

Western Asset Municipal Defined Opportunity Trust 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 811-22265

Western Asset Municipal Defined Opportunity Trust 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: (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 MUNICIPAL  
DEFINED OPPORTUNITY TRUST INC.**

FORM N-Q

AUGUST 31, 2010

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Schedule of investments (unaudited)

August 31, 2010

**WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.**

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
MUNICIPAL BONDS 98.6%				
<b>Arizona 2.8%</b>				
Salt Verde, AZ, Financial Corp. Gas Revenue	5.000%	12/1/32	\$ 7,610,000	\$ 7,342,052
<b>California 4.4%</b>				
California Housing Finance Agency Revenue:				
Home Mortgage	5.000%	2/1/28	6,755,000	6,343,350(a)
Home Mortgage	4.800%	8/1/37	6,000,000	4,935,720(a)
<i>Total California</i>				<i>11,279,070</i>
<b>Colorado 2.6%</b>				
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.125%	11/15/23	6,000,000	6,695,340
<b>Florida 3.5%</b>				
Citizens Property Insurance Corp., FL, Senior Secured High Act	6.000%	6/1/17	6,900,000	7,725,516(b)
Florida State Municipal Power Agency Revenue, All Requirements Power	6.250%	10/1/31	1,000,000	1,175,660
<i>Total Florida</i>				<i>8,901,176</i>
<b>Georgia 8.1%</b>				
Atlanta, GA, Water & Wastewater Revenue	6.000%	11/1/23	5,000,000	5,954,950
Atlanta, GA, Water & Wastewater Revenue	6.250%	11/1/34	3,260,000	3,699,937
DeKalb, Newton & Gwinnett Counties, GA, Joint Development Authority Revenue, GGC Foundation LLC Project	6.125%	7/1/40	10,000,000	11,281,100
<i>Total Georgia</i>				<i>20,935,987</i>
<b>Indiana 7.7%</b>				
Indiana Municipal Power Agency Power Supply System Revenue	6.000%	1/1/39	10,000,000	11,053,400
Richmond, IN, Hospital Authority Revenue, Reid Hospital & Health Care Services Inc. Project	6.500%	1/1/29	8,000,000	8,848,720
<i>Total Indiana</i>				<i>19,902,120</i>
<b>Louisiana 4.5%</b>				
Louisiana State Citizens Property Insurance Corp., Assessment Revenue, AGC	6.125%	6/1/25	10,000,000	11,488,600
<b>Maryland 3.6%</b>				
Maryland State Health & Higher EFA Revenue, Washington County Hospital	5.750%	1/1/38	9,000,000	9,204,210
<b>Michigan 15.7%</b>				
Detroit, MI, Water Supply System Revenue:				
AGM	5.000%	7/1/34	7,000,000	7,101,920
AGM	6.250%	7/1/36	3,000,000	3,312,060
Michigan State Hospital Finance Authority Revenue, McLaren Health Care Corp.	5.750%	5/15/38	9,000,000	9,473,220
	6.350%	10/1/35	10,000,000	10,849,600(a)

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Michigan State Housing Development Authority, Rental Housing Revenue, AMBAC				
Royal Oak, MI, Hospital Finance Authority Revenue, William Beaumont Hospital	8.250%	9/1/39	8,000,000	9,713,840
<i>Total Michigan</i>				<i>40,450,640</i>
<b>Missouri 4.8%</b>				
Missouri State Development Finance Board, Infrastructure Facilities Revenue, Independence Events Center	6.250%	4/1/34	11,940,000	12,395,153
<b>New Jersey 4.6%</b>				
New Jersey State EFA Revenue, University of Medicine and Dentistry	7.500%	12/1/32	10,000,000	11,775,600

*See Notes to Schedule of Investments.*

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Schedule of investments (unaudited) (cont d)

August 31, 2010

**WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.**

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>New York 1.2%</b>				
Liberty, NY, Development Corporation Revenue, Goldman Sachs Headquarters	5.250%	10/1/35	\$ 3,000,000	\$ 3,186,450
<b>Ohio 5.5%</b>				
Ohio State Air Quality Development Authority Revenue:				
FirstEnergy Generation Corp.	5.700%	8/1/20	2,500,000	2,765,050
FirstEnergy Nuclear Generation Corp.	5.750%	6/1/16	10,000,000	11,350,300(c)
<i>Total Ohio</i>				<i>14,115,350</i>
<b>Pennsylvania 4.3%</b>				
Pennsylvania Economic Development Financing Authority, Water Facility Revenue, American Water Co. Project	6.200%	4/1/39	10,000,000	10,974,500
<b>Rhode Island 4.5%</b>				
Rhode Island State Health & Educational Building Corp., Revenue, Hospital Financing	7.000%	5/15/39	10,000,000	11,502,600
<b>Tennessee 3.2%</b>				
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	9/1/16	8,000,000	8,357,600
<b>Texas 11.1%</b>				
Brazos River, TX, Harbor Navigation District, Brazoria County Environmental, Dow Chemical Co. Project	5.950%	5/15/33	10,000,000	10,437,800(a)(d)
North Texas Tollway Authority Revenue	5.750%	1/1/33	10,200,000	10,921,956
Texas Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue	5.250%	12/15/18	3,325,000	3,538,199
Texas Municipal Gas Acquisition & Supply Corp. I, Gas Supply Revenue	6.250%	12/15/26	1,310,000	1,455,135
Texas Private Activity Bond Surface Transportation Corp. Revenue, LBJ Infrastructure Group LLC	7.000%	6/30/40	2,000,000	2,180,740
<i>Total Texas</i>				<i>28,533,830</i>
<b>U.S. Virgin Islands 2.2%</b>				
Virgin Islands Public Finance Authority Revenue, Matching Fund Loan	6.625%	10/1/29	5,000,000	5,796,550
<b>Wisconsin 4.3%</b>				
Wisconsin State HEFA Revenue, Prohealth Care Inc. Obligation Group	6.625%	2/15/39	10,000,000	11,093,900
<b>TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS (Cost</b>		\$216,696,516)		253,930,728
<b>SHORT-TERM INVESTMENTS 0.1%</b>				
<b>New York 0.0%</b>				
New York City, NY, Municipal Water Finance Authority, Water & Sewer System Revenue,	0.280%	6/15/39	200,000	200,000(e)(f)

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SPA-Landesbank Hessen-Thuringen

**Puerto Rico 0.1%**

Commonwealth of Puerto Rico, GO, Public  
Improvement, AGM, LOC-Wells Fargo Bank

N.A.	0.190%	7/1/32	200,000	200,000 <sup>(e)(f)</sup>
TOTAL SHORT-TERM INVESTMENTS (Cost \$400,000)				400,000
TOTAL INVESTMENTS 98.7% (Cost \$217,096,516#)				254,330,728
Other Assets in Excess of Liabilities 1.3%				3,261,723
TOTAL NET ASSETS 100.0%				\$ 257,592,451

- (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) Maturity date shown represents the mandatory tender date.
- (d) Variable rate security. Interest rate disclosed is that which is in effect at August 31, 2010.
- (e) Variable rate demand obligations have a demand feature under which the Fund can tender them back to the issuer or liquidity provider on no more than 7 days notice.
- (f) Maturity date shown is the final maturity date. The security may be sold back to the issuer before final maturity.
- # Aggregate cost for federal income tax purposes is substantially the same.

*See Notes to Schedule of Investments.*

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Schedule of investments (unaudited) (cont d)

August 31, 2010

**WESTERN ASSET MUNICIPAL DEFINED OPPORTUNITY TRUST INC.**

Abbreviations used in this schedule:

AGC	-	Assured Guaranty Corporation - Insured Bonds
AGM	-	Assured Guaranty Municipal Corporation - Insured Bonds
AMBAC	-	American Municipal Bond Assurance Corporation - Insured Bonds
EFA	-	Educational Facilities Authority
GO	-	General Obligation
HEFA	-	Health & Educational Facilities Authority
LOC	-	Letter of Credit
SPA	-	Standby Bond Purchase Agreement - Insured Bonds

**Summary of Investments by Industry \***

Industrial Revenue	27.2%
Health Care	23.5
Education	9.1
Housing	8.7
Water & Sewer	7.9
Special Tax Obligation	7.5
Power	5.9
Transportation	5.1
Other	4.9
Short-Term Investments	0.2
	100.0%

\*As a percentage of total investments. Please note that Fund holdings are as of August 31, 2010 and are subject to change.

**Ratings Table**

S&P/Moody s/Fitch

AAA/Aaa	8.6%
AA/Aa	12.7
A	62.1
BBB/Baa	16.4
A-1/VMIG 1	0.2
	100.0%

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As a percentage of total investments.

The ratings shown are based on each portfolio security's rating as determined by S&P, Moody's or Fitch, each a Nationally Recognized Statistical Ratings Organization (NRSRO). These ratings are the opinions of the NRSROs and are not measures of quality or guarantees of performance. Security 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 an NRSRO.

See pages 4 through 7 for definitions of ratings.

*See Notes to Schedule of Investments.*

**Bond Ratings** (*unaudited*)

The definitions of the applicable rating symbols are set forth below:

*Standard & Poor's Ratings Service* ( *Standard & Poor's* ) Ratings from AA to CCC may be modified by the addition of a plus (+) or minus ( - ) sign to show relative standings within the major rating categories.

AAA	An obligation rated AAA has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated AA differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
A	An obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
BBB	An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
BB, B, CCC, CC and C	Obligations rated BB, B, CCC, CC and C are regarded as having significant speculative characteristics. BB indicates the lowest degree of speculation and C the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.
D	An obligation rated D is in payment default. The D rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The D rating also will be used upon the filing of a bankruptcy petition or the taking of similar action if payments on an obligation are jeopardized. An obligation's rating is lowered to D upon completion of a distressed exchange offer, whereby some or all of the issue is either repurchased for an amount of cash or replaced by other instruments having a total value that is less than par.

*Moody's Investors Service* ( *Moody's* ) Numerical modifiers 1, 2 and 3 may be applied to each generic rating from Aaa to Caa, where 1 is the highest and 3 the lowest ranking within its generic category.

Aaa	Bonds rated Aaa are judged to be of the highest quality, with minimal credit risk.
Aa	Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
A	Obligations rated A are considered upper-medium grade and are subject to low credit risk.
Baa	Obligations rated Baa are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.
Ba	Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk.
B	Obligations rated B are considered speculative and are subject to high credit risk.
Caa	Obligations rated Caa are judged to be of poor standing and are subject to very high credit risk.

**Bond Ratings (unaudited)(continued)**

- Ca Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery for principal and interest.
- C Obligations rated C are the lowest rated class of bonds and are typically in default, with little prospect of recovery for principal and interest.

*Fitch Ratings Service ( Fitch )* Ratings from AA to CCC may be modified by the addition of a plus (+) or minus ( ) sign to show relative standing within the major rating categories.

- AAA Bonds rated AAA by Fitch denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
- AA Bonds rated AA denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
- A Bonds rated A denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
- BBB Bonds rated BBB indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.
- BB, B, CCC, CC and C Bonds rated BB , B , CCC , CC and C are regarded, on balance, as predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. BB represents a lower degree of speculation than B , and C the highest degree of speculation. While such bonds will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions.
- D Bonds rated D indicate an issuer that in Fitch Ratings opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, or which has otherwise ceased business.
- NR indicates that the bond is not rated by Standard & Poor s, Moody s or Fitch.

**Short-Term Security Ratings (unaudited)**

*Standard & Poor s Short-Term Notes Ratings*

- SP-1 A short-term obligation rated SP-1 is rated in the highest category by Standard & Poor s. Strong capacity to pay principal and interest. An issue determined to possess a very strong capacity to pay debt service is given a plus (+) designation.
- SP-2 A short-term obligation rated SP-2 is a Standard & Poor s rating indicating satisfactory capacity to pay principal and interest, with some vulnerability to adverse financial and economic changes over the term of the notes.

**Short-Term Security Ratings** *(unaudited)(continued)*

SP-3 A short-term obligation rated SP-3 is a Standard & Poor's rating indicating speculative capacity to pay principal and interest.

*Standard & Poor's Short-Term Issuer Credit Ratings*

- A-1 A short-term obligation rated A-1 is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.
- A-2 A short-term obligation rated A-2 is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.
- A-3 A short-term obligation rated A-3 exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
- B A short-term obligation rated B is regarded as having significant speculative characteristics. Ratings of B-1, B-2 and B-3 may be assigned to indicate finer distinctions within the B category. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

*Moody's Variable Rate Demand Obligations (VRDO) Ratings*

- VMIG 1 Moody's highest rating for issues having a demand feature VRDO. This designation denotes superior credit quality. Excellent protection is afforded by the superior short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price on demand.
- VMIG 2 This designation denotes strong credit quality. Good protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price on demand.
- VMIG 3 This designation denotes acceptable credit quality. Adequate protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price on demand.

*Moody's Short-Term Obligation Ratings*

- MIG 1 Moody's highest rating for short-term municipal obligations. This designation denotes superior credit quality. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.

**Short-Term Security Ratings** *(unaudited)(continued)*

- MIG 2 This designation denotes strong credit quality. Margins of protection are ample, although not as large as the preceding group.
- MIG 3 This designation denotes acceptable credit quality. Liquidity and cash flow protection may be narrow, and market access for refinancing is likely to be less well-established.
- SG This designation denotes speculative-grade credit quality. Debt instruments in this category may lack sufficient margins of protection.

*Moody's Short-Term Security Ratings*

- P-1 Moody's highest rating for commercial paper and for VRDO prior to the advent of the VMIG 1 rating. Have a superior ability to repay short-term debt obligations.
- P-2 Have a strong ability to repay short-term debt obligations.
- P-3 Have an acceptable ability to repay short-term debt obligations.
- NP Issuers do not fall within any of the Prime rating categories.

*Fitch's Short-Term Issuer or Obligation Ratings*

- F1 Fitch's highest rating indicating the strongest capacity for timely payment of financial commitments; may have an added + to denote any exceptionally strong credit feature.
- F2 Fitch rating indicating good intrinsic capacity for timely payment of financial commitments.
- F3 Fitch rating indicating intrinsic capacity for timely payment of financial commitments is adequate.

**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.** Securities are valued at the mean between the last quoted bid and asked prices provided by an independent pricing service, which are based on transactions in municipal obligations, quotations from municipal bond dealers, market transactions in comparable securities and various other relationships between securities. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. When prices are not readily available, or are determined not to reflect fair value, the Fund values these securities at fair value as determined in accordance with procedures approved by the Fund's Board of Directors. Short-term obligations with maturities of 60 days or less are valued at amortized cost, which approximates fair value.

The Fund has adopted Financial Accounting Standards Board Codification Topic 820. ASC Topic 820 establishes a single definition of fair value, creates a three-tier hierarchy as a framework for measuring fair value based on inputs used to value the Fund's investments, and requires additional disclosure about fair value. The hierarchy of inputs is summarized below.

- Level 1 quoted prices in active markets for identical investments
- Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 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 Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of the security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

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The following is a summary of the inputs used in valuing the Fund's assets and liabilities carried at fair value:

DESCRIPTION	QUOTED PRICES (LEVEL 1)	OTHER SIGNIFICANT OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	TOTAL
Municipal bonds		\$ 253,930,728		\$ 253,930,728
Short-term investments		400,000		400,000
Total investments		\$ 254,330,728		\$ 254,330,728
Other financial instruments:				
Futures contracts	\$ (4,880,662)			(4,880,662)
Total	\$ (4,880,662)	\$ 254,330,728		\$ 249,450,066

See Schedule of Investments for additional detailed categorizations.

**(b) Futures Contracts.** The Fund may use futures contracts to gain exposure to, or hedge against, changes in the value of interest rates. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the Fund is required to deposit cash or cash equivalents with a broker in an amount equal to a certain percentage of the contract amount. This is known as the initial margin and subsequent payments (variation margin)

**Notes to Schedule of Investments (unaudited) (continued)**

are made or received by the Fund each day, depending on the daily fluctuation in the value of the contract. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded.

Futures contracts involve, to varying degrees, risk of loss. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

**(c) Security Transactions.** Security transactions are accounted for on a trade date basis.

**2. Investments**

At August 31, 2010, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were as follows:

Gross unrealized appreciation	\$	37,835,546
Gross unrealized depreciation		(601,334)
Net unrealized appreciation	\$	37,234,212

At August 31, 2010, the Fund had the following open futures contracts:

	NUMBER OF CONTRACTS	EXPIRATION DATE	BASIS VALUE	MARKET VALUE	UNREALIZED LOSS
<b>Contracts to Sell:</b>					
U.S. Treasury 10-Year Notes	100	9/10	\$ 12,037,956	\$ 12,650,000	\$ (612,044)
U.S. Treasury 10-Year Notes	92	12/10	11,520,545	11,557,500	(36,955)
U.S. Treasury 30-Year Bonds	361	9/10	45,054,038	49,253,938	(4,199,900)
U.S. Treasury 30-Year Bonds	33	12/10	4,424,268	4,456,031	(31,763)
Net unrealized loss on open futures contracts					\$ (4,880,662)

**3. Derivative Instruments and Hedging Activities**

Financial Accounting Standards Board Codification Topic 815 requires enhanced disclosure about an entity's derivative and hedging activities.

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The following is a summary of the Fund's derivative instruments categorized by risk exposure at August 31, 2010.

<b>Primary Underlying Risk Disclosure</b>	<b>Futures Contracts</b>	
	<b>Unrealized Appreciation</b>	<b>Unrealized Depreciation</b>
Interest Rate Contracts	\$	(4,880,662)

During the period ended August 31, 2010, the volume of derivative activity for the Fund was as follows:

	<b>Average Market Value</b>
Futures contracts (to sell)	\$ 41,131,367

The Fund has several credit related contingent features that if triggered would allow its derivatives counterparties to close out and demand payment or additional collateral to cover their exposure from the Fund. Credit related contingent features are established between the Fund and its derivatives counterparties to reduce the risk that the Fund will not fulfill its payment obligations to its counterparties. These triggering features include, but are not limited to, a percentage decrease in the Fund's net assets and/or a percentage decrease in the Fund's Net Asset Value or NAV. The contingent features are established within the Fund's International Swap and Derivatives Association, Inc. master agreements which govern positions in swaps, over-the-counter options, and forward currency exchange contracts for each individual counterparty.

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are likely to materially affect the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940, as amended, are attached hereto.

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**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.

**Western Asset Municipal Defined Opportunity Trust Inc.**

By /s/ R. Jay Gerken  
R. Jay Gerken  
Chief Executive Officer

Date: October 25, 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/ R. Jay Gerken  
R. Jay Gerken  
Chief Executive Officer

Date: October 25, 2010

By /s/ Kaprel Ozsolak  
Kaprel Ozsolak  
Chief Financial Officer

Date: October 25, 2010

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