

DWS MUNICIPAL INCOME TRUST
Form N-Q
October 26, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-Q
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-05655

DWS Municipal Income Trust
(Exact name of registrant as specified in charter)

345 Park Avenue
New York, NY 10154
(Address of principal executive offices) (Zip code)

Paul Schubert
100 Plaza One
Jersey City, NJ 07311
(Name and address of agent for service)

Registrant's telephone number, including area code: (201) 593-6408

Date of fiscal year end: 11/30

Date of reporting period: 8/31/10

ITEM 1. SCHEDULE OF INVESTMENTS

Investment Portfolio as of August 31, 2010 (Unaudited)

DWS Municipal Income Trust

| | Principal Amount (\$) | Value (\$) |
|--|--------------------------|------------|
| Municipal Bonds and Notes 113.8% | | |
| Alabama 2.0% | | |
| Camden, AL, Industrial Development Board Revenue, Series B, AMT, Prerefunded, 6.375%, 12/1/2024 | 1,000,000 | 1,182,420 |
| Huntsville, AL, Water & Sewer Revenue, AMT, 5.75%, 10/1/2011 (a) | 8,560,000 | 8,592,271 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|--|------------|-------------|
| | | 9,774,691 |
| Arizona 0.5% | | |
| Arizona, Salt Verde Financial Corp., Gas Revenue: | | |
| 5.0%, 12/1/2037 | 1,050,000 | 1,001,857 |
| 5.5%, 12/1/2029 | 1,400,000 | 1,448,846 |
| | | 2,450,703 |
| California 23.4% | | |
| California, Bay Area Toll Authority, Toll Bridge Revenue, San Francisco Bay Area, Series F-1, 5.125%, 4/1/2039 | 5,000,000 | 5,434,250 |
| California, Health Facilities Financing Authority Revenue, Catholic Healthcare West, Series A, 6.0%, 7/1/2039 | 3,500,000 | 3,865,505 |
| California, M-S-R Energy Authority, Series A, 7.0%, 11/1/2034 | 3,180,000 | 3,921,576 |
| California, San Geronio Memorial Health Care, Election of 2006, Series C, 7.2%, 8/1/2039 | 5,000,000 | 5,620,750 |
| California, South Bayside Waste Management Authority, Solid Waste Enterprise Revenue, Shoreway Environmental Center, Series A, 6.25%, 9/1/2029 | 5,345,000 | 5,961,866 |
| California, Special Assessment Revenue, Golden State Tobacco Securitization Corp., Series 2003-A-1, Prerefunded, 6.75%, 6/1/2039 | 11,730,000 | 13,697,356 |
| California, State General Obligation: | | |
| 5.125%, 4/1/2024 | 4,400,000 | 4,789,356 |
| 5.5%, 3/1/2040 | 1,370,000 | 1,473,312 |
| 6.0%, 4/1/2038 | 10,000,000 | 11,167,200 |
| California, State Public Works Board, Lease Revenue, Capital Projects, Series I-1, 6.375%, 11/1/2034 | 2,000,000 | 2,217,140 |
| California, State Public Works Board, Lease Revenue, Department of Corrections, Series C, 5.5%, 6/1/2021 | 2,500,000 | 2,612,600 |
| California, State Public Works Board, Lease Revenue, Department of General Services, Buildings 8 & 9, Series A, 6.25%, 4/1/2034 | 6,640,000 | 7,244,638 |
| California, State Public Works Board, Lease Revenue, Department of General Services, Capital East End, Series A, 5.25%, 12/1/2020 (a) | 10,500,000 | 10,793,475 |
| California, Statewide Communities Development Authority Revenue, American Baptist Homes of the West, 6.25%, 10/1/2039 | 1,250,000 | 1,285,650 |
| Corona-Norco, CA, Unified School District, Election of 2006, Series A, 5.0%, 8/1/2031 (a) | 5,130,000 | 5,403,839 |
| Kern, CA, High School District, Election of 2004, Series B, 5.0%, 8/1/2030 (a) | 13,270,000 | 13,951,813 |
| Los Angeles, CA, Community College District, Election of 2008, Series C, 5.25%, 8/1/2039 | 3,000,000 | 3,267,210 |
| Port Oakland, CA, Series A, AMT, 5.0%, 11/1/2027 (a) | 5,850,000 | 5,879,367 |
| San Francisco, CA, City & County Airports Commission, International Airport Revenue, Series F, 5.0%, 5/1/2035 | 7,105,000 | 7,386,216 |
| Southern California, Metropolitan Water District, Waterworks Revenue, Series B, 0.27% *, 7/1/2028 | 900,000 | 900,000 |
| | | 116,873,119 |
| Colorado 2.2% | | |
| Colorado, E-470 Public Highway Authority Revenue, Series A-1, 5.5%, 9/1/2024 (a) | 2,500,000 | 2,581,450 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|---|------------|------------|
| Colorado, Health Facilities Authority Revenue, Covenant Retirement Communities, Inc., 5.0%, 12/1/2035 | 2,500,000 | 2,233,325 |
| Colorado, Health Facilities Authority Revenue, Portercare Adventist Health System, Prerefunded, 6.5%, 11/15/2031 | 1,000,000 | 1,083,040 |
| Colorado, Single Family Housing Revenue, Series B2, AMT, 7.25%, 10/1/2031 | 115,000 | 118,227 |
| Denver, CO, Airport Revenue, Series A, AMT, 6.0%, 11/15/2014 (a) | 5,000,000 | 5,046,350 |
| | | 11,062,392 |
| Florida 9.5% | | |
| Broward County, FL, Educational Facilities Authority Revenue, Nova Southeastern University, Inc., Series C, 0.25% *, 4/1/2024, Bank of America NA (b) | 3,000,000 | 3,000,000 |
| Miami-Dade County, FL, Aviation Revenue, Series A, 5.5%, 10/1/2041 | 10,000,000 | 10,536,400 |
| Miami-Dade County, FL, Aviation Revenue, Miami International Airport: | | |
| Series A, AMT, 5.25%, 10/1/2033 (a) | 8,500,000 | 8,750,580 |
| Series A-1, 5.375%, 10/1/2035 | 2,000,000 | 2,108,160 |
| Miami-Dade County, FL, Educational Facilities Authority Revenue, University of Miami, Series A, 5.75%, 4/1/2028 | 3,000,000 | 3,236,130 |
| Miami-Dade County, FL, Expressway Authority, Toll Systems Revenue, Series A, 5.0%, 7/1/2035 (a) | 3,000,000 | 3,120,360 |
| Miami-Dade County, FL, Transportation/Tolls Revenue, Expressway Authority: | | |
| 6.0%, 7/1/2013 (a) | 1,665,000 | 1,681,916 |
| 6.0%, 7/1/2014 (a) | 1,000,000 | 1,010,160 |
| North Brevard County, FL, Hospital District Revenue, Parrish Medical Center Project: | | |
| 5.5%, 10/1/2028 | 5,290,000 | 5,633,850 |
| 5.75%, 10/1/2038 | 5,000,000 | 5,267,000 |
| Orlando & Orange County, FL, Expressway Authority Revenue, Series A, 5.0%, 7/1/2040 | 2,975,000 | 3,106,406 |
| | | 47,450,962 |
| Georgia 7.3% | | |
| Atlanta, GA, Water & Wastewater Revenue, Series A, 6.25%, 11/1/2039 | 5,815,000 | 6,644,859 |
| Gainesville & Hall County, GA, Hospital Authority Revenue, Anticipation Certificates, Northeast Georgia Healthcare, Series A, 5.5%, 2/15/2045 | 2,135,000 | 2,175,906 |
| Georgia, Main Street Natural Gas, Inc., Gas Project Revenue: | | |
| Series A, 5.0%, 3/15/2020 | 7,250,000 | 7,977,755 |
| Series A, 5.5%, 9/15/2024 | 5,000,000 | 5,328,050 |
| Series A, 5.5%, 9/15/2028 | 10,000,000 | 10,577,200 |
| Georgia, Medical Center Hospital Authority Revenue, Anticipation Certificates, Columbus Regional Healthcare Systems, 6.5%, 8/1/2038 (a) | 3,300,000 | 3,752,991 |
| | | 36,456,761 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|---|------------|------------|
| Hawaii 1.5% | | |
| Hawaii, State Airports Systems Revenue, Series A, 5.0%, 7/1/2039 | 4,200,000 | 4,354,980 |
| Hawaii, State Department of Budget & Finance, Special Purpose Revenue, Hawaiian Electric Co., Inc.: | | |
| Series D, AMT, 6.15%, 1/1/2020 (a) | 2,195,000 | 2,199,917 |
| 6.5%, 7/1/2039 | 1,000,000 | 1,114,280 |
| | | 7,669,177 |
| Idaho 1.0% | | |
| Idaho, Health Facilities Authority Revenue, St. Luke's Regional Medical Center: | | |
| 5.0%, 7/1/2035 (a) (c) | 2,500,000 | 2,581,225 |
| 6.75%, 11/1/2037 | 2,135,000 | 2,428,819 |
| | | 5,010,044 |
| Illinois 7.1% | | |
| Chicago, IL, Airport Revenue, O'Hare International Airport, AMT, 5.5%, 1/1/2014 (a) | 10,000,000 | 10,129,400 |
| Chicago, IL, Midway Airport Revenue, Series B, AMT, 0.31% *, 1/1/2029, JPMorgan Chase Bank (b) | 5,000,000 | 5,000,000 |
| Illinois, Finance Authority Revenue, Advocate Health Care Network: | | |
| Series B, 5.375%, 4/1/2044 | 2,500,000 | 2,632,400 |
| Series D, 6.5%, 11/1/2038 | 1,000,000 | 1,144,170 |
| Illinois, Finance Authority Revenue, Elmhurst Memorial Healthcare, Series A, 5.625%, 1/1/2037 | 3,000,000 | 2,961,180 |
| Illinois, Finance Authority Revenue, Memorial Health Systems, 5.5%, 4/1/2039 | 4,200,000 | 4,321,296 |
| Illinois, Finance Authority Revenue, Northwest Community Hospital, Series A, 5.5%, 7/1/2038 | 5,750,000 | 6,113,975 |
| Illinois, Finance Authority Revenue, Roosevelt University Project, 6.5%, 4/1/2044 | 3,000,000 | 3,214,260 |
| | | 35,516,681 |
| Indiana 1.5% | | |
| Indiana, Finance Authority Hospital Revenue, Deaconess Hospital Obligation, Series A, 6.75%, 3/1/2039 | 1,745,000 | 1,945,413 |
| Indiana, Hospital & Healthcare Revenue, Health Facilities Authority, Prerefunded, 5.5%, 11/1/2031 | 5,000,000 | 5,345,950 |
| | | 7,291,363 |
| Kentucky 3.1% | | |
| Kentucky, Economic Development Finance Authority, Health System Revenue, Norton Healthcare: | | |
| Series A, 6.5%, 10/1/2020 | 1,210,000 | 1,224,520 |
| Series A, Prerefunded, 6.5%, 10/1/2020 | 790,000 | 802,008 |
| Series A, 6.625%, 10/1/2028 | 865,000 | 874,887 |
| Series A, Prerefunded, 6.625%, 10/1/2028 | 3,135,000 | 3,182,997 |
| Kentucky, Economic Development Finance Authority, Louisville Arena Project Revenue, Series A-1, 6.0%, 12/1/2042 (a) | 4,000,000 | 4,362,920 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|---|-----------|------------|
| Louisville & Jefferson County, KY, Metropolitan Government Health System Revenue, Norton Healthcare, Inc., 5.0%, 10/1/2030 | 5,000,000 | 5,083,650 |
| | | 15,530,982 |
| Louisiana 1.1% | | |
| Louisiana, Public Facilities Authority, Hospital Revenue, Lafayette General Medical Center, 5.5%, 11/1/2040 | 3,000,000 | 3,074,340 |
| Louisiana, St. John Baptist Parish Revenue, Marathon Oil Corp., Series A, 5.125%, 6/1/2037 | 2,315,000 | 2,319,514 |
| | | 5,393,854 |
| Maryland 0.6% | | |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Anne Arundel Health Systems, Series A, 6.75%, 7/1/2039 | 1,100,000 | 1,279,553 |
| Maryland, State Health & Higher Educational Facilities Authority Revenue, Washington County Hospital, 5.75%, 1/1/2033 | 1,500,000 | 1,544,130 |
| | | 2,823,683 |
| Massachusetts 2.6% | | |
| Massachusetts, Airport Revenue, U.S. Airways, Inc. Project, Series A, AMT, 5.875%, 9/1/2023 (a) | 5,000,000 | 4,618,000 |
| Massachusetts, Port Authority Revenue, Series B, AMT, 5.5%, 7/1/2015 (a) | 3,000,000 | 3,005,880 |
| Massachusetts, State Health & Educational Facilities Authority Revenue, Boston Medical Center Project, 5.25%, 7/1/2038 | 1,885,000 | 1,820,702 |
| Massachusetts, State Health & Educational Facilities Authority Revenue, Suffolk University, Series A, 5.75%, 7/1/2039 | 3,570,000 | 3,776,025 |
| | | 13,220,607 |
| Michigan 2.4% | | |
| Chippewa County, MI, Hospital & Healthcare Revenue, Chippewa County War Memorial, Series B, 5.625%, 11/1/2014 | 1,085,000 | 1,085,358 |
| Michigan, State Building Authority Revenue, Facilities Program: Series H, 5.125%, 10/15/2033 | 2,495,000 | 2,610,494 |
| Series I, 6.0%, 10/15/2038 | 1,000,000 | 1,114,000 |
| Michigan, State Hospital Finance Authority Revenue, Henry Ford Health Hospital, 5.75%, 11/15/2039 | 5,000,000 | 5,198,700 |
| Royal Oak, MI, Hospital Finance Authority Revenue, William Beaumont Hospital, 8.25%, 9/1/2039 | 1,800,000 | 2,191,140 |
| | | 12,199,692 |
| Minnesota 0.3% | | |
| Minneapolis, MN, Health Care Systems Revenue, Fairview Health Services, Series A, 6.75%, 11/15/2032 | 1,140,000 | 1,316,803 |
| Mississippi 0.3% | | |
| Warren County, MS, Gulf Opportunity Zone, International Paper Co., Series A, 6.5%, 9/1/2032 | 1,525,000 | 1,700,268 |
| Missouri 0.1% | | |
| Missouri, Hospital & Healthcare Revenue, Lake of the Ozarks General Hospital, 6.5%, 2/15/2021 | 365,000 | 365,445 |
| Nevada 2.1% | | |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|---|------------|------------|
| Henderson, NV, Health Care Facility Revenue, Catholic Healthcare West, Series B, 5.25%, 7/1/2031 | 10,000,000 | 10,282,300 |
| New Jersey 3.4% | | |
| New Jersey, Economic Development Authority Revenue, Cigarette Tax, 5.75%, 6/15/2034 | 1,090,000 | 1,078,740 |
| New Jersey, Hospital & Healthcare Revenue, General Hospital Center at Passaic, ETM, 6.75%, 7/1/2019 (a) | 5,000,000 | 6,345,100 |
| New Jersey, Industrial Development Revenue, Economic Development Authority, Harrogate, Inc., Series A, 5.875%, 12/1/2026 | 1,400,000 | 1,353,254 |
| New Jersey, Resource Recovery Revenue, Tobacco Settlement Financing Corp., 5.75%, 6/1/2032 | 1,515,000 | 1,620,035 |
| New Jersey, State Transportation Trust Fund Authority, Transportation Systems, Series A, 6.0%, 12/15/2038 | 3,000,000 | 3,426,360 |
| New Jersey, State Turnpike Authority Revenue, Series E, 5.25%, 1/1/2040 | 1,750,000 | 1,892,030 |
| New Jersey, Tobacco Settlement Financing Corp., Series 1-A, 5.0%, 6/1/2041 | 1,700,000 | 1,169,447 |
| | | 16,884,966 |
| New York 4.1% | | |
| New York, State Agency General Obligation Lease, Higher Education Revenue, Dormitory Authority, City University, Series A, 5.625%, 7/1/2016 | 1,500,000 | 1,719,585 |
| New York, Tobacco Settlement Financing Corp., Series B-1C, 5.5%, 6/1/2019 | 15,500,000 | 17,091,850 |
| New York City, NY, Transitional Finance Authority Revenue, NYC Recovery, Series 1B, 0.26% *, 11/1/2022 | 280,000 | 280,000 |
| Niagara Falls, NY, School District General Obligation, 5.6%, 6/15/2014 (a) | 1,180,000 | 1,402,100 |
| | | 20,493,535 |
| North Carolina 0.9% | | |
| North Carolina, Electric Revenue, Municipal Power Agency, Series C, 5.375%, 1/1/2017 | 1,000,000 | 1,088,750 |
| North Carolina, Medical Care Commission, Health Care Facilities Revenue, University Health Systems, Series D, 6.25%, 12/1/2033 | 3,000,000 | 3,338,790 |
| | | 4,427,540 |
| Ohio 5.1% | | |
| Buckeye, OH, Tobacco Settlement Financing Authority, Series A-2, 5.875%, 6/1/2030 | 19,820,000 | 16,158,850 |
| Ohio, State Hospital Facility Revenue, Cleveland Clinic Health: | | |
| Series A, 5.5%, 1/1/2039 | 5,000,000 | 5,423,500 |
| Series B, 5.5%, 1/1/2039 | 3,500,000 | 3,796,450 |
| | | 25,378,800 |
| Oklahoma 1.0% | | |
| Oklahoma, State Turnpike Authority Revenue, Series C, 0.27% *, 1/1/2028 | 5,000,000 | 5,000,000 |
| Pennsylvania 2.3% | | |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|--|------------|------------|
| Allegheny County, PA, Hospital Development Authority Revenue, University of Pittsburgh Medical, 5.625%, 8/15/2039 | 1,700,000 | 1,789,692 |
| Franklin County, PA, Industrial Development Authority Revenue, Chambersburg Hospital Project, 5.375%, 7/1/2042 | 7,000,000 | 7,223,440 |
| Pennsylvania, Hospital & Healthcare Revenue, Economic Development Financing Authority, UPMC Health System, Series A, Prerefunded, 6.0%, 1/15/2031 | 2,570,000 | 2,650,801 |
| | | 11,663,933 |
| Puerto Rico 4.1% | | |
| Puerto Rico, Sales Tax Financing Corp., Sales Tax Revenue: Series A, 5.375%, 8/1/2039 | 3,200,000 | 3,380,160 |
| Series A, 6.5%, 8/1/2044 | 15,000,000 | 17,064,750 |
| | | 20,444,910 |
| Rhode Island 0.4% | | |
| Rhode Island, Health & Educational Building Corp., Higher Education Facility Revenue, University of Rhode Island, Series A, 6.25%, 9/15/2034 | 2,000,000 | 2,233,860 |
| South Carolina 2.2% | | |
| Greenwood County, SC, Hospital & Healthcare Revenue, South Carolina Memorial Hospital, 5.5%, 10/1/2031 | 1,500,000 | 1,511,520 |
| South Carolina, Jobs Economic Development Authority, Hospital Facilities Revenue, Palmetto Health Alliance: Series C, Prerefunded, 7.0%, 8/1/2030 | 5,420,000 | 6,377,000 |
| Series A, Prerefunded, 7.375%, 12/15/2021 | 2,000,000 | 2,080,560 |
| South Carolina, Tobacco Settlement Revenue Management Authority, Series B, 6.0%, 5/15/2022 | 790,000 | 818,226 |
| | | 10,787,306 |
| Tennessee 3.3% | | |
| Clarksville, TN, Natural Gas Acquisition Corp., Gas Revenue, 5.0%, 12/15/2021 | 2,000,000 | 2,048,960 |
| Jackson, TN, Hospital Revenue, Jackson-Madison Project, 5.625%, 4/1/2038 | 4,000,000 | 4,138,120 |
| Memphis-Shelby County, TN, Airport Revenue, Series D, AMT, 6.25%, 3/1/2017 (a) | 565,000 | 572,322 |
| Shelby County, TN, Health, Educational & Housing Facility Board, Hospital Revenue, Methodist Health Care, Prerefunded, 6.5%, 9/1/2026 | 7,000,000 | 7,846,440 |
| Sullivan County, TN, Health, Educational & Housing Facilities Board, Hospital Revenue, Wellmont Health Systems Project, Series C, 5.25%, 9/1/2036 | 2,050,000 | 2,004,511 |
| | | 16,610,353 |
| Texas 10.8% | | |
| Harris County, TX, Health Facilities Development Corp., Hospital Revenue, Memorial Hermann Healthcare System, Series B, 7.25%, 12/1/2035 | 1,000,000 | 1,162,220 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|--|------------|------------|
| Harris County, TX, Houston Port Authority, Series A, AMT, 6.25%, 10/1/2029 | 3,000,000 | 3,546,480 |
| Houston, TX, Airport Revenue, People Mover Project, Series A, AMT, 5.5%, 7/15/2017 (a) | 3,300,000 | 3,307,425 |
| North Texas, Tollway Authority Revenue: | | |
| First Tier, Series A, 5.625%, 1/1/2033 | 3,500,000 | 3,747,905 |
| Second Tier, Series F, 5.75%, 1/1/2038 | 6,500,000 | 6,935,370 |
| Texas, Dallas/Fort Worth International Airport Revenue, Series A, AMT, 5.875%, 11/1/2016 (a) | 6,500,000 | 6,814,340 |
| Texas, Industrial Development Revenue, Waste Disposal Authority, Series A, AMT, 6.1%, 8/1/2024 | 2,000,000 | 2,033,060 |
| Texas, Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue: | | |
| Series B, 0.91% **, 12/15/2017 | 10,000,000 | 8,812,100 |
| Series B, 1.06% **, 12/15/2026 | 1,500,000 | 1,024,230 |
| Series D, 6.25%, 12/15/2026 | 5,000,000 | 5,601,000 |
| Texas, SA Energy Acquisition Public Facility Corp., Gas Supply Revenue: | | |
| 5.5%, 8/1/2021 | 1,155,000 | 1,244,720 |
| 5.5%, 8/1/2025 | 7,250,000 | 7,826,085 |
| West Harris County, TX, Regional Water Authority, Water Systems Revenue, 5.0%, 12/15/2035 | 1,995,000 | 2,071,449 |
| | | 54,126,384 |
| Virginia 0.3% | | |
| Washington County, VA, Industrial Development Authority, Hospital Facility Revenue, Mountain States Health Alliance, Series C, 7.75%, 7/1/2038 | 1,370,000 | 1,598,639 |
| Washington 2.1% | | |
| Seattle, WA, Special Assessment Revenue: | | |
| Series B, AMT, 5.5%, 9/1/2011 (a) | 1,085,000 | 1,098,714 |
| Series B, AMT, 5.75%, 9/1/2013 (a) | 1,045,000 | 1,058,042 |
| Washington, State Health Care Facilities Authority Revenue, Virginia Mason Medical Center, Series A, 6.125%, 8/15/2037 | 6,000,000 | 6,281,100 |
| Washington, State Housing Finance Commission, Multi-Family Housing Revenue, Vintage at Silverdale LLC, Series A, AMT, 0.32% *, 9/15/2039 | 2,000,000 | 2,000,000 |
| | | 10,437,856 |
| West Virginia 3.2% | | |
| West Virginia, Hospital Finance Authority Revenue, Charleston Medical Center: | | |
| Prerefunded, 6.75%, 9/1/2022 | 12,000,000 | 12,120,000 |
| Prerefunded, 6.75%, 9/1/2030 | 4,000,000 | 4,040,000 |
| | | 16,160,000 |
| Wisconsin 2.0% | | |
| Badge, WI, Tobacco Asset Securitization Corp., 6.125%, 6/1/2027 | 2,310,000 | 2,478,376 |
| | 6,000,000 | 6,001,380 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|---|------------|-------------|
| Wisconsin, State Health & Educational Facilities Authority Revenue, Aurora Health Care, Inc., Series A, 5.6%, 2/15/2029 | | |
| Wisconsin, State Health & Educational Facilities Authority Revenue, Prohealth Care, Inc. Obligation Group, 6.625%, 2/15/2039 | 1,555,000 | 1,728,600 |
| | | 10,208,356 |
| Total Municipal Bonds and Notes (Cost \$513,703,018) | | 568,845,965 |
| Municipal Inverse Floating Rate Notes (d) 54.7% | | |
| California 4.3% | | |
| California, San Francisco Bay Area Toll Authority, Toll Bridge Revenue, Series F, 5.0%, 4/1/2031 (e) | 10,000,000 | 10,649,358 |
| Trust: California, San Francisco Bay Area Toll Authority, Toll Bridge Revenue, Series 1962-5, 144A, 13.334%, 4/1/2031, Leverage Factor at purchase date: 3 to 1 | | |
| California, State General Obligation, 5.0%, 6/1/2023 (a) (e) | 10,000,000 | 10,844,900 |
| Trust: California, State General Obligation, Series 1932, 144A, 9.07%, 6/1/2023, Leverage Factor at purchase date: 2 to 1 | | |
| | | 21,494,258 |
| Florida 6.9% | | |
| Miami-Dade County, FL, Transit Sales Surtax Revenue, 5.0%, 7/1/2023 (a) (e) | 3,740,000 | 3,974,013 |
| Miami-Dade County, FL, Transit Sales Surtax Revenue, 5.0%, 7/1/2024 (a) (e) | 3,915,000 | 4,159,963 |
| Miami-Dade County, FL, Transit Sales Surtax Revenue, 5.0%, 7/1/2025 (a) (e) | 4,122,500 | 4,380,447 |
| Miami-Dade County, FL, Transit Sales Surtax Revenue, 5.0%, 7/1/2026 (a) (e) | 4,317,500 | 4,587,648 |
| Miami-Dade County, FL, Transit Sales Surtax Revenue, 5.0%, 7/1/2032 (a) (e) | 16,470,000 | 17,500,534 |
| Trust: Miami-Dade County, FL, Transit Improvements, Series 2008-1160, 144A, 9.311%, 7/1/2023, Leverage Factor at purchase date: 2 to 1 | | |
| | | 34,602,605 |
| Massachusetts 5.0% | | |
| Massachusetts, State Water Pollution Abatement Trust, Series 13, 5.0%, 8/1/2032 (e) | 18,250,000 | 19,821,730 |
| Massachusetts, State Water Pollution Abatement Trust, Series 13, 5.0%, 8/1/2037 (e) | 5,000,000 | 5,430,611 |
| Trust: Massachusetts, State Pollution Control, Water Utility Improvements, Series 3159, 144A, 13.472%, 8/1/2032, Leverage Factor at purchase date: 3 to 1 | | |
| | | 25,252,341 |
| Nevada 6.2% | | |
| | 9,447,355 | 10,177,668 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|--|------------|------------|
| Clark County, NV, General Obligation, Limited Tax-Bond Bank, 5.0%, 6/1/2028 (e) | | |
| Clark County, NV, General Obligation, Limited Tax-Bond Bank, 5.0%, 6/1/2029 (e) | 9,919,723 | 10,686,551 |
| Clark County, NV, General Obligation, Limited Tax-Bond Bank, 5.0%, 6/1/2030 (e) | 9,627,878 | 10,372,146 |
| Trust: Clark County, NV, General Obligation, Series 3158, 144A, 13.473%, 6/1/2028, Leverage Factor at purchase date: 3 to 1 | | |
| | | 31,236,365 |
| New York 17.0% | | |
| New York, State Dormitory Authority, State Personal Income Tax Revenue, Series A, 5.0%, 3/15/2026 (e) | 13,500,000 | 15,197,895 |
| Trust: New York, State Dormitory Authority Revenue, Series 2008-1189, 144A, 9.15%, 3/15/2026, Leverage Factor at purchase date: 2 to 1 | | |
| New York, State Dormitory Authority, State Personal Income Tax Revenue, Series A, 5.0%, 3/15/2026 (e) | 10,000,000 | 11,107,854 |
| Trust: New York, State Dormitory Authority Revenue, Series 3160, 144A, 13.474%, 3/15/2026, Leverage Factor at purchase date: 3 to 1 | | |
| New York, State Dormitory Authority, State Personal Income Tax Revenue, Series A, 5.0%, 3/15/2024 (e) | 10,000,000 | 11,244,400 |
| Trust: New York, State Dormitory Authority Revenue, Secondary Issues, Series 1955-3, 144A, 17.51%, 3/15/2024, Leverage Factor at purchase date: 4 to 1 | | |
| New York, State Dormitory Authority Revenues, State Supported Debt, University Dormitory Facilities, 5.0%, 7/1/2025 (e) | 5,425,000 | 5,903,079 |
| New York, State Dormitory Authority Revenues, State Supported Debt, University Dormitory Facilities, 5.0%, 7/1/2027 (e) | 8,080,000 | 8,792,052 |
| Trust: New York, State Dormitory Authority Revenues, Series 3169, 144A, 13.271%, 7/1/2025, Leverage Factor at purchase date: 3 to 1 | | |
| New York, Triborough Bridge & Tunnel Authority Revenues, Series C, 5.0%, 11/15/2033 (e) | 12,000,000 | 12,966,720 |
| Trust: New York, Triborough Bridge & Tunnel Authority Revenues, Series 2008-1188, 144A, 9.15%, 11/15/2033, Leverage Factor at purchase date: 2 to 1 | | |
| New York City, NY, Transitional Finance Authority Revenue, Series C-1, 5.0%, 11/1/2027 (e) | 17,560,000 | 19,563,245 |
| Trust: New York City, NY, Series 2008-1190, 144A, 9.15%, 11/1/2027, Leverage Factor at purchase date: 2 to 1 | | |
| | | 84,775,245 |
| Pennsylvania 2.3% | | |
| Pennsylvania, State General Obligation, Second Series, 5.0%, 1/1/2025 (e) | 10,000,000 | 11,475,800 |

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

Trust: Pennsylvania, State General Obligation,
Public Transit Improvements, Series 2008-1146,
144A, 9.14%, 1/1/2025, Leverage Factor at purchase
date: 2 to 1

Tennessee 7.1%

Nashville & Davidson County, TN, Metropolitan Government, 5.0%,
1/1/2027 (e)

10,756,695 12,099,328

Trust: Nashville & Davidson County, TN,
Metropolitan Government, Series 2631-3, 144A,
17.505%, 1/1/2027, Leverage Factor at purchase
date: 4 to 1

Nashville & Davidson County, TN, Metropolitan Government, 5.0%,
1/1/2026 (e)

10,200,000 11,544,258

Trust: Nashville & Davidson County, TN,
Metropolitan Government, Series 2631-2, 144A,
17.51%, 1/1/2026, Leverage Factor at purchase date:
4 to 1

Nashville & Davidson County, TN, Metropolitan Government, 5.0%,
1/1/2028 (e)

10,564,925 11,809,104

Trust: Nashville & Davidson County, TN,
Metropolitan Government, Series 2631-4, 144A,
17.518%, 1/1/2028, Leverage Factor at purchase
date: 4 to 1

35,452,690

Texas 2.3%

Texas, State General Obligation, Transportation Commission
Mobility Fund, 5.0%, 4/1/2025 (e)

10,000,000 11,453,100

Trust: Texas, State General Obligation, Series
2008-1147, 144A, 9.14%, 4/1/2025, Leverage Factor
at purchase date: 2 to 1

Virginia 3.6%

Virginia, State Resource Authority, Clean Water Revenue, 5.0%,
10/1/2027 (e)

8,190,000 9,337,290

Virginia, State Resource Authority, Clean Water Revenue, 5.0%,
10/1/2028 (e)

7,630,000 8,698,843

Trust: Virginia, State Resource Authority, Clean
Water Revenue, Series 2917, 144A, 11.057%,
10/1/2027, Leverage Factor at purchase date: 2.5 to 1

18,036,133

Total Municipal Inverse Floating Rate Notes (Cost \$253,811,312)

273,778,537

% of
Net Assets

Value (\$)

Total Investment Portfolio (Cost

\$767,514,330) † 168.5

842,624,502

Other Assets and Liabilities, Net (28.8)

(143,920,382)

Preferred Shares, at Redemption Value (39.7)

(198,750,000)

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

| | | |
|--|-------|-------------|
| Net Assets Applicable to Common Shareholders | 100.0 | 499,954,120 |
|--|-------|-------------|

For information on the Fund's policies regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent semi-annual or annual financial statements.

- * Variable rate demand notes are securities whose interest rates are reset periodically at market levels. These securities are often payable on demand and are shown at their current rates as of August 31, 2010.
- ** These securities are shown at their current rate as of August 31, 2010. Floating rate securities' yields vary with a designated market index or market rate, such as the coupon-equivalent of the US Treasury bill rate.
- † The cost for federal income tax purposes was \$766,260,185. At August 31, 2010, net unrealized appreciation for all securities based on tax cost was \$76,364,317. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost of \$78,303,722 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$1,939,405.
- (a) Bond is insured by one of these companies:

| | As a % of Total Investment Portfolio |
|---|--------------------------------------|
| Insurance Coverage | |
| Ambac Financial Group, Inc. | 3.4 |
| Assured Guaranty Corp. | 2.4 |
| Assured Guaranty Municipal Corp. | 9.7 |
| Financial Guaranty Insurance Co. | 1.1 |
| National Public Finance Guarantee Corp. | 2.8 |

Many insurers who have traditionally guaranteed payment of municipal issues have been downgraded by the major rating agencies.

- (b) Security incorporates a letter of credit from the bank listed.
- (c) When-issued security.
- (d) Securities represent the underlying municipal obligations of inverse floating rate obligations held by the Fund.
- (e) Security forms part of the below tender option bond trust. Principal Amount and Value shown take into account the leverage factor.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

AMT: Subject to alternative minimum tax.

ETM: Bonds bearing the description ETM (escrow to maturity) are collateralized usually by US Treasury securities which are held in escrow and used to pay principal and interest on bonds so designated.

Prerefunded: Bonds which are prerefunded are collateralized usually by US Treasury securities which are held in escrow and used to pay principal and interest on tax-exempt issues and to retire the bonds in full at the earliest refunding date.

Fair Value Measurements

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of August 31, 2010 in valuing the Fund's investments.

| | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|---------|---------------|---------|---------------|
| Assets | | | | |
| Municipal Bonds and Notes(f) | \$— | \$842,624,502 | \$— | \$842,624,502 |
| Total | \$— | \$842,624,502 | \$— | \$842,624,502 |

There have been no transfers in and out of Level 1 and Level 2 fair value measurements during the period ended August 31, 2010.

(f) See Investment Portfolio for additional detailed categorizations.

ITEM 2. CONTROLS AND PROCEDURES

(a) The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) There have been no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

ITEM 3. EXHIBITS

Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is filed and attached hereto as Exhibit 99.CERT.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: DWS Municipal Income Trust

Edgar Filing: DWS MUNICIPAL INCOME TRUST - Form N-Q

By: /s/Michael G. Clark
Michael G. Clark
President

Date: October 21, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/Michael G. Clark
Michael G. Clark
President

Date: October 21, 2010

By: /s/Paul Schubert
Paul Schubert
Chief Financial Officer and Treasurer

Date: October 21, 2010