

HANCOCK JOHN BANK & THRIFT OPPORTUNITY FUND
Form N-Q
September 27, 2006

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

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS 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)
Alfred P. Ouellette, Senior Attorney & Assistant Secretary

601 Congress Street

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

Registrant's telephone number, including area code: 617-663-4324

Date of fiscal year end: October 31

Date of reporting period: July 31, 2006

ITEM 1. SCHEDULE OF INVESTMENTS

John Hancock

Bank and Thrift Opportunity Fund

Securities owned by the Fund on
July 31, 2006 (unaudited)

Issuer, description	Interest rate (%)	Maturity date	Credit rating (A)	Par value (\$000)	Value
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Bonds 0.08%

\$846,230

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(Cost \$770,000)

Regional Banks 0.08% **846,230**

CSBI Capital Trust I,
Gtd Sub Cap Inc Ser A (B)(G) 11.750 06-06-27 B- 770 846,230

Issuer	Shares	Value
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Common stocks 88.76% **\$884,819,617**

(Cost \$405,261,046)

**Asset Management & Custody Banks
3.06%** **30,542,790**

Bank of New York Co., Inc. (The) (NY)	305,000	10,251,050
Mellon Financial Corp. (PA)	330,000	11,550,000
Northern Trust Corp. (IL)	70,000	3,997,000
State Street Corp. (MA)	79,000	4,744,740

Consumer Finance 0.55% **5,486,358**

Capital One Financial Corp. (VA) (L)	70,929	5,486,358
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Diversified Banks 11.15% **111,111,296**

Comerica, Inc. (MI)	384,400	22,506,620
Toronto-Dominion Bank (The) (Canada)	130,349	6,680,386
U.S. Bancorp. (MN)	805,541	25,777,312
Wachovia Corp. (NC) (L)	507,571	27,221,033
Wells Fargo & Co. (CA)	399,861	28,925,945

**Other Diversified Financial Services
6.36%** **63,364,525**

Bank of America Corp. (NC)	534,260	27,530,418
Citigroup, Inc. (NY)	415,925	20,093,337
JPMorgan Chase & Co. (NY)	345,041	15,740,770

Regional Banks 62.91% **627,136,980**

Access National Corp. (VA)	250,000	2,325,000
Alabama National Bancorp. (AL)	152,000	10,298,000
AmericanWest Bancorp. (WA)	357,921	7,623,717
Ameris Bancorp. (GA)	78,480	2,001,240
AmSouth Bancorp. (AL)	95,879	2,747,892
BB&T Corp. (NC)	344,846	14,480,084

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Beverly National Corp. (MA)	97,500	2,340,000
BOK Financial Corp. (OK)	117,208	6,028,007
Cadence Financial Corp. (MS)	100,500	2,106,480
Camden National Corp. (ME)	140,000	6,244,000
Capital City Bank Group, Inc. (FL) (L)	74,543	2,421,157

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Bank and Thrift Opportunity Fund

Securities owned by the Fund on July 31, 2006 (unaudited)

Cascade Bancorp. (OR) (L)	184,272	6,355,541
Chittenden Corp. (VT)	230,245	6,497,514
City Holding Co. (WV)	41,600	1,612,000
City National Corp. (CA) (L)	243,377	16,235,680
CoBiz, Inc. (CO)	63,200	1,483,304
Colonial BancGroup, Inc. (The) (AL)	589,700	14,978,380
Commercial Bankshares, Inc. (FL) (L)	63,702	2,229,570
Community Banks, Inc. (PA) (L)	110,307	2,854,745
Compass Bancshares, Inc. (AL)	439,857	25,925,172
Cullen/Frost Bankers, Inc. (TX)	20,000	1,174,400
Dearborn Bancorp., Inc. (MI) (I)	75,993	1,741,000
Desert Community Bank (CA)	275,000	5,024,250
DNB Financial Corp. (PA)	72,577	1,524,117
East West Bancorp., Inc. (CA) (L)	435,000	17,552,250
ECB Bancorp., Inc. (NC)	65,000	2,168,400
Eurobankshares, Inc. (Puerto Rico) (I)	42,830	406,457
F.N.B. Corp. (PA)	90,049	1,489,410
Fifth Third Bancorp. (OH)	304,040	11,596,086
Financial Institutions, Inc. (NY)	73,000	1,470,220
First Charter Corp. (NC)	91,700	2,162,286
First Horizon National Corp. (TN) (L)	152,150	6,375,085
First Midwest Bancorp., Inc. (IL)	103,800	3,705,660
First National Lincoln Corp. (ME)	146,499	2,600,357
First Regional Bancorp. (CA) (I)	150,000	14,821,500
First State Bancorp. (NM)	130,000	3,170,700
Fulton Financial Corp. (PA)	359,890	5,956,179
Glacier Bancorp., Inc. (MT)	370,288	11,345,624
Harleysville National Corp. (PA)	144,664	3,040,837
Independent Bank Corp. (MI)	328,510	8,413,141
International Bancshares Corp. (TX)	200,337	5,803,763
KeyCorp (OH) (L)	297,000	10,959,300
M&T Bank Corp. (NY) (L)	166,657	20,318,821

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Marshall & Ilsley Corp. (WI) (L)	529,295	24,860,986
MB Financial, Inc. (IL) (L)	152,950	5,438,902
Mercantile Bankshares Corp. (MD)	314,250	11,174,730
Merrill Merchants Bankshares, Inc. (ME)	78,173	1,867,553
Mid-State Bancshares (CA)	50,000	1,349,500
National City Corp. (OH) (L)	466,587	16,797,132
North Fork Bancorp., Inc. (NY)	701,592	19,876,101
Northrim Bancorp., Inc. (AK)	70,053	1,733,812
Pacific Capital Bancorp. (CA)	364,354	10,733,869
Placer Sierra Bancshares (CA)	14,550	317,045
PNC Financial Services Group, Inc. (PA)	353,100	25,013,604
Prosperity Bancshares, Inc. (TX)	158,745	5,583,062
Provident Bankshares Corp. (MD)	175,058	6,436,883
Regions Financial Corp. (AL)	177,390	6,437,483
S&T Bancorp., Inc. (PA)	154,700	4,837,469
SCBT Financial Corp. (SC)	5,100	192,627
Security Bank Corp. (GA) (L)	197,500	4,471,400
Sky Financial Group, Inc. (OH)	309,850	7,600,621
Smithtown Bancorp., Inc. (NY) (L)	45,000	1,198,800
South Financial Group, Inc. (The) (SC)	70,150	1,895,453
Southcoast Financial Corp. (SC) (I)(L)	44,990	949,289
Summit Bancshares, Inc. (TX)	279,000	7,834,320

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Bank and Thrift Opportunity Fund

Securities owned by the Fund on

July 31, 2006 (unaudited)

Summit Bank Corp. (GA)	135,000	2,181,613
SunTrust Banks, Inc. (GA) (L)	322,826	25,461,287
SVB Financial Group (DE) (I)(L)	160,850	7,209,297
Synovus Financial Corp. (GA)	615,350	17,389,791
Taylor Capital Group, Inc. (IL)	241,950	7,638,361
TCF Financial Corp. (MN)	412,666	11,104,842
TD Banknorth, Inc. (ME) (L)	309,517	8,975,993
Texas Regional Bancshares, Inc. (Class A) (TX)	110,000	4,170,100
TriCo Bancshares (CA)	53,000	1,315,990
UCBH Holdings, Inc. (CA)	402,500	6,713,700
Umpqua Holdings Corp. (OR) (L)	182,901	4,771,887
UnionBanCal Corp. (DE)	134,000	8,279,860
Univest Corp. (PA)	205,218	6,002,626
Valley National Bancorp. (NJ) (L)	100,255	2,603,622
Vineyard National Bancorp Co. (CA)	283,970	7,917,084
Virginia Financial Group, Inc. (VA)	45,500	1,911,000
West Coast Bancorp. (OR)	67,583	2,050,468

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Westamerica Bancorp. (CA) (L)	40,000	1,924,400
Whitney Holding Corp. (LA)	150,750	5,440,567
Wilmington Trust Corp. (DE)	350,000	15,242,500
Yardville National Bancorp. (NJ)	97,400	3,377,832
Zions Bancorp. (UT)	356,053	29,246,193

Thriffs & Mortgage Finance 4.73% **47,177,668**

Astoria Financial Corp. (NY)	80,865	2,405,734
BankUnited Financial Corp. (Class A) (FL)	56,650	1,676,274
Benjamin Franklin Bancorp., Inc. (MA)	15,000	209,250
Berkshire Hills Bancorp., Inc. (DE)	74,110	2,585,698
Countrywide Financial Corp. (CA) (L)	186,500	6,682,295
Freddie Mac (VA)	47,450	2,745,457
Hingham Institute for Savings (MA)	80,000	3,000,800
Hudson City Bancorp., Inc. (NJ) (L)	383,810	4,978,016
LSB Corp. (MA)	65,000	1,088,750
NewAlliance Bancshares, Inc. (CT)	12,581	177,518
PennFed Financial Services, Inc. (NJ)	313,600	5,663,616
Sovereign Bancorp., Inc. (PA)	113,400	2,340,576
Washington Mutual, Inc. (WA)	230,812	10,317,296
Webster Financial Corp. (CT)	70,110	3,306,388

Issuer, description, maturity date	Interest rate (%)	Par value (\$000)	Value
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Short-term investments 11.16% **\$111,246,322**

(Cost \$111,246,322)

Certificates of Deposit 0.01% **80,826**

Deposits in mutual banks 81 80,826

Joint Repurchase Agreement 1.37% **13,688,000**

Investment in a joint repurchase agreement transaction with Morgan Stanley - Dated 7-31-06 due 8-01-06 (Secured by U.S. Treasury Inflation Indexed Bond 3.625% due 4-15-28) 5.250 13,688 13,688,000

	Shares	
Cash Equivalents 9.78%		97,477,496
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AIM Cash Investment Trust (T)	97,477,496	97,477,496
Total investments 100.00%		\$996,912,169

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Bank and Thrift Opportunity Fund

Footnotes to Schedule of Investments

July 31, 2006 (unaudited)

(B) This security is fair valued in good faith under procedures established by the Board of Trustees.

(G) Security rated internally by John Hancock Advisers, LLC.

(I) Non-income-producing security.

(L) All or a portion of this security is on loan as of July 31, 2006.

(T) Represents investment of securities lending collateral.

Parenthetical disclosure of a foreign country in the security description represents country of a foreign issuer.

The percentage shown for each investment category is the total value of that category as a percentage of the total investment of the Fund.

The cost of investments owned on July 31, 2006, including short-term investments, was \$517,277,368. Gross unrealized appreciation and depreciation of investments aggregated \$481,231,382 and \$1,596,581, respectively, resulting in net unrealized appreciation of \$479,634,801.

Footnotes to Schedule of Investments - Page 1

ITEM 2. CONTROLS AND PROCEDURES.

(a) Based upon their evaluation of the registrant's disclosure controls and procedures as conducted within 90 days of the filing date of this Form N-Q, the registrant's principal executive officer and principal financial officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Separate certifications for the registrant's principal executive officer and principal financial officer, as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

John Hancock Bank and Thrift Opportunity Fund

By: /s/ Keith F. Hartstein

Keith F. Hartstein
President and Chief Executive Officer

Date: September 26, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Keith F. Hartstein

Keith F. Hartstein
President and Chief Executive Officer

Date: September 26, 2006

By: /s/ John G. Vrysen

John G. Vrysen
Executive Vice President and Chief Financial Officer

Date: September 26, 2006
