

Western Asset Municipal Defined Opportunity Trust Inc.
Form N-Q
April 26, 2013

**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 28, 2013

ITEM 1. SCHEDULE OF INVESTMENTS.

WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST, INC.

FORM N-Q

FEBRUARY 28, 2013

WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.

Schedule of investments (unaudited)

February 28, 2013

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
MUNICIPAL BONDS 98.7%				
Arizona 3.5%				
Salt Verde, AZ, Financial Corp. Gas Revenue	5.000%	12/1/32	\$ 8,610,000	\$ 9,904,944
California 1.7%				
Lower Tule River, CA, Irrigation District Revenue, COP	5.000%	8/1/40	2,110,000	2,202,735
M-S-R Energy Authority, CA, Gas Revenue	6.125%	11/1/29	2,000,000	2,549,780
<i>Total California</i>				4,752,515
Colorado 2.6%				
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.125%	11/15/23	6,000,000	7,340,520
Florida 3.9%				
Citizens Property Insurance Corp., FL, Senior Secured High Act	6.000%	6/1/17	6,900,000	8,229,975
Florida State Municipal Power Agency Revenue, All Requirements Power	6.250%	10/1/31	1,000,000	1,221,210
Miami-Dade County, FL, Aviation Revenue	5.000%	10/1/32	1,250,000	1,416,588(a)
<i>Total Florida</i>				10,867,773
Georgia 7.8%				
Atlanta, GA, Water & Wastewater Revenue	6.000%	11/1/23	5,000,000	6,336,600
Atlanta, GA, Water & Wastewater Revenue	6.250%	11/1/34	3,260,000	4,038,977
DeKalb, Newton & Gwinnett Counties, GA, Joint Development Authority Revenue, GGC Foundation LLC Project	6.125%	7/1/40	10,000,000	11,599,600
<i>Total Georgia</i>				21,975,177
Illinois 0.4%				
Metropolitan Pier & Exposition Authority, IL, Dedicated State Tax Revenue, McCormick Project	5.250%	6/15/50	1,000,000	1,102,740
Indiana 7.5%				
Indiana Municipal Power Agency, Power Supply System Revenue	6.000%	1/1/39	10,000,000	11,807,800
Richmond, IN, Hospital Authority Revenue, Reid Hospital & Health Care Services Inc. Project	6.500%	1/1/29	8,000,000	9,100,240
<i>Total Indiana</i>				20,908,040
Louisiana 4.2%				
Louisiana State Citizens Property Insurance Corp., Assessment Revenue, AGC	6.125%	6/1/25	10,000,000	11,662,300
Maryland 3.5%				
Maryland State Health & Higher EFA Revenue Bonds, Washington County Hospital Issue	5.750%	1/1/38	9,000,000	9,724,950
Michigan 13.7%				
Detroit, MI, Water Supply System Revenue:				
AGM	5.000%	7/1/34	7,000,000	7,337,470(b)
AGM	6.250%	7/1/36	3,000,000	3,464,100
Michigan Finance Authority Revenue, Detroit School District	5.500%	6/1/21	6,000,000	7,164,780

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Michigan State Hospital Finance Authority Revenue, McLaren Health Care Corp.	5.750%	5/15/38	9,000,000	10,181,790
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See Notes to Schedule of Investments.

WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.

Schedule of investments (unaudited) (cont d)

February 28, 2013

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
Michigan continued				
Royal Oak, MI, Hospital Finance Authority Revenue, William Beaumont Hospital	8.250%	9/1/39	\$ 8,000,000	\$ 10,134,160
<i>Total Michigan</i>				<i>38,282,300</i>
Missouri 4.5%				
Missouri State Development Finance Board, Infrastructure Facilities Revenue, Independence Events Center	6.250%	4/1/34	11,940,000	12,706,548(c)
New Jersey 5.2%				
New Jersey State EDA Revenue, Continental Airlines Inc. Project	4.875%	9/15/19	2,000,000	2,056,800(a)
New Jersey State EFA Revenue, University of Medicine and Dentistry	7.500%	12/1/32	10,000,000	12,503,600
<i>Total New Jersey</i>				<i>14,560,400</i>
New York 4.3%				
Liberty, NY, Development Corporation Revenue, Goldman Sachs Headquarters	5.250%	10/1/35	2,500,000	2,986,600
Port Authority of New York & New Jersey, Special Obligation Revenue, JFK International Air Terminal LLC	5.500%	12/1/31	7,925,000	9,171,206
<i>Total New York</i>				<i>12,157,806</i>
Ohio 5.1%				
Ohio State Air Quality Development Authority Revenue: FirstEnergy Generation Corp.	5.700%	8/1/20	2,500,000	3,002,150
FirstEnergy Nuclear Generation Corp.	5.750%	6/1/16	10,000,000	11,200,200(d)(e)
<i>Total Ohio</i>				<i>14,202,350</i>
Pennsylvania 4.2%				
Pennsylvania Economic Development Financing Authority, Water Facility Revenue, American Water Co. Project	6.200%	4/1/39	10,000,000	11,849,400
Rhode Island 4.2%				
Rhode Island State Health & Educational Building Corp., Revenue, Hospital Financing	7.000%	5/15/39	10,000,000	11,690,600
Tennessee 3.2%				
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	9/1/16	8,000,000	8,836,160
Texas 12.2%				
Brazos River, TX, Harbor Navigation District, Brazoria County Environmental, Dow Chemical Co. Project	5.950%	5/15/33	10,000,000	11,574,800(a)(e)
Love Field Airport Modernization Corp., TX, Special Facilities Revenue, Southwest Airlines Co. Project	5.250%	11/1/40	3,000,000	3,381,960
North Texas Tollway Authority Revenue	5.750%	1/1/33	10,200,000	11,281,200
Texas Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue	5.250%	12/15/18	3,325,000	3,909,768
Texas Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue	6.250%	12/15/26	1,310,000	1,709,458
Texas Private Activity Bond Surface Transportation Corp. Revenue, LBJ Infrastructure Group LLC	7.000%	6/30/40	2,000,000	2,423,960
<i>Total Texas</i>				<i>34,281,146</i>

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U.S. Virgin Islands 2.1%

Virgin Islands Public Finance Authority Revenue, Matching

Fund Loan

6.625%

10/1/29

5,000,000

5,805,050

See Notes to Schedule of Investments.

WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.

Schedule of investments (unaudited) (cont d)

February 28, 2013

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
Virginia 0.7%				
Virginia State Small Business Financing Authority Revenue, Elizabeth River Crossings OpCo LLC Project	5.000%	7/1/23	\$ 1,775,000	\$ 1,970,232(a)
Wisconsin 4.2%				
Wisconsin State HEFA Revenue, Prohealth Care Inc. Obligation Group	6.625%	2/15/39	10,000,000	11,728,200
TOTAL INVESTMENTS 98.7% (Cost \$224,529,418#)				276,309,151
Other Assets in Excess of Liabilities 1.3%				3,597,907
TOTAL NET ASSETS 100.0%				\$ 279,907,058

- (a) Income from this issue is considered a preference item for purposes of calculating the alternative minimum tax (AMT).
- (b) All or a portion of this security is held at the broker as collateral for open futures contracts.
- (c) Pre-Refunded bonds are escrowed with U.S. government obligations and/or U.S. government agency securities and are considered by the manager to be triple-A rated even if issuer has not applied for new ratings.
- (d) Maturity date shown represents the mandatory tender date.
- (e) Variable rate security. Interest rate disclosed is as of the most recent information available.
- # 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
EDA	- Economic Development Authority
EFA	- Educational Facilities Authority
HEFA	- Health & Educational Facilities Authority

Summary of Investments by Industry

Industrial Revenue	31.0%
Health Care	22.6
Education	11.3
Transportation	8.8
Water & Sewer	7.7
Special Tax Obligation	7.6
Power	5.6
Pre-Refunded/Escrowed to Maturity	4.6
Leasing	0.8
	100.0%

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As a percentage of total investments. Please note that Fund holdings are as of February 28, 2013 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 28, 2013

Ratings Table*
Standard & Poor's/Moody's/Fitch**

AAA/Aaa	0.4%
AA/Aa	11.8
A	66.0
BBB/Baa	21.1
B/B	0.7
	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 Notes to Schedule of Investments.

Notes to schedule of investments (unaudited)

1. Organization and significant accounting policies

Western Asset Municipal Defined Opportunity Trust Inc. (the Fund) was incorporated in Maryland on January 15, 2009 and is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act). The Fund's primary investment objective is to provide high current income exempt from federal income tax and then to liquidate on or about April 30, 2021 and distribute all of the Fund's net assets to shareholders. As a secondary investment objective, the Fund will seek total return.

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP).

(a) Investment valuation. The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. Short-term fixed income securities that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market price may be determined by the manager using quotations from one or more broker/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund values these securities as determined in accordance with procedures approved by the Fund's Board of Directors.

The Board of Directors is responsible for the valuation process and has delegated the supervision of the daily valuation process to the Legg Mason North American Fund Valuation Committee (the Valuation Committee). The Valuation Committee, pursuant to the policies adopted by the Board of Directors, is responsible for making fair value determinations, evaluating the effectiveness of the Fund's pricing policies, and reporting to the Board of Directors. When determining the reliability of third party pricing information for investments owned by the Fund, the Valuation Committee, among other things, conducts due diligence reviews of pricing vendors, monitors the daily change in prices and reviews transactions among market participants.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making fair value determinations. Examples of possible methodologies include, but are not limited to, multiple of earnings; discount from market of a similar freely traded security; discounted cash-flow analysis; book value or a multiple thereof; risk premium/yield analysis; yield to maturity; and/or fundamental investment analysis. The Valuation Committee will also consider factors it deems relevant and appropriate in light of the facts and circumstances. Examples of possible factors include, but are not limited to, the type of security; the issuer's financial statements; the purchase price of the security; the discount from market value of unrestricted secur