

# Eaton Vance Tax-Advantaged Bond Strategies

## Long-Maturity

### Investment Philosophy

- We believe a process of systematic sector selection, security selection and portfolio construction can potentially outperform, on a risk-adjusted basis, more aggressive strategies involving credit risk or market timing

### Objective

- Managed for after-tax total return, the strategies seek to preserve capital through high-quality investments while adding value through active management

### Investment Process

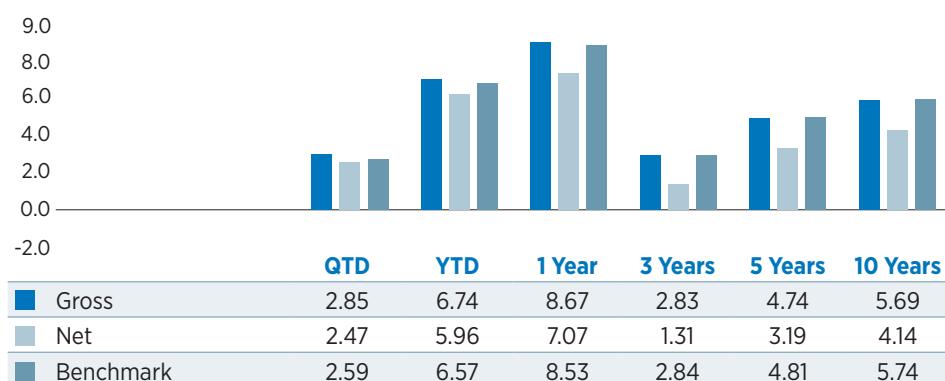
- Employs a quantitative investment process to systematically determine asset allocation based on after-tax relative value
- Seeks to add value by buying bonds on the institutional bid side while attempting to sell on the retail offered side
- Seeks to exploit supply/demand imbalances in all 50 states
- Seeks to add value by adjusting positioning along the yield curve to benefit from yield curve forecasts
- Flexibility to “crossover” into taxable U.S. government and/or agency securities at times when municipal bonds become overvalued

### Risk Management

- All key credit, portfolio management and trading roles are filled by highly seasoned and experienced municipal market professionals
- All credits are systematically analyzed and Eaton Vance’s credit research process is applied

### Tax-Advantaged Bond Long-Maturity Composite

Annualized Performance (%) as of 06/30/2019



Benchmark: Bloomberg Barclays Managed-Money Municipal Bond Index (12-22 Years)

\*Ratings are based on Moody's, S&P or Fitch, as applicable. Ratings, which are subject to change, apply to the creditworthiness of the issuers of the underlying securities and not to the Fund or its shares. Credit ratings measure the quality of a bond based on the issuer's creditworthiness, with ratings ranging from AAA, being the highest, to D, being the lowest based on S&P's measures. Ratings of BBB or higher by Standard and Poor's or Fitch (Baa or higher by Moody's) are considered to be investment grade quality. Credit ratings are based largely on the rating agency's analysis at the time of rating. The rating assigned to any particular security is not necessarily a reflection of the issuer's current financial condition and does not necessarily reflect its assessment of the volatility of a security's market value or of the liquidity of an investment in the security. If securities are rated differently by the rating agencies, the higher rating is applied. Holdings designated as "Not Rated" are not rated by the national rating agencies stated above.

Source: Eaton Vance. This information is for illustrative purposes only, is subject to change at any time and should not be considered investment advice or a recommendation to buy or sell any particular security. The information is based upon the total net assets of all fee-paying discretionary accounts comprising the Tax-Advantaged Bond Limited-Maturity Composite for the period shown. This information is supplemental to the GIPS® presentation for the Composite which begins on the last page. Please refer to the last page for important additional performance information and disclosure. It is not possible to directly invest in an Index. Past performance does not predict future results.

Not FDIC Insured | Not Bank Guaranteed | May Lose Value

### Characteristics

Average Maturity	16.27 yrs.
Average Duration	6.79 yrs.
Average Coupon	5.03%
Average Credit Quality*	AAA
Minimum Credit Quality	AA-
Average Number of Holdings	9-12
Average Annual Turnover	50%-150%

### Credit Quality†

AAA	41.77%
AA	58.21%
Total	100.00%

### Maturity Breakdown

0-3 Years	2.58%
3-7 Years	0.19%
7-12 Years	2.72%
> 12 Years	94.51%
Total	100.00%

As of 06/30/2019.

\*Average credit quality is determined by Eaton Vance using a market weighted average of the individual investments' credit ratings and not assigned by an independent credit agency. If individual securities are rated differently by the independent credit agencies, the higher rating is used to calculate the average portfolio credit quality. Unrated securities are included based on internally assigned ratings.

**Composite Report: Tax-Advantaged Bond Long-Maturity SMA Composite as of 12/31/2018**

Period	Gross Returns <sup>1</sup>	Net Returns	Benchmark Returns	Number of Accounts	Dispersion		Composite Assets \$(000)	Total Firm Assets \$(000)	Composite Assets as % of Firm Assets	3-Yr External Dispersion		
					High	Low				Composite	Benchmark	% SMA
2009	12.90	11.24	14.05	320	14.64	10.42	504,167	129,168,540	0.39			100.00
2010	0.73	-0.76	0.69	464	2.97	-1.74	649,854	150,907,196	0.43			100.00
2011	14.84	13.16	14.27	428	16.68	11.44	670,117	142,155,060	0.47	5.78	5.89	100.00
2012	8.67	7.07	9.39	582	11.52	4.42	817,732	152,207,484	0.54	5.66	5.61	100.00
2013	-4.28	-5.70	-4.70	475	-2.59	-7.88	587,377	172,036,715	0.34	6.22	6.17	100.00
2014	12.20	10.55	13.50	390	14.02	9.23	540,482	164,420,664	0.33	5.93	5.87	100.00
2015	4.81	3.26	4.38	339	6.65	2.22	480,895	156,199,594	0.31	5.10	5.24	100.00
2016	0.70	-0.79	0.29	349	3.85	-1.30	429,411	166,832,375	0.26	4.82	5.09	100.00
2017	6.84	5.27	7.42	329	8.30	5.54	383,682	193,976,437	0.20	4.62	4.88	100.00
2018	0.69	-0.80	0.79	336	2.00	-0.39	361,912	192,823,274	0.19	4.68	4.93	100.00

<sup>1</sup>Supplemental information. Eaton Vance Management (the Firm) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. The Firm has been independently verified for the period January 1, 1996 through June 30, 2018. A copy of the verification report is available upon request. Verification assesses whether (1) the Firm has complied with all composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. Verification does not ensure the accuracy of any specific composite presentation.

**Notes to Schedule: Firm**

**Organization** – Eaton Vance Management (EVM or the Company) is an SEC registered investment adviser with its headquarters located in Boston, Massachusetts. Since 1924, the Company has provided a full range of investment products to corporations, public agencies, labor unions, hospitals, charitable and educational organizations, individuals and various qualified investment plans. It supplies investment advisory services through several SEC registered investment advisers and a trust company - EVM, Boston Management and Research (BMR), Eaton Vance Investment Counsel (EVIC), Eaton Vance Trust Company (EVTC), Eaton Vance Management International Limited (EVMIL) and Eaton Vance Advisers International Ltd (EVAIL). The Company is defined as all six entities operating under the Eaton Vance brand. Effective May 1, 2011, EVM's Real Estate Investment Group, a constituent of EVM, is operating as a separate division of EVM, and its assets are no longer represented in EVM's total assets under management.

**Performance Returns** – Unless otherwise stated, composite returns and market values are reported in U.S. dollars. All performance returns are presented as total returns, which include the reinvestment of all income and distributions. Returns for periods less than one year are not annualized. Information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations is available upon request.

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**Composite Dispersion** – Annual internal return dispersion is represented by the highest and lowest returns of all portfolios within a composite. Internal dispersion is shown only for composites that held at least six accounts for the full year. Internal dispersion is shown as not applicable, "N/A", for composites that held five or fewer accounts for the full year. External composite and benchmark dispersion are shown to demonstrate the variability of returns over time, and is represented by the three-year ex-post standard deviation of monthly returns. External composite and benchmark dispersion are shown as not applicable, "N/A", for composites with less than 3 years of monthly history, as of the most current quarter-end. External dispersion is not shown for composite inception through December 2010, as it is not required for periods prior to 2011.

**Other Matters** – A complete list of all composites maintained by EVM with descriptions and related performance results for each is available upon request. To receive a complete list and description of the Company's composites and/or a presentation that adheres to the GIPS®, contact the Performance Department at (800) 225-6265 ext. 26733 or write to Eaton Vance Management, Two International Place, Boston, MA 02110, Attention GIPS Performance Department, 3rd floor

**Notes to Schedule: Tax-Advantaged Bond Long-Maturity Managed Account Composite (SMA 32)**

**Composite Definition** – The investment objective of this style is to seek maximum, after-tax total return, consistent with preserving capital. Accounts in this style seek the objective by taking advantage of the inefficiencies between high-quality municipal bonds and, on occasion, between tax-exempt bonds and U.S. Government bonds. Accounts are managed to a duration target is 6 to 9 years with a maturity emphasis of 7 to 22 years. All fully discretionary, wrap-fee paying, sub-advisory and program-sponsored advisory accounts are eligible for inclusion in the Composite. New accounts to the Composite are included at the beginning of the first full month that occurs after a minimum thirty-day period under investment management, and closed accounts are included through the last full month under management. No selective periods of performance have been used. Prior to January 1, 2009, each wrap sponsor is viewed as a single account.

**Benchmark** – Through December 31, 2008, the Composite's benchmark is ICE BofAML 12-22 Year Municipal Bond Index. From January 1, 2009, the benchmark is Bloomberg Barclays Managed-Money Municipal Bond Index (12-22 years). It is an unmanaged index of municipal bonds traded in the U.S. with maturities ranging from 12-22 years. The benchmark's minimum AA rating matches the credit guidelines used for the accounts, and its duration and range of maturities most closely resemble the structure of the accounts in the Composite.

**Gross and Net Returns** – Composite gross returns are presented as supplemental information and do not include any fees, expenses or transaction costs. All fees for accounts in this composite are available from the managed account sponsor's form ADV Part II. Composite net returns are after the maximum managed-account fee of 1.50%. This fee may include any combination of management, transaction, custody and other administrative fees.

**Notes to Composite** – The creation date of this composite is January 1, 2009, and the inception date is February 2006. Performance results prior to November 2007 are those of the 'Tax-Advantaged Bond Strategies, L.L.C.: Long Broad Municipal Composite'. Effective January 1, 2009, the Composite name changed from Long Broad Municipal Bond (Single Contract Wrap) Composite. There was no change in investment objective or style. Performance returns presented prior to January 1, 2009, occurred while the management team was affiliated with a prior firm and do not represent actual EVM assets. The manager and team continue to be solely responsible for the research and selection of securities. Prior to January 1, 2009, a new account was included in the Composite at the beginning of the first full month that occurred after a minimum fourteen-day period under investment management. Clients or prospective clients should not assume that they will have an investment experience similar to that indicated by past performance results, as shown on the Schedule.

