

JOHN HANCOCK PREFERRED INCOME FUND
Form N-Q
June 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- 21131

John Hancock Preferred Income 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 and 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: July 31

Date of reporting period: April 30, 2006

ITEM 1. SCHEDULE OF INVESTMENTS

John Hancock

Preferred Income Fund
Securities owned by the Fund on

April 30, 2006 (unaudited)

Issuer, description	Interest rate (%)	Maturity date	Credit rating (A)	Par value (\$000)	Value
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Bonds 1.18% **\$10,362,127**
 (Cost \$10,982,356)

Electric Utilities 1.18% **10,362,127**

Black Hills Corp., Note	6.500	05-15-13	BBB-	5,950	5,855,817
Entergy Gulf States, Inc., 1st Mtg Bond	6.200	07-01-33	BBB+	5,000	4,506,310

Issuer, description, maturity date	Credit rating (A)	Par value (\$000)	Value
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Capital preferred securities 7.69% **\$67,844,582**

(Cost \$62,728,880)

Diversified Banks 0.84% **7,387,500**

Lloyds TSB Bank Plc, 6.90%, 11-29-49 (United Kingdom)	A+	7,500	7,387,500
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Electric Utilities 3.06% **26,940,000**

DPL Capital Trust II, 8.125%, 09-01-31	B+	24,000	26,940,000
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Gas Utilities 2.32% **20,497,193**

KN Capital Trust I, 8.56%, Ser B, 04-15-27	BB+	11,500	12,179,673
KN Capital Trust III, 7.63%, 04-15-28	BB+	8,000	8,317,520

Integrated Telecommunication Services 0.69% **6,111,130**

TCl Communications Financing Trust III, 9.65%, 03-31-27	BBB-	5,700	6,111,130
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Regional Banks 0.78% **6,908,759**

Summit Capital Trust I, 8.40%, Ser B, 03-15-27	A	6,500	6,908,759
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Issuer	Shares	Value
Common stocks 3.22%		\$28,357,127

(Cost \$26,727,191)

Electric Utilities 1.07% 9,437,645

FPL Group, Inc.	176,688	6,996,845
Scottish Power Plc, American Depositary Receipt (ADR) (United Kingdom)	60,000	2,440,800

Gas Utilities 0.18% 1,571,870

ONEOK, Inc.	47,618	1,571,870
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Preferred Income FundSecurities owned by the Fund on
April 30, 2006 (unaudited)**Multi-Utilities 1.97% 17,347,612**

Alliant Energy Corp.	206,100	6,586,956
DTE Energy Co.	111,046	4,528,456
TECO Energy, Inc.	390,000	6,232,200

Issuer, description	Credit rating (A)	Shares	Value
Preferred stocks 87.69%			\$773,333,686
(Cost \$796,059,818)			
Agricultural Products 1.25%			10,984,188
Ocean Spray Cranberries, Inc., 6.25%, Ser A (S)	BB+	143,000	10,984,188
Asset Management & Custody Banks 0.10%			892,000
BNY Capital V, 5.95%, Ser F	A-	40,000	892,000
Automobile Manufacturers 1.71%			15,105,134
Ford Motor Co., 7.50%	BB-	40,000	680,800

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General Motors Corp., 7.25%, Ser 04-15-41	B	378,700	6,002,395
General Motors Corp., 7.25%, Ser 07-15-41	B	82,000	1,293,140
General Motors Corp., 7.25%, Ser 02-15-52	B	254,300	4,025,569
General Motors Corp., 7.375%, Ser 05-15-48	B3	65,000	1,023,750
General Motors Corp., 7.375%, Ser 10-01-51	B	129,000	2,079,480

Consumer Finance 4.85%

42,739,415

CIT Group, Inc., 6.35%, Ser A	BBB+	70,000	1,757,700
Ford Motor Credit Co., 7.60%	Ba2	315,600	6,428,772
HSBC Finance Corp., 6.00%	A	214,200	4,853,772
HSBC Finance Corp., 6.36%, Depository Shares, Ser B	BBB+	297,000	7,433,910
HSBC Finance Corp., 6.875%	A	399,800	9,939,028
SLM Corp., 6.00%	A	214,100	4,780,853
SLM Corp., 6.97%, Ser A	BBB+	139,600	7,545,380

Diversified Banks 9.18%

80,937,724

BAC Capital Trust IV, 5.875%	A	181,150	3,990,734
Bank One Capital Trust VI, 7.20%	A-	55,500	1,391,385
Comerica Capital Trust I, 7.60%	BBB+	178,100	4,486,339
Fleet Capital Trust VII, 7.20%	A	322,500	8,143,125
Fleet Capital Trust VIII, 7.20%	A	464,750	11,744,232
HSBC Holdings Plc, 6.20%, Ser A (United Kingdom)	A-	150,000	3,484,500
Royal Bank of Scotland Group Plc, 5.75%, Ser L (United Kingdom)	A	550,900	12,141,836
Royal Bank of Scotland Group Plc, 6.35%, Ser N, ADR (United Kingdom)	A	20,000	479,200
Santander Finance Preferred SA, Unipersonal, 6.41%, Ser 1 (Spain)	A-	225,000	5,467,500
USB Capital III, 7.75%	Aa3	327,100	8,177,500
USB Capital IV, 7.35%	A	165,700	4,150,785
USB Capital V, 7.25%	A	103,599	2,614,839
USB Capital VI, 5.75%	A	20,000	438,400

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Preferred Income Fund
Securities owned by the Fund on

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USB Capital VII, 5.875%	A	36,900	824,715
USB Capital VIII, 6.35%, Ser 1	A	169,800	3,995,394
USB Capital X, 6.50%	A	45,000	1,104,750
Wachovia Preferred Funding Corp., 7.25%, Ser A	A-	69,000	1,849,200
Wells Fargo Capital Trust IV, 7.00%	A	108,100	2,721,958
Wells Fargo Capital Trust VI, 6.95%	A-	53,400	1,338,204
Wells Fargo Capital Trust VII, 5.85%	A	107,750	2,393,128

Electric Utilities 17.39% **153,381,789**

Boston Edison Co., 4.78%	BBB+	15,143	1,258,535
Entergy Arkansas, Inc., 6.70%	AAA	25,300	638,066
Entergy Mississippi, Inc., 7.25%	A-	346,000	8,778,020
FPC Capital I, 7.10%, Ser A	BB+	839,691	21,076,244
FPL Group Capital Trust I, 5.875%	BBB+	502,200	11,249,280
Georgia Power Capital Trust VII, 5.875%	BBB+	250,600	5,550,790
Georgia Power Co., 6.00%, Ser R	A	395,497	9,037,106
Great Plains Energy, Inc., 8.00%, Conv	BBB-	764,900	18,166,375
HECO Capital Trust III, 6.50%	BBB-	375,400	9,313,674
Interstate Power & Light Co., 8.375%, Ser B	Baa3	700,000	22,260,000
Northern States Power Co., 8.00%	BBB-	235,000	6,016,000
PPL Electric Utilities Corp., 6.25%, Depository Shares	BBB	300,000	7,500,000
Southern California Edison Co., 6.125%	BBB-	119,000	12,052,475
Southern Co. Capital Trust VI, 7.125%	BBB+	49,800	1,252,968
TXU Corp., 8.125%, Conv	Ba1	79,800	6,362,454
Virginia Power Capital Trust, 7.375%	BB+	513,150	12,869,802

Gas Utilities 2.33% **20,582,176**

Southern Union Co., 5.00%, Conv	BBB	30,000	1,538,100
Southern Union Co., 7.55%, Ser A	BB+	296,600	7,652,280
Southwest Gas Capital II, 7.70%	BB	404,300	10,560,316
TransCanada Pipelines Ltd., 8.25% (Canada)	BBB	32,800	831,480

Hotels, Resorts & Cruise Lines 0.33% **2,953,681**

Hilton Hotels Corp., 8.00%	BB	118,100	2,953,681
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Integrated Telecommunication Services 3.10% **27,377,470**

Telephone & Data Systems, Inc., 6.625%	A-	233,000	5,324,050
Telephone & Data Systems, Inc., 7.60%, Ser A	A-	690,687	17,205,013
Verizon New England, Inc., 7.00%, Ser B	A3	194,950	4,848,407

Investment Banking & Brokerage 8.08% **71,272,157**

Bear Stearns Capital Trust III, 7.80%	BBB	40,600	1,016,218
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Goldman Sachs Group, Inc., 6.20%	A-	460,000	11,357,400
Lehman Brothers Holdings Capital Trust III, 6.375%, Ser K	A-	150,000	3,535,500
Lehman Brothers Holdings Capital Trust V, 6.00%, Ser M	A-	70,000	1,550,500
Lehman Brothers Holdings, Inc., 5.94%, Depository Shares, Ser C	A-	175,600	8,665,860
Merrill Lynch Preferred Capital Trust III, 7.00%	A-	330,500	8,321,990
Merrill Lynch Preferred Capital Trust IV, 7.12%	A-	241,152	6,103,557
Merrill Lynch Preferred Capital Trust V, 7.28%	A-	367,000	9,307,120

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Securities owned by the Fund on

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Morgan Stanley Capital Trust II, 7.25%	A-	240,200	6,002,598
Morgan Stanley Capital Trust III, 6.25%	A-	192,400	4,455,984
Morgan Stanley Capital Trust IV, 6.25%	A-	57,000	1,309,860
Morgan Stanley Capital Trust V, 5.75%	A1	347,000	7,463,970
Morgan Stanley Capital Trust VI, 6.60%	A-	90,000	2,181,600

Life & Health Insurance 4.51%

39,744,857

Lincoln National Capital VI, 6.75%, Ser F	A-	148,600	3,664,476
MetLife, Inc., 6.375%, Ser B, Conv	BBB+	9,930	278,239
MetLife, Inc., 6.50%, Ser B	BBB	950,500	23,857,550
PLC Capital Trust IV, 7.25%	BBB+	186,600	4,687,392
PLC Capital Trust V, 6.125%	BBB+	256,000	5,811,200
Prudential Plc, 6.50% (United Kingdom)	A	60,000	1,446,000

Multi-Line Insurance 3.89%

34,315,037

AEGON NV, 6.375% (Netherlands)	A-	444,900	10,646,457
AEGON NV, 6.50% (Netherlands)	A-	111,100	2,684,176
ING Groep NV, 6.20% (Netherlands)	A	134,793	3,150,112
ING Groep NV, 7.05% (Netherlands)	A	703,800	17,834,292

Multi-Utilities 10.06%

88,694,123

Aquila, Inc., 7.875%	B2	511,700	12,838,553
Baltimore Gas & Electric Co., 6.99%, Ser 1995	Baa2	40,000	4,165,000
BGE Capital Trust II, 6.20%	BBB-	831,825	19,431,432
Consumers Energy Co. Financing IV, 9.00%	Ba2	117,600	2,975,280

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Dominion CNG Capital Trust I, 7.80%	BB+	253,476	6,352,109
DTE Energy Trust I, 7.80%	BB+	135,100	3,404,520
Energy East Capital Trust I, 8.25%	BBB-	447,200	11,211,304
PNM Resources, Inc., 6.75%, Conv	BBB-	268,000	13,030,160
PSEG Funding Trust II, 8.75%	BB+	233,500	6,110,695
Public Service Electric & Gas Co., 4.18%, Ser B	BB+	7,900	635,950
Puget Sound Energy Capital Trust II, 8.40%	BB	103,900	2,624,514
TECO Capital Trust I, 8.50%	B	234,893	5,914,606

Oil & Gas Exploration & Production 3.63% 32,029,400

Nexen, Inc., 7.35% (Canada)	BB+	1,261,000	32,029,400
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Other Diversified Financial Services 7.98% 70,377,790

ABN AMRO Capital Funding Trust V, 5.90%	A	626,100	14,005,857
ABN AMRO Capital Funding Trust VII, 6.08%	A	328,000	7,599,760
Citigroup Capital VII, 7.125%	A	98,700	2,497,110
Citigroup Capital VIII, 6.95%	A	410,600	10,252,682
Citigroup Capital IX, 6.00%	A	222,000	5,137,080
Citigroup Capital X, 6.10%	A	100,000	2,317,000
Citigroup Capital XI, 6.00%	A	25,000	577,000
General Electric Capital Corp., 5.875%	AAA	151,500	3,493,590
General Electric Capital Corp., 6.10%	AAA	51,210	1,223,407
JPMorgan Chase Capital IX, 7.50%, Ser I	A-	61,000	1,525,000
JPMorgan Chase Capital X, 7.00%, Ser J	A1	607,100	15,335,346
JPMorgan Chase Capital XI, 5.875%, Ser K	A-	289,700	6,413,958

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Securities owned by the Fund on April 30, 2006 (unaudited)

Real Estate Investment Trusts 4.42% 38,995,798

Duke Realty Corp., 6.50%, Depositary Shares, Ser K	BBB	110,000	2,582,800
Duke Realty Corp., 6.60%, Depositary Shares, Ser L	BBB	109,840	2,610,897
Duke Realty Corp., 6.625%, Depositary Shares, Ser J	BBB	59,925	1,427,413
Duke Realty Corp., 7.99%, Depositary Shares, Ser B	BBB	251,830	13,024,345
Public Storage, Inc., 6.45%, Depositary Shares, Ser X	BBB+	25,000	559,750

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Public Storage, Inc., 6.50%, Depositary Shares, Ser W	BBB+	100,000	2,253,000		
Public Storage, Inc., 7.50%, Depositary Shares, Ser V	BBB+	497,643	12,550,556		
Public Storage, Inc., 8.00%, Depositary Shares, Ser R	BBB+	157,965	3,987,037		
Regional Banks 2.63%			23,163,314		
KeyCorp Capital VI, 6.125%	BBB	20,900	469,414		
National Commerce Capital Trust II, 7.70%	A-	80,300	2,047,650		
PFGI Capital Corp., 7.75%	A	796,000	20,646,250		
Reinsurance 0.36%			3,169,170		
RenaissanceRe Holdings Ltd., 6.08%, Ser C (Bermuda)	BBB	153,100	3,169,170		
Thriffs & Mortgage Finance 1.30%			11,443,599		
Abbey National Plc, 7.25% (United Kingdom)	A	80,080	2,001,199		
Abbey National Plc, 7.375% (United Kingdom)	A	370,000	9,442,400		
Wireless Telecommunication Services 0.59%			5,174,864		
United States Cellular, 7.50%	A-	205,760	5,174,864		
Issuer, description	Interest rate (%)	Maturity Date	Credit rating (A)	Par value (\$000)	Value
Short-term investments 0.22% (Cost \$1,899,509)					\$1,900,000
Government U.S. Agency 0.22%					1,900,000
Federal Home Loan Bank, Disc Note	4.650	05-01-06	AAA	1,900	1,900,000
Total investments 100.00%					\$881,797,522

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Financial futures contracts

April 30, 2006 (unaudited)

Open contracts	Number of contracts	Position	Expiration	Appreciation
U.S. 10-year Treasury Note	210	Short	Jun 06	\$520,248
U.S. 10-year Treasury Note	210	Short	Jun 06	\$221,655
				\$741,903

Financial futures contracts

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Preferred Income Fund

Interest rate swap contracts

April 30, 2006 (unaudited)

Notional amount	Rate type			Termination date	Appreciation
	Payments made by Fund	Payments received by Fund			
\$70,000,000	2.56% (a)	3-month LIBOR		Jun 08	\$3,754,869
					\$3,754,869

(a) Fixed rate

Interest rate swap contracts

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Preferred Income Fund

Footnotes to Schedule of Investments

April 30, 2006 (unaudited)

(A) Credit ratings are unaudited and are rated by Moody's Investors Service where Standard & Poor's ratings are not available.

(S) This security is exempt from registration under Rule 144A of the Securities Act of 1933. Such security may be resold, normally to qualified institutional buyers, in transactions exempt from registration. Rule 144A securities amounted to \$10,984,188 or 1.24% of the Fund's total investments as of April 30, 2006.

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

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

The cost of investments owned on April 30, 2006, including short-term investments, was \$898,397,754. Gross unrealized appreciation and depreciation of investments aggregated \$24,683,493 and \$41,283,725, respectively, resulting in net unrealized depreciation of \$16,600,232.

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 Preferred Income Fund

By: /s/ Keith F. Hartstein

Keith F. Hartstein
President and Chief Executive Officer
Date: June 27, 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: June 27, 2006

By: /s/ John G. Vrysen

John G. Vrysen
Executive Vice President and Chief Financial Officer
Date: June 27, 2006
