

WESTERN ASSET MUNICIPAL PARTNERS FUND INC.

Form N-CSRS

July 24, 2015

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED

MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-07362

Western Asset Municipal Partners Fund Inc.

(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY 10018

(Address of principal executive offices) (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: May 31, 2015

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ITEM 1. REPORT TO STOCKHOLDERS.

The **Semi-Annual** Report to Stockholders is filed herewith.

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Semi-Annual Report

May 31, 2015

WESTERN ASSET
MUNICIPAL PARTNERS
FUND INC. (MNP)

INVESTMENT PRODUCTS: NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

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Fund objectives	

The Fund's primary investment objective is to seek a high level of current income which is exempt from regular federal income taxes,* consistent with the preservation of capital. As a secondary investment objective, the Fund intends to enhance portfolio value by purchasing tax-exempt securities that, in the opinion of the investment manager, may appreciate in value relative to other similar obligations in the marketplace.

Under normal market conditions, the Fund invests substantially all of its assets in a diversified portfolio of tax-exempt securities that are rated investment grade at the time of purchase by at least one rating agency and that the investment manager believes do not involve undue risk to income or principal.

Letter from the chairman

Dear Shareholder,

We are pleased to provide the semi-annual report of Western Asset Municipal Partners Fund Inc. for the six-month reporting period ended May 31, 2015. Please read on for Fund performance information and a detailed look at prevailing economic and market conditions during the Fund's reporting period.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish this is through our website, www.lmcef.com. Here you can gain immediate access to market and investment information, including:

Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,

Kenneth D. Fuller

Chairman, President and Chief Executive Officer

June 26, 2015

*Certain investors may be subject to the federal alternative minimum tax (AMT), and state and local taxes will apply. Capital gains, if any, are fully taxable.
Please consult your personal tax or legal adviser.

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Investment commentary

Economic review

The U.S. economy expanded moderately during the six months ended May 31, 2015 (the reporting period). While the U.S. Department of Commerce reported that third quarter 2014 U.S. gross domestic product (GDP) growth was a strong 5.0%, fourth quarter 2014 GDP growth slowed to a more modest 2.2%. The deceleration in growth primarily reflected an upturn in imports, a downturn in federal government spending and moderating nonresidential fixed investment. In addition, the U.S. Department of Commerce reported that first quarter 2015 GDP growth was -0.2%. This downturn was attributed to a number of factors, including a deceleration in personal consumption expenditures, along with negative contributions from exports, nonresidential fixed investment, and state and local government spending.

Activity in the U.S. manufacturing sector also moderated during the reporting period. Based on the Institute for Supply Management's Purchasing Managers Index (PMI), U.S. manufacturing expanded during all six months of the reporting period (a reading below 50 indicates a contraction, whereas a reading above 50 indicates an expansion). After a reading of 55.1 in December 2014, the PMI generally decelerated over much of the reporting period and the PMI was 52.8 in May 2015.

The labor market was a moderate tailwind for the economy during the reporting period. When the period began, unemployment was 5.6%, as reported by the U.S. Department of Labor. By May 2015, unemployment was 5.5%, close to its lowest level since May 2008.

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Investment commentary (cont d)

Market review

Q. How did the Federal Reserve Board (Fedⁱⁱ) respond to the economic environment?

A. The Fed took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. As it has since December 2008, the Fed maintained the federal funds rate^{iv} at a historically low range between zero and 0.25%. The Fed ended its asset purchase program that was announced in December 2012. In December 2014, the Fed said that it can be patient in beginning to normalize the stance of monetary policy. At its meeting that ended on April 29, 2015, the Fed said, economic growth slowed during the winter months, in part reflecting transitory factors. Finally, at its meeting that concluded on June 17, 2015, after the reporting period ended, the Fed said, The Committee currently anticipates that, even after employment and inflation are near mandate-consistent levels, economic conditions may, for some time, warrant keeping the target federal funds rate below levels the Committee views as normal in the longer run.

Q. Did Treasury yields trend higher or lower during the six months ended May 31, 2015?

A. Short-term Treasury yields moved higher, whereas long-term Treasury yields declined during the reporting period. When the reporting period began, the yield on the two-year Treasury note was 0.47%. It peaked at 0.73% towards the end of December 2014 and again on March 6, 2015, and fell as low as 0.44% on January 15, 2015, before ending the period at 0.61%. The yield on the ten-year Treasury note began the period at 2.18% and its peak of 2.31% occurred on December 5, 2014. The yield on the ten-year Treasury was as low as 1.68% in late January/early February 2015 and concluded the period at 2.12%.

Q. How did the municipal bond market perform versus the taxable bond market over the reporting period?

A. The municipal bond market modestly lagged its taxable bond counterpart during the six months ended May 31, 2015, as the Barclays Municipal Bond Index^v and the Barclays U.S. Aggregate Index^{vi} gained 0.71% and 1.09%, respectively. The overall municipal bond market was supported by overall positive investor demand, largely improving fundamentals and declining longer-term rates. Its underperformance versus the taxable bond market was partially due to an increase in new issuances thus far in 2015.

Performance review

For the six months ended May 31, 2015, Western Asset Municipal Partners Fund Inc. returned 5.19% based on its net asset value (NAV^{vii}) and 7.21% based on its New York Stock Exchange (NYSE) market price per share. The total return based on NAV reflects the impact of the tender and repurchase by the Fund of a portion of its Auction Rate Cumulative Preferred Shares at 90% of the per share liquidation preference. Absent this transaction, the total return based on NAV would have been 0.87%. The Fund's unmanaged benchmark, the Barclays Municipal Bond Index, returned 0.71% for the same period. The Lipper General & Insured Municipal Debt (Leveraged) Closed-End Funds Category Average^{viii} returned 1.53% over the same time frame. Please note that Lipper performance returns are based on each fund's NAV.

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Certain investors may be subject to the federal alternative minimum tax, and state and local taxes will apply. Capital gains, if any, are fully taxable. Please consult your personal tax or legal adviser.

During this six-month period, the Fund made distributions to shareholders totaling \$0.44 per share. As of May 31, 2015, the Fund estimates that all of the distributions were sourced from net investment income.* The performance table shows the Fund's six-month total return based on its NAV and market price as of May 31, 2015. **Past performance is no guarantee of future results.**

Performance Snapshot as of May 31, 2015
(unaudited)

Price Per Share	6-Month Total Return
\$16.78 (NAV)	5.19% **
\$15.26 (Market Price)	7.21%

All figures represent past performance and are not a guarantee of future results. Performance figures for periods shorter than one year represent cumulative figures and are not annualized.

Total returns are based on changes in NAV or market price, respectively. Returns reflect the deduction of all Fund expenses, including management fees, operating expenses, and other Fund expenses. Returns do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, at NAV.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, in additional shares in accordance with the Fund's Dividend Reinvestment Plan.

Looking for additional information?

The Fund is traded under the symbol MNP and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol XMNPX on most financial websites. *Barron's* and the *Wall Street Journal's* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as www.lmcef.com.

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

Thank you for your investment in Western Asset Municipal Partners Fund Inc. As always, we appreciate that you have chosen us to manage your assets and we remain focused on achieving the Fund's investment goals.

*This estimate is not for tax purposes. The Fund will issue a Form 1099 with final composition of the distributions for tax purposes after year-end. A return of capital is not taxable and results in a reduction in the tax basis of a shareholder's investment. For more information about a distribution's composition, please refer to the Fund's distribution press release or, if applicable, the Section 19 notice located in the press release section of our website, www.lmcef.com.

** The total return based on NAV reflects the impact of the tender and repurchase by the Fund of a portion of its Auction Rate Cumulative Preferred Shares at 90% of the per share liquidation preference. Absent this transaction, the total return based on NAV would have been 0.87%.

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Investment commentary (cont d)

Sincerely,

Kenneth D. Fuller

Chairman, President and Chief Executive Officer

June 26, 2015

***RISKS:** An investment in the Fund is subject to risk, including the possible loss of the principal amount that you invest in the Fund. Diversification does not assure against market loss. As interest rates rise, bond prices fall, reducing the value of the Fund's fixed-income securities. The Fund may invest in lower-rated high yield bonds or junk bonds, which are subject to greater liquidity and credit risk (risk of default) than higher rated obligations. Municipal securities purchased by the Fund may be adversely affected by changes in the financial condition of municipal issuers and insurers, regulatory and political developments, uncertainties and public perceptions, and other factors. The Fund may use derivatives, such as options and futures, which can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance.*

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

ⁱ Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.

ⁱⁱ The Institute for Supply Management's PMI is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies. It offers an early reading on the health of the U.S. manufacturing sector.

ⁱⁱⁱ The Federal Reserve Board (Fed) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.

^{iv} The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.

^v The Barclays Municipal Bond Index is a market value weighted index of investment grade municipal bonds with maturities of one year or more.

^{vi} The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.

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vii Net asset value (NAV) is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any), from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.

viii Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the six-month period ended May 31, 2015, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 76 funds in the Fund's Lipper category.

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Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the composition of the Fund's investments as of May 31, 2015 and November 30, 2014 and does not include derivatives such as futures contracts. The Fund is actively managed. As a result, the composition of the Fund's investments is subject to change at any time.

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Spread duration (unaudited)

Economic exposure May 31, 2015

Total Spread Duration

MNP 6.68 years

Benchmark 5.59 years

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark Barclays Municipal Bond Index

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Effective duration (unaudited)

Interest rate exposure May 31, 2015

Total Effective Duration

MNP 6.46 years

Benchmark 5.72 years

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark Barclays Municipal Bond Index

MNP Western Asset Municipal Partners Fund Inc.

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May 31, 2015

Western Asset Municipal Partners Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Municipal Bonds 151.0%				
<i>Alabama 1.4%</i>				
Jefferson County, AL, Sewer Revenue:				
Subordinated Lien Warrants	6.000%	10/1/42	\$ 740,000	\$ 823,598
Subordinated Lien Warrants	6.500%	10/1/53	1,300,000	1,497,847
<i>Total Alabama</i>				<i>2,321,445</i>
<i>Alaska 1.5%</i>				
Valdez, AK, Marine Terminal Revenue, BP Pipelines Inc. Project	5.000%	1/1/21	2,150,000	2,447,388
<i>Arizona 1.9%</i>				
Glendale, AZ, Transportation Excise Tax Revenue, NATL				3,099,102
	5.000%	7/1/28	2,855,000	(a)
<i>California 24.3%</i>				
Bay Area Toll Authority, CA, Toll Bridge Revenue, San Francisco Bay Area	1.200%	4/1/24	3,000,000	2,998,470 (b)(c)
California Health Facilities Financing Authority Revenue:				
Catholic Healthcare West	5.250%	3/1/24	2,500,000	2,580,650
Catholic Healthcare West	5.625%	7/1/32	5,000,000	5,021,450 (a)
California State PCFA, Water Furnishing Revenue	5.000%	11/21/45	2,500,000	2,592,250 (d)
California State PCFA, Water Furnishing Revenue	5.000%	11/21/45	1,000,000	1,041,050 (d)(e)
California State, GO, Various Purpose	5.000%	4/1/43	4,000,000	4,456,800 (f)
California Statewide CDA Revenue, Insured Health Facility L.A., Jewish Home, CA, Mortgage Insurance	5.000%	11/15/28	1,500,000	1,644,090
Los Angeles County, CA, MTA Revenue, Union Station Project	0.419%	7/1/27	300,000	283,209 (b)
Los Angeles County, CA, Public Works Financing Authority, Lease Revenue, Multiple Capital Project II	5.000%	8/1/30	2,500,000	2,818,250
Los Angeles, CA, Department of Water & Power Revenue, Power Systems, Subordinated, AGM	5.000%	7/1/35	1,500,000	1,505,700 (a)
Lower Tule River, CA, Irrigation District Revenue, COP	5.000%	8/1/40	1,000,000	1,089,940
M-S-R Energy Authority, CA, Gas Revenue	7.000%	11/1/34	2,490,000	3,352,810
M-S-R Energy Authority, CA, Gas Revenue	6.500%	11/1/39	3,000,000	3,942,240
Rancho Cucamonga, CA, RDA, Successor Agency Tax Allocation, Rancho Redevelopment Project Area	5.000%	9/1/30	750,000	857,910
River Islands, CA, Public Financing Authority Special Tax, Community Facilities District No. 2003-1	5.500%	9/1/45	500,000	510,120
Riverside County, CA, Transportation Commission Sales Tax Revenue, Limited Tax	5.250%	6/1/39	250,000	285,330
Riverside County, CA, Transportation Commission Toll Revenue:				
Senior Lien	5.750%	6/1/44	100,000	114,373
Senior Lien	5.750%	6/1/48	200,000	228,002
Turlock, CA, Irrigation District Revenue	5.000%	1/1/35	2,500,000	2,747,125

See Notes to Financial Statements.

Table of Contents**Western Asset Municipal Partners Fund Inc.**

Security	Rate	Maturity Date	Face Amount	Value
<i>California continued</i>				
Turlock, CA, Public Financing Authority, Tax Allocation Revenue, AGM	5.000%	9/1/30	\$ 1,500,000	\$ 1,570,365
<i>Total California</i>				<i>39,640,134</i>
<i>Colorado 5.9%</i>				
Colorado Health Facilities Authority Revenue, Sisters of Charity Leavenworth Health System Inc.	5.250%	1/1/25	3,500,000	3,993,535
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	5.750%	11/15/18	285,000	307,760
Public Authority for Colorado Energy, Natural Gas Purchase Revenue	6.500%	11/15/38	4,000,000	5,320,440
<i>Total Colorado</i>				<i>9,621,735</i>
<i>Florida 4.7%</i>				
Florida State Mid-Bay Bridge Authority Revenue	5.000%	10/1/40	740,000	787,870 ^(g)
Miami-Dade County, FL, Expressway Authority Toll System Revenue	5.000%	7/1/24	1,250,000	1,485,600
Miami-Dade County, FL, GO, Seaport	5.000%	10/1/23	2,315,000	2,709,291
Orlando & Orange County, FL, Expressway Authority Revenue	5.000%	7/1/30	2,000,000	2,219,880
Seminole Tribe Florida Special Obligation Revenue	5.250%	10/1/27	500,000	528,025 ^(d)
<i>Total Florida</i>				<i>7,730,666</i>
<i>Illinois 10.4%</i>				
Chicago, IL, Metropolitan Water Reclamation District Greater Chicago, GO, Green Bond	5.000%	12/1/44	1,000,000	1,114,300
Chicago, IL, Park District, GO, FGIC	5.000%	1/1/29	5,000,000	5,014,500
Chicago, IL, Public Building Commission, Building Revenue, Chicago School Reform, FGIC	5.250%	12/1/18	1,000,000	1,068,290
Chicago, IL, Waterworks Revenue:				
Second Lien Project	5.000%	11/1/34	800,000	849,304
Second Lien Project	5.000%	11/1/39	500,000	523,680
Illinois Health Facilities Authority Revenue, South Suburban Hospital Project	7.000%	2/15/18	245,000	263,326 ^(h)
Illinois Municipal Electric Agency Power Supply, FGIC	5.250%	2/1/28	4,145,000	4,453,720 ^(a)
Illinois State, GO	5.000%	5/1/39	1,000,000	1,010,710
Illinois State, GO, AGM	5.500%	5/1/16	1,500,000	1,553,790
University of Illinois, COPS	5.000%	3/15/24	1,000,000	1,177,030
<i>Total Illinois</i>				<i>17,028,650</i>
<i>Indiana 2.0%</i>				
Indiana Finance Authority Midwestern Disaster Relief Revenue, Ohio Valley Electric Corp. Project	5.000%	6/1/39	1,000,000	1,057,990
Indianapolis, IN, Local Public Improvement Bond Bank	5.000%	6/1/27	2,000,000	2,277,940
<i>Total Indiana</i>				<i>3,335,930</i>

See Notes to Financial Statements.

Table of Contents**Schedule of investments (unaudited) (cont d)**

May 31, 2015

Western Asset Municipal Partners Fund Inc.

	Rate	Maturity Date	Face Amount	Value
Security				
<i>Iowa 2.0%</i>				
Iowa State Finance Authority Midwestern Disaster Area Revenue:				
Iowa Fertilizer Co. Project	5.000%	12/1/19	\$ 1,110,000	\$ 1,194,471
Iowa Fertilizer Co. Project	5.250%	12/1/25	1,790,000	1,986,524
<i>Total Iowa</i>				<i>3,180,995</i>
<i>Maryland 2.2%</i>				
Maryland State EDC, EDR, Transportation Facilities Project	5.750%	6/1/35	1,000,000	1,065,930
Maryland State Health & Higher EFA Revenue Bonds, Suburban Hospital	5.500%	7/1/16	2,500,000	2,509,425
<i>Total Maryland</i>				<i>3,575,355</i>
<i>Massachusetts 0.9%</i>				
Massachusetts State Water Pollution Abatement Trust Revenue, MWRA Program, Unrefunded Balance	5.750%	8/1/29	355,000	356,363
Massachusetts State Water Resources Authority Revenue:				
General, NATL	5.000%	8/1/34	940,000	1,014,495
General, NATL	5.000%	8/1/34	60,000	65,469 (a)
<i>Total Massachusetts</i>				<i>1,436,327</i>
<i>Michigan 6.0%</i>				
Detroit, MI, GO, District State Aid	5.250%	11/1/24	3,500,000	3,989,930
Detroit, MI, Water & Sewerage Department, Disposal System Revenue, Senior Lien	5.250%	7/1/39	405,000	430,025
Michigan State Building Authority Revenue, Facilities Program	5.250%	10/15/47	250,000	277,653
Michigan State Finance Authority Limited Obligation Revenue, Higher Education, Thomas M Cooley Law School Project	6.750%	7/1/44	610,000	646,002 (d)
Michigan State Finance Authority Revenue:				
Senior Lien Detroit Water & Sewer	5.000%	7/1/33	370,000	398,212
Senior Lien Detroit Water & Sewer	5.000%	7/1/44	380,000	397,013
Michigan State Hospital Finance Authority Revenue, McLaren Health Care Corp.	5.750%	5/15/38	2,000,000	2,262,340 (a)
Wayne County, MI, Airport Authority Revenue, Detroit Metropolitan Airport	5.000%	12/1/18	1,170,000	1,294,160 (e)
<i>Total Michigan</i>				<i>9,695,335</i>
<i>Minnesota 0.3%</i>				
Western Minnesota Municipal Power Agency Revenue	5.000%	1/1/46	500,000	555,145
<i>Missouri 1.3%</i>				
Boone County, MO, Hospital Revenue, Boone Hospital Center	5.375%	8/1/38	2,000,000	2,171,120
<i>Nevada 1.3%</i>				
Clark County, NV, GO, AMBAC	5.000%	11/1/21	2,000,000	2,128,740
<i>New Jersey 9.6%</i>				
Casino Reinvestment Development Authority, NJ, Luxury Tax Revenue, AGM	5.000%	11/1/27	240,000	262,999

See Notes to Financial Statements.

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Security	Rate	Maturity Date	Face Amount	Value
<i>New Jersey continued</i>				
New Jersey State EDA Revenue	5.000%	6/15/29	\$ 500,000	\$ 539,600
New Jersey State EDA Revenue: Continental Airlines Inc. Project	5.250%	9/15/29	2,000,000	2,183,360 ^(e)
Private Activity-The Goethals Bridge Replacement Project	5.375%	1/1/43	1,000,000	1,083,120 ^(e)
Provident Group Rowan Properties LLC, Rowan University Housing Project	5.000%	1/1/48	500,000	524,420
School Facilities Construction	1.700%	3/1/28	2,500,000	2,437,275 ^(b)
New Jersey State Transportation Trust Fund Authority, Revenue, Transportation Program	5.000%	6/15/38	6,000,000	6,077,940
New Jersey State Turnpike Authority Revenue	0.780%	1/1/18	2,500,000	2,507,875 ^{(b)(c)}
<i>Total New Jersey</i>				<i>15,616,589</i>
<i>New York 28.2%</i>				
Brooklyn Arena, NY, Local Development Corp., Barclays Center Project	6.250%	7/15/40	1,000,000	1,160,620
Liberty, NY, Development Corporation Revenue, Goldman Sachs Headquarters	5.250%	10/1/35	3,045,000	3,570,993
MTA, NY, Revenue	5.000%	11/15/25	1,000,000	1,162,930
MTA, NY, Revenue	5.250%	11/15/40	1,000,000	1,116,060
Nassau County, NY, Industrial Development Agency, Continuing Care Retirement Community Revenue:				
Amsterdam At Harborside	2.000%	1/1/49	97,436	7,795 ⁽ⁱ⁾
Amsterdam At Harborside	6.700%	1/1/49	270,000	262,478
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	5,545,878
New York State Dormitory Authority Revenue:				
Court Facilities Lease, NYC Issue, Non-State Supported Debt, AMBAC	5.500%	5/15/30	3,365,000	4,288,087
Non State Supported Debt, New School	5.000%	7/1/35	2,000,000	2,249,260
Non-State Supported Debt, Columbia University	5.000%	7/1/38	2,000,000	2,196,440
New York State Energy Research & Development Authority, PCR, Niagara Mohawk Power Corp.	0.462%	7/1/29	2,520,000	2,349,870 ^(b)
New York State Liberty Development Corp., Liberty Revenue:				
3 World Trade Center LLC Project	5.375%	11/15/40	240,000	257,736 ^(d)
3 World Trade Center LLC Project	5.000%	11/15/44	870,000	883,076 ^(d)
4 World Trade Center LLC Project	5.750%	11/15/51	2,000,000	2,295,060
Second Priority, Bank of America Tower	5.125%	1/15/44	2,500,000	2,778,625
New York State Thruway Authority, Second General Highway & Bridge Trust Fund, AMBAC	5.000%	4/1/26	4,700,000	5,052,077
New York State Urban Development Corp. Revenue, State Personal Income Tax	5.000%	3/15/26	5,000,000	5,367,350

See Notes to Financial Statements.

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May 31, 2015

Western Asset Municipal Partners Fund Inc.

	Rate	Maturity Date	Face Amount	Value
Security				
<i>New York continued</i>				
Port Authority of New York & New Jersey	5.000%	1/15/41	\$ 5,000,000	\$ 5,494,200
<i>Total New York</i>				<i>46,038,535</i>
<i>North Carolina 4.5%</i>				
Charlotte-Mecklenburg Hospital Authority, NC, Health Care System Revenue, Carolinas Healthcare System	5.000%	1/15/31	5,000,000	5,551,550
North Carolina Department of Transportation Private Activity Revenue, I-77 Hot Lanes Project	5.000%	6/30/54	500,000	515,965 ^(e)
North Carolina Medical Care Commission Health Care Facilities Revenue, Novant Health Obligation Group	5.000%	11/1/39	1,200,000	1,252,728
<i>Total North Carolina</i>				<i>7,320,243</i>
<i>Ohio 3.5%</i>				
Northeast, OH, Regional Sewer District Revenue, Waste Water Revenue Improvement	5.000%	11/15/43	4,040,000	4,495,833
Ohio State Air Quality Development Authority Revenue, FirstEnergy Generation Corp.	5.700%	8/1/20	1,000,000	1,138,420
<i>Total Ohio</i>				<i>5,634,253</i>
<i>Oklahoma 1.4%</i>				
Grand River Dam Authority, OK, Revenue	5.250%	6/1/40	2,000,000	2,266,200
<i>Pennsylvania 7.1%</i>				
Central Bradford, PA, Progress Authority Revenue, Guthrie Healthcare Systems	5.000%	12/1/26	5,130,000	5,920,995
Cumberland County, PA, Municipal Authority Revenue, Diakon Lutheran Social Ministries Project	5.000%	1/1/29	750,000	810,390 ^(e)
East Hempfield Township, PA, IDA Revenue, Student Services Inc.-Student Housing Project-Millersville University	5.000%	7/1/47	250,000	261,888
Pennsylvania Economic Development Financing Authority, Sewer Sludge Disposal Revenue, Philadelphia Biosolids Facility	6.250%	1/1/32	500,000	557,005
Philadelphia, PA, Gas Works Revenue, 7th General Ordinance, AMBAC	5.000%	10/1/17	2,685,000	2,901,706
Philadelphia, PA, School District, GO	5.000%	9/1/32	1,000,000	1,092,110
<i>Total Pennsylvania</i>				<i>11,544,094</i>
<i>Puerto Rico 1.0%</i>				
Puerto Rico Commonwealth, GO, Public Improvement	5.000%	7/1/31	1,710,000	1,214,151
Puerto Rico Sales Tax Financing Corp., Sales Tax Revenue	5.250%	8/1/40	500,000	353,755
<i>Total Puerto Rico</i>				<i>1,567,906</i>
<i>Tennessee 5.2%</i>				
Clarksville, TN, Natural Gas Acquisition Corp., Gas Revenue	5.000%	12/15/20	2,030,000	2,278,452
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	2/1/20	3,555,000	3,956,857
Tennessee Energy Acquisition Corp., Gas Revenue	5.000%	2/1/21	2,000,000	2,239,920
<i>Total Tennessee</i>				<i>8,475,229</i>

See Notes to Financial Statements.

Table of Contents**Western Asset Municipal Partners Fund Inc.**

Security	Rate	Maturity Date	Face Amount	Value
<i>Texas 14.6%</i>				
Austin, TX, Water & Wastewater System Revenue	5.000%	11/15/26	\$ 2,500,000	\$ 2,860,200
Austin, TX, Water & Wastewater System Revenue	5.125%	11/15/28	2,210,000	2,519,820
Beaumont, TX, ISD, GO, School Building, PSF	5.000%	2/15/33	1,100,000	1,172,226
Corpus Christi, TX, Utility System Revenue, Junior Lien	5.000%	7/15/31	2,905,000	3,291,975
Grand Parkway Transportation Corp., TX, System Toll Revenue, Convertible CAB, Step Bond	0.000%	10/1/36	2,000,000	1,544,640 ^(b)
Harris County, TX, Metropolitan Transit Authority Sales & Use Tax	5.000%	11/1/36	3,125,000	3,514,125
Houston, TX, Airport Systems Revenue, United Airlines Inc.	5.000%	7/15/30	1,000,000	1,056,050 ^(e)
Kemp, TX, ISD, GO, School Building, PSF-GTD	5.250%	2/15/33	3,450,000	3,717,552 ^(a)
Mesquite, TX, ISD, GO:				
PSFG	0.000%	8/15/27	505,000	273,559 ^(a)
PSFG	0.000%	8/15/27	495,000	267,696
New Hope Cultural Education Facilities Finance Corp., TX, Student Housing Revenue, Collegiate Housing-Tarleton State University Project	5.000%	4/1/35	800,000	851,720
North Texas Tollway Authority Revenue	5.750%	1/1/40	2,500,000	2,742,300
<i>Total Texas</i>				<i>23,811,863</i>
<i>Washington 5.0%</i>				
Port of Seattle, WA, Revenue	5.000%	8/1/25	2,395,000	2,804,114
Port of Seattle, WA, Revenue, Intermediate Lien, NATL	5.000%	3/1/30	2,000,000	2,005,780
Washington State Health Care Facilities Authority Revenue, PeaceHealth	5.000%	11/1/28	3,000,000	3,363,300
<i>Total Washington</i>				<i>8,173,194</i>
<i>Wisconsin 4.8%</i>				
Public Finance Authority, WI, Airport Facilities Revenue, Transportation Infrastructure Properties LLC	5.000%	7/1/42	4,000,000	4,219,080 ^(e)
Wisconsin State HEFA Revenue, SSM Health Care Corp.	5.000%	6/1/25	3,110,000	3,545,027
<i>Total Wisconsin</i>				<i>7,764,107</i>
Total Municipal Bonds (Cost \$227,803,444)				246,180,280
Total Investments 151.0% (Cost \$227,803,444#)				246,180,280
Auction Rate Cumulative Preferred Stock, at Liquidation Value (11.3)%				(18,500,000)
Variable Rate Demand Preferred Stock, at Liquidation Value (40.8)%				(66,500,000)
Other Assets in Excess of Liabilities 1.1%				1,877,221
Total Net Assets Applicable to Common Shareholders 100.0%				\$ 163,057,501

(a) 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.

(b) Variable rate security. Interest rate disclosed is as of the most recent information available.

(c) Maturity date shown represents the mandatory tender date.

See Notes to Financial Statements.

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Schedule of investments (unaudited) (cont d)

May 31, 2015

Western Asset Municipal Partners Fund Inc.

- (d) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors, unless otherwise noted.
- (e) Income from this issue is considered a preference item for purposes of calculating the alternative minimum tax (AMT).
- (f) All or a portion of this security is held at the broker as collateral for open futures contracts.
- (g) Security is purchased on a when-issued basis.
- (h) Bonds are escrowed to maturity by government securities 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.
- (i) The coupon payment of these securities is currently in default as of May 31, 2015.

Aggregate cost for federal income tax purposes is substantially the same.

Abbreviations used in this schedule:

AGM	Assured Guaranty Municipal Corporation	Insured Bonds
AMBAC	American Municipal Bond Assurance Corporation	Insured Bonds
CAB	Capital Appreciation Bonds	
CDA	Communities Development Authority	
COP	Certificates of Participation	
EDA	Economic Development Authority	
EDC	Economic Development Corporation	
EDR	Economic Development Revenue	
EFA	Educational Facilities Authority	
FGIC	Financial Guaranty Insurance Company	Insured Bonds
GO	General Obligation	
GTD	Guaranteed	
HEFA	Health & Educational Facilities Authority	
IDA	Industrial Development Authority	
ISD	Independent School District	
MTA	Metropolitan Transportation Authority	
MWRA	Massachusetts Water Resources Authority	
NATL	National Public Finance Guarantee Corporation	Insured Bonds
PCFA	Pollution Control Financing Authority	

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PCR	Pollution Control Revenue
PSF	Permanent School Fund
PSFG	Permanent School Fund Guaranty
RDA	Redevelopment Agency

[See Notes to Financial Statements.](#)

10 Western Asset Municipal Partners Fund Inc. 2015 Semi-Annual Report

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Western Asset Municipal Partners Fund Inc.

Ratings Table*

Standard & Poor s/Moody s/Fitch**

AAA/Aaa	4.6%
AA/Aa	47.0
A	33.5
BBB/Baa	9.2
BB/Ba	1.6
B/B	2.0
NR***	2.1
	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.

*** The credit quality of unrated investments is evaluated based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments.

See Notes to Financial Statements.

Table of Contents**Statement of assets and liabilities** (unaudited)

May 31, 2015

Assets:	
Investments, at value (Cost \$227,803,444)	\$ 246,180,280
Interest receivable	3,114,523
Receivable for securities sold	1,393,294
Prepaid expenses	37,776
Total Assets	250,725,873
Liabilities:	
Variable Rate Demand Preferred Stock (\$50,000 liquidation value per share; 1,330 shares issued and outstanding) (net of deferred offering costs of \$579,666) (Note 5)	65,920,334
Payable for securities purchased	2,960,214
Investment management fee payable	116,258
Due to custodian	90,036
Payable to broker - variation margin on open futures contracts	12,188
Distributions payable to Auction Rate Cumulative Preferred Stockholders	1,079
Directors' fees payable	49
Accrued expenses	68,214
Total Liabilities	69,168,372
Auction Rate Cumulative Preferred Stock (370 shares authorized and issued at \$50,000 per share) (Note 6)	18,500,000
Total Net Assets Applicable to Common Shareholders	\$ 163,057,501
Net Assets Applicable to Common Shareholders:	
Common stock par value (\$0.001 par value; 9,719,063 shares issued and outstanding; 100,000,000 shares authorized)	\$ 9,719
Paid-in capital in excess of par value	142,217,168
Undistributed net investment income	4,415,495
Accumulated net realized loss on investments and futures contracts	(1,947,723)
Net unrealized appreciation on investments and futures contracts	18,362,842
Total Net Assets Applicable to Common Shareholders	\$ 163,057,501
Common Shares Outstanding	9,719,063
Net Asset Value Per Common Share	\$16.78

See Notes to Financial Statements.

Table of Contents**Statement of operations** (unaudited)

For the Six Months Ended May 31, 2015

Investment Income:	
<i>Interest</i>	\$ 5,105,833
Expenses:	
Investment management fee (Note 2)	679,354
Liquidity fees (Note 5)	115,706
Auction participation fees (Note 6)	47,845
Audit and tax fees	44,020
Legal fees	29,756
Distributions to Variable Rate Demand Preferred Stockholders (Notes 1 and 5)	22,501
Directors' fees	20,187
Transfer agent fees	19,492
Remarketing fees (Note 5)	15,147
Shareholder reports	14,211
Stock exchange listing fees	10,582
Rating agency fees	8,168
Fund accounting fees	7,909
Custody fees	6,760
Auction agent fees	4,495
Insurance	1,769
Amortization of Variable Rate Demand Preferred Stock offering costs (Note 5)	3,982
Miscellaneous expenses	25,483
<i>Total Expenses</i>	<i>1,077,367</i>
Net Investment Income	4,028,466
Realized and Unrealized Gain (Loss) on Investments and Futures Contracts (Notes 1, 3 and 4):	
Net Realized Gain (Loss) From:	
Investment transactions	63,587
Futures contracts	(391,531)
<i>Net Realized Loss</i>	<i>(327,944)</i>
Change in Net Unrealized Appreciation (Depreciation) From:	
Investments	(2,516,179)
Futures contracts	377,419
<i>Change in Net Unrealized Appreciation (Depreciation)</i>	<i>(2,138,760)</i>
Net Loss on Investments and Futures Contracts	(2,466,704)
Distributions Paid to Auction Rate Cumulative Preferred Stockholders From Net Investment Income (Notes 1 and 6)	(31,896)
Increase in Net Assets Applicable to Common Shareholders from Operations	\$ 1,529,866

See Notes to Financial Statements.

Table of Contents**Statements of changes in net assets**For the Six Months Ended May 31, 2015 (unaudited)
and the Year Ended November 30, 2014

	2015	2014
Operations:		
Net investment income	\$ 4,028,466	\$ 8,391,629
Net realized loss	(327,944)	(1,034,065)
Change in net unrealized appreciation (depreciation)	(2,138,760)	14,087,152
Distributions paid to Auction Rate Cumulative Preferred Stockholders from net investment income	(31,896)	(89,529)
<i>Increase in Net Assets Applicable to Common Shareholders from Operations</i>	<i>1,529,866</i>	<i>21,355,187</i>
Distributions to Common Shareholders From (Note 1):		
Net investment income	(4,227,792)	(8,309,800)
<i>Decrease in Net Assets from Distributions to Common Shareholders</i>	<i>(4,227,792)</i>	<i>(8,309,800)</i>
Fund Share Transactions:		
Net increase from tender and repurchase of Auction Rate Cumulative Preferred Shares (Note 6)	6,650,000	
<i>Increase in Net Assets from Fund Share Transactions</i>	<i>6,650,000</i>	
<i>Increase in Net Assets Applicable to Common Shareholders</i>	<i>3,952,074</i>	<i>13,045,387</i>
Net Assets Applicable to Common Shareholders:		
Beginning of period	159,105,427	146,060,040
End of period*	\$ 163,057,501	\$ 159,105,427
*Includes undistributed net investment income of:	\$4,415,495	\$4,646,717

See Notes to Financial Statements.

Table of Contents**Statement of cash flows (unaudited)**

For the Six Months Ended May 31, 2015

Increase (Decrease) in Cash:**Cash Provided (Used) by Operating Activities:**

Net increase in net assets applicable to common shareholders resulting from operations	\$ 1,561,762
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided (used) by operating activities:	
Purchases of portfolio securities	(16,422,033)
Sales of portfolio securities	8,280,884
Net purchases, sales and maturities of short-term investments	400,000
Net amortization of premium (accretion of discount)	293,115
Deferred preferred stock offering costs	(579,666)
Increase in receivable for securities sold	(1,393,294)
Increase in interest receivable	(22,379)
Increase in prepaid expenses	(16,151)
Increase in payable for securities purchased	2,960,214
Increase in due to custodian	90,036
Increase in investment management fee payable	6,002
Decrease in Directors' fees payable	(1,270)
Decrease in accrued expenses	(40,449)
Decrease in payable to broker - variation margin on open futures contracts	(37,187)
Net realized gain on investments	(63,587)
Change in unrealized depreciation of investments	2,516,179
Net Cash Used in Operating Activities	(2,467,824)
Cash Flows from Financing Activities:	
Distributions paid on Common Stock	(4,227,792)
Distributions paid on Auction Rate Cumulative Preferred Stock	(34,979)
Proceeds from offering of Variable Rate Demand Preferred Stock	66,500,000
Repurchase of Auction Rate Cumulative Preferred Stock	(59,850,000)
Net Cash Provided by Financing Activities	2,387,229
Net Decrease in Cash	(80,595)
Cash at Beginning of Period	80,595
Cash at End of Period	

See Notes to Financial Statements.

Table of Contents**Financial highlights**

For a common share of capital stock outstanding throughout each year ended November 30, unless otherwise noted:

	2015 ^{1,2}	2014 ¹	2013 ¹	2012 ¹	2011 ¹	2010 ¹
Net asset value, beginning of period	\$16.37	\$15.03	\$17.30	\$15.24	\$14.49	\$14.41
Income (loss) from operations:						
Net investment income	0.41	0.86	0.87	0.91	0.91	0.95
Net realized and unrealized gain (loss)	(0.24)	1.35	(2.20)	2.02	0.70	(0.03)
Distributions paid to Auction Rate Cumulative Preferred Stockholders from:						
Net investment income	(0.00) ³	(0.01)	(0.02)	(0.02)	(0.03)	(0.04)
Net realized gains			(0.00) ³	(0.00) ³		
<i>Total income (loss) from operations</i>	<i>0.17</i>	<i>2.20</i>	<i>(1.35)</i>	<i>2.91</i>	<i>1.58</i>	<i>0.88</i>
Distributions paid to common shareholders from:						
Net investment income	(0.44) ⁴	(0.86)	(0.84)	(0.84)	(0.83)	(0.80)
Net realized gains			(0.08)	(0.01)		
<i>Total distributions to common shareholders</i>	<i>(0.44)</i>	<i>(0.86)</i>	<i>(0.92)</i>	<i>(0.85)</i>	<i>(0.83)</i>	<i>(0.80)</i>
Net Increase from tender and repurchase of Auction Rate Cumulative Preferred Shares	0.68					
Net asset value, end of period	\$16.78	\$16.37	\$15.03	\$17.30	\$15.24	\$14.49
Market price, end of period	\$15.26	\$14.64	\$13.37	\$18.20	\$14.83	\$13.87
<i>Total return, based on NAV^{5,6}</i>	<i>5.19%⁷</i>	<i>14.95%</i>	<i>(7.97)%</i>	<i>19.54%</i>	<i>11.42%</i>	<i>6.16%</i>
<i>Total return, based on Market Price⁸</i>	<i>7.21%</i>	<i>16.04%</i>	<i>(22.01)%</i>	<i>29.08%</i>	<i>13.54%</i>	<i>14.19%</i>
Net assets applicable to common shareholders, end of period (000s)	\$163,058	\$159,105	\$146,060	\$168,113	\$148,080	\$140,801
Ratios to average net assets based on common shares outstanding:⁹						
Gross expenses	1.33% ¹⁰	1.20%	1.17%	1.14%	1.25%	1.24%
Net expenses	1.33 ¹⁰	1.20	1.17	1.14	1.25	1.24
Net investment income	4.96 ¹⁰	5.44				