

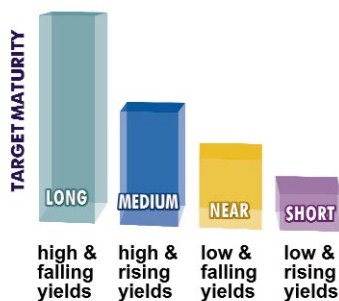


HUSSMAN INVESTMENT TRUST

Hussman Strategic Growth Fund



Hussman Strategic Total Return Fund



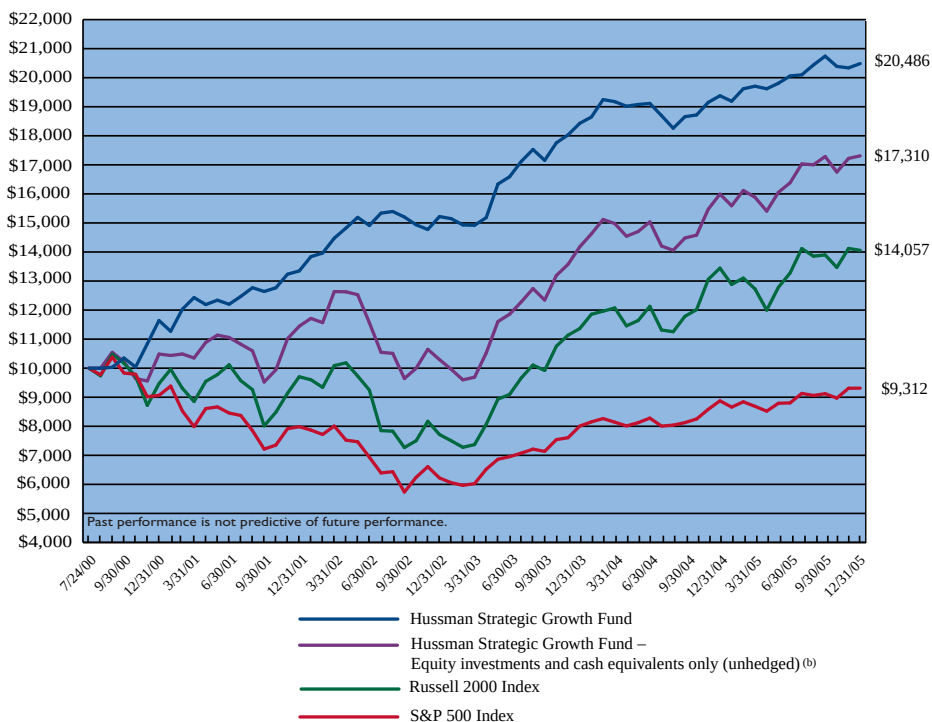
SEMI-ANNUAL REPORT

DECEMBER 31, 2005
(UNAUDITED)



STRATEGIC GROWTH FUND

Comparison of the Change in Value of a \$10,000 Investment in the Hussman Strategic Growth Fund versus the Standard & Poor's 500 Index and the Russell 2000 Index^(a)



Average Annual Total Returns^(c)

For Periods Ended December 31, 2005

	1 Year	3 Years	5 Years	Since Inception ^(d)
Hussman Strategic Growth Fund	5.71%	10.41%	11.97%	14.10%
S&P 500 Index	4.91%	14.39%	0.54%	(1.30%)
Russell 2000 Index	4.55%	22.13%	8.22%	6.46%

^(a) The Hussman Strategic Growth Fund invests in stocks listed on the New York, American, and NASDAQ exchanges, and does not specifically restrict its holdings to a particular market capitalization. The S&P 500 and Russell 2000 are indices of large and small capitalization stocks, respectively.

^(b) "Equity investments and cash equivalents only (unhedged)" reflects the performance of the Fund's portfolio of stock investments and modest day-to-day cash balances, after fees and expenses, but excluding the impact of hedging transactions. The Fund's unhedged investment holdings do not represent a separately available portfolio, and their performance is presented solely for purposes of comparison and performance attribution.

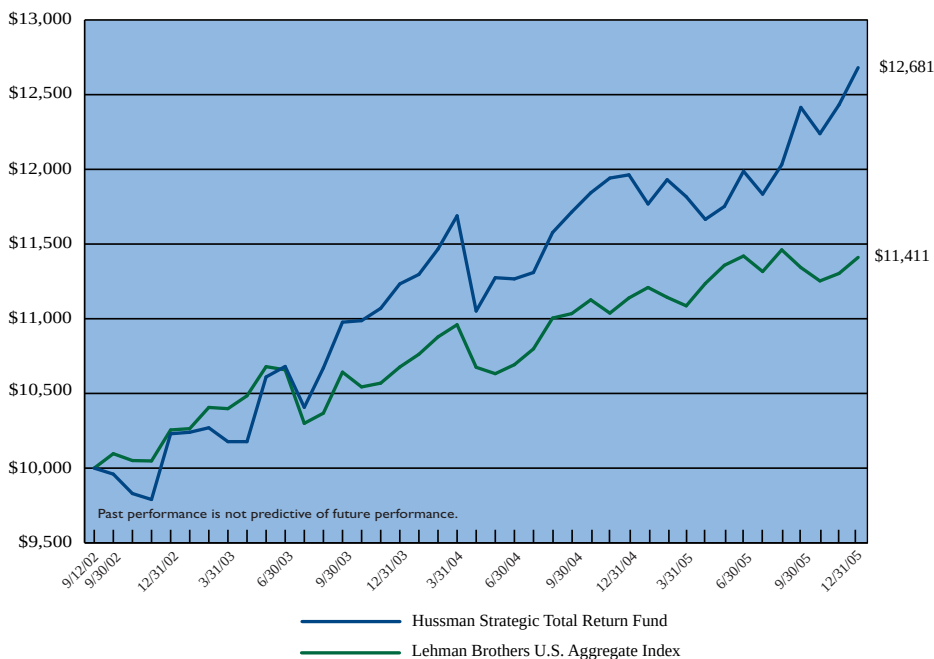
^(c) Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(d) Annualized. Initial public offering of shares was July 24, 2000.



STRATEGIC TOTAL RETURN FUND

Comparison of the Change in Value of a \$10,000 Investment in the Hussman Strategic Total Return Fund versus the Lehman Brothers U.S. Aggregate Index^(a)



Average Annual Total Returns^(b)

For Periods Ended December 31, 2005

	<u>1 Year</u>	<u>3 Years</u>	<u>Since Inception^(c)</u>
Hussman Strategic Total Return Fund	6.00%	7.42%	7.46%
Lehman Brothers U.S. Aggregate Index	2.44%	3.62%	4.08%

^(a) The Lehman Brothers U.S. Aggregate Index covers the U.S. investment grade fixed rate bond market, with index components for U.S. government, agency and corporate securities.

^(b) Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares. The Fund adviser has agreed until at least December 31, 2006 to waive its investment advisory fees and to absorb Fund expenses to the extent necessary to limit the Fund's annual ordinary operating expenses to 0.90% of its average daily net assets. The Fund's performance has been positively affected by these provisions. Absent such waivers and expense reimbursements, Fund performance would be lower.

^(c) Annualized. Initial public offering of shares was September 12, 2002.

The Hussman Funds

Letter to Shareholders

February 15, 2006

Dear Shareholder,

The Hussman Funds continued to perform as intended during 2005 despite relatively uninspiring conditions in the U.S. stock and bond markets, with both the Strategic Growth Fund and the Strategic Total Return Fund achieving modest continued appreciation with contained volatility. In 2005, while being broadly hedged against the impact of market fluctuations, the Strategic Growth Fund achieved a total return of 5.71%, compared with a total return of 4.91% in the S&P 500 Index.¹ Meanwhile, the Strategic Total Return Fund achieved a total return of 6.00%, compared with a total return of 2.44% in the Lehman Brothers U.S. Aggregate Bond Index.²

The Strategic Growth Fund has achieved an average annual total return of 14.10% from its inception on July 24, 2000 through December 31, 2005, more than doubling in value, including reinvested distributions, compared with an average annual total return of -1.30% for the S&P 500 Index over the same period. Meanwhile, the deepest pullback in the value of the Fund since inception has been 6.98%, compared with a 47.41% drawdown for the S&P 500 Index.

The Strategic Total Return Fund has achieved an average annual total return of 7.46% from its inception on September 12, 2002 through December 31, 2005, compared with a 4.08% average annual total return in the Lehman Brothers U.S. Aggregate Bond Index. Since inception, the deepest peak-to-trough drawdown for the Strategic Total Return Fund has been 6.90%, compared with a drawdown of 4.66% experienced by the Lehman Brothers Aggregate Bond Index during that period.

¹ Performance information for the S&P 500 Index is provided for comparison purposes. This index is perhaps the most widely recognized index of common stock prices. It is a widely used benchmark for growth-oriented investors and is believed to be an appropriate benchmark to use in evaluating the long-term performance of the Strategic Growth Fund. The S&P 500 Index is primarily comprised of large capitalization companies.

Companies whose common stocks are included in the S&P 500 Index are typically the largest companies in their respective industries. The S&P 500 Index is a capitalization-weighted index, with each stock affecting the index in proportion to its market value. The performance information for the S&P 500 takes into account actual dividends and capital gains distributions before taxes, and assumes such dividends were reinvested. The Strategic Growth Fund does not restrict its investments to securities included in the S&P 500 Index. The returns of the S&P 500 Index and the Fund will differ, particularly over the short term.

² Performance information for the Lehman Brothers U.S. Aggregate Bond Index is provided for comparison purposes. This index is an unmanaged index consisting of more than 5,000 taxable U.S. government, investment-grade corporate and mortgage backed securities and is considered representative of the U.S. investment-grade, fixed-income bond market. The maturities of securities included in the Lehman Brothers U.S. Aggregate Bond Index are over one year. The Strategic Total Return Fund does not restrict its investments to securities included in the index. The returns of the Lehman Brothers U.S. Aggregate Bond Index and the Fund will differ, particularly over the short term.

The Hussman Funds

Letter to Shareholders *(continued)*

Performance charts for both Funds are presented at the beginning of this Report. Current information regarding market conditions and the investment stance of the Funds is available at www.hussmanfunds.com.

Investment strategy

In recent years, both the stock and bond markets have featured unusually low yields, and with them, unusually low prospects for long-term returns. In this environment, neither the Strategic Growth Fund nor the Strategic Total Return Fund has accepted a great deal of exposure to market fluctuations, achieving returns primarily through individual security selection and sector allocation, rather through than general market exposure (known as "beta" in the stock market and "duration" in the bond market).

It is important for shareholders to understand that this is neither a typical nor desirable situation. Historically, both stocks and bonds have delivered very satisfactory returns as compensation for their risk. Favorably valued markets provide long-term investors with the opportunity to benefit both from security selection and from broad exposure to market fluctuations. So appropriate valuations typically deliver higher total returns for long-term investors. In contrast, rich valuations (and the poor long-term return prospects they imply) force us to invest with figuratively one hand tied behind our backs.

This is another way of saying that a defensive and substantially hedged investment position is not my preference, nor should it be considered a "standard" investment position in either Fund. During the past 5 years, however, stock valuations have generally been well within the highest ranges of historical experience. Even the 2002 trough in the S&P 500 occurred at above-average valuations (near 16 times prior peak earnings, compared with typical bear markets that have typically taken the index to less than 11 times prior peak earnings, and generally much lower). As a result, the fact that the Strategic Growth Fund has been generally hedged in recent years should not be interpreted as a permanent tendency or a "bearish bias." Rather, it should be viewed as respect for historical fact: high valuations produce unsatisfactory long-term returns and often very poor short-term return/risk tradeoffs as well.

Although the Strategic Growth Fund outperformed the S&P 500 in 2005, it is generally not useful to evaluate Fund returns over such short performance periods, nor over periods restricted to rising-only or falling-only markets. For long-term investors, I believe that an appropriate goal is to achieve strong returns measured over the complete market cycle (bull markets and bear markets combined), while defending capital in market conditions that have

The Hussman Funds

Letter to Shareholders *(continued)*

typically been unfavorable for stocks. Accordingly, a reasonable way to measure investment performance is to examine periods that include some portion of both bull and bear markets. Evaluating performance between two separate market peaks, including an intervening bear market decline (such as the period from 2000 to the present), provides useful information that is often obscured by the use of exact calendar periods.

It is notable that the past 3 years have represented a general advance in the stock market, recovering from the deep losses of the prior bear market. The Strategic Growth Fund has clearly participated in this recovery, but a hedged position generally will not outperform an unhedged position when the investment horizon is restricted to a trough-to-peak movement in the market. For the 3-year period ended December 31, 2005, the Strategic Growth Fund achieved an annual total return of 10.41%, compared with 14.39% for the S&P 500. The shortfall in Fund performance is the clear result of the Fund's hedging during this period. The Fund accepted a reasonable amount of impact from market fluctuations in 2003, when valuations were only moderately above historical norms. Since 2004, however, the Fund has been substantially or fully hedged, reflecting unusually elevated valuations by most measures and less favorable behavior among market internals and interest rates.

From the standpoint of the Fund's investment objectives, a more informative view of the past 3 years emerges if we compare returns as measured between the 2002 peak for the S&P 500, which occurred on March 19, 2002, and the 2005 peak, which occurred on December 8, 2005. During that span, the Strategic Growth Fund achieved an average annual total return of 10.27%, compared with an average annual total return of 3.73% for the S&P 500. Clearly, the inclusion of even a portion of the prior bear market decline substantially alters the comparison between the Fund and the S&P 500. This underscores the importance of examining Fund returns from one important market peak to another, rather than using only specific calendar dates.

The largest industry holdings in the Strategic Growth Fund continue to be health care and consumer related stocks. Meanwhile, the Fund continues to have a relatively low exposure to financial stocks.

Though the widely diversified portfolio of the Strategic Growth Fund makes it impossible to attribute performance to any short list of securities, individual stocks contributing to the Fund's performance during the latest semiannual period included SanDisk, Garmin, McDonald's, Newmont Mining, Burlington Northern, Cerner, NVIDIA, Grupo Televisa, AON Corp., Petroleo

The Hussman Funds

Letter to Shareholders *(continued)*

Brasileiro, and Computer Sciences, each which achieved in excess of \$5 million in gains for the Fund through December 31, 2005. Losses above that amount were experienced in Scholastic Corp.

The Strategic Total Return Fund's exposure to bond market fluctuations remained close to 2 years in the most recent semiannual period, meaning that a 100 basis point change in interest rates would be expected to impact the Fund by about 2% on the basis of bond price fluctuations. The majority of the Fund's Treasury bond exposure has been in inflation protected securities. Meanwhile, the Fund generally held close to 20% of its assets in precious metals shares during 2005. In early 2006, in response to a very strong advance in precious metals shares, richer valuations, and at least temporarily firm economic conditions, the Fund's exposure to precious metals shares was reduced to approximately 5% of assets.

Individual securities contributing to the Total Return Fund's performance during the most recent semiannual period included Placer Dome, Newmont Mining, Barrick Gold, and Anglogold Ashanti, each which achieved in excess of \$500,000 in gains for the Fund. Losses in excess of this amount were experienced in one inflation-protected Treasury position, the TIPS 2.0% issue maturing 1/15/14.

Portfolio composition

As of December 31, 2005, the Strategic Growth Fund had net assets of \$2,305,453,656, and held 198 stocks in a wide variety of industries. The largest industry holdings were in health care (21.7%), consumer discretionary (16.3%), consumer staples (16.3%), and information technology (12.8%). The smallest industry weight relative to the S&P 500 remained in financials (1.7%).

As of December 31, 2005, the Strategic Total Return Fund had net assets of \$127,475,445. Treasury inflation protected securities accounted for 34.5% of the Fund's portfolio, with Treasury bills, short-term U.S. government agency securities, and money market securities representing an additional 44.5% of assets. Precious metals shares accounted for 17.9% of assets, and utility stocks for 2.9%.

Market conditions

For what is now more than seven and a half years, the S&P 500 has underperformed even the depressed yields on short-term Treasury bills. This is the central problem with rich valuations – not that stocks decline persistently, but rather that investors can hold stocks faithfully for years, experiencing wide market fluctuations, and end up with very little reward.

The Hussman Funds

Letter to Shareholders *(continued)*

The S&P 500 currently trades at 19 times net trailing earnings. Historically, earnings have grown at only 6% annually when measured from peak to peak across economic cycles – a fact that has remained even in recent decades. Unfortunately, when S&P 500 earnings have achieved a fresh record, as they have recently done, the price/earnings ratio for the index has historically averaged just above 12. Yet we need not assume that valuations will approach anything near that level in order to conclude that stock market returns will probably be unsatisfactory in the coming years.

Suppose, for example, that over the next 5 years, S&P 500 earnings continue along the peak of their 6% historical growth channel (where they currently reside), and that the S&P 500 price/earnings multiple simply touches a level of 16 – still well above its historical average – 5 years from now. Given the current dividend yield of 1.86%, it is simple algebra to calculate that the total return on the S&P 500 over the next 5 years would be approximately:

$$(1.06)(16/19)^{1/5} + .0186(19/16+1)/2 - 1.0 = 4.45\% \text{ annually}$$

[Note - the first term in the above equation is a capital gains factor, the second term approximates the average dividend yield, and subtracting 1.0 produces a net return.]

Suffice it to say that the difficulty with rich valuations is not necessarily that they imply weak short-term returns for buy-and-hold investors in the S&P 500, but rather, that rich valuations imply unsatisfactory long-term returns, regardless of short-term direction. As a rule, defensive investment positions taken in richly valued markets have generally increased, not decreased, the long-term returns achieved by investors, while also reducing risk exposure.

The earnings assumptions in the foregoing analysis may actually be somewhat optimistic. Current earnings figures reflect among the highest profit margins in decades. In a competitive economy, profit margins have a very strong tendency to revert to normal over time. The driving force behind these wide profit margins is the very low share of corporate revenues going to labor compensation. Indeed, growth in labor compensation over the past 5 years has been the lowest on record since 1947.

There is emerging evidence that the compression of wages, and with it, the expansion of profit margins, is beginning to reverse course. In recent economic reports, real wage growth has begun to outstrip productivity growth. This is important, because productivity measures the amount of goods and services produced per worker, and real wages measure the amount of goods

and services that workers can purchase with their compensation. The difference, after other expenses, is real-profit-per-worker that is retained by businesses. So as real wage growth outstrips productivity growth, profit margins naturally come under pressure.

Corporate earnings have grown very quickly from their recessionary trough in 2002, but this recovery has simply taken earnings back to the 6% growth trend that connects historical earnings peaks over time. Record earnings in the S&P 500 are typically followed by substantially below-average earnings growth over the following 5-year period. For all of these reasons, it would not be surprising if analyst earnings projections turn out to be overly optimistic in the coming years.

Economic perspectives

Looking ahead, the challenges faced by the economy and the financial markets will not be mainly dependent on new, unforeseen developments, but rather, will probably be the inevitable result of conditions that are already established. Rich stock valuations, wide profit margins and depressed levels of labor compensation, for example, produce unsatisfactory long-term returns and disappointing earnings growth as their natural consequences. The timing of these consequences is not highly predictable. But for long-term investors, knowledge that these consequences are likely will be helpful in making sound decisions for the coming years.

Likewise, the paucity of domestic savings, both at the consumer level and at the government level, also has natural consequences. In 2005, the U.S. trade deficit reached a fresh record – the U.S. now requires foreign savings inflows of over \$2 billion a day in order to finance current levels of gross domestic investment. Foreign investors and central banks now own more than half of the float in the U.S. Treasury debt market. Investment booms in the U.S. have always relied on the ability to import increasing amounts of capital from foreign savers (in fact, the most durable economic expansions have started with the U.S. current account position in surplus). With the U.S. current account at the deepest deficit in history, it will be difficult to mount much sustained growth in U.S. gross domestic investment in the coming years. Most likely, whatever growth we observe in capital spending will be financed by reductions in other forms of domestic investment such as housing.

2006 also begins with what I view as excessive attention to the Federal Reserve, which owes its success in containing inflation not to the effectiveness of monetary policy, but rather to the fiscal conservatism of both the Bush

The Hussman Funds

Letter to Shareholders *(continued)*

(senior) and Clinton administrations, as well as the more recent appetite of China and Japan for U.S. dollar liabilities (as a way of supporting the value of the U.S. dollar and keeping their own currencies cheap). Inflation is not specifically a monetary phenomenon, but a fiscal one. It is the result of growth in unproductive government spending that produces an excess of government liabilities beyond the desire of the public to hold them.

Presently, the Fed is faced with at least three problems. First, gone is the fiscal conservatism that provided Alan Greenspan with policy flexibility and was at the core of the disinflation that was credited to his efforts. Second, with the trade and current account at fresh record deficits, the protectionist call will inevitably increase for China and Japan to revalue their currencies (and by extension, reduce their accumulation of U.S. Treasuries, which is the method they use to prop up the U.S. dollar relative to their own currencies). So essentially, the incoming chairman, Ben Bernanke, will inherit a rapidly growing stock of government liabilities, while the chief source of demand for those liabilities will be in retreat.

The third problem Bernanke faces is that his favored policy target – inflation – cannot be reliably set by the Federal Reserve. While former Fed chairmen like Paul Volcker and Alan Greenspan focused on different policy instruments, they both targeted instruments that they could, in fact, control. Volcker chose the growth rate of the money supply, while Greenspan chose the Federal Funds rate. Inflation, by contrast, is largely determined by fiscal policy, can only be observed with a lag, is not under direct control of the Fed, and can often respond counter-intuitively in response to Fed actions (for example, interest rate hikes typically cause inflation to accelerate in the short-term). The attempt to manage outcomes rather than actions may lead to greater inflation and interest rate uncertainty rather than less.

In the end, the path of inflation over the coming few years will probably be determined by a factor that the Federal Reserve has little power to control: monetary "velocity." Inflation essentially measures how fast government liabilities are increasing beyond the desire of the public to hold them. The easiest way to avoid inflation, and in fact, to produce deflation, is for the economy to suffer credit defaults and bankruptcies. The reason is that these risks provoke a strong demand by the public for safe government liabilities (to figuratively stuff under the mattress). This is known as a decline in "velocity." Essentially, a surge in the demand for government liabilities (a plunge in monetary velocity) is the essential ingredient of deflation.

The Hussman Funds

Letter to Shareholders *(continued)*

The U.S. is not currently experiencing any sort of default crisis, so inflationary pressures continue to be dominant here. As long as credit spreads (the difference in yields between risky corporate securities and default-free Treasuries) remain well behaved, it appears likely that these inflationary pressures will continue, particularly given the demands on China and Japan to reduce their accumulation of U.S. Treasury securities. If at some point we observe credit spreads widening substantially, however, we can expect to see an increased rate of credit defaults, and with them, weaker economic conditions and declining inflation pressures. At that point, we would also expect to observe the Federal Reserve reducing interest rates in response, but it will be important to remember that this will simply be a cart following the horse. It would be best to keep an eye on the horse by monitoring credit spreads directly.

For now, both the Strategic Growth Fund and the Strategic Total Return Fund remain defensively positioned. As usual, even without accepting a great deal of exposure to general market fluctuations, there are always investment opportunities available through individual security selection and sector allocation – opportunities which have substantially contributed to the performance of both Funds since their inception. A defensive market posture is certainly not my preferred investment stance, but clearly favorable investment conditions in the stock and bond markets occur regularly enough for long-term investors, and there is no need to over-reach when valuations and market action are far less compelling.

I appreciate your investment in the Funds.

Best wishes,

John P. Hussman, Ph.D.

The Hussman Funds

Letter to Shareholders *(continued)*

Current performance may be higher or lower than the performance data quoted. Performance data, current to the most recent month end, may be found at the Hussman Funds' website www.hussmanfunds.com.

An investor should consider the investment objectives, risks, charges and expenses of the Funds carefully before investing. The Funds' prospectuses contain this and other important information. To obtain a copy of the Hussman Funds' prospectuses please visit our website at www.hussmanfunds.com or call 1-800-487-7626 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest. The Hussman Funds are distributed by Ultimus Fund Distributors, LLC.

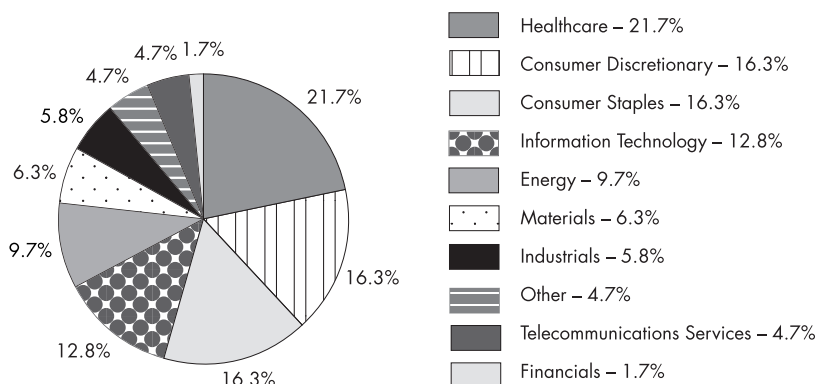
The securities held by the Funds that are discussed in this letter were held during 2005. They do not comprise the entire investment portfolios of the Funds, may be sold at any time and may no longer be held by the Funds. The opinions of the Funds' adviser with respect to those securities may change at any time. Weekly updates regarding market conditions and investment strategy, as well as special reports and analysis, are available at no charge at the Fund's website www.hussmanfunds.com.

Hussman Strategic Growth Fund

Portfolio Information

December 31, 2005 (Unaudited)

Sector Allocation (% of Net Assets)

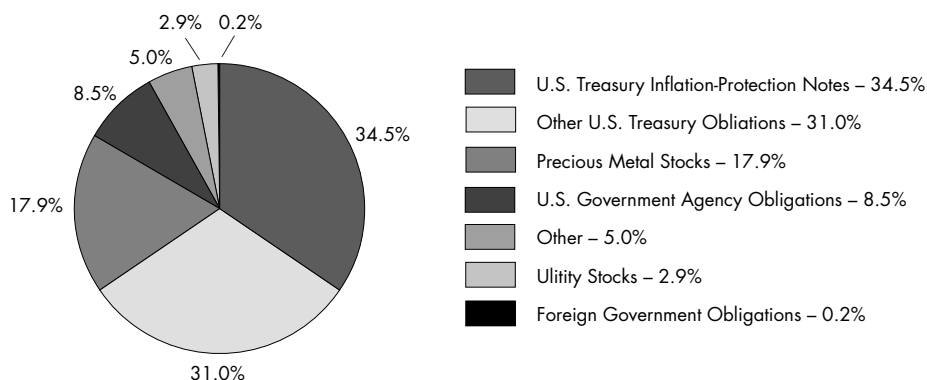


Hussman Strategic Total Return Fund

Portfolio Information

December 31, 2005 (Unaudited)

Asset Allocation (% of Net Assets)



Hussman Investment Trust

Statements of Assets and Liabilities

December 31, 2005 (Unaudited)

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
ASSETS		
Investments in securities:		
At acquisition cost	\$ 2,098,369,969	\$ 117,978,891
At value (Note 1)	\$ 2,228,435,605	\$ 122,847,369
Investments in money market funds	138,886,506	2,940,325
Cash	500,000	—
Dividends and interest receivable	2,120,385	718,668
Receivable for capital shares sold	5,199,980	127,732
Receivable for investment securities sold	35,950,169	1,058,278
Other assets	118,305	28,663
Total Assets	<u>2,411,210,950</u>	<u>127,721,035</u>
LIABILITIES		
Dividends payable	1,057,816	115,117
Written call options, at value (Notes 1 and 4) (premiums received \$114,745,750)	84,070,000	—
Payable for investment securities purchased	16,535,835	—
Payable for capital shares redeemed	1,764,015	54,903
Accrued investment advisory fees (Note 3)	1,919,677	31,544
Payable to administrator (Note 3)	172,500	17,950
Other accrued expenses and liabilities	237,451	26,076
Total Liabilities	<u>105,757,294</u>	<u>245,590</u>
NET ASSETS	<u>\$ 2,305,453,656</u>	<u>\$ 127,475,445</u>
Net assets consist of:		
Paid-in capital	\$ 2,218,969,954	\$ 121,940,530
Undistributed net investment income	64,699	39,657
Accumulated net realized gains (losses) from security transactions and option contracts	(74,322,383)	626,902
Net unrealized appreciation/depreciation on investments and options	160,741,386	5,044,224
Net unrealized appreciation/depreciation on translation of assets and liabilities in foreign currencies	—	(175,868)
NET ASSETS	<u>\$2,305,453,656</u>	<u>\$ 127,475,445</u>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)		
	<u>147,020,230</u>	<u>11,472,287</u>
Net asset value, offering price and redemption price per share ^(a) (Note 1)		
	<u>\$ 15.68</u>	<u>\$ 11.11</u>

^(a) Redemption price varies based on length of time shares are held.
See accompanying notes to financial statements.

Hussman Investment Trust

Statements of Operations

For the Six Months Ended December 31, 2005 (Unaudited)

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
INVESTMENT INCOME		
Dividends	\$ 16,789,265	\$ 263,577
Foreign withholding taxes on dividends	(216,195)	(12,360)
Interest	—	2,152,611
Total Income	<u>16,573,070</u>	<u>2,403,828</u>
EXPENSES		
Investment advisory fees (Note 3)	10,505,263	348,013
Administration fees (Note 3)	617,770	63,291
Transfer agent, account maintenance and shareholder services fees (Note 3)	460,389	32,181
Registration and filing fees	128,100	20,633
Custodian and bank service fees	107,122	15,255
Fund accounting fees (Note 3)	80,694	21,401
Professional fees	55,372	42,882
Postage and supplies	76,847	16,746
Printing of shareholder reports	48,700	8,636
Insurance expense	33,499	2,629
Compliance service fees	25,501	4,383
Trustees' fees and expenses	14,397	14,397
Other expenses	26,419	6,978
Total Expenses	<u>12,180,073</u>	<u>597,425</u>
Less fees waived by the Adviser (Note 3)	—	(27,949)
Net Expenses	<u>12,180,073</u>	<u>569,476</u>
NET INVESTMENT INCOME	<u>4,392,997</u>	<u>1,834,352</u>
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS, OPTION CONTRACTS AND FOREIGN CURRENCIES (Note 4)		
Net realized gains (losses) from:		
Security transactions	84,271,243	2,071,048
Option contracts	(154,516,775)	—
Foreign currency transactions	—	(92)
Net change in unrealized appreciation/depreciation on:		
Investments	29,831,681	3,403,760
Option contracts	75,747,220	—
Foreign currency translation	—	(231,776)
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS, OPTION CONTRACTS AND FOREIGN CURRENCIES	<u>35,333,369</u>	<u>5,242,940</u>
NET INCREASE IN NET ASSETS FROM OPERATIONS	<u>\$ 39,726,366</u>	<u>\$ 7,077,292</u>

See accompanying notes to financial statements.

Hussman Strategic Growth Fund

Statements of Changes in Net Assets

	Six Months Ended December 31, 2005 (Unaudited)	Year Ended June 30, 2005
FROM OPERATIONS		
Net investment income	\$ 4,392,997	\$ 6,534,070
Net realized gains (losses) from:		
Security transactions	84,271,243	128,081,602
Option contracts	(154,516,775)	(71,915,118)
Net change in unrealized appreciation/depreciation on:		
Investments	29,831,681	10,505,250
Option contracts	75,747,220	5,114,698
Net increase in net assets resulting from operations	39,726,366	78,320,502
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(7,903,689)	(2,958,679)
From net realized gains	(69,606,458)	(65,407,312)
Net decrease in net assets from distributions to shareholders	(77,510,147)	(68,365,991)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	632,275,274	945,870,427
Net asset value of shares issued in reinvestment of distributions to shareholders	69,245,756	62,556,168
Proceeds from redemption fees collected (Note 1)	388,621	897,771
Payments for shares redeemed	(194,185,887)	(500,468,505)
Net increase in net assets from capital share transactions	507,723,764	508,855,861
TOTAL INCREASE IN NET ASSETS	469,939,983	518,810,372
NET ASSETS		
Beginning of period	1,835,513,673	1,316,703,301
End of period	\$ 2,305,453,656	\$ 1,835,513,673
UNDISTRIBUTED NET INVESTMENT INCOME	\$ 64,699	\$ 3,575,391
CAPITAL SHARE ACTIVITY		
Sold	39,335,963	60,870,730
Reinvested	4,421,266	4,142,422
Redeemed	(12,175,474)	(32,455,996)
Net increase in shares outstanding	31,581,755	32,557,156
Shares outstanding at beginning of period	115,438,475	82,881,319
Shares outstanding at end of period	147,020,230	115,438,475

See accompanying notes to financial statements.

Hussman Strategic Total Return Fund

Statements of Changes in Net Assets

	Six Months Ended December 31, 2005 (Unaudited)	Year Ended June 30, 2005
FROM OPERATIONS		
Net investment income	\$ 1,834,352	\$ 2,683,744
Net realized gains (losses) from:		
Security transactions	2,071,048	2,558,400
Foreign currency transactions	(92)	(2)
Net change in unrealized appreciation/depreciation on:		
Investments	3,403,760	1,740,565
Foreign currency translation	(231,776)	(10,725)
Net increase in net assets resulting from operations	<u>7,077,292</u>	<u>6,971,982</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(1,796,944)	(2,689,295)
From net realized gains	(3,268,054)	(236,796)
Net decrease in net assets from distributions to shareholders	<u>(5,064,998)</u>	<u>(2,926,091)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	14,300,771	52,663,764
Net asset value of shares issued in reinvestment of distributions to shareholders	4,596,534	2,605,781
Proceeds from redemption fees collected (Note 1)	17,452	62,447
Payments for shares redeemed	(21,607,130)	(36,530,467)
Net increase (decrease) in net assets from capital share transactions	<u>(2,692,373)</u>	<u>18,801,525</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	<u>(680,079)</u>	<u>22,847,416</u>
NET ASSETS		
Beginning of period	128,155,524	105,308,108
End of period	<u>\$ 127,475,445</u>	<u>\$ 128,155,524</u>
UNDISTRIBUTED NET INVESTMENT INCOME	<u>\$ 39,657</u>	<u>\$ 2,341</u>
CAPITAL SHARE ACTIVITY		
Sold	1,294,175	4,832,068
Reinvested	416,468	237,556
Redeemed	(1,950,603)	(3,354,971)
Net increase (decrease) in shares outstanding	(239,960)	1,714,653
Shares outstanding at beginning of period	11,712,247	9,997,594
Shares outstanding at end of period	<u>11,472,287</u>	<u>11,712,247</u>

See accompanying notes to financial statements.

Hussman Strategic Growth Fund

Financial Highlights

Selected Per Share Data and Ratios for a Share Outstanding Throughout Each Period

	Six Months Ended December 31, 2005 (Unaudited)	Year Ended June 30, 2005	Year Ended June 30, 2004	Year Ended June 30, 2003	Year Ended June 30, 2002	Period Ended June 30, 2001^(a)
Net asset value at beginning of period	\$ 15.90	\$ 15.89	\$ 13.80	\$ 13.34	\$ 12.20	\$ 10.00
Income (loss) from investment operations:						
Net investment income/(loss) ..	0.03	0.06	(0.04)	(0.02)	(0.04)	(0.04)
Net realized and unrealized gains on investments and options	0.30	0.68	2.13	1.36	2.52	2.23
Total from investment operations ..	0.33	0.74	2.09	1.34	2.48	2.19
Less distributions:						
Dividends from net investment income	(0.05)	(0.03)	—	—	—	—
Distributions from net realized gains	(0.50)	(0.71)	(0.01)	(0.93)	(1.35)	—
Total distributions	(0.55)	(0.74)	(0.01)	(0.93)	(1.35)	—
Proceeds from redemption fees collected (Note 1)	0.00 ^(b)	0.01	0.01	0.05	0.01	0.01
Net asset value at end of period ..	\$ 15.68	\$ 15.90	\$ 15.89	\$ 13.80	\$ 13.34	\$ 12.20
Total return ^(c)	2.12% ^(d)	4.95%	15.22%	11.25%	22.24%	22.00% ^(e)
Net assets at end of period (000's)	\$ 2,305,454	\$ 1,835,514	\$ 1,317,703	\$ 511,928	\$ 173,342	\$ 20,228
Ratio of net expenses to average net assets ^(f)	1.16% ^(g)	1.24%	1.34%	1.45%	1.99%	1.99% ^(g)
Ratio of net investment income/(loss) to average net assets	0.42% ^(g)	0.44%	(0.39%)	(0.15%)	(0.81%)	(0.53%) ^(g)
Portfolio turnover rate	58% ^(g)	81%	66%	123%	199%	55% ^(g)

^(a) Represents the period from the commencement of operations (July 24, 2000) through June 30, 2001.

^(b) Amount rounds to less than \$0.01 per share.

^(c) Total return is a measure of the change in value of an investment in the Fund over the period covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(d) Not annualized.

^(e) Absent investment advisory fees waived by the Adviser, the ratios of expenses to average net assets would have been 2.03% and 2.36%^(g) for the periods ended June 30, 2002 and 2001, respectively.

^(f) Annualized.

See accompanying notes to financial statements.

Hussman Strategic Total Return Fund

Financial Highlights

Selected Per Share Data and Ratios for a Share Outstanding Throughout Each Period

	Six Months Ended December 31, 2005 (Unaudited)	Year Ended June 30, 2005	Year Ended June 30, 2004	Period Ended June 30, 2003^(a)
Net asset value at beginning of period	\$ 10.94	\$ 10.53	\$ 10.54	\$ 10.00
Income from investment operations:				
Net investment income	0.16	0.24	0.21	0.14
Net realized and unrealized gains on investments and foreign currencies	0.47	0.42	0.35	0.52
Total from investment operations	0.63	0.66	0.56	0.66
Less distributions:				
Dividends from net investment income	(0.16)	(0.24)	(0.21)	(0.14)
Distributions from net realized gains	(0.30)	(0.02)	(0.37)	—
Total distributions	(0.46)	(0.26)	(0.58)	(0.14)
Proceeds from redemption fees collected (Note 1)	0.00 ^(b)	0.01	0.01	0.02
Net asset value at end of period	\$ 11.11	\$ 10.94	\$ 10.53	\$ 10.54
Total return ^(c)	5.78% ^(d)	6.40%	5.49%	6.81% ^(e)
Net assets at end of period (000's)	\$ 127,475	\$ 128,156	\$ 105,308	\$ 18,983
Ratio of net expenses to average net assets ^(h)	0.90% ^(f)	0.90%	0.90%	0.90% ^(f)
Ratio of net investment income to average net assets	2.90% ^(f)	2.25%	2.34%	1.99% ^(f)
Portfolio turnover rate	28% ^(f)	64%	174%	151% ^(f)

^(a) Represents the period from the commencement of operations (September 12, 2002) through June 30, 2003.

^(b) Amount rounds to less than \$0.01 per share.

^(c) Total return is a measure of the change in value of an investment in the Fund over the period covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(d) Not annualized.

^(e) Absent investment advisory fees waived and expenses reimbursed by the Adviser, the ratios of expenses to average net assets would have been 0.94%^(f) for the six months ended December 31, 2005 and 1.01%, 1.17% and 2.32%^(f) for the periods ended June 30, 2005, 2004 and 2003, respectively.

^(f) Annualized.

See accompanying notes to financial statements.

Hussman Strategic Growth Fund

Portfolio of Investments

December 31, 2005 (Unaudited)

Shares	COMMON STOCKS – 95.28%	Value
Auto Components – 0.10%		
31,500	Magna International, Inc.	\$ 2,267,685
Automobiles – 0.25%		
200,000	Honda Motor Co., Ltd. - ADR	5,794,000
Beverages – 4.66%		
500,000	Anheuser-Busch Cos., Inc.	21,480,000
176,800	Cadbury Schweppes plc - ADR	6,769,672
1,000,000	Coca-Cola Company (The)	40,310,000
30,200	Fomento Economico Mexicano SA - ADR	2,189,802
250,000	Pepsi Bottling Group, Inc. (The)	7,152,500
500,000	PepsiCo, Inc.	29,540,000
		107,441,974
Biotechnology – 2.46%		
200,000	Andrx Corp. ^(a)	3,294,000
1,000,000	Applera Corp. - Applied Biosystems Group	26,560,000
86,100	Flamel Technologies SA - ADR ^(a)	1,625,568
150,000	Gilead Sciences, Inc. ^(a)	7,894,500
250,000	Invitrogen Corp. ^(a)	16,660,000
250,000	Nanogen, Inc. ^(a)	655,000
		56,689,068
Building Products – 1.39%		
1,058,000	Masco Corp.	31,941,020
Chemicals – 2.36%		
37,800	Air Products and Chemicals, Inc.	2,237,382
233,900	Albany Molecular Research, Inc. ^(a)	2,841,885
100,000	BASF AG - ADR	7,648,000
350,000	Headwaters, Inc. ^(a)	12,404,000
292,800	International Flavors & Fragrances, Inc.	9,808,800
250,000	Lubrizol Corp. (The)	10,857,500
148,300	PPG Industries, Inc.	8,586,570
		54,384,137
Commercial Banks – 0.37 %		
200,000	Barclays plc - ADR	8,416,000
Commercial Services and Supplies – 2.02%		
169,800	Avery Dennison Corp.	9,384,846
150,000	ChoicePoint, Inc. ^(a)	6,676,500
150,000	John H. Harland Co.	5,640,000
50,000	L-3 Communications Holdings, Inc.	3,717,500

Hussman Strategic Growth Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Shares	COMMON STOCKS — 95.28% (continued)	Value
Commercial Services and Supplies — 2.02% (continued)		
189,800	Pitney Bowes, Inc.	\$ 8,019,050
250,000	Sensient Technologies Corp.	4,475,000
250,000	Waste Connections, Inc. ^(a)	8,615,000
		<u>46,527,896</u>
Communications Equipment — 0.19%		
400,000	Tellabs, Inc. ^(a)	<u>4,360,000</u>
Computers and Peripherals — 0.67%		
155,000	Ambient Corp. ^(a)	15,655
250,000	Lexmark International, Inc. ^(a)	11,207,500
68,800	SanDisk Corp. ^(a)	4,322,016
		<u>15,545,171</u>
Construction Materials — 0.68%		
100,000	Nanophase Technologies Corp. ^(a)	565,000
169,700	POSCO - ADR	8,401,847
380,000	RPM International, Inc.	6,600,600
		<u>15,567,447</u>
Containers and Packaging — 0.45%		
350,000	Sonoco Products Co.	<u>10,290,000</u>
Diversified Telecommunication Services — 4.13%		
350,000	ALLTEL Corp.	22,085,000
250,000	BCE, Inc.	5,987,500
49,700	BT Group plc - ADR	1,907,486
600,000	CenturyTel, Inc.	19,896,000
1,000,000	Nokia Oyj - ADR	18,300,000
900,000	Verizon Communications, Inc.	27,108,000
		<u>95,283,986</u>
Electrical Equipment — 1.40%		
112,600	American Power Conversion Corp.	2,477,200
600,000	Energizer Holdings, Inc. ^(a)	29,874,000
		<u>32,351,200</u>
Electronic Equipment and Instruments — 1.14%		
49,900	FEI Co. ^(a)	956,583
97,600	Flextronics International Ltd. ^(a)	1,018,944
238,400	Garmin Ltd.	15,817,840
24,500	Gerber Scientific, Inc. ^(a)	234,465
300,000	MEMC Electronic Materials, Inc. ^(a)	6,651,000
721,200	Nano-Proprietary, Inc. ^(a)	1,550,580
		<u>26,229,412</u>

Hussman Strategic Growth Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Shares COMMON STOCKS — 95.28% (continued)

Value

Energy Equipment and Services — 1.49%

350,000	American Superconductor Corp. ^(a)	\$ 2,754,500
150,000	Cooper Cameron Corp. ^(a)	6,210,000
50,000	Distributed Energy Systems Corp. ^(a)	378,000
70,800	Kinder Morgan Energy Partners, L.P.	3,385,656
115,600	National Fuel Gas Co.	3,605,564
348,800	Valero Energy Corp.	17,998,080
		<u>34,331,800</u>

Food and Drug Retail — 0.74%

40,000	Albertson's, Inc.	854,000
300,000	CVS Corp.	7,926,000
350,000	Safeway, Inc.	8,281,000
		<u>17,061,000</u>

Food Products — 5.60%

1,000,000	Archer-Daniels-Midland Co.	24,660,000
900,000	Campbell Soup Co.	26,793,000
200,000	Del Monte Foods Co.	2,086,000
300,000	H.J. Heinz Co.	10,116,000
400,000	Kellogg Co.	17,288,000
500,000	Kraft Foods, Inc.	14,070,000
19,000	Lancaster Colony Corp.	703,950
350,000	Sara Lee Corp.	6,615,000
50,000	Smithfield Foods, Inc. ^(a)	1,530,000
200,000	Tyson Foods, Inc.	3,420,000
329,900	William Wrigley Jr. Co.	21,935,051
		<u>129,217,001</u>

Health Care Equipment and Supplies — 3.35%

250,000	Accelrys, Inc. ^(a)	2,007,500
463,200	Biosite, Inc. ^(a)	26,073,528
3,900	CONMED Corp. ^(a)	92,274
100,700	Cooper Cos., Inc. (The)	5,165,910
46,100	Gen-Probe, Inc. ^(a)	2,249,219
600,000	Medtronic, Inc.	34,542,000
200,000	Steris Corp.	5,004,000
87,000	Zoll Medical Corp. ^(a)	2,191,530
		<u>77,325,961</u>

Health Care Providers and Services — 3.96%

20,200	BioScrip, Inc. ^(a)	152,308
200,000	Cardinal Health, Inc.	13,750,000
46,500	Cerner Corp. ^(a)	4,227,315
300,000	DaVita, Inc. ^(a)	15,192,000
500,000	HCA, Inc.	25,250,000
350,000	Healthsouth Corp. ^(a)	1,697,500

Hussman Strategic Growth Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Shares	COMMON STOCKS — 95.28% (continued)	Value
Health Care Providers and Services — 3.96% (continued)		
200,000	Health Management Associates, Inc.	\$ 4,392,000
150,000	McKesson Corp.	7,738,500
400,000	Renal Care Group, Inc. ^(a)	18,924,000
		<u>91,323,623</u>
Hotels, Restaurants and Leisure — 2.38%		
127,500	California Pizza Kitchen, Inc. ^(a)	4,076,175
207,400	CBRL Group, Inc.	7,290,110
1,100,000	McDonald's Corp.	37,092,000
100,000	Outback Steakhouse, Inc.	4,161,000
36,200	Papa John's International, Inc. ^(a)	2,147,022
		<u>54,766,307</u>
Household Durables — 1.78%		
250,000	Black & Decker Corp.	21,740,000
318,200	Sherwin-Williams Co.	14,452,644
130,000	Standard Pacific Corp.	4,784,000
		<u>40,976,644</u>
Household Products — 5.26%		
1,250,000	BJ's Wholesale Club, Inc. ^(a)	36,950,000
49,900	Blyth, Inc.	1,045,405
500,000	Clorox Co. (The)	28,445,000
600,000	Colgate-Palmolive Co.	32,910,000
172,000	Kimberly-Clark Corp.	10,259,800
200,000	Procter & Gamble Co.	11,576,000
		<u>121,186,205</u>
Industrial Conglomerates — 0.31%		
250,000	Tyco International Ltd.	7,215,000
		<u>7,215,000</u>
Information Technology Consulting and Services — 2.66%		
600,000	Computer Sciences Corp. ^(a)	30,384,000
100,000	Convergys Corp. ^(a)	1,585,000
650,000	Fiserv, Inc. ^(a)	28,125,500
72,300	Macrovision Corp. ^(a)	1,209,579
		<u>61,304,079</u>
Insurance — 1.28%		
334,300	Aon Corp.	12,018,085
92,600	Chubb Corp. (The)	9,042,390
150,000	MetLife, Inc.	7,350,000
28,000	Protective Life Corp.	1,225,560
		<u>29,636,035</u>

Hussman Strategic Growth Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Shares	COMMON STOCKS — 95.28% (continued)	Value
Internet Software and Services — 0.94%		
297,500	Check Point Software Technologies Ltd. ^(a)	\$ 5,979,750
500,000	Cisco Systems, Inc. ^(a)	8,560,000
268,000	Network Appliances, Inc. ^(a)	7,236,000
		<u>21,775,750</u>
Leisure Equipment and Products — 2.74%		
400,000	Borders Group, Inc.	8,668,000
92,500	Brunswick Corp.	3,761,050
750,000	Eastman Kodak Co.	17,550,000
49,400	Fuji Photo Film Co., Ltd. - ADR	1,640,574
300,000	Grupo Televisa SA - ADR	24,150,000
250,000	Nautilus Group, Inc. (The)	4,665,000
525,000	TiVo, Inc. ^(a)	2,688,000
		<u>63,122,624</u>
Machinery — 0.54%		
100,000	AGCO Corp. ^(a)	1,657,000
400,000	Pall Corp.	10,744,000
		<u>12,401,000</u>
Media — 3.22%		
100,000	Comcast Corp. - Special Class A ^(a)	2,569,000
400,000	Gannett Co., Inc.	24,228,000
199,700	Harte-Hanks, Inc.	5,270,083
150,000	McGraw-Hill Co., Inc. (The)	7,744,500
300,000	New York Times Co. (The) - Class A	7,935,000
506,300	Scholastic Corp. ^(a)	14,434,613
400,000	Tribune Co.	12,104,000
		<u>74,285,196</u>
Metals & Mining — 2.81%		
882,200	Barrick Gold Corp.	24,586,914
200,000	Mittal Steel Co. - Class A	5,266,000
400,000	Newmont Mining Corp.	21,360,000
400,000	Placer Dome, Inc.	9,172,000
230,000	Worthington Industries, Inc.	4,418,300
		<u>64,803,214</u>
Multiline Retail — 1.31%		
206,100	American Eagle Outfitters, Inc.	4,736,178
250,000	Dollar Tree Stores, Inc. ^(a)	5,985,000
400,000	Kohl's Corp. ^(a)	19,440,000
		<u>30,161,178</u>
Office Electronics — 0.10%		
40,300	Canon, Inc. - ADR	2,370,849

Hussman Strategic Growth Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Shares	COMMON STOCKS — 95.28% (continued)	Value
Oil and Gas — 8.22%		
125,000	Anadarko Petroleum Corp.	\$ 11,843,750
300,000	BP Amoco plc - ADR	19,266,000
75,000	Burlington Resources, Inc.	6,465,000
250,000	Chevron Corp.	14,192,500
600,000	ConocoPhillips	34,908,000
800,000	Exxon Mobil Corp.	44,936,000
300,000	Marathon Oil Corp.	18,291,000
200,000	Newfield Exploration Co. ^(a)	10,014,000
200,000	Petroleo Brasileiro SA - ADR	14,254,000
250,000	Royal Dutch Petroleum Co.	15,372,500
		<u>189,542,750</u>
Pharmaceuticals — 11.93%		
200,000	Abbott Laboratories	7,886,000
565,800	Altair Nanotechnologies, Inc. ^(a)	1,148,574
547,700	Biovail Corp.	12,996,921
150,000	Bristol-Myers Squibb Co.	3,447,000
300,000	GlaxoSmithKline plc - ADR	15,144,000
850,000	Johnson & Johnson	51,085,000
500,000	King Pharmaceuticals, Inc. ^(a)	8,460,000
100,000	Medicis Pharmaceutical Corp.	3,205,000
200,000	Mylan Laboratories, Inc.	3,992,000
500,000	Novartis AG - ADR	26,240,000
400,000	Omnicare, Inc.	22,888,000
2,200,000	Pfizer, Inc.	51,304,000
250,000	Pharmaceutical Product Development, Inc.	15,487,500
125,000	Pharmacoceia Drug Discovery, Inc. ^(a)	445,000
579,000	Sanofi-Aventis - ADR	25,418,100
250,000	Shire Pharmaceuticals Group plc - ADR	9,697,500
350,000	Wyeth	16,124,500
		<u>274,969,095</u>
Real Estate — 0.09%		
200,000	HRPT Properties Trust	<u>2,070,000</u>
Road and Rail — 0.11%		
125,000	Swift Transportation Co. ^(a)	<u>2,537,500</u>
Semiconductor Equipment and Products — 5.77%		
146,900	Cabot Microelectronics Corp. ^(a)	4,308,577
1,250,000	Emulex Corp. ^(a)	24,737,500
1,350,000	Intel Corp.	33,696,000
50,000	Kyocera Corp. - ADR	3,658,500
200,000	Microchip Technology, Inc.	6,430,000
50,000	Nanometrics, Inc. ^(a)	550,495

Hussman Strategic Growth Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Shares	COMMON STOCKS — 95.28% (continued)	Value
Semiconductor Equipment and Products — 5.77% (continued)		
800,000	NVIDIA Corp. ^(a)	\$ 29,248,000
332,300	QLogic Corp. ^(a)	10,803,073
195,900	Silicon Laboratories, Inc. ^(a)	7,181,694
1,000,000	Taiwan Semiconductor Manufacturing Co. Ltd. - ADR	9,910,000
150,000	Veeco Instruments, Inc. ^(a)	2,599,500
		<u>133,123,339</u>
Software — 1.31%		
143,100	BEA Systems, Inc. ^(a)	1,345,140
310,700	Borland Software Corp. ^(a)	2,028,871
300,000	Citrix Systems, Inc. ^(a)	8,634,000
159,000	Intuit, Inc. ^(a)	8,474,700
800,000	Oracle Corp. ^(a)	9,768,000
		<u>30,250,711</u>
Specialty Retail — 3.62%		
250,000	Abercrombie & Fitch Co. - Class A	16,295,000
148,700	AutoNation, Inc. ^(a)	3,231,251
400,000	Barnes & Noble, Inc.	17,068,000
239,290	GameStop Corp. ^(a)	6,915,481
290,000	Gap, Inc. (The)	5,115,600
700,000	Home Depot, Inc. (The)	28,336,000
200,000	Timberland Co. (The) ^(a)	6,510,000
		<u>83,471,332</u>
Textiles & Apparel — 0.95%		
100,000	Jones Apparel Group, Inc.	3,072,000
100,000	NIKE, Inc. - Class B	8,679,000
300,000	Pacific Sunwear of California, Inc. ^(a)	7,476,000
50,000	V.F. Corp.	2,767,000
		<u>21,994,000</u>
Wireless Telecommunications Services — 0.54%		
366,400	Amdocs Ltd. ^(a)	10,076,000
95,400	China Mobile (Hong Kong) Ltd. - ADR	2,293,416
		<u>12,369,416</u>
Total Common Stocks (Cost \$2,067,585,689)		<u>\$ 2,196,680,605</u>

Hussman Strategic Growth Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Contracts	PUT OPTION CONTRACTS — 1.38%	Value
6,500	Russell 2000 Index Option, 03/18/06 at \$650	\$ 8,905,000
10,500	S&P 500 Index Option, 03/18/06 at \$1,225	16,800,000
2,500	S&P 500 Index Option, 03/18/06 at \$1,250	<u>6,050,000</u>
Total Put Option Contracts (Cost \$30,784,280)		<u>\$ 31,755,000</u>
Total Investments at Value — 96.66% (Cost \$2,098,369,969)		<u>\$ 2,228,435,605</u>
Shares	MONEY MARKET FUNDS — 6.02%	Value
138,886,506	First American Treasury Obligation Fund - Class A (Cost \$138,886,506)	<u>\$ 138,886,506</u>
Total Investments and Money Market Funds at Value — 102.68% (Cost \$2,237,256,475)		<u>\$ 2,367,322,111</u>
Liabilities in Excess of Other Assets — (2.68%)		<u>(61,868,455)</u>
Net Assets — 100.00%		<u>\$ 2,305,453,656</u>

^(a) Non-income producing security.

ADR - American Depositary Receipt

See accompanying notes to financial statements.

Hussman Strategic Growth Fund

Schedule of Open Written Option Contracts

December 31, 2005 (Unaudited)

Contracts	WRITTEN CALL OPTION CONTRACTS	Value of Options	Premiums Received
6,500	Russell 2000 Index Option, 03/18/06 at \$650	\$ 26,390,000	\$ 36,065,250
10,500	S&P 500 Index Option, 03/18/06 at \$1,225	49,980,000	68,234,250
2,500	S&P 500 Index Option, 03/18/06 at \$1,250	7,700,000	10,446,250
		<u>\$ 84,070,000</u>	<u>\$ 114,745,750</u>

See accompanying notes to financial statements.

Hussman Strategic Total Return Fund

Portfolio of Investments

December 31, 2005 (Unaudited)

Shares	COMMON STOCKS — 22.15%	Value
Electrical Equipment — 0.71%		
35,000	Endesa SA - ADR	\$ 910,350
Electric Utilities — 1.86%		
25,000	Korea Electric Power Corp. - ADR	487,250
25,000	MDU Resources Group, Inc.	818,500
40,000	OGE Energy Corp.	1,071,600
		<u>2,377,350</u>
Gas Utilities — 1.06%		
45,000	WGL Holdings, Inc.	<u>1,352,700</u>
Metals and Mining — 17.90%		
50,000	AngloGold Ashanti Ltd. - ADR	2,466,500
175,000	Barrick Gold Corp.	4,877,250
35,000	Goldcorp, Inc.	779,800
75,000	Harmony Gold Mining Co.	978,750
80,000	Newmont Mining Corp.	4,272,000
300,000	Placer Dome, Inc.	6,879,000
79,100	Randgold Resources Ltd. - ADR ^(a)	1,275,883
75,000	Stillwater Mining Co. ^(a)	867,750
35,000	USEC, Inc.	418,250
		<u>22,815,183</u>
Oil and Gas — 0.62%		
20,000	SCANA Corp.	<u>787,600</u>
	Total Common Stocks (Cost \$22,044,112)	\$ <u>28,243,183</u>

Hussman Strategic Total Return Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Par Value	U.S. TREASURY OBLIGATIONS – 65.56%	Value
U.S. Treasury Bills – 15.55%		
\$ 10,000,000	discount, due 02/02/2006	\$ 9,967,960
5,000,000	discount, due 03/30/2006	4,953,110
5,000,000	discount, due 06/22/2006	4,902,190
		<u>19,823,260</u>
U.S. Treasury Notes – 15.48%		
10,000,000	1.50%, due 03/31/2006	9,940,240
10,000,000	4.125%, due 05/15/2015	9,783,990
		<u>19,724,230</u>
U.S. Treasury Inflation-Protection Notes – 34.53%		
10,095,930	3.375%, due 01/15/2012	10,859,041
11,078,300	3.00%, due 07/15/2012	11,717,042
21,560,000	2.00%, due 01/15/2014	21,444,632
		<u>44,020,715</u>
	Total U.S. Treasury Obligations (Cost \$84,648,170)	<u>\$ 83,568,205</u>
Par Value	U.S. GOVERNMENT AGENCY OBLIGATIONS – 8.49%	Value
Federal Farm Credit Bank – 0.30%		
\$ 400,000	2.625%, due 09/24/2007	\$ 386,303
Federal Home Loan Bank – 1.75%		
1,000,000	2.54%, due 01/26/2006	998,671
750,000	2.22%, due 09/12/2006	737,569
500,000	5.70%, due 04/16/2018	493,763
		<u>2,230,003</u>
Federal National Mortgage Association – 6.44%		
3,000,000	2.81%, due 09/28/2006	2,958,192
JPY 600,000,000	2.125%, due 10/09/2007	5,249,367
		<u>8,207,559</u>
	Total U.S. Government Agency Obligations (Cost \$11,078,082)	<u>\$ 10,823,865</u>

Hussman Strategic Total Return Fund

Portfolio of Investments *(continued)*

December 31, 2005 *(Unaudited)*

Par Value	FOREIGN GOVERNMENT OBLIGATIONS — 0.17%	Value
Canadian Government Notes — 0.17%		
JPY 25,000,000	0.70%, due 03/20/2006 (Cost \$208,527)	\$ 212,116
Total Investments at Value — 96.37%		
(Cost \$117,978,891)		\$ 122,847,369
Shares	MONEY MARKET FUNDS — 2.31%	Value
2,940,325	First American Treasury Obligation Fund - Class A (Cost \$2,940,325)	\$ 2,940,325
Total Investments and Money		
Market Funds at Value — 98.68%		
(Cost \$120,919,216)		\$ 125,787,694
Other Assets in Excess of Liabilities — 1.32%		1,687,751
Net Assets — 100.00%		\$ 127,475,445

^(a) Non-income producing security.

ADR - American Depositary Receipt

JPY - Japanese Yen

See accompanying notes to financial statements.

Hussman Investment Trust

Notes to Financial Statements

December 31, 2005 (Unaudited)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund (each, a "Fund", and collectively, the "Funds") are each a series of Hussman Investment Trust (the "Trust"), an open-end management investment company registered under the Investment Company Act of 1940 (the "1940 Act"). Each Fund is authorized to issue an unlimited number of shares.

As part of the Trust's organization, Hussman Strategic Growth Fund issued in a private placement 10,000 shares of beneficial interest to Hussman Econometrics Advisors, Inc. (the "Adviser") at \$10.00 per share on June 20, 2000. The Fund commenced operations on July 24, 2000. Hussman Strategic Total Return Fund commenced operations on September 12, 2002.

Hussman Strategic Growth Fund's investment objective is to provide long-term capital appreciation, with added emphasis on protection of capital during unfavorable market conditions.

Hussman Strategic Total Return Fund's investment objective is to provide long-term total return from income and capital appreciation, with added emphasis on protection of capital during unfavorable market conditions.

Securities and Options Valuation — The Funds' portfolio securities are valued at market value as of the close of regular trading on the New York Stock Exchange ("NYSE") (normally, 4:00 Eastern time) on each business day the NYSE is open. Securities, other than options, listed on the NYSE or other exchanges are valued on the basis of their last sale prices on the exchanges on which they are primarily traded. However, if the last sale price on the NYSE is different than the last sale price on any other exchange, the NYSE price will be used. If there are no sales on that day, the securities are valued at the last bid price on the NYSE or other primary exchange for that day. Securities traded on a foreign stock exchange are valued based upon the closing price on the principal exchange where the security is traded. Securities which are quoted by NASDAQ are valued at the NASDAQ Official Closing Price. If there are no sales on that day, the securities are valued at the last bid price as reported by NASDAQ. Securities traded in the over-the-counter market, and which are not quoted by NASDAQ, are valued at the last sales price, if available, otherwise at the mean of the closing bid and asked prices. Foreign securities are translated from the local currency into U.S. dollars using currency exchange rates supplied by a pricing quotation service.

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

Pursuant to valuation procedures approved by the Board of Trustees, options traded on a national securities exchange are valued at a price between the closing bid and ask prices determined by the Adviser to most closely reflect market value as of the time of computation of net asset value. As of December 31, 2005, all options held by Hussman Strategic Growth Fund have been valued in this manner. Options not traded on a national securities exchange or board of trade, but for which over-the-counter market quotations are readily available, are valued at the mean of their closing bid and ask prices. Futures contracts and options thereon, which are traded on commodities exchanges, are valued at their daily settlement value as of the close of such commodities exchanges.

Fixed income securities not traded or dealt in upon any securities exchange but for which over-the-counter market quotations are readily available generally shall be valued at the mean of their closing bid and asked prices. When market quotations are not readily available, fixed income securities may be valued on the basis of prices provided by an independent pricing service. The Board of Trustees will review and monitor the methods used by such services to assure itself that securities are appropriately valued. The fair value of securities with remaining maturities of 60 days or less has been determined in good faith by the Board of Trustees to be represented by amortized cost value, absent unusual circumstances. In the event that market quotations are not readily available or are determined by the Adviser to not be reflective of fair market value due to market events or developments, securities and options are valued at fair value as determined in good faith in accordance with procedures adopted by the Board of Trustees. Such methods of fair valuation may include, but are not limited to: multiple of earnings, multiple of book value, discount from market of a similar freely traded security, purchase price of security, subsequent private transactions in the security or related securities, or a combination of these and other factors.

Futures Contracts and Option Transactions — Hussman Strategic Growth Fund may purchase and write put and call options on broad-based stock indices. The Fund may also purchase and write call and put options on individual securities. Hussman Strategic Total Return Fund may use financial futures contracts and related options to hedge against changes in the market value of its portfolio securities that it intends to purchase. The Fund may also purchase a foreign currency option to establish or modify the Fund's exposure to foreign currencies, or an interest rate futures contract to protect against a decline in the value of its portfolio or to gain exposure to securities which the Fund otherwise wishes to purchase.

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

When a Fund writes an option, an amount equal to the net premium (the premium less the commission) received by the Fund is recorded in the liabilities section of the Fund's Statement of Assets and Liabilities and is subsequently valued. If an option expires on the stipulated expiration date or if the Fund enters into a closing purchase transaction, it will realize a gain (or a loss if the cost of a closing purchase transaction exceeds the net premium received when the option is sold) and the liability related to such option will be eliminated. If an option is exercised, the Fund may deliver the underlying security in the open market. In this event, the proceeds of the sale will be increased by the net premium originally received and the Fund will realize a gain or loss.

Repurchase Agreements — The Funds may enter into repurchase agreements with certain banks or non-bank dealers. The value of the underlying securities will be monitored on an ongoing basis to ensure that the value always equals or exceeds the repurchase price plus accrued interest.

Foreign Currency Translation — Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars based on exchange rates on the following basis:

- A. The market values of investment securities and other assets and liabilities are translated at the closing rate of exchange each day.
- B. Purchases and sales of investment securities and income and expenses are translated at the rate of exchange prevailing on the respective date of such transactions.
- C. The Funds do not isolate that portion of the results of operations caused by changes in foreign exchange rates on investments from those caused by changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gains or losses on investments.

Reported net realized foreign exchange gains or losses arise from 1) purchases and sales of foreign currencies, 2) currency gains or losses realized between the trade and settlement dates on securities transactions and 3) the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books, and the U.S. dollar equivalent of the amounts actually received or paid. Reported net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities, other than investment securities, resulting from changes in exchange rates.

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

Share Valuation and Redemption Fees — The net asset value of each Fund is calculated at the close of regular trading on the NYSE (normally 4:00 p.m., Eastern time) on each day that the NYSE is open for business. The net asset value per share of each Fund is calculated daily by dividing the total value of each Fund's assets, less liabilities, by the number of shares outstanding. The offering price and redemption price per share of each Fund is equal to the net asset value per share, except that shares of each Fund are subject to a redemption fee of 1.5% if redeemed within six months of the date of purchase. During the periods ended December 31, 2005 and June 30, 2005, proceeds from redemption fees totaled \$388,621 and \$897,771, respectively, for Hussman Strategic Growth Fund and \$17,452 and \$62,447, respectively, for Hussman Strategic Total Return Fund.

Investment Income — Interest income is accrued as earned. Dividend income is recorded on the ex-dividend date. Discounts and premiums on fixed income securities are amortized using the interest method.

Distributions to Shareholders — Dividends arising from net investment income, if any, are declared and paid annually to shareholders of Hussman Strategic Growth Fund and are declared and paid quarterly to shareholders of Hussman Strategic Total Return Fund. Net realized short-term capital gains, if any, may be distributed throughout the year and net realized long-term capital gains, if any, are distributed at least once a year. The amount of distributions from net investment income and net realized gains are determined in accordance with federal income tax regulations which may differ from accounting principles generally accepted in the United States. These "book/tax" differences are either temporary or permanent in nature and are primarily due to timing differences in the recognition of capital gains or losses for option transactions, losses deferred due to wash sales and treatment for foreign currency transactions.

The tax character of distributions paid during the periods ended December 31, 2005 and June 30, 2005 were as follows:

	Periods Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions
Hussman Strategic Growth Fund	12/31/05	\$77,329,170	\$ 180,977	\$77,510,147
	6/30/05	\$50,274,607	\$18,091,384	\$68,365,991
Hussman Strategic Total Return Fund	12/31/05	\$ 3,070,831	\$ 1,273,887	\$ 5,064,998
	6/30/05	\$ 2,689,841	\$ 236,250	\$ 2,926,091

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

Security Transactions — Security transactions are accounted for on trade date. Gains and losses on securities sold are determined on a specific identification basis.

Common Expenses — Common expenses of the Trust are allocated among the Funds based on relative net assets of each Fund or the nature of the services performed and the relative applicability to each Fund.

Accounting Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates.

Federal Income Tax — It is each Fund's policy to comply with the special provisions of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. As provided therein, in any fiscal year in which a Fund so qualifies and distributes at least 90% of its taxable net income, the Fund (but not the shareholders) will be relieved of federal income tax on the income distributed. Accordingly, no provision for income taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also each Fund's intention to declare and pay as dividends in each calendar year at least 98% of its net investment income (earned during the calendar year) and 98% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts from prior years.

The following information is computed on a tax basis for each item as of December 31, 2005:

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
Tax cost of portfolio investments	\$ 1,984,434,389	\$ 120,919,216
Gross unrealized appreciation	\$ 253,047,183	\$ 6,435,462
Gross unrealized depreciation	(93,115,967)	(1,566,984)
Net unrealized appreciation	\$ 159,931,216	\$ 4,868,478
Net unrealized foreign exchange losses	—	(120)
Undistributed ordinary income	64,699	39,657
Post-October losses	(5,889,234)	—
Other gains (losses)	(67,622,979)	626,900
Total distributable earnings	<u>\$ 86,483,702</u>	<u>\$ 5,534,915</u>

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

The difference between the federal income tax cost of portfolio investments and the financial statement cost for Hussman Strategic Growth Fund is due to certain timing differences in the recognition of capital gains or losses under income tax regulations and accounting principles generally accepted in the United States. These "book/tax" differences are temporary in nature and are primarily due to option transactions and losses deferred due to wash sales.

Hussman Strategic Growth Fund had realized capital losses of \$5,889,234 during the period November 1, 2004 through June 30, 2005, which are treated for federal income tax purposes as arising during the Fund's tax year ended June 30, 2006. These "post-October losses" may be utilized in the current and future years to offset net realized capital gains prior to distributing such gains to shareholders.

2. INVESTMENT TRANSACTIONS

During the six months ended December 31, 2005, cost of purchases and proceeds from sales and maturities of investment securities, other than short-term investments and U.S. government securities, amounted to \$898,008,842 and \$585,601,608, respectively, for Hussman Strategic Growth Fund and \$0 and \$9,781,031, respectively, for Hussman Strategic Total Return Fund.

3. TRANSACTIONS WITH AFFILIATES

Certain Trustees and officers of the Trust are affiliated with the Adviser or Ultimus Fund Solutions, LLC ("Ultimus"), the Funds' administrator, transfer agent and fund accounting agent.

Advisory Agreement

Under the terms of an Advisory Agreement between the Trust and the Adviser, Hussman Strategic Growth Fund pays a fee, which is computed and accrued daily and paid monthly, at an annual rate of 1.10% of the first \$500 million of its average daily net assets; 1.00% of the next \$500 million of such assets; 0.95% of the next \$2 billion of such assets; and 0.90% of such assets in excess of \$3 billion. Hussman Strategic Total Return Fund pays the Adviser a fee, which is computed and accrued daily and paid monthly, at the annual rate of 0.55% on the first \$500 million of its daily net assets; and 0.50% on such assets in excess of \$500 million.

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

Pursuant to an Expense Limitation Agreement with respect to Hussman Total Return Fund, the Adviser has contractually agreed to waive a portion of its advisory fees or to absorb operating expenses to the extent necessary so that the Fund's ordinary operating expenses do not exceed an amount equal to 0.90% annually of its average daily net assets. This expense limitation agreement remains in effect until at least December 31, 2006. Accordingly, during the six months ended December 31, 2005, the Adviser waived advisory fees of \$27,949. Any fee waivers or expense reimbursements by the Adviser are subject to repayment by the Fund provided the Fund is able to effect such repayment and remain in compliance with the undertaking by the Adviser to limit expenses of the Fund, and provided further that the expenses which are the subject of the repayment were incurred within three years of such repayment. As of December 31, 2005, the amount of fee waivers and expense reimbursements available for reimbursement to the Adviser is \$374,798. The Adviser may recapture these amounts no later than the dates as stated below:

	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
Hussman Strategic Total Return Fund	\$ 73,420	\$ 138,732	\$ 134,697	\$ 27,949

Administration Agreement

Under the terms of an Administration Agreement, Ultimus supplies executive, administrative and regulatory services to the Trust, supervises the preparation of tax returns, and coordinates the preparation of reports to shareholders and reports to and filings with the Securities and Exchange Commission and state securities authorities.

For these services, Ultimus receives a monthly fee from each of the Funds at an annual rate of 0.10% on its respective average daily net assets up to \$250 million; 0.075% on the next \$250 million of such assets; 0.05% on the next \$1.5 billion of such assets; and 0.04% on such net assets in excess of \$2 billion, subject to a minimum monthly fee of \$2,000.

Fund Accounting Agreement

Under the terms of a Fund Accounting Agreement between the Trust and Ultimus, Ultimus calculates the daily net asset value per share and maintains the financial books and records of the Funds. For these services, Ultimus receives from each of the Funds a monthly base fee of \$2,500, plus an asset based fee equal to 0.01% of its respective average daily net assets up to \$500

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

million and 0.005% of such net assets in excess of \$500 million. In addition, the Funds pay certain out-of-pocket expenses incurred by Ultimus in obtaining valuations of the Funds' portfolio securities.

Transfer Agent and Shareholder Services Agreement

Under the terms of a Transfer Agent and Shareholder Services Agreement between the Trust and Ultimus, Ultimus maintains the records of each shareholder's account, answers shareholders' inquiries concerning their accounts, processes purchases and redemptions of each Fund's shares, acts as dividend and distribution disbursing agent, and performs other shareholder service functions. For these services, Ultimus receives from each Fund a monthly fee at an annual rate of \$17 per account, subject to a minimum of \$1,500 per month. For the six months ended December 31, 2005, Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund paid \$234,168 and \$17,147, respectively, to Ultimus under the agreement. In addition, the Funds pay certain out-of-pocket expenses incurred by Ultimus including, but not limited to, postage and supplies.

For shareholder accounts held through financial intermediaries, the Fund may, in some cases, reimburse these intermediaries for the cost of providing account maintenance services, at an annual rate of not more than \$17 per account. During the six months ended December 31, 2005, Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund paid \$226,221 and \$15,034, respectively, to financial intermediaries.

Compliance Consulting Agreement

Under the terms of a Compliance Consulting Agreement between the Trust and Ultimus, Ultimus provides an individual to serve as the Chief Compliance Officer and to administer the Trust's compliance policies and procedures. For these services, the Trust pays Ultimus a base fee of \$1,000 per month, plus an asset-based fee at the annual rate of .005% of the average value of the Trust's aggregate daily net assets from \$100 million to \$500 million, .0025% of such assets from \$500 million to \$1 billion and .00125% of such assets in excess of \$1 billion. For the six months ended December 31, 2005, Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund paid \$25,501 and \$4,383, respectively, to Ultimus for compliance consulting services. In addition, the Funds pay reasonable out-of-pocket expenses incurred by Ultimus in connection with these services.

Hussman Investment Trust

Notes to Financial Statements *(continued)*

December 31, 2005 (Unaudited)

4. OPTION CONTRACTS WRITTEN

Transactions in option contracts written by Hussman Strategic Growth Fund during the six months ended December 31, 2005, were as follows:

	Option Contracts	Option Premiums
Options outstanding at beginning of period	16,000	\$ 60,703,375
Options written	52,000	234,927,020
Options cancelled in a closing purchase transaction	(48,500)	(180,884,645)
Options outstanding at end of period	<u>19,500</u>	<u>\$ 114,745,750</u>

No contracts were written by the Hussman Strategic Total Return Fund during the six months ended December 31, 2005.

5. BANK LINE OF CREDIT

Hussman Strategic Growth Fund has an unsecured \$10,000,000 bank line of credit. Hussman Strategic Total Fund has an unsecured bank line of credit in the amount of \$2,000,000. Borrowings under these arrangements bear interest at a rate per annum equal to the Prime Rate at the time of borrowing. During the six months ended December 31, 2005, the Funds had no outstanding borrowings under their respective lines of credit.

6. CONTINGENCIES AND COMMITMENTS

The Funds indemnify the Trust's officers and trustees for certain liabilities that might arise from their performance of their duties to the Funds. Additionally, in the normal course of business the Funds enter into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.

Hussman Investment Trust

About Your Fund's Expenses *(Unaudited)*

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including redemption fees; and (2) ongoing costs, including management fees and other Fund expenses. The following examples are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

A fund's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The examples below are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The table below illustrates each Fund's costs in two ways:

Actual fund return – This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from each Fund's actual return, and the third column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in each Fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for each Fund under the heading "Expenses Paid During Period."

Hypothetical 5% return – This section is intended to help you compare each Fund's costs with those of other mutual funds. It assumes that each Fund had an annual return of 5% before expenses during the period shown. In this case, because the return used is not each Fund's actual return, the results do not illustrate the expenses associated with your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to provide an example of fund expenses based on a 5% return. You can assess each Fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other mutual funds.

Hussman Investment Trust

About Your Fund's Expenses *(Unaudited) (continued)*

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

More information about each Fund's expenses, including annual expense ratios since inception, can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to each Fund's prospectus.

Hussman Strategic Growth Fund

	Beginning Account Value July 1, 2005	Ending Account Value Dec. 31, 2005	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$ 1,021.20	\$5.91
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$ 1,019.36	\$5.90

* Expenses are equal to Hussman Strategic Growth Fund's annualized expense ratio of (1.16%) for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the period covered by this report).

Hussman Strategic Total Return Fund

	Beginning Account Value July 1, 2005	Ending Account Value Dec. 31, 2005	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$ 1,057.80	\$4.67
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$ 1,020.67	\$4.58

* Expenses are equal to Hussman Strategic Total Return Fund's annualized expense ratio of (0.90%) for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the period covered by this report).

Hussman Investment Trust

Other Information *(Unaudited)*

A description of the policies and procedures the Funds use to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free 1-800-HUSSMAN (1-800-487-7626), or on the Securities and Exchange Commission's (SEC) website at <http://www.sec.gov>. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available without charge upon request by calling toll-free 1-800-HUSSMAN, or on the SEC's website at <http://www.sec.gov>.

The Trust files a complete listing of portfolio holdings for each Fund with the SEC as of the first and third quarters of each fiscal year on Form N-Q. The filings are available upon request, by calling 1-800-HUSSMAN (1-800-487-7626). Furthermore, you may obtain copies of the filings on the SEC's website at <http://www.sec.gov>. The Trust's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.



INVESTMENT ADVISER
Hussman Econometrics Advisors, Inc.
5136 Dorsey Hall Drive
Ellicott City, Maryland 21042

www.hussmanfunds.com
1-800-HUSSMAN (1-800-487-7626)

ADMINISTRATOR/TRANSFER AGENT
Ultimus Fund Solutions, LLC
225 Pictoria Drive, Suite 450
Cincinnati, Ohio 45246

CUSTODIAN
US Bank
425 Walnut Street
Cincinnati, Ohio 45202

INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM
Ernst & Young LLP
1900 Scripps Center
312 Walnut Street
Cincinnati, Ohio 45202

LEGAL COUNSEL
Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022

This Semi-annual Report is authorized for distribution
only if accompanied or preceded by a current
Prospectus of the Funds.