2,370,000  | 2,576,640  |
| Kentucky Economic Development Finance Authority, MFHR (Christian Care Communities Projects) (Collateralized; GNMA)                               | 5.38 | 11/20/35 | 1,805,000  | 1,972,630  |
| <b>Louisiana--.2%</b>  |      |          |            |            |
| Saint James Parish, SWDR (Freeport-McMoRan Partnership Project)  | 7.70 | 10/1/22  | 1,405,000  | 1,407,571  |
| <b>Maine--.5%</b>  |      |          |            |            |
| Maine Housing Authority, Mortgage Purchase   | 5.30 | 11/15/23 | 2,825,000  | 2,944,300  |

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**Maryland--2.3%**

Maryland Community Development Administration, Department of

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|---|------|----------|-------------|-----------|
| Housing and Community Development, Residential Revenue  | 5.75 | 9/1/37   | 2,500,000   | 2,685,300 |
| Maryland Economic Development Corp., Senior Student Housing Revenue (University of Maryland, Baltimore Project) | 5.75 | 10/1/33  | 4,500,000   | 4,515,750 |
| Maryland Economic Development Corp., Student Housing Revenue (University of Maryland, College Park Project)     | 6.50 | 6/1/13   | 3,000,000 a | 3,484,530 |
| Maryland Health and Higher Educational Facilities Authority, Revenue (Maryland Institute College of Art Issue)  | 5.00 | 6/1/30   | 2,500,000   | 2,597,975 |
| <b>Massachusetts--2.4%</b>  |      |          |             |           |
| Massachusetts Health and Educational Facilities Authority, Revenue (Civic Investments Issue)                    | 9.00 | 12/15/15 | 1,800,000   | 2,203,398 |
| Massachusetts Health and Educational Facilities Authority, Revenue (Partners Healthcare System)                 | 5.75 | 7/1/32   | 5,000,000   | 5,417,600 |
| Massachusetts Industrial Finance Agency, RRR (Ogden Haverhill Project)  | 5.60 | 12/1/19  | 6,000,000   | 6,231,600 |
| <b>Michigan--7.0%</b>   |      |          |             |           |
| Charyl Stockwell Academy, COP   | 5.90 | 10/1/35  | 2,580,000   | 2,687,973 |
| Detroit School District, School Building and Site Improvement (Insured; FGIC)                                   | 5.00 | 5/1/28   | 5,000,000   | 5,213,250 |
| Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)  | 6.00 | 7/1/35   | 5,930,000   | 6,547,550 |
| Kent Hospital Finance Authority, Revenue (Metropolitan Hospital Project)  | 6.25 | 7/1/40   | 3,000,000   | 3,355,260 |
| Michigan Hospital Finance Authority, HR (Ascension Health Credit)   | 6.13 | 11/15/09 | 5,000,000 a | 5,389,250 |
| Michigan Strategic Fund, LOR (Detroit Edison Co. Exempt Facilities Project) (Insured; XLCA)                     | 5.25 | 12/15/32 | 3,000,000   | 3,166,980 |
| Michigan Strategic Fund, SWDR (Genesee Power Station  |      |          |             |           |

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|--|------|----------|-------------|------------|
| Project)   | 7.50 | 1/1/21   | 14,000,000  | 13,999,720 |
| <b>Minnesota--4.9%</b>   |      |          |             |            |
| Dakota County Community Development Agency, SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA)     | 5.15 | 12/1/38  | 2,500,000   | 2,620,250  |
| <hr/>  |      |          |             |            |
| Dakota County Community Development Agency, SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA)     | 5.30 | 12/1/39  | 4,999,094   | 5,346,531  |
| Duluth Economic Development Authority, Health Care Facilities Revenue (Saint Luke's Hospital)                                    | 7.25 | 6/15/32  | 5,000,000   | 5,552,200  |
| Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue (HealthEast Project)                                   | 6.00 | 11/15/25 | 2,000,000   | 2,221,320  |
| Saint Paul Housing and Redevelopment Authority, Hospital Facility Revenue (HealthEast Project)                                   | 6.00 | 11/15/30 | 2,000,000   | 2,212,060  |
| Saint Paul Port Authority, Hotel Facility Revenue (Radisson Kellogg Project)   | 7.38 | 8/1/08   | 3,000,000 a | 3,258,030  |
| United Hospital District of Todd, Morrison, Cass and Wadena Counties, GO Health Care Facilities Revenue (Lakewood Health System) | 5.13 | 12/1/24  | 1,500,000   | 1,567,935  |
| Winona, Health Care Facilities Revenue (Winona Health Obligated Group)   | 6.00 | 7/1/26   | 5,000,000   | 5,484,150  |
| <b>Mississippi--3.3%</b>   |      |          |             |            |
| Clairborne County, PCR (System Energy Resources, Inc. Project)   | 6.20 | 2/1/26   | 4,545,000   | 4,564,453  |
| Mississippi Business Finance Corp., PCR (System Energy Resources, Inc. Project)  | 5.88 | 4/1/22   | 14,310,000  | 14,311,717 |
| <b>Missouri--2.8%</b>  |      |          |             |            |
| Missouri Development Finance Board, Infrastructure Facilities Revenue (Branson   |      |          |             |            |

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| Landing Project)<br>Missouri Development Finance<br>Board, Infrastructure<br>Facilities Revenue (Branson<br>Landing Project) | 5.38 | 12/1/27 | 2,000,000   | 2,084,220 |
| Missouri Development Finance<br>Board, Infrastructure<br>Facilities Revenue<br>(Independence, Crackerneck<br>Creek Project)  | 5.50 | 12/1/32 | 4,500,000   | 4,720,770 |
| Missouri Health and Educational<br>Facilities Authority, Health<br>Facilities Revenue (Saint<br>Anthony's Medical Center)    | 5.00 | 3/1/28  | 2,000,000   | 2,084,280 |
| <b>Montana--2.2%</b><br>Montana Board of Housing,<br>SFMR  | 6.25 | 12/1/10 | 6,750,000 a | 7,424,797 |
| <b>Nevada--2.8%</b><br>Clark County,<br>IDR (Nevada Power Co. Project)   | 6.45 | 6/1/29  | 1,350,000   | 1,379,295 |

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| Washoe County<br>(Reno-Sparks Convention<br>Center) (Insured; FSA)  | 6.40 | 1/1/10  | 12,000,000 a | 12,930,960 |
| <b>New Hampshire--2.5%</b><br>New Hampshire Business Finance<br>Authority, PCR (Public Service<br>Co. of New Hampshire)<br>(Insured; AMBAC) | 6.00 | 5/1/21  | 7,000,000    | 7,331,380  |
| New Hampshire Health and<br>Educational Facilities<br>Authority, Revenue (Exeter<br>Project)  | 6.00 | 10/1/24 | 1,000,000    | 1,101,120  |
| New Hampshire Health and<br>Educational Facilities<br>Authority, Revenue (Exeter<br>Project)  | 5.75 | 10/1/31 | 1,000,000    | 1,068,300  |
| New Hampshire Industrial<br>Development Authority, PCR<br>(Connecticut Light and Power<br>Company Project)                                  | 5.90 | 11/1/16 | 5,000,000    | 5,139,000  |
| <b>New Jersey--5.0%</b><br>New Jersey Economic Development<br>Authority, Cigarette Tax<br>Revenue   | 5.75 | 6/15/34 | 2,500,000    | 2,690,900  |
| New Jersey Economic Development<br>Authority, Special Facility  |      |         |              |            |

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| Revenue (Continental Airlines, Inc. Project)  | 6.25 | 9/15/29  | 3,000,000      | 3,097,740  |
| New Jersey Educational Facilities Authority, Revenue (Ramapo College of New Jersey Issue) (Insured; AMBAC)                                    | 4.25 | 7/1/31   | 3,610,000      | 3,489,859  |
| New Jersey Transportation Trust Fund Authority (Transportation System)  | 5.25 | 12/15/22 | 5,000,000      | 5,640,350  |
| Tobacco Settlement Financing Corp. of New Jersey, Tobacco Settlement Asset-Backed Bonds   | 6.38 | 6/1/32   | 4,000,000      | 4,502,120  |
| Tobacco Settlement Financing Corp. of New Jersey, Tobacco Settlement Asset-Backed Bonds   | 7.00 | 6/1/41   | 8,320,000      | 9,655,110  |
| <b>New Mexico--1.4%</b>   |      |          |                |            |
| Farmington, PCR (Tucson Electric Power Co. San Juan Project)  | 6.95 | 10/1/20  | 4,000,000      | 4,139,400  |
| New Mexico Mortgage Finance Authority, Single Family Mortgage Program Revenue (Collateralized: FHLMC, FNMA and GNMA)                          | 7.00 | 9/1/31   | 1,745,000      | 1,772,013  |
| New Mexico Mortgage Finance Authority, Single Family Mortgage Program Revenue (Collateralized: FHLMC, FNMA and GNMA)                          | 6.15 | 7/1/35   | 2,000,000      | 2,140,540  |
| <b>New York--8.5%</b>   |      |          |                |            |
| Long Island Power Authority, Electric System General Revenue (Insured; FSA)   | 5.43 | 12/1/16  | 20,000,000 c,d | 20,638,300 |
| New York City   | 5.00 | 8/1/28   | 10,000,000     | 10,589,300 |
| <hr/>   |      |          |                |            |
| New York City Industrial Development Agency, Liberty Revenue (7 World Trade Center Project)   | 6.25 | 3/1/15   | 3,000,000      | 3,194,790  |
| New York City Industrial Development Agency, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project) | 8.00 | 8/1/28   | 2,800,000      | 3,518,256  |
| Tobacco Settlement Financing Corp. of New York, Asset-Backed Revenue Bonds (State   |      |          |                |            |

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| Contingency Contract Secured)<br>(Insured; AMBAC)  | 5.25   | 6/1/21    | 5,000,000   | 5,363,900 |
| Triborough Bridge and Tunnel<br>Authority, Revenue   | 5.25   | 11/15/30  | 5,220,000   | 5,571,515 |
| <b>North Carolina--1.8%</b>  |        |           |             |           |
| Gaston County Industrial<br>Facilities and Pollution<br>Control Financing Authority,<br>Exempt Facilities Revenue<br>(National Gypsum Co. Project) | 5.75   | 8/1/35    | 3,000,000   | 3,216,750 |
| North Carolina Capital Facilities<br>Finance Agency, Revenue (Duke<br>University Project)  | 4.50   | 10/1/40   | 7,470,000   | 7,411,809 |
| <b>North Dakota--.2%</b>   |        |           |             |           |
| North Dakota Housing Finance<br>Agency, Home Mortgage Revenue<br>(Housing Finance Program)   | 6.15   | 7/1/31    | 955,000     | 973,785   |
| <b>Ohio--7.0%</b>  |        |           |             |           |
| Butler County,<br>Hospital Facilities Revenue<br>(Cincinnati Children's<br>Hospital Medical Center<br>Project) (Insured; FGIC)                     | 5.00   | 5/15/31   | 5,000,000   | 5,305,200 |
| Canal Winchester Local School<br>District (Insured; MBIA)  | 0.00   | 12/1/29   | 3,955,000   | 1,448,598 |
| Canal Winchester Local School<br>District (Insured; MBIA)  | 0.00   | 12/1/31   | 3,955,000   | 1,323,857 |
| Cincinnati,<br>Water System Revenue<br>Cleveland State University,<br>General Receipts (Insured;<br>FGIC)  | 5.00   | 6/1/11    | 2,800,000 a | 2,953,580 |
| 5.00   | 6/1/34 | 5,000,000 | 5,273,850   |           |
| Cuyahoga County,<br>Revenue  | 6.00   | 1/1/32    | 750,000     | 831,097   |
| Ohio Air Quality Development<br>Authority, PCR (Cleveland<br>Electric Illuminating Co.<br>Project) (Insured; ACA)                                  | 6.10   | 8/1/20    | 3,000,000   | 3,088,530 |
| Ohio Water Development Authority,<br>Pollution Control Facilities<br>Revenue (Cleveland Electric<br>Illuminating Co. Project)<br>(Insured; ACA)    | 6.10   | 8/1/20    | 4,350,000   | 4,478,369 |
| Toledo Lucas County Port<br>Authority, Airport Revenue<br>(Baxter Global Project)  | 6.25   | 11/1/13   | 3,900,000   | 4,113,330 |
| Trotwood-Madison City School<br>District, School Improvement   |        |           |             |           |

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|  |      |         |               |            |
|--|------|---------|---------------|------------|
| (Insured; FGIC)  | 5.00 | 12/1/12 | 10,495,000 a  | 11,246,022 |
| <hr/>  |      |         |               |            |
| <b>Oklahoma--2.6%</b>  |      |         |               |            |
| Oklahoma Housing Finance Agency,<br>SFMR (Homeownership Loan<br>Program)   | 7.55 | 9/1/28  | 1,185,000     | 1,205,749  |
| Oklahoma Housing Finance Agency,<br>SFMR (Homeownership Loan<br>Program) (Collateralized: FNMA<br>and GNMA)                    | 7.55 | 9/1/27  | 1,035,000     | 1,066,298  |
| Oklahoma Industries Authority,<br>Health System Revenue<br>(Obligated Group) (Insured;<br>MBIA)                                | 5.75 | 8/15/09 | 5,160,000 a   | 5,487,196  |
| Oklahoma Industries Authority,<br>Health System Revenue<br>(Obligated Group) (Insured;<br>MBIA)                                | 5.75 | 8/15/29 | 7,070,000     | 7,451,709  |
| <b>Pennsylvania--4.7%</b>  |      |         |               |            |
| Abington School District<br>(Insured; FSA)   | 5.13 | 10/1/34 | 4,085,000     | 4,357,143  |
| Lehman Municipal Trust Receipts<br>(Pennsylvania Economic<br>Development Financing<br>Authority)                               | 6.67 | 6/1/31  | 9,310,000 c,d | 9,735,793  |
| Pennsylvania Economic Development<br>Financing Authority, Exempt<br>Facilities Revenue (Reliant<br>Energy Seward, LLC Project) | 6.75 | 12/1/36 | 2,500,000     | 2,748,725  |
| Philadelphia Authority for<br>Industrial Development,<br>Revenue (Please Touch Museum<br>Project)                              | 5.25 | 9/1/31  | 2,500,000     | 2,630,550  |
| Philadelphia Authority for<br>Industrial Development,<br>Revenue (Please Touch Museum<br>Project)                              | 5.25 | 9/1/36  | 2,500,000     | 2,618,600  |
| State Public School Building<br>Authority, School LR (School<br>District of Philadelphia<br>Project) (Insured; FSA)            | 4.50 | 6/1/36  | 5,000,000     | 4,971,550  |
| <b>South Carolina--4.8%</b>  |      |         |               |            |
| Greenville County School District,<br>Installment Purchase Revenue<br>(Building Equity Sooner for<br>Tomorrow)                 | 5.50 | 12/1/12 | 5,000 a       | 5,513      |
| Greenville County School District,   |      |         |               |            |

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|   |      |         |                |            |
|---|------|---------|----------------|------------|
| Installment Purchase Revenue<br>(Building Equity Sooner for<br>Tomorrow)  | 6.82 | 12/1/28 | 20,020,000 c,d | 22,075,654 |
| Greenville Hospital System,<br>Hospital Facilities Revenue<br>(Insured; AMBAC)  | 5.50 | 5/1/26  | 5,000,000      | 5,362,650  |
| <b>Tennessee--3.4%</b>  |      |         |                |            |
| Johnson City Health and<br>Educational Facilities Board,<br>Hospital First Mortgage<br>Revenue (Mountain States<br>Health Alliance)                   | 7.50 | 7/1/25  | 5,000,000      | 5,859,200  |
| <hr/>   |      |         |                |            |
| Johnson City Health and<br>Educational Facilities Board,<br>Hospital First Mortgage<br>Revenue (Mountain States<br>Health Alliance)                   | 7.50 | 7/1/33  | 3,000,000      | 3,505,830  |
| Memphis Center City Revenue<br>Finance Corp., Sports Facility<br>Revenue (Memphis Redbirds<br>Baseball Foundation Project)                            | 6.50 | 9/1/28  | 10,000,000     | 10,010,000 |
| <b>Texas--14.2%</b>   |      |         |                |            |
| Alliance Airport Authority Inc.,<br>Special Facilities Revenue<br>(American Airlines, Inc.<br>Project)  | 7.50 | 12/1/29 | 7,500,000      | 7,650,000  |
| Austin Convention Enterprises<br>Inc., Convention Center Hotel<br>First Tier Revenue  | 6.70 | 1/1/11  | 4,000,000 a    | 4,437,760  |
| Brazos River Authority,<br>PCR (TXU Energy Co. LLC<br>Project)  | 6.75 | 10/1/38 | 1,650,000      | 1,857,273  |
| Cities of Dallas and Fort Worth,<br>Dallas/Fort Worth<br>International Airport,<br>Facility Improvement Corp.<br>Revenue (American Airlines,<br>Inc.) | 6.38 | 5/1/35  | 10,630,000     | 10,968,565 |
| Gulf Coast Industrial Development<br>Authority, Environmental<br>Facilities Revenue (Microgy<br>Holdings Project)                                     | 7.00 | 12/1/36 | 6,000,000      | 6,200,040  |
| Harris County Health Facilities<br>Development Corp., HR<br>(Memorial Hermann Healthcare<br>System)   | 6.38 | 6/1/11  | 8,500,000 a    | 9,484,300  |

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|   |      |         |             |            |
|---|------|---------|-------------|------------|
| Houston,<br>Airport System Special<br>Facilities Revenue<br>(Continental Airlines, Inc.<br>Terminal E Project)              | 6.75 | 7/1/29  | 5,125,000   | 5,519,522  |
| Houston,<br>Airport System Special<br>Facilities Revenue<br>(Continental Airlines, Inc.<br>Terminal E Project)              | 7.00 | 7/1/29  | 3,800,000   | 4,109,700  |
| Sabine River Authority,<br>PCR (TXU Electric Co. Project)   | 6.45 | 6/1/21  | 11,300,000  | 12,155,297 |
| Sam Rayburn Municipal Power<br>Agency, Power Supply System<br>Revenue   | 5.75 | 10/1/21 | 6,000,000   | 6,558,840  |
| Texas Department of Housing and<br>Community Affairs, Home<br>Mortgage Revenue<br>(Collateralized: FHLMC, FNMA<br>and GNMA) | 9.71 | 7/2/24  | 1,150,000 e | 1,215,654  |
| Texas Turnpike Authority,<br>Central Texas Turnpike System<br>Revenue (Insured; AMBAC)                                      | 5.75 | 8/15/38 | 7,100,000   | 7,768,891  |
| Tyler Health Facilities<br>Development Corp., HR (East<br>Texas Medical Center Regional<br>Healthcare System Project)       | 6.75 | 11/1/25 | 3,000,000   | 3,029,100  |

**Vermont--2%**

|  |      |         |           |           |
|--|------|---------|-----------|-----------|
| Vermont Housing Finance Agency,<br>Single Family Housing<br>(Insured; FSA) | 6.40 | 11/1/30 | 1,035,000 | 1,042,825 |
|--|------|---------|-----------|-----------|

**Virginia--2.1%**

|  |      |         |              |            |
|--|------|---------|--------------|------------|
| Greater Richmond Convention Center<br>Authority, Hotel Tax Revenue<br>(Convention Center Expansion<br>Project)                                 | 6.25 | 6/15/10 | 10,500,000 a | 11,460,015 |
| Industrial Development Authority<br>of Pittsylvania County, Exempt<br>Facility Revenue (Multitrade<br>of Pittsylvania County, L.P.<br>Project) | 7.65 | 1/1/10  | 800,000      | 837,840    |

**Washington--2.2%**

|   |      |        |              |            |
|---|------|--------|--------------|------------|
| Seattle,<br>Water System Revenue (Insured;<br>FGIC) | 6.00 | 7/1/09 | 10,000,000 a | 10,672,700 |
| Washington Health Care Facilities                   |      |        |              |            |

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|  |                        |                             |                              |                    |
|--|------------------------|-----------------------------|------------------------------|--------------------|
| Authority, Revenue (Kadlec Medical Center) (Insured; Assured Guaranty)   | 5.00                   | 12/1/30                     | 2,000,000                    | 2,106,260          |
| <b>West Virginia--2.9%</b>   |                        |                             |                              |                    |
| Braxton County, SWDR (Weyerhaeuser Co. Project)  | 6.13                   | 4/1/26                      | 14,000,000                   | 14,502,600         |
| West Virginia Water Development Authority, Water Development Revenue (Insured; AMBAC)                            | 6.38                   | 7/1/39                      | 2,250,000                    | 2,447,753          |
| <b>Wisconsin--8.1%</b>   |                        |                             |                              |                    |
| Badger Tobacco Asset Securitization Corp., Tobacco Settlement Asset-Backed Bonds                                 | 6.78                   | 6/1/27                      | 12,480,000 c,d               | 13,483,018         |
| Badger Tobacco Asset Securitization Corp., Tobacco Settlement Asset-Backed Bonds                                 | 7.00                   | 6/1/28                      | 22,995,000                   | 25,980,211         |
| Madison, IDR (Madison Gas and Electric Co. Projects)   | 5.88                   | 10/1/34                     | 2,390,000                    | 2,580,124          |
| Wisconsin Health and Educational Facilities Authority, Revenue (Aurora Health Care, Inc.)                        | 6.40                   | 4/15/33                     | 4,000,000                    | 4,465,400          |
| <b>Wyoming--.8%</b>  |                        |                             |                              |                    |
| Sweetwater County, SWDR (FMC Corp. Project)  | 5.60                   | 12/1/35                     | 4,500,000                    | 4,783,770          |
| <b>U.S. Related--1.4%</b>  |                        |                             |                              |                    |
| Children's Trust Fund of Puerto Rico, Tobacco Settlement Asset-Backed Bonds                                      | 0.00                   | 5/15/55                     | 20,000,000                   | 719,200            |
| Guam Housing Corp., SFMR (Collateralized; FHLMC)   | 5.75                   | 9/1/31                      | 965,000                      | 1,053,838          |
| Puerto Rico Highway and Transportation Authority, Transportation Revenue   | 6.00                   | 7/1/10                      | 6,000,000 a                  | 6,511,860          |
| <b>Total Long-Term Municipal Investments</b><br>(cost \$835,443,578)   |                        |                             |                              | <b>890,309,244</b> |
| <b>Short-Term Municipal Investment--.0%</b>  | <b>Coupon Rate (%)</b> | <b>Maturity Date</b>        | <b>Principal Amount (\$)</b> | <b>Value (\$)</b>  |
| <b>Florida;</b><br>Gainesville, Utilities System Revenue (Liquidity Facility; SunTrust Bank)<br>(cost \$200,000) | 3.95                   | 1/1/07 200,000 <sup>f</sup> |                              | <b>200,000</b>     |
| <b>Total Investments</b> (cost \$835,643,578)  |                        | <b>154.7%</b>               |                              | <b>890,509,244</b> |

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|   |                |                      |
|---|----------------|----------------------|
| <b>Liabilities, Less Cash and Receivables</b>       | <b>(5.2%)</b>  | <b>(29,709,112)</b>  |
| <b>Preferred Stock, at redemption value</b>         | <b>(49.5%)</b> | <b>(285,000,000)</b> |
| <b>Net Assets Applicable to Common Shareholders</b> | <b>100.0%</b>  | <b>575,800,132</b>   |

- a 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.
- b Purchased on a delayed delivery basis.
- c Collateral for floating rate borrowings.
- 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 December 31, 2006, these securities amounted to \$74,877,498 or 13.0% of net assets applicable to Common Shareholders. Inverse floater security--the interest rate is subject to change periodically.
- e
- f Securities payable on demand. Variable interest rate--subject to periodic change.

Securities valuation policies and other 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.

Summary of Abbreviations

|             |  |              |  |
|-------------|--|--------------|--|
| <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>BIGI</b> | Bond Investors Guaranty Insurance        | <b>BPA</b>   | Bond Purchase Agreement                                  |
| <b>CGIC</b> | Capital Guaranty Insurance Company       | <b>CIC</b>   | Continental Insurance Company                            |
| <b>CIFG</b> | CDC Ixis Financial Guaranty              | <b>CMAC</b>  | Capital Market Assurance Corporation                     |
| <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>FSA</b>   | Financial Security Assurance                             |
| <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>MBIA</b>  | Municipal Bond Investors Assurance Insurance Corporation |
| <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>RAC</b>  | Revenue Anticipation Certificates        | <b>RAN</b>   | Revenue Anticipation Notes                               |
| <b>RAW</b>  | Revenue Anticipation Warrants            | <b>RRR</b>   | Resources Recovery Revenue                               |

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|               |                                    |             |                                 |
|---------------|------------------------------------|-------------|---------------------------------|
| <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            |

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**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) The Registrant has revised its internal control over financial reporting with respect to investments in certain inverse floater structures to account for such investments as secured borrowings and to report the related income and expense.

**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 Municipals, Inc.

By: /s/ J. David Officer  
J. David Officer  
President

Date: February 14, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ J. David Officer  
J. David Officer  
President

Date: February 14, 2007

By: /s/ James Windels

James Windels  
Treasurer

Date: February 14, 2007

**EXHIBIT INDEX**

(a) Certifications of principal executive and principal financial officers as required by Rule 30a-2(a) under the Investment Company Act of 1940. (EX-99.CERT)

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