

Western Asset Municipal Defined Opportunity Trust Inc.  
Form N-Q  
April 25, 2012

**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 811-22265

Western Asset Municipal Defined Opportunity Trust Inc.  
(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY  
(Address of principal executive offices)

10018  
(Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902  
(Name and address of agent for service)

Registrant's telephone number, including area code: (888)777-0102

Date of fiscal year end: November 30

Date of reporting period: February 29, 2012

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ITEM 1.

SCHEDULE OF INVESTMENTS

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**WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.**

FORM N-Q

FEBRUARY 29, 2012

**WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.**

Schedule of investments (unaudited)

February 29, 2012

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
MUNICIPAL BONDS 97.8%				
<b>Arizona 3.3%</b>				
Salt Verde, AZ, Financial Corp. Gas Revenue	5.000%	12/1/32	\$ 8,610,000	\$ 8,799,764
<b>California 1.6%</b>				
Lower Tule River, CA, Irrigation District Revenue, COP	5.000%	8/1/40	2,110,000	2,103,543
M-S-R Energy Authority, CA, Gas Revenue	6.125%	11/1/29	2,000,000	2,328,680
<i>Total California</i>				4,432,223
<b>Colorado 2.6%</b>				
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.125%	11/15/23	6,000,000	6,925,920
<b>Florida 3.4%</b>				
Citizens Property Insurance Corp., FL, Senior Secured High Act	6.000%	6/1/17	6,900,000	8,097,150
Florida State Municipal Power Agency Revenue, All Requirements Power	6.250%	10/1/31	1,000,000	1,175,690
<i>Total Florida</i>				9,272,840
<b>Georgia 7.9%</b>				
Atlanta, GA, Water & Wastewater Revenue	6.000%	11/1/23	5,000,000	6,114,700
Atlanta, GA, Water & Wastewater Revenue	6.250%	11/1/34	3,260,000	3,840,541
DeKalb, Newton & Gwinnett Counties, GA, Joint Development Authority Revenue, GGC Foundation LLC Project	6.125%	7/1/40	10,000,000	11,275,800
<i>Total Georgia</i>				21,231,041
<b>Illinois 1.2%</b>				
Metropolitan Pier & Exposition Authority, IL, Dedicated State Tax Revenue, McCormick Project	5.250%	6/15/50	3,000,000	3,185,790
<b>Indiana 7.5%</b>				
Indiana Municipal Power Agency, Power Supply System Revenue	6.000%	1/1/39	10,000,000	11,233,900
Richmond, IN, Hospital Authority Revenue, Reid Hospital & Health Care Services Inc. Project	6.500%	1/1/29	8,000,000	9,070,960
<i>Total Indiana</i>				20,304,860
<b>Louisiana 4.3%</b>				
Louisiana State Citizens Property Insurance Corp., Assessment Revenue, AGC	6.125%	6/1/25	10,000,000	11,513,600
<b>Maryland 3.5%</b>				
Maryland State Health & Higher EFA Revenue Bonds, Washington County Hospital Issue	5.750%	1/1/38	9,000,000	9,336,600
<b>Michigan 13.8%</b>				
Detroit, MI, Water Supply System Revenue:				
AGM	5.000%	7/1/34	7,000,000	7,152,180
AGM	6.250%	7/1/36	3,000,000	3,443,040
AGM	5.500%	6/1/21	6,000,000	6,611,100

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Michigan Finance Authority Revenue, Detroit School District				
Michigan State Hospital Finance Authority Revenue, McLaren Health Care Corp.	5.750%	5/15/38	9,000,000	9,738,000
Royal Oak, MI, Hospital Finance Authority Revenue, William Beaumont Hospital	8.250%	9/1/39	8,000,000	10,077,520
<i>Total Michigan</i>				<i>37,021,840</i>

*See Notes to Schedule of Investments.*

## WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.

Schedule of investments (unaudited) (cont d)

February 29, 2012

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Missouri 4.6%</b>				
Missouri State Development Finance Board, Infrastructure Facilities Revenue, Independence Events Center	6.250%	4/1/34	\$ 11,940,000	\$ 12,239,217
<b>New Jersey 4.5%</b>				
New Jersey State EFA Revenue, University of Medicine and Dentistry	7.500%	12/1/32	10,000,000	12,047,500
<b>New York 4.2%</b>				
Liberty, NY, Development Corporation Revenue, Goldman Sachs Headquarters	5.250%	10/1/35	2,500,000	2,766,750
Port Authority of New York & New Jersey, Special Obligation Revenue, JFK International Air Terminal LLC	5.500%	12/1/31	7,925,000	8,641,262
<i>Total New York</i>				<i>11,408,012</i>
<b>Ohio 5.3%</b>				
Ohio State Air Quality Development Authority Revenue:				
FirstEnergy Generation Corp.	5.700%	8/1/20	2,500,000	2,827,425
FirstEnergy Nuclear Generation Corp.	5.750%	6/1/16	10,000,000	11,333,500 <sup>(a)</sup>
<i>Total Ohio</i>				<i>14,160,925</i>
<b>Pennsylvania 4.3%</b>				
Pennsylvania Economic Development Financing Authority, Water Facility Revenue, American Water Co. Project	6.200%	4/1/39	10,000,000	11,623,900
<b>Rhode Island 4.3%</b>				
Rhode Island State Health & Educational Building Corp., Revenue, Hospital Financing	7.000%	5/15/39	10,000,000	11,614,500
<b>Tennessee 3.2%</b>				
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	9/1/16	8,000,000	8,684,800
<b>Texas 12.0%</b>				
Brazos River, TX, Harbor Navigation District, Brazoria County Environmental, Dow Chemical Co. Project	5.950%	5/15/33	10,000,000	10,747,000 <sup>(b)(c)</sup>
Love Field Airport Modernization Corp, TX, Special Facilities Revenue, Southwest Airlines Co. Project	5.250%	11/1/40	3,000,000	3,111,720
North Texas Tollway Authority Revenue	5.750%	1/1/33	10,200,000	11,052,210
Texas Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue	5.250%	12/15/18	3,325,000	3,629,171
Texas Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue	6.250%	12/15/26	1,310,000	1,560,105
Texas Private Activity Bond Surface Transportation Corp. Revenue, LBJ	7.000%	6/30/40	2,000,000	2,273,720

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Infrastructure Group LLC				
<i>Total Texas</i>				<i>32,373,926</i>
<b>U.S. Virgin Islands 2.1%</b>				
Virgin Islands Public Finance Authority				
Revenue, Matching Fund Loan	6.625%	10/1/29	5,000,000	<i>5,713,100</i>
<b>Wisconsin 4.2%</b>				
Wisconsin State HEFA Revenue, Prohealth				
Care Inc. Obligation Group	6.625%	2/15/39	10,000,000	<i>11,408,500</i>
TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS (Cost		\$220,844,808)		<i>263,298,858</i>

*See Notes to Schedule of Investments.*

**WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.**

Schedule of investments (unaudited) (cont d)

February 29, 2012

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
SHORT-TERM INVESTMENTS 0.8%				
<b>Indiana 0.1%</b>				
Indiana State Finance Authority Revenue, Lease Appropriation, SPA-JPMorgan Chase	0.110%	2/1/39	\$ 200,000	\$ 200,000(d)(e)
<b>Maryland 0.7%</b>				
Maryland State Health & Higher EFA Revenue, University of Maryland Medical System, LOC-SunTrust Bank	0.100%	7/1/41	2,000,000	2,000,000(d)(e)
TOTAL SHORT-TERM INVESTMENTS (Cost \$2,200,000)				2,200,000
TOTAL INVESTMENTS 98.6% (Cost \$223,044,808#)				265,498,858
Other Assets in Excess of Liabilities 1.4%				3,693,935
TOTAL NET ASSETS 100.0%			\$	269,192,793

- (a) Maturity date shown represents the mandatory tender date.
- (b) Variable rate security. Interest rate disclosed is as of the most recent information available.
- (c) Income from this issue is considered a preference item for purposes of calculating the alternative minimum tax ( AMT ).
- (d) Variable rate demand obligations have a demand feature under which the Fund can tender them back to the issuer or liquidity provider on no more than 7 days notice.
- (e) Maturity date shown is the final maturity date. The security may be sold back to the issuer before final maturity.
- # Aggregate cost for federal income tax purposes is substantially the same.

Abbreviations used in this schedule:

AGC	- Assured Guaranty Corporation - Insured Bonds
AGM	- Assured Guaranty Municipal Corporation - Insured Bonds
COP	- Certificates of Participation
EFA	- Educational Facilities Authority
HEFA	- Health & Educational Facilities Authority
LOC	- Letter of Credit
SPA	- Standby Bond Purchase Agreement - Insured Bonds

**Summary of Investments by Industry \***

Industrial Revenue	29.3%
Health Care	23.1
Education	11.3
Special Tax Obligation	8.6
Transportation	8.3
Water & Sewer	7.7
Power	5.5
Other	4.6



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Leasing	0.8
Short-Term Investments	0.8
	100.0%

\*As a percentage of total investments. Please note that Fund holdings are as of February 29, 2012 and are subject to change.

*See Notes to Schedule of Investments.*

**WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.**

Schedule of investments (unaudited) (cont d)

February 29, 2012

**Ratings Table\***

**Standard & Poor s/Moody s/Fitch\*\***

AAA/Aaa	1.2%
AA/Aa	12.0
A	65.7
BBB/Baa	20.3
A-1/VMIG 1	0.8
	100.0%

\* As a percentage of total investments.

\*\* The ratings shown are based on each portfolio security's rating as determined by Standard & Poor's, Moody's or Fitch, each a Nationally Recognized Statistical Rating Organization (NRSRO). These ratings are the opinions of the NRSRO and are not measures of quality or guarantees of performance. Securities may be rated by other NRSROs, and these ratings may be higher or lower. In the event that a security is rated by multiple NRSROs and receives different ratings, the Fund will treat the security as being rated in the highest rating category received from a NRSRO.

See pages 5 through 7 for definitions of ratings.

*See Notes to Schedule of Investments.*

**Bond ratings**

The definitions of the applicable rating symbols are set forth below:

**Long-term security ratings (unaudited)**

*Standard & Poor's Ratings Service (Standard & Poor's) Long-term Issue Credit Ratings* Ratings from AA to CCC may be modified by the addition of a plus (+) or minus ( ) sign to show relative standings within the major rating categories.

AAA An obligation rated AAA has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA