

WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Form N-Q

October 27, 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

811-7362

Western Asset Municipal Partners Fund Inc.  
(Exact name of registrant as specified in charter)

620 Eight Avenue, 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:

1-888-777-0102

Date of fiscal year end: November 30

Date of reporting period: August 31, 2011

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ITEM 1. SCHEDULE OF INVESTMENTS

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**WESTERN ASSET MUNICIPAL PARTNERS FUND INC.**

FORM N-Q

AUGUST 31, 2011

## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited)

August 31, 2011

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
MUNICIPAL BONDS 95.4%				
<b>Arizona 1.7%</b>				
Glendale, AZ, Transportation Excise Tax Revenue, NATL	5.000%	7/1/28	\$ 2,855,000	\$ 2,979,164
Phoenix, AZ, Civic Improvement Corp., Water System Revenue	5.000%	7/1/29	1,000,000	1,096,050
<i>Total Arizona</i>				<i>4,075,214</i>
<b>California 14.7%</b>				
California Health Facilities Finance Authority Revenue, Catholic Healthcare West	5.625%	7/1/32	5,000,000	5,082,700
California State, GO	5.250%	10/1/21	2,500,000	2,877,225
California State, GO, Unrefunded Balance	5.125%	6/1/24	35,000	35,032
California Statewide CDA Revenue, Insured Health Facility L.A., Jewish Home, CA, Mortgage Insurance	5.000%	11/15/28	1,500,000	1,508,370
Los Angeles, CA, Department of Water & Power Revenue, Power Systems, Subordinated, AGM	5.000%	7/1/35	5,000,000	5,088,250
Lower Tule River, CA, Irrigation District Revenue, COP	5.000%	8/1/40	1,000,000	922,560
M-S-R Energy Authority, CA, Gas Revenue	7.000%	11/1/34	2,490,000	2,864,322
M-S-R Energy Authority, CA, Gas Revenue	6.500%	11/1/39	3,000,000	3,271,680
Modesto, CA, Irrigation District Electric Revenue	5.000%	7/1/19	3,000,000	3,483,360
Southern California Public Power Authority, Project Number 1	5.000%	11/1/33	2,000,000	1,809,160
Turlock, CA, Irrigation District Revenue	5.000%	1/1/35	2,500,000	2,549,250
Turlock, CA, Public Financing Authority, Tax Allocation Revenue, AGM	5.000%	9/1/30	2,500,000	2,419,600
University of California Revenues, AMBAC	5.000%	5/15/36	2,620,000	2,645,624
<i>Total California</i>				<i>34,557,133</i>
<b>Colorado 4.9%</b>				
Colorado Health Facilities Authority Revenue: Poudre Valley Health Care	5.000%	3/1/25	2,850,000	2,866,273
Sisters of Charity Leavenworth Health System Inc.	5.250%	1/1/25	3,500,000	3,753,050
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	5.750%	11/15/18	455,000	476,763
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.500%	11/15/38	4,000,000	4,271,680
<i>Total Colorado</i>				<i>11,367,766</i>
<b>Connecticut 0.3%</b>				
Connecticut State HFA, Housing Mortgage Finance Program	6.000%	11/15/38	635,000	635,933
<b>Florida 6.0%</b>				
Florida State Board of Education, GO	5.000%	6/1/26	5,500,000	6,277,150
Miami-Dade County, FL, Aviation Revenue, Miami International Airport, AGM	5.000%	10/1/41	1,000,000	998,420
Orlando & Orange County, FL, Expressway Authority Revenue	5.000%	7/1/30	2,000,000	2,097,240

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Orlando, FL, Utilities Commission, Utility System				
Revenue	5.250%	10/1/22	3,440,000	4,211,661
Seminole Tribe Florida Special Obligation Revenue	5.250%	10/1/27	500,000	440,035 <sup>(a)</sup>
<i>Total Florida</i>				<i>14,024,506</i>
<b>Illinois 12.4%</b>				
Chicago, IL, Midway Airport Revenue:				
NATL	5.500%	1/1/29	2,000,000	2,000,820
NATL	5.625%	1/1/29	3,750,000	3,750,263 <sup>(b)</sup>
Chicago, IL, Park District, GO, Refunding, FGIC	5.000%	1/1/29	5,000,000	5,190,250
Chicago, IL, Public Building Commission, Building				
Revenue, Chicago School Reform, FGIC	5.250%	12/1/18	1,000,000	1,102,230

*See Notes to Schedule of Investments.*

## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited) (cont d)

August 31, 2011

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Illinois continued</b>				
Cook County, IL, Community College District No. 524				
Moraine Valley, GO, NATL	5.000%	12/1/25	\$ 1,500,000	\$ 1,628,505
Illinois EFA Revenue, Northwestern University	5.500%	12/1/13	1,550,000	1,612,713
Illinois Health Facilities Authority Revenue:				
Refunding, Lutheran General Health System	7.000%	4/1/14	1,420,000	1,528,147
Refunding, SSM Health Care, NATL	6.550%	6/1/13	1,850,000	2,042,881(c)
Servantoor Project, AGM	6.000%	8/15/12	705,000	742,964(c)
South Suburban Hospital Project	7.000%	2/15/18	500,000	575,690(c)
Illinois Municipal Electric Agency Power Supply, FGIC	5.250%	2/1/28	4,145,000	4,351,214
Illinois State, GO, First Series, AGM	5.500%	5/1/16	1,500,000	1,726,335
Metropolitan Pier & Exposition Authority, IL, Dedicated				
State Tax Revenue, McCormick Place, AGM	5.000%	6/15/50	3,000,000	2,852,280
<i>Total Illinois</i>				<i>29,104,292</i>
<b>Indiana 0.9%</b>				
Indiana Health Facility Financing Authority, Hospital				
Revenue, Community Hospital Project, AMBAC	5.000%	5/1/35	2,390,000	2,203,150
<b>Maryland 3.3%</b>				
Maryland State Economic Development Corp., EDR,				
Transportation Facilities Project	5.750%	6/1/35	1,000,000	982,120
Maryland State Health & Higher EFA Revenue:				
Carroll County General Hospital Issue	6.000%	7/1/37	3,000,000	3,016,590
Suburban Hospital	5.500%	7/1/16	2,500,000	2,743,700
University of Maryland Medical Systems	6.000%	7/1/32	1,000,000	1,047,290(d)
<i>Total Maryland</i>				<i>7,789,700</i>
<b>Massachusetts 0.6%</b>				
Massachusetts State HEFA Revenue, Partners Health,				
Unrefunded Balance	5.750%	7/1/32	95,000	95,961
Massachusetts State Water Pollution Abatement Trust				
Revenue, MWRA Program, Unrefunded Balance	5.750%	8/1/29	355,000	356,001
Massachusetts State Water Resources Authority, NATL	5.000%	8/1/34	1,000,000	1,047,790
<i>Total Massachusetts</i>				<i>1,499,752</i>
<b>Michigan 5.4%</b>				
Detroit, MI, GO, District State Aid	5.250%	11/1/24	3,500,000	3,854,935
Michigan State Hospital Finance Authority Revenue:				
McLaren Health Care Corp.	5.750%	5/15/38	2,000,000	2,055,640
Refunding, Sparrow Hospital Obligated	5.000%	11/15/36	2,500,000	2,366,275
Trinity Health Corp.	5.375%	12/1/30	2,745,000	2,759,247
Trinity Health Corp.	5.375%	12/1/30	255,000	271,052(d)
Wayne County, MI, Airport Authority Revenue, Detroit				
Metropolitan Airport	5.000%	12/1/18	1,170,000	1,242,809(b)
<i>Total Michigan</i>				<i>12,549,958</i>
<b>Missouri 0.9%</b>				
Boone County, MO, Hospital Revenue, Boone Hospital				
Center	5.375%	8/1/38	2,000,000	2,024,600

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**Nevada 0.9%**

Clark County, NV, GO, AMBAC	5.000%	11/1/21	2,000,000	2,184,580
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**New York 16.6%**

Brooklyn Arena, NY, Local Development Corp., Barclays Center Project	6.250%	7/15/40	1,000,000	1,014,190
Liberty, NY, Development Corporation Revenue, Goldman Sachs Headquarters	5.250%	10/1/35	1,500,000	1,471,800
MTA, NY, Revenue	5.000%	11/15/25	1,000,000	1,095,250
MTA, NY, Revenue	5.250%	11/15/40	1,000,000	1,033,810

*See Notes to Schedule of Investments.*

## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited) (cont d)

August 31, 2011

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>New York continued</b>				
Nassau County, NY, Industrial Development Agency Revenue, Continuing Care Retirement, Amsterdam at Harborside	6.700%	1/1/43	\$ 500,000	\$ 463,760
New York City, NY, Municipal Water Finance Authority, Water & Sewer System Revenue, Second General Resolution Fiscal 2011	5.000%	6/15/31	4,850,000	5,216,805
New York City, NY, TFA Revenue, Unrefunded Balance, Future Tax Secured	5.500%	11/15/17	15,000	15,934
New York City, NY\TFA Revenue, Future Tax Secured	5.500%	11/15/17	4,100,000	4,357,480(d)
New York Liberty Development Corp., Liberty Revenue, Second Priority, Bank of America Tower	5.125%	1/15/44	2,500,000	2,478,375
New York State Dormitory Authority Revenue, Court Facilities Lease, NYC Issue, Non State Supported Debt, AMBAC	5.500%	5/15/30	3,365,000	3,842,393
New York State Dormitory Authority Revenue, Non-State Supported Debt, Columbia University	5.000%	7/1/38	2,000,000	2,151,600
New York State Thruway Authority, Second General Highway & Bridge Trust Fund, AMBAC	5.000%	4/1/26	4,700,000	5,071,112
New York State Urban Development Corp. Revenue, State Personal Income Tax	5.000%	3/15/26	5,000,000	5,431,300
Port Authority of New York & New Jersey	5.000%	1/15/41	5,000,000	5,298,700
<i>Total New York</i>				<i>38,942,509</i>
<b>North Carolina 2.8%</b>				
North Carolina Medical Care Commission Health Care Facilities Revenue, Novant Health Obligation Group	5.000%	11/1/39	1,200,000	1,145,880
Wake County, NC, GO	5.000%	3/1/25	4,335,000	5,296,200
<i>Total North Carolina</i>				<i>6,442,080</i>
<b>Ohio 0.5%</b>				
Ohio State Air Quality Development Authority Revenue, FirstEnergy Generation Corp.	5.700%	8/1/20	1,000,000	1,115,140
<b>Oklahoma 0.9%</b>				
Grand River Dam Authority, OK, Revenue	5.250%	6/1/40	2,000,000	2,132,520
<b>Oregon 0.6%</b>				
Multnomah County, OR, Hospital Facilities Authority Revenue, Providence Health Systems	5.250%	10/1/18	1,250,000	1,352,087
<b>Pennsylvania 4.0%</b>				
Central Bradford, PA, Progress Authority Revenue, Guthrie Healthcare Systems	5.000%	12/1/26	5,130,000	5,321,144(e)
Pennsylvania Economic Development Financing Authority, Sewer Sludge Disposal Revenue, Philadelphia Biosolids Facility	6.250%	1/1/32	500,000	520,995
Philadelphia, PA, Gas Works Revenue, 7th General Ordinance, AMBAC	5.000%	10/1/17	2,685,000	2,926,435
Philadelphia, PA, School District, GO, AGM	5.500%	2/1/31	500,000	510,725(d)



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<i>Total Pennsylvania</i>				9,279,299
<b>Tennessee 1.5%</b>				
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	2/1/20	3,555,000	3,554,822
<b>Texas 10.4%</b>				
Austin, TX, Water & Wastewater System Revenue	5.000%	11/15/26	2,500,000	2,785,675
Austin, TX, Water & Wastewater System Revenue	5.125%	11/15/28	2,210,000	2,453,763
Beaumont, TX, ISD, GO, School Building, PSF	5.000%	2/15/33	1,100,000	1,163,756
Harris County, TX, Health Facilities Development Corp., Hospital Revenue, Memorial Hermann Healthcare Systems	5.250%	12/1/18	2,960,000	3,159,090
Kemp, TX, ISD, GO, School Building	5.250%	2/15/33	3,450,000	3,692,017

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## WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Schedule of investments (unaudited) (cont d)

August 31, 2011

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Texas continued</b>				
Mesquite, TX, ISD No. 1, GO, Capital Appreciation, PSFG	0.000%	8/15/27	\$ 1,000,000	\$ 458,630
North Texas Tollway Authority Revenue	5.750%	1/1/40	2,500,000	2,573,050
Texas State Turnpike Authority Revenue, First Tier, AMBAC	5.500%	8/15/39	5,000,000	4,957,500
Texas State, GO, Water Financial Assistance	5.000%	8/1/27	2,755,000	3,122,903
<i>Total Texas</i>				24,366,384
<b>Washington 4.7%</b>				
Chelan County, WA, Public Utility District, Chelan Hydro System No.1, Construction Revenue, AMBAC	5.450%	7/1/37	2,900,000	2,906,206(b)
Port of Seattle, WA, Revenue, Refunding, Intermediate Lien, NATL	5.000%	3/1/30	2,000,000	2,042,920
Washington State Health Care Facilities Authority Revenue, PeaceHealth	5.000%	11/1/28	3,000,000	3,023,790
Washington State, GO	5.000%	8/1/22	2,590,000	3,060,810
<i>Total Washington</i>				11,033,726
<b>Wisconsin 1.4%</b>				
Wisconsin State HEFA Revenue, SSM Health Care Corp.	5.000%	6/1/25	3,110,000	3,269,263
<b>TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS (Cost</b>		\$215,960,588)		223,504,414
<b>SHORT-TERM INVESTMENTS 4.6%</b>				
<b>California 1.9%</b>				
Bakersfield, CA, Wastewater Revenue, AGM, SPA-Dexia Credit Local	3.000%	9/1/35	4,200,000	4,200,000(f)(g)
California Statewide CDA Revenue, John Muir Health, LOC-UBS AG	0.060%	8/15/36	300,000	300,000(f)(g)
<i>Total California</i>				4,500,000
<b>New Jersey 0.5%</b>				
New Jersey EDA Revenue: El Dorado Terminals Co., LOC-Wells Fargo Bank N.A.	0.110%	12/1/21	200,000	200,000(f)(g)