

WESTERN ASSET INTERMEDIATE MUNI FUND INC.
Form N-Q
November 24, 2009

**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 811-06506

Western Asset Intermediate Muni Fund 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: 1-888-777-0102

Date of fiscal year end: December 31,

Date of reporting period: September 30, 2009

ITEM 1.

SCHEDULE OF INVESTMENTS

**WESTERN ASSET
INTERMEDIATE MUNI FUND INC.**

FORM N-Q

September 30, 2009

Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited)

September 30, 2009

Face Amount	Security	Value
MUNICIPAL BONDS 99.8%		
Alabama 2.9%		
\$ 3,000,000	Alabama State Public School & College Authority, FSA, 5.125% due 11/1/15	\$ 3,037,740
1,225,000	Baldwin County, AL, Board of Education, Capital Outlay School Warrants, AMBAC, 5.000% due 6/1/20	1,307,590
1,000,000	Saraland, AL, GO, NATL, 5.250% due 1/1/15	1,039,370
	Total Alabama	5,384,700
Alaska 1.6%		
1,000,000	Alaska Industrial Development & Export Authority Revenue, Williams Lynxs Alaska Cargo Port LLC, 8.000% due 5/1/23 (a)	932,750
500,000	Anchorage, AK, GO, Refunding, FGIC, 6.000% due 10/1/14	596,085
1,250,000	North Slope Boro, AK, Refunding, NATL, 5.000% due 6/30/15	1,410,275
	Total Alaska	2,939,110
Arizona 0.1%		
158,000	Maricopa County, AZ, Hospital Revenue, St. Lukes Medical Center, 8.750% due 2/1/10 (b)	162,269
Arkansas 1.4%		
1,500,000	Arkansas State Development Finance Authority Hospital Revenue, Washington Regional Medical Center, 7.000% due 2/1/15 (c)	1,524,690
1,000,000	Warren County, AR, Solid Waste Disposal Revenue, Potlatch Corp. Project, 7.000% due 4/1/12 (a)	1,025,110
	Total Arkansas	2,549,800
California 4.8%		
1,500,000	Barona, CA, Band of Mission Indians, GO, 8.250% due 1/1/20	1,427,325
2,000,000	California Statewide CDA Revenue, Lodi Memorial Hospital, 5.000% due 12/1/22	2,067,520
655,000	Los Angeles, CA, COP, Hollywood Presbyterian Medical Center, INDLC, 9.625% due 7/1/13 (b)	755,038
3,000,000	M-S-R Energy Authority, CA, 6.125% due 11/1/29	3,347,070
210,000	San Francisco, CA, Airport Improvement Corp. Lease Revenue, United Airlines Inc., 8.000% due 7/1/13 (b)	241,597
1,000,000	San Francisco, CA, City & County Airports Commission, International Airport Revenue, 6.500% due 5/1/10 (a)(d)(e)	1,018,820
50,000	San Leandro, CA, Hospital Revenue, Vesper Memorial Hospital, 11.500% due 5/1/11 (b)	55,495
	Total California	8,912,865
Colorado 6.3%		
1,860,000	Broomfield, CO, COP, Open Space Park & Recreation Facilities, AMBAC, 5.500% due 12/1/20	1,940,501
	Colorado Educational & Cultural Facilities Authority Revenue Charter School:	
1,000,000	Bromley East Project, 7.000% due 9/15/20 (c)	1,119,590
1,155,000	Bromley School Project, XLCA, 5.125% due 9/15/20	1,247,192
1,350,000		1,350,999

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	Refunding & Improvement, University Lab School, XLCA, 5.250% due 6/1/24	
500,000	University Lab School Project, 6.125% due 6/1/21 (c)	541,185
710,000	Denver, CO, Health & Hospital Authority, 6.250% due 12/1/16 (c)	790,251
2,000,000	Public Authority for Colorado Energy, Natural Gas Purchase Revenue, 6.125% due 11/15/23	2,152,040
1,765,000	Pueblo, CO, Bridge Waterworks Water Revenue, Improvement, FSA, 6.000% due 11/1/14 (c)	1,871,235
750,000	SBC Metropolitan District, CO, GO, ACA, 5.000% due 12/1/25	737,708
	Total Colorado	11,750,701

See Notes to Schedule of Investments.

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Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited) (continued)

September 30, 2009

	Face Amount	Security	Value
Connecticut 2.0%			
\$	2,000,000	Connecticut State HEFA Revenue, Bristol Hospital, 5.500% due 7/1/21	\$ 1,892,220
	1,855,000	Connecticut State Special Obligation Parking Revenue, Bradley International Airport, ACA, 6.375% due 7/1/12 (a)	1,837,173
		Total Connecticut	3,729,393
Florida 2.8%			
	55,000	Lee County, FL, Southwest Florida Regional Airport Revenue, NATL, 8.625% due 10/1/09 (b)	55,000
	2,000,000	Miami-Dade County, FL, School Board, COP, 5.000% due 2/1/24	2,138,180
	1,060,000	Old Palm Community Development District, FL, Palm Beach Gardens, 5.375% due 5/1/14	952,113
		Orange County, FL, Health Facilities Authority Revenue:	
	275,000	First Mortgage Healthcare Facilities, 8.750% due 7/1/11	278,009
	1,500,000	Hospital Adventist Health Systems, 6.250% due 11/15/24 (c)	1,693,260
	130,000	Southern Adventist Hospital, Adventist Health Systems, 8.750% due 10/1/09 (b)	130,000
		Total Florida	5,246,562
Georgia 6.2%			
	970,000	Athens, GA, Housing Authority Student Housing Lease Revenue, University of Georgia East Campus, AMBAC, 5.250% due 12/1/23	1,007,306
	2,000,000	Atlanta, GA, Water & Wastewater Revenue, 6.000% due 11/1/23	2,183,140
	650,000	Chatham County, GA, Hospital Authority Revenue, Hospital Memorial Health Medical Center, 6.000% due 1/1/17	662,721
	1,000,000	DeKalb, Newton & Gwinnett Counties, GA, Joint Development Authority Revenue, GGC Foundation LLC Project, 6.000% due 7/1/29	1,112,140
		Georgia Municipal Electric Authority:	
	3,000,000	Power Revenue, Refunding, FSA, 5.000% due 1/1/18	3,198,090
	315,000	Power System Revenue, 6.500% due 1/1/12	338,606
	1,000,000	Griffin, GA, Combined Public Utilities Revenue, Refunding & Improvement, AMBAC, 5.000% due 1/1/21	1,054,210
	1,895,000	Metropolitan Atlanta Rapid Transit Georgia Sales Tax Revenue, 7.000% due 7/1/11 (b)	2,034,605
		Total Georgia	11,590,818
Illinois 2.1%			
	535,000	Bourbonnais, IL, Industrial Development Revenue, Refunding Kmart Corp. Project, 6.600% due 10/1/10 (f)	10,700
	1,500,000	Chicago, IL, O Hare International Airport, Revenue, Refunding Bonds, Lien A-2, FSA, 5.750% due 1/1/19 (a)	1,568,565
	1,000,000	Cicero, IL, Tax Increment, XLCA, 5.250% due 1/1/21	928,410
	830,000	Glendale Heights, IL, Hospital Revenue, Refunding Glendale Heights Project, 7.100% due 12/1/15 (b)	964,352

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300,000	Illinois Development Finance Authority, Chicago Charter School Foundation Project A, 5.250% due 12/1/12 (b)	307,818
90,000	Illinois Health Facilities Authority Revenue, Methodist Medical Center of Illinois Project, 9.000% due 10/1/10 (b)	97,566
	Total Illinois	3,877,411
Indiana 2.9%		
800,000	Ball State University, Indiana University Revenue, Student Fee, FGIC, 5.750% due 7/1/20 (c)	885,232
4,000,000	Indianapolis, IN, Thermal Energy System, Multi-Mode, 5.000% due 10/1/23 (d)	4,400,960
70,000	Madison County, IN, Hospital Authority Facilities Revenue, Community Hospital of Anderson Project, 9.250% due 1/1/10 (b)	71,477
	Total Indiana	5,357,669

See Notes to Schedule of Investments.

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Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited) (continued)

September 30, 2009

	Face Amount	Security	Value
Iowa 0.9%			
\$	1,000,000	Iowa Finance Authority, Health Care Facilities Revenue, Genesis Medical Center, 6.250% due 7/1/20	\$ 1,015,190
	600,000	Muscataine, IA, Electric Revenue, 9.700% due 1/1/13 (b)	691,506
		Total Iowa	1,706,696
Kansas 1.4%			
	2,500,000	Burlington, KS, Environmental Improvement Revenue, Kansas City Power & Light, 5.250% due 12/1/23 (d)	2,659,400
Louisiana 0.1%			
	155,000	Louisiana Public Facilities Authority Hospital Revenue, Southern Baptist Hospital Inc. Project, Aetna, 8.000% due 5/15/12 (b)	165,157
Maryland 0.4%			
	710,000	Maryland State Health & Higher EFA Revenue, Refunding Mercy Medical Center, FSA, 6.500% due 7/1/13	743,228
Massachusetts 5.2%			
	1,130,000	Lancaster, MA, GO, AMBAC, 5.375% due 4/15/17	1,216,818
	2,000,000	Massachusetts Educational Financing Authority Education Loan Revenue, AGC, 6.125% due 1/1/22 (a)	2,131,220
	500,000	Massachusetts State DFA Revenue: Curry College, ACA, 6.000% due 3/1/20	502,770
	370,000	VOA Concord, GNMA-Collateralized, 6.700% due 10/20/21 (c)	432,822
	1,535,000	Massachusetts State HEFA Revenue: Caritas Christi Obligation: 6.500% due 7/1/12	1,576,276
	835,000	6.750% due 7/1/16	871,982
	1,000,000	Milford-Whitinsville Regional Hospital, 6.500% due 7/15/23 (c)	1,145,690
	940,000	Winchester Hospital, 6.750% due 7/1/30 (c)	992,631
	840,000	Massachusetts State Industrial Finance Agency Assisted Living Facility Revenue, Arbors at Amherst Project, GNMA-Collateralized, 5.750% due 6/20/17 (a)	844,217
		Total Massachusetts	9,714,426
Michigan 4.2%			
	1,000,000	Jenison, MI, Public Schools GO, Building and Site, FGIC, 5.500% due 5/1/20	1,065,770
	2,640,000	Michigan State Housing Development Authority Rental Housing Revenue, 5.250% due 10/1/24	2,724,137
	1,000,000	Michigan State, Hospital Finance Authority Revenue: Oakwood Obligated Group, 5.500% due 11/1/18	1,006,830
	500,000	Refunding, Hospital Sparrow Obligated: 5.000% due 11/15/12	535,780
	1,190,000	5.000% due 11/15/14	1,287,306
	1,000,000	Walled Lake, MI, Consolidated School District, NATL, 5.000% due 5/1/22	1,090,110
		Total Michigan	7,709,933
Missouri 2.2%			
	1,000,000	Hazelwood, MO, School District, Missouri Direct Deposit Program, FGIC, 5.000% due 3/1/23	1,088,670

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405,000	Lees Summit, MO, IDA Health Facilities Revenue, John Knox Village, 5.750% due 8/15/11 (b)	442,430
2,500,000	Missouri State Environmental Improvement & Energy Resources Authority, KC Power & Light Co. Project, 4.900% due 7/1/13 (a)(d)(e)	2,446,425
85,000	Nevada, MO, Waterworks Systems Revenue, AMBAC, 10.000% due 10/1/10 (b)	86,178
	Total Missouri	4,063,703

See Notes to Schedule of Investments.

Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited) (continued)

September 30, 2009

Face Amount	Security	Value
Nebraska 1.0%		
\$ 800,000	NebHELP Inc. Nebraska Revenue, NATL: 6.200% due 6/1/13 (a)	\$ 813,480
1,000,000	6.450% due 6/1/18 (a)	1,009,800
	Total Nebraska	1,823,280
Nevada 2.3%		
4,000,000	Humboldt County, NV, PCR, Idaho Power Co. Project, 5.150% due 12/1/24	4,251,160
New Hampshire 3.8%		
445,000	New Hampshire HEFA Revenue: Covenant Health: 6.500% due 7/1/17 (c)	499,366
205,000	Unrefunded Balance, 6.500% due 7/1/17	217,142
6,400,000	Healthcare Systems Covenant Health, 5.000% due 7/1/28	6,247,424
	Total New Hampshire	6,963,932
New Jersey 5.5%		
295,000	New Jersey EDA Revenue, Cigarette Tax, 5.625% due 6/15/17	295,363
2,000,000	New Jersey State: EFA Revenue, University of Medicine & Dentistry, 7.125% due 12/1/23	2,287,540
4,000,000	Higher Education Assistance Authority, Student Loan Revenue: 5.375% due 6/1/24	4,303,280
3,000,000	AGC, 5.875% due 6/1/21 (a)	3,228,210
90,000	Ringwood Borough, NJ, Sewer Authority Special Obligation, 9.875% due 7/1/13 (b)	103,003
	Total New Jersey	10,217,396
New Mexico 1.6%		
1,100,000	Bernalillo County, NM, Gross Receipts Tax Revenue, AMBAC, 5.250% due 10/1/18	1,321,573
1,415,000	New Mexico Finance Authority Revenue, Subordinated Lien, Public Project Revolving Fund, NATL, 5.000% due 6/15/19	1,569,122
	Total New Mexico	2,890,695
New York 3.1%		
395,000	New York City, NY, IDA, Civic Facilities Revenue, Community Hospital Brooklyn, 6.875% due 11/1/10	395,585
3,025,000	New York State Dormitory Authority, New York & Presbyterian Hospital, FSA, 5.250% due 2/15/24	3,204,110
2,000,000	New York State Thruway Authority, Highway & Bridge, Trust Fund Revenue, AMBAC, 5.000% due 4/1/21	2,199,360
	Total New York	5,799,055
North Carolina 1.7%		
1,000,000	North Carolina Eastern Municipal Power Agency, Power System Revenue: 6.450% due 1/1/14 (c)	1,019,290
1,750,000	5.000% due 1/1/26 (g)	1,843,835
335,000	North Carolina Municipal Power Agency No. 1, Catawba Electricity Revenue, 10.500% due 1/1/10 (b)	343,067

<p>Ohio 4.6%</p> <p>2,000,000</p> <p>345,000</p> <p>1,000,000</p>	<p>Total North Carolina</p> <p>American Municipal Power-Ohio Inc., Electricity Purchase Revenue, 5.000% due 2/1/13</p> <p>Cuyahoga County, OH, Hospital Facilities Revenue, Canton Inc. Project, 6.750% due 1/1/10</p> <p>Kettering, OH, City School District, School Improvement, FSA, 5.000% due 12/1/19</p>	<p>3,206,192</p> <p>2,106,700</p> <p>347,894</p> <p>1,098,350</p>
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See Notes to Schedule of Investments.

Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited) (continued)

September 30, 2009

	Face Amount	Security	Value
Ohio	4.6% (continued)		
\$	60,000	Lake County, OH, Hospital Improvement Revenue: Lake County Memorial Hospital Project, 8.625% due 11/1/09 (b)	\$ 60,358
	35,000	Ridgecliff Hospital Project, 8.000% due 10/1/09 (b)	35,000
	1,000,000	Ohio State: Air Quality Development Authority Revenue, FirstEnergy Generation Corp., 5.625% due 6/1/18	1,091,080
	3,010,000	GO, Conservation Project, 5.250% due 9/1/13 (c)	3,203,844
	440,000	Water Development Authority Revenue: Refunding, Safe Water Service, 9.375% due 12/1/10 (b)	455,748
	45,000	Safe Water, 9.000% due 12/1/10 (b)	47,339
		Total Ohio	8,446,313
Oregon	0.4%		
	660,000	Wasco County, OR, Solid Waste Disposal Revenue, Waste Connections Inc. Project, 7.000% due 3/1/12 (a)	667,267
Pennsylvania	4.6%		
	345,000	Conneaut, PA, School District GO, AMBAC, 9.500% due 5/1/12 (b)	376,588
	1,000,000	Harrisburg, PA, Parking Authority Parking Revenue, FSA, 5.500% due 5/15/20 (c)	1,116,230
	1,365,000	Northampton County, PA, IDA Revenue, Mortgage Moravian Hall Square Project, Radian, 5.500% due 7/1/19	1,322,890
	1,000,000	Pennsylvania State IDA Revenue, Economic Development, AMBAC, 5.500% due 7/1/21	1,057,880
	1,000,000	Philadelphia, PA: Gas Works Revenue, 7th General Ordinance, AMBAC, 5.000% due 10/1/17	1,054,510
	2,000,000	Water & Wastewater, FGIC, 5.250% due 11/1/14	2,148,740
	1,350,000	Pittsburgh, PA, School District GO, FSA, 5.375% due 9/1/16	1,539,567
		Total Pennsylvania	8,616,405
Rhode Island	0.6%		
	1,000,000	Central Falls, RI, GO, Radian, 5.875% due 5/15/15	1,024,750
South Carolina	1.5%		
	1,445,000	Charleston, SC, Waterworks & Sewer Revenue, 5.250% due 1/1/16	1,513,854
	1,100,000	Greenville County, SC, School District Installment Purchase, Revenue, Refunding, Building Equity, 6.000% due 12/1/21 (c)	1,278,068
		Total South Carolina	2,791,922
South Dakota	1.3%		
	2,400,000	Minnehaha County, SD, GO, Limited Tax Certificates, 5.625% due 12/1/20 (c)	2,461,272
Tennessee	3.7%		
	210,000	Jackson, TN, Water & Sewer Revenue, 7.200% due 7/1/12 (b)	221,634
	6,570,000	Tennessee Energy Acquisition Corp., Gas Revenue, 5.250% due 9/1/23	6,576,110
		Total Tennessee	6,797,744

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Texas 10.4%

5,140,000	Austin Texas Electric Utility System Revenue, Refunding, AMBAC, 5.000% due 11/15/19	5,621,464
1,200,000	Brazos River, TX, Harbor Navigation District, BASF Corp. Project, 6.750% due 2/1/10	1,224,108
1,000,000	Dallas-Fort Worth, TX, International Airport Revenue, Refunding, FSA, 5.500% due 11/1/20 (a)	1,059,740
255,000	El Paso County, TX, Housing Finance Corp.: La Plaza Apartments, Subordinated, 8.000% due 7/1/30	233,396
360,000	MFH Revenue, American Village Communities, 6.250% due 12/1/24	363,856

See Notes to Schedule of Investments.

Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited) (continued)

September 30, 2009

Texas	Face Amount	Security	Value
	10.4% (continued)		
\$	955,000	El Paso, TX, Water & Sewer Revenue, Refunding & Improvement, FSA:	
	45,000	6.000% due 3/1/15 (c)	\$ 1,069,906
	2,000,000	Unrefunded Balance, 6.000% due 3/1/15	49,743
	1,000,000	Fort Worth, TX, Water & Sewer Revenue, 5.625% due 2/15/17 (c)	2,218,760
	2,000,000	Harris County, TX, Hospital District Revenue, NATL, 6.000% due 2/15/15 (c)	1,044,520
	3,000,000	North Texas Tollway Authority Revenue, NATL, 5.125% due 1/1/28	2,137,660
	1,000,000	Sabine River Authority, Texas PCR, Southwestern Electric Power Co., NATL, 4.950% due 3/1/18	2,941,320
	65,000	Southwest Higher Education Authority Inc., Southern Methodist University Project, AMBAC, 5.500% due 10/1/19 (c)	1,131,230
	175,000	Tarrant County, TX, Hospital Authority Revenue, Adventist Health System-Sunbelt, 10.250% due 10/1/10 (b)	65,320
		Texas State Department Housing Community Affairs Home Mortgage Revenue, RIBS, GNMA/FNMA/FHLMC-Collateralized, 12.007% due 10/1/09 (a)(d)(h)	199,045
		Total Texas	19,360,068
	Utah 0.8%		
	350,000	Spanish Fork City, UT, Water Revenue, FSA:	
	1,135,000	5.500% due 6/1/16 (c)	391,363
		Unrefunded Balance, 5.500% due 6/1/16	1,174,237
		Total Utah	1,565,600
	Virginia 2.5%		
	540,000	Pittsylvania County, VA, GO:	
	1,030,000	5.500% due 2/1/22	628,981
	2,490,000	5.500% due 2/1/23	1,193,492
		5.600% due 2/1/24	2,879,137
		Total Virginia	4,701,610
	Washington 1.7%		
	2,000,000	Energy Northwest Washington Electric Revenue, Project No. 3, FSA, 5.500% due 7/1/18	2,160,940
	1,000,000	Washington State Health Care Facilities Authority Revenue, Multicare Health System, 5.750% due 8/15/29	1,076,310
		Total Washington	3,237,250
	West Virginia 0.0%		
	15,000	Cabell Putnam & Wayne Counties, WV, Single-Family Residence Mortgage Revenue, FGIC, 7.375% due 4/1/10 (b)	15,480
	Wisconsin 1.2%		
	2,000,000	La Crosse, WI, Resource Recovery Revenue, Refunding Bonds, Northern States Power Co. Project, 6.000% due 11/1/21 (a)	2,257,080
		TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS	
		(Cost \$177,673,789)	185,358,312
	SHORT-TERM INVESTMENTS 0.2%		
	Massachusetts 0.0%		

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	100,000	Massachusetts State, GO, Consolidated Loan, SPA-Bank of America, 0.320%, 10/1/09 (i)	100,000
Texas	0.1%		
	100,000	Harris County, TX, Health Facilities Development Corp., Hospital Revenue, Baylor College of Medicine, AMBAC, LOC-Wachovia Bank N.A., 0.320%, 10/1/09 (i)	100,000

See Notes to Schedule of Investments.

Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited) (continued)

September 30, 2009

	Face Amount	Security	Value
Virginia	0.1%		
\$	100,000	Virginia College Building Authority, VA, Educational Facilities Revenue, 21st Century College, SPA-Wachovia Bank, 0.320%, 10/1/09 (i)	\$ 100,000
		TOTAL SHORT-TERM INVESTMENTS	
		(Cost \$300,000)	300,000
		TOTAL INVESTMENTS 100.0% (Cost \$177,973,789#)	\$ 185,658,312

- (a) Income from this issue is considered a preference item for purposes of calculating the alternative minimum tax (AMT).
- (b) 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.
- (c) Pre-Refunded bonds are escrowed with U.S. government obligations and/or U.S. government agency securities and are considered by the manager to be triple-A rated even if issuer has not applied for new ratings.
- (d) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2009.
- (e) Maturity date shown represents the mandatory tender date.
- (f) The coupon payment on these securities is currently in default as of September 30, 2009.
- (g) Security is issued on a when-issued basis.
- (h) Residual interest bonds coupon varies inversely with level of short-term tax-exempt interest rates.
- (i) 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. Date shown is the date of the next interest rate change.
- # Aggregate cost for federal income tax purposes is substantially the same.

Abbreviations used in this schedule:

ACA	- American Capital Assurance - Insured Bonds
AGC	- Assured Guaranty Corporation - Insured Bonds
AMBAC	- American Municipal Bond Assurance Corporation - Insured Bonds
CDA	- Community Development Authority
COP	- Certificate of Participation
DFA	- Development Finance Agency
EDA	- Economic Development Authority
EFA	- Educational Facilities Authority
FGIC	- Financial Guaranty Insurance Company - Insured Bonds
FHLMC	- Federal Home Loan Mortgage Corporation
FNMA	- Federal National Mortgage Association
FSA	- Financial Security Assurance - Insured Bonds
GNMA	- Government National Mortgage Association
GO	- General Obligation
HEFA	- Health & Educational Facilities Authority
IDA	- Industrial Development Authority
INDLC	- Industrial Indemnity Company - Insured Bonds
LOC	- Letter of Credit
MFH	- Multi-Family Housing
NATL	- National Public Finance Guarantee Corporation - Insured Bonds
PCR	- Pollution Control Revenue
RIBS	- Residual Interest Bonds
Radian	- Radian Asset Assurance - Insured Bonds
SPA	- Standby Bond Purchase Agreement - Insured Bonds
XLCA	- XL Capital Assurance Inc. - Insured Bonds

See Notes to Schedule of Investments.

Western Asset Intermediate Muni Fund Inc.

Schedule of Investments (unaudited) (continued)

September 30, 2009

Summary of Investments by Industry *

Pre-refunded/escrowed to maturity	18.0%
Power	16.8
Health care	13.8
Industrial revenue	10.9
Education	10.6
Local general obligation	9.7
Transportation	5.3
Leasing	4.1
Water & sewer	3.8
Solid waste/resource recovery	2.2
Housing	1.9
Other	1.5
Special tax obligation	1.2
Short-term investments	0.2
	100.0%

*As a percentage of total investments. Please note that Fund holdings are as of September 30, 2009 and are subject to change.

Ratings TableS&P/Moody s

AAA/Aaa	22.4%
AA/Aa	21.5
A	36.9
BBB/Baa	11.5
BB/Ba	1.5
A-1/VMIG1	0.2
NR	6.0
	100.0%

As a percentage of total investments.

In the event that a security is rated by multiple nationally recognized statistical rating organizations (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 9 and 10 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	Bonds rated AAA have the highest rating assigned by Standard & Poor's. Capacity to pay interest and repay principal is extremely strong.
AA	Bonds rated AA have a very strong capacity to pay interest and repay principal and differ from the highest rated issues only in a small degree.
A	Bonds rated A have a strong capacity to pay interest and repay principal although they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than debt in higher rated categories.
BBB	Bonds rated BBB are regarded as having an adequate capacity to pay interest and repay principal. Whereas they normally exhibit adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for bonds in this category than in higher rated categories.
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 the lowest degree of speculation 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 are in default and payment of interest and/or repayment of principal is in arrears.

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 best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge". Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes can be visualized as most unlikely to impair the fundamentally strong position of such issues.
Aa	Bonds rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long-term risks appear somewhat larger than in Aaa securities.
A	Bonds rated A possess many favorable investment attributes and are to be considered as upper medium grade obligations. Factors giving security to principal and interest are considered adequate but elements may be present which suggest a susceptibility to impairment some time in the future.
Baa	Bonds rated Baa are considered as medium grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear

adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

Ba

Bonds rated Ba are judged to have speculative elements; their future cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate and therefore

Bond Ratings (unaudited)(continued)

	not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.
B	Bonds rated B generally lack characteristics of desirable investments. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small.
Caa	Bonds rated Caa are of poor standing. These may be in default, or present elements of danger may exist with respect to principal or interest.
Ca	Bonds rated Ca represent obligations which are speculative in a high degree. Such issues are often in default or have other marked short-comings.
C	Bonds rated C are the lowest class of bonds and issues so rated can be regarded as having extremely poor prospects of ever attaining any real investment standing.

Fitch Ratings Service (Fitch) 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	Bonds rated AAA have the highest rating assigned by Fitch. Capacity to pay interest and repay principal is extremely strong.
AA	Bonds rated AA have a very strong capacity to pay interest and repay principal and differ from the highest rated issues only in a small degree.
A	Bonds rated A have a strong capacity to pay interest and repay principal although they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than debt in higher rated categories.
BBB	Bonds rated BBB are regarded as having an adequate capacity to pay interest and repay principal. Whereas they normally exhibit adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for bonds in this category than in higher rated categories.

BB, B, CCC and CC	Bonds rated BB , B , CCC and CC 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 CC 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.
NR	Indicates that the bond is not rated by Standard & Poor s, Moody s or Fitch.

Short-Term Security Ratings (unaudited)

SP-1	Standard & Poor s highest rating indicating very strong or strong capacity to pay principal and interest; those issues determined to possess overwhelming safety characteristics are denoted with a plus (+) sign.
A-1	Standard & Poor s highest commercial paper and variable-rate demand obligation (VRDO) rating indicating that the degree of safety regarding timely payment is either overwhelming or very strong; those issues determined to possess overwhelming safety characteristics are denoted with a plus (+) sign.
VMIG 1	Moody s highest rating for issues having a demand feature VRDO.
MIG 1	Moody s highest rating for short-term municipal obligations.
P-1	Moody s highest rating for commercial paper and for VRDO prior to the advent of the VMIG 1 rating.
F1	Fitch s highest rating indicating the strongest capacity for timely payment of financial commitments; those issues determined to possess overwhelming strong credit feature are denoted with a plus (+) sign.

Notes to Schedule of Investments (unaudited)

1. Organization and Significant Accounting Policies

Western Asset Intermediate Muni Fund Inc. (the Fund) was incorporated in Maryland on December 19, 1991 and is registered as a diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act). The Board of Directors authorized 100 million shares of \$0.001 par value common stock. The Fund's investment objective is to provide common shareholders a high level of current income exempt from regular federal income taxes consistent with prudent investing.

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 that are based on transactions in municipal obligations, quotations from municipal bond dealers, market transactions in comparable securities and various other relationships between securities. When prices are not readily available, or are determined not to reflect fair value, the Fund may value these securities at fair value as determined in accordance with the 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 Section 820 (formerly Statement of Financial Accounting Standards No. 157) (ASC Section 820). ASC Section 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, income approach and/or cost approach, depending on the type of the security and the particular circumstance.

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

Description	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Municipal bonds		\$ 185,358,312		\$ 185,358,312
Short-term investments		300,000		300,000
Total		\$ 185,658,312		\$ 185,658,312

See Schedule of Investments for additional detailed categorizations.

(b) Security transactions. Security transactions are accounted for on a trade date basis.

2. Investments

At September 30, 2009, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

Gross unrealized appreciation	\$	9,233,135
Gross unrealized depreciation		(1,548,612)
Net unrealized appreciation	\$	7,684,523

Notes to Schedule of Investments (unaudited) (continued)

3. Derivative Instruments and Hedging Activities

Financial Accounting Standards Board Codification Section 815 (formerly Statement of Financial Accounting Standards No. 161) (ASC Topic 815) requires enhanced disclosure about an entity s derivative and hedging activities.

At September 30, 2009, the Fund did not hold any derivative instruments.

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.

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 Intermediate Muni Fund Inc.

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

Date: November 24, 2009

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: November 24, 2009

By */s/ Kaprel Ozsolak*
Kaprel Ozsolak
Chief Financial Officer

Date: November 24, 2009
