

Eaton Vance Short Duration Diversified Income Fund
Form N-Q
September 28, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM N-Q

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

Investment Company Act file number 811-21563

Eaton Vance Short Duration Diversified Income Fund
(Exact name of registrant as specified in charter)

The Eaton Vance Building, 255 State Street, Boston, Massachusetts
(Address of principal executive offices)

02109
(Zip code)

Alan R. Dynner, Esq.

Eaton Vance Management, 255 State Street, Boston, Massachusetts 02109
(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 482-8260

Date of fiscal year end: October 31

Date of reporting period: July 31, 2007

Item 1. Schedule of Investments

Eaton Vance Short Duration Diversified Income Fund
PORTFOLIO OF INVESTMENTS (Unaudited)

as of July 31, 2007

Senior, Floating Rate Interests 68.3% (1)

Principal Amount		Borrower/Tranche Description	Value
Aerospace and Defense 1.4%			
347,110	EUR	Dresser Rand Group, Inc. Term Loan, 11.11%, Maturing October 29, 2011	475,142
279,736		Evergreen International Aviation Term Loan, 8.86%, Maturing October 31, 2011	278,338
28,085		Hawker Beechcraft Acquisition Term Loan, 5.26%, Maturing March 26, 2014	26,786
331,085		Term Loan, 7.36%, Maturing March 26, 2014	315,772
655,163		Hexcel Corp. Term Loan, 7.11%, Maturing March 1, 2012	646,974
1,561,709		Spirit AeroSystems, Inc. Term Loan, 7.11%, Maturing December 31, 2011	1,569,517
475,000		TransDigm, Inc. Term Loan, 7.36%, Maturing June 23, 2013	471,141
181,818		Vought Aircraft Industries, Inc. Term Loan, 7.82%, Maturing December 17, 2011	180,455
798,930		Term Loan, 7.83%, Maturing December 17, 2011	792,939
			\$ 4,757,064
Air Transport 0.4%			
\$ 350,000		Delta Air Lines, Inc. Term Loan, 8.61%, Maturing April 30, 2014	\$ 345,363
600,000		Northwest Airlines, Inc. DIP Loan, 7.34%, Maturing August 21, 2008	586,875
315,000		Orbitz Worldwide, Inc. Term Loan, 8.34%, Maturing July 25, 2014	314,606
			\$ 1,246,844
Automotive 3.5%			
500,000	GBP	AA Acquisitions Co., Ltd. Term Loan, 8.18%, Maturing June 25, 2012	1,011,453
535,682		Accuride Corp. Term Loan, 7.38%, Maturing January 31, 2012	520,616
925,000		Adesa, Inc. Term Loan, 7.61%, Maturing October 18, 2013	853,891
845,732		Affina Group, Inc. Term Loan, 8.36%, Maturing November 30, 2011	835,689
425,000		AxleTech International Holding, Inc. Term Loan, 11.86%, Maturing April 21, 2013	423,938
224,556		CSA Acquisition Corp. Term Loan, 7.88%, Maturing December 23, 2011	218,999
561,353		Term Loan, 7.88%, Maturing December 23, 2011	547,460
468,517	EUR	Dayco Europe S.R.I. Term Loan, 6.62%, Maturing June 21, 2010	628,503
554,013		Dayco Products, LLC Term Loan, 7.85%, Maturing June 21, 2011	538,316
500,000		Delphi Corp. Term Loan, 7.63%, Maturing October 8, 2007	492,500

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			Federal-Mogul Corp.	
\$	500,000		DIP Loan, 6.82%, Maturing December 31, 2007	\$ 495,000
361,345			Term Loan, 7.57%, Maturing December 31, 2007	347,117
420,728			Term Loan, 7.59%, Maturing December 31, 2007	404,688
			Ford Motor Co.	
497,500			Term Loan, 8.36%, Maturing December 15, 2013	470,172
			General Motors Corp.	
422,875			Term Loan, 7.74%, Maturing November 29, 2013	407,678
			Goodyear Tire & Rubber Co.	
675,000			Term Loan, 6.85%, Maturing April 30, 2010	648,844
500,000			Term Loan, 8.82%, Maturing March 1, 2011	485,000
			HLI Operating Co., Inc.	
27,272		EUR	Term Loan, 6.86%, Maturing May 30, 2014	36,897
1,323,636		EUR	Term Loan, 6.87%, Maturing May 30, 2014	1,790,721
			Keystone Automotive Operations, Inc.	
248,750			Term Loan, 8.84%, Maturing January 12, 2012	233,825
			TriMas Corp.	
70,313			Term Loan, 7.57%, Maturing August 2, 2011	69,961
302,402			Term Loan, 7.61%, Maturing August 2, 2013	300,890
			United Components, Inc.	
375,000			Term Loan, 7.36%, Maturing June 30, 2010	363,750
				\$ 12,125,908
Beverage and Tobacco	0.5%			
			Culligan International Co.	
300,000		EUR	Term Loan, 8.85%, Maturing May 31, 2013	411,682
			Liberator Midco, Ltd.	
250,000		EUR	Term Loan, 6.54%, Maturing October 27, 2013	337,165
250,000		EUR	Term Loan, 6.92%, Maturing October 27, 2014	338,876
			National Dairy Holdings, L.P.	
454,464			Term Loan, 7.32%, Maturing March 15, 2012	454,464
				\$ 1,542,187
Building and Development	3.1%			
			BioMed Realty, L.P.	
\$	660,000		Term Loan, 7.57%, Maturing May 31, 2010	\$ 660,825
			Building Materials Corp. of America	
398,003			Term Loan, 8.13%, Maturing February 22, 2014	370,142
			Capital Automotive REIT	
395,362			Term Loan, 7.07%, Maturing December 16, 2010	387,784
			EpcO / Fantome, LLC	
480,000			Term Loan, 7.98%, Maturing November 23, 2010	481,200
			Hovstone Holdings, LLC	
211,121			Term Loan, 6.84%, Maturing February 28, 2009	207,954
			Lanoga Corp.	
371,264			Term Loan, 9.00%, Maturing June 29, 2013	367,551
			LNR Property Corp.	
800,000			Term Loan, 8.11%, Maturing July 3, 2011	770,143
			Mueller Water Products, Inc.	
306,818			Term Loan, 7.10%, Maturing May 24, 2014	294,929
			Nortek, Inc.	
977,387			Term Loan, 7.61%, Maturing August 27, 2011	941,957
			Panolam Industries Holdings, Inc.	
169,690			Term Loan, 8.11%, Maturing September 30, 2012	162,902
			Ply Gem Industries, Inc.	
528,864			Term Loan, 8.11%, Maturing August 15, 2011	500,658
19,761			Term Loan, 8.11%, Maturing August 15, 2011	18,707

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		Realogy Corp.	
259,848		Term Loan, Maturing September 1, 2014 (10)	245,185
965,152		Term Loan, Maturing September 1, 2014 (10)	910,689
		Ristretto Investissements SAS	
308,150	EUR	Term Loan, 6.62%, Maturing September 30, 2013	412,321

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130,995	GBP	Term Loan, 8.35%, Maturing September 30, 2013	261,530
308,150	EUR	Term Loan, 7.00%, Maturing September 30, 2014	414,430
130,995	GBP	Term Loan, 8.73%, Maturing September 30, 2014	262,861
		Stile Acquisition Corp.	
302,923		Term Loan, 7.36%, Maturing April 6, 2013	282,534
		Stile U.S. Acquisition Corp.	
303,439		Term Loan, 7.36%, Maturing April 6, 2013	283,015
		TRU 2005 RE Holding Co.	
1,325,000		Term Loan, 8.32%, Maturing December 9, 2008	1,311,750
		United Subcontractors, Inc.	
250,000		Term Loan, 12.61%, Maturing June 27, 2013	239,375
		Wintergames Acquisition ULC	
815,060		Term Loan, 7.32%, Maturing October 26, 2007	817,098