

EATON VANCE MICHIGAN MUNICIPAL INCOME TRUST
Form N-Q
October 28, 2014

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form N-Q

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

811-09153

Investment Company Act File Number

Eaton Vance Michigan Municipal Income Trust

(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, Including Area Code)

November 30

Date of Fiscal Year End

August 31, 2014

Date of Reporting Period

Item 1. Schedule of Investments

Eaton Vance

Michigan Municipal Income Trust

August 31, 2014

PORTFOLIO OF INVESTMENTS (Unaudited)

Tax-Exempt Investments 159.2%

| | Principal Amount (000 s omitted) | Value |
|--|--|---------------------|
| Security | | |
| Bond Bank 4.1% | | |
| Michigan Municipal Bond Authority, 5.00%, 10/1/29 | \$ 600 | \$ 687,330 |
| Michigan Municipal Bond Authority, 5.00%, 10/1/30 | 500 | 578,375 |
| | | \$ 1,265,705 |
| Education 10.3% | | |
| Grand Valley State University, 5.625%, 12/1/29 | \$ 525 | \$ 569,053 |
| Grand Valley State University, 5.75%, 12/1/34 | 525 | 570,964 |
| Michigan State University, 5.00%, 2/15/40 | 1,000 | 1,088,740 |
| Oakland University, 5.00%, 3/1/42 | 500 | 536,665 |
| Wayne State University, 5.00%, 11/15/40 | 370 | 406,478 |
| | | \$ 3,171,900 |
| Electric Utilities 8.9% | | |
| Holland, Electric Utility System, 5.00%, 7/1/39 ⁽¹⁾ | \$ 1,135 | \$ 1,277,726 |
| Lansing Board of Water and Light, 5.50%, 7/1/41 | 500 | 589,435 |
| Michigan Public Power Agency, 5.00%, 1/1/43 | 800 | 855,392 |
| | | \$ 2,722,553 |
| Escrowed/Prerefunded 1.0% | | |
| Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), Prerefunded to 1/1/15, 6.20%, 1/1/25 | \$ 185 | \$ 188,768 |
| Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), Prerefunded to 1/1/15, 6.50%, 1/1/37 | 125 | 127,673 |
| | | \$ 316,441 |
| General Obligations 30.4% | | |
| Ann Arbor Public Schools, 4.50%, 5/1/24 | \$ 350 | \$ 371,434 |
| Comstock Park Public Schools, 5.00%, 5/1/28 | 230 | 257,398 |
| Comstock Park Public Schools, 5.125%, 5/1/31 | 275 | 302,145 |
| Comstock Park Public Schools, 5.25%, 5/1/33 | 220 | 244,867 |
| East Grand Rapids Public Schools, 5.00%, 5/1/39 | 835 | 940,995 |
| Jenison Public Schools, 5.00%, 5/1/28 | 500 | 548,785 |
| Jenison Public Schools, 5.00%, 5/1/30 | 500 | 545,970 |
| Kent County, 5.00%, 1/1/25 | 1,500 | 1,713,945 |
| Kent County, (AMT), 5.00%, 1/1/28 | 1,000 | 1,131,710 |
| Lansing Community College, 5.00%, 5/1/30 | 1,005 | 1,139,961 |

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| | | |
|---|-------|---------------------|
| Michigan, 5.50%, 11/1/25 | 270 | 310,999 |
| Walled Lake Consolidated School District, 5.00%, 5/1/34 | 365 | 410,519 |
| Watervliet Public Schools, 5.00%, 5/1/38 | 1,250 | 1,409,775 |
| | | \$ 9,328,503 |

Hospital 26.2%

| | | |
|---|--------|------------|
| Kent Hospital Finance Authority, (Spectrum Health), 5.50% to 1/15/15 (Put Date), 1/15/47 | \$ 275 | \$ 280,464 |
| Michigan Finance Authority, (McLaren Health Care), 5.00%, 6/1/35 | 250 | 272,870 |
| Michigan Finance Authority, (Oakwood Obligated Group), 5.00%, 11/1/32 | 500 | 546,195 |
| Michigan Finance Authority, (Trinity Health Corp.), 5.00%, 12/1/27 | 1,000 | 1,121,440 |
| Michigan Hospital Finance Authority, (Henry Ford Health System), 5.00%, 11/15/38 | 250 | 259,710 |
| Michigan Hospital Finance Authority, (Henry Ford Health System), 5.25%, 11/15/46 | 1,000 | 1,019,720 |

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| | Principal Amount (000 s omitted) | Value |
|---|--|---------------------|
| Security | | |
| Michigan Hospital Finance Authority, (McLaren Health Care), 5.00%, 8/1/35 | \$ 1,080 | \$ 1,094,893 |
| Michigan Hospital Finance Authority, (MidMichigan Obligated Group), 6.125%, 6/1/39 | 500 | 567,435 |
| Monroe County Hospital Finance Authority, (Mercy Memorial Hospital Corp.), 5.375%, 6/1/26 | 425 | 434,448 |
| Royal Oak Hospital Finance Authority, (William Beaumont Hospital), 5.00%, 9/1/39 | 1,250 | 1,367,688 |
| Saginaw Hospital Finance Authority, (Covenant Medical Center, Inc.), 5.00%, 7/1/30 | 1,000 | 1,064,950 |
| | | \$ 8,029,813 |
| Housing 0.8% | | |
| Michigan Housing Development Authority, 4.60%, 12/1/26 | \$ 225 | \$ 236,995 |
| | | \$ 236,995 |
| Industrial Development Revenue 2.4% | | |
| Detroit Local Development Finance Authority, (Chrysler Corp.), 5.375%, 5/1/21 | \$ 750 | \$ 721,485 |
| | | \$ 721,485 |
| Insured-Education 5.0% | | |
| Ferris State University, (AGC), 5.125%, 10/1/33 | \$ 570 | \$ 634,547 |
| Ferris State University, (AGC), 5.25%, 10/1/38 | 500 | 559,465 |
| Wayne State University, (AGM), 5.00%, 11/15/35 | 300 | 333,999 |
| | | \$ 1,528,011 |
| Insured-Electric Utilities 3.2% | | |
| Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/29 | \$ 630 | \$ 601,209 |
| Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/32 | 250 | 235,087 |
| Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/34 | 155 | 144,499 |
| | | \$ 980,795 |
| Insured-General Obligations 25.6% | | |
| Battle Creek School District, (AGM), 5.00%, 5/1/37 | \$ 1,105 | \$ 1,195,477 |
| Bay City Brownfield Redevelopment Authority, (BAM), 5.375%, 10/1/38 | 500 | 550,935 |
| Byron Center Public Schools, (AGM), 3.75%, 5/1/26 | 150 | 156,183 |
| Byron Center Public Schools, (AGM), 4.00%, 5/1/28 | 240 | 250,013 |
| Detroit School District, (AGM), 5.25%, 5/1/32 | 300 | 350,724 |
| Hartland Consolidated Schools, (AGM), 5.25%, 5/1/29 | 1,000 | 1,127,900 |
| Livonia Public Schools, (AGM), 5.00%, 5/1/43 | 910 | 985,448 |
| South Haven Public Schools, (BAM), 5.00%, 5/1/41 | 1,200 | 1,330,452 |
| Van Dyke Public Schools, (AGM), 5.00%, 5/1/38 | 1,250 | 1,375,675 |
| Westland Tax Increment Finance Authority, (BAM), 5.25%, 4/1/34 | 500 | 539,565 |
| | | \$ 7,862,372 |
| Insured-Lease Revenue/Certificates of Participation 5.8% | | |
| Michigan Building Authority, (AGM), (FGIC), 0.00%, 10/15/29 | \$ 1,000 | \$ 493,040 |
| Michigan Building Authority, (NPFPG), 0.00%, 10/15/30 | 2,800 | 1,290,968 |
| | | \$ 1,784,008 |
| Insured-Special Tax Revenue 0.4% | | |
| Puerto Rico Sales Tax Financing Corp., (NPFPG), 0.00%, 8/1/45 | \$ 895 | \$ 122,346 |

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| | | |
|--|----|---------|
| | \$ | 122,346 |
|--|----|---------|

Insured-Transportation 3.7%

| | | | | |
|---|----|-------|----|-----------|
| Wayne County Airport Authority, (AGC), (AMT), 5.375%, 12/1/32 | \$ | 1,000 | \$ | 1,124,190 |
| | | | \$ | 1,124,190 |

Insured-Water and Sewer 12.4%

| | | | | |
|--|----|-------|----|-----------|
| Detroit, Sewage Disposal System, (AGC), (FGIC), 5.00%, 7/1/36 | \$ | 560 | \$ | 580,227 |
| Detroit, Water Supply System, (NCFG), 5.00%, 7/1/30 | | 1,650 | | 1,652,013 |
| Grand Rapids, Water Supply System, (AGC), 5.10%, 1/1/39 | | 1,000 | | 1,116,940 |
| Puerto Rico Aqueduct and Sewer Authority, (AGC), 5.00%, 7/1/28 | | 475 | | 450,842 |
| | | | \$ | 3,800,022 |

Lease Revenue/Certificates of Participation 3.4%

| | | | | |
|---|----|-------|----|-----------|
| Michigan Strategic Fund, (Facility for Rare Isotope Beams), 4.00%, 3/1/30 | \$ | 1,000 | \$ | 1,043,840 |
| | | | \$ | 1,043,840 |

| Security | Principal Amount (000 s omitted) | Value |
|---|--|------------------------|
| Special Tax Revenue 5.0% | | |
| Guam, Limited Obligation Bonds, 5.625%, 12/1/29 | \$ 115 | \$ 127,184 |
| Guam, Limited Obligation Bonds, 5.75%, 12/1/34 | 125 | 138,483 |
| Michigan Trunk Line Fund, 5.00%, 11/15/36 | 1,000 | 1,128,920 |
| Virgin Islands Public Finance Authority, 6.75%, 10/1/37 | 110 | 126,534 |
| | | \$ 1,521,121 |
| Water and Sewer 10.6% | | |
| Detroit, Water Supply System, 5.25%, 7/1/41 | \$ 750 | \$ 789,742 |
| Grand Rapids, Sanitary Sewer System, 5.00%, 1/1/28 | 735 | 923,741 |
| Michigan Finance Authority, (Detroit Water and Sewerage Department), (AMT), 5.00%, 7/1/44 ⁽²⁾ | 1,250 | 1,268,950 |
| Port Huron, Water Supply System, 5.25%, 10/1/31 | 250 | 273,228 |
| | | \$ 3,255,661 |
| Total Tax-Exempt Investments 159.2% (identified cost \$45,666,228) | | \$ 48,815,761 |
| Auction Preferred Shares Plus Cumulative Unpaid Dividends (57.1)% | | \$ (17,500,160) |
| Other Assets, Less Liabilities (2.1)% | | \$ (654,473) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 30,661,128 |

The percentage shown for each investment category in the Portfolio of Investments is based on net assets applicable to common shares.

AGC - Assured Guaranty Corp.

AGM - Assured Guaranty Municipal Corp.

AMT - Interest earned from these securities may be considered a tax preference item for purposes of the Federal Alternative Minimum Tax.

BAM - Build America Mutual Assurance Co.

FGIC - Financial Guaranty Insurance Company

NPFG - National Public Finance Guaranty Corp.

The Trust invests primarily in debt securities issued by Michigan municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at August 31, 2014, 35.2% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution or financial guaranty assurance agency ranged from 2.2% to 12.8% of total investments.

(1) Security (or a portion thereof) has been segregated to cover payable for when-issued securities.

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(2) When-issued security.

The Trust did not have any open financial instruments at August 31, 2014.

The cost and unrealized appreciation (depreciation) of investments of the Trust at August 31, 2014, as determined on a federal income tax basis, were as follows:

| | |
|------------------------------------|----------------------|
| Aggregate cost | \$ 45,614,294 |
| Gross unrealized appreciation | \$ 3,348,123 |
| Gross unrealized depreciation | (146,656) |
| Net unrealized appreciation | \$ 3,201,467 |

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Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is 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)

In cases where the inputs used to measure fair value fall in different levels of the fair value hierarchy, the level disclosed is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At August 31, 2014, the hierarchy of inputs used in valuing the Trust's investments, which are carried at value, were as follows:

| Asset Description | Level 1 | Level 2 | Level 3 | Total |
|--------------------------|----------------|----------------|----------------|--------------|
| Tax-Exempt Investments | \$ | | | |