

EATON VANCE MICHIGAN MUNICIPAL BOND FUND

Form N-Q

August 26, 2011

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**Form N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

**811-21224**

**Investment Company Act File Number**

**Eaton Vance Michigan Municipal Bond Fund**

(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110

(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number, Including Area Code)

September 30

Date of Fiscal Year End

June 30, 2011

Date of Reporting Period

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**Item 1. Schedule of Investments**

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**Eaton Vance  
Michigan Municipal Bond Fund  
June 30, 2011**

**PORTFOLIO OF INVESTMENTS (Unaudited)**

**Tax-Exempt Investments 158.3%**

**Principal  
Amount**

**(000 s  
omitted)**

**Electric Utilities**

**Security**

**Value**

\$	620	Michigan Strategic Fund, (Detroit Edison Pollution Control), 5.45%, 9/1/29	\$	620,434
			\$	<b>620,434</b>

**Escrowed/Prerefunded 9.8%**

\$	400	Michigan Hospital Finance Authority, (Chelsea Community Hospital), Prerefunded to 5/15/15, 5.00%, 5/15/30	\$	460,412
	1,500	Michigan Hospital Finance Authority, (Sparrow Obligation Group), Prerefunded to 11/15/11, 5.625%, 11/15/36		1,544,895
			\$	<b>2,005,307</b>

**General Obligations 2.7%**

\$	170	Comstock Park Public Schools, 5.00%, 5/1/28	\$	172,296
	205	Comstock Park Public Schools, 5.125%, 5/1/31		206,720
	165	Comstock Park Public Schools, 5.25%, 5/1/33		167,330
			\$	<b>546,346</b>

**Hospital 8.0%**

\$	1,000	Michigan Hospital Finance Authority, (Oakwood Hospital System), 5.75%, 4/1/32	\$	1,002,700
	640	Michigan Hospital Finance Authority, (Trinity Health), 5.375%, 12/1/30		642,611
			\$	<b>1,645,311</b>

**Insured-Electric Utilities 7.4%**

\$	500	Michigan Strategic Fund, (Detroit Edison Co.), (XLCA), 5.25%, 12/15/32	\$	497,060
	1,000	Puerto Rico Electric Power Authority, (NPFGE), 5.25%, 7/1/26		1,016,640
			\$	<b>1,513,700</b>

**Insured-Escrowed/Prerefunded 41.5%**

\$	750	Detroit School District, (School Bond Loan Fund), (AGM), Prerefunded to 5/1/12, 5.125%, 5/1/31	\$	780,120
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1,500	Lansing Building Authority, (NPMF), Prerefunded to 6/1/13, 5.00%, 6/1/29	1,632,165
1,150	Michigan Hospital Finance Authority, (St. John Health System), (AMBAC), Escrowed to Maturity, 5.00%, 5/15/28	1,154,013
1,750	Michigan House of Representatives, (AMBAC), Escrowed to Maturity, 0.00%, 8/15/22	1,148,350
2,615	Michigan House of Representatives, (AMBAC), Escrowed to Maturity, 0.00%, 8/15/23	1,620,280
1,300	Reed City Public Schools, (AGM), Prerefunded to 5/1/14, 5.00%, 5/1/29	1,458,847
705	Ypsilanti Community Utilities Authority, (Sanitary Sewer System No. 3), (FGIC), Prerefunded to 5/1/12, 5.00%, 5/1/32	732,883
		<b>\$ 8,526,658</b>

**Insured-General Obligations 21.3%**

\$ 1,960	Grand Rapids and Kent County Joint Building Authority, (DeVos Place), (NPMF), 0.00%, 12/1/27 <sup>(1)</sup>	\$ 882,392
375	Greenville Public Schools, (NPMF), 5.00%, 5/1/25	379,249
1,330	Okemos Public School District, (NPMF), 0.00%, 5/1/19	970,727
1,000	Pinconning Area Schools, (AGM), 5.00%, 5/1/33	1,012,800
1,000	Royal Oak, (AGC), 6.25%, 10/1/28	1,125,950
		<b>\$ 4,371,118</b>

**Insured-Hospital 6.8%**

\$ 500	Michigan Hospital Finance Authority, (Mid-Michigan Obligation Group), (AMBAC), 5.00%, 4/15/32	\$ 478,765
975	Royal Oak Hospital Finance Authority, (William Beaumont Hospital), (NPMF), 5.25%, 11/15/35	926,133
		<b>\$ 1,404,898</b>

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
<b>Insured-Lease Revenue/Certificates of Participation 6.3%</b>		
\$ 1,000	Michigan Building Authority, (AGM), (FGIC), 0.00%, 10/15/29	\$ 337,330
3,100	Michigan Building Authority, (FGIC), (NPF), 0.00%, 10/15/30	953,126
		<b>\$ 1,290,456</b>
<b>Insured-Public Education 15.4%</b>		
\$ 750	Central Michigan University, (AMBAC), 5.05%, 10/1/32	\$ 752,235
435	Ferris State University, (AGC), 5.125%, 10/1/33	445,009
750	Lake Superior State University, (AMBAC), 5.125%, 11/15/26	750,465
1,200	Wayne University, (NPF), 5.00%, 11/15/37	1,208,064
		<b>\$ 3,155,773</b>
<b>Insured-Sewer Revenue 2.1%</b>		
\$ 500	Detroit Sewer Disposal System, (NPF), 4.50%, 7/1/35	\$ 433,210
		<b>\$ 433,210</b>
<b>Insured-Special Tax Revenue 9.0%</b>		
\$ 6,100	Puerto Rico Sales Tax Financing Corp., (AMBAC), 0.00%, 8/1/54	\$ 330,803
1,670	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/45	178,005
1,115	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/46	110,653
1,000	Wayne Charter County, (Airport Hotel-Detroit Metropolitan Airport), (NPF), 5.00%, 12/1/30	924,450
295	Ypsilanti Community Utilities Authority, (Sanitary Sewer System No. 3), (FGIC), (NPF), 5.00%, 5/1/32	295,543
		<b>\$ 1,839,454</b>
<b>Insured-Utilities 7.5%</b>		
\$ 1,000	Lansing Board of Water and Light, (Water Supply, Steam and Electric Utility), (AGM), 5.00%, 7/1/25	\$ 1,016,170
510	Lansing Board of Water and Light, (Water Supply, Steam and Electric Utility), (AGM), 5.00%, 7/1/26	517,512
		<b>\$ 1,533,682</b>
<b>Insured-Water Revenue 11.8%</b>		
\$ 1,425	Detroit Water Supply System, (FGIC), (NPF), 5.00%, 7/1/30	\$ 1,374,185
1,000	Grand Rapids Water Supply System, (AGC), 5.00%, 1/1/29	1,054,650
		<b>\$ 2,428,835</b>

<b>Private Education</b>	<b>1.1%</b>		
\$	250	Michigan Higher Education Facilities Authority, (Hillsdale College), 5.00%, 3/1/35	\$ 235,120
			<b>\$ 235,120</b>
<b>Water and Sewer</b>	<b>3.4%</b>		
\$	650	Grand Rapids, (Sanitary Sewer System), 5.00%, 1/1/28	\$ 707,805
			<b>\$ 707,805</b>
<b>Water Revenue</b>	<b>1.2%</b>		
\$	250	Port Huron Water Supply System, 5.25%, 10/1/31	\$ 245,848
			<b>\$ 245,848</b>
<b>Total Tax-Exempt Investments</b>	<b>158.3%</b>		
(identified cost \$32,128,717)			<b>\$ 32,503,955</b>
<b>Auction Preferred Shares Plus Cumulative Unpaid Dividends</b>	<b>(64.9)%</b>		<b>\$ (13,325,112)</b>
<b>Other Assets, Less Liabilities</b>	<b>6.6%</b>		<b>\$ 1,359,588</b>
<b>Net Assets Applicable to Common Shares</b>	<b>100.0%</b>		<b>\$ 20,538,431</b>

The percentage shown for each investment category in the Portfolio of Investments is based on net assets applicable to common shares.

- AGC - Assured Guaranty Corp.
- AGM - Assured Guaranty Municipal Corp.
- AMBAC - AMBAC Financial Group, Inc.
- FGIC - Financial Guaranty Insurance Company
- NPFG - National Public Finance Guaranty Corp.
- XLCA - XL Capital Assurance, Inc.

The Fund invests primarily in debt securities issued by Michigan municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at June 30, 2011, 81.5% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution ranged from 1.5% to 34.7% of total investments.

- (1) Security (or a portion thereof) has been pledged to cover margin requirements on open financial futures contracts.

A summary of open financial instruments at June 30, 2011 is as follows:

**Futures Contracts**

Expiration Date	Contracts	Position	Aggregate Cost	Value	Net Unrealized Appreciation
9/11	7 U.S. 30-Year Treasury Bond	Short	\$ (867,878)	\$ (861,219)	\$ 6,659

**Interest Rate Swaps**

Counterparty	Notional Amount	Annual Fixed Rate Paid By Fund	Floating Rate Paid To Fund	Effective Date/ Termination Date	Net Unrealized Appreciation (Depreciation)
Bank of America	\$ 675,000	4.165%	3-month USD-LIBOR-BBA	August 12, 2011/ August 12, 2041	\$ (7,535)
JPMorgan Chase Co.	450,000	4.088	3-month USD-LIBOR-BBA	September 9, 2011/ September 9, 2041	2,402

\$ (5,133)

The effective date represents the date on which the Fund and the counterparty to the interest rate swap contract begin interest payment accruals.

At June 30, 2011, the Fund had sufficient cash and/or securities to cover commitments under these contracts.

The Fund is subject to interest rate risk in the normal course of pursuing its investment objectives. Because the Fund holds fixed rate bonds, the value of these bonds may decrease if interest rates rise. To hedge against this risk, the Fund enters into interest rate swap contracts. The Fund also purchases and sells U.S. Treasury futures contracts to hedge against changes in interest rates.

At June 30, 2011, the aggregate fair value of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) in an asset position and in a liability position and whose primary underlying risk exposure is interest rate risk was \$9,061 and \$7,535, respectively.

The cost and unrealized appreciation (depreciation) of investments of the Fund at June 30, 2011, as determined on a federal income tax basis, were as follows:

<b>Aggregate cost</b>	<b>\$ 32,074,950</b>
Gross unrealized appreciation	\$ 1,475,450
Gross unrealized depreciation	(1,046,445)
<b>Net unrealized appreciation</b>	<b>\$ 429,005</b>

Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including a fund's own assumptions in determining the fair value of investments)



In cases where the inputs used to measure fair value fall in different levels of the fair value hierarchy, the level disclosed is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At June 30, 2011, the hierarchy of inputs used in valuing the Fund's investments, which are carried at value, were as follows:

<b>Asset Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Tax-Exempt Investments	\$	\$ 32,503,955	\$	\$ 32,503,955
<b>Total Investments</b>	<b>\$</b>	<b>\$ 32,503,955</b>	<b>\$</b>	<b>\$ 32,503,955</b>
Futures Contracts	\$ 6,659	\$	\$	\$ 6,659
Interest Rate Swaps		2,402		2,402
<b>Total</b>	<b>\$ 6,659</b>	<b>\$ 32,506,357</b>	<b>\$</b>	<b>\$ 32,513,016</b>
<b>Liability Description</b>				
Interest Rate Swaps	\$	\$ (7,535)	\$	\$ (7,535)
<b>Total</b>	<b>\$</b>	<b>\$ (7,535)</b>	<b>\$</b>	<b>\$ (7,535)</b>

The Fund held no investments or other financial instruments as of September 30, 2010 whose fair value was determined using Level 3 inputs. At June 30, 2011, the value of investments transferred between Level 1 and Level 2, if any, during the fiscal year to date then ended was not significant.

For information on the Fund's policy regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements included in its semiannual or annual report to shareholders.

**Item 2. Controls and Procedures**

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant on this Form N-Q has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant on this Form N-Q has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant's internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant's internal control over financial reporting.

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**Signatures**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Eaton Vance Michigan Municipal Bond Fund

By: /s/ Cynthia J. Clemson

Cynthia J. Clemson  
President

Date: August 25, 2011

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Cynthia J. Clemson

Cynthia J. Clemson  
President

Date: August 25, 2011

By: /s/ Barbara E. Campbell

Barbara E. Campbell  
Treasurer

Date: August 25, 2011