

Eaton Vance Municipal Bond Funds

Eaton Vance Municipal Bond Fund (EIM)
 Eaton Vance Municipal Income Trust (EVN)
 Eaton Vance National Municipal Opportunities Trust (EOT)
 Eaton Vance Municipal Income 2028 Term Trust (ETX)

A Word on the Markets

Many U.S. financial markets were volatile in the third quarter of 2021, as global energy prices increased, concerns about inflation and higher interest rates domestically resurfaced and the legislative agenda in Washington moved to the forefront. The unemployment rate continued to decline in July and August, and the U.S. economy continued its streak of adding jobs every month since April 2020. Despite the strong growth indications, equity markets experienced a sharp decline in September and finished the quarter close to flat.

Fixed-income indexes broadly were also relatively flat in the third quarter, with Treasury rates moving between 5 and 12 basis points higher. The Federal Open Market Committee indicated that tapering could begin as soon as its next meeting in November, while short-term rate increases could occur in the middle of 2022 if warranted. Over the quarter, the 10-year U.S. Treasury yield increased 10 basis points.

Relative to other fixed-income markets, municipals slightly underperformed, as longer-term municipal yields moved higher than comparable Treasuries. As measured by the Bloomberg Municipal Bond Index, municipals returned -0.27%, bringing year-to-date performance to 0.79%. Over the first nine months of the year, municipals are one of the few fixed-income markets experiencing a positive return.

The major tail wind for the municipal market has been a relative mild new-issue supply market and continued robust demand from retail investors. According to the Investment Company Institute, as of September 22, flows into municipal mutual funds totaled approximately \$25 billion in the third quarter. Year-to-date flows have topped \$75 billion. New municipal issuance totaled approximately \$115 billion in the third quarter, bringing the year-to-date total to approximately \$350 billion.

Over the three-month period, municipal yields moved higher across the curve. Five-year AAA municipal yields moved 1 basis point higher, 10-year yields increased 15 basis points and 30-year yields increased 17 basis points. These municipal yield movements were sharper than those of the Treasury curve, and municipals generally underperformed comparable maturities of USTs.

Lower-quality municipals outperformed high quality over the quarter, driven largely by investor demand for higher yields and improving credit fundamentals. The Bloomberg High Yield Municipal Bond Index¹ returned 0.38% while the Bloomberg Municipal Bond Index² returned -0.27%.

Performance

Eaton Vance National Municipal Opportunities Trust (the Trust) (EOT) underperformed the Bloomberg Municipal Bond Index (the Index) at net asset value for the quarter. The main drivers of relative performance were the Fund's exposure to taxable municipals, security selection among zero coupon bonds and selection within the hospital sector. Taxable municipals generally outperformed tax-exempt municipals over the quarter, and the Index does not allocate to taxables. Additionally, the zero coupon bonds and hospital sector bonds selected for the Fund outperformed similar-style bonds in the Index. The factors detracting from the Fund's relative performance over the quarter included selection among BBB-and-below securities, selection among New York municipals and an overweight allocation to the industrial development revenue (IDR) sector. The BBB-and-below bonds and New York bonds selected for the Fund underperformed similar-style bonds in the Index. Additionally, the IDR sector was one of the worst-performing in the Index over the quarter.

Eaton Vance Municipal Income Trust (the Trust) (EVN) underperformed the Index at net asset value for the quarter. The main drivers of relative performance were the Fund's exposure to taxable municipals, security selection among AA-rated bonds and selection within the hospital sector. Taxable municipals generally outperformed tax-exempt municipals over the quarter, and the Index does not allocate to taxables. Additionally, the AA-rated bonds and hospital sector bonds selected for the Fund outperformed similar-style bonds in the Index. Detracting from the Fund's performance was the security selection among water & sewer bonds and selection among New York municipal bonds. The water & sewer bonds and New York bonds selected for the Fund underperformed similar-style bonds in the Index. Additionally, the tender option bond (TOB) leveraged securities in the Fund, which act as a financing mechanism allowing investors to borrow at short-term rates and invest in longer-term, higher-yielding bonds, also detracted from relative performance, as longer-term bonds generally underperformed.

Eaton Vance Municipal Bond Fund (the Fund) (EIM) underperformed the Index at net asset value for the quarter. The main drivers of relative performance were the Fund's overweight to zero coupon bonds and selection among water & sewer bonds. The zero coupon bonds and water & sewer sector bonds selected for the Fund outperformed similar-style bonds in the Index. Detracting from the Fund's performance were the security selection among BBB-and-below-rated bonds and selection among hospital sector bonds. The BBB-and-below-rated bonds and hospital bonds selected for the Fund underperformed similar-style bonds in the Index. Additionally, the tender option bond (TOB) leveraged securities in the Fund, which act as a financing mechanism allowing investors to borrow at short-term rates and invest in longer-term, higher-yielding bonds, also detracted from relative performance, as longer-term bonds generally underperformed.

¹Bloomberg High Yield Municipal Bond Index is an unmanaged index of non-Investment Grade Municipal bonds traded in the U.S. ²Bloomberg Municipal Bond Index is an unmanaged index of municipal bonds traded in the U.S.



Eaton Vance Municipal Income 2028 Term Trust (the Trust) (ETX) underperformed the Bloomberg 10-Year Municipal Bond Index³ (the Index) at net asset value for the quarter. The main drivers of relative performance were the Fund's exposure to taxable municipals, security selection among zero coupon bonds and selection among BBB-rated municipals. Taxable municipals generally outperformed tax-exempt municipals over the quarter, and the Index does not allocate to taxables. Additionally, the zero coupon bonds and BBB-rated bonds selected for the Fund outperformed similar-style bonds in the Index. The main detractors from relative performance were the Fund's security selection among the housing sector, AAA-rated municipal bonds and the industrial development revenue (IDR) sector. The housing bonds, AAA-rated bonds and IDR bonds selected for the Fund underperformed similar-style bonds in the Index.

% Average Annual Total Returns (as of 9/30/2021)

	Inception Date	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Life of Fund
Eaton Vance National Municipal Opportunities Trust (EOT) at NAV	5/29/2009	-0.38	3.42	7.60	6.19	4.00	5.66	6.54
Eaton Vance National Municipal Opportunities Trust (EOT) at Market Price		5.85	18.50	22.29	7.82	5.26	6.96	7.17
Eaton Vance Municipal Bond Fund (EIM) at NAV	8/30/2002	-0.83	0.88	3.75	7.07	3.92	6.53	6.07
Eaton Vance Municipal Bond Fund (EIM) at Market Price		-1.13	1.67	6.16	9.73	4.32	6.26	5.84
Eaton Vance Municipal Income Trust (EVN) at NAV	01/29/1999	-0.61	2.40	6.74	8.14	4.82	8.79	6.59
Eaton Vance Municipal Income Trust (EVN) at Market Price		-0.43	6.59	12.55	11.26	4.33	7.52	6.47
Eaton Vance Municipal Income 2028 Term Trust (ETX)	3/28/2013	-0.23	2.01	4.26	6.52	3.89	—	5.92
Eaton Vance Municipal Income 2028 Term Trust (ETX) at Market Price		-3.15	-1.83	10.29	8.90	5.32	—	6.38
Bloomberg 10-Year Municipal Bond Index		-0.15	0.41	2.21	5.25	3.25	3.96	—
Bloomberg Municipal Bond Index		-0.27	0.79	2.63	5.06	3.26	3.86	—

Investment Outlook⁴

We believe Treasury and municipal interest-rate volatility is likely to persist, with markets adapting to any changes in policy from global central banks, emerging economic data and continued legislative action by the Biden administration. We will be closely watching how markets react to all these moving pieces over the next few months.

Given the expectation for higher taxes, legislative support and improving economic data, we are somewhat optimistic on the municipal bond market and, in particular, the high-yield municipal bond market. State liquidity and tax revenue reached an all-time high in fiscal 2019, and many municipalities entered the pandemic in a position of financial strength. At the start of the outbreak, initial estimates projected state revenues declining between 18% and 23%. However, for calendar year 2020, state revenues were down less than 1% compared to 2019. Additionally, the state and local aid passed as part of the \$1.9 trillion American Rescue Plan should continue to support municipal health. We are closely watching how the newest proposed legislation evolves during negotiations in the House and Senate. Both the bipartisan "skinny" \$1 trillion infrastructure proposal and the \$3.5 trillion Build Back Better plans could have significant impact on the municipal bond market, ultimately depending on how they are finally written. Specifically, advanced refundings, the state and local tax deduction cap, and a Build America Bond 2.0 program are the highest-profile potential changes for municipals.

From an overall portfolio perspective, municipals have proven to be a valuable allocation in a diversified portfolio, even during the last few months of bond yield volatility. With equity markets experiencing sharp periods of volatility, municipal bond exposure may help stabilize investor portfolios if appetite shifts to safe-haven assets.

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 expenses. Until the reinvestment of Fund distributions is completed, returns are calculated using the lower of the net asset value or market price of the shares on the distribution ex date. Once the reinvestment is complete, returns are calculated using the average reinvestment price. Performance less than or equal to one year is cumulative. For performance as of the most recent month-end, please refer to eatonvance.com.

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).



³Bloomberg 10-Year Municipal Bond Index is an unmanaged index of municipal bonds traded in the U.S. with maturities ranging from 8-12 years. 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. ⁴The Investment Outlook includes comparisons of different asset classes, each of which has distinct risk and return characteristics. Every investment carries risk, and principal values and performance will fluctuate with all asset classes shown, sometimes substantially. All asset classes shown are subject to risks, including possible loss of principal invested. The principal risks involved with investing in the asset classes shown are interest-rate risk, credit risk and liquidity risk, with each asset class shown offering a distinct combination of these risks. Generally, considered along a spectrum of risks and return potential, U.S. Treasury securities (which are guaranteed as to the payment of principal and interest by the U.S. government) offer lower credit risk, higher levels of liquidity, higher interest-rate risk and lower return potential, whereas asset classes such as high-yield corporate bonds offer higher credit risk, lower levels of liquidity, lower interest-rate risk and higher return potential. Costs and expenses associated with investing in asset classes shown will vary, sometimes substantially, depending upon specific investment vehicles chosen. Interest income earned on asset classes shown is subject to ordinary federal, state and local income taxes, except U.S. Treasury securities (exempt from state and local income taxes) and municipal securities (exempt from federal income taxes, with certain securities exempt from federal, state and local income taxes). In addition, federal and/or state capital gains taxes may apply to investments that are sold at a profit. Eaton Vance does not provide tax or legal advice. Prospective investors should consult with a tax or legal advisor.

The information contained herein is provided for informational purposes only and does not constitute a solicitation of an offer to buy or sell Fund shares. Common shares of the Fund are only available for purchase and sale at current market price on a stock exchange. There is no assurance that the Fund will achieve its investment objective. The Fund is subject to numerous risks, including investment risks. Shares of closed-end funds often trade at a discount from their net asset value. The Fund is not a complete investment program and you may lose money investing in the Fund. An investment in the Fund may not be appropriate for all investors. Investors should review and consider carefully the Fund's investment objective, risks, charges and expenses.

About Risk

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. There generally is limited public information about municipal issuers. As interest rates rise, the value of certain income investments is likely to decline. Investments in debt instruments may be affected by changes in the creditworthiness of the issuer and are subject to the risk of non-payment of principal and interest. The value of income securities also may decline because of real or perceived concerns about the issuer's ability to make principal and interest payments. Because the Fund may invest significantly in a particular sector, the NAV of the Fund's shares may fluctuate more than a fund with less exposure to such sector. Investments rated below investment grade (sometimes referred to as junk) are typically subject to greater price volatility and illiquidity than higher rated investments. 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. Borrowing to increase investments (leverage) will exaggerate the effect of any increase or decrease in the value of Fund investments. The impact of the coronavirus on global markets could last for an extended period and could adversely affect the Fund's performance. The Fund may engage in other investment practices that may involve additional risks.

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