

# Eaton Vance Short Duration Municipal Income ETF (EVSM)

FUND PROFILE | 2024

## Why Consider a Short Municipals Strategy?

EVSM is an actively managed ETF that invests across the short end of the municipal market. Given the current shape of the yield curve, short duration municipal strategies provide elevated yields, while investing in a high quality asset class.

## Why now?

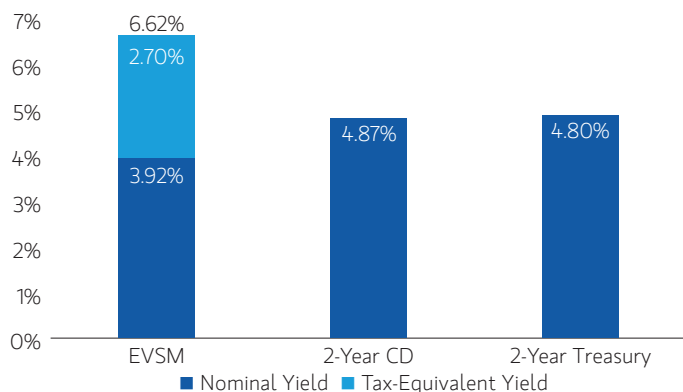
### ELEVATED FRONT END YIELDS

On a taxable equivalent basis, the short end of the municipal yield curve offers attractive levels of income compared to other investment grade fixed income strategies.

### GET ACTIVE

We believe elevated yields and interest rate uncertainty favor an actively managed approach. EVSM provides the potential for low cost, core exposure to the municipal market while actively managing duration, curve and credit for income and total return.

## DISPLAY 1 Taxable Equivalent Yields



Sources: Bloomberg as of 5/31/2024. This table is for illustrative purposes only and uses the highest current applicable federal tax rates plus 3.8% health care tax. It is not possible to invest directly in an index. **Past performance is no guarantee of future results.**

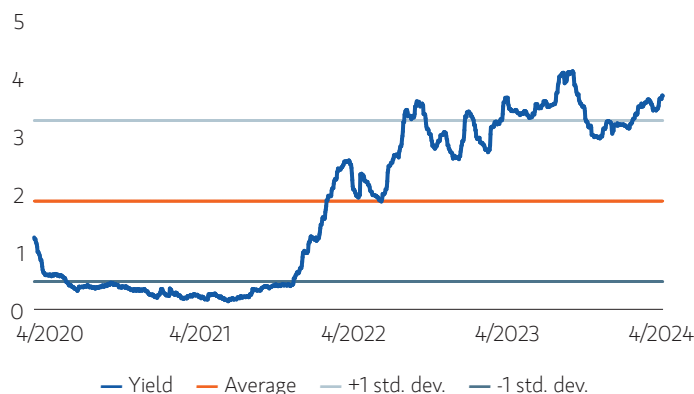
## Fast Facts

### AT A GLANCE

Ticker	EVSM
Listing Date	3/25/2024
Inception Date	12/19/2018
Investment Objective	The Fund seeks to provide current income exempt from regular federal income tax
Benchmark	ICE BofA 1-3 Year Municipal Securities Index
Expense Ratio	0.19%

Expenses are based on the fund's current prospectus, in effect as of the date of this fund profile. For information on the applicable fund's current fees and expenses, please see the fund's current prospectus.

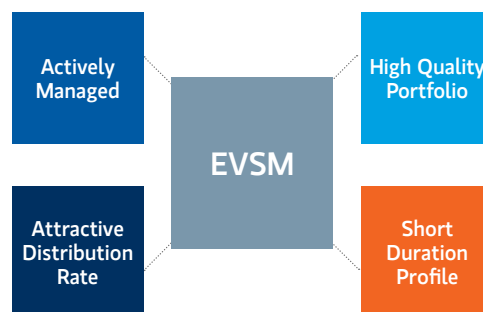
## DISPLAY 2 ICE BofA Municipal 1-3 Year Index



Sources: ICE as of 5/31/2024. This chart is for illustrative purposes only. It is not possible to invest directly in an index. **Past performance is no guarantee of future results.**

## Why EVSM?

- EVSM seeks income and total return opportunities on the front end of the municipal curve. The Fund is managed by the Eaton Vance Municipals Team, with 36 members with over \$16B in assets under management.<sup>1</sup>
- EVSM actively maintains a high quality, defensive portfolio while seeking competitive performance and tax-advantaged income.



## Portfolio Implementation Opportunities

As interest rates have risen over the past 2+ years, investors have found safety and income in cash-like investments. Short municipals offer positive yield pick-up potential relative to cash instruments for those investors willing to assume more risks without extending duration dramatically, as the timing and magnitude of future rate cuts is still uncertain.

- Yield-enhancing strategy
- Diversifier to existing cash instruments<sup>2</sup>
- Tax-exempt income stream
- High quality, short duration exposure

## Portfolio Management



**Julie Callahan, CFA**  
Managing Director  
28 years of industry experience



**Paul Metheny, CFA**  
Executive Director  
9 years of experience



**Carl Thompson, CFA**  
Executive Director  
13 years of experience



**Brandon Matsui, CFA**  
Executive Director  
21 years of industry experience

Team members may change, without notice, from time to time.

## Investment Performance (USD)

As of May 31, 2024

	CUMULATIVE (%)			ANNUALIZED (%)			
	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since inception (12/19/2018)
EVSM NAV	0.04	0.25	3.56	2.02	1.50	–	1.51
EVSM Market Price	0.18	0.39	3.71	2.07	1.53	–	1.54
ICE BofA 1-3 Year Municipal Securities Index	-0.06	0.03	2.84	0.40	1.01	–	1.22

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please call 1-800-836-2414, or visit eatonvance.com. Investment returns and principal value will fluctuate and fund shares, when redeemed, may be worth more or less than their original cost.

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Total Returns are calculated using the daily 4:00 p.m. net asset value (NAV). Market price returns reflect the midpoint of the bid/ask spread as of the close of trading on the exchange where Fund shares are listed. Market price returns do not represent the returns you would receive if you traded shares at other times.

Prior to listing date, the ETF operated as a mutual fund. The ETF has the same investment goal and uses a substantively similar investment strategy as the predecessor mutual fund. The NAV and market price performance of the ETF use the predecessor mutual fund's NAV from inception to listing. The ETF's returns reflect the higher expenses of the predecessor mutual fund and have not been adjusted. Predecessor fund performance may have been different if it had an ETF structure. The market price return is calculated from closing prices as calculated by the fund's listing exchange for the ETF. If shares are traded at another time, returns may differ. Returns for the period from inception to listing date use the Fund's NAV as a market price proxy.

<sup>1</sup> As of 2/29/2024.

<sup>2</sup> Diversification does not eliminate the risk of loss.

Cash includes bank deposits and money market funds. Bank deposits are insured by the FDIC and offer a fixed rate of return, whereas the return and principal value of an investment in money mutual funds or ETF funds fluctuates with changes in market conditions. Money market funds, are mutual funds that generally invest in fixed-income securities with short maturities. However, money market funds may only invest in certain high-quality, short-term investments issued by the U.S. government, U.S. corporations and state and local governments and they are subject to strict diversification and maturity standards. ETFs are not subject to these requirements and may pursue strategies aimed at producing higher yields by investing in securities with higher risks.

## Risk Considerations

There is no assurance that a portfolio will achieve its investment objective. Portfolios are subject to market risk, which is the possibility that the market values of securities owned by the portfolio will decline. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this portfolio. Please be aware that this portfolio may be subject to certain additional risks. **Fixed-income securities** are subject to the ability of an issuer to make timely principal and interest payments (credit risk), changes in interest rates (interest-rate risk), the creditworthiness of the issuer and general market liquidity (market risk). In a rising interest-rate environment, bond prices may fall and may result in periods of volatility and increased portfolio redemptions. In a declining interest-rate environment, the portfolio may generate less income. **Longer-term securities** may be more sensitive to interest rate changes. By investing in municipal obligations, the Fund may be susceptible to political, economic, regulatory or other factors affecting their issuers. While interest earned on municipal securities is generally not subject to federal income tax, any interest earned on taxable municipal securities is fully taxable at the federal level and may be subject to state and/or local income tax. High yield securities (“junk bonds”) are lower rated securities that may have a higher degree of credit and liquidity risk. **Tender option bonds.** The risks of tender option bonds include the risk that the owner of such instrument may not be considered the owner for federal income tax purposes and thus will not be entitled to treat such interest as exempt from federal income tax. **Taxability risk.** Changes in tax laws or adverse determinations by the Internal Revenue Service (“IRS”) may make the income from some municipal obligations taxable. **When-Issued Securities, Delayed Delivery Securities, TBAs and Forward Commitments.** These investments may result in a form of leverage and may increase volatility in the Fund’s share price. They are subject to risks such as failure of the counterparty to perform its obligation to deliver the security, the characteristics of a security delivered to the Fund may be less favorable than expected and the security the Fund buys will lose value prior to its delivery. A high **portfolio turnover** rate could result in high brokerage costs and an increase in taxable capital gains distributions. Illiquid securities may be more difficult to sell and value than publicly traded securities (liquidity risk). **Revenue Bonds.** Revenue bonds historically have been subject to a greater risk of default than general obligation bonds because investors can look only to the revenue generated by the project or other revenue source backing the project. **Authorized Participant Concentration Risk.** The Portfolio has a limited number of intermediaries that act as authorized participants and none of these authorized participants is or will be obligated to engage in creation or redemption transactions. As a result, shares may trade at a discount to net asset value (“NAV”) and possibly face trading halts and/or delisting. **Trading Risk.** The market prices of Shares are expected to fluctuate, in some cases materially, in response to changes in the Portfolio’s NAV, the intra-day value of holdings, and supply and demand for Shares. The Adviser cannot predict whether Shares will trade above, below or at their NAV. Buying or selling Shares in the secondary market may require paying brokerage commissions or other charges imposed by brokers as determined by that broker.

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The **ICE BofA 1-3 Year US Municipal Securities Index** is designed to track the performance of USD-denominated taxable municipal debt that is issued publicly by states and territories within the United States, as well as their political subdivisions, in the U.S. market

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**Before investing in any Eaton Vance ETF, prospective investors should consider carefully the investment objective(s), risks, and charges and expenses. The current prospectus contains this and other information. To obtain a prospectus or summary prospectus, download a copy at [eatonvance.com/etfs](https://eatonvance.com/etfs). Prospective investors should read the prospectus carefully before investing.**

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