

Eaton Vance Risk-Managed Diversified Equity Income Fund

Form N-Q

November 26, 2008



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549





**FORM N-Q**







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



Investment Company Act File Number

**811-22044**

## **Eaton Vance Risk-Managed Diversified Equity 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)

**Maureen A. Gemma**  
**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:

December 31

Date of Reporting Period:

September 30, 2008

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**Item 1. Schedule of Investments**

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## Eaton Vance Risk-Managed Diversified Equity Income Fund

as of September 30, 2008

## PORTFOLIO OF INVESTMENTS (Unaudited)

## Common Stocks 83.6%

Security	Shares	Value
<b>Aerospace &amp; Defense 5.1%</b>		
Boeing Co. (The)	76,431	\$ 4,383,318
General Dynamics Corp.	182,783	13,456,484
Honeywell International, Inc.	195,328	8,115,878
Lockheed Martin Corp.	137,147	15,040,912
Raytheon Co.	174,136	9,318,017
United Technologies Corp.	269,731	16,200,044
		<b>\$ 66,514,653</b>
<b>Air Freight &amp; Logistics 0.7%</b>		
United Parcel Service, Inc., Class B	143,854	\$ 9,046,978
		<b>\$ 9,046,978</b>
<b>Auto Components 0.8%</b>		
Johnson Controls, Inc.	353,145	\$ 10,710,888
		<b>\$ 10,710,888</b>
<b>Beverages 2.6%</b>		
Coca-Cola Co. (The)	245,105	\$ 12,961,152
PepsiCo, Inc.	298,863	21,299,966
		<b>\$ 34,261,118</b>
<b>Biotechnology 2.3%</b>		
Amgen, Inc. (1)	254,076	\$ 15,059,085
Genzyme Corp. (1)	189,103	15,296,542
		<b>\$ 30,355,627</b>
<b>Capital Markets 2.8%</b>		
Bank of New York Mellon Corp. (The)	227,790	\$ 7,421,398
Goldman Sachs Group, Inc.	69,269	8,866,432
Invesco, Ltd.	174,990	3,671,290
Julius Baer Holding AG	68,522	3,416,595
State Street Corp.	106,476	6,056,355
T. Rowe Price Group, Inc.	126,483	6,793,402
		<b>\$ 36,225,472</b>
<b>Chemicals 1.4%</b>		
E.I. Du Pont de Nemours & Co.	271,707	\$ 10,949,792
Monsanto Co.	75,614	7,484,274
		<b>\$ 18,434,066</b>
<b>Commercial Banks 2.0%</b>		
Banco Bradesco SA ADR	126,332	\$ 2,033,937
Banco Itau Holding Financiera SA ADR	484,566	8,479,909
Toronto-Dominion Bank	75,176	4,584,984
U.S. Bancorp	296,528	10,680,939
		<b>\$ 25,779,769</b>
<b>Commercial Services &amp; Supplies 0.7%</b>		
Waste Management, Inc.	303,462	\$ 9,556,018
		<b>\$ 9,556,018</b>
<b>Communications Equipment 2.0%</b>		
Corning, Inc.	381,702	\$ 5,969,819
QUALCOMM, Inc.	320,575	13,775,108
Research In Motion, Ltd. (1)	97,275	6,643,883
		<b>\$ 26,388,810</b>

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**Computers & Peripherals 4.4%**

Apple, Inc. (1)	108,202	\$	12,298,239
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Hewlett-Packard Co.	424,434	\$	19,625,828
International Business Machines Corp.	209,675		24,523,588
		\$	<b>56,447,655</b>
<b>Diversified Financial Services</b>	<b>3.1%</b>		
Bank of America Corp.	152,497	\$	5,337,395
Citigroup, Inc.	452,726		9,285,410
JPMorgan Chase & Co.	541,914		25,307,384
		\$	<b>39,930,189</b>
<b>Diversified Telecommunication Services</b>	<b>1.4%</b>		
AT&T, Inc.	311,084	\$	8,685,465
Verizon Communications, Inc.	288,320		9,252,189
		\$	<b>17,937,654</b>
<b>Electric Utilities</b>	<b>1.8%</b>		
Edison International	239,876	\$	9,571,052
FirstEnergy Corp.	197,461		13,227,912
		\$	<b>22,798,964</b>
<b>Electrical Equipment</b>	<b>1.0%</b>		
Emerson Electric Co.	307,680	\$	12,550,267
		\$	<b>12,550,267</b>
<b>Energy Equipment &amp; Services</b>	<b>2.9%</b>		
Diamond Offshore Drilling, Inc.	107,633	\$	11,092,657
Schlumberger, Ltd.	187,891		14,672,408
Transocean, Inc. (1)	110,006		12,083,059
		\$	<b>37,848,124</b>
<b>Food &amp; Staples Retailing</b>	<b>2.9%</b>		
CVS Caremark Corp.	379,047	\$	12,758,722
Wal-Mart Stores, Inc.	405,205		24,267,727
		\$	<b>37,026,449</b>
<b>Food Products</b>	<b>1.6%</b>		
Nestle SA	200,255	\$	8,677,298
Nestle SA ADR	301,155		12,633,452
		\$	<b>21,310,750</b>
<b>Health Care Equipment &amp; Supplies</b>	<b>2.4%</b>		
Baxter International, Inc.	118,021	\$	7,745,718
Becton, Dickinson and Co.	74,900		6,011,474
Boston Scientific Corp. (1)	432,259		5,303,818
Medtronic, Inc.	148,795		7,454,630
Zimmer Holdings, Inc. (1)	73,316		4,733,281
		\$	<b>31,248,921</b>
<b>Health Care Providers &amp; Services</b>	<b>1.2%</b>		
Aetna, Inc.	149,059	\$	5,382,520
Fresenius Medical Care AG & Co. ADR	110,539		5,741,396
UnitedHealth Group, Inc.	162,775		4,132,857
		\$	<b>15,256,773</b>
<b>Hotels, Restaurants &amp; Leisure</b>	<b>1.2%</b>		
McDonald's Corp.	258,299	\$	15,937,048
		\$	<b>15,937,048</b>
<b>Household Products</b>	<b>2.7%</b>		
Colgate-Palmolive Co.	184,496	\$	13,901,774
Kimberly-Clark Corp.	133,338		8,645,636
Procter & Gamble Co.	169,679		11,824,930
		\$	<b>34,372,340</b>
<b>Independent Power Producers &amp; Energy Traders</b>	<b>0.5%</b>		
NRG Energy, Inc. (1)	270,536	\$	6,695,766
		\$	<b>6,695,766</b>





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<b>Industrial Conglomerates 0.9%</b>			
3M Co.	177,820	\$	12,146,884
		\$	<b>12,146,884</b>
<b>Insurance 3.8%</b>			
AFLAC, Inc.	65,866	\$	3,869,628
Chubb Corp.	196,436		10,784,336
Lincoln National Corp.	85,159		3,645,657
MetLife, Inc.	193,767		10,850,952
Travelers Companies, Inc. (The)	271,580		12,275,416
Zurich Financial Services AG	29,036		8,061,821
		\$	<b>49,487,810</b>
<b>Internet Software &amp; Services 0.5%</b>			
Google, Inc., Class A (1)	15,046	\$	6,026,224
		\$	<b>6,026,224</b>
<b>IT Services 1.9%</b>			
Accenture, Ltd., Class A	173,305	\$	6,585,590
MasterCard, Inc., Class A	62,813		11,138,629
Visa, Inc., Class A	104,185		6,395,917
		\$	<b>24,120,136</b>
<b>Leisure Equipment &amp; Products 0.3%</b>			
Mattel, Inc.	210,574	\$	3,798,755
		\$	<b>3,798,755</b>
<b>Life Sciences Tools &amp; Services 0.6%</b>			
Thermo Fisher Scientific, Inc. (1)	132,791	\$	7,303,505
		\$	<b>7,303,505</b>
<b>Machinery 1.9%</b>			
Caterpillar, Inc.	146,995	\$	8,760,902
Danaher Corp.	163,328		11,334,963
Illinois Tool Works, Inc.	116,491		5,178,025
		\$	<b>25,273,890</b>
<b>Media 2.9%</b>			
Comcast Corp., Class A	1,036,166	\$	20,339,939
Omnicom Group, Inc.	292,828		11,291,448
Time Warner, Inc.	498,480		6,535,073
		\$	<b>38,166,460</b>
<b>Metals &amp; Mining 0.7%</b>			
Cleveland-Cliffs, Inc.	57,669	\$	3,052,997
Companhia Vale do Rio Doce ADR	345,752		6,621,151
		\$	<b>9,674,148</b>
<b>Multi-Utilities 0.4%</b>			
Public Service Enterprise Group, Inc.	149,307	\$	4,895,777
		\$	<b>4,895,777</b>
<b>Oil, Gas &amp; Consumable Fuels 7.5%</b>			
Anadarko Petroleum Corp.	355,190	\$	17,230,267
Chevron Corp.	312,332		25,761,143
ConocoPhillips	230,066		16,852,335
Hess Corp.	176,025		14,448,132
Occidental Petroleum Corp.	216,612		15,260,315
Williams Cos., Inc.	181,304		4,287,840
XTO Energy, Inc.	80,111		3,726,764
		\$	<b>97,566,796</b>
<b>Pharmaceuticals 5.0%</b>			
Abbott Laboratories	351,935	\$	20,264,417
Johnson & Johnson	291,102		20,167,547
Novartis AG ADR	80,121		4,233,594
Novo-Nordisk A/S, Class B	77,089		3,987,593
Roche Holding AG	37,759		5,926,418
Schering-Plough Corp.	267,732		4,945,010

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Teva Pharmaceutical Industries, Ltd., ADR	108,777	4,980,899
	\$	<b>64,505,478</b>

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<b>Real Estate Investment Trusts (REITs) 0.7%</b>			
Boston Properties, Inc.	50,900	\$	4,767,294
Simon Property Group, Inc.	44,288		4,295,936
		\$	<b>9,063,230</b>
<b>Semiconductors &amp; Semiconductor Equipment 1.5%</b>			
ASML Holding NV	497,567	\$	8,762,155
Intel Corp.	603,588		11,305,203
		\$	<b>20,067,358</b>
<b>Software 3.0%</b>			
Microsoft Corp.	1,011,236	\$	26,989,889
Oracle Corp. (1)	585,511		11,891,728
		\$	<b>38,881,617</b>
<b>Specialty Retail 2.3%</b>			
Best Buy Co., Inc.	254,517	\$	9,544,388
Home Depot, Inc.	364,281		9,431,235
Staples, Inc.	453,138		10,195,605
		\$	<b>29,171,228</b>
<b>Tobacco 1.8%</b>			
Philip Morris International, Inc.	489,094	\$	23,525,421
		\$	<b>23,525,421</b>
<b>Wireless Telecommunication Services 0.4%</b>			
Rogers Communications, Inc., Class B	141,055	\$	4,688,668
		\$	<b>4,688,668</b>
<b>Total Common Stocks</b>			
<b>(identified cost \$1,159,103,131)</b>		\$	<b>1,084,997,684</b>

**Put Options Purchased 8.1%**

Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	939	\$ 1,185	12/20/08	\$ 7,244,385
S&P 500 Index	979	1,225	12/20/08	9,496,300
S&P 500 Index	1,877	1,185	3/21/09	18,272,595
S&P 500 Index	1,957	1,225	3/21/09	23,004,535
S&P 500 Index	1,877	1,185	6/20/09	20,975,475
S&P 500 Index	1,998	1,200	6/20/09	25,974,000
<b>Total Put Options Purchased</b>				
<b>(identified cost \$78,546,453)</b>				\$ <b>104,967,290</b>

**Short-Term Investments 9.4%**

Description	Interest (000 s omitted)	Value
Investment in Cash Management Portfolio, 2.18% (2)	\$ 121,577	\$ 121,576,976
<b>Total Short-Term Investments</b>		
<b>(identified cost \$121,576,976)</b>		\$ <b>121,576,976</b>
<b>Total Investments 101.1%</b>		
<b>(identified cost \$1,359,226,560)</b>		\$ <b>1,311,541,950</b>

**Covered Call Options Written (1.6)%**

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Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	1,360	\$ 1,170	10/18/08	\$ (4,760,000)
S&P 500 Index	1,187	1,180	10/18/08	(4,273,200)
S&P 500 Index	1,543	1,185	10/18/08	(4,937,600)
S&P 500 Index	778	1,190	10/18/08	(2,100,600)
S&P 500 Index	1,464	1,195	10/18/08	(3,952,800)
<b>Total Covered Call Options Written (premiums received \$25,306,662)</b>				<b>\$ (20,024,200)</b>
<b>Other Assets, Less Liabilities 0.5%</b>				<b>\$ 6,515,722</b>
<b>Net Assets 100.0%</b>				<b>\$ 1,298,033,472</b>

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- ADR American Depository Receipt
- (1) Non-income producing security.
- (2) 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 September 30, 2008. Net income allocated from the Investment in Cash Management Portfolio for the fiscal year to date ended September 30, 2008 was \$1,339,903.

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

<b>Aggregate cost</b>	<b>\$</b>	<b>1,378,849,531</b>
Gross unrealized appreciation		52,417,544
Gross unrealized depreciation		(119,725,125)
<b>Net unrealized depreciation</b>	<b>\$</b>	<b>(67,307,581)</b>

Written call and put options activity for the fiscal year to date ended September 30, 2008 was as follows:

	Number of Contracts		Premiums Received
Outstanding, beginning of period	70,117	\$	21,506,649
Options written	256,574		206,612,347
Options terminated in closing purchase transactions	(248,639)		(194,216,240)
Options exercised	(14,486)		(1,566,225)
Options expired	(57,234)		(7,029,869)
<b>Outstanding, end of period</b>	<b>6,332</b>	<b>\$</b>	<b>25,306,662</b>

All of the assets of the Fund are subject to segregation to satisfy the requirements of the escrow agent. At September 30, 2008, the Fund had sufficient cash and/or securities to cover commitments under these contracts.

The Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157 (FAS 157), Fair Value Measurements, effective January 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 September 30, 2008, the inputs used in valuing the Fund's investments, which are carried at value, were as follows:

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	Valuation Inputs	Investments in Securities	Other Financial Instruments*
Level 1	Quoted Prices	\$ 1,281,472,225	\$ (20,024,200)
Level 2	Other Significant Observable Inputs	30,069,725	
Level 3	Significant Unobservable Inputs		
<b>Total</b>		<b>\$ 1,311,541,950</b>	<b>\$ (20,024,200)</b>

\*Other financial instruments are written call options, which are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund held no investments or other financial instruments as of December 31, 2007 whose fair value was determined using Level 3 inputs.

For information on the Fund's policy regarding 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.

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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 Risk-Managed Diversified Equity Income Fund

By: /s/Duncan W. Richardson  
Duncan W. Richardson  
President

Date: November 21, 2008

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: November 21, 2008

By: /s/Barbara E. Campbell  
Barbara E. Campbell  
Treasurer

Date: November 21, 2008

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