

JOHN HANCOCK BANK & THRIFT OPPORTUNITY FUND
Form N-CSRS
July 06, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED

MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-8568

John Hancock Bank and Thrift Opportunity Fund
(Exact name of registrant as specified in charter)

601 Congress Street, Boston, Massachusetts 02210
(Address of principal executive offices) (Zip code)

Salvatore Schiavone
Treasurer

601 Congress Street

Boston, Massachusetts 02210
(Name and address of agent for service)

Registrant's telephone number, including area code: 617-663-4497

Date of fiscal year end: October 31

Date of reporting period: April 30, 2011

ITEM 1. REPORTS TO STOCKHOLDERS

Portfolio summary

Top 10 Holdings (41.4% of Net Assets on 4-30-11) ¹

JPMorgan Chase & Company	5.4%	SVB Financial Group	4.0%
PNC Financial Services Group, Inc.	5.2%	Cullen/Frost Bankers, Inc.	4.0%
Wells Fargo & Company	4.7%	TCF Financial Corp.	3.3%
Bank of America Corp.	4.2%	BB&T Corp.	3.2%
U.S. Bancorp.	4.2%	Zions Bancorporation	3.2%

Industry Composition^{2,3}

Commercial Banks	76%	Capital Markets	2%
Diversified Financial Services	11%	Short-Term Investments & Other	4%
Thriffs & Mortgage Finance	7%		

¹ Cash and cash equivalents not included in Top 10 Holdings.

² As a percentage of the Fund's net assets on 4-30-11.

³ Investments focused on one industry may fluctuate more widely than investments across multiple industries.

Fund's investments

As of 4-30-11 (unaudited)

	Shares	Value
Common Stocks 93.61%		\$349,908,234
<hr/>		
(Cost \$318,554,104)		
Financials 93.61%		349,908,234
Capital Markets 1.99%		
<hr/>		
State Street Corp.	159,460	7,422,860
<hr/>		
Commercial Banks 74.93%		
<hr/>		
1st United Bancorp, Inc. (I)	346,472	2,414,910
<hr/>		
Ameris Bancorp	236,991	2,355,691
<hr/>		
Anchor Bancorp (I)	88,416	898,307
<hr/>		
Avenue Bank (I)(R)	300,000	1,249,827
<hr/>		
Bank of Marin Bancorp	4,520	170,133
<hr/>		
Bar Harbor Bankshares	34,222	999,967
<hr/>		
BB&T Corp.	440,898	11,868,974
<hr/>		
Bond Street Holdings LLC, Class A (I)(S)	291,804	5,836,080
<hr/>		
Boston Private Financial Holdings, Inc.	206,198	1,441,324
<hr/>		
Bridge Capital Holdings (I)	150,564	1,547,798
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Bryn Mawr Bank Corp.	80,000	1,612,000
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California United Bank (I)	83,002	1,025,075
Camden National Corp.	36,776	1,270,611
Centerstate Banks, Inc.	321,439	1,999,351
Citizens Republic Banking Corp., Inc. (I)	2,777,383	2,549,638
City Holding Company	47,798	1,629,912
Comerica, Inc.	287,393	10,900,816
Cullen/Frost Bankers, Inc.	251,048	14,872,084
CVB Financial Corp.	265,747	2,588,376
DNB Financial Corp.	78,515	765,521
East West Bancorp, Inc.	558,155	11,793,815
Eastern Virginia Bankshares, Inc.	69,998	247,093
ECB Bancorp, Inc.	27,504	327,298
Evans Bancorp, Inc.	44,524	630,015
Fifth Third Bancorp	414,093	5,495,014
First Bancorp, Inc.	146,499	2,175,510
First California Financial Group, Inc. (I)	208,583	803,045
First Horizon National Corp.	180,033	1,971,361
First Southern Bancorp, Inc., Class B (I)	78,390	944,600
FNB Corp.	960,203	10,514,223
Glacier Bancorp, Inc.	189,375	2,846,306

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Hancock Holding Company 232,176 7,582,868

See notes to financial statements

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	Shares	Value
Commercial Banks (continued)		
Heritage Commerce Corp. (I)	387,733	\$2,027,844
Heritage Financial Corp.	187,598	2,765,195
Heritage Oaks Bancorp (I)	650,719	2,407,660
Horizon Bancorp	6,950	188,345
Huntington Bancshares, Inc.	236,485	1,605,733
Independent Bank Corp. □ MA	195,961	5,743,617
Lakeland Financial Corp.	54,942	1,203,788
M&T Bank Corp.	94,160	8,320,919
MB Financial, Inc.	296,947	6,143,833
Northrim BanCorp, Inc.	77,232	1,545,412
Pacific Continental Corp.	195,981	1,871,619
Park National Corp.	26,127	1,804,853
Park Sterling Corp. (I)	293,418	1,401,071
PNC Financial Services Group, Inc.	309,372	19,286,250
Prosperity Bancshares, Inc.	111,554	5,114,751

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Renasant Corp.	37,311	626,079
Sandy Spring Bancorp, Inc.	54,695	977,400
Sierra Bancorp	140,000	1,561,000
Southcoast Financial Corp. (I)	64,413	209,986
Sun Bancorp, Inc. (I)	502,348	1,828,547
SunTrust Banks, Inc.	318,859	8,988,635
SVB Financial Group (I)	249,420	15,074,945
Talmer Bank & Trust Company (I)(R)	462,595	2,624,349
TCF Financial Corp.	783,634	12,216,854
TriCo Bancshares	202,536	3,303,362
Trustmark Corp.	90,000	2,091,600
U.S. Bancorp	601,613	15,533,648
Union First Market Bankshares Corp.	56,313	716,864
United Bancorp, Inc. (I)	315,013	1,102,546
Univest Corp. of Pennsylvania	19,000	319,580
Washington Banking Company	67,556	945,108
Washington Trust Bancorp, Inc.	123,905	2,903,094
Wells Fargo & Company	604,108	17,585,584
WesBanco, Inc.	130,961	2,658,508
Westamerica Bancorp.	30,499	1,549,044

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Wilshire Bancorp, Inc.	172,168	688,672
Zions Bancorporation	483,334	11,817,516
Diversified Financial Services 9.61%		
Bank of America Corp.	1,278,555	15,700,655
JPMorgan Chase & Company	443,587	20,240,875
Thriffs & Mortgage Finance 7.08%		
Berkshire Hill Bancorp, Inc.	358,903	8,003,537
Citizens South Banking Corp.	343,181	1,630,110
Doral Financial Corp. (I)	103,266	154,899
First Defiance Financial Corp.	125,381	1,715,212
First Financial Holdings, Inc.	90,857	997,610
Flushing Financial Corp.	126,781	1,866,216
Heritage Financial Group, Inc.	95,762	1,156,805

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See notes to financial statements

	Shares	Value
Thriffs & Mortgage Finance (continued)		
Hingham Institution for Savings	80,000	\$4,232,000
Home Federal Bancorp, Inc.	94,447	1,147,531
Kaiser Federal Financial Group, Inc.	109,586	1,376,400

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Viewpoint Financial Group			69,957	863,969
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WSFS Financial Corp.			73,787	3,318,201
			Shares	Value
Preferred Securities 1.61%				\$6,025,448
<hr/>				
(Cost \$4,619,727)				
Financials 1.61%				6,025,448
<hr/>				
Commercial Banks 0.72%				
<hr/>				
First Southern Bancorp, Inc. (I)(J)			134	553,408
<hr/>				
Monarch Financial Holdings, Inc., Series B, 7.800%			38,925	1,049,029
<hr/>				
Zions Bancorporation, Series C, 9.500%			40,371	1,085,576
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Diversified Financial Services 0.89%				
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Bank of America Corp., Series MER, 8.625%			74,849	2,014,935
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Citigroup Capital XII (8.500% to 3-30-15, then 3 month LIBOR + 5.870%)			50,000	1,322,500
	Rate (%)	Maturity date	Par value	Value
Corporate Bonds 0.14%				\$533,721
<hr/>				
(Cost \$430,659)				
Financials 0.14%				533,721
<hr/>				
Commercial Banks 0.14%				
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Regions Financial Corp.	7.375	12-10-37	\$544,613	533,721
<hr/>				
Capital Preferred Securities 0.09%				\$315,103
<hr/>				
(Cost \$261,285)				

Financials 0.09% **315,103**

Commercial Banks 0.09%

Banponce Trust I, Series A	8.327	02-01-27	\$360,000	315,103
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	Shares	Value
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Warrants 0.40% **\$1,500,922**

(Cost \$1,713,920)

Comerica, Inc. (Expiration Date: 11-14-18, Strike Price: \$29.40) (I)(J)			93,762	1,256,411
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Valley National Bancorp (Expiration Date: 11-14-18, Strike Price: \$17.77) (I)(J)			33,222	80,729
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Washington Federal, Inc. (Expiration Date: 11-14-18, Strike Price: \$17.57) (I)(J)			27,297	163,782
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	Yield (%)*	Maturity date	Par value	Value
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Certificate of Deposit 0.02% **\$64,409**

(Cost \$64,409)

Country Bank For Savings	1.640	08-28-12	\$1,879	1,879
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First Bank Richmond	2.226	12-05-13	19,076	19,076
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Framingham Cooperative Bank	2.000	09-12-11	3,711	3,711
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Home Bank	0.867	12-04-13	18,442	18,442
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Machias Savings Bank	1.980	05-24-11	1,782	1,782
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Midstate Federal Savings and Loan	1.590	05-27-11	1,905	1,905
Milford Bank	2.130	06-04-11	1,776	1,776
Mount McKinley Savings Bank	0.400	12-05-11	1,682	1,682
Mt. Washington Bank	1.500	10-31-11	1,778	1,778
Newburyport Bank	1.250	10-22-12	2,010	2,010
Newton Savings Bank	2.370	05-30-11	1,803	1,803
OBA Federal Savings and Loan	1.050	12-15-11	1,287	1,287
Plymouth Savings Bank	1.340	05-11-11	1,857	1,857
Randolph Savings Bank	1.000	09-23-11	1,854	1,854
Salem Five Cents Savings Bank	0.600	12-19-11	1,703	1,703
Sunshine Federal Savings and Loan Association	2.460	05-10-11	1,864	1,864

	Par value	Value
Short-Term Investments 0.20%		\$762,000

(Cost \$762,000)

Repurchase Agreement 0.20%		762,000
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Repurchase Agreement with State Street Corp. dated 4-29-11
at 0.010% to be repurchased at \$762,001 on 5-2-11,
collateralized by \$750,000 Federal Home Loan Mortgage Corp.,
4.500% due 1-15-14 (valued at \$779,025, including interest)

\$762,000	762,000
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Total investments (Cost \$326,406,104) 96.07%		\$359,109,837
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Other assets and liabilities, net 3.93%		\$14,707,209
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Total net assets 100.00%		\$373,817,046
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The percentage shown for each investment category is the total value of the category as a percentage of the net assets of the Fund.

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See notes to financial statements

Notes to Schedule of Investments

LIBOR London Interbank Offered Rate

(I) Non-income producing security.

(J) These securities are issued under the U.S. Treasury Department's Capital Purchase Program.

(R) Direct placement securities are restricted to resale and the Fund has limited rights to registration under the Securities Act of 1933.

Issuer, Description	Original acquisition date	Acquisition cost	Beginning share amount	Ending share amount	Value as a percentage of Fund's net assets	Value as of 4-30-11
Avenue Bank	1-29-07	\$3,000,000	300,000	300,000	0.33%	\$1,249,827
Talmer Bank & Trust Company	4-30-10	\$2,775,570	462,595	462,595	0.70%	\$2,624,349

(S) These securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers, in transactions exempt from registration.

* Yield represents the annualized yield at the date of purchase.

□ At 4-30-11, the aggregate cost of investment securities for federal income tax purposes was \$326,410,726. Net unrealized appreciation aggregated \$32,699,111, of which \$58,383,721 related to appreciated investment securities and \$25,684,610 related to depreciated investment securities.

See notes to financial statements

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FINANCIAL STATEMENTS

Financial statements

Statement of assets and liabilities 4-30-11 (unaudited)

This Statement of Assets and Liabilities is the Fund's balance sheet. It shows the value of what the Fund owns, is due and owes. You'll also find the net asset value for each common share.

Assets

Investments, at value (Cost \$326,406,104)	\$359,109,837
Cash	14,009,695
Receivable for investments sold	620,492
Dividends and interest receivable	374,328
Other receivables and prepaid expenses	108,666
Total assets	374,223,018

Liabilities

Payable for investments purchased	265,220
Payable to affiliates	
Accounting and legal services fees	30,670
Trustees' fees	56,946
Other liabilities and accrued expenses	53,136
Total liabilities	405,972

Net assets

Capital paid-in	\$343,916,563
Accumulated distributions in excess of net investment income	(8,160,648)
Accumulated net realized gain on investments	5,357,398
Net unrealized appreciation (depreciation) on investments	32,703,733
Net assets	\$373,817,046

Net asset value per share

Based on 19,604,677 shares of beneficial interest outstanding □ unlimited number of shares authorized with no par value	\$19.07
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FINANCIAL STATEMENTS

Statement of operations For the six-month period ended 4-30-11
(unaudited)

This Statement of Operations summarizes the Fund's investment income earned and expenses incurred in operating the Fund. It also shows net gains (losses) for the period stated.

Investment income

Dividends	\$2,983,426
Interest	107,582
Total investment income	3,091,008

Expenses

Investment management fees (Note 4)	2,109,562
Accounting and legal services fees (Note 4)	458,498
Transfer agent fees	17,441
Trustees' fees (Note 4)	26,854
Printing and postage	59,941
Professional fees	65,346
Custodian fees	25,330
Other	9,213
Total expenses	2,772,185
Less expense reductions (Note 4)	(275,099)
Net expenses	2,497,086
Net investment income	593,922

Realized and unrealized gain

Net realized gain on investments	5,362,020
Change in net unrealized appreciation (depreciation) of investments	45,125,781
Net realized and unrealized gain	50,487,801
Increase in net assets from operations	\$51,081,723

See notes to financial statements

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FINANCIAL STATEMENTS

Statements of changes in net assets

These Statements of Changes in Net Assets show how the value of the Fund's net assets has changed during the last two periods. The difference reflects earnings less expenses, any investment gains and losses, distributions, if any, paid to shareholders and the net of Fund share transactions.

	Six months ended 4-30-11 (unaudited)	Year ended 10-31-10
Increase (decrease) in net assets		
From operations		
Net investment income	\$593,922	\$1,449,957
Net realized gain	5,362,020	19,637,635
Change in net unrealized appreciation (depreciation)	45,125,781	5,495,106
Increase in net assets resulting from operations	51,081,723	26,582,698
Distributions to shareholders		
From net investment income	(8,865,433) ¹	(1,294,703)
From net realized gain	□	(13,723,010)
Total distributions	(8,865,433)	(15,017,713)
From Fund share transactions (Note 5)	(6,580,808)	(12,088,382)
Total increase (decrease)	35,635,482	(523,397)
Net assets		
Beginning of period	338,181,564	338,704,961
End of period	\$373,817,046	\$338,181,564

Undistributed (accumulated distributions in excess of) net**investment income****(\$8,160,648)****\$110,863**

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A portion of the distributions may be deemed a tax return of capital at year-end.

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See notes to financial statements

Financial highlights

The Financial Highlights show how the Fund's net asset value for a share has changed since the end of the previous period.

COMMON SHARES Period ended	4-30-11¹	10-31-10	10-31-09	10-31-08	10-31-07	10-31-06
Per share operating performance						
Net asset value, beginning of period	\$16.90	\$16.28	\$20.81	\$35.08	\$42.28	\$42.08
Net investment income ²	0.03	0.07	0.29	0.62	0.64	0.64
Net realized and unrealized gain (loss)						
on investments	2.55	1.19	(3.63)	(8.94)	(3.52)	3.84
Total from investment operations	2.58	1.26	(3.34)	(8.32)	(2.88)	4.48
Less distributions to common shareholders						
From net investment income	(0.45) ³	(0.06)	(0.29)	(0.68)	(0.60)	(0.68)
From net realized gain	□	(0.67)	□	(4.76)	(3.72)	(3.60)
From tax return of capital	□	□	(0.94)	(0.51)	□	□
Total distributions	(0.45)	(0.73)	(1.23)	(5.95)	(4.32)	(4.28)
Anti-dilutive impact of repurchase plan	0.04 ⁴	0.09 ⁴	0.04 ⁴	□	□	□
Net asset value, end of period	\$19.07	\$16.90	\$16.28	\$20.81	\$35.08	\$42.28
Per share market value, end of period	\$17.12	\$15.02	\$13.30	\$17.80	\$30.96	\$39.20
Total return at net asset value (%)^{5,6}	15.79⁷	8.82	(13.78)	(24.38)	(6.93)	12.07
Total return at market value (%)⁶	16.96⁷	18.38	(17.65)	(26.67)	(11.41)	16.41

Ratios and supplemental data

Net assets applicable to common shares, end of period (in millions)	\$374	\$338	\$339	\$439	\$740	\$892
Ratios (as a percentage of average net assets):						