

BLACKROCK STRATEGIC MUNICIPAL TRUST
Form N-30D
August 27, 2002

THE BLACKROCK STRATEGIC MUNICIPAL TRUST
SEMI-ANNUAL REPORT TO SHAREHOLDERS
REPORT OF INVESTMENT ADVISOR

July 31, 2002

Dear Shareholder:

The semi-annual period ended June 30, 2002, saw general turmoil in the equity markets. Bond markets, particularly municipal securities, proved to be a viable shelter from unstable economic conditions and experienced strong inflows throughout the period. Municipal bonds outperformed Treasuries returning 4.64% versus 3.61% respectively as measured by the LEHMAN BROTHERS MUNICIPAL BOND INDEX* and the LEHMAN BROTHERS TREASURY INDEX** for the six months ended June 30, 2002.

The first half of 2002 was markedly different from the last six months of 2001, as the Federal Reserve Board (the "Fed") left interest rates unchanged. After a 225 basis point decline in interest rates during the latter half of 2001, and the uncertainty of the economic recovery in the first half of this year, the Fed remained cautious about the state of the economy. Fears of inflation remained subdued, allowing the Fed to remain on hold and maintain the lowest interest rates in decades.

The past six months also saw a 20% increase in new municipal issuance totaling \$162 billion, as compared to the same time period last year. Both retail and institutional investment in municipals remained high and continued to drive performance as investors sought lower volatility alternatives with attractive taxable equivalent yields. While economic indicators remained positive during the period, the instability of the equity and capital markets--as a result of corporate governance and accounting issues, fears of renewed terrorist acts and geopolitical instability--weighed on investor confidence, an integral component of economic recovery.

The volatility, which continues to be seen throughout all sectors of the market, can be disconcerting for investors. We encourage you to consult with your financial advisor to help establish a strategy that best fits your overall goals and risk tolerance.

The semi-annual report includes a summary of market conditions over the last six months, a review of the strategy employed by your Trust's portfolio managers, the Trust's unaudited financial statements and a listing of the portfolio's holdings. We thank you for your continued confidence in BlackRock and the opportunity to help you achieve your long-term investment goals.

Sincerely,

/s/ Laurence D. Fink

Laurence D. Fink
Chief Executive Officer
BlackRock Advisors, Inc.

/s/ Ralph L. Schlosstein

Ralph L. Schlosstein
President
BlackRock Advisors, Inc.

* The Lehman Brothers Municipal Bond Index measures the performance of the

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investment grade long-term tax-exempt bond market. The Index is unmanaged and cannot be purchased directly.

** The Lehman Brothers Treasury Index measures the performance of the public obligations of the U.S. Treasury. The Index is unmanaged and cannot be purchased directly.

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July 31, 2002

Dear Shareholder:

We are pleased to present the unaudited semi-annual report for The BlackRock Strategic Municipal Trust (the "Trust") for the six months ended June 30, 2002. We would like to take this opportunity to review the change in the Trust's stock price and net asset value (NAV), summarize developments in the fixed income markets and discuss recent portfolio management activity.

The Trust is a diversified, actively managed closed-end bond fund whose shares are traded on the New York Stock Exchange under the symbol "BSD". The Trust's investment objectives are to provide current income that is exempt from regular Federal income tax and to invest in municipal bonds that over time will perform better than the broader municipal bond market. The Trust seeks to achieve these objectives by investing 80% of its total assets in investment grade (rated "Baa" or "BBB" or better by a major rating agency or of equivalent quality), and may invest up to 20% of its total assets in non-investment grade (rated "Ba/BB" or "B" by a major rating agency or of equivalent quality) tax-exempt general obligation and revenue bonds issued by city, county and state municipalities throughout the United States.

The table below summarizes the changes in the Trust's share price and NAV:

	06/30/02	12/31/01	CHANGE	HIGH	LOW
SHARE PRICE	\$14.05	\$13.58	3.46%	\$14.20	\$13.24
NET ASSET VALUE (NAV)	\$14.83	\$14.33	3.49%	\$14.92	\$14.39

THE FIXED INCOME MARKETS

Economic performance was mixed during the semi-annual period ended June 30, 2002, as volatility and instability were prevalent throughout all sectors of the market. The U.S. economy showed signs of recovery, but mixed economic data and dismal performance in the equity markets caused a massive unwinding of Fed tightening expectations. Structural imbalances in the U.S. economy became evident and the effects of the short-term stimulus post September 11th diminished, causing the Fed to remain on hold and leave the Federal Funds rate unchanged at 1.75%. Positive economic data included a rise in first quarter 2002 GDP of 6.1%, the fastest rate in two years, strong manufacturing data, an 8.4% rise in first quarter 2002 productivity and the Consumer Confidence Index advancing from year-end levels. Low inventory levels should support manufacturing data, but we are skeptical about the continued strength of consumer demand, which is essential to a sustained economic recovery. The long-term sustainability of the highly leveraged consumer remains a pivotal issue to the strength of the economic recovery. Although fundamentals support a recovery, declining equities and a plummeting dollar continue to erode investor

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confidence. We remain uncertain that a near-term business investment recovery will materialize, as pricing power remains weak. While second quarter weakness may be overstated, the likely outcome is one of several quarters of sub-par growth in the 2.5%-3.0% range.

Year-to-date, rates have fallen across the yield curve. The Treasury market returned 3.61% during the period, posting exceptionally strong months in April and June as risk aversion dominated the markets. Over the course of the period, the yield curve steepened in reaction to mixed economic data and a proliferation of negative headlines in the corporate sector. Looking ahead, the budget surplus of 2001 is unlikely to be sustained due to anemic tax revenues and a sharp rise in defense spending, which should result in larger auction sizes. However, the allowable debt limit set by Congress will soon be reached, possibly leading the Treasury to pursue additional methods of financing until it can return to regular auctions. As of June 30, 2002, the 10-year Treasury was yielding 4.80% versus 5.05% on December 31, 2001.

On a tax-adjusted basis, municipal bonds outperformed the taxable domestic bond market for the semi-annual period ended June 30, 2002, returning 7.55% (as measured by the Lehman Municipal Bond Index at a tax bracket of 38.6%) versus 3.79% for the Lehman Aggregate Index. Retail investment has reached record highs, as investors searched for a lower volatility asset class providing high after-tax returns. Institutional demand has also remained strong and is being fueled by increased profitability on the part of insurance companies, the search for stable income and asset allocation trades away from segments of the market experiencing higher volatility. Over the period, strong demand was met by significant new issuance as the first quarter of 2002 posted a 10% increase over the same period in 2001 and was the largest first quarter total on record. Through June, new

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bond issuance remained robust, bringing total year-to-date issuance to nearly \$170 billion, and is on pace to be the largest issuance year in history. The municipal yield curve remains historically steep, as the short end of the curve has outperformed Treasuries over the recent months while longer maturities performed in line with their Treasury counterparts.

THE TRUST'S PORTFOLIO AND INVESTMENT STRATEGY

The Trust's portfolio is actively managed to diversify exposure to various sectors, issuers, revenue sources and security types. BlackRock's investment strategy emphasizes a relative value approach, which allows the Trust to capitalize upon changing market conditions by rotating municipal sectors, credits and coupons.

Municipals outperformed Treasuries for the period due to strong retail and institutional demand despite record issuance. In the waning months of the period, the short-end of the curve outperformed Treasuries while rates at the long-end remained relatively stagnant, leaving the yield curve at steep levels on a historical basis.

Additionally, the Trust employs leverage to enhance its income by borrowing at short-term municipal rates and investing the proceeds in longer maturity issues that have higher yields. The degree to which the Trust can benefit from its use of leverage may affect its ability to pay high monthly income. At the end of the period, the Trust's leverage amount was approximately 36% of total assets.

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The following charts show the Trust's asset composition and credit quality allocations:

SECTOR BREAKDOWN		
SECTOR	JUNE 30, 2002	DECEMBER 31, 2001
Industrial & Pollution Control	19%	18%
Hospital	16%	16%
Power	11%	11%
Tax Revenue	9%	11%
Education	8%	9%
City, County & State	8%	6%
Housing	6%	5%
Transportation	6%	6%
District	6%	5%
Water & Sewer	4%	7%
Tobacco	3%	2%
Other	4%	4%

CREDIT RATING*		
CREDIT RATING*	JUNE 30, 2002	DECEMBER 31, 2001
AAA/Aaa	35%	37%
AA/Aa	20%	19%
A/A	12%	11%
BBB/Baa	9%	8%
BB/Ba	18%	20%
Not Rated	6%	5%

* Using the higher of Standard & Poor's, Moody's or Fitch's rating.

We look forward to managing the Trust to benefit from the opportunities available in the fixed income markets and to meet its investment objectives. We

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thank you for your investment and continued interest in The BlackRock Strategic Municipal Trust. Please feel free to call our marketing center at (800) 227-7BFM (7236) if you have any specific questions which were not addressed in this report.

Sincerely,

/s/ Robert S. Kapito

Robert S. Kapito
Vice Chairman and Portfolio Manager
BlackRock Advisors, Inc.

/s/ Kevin M. Klingert

Kevin M. Klingert
Managing Director and Portfolio Manager
BlackRock Advisors, Inc.

THE BLACKROCK STRATEGIC MUNICIPAL TRUST

Symbol on New York Stock Exchange:	BSD
Initial Offering Date:	August 25, 1999
Closing Share Price as of 6/30/02:	\$14.05
Net Asset Value as of 6/30/02:	\$14.83
Yield on Closing Share Price as of 6/30/02 (\$14.05) (1):	6.14%
Current Monthly Distribution per Common Share(2):	\$ 0.0719
Current Annualized Distribution per Common Share(2):	\$ 0.8628

(1) Yield on closing share price is calculated by dividing the current annualized distribution per share by the closing share price.

(2) The distribution is not constant and is subject to change. The monthly distribution was increased in July 2002 for shareholders of record July 15, 2002 from \$0.0719 to \$0.075233 per common share.

PRIVACY PRINCIPLES OF THE TRUST

The Trust is committed to maintaining the privacy of shareholders and to safeguarding its non-public personal information. The following information is provided to help you understand what personal information the Trust collects, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, the Trust does not receive any non-public personal information relating to its shareholders, although certain nonpublic personal information of its shareholders may become available to the Trust. The Trust does not disclose any non-public personal information about its shareholders or former shareholders to anyone, except as permitted by law or as is necessary in order to service shareholder accounts (for example, to a transfer agent or third party administrator).

The Trust restricts access to non-public personal information about the shareholders to BlackRock employees with a legitimate business need for the information. The Trust maintains physical, electronic and procedural safeguards designed to protect the non-public personal information of its shareholders.

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 THE BLACKROCK STRATEGIC MUNICIPAL TRUST
 PORTFOLIO OF INVESTMENTS JUNE 30, 2002 (UNAUDITED)

RATING*	PRINCIPAL AMOUNT (000)	DESCRIPTION	OPTION C PROVISIO
		LONG-TERM INVESTMENTS--154.8%	
		ALABAMA--14.4%	
AA	\$ 7,000	Alabama St. Pub. Sch. & Coll. Auth. Rev., Cap. Impvt., Ser. C, 5.75%, 7/01/18	7/09 @ 10
Baa2	3,000	Courtland Ind. Dev. Brd. Solid Wst. Disp. Rev., Champion Intl. Corp. Proj., Ser. A, 6.70%, 11/01/29	11/09 @ 1
AAA	4,635	Jefferson Cnty. Swr. Rev., Ser. D, 5.75%, 2/01/27, FGIC	2/07 @ 1
		ALASKA--1.1%	
AAA	1,130	Alaska St. Hsg. Fin. Corp. Rev., Ser. A, 5.875%, 12/01/24, MBIA .	12/05 @
		COLORADO--1.7%	
AAA	10,000	Northwest Pkwy. Pub. Hwy. Auth. Rev., Ser B, Zero Coupon, 6/15/30, FSA	6/11 @ 31
		CONNECTICUT--8.7%	
Baa3	1,500++	Mashantucket Western Pequot Tribe, Spec. Rev., Ser. A, 5.50%, 9/01/28	9/09 @ 1
Baa3	8,000++	Ser. B, 5.75%, 9/01/27	9/07 @ 1
		FLORIDA--6.9%	
A	2,400	Florida Hsg. Fin. Corp. Rev., Sunset Place, Ser. K-1, 6.00%, 10/01/19	10/09 @
A	2,000	6.10%, 10/01/29	10/09 @
NR	3,300	Hillsborough Cnty. Ind. Dev. Auth. Fac. Rev., National Gypsum, Ser. A, 7.125%, 4/01/30	4/10 @ 1
		ILLINOIS--11.3%	
AAA	5,000	Chicago Brd. of Ed. Chicago Sch. Reform, 5.75%, 12/01/27, AMBAC .	12/07 @
BB+	7,560	Chicago O'Hare Intl. Arpt. Spec. Fac. Rev., Delta Air Lines Inc. Term. Proj., 6.45%, 5/01/18	5/03 @ 1
		KENTUCKY--8.8%	
AAA	32,345	Kentucky Econ. Dev. Fin. Auth. Hlth. Sys. Rev., Norton Hlth.	

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		Care Inc., Ser. B, Zero Coupon, 10/01/24, MBIA	No Opt. C
		MICHIGAN--13.4%	
AAA	2,000	Michigan St. Hosp. Fin. Auth. Rev., Mercy Hlth. Svcs., 5.75%, 8/15/19, MBIA	8/09 @ 1
BB+	12,000	Midland Cnty. Econ. Dev. Rev., Ser. A, 6.875%, 7/23/09	7/07 @ 1
		MISSOURI--1.9%	
A	2,000	Missouri St. Hlth. & Edl. Facs. Auth. Hlth. Facs. Rev., St. Anthony's Med. Ctr., 6.125%, 12/01/19	12/10 @
		NEW JERSEY--11.2%	
BB-	6,000	New Jersey Econ. Dev. Auth. Spec. Fac. Rev., Continental Airlines Inc. Proj., 6.25%, 9/15/19	9/09 @ 1
AA-	6,000 +++	New Jersey St. Transp. Trust Fund Auth. Sys. Rev., Ser. A, 6.00%, 6/15/10	N/A

See Notes to Financial Statements.

RATING*	PRINCIPAL AMOUNT (000)	DESCRIPTION	OPTION C PROVISIO
		NEW YORK--13.8%	
NR	\$2,000++	Charter Mac Equity Issuer Trust, Ser. B, 7.60%, 11/30/50	11/10 @
		New York City Transitional Fin. Auth. Rev.,	
AA+	3,300	Ser. A, 5.25%, 11/01/11	No Opt. C
AA+	6,000	Ser. B, 6.00%, 11/15/21	5/10 @ 1
Aa1	2,500	New York St. Mtge. Agcy. Rev., Homeowner Mtge., Ser. 85, 5.70%, 10/01/17	9/09 @ 1
		PENNSYLVANIA--21.5%	
		Lehigh Cnty. Gen. Purp. Auth. Rev., Kidspace Oblig. Grp.,	
Ba2	2,250	6.00%, 11/01/23	11/08 @
Ba2	2,335	6.20%, 11/01/14	11/09 @
A-	1,500	Montgomery Cnty. Ind. Dev. Auth., Retirement Cmnty. Rev., 5.25%, 11/15/28	11/08 @
NR	4,000 ++	MuniMae TE Bond Subsidiary LLC, Ser. A, 6.875%, 6/30/09	6/09 @ 1
		Pennsylvania Econ. Dev. Fin. Auth. Exempt Facs. Rev., Amtrak Proj., Ser. A,	

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A3	700	6.125%, 11/01/21	5/11 @ 1
A3	1,000	6.25%, 11/01/31	5/11 @ 1
A3	1,000	6.50%, 11/01/16	5/11 @ 1
AAA	8,500	Philadelphia Sch. Dist., GO, Ser. C, 5.75%, 3/01/29, MBIA	3/10 @ 1
AAA	1,500	Washington Cnty. Auth. Rev., Cap. Fdg. & Equip. Proj., 6.15%, 12/01/29, AMBAC	No Opt. C
TENNESSEE--5.6%			
A3	3,750	Maury Cnty. Ind. Dev. Brd., PCR, Saturn Corp. Proj., 6.50%, 9/01/24	9/04 @ 1
AAA	2,000	Memphis Shelby Cnty. Arpt. Auth. Rev., Ser. D, 6.00%, 3/01/24, AMBAC	3/10 @ 1
TEXAS--16.8%			
BB	6,500	Dallas Ft. Worth Intl. Arpt. Fac. Impvt. Rev., Amer. Airlines Inc., 6.375%, 5/01/35	11/09 @ 1
AAA	4,750	Harris Cnty. Houston Sports Auth. Rev., Ser. A, Zero Coupon, 11/15/38, MBIA	11/30 @ 61.
AAA	1,500	Lower Colorado River Auth. Rev., Ser. A, 5.50%, 5/15/21, AMBAC ..	5/09 @ 1
BBB	3,000	Port Corpus Christi Auth. Rev., Celanese Proj., Ser. B, 6.70%, 11/01/30	5/12 @ 1
Aa1	500	Texas St. Wtr. Fin. Asst., GO, 5.75%, 8/01/22	8/10 @ 1
AAA	7,030	Travis Cnty. Hlth. Facs. Dev. Corp. Rev., Ascension Hlth., Ser. A, 5.875%, 11/15/24, AMBAC	11/09 @ 1
UTAH--4.0%			
AAA	4,000	Intermountain Pwr. Agcy. Pwr. Supply Rev., Ser. B, 5.75%, 7/01/19, MBIA	7/07 @ 1
VIRGINIA--1.7%			
AAA	1,750	Virginia St. Res. Auth. Clean Wtr. Rev., 5.625%, 10/01/22	10/10 @
WASHINGTON--6.5%			
AA+	4,750	Washington St., GO, Ser. 2000 A, 5.625%, 7/01/24	7/09 @ 1
AA+	2,000	Ser. B, 6.00%, 1/01/25	1/10 @ 1
WISCONSIN--5.5%			
A1	6,000	Badger Tobacco Asset Sec. Corp. Rev., 6.375%, 6/01/32	6/12 @ 1
TOTAL LONG-TERM INVESTMENTS (COST \$160,681,126)			

See Notes to Financial Statements.

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RATING*	PRINCIPAL AMOUNT (000)	DESCRIPTION	OPTION C PROVISIO
		SHORT-TERM INVESTMENTS**--3.2%	
A1+	\$ 400	MASSACHUSETTS--0.4% Massachusetts St., GO, Ser. B, 1.25%, 7/04/02, FRWD	N/A
VMIG1	3,000	TENNESSEE--2.8% Montgomery Cnty. Pub. Bldg. Auth., Pooled Fin. Rev., 1.85%, 7/01/02, FRDD	N/A
		TOTAL SHORT-TERM INVESTMENTS (COST \$3,400,000)	
		TOTAL INVESTMENTS--158.0% (COST \$164,081,126)	
		Liabilities in excess of other assets--(0.3)%	
		Preferred shares at redemption value, including dividends payable--(57.7)%	
		NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS--100%	

* Using the higher of Standard & Poor's, Moody's or Fitch's rating.

** For purposes of amortized cost valuation, the maturity dates of these instruments are 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.

+ Date (month/year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

++ Security is exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional buyers. As of June 30, 2002, the Trust held 14.6% of its net assets in securities restricted as to resale.

+++ This bond is prerefunded. See glossary for definition.

KEY TO ABBREVIATIONS

AMBAC -- American Municipal Bond Assurance Corporation	FSA -- Financial Security Assurance
FGIC -- Financial Guaranty Insurance Company	GO -- General Obligation
FRDD -- Floating Rate Daily Demand	MBIA -- Municipal Bond Insurance Associat
FRWD -- Floating Rate Weekly Demand	PCR -- Pollution Control Revenue

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See Notes to Financial Statements.

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THE BLACKROCK	
STRATEGIC MUNICIPAL TRUST	
STATEMENT OF ASSETS AND LIABILITIES	
JUNE 30, 2002 (UNAUDITED)	

ASSETS	
Investments, at value (cost \$164,081,126 (Note 1)	\$ 169,720,626
Cash	1,463,719
Interest receivable	2,426,781
Other assets	21,617

	173,632,743

LIABILITIES	
Payable for investments purchased	3,583,569
Dividends payable--common shares	520,719
Investment advisory fee payable (Note 2)	48,667
Deferred Trustees fees	13,049
Other accrued expenses	33,018

	4,199,022

PREFERRED SHARES AT REDEMPTION VALUE	
\$.001 par value per share and \$25,000 liquidation	
value per share applicable to 2,480 shares,	
including dividends payable (Note 1 & 4)	
	62,009,510

NET ASSETS APPLICABLE TO	
COMMON SHAREHOLDERS	\$ 107,424,211
	=====
Composition of Net Assets Applicable to	
Common Shareholders:	
Par value (Note 4)	\$ 7,242
Paid in capital in excess of par	102,593,420
Undistributed net investment income (Note 1)	1,878,044
Accumulated net realized loss (Note 1)	(2,693,995)
Net unrealized appreciation (Note 1)	5,639,500

Net assets applicable to common shareholders,	
June 30, 2002	\$ 107,424,211
	=====
Net asset value per common share:	
(\$107,424,211 / 7,242,261 common shares	
of beneficial interest issued and outstanding)	
	\$14.83
	=====

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THE BLACKROCK
 STRATEGIC MUNICIPAL TRUST
 STATEMENT OF OPERATIONS
 SIX MONTHS ENDED JUNE 30, 2002 (UNAUDITED)

NET INVESTMENT INCOME	
Income	
Interest (Note 1)	\$ 5,110,717
Expenses	
Investment advisory	499,707
Auction agent	83,396
Custodian	26,486
Independent accountants	22,303
Reports to shareholders	21,076
Registration	14,371
Transfer agent	10,498
Trustees	8,424
Legal	5,363
Miscellaneous	20,578
Total expenses	712,202
Less fees waived by Advisor (Note 2)	(208,211)
Less fees paid indirectly (Note 2)	(2,864)
Net expenses	501,127
Net investment income	4,609,590
REALIZED AND UNREALIZED GAIN	
ON INVESTMENTS	
Net realized gain on investments	378,163
Net change in unrealized appreciation on investments	2,197,843
Net gain on investments	2,576,006
DIVIDENDS TO PREFERRED SHAREHOLDERS	
FROM NET INVESTMENT INCOME	(420,252)
NET INCREASE IN NET ASSETS APPLICABLE	
TO COMMON SHAREHOLDERS RESULTING	
FROM OPERATIONS	\$ 6,765,344

See Notes to Financial Statements.

THE BLACKROCK STRATEGIC MUNICIPAL TRUST
 STATEMENTS OF CHANGES IN NET ASSETS (UNAUDITED)

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ENDED
JUNE 30, 2002

INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS:

OPERATIONS:

Net investment income	\$ 4,609,590
Net realized gain (loss) on investments	378,163
Net change in unrealized appreciation (depreciation) on investments	2,197,843
Dividends to preferred shareholders from net investment income	(420,252)

Net increase in net assets resulting from operations	6,765,344

Dividends to Common Shareholders From Net Investment Income	(3,124,329)

Total increase (decrease)	3,641,015

NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS

Beginning of period	103,783,196

End of period (including undistributed net investment income of \$1,878,044 and \$813,035, respectively)	\$ 107,424,211
	=====

(1) Prior year amounts have been restated to conform to the current period's presentation under the provisions of EITF D-98 (Note 1).

See Notes to Financial Statements.

THE BLACKROCK STRATEGIC MUNICIPAL TRUST
FINANCIAL HIGHLIGHTS (UNAUDITED)

	YEAR ENDED	
	DECEMBER 31, (2)	
SIX MONTHS ENDED	-----	
JUNE 30, 2002 (3)	2001 (3)	2000

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	-----	-----	-----
PER COMMON SHARE OPERATING PERFORMANCE:			
Net asset value, beginning of period(4)	\$ 14.33	\$ 14.75	\$ 13.39
	-----	-----	-----
Investment operations:			
Net investment income	0.64	1.25	1.22
Net realized and unrealized gain (loss) on investments	0.35	(0.58)	1.41
Dividends to preferred shareholders:			
Net investment income	(0.06)	(0.23)	(0.35)
In excess of net investment income	--	--	(0.01)
	-----	-----	-----
Net increase (decrease) from investment operations	0.93	0.44	2.27
	-----	-----	-----
Dividends to common shareholders:			
Net investment income	(0.43)	(0.86)	(0.88)
In excess of net investment income	--	--	(0.03)
	-----	-----	-----
Total dividends	(0.43)	(0.86)	(0.91)
	-----	-----	-----
Capital charges with respect to issuance of:			
Common shares	--	--	--
Preferred shares	--	--	--
	-----	-----	-----
Total capital charges	--	--	--
	-----	-----	-----
Net asset value, end of period(4)	\$ 14.83	\$ 14.33	\$ 14.75
	=====	=====	=====
Market value, end of period(4)	\$ 14.05	\$ 13.58	\$13.6875
	=====	=====	=====
TOTAL INVESTMENT RETURN(5)	6.68%	5.32%	17.44%
	=====	=====	=====
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS(6):			
Expenses after expense offsets	0.95%(7)	0.91%	0.90%
Expenses before expense offsets	1.36%(7)	1.31%	1.30%
Net investment income before preferred share dividends ..	8.77%(7)	8.40%	8.86%
Preferred share dividends	0.80%(7)	1.58%	2.60%
Net investment income available to common shareholders ..	7.97%(7)	6.82%	6.26%
SUPPLEMENTAL DATA:			
Average net assets of common shareholders (000)	\$105,949	\$107,381	\$100,171
Portfolio turnover	8%	4%	44%
Net assets of common shareholders, end of period (000) ..	\$107,424	\$103,783	\$106,833
Preferred shares outstanding (000)	\$ 62,000	\$ 62,000	\$ 62,000
Asset coverage per preferred share, end of period	\$ 68,320	\$ 66,855	\$ 68,092

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- (1) Commencement of investment operations. This information includes the initial investments by BlackRock Advisors, Inc. (Note 1) Net assets value immediately after the closing of the public offering was \$14.30.
 - (2) Prior year amounts have been restated to conform to the current period's presentation under the provisions of EITF D-98 (Note 1).
 - (3) As required January 1, 2001, the Trust adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and began accreting market discount on debt securities. The effect of this accounting policy change had no impact on the total net assets of the Trust. Per share, ratios and supplemental data for periods prior to 2001 have not been restated to reflect this change.
 - (4) Net asset value and market value are published in BARRON'S on Saturday and THE WALL STREET JOURNAL on Monday.
 - (5) Total investment return is calculated assuming a purchase of a common share

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at the current market price on the first day and a sale at the current market price on the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment return does not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

- (6) Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of the common shareholders.
- (7) Annualized

The information above represents the unaudited operating performance for a common share outstanding, total investment return, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market value data for the Trust's common shares.

See Notes to Financial Statements.

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THE BLACKROCK STRATEGIC
MUNICIPAL TRUST
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1. ORGANIZATION & ACCOUNTING POLICIES

The BlackRock Strategic Municipal Trust (the "Trust") was organized as a Delaware business trust on June 17, 1999, and is registered as a diversified, closed-end management investment company under the Investment Company Act of 1940. The Trust's investment objectives are to provide current income that is exempt from regular Federal income tax and to invest in municipal bonds that over time will perform better than the broader municipal bond market. The ability of issuers of debt securities held by the Trust to meet their obligations may be affected by economic developments in certain states, a specific industry or region. No assurance can be given that the Trust's investment objectives will be achieved.

The following is a summary of significant accounting policies followed by the Trust.

SECURITIES VALUATION: Municipal securities (including commitments to purchase such securities on a "when-issued" basis) are valued on the basis of prices provided by dealers or pricing services selected under the supervision of the Trust's Trustees. In determining the value of a particular security, pricing services may use certain information with respect to transactions in such securities, quotations from bond dealers, market transactions in comparable securities and various relationships between securities. Short-term investments may be valued at amortized cost. Any securities or other assets for which such current market quotations are not readily available are valued at fair value as determined in good faith under procedures established by and under the general

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supervision and responsibility of the Trust's Board of Trustees.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities transactions are recorded on trade date. Realized and unrealized gains and losses are calculated on the identified cost basis. The Trust also records interest income on an accrual basis and amortizes premium and accretes discount to interest income on securities purchased using the interest method.

SEGREGATION: In cases in which the Investment Company Act of 1940, as amended and the interpretive positions of the Securities and Exchange Commission ("SEC") require that the Trust segregate assets in connection with certain Trust investments (e.g., when issued securities, reverse repurchase agreements or futures contracts), the Trust will, consistent with certain interpretive letters issued by the SEC, designate on its books and records cash or other liquid debt securities having a market value at least equal to the amount that would otherwise be required to be physically segregated.

FEDERAL INCOME TAXES: It is the Trust's intention to continue to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute sufficient net income to shareholders. For this reason and because substantially all of the Trust's gross income consists of tax-exempt interest, no Federal income tax provision is required.

DIVIDENDS AND DISTRIBUTIONS: The Trust declares and pays dividends and distributions to common shareholders monthly, from net investment income, net realized short-term capital gains and other sources, if necessary. Net long-term capital gains, if any, in excess of loss carryforwards may be distributed annually. Dividends and distributions are recorded on the ex-dividend date. Dividends and distributions to preferred shareholders are accrued and determined as described in Note 4.

ESTIMATES: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

DEFERRED COMPENSATION PLAN: Under a deferred compensation plan approved by the Board of Trustees on February 24, 2000, non-interested Trustees may elect to defer receipt of all or a portion of their annual compensation.

Deferred amounts earn a return as though equivalent dollar amounts had been invested in common shares of other BlackRock Trusts selected by the Trustees. This has the same economic effect for the Trustees as if the Trustees had invested the deferred amounts in such other BlackRock Trusts.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of the Trust. The Trust may, however, elect to invest in common shares of those Trusts selected by the Trustees in order to match its deferred compensation obligations.

CHANGE IN FINANCIAL STATEMENT CLASSIFICATION FOR AMPS: In accordance with the provisions of EITF D-98, "Classification and Measurement of Redeemable Securities," effective for the current period, the Trust has reclassified its Auction Market Preferred Shares ("AMPS") outside of permanent equity in the net

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assets section of the Statement of Assets and Liabilities. In addition, distributions to AMPS shareholders are now classified as a component of net assets resulting from operations on the Statement of Operations and Changes in Net Assets and as a component of the investment operations in the Financial Highlights. Prior year amounts presented have been restated to conform to this period's presentation. This change has no impact on the net assets applicable to common shares of the Trust.

NOTE 2. AGREEMENTS

The Trust has an Investment Advisory Agreement with BlackRock Advisors, Inc. (the "Advisor"), a wholly owned subsidiary of BlackRock, Inc., which in turn is an indirect majority owned subsidiary of PNC Financial Services Group, Inc. The investment management agreement covers both investment advisory and administration services.

The investment advisory fee paid to the Advisor is computed weekly and payable monthly at an annual rate of 0.60% of the Trust's average weekly managed assets. "Managed assets" means the total assets of the Trust (including any assets attributable to any preferred shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage). The Advisor has undertaken to waive fees and expenses as follows: through year ended 12/31/04 by 0.25%, for year ended 12/31/05 by 0.20%, for year ended 12/31/06 by 0.15%, for year ended 12/31/07 by 0.10% and for year ended 12/31/08 by 0.05%. Pursuant to the agreement the Advisor waived fees of \$208,211 during the six months ended June 30, 2002. The total dollar amounts paid to the Advisor by the Trust under the Investment Advisory Agreement for the six months ended June 30, 2002 and the years ended December 31, 2001, 2000 and period ended December 31, 1999 were \$291,496, \$591,820, \$570,718 and \$157,597, respectively.

Pursuant to the agreements, the Advisor provides continuous supervision of the investment portfolio, pays the compensation of officers of the Trust who are affiliated persons of the Advisor, and pays occupancy and certain clerical and accounting costs of the Trust. The Trust bears all other costs and expenses, which include reimbursements to the Advisor for certain operational support services provided to the Trust.

Pursuant to the terms of the custody agreement, the Trust receives earnings credits from its custodian when positive cash balances are maintained, which are used to offset custody fees. The earnings credits for the six months ended June 30, 2002, were approximately \$2,864.

NOTE 3. PORTFOLIO SECURITIES

Purchases and sales of investment securities, other than short-term investments, for the six months ended June 30, 2002, aggregated \$12,407,949 and \$12,567,943, respectively.

The Federal income tax basis of the Trust's investments at June 30, 2002 was \$164,018,347 and, accordingly, net unrealized appreciation was \$5,702,279 (gross unrealized appreciation--\$8,698,727, gross unrealized depreciation--\$2,996,448).

For Federal income tax purposes, the Trust had a capital loss carryforward at June 30, 2002, of approximately \$3,110,000, of which approximately \$130,000 will expire in 2008 and \$2,980,000 which will expire in 2009. Accordingly, no capital gain distribution is expected to be paid to shareholders until net gains have been realized in excess of such amount.

NOTE 4. CAPITAL

There are an unlimited number of \$.001 par value of common shares of beneficial interest authorized. The Trust may classify or reclassify any unissued common

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shares into one or more series of preferred shares. Of the 7,242,261 common shares outstanding at June 30, 2002, the Advisor owned 6,981 shares. As of June 30, 2002, there were 2,480 shares of preferred shares Series W7 outstanding.

Dividends on Series W7 are cumulative at a rate which is reset every 7 days based on the results of an auction. Dividend rates ranged from 1.15% to 1.60% during the six months ended June 30, 2002.

The Trust may not declare dividends or make other distributions on common shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding preferred shares would be less than 200%.

The preferred shares are redeemable at the option of the Trust, in whole or in part, on any dividend payment date at \$25,000 per share plus any accumulated or unpaid dividends whether or not declared. The preferred shares are also subject to mandatory redemption at \$25,000 per share plus any accumulated or unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and lia-

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bilities of the Trust as set forth in the Declaration of Trust are not satisfied.

The holders of preferred shares have voting rights equal to the holders of common shares (one vote per share) and will vote together with holders of common shares as a single class. However, holders of preferred shares are also entitled to elect two of the Trust's Trustees. In addition, the Investment Company Act of 1940 requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding preferred shares voting separately as a class would be required to (a) adopt any plan of reorganization that would adversely affect the preferred shares and (b) take any action requiring a vote of security holders, including, among other things, changes in the Trust's subclassification as a closed-end investment company or changes in its fundamental investment restrictions.

NOTE 5. DIVIDENDS

Subsequent to June 30, 2002, the Board of Trustees of the Trust declared a dividend from undistributed earnings of \$0.075233 per common share payable August 1, 2002 to shareholders of record on July 15, 2002. For the period July 1, 2002 to July 31, 2002, dividends declared on preferred shares totaled \$71,300.

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THE BLACKROCK STRATEGIC MUNICIPAL TRUST
DIVIDEND REINVESTMENT PLAN

Pursuant to the Trust's Dividend Reinvestment Plan (the "Plan"), common shareholders are automatically enrolled to have all distributions of dividends and capital gains reinvested by EquiServe Trust Company, N.A. (the "Plan Agent") in Trust shares pursuant to the Plan. Shareholders who elect not to participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent.

The Plan Agent serves as agent for the shareholders in administering the Plan. After the Trust declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants' accounts, depending upon the circumstances described below, either (i) through receipt of unissued but authorized shares from the Trust ("newly issued shares") or (ii) by purchase of outstanding shares on the open market, on the New York Stock Exchange or elsewhere ("open-market purchases"). If, on the dividend payment date, the net asset value per share ("NAV") is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as "market premium"), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition being referred to herein as "market discount"), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases.

Participants in the Plan may withdraw from the Plan upon written notice to the Plan Agent and will receive certificates for whole Trust shares and a cash payment for any fraction of a Trust share.

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by the Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases. The automatic reinvestment of dividends and distributions will not relieve participants of any Federal income tax that may be payable on such dividends or distributions.

The Trust reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, the Trust reserves the right to amend the Plan to include a service charge payable by the participants. All correspondence concerning the Plan should be directed to the Plan Agent at (800) 699-1BFM or 150 Royall Street, Canton, MA 02021.

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There have been no material changes in the Trust's investment objectives or policies that have not been approved by the shareholders or to its charter or by-laws or in the principal risk factors associated with investment in the Trust. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trust's portfolio.

We are required by the Internal Revenue Code to advise you within 60 days of the Trust's tax year end as to the federally tax-exempt interest dividends received by you during such tax year. Accordingly, we are advising you that all dividends paid by the Trust during the tax year ended June 30, 2002, were federally tax-exempt interest dividends.

For purposes of preparing your annual federal income tax return, you should report the amounts as reflected on the appropriate Form 1099-DIV or substitute 1099 DIV.

Quarterly performance and other information regarding the Trust may be found on BlackRock's website, which can be accessed at <http://www.blackrock.com/funds/cefunds.html>. This reference to BlackRock's website is intended to allow investors public access to quarterly information regarding the Trust and is not intended to incorporate BlackRock's website into this report.

The Annual Meeting of Trust Shareholders was held May 23, 2002 to vote on the following matter:

To elect three Trustees as follows:

TRUSTEES:	CLASS	TERM	EXPIRING
-----	-----	-----	-----
Frank J. Fabozzi	II	3 years	2005
Walter F. Mondale	II	3 years	2005
Ralph L. Schlosstein	II	3 years	2005

Trustees whose term of office continues beyond this meeting are Andrew F. Brimmer, Richard E. Cavanagh, Kent Dixon, Laurence D. Fink* and James Clayburn La Force, Jr.

Shareholders elected the three Trustees. The results of the voting were as follows:

	VOTES FOR**	VOTES AGAINST**	ABSTENTIONS**
	-----	-----	-----
Frank J. Fabozzi	2,159	--	2
Walter F. Mondale	7,038,564	--	125,576
Ralph L. Schlosstein	7,067,888	--	96,252

 * Laurence D. Fink has resigned his positions as Trustee and Chairman of the Board effective August 22, 2002. The Board of Trustees elected Ralph L. Schlosstein as the new Chairman of the Board, elected Robert S. Kapito as the new President of the Trust and appointed Robert S. Kapito as a new Trustee of the Board effective August 22, 2002.

** The votes represent common and preferred shareholders voting as a single class except for Frank J. Fabozzi who was voted on and elected by the preferred shareholders only.

Certain of the officers of the Trust listed on the cover of this Report to Shareholders, are also officers of the Advisor. They serve in the following capacities for the Advisor: Robert S. Kapito--Director and Vice Chairman, Kevin M. Klingert--Director and Managing Director, Henry Gabbay--Managing Director and Anne Ackerley--Managing Director.

THE BLACKROCK STRATEGIC MUNICIPAL TRUST
INVESTMENT SUMMARY

THE TRUST'S INVESTMENT OBJECTIVES

The BlackRock Strategic Municipal Trust's investment objectives are to provide current income that is exempt from regular Federal income tax and to invest in municipal bonds that over time will perform better than the broader municipal bond market.

WHO MANAGES THE TRUST?

Black Advisors, Inc. (The "Advisor") manages the Trust. The Advisor is a wholly owned subsidiary of BlackRock, Inc. ("BlackRock"), which is one of the largest publicly traded investment management firms in the United States with \$250 billion of assets under management as of June 30, 2002. BlackRock manages assets on behalf of institutional and individual investors worldwide through a variety of equity, fixed income, liquidity and alternative investment products, including the BLACKROCK FUNDS and BLACKROCK PROVIDENT INSTITUTIONAL FUNDS. In addition, BlackRock provides risk management and investment system services to a growing number of institutional investors under the BLACKROCK SOLUTIONS name. Clients are served from the Company's headquarters in New York City, as well as offices in Boston, Edinburgh, Hong Kong, San Francisco, Tokyo and Wilmington. BlackRock is a member of The PNC Financial Services Group (NYSE: PNC), and is majority-owned by PNC and by BlackRock employees.

WHAT CAN THE TRUST INVEST IN?

Under normal conditions, the Trust will invest at least 80% of its total assets in securities that, at the time of investment, are investment grade quality. Investment grade quality securities are securities rated within the four highest grades ("Baa" or "BBB" or better by Moody's Investor Service, Inc. ("Moody's"), Standard & Poors Corporation ("S&P") or Fitch IBCA, Inc. ("Fitch")), or securities that are unrated but deemed to be of comparable quality by the Advisor. The Trust may invest up to 20% of its total net assets in securities that are rated, at the time of investment, "Ba/BB" or "B" or that are unrated but deemed to be of comparable quality by the Advisor.

WHAT IS THE ADVISOR'S INVESTMENT STRATEGY?

The Advisor will manage the assets of the Trust, in accordance with the Trust's investment objectives and policies, to seek to achieve its objectives by investing substantially all of its assets in municipal debt securities that pay interest that is exempt from regular Federal income tax. As such, the Advisor actively manages the assets in relation to market conditions and interest rate changes. Depending on yield and portfolio allocation considerations, the Advisor may choose to invest a portion of the Trust's assets in securities which pay interest that is subject to AMT (alternative minimum tax). The Trust intends to invest primarily in long-term bonds and expects bonds in its portfolio to maintain an average portfolio maturity of at least 15 years, but the average may be shortened or lengthened from time to time depending on market conditions.

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Under current market conditions the use of leverage increases the income earned by the Trust. The Trust employs leverage primarily through the issuance of preferred shares. Preferred shareholders will receive dividends based on short-term rates in exchange for allowing the Trust to borrow additional assets. These assets will be invested in longer-term assets which typically offer higher interest rates and the difference between the cost of the dividends paid to preferred shareholders and the interest earned on the longer-term securities will provide higher income levels for common shareholders in most interest rate environments. The Trust issued preferred shares to leverage the portfolio. See "Leverage Considerations in the Trust" below.

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HOW ARE THE TRUST'S SHARES PURCHASED AND SOLD? DOES THE TRUST PAY DIVIDENDS REGULARLY?

The Trust's common shares are traded on the New York Stock Exchange, which provides investors with liquidity on a daily basis. Orders to buy or sell shares of the Trust must be placed through a registered broker or financial advisor. The Trust pays monthly dividends which are typically paid on the first business day of the month. For shares held in the shareholder's name, dividends may be reinvested in additional shares of the Trust through its transfer agent, EquiServe Trust Company, N.A. Investors who wish to hold shares in a brokerage account should check with their financial advisor to determine whether their brokerage firm offers dividend reinvestment services.

LEVERAGE CONSIDERATIONS IN THE TRUST

The Trust employs leverage primarily through the issuance of preferred shares. Leverage permits the Trust to borrow money at short-term rates and reinvest that money in longer-term assets, which typically offer higher interest rates. The difference between the cost of the borrowed funds and the income earned on the proceeds that are invested in longer-term assets is the benefit to the Trust from leverage.

Leverage increases the duration (or price sensitivity of the net assets with respect to changes in interest rates) of the Trust, which can improve the performance of the Trust in a declining interest rate environment, but can cause net assets to decline faster in a rapidly rising interest rate environment. The Advisor's portfolio managers continuously monitor and regularly review the Trust's use of leverage and the Trust may reduce, or unwind, the amount of leverage employed should the Advisor consider that reduction to be in the best interests of the shareholders.

SPECIAL CONSIDERATIONS AND RISK FACTORS RELEVANT TO THE TRUST

THE TRUST IS INTENDED TO BE A LONG-TERM INVESTMENT AND IS NOT A SHORT-TERM TRADING VEHICLE.

INVESTMENT OBJECTIVES. Although the objectives of the Trust are to provide current income that is exempt from regular Federal income tax and to invest in municipal bonds that over time will perform better than the broader municipal bond market, there can be no assurance that these objectives will be achieved.

DIVIDEND CONSIDERATIONS. The income and dividends paid by the Trust are likely to vary over time as fixed income market conditions change. Future dividends may

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be higher or lower than the dividend the Trust is currently paying.

LEVERAGE. The Trust utilizes leverage through the issuance of preferred shares, which involves special risks. The Trust's net asset value and market value may be more volatile due to its use of leverage.

MARKET PRICE OF SHARES. The shares of closed-end investment companies such as the Trust trade on the New York Stock Exchange (NYSE symbol: BSD) and as such are subject to supply and demand influences. As a result, shares may trade at a discount or a premium to their net asset value.

MUNICIPAL OBLIGATIONS. The value of municipal debt securities generally varies inversely with changes in prevailing market interest rates. Depending on the amount of call protection that the securities in the Trust have, the Trust may be subject to certain reinvestment risks in environments of declining interest rates.

HIGH YIELD RISK. The Trust may invest in high yield bonds, which involves additional risks, including credit risk. The value of high yield, lower quality bonds is affected by the creditworthiness of the issuers of the securities and by general economic and specific industry conditions. Issuers of high yield bonds are not as strong financially as those with higher credit ratings. The Trust's investment in lower grade securities will expose the Trust to greater risk than if the Trust owned only higher grade securities.

ILLIQUID SECURITIES. The Trust may invest in securities that are illiquid, although under current market conditions the Trust expects to do so to only a limited extent. These securities involve special risks.

ANTITAKEOVER PROVISIONS. Certain antitakeover provisions will make a change in the Trust's business or management more difficult without the approval of the Trust's Board of Trustees and may have the effect of depriving shareholders of an opportunity to sell their shares at a premium above the prevailing market price.

ALTERNATIVE MINIMUM TAX (AMT). The Trust may invest in securities subject to alternative minimum tax.

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THE BLACKROCK STRATEGIC MUNICIPAL TRUST GLOSSARY

CLOSED-END FUND: Investment vehicle which initially offers a fixed number of shares and trades on a stock exchange. The Trust invests in a portfolio of securities in accordance with its stated investment objectives and policies.

DISCOUNT: When a Trust's net asset value is greater than its market price, the Trust is said to be trading at a discount.

DIVIDEND: Income generated by securities in a portfolio and distributed to shareholders after the deduction of expenses. This Trust declares and pays dividends to common shareholders on a monthly basis.

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DIVIDEND REINVESTMENT: Common shareholders may have all dividends and distributions of capital gains automatically reinvested into additional shares of the trust.

MARKET PRICE: Price per share of a security trading in the secondary market. For a closed-end Trust, this is the price at which one share of the Trust trades on the stock exchange. If you were to buy or sell shares, you would pay or receive the market price.

NET ASSET VALUE (NAV): Net asset value is the total market value of all securities and other assets held by the Trust, including income accrued on its investments, minus any liabilities including accrued expenses, divided by the total number of outstanding common shares. It is the underlying value of a single common share on a given day. Net asset value for the Trust is calculated weekly and published in BARRON'S on Saturday and THE WALL STREET JOURNAL on Monday.

PREMIUM: When a Trust's market price is greater than its net asset value, the Trust is said to be trading at a premium.

PREREFUNDED BONDS: These securities are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the tax-exempt issue and to retire the bond in full at the date indicated, typically at a premium to par.

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BLACKROCK ADVISORS, INC.
SUMMARY OF CLOSED-END FUNDS

TAXABLE TRUSTS

PERPETUAL TRUSTS	STOCK SYMBOL	MATURITY DATE
The BlackRock Income Trust Inc.	BKT	N/A
The BlackRock North American Government Income Trust Inc.	BNA	N/A
The BlackRock High Yield Trust	BHY	N/A
BlackRock Core Bond Trust	BHK	N/A
BlackRock Strategic Bond Trust	BHD	N/A
TERM TRUSTS		
The BlackRock Strategic Term Trust Inc.	BGT	12/02
The BlackRock Investment Quality Term Trust Inc.	BQT	12/04
The BlackRock Advantage Term Trust Inc.	BAT	12/05

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The BlackRock Broad Investment Grade 2009 Term Trust Inc.

BCT

12/09

TAX-EXEMPT TRUSTS

PERPETUAL TRUSTS	STOCK SYMBOL	MATURITY DATE
The BlackRock Investment Quality Municipal Trust Inc.	BKN	N/A
The BlackRock California Investment Quality Municipal Trust Inc.	RAA	N/A
The BlackRock Florida Investment Quality Municipal Trust	RFA	N/A
The BlackRock New Jersey Investment Quality Municipal Trust Inc.	RNJ	N/A
The BlackRock New York Investment Quality Municipal Trust Inc.	RNY	N/A
The BlackRock Pennsylvania Strategic Municipal Trust	BPS	N/A
The BlackRock Strategic Municipal Trust	BSD	N/A
BlackRock California Municipal Income Trust	BFZ	N/A
BlackRock Municipal Income Trust	BFK	N/A
BlackRock New York Municipal Income Trust	BNY	N/A
BlackRock New Jersey Municipal Income Trust	BNJ	N/A
BlackRock Florida Municipal Income Trust	BBF	N/A
BlackRock New York Municipal Bond Trust	BQH	N/A
BlackRock Virginia Municipal Bond Trust	BHV	N/A
BlackRock Florida Municipal Bond Trust	BIE	N/A
BlackRock Municipal Bond Trust	BBK	N/A
BlackRock Maryland Municipal Bond Trust	BZM	N/A
BlackRock New Jersey Municipal Bond Trust	BLJ	N/A
BlackRock California Municipal Bond Trust	BZA	N/A
BlackRock California Municipal Income Trust II	BCL	N/A
BlackRock New York Municipal Income Trust II	BFY	N/A
BlackRock Municipal Income Trust II	BLE	N/A
TERM TRUSTS		
The BlackRock Municipal Target Term Trust Inc.	BMN	12/06
The BlackRock Insured Municipal 2008 Term Trust Inc.	BRM	12/08
The BlackRock California Insured Municipal 2008 Term Trust Inc.	BFC	12/08
The BlackRock Florida Insured Municipal 2008 Term Trust	BRF	12/08
The BlackRock New York Insured Municipal 2008 Term Trust Inc.	BLN	12/08
The BlackRock Insured Municipal Term Trust Inc.	BMT	12/10
BlackRock California Municipal 2018 Term Trust	BJZ	12/18
BlackRock New York Municipal 2018 Term Trust	BLH	12/18
BlackRock Municipal 2018 Term Trust	BPK	12/18

IF YOU WOULD LIKE FURTHER INFORMATION PLEASE DO NOT HESITATE TO CALL BLACKROCK
AT (800) 227-7BFM (7236) OR CONSULT WITH YOUR FINANCIAL ADVISOR.

[BLACKROCK LOGO]

TRUSTEES

Ralph L. Schlosstein, CHAIRMAN*
 Andrew F. Brimmer
 Richard E. Cavanagh
 Kent Dixon
 Frank J. Fabozzi
 Robert S. Kapito*

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James Clayburn La Force, Jr.
Walter F. Mondale

OFFICERS

Robert S. Kapito, PRESIDENT*
Kevin M. Klingert, VICE PRESIDENT
Richard M. Shea, VICE PRESIDENT/TAX
Henry Gabbay, TREASURER
James Kong, ASSISTANT TREASURER
Anne Ackerley, SECRETARY

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(800) 227-7BFM

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(800) 699-1BFM

AUCTION AGENT

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LEGAL COUNSEL - INDEPENDENT TRUSTEES

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919 Third Avenue
New York, NY 10022

The accompanying financial statements as of June 30, 2002 were not audited and accordingly, no opinion is expressed on them.

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Trust shares.

Statements and other information contained in this report are as dated and are subject to change.

* Laurence D. Fink has resigned his positions as Trustee and Chairman of the Board effective August 22, 2002. The Board of Trustees elected Ralph L. Schlosstein as the new Chairman of the Board, elected Robert S. Kapito as the new President of the Trust and appointed Robert S. Kapito as a new Trustee of the Board effective August 22, 2002.

THE BLACKROCK STRATEGIC MUNICIPAL TRUST

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SEMI-ANNUAL REPORT
JUNE 30, 2002

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