

Sentinel Conservative Strategies Fund

Cn

4Q10 December 31, 2010

About the Management Team

More than 140 years
of combined experience.

Christian W. Thwaites

Portfolio Manager
· 6 years with Sentinel
· 29 years of investment experience

Daniel J. Manion, CFA

Portfolio Manager, US Large Cap Equity
· 18 years with Sentinel
· 24 years of investment experience

Charles C. Schwartz, CFA

Portfolio Manager, US Mid Cap and Small
Cap Equity
· 14 years with Sentinel
· 19 years of investment experience

Katherine Schapiro, CFA

Portfolio Manager, International Equities
· 5 years with Sentinel
· 29 years of investment experience

David M. Brownlee, CFA

Portfolio Manager, Investment-Grade
Bonds
· 17 years with Sentinel
· 30 years of investment experience

Jason Doiron, FRM, PRM

Portfolio Manager, Fixed Income &
Derivatives
· 3 years with Sentinel
· 10 years of investment experience

Manager Insights

The Sentinel Conservative Strategies Fund produced a total return of 3.57% for the fourth quarter of 2010, compared to a 10.76% return for the Standard & Poor's 500 Index², and a -1.30% return for the Barclays Capital U.S. Aggregate Bond Index¹. The Morningstar Conservative Allocation peer group³ returned 3.45% for the quarter. For the full year period, the Fund's total return was 10.47%, compared to the 10.03% return for the Morningstar peer average. For the full year, the S&P Index was up 15.06%, while the Barclays Capital U.S. Aggregate Bond Index returned 6.54%. The Fund's asset allocation as of December 31, 2010 was 44% equities (including international equities), 38% government bonds, 13% corporate bonds (including high-yield bonds), and 5% cash and equivalents. The Fund's equity exposure was increased, while government bond exposure decreased during the quarter.*

Equity markets were highly volatile during most of 2010, but presented a pronounced rebound in the fourth quarter. The global economic outlook in the first half of the year was uncertain, as it was dominated by European sovereign debt issues, possible Chinese monetary tightening and weak U.S. economic data. The "flash crash" in early May compounded the uncertainty, and investors sought the relative safety of Treasuries. The Fed reacted by issuing a second round of quantitative easing (QE2), triggering a search for higher returns. Mid and small cap companies outperformed large cap companies, while the Industrial and Consumer Discretionary sectors outperformed the general market. During 2010, stock selection was a positive contributor to the Fund's performance. We maintained our overweight position in the Health Care sector, while moderating our exposure to the Industrials and Materials sectors. We maintain our preference for large cap multinationals, with an emphasis on the Health Care and Industrial sectors. We 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.

Interest rates closed the year in the middle of their 2010 respective ranges. However, interest rates rose sharply in the fourth quarter even with the Federal Reserve buybacks from QE2. The U.S. Treasury yield curve remains very steep by historical standards. Within the fixed-income markets, the credit-sensitive sectors, namely commercial mortgage-backed securities (CMBS) and corporate bonds (both high yield and investment grade) were once again the best performing sectors in 2010, as they were in 2009. U.S. Treasuries and Agency mortgage-backed securities produced more modest returns, while municipal bond returns were very weak due to ongoing budget concerns. We expect rates to remain low for an extended period of time, and anticipate continued volatility in the markets.

The Conservative Strategies Fund plans to continue to emphasize quality and yield in this low interest rate environment and expects to continue to maintain high exposure to agency-backed

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. 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 in the Fund's portfolio are subject to political influences, currency fluctuations and economic cycles that may be unrelated to those affecting domestic markets and may experience wider price fluctuations. High yield securities in the Fund's portfolio are subject to higher default risk than investment grade bonds. The Fund is subject to interest rate risk. Bond values will generally decrease when interest rates rise and will generally increase when interest rates fall. Mortgage-backed securities (MBS) are subject to prepayment risk. These risks may result in greater share price volatility. Convertible securities are subject to the risks associated with both fixed income securities and common stocks. 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. Fund shares are not insured or guaranteed by the U.S. Government or its agencies. For performance current to the most recent month-end, visit www.sentinelinvestments.com.

The following are total annual operating expense ratios for Sentinel Conservative Allocation Fund Class A, C and I shares; A - 1.16%, C - 2.02%, I - 0.85%. Expense ratio data for the Class A and C shares is sourced from the prospectus dated March 30, 2010, Class I share expense ratio is sourced from the March 30, 2010 prospectus as supplemented December 17, 2010.

On 12/15/2010 the Conservative Allocation Fund was renamed the Conservative Strategies Fund. On 12/17/2010 the Conservative Strategies Fund investment strategies changed. Performance and ratings shown reflect the investment strategies used prior to 12/17/2010.

The Fund may use derivatives, which are financial contracts whose value depends upon or is derived from the value of an underlying asset, reference rate, or index. The Fund may use derivatives as part of a strategy designed to reduce exposure to certain risks, such as risks associated with changes in interest rates, or currency or credit risk ("hedging"). The use of derivatives may reduce the Fund's return and increase the volatility in movements in the Fund's net asset value. For additional information regarding the use of derivatives, please see the Fund's current prospectus.

* 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 Barclays Capital U.S. Aggregate Bond Index is an unmanaged index that measures the U.S. investment grade fixed-rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. An investment cannot be made directly in an index.

2. The Standard & Poor's 500 Index is an unmanaged index of 500 widely held U.S. equity securities chosen for market size, liquidity, and industry group representation. 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.

mortgage-backed securities. A sizeable commitment to very high grade fixed-income securities should generate an attractive income stream, and should act to mitigate overall return volatility that is present in the corporate high-yield bond and equity asset classes, thereby reducing overall portfolio risk for the Sentinel Conservative Strategies Fund.

Top 5 Equity Holdings

(% of the total net assets as of December 31, 2010)

Company	Industry	% of Fund
ExxonMobil Corp.	Oil, Gas & Consumable Fuels	0.8%
PepsiCo, Inc.	Beverages	0.7
Noble Energy, Inc.	Oil, Gas & Consumable Fuels	0.7
Comcast Corp. (Cl A Special Non-Voting)	Media	0.6
Texas Instruments, Inc.	Semiconductors & Semiconductor Equipment	0.6
Total		3.4%

Top 5 Fixed Income Holdings

(% of the total net assets as of December 31, 2010)

Description	% of Fund
FNMA Pool - 928260, 4.0, 03/01/2036	4.2%
FNMA REMIC Trust 2005-39, 5.0, 05/25/2025	4.0
FNMA REMIC Trust 2005-16, 5.0, 03/25/2034	2.8
FNMA REMIC Trust 2006-29, 5.5, 07/25/2035	2.5
FHLMC REMIC Series 2934, 5.0, 01/15/2034	2.4
Total	15.9%

Performance (as of December 31, 2010)

	Class A shares		Class C shares		Class I shares	S&P 500 Index ¹	Barclays Capital U.S. Aggregate Bond Index ²
	Without Sales Charge	With Max Sales Charge	Without Sales Charge	With Max Sales Charge	Without Sales Charge		
Cumulative YTD	10.47%	4.98%	9.71%	8.71%	10.50%	15.06%	6.54%
	Average Annual Total Returns						
1 year	10.47	4.98	9.71	8.71	10.50	15.06	6.54
3 years	3.11	1.36	2.28	2.28	3.12	-2.86	5.90
5 years	5.08	4.01	4.17	4.17	5.09	2.29	5.80
10 years	—	—	—	—	—	1.41	5.84
Since inception	6.75	6.05	5.92	5.92	6.75	7.97	4.84
Fund inception date 3/10/03							

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. 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 in the Fund's portfolio are subject to political influences, currency fluctuations and economic cycles that may be unrelated to those affecting domestic markets and may experience wider price fluctuations. High yield securities in the Fund's portfolio are subject to higher default risk than investment grade bonds. The Fund is subject to interest rate risk. Bond values will generally decrease when interest rates rise and will generally increase when interest rates fall. Mortgage-backed securities (MBS) are subject to prepayment risk. These risks may result in greater share price volatility. Convertible securities are subject to the risks associated with both fixed income securities and common stocks. 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. Fund shares are not insured or guaranteed by the U.S. Government or its agencies. For performance current to the most recent month-end, visit www.sentinelinvestments.com.

The following are total annual operating expense ratios for Sentinel Conservative Allocation Fund Class A, C and I shares; A - 1.16%, C - 2.02%, I - 0.85%. Expense ratio data for the Class A and C shares is sourced from the prospectus dated March 30, 2010. Class I share expense ratio is sourced from the March 30, 2010 prospectus as supplemented December 17, 2010.

On 12/15/2010 the Conservative Allocation Fund was renamed the Conservative Strategies Fund. On 12/17/2010 the Conservative Strategies Fund investment strategies changed. Performance and ratings shown reflect the investment strategies used prior to 12/17/2010.

The Fund may use derivatives, which are financial contracts whose value depends upon or is derived from the value of an underlying asset, reference rate, or index. The Fund may use derivatives as part of a strategy designed to reduce exposure to certain risks, such as risks associated with changes in interest rates, or currency or credit risk ("hedging"). The use of derivatives may reduce the Fund's return and increase the volatility in movements in the Fund's net asset value. For additional information regarding the use of derivatives, please see the Fund's current prospectus.

1. The Standard & Poor's 500 Index is an unmanaged index of 500 widely held U.S. equity securities chosen for market size, liquidity, and industry group representation. An investment cannot be made directly in an index.
2. The Barclays Capital U.S. Aggregate Bond Index is an unmanaged index that measures the U.S. investment grade fixed-rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. An investment cannot be made directly in an index.

The Global Industry Classification Standard ("GICS") is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Sentinel Investments. Neither MSCI, S&P nor any third party involved in making or compiling the GICS makes any express or implied warranties or representations and shall have no liability whatsoever with respect to GICS or the results to be obtained by the use thereof.



For more than 75 years, Sentinel Investments has offered sound investment solutions built around core asset strengths, a disciplined investment philosophy and a foundation of independent fundamental research. We see our role as stewards of your investment capital, seeking competitive returns in strong market environments and superior relative performance in down markets. We are committed to quality, consistency and sustainable results, measured in years, rather than days, weeks or months.