



MUTUAL FUNDS

# Fund Commentary

Q1 | 2012

## John Hancock Fundamental Large Cap Core Fund

FROM THE JOHN HANCOCK ASSET MANAGEMENT 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 returned 13.63% for the quarter ended March 31, 2012, beating the Fund's benchmark, the S&P 500 Index, and Morningstar, Inc.'s large blend fund category average, which returned 12.59% and 12.48%, respectively. Sector allocations, which were driven by bottom-up stock picking, pushed the Fund ahead of the index. Our focus was on financially sound, large-cap companies with competitive advantages and sustainable cash flow whose stock prices offered both downside protection and good return potential.\*

### MARKET ENVIRONMENT

Stocks had a huge quarter, with the S&P 500 Index posting its biggest first quarter gain in 14 years. The rally was fueled by signs of a strengthening U.S. economy — including improvements in manufacturing, unemployment, consumer confidence and housing — as well as stabilization of the sovereign debt crisis in Europe. Within the benchmark index, financials and information technology stocks posted especially sharp returns, while utilities, telecommunications services and energy were weaker performers.

### PERFORMANCE REVIEW

The Fund received its biggest boost from strong security selection and an overweight in the financials sector. Standouts included global financial service providers Bank of America Corp. and JPMorgan Chase & Co. Bank of America's stock rallied sharply, as capital adequacy concerns eased, while JPMorgan Chase's shares posted strong gains after the company passed the Federal Reserve's stress test with flying colors, allowing it to increase its dividend and start buying back shares. In addition, a stake in Goldman Sachs Group, Inc. climbed nicely as improving

market and economic conditions fueled anticipation of a pickup in investment banking activity.

Elsewhere, the Fund benefited from a sizable overweight in QUALCOMM, Inc., which makes semiconductors for cell phones. Its stock gain was driven by the expansion of 3G wireless technology in emerging markets, which in turn boosted cell phone demand. In consumer discretionary, where we favored companies tied to the housing market, standouts included home builder Lennar Corporation. Its stock benefited from encouraging trends in new home orders. Having no exposure to utilities and an underweight in consumer staples also helped relative performance.

The Fund lost ground versus the index from disappointing stock selection in the technology sector. However, our biggest detractors came from other sectors. They included Ultra Petroleum Corp., a small U.S. natural gas producer whose stock price slid as commodity prices weakened. Shares of online jewelry retailer Blue Nile, Inc. fell sharply after the company announced a decline in fourth quarter profit and a lower-than-expected earnings and revenues forecast for 2012 due to softening demand from high-end customers and rising input costs. An overweight in pharmaceutical company Merck & Co., Inc. also hurt as investors rotated away from more defensive stocks in the market rally.

### OUTLOOK

Going forward, we expect equity markets to benefit from an improving economy in the U.S. and stability in Europe. We also believe company fundamentals rather than macro-economic factors will drive stock returns, rewarding bottom-up stock pickers like ourselves. At quarter end, the Fund was positioned for a continued economic recovery, with overweights in the consumer discretionary and financials sectors.

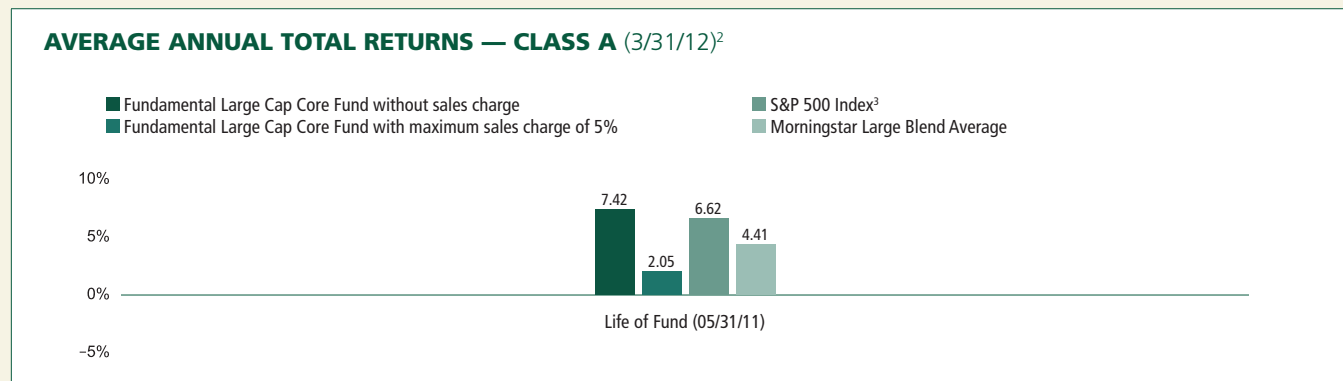
\*Performance for Class A shares only at net asset value. Please visit our Web site at [www.jhfunds.com](http://www.jhfunds.com) for performance of other share classes.

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. John Hancock Asset Management, 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>**

QUALCOMM .....	6.25%	Cisco Systems .....	3.14%
Amazon.com .....	5.12%	Visa .....	3.10%
JPMorgan Chase .....	3.66%	Lowe's .....	3.09%
Oracle .....	3.36%	Amgen .....	2.86%
Merck .....	3.22%	T. Rowe Price .....	2.82%

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



The Fund's net annual operating expense ratio as of the current prospectus is 1.30%. The gross annual operating expense ratio of 3.82% is reduced due to a contractual expense reimbursement, which is in effect until at least 12/31/12 and may be terminated by the Adviser any time after this date. 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](http://www.jhfunds.com). Please read the prospectus carefully before investing or sending money.**

*Large company stocks as a group could fall out of favor with the market, causing the fund to underperform. Foreign investing, especially in emerging markets, has additional risks such as currency and market volatility and political and social instability. Hedging and other strategic transactions may increase volatility of a fund and, if the transaction is not successful, could result in a significant loss. If the fund invests in illiquid securities, it may be difficult to sell them at a price approximating their value. 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.**



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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 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.  
 3 The S&P 500 Index is an unmanaged index of 500 widely traded common stocks. 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