Sentinel International Equity Fund

A | SWRLX | 817270887   C | SWFCX | 817270689   I | SIIEX | 81728B775

Manager Insights
as of 12/31/2014

Fund Management

Andrew Boczek
Portfolio Manager
Industry: 1987
Sentinel: 2012

Performance Highlights

- For the quarter ended December 31, 2014, the Sentinel International Equity Fund returned -0.25%*, compared to the -3.57% total return of the Morgan Stanley Capital International Europe, Australasia and Far East Index (MSCI EAFE Index) and the -3.18% return for the Morningstar Foreign Large Blend category.
- For calendar year 2014, the Fund returned -5.59%*. This compares to a return of -4.90% for the MSCI EAFE Index, and a -4.98% average return for the Morningstar Foreign Large Blend category during the same period.

Market Review

The final quarter of 2014 was characterized primarily by weakness in energy prices and strength in the US dollar. In the wake of Saudi Arabia's decision not to cut back on its oil production and help balance an oversupplied global market, the price of oil collapsed by fully one third. The result was an accompanying sharp move downward in the currencies of many commodity exporting countries, led for obvious geopolitical reasons by the Russian ruble, but also including significant falls in the Brazilian real, the Mexican peso and even the Aussie and Canadian dollars.

An obvious feature of the economic and financial landscape over the past year has been the relative strength of the US economy vs. those of other developed countries. With the process of private sector deleveraging in this country considerably further advanced, and continued signs of solid if unspectacular recovery in evidence, the stage was set for the end of extraordinary monetary accommodation by the Federal Reserve. Combined with what had been a chronically weak dollar, foreign central banks not yet ready to take their foot off the accelerator and softening commodity demand from China, we've seen early signs of a US dollar bull market. In fact, during just the fourth quarter the dollar rose against every major currency, including gains of 4% against the euro and 8% against the yen.

Bond markets showed surprising strength in a year when most observers had predicted an inevitable backup in interest rates. As we enter 2015, the chorus of prognosticators has pushed expectations for rising rates in the US into the middle or second half of the year, while a normalization of monetary policy in Japan and the Eurozone is still nowhere in sight.

Global equity markets were weak across the board during the fourth quarter, led of course by Energy related stocks, as well as Materials, which fell on continued signs of weak demand from China. Consumer, Information Technology (IT), and Telecom stocks showed relative resilience during the period. During the full year, similarly, Energy and Materials led the way down, with the defensive Health Care and Utilities sectors, as well as the growthier IT sector showing relatively strong performance versus the benchmark.

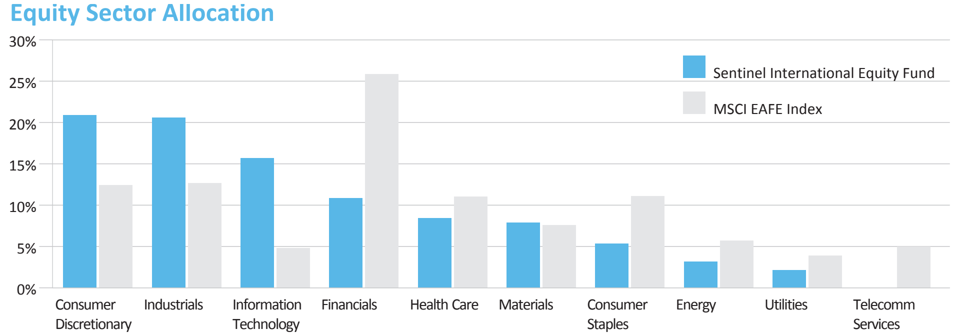
Key Performance Attributes

For the fourth quarter of 2014, the Sentinel International Equity Fund's relative performance benefitted from being underweight Energy and overweight Consumer Discretionary stocks, as well as from good stock selection in Industrial and IT stocks, while suffering slightly from not owning anything in the Telecom sector, and by poor stock selection in Energy.

Of course, due to the concentration of the Fund in fewer than 40 holdings it is more useful to drill down to identify individual securities that had a meaningful impact on performance. Among our biggest gains for the period came from an investment in Indian specialty financial company Shriram Transport Finance Co. Ltd, the leading provider of loans to commercial truck drivers in that country. India has enjoyed a strong bull market in stocks in 2014, thanks to a new investor friendly government and falling interest rates, and Shriram has benefitted thanks to its unique knowledge of the commercial truck market.

The fourth quarter was also kind to our investment in Blackberry Limited, the Canadian provider of telecommunications software and services for enterprises. CEO John Chen has righted the ship there, quickly making the hard decisions to cut costs and reduce exposure to the legacy handset business since he took over the reigns a year ago. The

Equity Sector Allocation



Data shown is historical performance for each share class and reflects reinvested distributions. 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.*

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 US domestic securities.

* 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.

The Morgan Stanley Capital International (MSCI) Europe, Australasia, Far East (EAFE) Index is an unmanaged, free float-adjusted, market capitalization-weighted index of the equity market performance of developed markets, excluding the US and Canada. The Fund uses the net version of the Index, which reflects reinvested dividends subjected to the maximum non-US tax rate applicable.

An investment cannot be made directly in an index.

The return for the Morningstar category is an average of funds within the particular category as determined by Morningstar based on investment styles as measured by their underlying portfolio holdings

NOT FDIC INSURED • MAY LOSE VALUE • NO BANK GUARANTEE

Before investing, carefully consider a fund's objectives, risks, charges and expenses. Summary and full prospectuses containing this and other information are available from sentinelinvestments.com. Please read them carefully.

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company introduced its new suite of secure mobile enterprise software during the fourth quarter, and there's also been some speculation about potential interest from various suitors for the company. If the company can translate its tremendous IP portfolio and enterprise customer base into revenues, we think there's still plenty of potential for the stock.

Finally, the Fund benefitted from its investment in Christian Dior SA, which in addition to operating the eponymous couture line, is the holding company for diversified French luxury goods maker LVMH, known for its Louis Vuitton and Moet Hennessy brands. Four years ago, LVMH began quietly building a stake in Hermes, another French luxury brand, with the possible intention of eventually taking control. Having been rebuffed by the Hermes family, LVMH ultimately decided to distribute its stake in Hermes to its own shareholders, including Christian Dior, which in turn distributed it to its shareholders, and the market reacted favorably to this somewhat uncharacteristically shareholder friendly move.

By far the largest negative contribution to performance came from the Fund's investment in Prosafe SE, the Norwegian based owner and operator of floating accommodation rigs, or floatels, for the oil and gas industry and operating primarily in the North Sea. When we began purchasing shares of the company in April, we were already aware that the industry was facing headwinds from a significant increase in the supply of floatels, following a decade in which Prosafe had controlled well over 50% of the market. At the time we believed that the high quality of Prosafe's assets, combined with good long term prospects for demand, near term growth in the company's own fleet, and a very attractive valuation mitigated the risk coming from new, competing supply. Following the collapse in the oil market over the past few months and reductions in capital expenditure plans by oil exploration and production companies, it's clear that we were too sanguine about near term risks to the business. Nonetheless, we continue to believe that Prosafe has an attractive market position with good longer term prospects and is trading at an exceptionally attractive valuation on a number of metrics.

Our investment in Countrywide plc, the UK's leading real estate brokerage firm, took a hit in the face of fears of rising interest rates in the UK and worries about an overheating London property market. We continue to like the company's mix of business that favors regional UK markets and diversifies its revenue among brokerage commissions and rental fees, making the business less cyclical than perceived by others in the stock market.

Outlook

After another visit to Japan we remain skeptical about the ability of Abenomics to deliver "good" inflation to that country. Europe is a mixed bag, with the UK arguably on the heels of the US in terms of ending extraordinary monetary accommodation, Germany slowing, Spain recovering off of a low base and France and Italy going nowhere. We are watching for signs of social tension in peripheral Europe that could derail the rebalancing process there and we continue to believe that the requisite austerity carries with it elevated risks of social tensions in peripheral countries. Geopolitical risks coming from the standoff with Russia over Ukraine, as well as continued instability in the Middle East bear watching. The collapse in energy prices is a blessing for a number of oil importing countries, but could spell economic and political disaster in countries where governments have budgeted for double the current level of oil-related revenues.

China's transition from investment and export led growth toward a more balanced economic model remains a work in progress, with implications for global commodity markets. There is plenty of evidence from the real economy that growth has ground to a crawl, though we believe that consumption spending can continue to grow at an acceptable pace. It will be interesting to see how the authorities in China react to a weaker yen, and if they ease policy over the next year in the face of soft property markets.

At the end of last year we were happy with the quality of the companies in our portfolio, but concerned that valuations had in many cases gotten ahead of the fundamentals. Over the past year it seems to us that some of the excess has been wrung out of stocks, so our work lists are full and we're more optimistic about the prospects for returns going forward. As always, we continue to focus our energies on identifying exceptional businesses run by shareholder-friendly management teams and sporting solid balance sheets, trading at reasonable valuations. We thank you for your continued interest and support.

Top 10 Countries

	% Fund
United Kingdom	21.8
Germany	13.3
Switzerland	11.4
France	10.5
Japan	6.1
Canada	3.8
Netherlands	3.7
South Korea	3.2
Denmark	3.1
Sweden	2.9
Total	**79.9**

Top 10 Holdings

	% Fund
Countrywide PLC	4.4
Experian PLC	3.9
BlackBerry Ltd.	3.8
Renault SA	3.5
CyberAgent, Inc.	3.4
Fresenius SE & Co KGaA	3.3
Samsung Electronics Co. Ltd.	3.2
Adecco SA	3.2
ISS A/S	3.1
Nestle SA	3.0
Total	**34.7**

Totals may not add due to rounding.

Sentinel International Equity Fund Performance (as of 12/31/2014)

			Cumulative Return YTD (%)	Average Annual Total Returns (%)				
				1 Year	3 Years	5 Years	10 Years	Since Inception
Class A[1]	SWRLX	Without Sales Charge	-5.59	-5.59	10.78	5.46	4.44	7.13
		With 5% Sales Charge	-10.30	-10.30	8.90	4.39	3.91	6.88
Class C[2]	SWFCX	Without CDSC	-6.98	-6.98	9.10	3.90	3.05	5.81
		With 1% CDSC	-7.75	-7.75	9.10	3.90	3.05	5.81
Class I[3]	SIIEX	No Sales Charge	-5.22	-5.22	11.35	5.94	4.75	7.28
MSCI EAFE Index			*-4.90*	*-4.90*	*11.06*	*5.33*	*4.43*	*6.17*

Fund inception date is 3/1/1993. Total annual operating expense ratio A: 1.44%, C: 3.04%, I: 0.89%.*

All class-specific data is for Class A shares as of December 31, 2014 unless otherwise noted. The composition of the Fund's holdings is subject to change.

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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.

Katherine Schapiro was a portfolio manager on the International Equity Fund until April 21, 2014 and is responsible, in part, for the performance of the Fund through that date. Andrew Boczek, who was named a co-portfolio manager on September 1st, 2012, and is the sole portfolio manager on the Fund.

1. Performance of the Class A shares prior to June 30, 2012 has not been adjusted to reflect the decrease in the maximum 12b-1 fee from 0.30% to 0.25%. If it had, those returns would be higher.
2. Performance of the Class C shares prior to their inception on 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 CDSC, 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.
3. 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. Only eligible investors may purchase Class I shares, as described in the prospectus.

The Morgan Stanley Capital International (MSCI) Europe, Australasia, Far East (EAFE) Index is an unmanaged, free float-adjusted, market capitalization-weighted index of the equity market performance of developed markets, excluding the US and Canada. The Fund uses the net version of the Index, which reflects reinvested dividends subjected to the maximum non-US tax rate applicable.

An investment cannot be made directly in an index.

Source: Factset

* Expense ratio data is sourced from the Fund's most recent prospectus.