



MUTUAL FUNDS

Fund Commentary

Q4 | 2009

John Hancock Regional Bank Fund

FROM THE MFC GLOBAL INVESTMENT MANAGEMENT (U.S.), LLC PORTFOLIO MANAGEMENT TEAM

The performance data contained within this material represents past performance, which does not guarantee future results. The return and principal value of an investment will fluctuate, so that shares, when redeemed, may be worth more or less than the original cost. The Fund's current performance may be higher or lower and is subject to substantial changes. For performance data current to the most recent month end, contact your financial professional or call John Hancock Funds at 1-800-225-5291.

FUND RESULTS

For the fourth quarter of 2009, the Fund returned 0.13%, ahead of the S&P 1500 Bank Index, which fell 1.21% and Morningstar, Inc.'s peer group of specialty financial funds, which dropped 1.04%. The broad stock market, as measured by the S&P 500 Index, increased 6.04%.*

MARKET ENVIRONMENT

Signs of economic improvement were apparent, but the data was mixed, with consumer confidence and wages flattening out. The unemployment rate reached a 26-year high of 10.2% in October before declining the following month. The government began to unwind some of the stimulus programs that were put in place to stem the financial crisis and aid economic growth.

PERFORMANCE REVIEW

Financial stocks underperformed due to uncertainty about the strength of the economic rebound, expected further credit problems and a slowdown in some capital markets businesses.

Banks had mixed results, both in terms of fundamental trends and stock price performance. Problem credits continued to increase and banks built their reserves for future losses. Nevertheless, some early-stage indicators showed signs of credit stabilization. Significant public capital was raised as a number of banks opted to repay the government's TARP capital. And bank failures continued, bringing the total for 2009 to 140, a level not seen since the early 1990s.

The Fund performed better than the benchmark due to its overweight in higher-quality names. Some of our biggest contributors were buyers of failed banks from the FDIC, including East West Bancorp, Hancock Holding, and IBERIABANK. Also, high-performing regional banks like Signature Bank, Commerce Bancshares and M&T Bank had solid returns after reporting better-than-expected earnings.

The largest detractor from performance was Bank of America. The stock fell about 11% as uncertainty surrounding its TARP repayment and CEO succession weighed on its shares. With the resolution of these issues prior to year end, we believe that the stock could be a strong performer in 2010.

OUTLOOK

We are bullish on the sector as we see four positive themes that could play out over the next few years. First, credit fundamentals will improve as the economy moves out of recession, leading to tremendous earnings leverage for the banks. Second, with the shadow banking market closed, loans and deposits are moving back into the banking system. Banks are getting better spreads on loans and seeing less competition and lower rates on deposits, leading to improved net interest margins. Third, we believe industry consolidation will accelerate; first through the FDIC failed bank process and then through traditional acquisition activity which can remove weak competitors and achieve synergies for the acquirers. Finally, bank stock valuations remain attractive today compared to historic levels. We believe improving industry fundamentals will lead to normalized valuations and strong stock performance.

SCORECARD

Investment

East West Bancorp



Chinese-focused bank that purchased its largest competitor in an FDIC-assisted failed bank acquisition

Commerce Bancshares



Reported better-than-anticipated earnings with a lower provision for loan losses and a higher net interest margin than expected

Bank of America



Uncertainty about the timing and cost of TARP repayment and CEO succession plans weighed on the stock during much of the quarter

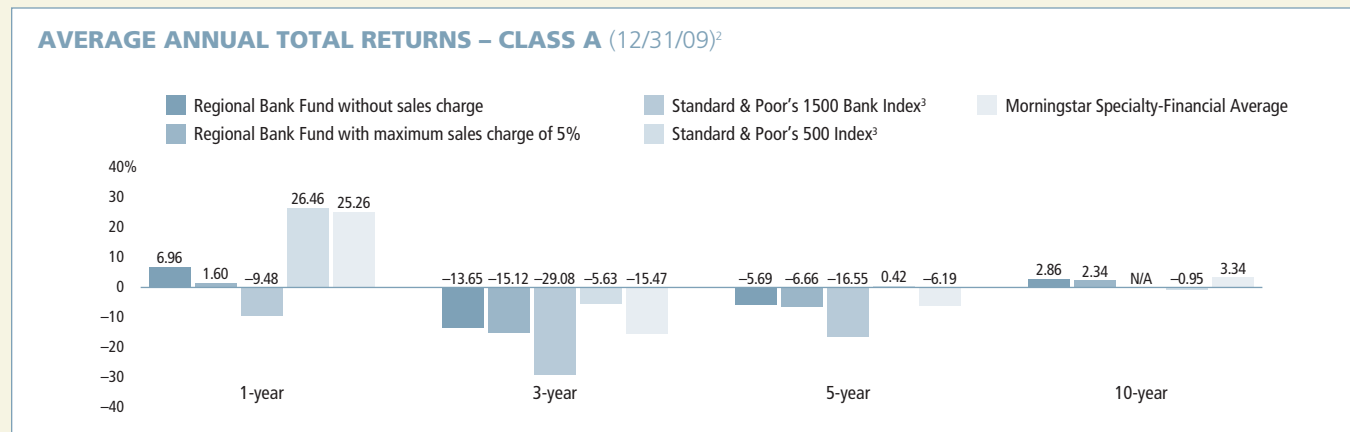
Period's performance ... and what's behind the numbers

*Performance for Class A shares only at net asset value. Please visit our Web site at www.jhfunds.com for performance of other share classes.

This commentary reflects the views of the portfolio managers through December 31, 2009. The managers' views are subject to change as market and other conditions warrant. No forecasts are guaranteed. This commentary is provided for informational purposes only and is not an endorsement of any security, mutual fund, sector or index. MFC Global Investment Management (U.S.), LLC, John Hancock Advisers, LLC, and their affiliates, employees and clients may hold or trade the securities mentioned in this commentary.

TEN LARGEST EQUITY HOLDINGS (12/31/09)¹

JPMorgan Chase	5.77%	Wells Fargo.....	4.28%
Bank of America.....	5.77%	SVB Financial Group	4.13%
U.S. Bancorp.....	4.97%	M&T Bank	3.90%
PNC Financial Services Group.....	4.90%	State Street.....	3.75%
Cullen/Frost Bankers	4.41%	Commerce Bancshares.....	3.31%



Performance reflects a total annual fund operating expense ratio of 1.36%. There is currently no expense reimbursement in effect for Class A shares; therefore, the net and gross expense ratio is the same figure. Expenses for other share classes will vary, which will affect returns. Performance figures assume that all distributions are reinvested. Performance quoted without sales charges would be reduced if the sales charges were applied.

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A fund's investment objectives, risks, charges and expenses should be considered carefully before investing. The prospectus contains this and other important information about the Fund. To obtain a prospectus, contact your financial professional, call John Hancock Funds at 1-800-225-5291 or visit our Web site at www.jhfunds.com. Please read the prospectus carefully before investing or sending money.

Investments concentrated in one industry may fluctuate more widely than investments diversified across industries. Foreign investments carry additional risks, including currency fluctuations, differences in accounting standards and political instability. The Fund may be considered a vehicle for diversification, but, on its own, does not represent a well-balanced investment program. The Fund may not be appropriate for all investors.

For more information, call your financial professional or John Hancock Funds at 1-800-225-5291.



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- 1 Listed holdings do not represent all of the holdings in the Fund. Holdings are subject to change at any time and are not recommendations to buy or sell any security. Holdings are expressed as a percentage of net assets. Ten Largest Holdings excludes cash and cash equivalents.
- 2 Source: Morningstar, Inc. Performance for other share classes may vary, and returns assume all dividends and capital gains are reinvested. For some periods, the Fund's performance may have been influenced by investments in unusually hot industries, IPOs or other factors. Similar opportunities may or may not be available in the future.
- 3 The Standard & Poor's 1500 Bank Index is an unmanaged index of banking sector stocks in the S&P 1500 Index. The Standard & Poor's 500 Index is an unmanaged index that includes 500 widely traded common stocks. It is not possible to invest directly in an index.

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