

Western Asset Mortgage Defined Opportunity Fund Inc.
Form N-Q
May 25, 2011

**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 811-22369

Western Asset Mortgage Defined Opportunity Fund Inc.
(Exact name of registrant as specified in charter)

620 Eight Avenue, New York, NY
(Address of principal executive offices)

10018
(Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902
(Name and address of agent for service)

Registrant's telephone number, including area code: (888)777-0102

Date of fiscal year end: December 31

Date of reporting period: March 31, 2011

ITEM 1.

SCHEDULE OF INVESTMENTS

WESTERN ASSET MORTGAGE DEFINED OPPORTUNITY FUND INC.

FORM N-Q

MARCH 31, 2011

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Schedule of investments (unaudited)

March 31, 2011

WESTERN ASSET MORTGAGE DEFINED OPPORTUNITY FUND INC.

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
Commercial Mortgage-Backed Securities 3.0%				
Bayview Commercial Asset Trust, 2004-3 A1	0.620%	1/25/35	\$ 902,214	\$ 808,617(a)(b)
Bayview Commercial Asset Trust, 2007-1 B1	0.920%	3/25/37	1,339,896	267,979(a)(b)(c)
CVS Corp.	9.350%	1/10/23	80,000	83,018(a)
Extended Stay America Trust, 2010-ESHA XB1	1.166%	1/5/16	41,000,000	827,880(a)(b)
Federal Home Loan Mortgage Corp. (FHLMC), K007 X1, IO	1.244%	4/25/20	9,924,988	750,658(b)
Federal Home Loan Mortgage Corp. (FHLMC), K007 X1, IO	1.521%	8/25/20	8,151,769	745,910(b)
Federal Home Loan Mortgage Corp. (FHLMC), K008 X1, IO	1.687%	6/25/20	2,489,059	251,541(b)
GS Mortgage Securities Corp.	2.370%	2/10/21	8,790,441	428,973(a)(b)(c)
GS Mortgage Securities Corp.	1.345%	3/10/44	24,400,000	1,542,080(a)(b)(c)
GS Mortgage Securities Corp., 2010-C1 X	1.582%	8/10/43	17,057,442	1,618,947(a)(b)
Morgan Stanley Capital I, 1999-LIFE E	6.957%	4/15/33	972,344	971,480(b)
Total Commercial Mortgage-Backed Securities (Cost	\$7,981,502)			8,297,083
Residential Mortgage-Backed Securities 62.7%				
ABFS Mortgage Loan Trust, 2002-3 M1	5.902%	9/15/33	1,498,750	1,239,018
Accredited Mortgage Loan Trust, 2003-3 A1	4.460%	1/25/34	2,059,332	1,640,504(d)
American Home Mortgage Assets, 2005-2 2A1A	3.104%	1/25/36	1,402,403	739,747(b)
American Home Mortgage Investment Trust, 2005-1 6A	2.460%	6/25/45	192,594	163,829(b)
American Home Mortgage Investment Trust, 2005-SD1 1A1	0.700%	9/25/35	589,731	349,660(a)(b)
American Home Mortgage Investment Trust, 2007-2 2A	1.050%	3/25/47	4,717,704	584,434(b)
American Home Mortgage Investment Trust, 2007-A 4A	0.700%	7/25/46	643,780	210,870(a)(b)
ARM Trust, 2005-05 1A1	2.779%	9/25/35	458,686	338,958(b)
ARM Trust, 2005-07 2A21	2.818%	10/25/35	1,040,000	790,375(b)
ARM Trust, 2005-10 1A21	2.963%	1/25/36	658,130	477,829(b)
ARM Trust, 2005-12 5A1	0.500%	3/25/36	598,308	339,804(b)
ARM Trust, 2007-1 1A1	2.991%	3/25/37	877,730	492,943(b)
Banc of America Funding Corp., 2004-B 6A1	3.344%	12/20/34	1,182,687	640,269(b)
Banc of America Funding Corp., 2004-C 3A1	3.188%	12/20/34	1,330,935	1,153,362(b)
	6.000%	9/25/36	3,600,000	3,587,213(d)

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Banc of America Funding Corp., 2006-5 4A5				
Banc of America Funding Corp., 2006-D 6A1	5.429%	5/20/36	2,894,263	1,936,896(b)(d)
Banc of America Funding Corp., 2006-F 1A1	4.012%	7/20/36	1,415,300	1,278,431(b)(d)
Banc of America Funding Corp., 2006-H 3A1	6.022%	9/20/46	465,381	416,596(b)
Banc of America Funding Corp., 2007-A 2A1	0.414%	2/20/47	668,118	544,929(b)
Banc of America Funding Corp., 2007-E CA9	5.840%	7/20/47	4,972,912	1,102,144(b)
Banc of America Mortgage Securities Inc., 2005-E 2A7	2.866%	6/25/35	700,000	563,932(b)
Bayview Financial Acquisition Trust, 2005-B M1	0.698%	4/28/39	3,490,000	2,723,685(b)(d)
Bayview Financial Acquisition Trust, 2007-A 2A	0.598%	5/28/37	2,889,934	1,670,675(b)(d)
Bayview Financial Asset Trust, 2007-SR1A M2	1.150%	3/25/37	4,450,213	2,759,132(a)(b)(c)
Bayview Financial Asset Trust, 2007-SR1A M3	1.400%	3/25/37	3,084,054	1,634,549(a)(b)(c)
Bear Stearns Alt-A Trust, 2005-2 2A4	2.758%	4/25/35	306,550	249,611(b)
Bear Stearns Alt-A Trust, 2005-3 4A3	2.568%	3/25/35	648,113	489,200(b)
Bear Stearns Alt-A Trust, 2005-4 2A1	5.228%	5/25/35	860,046	782,773(b)
Bear Stearns Alt-A Trust, 2005-9 25A1	5.528%	11/25/35	769,419	590,833(b)
Bear Stearns Alt-A Trust, 2006-2 23A1	2.868%	3/25/36	2,830,039	1,621,069(b)
Bear Stearns ARM Trust, 2005-1 2A1	2.783%	3/25/35	846,569	696,384(b)
Bear Stearns ARM Trust, 2005-6 1A1	2.934%	8/25/35	250,587	195,290(b)
Bear Stearns Asset Backed Securities Trust, 2003-SD2 1A	4.120%	6/25/43	114,264	112,302(b)
Bear Stearns Asset Backed Securities Trust, 2005-CL1 A1	0.750%	9/25/34	275,488	218,623(b)
Chase Mortgage Finance Corp., 2005-A2 1A5	2.814%	1/25/36	4,000,000	3,049,698(b)(d)

See Notes to Schedule of Investments.

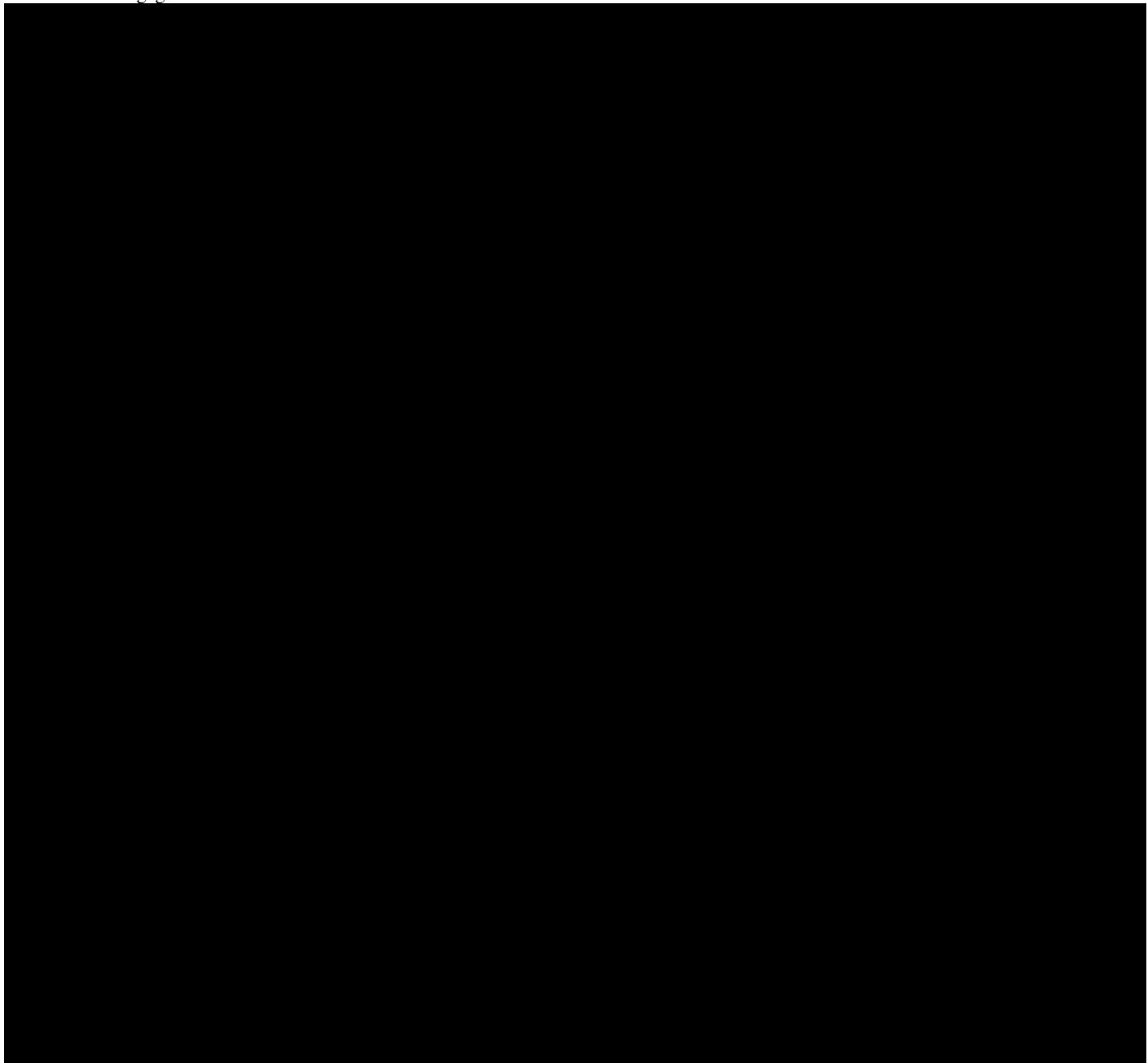
Schedule of investments (unaudited) (cont d)

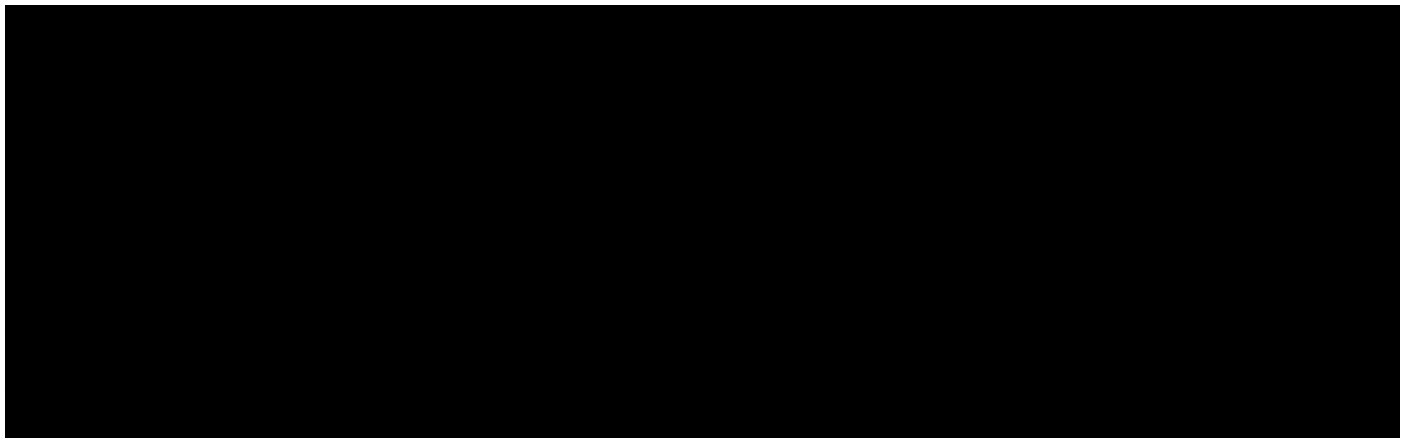
March 31, 2011

WESTERN ASSET MORTGAGE DEFINED OPPORTUNITY FUND INC.

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
Residential Mortgage-Backed Securities				

continued





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Schedule of investments (unaudited) (cont d)

March 31, 2011

WESTERN ASSET MORTGAGE DEFINED OPPORTUNITY FUND INC.

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
Residential Mortgage-Backed Securities continued				
Downey Savings & Loan Association Mortgage Loan Trust, 2005-AR2 2A1A	0.464%	3/19/45	\$ 807,949	\$ 555,573(b)
First Horizon Alternative Mortgage Securities, 2005-AA6 3A1	2.375%	8/25/35	1,969,751	1,549,085(b)(d)
First Horizon Alternative Mortgage Securities, 2006-FA6 2A1	6.250%	11/25/36	372,976	267,735
First Horizon Alternative Mortgage Securities, 2006-FA8 1A8	0.620%	2/25/37	817,204	504,341(b)
First Horizon Mortgage Pass-Through Trust, 2005-AR4 2A1	2.880%	10/25/35	1,145,056	1,009,041(b)
Greenpoint Mortgage Funding Trust, 2005-AR4 A1	0.510%	10/25/45	920,536	608,839(b)
Greenpoint Mortgage Funding Trust, 2006-AR3 4A1	0.460%	4/25/36	1,919,544	1,141,560(b)
Greenpoint Mortgage Funding Trust, 2006-AR5 A1A	0.330%	10/25/46	202,988	183,288(b)
GSMPS Mortgage Loan Trust, 2004-4 2A1	4.140%	6/25/34	412,193	399,035(a)(b)
GSMPS Mortgage Loan Trust, 2005-LT1 A1	0.480%	2/25/35	428,375	364,118(a)(b)(c)
GSMPS Mortgage Loan Trust, 2006-RP1 1A2	7.500%			