



MUTUAL FUNDS

Fund Commentary

Q1 | 2008

John Hancock Global Real Estate 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

The Fund return for the quarter ended March 31, 2008 was -9.45%, versus a -6.10% return for the S&P/Citigroup World Property Index and an average return of -0.94% for Morningstar's specialty-real estate fund group.*

MARKET ENVIRONMENT

The broad market was weak in the first quarter, with the S&P 500 Index lower by 9.44%. Credit markets continued to weigh on the market even as the Federal Reserve took aggressive actions to improve the markets, further reducing interest rates by 2% in its effort to ease credit markets and avoid an economic recession. Overall, market conditions remained volatile and will do so until the credit markets stabilize.

PERFORMANCE REVIEW

Real estate stocks outperformed the broader stock market, in expectation that the credit markets would stabilize soon and also due to the perception that the worst in the housing market had passed. Overall fundamentals have not deteriorated, but risk to the downside is increasing.

The Fund's underperformance was driven by our overweight in Hong Kong property and underweight in the United States. Hong Kong property was weaker as concerns grew that government regulations may have been too aggressive in cooling the property market.

The U.S. market was stronger as the Fed's actions helped drive performance.

Top performers for the quarter were Unibail and Essex Property Trust. Unibail performed well during the quarter as property values in France remained firm and retail spending continued to support retail sales. Essex Property performed strongly during the quarter as the weak housing market has supported residential owners. The top underperformers were Eurocastle Investments and Shenzhen Investments. Eurocastle released disappointing financial results during the quarter, with a more-than-expected write-down in the value of the investment portfolio. Shenzhen was weaker due to concerns over the government policies and potentially weaker financial results from severe snowstorms during the first quarter.

OUTLOOK

The overall fundamentals within the real estate sector remain good. Valuations in most markets are looking more reasonable; however, the credit markets will continue to dictate market sentiment. This leads us to a neutral outlook over the near term, with expectations that credit markets could return to a more normalized state by year end. We will continue to focus on regions that illustrate strong supply/demand characteristics and companies that provide a safe degree of margin in case of further weakness.

SCORECARD

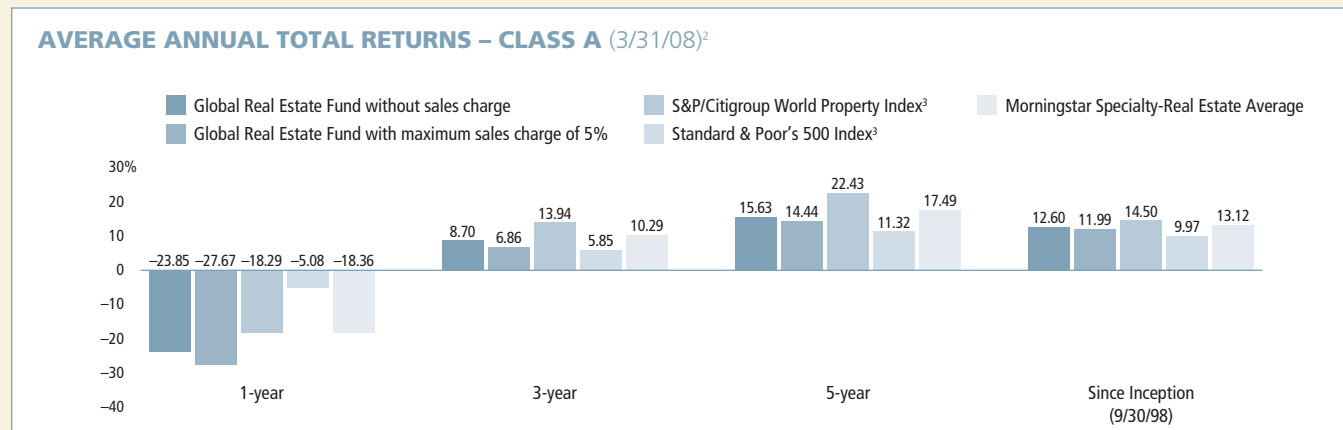
Investment	Period's performance ... and what's behind the numbers
Unibail	▲ France property values remain firm
Eurocastle Investments	▼ Disappointing financial results
Shenzhen Investment	▼ Government measures may cool property market

*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 March 31, 2008. 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 (3/31/08)¹

Allco Commerical REIT	3.61%	IVG Immobilien AG	2.98%
Mitsubishi Estate	3.58%	Westfield Group	2.97%
Shenzhen Investment	3.57%	Cheung Kong (Holdings)	2.79%
Mitsui Fudosan	3.27%	Unibail-Rodamco	2.52%
Transocean	3.07%	Essex Property Trust	2.49%



Performance reflects a total annual fund operating expense ratio of 1.54%. There is currently no contractual expense reimbursement in effect; 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, call your financial professional, 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 sector may fluctuate more widely than investments diversified across sectors. 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.
- 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 S&P/Citigroup World Property Index is an unmanaged index consisting of U.S. and foreign companies. 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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