

EATON VANCE MASSACHUSETTS MUNICIPAL BOND FUND

Form N-Q

August 28, 2014

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED

MANAGEMENT INVESTMENT COMPANIES

811-21225

Investment Company Act File Number

Eaton Vance Massachusetts 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, 2014

Date of Reporting Period

Item 1. Schedule of Investments

Eaton Vance

Massachusetts Municipal Bond Fund

June 30, 2014

PORTFOLIO OF INVESTMENTS (Unaudited)

Tax-Exempt Investments 159.7%

	Principal Amount	
Security	(000 s omitted)	Value
Bond Bank 5.9%		
Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/33	\$ 585	\$ 743,178
Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/34	640	817,267
		\$ 1,560,445
Education 28.3%		
Massachusetts Development Finance Agency, (Milton Academy), 5.00%, 9/1/35	\$ 750	\$ 818,640
Massachusetts Health and Educational Facilities Authority, (Harvard University), 5.00%, 10/1/38 ⁽¹⁾	2,000	2,237,280
Massachusetts Health and Educational Facilities Authority, (Massachusetts Institute of Technology), 5.50%, 7/1/36	1,000	1,151,700
Massachusetts Health and Educational Facilities Authority, (Northeastern University), 5.00%, 10/1/35	870	943,942
Massachusetts Health and Educational Facilities Authority, (Tufts University), 5.375%, 8/15/38	1,025	1,161,212
University of Massachusetts Building Authority, 5.00%, 11/1/39	1,000	1,112,560
		\$ 7,425,334
General Obligations 12.3%		
Boston, 4.00%, 4/1/24	\$ 200	\$ 221,842
Cambridge, 4.00%, 2/15/21	395	452,828
Danvers, 5.25%, 7/1/36	565	647,637
Plymouth, 5.00%, 5/1/26	250	285,252
Plymouth, 5.00%, 5/1/31	225	251,217
Plymouth, 5.00%, 5/1/32	205	228,487
Wayland, 5.00%, 2/1/33	340	384,370
Wayland, 5.00%, 2/1/36	510	571,990
Winchester, 5.00%, 4/15/36	160	179,994
		\$ 3,223,617
Hospital 17.8%		
Massachusetts Development Finance Agency, (Children s Hospital), 5.00%, 10/1/31	\$ 525	\$ 606,774
Massachusetts Health and Educational Facilities Authority, (Dana-Farber Cancer Institute), 5.00%, 12/1/37	775	814,091
Massachusetts Health and Educational Facilities Authority, (Lahey Clinic Medical Center), 5.25%, 8/15/28	400	437,992
Massachusetts Health and Educational Facilities Authority, (Partners Healthcare System), 5.00%, 7/1/34	500	554,395

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Massachusetts Health and Educational Facilities Authority, (Partners Healthcare System), 5.00%, 7/1/39	750	813,937
Massachusetts Health and Educational Facilities Authority, (South Shore Hospital), 5.75%, 7/1/29	370	371,573
Massachusetts Health and Educational Facilities Authority, (Southcoast Health System), 5.00%, 7/1/29	1,000	1,065,460
		\$ 4,664,222

Insured-Education 15.1%

Massachusetts College Building Authority, (XLCA), 5.50%, 5/1/39	\$ 700	\$ 884,513
Massachusetts Development Finance Agency, (Boston College), (NPF), 5.00%, 7/1/38	750	820,200
Massachusetts Development Finance Agency, (Boston University), (XLCA), 6.00%, 5/15/59	1,105	1,342,332

	Principal Amount	
Security	(000 s omitted)	Value
Massachusetts Development Finance Agency, (College of the Holy Cross), (AMBAC), 5.25%, 9/1/32 ⁽¹⁾⁽²⁾	\$ 750	\$ 927,045
		\$ 3,974,090
Insured-Electric Utilities 4.2%		
Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/23	\$ 1,095	\$ 1,108,315
		\$ 1,108,315
Insured-Escrowed/Prerefunded 10.9%		
Massachusetts College Building Authority, (NPFPG), Escrowed to Maturity, 0.00%, 5/1/26	\$ 2,900	\$ 2,083,534
Massachusetts Development Finance Agency, (Massachusetts College of Pharmacy), (AGC), Prerefunded to 7/1/15, 5.00%, 7/1/35	750	786,555
		\$ 2,870,089
Insured-General Obligations 13.4%		
Massachusetts, (AMBAC), 5.50%, 8/1/30	\$ 1,900	\$ 2,464,243
Revere, (AGC), 5.00%, 4/1/39	1,000	1,058,140
		\$ 3,522,383
Insured-Hospital 0.9%		
Massachusetts Health and Educational Facilities Authority, (Cape Cod Healthcare), (AGC), 5.00%, 11/15/25	\$ 220	\$ 241,256
		\$ 241,256
Insured-Lease Revenue/Certificates of Participation 4.8%		
Puerto Rico Public Finance Corp., (AMBAC), Escrowed to Maturity, 5.50%, 8/1/27	\$ 1,000	\$ 1,257,250
		\$ 1,257,250
Insured-Other Revenue 1.9%		
Massachusetts Development Finance Agency, (WGBH Educational Foundation), (AMBAC), 5.75%, 1/1/42	\$ 415	\$ 506,371
		\$ 506,371
Insured-Special Tax Revenue 15.4%		
Martha's Vineyard Land Bank, (AMBAC), 5.00%, 5/1/32	\$ 1,225	\$ 1,229,434
Massachusetts Bay Transportation Authority, Sales Tax Revenue, (NPFPG), 5.50%, 7/1/28	400	512,592
Massachusetts School Building Authority, Dedicated Sales Tax Revenue, (AMBAC), 5.00%, 8/15/37 ⁽¹⁾	1,160	1,267,857
Massachusetts, Special Obligation, Dedicated Tax Revenue, (NPFPG), 5.50%, 1/1/29	750	923,805
Puerto Rico Sales Tax Financing Corp., (NPFPG), 0.00%, 8/1/45	770	101,987
		\$ 4,035,675
Insured-Water and Sewer 4.5%		

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Massachusetts Water Resources Authority, (AGM), 5.25%, 8/1/36	\$	960	\$	1,192,330
			\$	1,192,330

Other Revenue 3.5%

Massachusetts Health and Educational Facilities Authority, (Isabella Stewart Gardner Museum), 5.00%, 5/1/25	\$	320	\$	363,046
Massachusetts Health and Educational Facilities Authority, (Isabella Stewart Gardner Museum), 5.00%, 5/1/29		490		547,923
			\$	910,969

Senior Living/Life Care 2.8%

Massachusetts Development Finance Agency, (Berkshire Retirement Community, Inc.), 5.15%, 7/1/31	\$	745	\$	745,022
			\$	745,022

Special Tax Revenue 5.6%

Massachusetts Bay Transportation Authority, 5.25%, 7/1/34	\$	95	\$	108,216
Massachusetts Bay Transportation Authority, Special Tax Revenue, 5.00%, 7/1/35		1,210		1,349,561
			\$	1,457,777

	Principal Amount	Value
Security	(000 s omitted)	
Transportation 9.1%		
Massachusetts Department of Transportation, (Metropolitan Highway System), 5.00%, 1/1/32	\$ 1,000	\$ 1,080,460
Massachusetts Department of Transportation, (Metropolitan Highway System), 5.00%, 1/1/37	500	535,050
Massachusetts Port Authority, 5.00%, 7/1/28	250	287,115
Massachusetts Port Authority, 5.00%, 7/1/34	435	482,415
		\$ 2,385,040
Water and Sewer 3.3%		
Boston Water & Sewer Commission, 5.00%, 11/1/27	\$ 750	\$ 866,993
		\$ 866,993
Total Tax-Exempt Investments 159.7% (identified cost \$37,829,555)		\$ 41,947,178
Auction Preferred Shares Plus Cumulative Unpaid Dividends (51.7)%		\$ (13,575,195)
Other Assets, Less Liabilities (8.0)%		\$ (2,093,132)
Net Assets Applicable to Common Shares 100.0%		\$ 26,278,851

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.
- NPFG - National Public Finance Guaranty Corp.
- XLCA - XL Capital Assurance, Inc.

The Fund invests primarily in debt securities issued by Massachusetts 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, 2014, 44.6% 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 or financial guaranty assurance agency ranged from 2.8% to 18.2% of total investments.

- (1) Security represents the municipal bond held by a trust that issues residual interest bonds.
- (2) Security (or a portion thereof) has been pledged as collateral for residual interest bond transactions. The aggregate value of such collateral is \$427,045.

A summary of open financial instruments at June 30, 2014 is as follows:

Futures Contracts

Expiration Month/Year	Contracts	Position	Aggregate Cost	Value	Net Unrealized Depreciation
9/14	14 U.S. Long Treasury Bond	Short	\$ (1,906,381)	\$ (1,920,625)	\$ (14,244)

At June 30, 2014, 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 objective. Because the Fund holds fixed-rate bonds, the value of these bonds may decrease if interest rates rise. The Fund purchases and sells U.S. Treasury futures contracts to hedge against changes in interest rates.

At June 30, 2014, the aggregate fair value of open derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) in a liability position and whose primary underlying risk exposure is interest rate risk was \$14,244.

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The cost and unrealized appreciation (depreciation) of investments of the Fund at June 30, 2014, as determined on a federal income tax basis, were as follows:

Aggregate cost	\$ 34,466,968
Gross unrealized appreciation	\$ 4,214,755
Gross unrealized depreciation	(64,545)
Net unrealized appreciation	\$ 4,150,210

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, 2014, the hierarchy of inputs used in valuing the Fund's investments and open derivative instruments, which are carried at value, were as follows:

Asset Description	Level 1	Level 2	Level 3	Total
Tax-Exempt Investments	\$	\$ 41,947,178	\$	\$ 41,947,178
Total Investments	\$	\$ 41,947,178	\$	\$ 41,947,178
Liability Description				
Futures Contracts	\$ (14,244)	\$	\$	\$ (14,244)
Total	\$ (14,244)	\$	\$	\$ (14,244)

The Fund held no investments or other financial instruments as of September 30, 2013 whose fair value was determined using Level 3 inputs. At June 30, 2014, there were no investments transferred between Level 1 and Level 2 during the fiscal year to date then ended.

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.

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 Massachusetts Municipal Bond Fund

By: /s/ Payson F. Swaffield
Payson F. Swaffield
President

Date: August 25, 2014

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/ Payson F. Swaffield
Payson F. Swaffield
President

Date: August 25, 2014

By: /s/ James F. Kirchner
James F. Kirchner
Treasurer

Date: August 25, 2014