

DWS STRATEGIC MUNICIPAL INCOME TRUST  
Form N-Q  
October 27, 2011

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM N-Q  
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

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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  
100 Plaza One  
Jersey City, NJ 07311  
(Name and address of agent for service)

Registrant's telephone number, including area code: (201) 593-6408

Date of fiscal year end: 11/30

Date of reporting period: 8/31/2011

ITEM 1. SCHEDULE OF INVESTMENTS

**Investment Portfolio** as of August 31, 2011 (Unaudited)

DWS Strategic Municipal Income Trust

|  | Principal<br>Amount (\$) | Value (\$) |
|--|--------------------------|------------|
| Municipal Bonds and Notes 144.1%   |                          |            |
| Alabama 0.6%   |                          |            |
| Sylacauga, AL, Health Care Authority Revenue, Coosa Valley<br>Medical Center, Series A, 6.0%, 8/1/2035 | 1,000,000                | 851,910    |
| Arizona 2.3%   |                          |            |

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|   |           |            |
|---|-----------|------------|
| Arizona, Project Revenue, Health Facilities Authority, The New Foundation Project, 8.25%, 3/1/2019  | 1,405,000 | 1,406,082  |
| Maricopa County, AZ, Pollution Control Corp. Revenue, El Paso Electric Co. Project, Series B, 7.25%, 4/1/2040                               | 1,570,000 | 1,775,780  |
|   |           | 3,181,862  |
| California 14.1%  |           |            |
| California, Health Facilities Financing Authority Revenue, Catholic Healthcare West, Series A, 6.0%, 7/1/2034                               | 1,000,000 | 1,070,100  |
| California, M-S-R Energy Authority, Series B, 7.0%, 11/1/2034   | 1,310,000 | 1,474,641  |
| California, Morongo Band of Mission Indians, Enterprise Casino Revenue, Series B, 144A, 6.5%, 3/1/2028                                      | 1,000,000 | 940,830    |
| California, South Bayside Waste Management Authority, Solid Waste Enterprise, Shoreway Environmental, Series A, 6.25%, 9/1/2029             | 1,425,000 | 1,490,607  |
| California, Special Assessment Revenue, Golden State Tobacco Securitization Corp., Series 2003-A-1, Prerefunded, 6.75%, 6/1/2039            | 4,000,000 | 4,437,840  |
| California, State General Obligation:   |           |            |
| 5.5%, 3/1/2040  | 1,000,000 | 1,041,660  |
| 5.75%, 4/1/2031   | 1,000,000 | 1,087,210  |
| 6.0%, 4/1/2038  | 1,000,000 | 1,091,740  |
| 6.5%, 4/1/2033  | 1,950,000 | 2,252,991  |
| California, State Public Works Board Lease Revenue, Capital Projects, Series I-1, 6.375%, 11/1/2034   | 1,000,000 | 1,087,340  |
| California, State Public Works Board Lease Revenue, Riverside Campus Project, Series B, 6.125%, 4/1/2028                                    | 2,000,000 | 2,176,620  |
| Sacramento County, CA, Sales & Special Tax Revenue, Bradshaw Road Project, 7.2%, 9/2/2015   | 545,000   | 553,208    |
| San Buenaventura, CA, Community Memorial Health Systems, 7.5%, 12/1/2041  | 500,000   | 496,365    |
|   |           | 19,201,152 |
| Colorado 0.5%   |           |            |
| Colorado, Public Energy Authority, Natural Gas Purchased Revenue, 6.25%, 11/15/2028, GTY: Merrill Lynch & Co., Inc.                         | 635,000   | 656,222    |
| Connecticut 3.7%  |           |            |
| Connecticut, Harbor Point Infrastructure Improvement District, Special Obligation Revenue, Harbor Point Project, Series A, 7.875%, 4/1/2039 | 2,000,000 | 2,188,620  |
| Greenwich, CT, Multi-Family Housing Revenue, 6.35%, 9/1/2027  | 2,000,000 | 1,917,560  |
| Mashantucket, CT, Mashantucket Western Pequot Tribe, Special Revenue, Series A, 144A, 6.5%, 9/1/2031 *                                      | 705,000   | 233,397    |
| Mashantucket, CT, Sports Expo & Entertainment Revenue, Mashantucket Western Pequot Tribe:   |           |            |
| Series B, 144A, Zero Coupon, 9/1/2017 *   | 2,000,000 | 451,600    |
| Series B, 144A, Zero Coupon, 9/1/2018 *   | 1,000,000 | 212,720    |
|   |           | 5,003,897  |

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|   |           |            |
|---|-----------|------------|
| Florida 9.8%  |           |            |
| Florida, Capital Region Community Development District, Capital Improvement Revenue, Series A, 7.0%, 5/1/2039   | 490,000   | 411,194    |
| Florida, Middle Village Community Development District, Special Assessment, Series A, 6.0%, 5/1/2035  | 1,000,000 | 909,680    |
| Florida, Tolomato Community Development District, Special Assessment:   |           |            |
| 5.4%, 5/1/2037  | 1,875,000 | 1,430,850  |
| 6.55%, 5/1/2027   | 850,000   | 566,287    |
| Hillsborough County, FL, Industrial Development Authority Revenue, Health Facilities, University Community Hospital, Series A, Prerefunded, 5.625%, 8/15/2029 | 1,875,000 | 2,369,606  |
| Miami Beach, FL, Health Facilities Authority Hospital Revenue, Mount Sinai Medical Center, 144A, 6.75%, 11/15/2029  | 1,600,000 | 1,611,472  |
| Miami-Dade County, FL, Aviation Revenue, Series A, 5.5%, 10/1/2041  | 3,000,000 | 3,078,540  |
| Orlando & Orange County, FL, Expressway Authority Revenue, Series C, 5.0%, 7/1/2035   | 1,080,000 | 1,097,280  |
| Orlando, FL, Greater Aviation Authority, Airport Facilities Revenue, Jet Blue Airways Corp., AMT, 6.5%, 11/15/2036  | 1,000,000 | 952,950    |
| Orlando, FL, Special Assessment Revenue, Conroy Road Interchange Project, Series A, 5.8%, 5/1/2026  | 960,000   | 938,160    |
|   |           | 13,366,019 |
| Georgia 5.7%  |           |            |
| Americus-Sumter County, GA, Hospital & Healthcare Revenue, Hospital Authority, South Georgia Methodist, Series A, 6.375%, 5/15/2029                           | 1,250,000 | 1,115,363  |
| Atlanta, GA, Tax Allocation, Beltline Project, Series B, 7.375%, 1/1/2031   | 1,000,000 | 1,029,160  |
| Atlanta, GA, Water & Wastewater Revenue, Series A, 6.25%, 11/1/2034   | 2,000,000 | 2,206,660  |
| Gainesville & Hall County, GA, Development Authority Retirement Community Revenue, ACTS Retirement, Life Community, Series A-2, 6.625%, 11/15/2039            | 1,000,000 | 1,045,190  |
| Georgia, Main Street Natural Gas, Inc., Gas Project Revenue, Series A, 5.5%, 9/15/2024  | 1,220,000 | 1,194,075  |
| Georgia, Medical Center Hospital Authority Revenue, Anticipation Certificates, Columbus Regional Healthcare System, 6.5%, 8/1/2038, INS: AGC                  | 1,000,000 | 1,095,000  |
|   |           | 7,685,448  |
| Guam 2.2%   |           |            |
| Guam, Government General Obligation, Series A, 7.0%, 11/15/2039   | 1,000,000 | 1,032,500  |
| Guam, Government Waterworks Authority, Water & Wastewater System Revenue, 6.0%, 7/1/2025  | 1,000,000 | 1,003,630  |
| Guam, Power Authority Revenue, Series A, 5.5%, 10/1/2030  | 1,000,000 | 973,460    |
|   |           | 3,009,590  |
| Hawaii 0.4%   |           |            |

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| Hawaii, State Department of Budget & Finance, Special Purpose Revenue, Hawaiian Electric Co., Inc., 6.5%, 7/1/2039, GTY:<br>Hawaiian Electric Co., Inc.          | 500,000   | 532,080    |
| Idaho 0.3%   |           |            |
| Idaho, Health Facilities Authority Revenue, St. Luke's Regional Medical Center, 6.75%, 11/1/2037   | 305,000   | 336,985    |
| Illinois 8.6%  |           |            |
| Chicago, IL, O'Hare International Airport Revenue, Series B, 6.0%, 1/1/2041  | 2,000,000 | 2,173,980  |
| Illinois, Finance Authority Revenue, Elmhurst Memorial Healthcare, Series A, 5.625%, 1/1/2037  | 3,000,000 | 2,787,960  |
| Illinois, Finance Authority Revenue, Friendship Village of Schaumburg, Series A, 5.625%, 2/15/2037   | 2,000,000 | 1,599,480  |
| Illinois, Finance Authority Revenue, Park Place of Elmhurst, Series A, 8.0%, 5/15/2030   | 1,000,000 | 974,330    |
| Illinois, Finance Authority Revenue, Roosevelt University Project, 6.5%, 4/1/2044  | 1,000,000 | 1,040,680  |
| Illinois, Finance Authority Revenue, The Admiral at Lake Project, Series A, 8.0%, 5/15/2040  | 1,000,000 | 1,008,520  |
| Illinois, Finance Authority Revenue, Three Crowns Park Plaza, Series A, 5.875%, 2/15/2038  | 1,000,000 | 887,120    |
| Illinois, Railsplitter Tobacco Settlement Authority, 6.0%, 6/1/2028  | 365,000   | 374,165    |
| Illinois, Upper River Valley Development Authority, Solid Waste Disposal Revenue, Waste Recovery Project, AMT, 5.9%, 2/1/2014, GTY: GreenGold Ray Energies, Inc. | 630,000   | 640,634    |
| University Park, IL, Sales & Special Tax Revenue, Governors Gateway Industrial Park, 8.5%, 12/1/2011   | 225,000   | 226,022    |
|  |           | 11,712,891 |
| Indiana 1.1%   |           |            |
| Indiana, Finance Authority Hospital Revenue, Deaconess Hospital Obligation, Series A, 6.75%, 3/1/2039  | 525,000   | 574,665    |
| Vigo County, IN, Hospital Authority Revenue, Union Hospital, Inc., 144A, 5.7%, 9/1/2037  | 1,000,000 | 887,490    |
|  |           | 1,462,155  |
| Iowa 1.4%  |           |            |
| Cedar Rapids, IA, First Mortgage Revenue, Cottage Grove Place, Series A, 5.875%, 7/1/2028  | 1,670,000 | 1,061,736  |
| Iowa, Finance Authority Retirement Community Revenue, Edgewater LLC Project, 6.5%, 11/15/2027  | 1,000,000 | 865,750    |
|  |           | 1,927,486  |
| Kansas 1.1%  |           |            |
| Lenexa, KS, Health Care Facility Revenue, Lakeview Village, Inc. Project, 7.25%, 5/15/2039   | 300,000   | 283,599    |
| Wyandotte County, KS, Unified Government Special Obligation Revenue, Sales Tax, Series B, 5.0%, 12/1/2020  | 1,160,000 | 1,200,728  |
|  |           | 1,484,327  |
| Kentucky 4.4%  |           |            |

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| Kentucky, Economic Development Finance Authority, Health System Revenue, Norton Healthcare, Series A, 6.625%, 10/1/2028   | 215,000   | 215,215   |
| Kentucky, Economic Development Finance Authority, Hospital Facilities Revenue, Owensboro Medical Health Systems, Series A, 6.5%, 3/1/2045   | 2,000,000 | 2,045,220 |
| Kentucky, Economic Development Finance Authority, Louisville Arena Project Revenue, Series A-1, 6.0%, 12/1/2033, INS: AGC Louisville & Jefferson County, KY, Metropolitan Government        | 365,000   | 386,732   |
| Health Systems Revenue, Norton Healthcare, Inc., 5.0%, 10/1/2030  | 3,425,000 | 3,294,473 |
|   |           | 5,941,640 |
| Louisiana 4.2%  |           |           |
| Louisiana, Local Government Environmental Facilities, Community Development Authority Revenue, 6.75%, 11/1/2032   | 1,000,000 | 1,030,610 |
| Louisiana, St. John Baptist Parish Revenue, Marathon Oil Corp., Series A, 5.125%, 6/1/2037  | 1,500,000 | 1,430,820 |
| Morehouse Parish, LA, Pollution Control Revenue, International Paper Co. Project, Series A, 5.25%, 11/15/2013   | 3,000,000 | 3,203,820 |
|   |           | 5,665,250 |
| Maine 0.7%  |           |           |
| Maine, Health & Higher Educational Facilities Authority Revenue, Maine General Medical Center, 6.75%, 7/1/2036  | 1,000,000 | 1,005,580 |
| Maryland 4.4%   |           |           |
| Maryland, Economic Development Corp., Pollution Control Revenue, Potomac Electric Power Co., 6.2%, 9/1/2022   | 1,500,000 | 1,780,350 |
| Maryland, State Economic Development Corp. Revenue, Senior Lien Project, Chesapeake Bay:  |           |           |
| Series A, 5.0%, 12/1/2031   | 1,000,000 | 616,950   |
| Series B, 5.25%, 12/1/2031  | 1,000,000 | 647,970   |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Anne Arundel Health Systems, Series A, 6.75%, 7/1/2039  | 500,000   | 561,260   |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Washington County Hospital:   |           |           |
| 5.75%, 1/1/2033   | 1,000,000 | 999,910   |
| 6.0%, 1/1/2028  | 1,385,000 | 1,419,265 |
|   |           | 6,025,705 |
| Massachusetts 6.3%  |           |           |
| Massachusetts, Development Finance Agency, Senior Living Facility Revenue, Groves-Lincoln:  |           |           |
| Series A, 7.75%, 6/1/2039   | 250,000   | 252,485   |
| Series A, 7.875%, 6/1/2044  | 250,000   | 253,605   |
| Massachusetts, Hospital & Healthcare Revenue, Health & Educational Facilities Authority, Civic Investments, Series A, Prerefunded, 9.0%, 12/15/2015, GTY: Harvard Pilgrim Health Care, Inc. | 1,400,000 | 1,544,088 |
| Massachusetts, Industrial Development Revenue, Development Finance Agency, Series A, 7.1%, 7/1/2032   | 1,760,000 | 1,534,843 |
| Massachusetts, Project Revenue, Health & Educational Facilities Authority, Jordan Hospital, Series E, 6.75%, 10/1/2033  | 1,790,000 | 1,756,670 |

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| Massachusetts, State Development Finance Agency Revenue,<br>Linden Ponds, Inc. Facility, Series A, 5.75%, 11/15/2035                     | 2,700,000 | 1,506,735 |
| Massachusetts, State General Obligation, Series B, 0.14% **,<br>3/1/2026, SPA: Bank of America NA  | 400,000   | 400,000   |
| Massachusetts, State Health & Educational Facilities Authority<br>Revenue, Amherst College, Series J-1, 0.17% **, 11/1/2035              | 395,000   | 395,000   |
| Massachusetts, State Health & Educational Facilities Authority<br>Revenue, Milford Regional Medical Center, Series E, 5.0%,<br>7/15/2037 | 950,000   | 802,864   |
| Massachusetts, State Health & Educational Facilities Authority<br>Revenue, Partners Healthcare Systems, Series C, 5.75%, 7/1/2032        | 35,000    | 35,340    |
|  |           | 8,481,630 |
| Michigan 5.2%  |           |           |
| Kalamazoo, MI, Economic Development Corp. Revenue, Limited<br>Obligation, Heritage Community, 5.5%, 5/15/2036                            | 1,000,000 | 775,540   |
| Kentwood, MI, Economic Development, Limited Obligation,<br>Holland Home, Series A, 5.375%, 11/15/2036                                    | 2,000,000 | 1,609,460 |
| Michigan, State Building Authority Revenue, Facilities Program,<br>Series I-A, 5.5%, 10/15/2045  | 2,000,000 | 2,076,940 |
| Royal Oak, MI, Hospital Finance Authority Revenue, William<br>Beaumont Hospital, 8.25%, 9/1/2039   | 1,000,000 | 1,163,680 |
| Tawas City, MI, Hospital Finance Authority, St. Joseph Health<br>Services:   |           |           |
| Series A, ETM, 5.6%, 2/15/2013   | 100,000   | 102,656   |
| Series A, ETM, 5.75%, 2/15/2023  | 1,300,000 | 1,305,772 |
|  |           | 7,034,048 |
| Minnesota 0.8%   |           |           |
| Minneapolis, MN, Health Care Systems Revenue, Fairview Health<br>Services, Series A, 6.75%, 11/15/2032                                   | 1,000,000 | 1,107,240 |
| Mississippi 1.3%   |           |           |
| Lowndes County, MS, Solid Waste Disposal & Pollution Control<br>Revenue, Weyerhaeuser Co. Project, Series A, 6.8%, 4/1/2022              | 250,000   | 266,615   |
| Mississippi, Business Finance Corp., Pollution Control Revenue,<br>Systems Energy Resources, Inc. Project, 5.875%, 4/1/2022              | 1,000,000 | 999,900   |
| Warren County, MS, Gulf Opportunity, International Paper Co.,<br>Series A, 6.5%, 9/1/2032  | 435,000   | 462,379   |
|  |           | 1,728,894 |
| Missouri 2.2%  |           |           |
| Kirkwood, MO, Industrial Development Authority, Retirement<br>Community Revenue, Aberdeen Heights, Series C-3, 6.5%,<br>5/15/2015        | 825,000   | 826,023   |
| Missouri, State Health & Educational Facilities Authority Revenue,<br>Lutheran Senior Services, Series C, 5.0%, 2/1/2042                 | 2,000,000 | 1,714,340 |
| St. Louis, MO, Lambert-St. Louis International Airport Revenue,<br>Series A-1, 6.625%, 7/1/2034  | 415,000   | 445,988   |
|  |           | 2,986,351 |
| Nevada 5.6%  |           |           |

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|---|-----------|------------|
| Clark County, NV, School District, Series A, 5.0%, 6/15/2022, INS: FGIC, NATL   | 5,140,000 | 5,602,394  |
| Henderson, NV, Health Care Facility Revenue, Catholic Healthcare West, Series B, 5.25%, 7/1/2031  | 2,000,000 | 2,006,820  |
| Nevada, Director State Department of Business & Industry, Las Vegas Monorail Project, Second Tier, 7.375%, 1/1/2030 *   | 2,000,000 | 3,000      |
|   |           | 7,612,214  |
| New Hampshire 2.3%  |           |            |
| New Hampshire, Hospital & Healthcare Revenue, Rivermead at Peterborough Retirement Community, 5.75%, 7/1/2028   | 1,500,000 | 1,293,510  |
| New Hampshire, State Business Finance Authority, Solid Waste Disposal Revenue, Waste Management, Inc. Project, AMT, 5.2%, 5/1/2027                            | 1,750,000 | 1,765,558  |
|   |           | 3,059,068  |
| New Jersey 3.3%   |           |            |
| New Jersey, Economic Development Authority Revenue, Cigarette Tax, 5.75%, 6/15/2034   | 290,000   | 270,480    |
| New Jersey, Health Care Facilities Financing Authority Revenue, St. Joseph's Health Care System, 6.625%, 7/1/2038   | 1,430,000 | 1,406,062  |
| New Jersey, Tobacco Settlement Financing Corp., Series 1-A, 4.75%, 6/1/2034   | 4,280,000 | 2,829,380  |
|   |           | 4,505,922  |
| New York 10.0%  |           |            |
| Nassau County, NY, Project Revenue, North Shore Healthcare Systems Project, Series B, 5.875%, 11/1/2011   | 130,000   | 130,701    |
| New York & New Jersey Port Authority, One Hundred Forty-Seventh, AMT, 5.0%, 10/15/2023, INS: FGIC, NATL   | 8,260,000 | 8,628,726  |
| New York & New Jersey Port Authority, Special Obligation Revenue, JFK International Air Terminal LLC, 6.0%, 12/1/2042   | 680,000   | 691,410    |
| New York City, NY, Industrial Development Agency Revenue, Liberty-7, World Trade Center, Series A, 6.25%, 3/1/2015  | 2,000,000 | 2,007,840  |
| New York City, NY, Industrial Development Agency, Special Facility Revenue, American Airlines, JFK International Airport, AMT, 8.0%, 8/1/2028, GTY: AMR Corp. | 2,000,000 | 2,047,600  |
|   |           | 13,506,277 |
| North Carolina 1.6%   |           |            |
| North Carolina, Electric Revenue, Municipal Power Agency, Series C, 5.375%, 1/1/2017  | 1,000,000 | 1,045,370  |
| North Carolina, Medical Care Commission, Health Care Facilities Revenue, University Health Systems, Series D, 6.25%, 12/1/2033                                | 1,000,000 | 1,097,430  |
|   |           | 2,142,800  |
| Pennsylvania 3.0%   |           |            |
| Butler County, PA, Hospital Authority Revenue, Butler Health Systems Project, 7.25%, 7/1/2039   | 2,000,000 | 2,188,180  |
| Montgomery County, PA, Industrial Development Authority Revenue, Whitmarsh Continuing Care, 6.25%, 2/1/2035   | 600,000   | 502,830    |

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| Philadelphia, Redevelopment Authority Revenue, First Lien Mortgage, Series A, 6.5%, 1/1/2029   | 557,900   | 558,530    |
| Westmoreland County, PA, Industrial Development Authority Revenue, Retirement Community-Redstone, Series A, 5.875%, 1/1/2032                             | 1,000,000 | 867,670    |
|  |           | 4,117,210  |
| Puerto Rico 8.2%   |           |            |
| Commonwealth of Puerto Rico, Aqueduct & Sewer Authority Revenue, Series A, 6.0%, 7/1/2038  | 4,000,000 | 4,015,160  |
| Commonwealth of Puerto Rico, Highway & Transportation Authority Revenue, Series L, 5.25%, 7/1/2038, INS: AMBAC   | 1,300,000 | 1,197,404  |
| Puerto Rico, Public Buildings Authority Revenue, Series Q, 5.625%, 7/1/2039  | 1,000,000 | 977,910    |
| Puerto Rico, Sales Tax Financing Corp., Sales Tax Revenue: Series A, 5.375%, 8/1/2039  | 1,000,000 | 1,008,710  |
| Series A, 6.5%, 8/1/2044   | 2,000,000 | 2,189,940  |
| Puerto Rico, Sales Tax Financing Corp., Sales Tax Revenue, Convertible Capital Appreciation, Series A, Step-up Coupon, 0% to 8/1/2016, 6.75% to 8/1/2032 | 2,000,000 | 1,722,860  |
|  |           | 11,111,984 |
| South Carolina 1.9%  |           |            |
| Hardeeville, SC, Assessment Revenue, Anderson Tract Municipal Improvement District, Series A, 7.75%, 11/1/2039   | 983,000   | 819,094    |
| South Carolina, Jobs Economic Development Authority Revenue, Bon Secours Health System, Series B, 5.625%, 11/15/2030                                     | 1,585,000 | 1,585,301  |
| South Carolina, Jobs Economic Development Authority, Hospital Facilities Revenue, Palmetto Health Alliance, Series C, Prerefunded, 7.0%, 8/1/2030        | 170,000   | 191,303    |
|  |           | 2,595,698  |
| South Dakota 1.5%  |           |            |
| South Dakota, Hospital & Healthcare Revenue, Sioux Valley Hospital, Series E, 5.375%, 11/1/2024  | 2,000,000 | 2,062,360  |
| Tennessee 3.2%   |           |            |
| Clarksville, TN, Natural Gas Acquisition Corp., Gas Revenue: 5.0%, 12/15/2017  | 500,000   | 515,535    |
| 5.0%, 12/15/2018   | 540,000   | 542,268    |
| Johnson City, TN, Health & Educational Facilities Board Hospital Revenue, Mountain States Health Alliance, Series A, 7.75%, 7/1/2038                     | 1,000,000 | 1,133,530  |
| Johnson City, TN, Hospital & Healthcare Revenue, Health & Educational Facilities Board Hospital, Series A, Prerefunded, 7.5%, 7/1/2033                   | 2,000,000 | 2,153,700  |
|  |           | 4,345,033  |
| Texas 13.3%  |           |            |
| Abilene, TX, Senior Care Revenue, Health Facilities Development, Sears Methodist Retirement Facilities, Series A, 5.9%, 11/15/2025                       | 2,500,000 | 2,005,500  |
|  | 1,960,000 | 1,100,266  |



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| Austin, TX, Austin-Bergstrom Landhost Enterprises, Inc., Airport Hotel Project, Series A, 3.375%, 4/1/2027 (a)                                  |           |            |
| Brazos River, TX, Harbor Navigation District, Brazoria County Environmental Health, Dow Chemical Co. Project:                                   |           |            |
| Series B-2, 4.95%, 5/15/2033  | 1,000,000 | 954,980    |
| Series A-3, AMT, 5.125%, 5/15/2033  | 1,000,000 | 976,250    |
| Central Texas, Regional Mobility Authority Revenue, Senior Lien, 6.0%, 1/1/2041   | 545,000   | 523,832    |
| Houston, TX, Transportation/Tolls Revenue, Special Facilities, Continental Airlines, Inc., Series E, AMT, 6.75%, 7/1/2029                       | 2,000,000 | 1,966,020  |
| Matagorda County, TX, Navigation District No. 1, Pollution Control Revenue, AEP Texas Central Co. Project, Series A, 4.4%, 5/1/2030, INS: AMBAC | 2,250,000 | 2,073,397  |
| North Texas, Tollway Authority Revenue, Toll Second Tier, Series F, 5.75%, 1/1/2033   | 2,000,000 | 2,032,140  |
| San Antonio, TX, Convention Center Hotel Finance Corp., Contract Revenue, Empowerment Zone, Series A, AMT, 5.0%, 7/15/2039, INS: AMBAC          | 1,000,000 | 861,130    |
| Tarrant County, TX, Cultural Education Facilities Finance Corp., Retirement Facility, Mirador Project, Series A, 8.25%, 11/15/2044              | 1,000,000 | 1,007,780  |
| Texas, Industrial Development Revenue, Waste Disposal Authority, Series A, AMT, 6.1%, 8/1/2024  | 1,000,000 | 1,012,650  |
| Texas, Love Field Airport Modernization Corp., Special Facilities Revenue, Southwest Airlines Co. Project, 5.25%, 11/1/2040                     | 1,055,000 | 994,928    |
| Texas, SA Energy Acquisition Public Facility Corp., Gas Supply Revenue, 5.5%, 8/1/2020  | 2,000,000 | 2,066,380  |
| Travis County, TX, Health Facilities Development Corp. Revenue, Westminster Manor Health, 7.125%, 11/1/2040                                     | 510,000   | 519,017    |
|   |           | 18,094,270 |
| Virgin Islands 2.2%   |           |            |
| Virgin Islands, Sales & Special Tax Revenue, Public Finance Authority, Series A, 6.375%, 10/1/2019  | 3,000,000 | 3,006,030  |
| Virginia 1.1%   |           |            |
| Washington County, VA, Industrial Development Authority, Hospital Facility Revenue, Mountain States Health Alliance, Series C, 7.75%, 7/1/2038  | 1,370,000 | 1,549,402  |
| Washington 1.9%   |           |            |
| Washington, State Health Care Facilities Authority Revenue, Series C, 5.375%, 8/15/2028, INS: Radian  | 595,000   | 581,083    |
| Washington, State Health Care Facilities Authority Revenue, Virginia Mason Medical Center, Series A, 6.125%, 8/15/2037                          | 2,000,000 | 1,990,920  |
|   |           | 2,572,003  |
| Wisconsin 3.7%  |           |            |
| Wisconsin, Hospital & Healthcare Revenue, Health & Educational Facilities Authority, Aurora Health Care, Inc., 6.875%, 4/15/2030                | 1,000,000 | 1,032,100  |
| Wisconsin, State Health & Educational Facilities Authority Revenue, Aurora Health Care, Inc., Series A, 5.6%, 2/15/2029                         | 1,000,000 | 1,000,230  |
| Wisconsin, State Health & Educational Facilities Authority Revenue, Prohealth Care, Inc. Obligation Group, 6.625%,                              | 1,110,000 | 1,191,807  |

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2/15/2039

|  |           |           |
|--|-----------|-----------|
| Wisconsin, State Health & Educational Facilities Authority<br>Revenue, Thedacare, Inc., Series A, 5.5%, 12/15/2038 | 1,765,000 | 1,794,193 |
|--|-----------|-----------|

5,018,330

|  |  |             |
|--|--|-------------|
| Total Municipal Bonds and Notes (Cost \$187,108,822) |  | 195,686,963 |
|--|--|-------------|

Municipal Inverse Floating Rate Notes (b) 12.6%

California 3.2%

|  |           |           |
|--|-----------|-----------|
| San Diego County, CA, Water Authority Revenue, Certificates of Participation, Series 2008-A, 5.0%, 5/1/2027, INS: AGMC (c) | 2,121,349 | 2,273,398 |
|--|-----------|-----------|

|  |           |           |
|--|-----------|-----------|
| San Diego County, CA, Water Authority Revenue, Certificates of Participation, Series 2008-A, 5.0%, 5/1/2028, INS: AGMC (c) | 1,930,312 | 2,068,668 |
|--|-----------|-----------|

Trust: San Diego County, CA, Water Utility Improvements, Certificates of Participation, Series 2008-1104, 144A, 9.203%, 5/1/2027, Leverage Factor at purchase date: 2 to 1

4,342,066

New York 4.6%

|   |           |           |
|---|-----------|-----------|
| New York, State Dormitory Authority, State Personal Income Tax Revenue, Series A, 5.0%, 3/15/2023 (c) | 5,535,000 | 6,224,689 |
|---|-----------|-----------|

Trust: New York, State Dormitory Authority Revenue, Secondary Issues, Series 1955-2, 144A, 17.854%, 3/15/2023, Leverage Factor at purchase date: 4 to 1

Tennessee 4.8%

|  |           |           |
|--|-----------|-----------|
| Nashville & Davidson County, TN, Metropolitan Government, 5.0%, 1/1/2024 (c) | 5,918,585 | 6,620,223 |
|--|-----------|-----------|

Trust: Nashville & Davidson County, TN, Metropolitan Government, Series 2631-1, 144A, 17.866%, 1/1/2024, Leverage Factor at purchase date: 4 to 1

|   |  |            |
|---|--|------------|
| Total Municipal Inverse Floating Rate Notes (Cost \$15,901,472) |  | 17,186,978 |
|---|--|------------|

|   | % of<br>Net Assets | Value (\$)   |
|---|--------------------|--------------|
| Total Investment Portfolio (Cost \$203,010,294) † | 156.7              | 212,873,941  |
| Other Assets and Liabilities, Net                 | (5.2)              | (7,058,408)  |
| Preferred Shares, at Redemption Value             | (51.5)             | (70,000,000) |
| Net Assets Applicable to Common Shareholders      | 100.0              | 135,815,533  |

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.

The following table represents bonds that are in default:

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| Security  | Coupon |   | Maturity Date | Principal Amount (\$) | Acquisition Cost (\$)  | Value (\$)             |
|---|--------|---|---------------|-----------------------|------------------------|------------------------|
| Mashantucket, CT, Mashantucket Western Pequot Tribe, Special Revenue, Series A, 144A*                     | 6.5    | % | 9/1/2031      | 705,000               | 735,378                | 233,397                |
| Mashantucket, CT, Sports Expo & Entertainment Revenue, Mashantucket Western Pequot Tribe, Series B, 144A* | 0.0    | % | 9/1/2017      | 2,000,000             | 930,679                | 451,600                |
| Mashantucket, CT, Sports Expo & Entertainment Revenue, Mashantucket Western Pequot Tribe, Series B, 144A* | 0.0    | % | 9/1/2018      | 1,000,000             | 436,601                | 212,720                |
| Nevada, Director State Department of Business & Industry, Las Vegas Monorail Project, Second Tier*        | 7.375  | % | 1/1/2030      | 2,000,000             | 1,933,273              | 3,000                  |
| Austin, TX, Austin-Bergstrom Landhost Enterprises, Inc., Airport Hotel Project, Series A (a)              | 3.375  | % | 4/1/2027      | 1,960,000             | 1,960,000<br>5,995,931 | 1,100,266<br>2,000,983 |

- \* Non-income producing security. In the case of a bond, generally denotes that the issuer has defaulted on the payment of principal or interest.
- \*\* Variable rate demand notes are securities whose interest rates are reset periodically at market levels. These securities are payable on demand and are shown at their current rates as of August 31, 2011.
- † The cost for federal income tax purposes was \$202,184,878. At August 31, 2011, net unrealized appreciation for all securities based on tax cost was \$10,689,063. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost of \$18,115,539 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$7,426,476.
- (a) Partial interest paying security. The rate shown represents 50% of the original coupon rate.
- (b) Securities represent the underlying municipal obligations of inverse floating rate obligations held by the Fund.
- (c) 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.

AGC: Assured Guaranty Corp.

AGMC: Assured Guaranty Municipal Corp.

AMBAC: Ambac Financial Group, Inc.

AMT: Subject to alternative minimum tax.

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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.

FGIC: Financial Guaranty Insurance Co.

GTY: Guaranty Agreement

INS: Insured

NATL: National Public Finance Guarantee Corp.

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.

Radian: Radian Asset Assurance, Inc.

SPA: Standby Bond Repurchase Agreement

### 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 August 31, 2011 in valuing the Fund's investments.

|                          | Level 1 | Level 2       | Level 3 | Total         |
|--------------------------|---------|---------------|---------|---------------|
| Assets                   |         |               |         |               |
| Municipal Investments(d) | \$—     | \$212,873,941 | \$—     | \$212,873,941 |
| Total                    | \$—     | \$212,873,941 | \$—     | \$212,873,941 |

There have been no transfers between Level 1 and Level 2 fair value measurements during the period ended August 31, 2011.

(d) See Investment Portfolio for additional detailed categorizations.

### 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.

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: W. Douglas Beck  
/s/W. Douglas Beck  
President

Date: October 24, 2011

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

By: /s/W. Douglas Beck  
W. Douglas Beck  
President

Date: October 24, 2011

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

Date: October 24, 2011