

Q1 2022

Credit Market Monitor

MULTI-ASSET CREDIT TEAM



Important information and disclosure

The views expressed in this update are those of the Eaton Vance Multi-Asset Credit Team and are current only through the date stated. These views are subject to change at any time based upon market or other conditions, and Eaton Vance disclaims any responsibility to update such views. These views may not be relied upon as investment advice and, because investment decisions for Eaton Vance are based on many factors, may not be relied upon as an indication of trading intent on behalf of any Eaton Vance fund. Eaton Vance does not provide legal or tax advice. The discussion herein is general in nature and is provided for informational purposes only. There is no guarantee as to its accuracy or completeness. Individuals should consult their own legal and tax counsel as to matters discussed.



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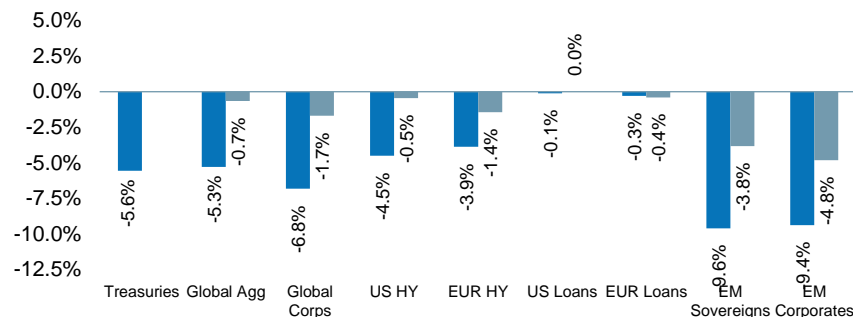


Most markets fall sharply in Q1 2022

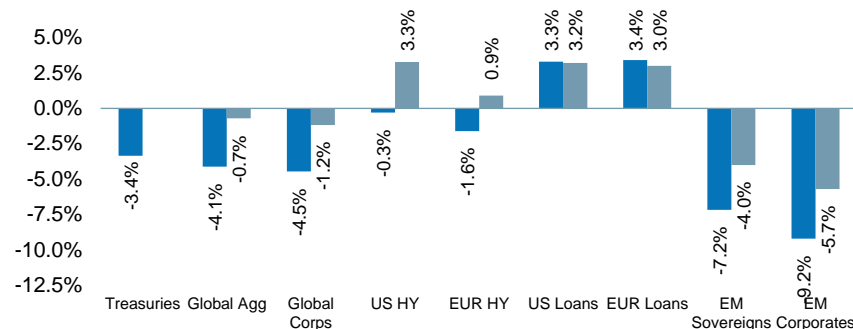
Market Review

- War returned to Europe in Q1 2022 and the human cost has been devastating.
- Most markets have struggled badly (see chart), but higher-yielding credit markets generally outperformed higher-rated markets during Q1. The emerging markets were the biggest pain point for capital markets during the quarter, with sovereign, corporate and currency markets all performing poorly as a result of the war and continued troubles in the Chinese property sector.
- Issuance levels were mixed across leveraged finance markets. European high-yield corporate bond markets saw very limited issuance and (as of early April) have gone more than 60 days without a deal in the primary markets. US HY markets have also seen a significant fall off versus 2021's record start to a year. US loans started the year with elevated issuance levels but that moderated as markets became more volatile in February and March.
- Default rates continue to stay low across corporate credit markets with trailing 12-month default rates now below 1% across US and European high-yield bond and leveraged loan markets.
- The loan market saw prices end the quarter just under \$99 in the US and Europe. Credit spreads tightened marginally in US high yield and widened by nearly 30bps in European high-yield bond markets.
- Issuers rated CCC or lower typically underperformed.

Q1 2022



1-year



Sources: ICE Data Indices, LLC, Bloomberg, and LCD, an offering of S&P Global Market Intelligence. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Excess returns for a bond is the total return percentage of that bond minus the total return percentage of a risk-matched basket of government bonds. The excess return of an Index is equal to the average of its constituent security excess returns, weighted by their full market values as of the beginning of the period. Distress ratios measures the % of a high-yield index trading with a credit spread of greater than 1000bps, or the proportion of a floating-rate loan index trading with a price below \$80 (or equivalent currency). Indices used are ICE BofA US Treasury Index (G0Q0), ICE BofA Global Broad Market Index (GBMI), ICE BofA Global Corporate Index (G0BC), ICE BofA US High Yield Index (H0A0), ICE BofA European Currency Developed Markets High Yield Excluding Subordinated Financial Constrained Index (HPSD), S&P LSTA Leveraged Loan Index (LLI), S&P LSTA European Leveraged Loan Index (ELLI), ICE BofA Emerging Markets External Sovereign Index (EMGB), ICE BofA Emerging Markets Corporate Plus Index (EMCB) and the S&P 500. Please see end of this presentation for important additional information and disclosures.



Current Positioning & Outlook



Multi-Asset Credit Team Views

Quarter-To-Quarter Comparison

	Decreasing Exposure	Broadly Unchanged	Increasing Exposure
Floating-Rate Loans	◆		
High Yield Corporate Bonds			◆
Securitized		◆	
EM Bonds		◆	
Other		◆	
Cash			◆

Current Views on Asset Class

- Loans outperformed high yield bonds by close to 5% during Q1 and have started Q2 in a similar vein. As result, we look to take advantage of the relative strength in the this markets, in favor of cash and other opportunities in corporate credit.
- Rising yields offer more attractive entry points for investing in high-yield corporate bonds. While spreads remain tight, our default outlook is relatively benign and we believe the market mat outperform floating-rate loans.
- We believe that collateralized loan obligations (CLOs) continue to offer some of the most compelling total return and relative return opportunities in global credit markets, with a focus on BBB- and BB-rated tranches.
- Valuation advantages persist in emerging markets, however we are not convinced that there is fair compensation for the worsening fundamentals in certain parts of the market. We favour corporate issuers over sovereign issuers.
- Select investment-grade and convertible bond opportunities offer value.
- The opportunity cost of holding cash appears low, in the face of a war in Europe and inflation levels not seen by many market participants in their lifetimes.



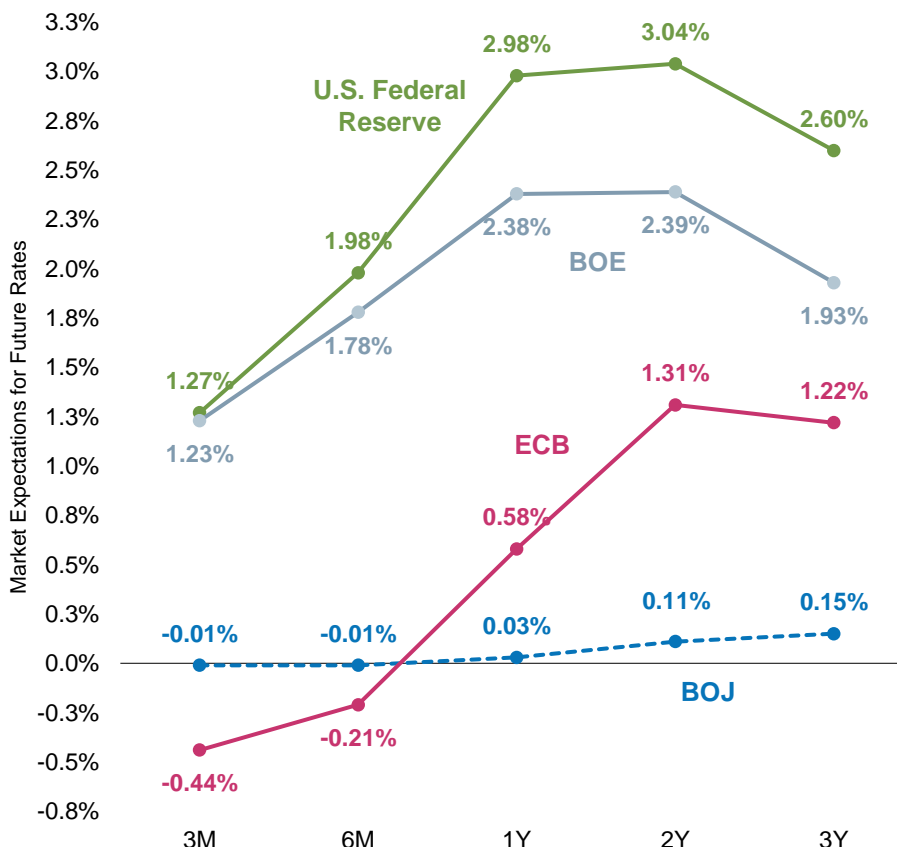
Outlook and our current thinking

Outlook

In reaction to recent developments, we have grown significantly more cautious on markets, with a number of large headline risks that are hard to quantify, such as the war, central bank policy and the inflation outlook.

- We expect continued policy response from developed-market central banks during 2022, with quantitative tightening (QT) set and base interest rates already rising in the U.S. and the U.K. Markets have moved to price in base rate rises from the European Central Bank (ECB) as well (see chart).
- Growth remains strong and corporate fundamentals are improving. The default outlook remains subdued in leveraged credit markets. However, we believe that we are close to the peak of fundamental improvements, as the impact of central bank tightening policies start to be felt through credit markets through increased refinancing costs. The risk of permanent impairment of capital is starting to reappear.
- Any broad-based opportunity in lower-rated credit looks more limited from here, as we do not believe that the additional yield and credit spread on offer from CCC-rated issuers compensates for the increased risk in many instances, across high-yield corporate bonds and floating-rate loans.
- Valuation advantages persist in emerging markets, however we are not convinced that there is fair compensation for the worsening fundamentals in certain parts of the market, yet.

Markets Moving to Price in More Interest Rate Hikes





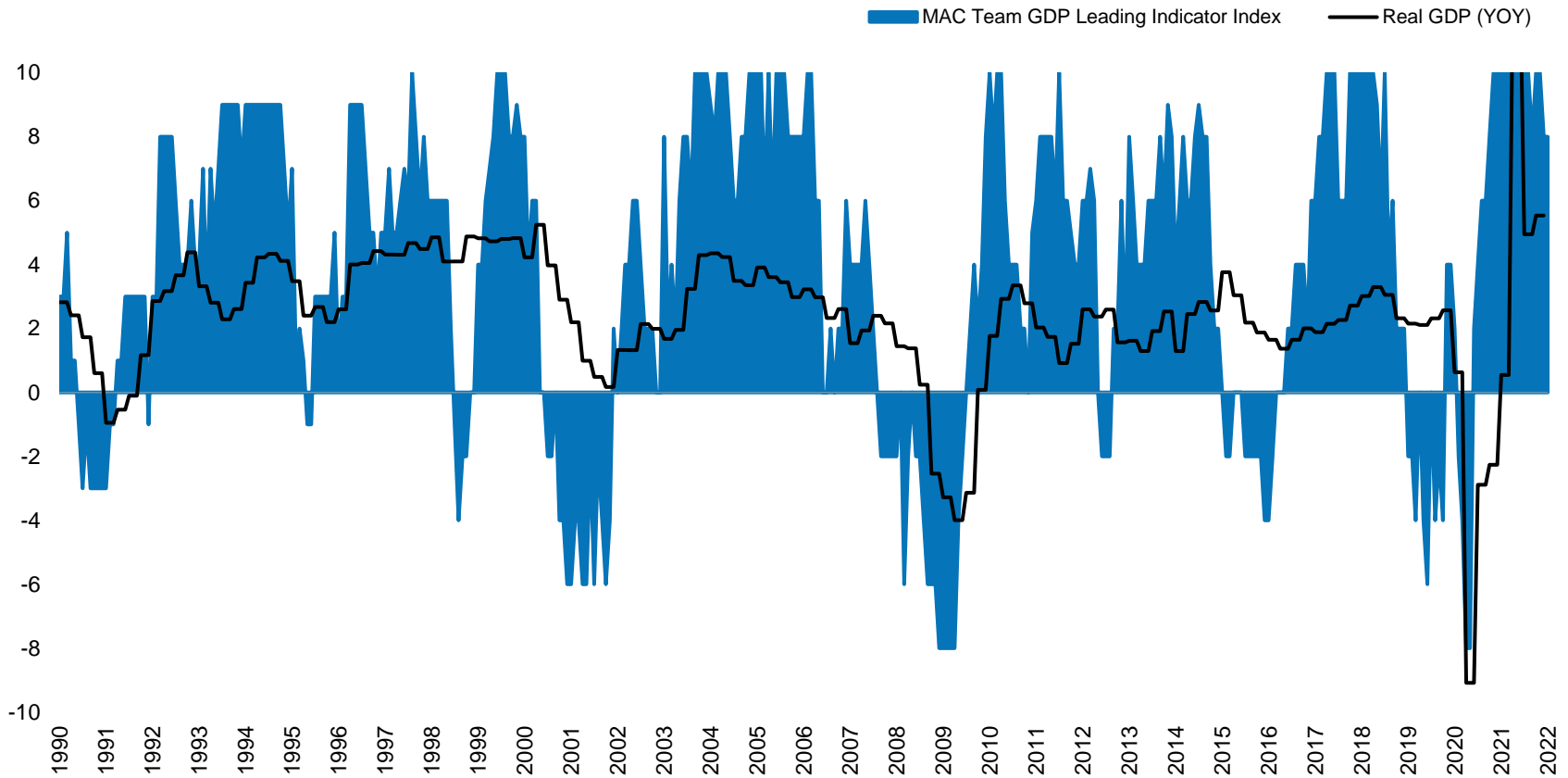
Macro Views

War, inflation and subsequent policy tightening the key risks to continued economic growth



Leading indicators fall from peak optimism of recent quarters

Economic Leading Indicators and Real GDP

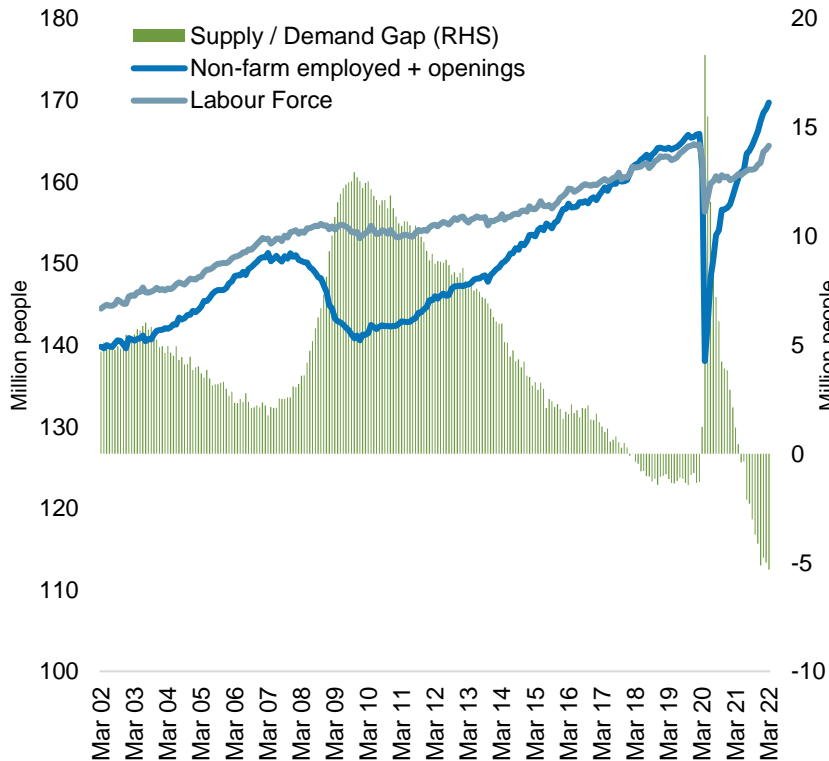


Sources: Eaton Vance, Macrobond. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. The Eaton Vance MAC Team GDP leading indicator index is a diffusion index based on a range of economic indicators including, but not limited to the ISM New Orders (Manufacturing and Services), US Building Permit Approvals, South Korea Export Data, BBB-rated corporate bond credit spreads. 10 is the highest score possible, meaning all indicators are improving.

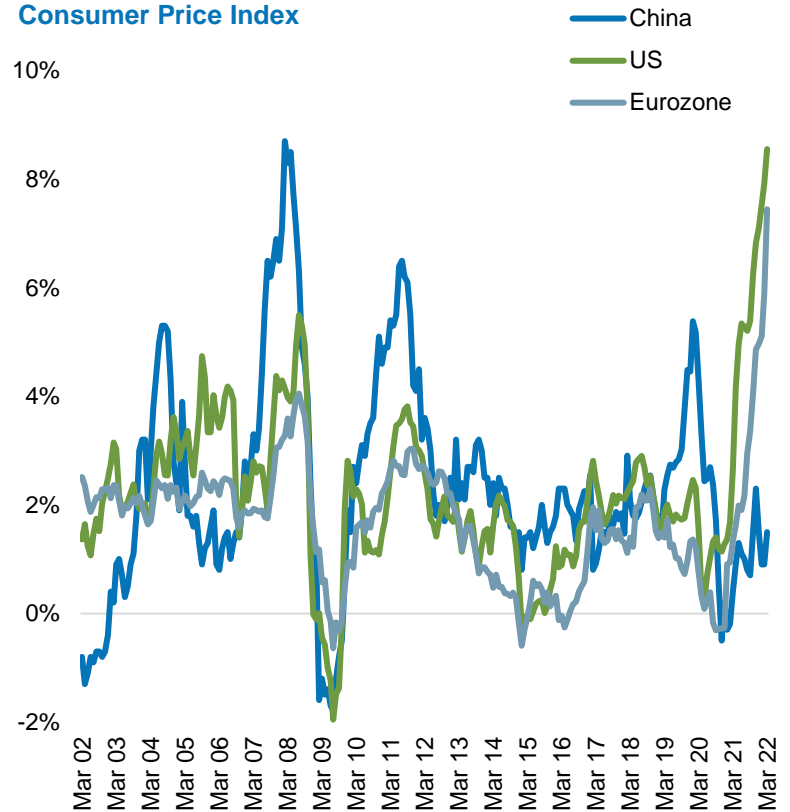


Inflationary pressures are broadening...

US Labor Market Statistics



Consumer Price Index

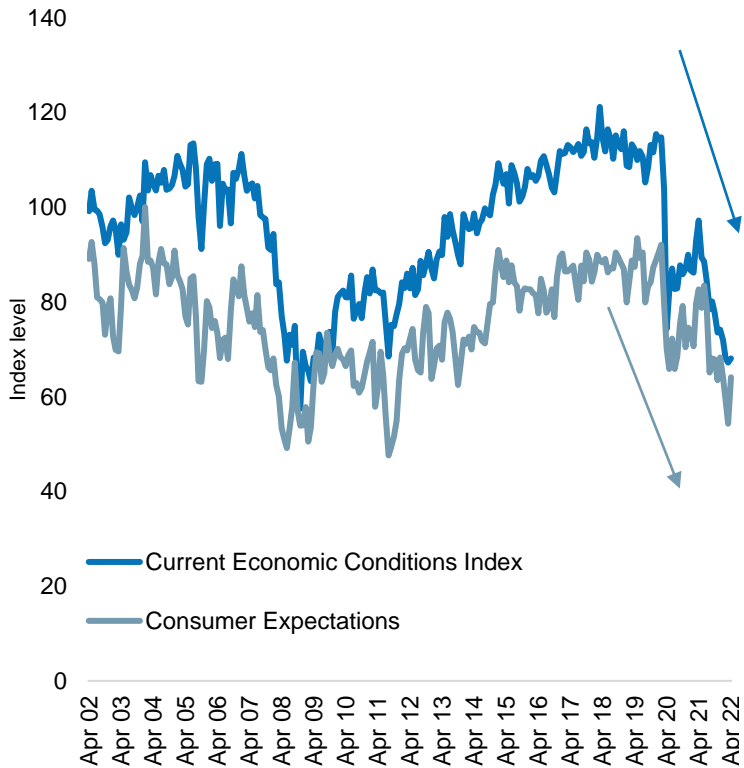


Source: Bloomberg, Macrobond as of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures.

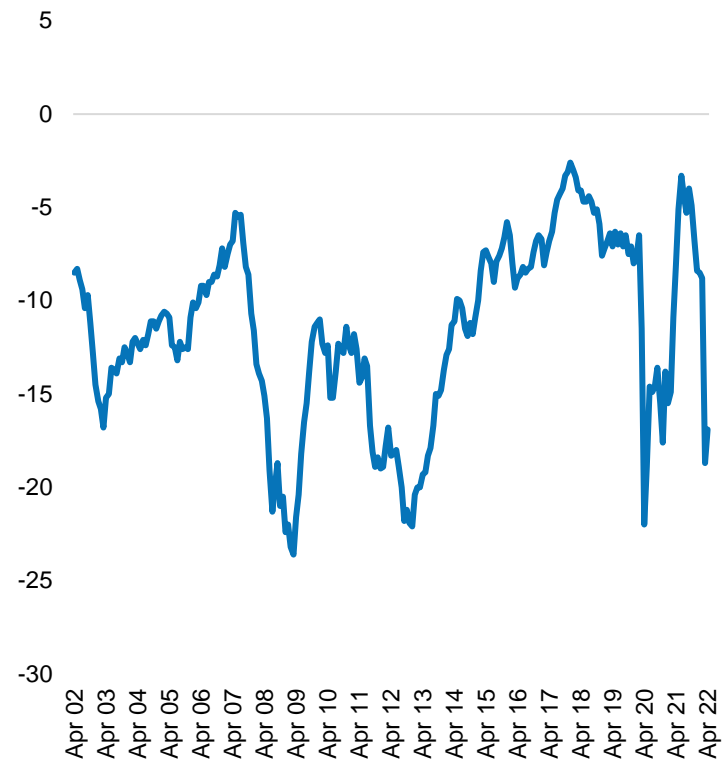


... and hitting consumer confidence

University of Michigan



EU Consumer Confidence

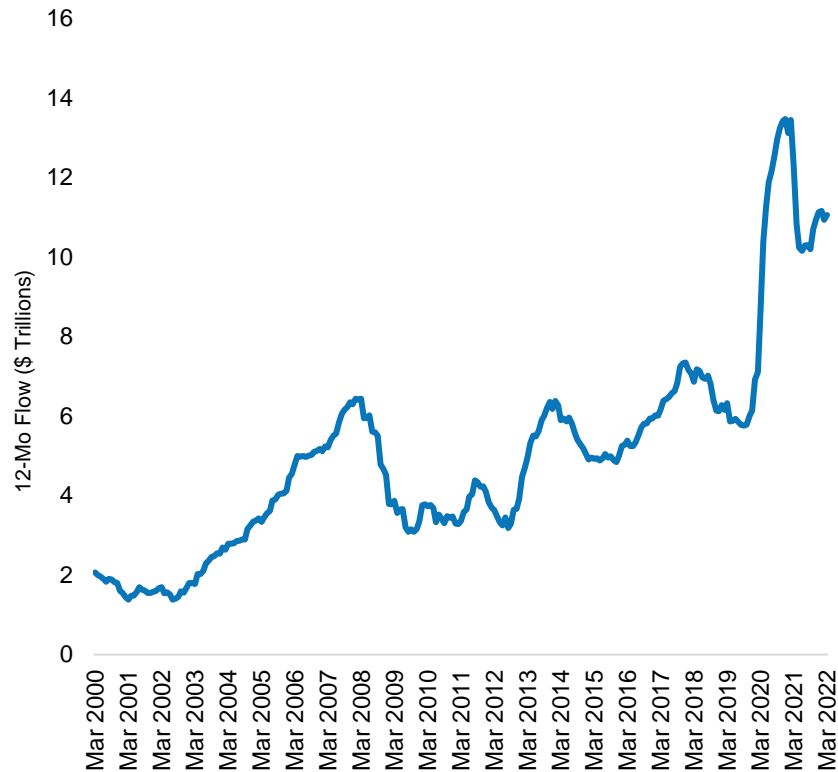


Sources: Macrobond, Bloomberg, University of Michigan, Eaton Vance. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures.

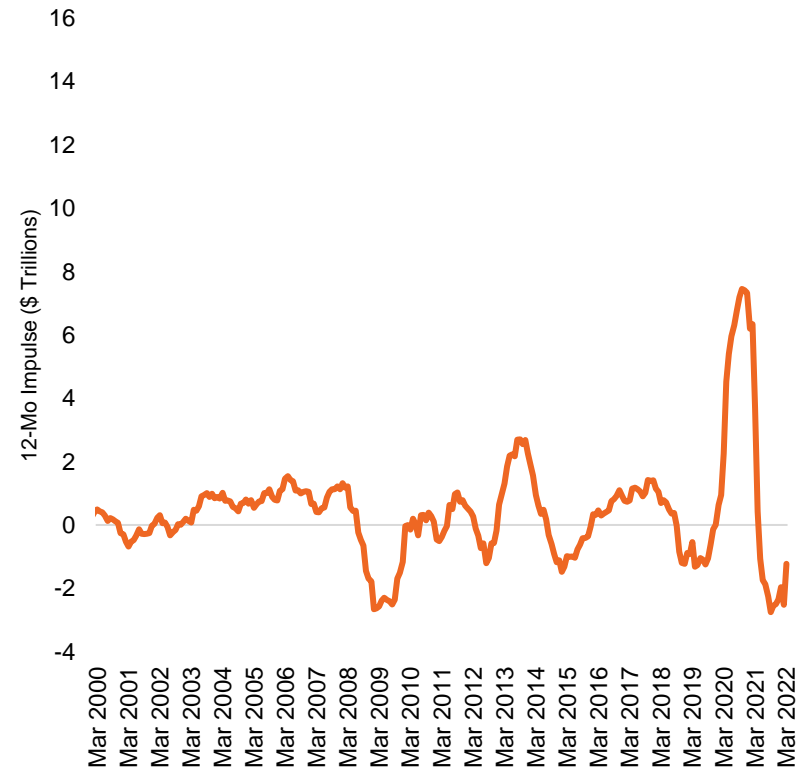


Central banks to further slow global credit creation

Global Credit Creation - 12-month Flow



Global Credit Creation – 12-month Impulse



Sources: Macrobond, Eaton Vance. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. Global Credit Creation is a metric combining central bank balance sheets with other measures of private sector credit creation in the G20 and China.

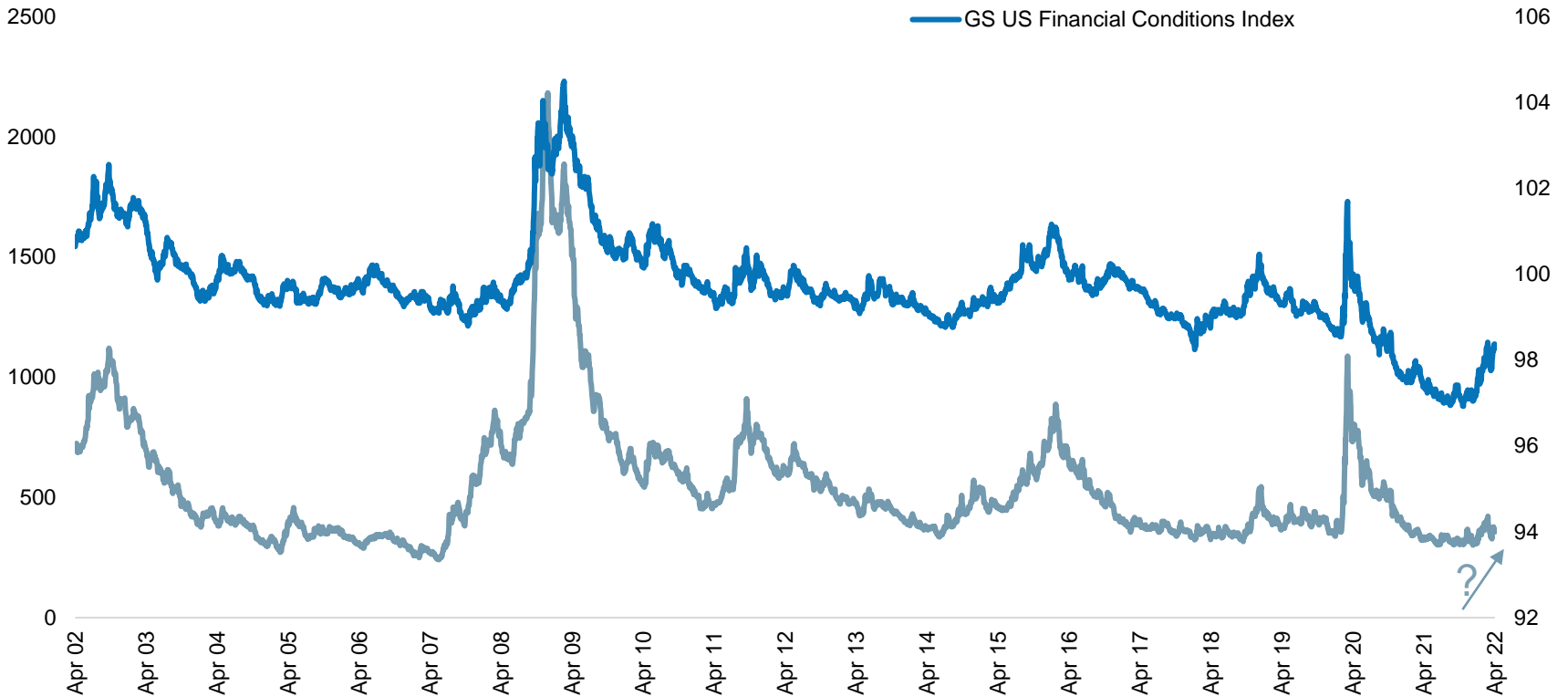


Will tightening financial conditions lead credit spreads wider?

Financial conditions versus High Yield credit spreads

— US High Yield Credit Spread (LHS)

— GS US Financial Conditions Index



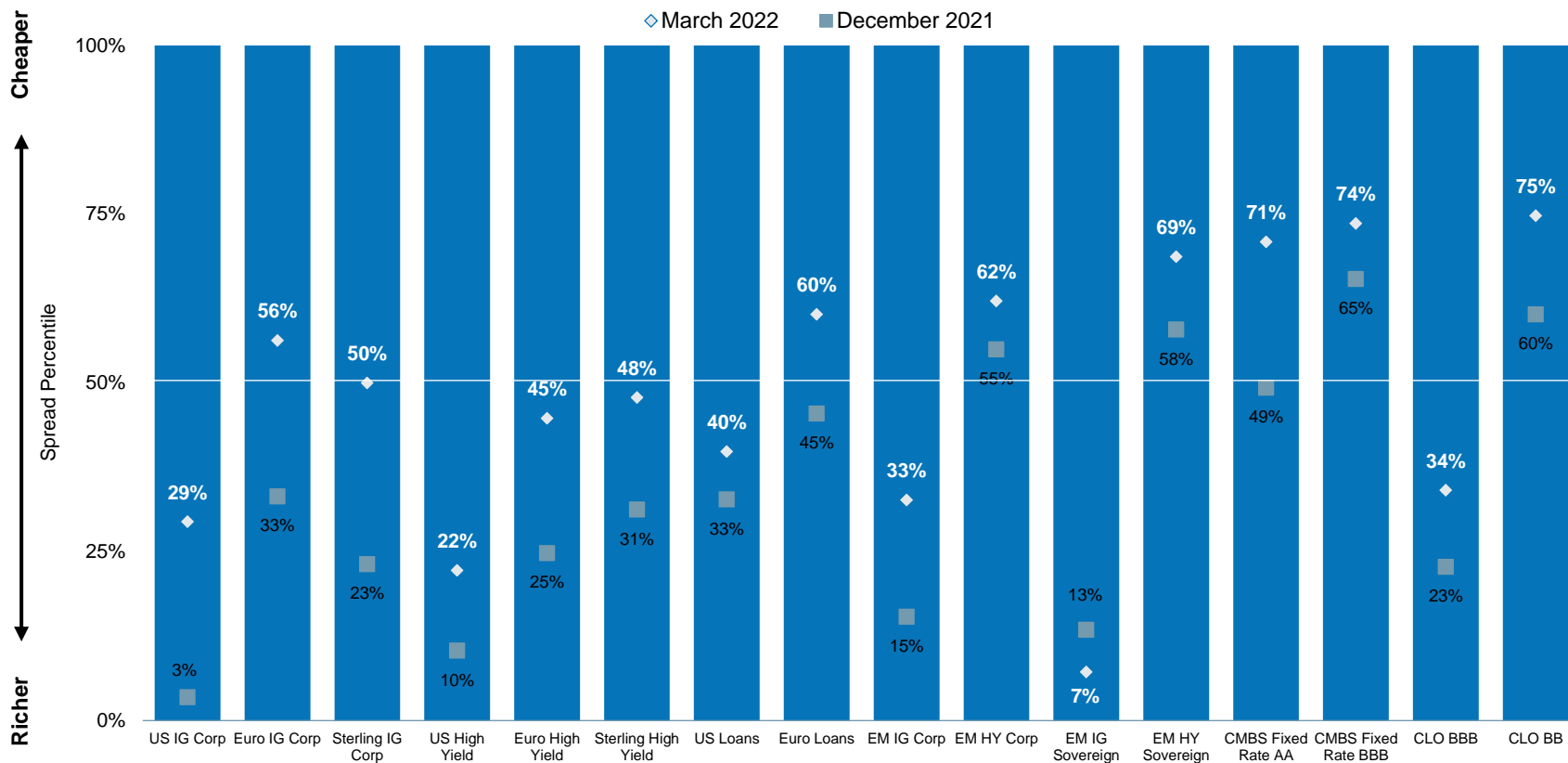
Sources: Macrobond, Eaton Vance and ICE Data Indices Ltd. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. US High Yield credit spreads based on ICE BofA US High Yield Master Index (H0A0).



Valuations



Spreads broadly widened from historical tightness during Q1



Sources: ICE Data Indices, LLC, LCD, an offering of S&P Global Market Intelligence, J.P. Morgan. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. US IG Corp represented by ICE BofA U.S. Corporate 1 – 10 year Index. Euro IG Corp represented by ICE BofA Euro Corporate 1 – 10 year Index. Sterling IG Corp represented by ICE BofA Sterling Corporate 1 – 10 year Index. US High Yield represented by ICE BofA US High Yield Index. Euro High Yield represented by ICE BofA Euro High Yield Index. Sterling High Yield represented by ICE BofA Sterling High Yield Index. US Loans represented by S&P/LSTA Leveraged Loan Index. Euro Loans represented by S&P European Leveraged Loan Index. EM IG Corp and EM HY Corp represented by ICE BofA Emerging Markets Corporate Plus Index. EM IG Sov and EM HY Sovereign represented by ICE BofA Emerging Markets External Sovereign Index. CMBS Fixed Rate AAA represented by ICE BofA 7-10 Year AA US Fixed Rate CMBS Index. CMBS Fixed Rate BBB represented by ICE BofA 7-10 Year BBB US Fixed Rate CMBS Index. CLOs represented by the J.P. Morgan Collateralized Loan Obligation Index (CLOIE) Post Crisis.

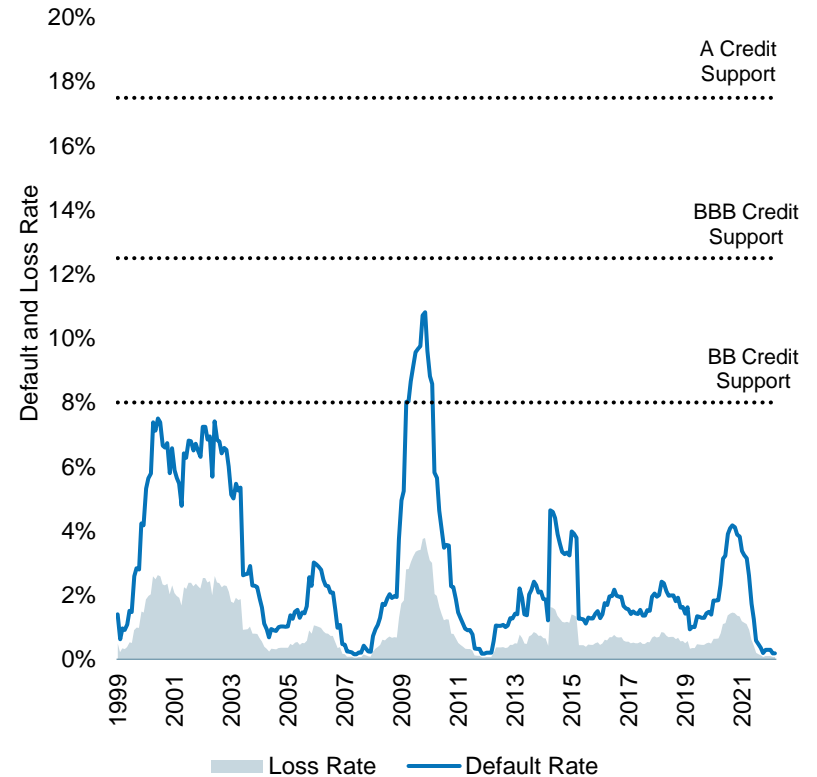


Case study: Yield advantage remains in mezzanine CLO tranches

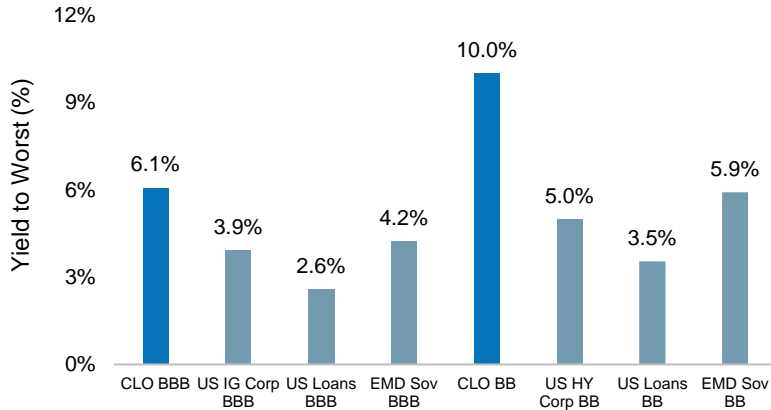
Illustrative capital structure for a US CLO

Credit Rating	Credit Enhancement	Credit Spread	Average Price
AAA	36%	115 – 137	\$99.3
AA	25%	170 – 195	\$98.8
A	17%	210 – 270	\$98.3
BBB	13%	320 – 450	\$97.6
BB	8%	650 – 875	\$93.7

CLO Tranche Support



Comparative Yields for BBB and BB tranches of CLOs

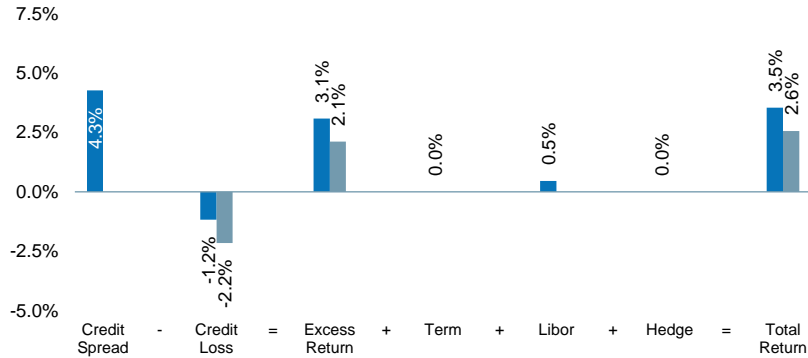


Sources: Eaton Vance, Citibank Velocity, Macrobond, LCD, an offering of S&P Global Market Intelligence, March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. All CLO data measures CLO tranches issued after the 2008 financial crisis. Loan data represented by the S&P/LSTA Leveraged Loan Index. US IG Corps represented by the ICE BofA US Corporate Index 1-10 Year. US HY Corp represented by the ICE BofA US High Yield Index. EMD Sov represented by the J.P. Morgan EM Bond Index (EMBI) Global Diversified. Default and loss rates measure the S&P/LSTA Leveraged Loan Index, with loss rates based on 65% recovery assumption.

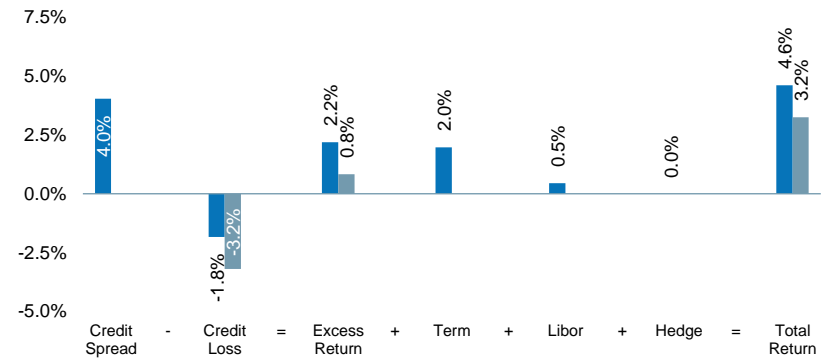


5-year forward-looking views: Term premium returns to some fixed-rate bond markets

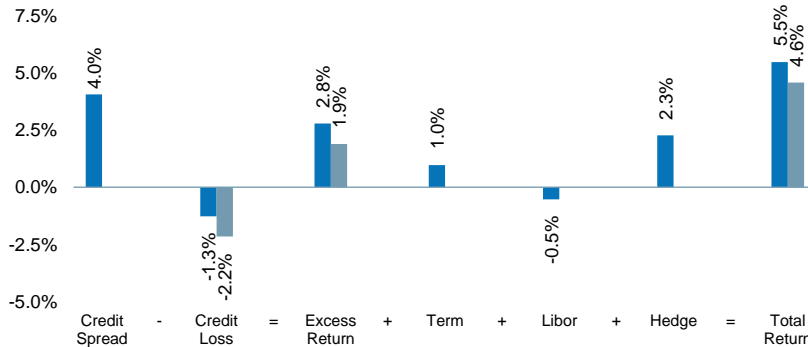
US Loan Expected Returns



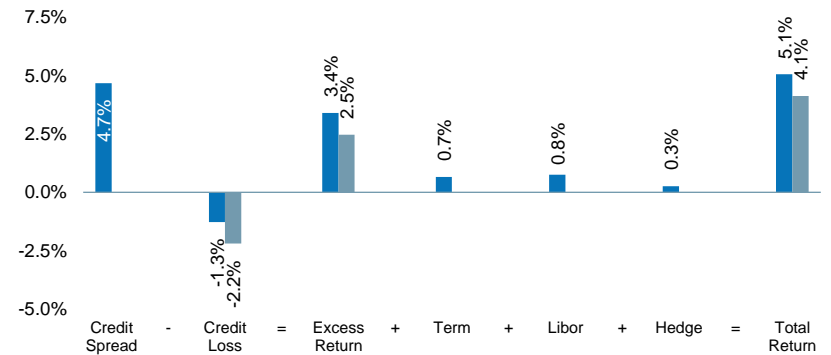
US High Yield Expected Returns



Euro High Yield Expected Returns



GBP High Yield Expected Returns



■ Average Default and Loss Environment

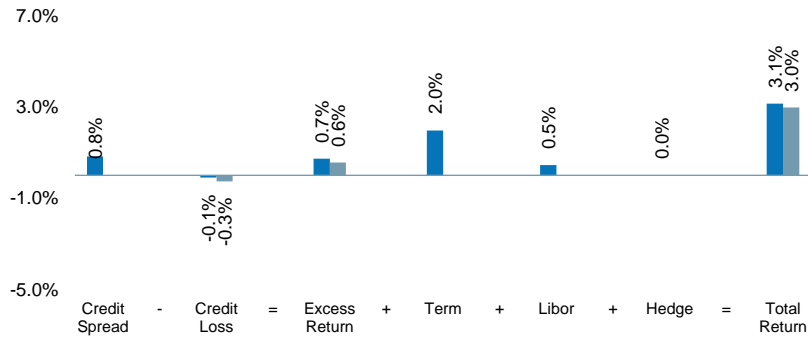
■ Bear Default and Loss Environment

Source: Eaton Vance. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. Simulated performance is for illustrative purposes only, and does not represent the actual returns of any investor/investment, and should not be considered or used for investment purposes. Investments are subject to loss. Simulated performance has been constructed based on the historical default and recovery rates in the various asset classes and Eaton Vance's assumptions of what future defaults and recoveries could be in a base case and bear case scenario. Forecasts are based on index-level assumptions and do not make allowances for active management.

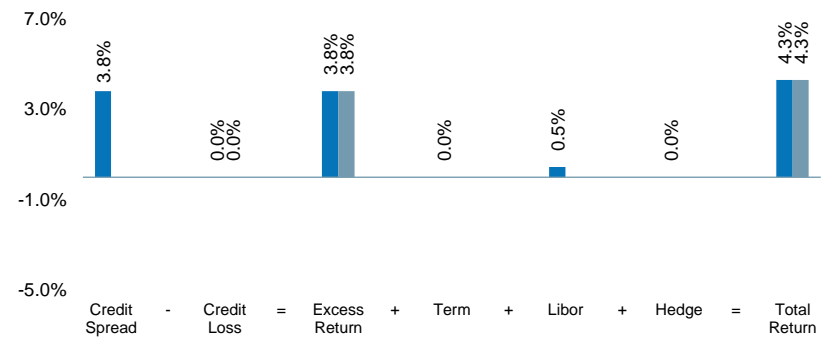


5-year forward-looking views: Sub investment grade EM bonds look to offer valuation advantages

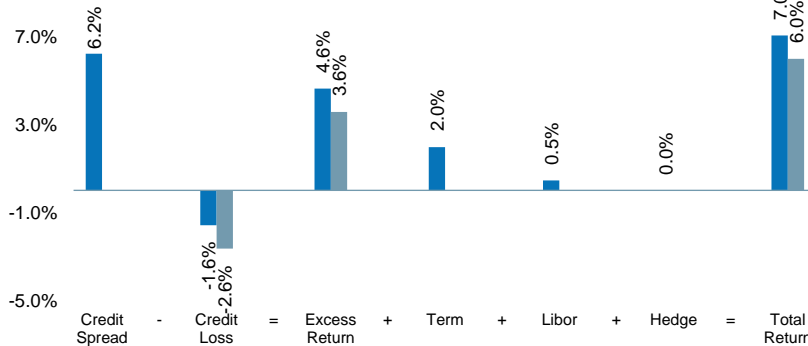
EM IG Sovereign Expected Returns



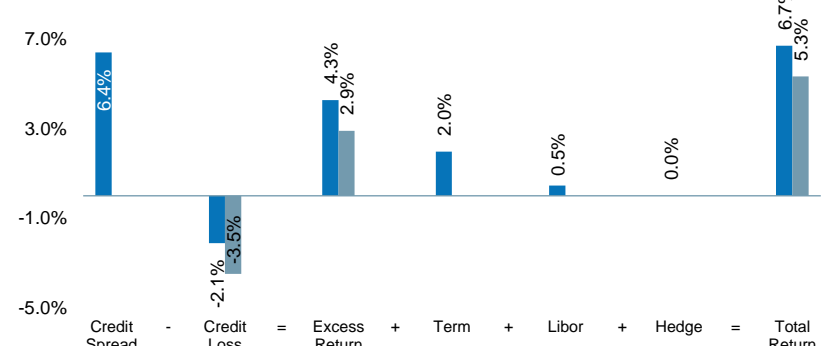
CLO (BBB) Expected Returns



EM HY Sovereign Expected Returns



EM HY Corp Expected Returns



■ Average Default and Loss Environment

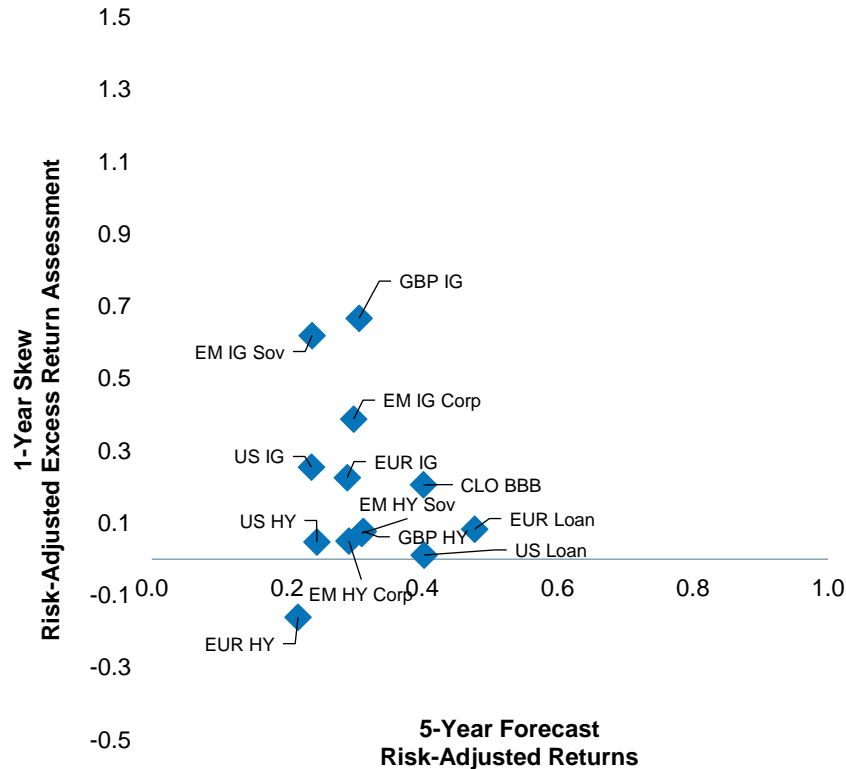
■ Bear Default and Loss Environment

Source: Eaton Vance. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. Simulated performance is for illustrative purposes only, and does not represent the actual returns of any investor/investment, and should not be considered or used for investment purposes. Investments are subject to loss. Simulated performance has been constructed based on the historical default and recovery rates in the various asset classes and Eaton Vance's assumptions of what future defaults and recoveries could be in a base case and bear case scenario. Forecasts are based on index-level assumptions and do not make allowances for active management.

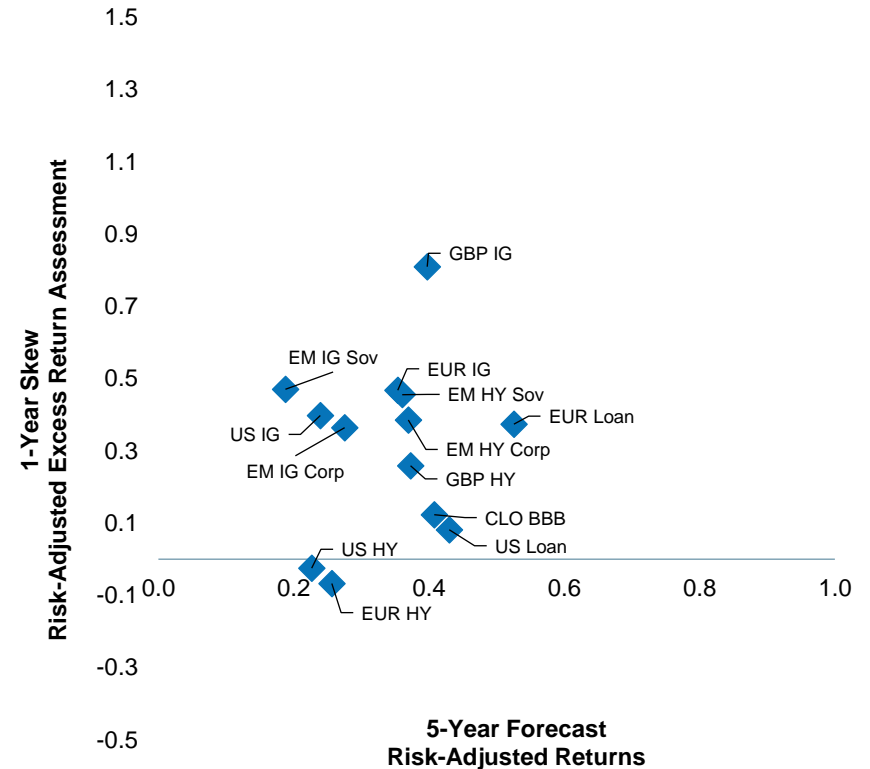


Skew shows better valuation opportunities in some markets

Skew analysis at March 31, 2021



Skew analysis at March 31, 2022

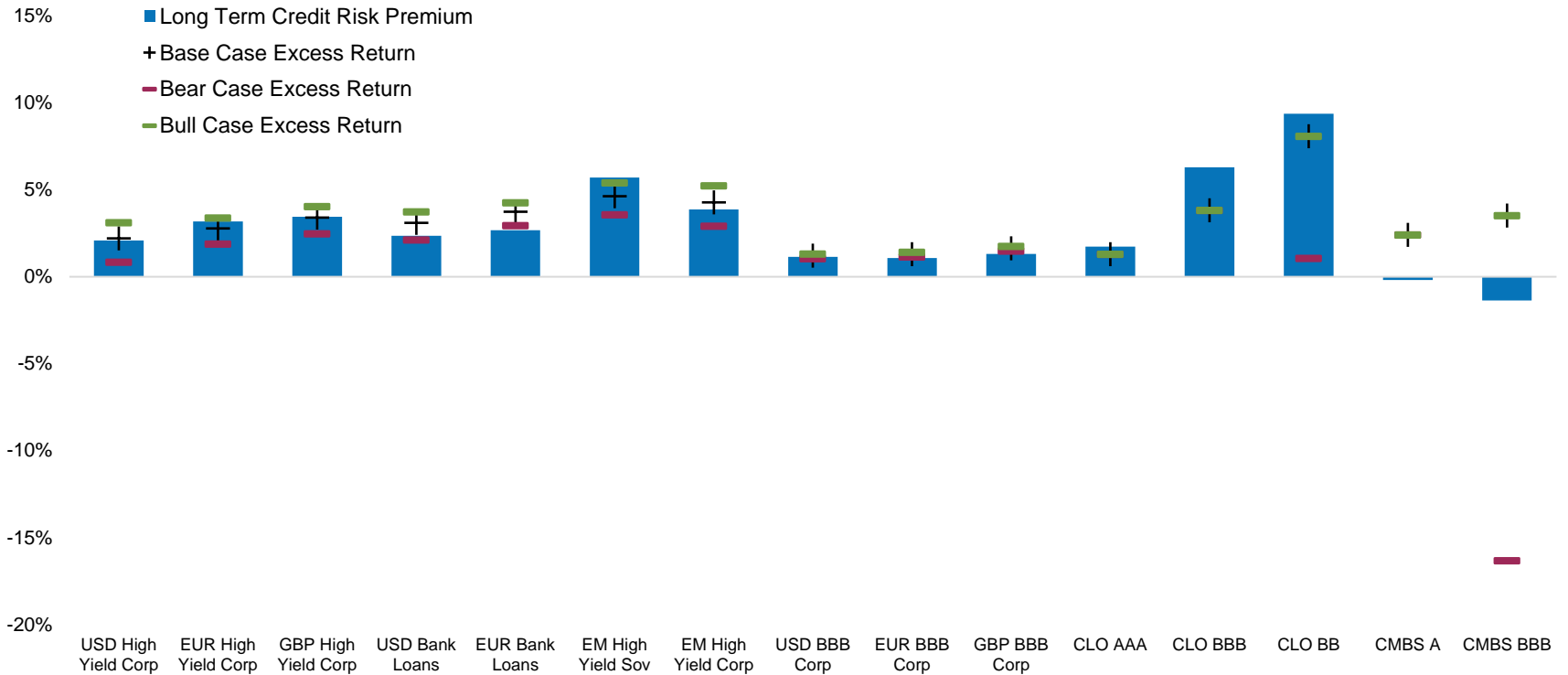


Source: Eaton Vance, LCD, an offering of S&P Global Market Intelligence, and ICE Data Indices, LLC. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Please see slide 15 for the indices used.



Uneven credit risk premium available across global markets

Eaton Vance MAC Team Scenarios vs. Long-Term Credit Risk Premium



Source: Eaton Vance. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. Simulated performance is for illustrative purposes only, and does not represent the actual returns of any investor/investment, and should not be considered or used for investment purposes. Investments are subject to loss. Simulated performance has been constructed based on the historical default and recovery rates in the various asset classes and Eaton Vance's assumptions of what future defaults and recoveries could be in a base case and bear case scenario. Forecasts are based on index-level assumptions and do not make allowances for active management. Please see slide 16 for the indices used.

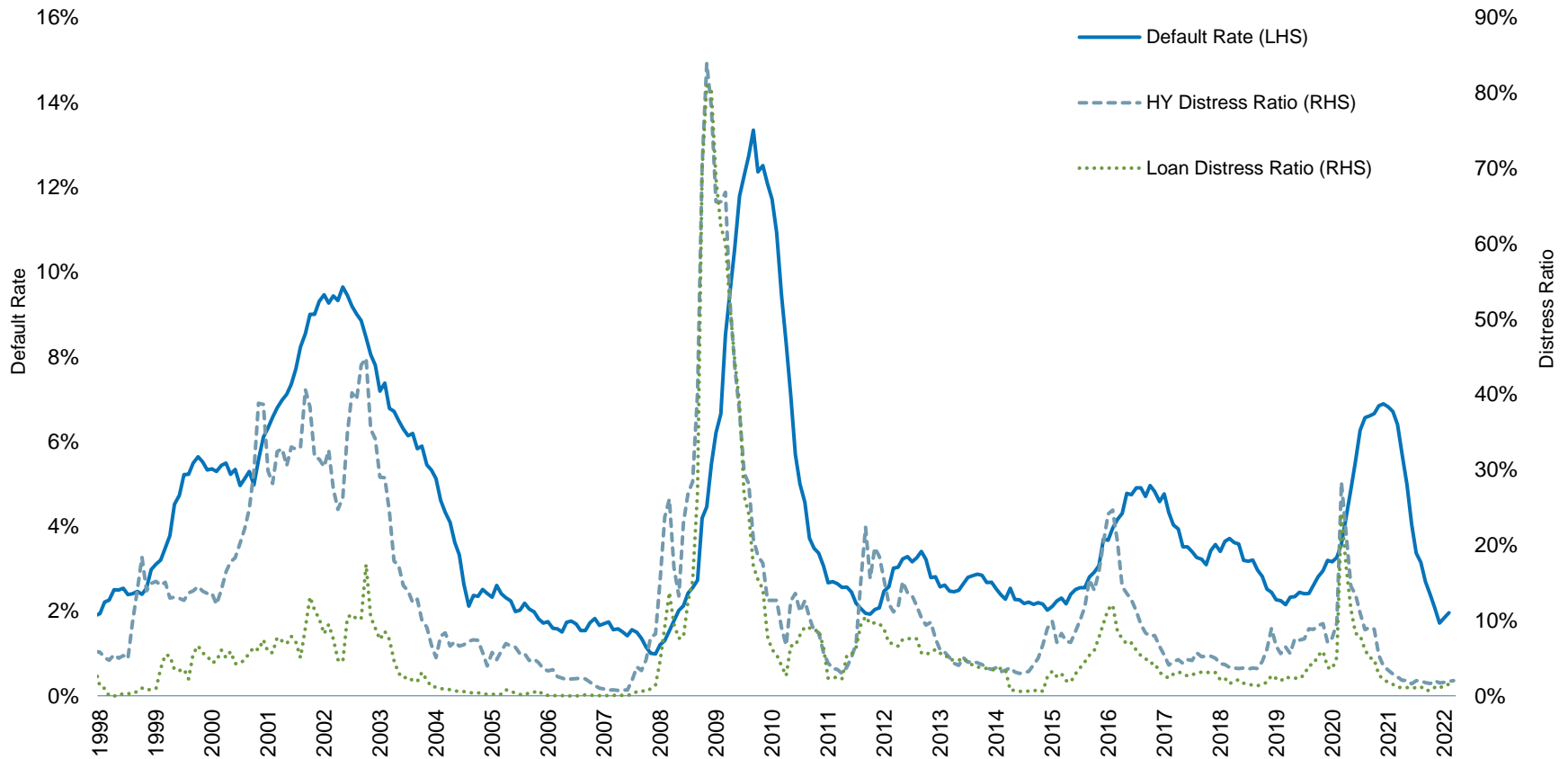


Corporate Credit



Distress and default rates continue their fall

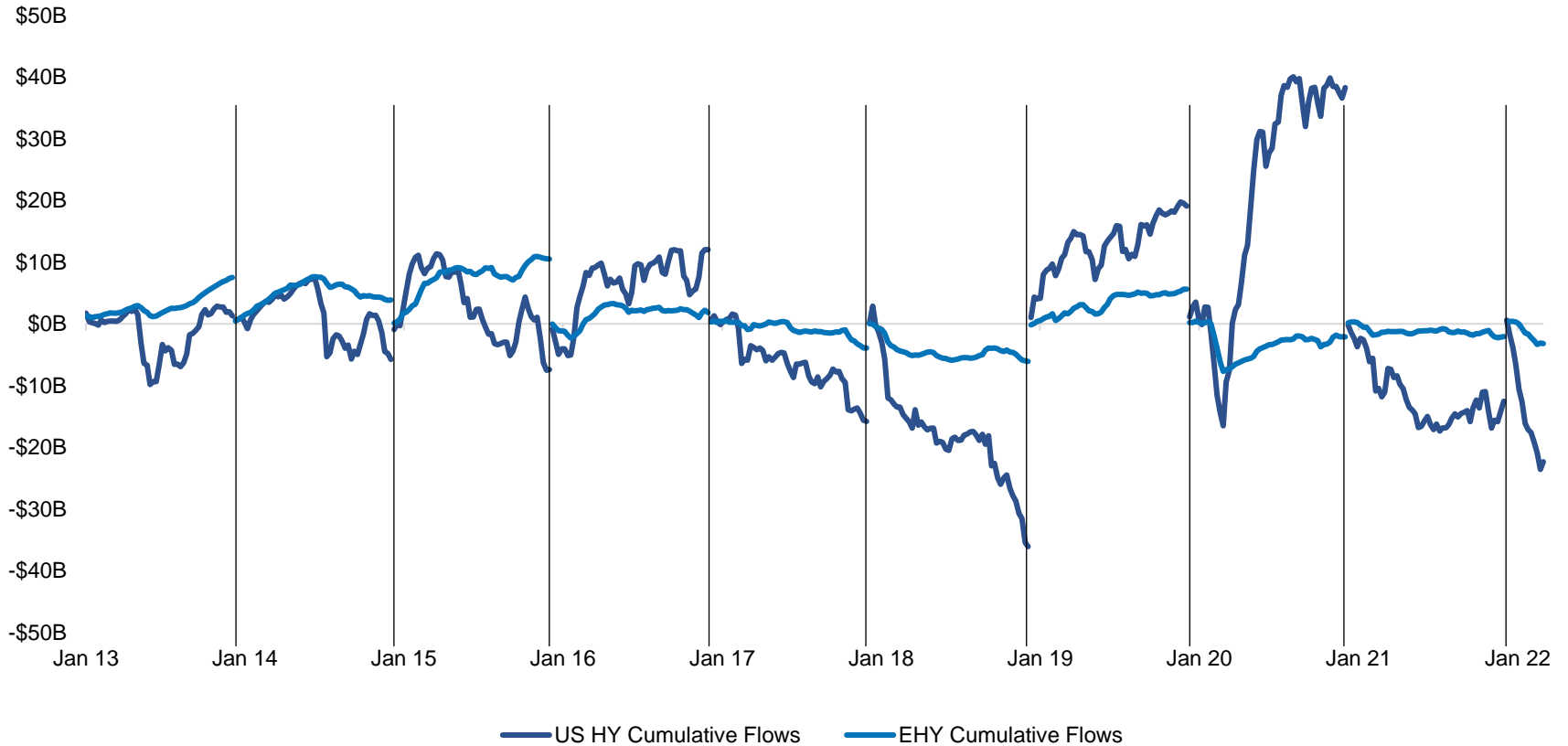
Global Default Rates and Distress Ratios



Sources: Moody's, LCD, ICE Data Indices, LLC. Default rate data as of February 28, 2022. Distress ratio data as of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Default rates are trailing 12-month figures weighted by global speculative-grade issuers. Distress ratio measured as percentage of ICE BofA Developed Markets High Yield Excluding Subordinated Financial Index (HYDF) with spreads over 1000 based on par value and the percentage of the S&P/LSTA Leveraged Loan Index trading below \$80.



High yield funds see significant outflows to start 2022



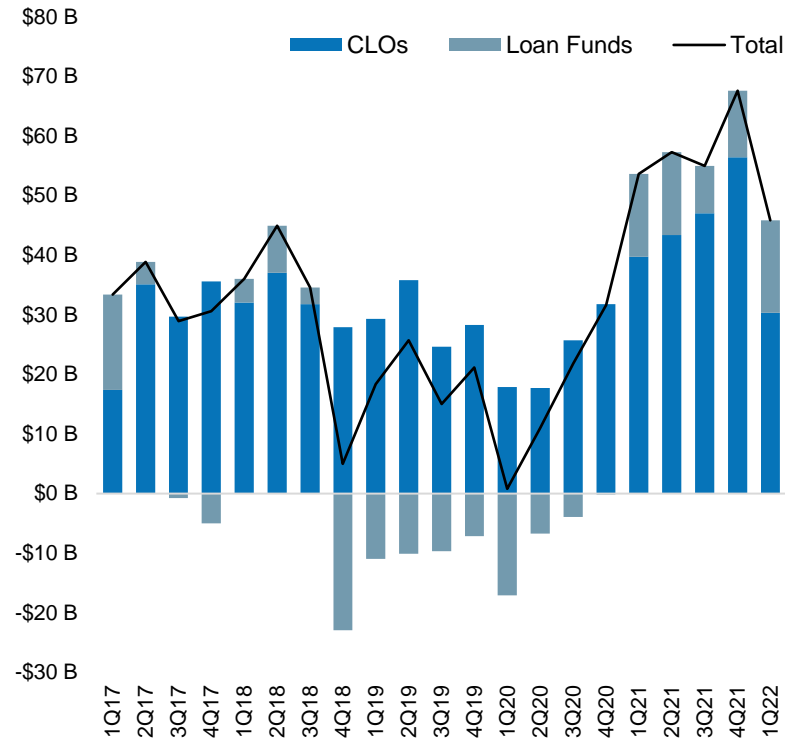
Past performance is not a reliable indicator of future results. Source: J.P. Morgan and Lipper as of March 31, 2022. For illustrative purposes only.



Loans: Record CLO creation as M&A activity ramped up significantly

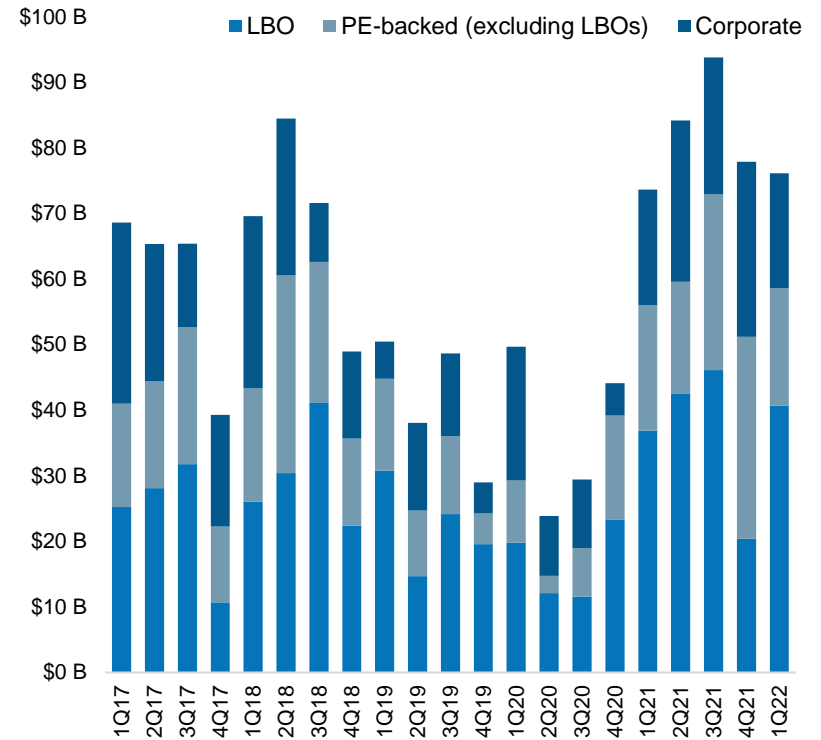
Visible Demand

Quarterly CLO Creation and Mutual Fund Flows



Institutional Loan Volume Backing M&A

Leveraged Buyout (LBO) and Other M&A

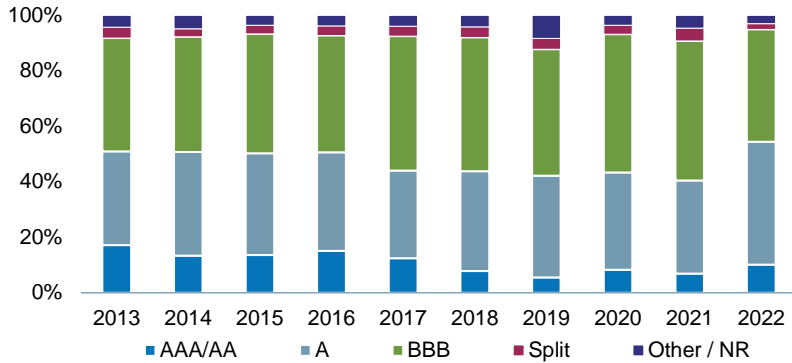


Source: LCD, an offering of S&P Global Market Intelligence, March 31, 2022. Past performance is not a reliable indicator of future results. Data provided is for informational use only. It is not possible to invest directly in an Index.

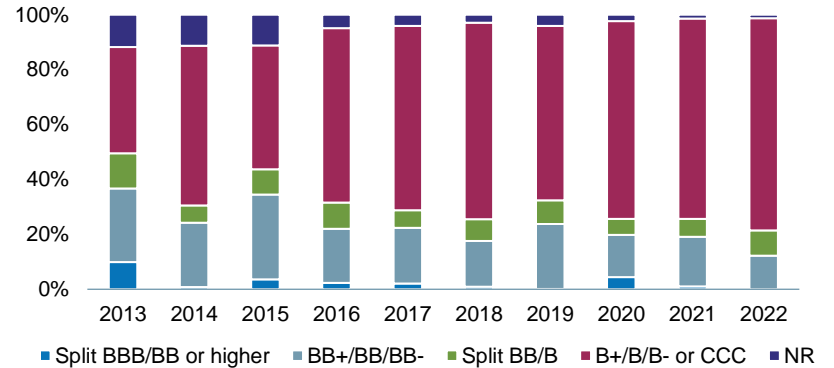


Quality of primary issuance deviates between loan and bond markets

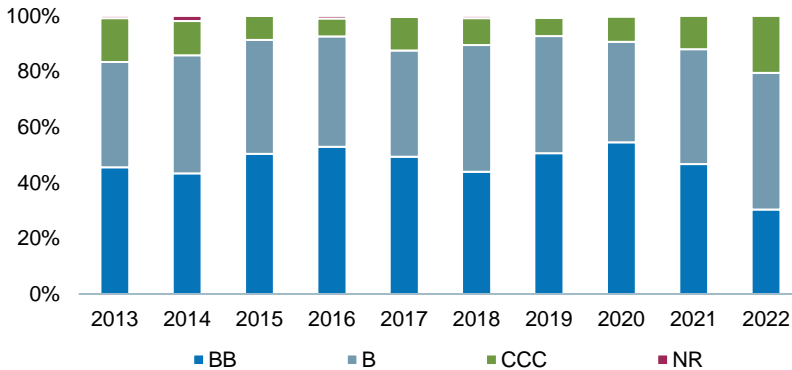
US Investment Grade



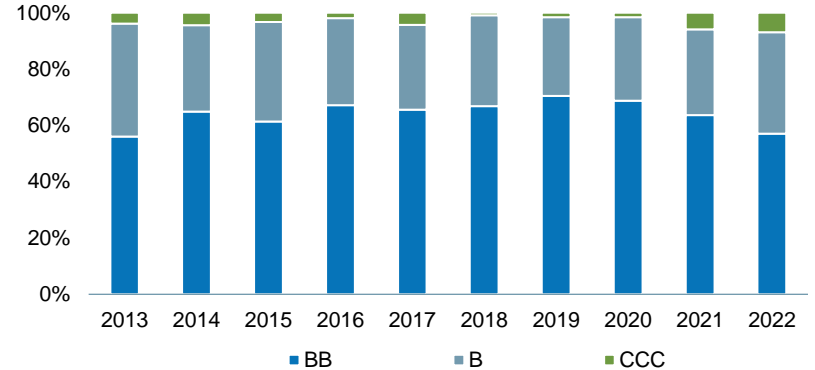
US Leveraged Loans



US High Yield



Euro High Yield

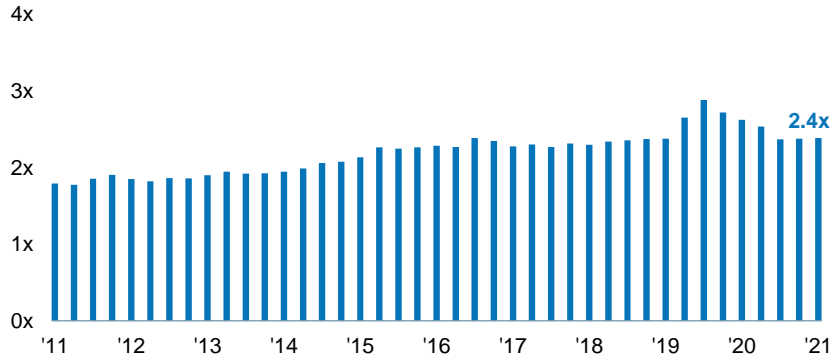


Sources: Morgan Stanley Research, Bloomberg, Dealogic, Bond Radar, LCD, an offering of S&P Global Market Intelligence. As of March 31, 2022. Past performance is not a reliable indicator of future results. Data provided is for informational use only. See end of material for important additional information and disclosures.

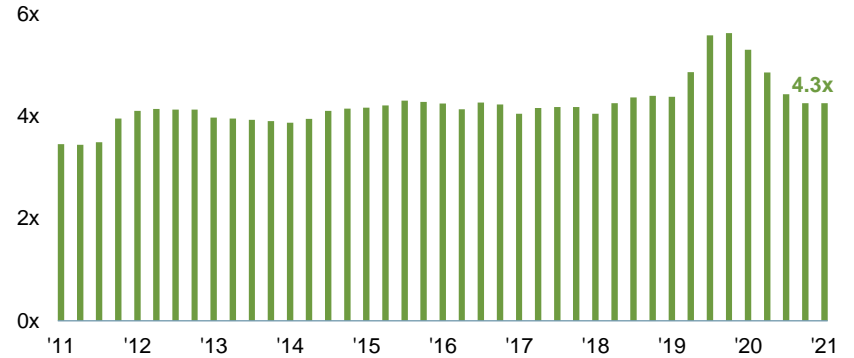


Fundamentals in IG and loans show improvements

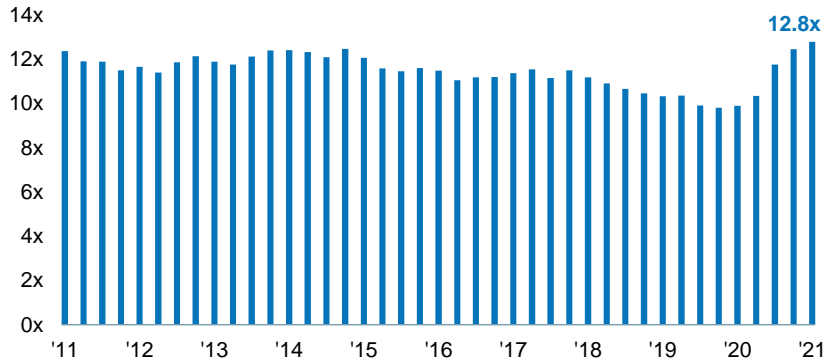
US Investment Grade Gross Leverage



US Loan Gross Leverage



US Investment Grade Interest Coverage



US Loan Interest Coverage

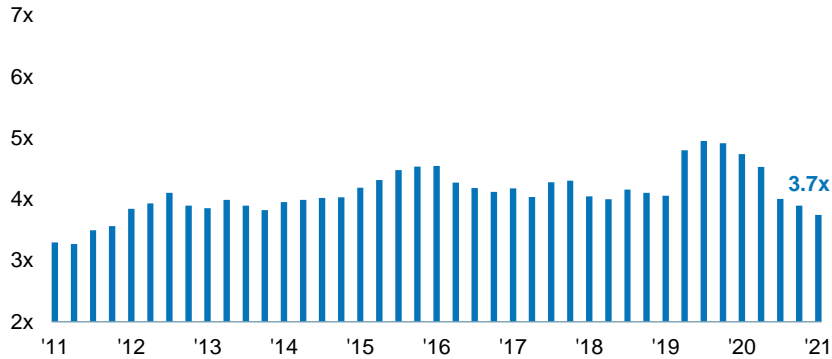


Sources: Morgan Stanley Research and LCD, an offering of S&P Global Market Intelligence. As of Q4 2021. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures.

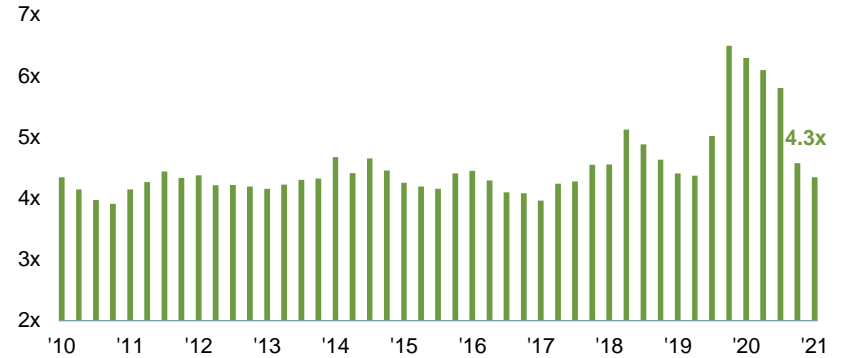


High-yield fundamentals show sharp improvements

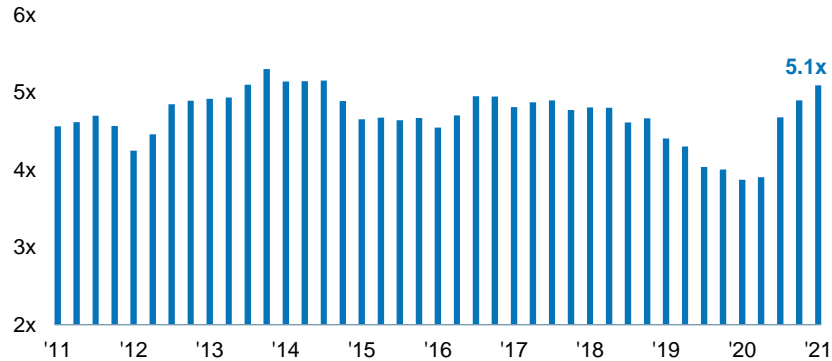
US High Yield Gross Leverage



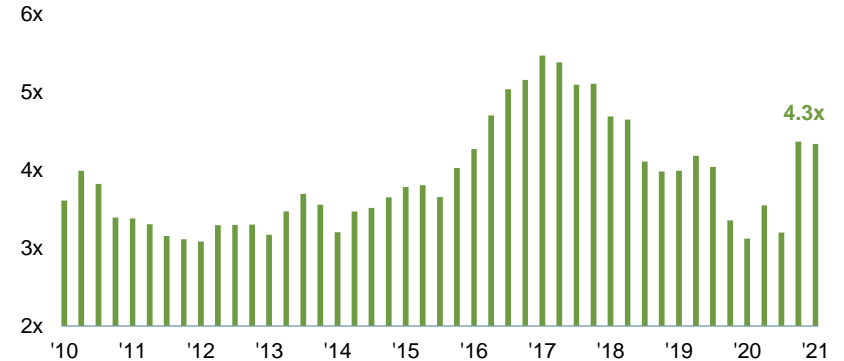
European High Yield Gross Leverage



US High Yield Interest Coverage



European High Yield Interest Coverage

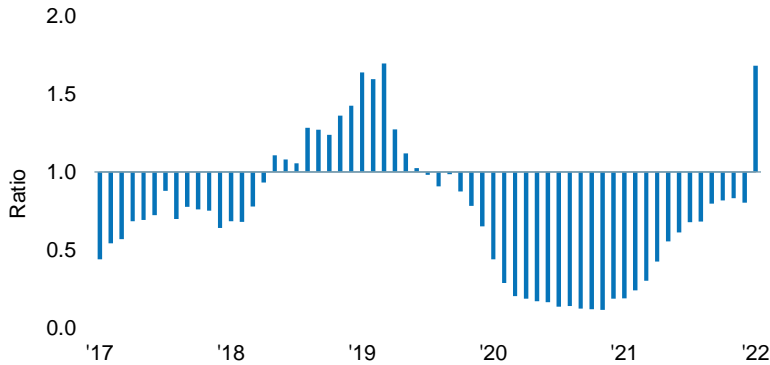


Sources: Morgan Stanley Research. US high yield data as of Q4 2021. European high yield data as of Q3 2021. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures.

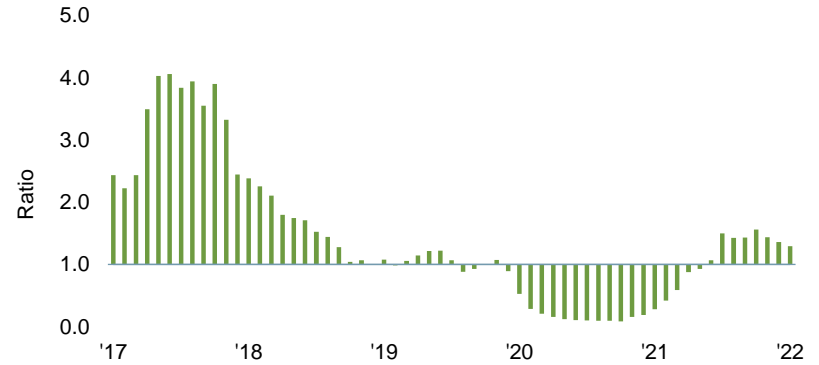


Below-IG ratings upgrades outpaced downgrades in Q1

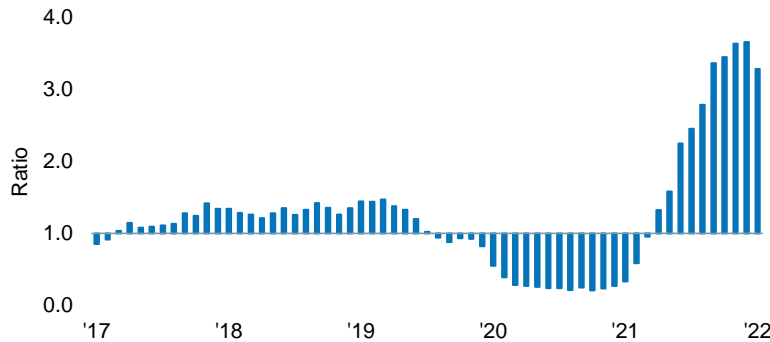
US Investment Grade Sum of Up/Down Ratio



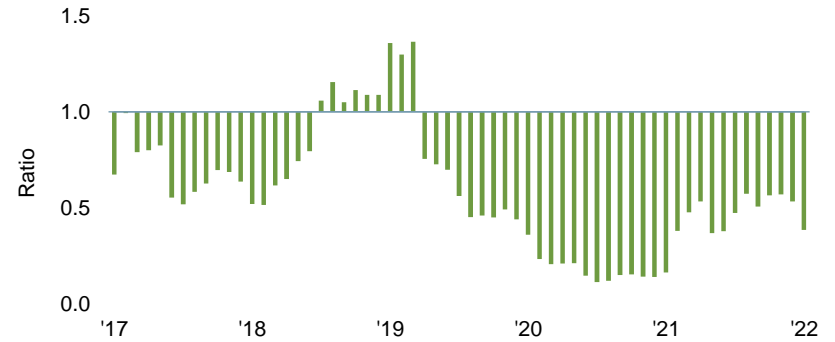
Euro and Sterling High Yield Sum of Up/Down Ratio



US High Yield Sum of Up/Down Ratio



EM Corporates Sum of Up/Down Ratio



Source: ICE Data Indices, LLC. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. US Investment Grade represented by the ICE BofA US Investment Grade Corporate Bond Index. US High Yield represented by the ICE BofA US High Yield Index. Europe High Yield represented by both the ICE BofA Euro High Yield Index and the ICE BofA Sterling High Yield Index. EM Corporates represented by the ICE BofA Emerging Markets Corporate Plus Index.

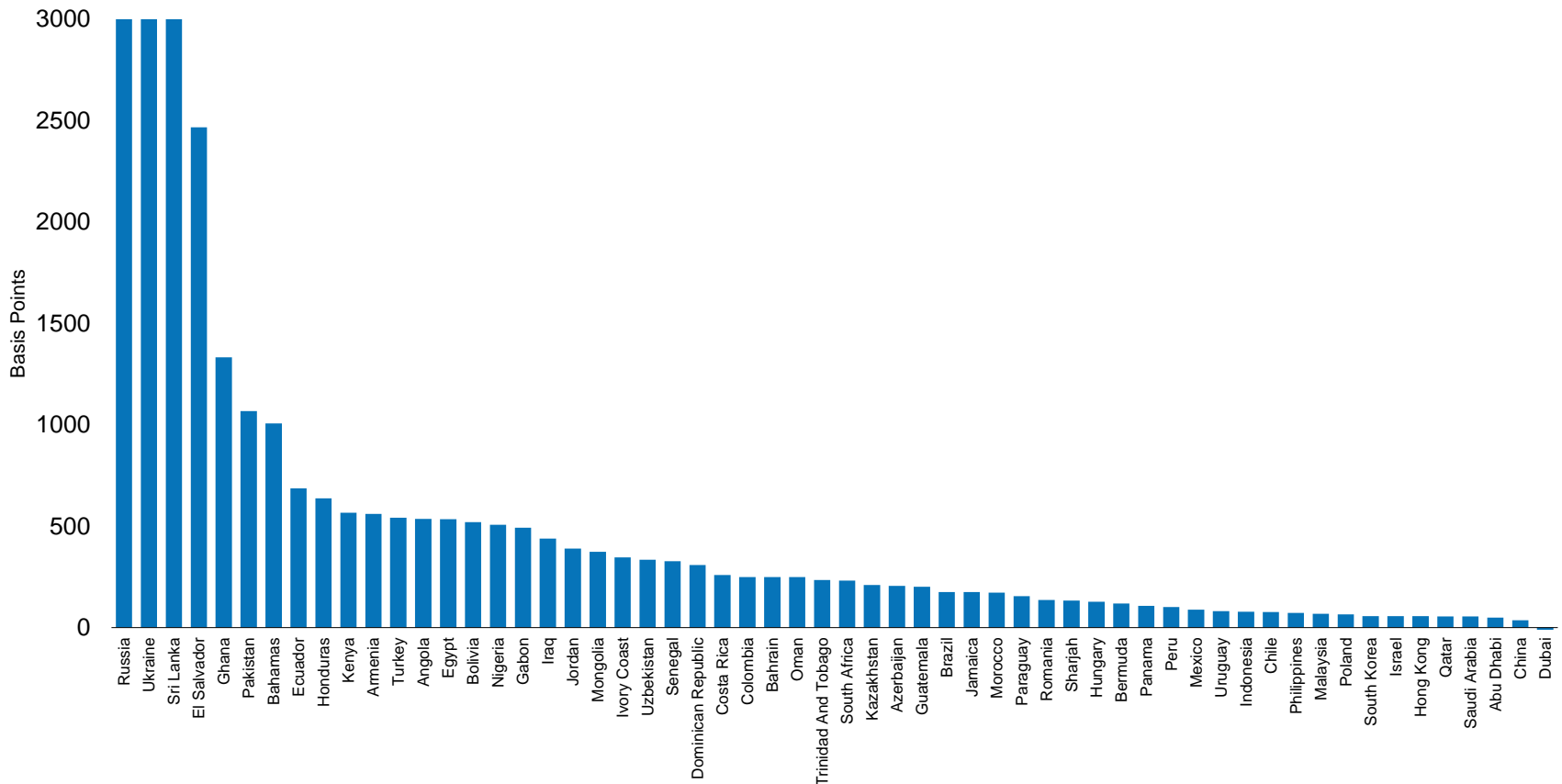


Emerging Markets



Country selection remains crucial amid wide dispersion among sovereigns

5yr Spreads

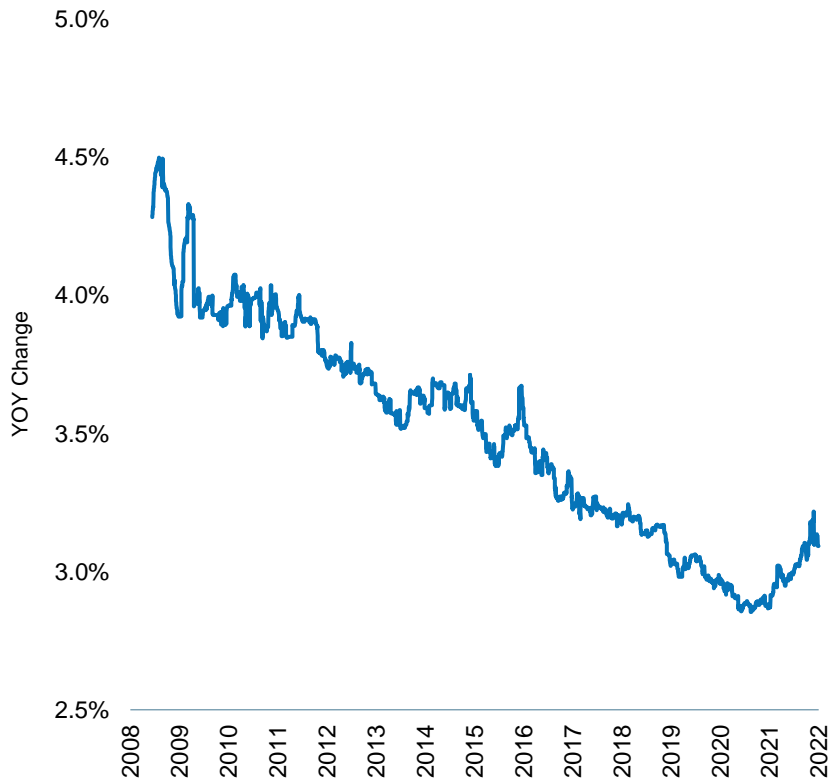


Source: Eaton Vance proprietary data and calculations. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. All spreads are modeled five year par equivalent spreads allowing for like comparisons across countries and time. This differs from EMBI data which is comprised of discount and premium bonds with different maturities. Underlying individual country spreads are capped at 3,000 bps.

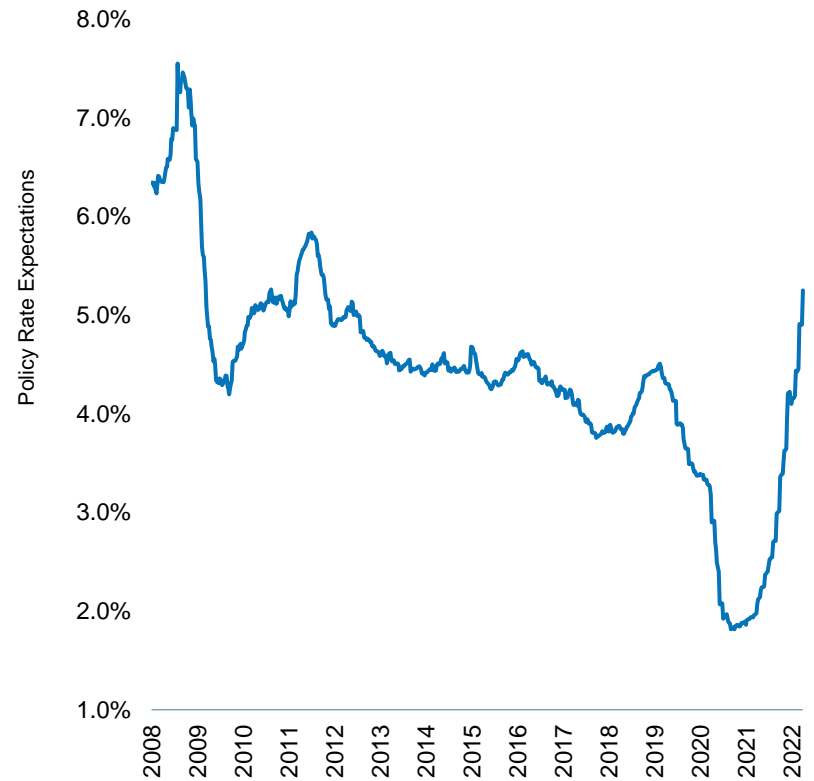


EM inflation and policy rate expectations move higher

EM Consensus CPI Expectations*



EM Consensus Policy Rate Expectations**



Sources: Bloomberg, Eaton Vance. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. *Data is the equal weighted average of headline inflation expected in 18-30 months by economists surveyed by Bloomberg, which includes all countries in the J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified, except Argentina. **Data is the equal weighted average of expected policy rates in 12 months by economists surveyed by Bloomberg, which includes all countries in the J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified, except Argentina.

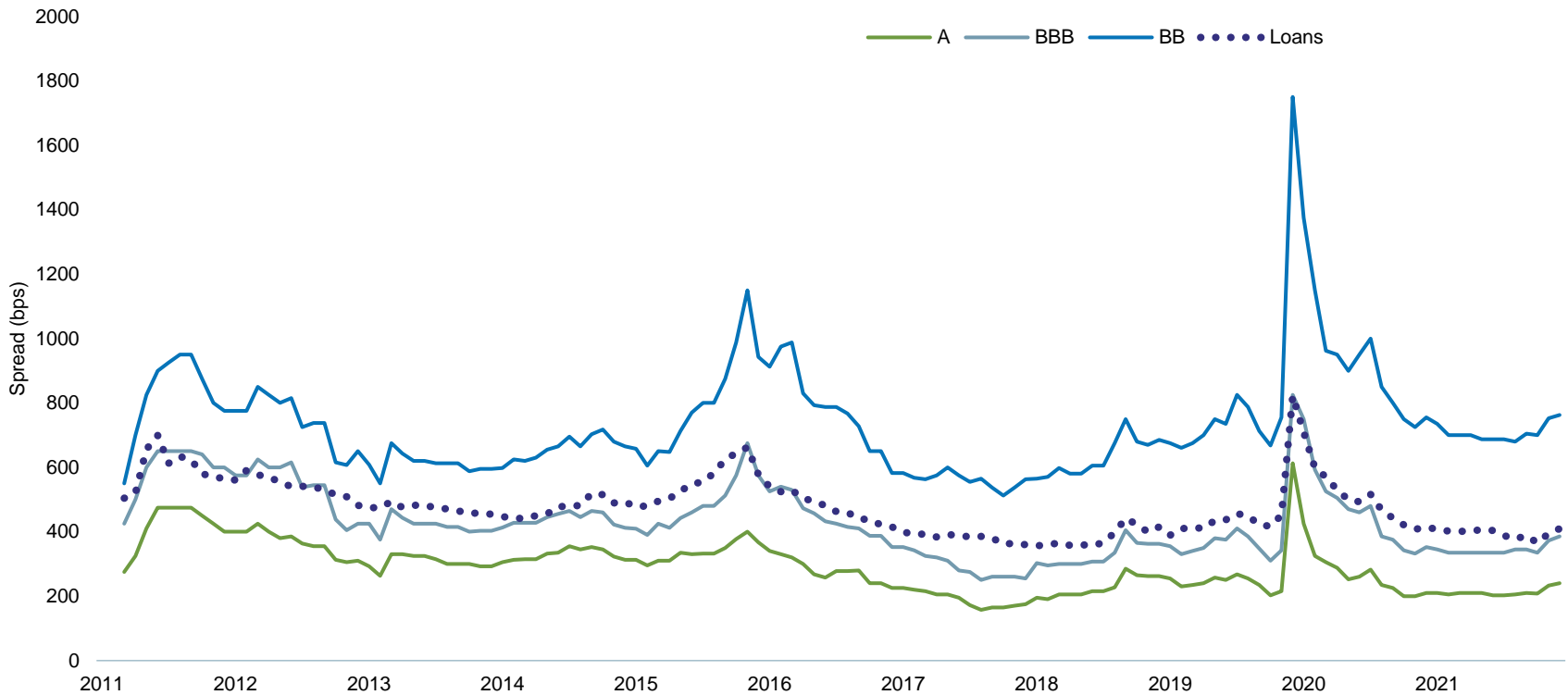


Securitized Credit



Volatility of CLOs relative to underlying loans

Post-Crisis CLO Spreads: A, BBB, BB vs. Loans

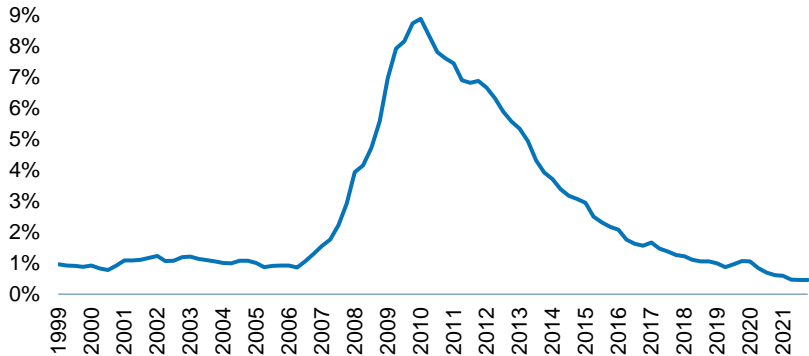


Sources: Citibank Velocity and LCD, an offering of S&P Global Market Intelligence, March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. All CLO data measures CLO tranches issued after the 2008 financial crisis. Loans represented by the S&P/LSTA Leveraged Loan Index and show spread-to-maturity.

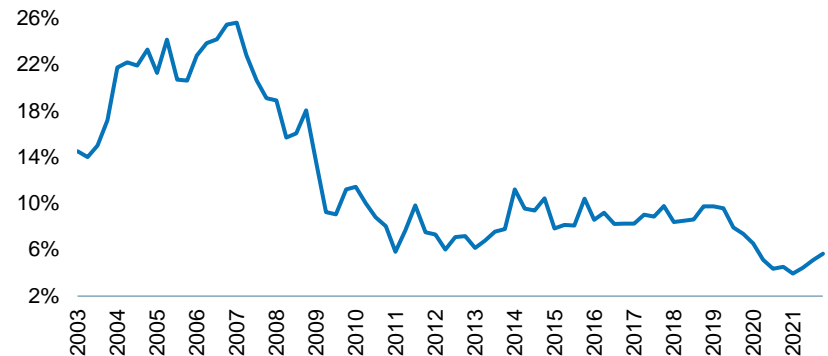


Consumer balance sheets look in fine health

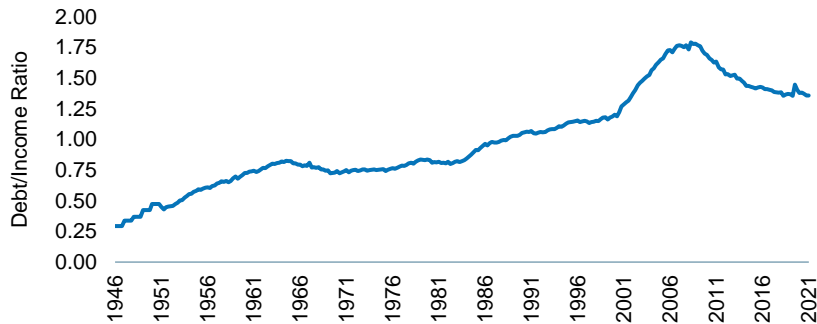
U.S. Residential Mortgage 90+ Day Delinquent Rates



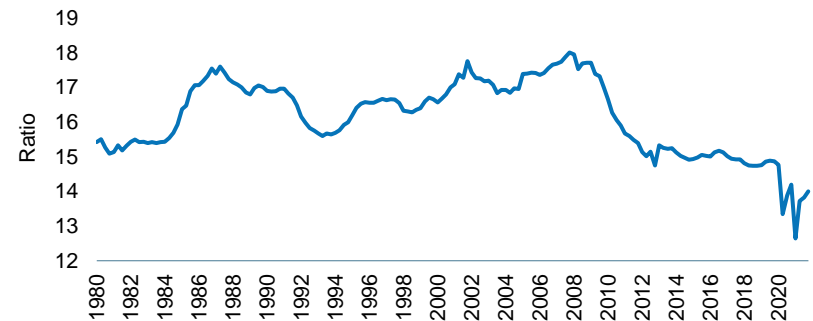
Subprime Mortgage Originations



Household Debt/Income



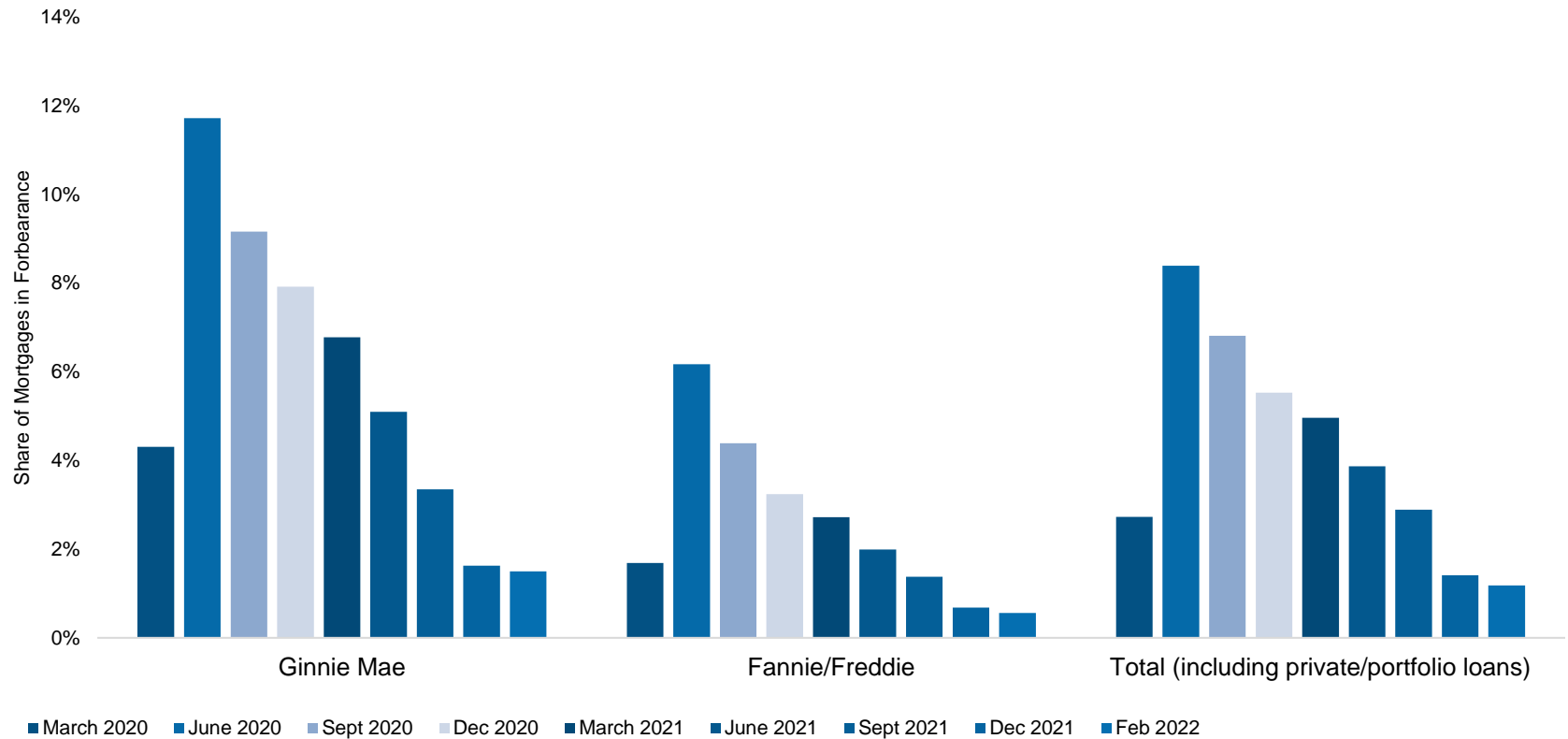
Financial Obligation Ratios



Source: Macrobond. As of Q4 2021. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. Subprime borrower defined as having a FICO score below 659.



MBS: Declining forbearance expectations



Source: Mortgage Bankers Association Forbearance Survey. As of March 21, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures.



Global Credit Snapshot



Global bond market characteristics

Index	Averages							
	Price (\$)	Coupon / Nominal (%)	Duration / WAL* (yrs.)	OAS / 4YR DM (bps)	Yield to Horizon (%)	Face	Market	Weight
Global High Yield Corporates	96.8	5.2%	3.8	352	6.0%	1,892,070	1,856,267	100%
USD High Yield Corporates	97.1	5.7%	3.9	336	6.5%	1,403,551	1,382,021	100%
EUR High Yield Corporates	95.8	3.5%	3.6	395	4.5%	433,310	420,124	100%
GBP High Yield Corporates	96.5	5.2%	3.4	436	6.1%	55,209	54,122	100%
USD Floating-Rate Loans	97.7	4.1%	4.8	437	4.7%	1,361,056	1,329,381	100%
EUR Floating-Rate Loans	97.9	3.6%	4.8	492	4.1%	249,207	243,851	100%
EM High Yield Sovereigns	87.2	5.7%	4.1	625	8.6%	263,808	233,777	100%
EM High Yield Corporates	89.1	6.0%	3.6	684	8.8%	359,848	325,899	100%
EM Investment Grade Sovereigns	102.1	3.7%	4.8	69	3.2%	273,896	282,044	100%
EM Investment Grade Corporates	96.9	3.3%	4.0	156	4.0%	710,260	694,201	100%
USD Investment Grade Corporates	98.5	3.1%	4.4	96	3.5%	3,701,441	3,673,322	100%
EUR Investment Grade Corporates	98.4	1.3%	4.5	119	1.6%	2,112,345	2,092,850	100%
GBP Investment Grade Corporates	101.6	3.2%	4.6	134	2.9%	213,252	219,604	100%

Sources: Eaton Vance, ICE Data Indices, LLC and LCD, an offering of S&P Global Market Intelligence. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Face and market value measured in thousands. High-yield and investment-grade corporate and sovereign bond data reflect all bonds tracked by ICE BofA, excluding subordinated financial debt. Leveraged loans data reflect various sub-indices of the S&P/LSTA Leveraged Loan Index. * US and European loan investments are floating-rate instruments. As a result, there is limited interest rate duration but we have included the weighted averaged maturity for these markets as a comparator.



Global high-yield corporate and leveraged loan characteristics

Index	Averages							
	Price (\$)	Coupon / Nominal (%)	Duration / WAL* (yrs.)	OAS / 4YR DM (bps)	Yield to Horizon (%)	Face	Market	Weight
High Yield Corporate USD - BB	98.4	4.9%	4.2	229	5.4%	693,340	690,219	49.9%
High Yield Corporate USD - B	97.0	6.0%	3.7	377	6.9%	541,953	533,040	38.6%
High Yield Corporate USD - CCC	92.4	7.6%	3.3	664	9.8%	168,259	158,763	11.5%
USD High Yield Corporate Total	97.1	5.7%	3.9	336	6.5%	1,403,551	1,382,021	100.0%
High Yield Corporate EUR - BB	96.4	2.8%	3.6	300	3.7%	271,585	264,848	63.0%
High Yield Corporate EUR - B	94.9	4.2%	3.5	520	5.5%	136,770	131,552	31.3%
High Yield Corporate EUR - CCC	93.5	6.2%	3.5	755	7.9%	24,956	23,724	5.6%
EUR High Yield Corporate Total	95.8	3.5%	3.6	395	4.5%	433,310	420,124	100.0%
High Yield Corporate GBP - BB	97.5	4.6%	3.5	338	5.2%	32,742	32,434	59.9%
High Yield Corporate GBP - B	94.9	6.0%	3.3	579	7.3%	21,961	21,181	39.1%
High Yield Corporate GBP - CCC	98.9	8.3%	2.2	726	8.7%	506	507	0.9%
GBP High Yield Corporate Total	96.5	5.2%	3.4	436	6.1%	55,209	54,122	100.0%
S&P/LSTA Leveraged Loans – BBB	98.9	2.5%	4.6	233	2.7%	86,209	85,247	6.4%
S&P/LSTA Leveraged Loans – BB	98.5	3.3%	4.9	333	3.7%	322,746	317,790	23.9%
S&P/LSTA Leveraged Loans – B	98.0	4.4%	4.9	458	5.0%	878,222	860,682	64.7%
S&P/LSTA Leveraged Loans - CCC	88.9	6.0%	4.2	935	9.0%	73,878	65,662	4.9%
USD Floating-Rate Loan Total	97.7	4.1%	4.8	437	4.7%	1,361,056	1,329,381	100.0%
S&P European Leveraged Loans – BB	98.2	3.0%	5.0	415	3.4%	36,159	35,521	14.6%
S&P European Leveraged Loans – B	97.8	3.7%	4.8	505	4.3%	213,048	208,330	85.4%
EUR Floating-Rate Loan Total	97.9	3.6%	4.8	492	4.1%	249,207	243,851	100.0%

Sources: Eaton Vance, ICE Data Indices, LLC and LCD, an offering of S&P Global Market Intelligence. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Face and market value measured in thousands. High-yield and investment-grade corporate bond data reflect all bonds tracked by ICE BofA, excluding subordinated financial debt. Leveraged loans data reflect various sub-indices of the S&P/LSTA Leveraged Loan Index and the S&P Europe Leveraged Loan Index. * US and European loan investments are floating-rate instruments. As a result, there is limited interest rate duration but we have included the weighted averaged maturity for these markets as a comparator.



Global investment-grade corporate characteristics

Index	Averages							
	Price (\$)	Coupon / Nominal (%)	Duration / WAL (yrs.)	OAS / 4YR DM (bps)	Yield to Horizon (%)	Face	Market	Weight
Investment-Grade Corporate USD – AAA 1-10 year	98.3	2.3%	3.6	20	2.7%	44,612	44,078	1.2%
Investment-Grade Corporate USD – AA 1-10 year	97.5	2.3%	4.0	44	2.8%	358,236	351,088	9.6%
Investment-Grade Corporate USD – A 1-10 year	98.4	2.8%	4.3	68	3.1%	1,115,255	1,104,227	30.1%
Investment-Grade Corporate USD – BBB 1-10 year	98.8	3.5%	4.5	120	3.8%	2,183,339	2,173,929	59.2%
USD Investment-Grade Total	98.5	3.1%	4.4	96	3.5%	3,701,441	3,673,322	100.0%
Investment-Grade Corporate EUR – AAA 1-10 year	100.6	1.1%	5.3	71	1.0%	8,401	8,485	0.4%
Investment-Grade Corporate EUR – AA 1-10 year	99.4	1.1%	4.3	77	1.2%	221,837	221,542	10.6%
Investment-Grade Corporate EUR – A 1-10 year	98.5	1.0%	4.5	95	1.4%	675,945	669,765	32.0%
Investment-Grade Corporate EUR – BBB 1-10 year	98.2	1.5%	4.5	140	1.9%	1,206,161	1,193,059	57.0%
EUR Investment-Grade Total	98.4	1.3%	4.5	119	1.6%	2,112,345	2,092,850	100.0%
Investment-Grade Corporate GBP – AAA 1-10 year	96.5	2.0%	4.0	99	2.8%	3,884	3,773	1.7%
Investment-Grade Corporate GBP – AA 1-10 year	101.0	2.3%	4.7	96	2.1%	19,469	19,784	9.0%
Investment-Grade Corporate GBP – A 1-10 year	101.1	2.7%	4.6	109	2.5%	70,154	71,665	32.6%
Investment-Grade Corporate GBP – BBB 1-10 year	102.2	3.7%	4.6	155	3.2%	119,745	124,382	56.6%
GBP Investment-Grade Total	101.6	3.2%	4.6	134	2.9%	213,252	219,604	100.0%

Sources: Eaton Vance, ICE Data Indices, LLC and LCD, an offering of S&P Global Market Intelligence. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Face and market value measured in thousands. Investment-grade corporate bond data reflect all bonds tracked by ICE BofA.



Global EM sovereign and corporate characteristics

Index	Averages							
	Price (\$)	Coupon / Nominal (%)	Duration / WAL (yrs.)	OAS / 4YR DM (bps)	Yield to Horizon (%)	Face	Market	Weight
EM Investment Grade Sovereigns – AA	101.2	3.1%	4.9	47	2.8%	66,175	67,580	24.0%
EM Investment Grade Sovereigns – A	100.8	3.0%	5.0	43	2.9%	80,836	82,295	29.2%
EM Investment Grade Sovereigns – BBB	103.3	4.4%	4.7	97	3.7%	126,885	132,169	46.9%
EM Investment Grade Sovereigns	102.1	3.7%	4.8	69	3.2%	273,896	282,044	100.0%
EM High Yield Sovereigns – BB	101.4	5.1%	4.4	209	4.8%	72,901	74,812	32.0%
EM High Yield Sovereigns – B	94.8	6.4%	4.0	508	7.8%	135,996	131,160	56.1%
EM High Yield Sovereigns – CCC	49.7	4.7%	3.7	2296	22.8%	54,912	27,805	11.9%
EM High Yield Sovereigns	87.2	5.7%	4.1	625	8.6%	263,808	233,777	100.0%
EM Investment Grade Corporate – AA	96.0	2.4%	4.5	74	3.3%	50,091	48,384	7.0%
EM Investment Grade Corporate – A	97.6	2.9%	4.0	106	3.5%	304,342	299,389	43.1%
EM Investment Grade Corporate – BBB	96.4	3.8%	4.0	211	4.6%	355,827	346,429	49.9%
EM Investment Grade Corporates	96.9	3.3%	4.0	156	4.0%	710,260	694,201	100.0%
EM High Yield Corporates – BB	95.9	5.4%	4.0	382	6.5%	218,769	212,641	65.2%
EM High Yield Corporates – B	85.2	7.0%	2.9	1015	11.2%	103,150	89,650	27.5%
EM High Yield Corporates – CCC	60.5	7.0%	2.5	2149	20.8%	37,928	23,608	7.2%
EM High Yield Corporates	89.1	6.0%	3.6	684	8.8%	359,848	325,899	100.0%

Sources: Eaton Vance, ICE Data Indices, LLC. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Face and market value measured in thousands. EM high-yield and investment-grade sovereign and corporate bond data reflect all bonds tracked by ICE BofA.



US securitized characteristics

Index	Averages						
	Price (\$)	Coupon / Nominal (%)	Duration / WAL (yrs.)	OAS / 4YR DM (bps)	Yield to Horizon (%)	Face	Market
CMBS AAA	98.7	3.1%	4.4	91	3.4%	812,903	804,721
CMBS AA	98.7	3.7%	4.1	167	4.0%	103,792	102,738
CMBS A	96.6	4.0%	3.9	257	4.8%	54,578	52,908
CMBS BBB	90.3	3.6%	4.1	370	5.9%	57,361	51,974
CLO AAA	99.3	1.6%	3.8	135	1.7%	454,138	451,067
CLO AA	98.8	2.1%	5.7	188	2.4%	86,184	85,177
CLO A	98.3	2.6%	6.2	243	3.0%	44,133	43,390
CLO BBB	97.6	3.7%	6.3	363	4.3%	44,039	42,968
CLO BB	93.7	6.8%	7.5	749	8.5%	33,077	30,986

Sources: Eaton Vance, ICE Data Indices, LLC and JPMorgan. As of March 31, 2022. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Face and market value measured in thousands. CMBS data reflect all bonds tracked by ICE BofA. CLO data reflect various sub-indices of the J.P. Morgan Collateralized Loan Obligation Index (CLOIE) Post Crisis.



Important Information & Disclosure

INDEX DEFINITIONS:

ICE BofA U.S. Corporate Index tracks the performance of US dollar denominated investment grade corporate debt publicly issued in the US domestic market.

ICE BofA Euro Corporate Index tracks the performance of EUR denominated investment grade corporate debt publicly issued in the eurobond or Euro member domestic markets.

ICE BofA Sterling Corporate Index tracks the performance of GBP denominated investment grade corporate debt publicly issued in the eurobond or UK domestic market.

ICE BofA US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

ICE BofA Euro High Yield Index tracks the performance of EUR denominated below investment grade corporate debt publicly issued in the euro domestic or eurobond markets.

ICE BofA Sterling High Yield Index tracks the performance of GBP denominated below investment grade corporate debt publicly issued in the sterling domestic or eurobond markets.

ICE BofA US Treasury Index tracks the performance of US dollar denominated sovereign debt publicly issued by the US government in its domestic market.

ICE BofA European Currency Developed Markets High Yield Excluding Subordinated Financials Constrained Index contains all securities in The ICE BofA European Currency High Yield Index provided they are not subordinated financials and have a developed markets country of risk.

ICE BofA Global High Yield Index tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or eurobond markets.

S&P/LSTA Leveraged Loan Index is an unmanaged index of the institutional leveraged loan market.

S&P European Leveraged Loan Index is an unmanaged index of the European institutional leveraged loan market.

Standard & Poor's 500 Index is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance

ICE BofA 7-10 Year AA US Fixed Rate CMBS Index tracks the performance of US dollar denominated investment grade fixed rate commercial mortgage backed securities publicly issued in the US domestic market including all securities with an average life greater than or equal to 7 years and less than 10 years and rated AA.

ICE BofA BBB US Fixed Rate CMBS Index tracks the performance of US dollar denominated investment grade fixed rate commercial mortgage backed securities publicly issued in the US domestic market including all securities with an average life greater than or equal to 7 years and less than 10 years and rated BBB1 through BBB3, inclusive.

ICE BofA Developed Markets High Yield Ex-Subordinated Financial Index (Hedged) is an unmanaged index of global developed market below investment grade corporate bonds, USD hedged.

ICE BofA Global Broad Market Index tracks the performance of investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities.

ICE BofA Global Corporate Index tracks the performance of investment grade corporate debt publicly issued in the major domestic and eurobond markets.

ICE BofA Emerging Markets External Sovereign Index tracks the performance of US dollar and euro denominated emerging markets sovereign debt publicly issued in the major domestic and eurobond markets.

ICE BofA Emerging Markets Corporate Plus Index tracks the performance of U.S. dollar and euro denominated emerging markets non-sovereign debt publicly issued in the major domestic and eurobond markets.

J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified is an unmanaged index of USD-denominated emerging market corporate bonds.

J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified is an unmanaged index of USD-denominated bonds with maturities of more than one year issued by emerging markets governments.

J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified is an unmanaged index of local-currency bonds with maturities of more than one year issued by emerging market governments

J.P. Morgan Collateralized Loan Obligation Index (CLOIE) Post Crisis is comprised solely of cash arbitrage CLOs backed by broadly syndicated leveraged loans



Important Information & Disclosure

Credit ratings that may be referenced are based on Moody's, S&P or Fitch, as applicable. Credit ratings are based largely on the rating agency's investment analysis at the time of rating and the rating assigned to any particular security is not necessarily a reflection of the issuer's current financial condition. The rating assigned to a security by a rating agency 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. 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.

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ABOUT ASSET CLASS COMPARISONS:

Elements of this report include 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. Asset classes shown are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. 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 and emerging market bonds offer higher credit risk, lower levels of liquidity, lower interest-rate risk and higher return potential. Other asset classes shown carry different levels of each of these risk and return characteristics, and as a result generally fall varying degrees along the risk/return spectrum.

Costs and expenses associated with investing in asset classes shown will vary, sometimes substantially, depending upon specific investment vehicles chosen. No investment in the asset classes shown is insured or guaranteed, unless explicitly stated for a specific investment vehicle. Interest income earned on asset classes shown is subject to ordinary federal, state and local income taxes, excepting 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 before making any investment decision.



Important Information & Disclosure

An imbalance in supply and demand in the income market may result in valuation uncertainties and greater volatility, less liquidity, widening credit spreads and a lack of price transparency in the market. Investments in income securities 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. As interest rates rise, the value of certain income investments is likely to decline. Investments involving higher risk do not necessarily mean higher return potential. Diversification cannot ensure a profit or eliminate the risk of loss.

Debt securities are subject to risks that the issuer will not meet its payment obligations. Low rated or equivalent unrated debt securities of the type in which a strategy will invest generally offer a higher return than higher rated debt securities, but also are subject to greater risks that the issuer will default. Unrated bonds are generally regarded as being speculative. In emerging (or frontier) countries, these risks may be more significant.

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 (Baa3 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 lower rating is applied. Holdings designated as "Not Rated" are not rated by the national rating agencies stated above. The Composite and Representative Account are not rated by an independent credit agency. 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 strategy or composite.



Important information and disclosure

Source of all data: Eaton Vance, as of March 31, 2022, unless otherwise specified.

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