

Sentinel International Equity Fund

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4Q09 December 31, 2009

About the Management Team

Katherine Schapiro, CFA

Portfolio Manager
· 4 years with Sentinel
· 28 years of investment experience

Lawrence Lee Jr., CFA

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

Jamie Chui, CFA

Equity Analyst
· 3 years with Sentinel
· 14 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.



Manager Insights

For the quarter ended December 31, 2009, the Sentinel International Equity Fund returned 4.40%, outpacing the 2.18% total return of the Morgan Stanley Capital International Europe, Australasia and Far East Index¹ (MSCI EAFE Index) and the Morningstar Foreign Large Blend category's² increase of 2.64%. For the full year, the Fund's return was 33.78%, ahead of the MSCI EAFE Index return of 31.78% and the Morningstar Foreign Large Blend category return of 31.24%. In comparison, the S&P 500 Index³ rose 6.04% for the quarter and 26.46% for the year.

Following two quarters of very strong gains, global equities largely consolidated in the final quarter of 2009, yet still ended the year with the third consecutive positive quarter. Despite the large returns experienced in 2009, especially from the low point reached in the first quarter, most markets finished well below their 2007 peaks, including markets with some of the biggest gains in the year such as China and India. Among the major developed and emerging markets, only Brazil reached a level rivaling its all-time high set in early 2008.

In the market rallies of the second and third quarters, the patterns were very similar. Global investors favored emerging markets, depressed U.S. and European financials, and materials stocks supported by rising commodity prices. Among developed markets, Australia and Canada, in particular, were beneficiaries of strong demand for resource-oriented stocks as well as strong currencies relative to the U.S. dollar. Defensive sectors such as global health care and consumer staples were ignored.

The fourth quarter saw a slight shift in the pattern. Financials experienced a correction while some defensive sectors enjoyed a rebound. The fund was a beneficiary of this shift given its underweight position in financial stocks and strong stock selection among consumer staples and healthcare companies. What did not change was the preference for emerging markets and basic materials, the regions where the economic rebound had been most robust, and the sector where demand was supported both by global infrastructure build as well as buying of precious metals, e.g. gold, as the U.S. dollar weakened. With a 10% exposure to emerging markets and close to equal weight exposure to materials, the fund did benefit from this continuing trend.

In the early months of 2009, we argued that the two critical economies for global economic recovery were the United States and China. As the world's single largest economy and biggest consuming nation, the U.S. influenced global trade and consumption trends. The deep U.S. recession, particularly in areas such as retailing, housing and auto manufacturing, had broad ramifications across global economic sectors, and few major multi-national firms were immune to the drop in U.S. consumption trends. China, in contrast, was in a stronger fiscal position to stimulate domestic consumption and investment spending. By easing restrictions on consumer credit availability and accelerating infrastructure development projects, China was able to restore its growth rate faster than many economists projected, despite continued malaise in its export sector. Importantly, China's expansion in 2009 likely caused it to surpass Japan as the world's second largest economy, and in fact led it to become the world's number one buyer of many consumer items from mobile telephones to automobiles.

As we enter 2010, the world's major economies appear to be exiting recession, led by the "V"-shaped recoveries in China and other major emerging markets, as well as the slower but important "green shoots" of growth apparent in the U.S. and other key developed

Important Disclosure

International securities are subject to political influences, currency fluctuations and economic cycles that may be unrelated to those affecting the domestic financial markets and may experience wider price fluctuations than the securities held by other Sentinel funds.

The total annual operating expense ratio for Sentinel International Equity Fund Class A shares is 1.45%. Expense ratio data is sourced from the Prospectus dated March 31, 2009.

Certain Sentinel Funds have adopted a redemption fee. For the International Equity Fund, a fee of 2% will be assessed on the redemption of shares held for 30 calendar days or less.

* 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 MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. An investment cannot be made directly to an index.

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

3. 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.

countries. Yet, considerable challenges exist. In particular, further de-leveraging and fiscal constraints are likely to lead to slower potential growth for many economies. The real estate debacle in Dubai and overwhelming government debt problems in Greece, which came to light late in the past quarter, are just two examples of the continuing fragile nature of the global recovery. While China clearly demonstrated its ability to stimulate domestic growth in the short term, it must now demonstrate the ability to manage that growth at a rate suitable to contain inflationary pressures and avoid asset and stock market bubbles in the longer term, an argument for expected tightening of credit as 2010 unfolds.

Therefore, whereas strong equity market returns in 2009 were propelled by various fiscal and monetary stimulus efforts broadly implemented around the world, as well as supportive valuation measures as investors began to anticipate profit recoveries across industrial sectors, we believe returns in the coming year will depend more heavily on the ability of companies to meet or exceed investors' increased expectations for revenue and earnings growth as well as show improved cash flow and balance sheet positions. In addition, we expect to see some relative outperformance of the larger, developed stock markets whose economies are in the midst of recovery and where stimulus measures may be retained for longer (perhaps even including Japan), compared to those emerging markets faced with increasing inflationary pressures from wage, food, real estate and energy price increases. Nevertheless, the global economic rebalancing between the developed world and the emerging world, led by China in particular, will inevitably continue over the long term.

Top 10 Countries

(% of the total net assets as of December 31, 2009)

Japan	15.0%
United Kingdom	14.6
France	10.6
Switzerland	10.0
Hong Kong/China	9.7
Germany	9.4
Spain	4.9
Singapore	3.4
South Korea	2.6
Canada	2.6
Total	82.8%

Top 10 Holdings

(% of the total net assets as of December 31, 2009)

Fresenius SE	3.2%
Nestle SA	3.1
Singapore Technologies Engineering Ltd.	2.3
Telefonica S.A.	2.2
WPP PLC	2.0
China Life Insurance	2.0
Roche Holding AG	1.9
BG Group PLC	1.9
Standard Chartered PLC	1.9
Komatsu	1.8
Total	22.3%

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

	Class A shares		Class C shares ¹		Class I shares ²	MSCI EAFE Index ³
	Without Sales Charge	With Max Sales Charge	Without Sales Charge	With Max Sales Charge	Without Sales Charge	
Year-to-date	33.78%	27.05%	31.75%	30.75%	34.10%	31.78%
1 year	33.78	27.05	31.75	30.75	34.10	31.78
3 years	-4.80	-6.42	-5.91	-5.91	-4.56	-6.04
5 years	3.42	2.37	2.21	2.21	3.58	3.54
10 years	2.34	1.81	1.03	1.03	2.41	1.17
Since inception	7.63	7.30	6.38	6.38	7.68	6.42
Performance inception dates	3/1/93					2/28/93

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. International securities are subject to political influences, currency fluctuations and economic cycles that may be unrelated to those affecting the domestic financial markets and may experience wider price fluctuations than the securities held by other Sentinel funds. For performance current to the most recent month-end, visit www.sentinelinvestments.com.

The following are total annual operating expense ratios for Sentinel International Equity Fund Class A, C, & I shares; A - 1.45%, C - 2.43%, I - 1.04%. All expense ratio data is sourced from the Prospectus dated March 31, 2009.

Certain Sentinel Funds have adopted a redemption fee. For the International Equity Fund, a fee of 2% will be assessed on the redemption of shares held for 30 calendar days or less.

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 March 1, 1993, which was the inception date of the Fund.
2. Performance of the Class I shares prior to their inception on August 27, 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 March 1, 1993, which was the inception date of the Fund.
3. The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. 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.