

BLACKROCK MUNICIPAL BOND TRUST
Form N-Q
January 25, 2005

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: 811-21036

BlackRock Municipal Bond Trust

(Exact name of registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE 19809

(Address of principal executive offices) (Zip code)

Robert S. Kapito, President
BlackRock Municipal Bond Trust

40 East 52nd Street, New York, NY 10022

(Name and address of agent for service)

Registrant's telephone number, including area code: 888-825-2257

Date of fiscal year end: August 31

Date of reporting period: November 30, 2004

Item 1. Schedule of Investments.

The registrant's unaudited schedule of investments as of the close of the reporting period pursuant to Rule 30b1-5 under the Investment Company Act of 1940 is as follows:

**PORTFOLIO OF INVESTMENTS
NOVEMBER 30, 2004 (Unaudited)**

BlackRock Municipal Bond Trust (BBK)

Rating ¹	Principal Amount (000)	Description
LONG-TERM INVESTMENTS 155.7%		
Alabama 11.3%		
BBB	\$ 9,250	Courtland Ind. Dev. Brd., PCR, Champion Intl. Corp. Proj., Ser. A, 6.50%, 9/01/25
A2	7,500	Huntsville Hlth. Care Auth., Ser. A, 5.75%, 6/01/31
California 14.8%		
		Golden St. Tobacco Sec. Corp., Ser. B,
A-	7,300	5.50%, 6/01/43
A-	4,200	5.625%, 6/01/38
B-	8,000	Los Angeles Regl. Arpt. Impvt., Corp. Lease Rev., Amer. Airlines, Inc. Proj., Ser. B, 7.50%, 12/01/24
		San Marcos Spl. Tax, Cmnty. Facs. Dist. No. 02-01,
NR	465	5.90%, 9/01/28
NR	865	5.95%, 9/01/35
NR	1,585	Val Verde Unified Sch. Dist. Fin. Auth., Spec. Tax Rev., 6.25%, 10/01/28
Connecticut 2.7%		
		Connecticut Dev. Auth., Connecticut Lt. & Pwr., PCR,
A3	2,200	Ser. A, 5.85%, 9/01/28
A3	1,750	Ser. B, 5.95%, 9/01/28
District of Columbia 11.1%		
AAA	6,000	District of Columbia, Tax Incr. Rev., Gallary Place Proj., 5.40%, 7/01/31, FSA
A	595	Friendship Pub. Charter Sch., Inc., 5.25%, 6/01/33, ACA
AAA	33,450	Georgetown Univ., Ser. A, Zero Coupon, 4/01/38, MBIA
BBB	5,580	Tobacco Settlement Fin. Corp., 6.75%, 5/15/40
Florida 19.3%		

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BBB-	6,200	Martin Cnty. Incl. Dev. Auth., Indiantown Cogeneration Proj., Ser. A, 7.875%, 12/15/25
BB	2,810	Miami Beach Hlth. Facs. Auth., Mt. Sinai Med. Ctr. Proj., 6.75%, 11/15/21
A	10,000	Orange Cnty. Hlth. Facs. Auth., Hosp. Adventist Hlth. Sys. Proj., 5.625%, 11/15/32
AAA	7,255	Palm Beach Cnty. Hsg. Fin. Auth., Multi-Fam. Rev., Indian Trace Apts., Ser. A, 5.625%, 1/01/44, FSA
NR	1,470	Reunion West Cmnty. Dev. Dist., Spl. Assmt., 6.25%, 5/01/36
NR	1,000	Stevens Plantation Cmnty. Dev. Dist., Spl. Assmt. Rev., Ser. A, 7.10%, 5/01/35

Georgia 12.9%

AAA	3,000	Atlanta Arpt. Passenger Fac., Ser. J, 5.00%, 1/01/34, FSA Atlanta Wtr. & Wstwtr., FSA,
AAA	5,000	5.00%, 11/01/37
AAA	11,770	5.00%, 11/01/43

Illinois 19.3%

AAA	23,065	Bolingbrook, GO, Ser. B, Zero Coupon, 1/01/36, FGIC
NR	1,150	Centerpoint Intermodal Ctr., Ser. A, 8.00%, 6/15/23
AAA	5,880	Chicago, GO, Ser. A, 5.50%, 1/01/38, MBIA
BBB	6,000	Illinois Edl. Facs. Auth., Student Hsg. Rev., Edl. Advancement Fund Univ. Ctr. Proj., 6.25%, 5/01/34
A	6,000	Illinois Hlth. Facs. Auth., Lake Forest Hosp., Ser. A, 5.75%, 7/01/29 Met. Pier & Exposition Auth., Ded. St. Tax Rev., McCormick Place Expansion Proj., Ser. A, MBIA,
AAA	10,000	Zero Coupon, 6/15/35
AAA	10,000	Zero Coupon, 12/15/36
AAA	10,000	Zero Coupon, 12/15/37
AAA	1,085	Schaumburg, Ser. B, 5.00%, 12/01/38, FGIC

BlackRock Municipal Bond Trust (BBK) (continued)

Rating ¹	Principal Amount (000)	Description	Op Pro
Indiana 1.3%			
Aaa	\$ 2,010	Multi-Fam. Hsg., Canterbury House Apts., Ser. 1, 5.90%, 12/01/34	12/
Kansas 3.4%			
A-	5,000	Wichita Arpt. Auth., Arpt. Facs. Rev., Cessna Citation Svc. Ctr., Ser. A, 6.25%, 6/15/32	06/

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Louisiana 4.1%

Baa1	1,165 Louisiana Local Govt. Env. Facs. & Cmnty. Dev. Auth., Oakleigh Apts. Proj., Ser. A, 6.375%, 6/01/38	06/
AAA	5,000 Louisiana Pub. Fac. Auth., Baton Rouge Gen. Proj., 5.25%, 7/01/33, MBIA	07/

Maryland 3.5%

NR	1,250 Baltimore, Spec. Oblig. Rev., Harborview Lot No. 2 Proj., 6.50%, 7/01/31	07/
NR	3,000 Frederick Cnty. Spl. Oblig., Urbana Cmnty. Dev. Auth., Ser. B, 6.25%, 7/01/30	07/
BBB	1,040 Maryland Hlth. & Higher Edl. Facs. Auth., Medstar Hlth., 5.50%, 8/15/33	08/

Nevada 2.2%

AAA	2,050 Clark Cnty. Arpt., Ser. A-2, 5.00%, 7/01/36, FGIC	07/
NR	1,400 Las Vegas Spec. Impvt. Dist. No. 809, Summerlin Area, 5.65%, 6/01/23	06/

New Jersey 11.4%

New Jersey Econ. Dev. Auth.,

BBB	1,500 Cigarette Tax Rev., 5.50%, 6/15/31	06/
BBB	3,500 Cigarette Tax Rev., 5.75%, 6/15/29	06/
B	3,000 Continental Airlines, Inc. Proj., 7.20%, 11/15/30	11/
Baa3	7,500 Kapkowski Road Landfill Proj., 6.50%, 4/01/28	No
BBB-	1,500 Winchester Proj., Ser. A, 5.80%, 11/01/31	11/

New York 5.8%

AAA	1,330 Env. Facs. Corp., St. Clean Wtr. & Drinking Wtr. Rev., NYC Mun. Wtr. Proj., Ser. B, 5.00%, 6/15/31	06/
AAA	1,760 Met. Transp. Auth., Svc. Contract, Ser. A, 5.00%, 7/01/30, AMBAC	07/
AAA	5,000 New York City Mun. Wtr. Fin. Auth., Wtr. & Swr. Sys. Rev., Ser. B, 5.00%, 6/15/36, FSA	12/
AAA	765 New York Dorm. Auth., Montefiore Hosp. Proj., 5.00%, 8/01/33, FGIC	02/

Ohio 1.0%

NR	1,500 Port Greater Cincinnati Dev. Auth., Cooperative Pub. Pkg. Infrastructure Proj., 6.40%, 2/15/34	02/
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Oklahoma 1.1%

B-	1,725 Tulsa Mun. Arpt. Trust, Variable Refdg., Ser. A, 7.75%, 6/01/35	No
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Oregon 0.6%

Aaa	1,000 Multi-Fam. Hsg., Pacific Tower Apts., Ser. 6, 6.05%, 11/01/34	06/
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South Carolina 0.7%

BBB	1,000 So. Carolina Jobs Econ. Dev. Auth., Hosp. Facs. Rev., Palmetto Hlth. Alliance, Ser. C,	
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7.00%, 8/01/30

08/

Texas 15.4%

BBB	880 Brazos River Auth., PCR, TXU Elec. Co. Proj., Ser. C, 6.75%, 10/01/38	10/
AAA	940 Dallas Area Rapid Trans., 5.00%, 12/01/31, AMBAC	12/
AAA	11,690 Harris Cnty. Houston Sports Auth., Ser. G, Zero Coupon, 11/15/41, MBIA	11/3
Aaa	2,840 Multi-Fam. Hsg., Copperwood Ranch Apts., Ser. 9, 5.95%, 11/01/35	06/
BBB	1,000 Sabine River Auth., PCR, TXU Elec. Co. Proj., Ser. B, 6.15%, 8/01/22	08/
AAA	60,000 Texas Tpke. Auth., Central Sys. Rev., Zero Coupon, 8/15/35, AMBAC	08/1
BBB+	6,840 Tyler Cnty. Hlth. Facs. Dev., Mother Frances Hosp., 6.00%, 7/01/31	07/

West Virginia 0.3%

AAA	520 West Virginia Econ. Dev. Auth., Correctional Juvenile Safety, Ser. A, 5.00%, 6/01/29, MBIA	06/
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BlackRock Municipal Bond Trust (BBK) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
Wisconsin 5.7%				
		Wisconsin Hlth. & Edl. Facs. Auth.,		
A-	\$ 1,350	Aurora Hlth. Care, 6.40%, 4/15/33	04/13 @ 100	\$ 1,457,7
A	7,000	Wheaton Franciscan Svcs., 5.75%, 8/15/30	02/12 @ 101	7,286,9
				8,744,6
Multi-State 7.8%				
Baa1	10,500	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	11,969,8
Total Long-Term Investments (cost \$230,539,439)				239,596,2
SHORT-TERM INVESTMENTS 5.8%				
New York 1.2%				
A1+	1,900	New York City Transl. Fin. Auth., Ser. A-1, 1.67%, 12/01/04, FRWD	N/A	1,900,0
Ohio 3.3%				
VMIG1	5,000	Hamilton Cnty. Hosp. Facs., Ser. A, 1.66%, 12/01/04, FRWD	N/A	5,000,0

Shares (000)

MONEY MARKET FUND 1.3%			
1,950	AIM Tax Free Investment Co. Cash Reserve Portfolio	N/A	1,950,000
Total Short-Term Investments (cost \$8,850,000)			8,850,000
Total Investments 161.5% (cost \$239,389,439)			\$ 248,446,200
Liabilities in excess of other assets (2.7)%			(4,082,300)
Preferred shares at redemption value, including dividends payable (58.8)%			(90,523,600)
Net Assets Applicable to Common Shareholders 100%			\$ 153,840,200

- Using the higher of S&P's, Moody's or Fitch's rating.
- Date (month/year) and price of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.
- Entire or partial principal amount pledged as collateral for financial futures contracts.
- Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of November 30, 2004, the Trust held 7.8% of its net assets, with a current market value of \$11,969,895, in securities restricted as to resale.
- For purposes of amortized cost valuation, the maturity date of these instruments is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted. Rate shown as of November 30, 2004.

KEY TO ABBREVIATIONS

ACA	□ American Capital Access	FSA	□ Financial Security Assurance
AMBAC	□ American Municipal Bond Assurance Corporation	GO	□ General Obligation
FGIC	□ Financial Guaranty Insurance Company	PCR	□ Pollution Control Revenue
FRWD	□ Floating Rate Weekly Demand	MBIA	□ Municipal Bond Insurance Association

Item 2. Controls and Procedures.

(a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures within 90 days of this filing and have concluded that the registrant's disclosure controls and procedures are effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized, and reported timely.

(b) The registrant's principal executive officer and principal financial officer are aware of no changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to

materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certifications of the registrant's principal executive and financial officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are attached as EX-99.CERT.

SIGNATURES

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

(Registrant) BlackRock Municipal Bond Trust

By: /s/ Henry Gabbay

Name: Henry Gabbay
Title: Treasurer
Date: January 20, 2005

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/ Robert S. Kapito

Name: Robert S. Kapito
Title: Principal Executive Officer
Date: January 20, 2005

By: /s/ Henry Gabbay

Name: Henry Gabbay
Title: Principal Executive Officer
Date: January 20, 2005
