

Edgar Filing: Eaton Vance Short Duration Diversified Income Fund - Form N-Q

Eaton Vance Short Duration Diversified Income Fund  
Form N-Q  
March 30, 2010

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

**811-21563**

**Investment Company Act File Number**

**Eaton Vance Short Duration Diversified Income Fund**

(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110

(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number, Including Area Code)

October 31

Date of Fiscal Year End

January 31, 2010

Date of Reporting Period

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**Item 1. Schedule of Investments**

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Eaton Vance Short Duration Diversified Income Fund

as of January 31, 2010

**PORTFOLIO OF INVESTMENTS (Unaudited)**

Senior Floating-Rate Interests 49.4%

**Principal****Amount\*****(000 s omitted)****Borrower/Tranche Description****Value****Aerospace and Defense 1.2%**

	<b>ACTS Aero Technical Support &amp; Service, Inc.</b>	
188	Term Loan, 0.00%, Maturing October 5, 2014 <sup>(2)</sup>	\$ 64,782
	<b>AWAS Capital, Inc.</b>	
484	Term Loan - Second Lien, 6.25%, Maturing March 22, 2013	389,839
	<b>DAE Aviation Holdings, Inc.</b>	
112	Term Loan, 4.00%, Maturing July 31, 2014	105,762
115	Term Loan, 4.00%, Maturing July 31, 2014	108,383
	<b>Evergreen International Aviation</b>	
262	Term Loan, 10.50%, Maturing October 31, 2011 <sup>(3)</sup>	211,754
	<b>Hawker Beechcraft Acquisition</b>	
1,856	Term Loan, 2.24%, Maturing March 26, 2014	1,410,910
110	Term Loan, 2.25%, Maturing March 26, 2014	83,701
	<b>Hexcel Corp.</b>	
383	Term Loan, 6.50%, Maturing May 21, 2014	386,866
	<b>TransDigm, Inc.</b>	
1,000	Term Loan, 2.25%, Maturing June 23, 2013	978,750
	<b>Vought Aircraft Industries, Inc.</b>	
121	Term Loan, 7.50%, Maturing December 17, 2011	121,515
365	Term Loan, 7.50%, Maturing December 17, 2011	365,997
		<b>\$ 4,228,259</b>

**Air Transport 0.2%**

	<b>Delta Air Lines, Inc.</b>	
500	Term Loan, 2.17%, Maturing April 30, 2012	\$ 439,583
341	Term Loan - Second Lien, 3.50%, Maturing April 30, 2014	297,101
		<b>\$ 736,684</b>

**Automotive 2.3%**

	<b>Accuride Corp.</b>	
536	Term Loan, 10.00%, Maturing January 31, 2012	\$ 537,595
	<b>Adesa, Inc.</b>	
738	Term Loan, 2.99%, Maturing October 18, 2013	718,897
	<b>Allison Transmission, Inc.</b>	
789	Term Loan, 3.00%, Maturing September 30, 2014	726,473
	<b>Dayco Products, LLC</b>	
EUR 103	Term Loan, 7.00%, Maturing November 13, 2014	126,457

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	118	Term Loan, 10.50%, Maturing November 13, 2014	110,582
	17	Term Loan, 12.50%, Maturing November 13, 2014 <sup>(3)</sup>	15,874
		<b>Federal-Mogul Corp.</b>	
	291	Term Loan, 2.17%, Maturing December 27, 2014	247,110
	225	Term Loan, 2.17%, Maturing December 27, 2015	191,311
		<b>Ford Motor Co.</b>	
	483	Term Loan, 3.26%, Maturing December 15, 2013	453,067
		<b>Goodyear Tire &amp; Rubber Co.</b>	
	3,175	Term Loan - Second Lien, 2.34%, Maturing April 30, 2010	2,965,980
		<b>HLI Operating Co., Inc.</b>	
EUR	27	Term Loan, 0.00%, Maturing May 30, 2014 <sup>(2)</sup>	3,403
EUR	1,297	Term Loan, 0.00%, Maturing May 30, 2014 <sup>(2)</sup>	161,866
		<b>Keystone Automotive Operations, Inc.</b>	
	235	Term Loan, 3.75%, Maturing January 12, 2012	161,965
		<b>LKQ Corp.</b>	
	230	Term Loan, 2.48%, Maturing October 12, 2014	226,365
		<b>TriMas Corp.</b>	
	1,070	Term Loan, 6.00%, Maturing August 2, 2011	1,038,203
	295	Term Loan, 6.00%, Maturing December 15, 2015	281,520
			<b>\$ 7,966,668</b>

**Table of Contents****Principal  
Amount\***

<b>(000 s omitted)</b>	<b>Borrower/Tranche Description</b>	<b>Value</b>
<b>Beverage and Tobacco 0.1%</b>		
<b>Culligan International Co.</b>		
EUR 300	Term Loan - Second Lien, 5.21%, Maturing May 31, 2013	\$ 174,006
		<b>\$ 174,006</b>
<b>Building and Development 0.8%</b>		
<b>Brickman Group Holdings, Inc.</b>		
587	Term Loan, 2.25%, Maturing January 23, 2014	\$ 558,294
<b>Building Materials Corp. of America</b>		
388	Term Loan, 3.00%, Maturing February 22, 2014	380,724
<b>Epco/Fantome, LLC</b>		
420	Term Loan, 2.86%, Maturing November 23, 2010	386,400
<b>Mueller Water Products, Inc.</b>		
209	Term Loan, 5.25%, Maturing May 24, 2014	207,346
<b>Panolam Industries Holdings, Inc.</b>		
134	Term Loan, 8.25%, Maturing December 31, 2013	121,636
<b>Realogy Corp.</b>		
253	Term Loan, 3.23%, Maturing September 1, 2014	226,117
941	Term Loan, 3.25%, Maturing September 1, 2014	839,863
		<b>\$ 2,720,380</b>
<b>Business Equipment and Services 5.0%</b>		
<b>Activant Solutions, Inc.</b>		
469	Term Loan, 2.29%, Maturing May 1, 2013	\$ 448,427
<b>Axiom Corp.</b>		
429	Term Loan, 3.25%, Maturing March 15, 2015	428,114
<b>Affiliated Computer Services</b>		
495	Term Loan, 2.23%, Maturing March 20, 2013	493,604
<b>Affinion Group, Inc.</b>		
1,394	Term Loan, 2.73%, Maturing October 17, 2012	1,357,768
<b>Allied Barton Security Service</b>		
198	Term Loan, 6.75%, Maturing February 21, 2015	200,655
<b>Education Management, LLC</b>		
1,407	Term Loan, 2.06%, Maturing June 1, 2013	1,354,494
<b>Info USA, Inc.</b>		
80	Term Loan, 2.01%, Maturing February 14, 2012	77,868
<b>Intergraph Corp.</b>		
921	Term Loan, 2.26%, Maturing May 29, 2014	904,327
<b>Mitchell International, Inc.</b>		
190	Term Loan, 2.31%, Maturing March 28, 2014	175,482
<b>N.E.W. Holdings I, LLC</b>		
251	Term Loan, 2.73%, Maturing May 22, 2014	240,994
<b>Protection One, Inc.</b>		

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	145	Term Loan, 2.48%, Maturing March 31, 2012	139,471
	823	Term Loan, 4.48%, Maturing March 31, 2014	792,155
		<b>Quintiles Transnational Corp.</b>	
	883	Term Loan, 2.25%, Maturing March 31, 2013	857,220
		<b>Sabre, Inc.</b>	
	1,365	Term Loan, 2.49%, Maturing September 30, 2014	1,223,207
		<b>Serena Software, Inc.</b>	
	1,193	Term Loan, 2.26%, Maturing March 10, 2013	1,106,044
		<b>Sitel (Client Logic)</b>	
	273	Term Loan, 5.74%, Maturing January 29, 2014	252,711
		<b>SunGard Data Systems, Inc.</b>	
	82	Term Loan, 1.98%, Maturing February 11, 2013	79,117
	2,306	Term Loan, 3.90%, Maturing February 28, 2016	2,273,213
		<b>Ticketmaster</b>	
	971	Term Loan, 7.00%, Maturing July 22, 2014	966,571
		<b>Travelport, LLC</b>	
EUR	526	Term Loan, 2.89%, Maturing August 23, 2013	704,107
		<b>Valassis Communications, Inc.</b>	
	108	Term Loan, 2.01%, Maturing March 2, 2014	104,899
	478	Term Loan, 2.01%, Maturing March 2, 2014	466,106



**Table of Contents****Principal  
Amount\***

<b>(000 \$ omitted)</b>	<b>Borrower/Tranche Description</b>	<b>Value</b>
	<b>VWR International, Inc.</b>	
945	Term Loan, 2.73%, Maturing June 28, 2013	\$ 882,627
	<b>West Corp.</b>	
680	Term Loan, 2.61%, Maturing October 24, 2013	656,405
988	Term Loan, 4.11%, Maturing July 15, 2016	980,498
		<b>\$ 17,166,084</b>
<b>Cable and Satellite Television 4.0%</b>		
	<b>Cequel Communications, LLC</b>	
377	Term Loan, 6.25%, Maturing May 5, 2014	\$ 381,133
475	Term Loan - Second Lien, 4.73%, Maturing May 5, 2014	466,263
	<b>Charter Communications Operating, Inc.</b>	
1,952	Term Loan, 2.26%, Maturing April 28, 2013	1,820,914
	<b>CSC Holdings, Inc.</b>	
1,473	Term Loan, 2.00%, Maturing March 29, 2013	1,439,257
	<b>CW Media Holdings, Inc.</b>	
1,185	Term Loan, 3.50%, Maturing February 15, 2015	1,110,177
	<b>Insight Midwest Holdings, LLC</b>	
1,029	Term Loan, 2.25%, Maturing April 6, 2014	995,599
	<b>Kabel Deutschland GmbH</b>	
EUR 1,000	Term Loan, 2.18%, Maturing March 31, 2012	1,371,768
	<b>MCC Iowa, LLC</b>	
1,965	Term Loan, 1.96%, Maturing January 31, 2015	1,861,418
	<b>ProSiebenSat.1 Media AG</b>	
EUR 9	Term Loan, 2.59%, Maturing June 26, 2015	11,607
EUR 232	Term Loan, 2.59%, Maturing June 26, 2015	285,984
EUR 62	Term Loan, 3.34%, Maturing March 2, 2015	63,383
EUR 62	Term Loan, 3.59%, Maturing March 2, 2016	63,383
	<b>UPC Broadband Holding B.V.</b>	
EUR 1,394	Term Loan, 4.21%, Maturing December 31, 2016	1,828,536
EUR 1,006	Term Loan, 4.99%, Maturing December 31, 2017	1,323,599
	<b>YPSO Holding SA</b>	
EUR 96	Term Loan, 4.43%, Maturing July 28, 2014 <sup>(3)</sup>	115,582
EUR 156	Term Loan, 4.43%, Maturing July 28, 2014 <sup>(3)</sup>	188,580
EUR 248	Term Loan, 4.43%, Maturing July 28, 2014 <sup>(3)</sup>	299,498
		<b>\$ 13,626,681</b>
<b>Chemicals and Plastics 3.3%</b>		
	<b>Ashland, Inc.</b>	
175	Term Loan, 7.65%, Maturing November 20, 2014	\$ 177,950
	<b>Brenntag Holding GmbH and Co.</b>	
EUR 1,128	Term Loan, 7.98%, Maturing December 23, 2013 <sup>(3)</sup>	1,548,478
	<b>Celanese Holdings, LLC</b>	

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	1,477	Term Loan, 2.00%, Maturing April 2, 2014 <b>Cognis GmbH</b>	1,426,199
	400	Term Loan, 2.25%, Maturing September 15, 2013 <b>Huntsman International, LLC</b>	387,750
	2,475	Term Loan, 2.00%, Maturing August 16, 2012 <b>INEOS Group</b>	2,371,781
	1,205	Term Loan, 9.50%, Maturing December 14, 2013	1,124,418
	1,205	Term Loan, 10.00%, Maturing December 14, 2014 <b>Kranton Polymers, LLC</b>	1,124,419
	428	Term Loan, 2.25%, Maturing May 12, 2013 <b>MacDermid, Inc.</b>	410,462
EUR	361	Term Loan, 2.64%, Maturing April 12, 2014 <b>Millenium Inorganic Chemicals</b>	403,646
	300	Term Loan - Second Lien, 6.00%, Maturing October 31, 2014 <b>Rockwood Specialties Group, Inc.</b>	256,500
EUR	1,418	Term Loan, 6.25%, Maturing May 15, 2014	1,958,510
			<b>\$ 11,190,113</b>

**Table of Contents****Principal  
Amount\***

<b>(000 s omitted)</b>	<b>Borrower/Tranche Description</b>	<b>Value</b>
<b>Clothing/Textiles</b>	<b>0.0%</b>	
	<b>St. John Knits International, Inc.</b>	
105	Term Loan, 9.25%, Maturing March 23, 2012	\$ 97,078
		<b>\$ 97,078</b>
<b>Conglomerates</b>	<b>1.7%</b>	
	<b>Doncasters (Dunde HoldCo 4 Ltd.)</b>	
114	Term Loan, 4.24%, Maturing July 13, 2015	\$ 100,728
114	Term Loan, 4.74%, Maturing July 13, 2015	100,728
GBP	250 Term Loan - Second Lien, 6.55%, Maturing January 13, 2016	313,706
	<b>Jarden Corp.</b>	
102	Term Loan, 2.00%, Maturing January 24, 2012	100,488
502	Term Loan, 2.00%, Maturing January 24, 2012	498,817
248	Term Loan, 2.75%, Maturing January 24, 2012	247,550
	<b>Manitowoc Company, Inc. (The)</b>	
217	Term Loan, 7.50%, Maturing August 21, 2014	216,378
	<b>Polymer Group, Inc.</b>	
1,008	Term Loan, 7.00%, Maturing November 22, 2014	1,019,296
	<b>RBS Global, Inc.</b>	
2,000	Term Loan, 2.79%, Maturing July 19, 2013	1,892,500
	<b>RGIS Holdings, LLC</b>	
813	Term Loan, 2.74%, Maturing April 30, 2014	755,862
41	Term Loan, 2.75%, Maturing April 30, 2014	37,793
	<b>US Investigations Services, Inc.</b>	
513	Term Loan, 3.25%, Maturing February 21, 2015	471,143
	<b>Vertrue, Inc.</b>	
242	Term Loan, 3.26%, Maturing August 16, 2014	193,465
		<b>\$ 5,948,454</b>
<b>Containers and Glass Products</b>	<b>1.3%</b>	
	<b>Berry Plastics Corp.</b>	
531	Term Loan, 2.25%, Maturing April 3, 2015	\$ 481,733
	<b>Consolidated Container Co.</b>	
316	Term Loan, 2.50%, Maturing March 28, 2014	291,304
	<b>Crown Americas, Inc.</b>	
EUR	960 Term Loan, 2.19%, Maturing November 15, 2012	1,274,470
	<b>Graham Packaging Holdings Co.</b>	
89	Term Loan, 2.50%, Maturing October 7, 2011	88,294
889	Term Loan, 6.75%, Maturing April 5, 2014	898,238
	<b>Smurfit-Stone Container Corp.</b>	
596	Revolving Loan, 2.84%, Maturing July 28, 2010	596,015
198	Revolving Loan, 3.06%, Maturing July 28, 2010	197,825
78	Term Loan, 2.50%, Maturing November 1, 2011	77,180

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136	Term Loan, 2.50%, Maturing November 1, 2011	135,334
257	Term Loan, 2.50%, Maturing November 1, 2011	255,271
120	Term Loan, 4.50%, Maturing November 1, 2011	118,920
		<b>\$ 4,414,584</b>

**Cosmetics/Toiletries 0.3%**

	<b>Bausch &amp; Lomb, Inc.</b>	
114	Term Loan, 3.50%, Maturing April 30, 2015	\$ 110,726
471	Term Loan, 3.50%, Maturing April 30, 2015	455,960
	<b>Prestige Brands, Inc.</b>	
382	Term Loan, 2.48%, Maturing April 7, 2011	378,602
		<b>\$ 945,288</b>

**Drugs 0.0%**

	<b>Pharmaceutical Holdings Corp.</b>	
89	Term Loan, 3.51%, Maturing January 30, 2012	\$ 84,371
		<b>\$ 84,371</b>

**Ecological Services and Equipment 0.4%**

	<b>Big Dumpster Merger Sub, Inc.</b>	
95	Term Loan, 2.49%, Maturing February 5, 2013	\$ 74,313

**Table of Contents****Principal  
Amount\***

<b>(000 s omitted)</b>		<b>Borrower/Tranche Description</b>	<b>Value</b>
EUR	500	<b>Blue Waste B.V. (AVR Acquisition)</b> Term Loan, 2.68%, Maturing April 1, 2015	\$ 654,428
	351	<b>Sensus Metering Systems, Inc.</b> Term Loan, 6.99%, Maturing June 3, 2013	352,259
	390	<b>Wastequip, Inc.</b> Term Loan, 2.49%, Maturing February 5, 2013	305,721
			<b>\$ 1,386,721</b>

**Electronics/Electrical 1.9%**

	330	<b>Aspect Software, Inc.</b> Term Loan, 3.25%, Maturing July 11, 2011	\$ 316,353
	500	Term Loan - Second Lien, 7.31%, Maturing July 11, 2013	465,000
	1,180	<b>Freescale Semiconductor, Inc.</b> Term Loan, 1.98%, Maturing December 1, 2013	1,062,145
	381	<b>Infor Enterprise Solutions Holdings</b> Term Loan, 3.99%, Maturing July 28, 2012	357,630
	731	Term Loan, 3.99%, Maturing July 28, 2012	685,457
	250	Term Loan, 5.73%, Maturing March 2, 2014	207,500
	92	Term Loan - Second Lien, 6.48%, Maturing March 2, 2014	71,156
	158	Term Loan - Second Lien, 6.48%, Maturing March 2, 2014	130,625
	590	<b>Network Solutions, LLC</b> Term Loan, 2.51%, Maturing March 7, 2014	534,972
	316	<b>Open Solutions, Inc.</b> Term Loan, 2.38%, Maturing January 23, 2014	281,610
	972	<b>Sensata Technologies Finance Co.</b> Term Loan, 2.00%, Maturing April 27, 2013	885,698
	16	<b>Spectrum Brands, Inc.</b> Term Loan, 5.65%, Maturing March 30, 2013	16,486
	323	Term Loan, 8.00%, Maturing March 30, 2013	323,412
	341	<b>SS&amp;C Technologies, Inc.</b> Term Loan, 2.25%, Maturing November 23, 2012	327,643
	480	<b>Vertafore, Inc.</b> Term Loan, 5.50%, Maturing July 31, 2014	462,327
	275	Term Loan - Second Lien, 6.26%, Maturing January 31, 2013	250,250
			<b>\$ 6,378,264</b>

**Farming/Agriculture 0.1%**

	375	<b>BF Bolthouse HoldCo, LLC</b> Term Loan - Second Lien, 9.00%, Maturing December 16, 2013	\$ 367,344
			<b>\$ 367,344</b>

**Financial Intermediaries 0.4%**

	<b>Citco III, Ltd.</b>		
707	Term Loan, 4.43%, Maturing June 30, 2014	\$	685,588
	<b>Jupiter Asset Management Group</b>		
GBP 213	Term Loan, 2.74%, Maturing June 30, 2015		321,659
	<b>LPL Holdings, Inc.</b>		
490	Term Loan, 2.00%, Maturing December 18, 2014		468,898
		\$	<b>1,476,145</b>
<b>Food Products</b>	<b>1.2%</b>		
	<b>Acosta, Inc.</b>		
603	Term Loan, 2.49%, Maturing July 28, 2013	\$	575,984
	<b>Advantage Sales &amp; Marketing, Inc.</b>		
918	Term Loan, 2.26%, Maturing March 29, 2013		877,450
	<b>American Seafoods Group, LLC</b>		
577	Term Loan, 4.00%, Maturing September 30, 2011		524,685
	<b>Michael Foods, Inc.</b>		
183	Term Loan, 6.50%, Maturing April 30, 2014		185,514
	<b>Pinnacle Foods Finance, LLC</b>		
1,048	Term Loan, 2.98%, Maturing April 2, 2014		995,227

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<b>Principal Amount*</b> (000 \$ omitted)	<b>Borrower/Tranche Description</b>	<b>Value</b>
	<b>Reddy Ice Group, Inc.</b>	
925	Term Loan, 2.00%, Maturing August 9, 2012	\$ 870,271
		<b>\$ 4,029,131</b>
<b>Food Service 1.4%</b>		
	<b>Aramark Corp.</b>	
1,817	Term Loan, 2.13%, Maturing January 26, 2014	\$ 1,743,944
119	Term Loan, 2.14%, Maturing January 26, 2014	114,690
GBP 534	Term Loan, 2.73%, Maturing January 27, 2014	792,038
	<b>Buffets, Inc.</b>	
31	Term Loan, 7.50%, Maturing November 1, 2013 <sup>(3)</sup>	27,592
159	Term Loan - Second Lien, 17.75%, Maturing November 1, 2013 <sup>(3)</sup>	141,283
	<b>Denny's, Inc.</b>	
30	Term Loan, 2.24%, Maturing March 31, 2012	29,100
80	Term Loan, 2.50%, Maturing March 31, 2012	77,600
	<b>JRD Holdings, Inc.</b>	
592	Term Loan, 2.50%, Maturing June 26, 2014	574,256
	<b>OSI Restaurant Partners, LLC</b>	
19	Term Loan, 2.56%, Maturing May 9, 2013	16,970
207	Term Loan, 2.56%, Maturing May 9, 2014	186,728
	<b>QCE Finance, LLC</b>	
275	Term Loan - Second Lien, 6.00%, Maturing November 5, 2013	164,313
	<b>Selecta</b>	
EUR 741	Term Loan, 3.37%, Maturing June 28, 2015	817,051
		<b>\$ 4,685,565</b>
<b>Food/Drug Retailers 1.3%</b>		
	<b>General Nutrition Centers, Inc.</b>	
768	Term Loan, 2.51%, Maturing September 16, 2013	\$ 739,775
	<b>Iceland Foods Group, Ltd.</b>	
GBP 250	Term Loan, 3.02%, Maturing May 2, 2015	394,797
	<b>Rite Aid Corp.</b>	
990	Term Loan, 1.99%, Maturing June 1, 2014	889,282
1,485	Term Loan, 6.00%, Maturing June 4, 2014	1,410,405
	<b>Roundy's Supermarkets, Inc.</b>	
1,159	Term Loan, 6.25%, Maturing November 3, 2013	1,155,998
		<b>\$ 4,590,257</b>
<b>Forest Products 0.8%</b>		
	<b>Appleton Papers, Inc.</b>	
478	Term Loan, 6.70%, Maturing June 5, 2014	\$ 474,166
	<b>Georgia-Pacific Corp.</b>	

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1,697	Term Loan, 2.23%, Maturing December 20, 2012	1,666,665
425	Term Loan, 3.50%, Maturing December 23, 2014	425,204
		<b>\$ 2,566,035</b>

**Health Care 4.6%**

	<b>American Medical Systems</b>	
144	Term Loan, 2.50%, Maturing July 20, 2012	\$ 140,289
	<b>AMR HoldCo, Inc.</b>	
285	Term Loan, 2.23%, Maturing February 10, 2012	276,817
	<b>Biomet, Inc.</b>	
758	Term Loan, 3.25%, Maturing December 26, 2014	740,281
EUR 342	Term Loan, 3.55%, Maturing December 26, 2014	470,561
	<b>Cardinal Health 409, Inc.</b>	
414	Term Loan, 2.48%, Maturing April 10, 2014	379,153
	<b>Carestream Health, Inc.</b>	
863	Term Loan, 2.23%, Maturing April 30, 2013	820,164
	<b>Carl Zeiss Vision Holding GmbH</b>	
400	Term Loan, 2.73%, Maturing March 23, 2015	308,125
	<b>Community Health Systems, Inc.</b>	
105	Term Loan, 2.51%, Maturing July 25, 2014	98,959
2,045	Term Loan, 2.51%, Maturing July 25, 2014	1,935,468



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<b>Principal Amount*</b> <b>(000 s omitted)</b>	<b>Borrower/Tranche Description</b>	<b>Value</b>
	<b>Concentra, Inc.</b>	
491	Term Loan, 2.51%, Maturing June 25, 2014	\$ 462,905
	<b>Dako EQT Project Delphi</b>	
250	Term Loan - Second Lien, 4.00%, Maturing December 12, 2016	169,375
	<b>DJO Finance, LLC</b>	
177	Term Loan, 3.23%, Maturing May 15, 2014	172,073
	<b>Fenwal, Inc.</b>	
73	Term Loan, 2.51%, Maturing February 28, 2014	63,499
424	Term Loan, 2.51%, Maturing February 28, 2014	370,518
	<b>HCA, Inc.</b>	
1,823	Term Loan, 2.50%, Maturing November 18, 2013	1,736,704
	<b>Health Management Association, Inc.</b>	
1,025	Term Loan, 2.00%, Maturing February 28, 2014	975,376
	<b>HealthSouth Corp.</b>	
263	Term Loan, 2.51%, Maturing March 10, 2013	257,035
216	Term Loan, 4.01%, Maturing March 15, 2014	214,842
	<b>IM U.S. Holdings, LLC</b>	
812	Term Loan, 2.24%, Maturing June 26, 2014	777,297
	<b>MultiPlan Merger Corp.</b>	
397	Term Loan, 2.75%, Maturing April 12, 2013	380,026
	<b>Mylan, Inc.</b>	
990	Term Loan, 3.55%, Maturing October 2, 2014	979,928
	<b>National Mentor Holdings, Inc.</b>	
17	Term Loan, 2.15%, Maturing June 29, 2013	15,204
273	Term Loan, 2.26%, Maturing June 29, 2013	247,326
	<b>Nyco Holdings</b>	
EUR 308	Term Loan, 2.85%, Maturing December 29, 2014	411,200
EUR 308	Term Loan, 3.60%, Maturing December 29, 2015	411,199
	<b>P&amp;F Capital S.A.R.L.</b>	
EUR 63	Term Loan, 3.25%, Maturing February 21, 2014	87,198
EUR 98	Term Loan, 3.25%, Maturing February 21, 2014	134,745
EUR 122	Term Loan, 3.25%, Maturing February 21, 2014	167,959
EUR 204	Term Loan, 3.50%, Maturing February 21, 2014	280,565
EUR 34	Term Loan, 4.00%, Maturing February 21, 2015	47,086
EUR 71	Term Loan, 4.00%, Maturing February 21, 2015	97,748
EUR 92	Term Loan, 4.00%, Maturing February 21, 2015	126,703
EUR 290	Term Loan, 4.00%, Maturing February 21, 2015	398,255
	<b>ReAble Therapeutics Finance, LLC</b>	
431	Term Loan, 2.26%, Maturing November 16, 2013	422,172
	<b>Select Medical Holdings Corp.</b>	
363	Term Loan, 4.02%, Maturing August 5, 2014	358,157
372	Term Loan, 4.02%, Maturing August 5, 2014	367,910
	<b>Viant Holdings, Inc.</b>	
483	Term Loan, 2.51%, Maturing June 25, 2014	475,326

\$ 15,778,148

**Home Furnishings 0.4%****Interline Brands, Inc.**

72	Term Loan, 1.98%, Maturing June 23, 2013	\$ 66,359
264	Term Loan, 2.00%, Maturing June 23, 2013	243,767

**National Bedding Co., LLC**

990	Term Loan, 2.30%, Maturing August 31, 2011	955,153
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**Oreck Corp.**

442	Term Loan, 0.00%, Maturing February 2, 2012 <sup>(2)(4)</sup>	158,701
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\$ 1,423,980

**Industrial Equipment 1.5%****Brand Energy and Infrastructure Services, Inc.**

196	Term Loan, 3.56%, Maturing February 7, 2014	\$ 186,947
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**CEVA Group PLC U.S.**

262	Term Loan, 3.23%, Maturing January 4, 2014	229,651
748	Term Loan, 3.23%, Maturing January 4, 2014	656,550
262	Term Loan, 3.25%, Maturing January 4, 2014	235,248

**Table of Contents****Principal  
Amount\***

<b>(000 s omitted)</b>	<b>Borrower/Tranche Description</b>	<b>Value</b>
	<b>EPD Holdings, (Goodyear Engineering Products)</b>	
86	Term Loan, 2.74%, Maturing July 13, 2014	\$ 73,611
599	Term Loan, 2.74%, Maturing July 13, 2014	513,963
200	Term Loan - Second Lien, 5.98%, Maturing July 13, 2015	151,000
	<b>Generac Acquisition Corp.</b>	
363	Term Loan, 2.75%, Maturing November 7, 2013	337,958
	<b>Gleason Corp.</b>	
20	Term Loan, 2.00%, Maturing June 30, 2013	19,687
175	Term Loan, 2.00%, Maturing June 30, 2013	171,395
	<b>John Maneely Co.</b>	
1,254	Term Loan, 3.50%, Maturing December 8, 2013	1,203,846
	<b>Polypore, Inc.</b>	
829	Term Loan, 2.49%, Maturing July 3, 2014	793,528
	<b>Sequa Corp.</b>	
397	Term Loan, 3.88%, Maturing November 30, 2014	369,072
	<b>TFS Acquisition Corp.</b>	
223	Term Loan, 14.00%, Maturing August 11, 2013 <sup>(3)</sup>	171,434
		<b>\$ 5,113,890</b>
<b>Insurance</b>	<b>0.9%</b>	
	<b>CCC Information Services Group, Inc.</b>	
560	Term Loan, 2.49%, Maturing February 10, 2013	\$ 542,679
	<b>Conseco, Inc.</b>	
595	Term Loan, 7.50%, Maturing October 10, 2013	567,643
	<b>Crawford &amp; Company</b>	
344	Term Loan, 5.25%, Maturing October 31, 2013	335,539
	<b>Crump Group, Inc.</b>	
203	Term Loan, 3.24%, Maturing August 4, 2014	183,284
	<b>Hub International Holdings, Inc.</b>	
130	Term Loan, 2.75%, Maturing June 13, 2014	121,697
578	Term Loan, 2.75%, Maturing June 13, 2014	541,418
	<b>U.S.I. Holdings Corp.</b>	
714	Term Loan, 3.01%, Maturing May 4, 2014	658,941
		<b>\$ 2,951,201</b>
<b>Leisure Goods/Activities/Movies</b>	<b>2.6%</b>	
	<b>24 Hour Fitness Worldwide, Inc.</b>	
390	Term Loan, 2.76%, Maturing June 8, 2012	\$ 369,347
	<b>AMC Entertainment, Inc.</b>	
1,964	Term Loan, 1.73%, Maturing January 26, 2013	1,921,842
	<b>Bombardier Recreational Products</b>	
524	Term Loan, 3.28%, Maturing June 28, 2013	397,296
	<b>Cinemark, Inc.</b>	

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990	Term Loan, 2.01%, Maturing October 5, 2013 <b>Metro-Goldwyn-Mayer Holdings, Inc.</b>	974,511
1,094	Term Loan, 0.00%, Maturing April 8, 2012 <sup>(2)</sup> <b>National CineMedia, LLC</b>	660,156
725	Term Loan, 2.01%, Maturing February 13, 2015 <b>Regal Cinemas Corp.</b>	701,135
1,511	Term Loan, 4.00%, Maturing November 10, 2010 <b>Revolution Studios Distribution Co., LLC</b>	1,515,669
285	Term Loan, 3.99%, Maturing December 21, 2014	259,739
225	Term Loan - Second Lien, 7.24%, Maturing June 21, 2015 <b>Six Flags Theme Parks, Inc.</b>	157,500
835	Term Loan, 2.49%, Maturing April 30, 2015 <b>Universal City Development Partners, Ltd.</b>	825,103
675	Term Loan, 6.50%, Maturing November 6, 2014 <b>Zuffa, LLC</b>	683,438
488	Term Loan, 2.31%, Maturing June 20, 2016	461,500
		<b>\$ 8,927,236</b>
 <b>Lodging and Casinos 1.4%</b>		
	<b>Harrah s Operating Co.</b>	
403	Term Loan, 3.25%, Maturing January 28, 2015	\$ 334,718

**Table of Contents****Principal  
Amount\***

<b>(000 s omitted)</b>	<b>Borrower/Tranche Description</b>	<b>Value</b>
1,589	Term Loan, 3.25%, Maturing January 28, 2015 <b>Herbst Gaming, Inc.</b>	\$ 1,315,839
976	Term Loan, 0.00%, Maturing December 2, 2011 <sup>(2)</sup> <b>Isle of Capri Casinos, Inc.</b>	536,935
162	Term Loan, 1.98%, Maturing November 30, 2013	160,749
215	Term Loan, 1.98%, Maturing November 30, 2013	213,235
536	Term Loan, 2.00%, Maturing November 30, 2013 <b>New World Gaming Partners, Ltd.</b>	533,086
58	Term Loan, 2.75%, Maturing June 30, 2014	52,963
287	Term Loan, 2.75%, Maturing June 30, 2014 <b>Venetian Casino Resort/Las Vegas Sands, Inc.</b>	261,488
166	Term Loan, 2.01%, Maturing May 14, 2014	146,250
819	Term Loan, 2.01%, Maturing May 23, 2014 <b>VML US Finance, LLC</b>	723,825
111	Term Loan, 4.76%, Maturing May 25, 2012	106,220
222	Term Loan, 4.76%, Maturing May 25, 2013	212,441
		<b>\$ 4,597,749</b>
 <b>Nonferrous Metals/Minerals 0.4%</b>		
	<b>Noranda Aluminum Acquisition</b>	
1,429	Term Loan, 2.23%, Maturing May 18, 2014	\$ 1,242,861
		<b>\$ 1,242,861</b>
 <b>Oil and Gas 0.9%</b>		
	<b>Citgo Petroleum Corp.</b>	
990	Term Loan, 1.71%, Maturing November 15, 2012	\$ 979,381
	<b>Dresser, Inc.</b>	
300	Term Loan - Second Lien, 6.00%, Maturing May 4, 2015 <b>Dynegy Holdings, Inc.</b>	285,375
74	Term Loan, 3.99%, Maturing April 2, 2013	72,837
925	Term Loan, 3.99%, Maturing April 2, 2013 <b>Enterprise GP Holdings, L.P.</b>	904,811
294	Term Loan, 2.49%, Maturing October 31, 2014 <b>Hercules Offshore, Inc.</b>	290,692
545	Term Loan, 6.00%, Maturing July 6, 2013	521,251
		<b>\$ 3,054,347</b>
 <b>Publishing 2.8%</b>		
	<b>American Media Operations, Inc.</b>	
975	Term Loan, 10.00%, Maturing January 31, 2013 <sup>(3)</sup> <b>GateHouse Media Operating, Inc.</b>	\$ 922,418
311	Term Loan, 2.24%, Maturing August 28, 2014	155,046

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	739	Term Loan, 2.24%, Maturing August 28, 2014	368,641
		<b>Getty Images, Inc.</b>	
	1,376	Term Loan, 6.25%, Maturing July 2, 2015	1,387,000
		<b>Laureate Education, Inc.</b>	
	59	Term Loan, 3.50%, Maturing August 17, 2014	54,570
	392	Term Loan, 3.50%, Maturing August 17, 2014	364,596
		<b>MediaNews Group, Inc.</b>	
	198	Term Loan, 6.73%, Maturing August 2, 2013	87,244
		<b>Mediannuaire Holding</b>	
EUR	234	Term Loan, 2.96%, Maturing October 10, 2014	245,409
EUR	234	Term Loan, 3.46%, Maturing October 10, 2015	245,341
		<b>Nielsen Finance, LLC</b>	
	1,680	Term Loan, 2.23%, Maturing August 9, 2013	1,610,836
		<b>Philadelphia Newspapers, LLC</b>	
	212	Term Loan, 0.00%, Maturing June 29, 2013 <sup>(2)</sup>	49,919
		<b>Reader s Digest Association, Inc. (The)</b>	
	353	Revolving Loan, 4.52%, Maturing March 3, 2014	210,602
	1,421	Term Loan, 4.23%, Maturing March 3, 2014	848,126
	127	Term Loan, 7.00%, Maturing March 3, 2014	75,527
		<b>SGS International, Inc.</b>	
	435	Term Loan, 2.86%, Maturing December 30, 2011	421,799

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<b>Principal Amount*</b> (000 \$ omitted)	<b>Borrower/Tranche Description</b>	<b>Value</b>
	<b>TL Acquisitions, Inc.</b>	
491	Term Loan, 2.75%, Maturing July 5, 2014	\$ 437,447
	<b>Tribune Co.</b>	
179	Term Loan, 0.00%, Maturing April 10, 2010 <sup>(2)</sup>	109,312
500	Term Loan, 0.00%, Maturing May 17, 2014 <sup>(2)</sup>	288,646
790	Term Loan, 0.00%, Maturing May 17, 2014 <sup>(2)</sup>	496,713
	<b>Xsys, Inc.</b>	
EUR 980	Term Loan, 3.27%, Maturing September 27, 2014	1,323,938
		<b>\$ 9,703,130</b>
<b>Radio and Television</b>	<b>2.2%</b>	
	<b>Block Communications, Inc.</b>	
264	Term Loan, 2.28%, Maturing December 22, 2011	\$ 248,160
	<b>CMP KC, LLC</b>	
478	Term Loan, 6.25%, Maturing May 5, 2013 <sup>(4)</sup>	137,213
	<b>Intelsat Corp.</b>	
721	Term Loan, 2.73%, Maturing January 3, 2014	689,149
721	Term Loan, 2.73%, Maturing January 3, 2014	689,360
721	Term Loan, 2.73%, Maturing January 3, 2014	689,149
	<b>Ion Media Networks, Inc.</b>	
113	DIP Loan, 15.00%, Maturing May 29, 2010 <sup>(4)</sup>	177,590
850	Term Loan, 0.00%, Maturing January 15, 2012 <sup>(2)</sup>	236,230
	<b>NEP II, Inc.</b>	
165	Term Loan, 2.53%, Maturing February 16, 2014	152,689
	<b>Nexstar Broadcasting, Inc.</b>	
377	Term Loan, 5.00%, Maturing October 1, 2012	369,283
357	Term Loan, 5.01%, Maturing October 1, 2012	349,114
	<b>SFX Entertainment</b>	
279	Term Loan, 3.50%, Maturing June 21, 2013	269,436
	<b>Tyrol Acquisition 2 SAS</b>	
EUR 250	Term Loan, 2.43%, Maturing January 19, 2015	302,863
EUR 250	Term Loan, 2.68%, Maturing January 19, 2016	302,863
	<b>Univision Communications, Inc.</b>	
2,525	Term Loan, 2.50%, Maturing September 29, 2014	2,205,588
	<b>Young Broadcasting, Inc.</b>	
241	Term Loan, 0.00%, Maturing November 3, 2012 <sup>(2)</sup>	193,151
486	Term Loan, 0.00%, Maturing November 3, 2012 <sup>(2)</sup>	389,304
		<b>\$ 7,401,142</b>
<b>Retailers (Except Food and Drug)</b>	<b>0.8%</b>	
	<b>American Achievement Corp.</b>	
141	Term Loan, 6.29%, Maturing March 25, 2011	\$ 134,105
	<b>Josten's Corp.</b>	

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375	Term Loan, 2.23%, Maturing October 4, 2011 <b>Neiman Marcus Group, Inc.</b>	371,920
202	Term Loan, 2.26%, Maturing April 5, 2013 <b>Orbitz Worldwide, Inc.</b>	184,961
308	Term Loan, 3.24%, Maturing July 25, 2014 <b>Oriental Trading Co., Inc.</b>	294,364
446	Term Loan, 9.75%, Maturing July 31, 2013	383,716
300	Term Loan - Second Lien, 6.24%, Maturing January 31, 2013 <b>Rent-A-Center, Inc.</b>	82,500
12	Term Loan, 2.00%, Maturing November 15, 2012	12,033
221	Term Loan, 3.26%, Maturing May 31, 2015 <b>Rover Acquisition Corp.</b>	218,375
412	Term Loan, 2.49%, Maturing October 26, 2013 <b>Savers, Inc.</b>	404,349
97	Term Loan, 2.99%, Maturing August 11, 2012	93,947
109	Term Loan, 2.99%, Maturing August 11, 2012 <b>Yankee Candle Company, Inc. (The)</b>	105,555
337	Term Loan, 2.24%, Maturing February 6, 2014	326,958
		<b>\$ 2,612,783</b>



**Table of Contents**

<b>Principal Amount*</b> (000 s omitted)	<b>Borrower/Tranche Description</b>	<b>Value</b>
<b>Steel 0.1%</b>		
	<b>Niagara Corp.</b>	
292	Term Loan, 7.25%, Maturing June 29, 2014	\$ 193,050
		<b>\$ 193,050</b>
<b>Surface Transport 0.1%</b>		
	<b>Swift Transportation Co., Inc.</b>	
498	Term Loan, 8.25%, Maturing May 10, 2014	\$ 479,462
		<b>\$ 479,462</b>
<b>Telecommunications 1.5%</b>		
	<b>Asurion Corp.</b>	
424	Term Loan, 3.24%, Maturing July 13, 2012	\$ 412,344
250	Term Loan - Second Lien, 6.73%, Maturing January 13, 2013	245,312
	<b>BCM Luxembourg, Ltd.</b>	
EUR 368	Term Loan, 2.30%, Maturing September 30, 2014	482,450
EUR 369	Term Loan, 2.55%, Maturing September 30, 2015	482,520
EUR 500	Term Loan - Second Lien, 4.68%, Maturing March 31, 2016	608,484
	<b>CommScope, Inc.</b>	
312	Term Loan, 2.75%, Maturing November 19, 2014	307,820
	<b>Crown Castle Operating Co.</b>	
496	Term Loan, 1.73%, Maturing January 9, 2014	488,316
	<b>Intelsat Subsidiary Holding Co.</b>	
290	Term Loan, 2.73%, Maturing July 3, 2013	279,638
	<b>IPC Systems, Inc.</b>	
GBP 251	Term Loan, 2.86%, Maturing May 31, 2014	336,606
	<b>Macquarie UK Broadcast Ventures, Ltd.</b>	
GBP 219	Term Loan, 2.52%, Maturing December 26, 2014	294,060
	<b>Stratos Global Corp.</b>	
302	Term Loan, 2.75%, Maturing February 13, 2012	298,472
	<b>Windstream Corp.</b>	
856	Term Loan, 3.01%, Maturing December 17, 2015	849,298
		<b>\$ 5,085,320</b>
<b>Utilities 1.5%</b>		
	<b>AEI Finance Holding, LLC</b>	
75	Revolving Loan, 3.23%, Maturing March 30, 2012	\$ 69,853
513	Term Loan, 3.25%, Maturing March 30, 2014	475,263
	<b>Astoria Generating Co.</b>	
375	Term Loan - Second Lien, 4.01%, Maturing August 23, 2013	355,000
	<b>Calpine Corp.</b>	
739	DIP Loan, 3.14%, Maturing March 29, 2014	700,090

	<b>Mirant North America, LLC</b>	
891	Term Loan, 1.98%, Maturing January 3, 2013	868,281
	<b>NRG Energy, Inc.</b>	
556	Term Loan, 2.00%, Maturing June 1, 2014	539,739
946	Term Loan, 2.00%, Maturing June 1, 2014	917,415
	<b>TXU Texas Competitive Electric Holdings Co., LLC</b>	
220	Term Loan, 3.73%, Maturing October 10, 2014	180,654
1,200	Term Loan, 3.73%, Maturing October 10, 2014	979,747
		<b>\$ 5,086,042</b>
<b>Total Senior Floating-Rate Interests</b>		
<b>(identified cost \$172,671,668)</b>		<b>\$ 168,428,453</b>

**Table of Contents****Collateralized Mortgage Obligations 7.6%**

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
	<b>Federal Home Loan Mortgage Corp.:</b>	
\$ 5,691	Series 2113, Class QG, 6.00%, 1/15/29	\$ 6,164,094
3,045	Series 2167, Class BZ, 7.00%, 6/15/29	3,327,171
3,818	Series 2182, Class ZB, 8.00%, 9/15/29	4,296,213
	<b>Federal National Mortgage Association:</b>	
190	Series 1989-89, Class H, 9.00%, 11/25/19	220,242
461	Series 1991-122, Class N, 7.50%, 9/25/21	517,424
4,288	Series 1993-84, Class M, 7.50%, 6/25/23	4,907,160
1,549	Series 1994-42, Class K, 6.50%, 4/25/24	1,705,242
1,246	Series 1997-28, Class ZA, 7.50%, 4/20/27	1,419,251
1,111	Series 1997-38, Class N, 8.00%, 5/20/27	1,282,254
1,845	Series G-33, Class PT, 7.00%, 10/25/21	2,032,939
	<b>Total Collateralized Mortgage Obligations (identified cost \$24,283,410)</b>	<b>\$ 25,871,990</b>

**Commercial Mortgage-Backed Securities 2.4%**

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
\$ 595	CSFB, Series 2004-C3, Class A5, 5.113%, 7/15/36	\$ 598,373
700	GECMC, Series 2004-C1, Class A3, 4.596%, 11/10/38	702,056
1,250	GECMC, Series 2004-C3, Class A4, 5.189%, 7/10/39 <sup>(5)</sup>	1,267,114
1,250	GSMS, Series 2004-GG2, Class A6, 5.396%, 8/10/38	1,277,910
1,000	MLMT, Series 2004-BPC1, Class A4, 4.724%, 10/12/41	1,011,764
1,000	MSC, Series 2003-IQ6, Class A4, 4.97%, 12/15/41	1,028,786
2,225	WBCMT, Series 2004-C12, Class A4, 5.237%, 7/15/41 <sup>(5)</sup>	2,271,230
	<b>Total Commercial Mortgage-Backed Securities (identified cost \$7,492,233)</b>	<b>\$ 8,157,233</b>

**Mortgage Pass-Throughs 41.8%**

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
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<b>Federal Home Loan Mortgage Corp.:</b>				
\$	6,900	2.932%, with maturity at 2035 <sup>(6)</sup>	\$	7,086,818
	10,580	5.00%, with maturity at 2019		11,306,399
	9,670	6.00%, with various maturities to 2029 <sup>(7)</sup>		10,411,846
	2,201	6.15%, with maturity at 2027		2,408,286
	5,017	6.50%, with maturity at 2019		5,451,665
	7,406	7.00%, with various maturities to 2035		8,123,042
	5,596	7.50%, with various maturities to 2035		6,398,146
	6,883	8.00%, with various maturities to 2032 <sup>(7)</sup>		7,943,390
	5,581	8.50%, with various maturities to 2031		6,524,433
	512	9.00%, with maturity at 2031		610,147
	459	9.50%, with various maturities to 2022		530,896
	995	11.50%, with maturity at 2019		1,093,493
<b>Federal National Mortgage Association:</b>				
	6,580	5.00%, with maturity at 2013		6,963,633
	2,698	5.50%, with maturity at 2029		2,880,274
	3,267	6.319%, with maturity at 2032 <sup>(6)</sup>		3,404,709
	6,226	6.50%, with maturity at 2018		6,704,146
	10,880	7.00%, with various maturities to 2033		12,089,575
	12,966	7.50%, with various maturities to 2031		14,771,775
	3,752	8.00%, with various maturities to 2029		4,324,335
	811	8.50%, with various maturities to 2027		939,212

**Table of Contents****Principal  
Amount**

<b>(000 s omitted)</b>	<b>Security</b>	<b>Value</b>
\$ 1,739	9.00%, with various maturities to 2029	\$ 2,023,737
76	9.50%, with maturity at 2014	81,442
1,534	10.00%, with various maturities to 2031	1,786,210
	<b>Government National Mortgage Association:</b>	
5,869	7.50%, with maturity at 2025	6,679,234
5,925	8.00%, with various maturities to 2027	6,897,811
3,111	9.00%, with various maturities to 2026	3,745,706
532	9.50%, with maturity at 2025	631,728
634	11.00%, with maturity at 2018	714,115

**Total Mortgage Pass-Throughs  
(identified cost \$134,138,039)****\$ 142,526,203****Asset-Backed Securities 0.1%****Principal  
Amount**

<b>(000 s omitted)</b>	<b>Security</b>	<b>Value</b>
\$ 500	Centurion CDO 9 Ltd., Series 2005-9A, Class D1, 5.034%, 7/17/19 <sup>(6)</sup>	\$ 319,750

**Total Asset-Backed Securities  
(identified cost \$500,000)****\$ 319,750****Corporate Bonds & Notes 0.2%****Principal  
Amount\***

<b>(000 s omitted)</b>	<b>Security</b>	<b>Value</b>
	<b>Building and Development 0.1%</b>	
	<b>Grohe Holding GmbH, Variable Rate</b>	
EUR 500	3.559%, 1/15/14 <sup>(8)</sup>	\$ 611,793
		<b>\$ 611,793</b>

**Telecommunications 0.1%**

	<b>Qwest Corp., Sr. Notes, Variable Rate</b>	
200	3.504%, 6/15/13	\$ 196,500
		<b>\$ 196,500</b>

**Total Corporate Bonds & Notes**  
 (identified cost \$846,625) **\$ 808,293**

**Foreign Corporate Bonds & Notes 0.8%**

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
\$ 2,327	<b>JPMorgan Chilean Inflation Linked Note</b> 3.80%, 11/17/15 <sup>(9)</sup>	\$ 2,441,148
230	<b>Kazkommerts International</b> 7.875%, 4/7/14 <sup>(8)</sup>	212,750
<b>Total Foreign Corporate Bonds &amp; Notes</b> (identified cost \$2,192,765)		<b>\$ 2,653,898</b>

**Table of Contents****Foreign Government Securities 8.8%**

<b>Principal Amount*</b> <b>(000 s omitted)</b>	<b>Security</b>	<b>Value</b>
	<b>Ghana Government Bond</b>	
GHS 320	13.50%, 3/30/10	\$ 221,582
GHS 1,300	13.67%, 6/11/12 <sup>(4)</sup>	803,471
GHS 730	13.69%, 3/15/10	507,090
	<b>Israeli Government Bond</b>	
ILS 5,902	5.00%, 4/30/15 <sup>(9)</sup>	1,854,887
	<b>Nota Do Tesouro Nacional</b>	
BRL 3,122	6.00%, 5/15/15 <sup>(9)</sup>	1,610,784
	<b>Poland Government Bond</b>	
PLN 6,708	3.00%, 8/24/16 <sup>(9)</sup>	2,222,884
	<b>Republic of Congo</b>	
526	3.00%, 6/30/29	280,255
	<b>Republic of Georgia</b>	
1,181	7.50%, 4/15/13	1,228,240
	<b>Republic of Macedonia</b>	
EUR 1,716	4.625%, 12/8/15	2,148,744
	<b>Republic of South Africa</b>	
3,754	6.50%, 6/2/14	4,110,630
	<b>Republic of Uruguay</b>	
UYU 48,287	5.00%, 9/14/18 <sup>(9)</sup>	2,431,246
	<b>Turkey Government Bond</b>	
TRY 5,794	10.00%, 2/15/12 <sup>(9)</sup>	4,416,864
TRY 9,330	12.00%, 8/14/13 <sup>(9)</sup>	8,097,724
	<b>Total Foreign Government Securities</b>	
	<b>(identified cost \$25,539,111)</b>	<b>\$ 29,934,401</b>

**Common Stocks 0.1%**

<b>Shares</b>	<b>Security</b>	<b>Value</b>
	<b>Automotive 0.1%</b>	
8,898	Dayco Products, LLC	\$ 137,919
		<b>\$ 137,919</b>
	<b>Building and Development 0.0%</b>	
154	United Subcontractors, Inc. <sup>(4)(10)</sup>	\$ 12,402
		<b>\$ 12,402</b>

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<b>Food Service</b>	<b>0.0%</b>			
	6,477	Buffets, Inc. <sup>(10)</sup>	\$	49,792
			\$	<b>49,792</b>
<b>Nonferrous Metals/Minerals</b>	<b>0.0%</b>			
	234	Euramax International, Inc. <sup>(4)(10)</sup>	\$	0
			\$	<b>0</b>
<b>Publishing</b>	<b>0.0%</b>			
	1,346	SuperMedia, Inc. <sup>(10)</sup>	\$	48,873
			\$	<b>48,873</b>
<b>Total Common Stocks</b>				
<b>(identified cost \$190,571)</b>			\$	<b>248,986</b>



**Table of Contents****Currency Options Purchased 0.0%**

<b>Description</b>	<b>Principal Amount of Contracts (000 s omitted)</b>	<b>Strike Price</b>	<b>Expiration Date</b>	<b>Value</b>
Euro Put Option	EUR 3,532	EUR 1.41	4/29/10	\$ 157,438
Japanese Yen Put Option	JPY 741,000	JPY 106.91	4/8/10	1,560

**Total Currency Options Purchased  
(identified cost \$222,664) \$ 158,998**

**Short-Term Investments 17.8%****Foreign Government Securities 14.4%**

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
	<b>Chilean Government Bond</b>	
CLP 875,000	6.00%, 7/1/10	\$ 1,705,583
	<b>Egypt Treasury Bill</b>	
EGP 26,350	0.00%, 2/2/10	4,820,362
EGP 7,200	0.00%, 2/9/10	1,314,794
EGP 2,650	0.00%, 2/16/10	483,052
EGP 1,450	0.00%, 2/23/10	263,835
EGP 18,050	0.00%, 3/2/10	3,278,379
EGP 2,375	0.00%, 6/29/10	417,370
EGP 3,700	0.00%, 8/3/10	643,343
EGP 3,725	0.00%, 9/28/10	636,331
EGP 2,725	0.00%, 10/5/10	464,442
EGP 3,775	0.00%, 10/26/10	638,956
EGP 14,550	0.00%, 10/26/10	2,462,731
	<b>Iceland Treasury Bill</b>	
ISK 90,561	0.00%, 2/15/10	599,122
ISK 278,000	0.00%, 3/15/10	1,828,735
	<b>Iceland Treasury Note</b>	
ISK 131,164	7.00%, 3/17/10	868,322
	<b>Kazakhstan National Bank</b>	
KZT 383,720	0.00%, 2/19/10	2,590,596
KZT 102,582	0.00%, 3/5/10	692,189
KZT 489	0.00%, 3/12/10	3,297
KZT 218,002	0.00%, 4/23/10	1,467,212
KZT 546,661	0.00%, 5/28/10	3,669,790
	<b>Lebanon Treasury Bill</b>	

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LBP	1,108,000	0.00%, 2/4/10	738,000
LBP	819,000	0.00%, 2/18/10	544,732
LBP	3,569,500	0.00%, 3/18/10	2,366,504
LBP	1,420,000	0.00%, 4/1/10	939,727
LBP	1,779,000	0.00%, 4/15/10	1,175,041
LBP	2,850,000	0.00%, 4/29/10	1,877,049
LBP	550,000	0.00%, 6/10/10	360,082
LBP	875,300	0.00%, 6/24/10	571,882
LBP	870,340	0.00%, 7/8/10	566,785
LBP	584,900	0.00%, 7/22/10	380,549
LBP	536,000	0.00%, 9/23/10	344,687
LBP	1,203,800	0.00%, 10/21/10	770,961
LBP	541,580	0.00%, 11/4/10	346,506
LBP	565,870	0.00%, 11/18/10	361,195
LBP	600,000	0.00%, 12/16/10	381,145
LBP	927,820	0.00%, 12/30/10	587,955
		<b>Lebanon Treasury Note</b>	
LBP	533,600	11.30%, 3/25/10	358,752
LBP	501,320	8.46%, 6/24/10	338,486

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**Principal Amount**

<b>(000 s omitted)</b>		<b>Security</b>	<b>Value</b>
<b>Sri Lanka Government Bond</b>			
LKR	10,720	7.60%, 4/1/10	\$ 93,420
LKR	26,700	15.50%, 5/15/10	237,556
<b>Sri Lanka Treasury Bill</b>			
LKR	223,680	0.00%, 2/5/10	1,948,191
LKR	31,930	0.00%, 4/9/10	274,386
LKR	55,990	0.00%, 4/30/10	478,882
LKR	191,190	0.00%, 5/14/10	1,630,009
LKR	81,220	0.00%, 7/9/10	683,311
LKR	211,030	0.00%, 7/16/10	1,772,247
<b>Zambia Treasury Bill</b>			
ZMK	727,000	0.00%, 1/31/11	144,985
<b>Total Foreign Government Securities</b> <b>(identified cost \$49,133,641)</b>			<b>\$ 49,121,466</b>

**Other Short-Term Investments 3.4%**

<b>Description</b>	<b>Interest/Principal Amount</b> <b>(000 s omitted)</b>	<b>Value</b>
Cash Management Portfolio, 0.00% <sup>(11)</sup>	\$ 1,788	\$ 1,788,213
Eaton Vance Cash Reserves Fund, LLC, 0.11% <sup>(11)</sup>	8,802	8,802,103
State Street Bank and Trust Euro Time Deposit, 0.01%, 2/1/10	1,139	1,138,580

**Total Other Short-Term Investments**  
**(identified cost \$11,728,896)** **\$ 11,728,896**

**Total Short-Term Investments**  
**(identified cost \$60,862,537)** **\$ 60,850,362**

**Total Investments 129.0%**  
**(identified cost \$428,939,623)** **\$ 439,958,567**

**Currency Options Written 0.0%**

**Principal**

<b>Description</b>	<b>Amount of Contracts (000 s omitted)</b>	<b>Strike Price</b>	<b>Expiration Date</b>	<b>Value</b>
Japanese Yen Call Option	JPY 1,057,000	JPY 76.30	4/8/10	\$ (9,602)
<b>Total Currency Options Written (premiums received \$135,484)</b>				<b>\$ (9,602)</b>
<b>Other Assets and Liabilities (29.0)%</b>				<b>\$ (98,863,435)</b>
<b>Net Assets 100.0%</b>				<b>\$ 341,085,530</b>

The percentage shown for each investment category in the Portfolio of Investments is based on net assets.

CSFB - Credit Suisse First Boston Mortgage Securities Corp.

DIP - Debtor in Possession

GECCM - General Electric Commercial Mortgage Corporation

GSMS - GS Mortgage Securities Corporation II

MLMT - Merrill Lynch Mortgage Trust

MSC - Morgan Stanley Capital I

WBCMT - Wachovia Bank Commercial Mortgage Trust

BRL - Brazilian Real

CLP - Chilean Peso

EGP - Egyptian Pound

EUR - Euro

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GBP - British Pound Sterling

GHS - Ghanaian Cedi

ILS - Israeli Shekel

ISK - Icelandic Krona

JPY - Japanese Yen

KZT - Kazak Tenge

LBP - Lebanese Pound

LKR - Sri Lankan Rupee

PLN - Polish Zloty

TRY - New Turkish Lira

UYU - Uruguayan Peso

ZMK - Zambian Kwacha

\* In U.S. dollars unless otherwise indicated.

- (1) Senior floating-rate interests (Senior Loans) often require prepayments from excess cash flows or permit the borrowers to repay at their election. The degree to which borrowers repay, whether as a contractual requirement or at their election, cannot be predicted with accuracy. As a result, the actual remaining maturity may be substantially less than the stated maturities shown. However, Senior Loans will have an expected average life of approximately two to four years. The stated interest rate represents the weighted average interest rate of all contracts within the senior loan facility and includes commitment fees on unfunded loan commitments, if any. Senior Loans typically have rates of interest which are redetermined either daily, monthly, quarterly or semi-annually by reference to a base lending rate, plus a premium. These base lending rates are primarily the London Interbank Offered Rate ( LIBOR ) and secondarily, the prime rate offered by one or more major United States banks (the Prime Rate ) and the certificate of deposit ( CD ) rate or other base lending rates used by commercial lenders.
- (2) Defaulted security. Currently the issuer is in default with respect to interest payments.
- (3) Represents a payment-in-kind security which may pay all or a portion of interest in additional par.
- (4) Security valued at fair value using methods determined in good faith by or at the direction of the Trustees.
- (5) Weighted average fixed-rate coupon that changes/updates monthly.

- (6) Adjustable rate mortgage security. Rate shown is the rate at January 31, 2010.
- (7) Security (or a portion thereof) has been pledged to cover collateral requirements on open financial contracts.
- (8) Security exempt from registration under Regulation S of the Securities Act of 1933, which exempts from registration securities offered and sold outside the United States. Security may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933.
- (9) Inflation-linked security whose principal is adjusted for inflation based on changes in a designated inflation index or inflation rate for the applicable country. Interest is calculated based on the inflation-adjusted principal.
- (10) Non-income producing security.
- (11) Affiliated investment company available to Eaton Vance portfolios and funds which invests in high quality, U.S. dollar denominated money market instruments. The rate shown is the annualized seven-day yield as of January 31, 2010. Net income allocated from the investment in Cash Management Portfolio and Eaton Vance Cash Reserves Fund, LLC for the fiscal year to date ended January 31, 2010 was \$0 and \$139, respectively.

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A summary of financial instruments outstanding at January 31, 2010 is as follows:

**Forward Foreign Currency Exchange Contracts****Sales**

<b>Settlement Date</b>	<b>Deliver</b>	<b>In Exchange For</b>	<b>Net Unrealized Appreciation (Depreciation)</b>
2/5/10	Sri Lankan Rupee 223,680,000	United States Dollar 1,906,093	\$ (43,932)
2/8/10	New Turkish Lira 1,250,000	United States Dollar 843,825	9,671
2/8/10	South African Rand 32,488,983	United States Dollar 4,441,662	185,049
2/8/10	South African Rand 18,183,563	United States Dollar 2,482,465	100,107
2/19/10	Euro 3,519,000	United States Dollar 5,100,439	221,562
2/23/10	Chilean Peso 1,070,000,000	United States Dollar 2,171,707	129,235
2/25/10	Euro 3,418,089	United States Dollar 4,825,590	86,693
2/25/10	Japanese Yen 230,000,000	United States Dollar 2,550,455	2,214
2/25/10	Japanese Yen 231,181,656	United States Dollar 2,556,335	(4,998)
2/26/10	British Pound Sterling 1,529,570	United States Dollar 2,475,385	30,810
2/26/10	Euro 14,880,824	United States Dollar 20,904,432	273,459
3/2/10	Chilean Peso 656,000,000	United States Dollar 1,281,250	28,864
4/1/10	Sri Lankan Rupee 11,127,360	United States Dollar 95,448	(860)
4/9/10	Sri Lankan Rupee 31,930,000	United States Dollar 274,077	(2,021)
4/30/10	Sri Lankan Rupee 55,990,000	United States Dollar 480,601	(2,164)
5/14/10	Sri Lankan Rupee 191,190,000	United States Dollar 1,636,200	(9,363)
5/17/10	Sri Lankan Rupee 28,769,250	United States Dollar 245,786	(1,736)
7/6/10	Chilean Peso 519,500,000	United States Dollar 1,060,745	65,665
7/6/10	Chilean Peso 260,590,000	United States Dollar 530,895	31,746
7/6/10			15,894

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	Chilean Peso	United States Dollar	
	118,300,000	242,493	
7/9/10	Sri Lankan Rupee	United States Dollar	
	81,220,000	693,595	(589)
7/16/10	Sri Lankan Rupee	United States Dollar	
	211,030,000	1,796,000	(6,097)
7/20/10	Kazak Tenge	United States Dollar	
	186,263,000	1,142,718	(123,787)
7/20/10	Ukrainian Hryvnia	United States Dollar	
	11,484,300	1,227,611	(86,670)
7/21/10	Kazak Tenge	United States Dollar	
	185,190,000	1,143,148	(116,101)
7/21/10	Ukrainian Hryvnia	United States Dollar	
	11,317,000	1,206,182	(88,340)
7/23/10	Kazak Tenge	United States Dollar	
	181,859,600	1,120,860	(115,822)



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<b>Settlement Date</b>	<b>Deliver</b>	<b>In Exchange For</b>	<b>Net Unrealized Appreciation (Depreciation)</b>
7/23/10	Ukrainian Hryvnia 11,065,700	United States Dollar 1,168,501	\$ (96,077)
			<b>\$ 482,412</b>

**Purchases**

<b>Settlement Date</b>	<b>In Exchange For</b>	<b>Deliver</b>	<b>Net Unrealized Appreciation (Depreciation)</b>
2/1/10	Zambian Kwacha 2,558,443,600	United States Dollar 562,073	\$ (1,012)
2/3/10	Russian Ruble 52,226,000	United States Dollar 1,765,465	(46,093)
2/4/10	Malaysian Ringgit 1,860,000	United States Dollar 541,706	3,481
2/5/10	Zambian Kwacha 1,895,992,476	United States Dollar 413,413	2,211
2/8/10	Indian Rupee 63,490,000	United States Dollar 1,374,242	(287)
2/8/10	New Turkish Lira 5,610,000	United States Dollar 3,779,750	(36,069)
2/8/10	Polish Zloty 10,668,535	Euro 2,602,037	43,486
2/8/10	Polish Zloty 3,850,000	Euro 937,972	17,130
2/8/10	Polish Zloty 1,020,000	Euro 248,975	3,882
2/8/10	South Korean Won 2,431,600,000	United States Dollar 2,122,926	(30,167)
2/9/10	Indian Rupee 114,553,000	United States Dollar 2,452,955	25,675
2/9/10	Indian Rupee 114,553,000	United States Dollar 2,454,006	24,624
2/11/10	Mexican Peso 25,127,000	United States Dollar 1,962,740	(43,477)
2/11/10	Russian Ruble 93,600,000	United States Dollar 3,072,882	5,155
2/16/10	Australian Dollar 1,093,000	United States Dollar 1,007,965	(42,460)
2/16/10	Indian Rupee 113,040,000	United States Dollar 2,489,868	(46,420)
2/16/10			(19,706)

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	Indonesian Rupiah	United States Dollar	
	7,088,580,000	775,217	
	Israeli Shekel	United States Dollar	
2/16/10	2,410,000	645,420	264
	South Korean Won	United States Dollar	
2/16/10	1,948,600,000	1,732,243	(55,487)
	Colombian Peso	United States Dollar	
2/18/10	1,930,000,000	963,074	8,247
	Indian Rupee	United States Dollar	
2/19/10	26,140,000	572,367	(7,572)
	Norwegian Krone	Euro	
2/19/10	12,390,000	1,506,841	1,075
	Australian Dollar	United States Dollar	
2/22/10	1,010,900	930,463	(38,042)
	Malaysian Ringgit	United States Dollar	
2/22/10	4,295,000	1,286,313	(29,652)
	Indian Rupee	United States Dollar	
2/25/10	2,200,000	47,795	(301)

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<b>Settlement Date</b>	<b>In Exchange For</b>	<b>Deliver</b>	<b>Net Unrealized Appreciation (Depreciation)</b>
2/25/10	Indonesian Rupiah 19,659,000,000	United States Dollar 2,086,057	\$ 4,571
2/25/10	Norwegian Krone 18,017,300	Euro 2,210,468	(25,911)
2/26/10	Indian Rupee 35,400,000	United States Dollar 763,919	188
2/26/10	South Korean Won 1,512,000,000	United States Dollar 1,303,358	(2,593)
3/2/10	Brazilian Real 2,973,492	United States Dollar 1,584,764	(15,100)
3/2/10	Brazilian Real 1,990,000	United States Dollar 1,073,934	(23,442)
3/11/10	Indonesian Rupiah 5,074,000,000	United States Dollar 547,771	(9,358)
3/31/10	Indonesian Rupiah 15,831,000,000	United States Dollar 1,674,529	1,773
4/13/10	Ghanaian Cedi 674,500	United States Dollar 424,882	31,832
4/13/10	Ghanaian Cedi 21,600	United States Dollar 13,652	974
5/26/10	Zambian Kwacha 3,486,700,000	United States Dollar 589,368	163,215
5/27/10	Zambian Kwacha 3,186,400,000	United States Dollar 537,698	149,942
6/11/10	Zambian Kwacha 3,099,500,000	United States Dollar 640,393	26,684
7/20/10	Ukrainian Hryvnia 11,484,300	United States Dollar 1,142,716	171,564
7/21/10	Ukrainian Hryvnia 11,317,000	United States Dollar 1,143,131	151,390
7/23/10	Ukrainian Hryvnia 11,065,700	United States Dollar 1,117,747	146,831
9/3/10	Ukrainian Hryvnia 2,470,000	United States Dollar 220,536	55,140
9/28/10	Zambian Kwacha 2,553,900,000	United States Dollar 485,071	50,248
6/15/11	Yuan Renminbi 20,600,000	United States Dollar 3,116,490	38,918
6/15/11	Yuan Renminbi 9,800,000	United States Dollar 1,483,724	17,392
			<b>\$ 672,743</b>

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At January 31, 2010, closed forward foreign currency purchases and sales contracts excluded above amounted to a receivable of \$23,791 and a payable of \$113,382.

**Futures Contracts**

<b>Expiration Date</b>	<b>Contracts</b>	<b>Position</b>	<b>Aggregate Cost</b>	<b>Value</b>	<b>Net Unrealized Appreciation (Depreciation)</b>
3/10	14 Euro-Bobl	Short	\$ (2,264,039)	\$ (2,276,132)	\$ (12,093)
3/10	10 Euro-Bund	Short	(1,708,541)	(1,710,662)	(2,121)
3/10	62 U.S. 5 Year Treasury Note	Short	(7,229,596)	(7,220,579)	9,017
3/10	21 U.S. 10 Year Treasury Note	Short	(2,495,973)	(2,481,281)	14,692
					<b>\$ 9,495</b>

Euro-Bobl: Medium term debt securities issued by the Federal Republic of Germany with a term to maturity of 4.5 to 5 years.

Euro-Bund: Long-term debt securities issued by the Federal Republic of Germany with a term to maturity of 8.5 to 10.5 years.

**Table of Contents****Interest Rate Swaps**

Counterparty	Notional		Fund		Annual Fixed Rate	Termination Date	Net Unrealized Depreciation
	Amount (000 s omitted)		Pays/Receives	Floating Rate Index			
Bank of America	ILS	2,650	Receive	3-month ILS TELBOR	4.20%	11/19/14	\$ (3,147)
Bank of America	ILS	2,600	Receive	3-month ILS TELBOR	4.54	1/6/15	(9,129)
JPMorgan Chase Bank	BRL	19,754	Pay	Brazil Interbank Deposit Rate	9.67	1/3/11	(21,073)
							<b>\$ (33,349)</b>

BRL - Brazilian Real

ILS - Israeli Shekel

**Credit Default Swaps Sell Protection**

Reference Entity	Counterparty	Notional	Contract	Termination Date	Current Market	Net Unrealized Depreciation
		Amount* (000 s omitted)	Annual Fixed Rate**		Annual Fixed Rate***	
Iceland	JPMorgan Chase Bank	\$ 2,600	1.75%	3/20/18	6.31%	\$ (570,420)
Iceland	JPMorgan Chase Bank	1,000	2.10	3/20/23	5.79	(224,541)
Iceland	JPMorgan Chase Bank	1,000	2.45	3/20/23	5.79	(202,602)
						<b>\$ (997,563)</b>

**Credit Default Swaps Buy Protection**

Reference Entity	Counterparty	Notional Amount	Contract Annual	Termination Date	Net Unrealized Appreciation (Depreciation)
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		(000 s omitted)	Fixed Rate**		
Austria	Barclays Bank PLC	\$ 2,200	0.44 %	12/20/13	\$ 28,436
Austria	Barclays Bank PLC	1,000	1.42	3/20/14	(25,467)
Brazil	Barclays Bank PLC	2,300	1.65	9/20/19	(9,839)
China	Barclays Bank PLC	1,000	1.00 (1)	3/20/15	(1,613)
China	Barclays Bank PLC	1,000	1.00 (1)	3/20/20	(6,396)
China	Citigroup Global Markets	500	1.00 (1)	3/20/20	(2,387)
China	JPMorgan Chase Bank	500	1.00 (1)	3/20/15	(1,046)
	Credit Suisse First Boston,				
Italy	Inc.	6,800	0.20	12/20/16	394,244
Lebanon	Barclays Bank PLC	500	1.00 (1)	12/20/14	(6,474)
Lebanon	Barclays Bank PLC	100	1.00 (1)	3/20/15	(1,814)
Lebanon	Citigroup Global Markets	1,200	3.30	9/20/14	(59,522)
Lebanon	Citigroup Global Markets	500	1.00 (1)	12/20/14	(6,474)
Lebanon	Citigroup Global Markets	350	1.00 (1)	12/20/14	(4,003)
Lebanon	Citigroup Global Markets	1,000	1.00 (1)	12/20/14	(14,082)
Lebanon	Citigroup Global Markets	300	1.00 (1)	3/20/15	504
Lebanon	Deutsche Bank	200	1.00 (1)	3/20/15	(2,058)
Malaysia	Bank of America	800	0.83	12/20/14	7,154
Malaysia	Barclays Bank PLC	2,100	2.40	3/20/14	(125,802)
Malaysia	Barclays Bank PLC	1,600	0.82	12/20/14	15,062
Malaysia	Citigroup Global Markets	2,000	2.45	3/20/14	(123,891)
Philippines	Barclays Bank PLC	1,000	1.70	12/20/14	3,292
Philippines	Barclays Bank PLC	1,100	1.85	12/20/14	(4,760)
Philippines	Barclays Bank PLC	1,500	1.84	12/20/14	(4,487)
Philippines	Barclays Bank PLC	655	1.00 (1)	3/20/15	6,142
Philippines	Citigroup Global Markets	800	1.84	12/20/14	(2,393)
Philippines	Citigroup Global Markets	1,100	1.86	12/20/14	(5,274)
	Credit Suisse First Boston,				
Philippines	Inc.	5,000	2.15	9/20/11	(88,815)
Philippines	JPMorgan Chase Bank	5,000	2.17	9/20/11	(90,563)
Philippines	JPMorgan Chase Bank	1,100	1.69	12/20/14	4,131
Philippines	JPMorgan Chase Bank	656	1.00 (1)	3/20/15	6,152
South Africa	Bank of America	1,200	1.00 (1)	12/20/19	18,183
South Africa	Barclays Bank PLC	1,200	1.00 (1)	12/20/19	9,603
South Africa	Citigroup Global Markets	655	1.00 (1)	12/20/19	488
	Credit Suisse First Boston,				
South Africa	Inc.	200	1.00 (1)	3/20/20	1,701
South Africa	JP Morgan Chase Bank	310	1.00 (1)	12/20/19	(4,467)
South Africa	JPMorgan Chase Bank	600	1.00 (1)	12/20/19	(1,100)

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<b>Reference Entity</b>	<b>Counterparty</b>	<b>Notional Amount (000 s omitted)</b>	<b>Contract Annual Fixed Rate**</b>	<b>Termination Date</b>	<b>Net Unrealized Appreciation (Depreciation)</b>
Thailand	Barclays Bank PLC	\$ 1,900	0.97%	9/20/19	\$ 43,568
Thailand	Citigroup Global Markets	1,600	0.86	12/20/14	15,707
Thailand	Citigroup Global Markets	900	0.95	9/20/19	22,086
Thailand	JPMorgan Chase Bank	800	0.87	12/20/14	7,477
Turkey	Barclays Bank PLC	1,100	2.12	1/20/13	(17,326)
Turkey	Citigroup Global Markets	2,300	2.93	9/20/19	(160,518)
Turkey	Credit Suisse First Boston, Inc.	10,000	2.01	3/20/10	(91,659)
Turkey	Credit Suisse First Boston, Inc.	880	2.11	1/20/13	(13,605)
Turkey	JPMorgan Chase Bank	10,000	2.00	3/20/10	(91,154)
Turkey	JPMorgan Chase Bank	3,740	2.12	1/20/13	(58,910)
iTraxx Europe Subordinated Financials 5 Year index	Bank of America	EUR 1,800	1.00 (1)	12/20/14	(1,071)
iTraxx Europe Subordinated Financials 5 Year index	Goldman Sachs, Inc.	EUR 1,800	1.00 (1)	12/20/14	(511)
					<b>\$ (443,551)</b>

\* If the Fund is the seller of credit protection, the notional amount is the maximum potential amount of future payments the Fund could be required to make if a credit event, as defined in the credit default swap agreement, were to occur. At January 31, 2010, such maximum potential amount for all open credit default swaps in which the Fund is the seller was \$4,600,000.

\*\* The contract annual fixed rate represents the fixed rate of interest received by the Fund (as a seller of protection) or paid by the Fund (as a buyer of protection) annually on the notional amount of the credit default swap contract.

\*\*\* Current market annual fixed rates, utilized in determining the net unrealized appreciation or depreciation as of period end, serve as an indicator of the market's perception of the current status of the payment/performance risk associated with the credit derivative. The current market annual fixed rate of a particular reference entity reflects the cost, as quoted by the pricing vendor, of selling protection against default of that entity as of period end and may include upfront payments required to be made to enter into the agreement. The higher the fixed rate, the greater the market perceived risk of a credit event involving the reference entity. A rate identified as Defaulted indicates a credit event has occurred for the reference entity.

(1) Upfront payment is exchanged with the counterparty as a result of the standardized trading coupon.

## Cross-Currency Swaps

Counterparty	Notional Amount on Fixed Rate (Currency Received) (000 s omitted)	Notional Amount on Floating Rate (Currency Delivered) (000 s omitted)	Floating Rate	Fixed Rate	Termination Date	Net Unrealized Depreciation
Bank of America	TRY 6,400	\$ 4,272	3-month USD-LIBOR-BBA	10.03%	11/25/13	\$ (69,134)
Citigroup Global Markets	TRY 1,110	\$ 687	3-month USD-LIBOR-BBA	11.95	2/15/12	(179,713)
Citigroup Global Markets	TRY 2,367	\$ 1,427	3-month USD-LIBOR-BBA	12.10	2/15/12	(424,382)
Citigroup Global Markets	TRY 3,434	\$ 2,044	3-month USD-LIBOR-BBA	12.46	8/14/13	(537,547)
Citigroup Global Markets	TRY 1,152	\$ 771	3-month USD-LIBOR-BBA	10.05	11/6/13	(15,111)
Credit Suisse First Boston, Inc.	TRY 1,799	\$ 1,039	3-month USD-LIBOR-BBA	12.45	2/15/12	(367,770)
JPMorgan Chase Bank	TRY 26	\$ 18	3-month USD-LIBOR-BBA	10.10	11/6/13	(370)
						<b>\$ (1,594,027)</b>

TRY - New Turkish Lira

The Fund pays interest on the currency received and receives interest on the currency delivered. At the termination date, the notional amount of the currency received will be exchanged for the notional amount of the currency delivered.



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Written currency call options activity for the fiscal year to date ended January 31, 2010 was as follows:

	<b>Principal Amount of Contracts (000 s omitted)</b>	<b>Premiums Received</b>
Outstanding, beginning of period	JPY 1,057,000	\$ 135,484
<b>Outstanding, end of period</b>	<b>JPY 1,057,000</b>	<b>\$ 135,484</b>

JPY - Japanese Yen

At January 31, 2010, the Fund had sufficient cash and/or securities to cover commitments under these contracts.

In the normal course of pursuing its investment objectives, the Fund is subject to the following risks:

**Credit Risk:** The Fund may enter into credit default swap contracts to manage its credit risk, to gain exposure to a credit in which the Fund may otherwise invest, or to enhance return.

**Foreign Exchange Risk:** The Fund holds foreign currency denominated investments. The value of these investments and related receivables and payables may change due to future changes in foreign currency exchange rates. To hedge against this risk, the Fund may enter into forward foreign currency exchange contracts. The Fund may also enter into such contracts to hedge the currency risk of investments it anticipates purchasing. The Fund may also purchase or write currency option contracts to enhance return.

**Interest Rate Risk:** The Fund holds fixed-rate bonds. The value of these bonds may decrease if interest rates rise. To hedge against this risk, the Fund may enter into interest rate and cross-currency swap contracts. The Fund may also purchase and sell U.S. Treasury and foreign debt futures contracts to hedge against changes in interest rates.

The fair value of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) by risk exposure at January 31, 2010 was as follows:

<b>Risk</b>	<b>Derivative</b>	<b>Fair Value</b>	
		<b>Asset Derivatives</b>	<b>Liability Derivatives</b>
Credit	Credit Default Swaps	\$ 583,930	\$ (2,025,044)
		<b>\$ 583,930</b>	<b>\$ (2,025,044)</b>
Foreign Exchange	Currency Options Purchased	\$ 158,998	\$
Foreign Exchange	Currency Options Written		(9,602)
Foreign Exchange	Forward Foreign Currency Exchange Contracts	2,350,652	(1,285,088)
		<b>\$ 2,509,650</b>	<b>\$ (1,294,690)</b>

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Interest Rate	Cross-Currency Swaps	\$	\$ (1,594,027)
Interest Rate	Futures Contracts	23,709*	(14,214)*
Interest Rate	Interest Rate Swaps		(33,349)
		\$	\$ (1,641,590)
		\$	\$ 23,709
		\$	\$ (1,641,590)

\* Amount represents cumulative unrealized appreciation or (depreciation) on futures contracts in the Futures Contracts table above.

The cost and unrealized appreciation (depreciation) of investments of the Fund at January 31, 2010, as determined on a federal income tax basis, were as follows:

<b>Aggregate cost</b>	\$	<b>431,383,237</b>
Gross unrealized appreciation	\$	21,604,945
Gross unrealized depreciation		(13,029,615)
<b>Net unrealized appreciation</b>	\$	<b>8,575,330</b>

Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed 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.)

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Level 3 significant unobservable inputs (including a 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.

At January 31, 2010, the inputs used in valuing the Fund's investments, which are carried at value, were as follows:

<b>Asset Description</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>	<b>Total</b>
Senior Floating-Rate Interests	\$	\$ 167,954,949	\$ 473,504	\$ 168,428,453
Collateralized Mortgage Obligations		25,871,990		25,871,990
Commercial Mortgage-Backed Securities		8,157,233		8,157,233
Mortgage Pass-Throughs		142,526,203		142,526,203
Asset-Backed Securities		319,750		319,750
Corporate Bonds & Notes		808,293		808,293
Foreign Corporate Bonds & Notes		2,653,898		2,653,898
Foreign Government Securities		29,130,930	803,471	29,934,401
Common Stocks	48,873	187,711	12,402	248,986
Currency Options Purchased		158,998		158,998
Short-Term Investments	1,788,213	59,062,149		60,850,362
<b>Total Investments</b>	<b>\$ 1,837,086</b>	<b>\$ 436,832,104</b>	<b>\$ 1,289,377</b>	<b>\$ 439,958,567</b>
Forward Foreign Currency Exchange Contracts	\$	\$ 2,350,652	\$	\$ 2,350,652
Futures Contracts	23,709			23,709
Swap Contracts		583,930		583,930
<b>Total</b>	<b>\$ 1,860,795</b>	<b>\$ 439,766,686</b>	<b>\$ 1,289,377</b>	<b>\$ 442,916,858</b>

**Liability Description**

Currency Options Written	\$		\$	(9,602)	\$		\$	(9,602)
Forward Foreign Currency Exchange Contracts				(1,285,088)				(1,285,088)
Futures Contracts		(14,214)						(14,214)
Swap Contracts				(3,652,420)				(3,652,420)
<b>Total</b>	<b>\$</b>	<b>(14,214)</b>	<b>\$</b>	<b>(4,947,110)</b>	<b>\$</b>		<b>\$</b>	<b>(4,961,324)</b>

The following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value:

	<b>Investments in Senior Floating-Rate Interests</b>	<b>Investments in Foreign Government Securities</b>	<b>Investments in Common Stocks</b>	<b>Total</b>
<b>Balance as of October 31, 2009</b>	<b>\$ 473,504</b>	<b>\$ 711,596</b>	<b>\$ 12,402</b>	<b>\$ 1,197,502</b>
Realized gains (losses)				
Change in net unrealized appreciation (depreciation)	(422)	91,875		91,453
Net purchases (sales)				
Accrued discount (premium)	422			422
Net transfers to (from) Level 3				
<b>Balance as of January 31, 2010</b>	<b>\$ 473,504</b>	<b>\$ 803,471</b>	<b>\$ 12,402</b>	<b>\$ 1,289,377</b>
<b>Change in net unrealized appreciation (depreciation) on investments still held as of January 31, 2010</b>	<b>\$ (422)</b>	<b>\$ 91,875</b>	<b>\$</b>	<b>\$ 91,453</b>

For information on the Fund's policy regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements included in its semiannual or annual report to shareholders.

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**Item 2. Controls and Procedures**

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant on this Form N-Q has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant on this Form N-Q has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant's internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant's internal control over financial reporting.

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**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.

**Eaton Vance Short Duration Diversified Income Fund**

By: /s/ Payson F. Swaffield

Payson F. Swaffield  
President

Date: March 24, 2010

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/ Payson F. Swaffield

Payson F. Swaffield  
President

Date: March 24, 2010

By: /s/ Barbara E. Campbell

Barbara E. Campbell  
Treasurer

Date: March 24, 2010