

# Eaton Vance Equity Option Funds

Eaton Vance Enhanced Equity Income Fund (EOI)  
Eaton Vance Enhanced Equity Income Fund II (EOS)  
Eaton Vance Risk-Managed Diversified Equity Income Fund (ETJ)  
Eaton Vance Tax-Managed Buy-Write Income Fund (ETB)  
Eaton Vance Tax-Managed Buy-Write Opportunities Fund (ETV)  
Eaton Vance Tax-Managed Diversified Equity Income Fund (ETY)  
Eaton Vance Tax-Managed Global Buy-Write Opportunities (ETW)  
Eaton Vance Tax-Managed Global Diversified Equity Income Fund (EXG)

## A Word on the Markets

Imagine landing a 747 in a blinding snowstorm while the airport is experiencing an earthquake. That's about the level of difficulty of what the U.S. Federal Reserve (the Fed) was tasked with attempting during the second quarter of 2022.

As the quarter progressed, the Fed increasingly deployed its most powerful inflation-fighting tool, interest-rate hikes, to try to bring the U.S. economy in for a soft landing. But as global inflation raged on and central banks around the world raised rates, investor expectations during the quarter appeared to shift from hope for a soft landing to widespread expectations for the hard landing of a global recession. Reflecting that outlook, major U.S. and global equity indexes delivered double-digit losses during the quarter, and the S&P 500® index posted its worst first-half performance since 1970.

After delivering positive returns in March, U.S. stocks were pummeled in the opening month of the second quarter by bad economic news. In its April report on the consumer price index, the Department of Labor noted that gasoline prices had jumped to record levels, grocery costs were increasing sharply, and year-over-year inflation though March had climbed 8.5%, the fastest rise since 1981. Under pressure from rising interest rates, technology stocks that had soared early in the pandemic retreated in April, and the tech-heavy Nasdaq composite index sank 13.3% during the month.

Overseas, the World Bank cut its global economic growth forecast for 2022, blaming Russia's war on Ukraine, inflation and the ongoing effects of the COVID-19 pandemic. Among those effects was China's unique stance on fighting the virus: a "zero-COVID" policy that resulted in a 60-day lockdown of its largest city, Shanghai, that wreaked further havoc on global supply chains.

While market volatility continued in May and inflation showed no signs of abating, U.S. stocks ended the month about where they began. Investors were perhaps heartened by several pieces of reassuring economic news: After the Fed, as expected, raised its benchmark interest rate 50 basis points on May 4, Fed Chair Jerome Powell stated that a more extreme 75bps future increase "is not something that the committee is actively considering." The Department of Labor reported that strong hiring had continued in April, with 428,000 new jobs created. The Bureau of Economic Analysis confirmed that consumer spending remained solid, having risen 0.9% the previous month.

Events in the final month of the quarter, however, seemed to confirm investors' worst fears. While both Jay Powell and Treasury Secretary Janet Yellen tried to reassure the public that a soft landing for the U.S. economy was still possible, both admitted that the Fed had perhaps waited too long to begin raising rates to tame inflation.

Indicating the urgency of the situation, the Fed reversed Powell's earlier stance and increased rates 75bps at its June meeting—its first move of that magnitude since 1994. Its policy-setting committee "judged that a significant risk now facing the committee was that elevated inflation could become entrenched if the public began to question the resolve of the committee" to address it. Echoing the Fed's concerns, the Bank of England and the Swiss National Bank raised their own interest rates as well. As investors worried that central bank rate hikes would lead to recession, equity prices plunged across the globe in the final month of the second quarter.



## Performance Summary

**Eaton Vance Enhanced Equity Income Fund (EOI)** outperformed its equity benchmark, the S&P 500, at net asset value for the quarter ended June 30, 2022. The top contributions to the underlying equity portfolio's relative performance were stock selection effects within the health care sector as well as in the information technology sector. Stock selection within the consumer discretionary and real estate sectors was the largest detractor. Stock selection and allocation had a net positive effect on results. The options portfolio contributed to the Fund's total return for the period.

**Eaton Vance Enhanced Equity Income Fund II (EOS)** outperformed its equity benchmark, the Russell 1000 Growth Index, at net asset value for the quarter ended June 30, 2022. The top contributions to the underlying equity portfolio's relative performance included stock selection within the information technology and consumer discretionary sectors. Meanwhile, the top detractors were an underweight to the real estate sector and an overweight to the communication services sector. Overall stock selection and allocation had a positive impact. The options portfolio was additive to the Fund's total return for the period.

**Eaton Vance Risk-Managed Equity Income Fund (ETJ)** outperformed its equity benchmark, the S&P 500, at net asset value for the quarter ended June 30, 2022. The top contributions to the underlying equity portfolio's relative performance were stock selection effects within the health care and information technology sectors and an overweight to energy. Stock selection within consumer discretionary was the largest detractor, while selection effects within real estate and an underweight to utilities dampened results. Stock selection and allocation had a positive impact on results. The options portfolio weighed positively on the Fund's total return for the period.

**Eaton Vance Tax-Managed Buy-Write Income Fund (ETB)** outperformed its equity benchmark, the S&P 500, at net asset value for the quarter June 30, 2022. Stock selection within the health care and consumer discretionary sectors added value during the period. Meanwhile, stock selection within information technology and real estate was the largest detractor during the quarter. Overall stock selection had a positive impact, while sector allocation was a detractor for the period. The options portfolio contributed to the Fund's total return for the period.

**Eaton Vance Tax-Managed Buy-Write Opportunities Fund (ETV)** outperformed its equity benchmark, the S&P 500, at net asset value for the quarter ended June 30, 2022. The top contribution to the underlying equity portfolio's relative performance was stock selection within the information technology and real estate sectors. Top detractors included an underweight to the consumer discretionary sector and stock selection within the consumer discretionary and communication services sectors. Both sector allocation and stock selection had a negative impact. The options portfolio contributed to the Fund's total return for the period.

**Eaton Vance Tax-Managed Diversified Equity Income Fund (ETY)** outperformed its equity benchmark, the S&P 500, at net asset value for the quarter ended June 30, 2022. The top contributions to the underlying equity portfolio's relative performance were stock selection effects within the health care and information technology sectors and an underweight to communication services. Stock selection within consumer discretionary was the largest detractor, while selection effects within real estate and energy also dampened results. Both stock selection and sector allocation had a net positive impact for the quarter. The options portfolio contributed to the Fund's total return for the period.

**Eaton Vance Tax-Managed Global Diversified Equity Income Fund (EXG)** outperformed its equity benchmark, the MSCI World Index, at net asset value for the quarter ended June 30, 2022. The top contributions to the underlying equity portfolio's relative performance were stock selection effects within the financials and information technology space. Stock selection within the industrial sector was the largest detractor, followed by materials and real estate. Stock selection and allocation both had a net positive impact. The options portfolio contributed to the Fund's total return for the period.

**Eaton Vance Tax-Managed Global Buy-Write Opportunities Fund (ETW)** underperformed its equity benchmark, the MSCI World Index, at net asset value for the quarter ended June 30, 2022. The top contributions to the underlying equity portfolio's relative performance were sector allocation effects within the health care and materials sectors. Allocation within the information technology and consumer discretionary sectors was the largest detractor, followed by selection results within industrials. Stock selection had a net positive impact, while overall sector allocation was negative. The options portfolio contributed to the Fund's total return for the period.

*Past performance is no guarantee of future results.*

*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 quoted. The Fund's performance at market price will differ from its results at NAV. Returns are historical and are calculated by determining the percentage change in net asset value or market price (as applicable) with all distributions reinvested and includes management fees and other expenses. Closed-end fund shares are bought and sold at "market prices" determined by competitive bidding on exchanges and not at the Fund's Net Asset Value (NAV). Performance less than one year is cumulative. For the Fund's performance as of the most recent month end, please refer to [www.eatonvance.com](http://www.eatonvance.com).*

*Each Fund has adopted a policy to pay common shareholders a stable monthly distribution, and may pay distributions consisting of amounts characterized for federal income tax purposes as qualified and non-qualified ordinary dividends, capital gains distributions and nondividend distributions, also known as return of capital. There is no assurance that a Fund will always be able to pay distributions of a particular size. See note 2 for more information.*



### % Average Annual Total Returns (as of 06/30/2022)

	Inception Date	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Eaton Vance Enhanced Equity Income Fund (EOI) at NAV	10/29/2004	-14.94	-20.67	-12.68	7.03	8.58	10.21	7.50
Eaton Vance Enhanced Equity Income Fund (EOI) at Market Price		-18.15	-23.90	-14.53	6.79	9.03	11.57	7.37
Eaton Vance Enhanced Equity Income Fund II (EOS) at NAV	01/31/2005	-18.28	-27.18	-23.18	6.81	9.19	11.15	8.28
Eaton Vance Enhanced Equity Income Fund II (EOS) at Market Price		-21.09	-31.28	-24.95	5.34	9.36	12.40	8.14
Eaton Vance Risk-Managed Diversified Equity Income Fund (ETJ) at NAV	07/31/2007	-10.86	-16.47	-13.03	5.13	5.81	6.30	4.89
Eaton Vance Risk-Managed Diversified Equity Income Fund (ETJ) at Market Price		-12.94	-17.61	-20.17	5.72	7.57	8.32	5.00
Eaton Vance Tax-Managed Buy-Write Income Fund (ETB) at NAV	04/29/2005	-11.38	-13.95	-7.08	6.01	5.41	7.72	7.56
Eaton Vance Tax-Managed Buy-Write Income Fund (ETB) at Market Price		-9.10	-8.41	-2.71	7.66	7.06	10.08	8.21
Eaton Vance Tax-Managed Buy-Write Opportunities Fund (ETV) at NAV	06/30/2005	-12.35	-17.17	-10.76	5.98	7.02	8.67	8.15
Eaton Vance Tax-Managed Buy-Write Opportunities Fund (ETV) at Market Price		-11.35	-15.43	-9.33	5.87	6.97	10.65	8.52
Eaton Vance Tax-Managed Diversified Equity Income Fund (ETY) at NAV	11/30/2006	-13.66	-18.66	-10.97	6.86	7.94	9.96	7.13
Eaton Vance Tax-Managed Diversified Equity Income Fund (ETY) at Market Price		-16.99	-21.34	-12.54	6.80	8.97	11.80	7.13
Eaton Vance Tax-Managed Global Buy-Write Opportunities (ETW) at NAV	09/30/2005	-11.12	-16.76	-12.78	3.54	4.04	6.42	5.89
Eaton Vance Tax-Managed Global Buy-Write Opportunities (ETW) at Market Price		-16.50	-22.25	-16.83	3.61	2.97	7.65	5.61
Eaton Vance Tax-Managed Global Diversified Equity Income Fund (EXG) at NAV	02/27/2007	-13.47	-18.38	-13.18	6.79	6.60	8.20	5.65
Eaton Vance Tax-Managed Global Diversified Equity Income Fund (EXG) at Market Price		-18.64	-24.36	-17.68	6.58	5.89	9.50	5.28
S&P 500® Index	—	-16.10	-19.96	-10.62	10.59	11.30	12.95	9.21
Russell 1000® Growth Index	—	-20.92	-28.07	-18.77	12.57	14.28	14.79	10.70
NASDAQ-100 Index	—	-22.30	-29.22	-20.38	15.41	16.36	17.26	13.80
MSCI Europe Index	—	-14.49	-20.79	-17.61	1.24	2.16	5.43	3.62
MSCI World Index	—	-16.19	-20.51	-14.34	6.99	7.66	9.51	6.52

The Funds currently make distributions in accordance with a managed distribution plan. Distributions may include amounts characterized for federal income tax purposes as ordinary dividends (including qualified dividends), capital gain distributions and nondividend distributions, also known as return of capital distributions. A return of capital distribution may include, for example, a return of some or all of the money that an investor invested in Fund shares. With each distribution, a Fund issues a notice to shareholders and a press release containing information about the amount and sources of the distribution and other related information. Notices and press releases for the last 24 months are available on the Eaton Vance website (<http://funds.eatonvance.com/19a-Fund-Distribution-Notices.php>). The amounts and sources of distributions reported in notices and press releases are only estimates and are not provided for tax reporting purposes. Each Fund reports the character of distributions for federal income tax purposes for each calendar year on Form 1099-DIV. A Fund's distributions in any period may be more or less than the net return earned by the Fund on its investments, and therefore should not be used as a measure of performance or confused with "yield" or "income." Distributions in excess of Fund returns will cause its NAV to erode. Investors should not draw any conclusions about a Fund's investment performance from the amount of its distribution or from the terms of its managed distribution plan.

### DEFINITIONS

**Consumer Price Index (CPI)** measures changes in the price level of a market basket of consumer goods and services purchased by households. **MSCI EAFE Index** is an unmanaged index of equities in the developed markets, excluding the U.S. and Canada. **MSCI World Index** is an unmanaged index of equity securities in the developed markets. **MSCI Emerging Markets Index** is an unmanaged index of emerging markets common stocks. **MSCI Europe Index** is an unmanaged index designed to measure the developed equity market performance of Europe. **S&P 500® Index** is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance. Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. **NASDAQ Composite Index** is a market capitalization-weighted index of all domestic and international securities listed on NASDAQ. NASDAQ 100 Index includes 100 of the largest domestic and international securities (by market cap), excluding financials, listed on NASDAQ. The information is provided by Nasdaq (with its affiliates, are referred to as the "Corporations") and Nasdaq's third party licensors on an "as is" basis and the Corporations make no guarantees and bear no liability of any kind with respect to the information or the Fund. **Russell 1000® Growth Index** is an unmanaged index of U.S. large-cap growth stocks. Unless otherwise stated, index returns do not reflect the effect of any applicable sales charges, commissions, expenses, taxes or leverage, as applicable. It is not possible to invest directly in an index. Historical performance of the index illustrates market trends and does not represent the past or future performance of the Fund. S&P Dow Jones Indices are a product of S&P Dow Jones Indices LLC ("S&P DJI") and have been licensed for use. S&P® and S&P 500® are registered trademarks of S&P DJI; Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); S&P DJI, Dow Jones and their respective affiliates do not sponsor, endorse, sell or promote the Fund, will not have any liability with respect thereto and do not have any liability for any errors, omissions, or interruptions of the S&P Dow Jones Indices.



## RISK CONSIDERATIONS

The value of investments held by the Fund may increase or decrease in response to economic, and financial events (whether real, expected or perceived) in the U.S. and global markets. The value of equity securities is sensitive to stock market volatility. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived and well-executed options program may be adversely affected by market behavior or unexpected events. The exercise of index call options sold by the Fund may require the Fund to sell portfolio securities to generate cash at inopportune times or for unattractive prices. In addition, the trading price of options may be adversely affected if the market for such options becomes less liquid or smaller. Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments because of adverse market, economic, political, regulatory, geopolitical or other conditions. Market conditions may limit the ability to generate tax losses or to generate dividend income taxed at favorable tax rates. The Fund's ability to utilize various tax-managed techniques may be curtailed or eliminated in the future by tax legislation or regulation. The Fund's exposure to derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other investments. Derivatives instruments can be highly volatile, result in leverage (which can increase both the risk and return potential of the Fund), and involve risks in addition to the risks of the underlying instrument on which the derivative is based, such as counterparty, correlation and liquidity risk. If a counterparty is unable to honor its commitments, the value of Fund shares may decline and/or the Fund could experience delays in the return of collateral or other assets held by the counterparty. The Fund may engage in other investment practices that may involve additional risks. As the writer of a call option, the Fund forgoes, during the option's life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the option premium received and the exercise price of the call, but has retained the risk of loss, minus the option premium received, should the price of the underlying security decline. Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments because of adverse market, economic, political, regulatory, geopolitical, currency exchange rates or other conditions. Changes in the dividend policies of companies could make it difficult to provide a predictable level of income. Dividend capture strategies may result in higher portfolio turnover, increased trading costs and potential for capital loss or gains. When interest rates rise, the value of preferred stocks will generally decline. Investments rated below investment grade (sometimes referred to as junk) are typically subject to greater price volatility and illiquidity than higher rated investments. Borrowing to increase investments (leverage) may exaggerate the effect of any increase or decrease in the value of Fund investments. Loans are traded in a private, unregulated inter-dealer or inter-bank resale market and are generally subject to contractual restrictions that must be satisfied before a loan can be bought or sold. These restrictions may impede the Fund's ability to buy or sell loans (thus affecting their liquidity) and may negatively impact the transaction price. It may take longer than seven days for transactions in loans to settle. Due to the possibility of an extended loan settlement process, the Fund may have to sell other investments or engage in borrowing transactions to raise cash to meet its obligations. 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