



MUTUAL FUNDS

Fund Commentary

Q1 | 2008

John Hancock Balanced 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 quarter ended March 31, 2008, the Fund returned -3.28%, beating the -6.14% return of the Morningstar, Inc. group peer group of moderate allocation funds.* Exposure to Treasuries and shorter-maturity bonds aided returns, as did overweights in energy and materials stocks, which held up better than the broader market. Underweights in financials and technology also contributed to the returns.

MARKET ENVIRONMENT

The S&P 500 returned -9.44% for the quarter, battered by further fall-out from the subprime debacle, the worst national housing slump in over 50 years, record high energy prices and mounting recession fears. The Federal Reserve acted aggressively to stimulate the economy and stabilize credit markets by slashing interest rates and opening its lending window to investment banks. As Treasury yields declined, bond prices rose, leading the Lehman Brothers Aggregate Bond Index to a 2.17% gain for the quarter.

PERFORMANCE REVIEW

Our equity focus remained on well-run companies with discounted stock prices and identifiable catalysts that could help unlock intrinsic value. Top performers included New York Times Co. (consumer discretionary) and British Energy Group (utilities), each of which

climbed more than 18%. We purchased New York Times, a media conglomerate with valuable real estate assets, when its stock price reached a 10-year low early in 2008. The stock rallied as the company cut costs in its newspaper business to offset declining revenues. British Energy, a nuclear power merchant in the United Kingdom, climbed on rumors that the company would sell off pieces of its business or would be acquired.

Major disappointments included Agrenco Ltd. (consumer staples) and KBR Inc. (industrials). Agrenco, a Brazilian agricultural services company that recently became public, declined as investors worried about some one-time costs and the postponement of the company's plans to produce biodiesel fuel. KBR Inc., a global infrastructure company with a growing backlog of business, slid after missing earnings expectations.

OUTLOOK

We remain optimistic about the Fund's prospects. Volatility has created excellent buying opportunities in both stocks and bonds. We expect to remain biased toward energy, metals and grain stocks, which benefit from higher inflation, and limit exposure to financially leveraged stocks as well as economically vulnerable sectors, such as industrials and technology. On the fixed-income side, we plan to add bonds with a yield advantage over Treasuries, including corporate bonds and mortgage-backed securities.

SCORECARD

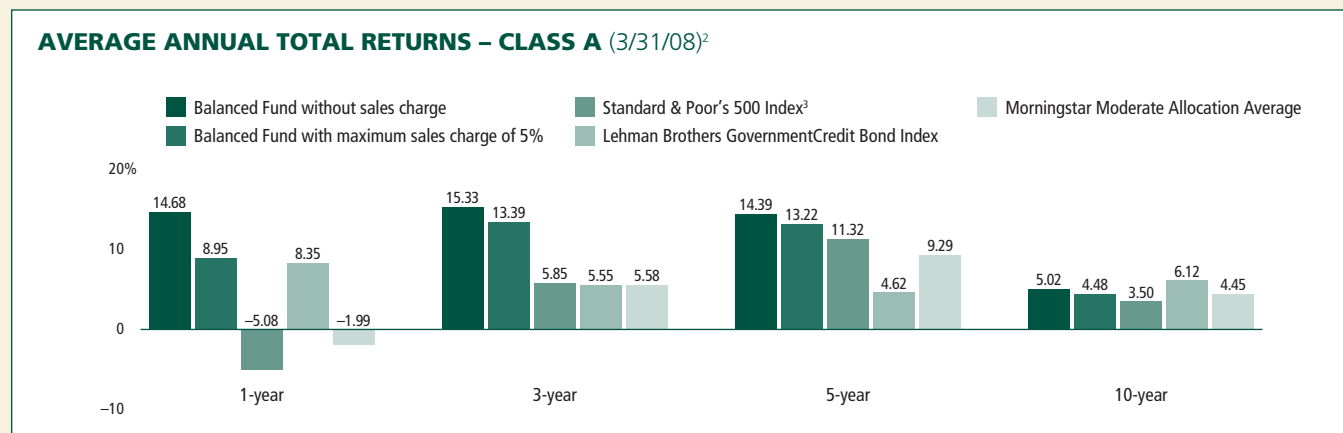
Investment	Period's performance ... and what's behind the numbers
New York Times	▲ Cost cutting in newspaper operations
British Energy Group	▲ Stabilized operations, rumors of asset sales
Agrenco	▼ One-time costs related to bad hedge prices

*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 ISSUERS (3/31/08)¹

Archer-Daniels-Midland	2.94%	Equitable Resources.....	2.08%
Sasol	2.67%	Suncor Energy	1.94%
Alcoa	2.64%	Bunge	1.94%
Treasury Bill	2.63%	Willis Group Holdings.....	1.90%
Microsoft.....	2.41%	Newmont Mining	1.87%



Performance reflects a total annual fund operating expense ratio of 1.28%. 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.

The major factors that affect the income portion of the Fund's performance are interest rates and credit risk. When interest rates rise, bond prices usually fall. Generally, an increase in the Fund's average maturity will make it more sensitive to interest-rate risk.

Large- or medium-capitalization stocks as a group could fall out of favor with the market, causing the Fund to underperform investments that focus on small-capitalization stocks.

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



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- 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.
- 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.
- The Standard & Poor's 500 Index is an unmanaged index of 500 widely traded common stocks. The Lehman Brothers Government/Credit Bond Index is an unmanaged index that measures the performance of U.S. government bonds, U.S. corporate bonds and Yankee bonds. 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