



MUTUAL FUNDS

# Fund Commentary

Q1 | 2012

## John Hancock Emerging Markets Fund

FROM THE DIMENSIONAL FUND ADVISORS LP 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.**

### PERFORMANCE

For the first quarter of 2012, the Fund posted a total return of 14.77%, compared to the 14.14% return of the MSCI Emerging Markets Index and the 13.59% return of the average diversified emerging markets fund as tracked by Morningstar, Inc.\*

### MARKET ENVIRONMENT

Emerging markets rallied significantly during the quarter, with most countries registering strong positive results. While pinpointing the drivers behind such a rally often is difficult, the environment overall was favorable for risky assets due in part to data pointing to a continued strengthening of the U.S. economy, the orderly resolution of Greece's sovereign debt crisis and other positive developments regarding Europe's path toward addressing the region's debt woes. From a regional standpoint, emerging European markets performed best, with much of the group's gains coming from the appreciation of Eastern-bloc currencies. In terms of countries, Egypt, a small component of the index, was at the top of the list, returning close to 49% in U.S. dollar terms. On the opposite end of the spectrum were Morocco, Indonesia and Malaysia, which lagged the index but still generated gains for the quarter. Along the market capitalization spectrum, small-cap stocks outperformed large-cap stocks. Value stocks in emerging markets outperformed growth stocks. In terms of sectors, the information technology and industrials sectors fared best, while telecommunications fared worst.

### PERFORMANCE REVIEW

Much of the Fund's outperformance of its benchmark was due to its greater weighting in smaller-capitalization stocks, which outpaced their larger-cap counterparts. A greater exposure to value stocks — particularly deep-value stocks — also bolstered performance as value stocks outpaced growth stocks. Differences in country weightings and sector weightings had little impact on relative performance. However, the Fund's underweighting in Samsung Electronics and Hon Hai Precision Industry — two companies that benefited from surging demand for Apple products — resulted in the Fund's lower overall weighting in the information technology sector, one of the best performing groups during the quarter. In terms of individual holdings, the Fund was hurt by its higher weights in Gold Fields and China Unicom (Hong Kong), which lagged the index, but was helped by higher weights in ICICI Bank and CEMEX, which outperformed.

### OUTLOOK

Resurgent concern about the still-unresolved European sovereign debt crisis could be a source of continued emerging-market volatility. Regardless of the environment, we will continue to adhere to our strategy. We seek long-term capital growth through investments primarily in emerging-market securities, which may include frontier markets (emerging-market countries at an earlier stage of development). We also seek to purchase emerging-market equity securities across all market capitalizations, with relatively higher exposure to securities of small-cap issuers and value securities that we generally consider to have a high book value in relation to their market value.

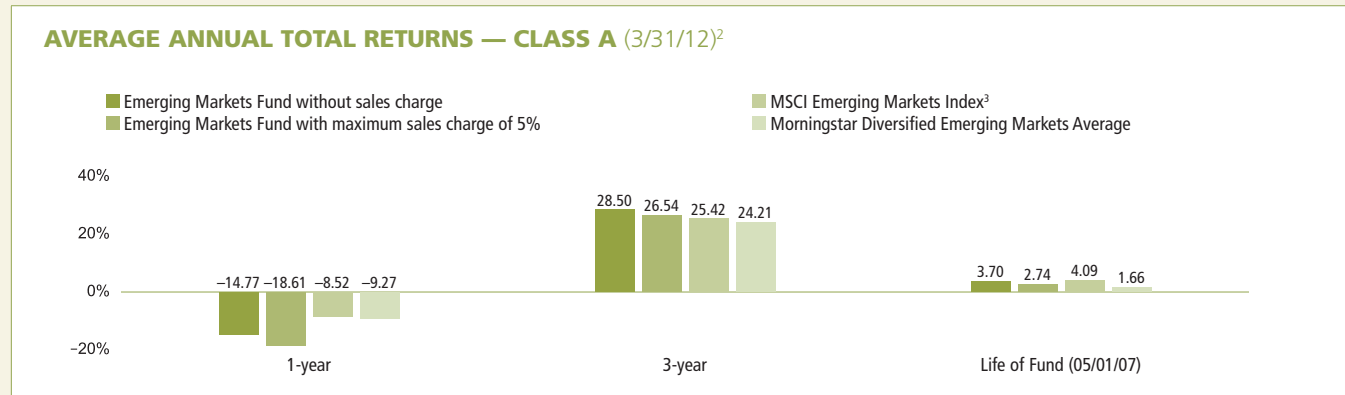
\*Performance for Class A shares only at net asset value. Please visit our Web site at [www.jhfunds.com](http://www.jhfunds.com) for performance of other share classes.

This commentary reflects the views of the portfolio managers through March 31, 2012. 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. Dimensional Fund Advisors LP, John Hancock Investment Management Services, LLC, and their affiliates, employees and clients may hold or trade the securities mentioned in this commentary.

**TEN LARGEST EQUITY HOLDINGS (3/31/12)<sup>1</sup>**

Gazprom OAO - London Exchange .....	1.82%	Vale .....	1.00%
Petroleo Brasileiro .....	1.80%	BRF - Brasil Foods SA .....	0.85%
Samsung Electronics Company .....	1.58%	Lukoil OAO .....	0.80%
Hyundai Motor Company .....	1.37%	China Mobile .....	0.75%
ICICI Bank .....	1.05%	Reliance Industries .....	0.75%

**AVERAGE ANNUAL TOTAL RETURNS — CLASS A (3/31/12)<sup>2</sup>**



5/1/07 is the inception date for the oldest class of shares, NAV shares. Class A shares were first offered on 3/31/11; returns prior to this date are those of Class NAV shares that have been recalculated to apply the gross fees and expenses of Class A.

The Fund’s total annual operating expense ratio as of the current prospectus is 1.64%. 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.

For performance data current to the most recent month end, contact your financial professional or call John Hancock Funds at 1-800-225-5291. 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.

**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](http://www.jhfunds.com). Please read the prospectus carefully before investing or sending money.**

*The risks of investing in foreign securities are greater for investments in emerging markets. Emerging-market countries may experience higher inflation, interest rates and unemployment, as well as greater social, economic, regulatory and political uncertainties than more developed countries. Value stocks may not increase in price as anticipated or may decline further in value. The prices of medium- and small-company stocks can change more frequently and dramatically than those of large-company stocks. If the Fund invests in illiquid securities, it may be difficult to sell them at a price approximating their value. Currency transactions are impacted by fluctuations in exchange rates, which may adversely affect the U.S. dollar value of a fund’s investments. The use of hedging and derivatives transactions could produce disproportionate gains or losses and increase volatility and costs. For additional information on these and other risk considerations, please see the Fund’s prospectus.*

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



**John Hancock Funds, LLC**

MEMBER FINRA | SIPC  
 601 Congress Street  
 Boston, MA 02210-2805  
 1-800-225-5291  
 1-800-554-6713 TDD  
[www.jhfunds.com](http://www.jhfunds.com)

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 and exclude 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. Performance results reflect any expense reductions. Without these reductions, performance would have been less favorable.  
 3 The MSCI Emerging Markets Index is a free float-adjusted market-capitalization index that is designed to measure equity market performance of emerging markets. It is not possible to invest directly in an index.  
 NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE  
 NOT INSURED BY ANY GOVERNMENT AGENCY