

WESTERN ASSET INTERMEDIATE MUNI FUND INC.  
Form N-Q  
October 25, 2010

**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: August 31, 2010

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ITEM 1. SCHEDULE OF INVESTMENTS

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**WESTERN ASSET  
INTERMEDIATE MUNI FUND INC.**

FORM N-Q

AUGUST 31, 2010

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Schedule of investments (unaudited)

August 31, 2010

**WESTERN ASSET INTERMEDIATE MUNI FUND INC.**

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
MUNICIPAL BONDS 97.1%				
<b>Alabama 0.5%</b>				
Saraland, AL, GO, NATL	5.250%	1/1/15	\$ 1,000,000	\$ 1,026,330(a)
<b>Alaska 1.6%</b>				
Alaska Industrial Development & Export Authority Revenue, Williams Lynxs Alaska Cargo Port LLC	8.000%	5/1/23	1,000,000	954,810(b)
Anchorage, AK, GO, Refunding, FGIC	6.000%	10/1/14	500,000	599,200
North Slope Boro, AK, Refunding, NATL	5.000%	6/30/15	1,250,000	1,451,613
<i>Total Alaska</i>				3,005,623
<b>Arkansas 0.5%</b>				
Warren County, AR, Solid Waste Disposal Revenue, Potlatch Corp. Project	7.000%	4/1/12	1,000,000	1,018,840(b)
<b>California 5.1%</b>				
California Statewide CDA Revenue:				
Lodi Memorial Hospital	5.000%	12/1/22	2,000,000	2,098,920
Proposition 1A Receivables Program	5.000%	6/15/13	3,000,000	3,312,840
Los Angeles, CA, COP, Hollywood Presbyterian Medical Center, INDLC	9.625%	7/1/13	510,000	590,300(c)
M-S-R Energy Authority, CA, Gas Revenue	6.125%	11/1/29	3,000,000	3,318,360
San Francisco, CA, Airport Improvement Corp., Lease Revenue, United Airlines Inc.	8.000%	7/1/13	165,000	186,265(c)
San Leandro, CA, Hospital Revenue, Vesper Memorial Hospital	11.500%	5/1/11	25,000	26,805(c)
<i>Total California</i>				9,533,490
<b>Colorado 6.2%</b>				
Broomfield, CO, COP, Open Space Park & Recreation Facilities, AMBAC	5.500%	12/1/20	1,860,000	1,879,790
Colorado Educational & Cultural Facilities Authority Revenue Charter School:				
Refunding & Improvement, University Lab School, XLCA	5.250%	6/1/24	1,350,000	1,384,439
Bromley East Project	7.000%	9/15/20	1,000,000	1,067,880(a)
Bromley School Project, XLCA	5.125%	9/15/20	1,155,000	1,214,771
University Lab School Project	6.125%	6/1/21	500,000	520,060(a)
Denver, CO, Health & Hospital Authority Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.125%	11/15/23	2,000,000	2,237,980
Pueblo, CO, Bridge Waterworks Water Revenue, Improvement, AGM	6.000%	11/1/14	1,765,000	1,781,467(a)
SBC Metropolitan District, CO, GO, ACA	5.000%	12/1/25	750,000	758,558
<i>Total Colorado</i>				11,606,818
<b>Connecticut 2.0%</b>				
Connecticut State HEFA Revenue, Bristol Hospital	5.500%	7/1/21	2,000,000	1,984,240
	6.375%	7/1/12	1,855,000	1,875,164(b)

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Connecticut State Special Obligation Parking Revenue, Bradley International Airport, ACA				
<i>Total Connecticut</i>				3,859,404
<b>Florida 5.5%</b>				
Citizens Property Insurance Corp., FL	5.000%	6/1/16	5,000,000	5,384,250
Miami-Dade County, FL, School Board, COP	5.000%	2/1/24	2,000,000	2,200,060
Old Palm Community Development District, FL, Palm Beach Gardens	5.375%	5/1/14	1,035,000	963,409
Orange County, FL, Health Facilities Authority Revenue:				
First Mortgage Healthcare Facilities	8.750%	7/1/11	145,000	146,047
Hospital Adventist Health Systems	6.250%	11/15/24	1,500,000	1,682,460(a)
<i>Total Florida</i>				10,376,226

*See Notes to Schedule of Investments.*

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Schedule of investments (unaudited) (cont d)

August 31, 2010

**WESTERN ASSET INTERMEDIATE MUNI FUND INC.**

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Georgia 6.8%</b>				
Athens, GA, Housing Authority Student Housing Lease Revenue, University of Georgia East Campus, AMBAC	5.250%	12/1/23	\$ 970,000	\$ 1,070,628(a)
Atlanta, GA, Water & Wastewater Revenue	6.000%	11/1/23	2,000,000	2,387,160
Chatham County, GA, Hospital Authority Revenue, Hospital Memorial Health Medical Center	6.000%	1/1/17	650,000	665,762
DeKalb Private Hospital Authority Revenue, GA, Anticipation CTFS, Children s Health Care of Atlanta Inc.	5.000%	11/15/29	2,000,000	2,124,080
DeKalb, Newton & Gwinnett Counties, GA, Joint Development Authority Revenue, GGC Foundation LLC Project	6.000%	7/1/29	1,000,000	1,131,560
Georgia Municipal Electric Authority: Power Revenue, Refunding, AGM	5.000%	1/1/18	3,000,000	3,183,870
Power System Revenue	6.500%	1/1/12	215,000	227,636
Griffin, GA, Combined Public Utilities Revenue, Refunding & Improvement, AMBAC	5.000%	1/1/21	1,000,000	1,057,900
Metropolitan Atlanta Rapid Transit Georgia Sales Tax Revenue	7.000%	7/1/11	995,000	1,050,411(c)
<i>Total Georgia</i>				<i>12,899,007</i>
<b>Illinois 2.4%</b>				
Chicago, IL, O Hare International Airport Revenue, Refunding Bonds, Lien A-2, AGM	5.750%	1/1/19	1,500,000	1,634,115(b)
Glendale Heights, IL, Hospital Revenue, Refunding Glendale Heights Project	7.100%	12/1/15	750,000	845,888(c)
Illinois Development Finance Authority, Chicago Charter School Foundation Project A	5.250%	12/1/12	230,000	241,953(c)
Illinois Finance Authority Revenue, Memorial Health System	5.250%	4/1/29	1,670,000	1,705,771
Illinois Health Facilities Authority Revenue, Methodist Medical Center of Illinois Project	9.000%	10/1/10	90,000	90,608(c)
<i>Total Illinois</i>				<i>4,518,335</i>
<b>Indiana 2.8%</b>				
Ball State University, Indiana University Revenue, Student Fee, FGIC	5.750%	7/1/20	800,000	857,392(a)
Indianapolis, IN, Thermal Energy System, Multi-Mode	5.000%	10/1/23	4,000,000	4,493,720(d)
<i>Total Indiana</i>				<i>5,351,112</i>
<b>Iowa 0.3%</b>				
Muscatine, IA, Electric Revenue	9.700%	1/1/13	465,000	520,800(c)
<b>Kansas 1.4%</b>				
Burlington, KS, Environmental Improvement Revenue, Kansas City Power & Light	5.250%	4/1/13	2,500,000	2,701,150(e)
<b>Louisiana 0.1%</b>				

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Louisiana Public Facilities Authority Hospital Revenue, Southern Baptist Hospital Inc. Project, Aetna	8.000%	5/15/12	105,000	106,804(c)
<b>Maryland 0.3%</b>				
Maryland State Health & Higher EFA Revenue, Refunding Mercy Medical Center, AGM	6.500%	7/1/13	550,000	592,119
<b>Massachusetts 3.1%</b>				
Lancaster, MA, GO, AMBAC Massachusetts State DFA Revenue:	5.375%	4/15/17	1,130,000	1,200,535
Curry College, ACA	6.000%	3/1/20	470,000	474,004
VOA Concord, GNMA-Collateralized	6.700%	10/20/21	360,000	403,877(a)
Massachusetts State HEFA Revenue: Caritas Christi Obligation	6.500%	7/1/12	1,040,000	1,053,634

*See Notes to Schedule of Investments.*

Schedule of investments (unaudited) (cont d)

August 31, 2010

**WESTERN ASSET INTERMEDIATE MUNI FUND INC.**

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Massachusetts continued</b>				
Caritas Christi Obligation	6.750%	7/1/16	\$ 835,000	\$ 876,291
Milford-Whitinsville Regional Hospital	6.500%	7/15/23	1,000,000	1,116,840(a)
Massachusetts State Industrial Finance Agency Assisted Living Facility Revenue, Arbors at Amherst Project, GNMA-Collateralized	5.750%	6/20/17	755,000	755,974(b)
<i>Total Massachu</i>				