

EATON VANCE MUNICIPAL BOND FUND
Form N-CSRS
May 29, 2014

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

Form N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
Investment Company Act File Number: 811-21142

Eaton Vance 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)

September 30

Date of Fiscal Year End

March 31, 2014

Date of Reporting Period

Item 1. Reports to Stockholders

Eaton Vance

Municipal Bond Funds

Semiannual Report

March 31, 2014

Municipal (EIM)

California (EVM)

New York (ENX)

Commodity Futures Trading Commission Registration. Effective December 31, 2012, the Commodity Futures Trading Commission (CFTC) adopted certain regulatory changes that subject registered investment companies and advisers to regulation by the CFTC if a fund invests more than a prescribed level of its assets in certain CFTC-regulated instruments (including futures, certain options and swap agreements) or markets itself as providing investment exposure to such instruments. Each Fund has claimed an exclusion from the definition of the term commodity pool operator under the Commodity Exchange Act. Accordingly, neither the Funds nor the adviser with respect to the operation of the Funds is subject to CFTC regulation. Because of its management of other strategies, each Fund s adviser is registered with the CFTC as a commodity pool operator and a commodity trading advisor.

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

Semiannual Report March 31, 2014

Eaton Vance

Municipal Bond Funds

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Eaton Vance

Municipal Bond Fund

March 31, 2014

Performance^{1,2}

Portfolio Manager Cynthia J. Clemson

% Average Annual Total Returns	Inception Date	Six Months	One Year	Five Years	Ten Years
Fund at NAV	08/30/2002	9.10%	0.47%	11.93%	5.46%
Fund at Market Price		6.23	7.77	9.09	4.85
Barclays Long (22+) Year Municipal Bond Index		5.97%	0.82%	8.14%	4.90%

% Premium/Discount to NAV³

8.33%

Distributions⁴

Total Distributions per share for the period	\$0.383
Distribution Rate at NAV	5.91%
Taxable-Equivalent Distribution Rate at NAV	10.44%
Distribution Rate at Market Price	6.45%
Taxable-Equivalent Distribution Rate at Market Price	11.40%

% Total Leverage⁵

Residual Interest Bond (RIB) 40.98%

Fund Profile

The above chart includes the ratings of securities held by special purpose vehicles established in connection with the RIB financing.⁵ Absent such securities, credit quality (% of total investments) is as follows:⁶

AAA	11.0%	BB	0.6%
AA	64.9	B	0.3
A	18.4	Not Rated	0.6
BBB	4.2		

See Endnotes and Additional Disclosures in this report.

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Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and includes management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to eatonvance.com.

Eaton Vance

California Municipal Bond Fund

March 31, 2014

Performance^{1,2}

Portfolio Manager Craig R. Brandon, CFA

% Average Annual Total Returns	Inception Date	Six Months	One Year	Five Years	Ten Years
Fund at NAV	08/30/2002	8.80%	0.08%	9.95%	4.55%
Fund at Market Price		8.44	5.57	8.02	3.54
Barclays Long (22+) Year Municipal Bond Index		5.97%	0.82%	8.14%	4.90%

% Premium/Discount to NAV³

10.54%

Distributions⁴

Total Distributions per share for the period	\$0.327
Distribution Rate at NAV	5.39%
Taxable-Equivalent Distribution Rate at NAV	10.98%
Distribution Rate at Market Price	6.02%
Taxable-Equivalent Distribution Rate at Market Price	12.27%

% Total Leverage⁵

RIB 41.39%

Fund Profile

The above chart includes the ratings of securities held by special purpose vehicles established in connection with the RIB financing.⁵ Absent such securities, credit quality (% of total investments) is as follows:⁶

AAA	8.9%	BBB	3.8%
AA	62.7	Not Rated	2.9
A	21.7		

See Endnotes and Additional Disclosures in this report.

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Eaton Vance

New York Municipal Bond Fund

March 31, 2014

Performance^{1,2}

Portfolio Manager Craig R. Brandon, CFA

% Average Annual Total Returns	Inception Date	Six Months	One Year	Five Years	Ten Years
Fund at NAV	08/30/2002	7.12%	0.90%	9.46%	4.93%
Fund at Market Price		7.01	9.30	7.66	3.93
Barclays Long (22+) Year Municipal Bond Index		5.97%	0.82%	8.14%	4.90%

% Premium/Discount to NAV³

9.51%

Distributions⁴

Total Distributions per share for the period	\$0.344
Distribution Rate at NAV	5.19%
Taxable-Equivalent Distribution Rate at NAV	10.06%
Distribution Rate at Market Price	5.74%
Taxable-Equivalent Distribution Rate at Market Price	11.12%

% Total Leverage⁵

RIB 40.66%

Fund Profile

The above chart includes the ratings of securities held by special purpose vehicles established in connection with the RIB financing.⁵ Absent such securities, credit quality (% of total investments) is as follows:⁶

AAA	20.0%	BBB	5.8%
AA	52.8	BB	0.5
A	19.4	Not Rated	1.5

See Endnotes and Additional Disclosures in this report.

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Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and includes management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to eatonvance.com.

Eaton Vance

Municipal Bond Funds

March 31, 2014

Endnotes and Additional Disclosures

- ¹ Barclays Long (22+) Year Municipal Bond Index is an unmanaged index of municipal bonds traded in the U.S. with maturities of 22 years or more. 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.
- ² Performance results reflect the effects of leverage. Performance since inception for an index, if presented, is the performance since the Fund's or oldest share class inception, as applicable.
- ³ The shares of the Fund often trade at a discount or premium from their net asset value. The discount or premium of the Fund may vary over time and may be higher or lower than what is quoted in this report. For up-to-date premium/discount information, please refer to <http://eatonvance.com/closedend>.
- ⁴ The Distribution Rate is based on the Fund's last regular distribution per share in the period (annualized) divided by the Fund's NAV or market price at the end of the period. The Fund's distributions may be comprised of amounts characterized for federal income tax purposes as tax-exempt income, ordinary income and net realized capital gains. The Fund will determine the federal income tax character of distributions paid to a shareholder after the end of the calendar year. This is reported on the IRS form 1099-DIV and provided to the shareholder shortly after each year-end. For information about the tax character of distributions made in prior calendar years, please refer to Performance-Tax Character of Distributions on the Fund's webpage available at eatonvance.com. The Fund's distributions are determined by the investment adviser based on its current assessment of the Fund's long-term return potential. As portfolio and market conditions change, the rate of distributions paid by the Fund could change. Taxable-equivalent performance is based on the highest combined federal and state income tax rates, where applicable. Lower tax rates would result in lower tax-equivalent performance. Actual tax rates will vary depending on your income, exemptions and deductions. Rates do not include local taxes.
- ⁵ Fund employs RIB financing. The leverage created by RIB investments provides an opportunity for increased income but, at the same time, creates special risks (including the likelihood of greater price volatility). The cost of leverage rises and falls with changes in short-term interest rates. See Floating Rate Notes Issued in Conjunction with Securities Held in the notes to the financial statements for more information about RIB financing. RIB leverage represents the amount of Floating Rate Notes outstanding at period end as a percentage of Fund net assets plus Floating Rate Notes.
- ⁶ Ratings are based on Moody's, S&P or Fitch, as applicable. If securities are rated differently by the rating agencies, the higher rating is applied. Ratings, which are subject to change, apply to the creditworthiness of the issuers of the underlying securities and not to the Fund or its shares. Credit ratings measure the quality of a bond based on the issuer's creditworthiness, with ratings ranging from AAA, being the highest, to D, being the lowest based on S&P's measures. Ratings of BBB or higher by S&P or Fitch (Baa or higher by Moody's) are considered to be investment grade quality. Credit ratings are based largely on the rating agency's analysis at the time of rating. The rating assigned to any particular security is not necessarily a reflection of the issuer's current financial condition and does not necessarily reflect its assessment of the volatility of a security's market value or of the liquidity of an investment in the security. Holdings designated as Not Rated are not rated by the national rating agencies stated above.

Fund profile subject to change due to active management.

Important Notices to Shareholders

Effective March 3, 2014, the Municipal Bond Fund is managed by Cynthia J. Clemson.

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Effective January 1, 2014, the California Municipal Bond Fund is managed by Craig R. Brandon, CFA.

Information About Share Repurchase Program

On November 11, 2013, the Fund's Boards of Trustees approved a share repurchase program authorizing each Fund to repurchase up to 10% of its currently outstanding common shares in open-market transactions at a discount to net asset value (NAV). From the date the Funds listed below began repurchasing shares until March 31, 2014, such Fund has purchased the number and percentage of its outstanding shares and seen the changes in its market price and discount to NAV as set forth in the table below. For more information on each Fund's share repurchase program, please see Note 5 in the Funds' Notes to Financial Statements.

Fund	No. of Shares Repurchased	Shares Repurchased ¹	%			Beginning 3/31/14		
			Market Price ²	Market Price	Market Return ³	NAV Discount ²	NAV Discount	Discount Change
California Municipal Bond Fund	200,000	0.92%	\$10.60	\$10.86	3.48%	11.00%	10.54%	0.46%