

Edgar Filing: EATON VANCE TAX ADVANTAGED DIVIDEND INCOME FUND - Form N-Q

EATON VANCE TAX ADVANTAGED DIVIDEND INCOME FUND

Form N-Q

January 27, 2009

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form N-Q
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
811-21400
Investment Company Act File Number
Eaton Vance Tax-Advantaged Dividend Income Fund
(Exact Name of Registrant as Specified in Charter)
The Eaton Vance Building, 255 State Street, Boston, Massachusetts 02109
(Address of Principal Executive Offices)
Maureen A. Gemma
Eaton Vance Management, 255 State Street, Boston, Massachusetts 02109
(Name and Address of Agent for Services)
(617) 482-8260
(Registrant's Telephone Number, Including Area Code)
August 31
Date of Fiscal Year End
November 30, 2008
Date of Reporting Period

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Item 1. Schedule of Investments

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as of November 30, 2008

PORTFOLIO OF INVESTMENTS (Unaudited)**Common Stocks 102.2%****Security****Shares****Value****Aerospace & Defense 6.3%**

Honeywell International, Inc.

300,000

\$ 8,358,000

Lockheed Martin Corp.

309,000

23,826,990

Raytheon Co.

634,000

30,939,200

\$ 63,124,190**Auto Components 0.7%**

Johnson Controls, Inc.

372,900

\$ 6,585,414

\$ 6,585,414**Chemicals 0.4%**

Potash Corp. of Saskatchewan, Inc.

72,000

\$ 4,438,080

\$ 4,438,080**Commercial Banks 2.3%**

Bank of Nova Scotia

206,600

\$ 5,737,282

Canadian Imperial Bank of Commerce

200,000

7,429,907

HSBC Holdings PLC

925,000

10,068,323

\$ 23,235,512**Computers & Peripherals 2.5%**

International Business Machines Corp.

304,000

\$ 24,806,400

\$ 24,806,400**Diversified Financial Services 0.5%**

JPMorgan Chase & Co.

151,400

\$ 4,793,324

\$ 4,793,324**Diversified Telecommunication Services 5.8%**

AT&T, Inc.

1,658,750

\$ 47,373,900

Telefonos de Mexico SA de CV ADR

650,000

11,284,000

\$ 58,657,900

Electric Utilities 10.5%

| | | |
|----------------------|---------|-----------------------|
| E.ON AG | 554,000 | \$ 19,352,781 |
| Edison International | 677,000 | 22,611,800 |
| Exelon Corp. | 75,000 | 4,215,750 |
| FirstEnergy Corp. | 350,000 | 20,503,000 |
| Fortum Oyj | 940,000 | 18,867,861 |
| FPL Group, Inc. | 400,000 | 19,504,000 |
| | | \$ 105,055,192 |

Electrical Equipment 2.2%

| | | |
|----------------------------------|---------|----------------------|
| Cooper Industries, Ltd., Class A | 450,000 | \$ 10,863,000 |
| Emerson Electric Co. | 300,000 | 10,767,000 |
| | | \$ 21,630,000 |

Energy Equipment & Services 1.1%

| | | |
|---------------------------------|---------|----------------------|
| Transocean, Inc. ⁽²⁾ | 160,000 | \$ 10,700,800 |
| | | \$ 10,700,800 |

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| Security | Shares | Value |
|--|---------------|----------------------|
| Food Products 5.2% | | |
| Kraft Foods, Inc., Class A | 622,821 | \$ 16,946,959 |
| Nestle SA | 981,000 | 35,510,651 |
| | | \$ 52,457,610 |
| Health Care Providers & Services 3.0% | | |
| UnitedHealth Group, Inc. | 1,453,500 | \$ 30,538,035 |
| | | \$ 30,538,035 |
| Household Durables 1.3% | | |
| Stanley Works | 400,000 | \$ 12,716,000 |
| | | \$ 12,716,000 |
| Household Products 0.8% | | |
| Kimberly-Clark Corp. | 135,000 | \$ 7,801,650 |
| | | \$ 7,801,650 |
| Insurance 3.3% | | |
| Aflac, Inc. | 316,000 | \$ 14,630,800 |
| MetLife, Inc. | 642,000 | 18,463,920 |
| | | \$ 33,094,720 |
| Machinery 2.3% | | |
| Caterpillar, Inc. | 575,000 | \$ 23,569,250 |
| | | \$ 23,569,250 |
| Media 1.3% | | |
| Comcast Corp., Class A | 784,000 | \$ 13,594,560 |
| Reed Elsevier PLC | 1 | 8 |
| | | \$ 13,594,568 |
| Metals & Mining 3.6% | | |
| BHP Billiton, Ltd. ADR | 331,000 | \$ 13,246,620 |
| Companhia Vale do Rio Doce ADR | 1,950,000 | 23,283,000 |
| | | \$ 36,529,620 |
| Multi-Utilities 4.8% | | |
| RWE AG | 292,000 | \$ 24,483,882 |

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| | | |
|---|-----------|-----------------------|
| Sempra Energy | 500,000 | 23,335,000 |
| | | \$ 47,818,882 |
| Oil, Gas & Consumable Fuels 20.4% | | |
| BP PLC ADR | 740,000 | \$ 36,030,600 |
| Chevron Corp. | 734,000 | 57,993,340 |
| ConocoPhillips | 720,000 | 37,814,400 |
| Husky Energy, Inc. | 772,000 | 19,200,483 |
| Marathon Oil Corp. | 1,296,000 | 33,929,280 |
| Peabody Energy Corp. | 500,000 | 11,715,000 |
| StatoilHydro ASA | 475,000 | 8,022,345 |
| | | \$ 204,705,448 |
| Pharmaceuticals 10.7% | | |
| Johnson & Johnson | 146,000 | \$ 8,552,680 |
| Merck & Co., Inc. | 1,170,000 | 31,262,400 |
| Novartis AG | 657,000 | 30,641,977 |
| Schering-Plough Corp. | 2,174,000 | 36,544,940 |
| | | \$ 107,001,997 |
| Real Estate Investment Trusts (REITs) 1.4% | | |
| Boston Properties, Inc. | 261,600 | \$ 13,969,440 |
| | | \$ 13,969,440 |
| Road & Rail 2.0% | | |
| Canadian Pacific Railway, Ltd. | 620,000 | \$ 19,964,000 |
| | | \$ 19,964,000 |
| Software 2.0% | | |
| Microsoft Corp. | 995,500 | \$ 20,129,010 |
| | | \$ 20,129,010 |

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| Security | Shares | Value |
|--|---------------|-------------------------|
| Textiles, Apparel & Luxury Goods 1.4% | | |
| VF Corp. | 275,000 | \$ 14,379,750 |
| | | \$ 14,379,750 |
| Tobacco 6.4% | | |
| Altria Group, Inc. | 900,000 | \$ 14,472,000 |
| Philip Morris International, Inc. | 1,047,000 | 44,141,520 |
| UST, Inc. | 86,145 | 5,922,469 |
| | | \$ 64,535,989 |
| Total Common Stocks | | |
| (identified cost \$955,940,035) | | \$ 1,025,832,781 |

Preferred Stocks 34.2%

| Security | Shares | Value |
|--|---------------|-----------------------|
| Commercial Banks 13.4% | | |
| Abbey National Capital Trust I, 8.963% ⁽³⁾ | 7,500 | \$ 6,218,827 |
| ABN AMRO North America Capital Funding Trust, 6.968% ⁽³⁾⁽⁴⁾ | 1,250 | 809,766 |
| Barclays Bank PLC, 6.86% ⁽³⁾⁽⁴⁾ | 3,500 | 2,310,227 |
| Barclays Bank PLC, 8.55% ⁽³⁾⁽⁴⁾ | 13,400 | 11,101,820 |
| BBVA International Preferred SA Unipersonal, 5.919% ⁽¹⁾⁽³⁾ | 6,500 | 3,283,878 |
| BNP Paribas, 7.195% ⁽³⁾⁽⁴⁾ | 85 | 5,372,042 |
| BNP Paribas Capital Trust, 9.003% ⁽³⁾⁽⁴⁾ | 5,395 | 4,821,630 |
| Citigroup Inc., Series AA, 8.125% ⁽¹⁾ | 100,000 | 1,400,000 |
| Credit Agricole SA/London, 6.637% ⁽³⁾⁽⁴⁾ | 9,950 | 5,379,836 |
| DB Capital Funding VIII, 6.375% | 310,600 | 4,460,216 |
| DB Contingent Capital Trust II, 6.55% ⁽¹⁾ | 200,000 | 2,636,000 |
| Den Norske Bank, 7.729% ⁽³⁾⁽⁴⁾ | 16,000 | 12,669,808 |
| First Tennessee Bank, 5.374% ⁽³⁾⁽⁴⁾ | 2,775 | 845,508 |
| HBOS PLC, 6.657% ⁽³⁾⁽⁴⁾ | 18,750 | 8,766,337 |
| HSBC Capital Funding LP, 9.547% ⁽³⁾⁽⁴⁾ | 13,500 | 11,884,333 |
| JPMorgan Chase & Co., 7.90% ⁽³⁾ | 19,250 | 15,232,448 |
| Landsbanki Islands HF, 7.431% ⁽³⁾⁽⁴⁾⁽⁶⁾ | 20,750 | 285,313 |
| National City Corp., Series F, 9.875% ⁽³⁾ | 208,000 | 4,365,920 |
| Royal Bank of Scotland Group PLC, 7.64% ⁽³⁾ | 155 | 7,693,115 |
| Santander Finance Unipersonal, 6.50% ⁽¹⁾ | 380,000 | 5,677,200 |
| Standard Chartered PLC, 6.409% ⁽³⁾⁽⁴⁾ | 128 | 7,429,986 |
| UBS Preferred Funding Trust I, 8.622% ⁽³⁾ | 15,000 | 11,549,010 |
| | | \$ 134,193,220 |

Diversified Financial Services 3.0%

| | | | |
|---|---------|----|-------------------|
| CoBank, 7.00% | 400,000 | \$ | 19,757,200 |
| CoBank, 11.00% ⁽⁴⁾ | 170,000 | | 8,889,045 |
| Merrill Lynch & Co., Inc., 6.70% ⁽¹⁾ | 81,450 | | 1,135,413 |
| | | \$ | 29,781,658 |

Food Products 0.9%

| | | | |
|---|--------|----|------------------|
| Dairy Farmers of America, 7.875% ⁽⁴⁾ | 73,750 | \$ | 4,074,688 |
| Ocean Spray Cranberries, Inc., 6.25% ⁽⁴⁾ | 47,500 | | 5,075,081 |
| | | \$ | 9,149,769 |

Insurance 9.3%

| | | | |
|---|---------|----|------------|
| Aegon NV, 6.375% ⁽¹⁾ | 330,000 | \$ | 2,834,700 |
| Arch Capital Group, Ltd., Series A, 8.00% ⁽¹⁾ | 424,500 | | 7,263,195 |
| Arch Capital Group, Ltd., Series B, 7.875% ⁽¹⁾ | 60,500 | | 968,000 |
| AXA SA, 6.379% ⁽³⁾⁽⁴⁾ | 2,000 | | 1,049,000 |
| AXA SA, 6.463% ⁽³⁾⁽⁴⁾ | 18,925 | | 9,004,212 |
| Endurance Specialty Holdings, Ltd., 7.75% ⁽¹⁾ | 317,500 | | 4,060,825 |
| ING Capital Funding Trust III, 8.439% ⁽³⁾ | 17,075 | | 12,717,340 |
| ING Groep NV, 8.50% ⁽¹⁾ | 725,000 | | 10,273,250 |

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| Security | Shares | | Value |
|---|---------------|-----------|--------------------|
| PartnerRe, Ltd., 6.50% ⁽¹⁾ | 25,000 | \$ | 415,500 |
| Prudential PLC, 6.50% | 21,400 | | 10,332,327 |
| RAM Holdings, Ltd., Series A, 7.50% ⁽³⁾ | 13,000 | | 8,759,563 |
| RenaissanceRe Holdings, Ltd., 6.08% ⁽¹⁾ | 199,100 | | 2,464,858 |
| RenaissanceRe Holdings, Ltd., 6.60% ⁽¹⁾ | 400,500 | | 5,607,000 |
| Zurich Regcaps Fund Trust I, 6.58% ⁽³⁾⁽⁴⁾ | 6,000 | | 4,957,500 |
| Zurich Regcaps Fund Trust VI, 4.245% ⁽³⁾⁽⁴⁾ | 16,300 | | 12,118,031 |
| | | \$ | 92,825,301 |
| | | | |
| Oil, Gas & Consumable Fuels 1.3% | | | |
| Kinder Morgan GP, Inc., 8.33% ⁽³⁾⁽⁴⁾ | 12,000 | \$ | 13,152,000 |
| | | \$ | 13,152,000 |
| | | | |
| Real Estate Investment Trusts (REITs) 6.3% | | | |
| AMB Property Corp., 6.75% ⁽¹⁾ | 176,000 | \$ | 2,025,760 |
| Health Care, Inc., 7.875% ⁽¹⁾ | 170,100 | | 3,180,870 |
| ProLogis Trust, 6.75% ⁽¹⁾ | 1,500,000 | | 11,250,000 |
| PS Business Parks, Inc., 7.95% ⁽¹⁾ | 400,000 | | 7,396,000 |
| Public Storage, Inc., 6.85% | 800,000 | | 14,200,000 |
| Regency Centers Corp., 7.45% ⁽¹⁾ | 44,720 | | 715,520 |
| Vornado Realty Trust, 7.00% | 1,600,000 | | 24,800,000 |
| | | \$ | 63,568,150 |
| | | | |
| Thriffs & Mortgage Finance 0.0% | | | |
| Federal National Mortgage Association, Series O, 7.00% ⁽³⁾ | 85,000 | \$ | 209,848 |
| Indymac Bank FSB, 8.50% ⁽⁴⁾⁽⁶⁾ | 600,000 | | 6,000 |
| | | \$ | 215,848 |
| | | | |
| Total Preferred Stocks | | | |
| (identified cost \$569,428,229) | | \$ | 342,885,946 |

Corporate Bonds & Notes 0.8%

| Security | Principal Amount (000 s omitted) | | Value |
|---|---|----|--------------|
| | | | |
| Retail-Food and Drug 0.8% | | | |
| CVS Caremark Corp., 6.302%, 6/1/37 ⁽³⁾ | \$ 15,000 | \$ | 8,255,625 |

| | | |
|---|---|-------------------------|
| | \$ | 8,255,625 |
| Total Corporate Bonds & Notes (identified cost \$12,415,158) | \$ | 8,255,625 |
| Short-Term Investments 4.3% | | |
| Description | Interest (000 omitted) | Value |
| Cash Management Portfolio, 0.99% ⁽⁵⁾ | \$ 43,535 | \$ 43,535,380 |
| Total Short-Term Investments (identified cost \$43,535,380) | | \$ 43,535,380 |
| Total Investments 141.5% (identified cost \$1,581,318,802) | | \$ 1,420,509,732 |
| Other Assets, Less Liabilities (41.5)% | | \$ (416,460,959) |
| Net Assets 100.0% | | \$ 1,004,048,773 |

- ADR - American
Depository
Receipt
- (1) Security has been segregated as collateral with the custodian for borrowings under the Committed Facility Agreement.
 - (2) Non-income producing security.
 - (3) Variable rate security. The stated interest

rate represents
the rate in effect
at
November 30,
2008.

- (4) Security exempt
from
registration
under
Rule 144A of
the Securities
Act of 1933.
These securities
may be sold in
transactions
exempt from
registration,
normally to
qualified
institutional
buyers. At
November 30,
2008, the
aggregate value
of the securities
is \$140,870,318
or 14.0% of the
Fund's net
assets.

- (5) Affiliated
investment
company
available to
Eaton Vance
portfolios and
funds which
invests in high
quality, U.S.
dollar
denominated
money market
instruments.
The rate shown
is the
annualized
seven-day yield
as of
November 30,
2008. Net

income
allocated from
the investment
in Cash
Management
Portfolio for the
fiscal year to
date ended
November 30,
2008 was
\$287,153.

- (6) Defaulted
security.

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as of November 30, 2008

PORTFOLIO OF INVESTMENTS (Unaudited)**Country Concentration of Portfolio**

| Country | Percentage of Total Investments | Value |
|----------------|--|-------------------------|
| United States | 66.1% | \$ 939,514,370 |
| Switzerland | 6.7 | 94,777,170 |
| United Kingdom | 6.6 | 93,732,745 |
| Canada | 4.0 | 56,769,752 |
| Germany | 3.1 | 43,836,663 |
| Bermuda | 2.8 | 40,401,940 |
| France | 1.5 | 20,805,090 |
| Netherlands | 1.9 | 26,635,056 |
| Brazil | 1.6 | 23,283,000 |
| Norway | 1.5 | 20,692,153 |
| Finland | 1.3 | 18,867,861 |
| Australia | 0.9 | 13,246,620 |
| Mexico | 0.8 | 11,284,000 |
| Cayman Islands | 0.8 | 10,700,800 |
| Spain | 0.4 | 5,677,200 |
| Iceland | 0.0 | 285,312 |
| Total | 100.0% | \$ 1,420,509,732 |

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The Fund did not have any open financial instruments at November 30, 2008.

The cost and unrealized appreciation (depreciation) of investments of the Fund at November 30, 2008, as determined on a federal income tax basis, were as follows:

| | |
|------------------------------------|-------------------------|
| Aggregate cost | \$ 1,585,866,688 |
| Gross unrealized appreciation | \$ 204,973,248 |
| Gross unrealized depreciation | (370,330,204) |
| Net unrealized depreciation | \$ (165,356,956) |

The Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157 (FAS 157), Fair Value Measurements, effective September 1, 2008. FAS 157 established a three-tier hierarchy to prioritize the assumptions, referred to as inputs, 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)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At November 30, 2008, the inputs used in valuing the Fund's investments, which are carried at value, were as follows:

| | Valuation Inputs | Investments in Securities |
|--------------|-------------------------------------|----------------------------------|
| Level 1 | Quoted Prices | \$ 1,120,950,162 |
| Level 2 | Other Significant Observable Inputs | 299,559,570 |
| Level 3 | Significant Unobservable Inputs | |
| Total | | \$ 1,420,509,732 |

The following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value:

| | Investments in Securities |
|--|----------------------------------|
| Balance as of August 31, 2008 | \$ 0* |
| Realized gains (losses) | |
| Change in net unrealized appreciation (depreciation) | |
| Net purchases (sales) | (0) |
| Net transfers to (from) level 3 | |
| Balance as of November 30, 2008 | \$ |

* All Level 3 assets held at August 31, 2008 were valued at \$0.

The Fund may invest in Cash Management Portfolio (Cash Management), an affiliated investment company managed by Boston Management and Research, a subsidiary of Eaton Vance Management. Cash Management values its investment securities utilizing the amortized cost valuation technique permitted by Rule 2a-7 of the 1940 Act, pursuant to which Cash Management must comply with certain conditions. This technique involves initially valuing a portfolio security at its cost and thereafter assuming a constant amortization to maturity of any discount or premium. If amortized cost is determined not to approximate fair value, Cash Management may value its investment securities based on available market quotations provided by a pricing service.

For information on the Fund's policy regarding the valuation of other 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.

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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 Tax-Advantaged Dividend Income Fund

By: /s/ Duncan W. Richardson

Duncan W. Richardson
President

Date: January 23, 2009

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/ Duncan W. Richardson

Duncan W. Richardson
President

Date: January 23, 2009

By: /s/ Barbara E. Campbell

Barbara E. Campbell
Treasurer

Date: January 23, 2009