

Eaton Vance Short Duration Diversified Income Fund
Form N-CSR
December 30, 2008

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

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-21563

Eaton Vance Short Duration Diversified Income Fund
(Exact name of registrant as specified in charter)

The Eaton Vance Building, 255 State Street, Boston, Massachusetts
(Address of principal executive offices)

02109
(Zip code)

Maureen A. Gemma

The Eaton Vance Building, 255 State Street, Boston, Massachusetts 02109
(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 482-8260

Date of fiscal year end: October 31

Date of reporting period: October 31, 2008

Item 1. Reports to Stockholders

Annual Report October 31, 2008

EATON VANCE
SHORT
DURATION
DIVERSIFIED
INCOME
FUND

**IMPORTANT NOTICES REGARDING PRIVACY,
DELIVERY OF SHAREHOLDER DOCUMENTS,
PORTFOLIO HOLDINGS AND PROXY VOTING**

Privacy. The Eaton Vance organization is committed to ensuring your financial privacy. Each of the financial institutions identified below has in effect the following policy ("Privacy Policy") with respect to nonpublic personal information about its customers:

Only such information received from you, through application forms or otherwise, and information about your Eaton Vance fund transactions will be collected. This may include information such as name, address, social security number, tax status, account balances and transactions.

None of such information about you (or former customers) will be disclosed to anyone, except as permitted by law (which includes disclosure to employees necessary to service your account). In the normal course of servicing a customer's account, Eaton Vance may share information with unaffiliated third parties that perform various required services such as transfer agents, custodians and broker/dealers.

Policies and procedures (including physical, electronic and procedural safeguards) are in place that are designed to protect the confidentiality of such information.

We reserve the right to change our Privacy Policy at any time upon proper notification to you. Customers may want to review our Policy periodically for changes by accessing the link on our homepage: www.eatonvance.com.

Our pledge of privacy applies to the following entities within the Eaton Vance organization: the Eaton Vance Family of Funds, Eaton Vance Management, Eaton Vance Investment Counsel, Boston Management and Research, and Eaton Vance Distributors, Inc.

In addition, our Privacy Policy only applies to those Eaton Vance customers who are individuals and who have a direct relationship with us. If a customer's account (i.e., fund shares) is held in the name of a third-party financial adviser/broker-dealer, it is likely that only such adviser's privacy policies apply to the customer. This notice supersedes all previously issued privacy disclosures.

For more information about Eaton Vance's Privacy Policy, please call 1-800-262-1122.

Delivery of Shareholder Documents. The Securities and Exchange Commission (the "SEC") permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. This practice is often called "householding" and it helps eliminate duplicate mailings to shareholders.

Eaton Vance, or your financial adviser, may household the mailing of your documents indefinitely unless you instruct Eaton Vance, or your financial adviser, otherwise.

If you would prefer that your Eaton Vance documents not be househanded, please contact Eaton Vance at 1-800-262-1122, or contact your financial adviser.

Your instructions that householding not apply to delivery of your Eaton Vance documents will be effective within 30 days of receipt by Eaton Vance or your financial adviser.

Portfolio Holdings. The Fund and its underlying Portfolio (if applicable) will file a schedule of its portfolio holdings on Form N-Q with the SEC for the first and third quarters of each fiscal year. The Form N-Q will be available on the Eaton Vance website www.eatonvance.com, by calling Eaton Vance at 1-800-262-1122 or in the EDGAR database on the SEC's website at www.sec.gov. Form N-Q may also be reviewed and copied at the SEC's public reference room in Washington, D.C. (call 1-800-732-0330 for information on the operation of the public reference room).

Proxy Voting. From time to time, funds are required to vote proxies related to the securities held by the funds. The Eaton Vance Funds or their underlying Portfolios (if applicable) vote proxies according to a set of policies and procedures approved by the Funds' and Portfolios' Boards. You may obtain a description of these policies and procedures and information on how the Fund or Portfolio voted proxies relating to portfolio securities during the most recent 12 month period ended June 30, without charge, upon request, by calling 1-800-262-1122. This description is also available on the SEC's website at www.sec.gov.

Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

MANAGEMENT'S DISCUSSION OF FUND PERFORMANCE

Payson F. Swaffield, CFA
Co-Portfolio Manager

Scott H. Page, CFA
Co-Portfolio Manager

Catherine C. McDermott
Co-Portfolio Manager

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Mark S. Venezia, CFA
Co-Portfolio Manager

Susan Schiff, CFA
Co-Portfolio Manager

Christine Johnston, CFA
Co-Portfolio Manager

Economic and Market Conditions

- The credit crisis that began in mid-2007 resulted in unprecedented events in the U.S. financial markets in 2008. Within a two week period in September, investors saw the U.S. government's bailout of the two largest government sponsored enterprises – Fannie Mae and Freddie Mac, the bankruptcy of Lehman Brothers Holding, Inc., and the subsequent bailout of one of the world's largest insurers amidst other government intervention and uncertainty surrounding the future of many of the largest U.S. financial institutions. As the crisis intensified in the last two months of the fiscal year, the global fixed income and currency markets reacted with a flight-to-quality. The U.S. dollar strengthened against the Euro and many emerging market currencies, and U.S. interest rates fell as foreign investors headed for the relative safety of U.S. Treasury bonds. For the year ended October 31, 2008, 2-year and 5-year U.S. Treasury yields fell 240 (2.40%) and 134 basis points (1.34%), respectively. The Federal Funds rate started the year at 4.5% on October 31, 2007 and was cut to 1.0% by October 31, 2008. Many foreign central banks also cut their benchmark short-term interest rates in response to the global financial crisis, including the European Central Bank (ECB), Bank of Japan, Bank of England, and those of selected emerging market countries.

- Within U.S. credit markets, yield spread widening left no market unscathed. The yield spread of seasoned U.S. agency mortgage-backed securities (MBS) widened by about 200 basis points (2.00%) to finish the year valued at approximately 300 basis points (3.00%) over U.S. Treasuries. Below investment-grade corporate debt yield spreads widened by approximately 1,140 basis points (11.40%), with the Merrill Lynch U.S. High Yield Master II Index closing the fiscal year valued at 1,587 basis points (15.87%) over U.S. Treasuries. Similarly, senior, secured loan spreads over LIBOR – the London Inter-Bank Offered Rate – widened by approximately 1,300 basis points (13.00%), with the S&P/LSTA Leveraged Loan Index First Lien Loans valued at approximately 1,695 basis points (16.95%)

over LIBOR on October 31, 2008.

Management Discussion

- The Fund is a closed-end fund that trades on the New York Stock Exchange under the symbol **EVG**. The Fund's investment objective is to provide a high level of current income. In pursuing the Fund's objective, the Fund's investments have been allocated primarily to senior, secured loans, MBS and foreign obligations.

- The Fund's performance was hurt by its investment in senior, secured loans. Loan prices plunged during the year, as forced selling by hedge funds and other leveraged vehicles pushed loan prices to approximately 72 cents on the dollar at October 31, 2008. With historical recovery rates at roughly 70 cents, the market

Eaton Vance Short Duration Diversified Income Fund

Total Return Performance 10/31/07 10/31/08

NYSE Symbol		EVG
At Net Asset Value (NAV)(1)		-11.57%
At Share Price(1)		-16.36%
Lipper Global Income Funds Average (At NAV)(2)		-17.75%
Premium/(Discount) to NAV		-15.70%
Total Distributions per share	\$	1.366
Distribution Rate(3)	At NAV	7.82%
	At Share Price	9.27%

See page 3 for more performance information.

(1) Performance results reflect the effects of leverage resulting from the Fund's derivative instruments, the reinvestment of securities lending collateral and borrowings.

(2) It is not possible to invest directly in a Lipper Classification. The Lipper total return is the average total return, at net asset value, of the funds that are in the same Lipper Classification as the Fund.

(3) The Distribution Rate is based on the Fund's most recent monthly distribution per share (annualized) divided by the Fund's NAV or share price at the end of the period. The Fund's monthly distributions may be comprised of ordinary income, net realized capital gains and return of capital.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value or share price (as applicable) with all distributions reinvested. The Fund's performance at market share price will differ from its results

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at NAV. Although share price performance generally reflects investment results over time, during shorter periods, returns at share price can also be affected by factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for the Fund's shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Fund's current performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to www.eatonvance.com.

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

appeared to be implying near universal default rates or dramatically lower recoveries, thus far exaggerating any weakening in the market's fundamentals.

- During the year, all credit markets experienced unprecedented volatility, and the bank loan market was no exception. The total return for the S&P/LSTA Leveraged Loan Index (the Index) through the first nine months of the fiscal year was -2.91%. However, September brought a series of events that rattled the markets more deeply. In the Fund's fiscal fourth quarter, the Index declined -18.66%, by far its worst quarterly showing ever.
- The Fund's investments in senior, secured loans remain diverse with respect to individual borrowers, geography, and industry holdings. The largest industries represented were publishing, cable and satellite television, and healthcare. The largest borrowers and industries represented in the Fund tend to be relatively non-cyclical, with borrowers possessing good capital structures and strong collateral value.
- Within the MBS portion of the Fund, the focus remained on seasoned, fixed-rate, U.S. government agency MBS. The underlying mortgages to the Fund's seasoned MBS investments were typically originated in the 1980s or 1990s; therefore, the homeowners have typically built up considerable equity in their homes over time. As a result, these mortgages have a relatively low loan-to-value ratio and more predictable cash flows than generic MBS. In addition, the loans are guaranteed by the U.S. government agencies.
- Similar to other U.S. credit markets, yield spreads over U.S. Treasuries for seasoned U.S. agency MBS widened over the year ended October 31, 2008. The widening of approximately 200 basis points (2.00%), however, was more than offset by a decline in Treasury yields, thereby generating positive returns for the sector.
- The Fund's foreign obligations were slightly negative for the Fund's performance. The Fund's foreign investments consisted primarily of long and short forward currency contracts, foreign-denominated sovereign bonds, and other derivatives.
- The two primary drivers of the sector's negative performance were positions in Iceland and the Latin American region. In addition, certain positions in Asia also contributed to underperformance, specifically, a short position in Japanese Government bonds and a long Indonesian currency position. Iceland was the Fund's worst performer. The Icelandic government seized the nation's banks in October, as the banks collapsed under the weight of a falling currency and large debts abroad. In Latin America, the Fund's position in Uruguay declined in value toward the end of the fiscal year in response to negative developments in Argentina, one of its major trading partners. The Fund's position in Colombia also detracted from performance; despite relatively stable economic growth, the Colombian peso fared poorly, as the government suspended its efforts to support it. The Fund's position in Brazil also weakened; however, the country's influence as an economic power in Latin America continued to grow.

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- The Fund's positions in Egyptian T-bills were additive to performance, as Egypt benefited from an inflow of Middle East oil revenues. The government has encouraged a stronger pound as a weapon against inflation. Elsewhere, the Fund continued to benefit from a short South African Rand position. The Rand declined to its lowest level in six years as demand for gold and other precious metals fell amid the global economic downturn.
- Additionally, the Fund benefitted from its positions in Eastern Europe, most notably Poland and Turkey. The Fund's exposure to the Polish Zloty added to performance. The currency was helped by strong industrial production, an economic growth rate twice that of the Euro zone and continuing remittances from workers abroad. Investments in the Turkish Lira were also additive, as the Turkish central bank raised rates to fight inflation. The currency strengthened further late in the period following a loan accord with the International Monetary Fund.
- The Fund employs leverage through the use of derivative instruments and borrowings. The Fund's leverage was comprised of approximately 14% through borrowings and 32% through derivative investments. Use of leverage creates an opportunity for increased total return but, at the same time, creates special risks (including the likelihood of greater volatility of net asset and market price).

The views expressed throughout this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. These views are subject to change at any time based upon market or other conditions, and the investment adviser disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a fund are based on many factors, may not be relied on as an indication of trading intent on behalf of any Eaton Vance fund. Portfolio information provided in the report may not be representative of the Fund's current or future investments and may change due to active management.

Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

FUND PERFORMANCE

Performance (1)

New York Stock Exchange Symbol

EVG

Average Annual Total Returns (by share price, NYSE)

One Year	-16.36%
Life of Fund (2/28/05)	-3.15

Average Annual Total Returns (at net asset value)

One Year	-11.57%
Life of Fund (2/28/05)	1.45

(1) Performance results reflect the effects of leverage.

Fund Composition

Fund Allocations(2)

By total leveraged assets

(2) Fund Allocations are as of 10/31/08 and are as a percentage of the Fund's total leveraged assets. Total leveraged assets include all assets of the Fund (including those acquired with financial leverage), the notional value of long and short forward foreign currency contracts and other foreign obligations derivatives held by the Fund. Fund Allocations as a percentage of the Fund's net assets amounted to 183.6% as of 10/31/08. Fund Allocations are subject to change

due to active management. Please refer to definition of total leveraged assets within the Notes to Financial Statements included herein.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value or share price (as applicable) with all distributions reinvested. The Fund's performance at market share price will differ from its results at NAV. Although share price performance generally reflects investment results over time, during shorter periods, returns at share price can also be affected by factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for the Fund's shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Fund's current performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to www.eatonvance.com.

Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS

Principal Amount*	Borrower/Tranche Description	Value
Senior Floating-Rate Interests 47.8% ⁽¹⁾		
Aerospace and Defense 1.0%		
ACTS Aero Technical Support & Service, Inc.		
187,773	Term Loan, 7.89%, Maturing October 5, 2014	\$ 91,070
DAE Aviation Holdings, Inc.		
113,548	Term Loan, 7.17%, Maturing July 31, 2014	84,594
114,894	Term Loan, 7.37%, Maturing July 31, 2014	85,596
Evergreen International Aviation		
263,674	Term Loan, 9.00%, Maturing October 31, 2011	201,051
Hawker Beechcraft Acquisition		
110,132	Term Loan, 5.76%, Maturing March 26, 2014	71,507
1,880,323	Term Loan, 5.76%, Maturing March 26, 2014	1,220,867
Hexcel Corp.		
388,666	Term Loan, 5.25%, Maturing March 1, 2012	345,913
Vought Aircraft Industries, Inc.		
789,305	Term Loan, 5.62%, Maturing December 17, 2011	627,497
181,818	Term Loan, 6.42%, Maturing December 17, 2011	136,364
		\$ 2,864,459
Air Transport 0.3%		
Delta Air Lines, Inc.		
345,625	Term Loan - Second Lien, 6.25%, Maturing April 30, 2014	\$ 198,734
Northwest Airlines, Inc.		
813,112	DIP Loan, 5.00%, Maturing August 21, 2009	661,670
		\$ 860,404
Automotive 3.6%		
Accuride Corp.		
535,682	Term Loan, 7.31%, Maturing January 31, 2012	\$ 405,779
Adesa, Inc.		
885,330	Term Loan, 6.02%, Maturing October 18, 2013	589,482
Allison Transmission, Inc.		
803,444	Term Loan, 5.67%, Maturing September 30, 2014	551,794
ATU AFM Auto Holding GmbH & Co.		
EUR 750,000	Term Loan, 8.09%, Maturing August 20, 2013	333,887
AxleTech International Holding, Inc.		
425,000	Term Loan - Second Lien, 10.39%, Maturing April 21, 2013	333,625

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Chrysler Financial			
	496,244	Term Loan, 6.82%, Maturing August 1, 2014	340,340
Dayco Europe S.R.I.			
EUR	271,850	Term Loan, 9.40%, Maturing June 21, 2010	260,523
Dayco Products, LLC			
	496,832	Term Loan, 8.01%, Maturing June 21, 2011	168,923
Principal Amount*			
		Borrower/Tranche Description	Value
Automotive (continued)			
Delphi Corp.			
	1,000,000	DIP Loan, 7.25%, Maturing December 31, 2008	\$ 860,000
Federal-Mogul Corp.			
	294,425	Term Loan, 5.48%, Maturing December 27, 2014	179,231
	227,943	Term Loan, 6.12%, Maturing December 27, 2015	138,760
Ford Motor Co.			
	491,250	Term Loan, 7.59%, Maturing December 15, 2013	272,994
General Motors Corp.			
	1,406,256	Term Loan, 5.80%, Maturing November 29, 2013	777,660
Goodyear Tire & Rubber Co.			
	3,175,000	Term Loan - Second Lien, 4.78%, Maturing April 30, 2010	2,259,543
HLI Operating Co., Inc.			
EUR	27,273	Term Loan, 4.87%, Maturing May 30, 2014	29,894
EUR	1,307,091	Term Loan, 7.67%, Maturing May 30, 2014	1,299,443
Keystone Automotive Operations, Inc.			
	238,332	Term Loan, 6.78%, Maturing January 12, 2012	137,041
LKQ Corp.			
	247,116	Term Loan, 6.77%, Maturing October 12, 2014	205,106
TriMas Corp.			
	1,070,313	Term Loan, 4.88%, Maturing August 2, 2011	813,437
	298,594	Term Loan, 5.63%, Maturing February 28, 2012	226,931
			\$ 10,184,393
Beverage and Tobacco 0.2%			
Culligan International Co.			
EUR	300,000	Term Loan - Second Lien, 9.78%, Maturing May 31, 2013	\$ 76,473
Liberator Midco, Ltd.			
EUR	250,000	Term Loan, 6.75%, Maturing October 27, 2013	249,732
EUR	244,357	Term Loan, 7.13%, Maturing October 27, 2014	244,095
			\$ 570,300
Building and Development 1.3%			
Brickman Group Holdings, Inc.			
	596,970		\$ 468,621

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		Term Loan, 5.12%, Maturing January 23, 2014	
Building Materials Corp. of America			
	393,052	Term Loan, 6.62%, Maturing February 22, 2014	274,350
Epco/Fantome, LLC			
	460,000	Term Loan, 5.80%, Maturing November 23, 2010	432,400
Hovstone Holdings, LLC			
	132,500	Term Loan, 6.25%, Maturing February 28, 2009	86,973
LNR Property Corp.			
	704,000	Term Loan, 6.04%, Maturing July 3, 2011	385,440
Panolam Industries Holdings, Inc.			
	155,749	Term Loan, 6.51%, Maturing September 30, 2012	133,944

See notes to financial statements

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Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS CONT'D

Principal Amount*	Borrower/Tranche Description	Value
Building and Development (continued)		
Realogy Corp.		
256,600	Term Loan, 3.78%, Maturing September 1, 2014	\$ 165,079
953,087	Term Loan, 6.50%, Maturing September 1, 2014	613,153
TRU 2005 RE Holding Co.		
575,000	Term Loan, 6.72%, Maturing December 9, 2008	420,229
United Subcontractors, Inc.		
251,473	Term Loan - Second Lien, 12.42%, Maturing June 27, 2013 ⁽²⁾	95,560
Wintergames Acquisition ULC		
733,068	Term Loan, 10.74%, Maturing April 25, 2010	542,397
		\$ 3,618,146
Business Equipment and Services 2.7%		
Axiom Corp.		
472,249	Term Loan, 4.94%, Maturing September 15, 2012	\$ 344,742
Affinion Group, Inc.		
908,129	Term Loan, 5.32%, Maturing October 17, 2012	724,233
Allied Barton Security Service		
200,000	Term Loan, 7.75%, Maturing February 21, 2015	178,500
Education Management, LLC		
1,426,094	Term Loan, 5.56%, Maturing June 1, 2013	1,005,396
Info USA, Inc.		
194,535	Term Loan, 5.77%, Maturing February 14, 2012	171,191
Intergraph Corp.		
421,020	Term Loan, 4.81%, Maturing May 29, 2014	328,396
Mitchell International, Inc.		
192,063	Term Loan, 5.81%, Maturing March 28, 2014	166,134
N.E.W. Holdings I, LLC		
270,038	Term Loan, 5.89%, Maturing May 22, 2014	208,604
Protection One, Inc.		
191,018	Term Loan, 5.42%, Maturing March 31, 2012	154,724
Sabre, Inc.		
1,364,593	Term Loan, 5.25%, Maturing September 30, 2014	790,705
Sitel (Client Logic)		
273,201	Term Loan, 6.51%, Maturing January 29, 2014	163,921
SunGard Data Systems, Inc.		

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	1,915,714	Term Loan, 4.55%, Maturing February 11, 2013	1,476,468
TDS Investor Corp.			
EUR	525,796	Term Loan, 7.39%, Maturing August 23, 2013	422,197
Valassis Communications, Inc.			
	109,126	Term Loan, 5.52%, Maturing March 2, 2014	76,752
	484,971	Term Loan, 5.52%, Maturing March 2, 2014	341,096
VWR International, Inc.			
	450,000	Term Loan, 5.67%, Maturing June 28, 2013	314,250
Principal Amount*			
		Borrower/Tranche Description	Value
Business Equipment and Services (continued)			
WAM Acquisition, S.A.			
EUR	153,716	Term Loan, 7.09%, Maturing May 4, 2014	\$ 112,776
EUR	93,087	Term Loan, 7.09%, Maturing May 4, 2014	68,294
EUR	153,716	Term Loan, 7.59%, Maturing May 4, 2015	112,776
EUR	93,087	Term Loan, 7.59%, Maturing May 4, 2015	68,294
West Corp.			
	687,776	Term Loan, 5.73%, Maturing October 24, 2013	445,335
			\$ 7,674,784
Cable and Satellite Television 3.7%			
Cequel Communications, LLC			
	475,000	Term Loan - Second Lien, 7.30%, Maturing May 5, 2014	\$ 304,000
	1,064,755	Term Loan - Second Lien, 8.80%, Maturing May 5, 2014	697,415
Charter Communications Operating, Inc.			
	1,976,894	Term Loan, 5.31%, Maturing April 28, 2013	1,488,540
CSC Holdings, Inc.			
	1,492,347	Term Loan, 4.57%, Maturing March 29, 2013	1,297,276
CW Media Holdings, Inc.			
	198,000	Term Loan, 7.01%, Maturing February 16, 2015	158,400
Insight Midwest Holdings, LLC			
	1,029,375	Term Loan, 5.93%, Maturing April 6, 2014	814,922
Kabel Deutschland GmbH			
EUR	1,000,000	Term Loan, 6.91%, Maturing March 31, 2012	971,844
Mediacom Broadband Group			
	1,989,873	Term Loan, 3.89%, Maturing January 31, 2015	1,447,633
Orion Cable GmbH			
EUR	225,566	Term Loan, 7.69%, Maturing October 31, 2014	189,028
EUR	225,566	Term Loan, 8.41%, Maturing October 31, 2015	189,028
ProSiebenSat.1 Media AG			
EUR	9,415	Term Loan, 6.85%, Maturing June 26, 2015	6,529

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EUR	231,985	Term Loan, 6.85%, Maturing June 26, 2015	160,867
EUR	61,836	Term Loan, 7.53%, Maturing March 2, 2015	19,703
EUR	61,836	Term Loan, 7.78%, Maturing March 2, 2016	19,703
UPC Broadband Holding B.V.			
EUR	1,150,000	Term Loan, 7.01%, Maturing October 16, 2011	977,155
	1,550,000	Term Loan, 5.47%, Maturing December 31, 2014	1,112,125
YPSO Holding SA			
EUR	496,137	Term Loan, 7.00%, Maturing July 28, 2014	312,224
EUR	191,468	Term Loan, 7.00%, Maturing July 28, 2014	120,493
EUR	312,395	Term Loan, 7.00%, Maturing July 28, 2014	196,593
			\$ 10,483,478

See notes to financial statements

Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS CONT'D

Principal Amount*		Borrower/Tranche Description	Value
Chemicals and Plastics	2.5%		
Brenntag Holding GmbH and Co.			
EUR	1,094,382	Term Loan, 12.14%, Maturing December 23, 2013	\$ 899,674
Celanese Holdings, LLC			
	994,949	Term Loan, 5.55%, Maturing April 2, 2014	808,752
Cognis GmbH			
	400,000	Term Loan, 4.82%, Maturing September 15, 2013	254,667
Foamex International, Inc.			
	211,265	Term Loan, 8.04%, Maturing February 12, 2013	97,710
Georgia Gulf Corp.			
	186,599	Term Loan, 9.05%, Maturing October 3, 2013	149,466
INEOS Group			
	1,230,602	Term Loan, 5.95%, Maturing December 14, 2013	685,035
	1,230,602	Term Loan, 6.45%, Maturing December 14, 2014	673,755
Innophos, Inc.			
	433,832	Term Loan, 6.76%, Maturing August 10, 2010	373,096
Kleopatra			
	225,000	Term Loan, 6.82%, Maturing January 3, 2016	106,875
EUR	200,000	Term Loan, 7.88%, Maturing January 3, 2016	130,641
Kranton Polymers, LLC			
	628,454	Term Loan, 5.31%, Maturing May 12, 2013	486,005
Lucite International Group Holdings			
	180,949	Term Loan, 5.37%, Maturing July 7, 2013	164,212
	64,074	Term Loan, 5.37%, Maturing July 7, 2013	51,046
MacDermid, Inc.			
EUR	400,909	Term Loan, 7.39%, Maturing April 12, 2014	355,130
Millenium Inorganic Chemicals			
	300,000	Term Loan - Second Lien, 9.51%, Maturing October 31, 2014	162,000
Propex Fabrics, Inc.			
	239,908	Term Loan, 8.00%, Maturing July 31, 2012	72,572
Rockwood Specialties Group			
EUR	1,447,500	Term Loan, 6.23%, Maturing July 30, 2012	1,577,399
			\$ 7,048,035
Clothing / Textiles	0.1%		

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Hanesbrands, Inc.			
		Term Loan - Second Lien, 7.27%, Maturing January 13, 2016	\$ 195,833
	250,000		
St. John Knits International, Inc.			
		Term Loan, 6.12%, Maturing March 23, 2012	96,470
	115,533		
			\$ 292,303
Principal Amount*			
Borrower/Tranche Description			
Value			
Conglomerates 1.5%			
Doncasters (Dunde HoldCo 4 Ltd.)			
		Term Loan, 4.85%, Maturing July 13, 2015	\$ 92,298
	123,889		
		Term Loan, 5.35%, Maturing July 13, 2015	92,298
	123,889		
		Term Loan - Second Lien, 9.77%, Maturing January 13, 2016	263,531
	GBP 250,000		
ISS Holdings A/S			
		Term Loan, 6.96%, Maturing December 31, 2013	104,088
	EUR 122,807		
		Term Loan, 6.96%, Maturing December 31, 2013	743,487
	EUR 877,193		
Jarden Corp.			
		Term Loan, 5.51%, Maturing January 24, 2012	166,063
	202,825		
		Term Loan, 6.26%, Maturing January 24, 2012	415,284
	496,232		
Polymer Group, Inc.			
		Term Loan, 5.73%, Maturing November 22, 2012	961,279
	1,209,155		
RGIS Holdings, LLC			
		Term Loan, 5.46%, Maturing April 30, 2014	581,215
	846,429		
		Term Loan, 5.62%, Maturing April 30, 2014	29,061
	42,321		
The Manitowoc Company, Inc.			
		Term Loan, Maturing August 21, 2014 ⁽¹⁾	197,625
	250,000		
US Investigations Services, Inc.			
		Term Loan, 5.95%, Maturing February 21, 2015	369,013
	519,737		
Vertrue, Inc.			
		Term Loan, 6.77%, Maturing August 16, 2014	185,625
	247,500		
			\$ 4,200,867
Containers and Glass Products 1.7%			
Berry Plastics Corp.			
		Term Loan, 4.80%, Maturing April 3, 2015	\$ 396,123
	538,028		
Consolidated Container Co.			
		Term Loan, 5.75%, Maturing March 28, 2014	194,743
	320,125		
Crown Americas, Inc.			
		Term Loan, 6.87%, Maturing November 15, 2012	1,236,568
	EUR 980,000		
JSG Acquisitions			
		Term Loan, 6.96%, Maturing December 31, 2014	419,236
	EUR 500,000		

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EUR	500,000	Term Loan, 7.12%, Maturing December 31, 2014	419,236
Pregis Corp.			
	970,000	Term Loan, 6.01%, Maturing October 12, 2012	873,000
Smurfit-Stone Container Corp.			
	428,496	Term Loan, 3.83%, Maturing November 1, 2011	340,654
	719,761	Term Loan, 4.88%, Maturing November 1, 2011	572,210
	244,516	Term Loan, 4.90%, Maturing November 1, 2011	194,390
			\$ 4,646,160

See notes to financial statements

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Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS CONT'D

Principal Amount*	Borrower/Tranche Description	Value
Cosmetics / Toiletries 0.2%		
Bausch & Lomb, Inc.		
40,000	Term Loan, 4.71%, Maturing April 30, 2015 ⁽³⁾	\$ 32,467
158,800	Term Loan, 7.01%, Maturing April 30, 2015	128,893
Prestige Brands, Inc.		
526,367	Term Loan, 5.82%, Maturing April 7, 2011	423,725
		\$ 585,085
Drugs 0.3%		
Pharmaceutical Holdings Corp.		
116,826	Term Loan, 6.51%, Maturing January 30, 2012	\$ 98,134
Stiefel Laboratories, Inc.		
152,903	Term Loan, 7.00%, Maturing December 28, 2013	124,616
199,906	Term Loan, 7.00%, Maturing December 28, 2013	162,924
Warner Chilcott Corp.		
156,933	Term Loan, 5.76%, Maturing January 18, 2012	129,705
418,254	Term Loan, 5.76%, Maturing January 18, 2012	345,687
		\$ 861,066
Ecological Services and Equipment 0.4%		
Big Dumpster Merger Sub, Inc.		
96,794	Term Loan, 6.01%, Maturing February 5, 2013	\$ 70,176
Blue Waste B.V. (AVR Acquisition)		
EUR 500,000	Term Loan, 7.21%, Maturing April 1, 2015	505,040
Sensus Metering Systems, Inc.		
359,361	Term Loan, 4.92%, Maturing December 17, 2010	332,409
Wastequip, Inc.		
398,206	Term Loan, 6.01%, Maturing February 5, 2013	288,699
		\$ 1,196,324
Electronics / Electrical 1.6%		
Aspect Software, Inc.		
448,500	Term Loan, 6.25%, Maturing July 11, 2011	\$ 363,285
500,000	Term Loan - Second Lien, 10.00%, Maturing July 11, 2013	380,000
Freescale Semiconductor, Inc.		
1,203,563	Term Loan, 5.47%, Maturing December 1, 2013	823,438
Infor Enterprise Solutions Holdings		
740,600	Term Loan, 7.52%, Maturing July 28, 2012	468,429
386,400		244,398

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		Term Loan, 7.52%, Maturing July 28, 2012	
	250,000	Term Loan - Second Lien, 9.26%, Maturing March 2, 2014	80,000
	91,667	Term Loan - Second Lien, 10.01%, Maturing March 2, 2014	29,333
	158,333	Term Loan - Second Lien, 10.01%, Maturing March 2, 2014	51,062
Network Solutions, LLC			
	195,101	Term Loan, 5.95%, Maturing March 7, 2014	112,183
Principal Amount*			
		Borrower/Tranche Description	Value
Electronics / Electrical (continued)			
Open Solutions, Inc.			
	320,182	Term Loan, 5.96%, Maturing January 23, 2014	\$ 176,100
Sensata Technologies Finance Co.			
	984,887	Term Loan, 5.26%, Maturing April 27, 2013	636,237
Spectrum Brands, Inc.			
	16,486	Term Loan, 3.57%, Maturing March 30, 2013	11,314
	325,662	Term Loan, 7.58%, Maturing March 30, 2013	223,486
SS&C Technologies, Inc.			
	386,420	Term Loan, 5.77%, Maturing November 23, 2012	294,645
Vertafore, Inc.			
	488,843	Term Loan, 5.31%, Maturing January 31, 2012	397,185
	275,000	Term Loan - Second Lien, 8.81%, Maturing January 31, 2013	188,375
			\$ 4,479,470
Equipment Leasing 0.1%			
AWAS Capital, Inc.			
	555,140	Term Loan - Second Lien, 9.25%, Maturing March 22, 2013	\$ 319,206
			\$ 319,206
Farming / Agriculture 0.1%			
BF Bolthouse HoldCo, LLC			
	375,000	Term Loan - Second Lien, 9.26%, Maturing December 16, 2013	\$ 285,000
			\$ 285,000
Financial Intermediaries 0.3%			
Jupiter Asset Management Group			
GBP	220,143	Term Loan, 7.89%, Maturing June 30, 2015	\$ 267,486
LPL Holdings, Inc.			
	496,222	Term Loan, 5.51%, Maturing December 18, 2014	396,977
Travelex America Holdings, Inc.			
	125,000	Term Loan, 5.93%, Maturing October 31, 2013	98,125
	125,000	Term Loan, 6.43%, Maturing October 31, 2014	98,125
			\$ 860,713

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Food Products 1.9%

Acosta, Inc.	610,938	Term Loan, 5.37%, Maturing July 28, 2013	\$ 450,566
Advantage Sales & Marketing, Inc.	987,702	Term Loan, 5.20%, Maturing March 29, 2013	693,861
American Seafoods Group, LLC	683,900	Term Loan, 5.01%, Maturing September 30, 2011	629,188

See notes to financial statements

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Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS CONT'D

Principal Amount*		Borrower/Tranche Description	Value
Food Products (continued)			
Black Lion Beverages III B.V.			
EUR	1,000,000	Term Loan - Second Lien, 9.49%, Maturing January 24, 2016	\$ 775,351
Charden International B.V.			
EUR	242,629	Term Loan, 7.80%, Maturing March 14, 2014	254,094
EUR	242,629	Term Loan, 8.30%, Maturing March 14, 2015	254,094
Michael Foods, Inc.			
	197,824	Term Loan, 4.87%, Maturing November 21, 2010	175,074
Pinnacle Foods Finance, LLC			
	1,061,563	Term Loan, 6.76%, Maturing April 2, 2014	770,694
Reddy Ice Group, Inc.			
	925,000	Term Loan, 6.50%, Maturing August 9, 2012	691,437
Ruby Acquisitions, Ltd.			
GBP	385,043	Term Loan, 8.84%, Maturing January 5, 2015	480,243
Wrigley Company			
	257,699	Term Loan, 7.75%, Maturing October 6, 2014	244,879
			\$ 5,419,481
Food Service 0.9%			
Aramark Corp.			
GBP	540,375	Term Loan, 8.38%, Maturing January 27, 2014	\$ 695,722
Buffets, Inc.			
	127,599	Term Loan, 10.42%, Maturing January 22, 2009	39,556
	12,713	Term Loan, 10.42%, Maturing January 22, 2009	3,941
	258,662	DIP Loan, 12.25%, Maturing January 22, 2009	259,955
	39,458	Term Loan, 3.66%, Maturing May 1, 2013	11,640
	265,418	Term Loan, 10.42%, Maturing November 1, 2013	78,298
Denny's, Inc.			
	37,000	Term Loan, 3.70%, Maturing March 31, 2012	29,415
	136,652	Term Loan, 4.75%, Maturing March 31, 2012	108,639
JRD Holdings, Inc.			
	615,856	Term Loan, 5.75%, Maturing June 26, 2014	468,051
OSI Restaurant Partners, LLC			
	18,797	Term Loan, 2.64%, Maturing May 9, 2013	9,884
	220,644		116,022

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Term Loan, 5.25%, Maturing May 9, 2014

QCE Finance, LLC

275,000

Term Loan - Second Lien, 9.51%,
Maturing
November 5, 2013

162,937

Selecta

EUR

741,246

Term Loan, 7.50%, Maturing June 28, 2015

632,986

\$ 2,617,046

Principal
Amount*

Borrower/Tranche Description

Value

Food / Drug Retailers 0.8%

General Nutrition Centers, Inc.

791,722

Term Loan, 6.14%, Maturing
September 16, 2013

\$ 548,927

Iceland Foods Group, Ltd.

GBP

250,000

Term Loan, 7.61%, Maturing May 2, 2014

349,028

GBP

250,000

Term Loan, 8.61%, Maturing May 2, 2015

349,028

Roundy's Supermarkets, Inc.

1,173,829

Term Loan, 5.38%, Maturing
November 3, 2011

953,736

\$ 2,200,719

Forest Products 1.0%

Georgia-Pacific Corp.

2,870,154

Term Loan, 5.37%, Maturing
December 20, 2012

\$ 2,390,999

Newpage Corp.

372,188

Term Loan, 7.00%, Maturing
December 5, 2014

303,865

\$ 2,694,864

Healthcare 4.0%

Accellent, Inc.

1,005,544

Term Loan, 5.31%, Maturing
November 22, 2012

\$ 693,825

American Medical Systems

314,249

Term Loan, 5.44%, Maturing July 20, 2012

270,254

AMR HoldCo, Inc.

317,769

Term Loan, 4.82%, Maturing February 10, 2012

282,814

Biomet, Inc.

767,250

Term Loan, 6.76%, Maturing
December 26, 2014

669,617

EUR

346,500

Term Loan, 8.14%, Maturing
December 26, 2014

378,699

Cardinal Health 409, Inc.

419,688

Term Loan, 6.01%, Maturing April 10, 2014

271,748

Carestream Health, Inc.

941,635

Term Loan, 5.43%, Maturing April 30, 2013

619,909

Carl Zeiss Vision Holding GmbH

400,000

Term Loan, 5.62%, Maturing March 23, 2015

228,667

Community Health Systems, Inc.

82,401

66,240

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		Term Loan, 0.00%, Maturing July 25, 2014 ⁽³⁾	
	1,610,482	Term Loan, 5.16%, Maturing July 25, 2014	1,294,627
Dako EQT Project Delphi			
	250,000	Term Loan - Second Lien, 7.63%, Maturing December 12, 2016	100,000
DJO Finance, LLC			
	198,500	Term Loan, 6.74%, Maturing May 15, 2014	151,852
HCA, Inc.			
	1,918,387	Term Loan, 6.01%, Maturing November 18, 2013	1,587,945
Health Management Association, Inc.			
	1,056,547	Term Loan, 5.51%, Maturing February 28, 2014	744,866

See notes to financial statements

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Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS CONT'D

Principal Amount*	Borrower/Tranche Description	Value
Healthcare (continued)		
IM U.S. Holdings, LLC		
320,938	Term Loan, 5.16%, Maturing June 26, 2014	\$ 236,959
Invacare Corp.		
193,200	Term Loan, 5.60%, Maturing February 12, 2013	165,186
MultiPlan Merger Corp.		
461,972	Term Loan, 5.63%, Maturing April 12, 2013	363,803
National Mentor Holdings, Inc.		
16,800	Term Loan, 2.44%, Maturing June 29, 2013	14,196
276,828	Term Loan, 5.77%, Maturing June 29, 2013	233,920
Nyco Holdings		
EUR 307,765	Term Loan, 7.42%, Maturing December 29, 2014	214,519
EUR 307,765	Term Loan, 8.17%, Maturing December 29, 2015	214,519
P&F Capital S.A.R.L.		
EUR 206,748	Term Loan, 7.63%, Maturing February 21, 2014	221,349
EUR 64,291	Term Loan, 7.63%, Maturing February 21, 2014	68,831
EUR 123,769	Term Loan, 7.63%, Maturing February 21, 2014	132,510
EUR 99,350	Term Loan, 7.63%, Maturing February 21, 2014	106,367
EUR 93,422	Term Loan, 8.13%, Maturing February 21, 2015	100,169
EUR 34,708	Term Loan, 8.13%, Maturing February 21, 2015	37,214
EUR 72,073	Term Loan, 8.13%, Maturing February 21, 2015	77,278
EUR 293,557	Term Loan, 8.13%, Maturing February 21, 2015	314,756
ReAble Therapeutics Finance, LLC		
447,325	Term Loan, 5.76%, Maturing November 16, 2013	337,730
Select Medical Corp.		
494,975	Term Loan, 5.72%, Maturing February 24, 2012	381,131
Select Medical Holdings Corp.		
482,500	Term Loan, 4.91%, Maturing February 24, 2012	371,525
Viant Holdings, Inc.		
494,987	Term Loan, 6.02%, Maturing June 25, 2014	294,518
		\$ 11,247,543
Home Furnishings 0.4%		
Interline Brands, Inc.		
276,250	Term Loan, 4.75%, Maturing June 23, 2013	\$ 212,712

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	191,304	Term Loan, 4.75%, Maturing June 23, 2013	147,304
Oreck Corp.			
	444,874	Term Loan, 5.61%, Maturing February 2, 2012 ⁽²⁾	173,946
Simmons Co.			
	806,601	Term Loan, 5.44%, Maturing December 19, 2011	572,687
			\$ 1,106,649
Industrial Equipment 1.3%			
Brand Energy and Infrastructure Services, Inc.			
	198,000	Term Loan, 6.96%, Maturing February 7, 2014	\$ 155,430
Principal Amount*		Borrower/Tranche Description	Value
Industrial Equipment (continued)			
CEVA Group PLC U.S.			
	758,358	Term Loan, 6.17%, Maturing November 4, 2013	\$ 608,582
	265,066	Term Loan, 6.75%, Maturing November 4, 2013	212,715
	262,114	Term Loan, 6.76%, Maturing January 4, 2014	210,347
EPD Holdings (Goodyear Engineering Products)			
	86,844	Term Loan, 5.50%, Maturing July 13, 2014	62,962
	606,375	Term Loan, 5.50%, Maturing July 13, 2014	439,622
	200,000	Term Loan - Second Lien, 8.75%, Maturing April 30, 2014	116,000
Generac Acquisition Corp.			
	367,146	Term Loan, 6.65%, Maturing November 7, 2013	231,914
Gleason Corp.			
	20,089	Term Loan, 5.22%, Maturing June 30, 2013	17,176
	174,893	Term Loan, 5.22%, Maturing June 30, 2013	149,534
John Maneely Co.			
	534,636	Term Loan, 7.66%, Maturing December 8, 2013	394,294
Polypore, Inc.			
	839,375	Term Loan, 5.39%, Maturing July 3, 2014	654,712
Sequa Corp.			
	397,522	Term Loan, 6.38%, Maturing November 30, 2014	298,638
TFS Acquisition Corp.			
	220,500	Term Loan, 7.26%, Maturing August 11, 2013	205,065
			\$ 3,756,991
Insurance 0.9%			
CCC Information Services Group, Inc.			
	568,938	Term Loan, 6.02%, Maturing February 10, 2013	\$ 457,995
Conseco, Inc.			
	784,017	Term Loan, 5.00%, Maturing October 10, 2013	519,411
Crawford & Company			
	349,143		303,754

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Term Loan, 6.52%, Maturing October
31, 2013

Crump Group, Inc.			
	240,333	Term Loan, 6.71%, Maturing August 4, 2014	179,048
Getty Images, Inc.			
	475,000	Term Loan, 8.05%, Maturing July 2, 2015	432,487
Hub International Holdings, Inc.			
	131,469	Term Loan, 6.26%, Maturing June 13, 2014	90,714
	584,916	Term Loan, 6.26%, Maturing June 13, 2014	403,592
U.S.I. Holdings Corp.			
	222,187	Term Loan, 6.52%, Maturing May 4, 2014	161,641
			\$ 2,548,642
Leisure Goods / Activities / Movies	2.5%		
24 Hour Fitness Worldwide, Inc.			
	394,875	Term Loan, 6.18%, Maturing June 8, 2012	\$ 294,182

See notes to financial statements

Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS CONT'D

Principal Amount*	Borrower/Tranche Description	Value
Leisure Goods / Activities / Movies (continued)		
AMC Entertainment, Inc.		
1,989,770	Term Loan, 5.01%, Maturing January 26, 2013	\$ 1,525,905
Bombardier Recreational Products		
524,051	Term Loan, 6.16%, Maturing June 28, 2013	362,905
Metro-Goldwyn-Mayer Holdings, Inc.		
1,614,692	Term Loan, 7.01%, Maturing April 8, 2012	816,429
National CineMedia, LLC		
725,000	Term Loan, 4.57%, Maturing February 13, 2015	505,084
Regal Cinemas Corp.		
1,989,848	Term Loan, 5.26%, Maturing November 10, 2010	1,504,546
Revolution Studios Distribution Co., LLC		
305,861	Term Loan, 6.87%, Maturing December 21, 2014	253,865
225,000	Term Loan, 10.12%, Maturing June 21, 2015	159,750
Six Flags Theme Parks, Inc.		
839,375	Term Loan, 5.69%, Maturing April 30, 2015	549,791
Universal City Development Partners, Ltd.		
925,455	Term Loan, 6.68%, Maturing June 9, 2011	795,891
Zuffa, LLC		
493,750	Term Loan, 5.81%, Maturing June 20, 2016	308,594
		\$ 7,076,942
Lodging and Casinos 1.4%		
Harrah's Operating Co.		
1,990,000	Term Loan, 6.45%, Maturing January 28, 2015	\$ 1,365,994
497,500	Term Loan, 6.54%, Maturing January 28, 2015	342,377
Herbst Gaming, Inc.		
994,937	Term Loan, 10.50%, Maturing December 2, 2011	552,190
Isle of Capri Casinos, Inc.		
566,360	Term Loan, 5.51%, Maturing November 30, 2013	384,181
170,769	Term Loan, 5.51%, Maturing November 30, 2013	115,838
226,544	Term Loan, 5.51%, Maturing November 30, 2013	153,673
New World Gaming Partners, Ltd.		
289,479	Term Loan, 6.26%, Maturing June 30, 2014	144,740
58,333	Term Loan, 6.55%, Maturing June 30, 2014	29,167
Venetian Casino Resort, LLC		

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	167,647	Term Loan, 5.52%, Maturing May 14, 2014	96,439
	829,832	Term Loan, 5.52%, Maturing May 23, 2014	477,361
VML US Finance, LLC			
	133,333	Term Loan, 6.02%, Maturing May 25, 2012	85,667
	266,667	Term Loan, 6.02%, Maturing May 25, 2013	171,333
			\$ 3,918,960
Principal Amount*			
		Borrower/Tranche Description	Value
Nonferrous Metals / Minerals 0.4%			
Euramax International, Inc.			
	167,105	Term Loan - Second Lien, 11.00%, Maturing June 28, 2013	\$ 79,375
	82,895	Term Loan - Second Lien, 11.00%, Maturing June 28, 2013	39,375
Murray Energy Corp.			
	723,750	Term Loan, 6.94%, Maturing January 28, 2010	629,662
Noranda Aluminum Acquisition			
	523,439	Term Loan, 4.81%, Maturing May 18, 2014	418,751
			\$ 1,167,163
Oil and Gas 0.2%			
Dresser, Inc.			
	300,000	Term Loan - Second Lien, 8.56%, Maturing May 4, 2015	\$ 185,500
Enterprise GP Holdings, L.P.			
	300,000	Term Loan, 6.68%, Maturing October 31, 2014	253,500
Targa Resources, Inc.			
	87,903	Term Loan, 3.64%, Maturing October 31, 2012	67,158
	229,912	Term Loan, 5.97%, Maturing October 31, 2012	175,653
			\$ 681,811
Publishing 4.2%			
American Media Operations, Inc.			
	976,936	Term Loan, 7.56%, Maturing January 31, 2013	\$ 656,989
CanWest MediaWorks, Ltd.			
	222,187	Term Loan, 4.81%, Maturing July 10, 2014	158,864
GateHouse Media Operating, Inc.			
	375,000	Term Loan, 4.81%, Maturing August 28, 2014	92,500
	175,000	Term Loan, 4.98%, Maturing August 28, 2014	43,167
Idearc, Inc.			
	2,805,062	Term Loan, 5.74%, Maturing November 17, 2014	1,210,853
Laureate Education, Inc.			
	59,434	Term Loan, 7.00%, Maturing August 17, 2014	42,495
	397,171	Term Loan, 7.00%, Maturing August 17, 2014	283,977
MediaNews Group, Inc.			
	198,790		104,365

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		Term Loan, 7.07%, Maturing August 2, 2013	
Mediannuaire Holding			
EUR	242,204	Term Loan, 7.38%, Maturing October 10, 2014	137,629
EUR	242,204	Term Loan, 7.88%, Maturing October 10, 2015	137,629
Nebraska Book Co., Inc.			
	718,139	Term Loan, 6.38%, Maturing March 4, 2011	524,241
Nielsen Finance, LLC			
	1,465,069	Term Loan, 4.80%, Maturing August 9, 2013	1,068,035
Philadelphia Newspapers, LLC			
	212,423	Term Loan, 7.25%, Maturing June 29, 2013	63,727

See notes to financial statements

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Eaton Vance Short Duration Diversified Income Fund as of October 31, 2008

PORTFOLIO OF INVESTMENTS CONT'D

Principal Amount*	Borrower/Tranche Description	Value
Publishing (continued)		
R.H. Donnelley Corp.		
974,032	Term Loan, 6.85%, Maturing June 30, 2010	\$ 618,713
Reader's Digest Association, Inc. (The)		
911,125	Term Loan, 5.23%, Maturing March 3, 2014	464,674
Seat Pagine Gialle SpA		
EUR 1,574,725	Term Loan, 4.61%, Maturing May 25, 2012	1,372,833
TL Acquisitions, Inc.		
497,487	Term Loan, 5.62%, Maturing July 5, 2014	373,392
Trader Media Corp.		
GBP 437,625	Term Loan, 8.26%, Maturing March 23, 2015	364,471
Tribune Co.		
179,200	Term Loan, 7.08%, Maturing June 4, 2009	141,030
790,000	Term Loan, 6.00%, Maturing May 17, 2014	354,710
World Directories Acquisition		
EUR 877,676	Term Loan, 6.72%, Maturing May 31, 2014	682,371
Xsys US, Inc.		
EUR 1,000,000	Term Loan, 7.54%, Maturing September 27, 2014	809,339
YBR Acquisition BV		
EUR 450,000	Term Loan, 7.01%, Maturing June 30, 2013	441,632
EUR 450,000	Term Loan, 7.51%, Maturing June 30, 2014	442,269
Yell Group, PLC		
2,000,000	Term Loan, 6.12%, Maturing February 10, 2013	1,380,000
		\$ 11,969,905
Radio and Television 1.6%		
Block Communications, Inc.		
267,438	Term Loan, 5.27%, Maturing December 22, 2011	\$ 215,287
CMP KC, LLC		
483,094	Term Loan, 7.81%, Maturing May 5, 2013	314,108
NEP II, Inc.		
172,373	Term Loan, 6.01%, Maturing February 16, 2014	126,694
Nexstar Broadcasting, Inc.		
382,226	Term Loan, 5.51%, Maturing October 1, 2012	265,647
361,707	Term Loan, 5.51%, Maturing October 1, 2012	251,387
PanAmSat Corp.		

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	228,713	Term Loan, 6.65%, Maturing January 3, 2014	189,832
	228,644	Term Loan, 6.65%, Maturing January 3, 2014	189,774
	228,644	Term Loan, 6.65%, Maturing January 3, 2014	189,774
Paxson Communications Corp.			
	850,000	Term Loan, 8.00%, Maturing January 15, 2012	471,750
SFX Entertainment			
	343,484	Term Loan, 7.02%, Maturing June 21, 2013	276,505
Tyrol Acquisition 2 SAS			
EUR	250,000	Term Loan, 6.50%, Maturing January 19, 2015	194,369
EUR	250,000	Term Loan, 7.40%, Maturing January 19, 2016	194,369
Principal Amount*			
		Borrower/Tranche Description	Value
Radio and Television (continued)			
Univision Communications, Inc.			
	154,100	Term Loan - Second Lien, 5.50%, Maturing March 29, 2009	\$ 135,223
	2,024,990	Term Loan, 5.25%, Maturing September 29, 2014	1,100,582
Young Broadcasting, Inc.			
	241,875	Term Loan, 6.30%, Maturing November 3, 2012	159,940
	487,500	Term Loan, 6.56%, Maturing November 3, 2012	322,359
			\$ 4,597,600
Rail Industries 0.1%			
Rail America, Inc.			
	27,360	Term Loan, 7.88%, Maturing August 14, 2009	