

DREYFUS STRATEGIC MUNICIPALS INC  
Form N-Q  
February 15, 2017

**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      811-05245

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)

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:      09/30

Date of reporting period:      12/31/16

**FORM N-Q**

**Item 1. Schedule of Investments.**

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## STATEMENT OF INVESTMENTS

Dreyfus Strategic Municipals, Inc.

December 31, 2016 (Unaudited)

| <b>Long-Term Municipal Investments -</b>   | Coupon   | Maturity | Principal              |                   |
|--|----------|----------|------------------------|-------------------|
| <b>153.2%</b>  | Rate (%) | Date     | Amount (\$)            | Value (\$)        |
| <b>Alabama - 3.0%</b>  |          |          |                        |                   |
| Birmingham Special Care Facilities<br>Financing Authority,<br>Improvement Revenue (Methodist<br>Home for the Aging)          | 5.75     | 6/1/45   | 5,000,000              | 5,274,900         |
| Jefferson County,<br>Limited Obligation School Warrants<br>Jefferson County,<br>Sewer Revenue Warrants                       | 5.00     | 1/1/24   | 2,000,000              | 2,008,180         |
| Lower Alabama Gas District,<br>Gas Project Revenue   | 0/7.90   | 10/1/50  | 2,500,000 <sup>a</sup> | 1,851,225         |
|  | 5.00     | 9/1/46   | 6,000,000              | 6,635,400         |
|  |          |          |                        | <b>15,769,705</b> |
| <b>Alaska - 1.8%</b>   |          |          |                        |                   |
| Northern Tobacco Securitization<br>Corporation of Alaska,<br>Tobacco Settlement Asset-Backed<br>Bonds                        | 5.00     | 6/1/46   | 11,190,000             | <b>9,335,705</b>  |
| <b>Arizona - 5.9%</b>  |          |          |                        |                   |
| Arizona Housing Finance Authority,<br>SFMR (Mortgage-Backed Securities<br>Program) (Collateralized: FHLMC,<br>FNMA and GNMA) | 5.55     | 12/1/41  | 1,170,000              | 1,192,055         |
| Maricopa County Industrial Development<br>Authority,<br>Education Revenue (Paradise Schools<br>Projects)                     | 5.00     | 7/1/47   | 1,000,000 <sup>b</sup> | 976,930           |
| Phoenix Industrial Development Authority,<br>Education Facility Revenue (BASIS<br>Schools Projects)                          | 5.00     | 7/1/35   | 2,360,000 <sup>b</sup> | 2,391,718         |
| Phoenix Industrial Development Authority,<br>Education Facility Revenue (BASIS<br>Schools Projects)                          | 5.00     | 7/1/46   | 2,000,000 <sup>b</sup> | 2,002,460         |
| Phoenix Industrial Development Authority,  |          |          |                        |                   |

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|  |      |         |                           |                   |
|--|------|---------|---------------------------|-------------------|
| Education Facility Revenue (Legacy<br>Traditional Schools Projects)  | 5.00 | 7/1/45  | 2,000,000 <sup>b</sup>    | 1,912,280         |
| Salt Verde Financial Corporation,<br>Senior Gas Revenue  | 5.00 | 12/1/37 | 4,030,000                 | 4,487,687         |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0447),<br>(Salt River Project Agricultural<br>Improvement and Power District, Salt<br>River Project Electric System Revenue)<br>Recourse | 5.00 | 1/1/38  | 17,207,871 <sup>b,c</sup> | 17,885,859        |
|  |      |         |                           | <b>30,848,989</b> |
| <b>California - 17.6%</b>  |      |         |                           |                   |
| California,<br>GO (Various Purpose)  | 5.75 | 4/1/31  | 10,800,000                | 11,796,408        |
| California,<br>GO (Various Purpose)  | 6.50 | 4/1/33  | 10,000,000                | 11,069,200        |

## STATEMENT OF INVESTMENTS (Unaudited) (continued)

| Long-Term Municipal Investments -<br>153.2% (continued)   | Coupon<br>Rate (%) | Maturity<br>Date | Principal<br>Amount (\$)  | Value (\$) |
|---|--------------------|------------------|---------------------------|------------|
| <b>California - 17.6% (continued)</b>   |                    |                  |                           |            |
| California,<br>GO (Various Purpose)   | 6.00               | 11/1/35          | 7,500,000                 | 8,353,650  |
| California Statewide Communities<br>Development Authority,<br>Revenue (Bentley School)  | 7.00               | 7/1/40           | 2,090,000                 | 2,379,214  |
| California Statewide Communities<br>Development Authority,<br>Revenue (Loma Linda University<br>Medical Center)   | 5.25               | 12/1/56          | 2,300,000 <sup>b</sup>    | 2,363,549  |
| California Statewide Communities<br>Development Authority,<br>Student Housing Revenue (CHF-Irvine,<br>LLC-UCI East Campus Apartments,<br>Phase II) (Prerefunded)            | 5.75               | 5/15/18          | 2,000,000 <sup>d</sup>    | 2,126,700  |
| Sacramento County,<br>Airport System Subordinate and<br>Passenger Facility Charges Grant<br>Revenue   | 6.00               | 7/1/35           | 6,250,000                 | 6,637,062  |
| San Buenaventura,<br>Revenue (Community Memorial Health<br>System)  | 7.50               | 12/1/41          | 2,000,000                 | 2,337,900  |
| San Francisco City and County<br>Redevelopment Agency Community<br>Facilities District Number 6,<br>Special Tax Revenue (Mission Bay<br>South Public Improvements)          | 5.00               | 8/1/23           | 1,000,000                 | 1,121,720  |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0369),<br>(California Educational Facilities<br>Authority, Revenue (University of<br>Southern California)) Non-recourse | 5.25               | 4/1/18           | 10,100,000 <sup>b,c</sup> | 10,815,383 |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0379),<br>(Los Angeles Department of Water and  |                    |                  |                           |            |

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|   |      |         |                           |                   |
|---|------|---------|---------------------------|-------------------|
| Power, Water System Revenue) Non-recourse   | 5.00 | 7/1/20  | 5,000,000 <sup>b,c</sup>  | 5,576,350         |
| Tender Option Bond Trust Receipts (Series 2016-XM0434),<br>(The Regents of the University of California, General Revenue) Recourse                            | 5.00 | 5/15/38 | 10,000,000 <sup>b,c</sup> | 11,276,000        |
| Tender Option Bond Trust Receipts (Series 2016-XM0440),<br>(Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport)) Recourse  | 5.00 | 5/15/31 | 5,247,500 <sup>b,c</sup>  | 5,783,577         |
| Tobacco Securitization Authority of Southern California,<br>Tobacco Settlement Asset-Backed Bonds (San Diego County Tobacco Asset Securitization Corporation) | 5.00 | 6/1/37  | 7,300,000                 | 6,978,508         |
| Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project) (Prerefunded)   | 5.88 | 1/1/19  | 3,500,000 <sup>d</sup>    | 3,820,635         |
|   |      |         |                           | <b>92,435,856</b> |

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| <b>Long-Term Municipal Investments -</b>  | Coupon   | Maturity | Principal                 |                   |
|---|----------|----------|---------------------------|-------------------|
| <b>153.2% (continued)</b>   | Rate (%) | Date     | Amount (\$)               | Value (\$)        |
| <b>Colorado - 4.8%</b>  |          |          |                           |                   |
| Colorado Educational and Cultural Facilities Authority, Charter School Revenue (American Academy Project) (Prerefunded)                               | 8.00     | 12/1/18  | 3,500,000 <sup>d</sup>    | 4,006,345         |
| Dominion Water and Sanitation District, Tap Fee Revenue   | 6.00     | 12/1/46  | 2,000,000                 | 1,986,680         |
| 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   | 7,500,000 <sup>b,c</sup>  | 8,300,100         |
| Tender Option Bond Trust Receipts (Series 2016-XM0433), (Colorado Springs, Utilities System Improvement Revenue) Recourse                             | 5.00     | 11/15/43 | 9,750,000 <sup>b,c</sup>  | 10,991,662        |
|   |          |          |                           | <b>25,284,787</b> |
| <b>Connecticut - .5%</b>  |          |          |                           |                   |
| Connecticut Health and Educational Facilities Authority, Revenue (Trinity Health Credit Group)  | 5.00     | 12/1/45  | 2,500,000                 | <b>2,739,750</b>  |
| <b>District of Columbia - 5.2%</b>  |          |          |                           |                   |
| District of Columbia Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds  | 0.00     | 6/15/46  | 46,000,000 <sup>e</sup>   | 4,876,920         |
| Tender Option Bond Trust Receipts (Series 2016-XM0437), (District of Columbia, Income Tax Secured Revenue) Recourse                                   | 5.00     | 12/1/35  | 19,997,609 <sup>b,c</sup> | 22,458,909        |
|   |          |          |                           | <b>27,335,829</b> |
| <b>Florida - 7.2%</b>   |          |          |                           |                   |
| Cape Coral Health Facilities Authority, Senior Housing Revenue (Gulf Care, Inc. Project)  | 5.88     | 7/1/40   | 1,600,000 <sup>b</sup>    | 1,675,136         |
| Clearwater,   |          |          |                           |                   |

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|   |      |         |                        |                   |
|---|------|---------|------------------------|-------------------|
| Water and Sewer Revenue   | 5.25 | 12/1/39 | 5,000,000              | 5,397,150         |
| Florida Development Finance Corporation,<br>Educational Facilities Revenue (Miami<br>Arts Charter School Project)                 | 6.00 | 6/15/44 | 5,000,000 <sup>b</sup> | 5,041,650         |
| Greater Orlando Aviation Authority,<br>Airport Facilities Revenue   | 6.25 | 10/1/20 | 8,000,000              | 8,895,680         |
| Miami-Dade County,<br>Subordinate Special Obligation Revenue  | 0.00 | 10/1/45 | 3,000,000 <sup>e</sup> | 833,340           |
| Mid-Bay Bridge Authority,<br>Springing Lien Revenue (Prerefunded)   | 7.25 | 10/1/21 | 6,000,000 <sup>d</sup> | 7,451,880         |
| Saint Johns County Industrial Development<br>Authority,<br>Revenue (Presbyterian Retirement<br>Communities Project) (Prerefunded) | 6.00 | 8/1/20  | 6,500,000 <sup>d</sup> | 7,441,395         |
| Village Community Development District<br>Number 10,<br>Special Assessment Revenue  | 6.00 | 5/1/44  | 1,000,000              | 1,133,440         |
|   |      |         |                        | <b>37,869,671</b> |



## STATEMENT OF INVESTMENTS (Unaudited) (continued)

| Long-Term Municipal Investments -<br>153.2% (continued)  | Coupon<br>Rate (%) | Maturity<br>Date | Principal<br>Amount (\$)  | Value (\$)        |
|--|--------------------|------------------|---------------------------|-------------------|
| <b>Georgia - 5.3%</b>  |                    |                  |                           |                   |
| Atlanta,<br>Water and Wastewater Revenue<br>(Insured; Assured Guaranty Municipal<br>Corp.)   | 5.25               | 11/1/34          | 4,000,000                 | 4,371,600         |
| Atlanta,<br>Water and Wastewater Revenue<br>(Prerefunded)  | 6.00               | 11/1/19          | 6,000,000 <sup>d</sup>    | 6,759,240         |
| Georgia Higher Education Facilities<br>Authority,<br>Revenue (USG Real Estate Foundation I,<br>LLC Project) (Insured; Assured<br>Guaranty Corp.) (Prerefunded) | 5.63               | 6/15/18          | 5,055,000 <sup>d</sup>    | 5,378,065         |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0435),<br>(Private Colleges and Universities<br>Authority, Revenue (Emory<br>University)) Recourse         | 5.00               | 10/1/43          | 10,000,000 <sup>b,c</sup> | 11,259,400        |
|  |                    |                  |                           | <b>27,768,305</b> |
| <b>Hawaii - .9%</b>  |                    |                  |                           |                   |
| Hawaii Department of Budget and Finance,<br>Special Purpose Revenue (Hawai'i<br>Pacific Health Obligated Group)  | 5.75               | 7/1/40           | 4,415,000                 | <b>4,808,200</b>  |
| <b>Idaho - 1.0%</b>  |                    |                  |                           |                   |
| Power County Industrial Development<br>Corporation,<br>SWDR (FMC Corporation Project)  | 6.45               | 8/1/32           | 5,000,000                 | <b>5,008,350</b>  |
| <b>Illinois - 6.7%</b>   |                    |                  |                           |                   |
| Chicago,<br>General Airport Third Lien Revenue<br>(Chicago O'Hare International Airport)   | 5.63               | 1/1/35           | 5,000,000                 | 5,581,550         |
| Illinois Toll Highway Authority,<br>Toll Highway Senior Revenue<br>Metropolitan Pier and Exposition<br>Authority,  | 5.00               | 1/1/40           | 2,000,000                 | 2,197,540         |

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|  |      |          |                         |           |
|--|------|----------|-------------------------|-----------|
| Revenue (McCormick Place Expansion<br>Project)                           | 5.00 | 12/15/28 | 3,000,000               | 3,153,780 |
| Metropolitan Pier and Exposition<br>Authority,                           |      |          |                         |           |
| Revenue (McCormick Place Expansion<br>Project)                           | 0.00 | 12/15/51 | 18,100,000 <sup>e</sup> | 2,421,237 |
| Metropolitan Pier and Exposition<br>Authority,                           |      |          |                         |           |
| Revenue (McCormick Place Expansion<br>Project)                           | 5.00 | 6/15/52  | 1,500,000               | 1,540,290 |
| Metropolitan Pier and Exposition<br>Authority,                           |      |          |                         |           |
| Revenue (McCormick Place Expansion<br>Project)                           | 5.00 | 6/15/52  | 1,650,000               | 1,679,123 |
| Metropolitan Pier and Exposition<br>Authority,                           |      |          |                         |           |
| Revenue (McCormick Place Expansion<br>Project)                           | 5.00 | 6/15/53  | 3,500,000               | 3,594,010 |
| Railsplitter Tobacco Settlement Authority,<br>Tobacco Settlement Revenue | 6.00 | 6/1/28   | 5,050,000               | 5,765,736 |

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| <b>Long-Term Municipal Investments -</b>  | Coupon   | Maturity | Principal                |                   |
|---|----------|----------|--------------------------|-------------------|
| <b>153.2% (continued)</b>   | Rate (%) | Date     | Amount (\$)              | Value (\$)        |
| <b>Illinois - 6.7% (continued)</b>  |          |          |                          |                   |
| Tender Option Bond Trust Receipts (Series 2016-XM0378),<br>(Greater Chicago Metropolitan Water Reclamation District, GO Capital Improvement Bonds) Non-recourse | 5.00     | 12/1/19  | 7,500,000 <sup>b,c</sup> | 8,255,925         |
| University of Illinois Board of Trustees, Auxiliary Facilities System Revenue (University of Illinois)  | 5.00     | 4/1/44   | 1,000,000                | 1,076,700         |
|   |          |          |                          | <b>35,265,891</b> |
| <b>Indiana - .3%</b>  |          |          |                          |                   |
| Indiana Finance Authority, Revenue (Marquette Project)  | 5.00     | 3/1/39   | 1,400,000                | <b>1,417,066</b>  |
| <b>Iowa - 1.8%</b>  |          |          |                          |                   |
| Iowa Finance Authority, Midwestern Disaster Area Revenue (Iowa Fertilizer Company Project)  | 5.25     | 12/1/25  | 7,375,000                | 7,313,640         |
| Tobacco Settlement Authority of Iowa, Tobacco Settlement Asset-Backed Bonds   | 5.60     | 6/1/34   | 2,000,000                | 1,990,000         |
|   |          |          |                          | <b>9,303,640</b>  |
| <b>Kentucky - .5%</b>   |          |          |                          |                   |
| Louisville/Jefferson County Metro Government, Health Facilities Revenue (Jewish Hospital and Saint Mary's HealthCare, Inc. Project) (Prerefunded)               | 6.13     | 2/1/18   | 2,300,000 <sup>d</sup>   | <b>2,425,511</b>  |
| <b>Louisiana - 1.7%</b>   |          |          |                          |                   |
| Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue (Westlake Chemical Corporation Projects)                       | 6.75     | 11/1/32  | 7,000,000                | 7,235,410         |
| New Orleans, Sewerage Service Revenue   | 5.00     | 6/1/40   | 1,500,000                | 1,630,875         |
|   |          |          |                          | <b>8,866,285</b>  |

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**Maine - .7%**

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

|        |      |        |           |                  |
|--------|------|--------|-----------|------------------|
| Issue) | 7.50 | 7/1/32 | 3,000,000 | <b>3,413,520</b> |
|--------|------|--------|-----------|------------------|

**Maryland - 2.6%**

Maryland Health and Higher Educational  
Facilities Authority,

|                                      |      |        |           |           |
|--------------------------------------|------|--------|-----------|-----------|
| Revenue (Adventist HealthCare Issue) | 5.50 | 1/1/46 | 3,250,000 | 3,539,510 |
|--------------------------------------|------|--------|-----------|-----------|

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 | 9,000,000 <sup>b,c</sup> | 10,018,080 |
|----------|------|--------|--------------------------|------------|

**13,557,590**

**Massachusetts - 7.3%**

Massachusetts Health and Educational  
Facilities Authority,

|                                    |      |        |           |           |
|------------------------------------|------|--------|-----------|-----------|
| Revenue (Suffolk University Issue) | 6.25 | 7/1/30 | 5,650,000 | 6,193,417 |
|------------------------------------|------|--------|-----------|-----------|

## STATEMENT OF INVESTMENTS (Unaudited) (continued)

| <b>Long-Term Municipal Investments -</b>  | Coupon   | Maturity | Principal                 |                   |
|---|----------|----------|---------------------------|-------------------|
| <b>153.2% (continued)</b>   | Rate (%) | Date     | Amount (\$)               | Value (\$)        |
| <b>Massachusetts - 7.3% (continued)</b>   |          |          |                           |                   |
| Tender Option Bond Trust Receipts (Series 2016-XM0368),<br>(Massachusetts Development Finance Agency, Revenue (Harvard University Issue)) Non-recourse  | 5.25     | 8/1/18   | 10,000,000 <sup>b,c</sup> | 11,384,800        |
| Tender Option Bond Trust Receipts (Series 2016-XM0372),<br>(Massachusetts, Consolidated Loan) Non-recourse  | 5.00     | 4/1/19   | 8,600,000 <sup>b,c</sup>  | 9,746,122         |
| Tender Option Bond Trust Receipts (Series 2016-XM0389),<br>(Massachusetts School Building Authority, Senior Dedicated Sales Tax Revenue) Non-recourse   | 5.00     | 5/15/21  | 10,000,000 <sup>b,c</sup> | 11,189,300        |
|   |          |          |                           | <b>38,513,639</b> |
| <b>Michigan - 8.9%</b>  |          |          |                           |                   |
| Detroit,<br>Water Supply System Senior Lien Revenue   | 5.00     | 7/1/31   | 3,000,000                 | 3,218,280         |
| Great Lakes Water Authority,<br>Sewage Disposal System Second Lien Revenue  | 5.00     | 7/1/36   | 3,000,000                 | 3,272,400         |
| Kent Hospital Finance Authority,<br>Revenue (Metropolitan Hospital Project)   | 6.00     | 7/1/35   | 2,930,000                 | 2,897,770         |
| Michigan Finance Authority,<br>HR (Beaumont Health Credit Group) Michigan Finance Authority,<br>Local Government Loan Program Revenue (Detroit Water and Sewerage Department, Sewage Disposal System Revenue Senior Lien Local Project Bonds) (Insured; Assured Guaranty Municipal Corp.) | 5.00     | 11/1/44  | 5,165,000                 | 5,577,942         |
|   | 5.00     | 7/1/31   | 2,000,000                 | 2,238,440         |

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|   |      |          |                        |           |
|---|------|----------|------------------------|-----------|
| Michigan Finance Authority,<br>Local Government Loan Program<br>Revenue (Detroit Water and Sewerage<br>Department, Water Supply System<br>Revenue Second Lien Local Project<br>Bonds)   | 5.00 | 7/1/34   | 2,000,000              | 2,168,460 |
| Michigan Finance Authority,<br>Local Government Loan Program<br>Revenue (Detroit Water and Sewerage<br>Department, Water Supply System<br>Revenue Senior Lien Local Project<br>Bonds) (Insured; National Public<br>Finance Guarantee Corp.) | 5.00 | 7/1/36   | 2,000,000              | 2,188,160 |
| Michigan Hospital Finance Authority,<br>HR (Henry Ford Health System)<br>(Prerefunded)  | 5.63 | 11/15/19 | 5,000,000 <sup>d</sup> | 5,580,400 |
| Michigan Strategic Fund,<br>SWDR (Genesee Power Station Project)  | 7.50 | 1/1/21   | 4,980,000              | 4,831,048 |
| Michigan Tobacco Settlement Finance<br>Authority,<br>Tobacco Settlement Asset-Backed<br>Bonds   | 6.88 | 6/1/42   | 5,000,000              | 5,025,200 |

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| <b>Long-Term Municipal Investments -</b>  | Coupon   | Maturity | Principal              |                   |
|---|----------|----------|------------------------|-------------------|
| <b>153.2% (continued)</b>   | Rate (%) | Date     | Amount (\$)            | Value (\$)        |
| <b>Michigan - 8.9% (continued)</b>  |          |          |                        |                   |
| Michigan Tobacco Settlement Finance Authority,<br>Tobacco Settlement Asset-Backed Bonds   | 6.00     | 6/1/48   | 4,000,000              | 3,565,040         |
| Royal Oak Hospital Finance Authority,<br>HR (William Beaumont Hospital Obligated Group) (Prerefunded)                           | 8.25     | 9/1/18   | 5,500,000 <sup>d</sup> | 6,131,620         |
|   |          |          |                        | <b>46,694,760</b> |
| <b>Minnesota - 1.1%</b>   |          |          |                        |                   |
| Dakota County Community Development Agency,<br>SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA) | 5.15     | 12/1/38  | 50,101                 | 50,975            |
| Dakota County Community Development Agency,<br>SFMR (Mortgage-Backed Securities Program) (Collateralized: FHLMC, FNMA and GNMA) | 5.30     | 12/1/39  | 118,365                | 120,211           |
| Minneapolis,<br>Health Care System Revenue (Fairview Health Services) (Insured; Assured Guaranty Corp.)                         | 6.50     | 11/15/38 | 4,190,000              | 4,523,189         |
| Minneapolis,<br>Health Care System Revenue (Fairview Health Services) (Insured; Assured Guaranty Corp.) (Prerefunded)           | 6.50     | 11/15/18 | 810,000 <sup>d</sup>   | 888,513           |
|   |          |          |                        | <b>5,582,888</b>  |
| <b>Mississippi - 2.2%</b>   |          |          |                        |                   |
| Mississippi Business Finance Corporation,<br>PCR (System Energy Resources, Inc. Project)  | 5.88     | 4/1/22   | 5,720,000              | 5,748,600         |
| Mississippi Development Bank,<br>Special Obligation Revenue (Magnolia Regional Health Center Project)                           | 6.50     | 10/1/31  | 5,000,000              | 5,679,350         |

|  |      |         |                        |                   |
|--|------|---------|------------------------|-------------------|
|  |      |         |                        | <b>11,427,950</b> |
| <b>Missouri - .9%</b>  |      |         |                        |                   |
| 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              | <b>4,907,350</b>  |
| <b>New Jersey - 3.4%</b>   |      |         |                        |                   |
| Essex County Improvement Authority, SWDR (Covanta Project)   |      |         |                        |                   |
|  | 5.25 | 7/1/45  | 1,000,000 <sup>b</sup> | 991,960           |
| New Jersey Economic Development Authority,   |      |         |                        |                   |
| School Facilities Construction Revenue   |      |         |                        |                   |
|  | 5.25 | 6/15/40 | 3,250,000              | 3,307,655         |
| New Jersey Economic Development Authority,   |      |         |                        |                   |
| Special Facility Revenue (Continental Airlines, Inc. Project)  |      |         |                        |                   |
|  | 5.25 | 9/15/29 | 3,375,000              | 3,562,144         |



## STATEMENT OF INVESTMENTS (Unaudited) (continued)

| <b>Long-Term Municipal Investments -</b>  | Coupon   | Maturity | Principal              |                   |
|---|----------|----------|------------------------|-------------------|
| <b>153.2% (continued)</b>   | Rate (%) | Date     | Amount (\$)            | Value (\$)        |
| <b>New Jersey - 3.4% (continued)</b>  |          |          |                        |                   |
| New Jersey Higher Education Student Assistance Authority, Student Loan Revenue (Insured; Assured Guaranty Corp.)                                  | 6.13     | 6/1/30   | 3,350,000              | 3,496,496         |
| New Jersey Transportation Trust Fund Authority, Transportation Program Revenue  | 5.25     | 6/15/33  | 1,500,000              | 1,542,240         |
| Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds   | 5.00     | 6/1/41   | 5,500,000              | 4,816,625         |
|   |          |          |                        | <b>17,717,120</b> |
| <b>New Mexico - 1.5%</b>  |          |          |                        |                   |
| Farmington, PCR (Public Service Company of New Mexico San Juan Project)   | 5.90     | 6/1/40   | 7,000,000              | <b>7,641,760</b>  |
| <b>New York - 10.8%</b>   |          |          |                        |                   |
| New York City Educational Construction Fund, Revenue  | 6.50     | 4/1/27   | 4,490,000              | 5,276,603         |
| New York City Industrial Development Agency, PILOT Revenue (Yankee Stadium Project) (Insured; Assured Guaranty Corp.)                             | 7.00     | 3/1/49   | 5,000,000              | 5,537,100         |
| New York Liberty Development Corporation, Revenue (3 World Trade Center Project)  | 5.00     | 11/15/44 | 7,000,000 <sup>b</sup> | 7,251,650         |
| New York Transportation Development Corporation, Special Facility Revenue (American Airlines, Inc. John F. Kennedy International Airport Project) | 5.00     | 8/1/26   | 500,000                | 516,700           |

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|   |      |         |                          |           |
|---|------|---------|--------------------------|-----------|
| Niagara Area Development Corporation,<br>Solid Waste Disposal Facility Revenue<br>(Covanta Energy Project)  | 5.25 | 11/1/42 | 3,000,000 <sup>b</sup>   | 3,024,090 |
| Port Authority of New York and New<br>Jersey,<br>Special Project Bonds (JFK<br>International Air Terminal LLC Project)  | 6.00 | 12/1/36 | 2,000,000                | 2,264,800 |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0370),<br>(New York City Transitional Finance<br>Authority, Future Tax Secured<br>Subordinate Revenue) Non-recourse | 5.25 | 11/1/18 | 5,000,000 <sup>b,c</sup> | 5,646,050 |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0438),<br>(New York City Transitional Finance<br>Authority, Future Tax Secured<br>Subordinate Revenue) Recourse     | 5.50 | 11/1/27 | 5,000,000 <sup>b,c</sup> | 5,692,250 |

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| <b>Long-Term Municipal Investments -</b>  | Coupon   | Maturity | Principal                 |                   |
|---|----------|----------|---------------------------|-------------------|
| <b>153.2% (continued)</b>   | Rate (%) | Date     | Amount (\$)               | Value (\$)        |
| <b>New York - 10.8% (continued)</b>   |          |          |                           |                   |
| Tender Option Bond Trust Receipts (Series 2016-XM0445),<br>(New York City Municipal Water Finance Authority, Water and Sewer System General Resolution Revenue) Recourse  |          |          |                           |                   |
|   | 5.00     | 6/15/39  | 20,000,000 <sup>b,c</sup> | 21,396,600        |
|   |          |          |                           | <b>56,605,843</b> |
| <b>North Carolina - .2%</b>   |          |          |                           |                   |
| North Carolina Medical Care Commission, Health Care Facilities First Mortgage Revenue (Pennybryn at Maryfield)  |          |          |                           |                   |
|   | 5.00     | 10/1/35  | 1,005,000                 | <b>996,468</b>    |
| <b>Ohio - 9.9%</b>  |          |          |                           |                   |
| Buckeye Tobacco Settlement Financing Authority, Tobacco Settlement Asset-Backed Bonds   |          |          |                           |                   |
|   | 6.50     | 6/1/47   | 14,690,000                | 13,708,120        |
| Butler County, Hospital Facilities Revenue (UC Health) 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 <sup>e</sup>    | 2,661,003         |
| 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 <sup>e</sup>    | 2,479,231         |
| Muskingum County, Hospital Facilities Revenue (Genesis HealthCare System Obligated Group Project)   |          |          |                           |                   |
|   | 5.00     | 2/15/22  | 4,590,000                 | 4,963,993         |
| Ohio Air Quality Development Authority,   |          |          |                           |                   |

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|  |      |         |                           |                   |
|--|------|---------|---------------------------|-------------------|
| Air Quality Revenue (Ohio Valley Electric Corporation Project)   | 5.63 | 10/1/19 | 1,900,000                 | 2,047,953         |
| Port of Greater Cincinnati Development Authority,  |      |         |                           |                   |
| Tax Increment Development Revenue (Fairfax Village Red Bank Infrastructure Project)                                      | 5.63 | 2/1/36  | 3,000,000 <sup>b</sup>    | 2,862,600         |
| Tender Option Bond Trust Receipts (Series 2016-XM0380),  |      |         |                           |                   |
| (Hamilton County, Sewer System Improvement Revenue (The Metropolitan Sewer District of Greater Cincinnati)) Non-recourse | 5.00 | 6/1/33  | 17,000,000 <sup>b,c</sup> | 19,109,870        |
|  |      |         |                           | <b>52,131,026</b> |
| <b>Oregon - .7%</b>  |      |         |                           |                   |
| Warm Springs Reservation Confederated Tribes,  |      |         |                           |                   |
| Hydroelectric Revenue (Pelton Round Butte Project)   | 6.38 | 11/1/33 | 3,300,000                 | <b>3,553,374</b>  |

## STATEMENT OF INVESTMENTS (Unaudited) (continued)

| <b>Long-Term Municipal Investments -</b>   | Coupon   | Maturity | Principal                 |                  |
|--|----------|----------|---------------------------|------------------|
| <b>153.2% (continued)</b>  | Rate (%) | Date     | Amount (\$)               | Value (\$)       |
| <b>Pennsylvania - 1.9%</b>   |          |          |                           |                  |
| Crawford County Hospital Authority,<br>HR (Meadville Medical Center Project)   | 6.00     | 6/1/46   | 1,175,000                 | 1,174,448        |
| Montgomery County Industrial<br>Development Authority,<br>Retirement Community Revenue (Adult<br>Communities Total Services, Inc.<br>Retirement - Life Communities, Inc.<br>Obligated Group) | 5.00     | 11/15/36 | 1,350,000                 | 1,448,928        |
| Philadelphia,<br>GO<br>Tender Option Bond Trust Receipts (Series<br>2016-XM0373),<br>(Geisinger Authority, Health System<br>Revenue (Geisinger Health System))<br>Non-recourse               | 6.50     | 8/1/41   | 3,550,000                 | 4,066,383        |
|  | 5.13     | 6/1/35   | 3,000,000 <sup>b,c</sup>  | 3,245,160        |
|  |          |          |                           | <b>9,934,919</b> |
| <b>Rhode Island - 1.1%</b>   |          |          |                           |                  |
| Rhode Island Health and Educational<br>Building Corporation,<br>Hospital Financing Revenue (Lifespan<br>Obligated Group Issue) (Insured;<br>Assured Guaranty Corp.) (Prerefunded)            | 7.00     | 5/15/19  | 5,000,000 <sup>d</sup>    | <b>5,621,500</b> |
| <b>South Carolina - 7.2%</b>   |          |          |                           |                  |
| South Carolina Public Service Authority,<br>Revenue Obligations (Santee Cooper)<br>(Prerefunded)   | 5.50     | 1/1/19   | 9,205,000 <sup>d</sup>    | 9,974,538        |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0384),<br>(South Carolina Public Service<br>Authority, Revenue Obligations (Santee<br>Cooper)) Non-recourse                              | 5.13     | 6/1/37   | 15,000,000 <sup>b,c</sup> | 16,733,250       |

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|   |      |          |                           |                   |
|---|------|----------|---------------------------|-------------------|
| Tender Option Bond Trust Receipts (Series 2016-XM0442),<br>(Columbia, Waterworks and Sewer System Revenue) Recourse   | 5.00 | 2/1/40   | 10,000,000 <sup>b,c</sup> | 11,030,700        |
|   |      |          |                           | <b>37,738,488</b> |
| <b>Tennessee - 4.6%</b>   |      |          |                           |                   |
| Metropolitan Government of Nashville and Davidson County Health and Educational Facilities Board, Revenue (The Vanderbilt University) (Prerefunded)                             | 5.50 | 10/1/19  | 7,000,000 <sup>d</sup>    | 7,744,100         |
| Tender Option Bond Trust Receipts (Series 2016-XM0388),<br>(Metropolitan Government of Nashville and Davidson County, Water and Sewer Revenue) Non-recourse                     | 5.00 | 7/1/21   | 5,000,000 <sup>b,c</sup>  | 5,577,400         |
| Tender Option Bond Trust Receipts (Series 2016-XM0446),<br>(Rutherford County Health and Educational Facilities Board, Revenue (Ascension Health Senior Credit Group)) Recourse | 5.00 | 11/15/40 | 10,000,000 <sup>b,c</sup> | 10,801,800        |
|   |      |          |                           | <b>24,123,300</b> |

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| <b>Long-Term Municipal Investments -<br/>153.2% (continued)</b>   | Coupon<br>Rate (%) | Maturity<br>Date | Principal<br>Amount (\$) | Value (\$) |
|---|--------------------|------------------|--------------------------|------------|
| <b>Texas - 12.9%</b>  |                    |                  |                          |            |
| Barclays Capital Municipal Trust Receipts<br>(Series 28 W),<br>(Leander Independent School District,<br>Unlimited Tax School Building Bonds<br>(Permanent School Fund Guarantee<br>Program)) Recourse | 5.00               | 8/15/40          | 8,507,701 <sup>b,c</sup> | 9,158,844  |
| Central Texas Regional Mobility Authority,<br>Senior Lien Revenue   | 5.00               | 1/1/45           | 1,500,000                | 1,601,640  |
| Clifton Higher Education Finance<br>Corporation,<br>Education Revenue (International<br>Leadership of Texas)  | 5.75               | 8/15/45          | 4,500,000                | 4,542,300  |
| Clifton Higher Education Finance<br>Corporation,<br>Education Revenue (Uplift Education)  | 6.00               | 12/1/30          | 2,500,000                | 2,743,600  |
| Clifton Higher Education Finance<br>Corporation,<br>Education Revenue (Uplift Education)  | 4.50               | 12/1/44          | 2,500,000                | 2,403,800  |
| Dallas Area Rapid Transit,<br>Senior Lien Sales Tax Revenue<br>(Prerefunded)  | 5.25               | 12/1/18          | 10,000,000 <sup>d</sup>  | 10,766,400 |
| Harris County Health Facilities<br>Development Corporation,<br>HR (Memorial Hermann Healthcare<br>System) (Prerefunded)   | 7.25               | 12/1/18          | 2,000,000 <sup>d</sup>   | 2,222,460  |
| Harris County-Houston Sports Authority,<br>Senior Lien Revenue (Insured; Assured<br>Guaranty Municipal Corp.)   | 0.00               | 11/15/50         | 6,500,000 <sup>e</sup>   | 1,344,720  |
| Houston,<br>Combined Utility System First Lien<br>Revenue (Insured; Assured Guaranty<br>Corp.)  | 6.00               | 11/15/36         | 295,000                  | 325,370    |
| Houston,<br>Combined Utility System First Lien<br>Revenue (Insured; Assured Guaranty  |                    |                  |                          |            |

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|  |       |          |                           |                   |
|--|-------|----------|---------------------------|-------------------|
| Corp.) (Prerefunded)   | 6.00  | 5/15/19  | 4,705,000 <sup>d</sup>    | 5,195,779         |
| North Texas Tollway Authority,<br>First Tier System Revenue (Insured;<br>Assured Guaranty Corp.)   | 5.75  | 1/1/40   | 965,000                   | 1,004,980         |
| North Texas Tollway Authority,<br>First Tier System Revenue (Insured;<br>Assured Guaranty Corp.) (Prerefunded)   | 5.75  | 1/1/18   | 6,035,000 <sup>d</sup>    | 6,314,722         |
| Tender Option Bond Trust Receipts (Series<br>2016-XM0377),<br>(San Antonio, Electric and Gas Systems<br>Junior Lien Revenue) Non-recourse                              | 5.00  | 2/1/21   | 16,750,000 <sup>b,c</sup> | 18,659,667        |
| Texas Department of Housing and<br>Community Affairs,<br>Home Mortgage Revenue<br>(Collateralized: FHLMC, FNMA and<br>GNMA)  | 12.98 | 7/2/24   | 150,000 <sup>f</sup>      | 157,446           |
| Texas Private Activity Bond Surface<br>Transportation Corporation,<br>Senior Lien Revenue (Blueridge<br>Transportation Group, State Highway<br>288 Toll Lanes Project) | 5.00  | 12/31/50 | 1,300,000                 | 1,352,455         |
|  |       |          |                           | <b>67,794,183</b> |



STATEMENT OF INVESTMENTS (Unaudited) (continued)

| Long-Term Municipal Investments -<br>153.2% (continued)  | Coupon<br>Rate (%) | Maturity<br>Date | Principal<br>Amount (\$)  | Value (\$)        |
|--|--------------------|------------------|---------------------------|-------------------|
| <b>Virginia - 2.9%</b>   |                    |                  |                           |                   |
| Chesterfield County Economic Development Authority, Retirement Facilities First Mortgage Revenue (Brandermill Woods Project)                               |                    |                  |                           |                   |
|  | 5.13               | 1/1/43           | 2,100,000                 | 2,123,982         |
| Newport News Economic Development Authority, Residential Care Facilities Revenue (LifeSpire of Virginia)   |                    |                  |                           |                   |
|  | 5.00               | 12/1/38          | 1,925,000                 | 1,979,189         |
| Tender Option Bond Trust Receipts (Series 2016-XM0448), (Virginia Small Business Financing Authority, Health Care Facilities Revenue (Sentara Healthcare)) |                    |                  |                           |                   |
| Recourse   | 5.00               | 11/1/40          | 10,000,000 <sup>b,c</sup> | 10,831,800        |
|  |                    |                  |                           | <b>14,934,971</b> |
| <b>Washington - 3.9%</b>   |                    |                  |                           |                   |
| Barclays Capital Municipal Trust Receipts (Series 27 B), (King County, Sewer Revenue)  |                    |                  |                           |                   |
| Recourse   | 5.00               | 1/1/29           | 3,998,716 <sup>b,c</sup>  | 4,433,576         |
| Tender Option Bond Trust Receipts (Series 2016-XM0441), (King County, Limited Tax GO (Payable from Sewer Revenues))  |                    |                  |                           |                   |
| Recourse   | 5.13               | 1/1/33           | 10,000,000 <sup>b,c</sup> | 10,760,000        |
| Washington Health Care Facilities Authority, Mortgage Revenue (Highline Medical Center) (Collateralized; FHA) (Prerefunded)                                |                    |                  |                           |                   |
|  | 6.25               | 8/1/18           | 3,475,000 <sup>d</sup>    | 3,739,448         |
| Washington Housing Finance Commission, Nonprofit Housing Revenue   |                    |                  |                           |                   |

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|  |      |          |                        |                   |
|--|------|----------|------------------------|-------------------|
| (Presbyterian Retirement Communities<br>Northwest Projects)  | 5.00 | 1/1/51   | 1,700,000 <sup>b</sup> | 1,634,244         |
|  |      |          |                        | <b>20,567,268</b> |
| <b>West Virginia - .3%</b>   |      |          |                        |                   |
| The County Commission of Harrison<br>County,<br>SWDR (Allegheny Energy Supply<br>Company, LLC Harrison Station Project)                              | 5.50 | 10/15/37 | 1,750,000              | <b>1,734,233</b>  |
| <b>Wisconsin - 1.3%</b>  |      |          |                        |                   |
| Public Finance Authority of Wisconsin,<br>Lease Development Revenue (KU<br>Campus Development Corporation -<br>Central District Development Project) | 5.00 | 3/1/46   | 6,000,000              | <b>6,626,100</b>  |
| <b>Wyoming - 1.0%</b>  |      |          |                        |                   |
| Wyoming Municipal Power Agency,<br>Power Supply System Revenue<br>(Prerefunded)  | 5.50 | 1/1/18   | 2,360,000 <sup>d</sup> | 2,464,005         |
| Wyoming Municipal Power Agency,<br>Power Supply System Revenue<br>(Prerefunded)  | 5.38 | 1/1/18   | 2,750,000 <sup>d</sup> | 2,867,755         |
|  |      |          |                        | <b>5,331,760</b>  |
| <b>U.S. Related - 1.7%</b>   |      |          |                        |                   |
| Guam,<br>LOR (Section 30) (Prerefunded)  | 5.75 | 12/1/19  | 2,000,000 <sup>d</sup> | 2,233,960         |

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| Long-Term Municipal Investments -<br>153.2% (continued)   | Coupon<br>Rate (%) | Maturity<br>Date | Principal<br>Amount (\$) | Value (\$)            |
|---|--------------------|------------------|--------------------------|-----------------------|
| <b>U.S. Related - 1.7% (continued)</b>  |                    |                  |                          |                       |
| Guam Housing Corporation,<br>SFMR (Guaranteed Mortgage-Backed<br>Securities Program) (Collateralized;<br>FHLMC) | 5.75               | 9/1/31           | 965,000                  | 1,002,587             |
| Guam Waterworks Authority,<br>Water and Wastewater System Revenue   | 5.63               | 7/1/40           | 2,000,000                | 2,125,400             |
| Puerto Rico Commonwealth,<br>Public Improvement GO (Insured;<br>Assured Guaranty Municipal Corp.)               | 5.00               | 7/1/35           | 3,500,000                | 3,565,660             |
|   |                    |                  |                          | <b>8,927,607</b>      |
| <b>Total Investments</b> (cost \$747,178,391)   |                    |                  | <b>153.2 %</b>           | <b>802,561,157</b>    |
| <b>Liabilities, Less Cash and Receivables</b>   |                    |                  | <b>(26.0 %)</b>          | <b>(136,084,845 )</b> |
| <b>Preferred Stock, at redemption value</b>   |                    |                  | <b>(27.2 %)</b>          | <b>(142,500,000 )</b> |
| <b>Net Assets Applicable to Common Shareholders</b>   |                    |                  | <b>100.0 %</b>           | <b>523,976,312</b>    |

*a Zero coupon until a specified date at which time the stated coupon rate becomes effective until maturity.*

*b Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2016, these securities amounted to \$340,146,701, or 64.92% of net assets applicable to Common Shareholders.*

*c Collateral for floating rate borrowings.*

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

*f Inverse floater security—the interest rate is subject to change periodically. Rate shown is the interest rate in effect at December 31, 2016.*

STATEMENT OF INVESTMENTS

Dreyfus Strategic Municipals, Inc.

December 31, 2016 (Unaudited)

The following is a summary of the inputs used as of December 31, 2016 in valuing the fund's investments:

|                                   | Level 1 -<br>Unadjusted Quoted<br>Prices | Level 2 - Other<br>Significant<br>Observable Inputs | Level 3 -<br>Significant<br>Unobservable<br>Inputs | Total                 |
|-----------------------------------|--|---|--|-----------------------|
| <b>Assets (\$)</b>                |  |   |  |                       |
| Investments in Securities:        |  |   |  |                       |
| Municipal Bonds <sup>†</sup>      | -  | 802,561,157   | -  | <b>802,561,157</b>    |
| <b>Liabilities (\$)</b>           |  |   |  |                       |
| Floating Rate Notes <sup>††</sup> | -  | (139,574,397 )                                      | -  | <b>(139,574,397 )</b> |

<sup>†</sup>See Statement of Investments for additional detailed categorizations.

<sup>††</sup>Certain of the fund's liabilities are held at carrying amount, which approximates fair value for financial reporting purposes.

## NOTES

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification 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.

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

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.

**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.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

Investments in securities are valued each business day by an independent pricing service (the "Service") approved by the fund's Board Members (the "Board") 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

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## NOTES

fair value as determined by the Service, based on methods which include consideration of the following: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. All of the preceding securities are generally categorized within Level 2 of the fair value hierarchy.

The Service is engaged under the general supervision of the Board.

When market quotations or official closing prices are not readily available, or are determined not to reflect accurately fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Board. Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For restricted securities where observable inputs are limited, assumptions about market activity and risk are used and are generally categorized within Level 3 of the fair value hierarchy.

**Inverse Floater Securities:** The fund participates in secondary inverse floater structures in which fixed-rate, tax-exempt municipal bonds are transferred to a trust (the "Inverse Floater Trust"). The Inverse Floater Trust typically issues two variable rate securities that are collateralized by the cash flows of the fixed-rate, tax-exempt municipal bonds. One of these variable rate securities pays interest based on a short-term floating rate set by a remarketing agent at predetermined intervals ("Trust Certificates"). A residual interest tax-exempt security is also created by the Inverse Floater Trust, which is transferred to the fund, and is paid interest based on the remaining cash flows of the Inverse Floater Trust, after payment of interest on the other securities and various expenses of the Inverse Floater Trust. An inverse floater security may be collapsed without the consent of the fund due to certain termination events such as bankruptcy, default or other credit event.

The fund accounts for the transfer of bonds to the Inverse Floater Trust as secured borrowings, with the securities transferred remaining in the fund's investments, and the Trust Certificates reflected as fund liabilities in the Statement of Assets and Liabilities.

The fund may invest in inverse floater securities on either a non-recourse or recourse basis. These securities are typically supported by a liquidity facility provided by a bank or other financial institution (the "Liquidity Provider") that allows the holders of the Trust Certificates to tender their certificates in exchange for payment from the Liquidity Provider of par plus accrued interest on any business day prior to a termination event.

When the fund invests in inverse floater securities on a non-recourse basis, the Liquidity

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## NOTES

Provider is required to make a payment under the liquidity facility due to a termination event to the holders of the Trust Certificates. When this occurs, the Liquidity Provider typically liquidates all or a portion of the municipal securities held in the Inverse Floater Trust. A liquidation shortfall occurs if the Trust Certificates exceed the proceeds of the sale of the bonds in the Inverse Floater Trust ("Liquidation Shortfall"). When a fund invests in inverse floater securities on a recourse basis, the fund typically enters into a reimbursement agreement with the Liquidity Provider where the fund is required to repay the Liquidity Provider the amount of any Liquidation Shortfall. As a result, a fund investing in a recourse inverse floater security bears the risk of loss with respect to any Liquidation Shortfall.

At December 31, 2016, accumulated net unrealized appreciation on investments was \$55,382,766, consisting of \$59,176,580 gross unrealized appreciation and \$3,793,814 gross unrealized depreciation.

At December 31, 2016, the cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

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

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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) There were no changes to the Registrant's internal control over financial reporting that occurred during the Registrant's most recently ended fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

**Item 3. Exhibits.**

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

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**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 14, 2017

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 14, 2017

By: /s/ James Windels

James Windels

Treasurer

Date: February 14, 2017

**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)