

DWS STRATEGIC MUNICIPAL INCOME TRUST
Form N-Q
April 29, 2009
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-05767

DWS Strategic Municipal Income Trust

(Exact name of registrant as specified in charter)

345 Park Avenue

New York, NY 10154

(Address of principal executive offices) (Zip code)

Paul Schubert

345 Park Avenue

New York, NY 10154-0004

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 454-7190

Date of fiscal year end: 11/30

Date of reporting period: 2/28/09

ITEM 1. SCHEDULE OF INVESTMENTS

Investment Portfolio

as of February 28, 2009 (Unaudited)

DWS Strategic Municipal Income Trust

| | Principal Amount (\$) | Value (\$) |
|--|----------------------------------|-------------------|
| Municipal Bonds and Notes 156.1% | | |
| Alabama 0.6% | | |
| Sylacauga, AL, Health Care Authority Revenue, Coosa Valley Medical Center, Series A, 6.0%, 8/1/2035 | 1,000,000 | 627,430 |
| Arizona 1.5% | | |
| Arizona, Project Revenue, Health Facilities Authority, The New Foundation Project, 8.25%, 3/1/2019 | 1,725,000 | 1,635,886 |
| California 7.3% | | |
| California, Bay Area Toll Authority, Toll Bridge Revenue, Series C, 0.35% *, 4/1/2045 | 1,000,000 | 1,000,000 |
| California, Morongo Band of Mission Indians, Enterprise Casino Revenue, Series B, 144A, 6.5%, 3/1/2028 | 1,000,000 | 765,060 |
| California, Special Assessment Revenue, Golden State Tobacco Securitization Corp., Series 2003-A-1, Prerefunded, 6.75%, 6/1/2039 | 4,500,000 | 5,301,765 |
| Sacramento County, CA, Sales & Special Tax Revenue, Bradshaw Road Project, 7.2%, 9/2/2015 | 870,000 | 872,636 |
| | | 7,939,461 |
| Colorado 3.2% | | |
| Colorado, Health Facilities Authority Revenue, Christian Living Communities Project, Series A, 5.75%, 1/1/2037 | 1,000,000 | 643,350 |
| Colorado, Health Facilities Authority Revenue, Portercare Adventist Health Project, Prerefunded, 6.5%, 11/15/2031 | 1,000,000 | 1,138,760 |
| Colorado, Public Energy Authority, Natural Gas Purchased Revenue, 6.25%, 11/15/2028 | 635,000 | 524,224 |
| Colorado, Transportation/Tolls Revenue, Northwest Parkway Public Highway Authority, Series D, Prerefunded, 7.125%, 6/15/2041 | 1,145,000 | 1,224,246 |
| | | 3,530,580 |
| Connecticut 3.3% | | |
| Greenwich, CT, Multi-Family Housing Revenue, 6.35%, 9/1/2027 | 2,000,000 | 1,967,940 |
| Mashantucket, CT, Mashantucket Western Pequot Tribe, Special Revenue, Series A, 144A, 6.5%, 9/1/2031 | 705,000 | 417,875 |
| Mashantucket, CT, Sports, Expo & Entertainment Revenue, Mashantucket Western Pequot Tribe: Series B, 144A, Zero Coupon, 9/1/2017 | 2,000,000 | 818,660 |
| Series B, 144A, Zero Coupon, 9/1/2018 | 1,000,000 | 366,890 |
| | | 3,571,365 |
| Florida 5.4% | | |
| Florida, Capital Region Community Development District Revenue, Capital Improvement, Series A, 7.0%, 5/1/2039 | 500,000 | 351,685 |
| Florida, Tolomato Community Development District, Special Assessment: 5.4%, 5/1/2037 | 1,990,000 | 1,058,819 |
| 6.55%, 5/1/2027 | 850,000 | 585,778 |
| Hillsborough County, FL, Industrial Development Authority Revenue, Health Facilities, University Community Hospital, Series A, 5.625%, 8/15/2029 | 1,875,000 | 1,411,050 |
| Miami Beach, FL, Health Facilities Authority Hospital Revenue, Mount Sinai Medical Center, 144A, 6.75%, 11/15/2029 | 1,600,000 | 1,034,496 |
| Orlando, FL, Greater Aviation Authority, Airport Facilities Revenue, Jet Blue Airways Corp., AMT, 6.5%, 11/15/2036 | 1,000,000 | 606,400 |
| Orlando, FL, Special Assessment Revenue, Conroy Road Interchange Project, Series A, 5.8%, 5/1/2026 | 1,000,000 | 825,470 |
| | | 5,873,698 |
| Georgia 2.7% | | |

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| | | |
|---|-----------|------------------|
| Americus-Sumter County, GA, Hospital & Healthcare Revenue, Hospital Authority, South Georgia Methodist, Series A, 6.375%, 5/15/2029 | 1,250,000 | 911,650 |
| Georgia, Main Street Natural Gas, Inc., Gas Project Revenue, Series A, 5.5%, 9/15/2024 | 1,220,000 | 940,474 |
| Georgia, Medical Center Hospital Authority Revenue, Anticipation Certificates, Columbus Regional Healthcare Systems, 6.5%, 8/1/2038 (a) | 1,000,000 | 1,056,930 |
| | | 2,909,054 |
| Guam 0.7% | | |
| Guam, Government Waterworks Authority, Water & Wastewater System Revenue, 6.0%, 7/1/2025 | 1,000,000 | 818,850 |
| Idaho 0.3% | | |
| Idaho, Health Facilities Authority Revenue, St. Luke's Regional Medical Center, 6.75%, 11/1/2037 | 305,000 | 312,247 |
| Illinois 9.0% | | |
| Aurora, IL, Single Family Mortgage Revenue, Series C, AMT, 5.5%, 6/1/2045 | 2,859,849 | 2,811,146 |
| | | |
| Illinois, Finance Authority Revenue, Friendship Village of Schaumburg, Series A, 5.625%, 2/15/2037 | 2,000,000 | 1,115,100 |
| Illinois, Finance Authority Revenue, Monarch Landing, Inc. Facility: Series A, 7.0%, 12/1/2027 | 1,000,000 | 738,860 |
| Series A, 7.0%, 12/1/2037 | 1,000,000 | 684,330 |
| Illinois, Finance Authority Revenue, Three Crowns Park Plaza, Series A, 5.875%, 2/15/2038 | 1,000,000 | 600,300 |
| Illinois, Hospital & Healthcare Revenue, ETM, 6.75%, 2/15/2016 | 2,180,000 | 2,312,653 |
| Illinois, Upper River Valley Development Authority, Solid Waste Disposal Revenue, Waste Recovery Project, AMT, 5.9%, 2/1/2014 | 995,000 | 899,002 |
| University Park, IL, Sales & Special Tax Revenue, Governors Gateway Industrial Park, 8.5%, 12/1/2011 | 620,000 | 621,593 |
| | | 9,782,984 |
| Indiana 2.4% | | |
| Indiana, Senior Care Revenue, Health Facilities Finance Authority, Franciscan Eldercare Community Services, 5.875%, 5/15/2029 | 3,000,000 | 2,016,210 |
| Vigo County, IN, Hospital Authority Revenue, Union Hospital, Inc., 144A, 5.7%, 9/1/2037 | 1,000,000 | 653,420 |
| | | 2,669,630 |
| Iowa 2.1% | | |
| Cedar Rapids, IA, First Mortgage Revenue, Cottage Grove Place, Series A, 5.875%, 7/1/2028 | 1,670,000 | 1,089,708 |
| Iowa, Finance Authority Retirement Community Revenue, Edgewater LLC Project, 6.5%, 11/15/2027 | 1,000,000 | 736,500 |
| Lake City, IA, Senior Care Revenue, Health Care Facility, Opportunity Living Project, 144A, 6.45%, 5/1/2011 | 525,000 | 521,031 |
| | | 2,347,239 |
| Kansas 4.4% | | |
| Lenexa, KS, Health Care Facility Revenue, 5.5%, 5/15/2039 | 2,000,000 | 1,105,220 |
| Manhattan, KS, Senior Care Revenue, Meadowlark Hills Retirement, Series A, Prerefunded, 6.5%, 5/15/2028 | 300,000 | 306,879 |
| Overland Park, KS, Industrial Development Revenue, Series A, Prerefunded, 7.375%, 1/1/2032 | 2,000,000 | 2,210,560 |
| Wyandotte County, KS, Unified Government Special Obligation Revenue, Sales Tax, Series B, 5.0%, 12/1/2020 | 1,400,000 | 1,218,084 |
| | | 4,840,743 |
| Kentucky 3.7% | | |
| Kentucky, Economic Development Finance Authority, Health System Revenue, Norton Healthcare: Series A, 6.625%, 10/1/2028 | 215,000 | 194,500 |
| Series A, Prerefunded, 6.625%, 10/1/2028 | 785,000 | 856,262 |
| Kentucky, Economic Development Finance Authority, Louisville Arena Project Revenue, Series A-1, 6.0%, 12/1/2033 (a) | 365,000 | 374,078 |
| Louisville & Jefferson County, KY, Metropolitan Government Health Systems Revenue, Norton Healthcare, Inc., 5.0%, 10/1/2030 | 3,425,000 | 2,610,021 |
| | | 4,034,861 |
| Louisiana 4.1% | | |
| Louisiana, Local Government Environmental Facilities, Community Development Authority Revenue, 6.75%, 11/1/2032 | 1,000,000 | 663,450 |
| Louisiana, St. John Baptist Parish Revenue, Marathon Oil Corp., Series A, 5.125%, 6/1/2037 | 1,500,000 | 1,106,895 |
| | 3,000,000 | 2,654,280 |

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|---|-----------|------------------|
| Morehouse Parish, LA, Pollution Control Revenue, International Paper Co. Project, Series A, 5.25%, 11/15/2013 | | 4,424,625 |
| Maryland 8.1% | | |
| Anne Arundel County, MD, General Obligation, National Business Park Project, 144A, Prerefunded, 7.375%, 7/1/2028 | 966,000 | 1,055,538 |
| Anne Arundel County, MD, Revenue Lease, Arundel Mills Project, Prerefunded, 7.1%, 7/1/2029 | 1,500,000 | 1,558,350 |
| | | |
| Maryland, Higher Education Revenue, Collegiate Housing Foundation, Series A, Prerefunded, 5.75%, 6/1/2031 | 1,000,000 | 1,033,480 |
| Maryland, Hospital & Healthcare Revenue, University of Maryland Medical System, Prerefunded, 6.75%, 7/1/2030 | 1,000,000 | 1,085,100 |
| Maryland, State Economic Development Corp. Revenue, Senior Lien Project, Chesapeake Bay: Series A, 5.0%, 12/1/2031 | 1,000,000 | 510,720 |
| Series B, 5.25%, 12/1/2031 | 2,000,000 | 1,058,060 |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Anne Arundel Health Systems, Series A, 6.75%, 7/1/2039 | 500,000 | 505,315 |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Washington County Hospital: | | |
| 5.75%, 1/1/2033 | 1,000,000 | 784,370 |
| 6.0%, 1/1/2028 | 1,385,000 | 1,177,624 |
| | | 8,768,557 |
| Massachusetts 6.2% | | |
| Massachusetts, Hospital & Healthcare Revenue, Health & Educational Facilities Authority, Civic Investments, Series A, Prerefunded, 9.0%, 12/15/2015 | 1,600,000 | 1,957,984 |
| Massachusetts, Industrial Development Revenue, Development Finance Agency, Series A, 7.1%, 7/1/2032 | 1,875,000 | 1,430,625 |
| Massachusetts, Project Revenue, Health & Educational Facilities Authority, Jordan Hospital, Series E, 6.75%, 10/1/2033 | 1,790,000 | 1,291,360 |
| Massachusetts, State Development Finance Agency Revenue, Linden Ponds, Inc. Facility, Series A, 5.75%, 11/15/2035 | 2,700,000 | 1,540,134 |
| Massachusetts, State Health & Educational Facilities Authority Revenue, Milford Regional Medical Center, Series E, 5.0%, 7/15/2037 | 950,000 | 541,851 |
| Massachusetts, State Health & Educational Facilities Authority Revenue, Partners Healthcare Systems, Series C, 5.75%, 7/1/2032 | 35,000 | 35,076 |
| | | 6,797,030 |
| Michigan 5.8% | | |
| Kalamazoo, MI, Economic Development Corp. Revenue, Heritage Community, 5.375%, 5/15/2027 | 1,000,000 | 636,730 |
| Kalamazoo, MI, Industrial Development Revenue, Economic Development Corp., Series A, Prerefunded, 7.5%, 5/15/2029 | 2,000,000 | 2,190,020 |
| Royal Oak, MI, Hospital Finance Authority Revenue, William Beaumont Hospital, 8.25%, 9/1/2039 | 1,000,000 | 1,065,380 |
| Saginaw, MI, Hospital & Healthcare Revenue, Hospital Finance Authority, Covenant Medical Center, Series F, 6.5%, 7/1/2030 | 1,000,000 | 945,950 |
| Tawas City, MI, Hospital Finance Authority, St. Joseph Health Services: Series A, ETM, 5.6%, 2/15/2013 | 190,000 | 202,605 |
| Series A, ETM, 5.75%, 2/15/2023 | 1,300,000 | 1,317,251 |
| | | 6,357,936 |
| Minnesota 1.0% | | |
| Minneapolis, MN, Health Care Systems Revenue, Fairview Health Services, Series A, 6.75%, 11/15/2032 | 1,000,000 | 1,048,120 |
| Mississippi 1.2% | | |
| Lowndes County, MS, Solid Waste Disposal & Pollution Control Revenue, Weyerhaeuser Co. Project, Series A, 6.8%, 4/1/2022 | 250,000 | 200,565 |
| Mississippi, Business Finance Corp., Pollution Control Revenue, Systems Energy Resources, Inc. Project, 5.875%, 4/1/2022 | 1,000,000 | 823,390 |
| Warren County, MS, Gulf Opportunity Zone, International Paper Co., Series A, 6.5%, 9/1/2032 | 435,000 | 305,909 |
| | | 1,329,864 |
| Missouri 0.7% | | |
| Branson, MO, Regional Airport Transportation Development District, Airport Revenue, Series B, AMT, 6.0%, 7/1/2037 | 250,000 | 153,768 |

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| | | |
|---|-----------|-------------------|
| St. Louis, MO, Special Assessment Revenue, Scullin Redevelopment Area, Series A, 10.0%, 8/1/2010 | 535,000 | 560,054 |
| | | 713,822 |
| Nevada 9.4% | | |
| Clark County, NV, Industrial Development Revenue, Nevada Power Co. Project, Series B, AMT, 5.9%, 10/1/2030 | 1,665,000 | 1,212,270 |
| Clark County, NV, School District, General Obligation, Series A, 5.0%, 6/15/2022 (a) | 7,140,000 | 7,184,268 |
| Henderson, NV, Health Care Facility Revenue, Catholic Healthcare West, Series B, 5.25%, 7/1/2031 | 2,000,000 | 1,726,260 |
| Las Vegas, NV, Transportation/Tolls Revenue, Las Vegas Monorail Project, 3.688%, 1/1/2030 (b) | 2,000,000 | 160,000 |
| | | 10,282,798 |
| New Hampshire 5.2% | | |
| New Hampshire, Health & Education Facilities Authority Revenue, Dartmouth College Issue, 0.43% *, 6/1/2032 | 2,100,000 | 2,100,000 |
| New Hampshire, Higher Education Revenue, Health & Educational Facilities Authority, New Hampshire College Issue, Prerefunded, 7.4%, 1/1/2023 | 1,000,000 | 1,119,670 |
| New Hampshire, Hospital & Healthcare Revenue, Rivermead at Peterborough Retirement Community, 5.75%, 7/1/2028 | 1,500,000 | 1,022,355 |
| New Hampshire, State Business Finance Authority, Solid Waste Disposal Revenue, Waste Management, Inc. Project, AMT, 5.2%, 5/1/2027 | 1,750,000 | 1,409,432 |
| | | 5,651,457 |
| New Jersey 1.2% | | |
| New Jersey, Economic Development Authority Revenue, Cigarette Tax, 5.75%, 6/15/2034 | 290,000 | 211,532 |
| New Jersey, Health Care Facilities Financing Authority Revenue, St. Joseph's Health Care System, 6.625%, 7/1/2038 | 1,430,000 | 1,042,084 |
| | | 1,253,616 |
| New Mexico 2.1% | | |
| Farmington, NM, Pollution Control Revenue, 5.8%, 4/1/2022 | 2,750,000 | 2,267,182 |
| New York 17.3% | | |
| Long Island, NY, Power Authority, Electric System Revenue, Series E, 5.0%, 12/1/2021 (a) | 2,900,000 | 2,924,853 |
| Nassau County, NY, Industrial Development Agency, Continuing Care Retirement, Amsterdam at Harborside, Series A, 6.7%, 1/1/2043 | 1,000,000 | 758,680 |
| Nassau County, NY, Project Revenue, North Shore Healthcare Systems Project, Series B, 5.875%, 11/1/2011 | 365,000 | 384,261 |
| New York, Core City General Obligation, Series C, 7.0%, 2/1/2010 | 315,000 | 322,478 |
| New York, Sales & Special Tax Revenue, Metropolitan Transportation Authority, Series A, Prerefunded, 5.125%, 4/1/2019 (a) | 1,450,000 | 1,689,511 |
| New York, State General Obligation Lease, Higher Education Revenue, Dormitory Authority, State University, 5.125%, 5/15/2021 (a) | 1,515,000 | 1,517,984 |
| New York & New Jersey Port Authority, One Hundred Forty-Seventh, AMT, 5.0%, 10/15/2023 (a) | 8,260,000 | 8,011,044 |
| New York City, NY, Industrial Development Agency Revenue, Liberty-7, World Trade Center, Series A, 6.25%, 3/1/2015 | 2,000,000 | 1,705,360 |
| New York City, NY, Industrial Development Agency, Special Facility Revenue, American Airlines, JFK International Airport, AMT, 8.0%, 8/1/2028 | 2,000,000 | 1,545,120 |
| | | 18,859,291 |
| North Carolina 3.1% | | |
| North Carolina, Electric Revenue, Municipal Power Agency: | | |
| Series C, 5.375%, 1/1/2017 | 1,000,000 | 1,026,430 |
| Series B, 6.375%, 1/1/2013 | 1,300,000 | 1,345,396 |
| North Carolina, Medical Care Commission, Health Care Facilities Revenue, University Health Systems, Series D, 6.25%, 12/1/2033 | 1,000,000 | 1,035,710 |
| | | 3,407,536 |
| North Dakota 1.0% | | |

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| | | |
|--|-----------|-------------------|
| Grand Forks, ND, Hospital & Healthcare Revenue, Altru Health Care System, Prerefunded, 7.125%, 8/15/2024 | 1,000,000 | 1,095,580 |
| Ohio 4.3% | | |
| Buckeye, OH, Tobacco Settlement Financing Authority, Series A-2, 5.875%, 6/1/2030 | 7,350,000 | 4,661,443 |
| Pennsylvania 4.6% | | |
| Montgomery County, PA, Industrial Development Authority Revenue, Whitemarsh Continuing Care, 6.25%, 2/1/2035 | 600,000 | 362,844 |
| Montgomery County, PA, Senior Care Revenue, Higher Education & Health Authority, Philadelphia Geriatric Center, Series A, Prerefunded, 7.25%, 12/1/2027 | 2,000,000 | 2,131,220 |
| Pennsylvania, Hospital & Healthcare Revenue, Economic Development Financing Authority, UPMC Health System, Series A, 6.0%, 1/15/2031 | 750,000 | 758,325 |
| Philadelphia, Redevelopment Authority Revenue, First Lien Mortgage, Series A, 6.5%, 1/1/2029 | 596,400 | 596,621 |
| Westmoreland County, PA, Senior Care Revenue, Industrial Development Authority, Health Care Facilities-Redstone, Series B, Prerefunded, 8.125%, 11/15/2030 | 1,000,000 | 1,112,020 |
| | | 4,961,030 |
| Puerto Rico 3.3% | | |
| Commonwealth of Puerto Rico, Aqueduct & Sewer Authority Revenue, Series A, 6.0%, 7/1/2038 | 4,000,000 | 3,623,200 |
| South Carolina 6.2% | | |
| Hardeeville, SC, Assessment Revenue, Anderson Tract Municipal Improvement District, Series A, 7.75%, 11/1/2039 | 983,000 | 739,953 |
| South Carolina, Jobs Economic Development Authority Revenue, Bon Secours Health System: | | |
| Series A, Prerefunded, 5.625%, 11/15/2030 | 415,000 | 471,569 |
| Series B, 5.625%, 11/15/2030 | 1,585,000 | 1,388,840 |
| South Carolina, Jobs Economic Development Authority, Hospital Facilities Revenue, Palmetto Health Alliance: | | |
| Series C, Prerefunded, 7.0%, 8/1/2030 | 1,545,000 | 1,841,977 |
| Series A, Prerefunded, 7.375%, 12/15/2021 | 1,000,000 | 1,119,050 |
| South Carolina, Transportation Infrastructure Bank Revenue, Series A, Prerefunded, 5.375%, 10/1/2024 (a) | 1,150,000 | 1,194,804 |
| | | 6,756,193 |
| South Dakota 1.8% | | |
| South Dakota, Hospital & Healthcare Revenue, Sioux Valley Hospital, Series E, 5.375%, 11/1/2024 | 2,000,000 | 2,010,500 |
| Tennessee 2.9% | | |
| Clarksville, TN, Natural Gas Acquisition Corp., Gas Revenue: | | |
| 5.0%, 12/15/2017 | 500,000 | 404,955 |
| 5.0%, 12/15/2018 | 540,000 | 430,375 |
| Johnson City, TN, Hospital & Healthcare Revenue, Health & Educational Facilities Board Hospital, Series A, Prerefunded, 7.5%, 7/1/2033 | 2,000,000 | 2,284,420 |
| | | 3,119,750 |
| Texas 11.9% | | |
| Abilene, TX, Senior Care Revenue, Health Facilities Development, Sears Methodist Retirement Facilities, Series A, 5.9%, 11/15/2025 | 2,500,000 | 1,791,375 |
| Austin, TX, Bergstrom Landhost Enterprises, Inc., Airport Hotel Project, Series A, 6.75%, 4/1/2027 | 1,975,000 | 1,252,960 |
| Houston, TX, Transportation/Tolls Revenue, Special Facilities, Continental Airlines, Inc., Series E, AMT, 6.75%, 7/1/2029 | 2,000,000 | 1,421,820 |
| North Texas, Tollway Authority Revenue, Toll Second Tier, Series F, 5.75%, 1/1/2033 | 2,000,000 | 1,865,000 |
| Tarrant County, TX, Hospital & Healthcare Revenue, Health Facilities Development Corp., Prerefunded, 6.7%, 11/15/2030 | 1,000,000 | 1,097,700 |
| Texas, Industrial Development Revenue, Waste Disposal Authority, Series A, AMT, 6.1%, 8/1/2024 | 1,000,000 | 711,430 |
| | | |
| Texas, Lower Colorado River Authority Revenue, Series B, Prerefunded, 6.0%, 5/15/2013 (a) | 10,000 | 10,219 |
| Travis County, TX, Health Facilities Development Corp., Retirement Facility Revenue, Querencia Barton Creek Project, 5.65%, 11/15/2035 | 1,250,000 | 755,700 |
| Travis County, TX, Hospital & Healthcare Revenue, Ascension Health Credit, Series A, 6.0%, 11/15/2012 (a) | 3,860,000 | 4,015,172 |
| | | 12,921,376 |
| Virgin Islands 2.8% | | |
| Virgin Islands, Sales & Special Tax Revenue, Public Finance Authority, Series A, 6.375%, 10/1/2019 | 3,000,000 | 3,009,480 |

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Washington 1.8%

| | | |
|--|-----------|------------------|
| Washington, State Health Care Facilities Authority Revenue, Series C, 5.375%, 8/15/2028 (a) | 595,000 | 431,744 |
| Washington, State Health Care Facilities Authority Revenue, Virginia Mason Medical Center, Series A, 6.125%, 8/15/2037 | 2,000,000 | 1,549,660 |
| | | 1,981,404 |

West Virginia 2.0%

| | | |
|--|-----------|------------------|
| West Virginia, Hospital Finance Authority Revenue, Charleston Medical Center, Prerefunded, 6.75%, 9/1/2022 | 2,000,000 | 2,178,500 |
|--|-----------|------------------|

Wisconsin 1.5%

| | | |
|--|-----------|------------------|
| Wisconsin, Hospital & Healthcare Revenue, Health & Education Facilities Authority, Aurora Health Care, Inc., 6.875%, 4/15/2030 | 1,000,000 | 881,900 |
| Wisconsin, State Health & Educational Facilities Authority Revenue, Aurora Health Care, Inc., Series A, 5.6%, 2/15/2029 | 1,040,000 | 795,236 |
| | | 1,677,136 |

Total Municipal Bonds and Notes (Cost \$183,949,488)

170,051,454

Municipal Inverse Floating Rate Notes (c) 14.8%

California 3.8%

| | | |
|---|-----------|------------------|
| San Diego County, CA, Water Authority Revenue, Certificates of Participation, Series 2008-A, | | |
| 5.0%, 5/1/2027 (a) (d) | 2,121,349 | 2,129,333 |
| San Diego County, CA, Water Authority Revenue, Certificates of Participation, Series 2008-A, | | |
| 5.0%, 5/1/2028 (a) (d) | 1,930,312 | 1,937,576 |
| <i>Trust: San Diego County, CA, Water Utility Improvements, Certificates of Participation, Series 2008-1104, 144A, 8.723%, 5/1/2027, Leverage Factor at purchase date: 2 to 1</i> | | 4,066,909 |

New York 5.3%

| | | |
|---|-----------|------------------|
| New York, State Dormitory Authority, State Personal Income Tax Revenue, Series A, 5.0%, | | |
| 3/15/2023 (d) | 5,535,000 | 5,782,404 |
| <i>Trust: New York, State Dormitory Authority Revenues, Secondary Issues, Series 1955-2, 144A, 17.704%, 3/15/2023, Leverage Factor at purchase date: 4 to 1</i> | | |

Tennessee 5.7%

| | | |
|--|-----------|-------------------|
| Nashville & Davidson County, TN, Metropolitan Government, 5.0%, 1/1/2024 (d) | 5,918,585 | 6,242,764 |
| <i>Trust: Nashville & Davidson County, TN, Metropolitan Government, Series 2631-1, 144A, 17.356%, 1/1/2024, Leverage Factor at purchase date: 4 to 1</i> | | |
| Total Municipal Inverse Floating Rate Notes (Cost \$15,914,004) | | 16,092,077 |

| | % of | |
|--|------------|---------------------|
| | Net Assets | Value (\$) |
| Total Investment Portfolio (Cost \$199,863,492) | 170.9 | 186,143,531 |
| Other Assets and Liabilities, Net | (6.6) | (7,233,078) |
| Preferred Shares, at Redemption Value | (64.3) | (70,000,000) |
| Net Assets Applicable to Common Shareholders | 100.0 | 108,910,453 |

For information on the Fund's policies regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent semi-annual or annual financial statements.

* Variable rate demand notes are securities whose interest rates are reset periodically at market levels. These securities are often payable on demand and are shown at their current rates as of February 28, 2009. The cost for federal income tax purposes was \$199,343,075. At February 28, 2009, net unrealized depreciation for all securities based on tax cost was \$13,199,544. This consisted of aggregate gross unrealized depreciation for all securities in which there was an excess of value over tax cost of \$8,613,178 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$21,812,722.

(a) Bond is insured by one of these companies:

| | As a % of Total |
|-----------------------------|----------------------|
| | Investment Portfolio |
| Insurance Coverage | |
| Ambac Financial Group, Inc. | 0.6 |
| Assured Guaranty Corp. | 0.8 |

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|------------------------------------|------|
| Financial Guaranty Insurance Co. | 10.5 |
| Financial Security Assurance, Inc. | 3.1 |
| MBIA Corp. | 2.2 |
| Radian | 0.2 |

(b) *Partial interest paying security. The rate shown represents 50% of the original coupon rate.*

(c) *Securities represent the underlying municipal obligations of inverse floating rate obligations held by the Fund.*

(d) *Security forms part of the below tender option bond trust. Principal Amount and Value shown take into account the leverage factor.*

144A: Security 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.

AMT: Subject to alternative minimum tax.

ETM: Bonds bearing the description ETM (escrow to maturity) are collateralized usually by US Treasury securities which are held in escrow and used to pay principal and interest on bonds so designated.

Prerefunded: Bonds which are prerefunded are collateralized usually by US Treasury securities which are held in escrow and used to pay principal and interest on tax-exempt issues and to retire the bonds in full at the earliest refunding date.

Fair Value Measurements

Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements, establishes a three-tier hierarchy for measuring fair value and requires additional disclosure about the classification of fair value measurements.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of February 28, 2009 in valuing the Fund's investments. Please see below for information on the Fund's policy regarding valuation inputs, and their aggregate levels used in the table below:

| Valuation Inputs | Investments in Securities |
|-------------------------|----------------------------------|
| Level 1 | \$ - |
| Level 2 | 186,143,531 |
| Level 3 | - |
| Total | \$ 186,143,531 |

ITEM 2. CONTROLS AND PROCEDURES

(a) The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) There have been no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

ITEM 3. EXHIBITS

Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is filed and attached hereto as Exhibit 99.CERT.

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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.

Registrant: DWS Strategic Municipal Income Trust

By: /s/Michael G. Clark
Michael G. Clark
President

Date: April 22, 2009

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.

Registrant: DWS Strategic Municipal Income Trust

By: /s/Michael G. Clark
Michael G. Clark
President

Date: April 22, 2009

By: /s/Paul Schubert
Paul Schubert
Chief Financial Officer and Treasurer

Date: April 22, 2009