

# Eaton Vance Emerging and Frontier Countries Equity Fund

An equity fund emphasizing country allocation across emerging and frontier markets.

## The Fund

This top-down macro-focused fund offers exposure to emerging and frontier markets countries as well as off-index countries. The Fund seeks to provide investors with income and capital appreciation through attractive risk-adjusted returns. Managed by the Emerging Markets Team, a leader in political and macroeconomic analysis of countries.

**Broad equity markets within countries that have experienced an increase in economic freedom have outperformed those with decreasing economic freedom both over time and during down markets.<sup>1</sup>**

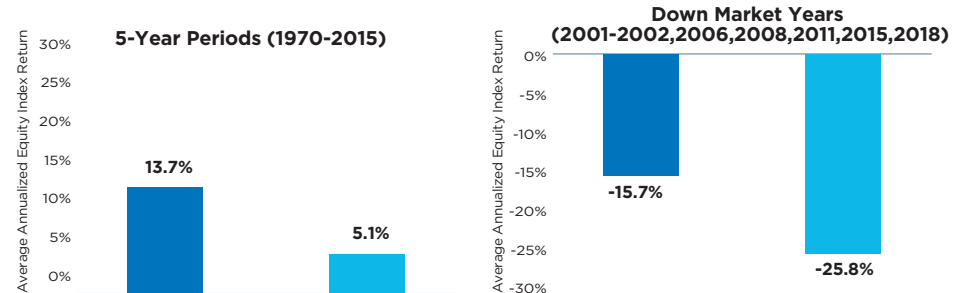
Increasing Economic Freedom ■  
Decreasing Economic Freedom ■

## The Approach

Utilizing a top-down, country-allocation investment approach, the research process focuses on forecasting changes in macroeconomic and policy environments combined with fundamental valuation analysis. Allocations are focused on broad-based, country-level equity exposures, rather than individual stocks.

## The Features

The Fund provides access to a management team with over 50 years of combined experience. Rather than be guided by benchmark weightings, allocations to countries are implemented based on the investment team's proprietary research, which may provide broader diversification and lower volatility.



## % Average Annual Returns (as of 09/30/2022)

|                                       | Q3     | YTD    | 1 Year | 3 Years | 5 Years | Life of Fund |
|---------------------------------------|--------|--------|--------|---------|---------|--------------|
| A Shares at NAV                       | -6.18  | -20.42 | -16.49 | 3.07    | 0.92    | 1.55         |
| I Shares at NAV                       | -6.14  | -20.32 | -16.29 | 3.32    | 1.16    | 1.77         |
| A Shares with Max. 5.75% Sales Charge | -11.10 | -24.60 | -20.86 | 1.25    | -0.17   | 0.88         |
| Benchmark 1                           | -6.09  | -18.11 | -17.50 | -2.65   | -2.44   | -1.50        |
| Benchmark 2                           | -11.57 | -27.16 | -28.11 | -2.06   | -1.81   | 0.60         |
| Benchmark 3                           | -6.47  | -25.72 | -25.20 | -1.29   | -1.24   | 1.53         |
| Benchmark 4                           | -6.28  | -21.85 | -21.28 | -1.76   | -1.67   | 0.17         |

## Calendar Year Returns (%)

|             | 2012  | 2013  | 2014  | 2015   | 2016  | 2017  | 2018   | 2019  | 2020  | 2021  |
|-------------|-------|-------|-------|--------|-------|-------|--------|-------|-------|-------|
| Fund at NAV | —     | —     | -5.50 | -13.46 | 8.23  | 31.21 | -14.76 | 12.34 | 13.19 | 13.05 |
| Benchmark 1 | 22.81 | -6.95 | -4.09 | -19.48 | 11.95 | 26.42 | -12.47 | 12.49 | -2.20 | 6.16  |
| Benchmark 2 | 18.22 | -2.60 | -2.19 | -14.92 | 11.19 | 37.28 | -14.58 | 18.42 | 18.31 | -2.54 |
| Benchmark 3 | 8.85  | 25.89 | 6.84  | -14.46 | 2.66  | 31.86 | -16.41 | 17.99 | 1.43  | 19.73 |
| Benchmark 4 | 15.93 | 8.49  | 1.40  | -16.97 | 4.53  | 29.19 | -14.42 | 15.40 | -0.07 | 12.86 |

Benchmark 1: MSCI Emerging Markets Equal Country Weighted Index<sup>3</sup>  
 Benchmark 2: MSCI Emerging Markets Index<sup>5</sup>  
 Benchmark 3: MSCI Frontier Markets Index<sup>5</sup>  
 Benchmark 4: 50% MSCI Emerging Markets Equal Country Weighted Index/50% MSCI Frontier Markets Index<sup>5</sup>

**Past performance is no guarantee of future results.** Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Fund's current performance may be lower or higher than quoted. For the Fund's performance as of the most recent month-end, please refer to [eatonvance.com](http://eatonvance.com). Returns are historical and are calculated by determining the percentage change in net asset value (NAV) with all distributions reinvested. Returns for other classes of shares offered by the Fund are different. Performance less than or equal to one year is cumulative. Total return prior to the commencement of A&I Shares reflects returns of the Global Macro Capital Opportunities Portfolio, the separate registered investment company in which the Fund invests. Prior returns are adjusted to reflect any applicable sales charge (but were not adjusted for other expenses). If adjusted for other expenses, returns would be lower. The minimum investment is \$1,000 for A Shares and \$250,000 for I Shares. Minimums may be waived in certain situations. Please see the prospectus for additional information. Prior to 5/2/17, Fund was called Eaton Vance Global Macro Capital Opportunities Fund.

<sup>1</sup>Source: Fraser Institute, MSCI, Bloomberg, Eaton Vance. The Economic Freedom analysis by the Fraser Institute, and resultant scores, are available every five years beginning in 1970 through 2000. Thereafter, scores are available annually. Thus, longer-term analysis was conducted using 5-year periods and ends in 2010 in order to maintain consistent time periods for measurement. Down years since 2000 were calculated utilizing annual analysis. During each period countries were grouped according to whether their Fraser Institute quantitative score for economic freedom increased or decreased. The MSCI country-level returns were then aggregated into two lists - increasing economic freedom and decreasing economic freedom - and the performance data averaged, respectively. Unless otherwise stated, index returns do not reflect the effect of any applicable sales charges, commissions, expenses, taxes or leverage, as applicable. It is not possible to invest directly in an index. Historical performance of the index illustrates market trends and does not represent the past or future performance of the fund.  
<sup>2</sup>Net Expense Ratio reflects a contractual expense reimbursement that continues through 2/28/23. Without the reimbursement, if applicable, performance would have been lower. Source: Fund prospectus.  
<sup>3</sup>The MSCI Emerging Markets (EM) Equal Country Weighted Index captures large and mid-cap representation across 27 EM countries. The index represents an alternative weighting scheme to its market-cap weighted parent index, the MSCI Emerging Markets Index. MSCI indexes are net of foreign withholding taxes. Source: MSCI. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder. Unless otherwise stated, index returns do not reflect the effect of any applicable sales charges, commissions, expenses, taxes or leverage, as applicable. It is not possible to invest directly in an index. Historical performance of the index illustrates market trends and does not represent the past or future performance of the fund.

**GICS Sectors vs. Benchmark<sup>4</sup>**

| Sector                 | Fund  | Blended Benchmark <sup>5</sup> |
|------------------------|-------|--------------------------------|
| Comm. Services         | 8.51  | 7.79                           |
| Consumer Discretionary | 11.23 | 6.35                           |
| Consumer Staples       | 2.83  | 6.95                           |
| Energy                 | 3.22  | 6.65                           |
| Financials             | 33.70 | 38.97                          |
| Health Care            | 1.84  | 2.66                           |
| Industrials            | 5.58  | 6.64                           |
| Information Technology | 12.02 | 5.47                           |
| Materials              | 4.03  | 10.39                          |
| Real Estate            | 2.27  | 2.29                           |
| Utilities              | 3.86  | 5.85                           |

**Country Exposure (%)<sup>4</sup>**

|                      | Fund  | Primary Benchmark |                 | Fund | Primary Benchmark |
|----------------------|-------|-------------------|-----------------|------|-------------------|
| United Arab Emirates | 11.84 | 4.25              | Indonesia       | 8.63 | 4.99              |
| China                | 10.30 | 4.25              | Georgia         | 6.67 | 0.00              |
| Korea                | 9.79  | 3.55              | Taiwan          | 6.43 | 3.71              |
| Greece               | 9.28  | 4.03              | Other Countries | 8.80 | 70.90             |
| Brazil               | 8.74  | 4.33              |                 |      |                   |
| Vietnam              | 8.65  | 0.00              |                 |      |                   |

**Your Management Team****Marshall L. Stocker, Ph.D., CFA**

Managing Director, Co-Head of Emerging Markets  
 Joined Eaton Vance 2013  
 Managed Fund since inception

**John R. Baur**

Managing Director, Co-Head of Emerging Markets  
 Joined Eaton Vance 2005  
 Managed Fund since inception

**Top 10 Holdings (%)<sup>4</sup>**

|                                    |     |
|------------------------------------|-----|
| BANK OF CYPRUS HOLDING PLC         | 3.6 |
| TAIWAN SEMICONDUCTOR MANUFACTURING | 3.0 |
| SAMSUNG ELECTRONICS LTD            | 2.8 |
| FPT CORP                           | 2.6 |
| BANK OF GEORGIA GROUP PLC          | 2.5 |
| TBC BANK GROUP PLC                 | 2.4 |
| BANK CENTRAL ASIA                  | 2.2 |
| NOVA LJUBLJANSKA BANKA             | 1.8 |
| FIRST ABU DHABI BANK               | 1.8 |
| AL YAH SATELLITE COMMUNICATIONS CO | 1.8 |

**Risk Measures - A Shares (3 Year)**

|                                   |       |
|-----------------------------------|-------|
| Alpha (%)                         | 5.05  |
| Beta                              | 0.78  |
| Standard Deviation (%)            | 19.02 |
| Sharpe Ratio                      | 0.13  |
| Downside Market Capture Ratio (%) | 73.61 |

**Additional Data**

|                          |       |
|--------------------------|-------|
| Number of Countries      | 15    |
| Frontier-Market Exposure | 12.8% |
| Emerging-Market Exposure | 65.1% |
| Off-Index Exposure       | 11.2% |

**RISK CONSIDERATIONS** The value of investments held by the Fund may increase or decrease in response to economic, and financial events (whether real, expected or perceived) in the U.S. and global markets. The value of equity securities is sensitive to stock market volatility. When interest rates rise, the value of preferred stocks will generally decline. Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments because of adverse market, economic, political, regulatory, geopolitical, currency exchange rates or other conditions. In emerging or frontier countries, these risks may be more significant. The Fund's exposure to derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other investments. Derivatives instruments can be highly volatile, result in leverage (which can increase both the risk and return potential of the Fund), and involve risks in addition to the risks of the underlying instrument on which the derivative is based, such as counterparty, correlation and liquidity risk. If a counterparty is unable to honor its commitments, the value of Fund shares may decline and/or the Fund could experience delays in the return of collateral or other assets held by the counterparty. Because the Fund may invest significantly in a particular geographic region or country, value of Fund shares may fluctuate more than a fund with less exposure to such areas. A nondiversified fund may be subject to greater risk by investing in a smaller number of investments than a diversified fund. The Fund is exposed to liquidity risk when trading volume, lack of a market maker or trading partner, large position size, market conditions, or legal restrictions impair its ability to sell particular investments or to sell them at advantageous market prices. The impact of the coronavirus on global markets could last for an extended period and could adversely affect the Fund's performance. No fund is a complete investment program and you may lose money investing in a fund. The Fund may engage in other investment practices that may involve additional risks and you should review the Fund prospectus for a complete description.

This material is a general communication, which is not impartial and all information provided has been prepared solely for informational and educational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The information herein has not been based on a consideration of any individual investor circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

**DEFINITIONS:** **Alpha** measures risk-adjusted performance, showing excess return delivered at the same risk level as the benchmark. **Beta** measures the volatility of a fund relative to the overall market. **R-Squared** represents the percentage of the portfolio's movement that can be explained by the general movement of the market. **Standard deviation** measures the historic volatility of a fund. **Sharpe Ratio** uses standard deviation and excess return to determine reward per unit of risk. **Downside market capture ratio** measures the percentage of the benchmark's returns that was captured by the manager, in periods defined by negative returns for the benchmark.

Eaton Vance is part of Morgan Stanley Investment Management. Morgan Stanley Investment Management is the asset management division of Morgan Stanley.

<sup>4</sup>Percent of total net assets, ex cash and equivalents. Portfolio profile subject to change due to active management. Percentages may not total 100% due to rounding. Fund primarily invests in an affiliated investment company (Portfolio) with the same objective(s) and policies as the Fund and may also invest directly. References to investments are to the aggregate holdings of the Fund and the Portfolio. <sup>5</sup>**MSCI Emerging Markets Index** is an unmanaged index of emerging markets common stocks. **MSCI Frontier Markets Index** is an unmanaged index that measures the performance of stock markets with less-developed economies and financial markets than emerging markets, and that typically have more restrictions on foreign stock ownership. **50% MSCI EM Equal Country Weighted Index/50% MSCI Frontier Markets Index.** The MSCI Emerging Markets (EM) Equal Country Weighted Index captures large and mid-cap representation across 27 EM countries. The index represents an alternative weighting scheme to its market-cap weighted parent index, the MSCI Emerging Markets Index. MSCI Frontier Markets Index is an unmanaged index that measures the performance of stock markets with less-developed economies and financial markets than emerging markets, and that typically have more restrictions on foreign stock ownership. MSCI indexes are net of foreign withholding taxes. Source: MSCI. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder. Unless otherwise stated, index returns do not reflect the effect of any applicable sales charges, commissions, expenses, taxes or leverage, as applicable. It is not possible to invest directly in an index. Historical performance of the index illustrates market trends and does not represent the past or future performance of the fund.

**Please consider the investment objectives, risks, charges and expenses of the funds carefully before investing. The prospectuses contain this and other information about the funds. To obtain a prospectus for the Eaton Vance Funds please download one at <https://funds.eatonvance.com/open-end-mutual-fund-documents.php> or contact your financial professional. Please read the prospectus carefully before investing.**