

# Sentinel Common Stock Fund

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4Q09 December 31, 2009

## About the Management Team

### Daniel J. Manion, CFA

Portfolio Manager  
· 17 years with Sentinel  
· 23 years of investment experience

### Hilary T. Roper, CFA

Equity Analyst  
· 11 years with Sentinel  
· 17 years of investment experience

### Helena Ocampo

Equity Analyst  
· 4 years with Sentinel  
· 12 years of investment experience

### Jason D. Wulff, CFA

Equity Analyst  
· 2 years with Sentinel  
· 8 years of investment experience

Data shown is historical performance for each share class and reflects reinvested distributions. With Sales Charge price performance data includes the maximum 5% sales charge for Class A. Investment return and principal value will vary so that you may have a gain or loss when you sell shares. Past performance does not guarantee future results; current performance may be higher or lower than data quoted. For performance current to the most recent month-end, visit [www.sentinelinvestments.com](http://www.sentinelinvestments.com).



## Manager Insights

The Sentinel Common Stock Fund's total return of 5.68%\* for the fourth quarter of 2009 compared to a 6.04% return for the S&P 500 Index<sup>1</sup>, a 6.07% return for the Russell 1000 Index<sup>2</sup>, and a 5.49% return for the average fund in the Morningstar Large Blend category<sup>3</sup>. For the full year 2009, the Sentinel Common Stock Fund's 28.86% return compares to the 28.17% return for the Morningstar average. By comparison, the S&P 500 Index was up 26.46%, while the Russell 1000 Index was up 28.43% for the full year.

Equity markets in the fourth quarter moderated the aggressive rebound evident from the lows of early March through September. For the full year period, the Technology and Consumer Discretionary sectors outperformed the general market by a wide margin, while the Financials sector underperformed. The Federal Reserve's continuing policy of low rates to provide endless liquidity to the system led investors to chase higher returns with limited regard to company-specific risk. However, fundamental and economic indicators continue to be mixed. Asset prices remain depressed, deleveraging continues both in the consumer and corporate sectors, and the unemployment rate reached double-digit levels.

During 2009, strong stock selection was a major contributor to the fund's performance. We maintained our overweight positions in Healthcare and Industrials, while moderating our exposure to the Information Technology sector after an impressive outperformance vs. the index. Significant contributors included Freeport-McMoRan Copper & Gold and NetApp. We maintain our preference for Large Cap multinationals, with an emphasis on the defensive Healthcare and Industrial sectors. We also maintained our underweight position in the Financials and Consumer Discretionary sectors, where we believe the risk-reward ratio remains unattractive due to the soft labor market and lack of consumer spending power.

The Sentinel Common Stock Fund aims to consistently deliver solid relative total returns with moderate levels of risk throughout varied financial market conditions. We continue to believe that patient and long-held adherence to our focus on reasonably valued shares of high-quality companies has the potential to reward our Fund's shareholders.

## Important Disclosure

Large company stocks as a group could fall out of favor with the market and underperform investments that focus on small and mid-sized company stocks.

The following are total annual operating expense ratios for Sentinel Common Stock Fund Class A, C, & I shares; A - 1.16%, C - 2.03%, I - 0.72%. All expense ratio data is sourced from the Prospectus dated March 31, 2009.

\* Performance for Class A shares only at net asset value. Performance data shown does not include the effects of any sales charge. If it did, returns would be lower.

1. The Standard & Poor's 500 Index is an unmanaged index considered representative of the U.S. stock market. An investment cannot be made directly in an index.

2. The Russell 1000 Index is an unmanaged index that measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the total market capitalization of the Russell 3000 Index. An investment cannot be made directly in an index.

3. An average of funds within the particular category as determined by Morningstar based on investment styles as measured by their underlying portfolio holdings.

### Top 10 Holdings (% of the total net assets as of December 31, 2009)

Company	Industry	% of Fund
ExxonMobil Corp.	Oil, Gas & Consumable Fuels	2.9%
International Business Machines Corp.	Computers & Peripherals	2.4
Procter & Gamble Co.	Household Products	2.3
Johnson & Johnson	Pharmaceuticals	2.2
Schlumberger Ltd.	Energy Equipment & Services	1.9
PepsiCo, Inc.	Beverages	1.8
United Technologies Corp.	Aerospace & Defense	1.7
Microsoft Corp.	Software	1.7
Noble Energy, Inc.	Oil, Gas & Consumable Fuels	1.6
Honeywell International, Inc.	Aerospace & Defense	1.6
<b>Total</b>		<b>20.1%</b>

### Average Annual Total Returns (as of December 31, 2009)

	Class A shares		Class C shares <sup>1</sup>		Class I shares <sup>2</sup>	S&P 500 Index <sup>3</sup>	Russell 1000 Index <sup>4</sup>
	Without Sales Charge	With Max Sales Charge	Without Sales Charge	With Max Sales Charge	Without Sales Charge		
Year-to-date	28.86%	22.40%	27.57%	26.57%	29.42%	26.46%	28.43%
1 year	28.86	22.40	27.57	26.57	29.42	26.46	28.43
3 years	-3.09	-4.73	-4.00	-4.00	-2.72	-5.63	-5.36
5 years	2.51	1.46	1.51	1.51	2.75	0.42	0.79
10 years	2.84	2.31	1.82	1.82	2.95	-0.95	-0.49
Since inception	10.59	10.51	9.59	9.59	10.60	—	—
Performance inception dates	1/12/34					—	—

### Important Disclosure

Data shown is historical performance for each share class and reflects reinvested distributions. With Max Sales Charge performance data includes the maximum 5% sales charge for Class A shares and the 1% CDSC for Class C shares. Class I shares do not impose a sales charge. Only eligible investors may purchase Class I shares, as described in the Prospectus. Investment return and principal value will vary so that you may have a gain or loss when you sell shares. Past performance does not guarantee future results; current performance may be higher or lower than data quoted. Large company stocks as a group could fall out of favor with the market and underperform investments that focus on small and mid-sized company stocks. For performance current to the most recent month-end, visit [www.sentinelinvestments.com](http://www.sentinelinvestments.com).

The following are total annual operating expense ratios for Sentinel Common Stock Fund Class A, C, & I shares; A – 1.16%, C – 2.03%, I – 0.72%. All expense ratio data is sourced from the Prospectus dated March 31, 2009.

1. Performance of the Class C shares prior to May 4, 1998 is based on the performance of the Fund's Class A shares, adjusted to reflect that Class C shares do not charge a front-end sales charge but may be subject to a contingent deferred sales charge, and adjusted for Class C's higher expenses. The "since inception" performance data for Class C shares is calculated from January 12, 1934, which was the inception date of the Fund.
2. Performance of the Class I shares prior to their inception on May 4, 2007 is based on the performance of the Fund's Class A shares, restated to reflect that Class I shares are not subject to a sales charge. The "since inception" performance data for Class I shares is calculated from January 12, 1934, which was the inception date of the Fund.
3. Standard & Poor's 500 Index is an unmanaged index considered representative of the U.S. stock market. An investment cannot be made directly in an index.
4. The Russell 1000 Index is an unmanaged index that measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the total market capitalization of the Russell 3000 Index. An investment cannot be made directly in an index.

**NOT FDIC INSURED**

**MAY LOSE VALUE**

**NO BANK GUARANTEE**

**Consider a fund's objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the Fund and is available from your wholesaler or Sentinel. Please read the prospectus carefully before you invest.**

Sentinel Investments is the unifying brand name for Sentinel Financial Services Company, Sentinel Asset Management, Inc., and Sentinel Administrative Services, Inc.

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For 75 years, Sentinel Investments has offered the sound, prudently managed strategies that are the foundation of any portfolio. We deliver a range of investment solutions managed by focused, dedicated teams of specialists. Though our teams have varying philosophies, they share our firm's most basic values: a commitment to bottom-up, fundamental research; a desire for competitive returns during strong market environments and superior relative performance in down markets; and a commitment to results measured in years, rather than days, weeks or months. Dedicated teams, repeatable disciplines and a commitment to sustainable performance — at Sentinel, these are the essential elements of investing.