

WESTERN ASSET INTERMEDIATE MUNI FUND INC.
Form N-Q
April 21, 2011

**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 811-06506

Western Asset Intermediate Muni Fund Inc.
(Exact name of registrant as specified in charter)

55 Water Street, New York, NY
(Address of principal executive offices)

10041
(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: 1-888-777-0102

Date of fiscal year end: November 30

Date of reporting period: February 28, 2011

ITEM 1.

SCHEDULE OF INVESTMENTS

**WESTERN ASSET
INTERMEDIATE MUNI FUND INC.**

FORM N-Q

FEBRUARY 28, 2011

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Schedule of investments (unaudited)

February 28, 2011

WESTERN ASSET INTERMEDIATE MUNI FUND INC.

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
MUNICIPAL BONDS 98.0%				
Alaska 1.6%				
Alaska Industrial Development & Export Authority Revenue, Williams Lynxs Alaska Cargo Port LLC	8.000%	5/1/23	\$ 1,000,000	\$ 1,017,320 ^(a)
Anchorage, AK, GO, Refunding, FGIC	6.000%	10/1/14	500,000	577,520
North Slope Boro, AK, Refunding, NATL	5.000%	6/30/15	1,250,000	1,399,638
<i>Total Alaska</i>				2,994,478
Arkansas 0.6%				
Warren County, AR, Solid Waste Disposal Revenue, Potlatch Corp. Project	7.000%	4/1/12	1,000,000	1,024,060 ^(a)
California 4.9%				
California Statewide CDA Revenue:				
Lodi Memorial Hospital, CMI	5.000%	12/1/22	2,000,000	1,999,840
Proposition 1A Receivables Program	5.000%	6/15/13	3,000,000	3,177,000
Los Angeles, CA, COP, Hollywood Presbyterian Medical Center, INDLC	9.625%	7/1/13	510,000	567,451 ^(b)
M-S-R Energy Authority, CA, Gas Revenue	6.125%	11/1/29	3,000,000	3,028,020
San Francisco, CA, Airport Improvement Corp., Lease Revenue, United Airlines Inc.	8.000%	7/1/13	165,000	179,870 ^(b)
San Leandro, CA, Hospital Revenue, Vesper Memorial Hospital	11.500%	5/1/11	25,000	25,439 ^(b)
<i>Total California</i>				8,977,620
Colorado 5.2%				
Colorado Educational & Cultural Facilities Authority Revenue Charter School:				
Bromley East Project	7.000%	9/15/20	1,000,000	1,034,740 ^(c)
Bromley School Project, XLCA	5.125%	9/15/20	1,155,000	1,171,516
Refunding & Improvement, University Lab School, XLCA	5.250%	6/1/24	1,350,000	1,337,188
University Lab School Project	6.125%	6/1/21	500,000	506,830 ^(c)
Denver, CO, Health & Hospital Authority	6.250%	12/1/16	710,000	740,452 ^(c)
E-470 Public Highway Authority Revenue, CO	5.250%	9/1/25	2,000,000	1,837,940
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.125%	11/15/23	2,000,000	2,114,840
SBC Metropolitan District, CO, GO, ACA	5.000%	12/1/25	750,000	698,048
<i>Total Colorado</i>				9,441,554
Connecticut 2.1%				
Connecticut State HEFA Revenue, Bristol Hospital	5.500%	7/1/21	2,000,000	1,854,300
Connecticut State Special Obligation Parking Revenue, Bradley International Airport, ACA	6.375%	7/1/12	1,855,000	1,875,257 ^(a)
<i>Total Connecticut</i>				3,729,557

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Florida 5.5%					
Citizens Property Insurance Corp., FL	5.000%	6/1/16	5,000,000	5,255,850	
Miami-Dade County, FL, School Board, COP	5.000%	2/1/24	2,000,000	2,056,480	
Old Palm Community Development District, FL, Palm Beach Gardens	5.375%	5/1/14	1,020,000	978,894	
Orange County, FL, Health Facilities Authority Revenue:					
First Mortgage Healthcare Facilities	8.750%	7/1/11	145,000	145,178	
Hospital Adventist Health Systems	6.250%	11/15/24	1,500,000	1,637,475(c)	
<i>Total Florida</i>				<i>10,073,877</i>	
Georgia 6.7%					
Athens, GA, Housing Authority Student Housing Lease Revenue, University of Georgia East Campus, AMBAC	5.250%	12/1/23	970,000	1,042,682(c)	
Atlanta, GA, Water & Wastewater Revenue	6.000%	11/1/23	2,000,000	2,226,740	
Chatham County, GA, Hospital Authority Revenue, Hospital Memorial Health Medical Center	6.000%	1/1/17	650,000	654,212	

See Notes to Schedule of Investments.

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Schedule of investments (unaudited) (cont d)

February 28, 2011

WESTERN ASSET INTERMEDIATE MUNI FUND INC.

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
Georgia continued				
DeKalb Private Hospital Authority Revenue, GA, Anticipation CTFS, Children s Health Care of Atlanta Inc.	5.000%	11/15/29	\$ 2,000,000	\$ 1,980,680
DeKalb, Newton & Gwinnett Counties, GA, Joint Development Authority Revenue, GGC Foundation LLC Project	6.000%	7/1/29	1,000,000	1,063,850
Georgia Municipal Electric Authority:				
Power Revenue, Refunding, AGM	5.000%	1/1/18	3,000,000	3,098,790
Power System Revenue	6.500%	1/1/12	110,000	114,879
Griffin, GA, Combined Public Utilities Revenue, Refunding & Improvement, AMBAC	5.000%	1/1/21	1,000,000	1,035,830
Metropolitan Atlanta Rapid Transit Georgia Sales Tax Revenue	7.000%	7/1/11	995,000	1,016,751 (b)
<i>Total Georgia</i>				<i>12,234,414</i>
Illinois 2.2%				
Chicago, IL, O Hare International Airport Revenue, Refunding Bonds, Lien A-2, AGM	5.750%	1/1/19	1,500,000	1,568,610 (a)
Glendale Heights, IL, Hospital Revenue, Refunding Glendale Heights Project	7.100%	12/1/15	660,000	720,218 (b)
Illinois Development Finance Authority, Chicago Charter School Foundation Project A	5.250%	12/1/12	155,000	162,538 (b)
Illinois Finance Authority Revenue, Memorial Health System	5.250%	4/1/29	1,670,000	1,540,826
<i>Total Illinois</i>				<i>3,992,192</i>
Indiana 2.8%				
Ball State University, Indiana University Revenue, Student Fee, FGIC	5.750%	7/1/20	800,000	835,400 (c)
Indianapolis, IN, Thermal Energy System, Multi-Mode	5.000%	10/1/23	4,000,000	4,213,680 (d)
<i>Total Indiana</i>				<i>5,049,080</i>
Iowa 0.2%				
Muscatine, IA, Electric Revenue	9.700%	1/1/13	320,000	356,112 (b)
Kansas 1.4%				
Burlington, KS, Environmental Improvement Revenue, Kansas City Power & Light	5.250%	4/1/13	2,500,000	2,627,400 (e)
Louisiana 0.1%				
Louisiana Public Facilities Authority Hospital Revenue, Southern Baptist Hospital Inc. Project, Aetna	8.000%	5/15/12	105,000	110,277 (b)
Maryland 0.3%				
Maryland State Health & Higher EFA Revenue, Refunding Mercy Medical Center, AGM	6.500%	7/1/13	550,000	578,578

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Massachusetts 2.3%					
Lancaster, MA, GO, AMBAC	5.375%	4/15/17	1,130,000	1,176,511	
Massachusetts State DFA Revenue:					
Curry College, ACA	6.000%	3/1/20	435,000	435,231	
VOA Concord, GNMA-Collateralized	6.700%	10/20/21	350,000	381,398	(c)
Massachusetts State HEFA Revenue:					
Caritas Christi Obligation	6.500%	7/1/12	1,040,000	1,086,810	(b)
Milford-Whitinsville Regional Hospital	6.500%	7/15/23	1,000,000	1,086,340	(c)
<i>Total Massachusetts</i>				4,166,290	
Michigan 7.0%					
Jenison, MI, Public Schools GO, Building and Site, FGIC	5.500%	5/1/20	1,000,000	1,036,190	(c)
Michigan State Housing Development Authority Rental Housing Revenue	5.250%	10/1/24	2,640,000	2,654,784	
Michigan State, Hospital Finance Authority Revenue:					

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Michigan continued				
Oakwood Obligated Group	5.500%	11/1/18	\$ 1,000,000	\$ 1,022,480
Refunding, Hospital Sparrow Obligated	5.000%	11/15/12	500,000	527,000
Refunding, Hospital Sparrow Obligated	5.000%	11/15/14	1,190,000	1,280,488
Walled Lake, MI, Consolidated School District, NATL	5.000%	5/1/22	1,000,000	1,039,870
Wayne County, MI, Airport Authority Revenue, Detroit Metropolitan Airport	5.000%	12/1/16	5,000,000	5,160,750(a)
<i>Total Michigan</i>				<i>12,721,562</i>
Missouri 1.7%				
Lees Summit, MO, IDA, Health Facilities Revenue, John Knox Village	5.750%	8/15/11	405,000	414,692(b)
Missouri State Environmental Improvement & Energy Resources Authority, KC Power & Light Co. Project	4.900%	7/1/13	2,500,000	2,600,200(a)(e)
<i>Total Missouri</i>				<i>3,014,892</i>
Nevada 2.2%				
Humboldt County, NV, PCR, Idaho Power Co. Project	5.150%	12/1/24	4,000,000	4,088,000
New Hampshire 3.6%				
New Hampshire HEFA Revenue:				
Covenant Health	6.500%	7/1/17	445,000	470,147(c)
Covenant Health, Unrefunded Balance	6.500%	7/1/17	140,000	144,179
Healthcare Systems Covenant Health	5.000%	7/1/28	6,400,000	5,835,776
<i>Total New Hampshire</i>				<i>6,450,102</i>
New Jersey 4.9%				
New Jersey State EFA Revenue, University of Medicine & Dentistry	7.125%	12/1/23	2,000,000	2,232,540
New Jersey State Higher Education Assistance Authority, Student Loan Revenue	5.375%	6/1/24	4,000,000	4,081,040
New Jersey State Higher Education Assistance Authority, Student Loan Revenue, AGC	5.875%	6/1/21	2,450,000	2,569,634(a)
Ringwood Borough, NJ, Sewer Authority Special Obligation	9.875%	7/1/13	65,000	72,498(b)
<i>Total New Jersey</i>				<i>8,955,712</i>
New Mexico 1.6%				
Bernalillo County, NM, Gross Receipts Tax Revenue, AMBAC	5.250%	10/1/18	1,100,000	1,278,761
New Mexico Finance Authority Revenue, Subordinated Lien, Public Project Revolving Fund, NATL	5.000%	6/15/19	1,415,000	1,546,468
<i>Total New Mexico</i>				<i>2,825,229</i>
New York 2.9%				
New York State Dormitory Authority, New York & Presbyterian Hospital, AGM	5.250%	2/15/24	3,025,000	3,169,504
New York State Thruway Authority Highway & Bridge Trust Fund Revenue, AMBAC	5.000%	4/1/21	2,000,000	2,138,040
<i>Total New York</i>				<i>5,307,544</i>
North Carolina 1.0%				
	5.000%	1/1/26	1,750,000	1,758,890

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North Carolina Eastern Municipal Power Agency, Power
Systems Revenue

Ohio 6.7%

American Municipal Power-Ohio Inc., Electricity Purchase
Revenue

5.000%

2/1/13

2,000,000

2,079,120

Kettering, OH, City School District, School Improvement,
AGM

5.000%

12/1/19

1,000,000

1,068,100

Ohio State Air Quality Development Authority Revenue,
FirstEnergy Generation Corp.

5.625%

6/1/18

1,000,000

1,048,650

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Ohio continued				
Ohio State Water Development Authority, Pollution Control Facilities Revenue, FirstEnergy Nuclear Generation Corp.	3.375%	7/1/15	\$ 5,000,000	\$ 4,892,300(e)
Ohio State, GO, Conservation Project	5.250%	9/1/13	3,010,000	3,010,000(c)
<i>Total Ohio</i>				<i>12,098,170</i>
Oklahoma 1.4%				
Grand River Dam Authority, OK, Revenue	5.000%	6/1/30	2,500,000	2,533,075
Pennsylvania 6.8%				
Conneaut, PA, School District, GO, AMBAC	9.500%	5/1/12	185,000	188,619(b)
Harrisburg, PA, Parking Authority Parking Revenue, AGM	5.500%	5/15/20	1,000,000	1,061,110(c)
Montgomery County, PA, IDA Revenue, New Regional Medical Center Project, FHA	5.000%	8/1/24	2,000,000	2,062,020
Northampton County, PA, IDA Revenue, Mortgage				
Moravian Hall Square Project, Radian	5.500%	7/1/19	1,365,000	1,300,886
Pennsylvania State IDA Revenue, Economic Development, AMBAC	5.500%	7/1/21	1,000,000	1,034,560
Pennsylvania State Public School Building Authority Lease Revenue, Philadelphia School District Project, AGM	5.000%	6/1/27	2,000,000	2,072,100
Philadelphia, PA, Gas Works Revenue, 7th General Ordinance, AMBAC	5.000%	10/1/17	1,000,000	1,052,580
Philadelphia, PA, Water & Wastewater, FGIC	5.250%	11/1/14	2,000,000	2,104,940
Pittsburgh, PA, School District GO, AGM	5.375%	9/1/16	1,350,000	