

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

Eaton Vance Short Duration Diversified Income Fund

Form N-Q

September 29, 2009

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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

July 31, 2009

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 July 31, 2009

PORTFOLIO OF INVESTMENTS (Unaudited)

Senior Floating-Rate Interests 57.7%

Principal**Amount*****(000 s omitted)**

	Borrower/Tranche Description	Value
Aerospace and Defense 1.2%		
	ACTS Aero Technical Support & Service, Inc.	
188	Term Loan, 0.00%, Maturing October 5, 2014 ⁽²⁾	\$ 42,718
	DAE Aviation Holdings, Inc.	
113	Term Loan, 4.24%, Maturing July 31, 2014	93,531
115	Term Loan, 4.24%, Maturing July 31, 2014	95,362
	Evergreen International Aviation	
261	Term Loan, 11.50%, Maturing October 31, 2011	160,004
	Hawker Beechcraft Acquisition	
1,866	Term Loan, 2.39%, Maturing March 26, 2014	1,275,881
110	Term Loan, 2.60%, Maturing March 26, 2014	75,303
	Hexcel Corp.	
500	Term Loan, 6.50%, Maturing May 21, 2014	502,084
	TransDigm, Inc.	
1,000	Term Loan, 2.41%, Maturing June 23, 2013	970,833
	Vought Aircraft Industries, Inc.	
121	Term Loan, 2.94%, Maturing December 17, 2011	118,182
369	Term Loan, 7.50%, Maturing December 17, 2011	362,088
		\$ 3,695,986
Air Transport 0.4%		
	Delta Air Lines, Inc.	
500	Term Loan, 2.23%, Maturing April 30, 2012	\$ 395,000
343	Term Loan - Second Lien, 3.55%, Maturing April 30, 2014	235,955
	Northwest Airlines, Inc.	
813	Term Loan, 2.29%, Maturing December 31, 2010	777,030
		\$ 1,407,985
Automotive 2.9%		
	Accuride Corp.	
536	Term Loan, 3.00%, Maturing January 31, 2012	\$ 494,166
	Adesa, Inc.	
885	Term Loan, 2.54%, Maturing October 18, 2013	825,570
	Allison Transmission, Inc.	
794	Term Loan, 3.06%, Maturing September 30, 2014	692,092
	Dayco Europe S.R.I.	
EUR 222	Term Loan, 0.00%, Maturing June 21, 2010 ⁽²⁾	76,957

	Dayco Products, LLC	
491	Term Loan, 0.00%, Maturing June 21, 2011 ⁽²⁾	138,036
	Delphi Corp.	
622	DIP Loan, 8.25%, Maturing September 30, 2009	622,492
	Federal-Mogul Corp.	
292	Term Loan, 2.24%, Maturing December 27, 2014	221,342
226	Term Loan, 2.23%, Maturing December 27, 2015	171,362
	Ford Motor Co.	
487	Term Loan, 3.50%, Maturing December 15, 2013	415,695
	Goodyear Tire & Rubber Co.	
3,175	Term Loan - Second Lien, 2.04%, Maturing April 30, 2010	2,942,168
	HLI Operating Co., Inc.	
359	DIP Loan, 26.00%, Maturing November 30, 2009 ⁽⁴⁾	344,200
EUR 27	Term Loan, 3.56%, Maturing May 30, 2014	2,915
EUR 1,297	Term Loan, 9.50%, Maturing May 30, 2014	140,975
	Keystone Automotive Operations, Inc.	
237	Term Loan, 3.79%, Maturing January 12, 2012	112,344

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Principal Amount* (000 \$ omitted)	Borrower/Tranche Description	Value
	LKQ Corp.	
242	Term Loan, 2.55%, Maturing October 12, 2014	\$ 237,463
	TriMas Corp.	
1,070	Term Loan, 2.62%, Maturing August 2, 2011	965,957
296	Term Loan, 2.65%, Maturing August 2, 2013	267,419
	TRW Automotive, Inc.	
499	Term Loan, 6.31%, Maturing February 2, 2014	474,727
		\$ 9,145,880
	Beverage and Tobacco 0.0%	
	Culligan International Co.	
EUR 300	Term Loan - Second Lien, 5.48%, Maturing May 31, 2013	\$ 110,461
		\$ 110,461
	Building and Development 1.2%	
	Brickman Group Holdings, Inc.	
587	Term Loan, 2.34%, Maturing January 23, 2014	\$ 538,984
	Building Materials Corp. of America	
390	Term Loan, 3.06%, Maturing February 22, 2014	350,938
	Epco/Fantome, LLC	
440	Term Loan, 2.91%, Maturing November 23, 2010	336,600
	Hovstone Holdings, LLC	
134	Term Loan, 5.50%, Maturing September 25, 2009 ⁽³⁾⁽⁴⁾	54,039
	LNR Property Corp.	
631	Term Loan, 3.81%, Maturing July 3, 2011	385,076
	Mueller Water Products, Inc.	
404	Term Loan, 6.03%, Maturing May 24, 2014	372,116
	Panoram Industries Holdings, Inc.	
156	Term Loan, 5.00%, Maturing September 30, 2012	114,865
	Realogy Corp.	
255	Term Loan, 3.28%, Maturing September 1, 2014	197,355
946	Term Loan, 3.31%, Maturing September 1, 2014	733,033
	Wintergames Acquisition ULC	
732	Term Loan, 7.79%, Maturing October 31, 2009	577,461
		\$ 3,660,467
	Business Equipment and Services 5.3%	
	Activant Solutions, Inc.	
500	Term Loan, 2.48%, Maturing May 1, 2013	\$ 452,500
	Axiom Corp.	
468	Term Loan, 2.37%, Maturing September 15, 2012	450,395
	Affiliated Computer Services	

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497	Term Loan, 2.29%, Maturing March 20, 2013 Affinion Group, Inc.	488,852
1,394	Term Loan, 2.79%, Maturing October 17, 2012 Allied Barton Security Service	1,328,835
199	Term Loan, 6.75%, Maturing February 21, 2015 Education Management, LLC	199,607
1,415	Term Loan, 2.38%, Maturing June 1, 2013 Info USA, Inc.	1,358,337
88	Term Loan, 2.60%, Maturing February 14, 2012 Intergraph Corp.	83,590
921	Term Loan, 2.66%, Maturing May 29, 2014 Mitchell International, Inc.	876,696
191	Term Loan, 2.63%, Maturing March 28, 2014 N.E.W. Holdings I, LLC	167,013
260	Term Loan, 2.80%, Maturing May 22, 2014 Protection One, Inc.	240,871
1,051	Term Loan, 2.54%, Maturing March 31, 2012 Quintiles Transnational Corp.	1,003,835
888	Term Loan, 2.48%, Maturing March 31, 2013	842,743

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Principal Amount* (000 \$ omitted)	Borrower/Tranche Description	Value
	Sabre, Inc.	
1,365	Term Loan, 2.67%, Maturing September 30, 2014	\$ 1,103,615
	Serena Software, Inc.	
1,193	Term Loan, 2.63%, Maturing March 10, 2013	1,100,081
	Sitel (Client Logic)	
273	Term Loan, 5.96%, Maturing January 29, 2014	203,535
	SunGard Data Systems, Inc.	
82	Term Loan, 2.45%, Maturing February 11, 2013	77,943
2,318	Term Loan, 4.35%, Maturing February 28, 2016	2,226,215
	TDS Investor Corp.	
EUR 526	Term Loan, 3.62%, Maturing August 23, 2013	584,545
	Ticketmaster	
1,000	Term Loan, 3.60%, Maturing July 22, 2014	970,000
	Valassis Communications, Inc.	
108	Term Loan, 2.04%, Maturing March 2, 2014	103,122
481	Term Loan, 2.04%, Maturing March 2, 2014	458,234
	VWR International, Inc.	
950	Term Loan, 2.79%, Maturing June 28, 2013	872,021
	West Corp.	
1,677	Term Loan, 2.67%, Maturing October 24, 2013	1,593,360
		\$ 16,785,945
 Cable and Satellite Television 4.5%		
	Cequel Communications, LLC	
475	Term Loan - Second Lien, 4.81%, Maturing May 5, 2014	\$ 425,719
1,133	Term Loan - Second Lien, 6.31%, Maturing May 5, 2014 ⁽⁴⁾	1,026,523
	Charter Communications Operating, Inc.	
1,962	Term Loan, 6.25%, Maturing April 28, 2013	1,837,371
	CSC Holdings, Inc.	
1,481	Term Loan, 2.04%, Maturing March 29, 2013	1,434,220
	CW Media Holdings, Inc.	
1,191	Term Loan, 3.85%, Maturing February 15, 2015	1,029,104
	Insight Midwest Holdings, LLC	
1,029	Term Loan, 2.31%, Maturing April 6, 2014	977,171
	Kabel Deutschland GmbH	
EUR 1,000	Term Loan, 2.29%, Maturing March 31, 2012	1,336,575
	MCC Iowa, LLC	
1,975	Term Loan, 2.02%, Maturing January 31, 2015	1,862,784
	ProSiebenSat.1 Media AG	
EUR 62	Term Loan, 3.53%, Maturing March 2, 2015	33,381
EUR 9	Term Loan, 3.14%, Maturing June 26, 2015	10,390
EUR 232	Term Loan, 3.14%, Maturing June 26, 2015	256,016
EUR 62	Term Loan, 3.78%, Maturing March 2, 2016	33,381
	UPC Broadband Holding B.V.	

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EUR	1,394	Term Loan, 4.52%, Maturing December 31, 2016	1,789,606
EUR	1,006	Term Loan, 4.77%, Maturing December 31, 2017	1,291,674
		YPSO Holding SA	
EUR	191	Term Loan, 3.44%, Maturing July 28, 2014	202,969
EUR	312	Term Loan, 3.44%, Maturing July 28, 2014	331,159
EUR	496	Term Loan, 3.44%, Maturing July 28, 2014	525,938
			\$ 14,403,981
Chemicals and Plastics 3.4%			
		Ashland, Inc.	
	254	Term Loan, 7.65%, Maturing November 20, 2014	\$ 259,127
		Brenntag Holding GmbH and Co.	
EUR	1,111	Term Loan, 8.37%, Maturing December 23, 2013 ⁽⁴⁾	1,275,014
		Celanese Holdings, LLC	
	1,485	Term Loan, 2.35%, Maturing April 2, 2014	1,409,891
		Cognis GmbH	
	400	Term Loan, 2.62%, Maturing September 15, 2013	335,800

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Principal Amount* (000 \$ omitted)	Borrower/Tranche Description	Value
	Georgia Gulf Corp.	
185	Term Loan, 9.02%, Maturing October 3, 2013	\$ 172,024
	Huntsman International, LLC	
2,475	Term Loan, 2.04%, Maturing August 16, 2012	2,300,278
	INEOS Group	
1,218	Term Loan, 7.50%, Maturing December 14, 2013	943,985
1,218	Term Loan, 8.00%, Maturing December 14, 2014	943,985
	Kranton Polymers, LLC	
624	Term Loan, 2.63%, Maturing May 12, 2013	522,282
	MacDermid, Inc.	
EUR 363	Term Loan, 2.75%, Maturing April 12, 2014	365,618
	Millenium Inorganic Chemicals	
300	Term Loan - Second Lien, 6.35%, Maturing October 31, 2014	187,500
	Rockwood Specialties Group, Inc.	
EUR 1,425	Term Loan, 6.25%, Maturing May 15, 2014	1,970,120
		\$ 10,685,624
Clothing/Textiles	0.4%	
	Hanesbrands, Inc.	
1,000	Term Loan, 5.24%, Maturing September 5, 2013	\$ 1,007,407
250	Term Loan - Second Lien, 4.25%, Maturing March 5, 2014	240,833
	St. John Knits International, Inc.	
110	Term Loan, 10.00%, Maturing March 23, 2012	82,775
		\$ 1,331,015
Conglomerates	2.0%	
	Doncasters (Dunde HoldCo 4 Ltd.)	
124	Term Loan, 2.79%, Maturing July 13, 2015	\$ 86,413
124	Term Loan, 3.29%, Maturing July 13, 2015	86,413
GBP 250	Term Loan - Second Lien, 5.09%, Maturing January 13, 2016	195,234
	Jarden Corp.	
824	Term Loan, 2.35%, Maturing January 24, 2012	805,791
167	Term Loan, 2.35%, Maturing January 24, 2012	163,016
408	Term Loan, 3.10%, Maturing January 24, 2012	404,202
	Manitowoc Company, Inc. (The)	
249	Term Loan, 7.50%, Maturing August 21, 2014	226,155
	Polymer Group, Inc.	
1,199	Term Loan, 2.67%, Maturing November 22, 2012	1,136,081
	RBS Global, Inc.	
2,000	Term Loan, 2.96%, Maturing July 19, 2013	1,820,000
	RGIS Holdings, LLC	
813	Term Loan, 3.04%, Maturing April 30, 2014	694,906
41	Term Loan, 3.10%, Maturing April 30, 2014	34,745

	US Investigations Services, Inc.		
516	Term Loan, 3.36%, Maturing February 21, 2015		461,954
	Vertrue, Inc.		
242	Term Loan, 3.60%, Maturing August 16, 2014		193,465
			\$ 6,308,375
Containers and Glass Products 1.7%			
	Berry Plastics Corp.		
534	Term Loan, 2.30%, Maturing April 3, 2015	\$	455,310
	Consolidated Container Co.		
318	Term Loan, 2.54%, Maturing March 28, 2014		285,919
	Crown Americas, Inc.		
EUR 970	Term Loan, 2.38%, Maturing November 15, 2012		1,265,024
	Graham Packaging Holdings Co.		
89	Term Loan, 2.56%, Maturing October 7, 2011		86,218
893	Term Loan, 6.75%, Maturing April 5, 2014		893,176
	Pregis Corp.		
944	Term Loan, 2.54%, Maturing October 12, 2011		778,655

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Amount***

(000 s omitted)	Borrower/Tranche Description	Value
	Smurfit-Stone Container Corp.	
367	DIP Loan, 8.75%, Maturing August 6, 2010	\$ 372,343
198	Revolving Loan, 3.05%, Maturing December 31, 2009	187,933
596	Term Loan, 2.89%, Maturing November 1, 2009	566,629
136	Term Loan, 2.57%, Maturing November 1, 2011	128,749
257	Term Loan, 2.57%, Maturing November 1, 2011	243,154
78	Term Loan, 2.57%, Maturing November 1, 2011	73,516
120	Term Loan, 4.50%, Maturing November 1, 2011	113,134
		\$ 5,449,760
Cosmetics/Toiletries	0.3%	
	Bausch & Lomb, Inc.	
121	Term Loan, 3.70%, Maturing April 30, 2015	\$ 114,635
475	Term Loan, 3.85%, Maturing April 30, 2015	451,660
	Prestige Brands, Inc.	
464	Term Loan, 2.54%, Maturing April 7, 2011	455,534
		\$ 1,021,829
Drugs	0.2%	
	Pharmaceutical Holdings Corp.	
101	Term Loan, 3.56%, Maturing January 30, 2012	\$ 92,243
	Warner Chilcott Corp.	
111	Term Loan, 2.29%, Maturing January 18, 2012	108,568
317	Term Loan, 2.46%, Maturing January 18, 2012	309,569
		\$ 510,380
Ecological Services and Equipment	0.4%	
	Big Dumpster Merger Sub, Inc.	
95	Term Loan, 2.54%, Maturing February 5, 2013	\$ 55,439
	Blue Waste B.V. (AVR Acquisition)	
EUR 500	Term Loan, 2.79%, Maturing April 1, 2015	637,822
	Sensus Metering Systems, Inc.	
353	Term Loan, 7.00%, Maturing June 3, 2013	349,179
	Wastequip, Inc.	
390	Term Loan, 2.54%, Maturing February 5, 2013	228,072
		\$ 1,270,512
Electronics/Electrical	1.8%	
	Aspect Software, Inc.	
369	Term Loan, 3.31%, Maturing July 11, 2011	\$ 321,195
500	Term Loan - Second Lien, 7.38%, Maturing July 11, 2013	271,250

	Freescale Semiconductor, Inc.	
1,186	Term Loan, 2.06%, Maturing December 1, 2013	881,140
	Infor Enterprise Solutions Holdings	
383	Term Loan, 4.04%, Maturing July 28, 2012	329,761
735	Term Loan, 4.04%, Maturing July 28, 2012	632,042
250	Term Loan, 5.79%, Maturing March 2, 2014	138,750
92	Term Loan - Second Lien, 6.54%, Maturing March 2, 2014	48,125
158	Term Loan - Second Lien, 6.54%, Maturing March 2, 2014	87,083
	Network Solutions, LLC	
695	Term Loan, 2.84%, Maturing March 7, 2014	606,476
	Open Solutions, Inc.	
318	Term Loan, 2.63%, Maturing January 23, 2014	226,526
	Sensata Technologies Finance Co.	
977	Term Loan, 2.25%, Maturing April 27, 2013	823,706
	Spectrum Brands, Inc.	
16	Term Loan, 2.60%, Maturing March 30, 2013	15,112
324	Term Loan, 6.25%, Maturing March 30, 2013	297,284
	SS&C Technologies, Inc.	
383	Term Loan, 2.48%, Maturing November 23, 2012	344,137

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Principal Amount* (000 \$ omitted)	Borrower/Tranche Description	Value
	Vertafore, Inc.	
485	Term Loan, 3.16%, Maturing January 31, 2012	\$ 463,247
275	Term Loan - Second Lien, 6.66%, Maturing January 31, 2013	222,750
		\$ 5,708,584
Equipment Leasing	0.1%	
	AWAS Capital, Inc.	
491	Term Loan - Second Lien, 6.63%, Maturing March 22, 2013	\$ 224,443
		\$ 224,443
Farming/Agriculture	0.1%	
	BF Bolthouse HoldCo, LLC	
375	Term Loan - Second Lien, 5.79%, Maturing December 16, 2013	\$ 325,781
		\$ 325,781
Financial Intermediaries	0.4%	
	Citco III, Ltd.	
988	Term Loan, 2.85%, Maturing June 30, 2014	\$ 691,879
	Jupiter Asset Management Group	
GBP 213	Term Loan, 3.11%, Maturing June 30, 2015	269,621
	LPL Holdings, Inc.	
492	Term Loan, 2.19%, Maturing December 18, 2014	451,817
		\$ 1,413,317
Food Products	1.3%	
	Acosta, Inc.	
606	Term Loan, 2.54%, Maturing July 28, 2013	\$ 576,695
	Advantage Sales & Marketing, Inc.	
918	Term Loan, 2.31%, Maturing March 29, 2013	877,259
	American Seafoods Group, LLC	
577	Term Loan, 2.04%, Maturing September 30, 2011	524,686
	Michael Foods, Inc.	
197	Term Loan, 6.50%, Maturing April 30, 2014	198,970
	Pinnacle Foods Finance, LLC	
1,054	Term Loan, 3.06%, Maturing April 2, 2014	963,953
	Reddy Ice Group, Inc.	
925	Term Loan, 2.04%, Maturing August 9, 2012	747,708
	Wrigley Company	
251	Term Loan, 6.50%, Maturing October 6, 2014	254,528
		\$ 4,143,799

Food Service 1.4%

		Aramark Corp.	
	1,881	Term Loan, 2.47%, Maturing January 26, 2014	\$ 1,788,854
	119	Term Loan, 3.75%, Maturing January 26, 2014	113,645
GBP	536	Term Loan, 3.33%, Maturing January 27, 2014	833,074
		Buffets, Inc.	
	30	Term Loan, 7.85%, Maturing November 1, 2013 ⁽⁴⁾	13,964
	140	Term Loan - Second Lien, 19.12%, Maturing November 1, 2013 ⁽⁴⁾	65,596
		Denny s, Inc.	
	37	Term Loan, 2.38%, Maturing March 31, 2012	35,150
	117	Term Loan, 3.43%, Maturing March 31, 2012	110,820
		JRD Holdings, Inc.	
	616	Term Loan, 2.54%, Maturing June 26, 2014	592,762
		OSI Restaurant Partners, LLC	
	19	Term Loan, 3.05%, Maturing May 9, 2013	14,427
	208	Term Loan, 2.63%, Maturing May 9, 2014	159,629

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Principal Amount* (000 \$ omitted)	Borrower/Tranche Description	Value
	QCE Finance, LLC	
275	Term Loan - Second Lien, 6.35%, Maturing November 5, 2013	\$ 144,375
	Selecta	
EUR 741	Term Loan, 3.71%, Maturing June 28, 2015	598,242
		\$ 4,470,538
Food/Drug Retailers	1.6%	
	General Nutrition Centers, Inc.	
774	Term Loan, 2.73%, Maturing September 16, 2013	\$ 707,319
	Iceland Foods Group, Ltd.	
GBP 53	Term Loan, 2.36%, Maturing May 2, 2014	87,222
GBP 250	Term Loan, 3.11%, Maturing May 2, 2015	408,564
	Rite Aid Corp.	
995	Term Loan, 2.05%, Maturing June 1, 2014	828,057
1,492	Term Loan, 6.00%, Maturing June 4, 2014	1,348,830
	Rite Aid Funding II	
500	Term Loan - Second Lien, 15.00%, Maturing September 14, 2010	510,000
	Roundy's Supermarkets, Inc.	
1,165	Term Loan, 3.05%, Maturing November 3, 2011	1,135,019
		\$ 5,025,011
Forest Products	1.3%	
	Appleton Papers, Inc.	
499	Term Loan, 6.50%, Maturing June 5, 2014	\$ 436,387
	Georgia-Pacific Corp.	
1,920	Term Loan, 2.31%, Maturing December 20, 2012	1,857,670
427	Term Loan, 3.77%, Maturing December 23, 2014	417,969
	Newpage Corp.	
1,789	Term Loan, 4.06%, Maturing December 5, 2014	1,555,147
		\$ 4,267,173
Healthcare	5.3%	
	Accellent, Inc.	
986	Term Loan, 3.17%, Maturing November 22, 2012	\$ 897,694
	American Medical Systems	
253	Term Loan, 2.56%, Maturing July 20, 2012	245,430
	AMR HoldCo, Inc.	
287	Term Loan, 2.30%, Maturing February 10, 2012	274,684
	Biomet, Inc.	
761	Term Loan, 3.58%, Maturing December 26, 2014	723,484
EUR 344	Term Loan, 3.98%, Maturing December 26, 2014	467,824
	Cardinal Health 409, Inc.	

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417	Term Loan, 2.54%, Maturing April 10, 2014 Carestream Health, Inc.	356,802
880	Term Loan, 2.29%, Maturing April 30, 2013 Carl Zeiss Vision Holding GmbH	812,967
400	Term Loan, 2.79%, Maturing March 23, 2015 Community Health Systems, Inc.	198,000
105	Term Loan, 2.54%, Maturing July 25, 2014	98,475
2,049	Term Loan, 2.90%, Maturing July 25, 2014 Concentra, Inc.	1,929,655
494	Term Loan, 2.85%, Maturing June 25, 2014 Dako EQT Project Delphi	439,361
250	Term Loan - Second Lien, 4.35%, Maturing December 12, 2016 DJO Finance, LLC	105,417
197	Term Loan, 3.41%, Maturing May 15, 2014 Fenwal, Inc.	184,523
426	Term Loan, 2.92%, Maturing February 28, 2014	363,011
73	Term Loan, 2.92%, Maturing February 28, 2014 HCA, Inc.	61,894
2,066	Term Loan, 2.85%, Maturing November 18, 2013	1,943,418

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Principal Amount* (000 \$ omitted)	Borrower/Tranche Description	Value
	Health Management Association, Inc.	
1,030	Term Loan, 2.35%, Maturing February 28, 2014	\$ 959,381
	HealthSouth Corp.	
482	Term Loan, 2.54%, Maturing March 10, 2013	460,499
	IM U.S. Holdings, LLC	
816	Term Loan, 2.42%, Maturing June 26, 2014	786,043
	Invacare Corp.	
150	Term Loan, 2.54%, Maturing February 12, 2013	135,000
	MultiPlan Merger Corp.	
431	Term Loan, 2.81%, Maturing April 12, 2013	410,791
	Mylan, Inc.	
1,000	Term Loan, 3.81%, Maturing October 2, 2014	974,200
	National Mentor Holdings, Inc.	
275	Term Loan, 2.60%, Maturing June 29, 2013	235,788
17	Term Loan, 4.59%, Maturing June 29, 2013	14,420
	Nyco Holdings	
EUR 308	Term Loan, 3.37%, Maturing December 29, 2014	398,161
EUR 308	Term Loan, 4.12%, Maturing December 29, 2015	398,161
	P&F Capital S.A.R.L.	
EUR 63	Term Loan, 3.95%, Maturing February 21, 2014	87,590
EUR 204	Term Loan, 3.95%, Maturing February 21, 2014	281,824
EUR 122	Term Loan, 3.95%, Maturing February 21, 2014	168,713
EUR 98	Term Loan, 3.95%, Maturing February 21, 2014	135,349
EUR 92	Term Loan, 4.45%, Maturing February 21, 2015	127,271
EUR 34	Term Loan, 4.45%, Maturing February 21, 2015	47,298
EUR 71	Term Loan, 4.45%, Maturing February 21, 2015	98,187
EUR 290	Term Loan, 4.45%, Maturing February 21, 2015	400,042
	ReAble Therapeutics Finance, LLC	
434	Term Loan, 2.47%, Maturing November 16, 2013	422,868
	Select Medical Corp.	
491	Term Loan, 2.72%, Maturing February 24, 2012	469,511
	Select Medical Holdings Corp.	
479	Term Loan, 2.72%, Maturing February 24, 2012	457,605
	Viant Holdings, Inc.	
483	Term Loan, 2.85%, Maturing June 25, 2014	419,831
		\$ 16,991,172
Home Furnishings	0.8%	
	Interline Brands, Inc.	
264	Term Loan, 1.98%, Maturing June 23, 2013	\$ 238,497
148	Term Loan, 1.98%, Maturing June 23, 2013	133,783
	National Bedding Co., LLC	
995	Term Loan, 2.31%, Maturing August 31, 2011	868,048
	Oreck Corp.	

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442	Term Loan, 0.00%, Maturing February 2, 2012 ⁽²⁾⁽³⁾ Simmons Co.	138,366
1,307	Term Loan, 10.50%, Maturing December 19, 2011	1,241,271
		\$ 2,619,965

Industrial Equipment 1.4%

	Brand Energy and Infrastructure Services, Inc.	
197	Term Loan, 3.67%, Maturing February 7, 2014 CEVA Group PLC U.S.	\$ 183,973
752	Term Loan, 3.29%, Maturing January 4, 2014	561,692
263	Term Loan, 3.29%, Maturing January 4, 2014	196,413
262	Term Loan, 3.60%, Maturing January 4, 2014 EPD Holdings (Goodyear Engineering Products)	188,286
86	Term Loan, 2.55%, Maturing July 13, 2014	58,608
602	Term Loan, 2.55%, Maturing July 13, 2014	409,211
200	Term Loan - Second Lien, 6.05%, Maturing July 13, 2015	79,500

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Principal Amount* (000 \$ omitted)	Borrower/Tranche Description	Value
	Generac Acquisition Corp.	
363	Term Loan, 2.81%, Maturing November 7, 2013	\$ 285,266
	Gleason Corp.	
175	Term Loan, 2.42%, Maturing June 30, 2013	163,525
20	Term Loan, 2.42%, Maturing June 30, 2013	18,783
	John Maneely Co.	
1,502	Term Loan, 3.63%, Maturing December 8, 2013	1,175,985
	Polypore, Inc.	
833	Term Loan, 2.56%, Maturing July 3, 2014	787,185
	Sequa Corp.	
397	Term Loan, 3.84%, Maturing November 30, 2014	324,688
	TFS Acquisition Corp.	
219	Term Loan, 5.10%, Maturing August 11, 2013	101,201
		\$ 4,534,316
Insurance 1.4%		
	CCC Information Services Group, Inc.	
563	Term Loan, 2.54%, Maturing February 10, 2013	\$ 541,048
	Conseco, Inc.	
778	Term Loan, 6.50%, Maturing October 10, 2013	567,960
	Crawford & Company	
346	Term Loan, 3.10%, Maturing October 31, 2013	297,683
	Crump Group, Inc.	
219	Term Loan, 3.29%, Maturing August 4, 2014	177,682
	Getty Images, Inc.	
1,454	Term Loan, 6.25%, Maturing July 2, 2015	1,468,050
	Hub International Holdings, Inc.	
580	Term Loan, 2.79%, Maturing June 13, 2014	535,124
130	Term Loan, 2.79%, Maturing June 13, 2014	120,281
	U.S.I. Holdings Corp.	
718	Term Loan, 3.35%, Maturing May 4, 2014	610,268
		\$ 4,318,096
Leisure Goods/Activities/Movies 2.9%		
	24 Hour Fitness Worldwide, Inc.	
392	Term Loan, 2.94%, Maturing June 8, 2012	\$ 338,940
	AMC Entertainment, Inc.	
1,974	Term Loan, 1.79%, Maturing January 26, 2013	1,878,665
	Bombardier Recreational Products	
524	Term Loan, 3.30%, Maturing June 28, 2013	374,696
	Cinemark, Inc.	
995	Term Loan, 2.23%, Maturing October 5, 2013	956,079
	Metro-Goldwyn-Mayer Holdings, Inc.	

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1,602	Term Loan, 3.54%, Maturing April 8, 2012 National CineMedia, LLC	929,317
725	Term Loan, 2.38%, Maturing February 13, 2015 Regal Cinemas Corp.	683,313
1,519	Term Loan, 4.35%, Maturing November 10, 2010 Revolution Studios Distribution Co., LLC	1,509,202
293	Term Loan, 4.04%, Maturing December 21, 2014	266,924
225	Term Loan - Second Lien, 7.29%, Maturing June 21, 2015 Six Flags Theme Parks, Inc.	129,375
835	Term Loan, 2.66%, Maturing April 30, 2015 Universal City Development Partners, Ltd.	815,082
925	Term Loan, 6.00%, Maturing June 9, 2011 Zuffa, LLC	910,416
490	Term Loan, 2.38%, Maturing June 20, 2016	428,750
		\$ 9,220,759

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Principal Amount* (000 s omitted)	Borrower/Tranche Description	Value
Lodging and Casinos	1.4%	
	Harrah s Operating Co.	
438	Term Loan, 3.50%, Maturing January 28, 2015	\$ 351,809
1,735	Term Loan, 3.51%, Maturing January 28, 2015	1,394,698
	Herbst Gaming, Inc.	
995	Term Loan, 0.00%, Maturing December 2, 2011 ⁽²⁾	451,038
	Isle of Capri Casinos, Inc.	
216	Term Loan, 2.04%, Maturing November 30, 2013	204,533
539	Term Loan, 2.35%, Maturing November 30, 2013	511,331
163	Term Loan, 2.35%, Maturing November 30, 2013	154,185
	New World Gaming Partners, Ltd.	
58	Term Loan, 3.10%, Maturing June 30, 2014	38,113
287	Term Loan, 3.10%, Maturing June 30, 2014	188,176
	Venetian Casino Resort/Las Vegas Sands, Inc.	
166	Term Loan, 2.09%, Maturing May 14, 2014	131,778
824	Term Loan, 2.09%, Maturing May 23, 2014	652,235
	VML US Finance, LLC	
133	Term Loan, 2.85%, Maturing May 25, 2012	123,468
266	Term Loan, 2.85%, Maturing May 25, 2013	246,937
		\$ 4,448,301
Nonferrous Metals/Minerals	0.5%	
	Murray Energy Corp.	
686	Term Loan, 6.94%, Maturing January 28, 2010	\$ 665,573
	Noranda Aluminum Acquisition	
1,429	Term Loan, 2.29%, Maturing May 18, 2014	1,007,145
		\$ 1,672,718
Oil and Gas	1.8%	
	Citgo Petroleum Corp.	
995	Term Loan, 1.64%, Maturing November 15, 2012	\$ 935,155
	Dresser, Inc.	
300	Term Loan - Second Lien, 6.04%, Maturing May 4, 2015	231,250
	Dynegy Holdings, Inc.	
75	Term Loan, 1.79%, Maturing April 2, 2013	72,582
925	Term Loan, 1.79%, Maturing April 2, 2013	897,049
	Enterprise GP Holdings, L.P.	
297	Term Loan, 2.68%, Maturing October 31, 2014	290,874
	Hercules Offshore, Inc.	
995	Term Loan, 7.58%, Maturing July 6, 2013	920,304
	Targa Resources, Inc.	
1,481	Term Loan, 2.29%, Maturing October 31, 2012	1,455,844
818	Term Loan, 2.60%, Maturing October 31, 2012	803,877

		\$ 5,606,935
Publishing 4.0%		
	American Media Operations, Inc.	
1,481	Term Loan, 10.00%, Maturing January 31, 2013 ⁽⁴⁾	\$ 1,187,229
	CanWest Media Works, Ltd.	
221	Term Loan, 4.75%, Maturing July 10, 2014	116,058
	GateHouse Media Operating, Inc.	
739	Term Loan, 2.29%, Maturing August 28, 2014	186,894
311	Term Loan, 2.30%, Maturing August 28, 2014	78,606
	Idearc, Inc.	
2,716	Term Loan, 0.00%, Maturing November 17, 2014 ⁽²⁾	1,253,959
	Laureate Education, Inc.	
59	Term Loan, 3.75%, Maturing August 17, 2014	52,176
394	Term Loan, 3.75%, Maturing August 17, 2014	348,637
	MediaNews Group, Inc.	
198	Term Loan, 6.79%, Maturing August 2, 2013	40,317

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Principal Amount* (000 \$ omitted)		Borrower/Tranche Description	Value
Mediannuaire Holding			
EUR	234	Term Loan, 2.90%, Maturing October 10, 2014	\$ 196,354
EUR	234	Term Loan, 3.40%, Maturing October 10, 2015	196,354
Nebraska Book Co., Inc.			
	712	Term Loan, 9.25%, Maturing March 4, 2011	705,374
Nielsen Finance, LLC			
	1,717	Term Loan, 2.30%, Maturing August 9, 2013	1,601,332
Philadelphia Newspapers, LLC			
	212	Term Loan, 0.00%, Maturing June 29, 2013 ⁽²⁾	46,733
R.H. Donnelley Corp.			
	917	Term Loan, 6.75%, Maturing June 30, 2010	707,478
Reader's Digest Association, Inc. (The)			
	1,902	Term Loan, 2.64%, Maturing March 2, 2014	941,310
SGS International, Inc.			
	500	Term Loan, 2.92%, Maturing December 30, 2011	455,000
TL Acquisitions, Inc.			
	494	Term Loan, 2.79%, Maturing July 5, 2014	425,421
Tribune Co.			
	179	Term Loan, 0.00%, Maturing August 17, 2009 ⁽²⁾	73,323
	500	Term Loan, Maturing May 17, 2014 ⁽²⁾⁽¹⁵⁾	192,891
	790	Term Loan, 0.00%, Maturing May 17, 2014 ⁽²⁾	325,677
World Directories Acquisition			
EUR	867	Term Loan, 3.02%, Maturing May 31, 2014	749,426
Xsys, Inc.			
EUR	980	Term Loan, 3.94%, Maturing September 27, 2014	925,024
YBR Acquisition BV			
EUR	450	Term Loan, 3.04%, Maturing June 30, 2013	411,020
EUR	450	Term Loan, 3.54%, Maturing June 30, 2014	411,020
Yell Group, PLC			
	2,000	Term Loan, 3.29%, Maturing February 10, 2013	1,210,000
			\$ 12,837,613
Radio and Television 2.1%			
Block Communications, Inc.			
	265	Term Loan, 2.60%, Maturing December 22, 2011	\$ 230,876
CMP KC, LLC			
	479	Term Loan, 6.25%, Maturing May 5, 2013 ⁽³⁾	137,572
Intelsat Corp.			
	726	Term Loan, 2.80%, Maturing January 3, 2014	694,379
	726	Term Loan, 2.80%, Maturing January 3, 2014	694,591
	726	Term Loan, 2.80%, Maturing January 3, 2014	694,379
Ion Media Networks, Inc.			
	113	DIP Loan, 10.17%, Maturing May 29, 2010 ⁽⁵⁾	111,495
	850	Term Loan, 0.00%, Maturing January 15, 2012 ⁽²⁾	229,500

		NEP II, Inc.	
	171	Term Loan, 2.54%, Maturing February 16, 2014	150,533
		Nexstar Broadcasting, Inc.	
	359	Term Loan, 2.24%, Maturing October 1, 2012	269,921
	379	Term Loan, 2.35%, Maturing October 1, 2012	285,401
		SFX Entertainment	
	336	Term Loan, 3.72%, Maturing June 21, 2013	314,491
		Tyrol Acquisition 2 SAS	
EUR	250	Term Loan, 2.54%, Maturing January 19, 2015	302,319
EUR	250	Term Loan, 3.40%, Maturing January 19, 2016	302,320
		Univision Communications, Inc.	
	2,525	Term Loan, 2.54%, Maturing September 29, 2014	2,044,725
		Young Broadcasting, Inc.	
	241	Term Loan, 0.00%, Maturing November 3, 2012 ⁽²⁾	120,625
	486	Term Loan, 0.00%, Maturing November 3, 2012 ⁽²⁾	243,125
			\$ 6,826,252

Table of Contents**Principal
Amount***

(000 s omitted)	Borrower/Tranche Description	Value
Retailers (Except Food and Drug) 0.8%		
	American Achievement Corp.	
190	Term Loan, 6.26%, Maturing March 25, 2011	\$ 163,319
	Josten s Corp.	
375	Term Loan, 2.64%, Maturing October 4, 2011	364,732
	Neiman Marcus Group, Inc.	
206	Term Loan, 2.50%, Maturing April 5, 2013	169,506
	Orbitz Worldwide, Inc.	
309	Term Loan, 3.51%, Maturing July 25, 2014	225,152
	Oriental Trading Co., Inc.	
300	Term Loan - Second Lien, 6.29%, Maturing January 31, 2013	52,500
446	Term Loan, 9.75%, Maturing July 31, 2013	316,789
	Rent-A-Center, Inc.	
256	Term Loan, 2.04%, Maturing November 15, 2012	245,732
	Rover Acquisition Corp.	
414	Term Loan, 2.72%, Maturing October 26, 2013	398,629
	Savers, Inc.	
100	Term Loan, 3.06%, Maturing August 11, 2012	95,466
109	Term Loan, 3.06%, Maturing August 11, 2012	104,452
	Yankee Candle Company, Inc. (The)	
412	Term Loan, 2.29%, Maturing February 6, 2014	376,683
		\$ 2,512,960
Steel 0.2%		
	Algoma Acquisition Corp.	
701	Term Loan, 2.79%, Maturing June 20, 2013	\$ 582,206
	Niagara Corp.	
294	Term Loan, 7.25%, Maturing June 29, 2014	149,940
		\$ 732,146
Surface Transport 0.1%		
	Swift Transportation Co., Inc.	
500	Term Loan, 3.56%, Maturing May 10, 2014	\$ 388,379
		\$ 388,379
Telecommunications 1.5%		
	Asurion Corp.	
425	Term Loan, 3.58%, Maturing July 13, 2012	\$ 410,391
250	Term Loan - Second Lien, 6.79%, Maturing January 13, 2013	226,042
	BCM Luxembourg, Ltd.	
EUR 369	Term Loan, 2.42%, Maturing September 30, 2014	449,395
EUR 369	Term Loan, 2.67%, Maturing September 30, 2015	449,445

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EUR	500	Term Loan - Second Lien, 4.79%, Maturing March 31, 2016 CommScope, Inc.	507,169
	313	Term Loan, 3.10%, Maturing November 19, 2014 Crown Castle Operating Co.	306,100
	499	Term Loan, 1.79%, Maturing January 9, 2014 Intelsat Subsidiary Holding Co.	474,946
	292	Term Loan, 2.80%, Maturing July 3, 2013 IPC Systems, Inc.	277,892
GBP	256	Term Loan, 3.44%, Maturing May 31, 2014 Macquarie UK Broadcast Ventures, Ltd.	354,306
GBP	219	Term Loan, 2.59%, Maturing December 26, 2014 Stratos Global Corp.	305,694
	302	Term Loan, 3.10%, Maturing February 13, 2012 Windstream Corp.	293,182
	860	Term Loan, 1.98%, Maturing July 17, 2013	834,253
			\$ 4,888,815

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Principal Amount* (000 s omitted)	Borrower/Tranche Description	Value
Utilities 1.6%		
	AEI Finance Holding, LLC	
75	Term Loan, 5.99%, Maturing March 30, 2012	\$ 64,291
525	Term Loan, 3.60%, Maturing March 30, 2014	447,904
	Astoria Generating Co.	
375	Term Loan - Second Lien, 4.10%, Maturing August 23, 2013	339,687
	Calpine Corp.	
743	DIP Loan, 3.48%, Maturing March 29, 2014	683,996
	Mirant North America, LLC	
897	Term Loan, 2.04%, Maturing January 3, 2013	853,378
	NRG Energy, Inc.	
1,038	Term Loan, 2.01%, Maturing June 1, 2014	986,866
556	Term Loan, 2.10%, Maturing June 1, 2014	529,027
	TXU Texas Competitive Electric Holdings Co., LLC	
221	Term Loan, 3.80%, Maturing October 10, 2014	171,262
1,206	Term Loan, 3.80%, Maturing October 10, 2014	930,340
		\$ 5,006,751
	Total Senior Floating-Rate Interests (identified cost \$202,573,749)	\$ 183,972,024

Mortgage-Backed Securities 60.0%

Collateralized Mortgage Obligations 8.7%

Principal Amount (000 s omitted)	Security	Value
	Federal Home Loan Mortgage Corp.:	
\$ 6,359	Series 2113, Class QG, 6.00%, 1/15/29	\$ 6,770,221
3,200	Series 2167, Class BZ, 7.00%, 6/15/29	3,421,125
4,159	Series 2182, Class ZB, 8.00%, 9/15/29	4,585,985
	Federal National Mortgage Association:	
\$ 229	Series 1989-89, Class H, 9.00%, 11/25/19	\$ 260,079
505	Series 1991-122, Class N, 7.50%, 9/25/21	555,474
4,638	Series 1993-84, Class M, 7.50%, 6/25/23	5,167,756
1,729	Series 1994-42, Class K, 6.50%, 4/25/24	1,870,280
1,353	Series 1997-28, Class ZA, 7.50%, 4/20/27	1,486,999
1,230	Series 1997-38, Class N, 8.00%, 5/20/27	1,391,338
2,074	Series G-33, Class PT, 7.00%, 10/25/21	2,251,421

Total Collateralized Mortgage Obligations
 (identified cost \$25,944,314) **\$ 27,760,678**

Commercial Mortgage-Backed Securities 2.2%

Principal Amount (000 s omitted)	Security	Value
\$ 595	CSFB, Series 2004-C3, Class A5, 5.113%, 7/15/36	\$ 575,019
700	GECMC, Series 2004-C1, Class A3, 4.596%, 11/10/38	660,483
1,250	GECMC, Series 2004-C3, Class A4, 5.189%, 7/10/39 ⁽¹⁶⁾	1,251,098
1,250	GSMS, Series 2004-GG2, Class A6, 5.396%, 8/10/38	1,161,010
1,270	L-UCMT, Series 2004-C6, Class A6, 5.02%, 8/15/29	1,149,148
1,000	MSC, Series 2003-IQ6, Class A4, 4.97%, 12/15/41	972,708
1,225	WBCMT, Series 2004-C12, Class A4, 5.249%, 7/15/41 ⁽¹⁶⁾	1,156,807

Total Commercial Mortgage-Backed Securities
 (identified cost \$6,690,989) **\$ 6,926,273**

Table of Contents**Mortgage Pass-Throughs 49.1%**

Principal Amount (000 s omitted)	Security	Value
	Federal Home Loan Mortgage Corp.:	
\$ 7,379	2.956%, with maturity at 2035 ⁽⁶⁾	\$ 7,517,021
11,561	5.00%, with maturity at 2019	12,176,362
11,342	6.00%, with various maturities to 2029	12,012,374
2,459	6.15%, with maturity at 2027	2,613,232
5,792	6.50%, with maturity at 2019 ⁽⁷⁾	6,202,166
8,893	7.00%, with various maturities to 2035	9,566,346
6,005	7.50%, with various maturities to 2035	6,709,834
7,361	8.00%, with various maturities to 2032 ⁽⁷⁾	8,266,319
6,148	8.50%, with various maturities to 2031	7,086,020
569	9.00%, with maturity at 2031	669,631
532	9.50%, with various maturities to 2022	612,583
1,187	11.50%, with maturity at 2019	1,308,260
	Federal National Mortgage Association:	
\$ 8,384	5.00%, with maturity at 2013	\$ 8,687,000
2,897	5.50%, with maturity at 2029	3,001,057
3,498	6.321%, with maturity at 2032 ⁽⁶⁾	3,616,332
7,221	6.50%, with maturity at 2018	7,673,951
12,314	7.00%, with various maturities to 2033	13,417,541
14,183	7.50%, with various maturities to 2031	15,842,398
4,148	8.00%, with various maturities to 2029	4,684,130
850	8.50%, with various maturities to 2027	969,629
1,913	9.00%, with various maturities to 2029	2,214,954
132	9.50%, with maturity at 2014	138,693
1,706	10.00%, with various maturities to 2031	1,954,511
	Government National Mortgage Association:	
\$ 6,453	7.50%, with maturity at 2025	\$ 7,211,059
6,398	8.00%, with various maturities to 2027	7,291,682
3,363	9.00%, with various maturities to 2026	3,962,237
574	9.50%, with maturity at 2025	659,502
702	11.00%, with maturity at 2018	787,253

Total Mortgage Pass-Throughs
(identified cost \$150,566,120) **\$ 156,852,077**

Total Mortgage-Backed Securities
(identified cost \$183,201,423) **\$ 191,539,028**

Asset-Backed Securities 0.0%

Principal Amount (000 s omitted)	Security	Value
\$ 500	Centurion CDO 9 Ltd., Series 2005-9A, Class D1, 5.863%, 7/17/19 ⁽⁶⁾⁽⁸⁾	\$ 30,000

**Total Asset-Backed Securities
(identified cost \$500,000)** **\$ 30,000**

Corporate Bonds & Notes 0.2%

Principal Amount (000 s omitted)	Security	Value
	Building and Development 0.1%	
	Grohe Holding, Variable Rate	
EUR 500	3.871%, 1/15/14	\$ 505,981
		\$ 505,981

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Principal Amount (000 s omitted)	Security	Value
Telecommunications	0.1% Qwest Corp., Sr. Notes, Variable Rate	
\$ 200	3.879%, 6/15/13	\$ 189,000
		\$ 189,000
Total Corporate Bonds & Notes (identified cost \$846,625)		\$ 694,981

Foreign Corporate Bonds & Notes 1.2%

Principal Amount (000 s omitted)	Security	Value
	JP Morgan Chilean Inflation Linked Note	
\$ 2,337	3.80%, 11/17/15 ⁽⁹⁾	\$ 2,465,816
	Kazkommerts International	
2,000	7.875%, 4/7/14	1,330,000
Total Foreign Corporate Bonds & Notes (identified cost \$3,647,650)		\$ 3,795,816

Foreign Government Securities 8.3%

Principal Amount (000 s omitted)	Security	Value
	Ghana Government Bond	
GHS 320	13.50%, 3/30/10	\$ 204,368
GHS 1,300	13.67%, 6/11/12 ⁽³⁾	736,087
GHS 730	13.69%, 3/15/10	467,965
	Ivory Coast	
\$ 562	4.00%, 3/31/28 ⁽²⁾	206,559
	Nota Do Tesouro Nacional	
BRL 2,972	6.00%, 5/15/15 ⁽¹⁰⁾	1,549,332
	Poland Government Bond	
PLN 6,687	3.00%, 8/24/16 ⁽¹⁷⁾	2,164,180
	Republic of Georgia	

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\$	1,501	7.50%, 4/15/13 Republic of Indonesia	1,292,061
\$	600	6.875%, 1/17/18	610,500
\$	1,960	11.625%, 3/4/19 ⁽⁸⁾ Republic of Iraq	2,646,000
\$	1,040	5.80%, 1/15/28 Republic of Macedonia	715,000
EUR	1,716	4.625%, 12/8/15 Republic of South Korea	2,000,920
\$	970	7.125%, 4/16/19 Republic of Turkey	1,090,944
TRY	5,565	10.00%, 2/15/12 ⁽¹¹⁾	4,006,397
TRY	8,962	12.00%, 8/14/13 ⁽¹²⁾	7,048,822
UYU	46,811	Republic of Uruguay 5.00%, 9/14/18 ⁽¹³⁾	1,843,420
Total Foreign Government Securities (identified cost \$22,858,470)			\$ 26,582,555

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Common Stocks 0.0%

Shares	Security	Value
Building Products 0.0%		
234	Euramax International, Inc. ⁽³⁾	\$ 0
154	United Subcontractors, Inc. ⁽³⁾	19,681
		\$ 19,681
Hotels, Restaurants & Leisure 0.0%		
6,477	Buffets, Inc.	\$ 8,906
		\$ 8,906
Total Common Stocks		
(identified cost \$27,778)		\$ 28,587

Currency Options Purchased 0.0%

Description	Principal Amount of Contracts (000 s omitted)	Strike Price	Expiration Date	Value
Japanese Yen Put Option	JPY 741,000	106.91	4/8/10	\$ 34,848
Total Currency Options Purchased				
(identified cost \$128,433)				\$ 34,848

Short-Term Investments 7.9%

Foreign Government Securities 4.7%

Principal Amount (000 s omitted)	Security	Value
EGP 3,350	Egypt Treasury Bill 0.00%, 10/27/09	\$ 589,888
ISK 89,914	Iceland Treasury Bill 0.00%, 10/15/09	597,924
ISK 277,352	0.00%, 11/16/09	1,824,630
ISK 131,164	Iceland Treasury Note 7.00%, 3/17/10	881,353

Lebanon Treasury Bill			
LBP	560,000	0.00%, 9/24/09	369,621
LBP	581,160	0.00%, 10/1/09	383,667
LBP	559,000	0.00%, 10/8/09	368,692
LBP	525,000	0.00%, 10/22/09	345,618
LBP	586,500	0.00%, 12/17/09	379,982
LBP	852,790	0.00%, 12/24/09	551,660
LBP	879,100	0.00%, 12/31/09	567,790
LBP	848,000	0.00%, 1/7/10	546,846
LBP	570,000	0.00%, 1/21/10	366,401
Lebanon Treasury Note			
LBP	585,000	9.32%, 10/8/09	391,098
LBP	586,100	9.32%, 10/22/09	392,139
Sri Lanka Treasury Bill			
LKR	192,980	0.00%, 10/30/09	1,636,789
LKR	349,400	0.00%, 1/8/10	2,895,594
LKR	218,000	0.00%, 1/15/10	1,809,540
Total Foreign Government Securities (identified cost \$14,769,194)			\$ 14,899,232

Table of Contents**Other Securities 3.2%**

Description	Interest (000 s omitted)	Value		
Cash Management Portfolio, 0.00% ⁽¹⁴⁾	\$ 10,257	\$ 10,256,589		
Total Other Securities (identified cost \$10,256,589)		\$ 10,256,589		
Total Short-Term Investments (identified cost \$25,025,783)		\$ 25,155,821		
Total Investments 135.3% (identified cost \$438,809,911)		\$ 431,833,660		
Less Unfunded Loan Commitments 0.0%		\$ (37,633)		
Net Investments 135.3% (identified cost \$438,772,278)		\$ 431,796,027		
Currency Options Written (0.0)%				
	Principal Amount of Contracts (000 s omitted)	Strike Price	Expiration Date	Value
Japanese Yen Call Option	JPY (1,057,000)	76.30	4/8/10	\$ (114,050)
Total Currency Options Written (premiums received \$135,484)				\$ (114,050)
Other Assets and Liabilities (35.3)%				\$ (112,626,378)
Net Assets 100.0%				\$ 319,055,599

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

CSFB	- Credit Suisse First Boston
DIP	- Debtor in Possession
GECCM	- General Electric Commercial Mortgage Corporation
GSMS	- GS Mortgage Securities Corporation II
L-UCMT	- LB-UBS Commercial Mortgage Trust
MSC	- Morgan Stanley Capital I
WBCMT	- Wachovia Bank Commercial Mortgage Trust
BRL	- Brazilian Real
EGP	- Egyptian Pound
EUR	- Euro
GBP	- British Pound Sterling
GHS	- Ghanaian Cedi
ISK	- Icelandic Krona
JPY	- Japanese Yen
LBP	- Lebanese Pound
LKR	- Sri Lanka Rupee
PLN	- Polish Zloty
TRY	- New Turkish Lira
UYU	- Uruguayan Peso

* 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 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.

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- (2) Defaulted security. Currently the issuer is in default with respect to interest payments.
- (3) Security valued at fair value using methods determined in good faith by or at the direction of the Trustees.
- (4) Represents a payment-in-kind security which may pay all or a portion of interest in additional par.
- (5) Unfunded or partially unfunded loan commitments. The Fund may enter into certain credit agreements all or a portion of which may be unfunded. The Fund is obligated to fund these commitments at the borrower's discretion.
- (6) Adjustable rate security. Rate shown is the rate at July 31, 2009.
- (7) Security (or a portion thereof) has been pledged to cover margin requirements on open financial futures contracts.
- (8) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At July 31, 2009, the aggregate value of these securities is \$2,676,000 or 0.8% of the Fund's net assets.
- (9) Bond pays a 3.80% coupon on the face at the end of the payment period. Principal is adjusted based on changes in the Chilean UF (Unidad de Fomento) Rate. The original face is \$2,000,000 and the current face is \$2,337,225.
- (10) Bond pays a 6.00% coupon on the face at the end of the payment period. Principal is adjusted based on the ICPA (Amplified Consumer Price Index) as determined by the Brazilian Institute of Geography and Statistics. The original face is BRL 1,615,000 and the current face is BRL 2,972,131.
- (11) Bond pays a 10.00% coupon on the face at the end of the payment period. Principal is adjusted based on the Turkey Inflation Indexed CPI. The original face is TRY 4,586,000 and the current face is TRY 5,564,882.
- (12) Bond pays a 12.00% coupon on the face at the end of the payment period. Principal is adjusted based on the Turkey Inflation Indexed CPI. The original face is TRY 8,502,000 and the current face is TRY 8,961,508.
- (13) Bond pays a 5.00% coupon on the face at the end of the payment period. Principal is adjusted based on the Uruguayan inflation rate. The original face is UYU 38,030,000 and the current face is UYU 46,810,778.
- (14) 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 July 31, 2009. Net income allocated from the investment in Cash Management Portfolio for the fiscal year to date ended July 31, 2009 was \$31,438.
- (15) This Senior Loan will settle after July 31, 2009, at which time the interest rate will be determined.

- (16) Weighted average fixed-rate coupon that changes/updates monthly.
- (17) Bond pays a 3.00% coupon on the face at the end of the payment period. Principal is adjusted based on the Polish Consumer Price Index. The original face is PLN 5,827,000 and the current face is PLN 6,686,890.

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A summary of financial instruments outstanding at July 31, 2009 is as follows:

Forward Foreign Currency Exchange Contracts**Sales**

Settlement Date	Deliver	In Exchange For	Net Unrealized Appreciation (Depreciation)
8/28/09	British Pound Sterling 1,456,409	United States Dollar 2,381,768	\$ (50,956)
8/7/09	Euro 2,915,745	United States Dollar 4,146,189	(9,648)
8/17/09	Euro 1,422,985	United States Dollar 1,987,042	(41,197)
8/27/09	Euro 1,400,000	United States Dollar 1,990,695	(4,828)
8/31/09	Euro 14,458,552	United States Dollar 20,271,035	(337,990)
8/31/09	Japanese Yen 204,100,000	United States Dollar 2,157,597	130
7/20/10	Kazakhstan Tenge 186,263,000	United States Dollar 1,142,718	(16,719)
7/21/10	Kazakhstan Tenge 185,190,000	United States Dollar 1,143,148	(9,368)
7/23/10	Kazakhstan Tenge 181,859,600	United States Dollar 1,120,860	(10,454)
8/20/09	Philippine Peso 71,400,000	United States Dollar 1,479,088	(4,106)
8/24/09	Philippine Peso 97,600,000	United States Dollar 1,993,464	(33,358)
8/24/09	Philippine Peso 55,300,000	United States Dollar 1,145,568	(2,826)
8/13/09	South African Rand 18,183,562	United States Dollar 2,240,045	(98,989)
8/20/09	South African Rand 39,778,983	United States Dollar 4,890,458	(219,353)
10/30/09	Sri Lanka Rupee 192,980,000	United States Dollar 1,654,634	(7,971)
1/8/10	Sri Lanka Rupee 349,400,000	United States Dollar 2,963,528	(15,656)
1/15/10	Sri Lanka Rupee 218,000,000	United States Dollar 1,849,809	(7,056)
			\$ (870,345)

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Settlement Date	In Exchange For	Deliver	Net Unrealized Appreciation (Depreciation)
8/21/09	Australian Dollar 1,466,500	United States Dollar 1,169,475	\$ 55,629
9/2/09	Brazilian Real 2,883,492	United States Dollar 1,509,287	27,302
8/24/09	British Pound Sterling 1,460,000	Euro 1,695,543	21,978
8/24/09	Colombian Peso 3,463,573,521	United States Dollar 1,737,869	(42,851)
8/10/09	Indian Rupee 113,446,400	United States Dollar 2,339,583	25,250
8/10/09	Indonesian Rupiah 11,672,000,000	United States Dollar 1,131,446	44,001
9/4/09	Indonesian Rupiah 11,710,000,000	United States Dollar 1,175,467	1,418
9/28/09	Indonesian Rupiah 12,600,000,000	United States Dollar 1,241,624	20,779
8/13/09	New Turkish Lira 1,995,812	United States Dollar 1,273,327	80,582
8/20/09	Norwegian Krone 18,017,300	United States Dollar 2,826,465	111,780
8/27/09	Norwegian Krone 12,390,000	United States Dollar 1,973,653	46,530
9/3/09	Polish Zloty 15,987,300	Euro 3,815,403	46,122
8/31/09	Serbian Dinar 76,800,000	Euro 815,460	4,310
9/21/09	Serbian Dinar 80,500,000	Euro 847,368	7,976
8/17/09	South Korean Won 4,262,000,000	United States Dollar 3,435,019	34,744
7/20/10	Ukraine Hryvnia 11,484,300	United States Dollar 1,142,716	(42,997)
7/21/10	Ukraine Hryvnia 11,317,000	United States Dollar 1,143,131	(59,827)
7/23/10	Ukraine Hryvnia 11,065,700	United States Dollar 1,117,747	(59,269)
6/15/11	Yuan Renminbi 20,600,000	United States Dollar 3,116,490	(36,035)
6/15/11	Yuan Renminbi 9,800,000	United States Dollar 1,483,724	(18,265)
8/26/09	Zambian Kwacha 2,553,900,000	United States Dollar 482,961	22,487
12/11/09			5,051

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	Zambian Kwacha	United States Dollar	
	3,099,500,000	582,066	
	Zambian Kwacha	United States Dollar	
12/21/09	3,170,000,000	587,037	10,971
	Zambian Kwacha	United States Dollar	
1/27/10	2,558,443,600	470,475	4,952
	Zambian Kwacha	United States Dollar	
5/26/10	3,486,700,000	589,368	23,585
	Zambian Kwacha	United States Dollar	
5/27/10	3,186,400,000	537,698	22,171
			\$ 358,374

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At July 31, 2009, closed forward foreign currency purchases and sales contracts excluded above amounted to a receivable of \$184,227 and a payable of \$72,440.

Futures Contracts

Expiration Date	Contracts	Position	Aggregate Cost	Value	Net Unrealized Appreciation (Depreciation)
9/09	14 Euro-Bobl	Short	\$ (2,283,399)	\$ (2,317,680)	\$ (34,281)
9/09	10 Euro-Bund	Short	(1,688,653)	(1,739,436)	(50,783)
9/09	42 U.S. 5 Year Treasury Note	Short	(4,856,103)	(4,846,078)	10,025
9/09	44 U.S. 10 Year Treasury Note	Short	(5,159,346)	(5,160,376)	(1,030)
					\$ (76,069)

Euro-Bobl: Medium-term debt securities issued by the Federal Republic of Germany with a term to maturity of 4.5 to 5.5 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.

Interest Rate Swaps

Counterparty	Notional Amount	Portfolio Pays/Receives Floating Rate	Floating Rate Index	Annual Fixed Rate	Termination Date	Net Unrealized Appreciation (Depreciation)
JPMorgan Chase Bank	BRL 3,693,637	Pay	Brazilian Interbank Deposit Rate	12.73%	1/02/12	\$ 155,682
JPMorgan Chase Bank	BRL 4,309,749	Pay	Brazilian Interbank Deposit Rate	10.35	1/02/12	(116,044)
						\$ 39,638

BRL Brazilian Real

Credit Default Swaps Sell Protection

Notional Amount*	Contract Annual	Termination	Current	Net Unrealized Appreciation
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Reference Entity	Counterparty	(000 s omitted)	Fixed Rate**	Date	Market Annual Fixed Rate***	(Depreciation)
Brazil	JPMorgan Chase Bank	\$ 2,100	5.25%	11/20/09	0.53%	\$ 52,845
Colombia	Credit Suisse First Boston, Inc.	2,200	4.90	11/20/09	0.84	49,316
Iceland	JPMorgan Chase Bank	2,600	1.75	3/20/18	4.92	(481,229)
Iceland	Barclays Bank PLC	800	1.88	3/20/18	4.92	(141,827)
Iceland	JPMorgan Chase Bank	800	1.90	3/20/18	4.92	(140,866)
Iceland	JPMorgan Chase Bank	1,000	2.10	3/20/23	4.77	(198,885)
Iceland	JPMorgan Chase Bank	1,000	2.45	3/20/23	4.77	(172,145)
Kazakhstan	Citigroup, Inc.	1,900	8.00	10/20/09	2.19	67,919
Kazakhstan	Barclays Bank PLC	1,900	9.75	11/20/09	2.19	81,593
Peru	Citigroup, Inc.	1,900	2.00	9/20/11	1.05	52,230
Peru	Citigroup, Inc.	1,000	2.90	10/20/13	1.37	68,675
						\$ (762,374)

Table of Contents**Credit Default Swaps Buy Protection**

Reference Entity	Counterparty	Notional Amount (000 s omitted)	Contract Annual Fixed Rate**	Termination Date	Net Unrealized Appreciation (Depreciation)
Austria	Barclays Bank PLC	\$ 2,200	0.44%	12/20/13	\$ 12,420
Austria	Barclays Bank PLC	1,000	1.42	3/20/14	(37,818)
Brazil	Barclays Bank PLC	2,300	1.65	9/20/19	(19,834)
Italy	Credit Suisse First Boston, Inc.	6,800	0.20	12/20/16	175,762
Kazakhstan	Barclays Bank PLC	2,000	2.43	9/20/13	108,837
Lebanon	Citigroup, Inc.	1,200	3.30	9/20/14	(10,469)
Malaysia	Barclays Bank PLC	2,100	2.40	3/20/14	(155,135)
Malaysia	Citigroup, Inc.	2,000	2.45	3/20/14	(152,213)
Philippines	Credit Suisse First Boston, Inc.	5,000	2.15	9/20/11	(79,036)
Philippines	JPMorgan Chase Bank	5,000	2.17	9/20/11	(81,240)
Thailand	Citigroup, Inc.	900	0.95	9/20/19	(9,288)
Thailand	Barclays Bank PLC	1,900	0.97	9/20/19	(22,729)
Turkey	JPMorgan Chase Bank	10,000	2.00	3/20/10	(163,121)
Turkey	Credit Suisse First Boston, Inc.	10,000	2.01	3/20/10	(164,131)
Turkey	Credit Suisse First Boston, Inc.	880	2.11	1/20/13	(7,671)
Turkey	Barclays Bank PLC	1,100	2.12	1/20/13	(9,954)
Turkey	JPMorgan Chase Bank	3,740	2.12	1/20/13	(33,843)
Turkey	Citigroup, Inc.	2,300	2.93	9/20/19	(155,810)
					\$ (805,273)

* 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 July 31, 2009, such maximum potential amount for all open credit default swaps in which the Fund is the seller was \$17,200,000.

** 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.

Cross-Currency Swaps

Counterparty	Notional Amount on Fixed Rate (Currency Received)	Notional Amount on Floating Rate (Currency Delivered)	Floating Rate	Fixed Rate	Termination Date	Net Unrealized Depreciation
Citigroup, Inc.	TRY 1,110	USD 687	3-month USD- LIBOR-BBA	11.95%	2/15/12	\$ (131,946)
Citigroup, Inc.	TRY 2,367	USD 1,427	3-month USD- LIBOR-BBA	12.10	2/15/12	(322,352)
Credit Suisse First Boston, Inc.	TRY 1,799	USD 1,039	3-month USD- LIBOR-BBA	12.45	2/15/12	(292,327)
Citigroup, Inc.	TRY 3,434	USD 2,044	3-month USD- LIBOR-BBA	12.46	8/14/13	(522,700)
						\$ (1,269,325)

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 call options activity for the fiscal year to date ended July 31, 2009 was as follows:

	Principal Amount of Contracts (000 s Omitted)		Premiums Received
Outstanding, beginning of period			\$
Options written	JPY	1,057,000	135,484
Outstanding, end of period	JPY	1,057,000	\$ 135,484

JPY - Japanese Yen

At July 31, 2009, 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 contacts 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.

At July 31, 2009, the aggregate fair value of derivative instruments (not accounted for as hedging instruments under Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 133) by risk exposure was as follows:

Risk	Derivative	Fair Value	
		Asset Derivatives	Liability Derivatives
Credit	Credit default swaps	\$ 669,597	\$ (2,237,244)
		\$ 669,597	\$ (2,237,244)
Foreign Exchange	Currency options purchased	\$ 34,848	\$
Foreign Exchange	Currency options written		(114,050)
Foreign Exchange	Forward foreign currency exchange contracts	801,975	(1,202,159)

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		\$ 836,823	\$ (1,316,209)
Interest Rate	Futures contracts	\$ 10,025	\$ (86,094)
Interest Rate	Interest rate swaps	155,682	(116,044)
Interest Rate	Cross-currency swaps		(1,269,325)
		\$ 165,707	\$ (1,471,463)

The cost and unrealized appreciation (depreciation) of investments of the Fund at July 31, 2009, as determined on a federal income tax basis, were as follows:

Aggregate cost	\$ 440,704,380
Gross unrealized appreciation	\$ 19,164,083
Gross unrealized depreciation	(28,072,436)
Net unrealized depreciation	\$ (8,908,353)

The Fund adopted FASB Statement of Financial Accounting Standards No. 157 (FAS 157), Fair Value Measurements, effective November 1, 2008. FAS 157 established a three-tier hierarchy to prioritize the assumptions, referred to as inputs, 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.)

Level 3 significant unobservable inputs (including a fund's own assumptions in determining the fair value of investments)

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The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At July 31, 2009, the inputs used in valuing the Fund's investments, which are carried at value, were as follows:

Asset Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Senior Floating-Rate Interests (less unfunded Loan Commitments)	\$	\$ 183,604,414	\$ 329,977	\$ 183,934,391
Collateralized Mortgage Obligations		27,760,678		27,760,678
Commercial Mortgage-Backed Securities		6,926,273		6,926,273
Mortgage Pass-Throughs		156,852,077		156,852,077
Asset-Backed Securities		30,000		30,000
Corporate Bonds & Notes		694,981		694,981
Foreign Corporate Bonds & Notes		3,795,816		3,795,816
Foreign Government Securities		25,846,468	736,087	26,582,555
Common Stocks		8,906	19,681	28,587
Currency Options Purchased		34,848		34,848
Short-Term Investments	10,256,589	14,899,232		25,155,821
Total Investments	\$ 10,256,589	\$ 420,453,693	\$ 1,085,745	\$ 431,796,027
Forward Foreign Currency Exchange Contracts	\$	\$ 801,975	\$	\$ 801,975
Futures Contracts	10,025			10,025
Interest Rate Swaps		155,682		155,682
Credit Default Swaps		669,597		669,597
Total	\$ 10,266,614	\$ 422,080,947	\$ 1,085,745	\$ 433,433,306
Liability Description				
Currency Options Written	\$	\$ (114,050)	\$	\$ (114,050)
		(1,202,159)		(1,202,159)

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Forward Foreign Currency				
Exchange Contracts				
Futures Contracts	(86,094)			(86,094)
Interest Rate Swaps		(116,044)		(116,044)
Credit Default Swaps		(2,237,244)		(2,237,244)
Cross-Currency Swaps		(1,269,325)		(1,269,325)
Total	\$ (86,094)	\$ (4,938,822)	\$	\$ (5,024,916)

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

	Investment in Senior Floating-Rate Interests	Investment in Foreign Government Securities	Investment in Common Stocks	Total
Balance as of October 31, 2008	\$ 269,506	\$ 1,735,349	\$	\$ 2,004,855
Realized gains (losses)	(243,398)			(243,398)
Change in net unrealized appreciation (depreciation)	(83,660)	(325,990)		(409,650)
Net purchases (sales)	(12,852)		19,681	6,829
Accrued discount (premium)	(700)	(939)		(1,639)
Net transfers to (from) Level 3	401,081	(672,333)		(271,252)
Balance as of July 31, 2009	\$ 329,977	\$ 736,087	\$ 19,681	\$ 1,085,745
Change in net unrealized appreciation(depreciation) on investments still held as of July 31, 2009	\$ (239,573)	\$ (173,437)	\$	\$ (413,010)

Equity securities (including common shares of closed-end investment companies) listed on a U.S. securities exchange generally are valued at the last sale price on the day of valuation or, if no sales took place on such date, at the mean between the closing bid and asked prices therefore on the exchange where such securities are principally traded. Equity securities listed on the NASDAQ Global or Global Select Market generally are valued at the NASDAQ official closing price. Unlisted or listed securities for which closing sales prices or closing quotations are not available are valued at the mean between the latest available bid and asked prices or, in the case of preferred equity securities that are not listed or traded in the over-the-counter market, by a third party pricing service that will use various techniques that consider factors including, but not limited to, prices or yields of securities with similar characteristics, benchmark yields, broker/dealer quotes, quotes of underlying common stock, issuer spreads, as well as industry and economic events.

For additional 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: September 25, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Payson F. Swaffield

Payson F. Swaffield
President

Date: September 25, 2009

By: /s/ Barbara E. Campbell

Barbara E. Campbell
Treasurer

Date: September 25, 2009