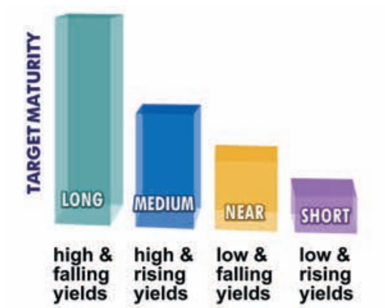
HUSSMAN INVESTMENT TRUST

Hussman Strategic Growth Fund

Hussman Strategic Total Return Fund



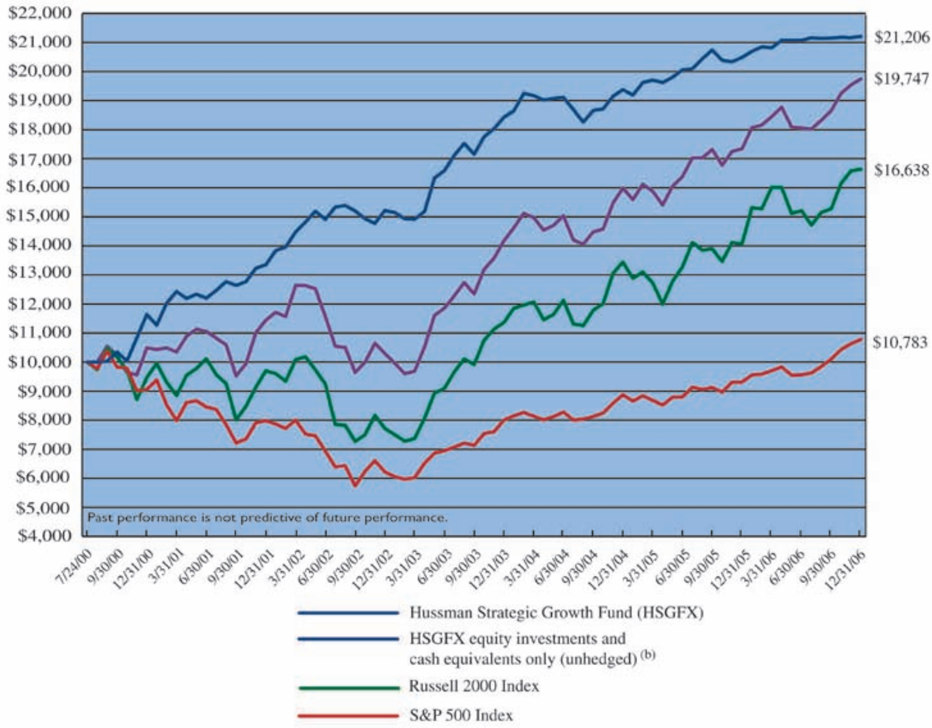
SEMI-ANNUAL REPORT

DECEMBER 31, 2006

(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, 2006

	1 Year	3 Years	5 Years	Since Inception[d]
Hussman Strategic Growth Fund	3.51%	4.79%	9.70%	12.38%
S&P 500 Index	15.79%	10.44%	6.19%	1.18%
Russell 2000 Index	18.37%	13.56%	11.39%	8.23%

(a) 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.

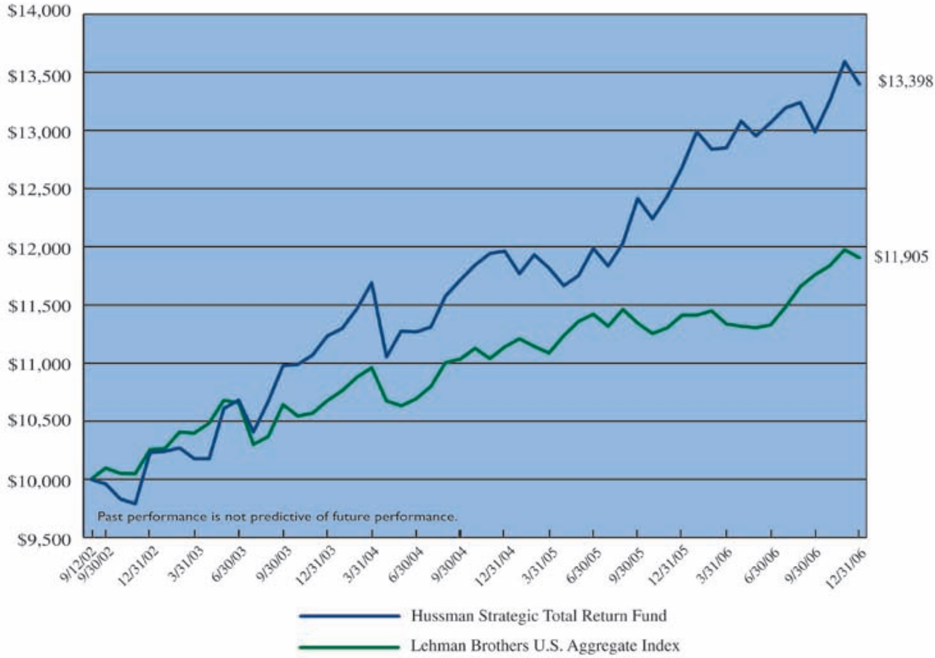
(b) "Equity investments and cash equivalents only (unhedged)" reflects the performance of the Fund's portfolio of stock investments and modest day-to-day cash balances, after fees and expenses, but excluding the impact of hedging transactions. The Fund's unhedged investment holdings do not represent 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, 2006

	1 Year	3 Years	Since Inception[c]
Hussman Strategic Total Return Fund	5.66%	6.05%	7.04%
Lehman Brothers U.S. Aggregate Index	4.33%	3.70%	4.14%

[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's adviser has agreed until at least December 31, 2007 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.

Letter to Shareholders

February 12, 2007

Dear Shareholder,

Hussman Strategic Growth Fund ended 2006 with positive returns for the 7th consecutive year. Hussman Strategic Total Return Fund ended 2006 with positive returns for the 5th consecutive year. Both Funds have substantially outperformed their respective benchmarks since inception, while maintaining contained volatility.

For the year ended December 31, 2006, Hussman Strategic Growth Fund achieved a total return of 3.51%, compared with a total return of 15.79% in the S&P 500 Index. Since inception on July 24, 2000, the Fund has achieved an overall total return of 112.06% (12.38% average annualized) versus an overall total return of 7.83% (1.18% average annualized) for the S&P 500 Index.

For the year ended December 31, 2006, Hussman Strategic Total Return Fund achieved a total return of 5.66%, compared with a total return of 4.33% for the Lehman U.S. Aggregate Index. Since inception on September 12, 2002, the Fund has achieved an overall total return of 33.98% (7.04% average annualized) versus an overall total return of 19.05% (4.14% average annualized) for the Lehman U.S. Aggregate Index.

The investment objectives of the Hussman Funds are distinctly long-term and "full cycle" in nature, placing very little weight on tracking the market over short periods of time. Because of our emphasis on risk management, Fund returns will periodically behave differently than various market indices. The intent of our risk management is to outperform the major indices over a complete market cycle (bull and bear markets combined), with added emphasis on defending capital in unfavorable market conditions.

The following table presents the total returns for the Strategic Growth Fund and S&P 500 Index since the inception of the Fund. In order to assist in attributing the effects of stock selection and hedging on the Strategic Growth Fund, the table separately presents the returns of the stock positions and cash equivalents held by the Fund (after expenses), without the impact of hedging transactions.

Year	HSGFX	HSGFX Stocks Only*	S&P 500
2000**	16.40%	4.86%	-9.37%
2001	14.67%	9.13%	-11.89%
2002	14.02%	-10.03%	-22.10%
2003	21.08%	37.68%	28.69%
2004	5.16%	12.81%	10.88%
2005	5.71%	8.43%	4.91%
2006	3.51%	13.88%	15.79%
Since Inception (Average annualized)	12.38%	11.15%	1.18%

* Reflects the Fund's portfolio of stock investments and cash equivalents only and excludes the impact of hedging transactions. This is not a separately available portfolio, and the performance is presented solely for purposes of comparison and performance attribution.

** July 24, 2000 – December 31, 2000, not annualized

The table below presents the returns for the Strategic Total Return Fund since inception.

Year	HSTRX	Lehman U.S. Aggregate
2002*	2.30%	2.56%
2003	9.80%	4.10%
2004	6.50%	4.34%
2005	6.00%	2.43%
2006	5.66%	4.33%
Since Inception (Average annualized)	7.04%	4.14%

* September 12, 2002 – December 31, 2002, not annualized

Strategic Growth Fund

Although the Strategic Growth Fund has achieved strong long-term performance with very low volatility, last year's 3.51% return in the Fund was well below expectations, even for a year in which the Fund was generally fully-hedged.

The long-term performance of the Fund is driven by two factors. First, the Fund typically holds a fully invested position in stocks displaying some combination of favorable valuation and market action. Second, based on prevailing market conditions, the Fund may hedge the exposure of its stock portfolio to general market fluctuations.

During 2006, the Fund generally held a fully-hedged investment position. The stock market weakened in the first half of the year, and the S&P 500 declined to a year-to-date loss by mid-July. Despite rich valuations and market action that has frequently been associated with continued steep declines, the stock market recovered during the second half of the year. In recent months, the market has maintained elevated valuations and a strenuously "overbought" condition. As of February 2007, the S&P 500 has reached the second-longest period on record without a 10% correction.

The market's late-2006 recovery did not reflect how the market has typically behaved under similar conditions of valuation and market action, but such deviations are to be expected from time to time. Every set of conditions we identify is associated with a range of outcomes – if there was no range, there would be no risk. As usual, we don't attempt to forecast which direction the market will move in each specific instance, but are concerned instead with the average return/risk profile that is associated with a given set of market conditions. So while the market's late-2006 advance was not a typical outcome, it did not provide any compelling evidence that the market's long-term dynamics have changed.

Over time, rich stock market valuations are strongly associated with unsatisfactory long-term returns. There is not a single instance in historical data since 1871 that the S&P 500 traded above 18 times record earnings and there was not a low a year or more later that erased every bit of advantage over Treasury bills. When rich valuations are coupled with poor internal market action, or with extremely bullish investor sentiment, rising interest rates and overextended short-term trends, the market has generally underperformed Treasury bills, and has often experienced abrupt short-term losses as well. Such losses need not occur in every instance to justify heightened defenses in the face of those conditions.

So the Fund's defensive investment position, though early, was also very intentional. As an investment manager, my primary disappointment last year was that the Fund's stock selections lagged the S&P 500 by a small margin of 1.91%. In prior years, the Fund's stock holdings have consistently and significantly outperformed the S&P 500.

When the Fund has a fully-hedged investment position, the Fund's total return will generally exceed short-term Treasury bill yields by the extent to which the stocks held by the Fund outperform the indices used to hedge (after expenses). While past performance does not ensure future results, the Fund's stock holdings have outperformed the S&P 500 Index by an average of 9.97% annually since the inception of the Fund. This increment has been positive in every year except 2006. Given the Fund's hedged investment position in 2006, the modest shortfall in stock selection performance last year was enough to hold the total return of the Strategic Growth Fund below Treasury bill returns.

Why has our stock selection approach had difficulty outperforming the market recently? The most important factor has been a preference by investors for stocks of low quality, on measures such as earnings stability and balance sheet strength. For example, Standard & Poor's Corporation publishes quality ratings on a large number of traded stocks. Although the number of individual stocks outperforming the S&P 500 diminished as 2006 progressed, an increasing fraction of these leaders had poor quality rankings. This same speculation in low quality issues is evident in the bond market, where default premiums have narrowed to unusually thin levels even for the riskiest classes of debt. To some extent, this increasing preference for "garbage stocks" and junk bonds has been apparent since 2003.

Though I believe that this favor toward speculative issues is a short-sighted preference that will ultimately end badly for investors, my emphasis on sound valuation and financial stability has admittedly not earned the Fund's shareholders great wealth during the past few years. Still, I strongly believe that over time, investors benefit from paying no more for stocks what they can expect to receive in likely cash flows. When shareholders invest in the Strategic Growth Fund, I intend for them to own a portfolio that I honestly believe has an intrinsic value greater than the Fund's net assets, not simply a group of speculative and debt-laden stocks, blessed in hindsight by price momentum.

Full Cycles

Meanwhile, it is helpful to analyze the Fund's performance within the context of its relevant investment horizon – the complete market cycle (the combination of at least one bull market and one bear market).

The Strategic Growth Fund achieved double digit annual gains despite deep market losses in 2000, 2001, and 2002, and achieved a further 21.08% return as the stock market recovered in 2003. By December 31, 2003, the Fund had achieved a total return of 84.29% since its July 24, 2000 inception (an average annual return of19.47%) versus a loss of -19.95% in the S&P 500 (an average annual return of -6.27%).

More recently, however, the Fund has achieved only single-digit annual gains. During the three-year period from December 31, 2003 through December 31, 2006, the Strategic Growth Fund achieved an overall total return of 15.07% (an average annual return of 4.79%) versus an overall total return of 34.70% (an average annual return of 10.43%) for the S&P 500 Index.

This three-year performance gap is actually a modest disparity for a hedged investment strategy. With the market extremely overdue for a material correction, it would take little market difficulty to put the Fund even with the S&P 500 for the period since 2003.

To illustrate, suppose that the Fund remains fully-hedged during a one-year bear market decline. Given the prevailing yield of 5% on short-term Treasury bills, and assuming the Fund's stock holdings (after expenses) perform no better or worse than the indices it uses to hedge, the Fund would also achieve a total return of about 5%.

How deep would the bear market loss in the S&P 500 then have to be in order to close the performance gap that has emerged since 2003? The calculation is:

1 – 1.05 x 1.1507 / 1.3470 = -10.30%.

We evidently do not require much of a bear market.

Of course, if the Fund's stock investments were to perform better than the indices we use to hedge, the performance of the Fund would be positively affected. If the Fund's stock investments were to lose substantially more in a bear market decline than the indices we use to hedge, or if the Fund was not fully hedged during such a decline, the performance of the Fund would be negatively affected.

The impact of bear market declines on compound returns is striking. It is useful to remember that, historically, less than half of the gains enjoyed during bull market advances are retained by investors by the end of the subsequent bear market. For example, a 30% bear market decline (about average by historical standards) would whittle an 80% bull market gain to just 26% over the full cycle (i.e. 0.70 x 1.80 = 1.26). As noted above, I would expect the modest performance difference between the Fund and the S&P 500 in recent years to be eliminated by a much shallower decline.

Unless investors assume that the market will experience no declines of significance in the coming years, my impression is that any concerns about the hedged stance of the Fund are probably misplaced. The larger issue, in my view, is the extent to which investors are no longer demanding significant risk premiums and default premiums on securities that are actually quite risky.

As I inquired in a recent weekly comment, if the parents or the children of Wall Street analysts were to ask for wise investment advice, would the first thought of these analysts really be to encourage stock purchases at a multi-year market high, in a long-uncorrected and strenuously overbought advance, at a multiple of over 18 times record earnings on unusually wide profit margins, with wages and unit labor costs rising faster than inflation, while interest rates are rising, bullish sentiment is unusually high, and corporate insiders are selling heavily? Would the potential for further gains in that environment exceed the next inevitable correction by an amount that would make the net gains worth the risk?

My advice would be to patiently defend capital until conditions emerge that have historically produced acceptable returns, on average, given the risks involved. Those conditions will inevitably arrive, but they are currently not present.

Strategic Total Return Fund

For the year ended December 31, 2006, the Strategic Total Return Fund achieved a total return of 5.66%, compared with a total return of 4.33% for the Lehman U.S. Aggregate Index.

During the past three years, the range of annual interest rate fluctuations in U.S. Treasury bonds has been less than half the average of the past 50 years. In 2006, the yield on 10-year Treasury bonds fluctuated in a range of less than 100 basis points. The 10-year Treasury yield increased modestly, from 4.44% to 4.75%. For most of the year, the yield curve was “inverted,” with short-term Treasury bill yields exceeding Treasury bond yields.

Given the combination of low Treasury yields, a relatively narrow trading range, and an inverted yield curve, there was not much opportunity last year to strategically vary our exposure to interest rate fluctuations. Accordingly, the

Fund generally maintained an exposure to shorter-duration Treasury securities in 2006, primarily holding inflation-protected notes.

The Strategic Total Return Fund also has the ability to hold up to 30% of its assets in alternatives to U.S. fixed income securities, including foreign government bonds, utility stocks and precious metals shares. During 2006, the Fund maintained a small exposure to utility stocks (generally less than 5% of assets), and a similarly small position in yen-denominated agency notes. As in recent years, the primary source of day-to-day fluctuation in the Fund's net asset value has been its holdings of precious metals shares, which have generally represented in the range of 10-20% of net assets, depending on market conditions.

Portfolio Composition

As of December 31, 2006, the Strategic Growth Fund had net assets of $2,842,875,029 and held 130 stocks in a wide variety of industries. The largest sector holdings were in consumer staples (20.1% of total investments) and healthcare (17.7% of total investments). The smallest industry weight relative to the S&P 500 remained in financials (2.8% of total investments).

Within a small day-to-day range of fluctuation due to share purchases and redemptions, and securities settlements, the Fund's portfolio has remained fully invested in individual stocks, with an offsetting short position in the S&P 500 and Russell 2000 Indices, using long-put / short-call index option combinations, where no more than one of those options is "in the money" at the time the position is established. These option combinations hedge the value of the Fund's stock positions against the impact of market fluctuations, although Fund returns are still influenced by the extent that the performance of the stocks held by the Fund differs from the performance of the indices used to hedge.

While the performance of the Strategic Growth Fund's diversified portfolio cannot be attributed to any narrow group of stocks, the following holdings achieved gains in excess of $10 million during the semi-annual period ended December 31, 2006: McDonalds, NVIDIA, Exxon Mobil, Nike and Lexmark. The Fund experienced a loss in excess of $10 million in Omnivision Technologies. For the full calendar year ended December 31, 2006, the Fund achieved gains in excess of $10 million in NVIDIA, Exxon Mobil, McDonalds, Applera, Lexmark, ConocoPhillips, Marathon Oil, Garmin and Energizer Holdings. The Fund experienced a loss greater than $10 million in Omnivision Technologies and Omnicare.

As of December 31, 2006, the Strategic Total Return Fund had net assets of $188,175,444. Treasury inflation protected securities accounted for 50.6% of the Fund's net assets. Short-term Treasury bills, government agency securities and money market securities represented an additional 26.1% of net assets. Precious metals shares represented 18.8% of net assets, and utility stocks represented 3.7%. The Fund had an average duration of just over 2 years (meaning that a 1% change in interest rates would be expected to impact the Fund's asset value by about 2% on the basis of bond price fluctuations). Because of that very low duration, precious metals shares continued to account for most of the day-to-day fluctuations in the net asset value of the Fund.

In the Strategic Total Return Fund, during the semi-annual period ended December 31, 2006, portfolio gains in excess of $500,000 were achieved in Agnico Eagle Mines, Goldcorp, and Endesa. The Fund experienced a loss in excess of $500,000 in Newmont Mining. For the full calendar year ended December 31, 2006, the Fund achieved gains in excess of $500,000 in Agnico Eagle Mines, Goldcorp, Endesa, Barrick Gold, and OGE Energy. The Fund experienced a loss greater than $500,000 in Newmont Mining.

Present Conditions

As usual, our investment positions are not based on specific forecasts of near-term market direction, but on market conditions that have historically been associated with unsatisfactory return/risk profiles, on average. Changes in our investment position are driven primarily by changes in prevailing, observable evidence regarding valuations and other market conditions.

Once market valuations become very rich, the market loses "investment merit" because elevated market valuations have historically been associated with unsatisfactory long-term returns. Further bull market gains are then only speculative, because they tend to be temporary in nature, and are typically surrendered during the subsequent bear market decline.

Still, it has generally been possible to capture some portion of these speculative returns. Specifically, the stock market has historically provided reasonably good return/risk performance even when valuations have been rich, provided that broad market action has been favorable across a wide range of stocks, industries and security types, and market conditions have not been over-extended on the basis of price trends or bullish sentiment.

Accordingly, we do not require stocks to decline to average or below-average valuations in order to establish a constructive investment position. If the major indices can decline sufficiently to clear recent extremes in price trends and investor optimism, without a strong deterioration in broad market action, I would expect to increase the exposure of the Strategic Growth Fund to market fluctuations. That exposure would most probably be established using call options, in order to retain protection against unanticipated market losses.

In any event, it should not be assumed that the stock market must fall to historic undervaluation before the Strategic Growth Fund reduces its hedges. Overvaluation raises the burden of proof, but it does not rule out moderate speculative exposure to market fluctuations.

In the bond market, the factors most likely to support a greater exposure to interest rate fluctuations in the year ahead would be a widening of credit spreads, or a significant increase in yield levels. As of December 31, 2006, yield levels remained too low to provide compelling value, while credit spreads were narrow and the yield curve was inverted. An abrupt widening of credit spreads (the difference between risky corporate yields and default-free Treasury yields) would indicate not only heightened default risks, but also risk to the U.S. economy. This would most probably create downward pressure on yields, despite their relatively low levels at present. Alternatively, higher yield levels would provide an opportunity to take a more constructive investment position in bonds, by improving conditions on the basis of valuation.

Although prevailing conditions do not warrant substantial exposure to fluctuations in the stock and bond markets, these conditions are unlikely to be sustained indefinitely. It is the nature of the financial markets to experience a rich variety of conditions over the course of a complete market cycle, just as it is the nature of economies to ebb and flow. From this perspective, it is dangerous for investors to believe that valuations have established a permanently high plateau or that an economic setting described with words like "Goldilocks" and "Eden-like" will long remain balanced on the razor's edge.

As always, I am grateful for your investment in the Funds, and for your trust.

Best wishes,

John P. Hussman, Ph.D.

Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. 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.

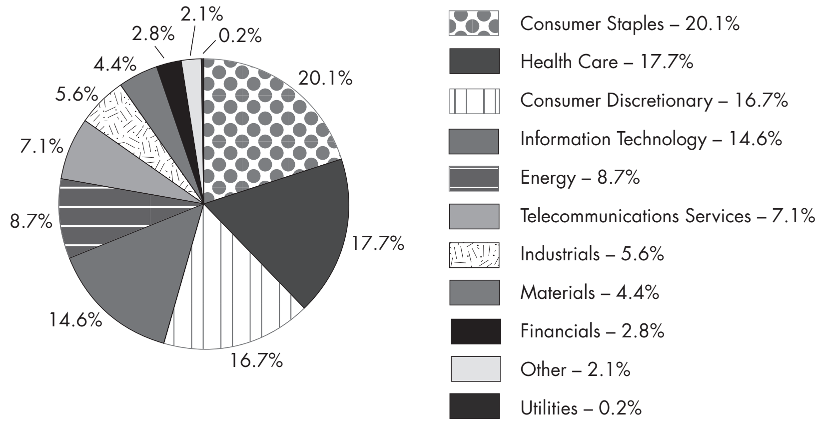
An investor should consider the investment objectives, risks, charges and expenses of the Funds carefully before investing. The Funds' prospectuses contain this and other important information. To obtain a copy of the Hussman Funds' prospectuses please visit our website at www.hussmanfunds.com or call 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 Letter to Shareholders seeks to describe some of the adviser's current opinions and views of the financial markets. Although the adviser believes it has a reasonable basis for any opinions and views expressed, actual results may differ, sometimes significantly so, from those it expects and expresses. The securities held by the Funds that are discussed in the Letter to Shareholders were held during the period covered by this Semi-Annual Report. 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 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, 2006 (Unaudited)

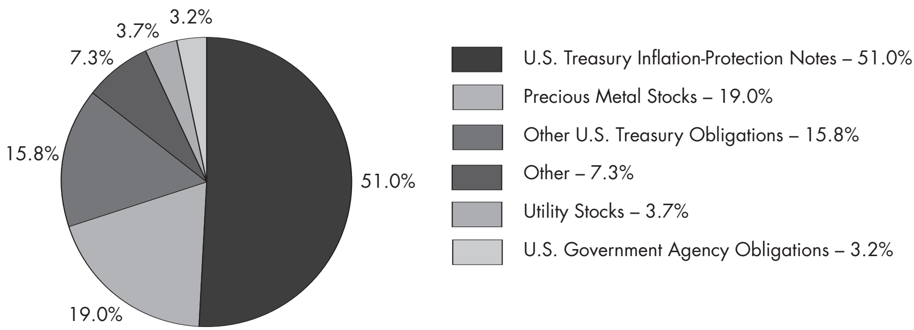
Sector Allocation (% of Total Investments)



Hussman Strategic Total Return Fund
Portfolio Information

December 31, 2006 (Unaudited)

Asset Allocation (% of Total Investments)



Statements of Assets and Liabilities

December 31, 2006 (Unaudited)

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
ASSETS		
Investments in securities:		
At acquisition cost	$ 2,685,149,474	$ 168,508,074
At value (Note 1)	$ 2,955,879,102	$ 173,206,439
Investments in money market funds	179,775,703	13,632,467
Cash	500,000	–
Dividends and interest receivable	4,665,765	1,510,743
Receivable for capital shares sold	3,480,032	22,320
Other assets	125,341	32,222
Total Assets	3,144,425,943	188,404,191
LIABILITIES		
Dividends payable	3,778,587	–
Written call options, at value (Notes 1 and 4) (premiums received $280,424,000)	289,278,000	–
Payable for capital shares redeemed	5,783,348	88,877
Accrued investment advisory fees (Note 3)	2,358,540	76,865
Payable to administrator (Note 3)	209,700	21,250
Other accrued expenses and liabilities	142,739	41,755
Total Liabilities	301,550,914	228,747
NET ASSETS	$ 2,842,875,029	$ 188,175,444
Net assets consist of		
Paid-in capital	$ 2,778,423,755	$ 184,575,825
Accumulated undistributed (overdistributed) net investment income	130,988	(81,012)
Accumulated net realized losses from security transactions and option contracts	(197,555,342)	(1,017,420)
Net unrealized appreciation on investments and options	261,875,628	4,925,152
Net unrealized depreciation on translation of assets and liabilities in foreign currencies	–	(227,101)
NET ASSETS	$ 2,842,875,029	$ 188,175,444
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	181,803,511	17,036,007
Net asset value, offering price and redemption price per share[a] (Note 1)	$ 15.64	$ 11.05

[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, 2006 (Unaudited)

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
INVESTMENT INCOME		
Dividends	$ 29,946,393	$ 831,265
Foreign withholding taxes on dividends	(181,301)	(8,390)
Interest	—	1,323,028
Total Income	29,765,092	2,145,903
EXPENSES		
Investment advisory fees (Note 3)	14,241,329	485,445
Administration fees (Note 3)	759,926	70,638
Transfer agent, account maintenance and shareholder services fees (Note 3)	690,472	41,837
Custodian and bank service fees	115,333	12,277
Fund accounting fees (Note 3)	101,217	23,812
Registration and filing fees	81,945	30,411
Professional fees	54,999	44,349
Trustees' fees and expenses	28,900	28,900
Insurance expense	35,218	2,442
Compliance service fees (Note 3)	31,044	4,618
Plus previously waived investment advisory fees recouped by the Adviser (Note 3)	—	21,922
Other expenses	54,307	27,713
Total Expenses	16,194,690	794,364
NET INVESTMENT INCOME	13,570,402	1,351,539
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS, OPTION CONTRACTS AND FOREIGN CURRENCIES (Note 4)		
Net realized gains (losses) from:		
Security transactions	34,742,930	(956,007)
Option contracts	(228,266,510)	—
Foreign currency transactions	—	(1,857)
Net change in unrealized appreciation/depreciation on:		
Investments	221,149,515	4,186,173
Option contracts	(23,776,500)	—
Foreign currency translation	—	(218,100)
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS, OPTION CONTRACTS AND FOREIGN CURRENCIES	3,849,435	3,010,209
NET INCREASE IN NET ASSETS FROM OPERATIONS	$ 17,419,837	$ 4,361,748

See accompanying notes to financial statements.

Statements of Changes in Net Assets

	Six Months Ended December 31, 2006 (Unaudited)	Year Ended June 30, 2006
FROM OPERATIONS		
Net investment income	$ 13,570,402	$ 14,378,679
Net realized gains (losses) from:		
Security transactions	34,742,930	244,834,733
Option contracts	(228,266,510)	(162,052,342)
Net change in unrealized appreciation/depreciation on:		
Investments	221,149,515	(38,796,122)
Option contracts	(23,776,500)	48,136,250
Net increase in net assets resulting from operations	17,419,837	106,501,198
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(23,489,795)	(7,903,689)
From net realized gains	(82,737,302)	(69,606,458)
Net decrease in net assets from distributions to shareholders	(106,227,097)	(77,510,147)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	527,846,267	1,393,333,433
Net asset value of shares issued in reinvestment of distributions to shareholders	91,037,302	69,245,755
Proceeds from redemption fees collected (Note 1)	716,949	775,369
Payments for shares redeemed	(504,026,642)	(511,750,868)
Net increase in net assets from capital share transactions	115,573,876	951,603,689
TOTAL INCREASE IN NET ASSETS	26,766,616	980,594,740
NET ASSETS		
Beginning of period	2,816,108,413	1,835,513,673
End of period	$ 2,842,875,029	$ 2,816,108,413
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	$ 130,988	$ 10,050,381
CAPITAL SHARE ACTIVITY		
Sold	32,842,447	86,814,263
Reinvested	5,814,975	4,421,266
Redeemed	(31,477,197)	(32,050,718)
Net increase in shares outstanding	7,180,225	59,184,811
Shares outstanding at beginning of period	174,623,286	115,438,475
Shares outstanding at end of period	181,803,511	174,623,286

See accompanying notes to financial statements.

Hussman Strategic Total Return Fund
Statements of Changes in Net Assets

	Six Months Ended December 31, 2006 (Unaudited)	Year Ended June 30, 2006
FROM OPERATIONS		
Net investment income	$ 1,351,539	$ 3,918,703
Net realized gains (losses) from:		
Security transactions	(956,007)	8,194,573
Foreign currency transactions	(1,857)	6,396
Net change in unrealized appreciation/depreciation on:		
Investments	4,186,173	(901,485)
Foreign currency translation	(218,100)	(64,909)
Net increase in net assets resulting from operations	4,361,748	11,153,278
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(1,550,182)	(3,807,952)
From net realized gains	(6,811,839)	(3,268,055)
Net decrease in net assets from distributions to shareholders	(8,362,021)	(7,076,007)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	39,056,295	54,330,916
Net asset value of shares issued in reinvestment of distributions to shareholders	7,580,612	6,375,542
Proceeds from redemption fees collected (Note 1)	56,132	28,184
Payments for shares redeemed	(13,252,628)	(34,232,131)
Net increase in net assets from capital share transactions	33,440,411	26,502,511
TOTAL INCREASE IN NET ASSETS	29,440,138	30,579,782
NET ASSETS		
Beginning of period	158,735,306	128,155,524
End of period	$ 188,175,444	$ 158,735,306
ACCUMULATED (OVERDISTRIBUTED) UNDISTRIBUTED NET INVESTMENT INCOME	$ (81,012)	$ 119,488
CAPITAL SHARE ACTIVITY		
Sold	3,473,034	4,831,412
Reinvested	692,928	574,073
Redeemed	(1,179,235)	(3,068,452)
Net increase in shares outstanding	2,986,727	2,337,033
Shares outstanding at beginning of period	14,049,280	11,712,247
Shares outstanding at end of period	17,036,007	14,049,280

See accompanying notes to financial statements.

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

	Six Months Ended December 31, 2006 (Unaudited)	Year Ended June 30, 2006	Year Ended June 30, 2005	Year Ended June 30, 2004	Year Ended June 30, 2003	Year Ended June 30, 2002
Net asset value at beginning of period	$ 16.13	$ 15.90	$ 15.89	$ 13.80	$ 13.34	$ 12.20
Income (loss) from investment operations:						
Net investment income (loss)	0.07	0.08	0.06	(0.04)	(0.02)	(0.04)
Net realized and unrealized gains on investments and options	0.03	0.69	0.68	2.13	1.36	2.52
Total from investment operations	0.10	0.77	0.74	2.09	1.34	2.48
Less distributions:						
Dividends from net investment income	(0.13)	(0.05)	(0.03)	–	–	–
Distributions from net realized gains	(0.46)	(0.50)	(0.71)	(0.01)	(0.93)	(1.35)
Total distributions	(0.59)	(0.55)	(0.74)	(0.01)	(0.93)	(1.35)
Proceeds from redemption fees collected (Note 1)	0.00 [e]	0.01	0.01	0.01	0.05	0.01
Net asset value at end of period	$ 15.64	$ 16.13	$ 15.90	$ 15.89	$ 13.80	$ 13.34
Total return[a]	0.63% [d]	5.05%	4.95%	15.22%	11.25%	22.24%
Net assets at end of period (000's)	$ 2,842,875	$ 2,816,108	$ 1,835,514	$ 1,316,703	$ 511,928	$ 173,342
Ratio of net expenses to average net assets	1.10% [b]	1.14%	1.24%	1.34%	1.45%	1.99% [c]
Ratio of net investment income (loss) to average net assets	0.92% [b]	0.63%	0.44%	(0.39%)	(0.15%)	(0.81%)
Portfolio turnover rate	46% [d]	63%	81%	66%	123%	199%

(a) 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.

(b) Annualized.

(c) Absent investment advisory fees waived by the Adviser, the ratio of expenses to average net assets would have been 2.03% for the year ended June 30, 2002.

(d) Not annualized

(e) Amount rounds to less than $0.01 per share.

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, 2006 (Unaudited)	Year Ended June 30, 2006	Year Ended June 30, 2005	Year Ended June 30, 2004	Period Ended June 30, 2003[(a)]
Net asset value at beginning of period	$ 11.30	$ 10.94	$ 10.53	$ 10.54	$ 10.00
Income from investment operations:					
Net investment income	0.09	0.32	0.24	0.21	0.14
Net realized and unrealized gains on investments and foreign currencies	0.19	0.65	0.42	0.35	0.52
Total from investment operations	0.28	0.97	0.66	0.56	0.66
Less distributions:					
Dividends from net investment income	(0.10)	(0.31)	(0.24)	(0.21)	(0.14)
Distributions from net realized gains	(0.43)	(0.30)	(0.02)	(0.37)	—
Total distributions	(0.53)	(0.61)	(0.26)	(0.58)	(0.14)
Proceeds from redemption fees collected (Note 1)	0.00 [(b)]	0.00 [(b)]	0.01	0.01	0.02
Net asset value at end of period	$ 11.05	$ 11.30	$ 10.94	$ 10.53	$ 10.54
Total return[(c)]	2.54% [(d)]	9.01%	6.40%	5.49%	6.81% [(d)]
Net assets at end of period (000's)	$ 188,175	$ 158,735	$ 128,156	$ 105,308	$ 18,983
Ratio of net expenses to average net assets[(e)]	0.90% [(f)]	0.90%	0.90%	0.90%	0.90% [(f)]
Ratio of net investment income to average net assets	1.53% [(f)]	2.94%	2.25%	2.34%	1.99% [(f)]
Portfolio turnover rate	36% [(d)]	55%	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 0.92%, 1.01%, 1.17% and 2.32%[(f)] for the periods ended June 30, 2006, 2005, 2004 and 2003, respectively.

(f) Annualized.

See accompanying notes to financial statements.

Shares	COMMON STOCKS — 101.75%	Value
	Air Freight & Logistics — 0.77%	
200,000	FedEx Corp.	$ 21,724,000
	Auto Components — 0.14%	
66,900	Autoliv, Inc.	4,034,070
	Automobiles — 1.99%	
750,000	Honda Motor Co. Ltd. - ADR	29,655,000
200,000	Toyota Motor Corp. - ADR	26,862,000
		56,517,000
	Beverages — 5.69%	
1,400,000	Coca-Cola Co. (The)	67,550,000
400,000	Coca-Cola Enterprises, Inc.	8,168,000
30,200	Fomento Economico Mexicano, S.A. de C.V. - ADR	3,495,952
650,000	Pepsi Bottling Group, Inc. (The)	20,091,500
1,000,000	PepsiCo, Inc.	62,550,000
		161,855,452
	Biotechnology — 3.08%	
1,750,000	Applera Corp. - Applied Biosystems Group	64,207,500
270,400	Gilead Sciences, Inc. [(a)]	17,557,072
119,500	Illumina, Inc. [(a)]	4,697,545
27,400	Integra LifeSciences Holdings [(a)]	1,166,966
		87,629,083
	Building Products — 0.53%	
500,000	Masco Corp.	14,935,000
	Capital Markets — 0.72%	
250,000	Morgan Stanley	20,357,500
	Chemicals — 1.84%	
232,800	Albany Molecular Research, Inc. [(a)]	2,458,368
100,000	BASF AG - ADR	9,720,000
341,700	Eastman Chemical Co.	20,266,227
350,000	Headwaters, Inc. [(a)]	8,386,000
250,000	OM Group, Inc. [(a)]	11,320,000
		52,150,595
	Commercial Banks — 0.97%	
300,000	Bank of America Corp.	16,017,000
200,000	Barclays plc - ADR	11,628,000
		27,645,000

Shares	COMMON STOCKS — 101.75% (Continued)	Value
	Commercial Services & Supplies — 2.07%	
1,600,000	Waste Management, Inc.	$ 58,832,000
	Communications Equipment — 1.04%	
711,700	CommScope, Inc. [(a)]	21,692,616
250,000	Polycom, Inc. [(a)]	7,727,500
		29,420,116
	Computers and Peripherals — 3.09%	
155,000	Ambient Corp. [(a)]	13,175
600,000	Lexmark International, Inc. [(a)]	43,920,000
1,020,024	SanDisk Corp. [(a)]	43,891,632
		87,824,807
	Construction Materials — 0.47%	
308,000	Encore Wire Corp.	6,779,080
71,500	Nanophase Technologies Corp. [(a)]	426,855
75,000	POSCO - ADR	6,200,250
		13,406,185
	Diversified Telecommunication Services — 7.00%	
500,000	ALLTEL Corp.	30,240,000
1,000,000	AT&T, Inc.	35,750,000
107,800	BT Group plc - ADR	6,456,142
500,000	CenturyTel, Inc.	21,830,000
2,500,000	Nokia Oyj - ADR	50,800,000
1,250,000	Verizon Communications, Inc.	46,550,000
516,963	Windstream Corp.	7,351,214
		198,977,356
	Electrical Equipment — 1.00%	
400,000	Energizer Holdings, Inc. [(a)]	28,396,000
	Electronic Equipment & Instruments — 2.54%	
626,300	Benchmark Electronics, Inc. [(a)]	15,256,668
500,000	Checkpoint Systems, Inc. [(a)]	10,100,000
1,000,000	Flextronics International Ltd. [(a)]	11,480,000
250,000	Garmin Ltd.	13,915,000
721,200	Nano-Proprietary, Inc. [(a)]	1,009,680
400,000	Trimble Navigation Ltd. [(a)]	20,292,000
		72,053,348
	Energy Equipment & Services — 0.45%	
250,000	Valero Energy Corp.	12,790,000

Shares	COMMON STOCKS — 101.75% (Continued)	Value
	Food Products — 10.59%	
1,750,000	Archer-Daniels-Midland Co.	$ 55,930,000
1,500,000	Campbell Soup Co.	58,335,000
1,000,000	General Mills, Inc.	57,600,000
689,600	H.J. Heinz Co.	31,038,896
1,250,000	Kellogg Co.	62,575,000
1,000,000	Kraft Foods, Inc.	35,700,000
		301,178,896
	Gas Utilities — 0.16%	
115,600	National Fuel Gas Co.	4,455,224
	Health Care Equipment & Supplies — 0.05%	
250,000	Accelrys, Inc. [a]	1,502,500
	Health Care Providers & Services — 1.73%	
150,000	Cardinal Health, Inc.	9,664,500
400,000	Molina Healthcare, Inc. [a]	13,004,000
500,000	Quest Diagnostics, Inc.	26,500,000
		49,168,500
	Hotels, Restaurants & Leisure — 1.87%	
1,200,000	McDonald's Corp.	53,196,000
	Household Durables — 0.86%	
238,700	Rent-A-Center, Inc. [a]	7,044,037
13,800	Sherwin-Williams Co.	877,404
200,000	Whirlpool Corp.	16,604,000
		24,525,441
	Household Products — 4.60%	
900,000	Clorox Co. (The)	57,735,000
600,000	Colgate-Palmolive Co.	39,144,000
500,000	Kimberly-Clark Corp.	33,975,000
		130,854,000
	Information Technology Consulting & Services — 2.93%	
1,000,000	Computer Sciences Corp. [a]	53,370,000
500,000	Convergys Corp. [a]	11,890,000
230,000	Fiserv, Inc. [a]	12,056,600
214,300	Macrovision Corp. [a]	6,056,118
		83,372,718
	Insurance — 1.23%	
400,000	Berkley (W.R.) Corp.	13,804,000
400,000	Chubb Corp. (The)	21,164,000
		34,968,000

Shares	COMMON STOCKS — 101.75% (Continued)	Value
	Internet Software & Services — 0.29%	
300,000	Cisco Systems, Inc. [(a)]	$ 8,199,000
	Leisure Equipment & Products — 2.90%	
200,000	Borders Group, Inc.	4,470,000
49,400	Fuji Photo Film Co. Ltd. - ADR	2,041,702
1,200,000	Grupo Televisa S.A. - ADR	32,412,000
1,750,000	Mattel, Inc.	39,655,000
755,000	TiVo, Inc. [(a)]	3,865,600
		82,444,302
	Machinery — 1.43%	
200,000	Caterpillar, Inc.	12,266,000
300,000	Deere & Co.	28,521,000
		40,787,000
	Marine — 0.02%	
12,200	Tsakos Energy Navigation Ltd.	559,980
	Media — 1.10%	
100,000	Comcast Corp - Class A Special [(a)]	4,188,000
50,000	Idearc, Inc. [(a)]	1,432,500
750,000	Walt Disney Co. (The)	25,702,500
		31,323,000
	Metals & Mining — 1.44%	
750,000	Nucor Corp.	40,995,000
	Multiline Retail — 1.55%	
400,000	Dollar General Corp.	6,424,000
1,250,000	Dollar Tree Stores, Inc. [(a)]	37,625,000
		44,049,000
	Office Electronics — 0.65%	
326,500	Canon, Inc. - ADR	18,476,635
	Oil & Gas — 8.65%	
150,000	Anadarko Petroleum Corp.	6,528,000
250,000	BP Amoco plc - ADR	16,775,000
250,000	Chevron Corp.	18,382,500
804,105	ConocoPhillips	57,855,355
1,000,000	Exxon Mobil Corp.	76,630,000
450,000	Marathon Oil Corp.	41,625,000
100,000	Petroleo Brasileiro S.A. - ADR	10,299,000
250,000	Royal Dutch Petroleum Co.	17,697,500
		245,792,355

Shares	COMMON STOCKS — 101.75% (Continued)	Value
	Paper & Forest Products — 0.84%	
700,000	International Paper Co.	$ 23,870,000
	Pharmaceuticals — 13.51%	
558,700	Altair Nanotechnologies, Inc. [(a)]	1,469,381
1,000,000	Biovail Corp.	21,160,000
250,000	Cephalon, Inc. [(a)]	17,602,500
500,000	Forest Laboratories, Inc. [(a)]	25,300,000
1,000,000	GlaxoSmithKline plc - ADR	52,760,000
1,000,000	Johnson & Johnson	66,020,000
500,000	King Pharmaceuticals, Inc. [(a)]	7,960,000
750,000	Novartis AG - ADR	43,080,000
500,000	Omnicare, Inc.	19,315,000
2,000,000	Pfizer, Inc.	51,800,000
340,000	Pharmaceutical Product Development, Inc.	10,954,800
125,000	Pharmacopeia Drug Discovery, Inc. [(a)]	532,500
579,000	Sanofi-Aventis - ADR	26,732,430
250,000	Shire Pharmaceuticals Group plc - ADR	15,440,000
200,000	Teva Pharmaceutical Industries Ltd. - ADR	6,216,000
350,000	Wyeth	17,822,000
		384,164,611
	Semiconductor Equipment & Products — 2.93%	
400,000	NVIDIA Corp. [(a)]	14,804,000
1,588,300	OmniVision Technologies, Inc. [(a)]	21,680,295
2,574,975	Taiwan Semiconductor Manufacturing Co. Ltd. - ADR	28,144,477
1,000,000	Veeco Instruments, Inc. [(a)]	18,730,000
		83,358,772
	Software — 1.67%	
200,000	BEA Systems, Inc. [(a)]	2,516,000
150,000	Citrix Systems, Inc. [(a)]	4,057,500
500,000	Intuit, Inc. [(a)]	15,255,000
1,500,000	Oracle Corp. [(a)]	25,710,000
		47,538,500
	Specialty Retail — 5.20%	
1,400,000	Estee Lauder Cos., Inc. (The) - Class A	57,148,000
239,290	GameStop Corp. [(a)]	13,103,520
500,000	Gap, Inc. (The)	9,750,000
750,000	Limited Brands, Inc.	21,705,000
250,000	Men's Wearhouse, Inc. (The)	9,565,000
1,500,000	Rite Aid Corp.	8,160,000
1,000,700	TJX Cos., Inc. (The)	28,499,936
		147,931,456

Shares	COMMON STOCKS — 101.75% (Continued)	Value
	Textiles & Apparel — 1.74%	
500,000	NIKE, Inc. - Class B	$ 49,515,000
	Wireless Telecommunications Services — 0.42%	
200,000	Amdocs Ltd. [(a)]	7,750,000
95,400	China Mobile Ltd. - ADR	4,123,188
		11,873,188
	Total Common Stocks (Cost $2,611,000,167)	$ 2,892,646,590

Units	UNIT TRUSTS — 0.00%	Value
2,700	Penn West Energy Trust (Cost $112,307)	$ 82,512

Contracts	CALL OPTION CONTRACTS — 0.85%	Value
10,000	S&P 500 Index Option, 02/17/2007 at $1,420 (Cost - $29,801,000)	$ 24,050,000

Contracts	PUT OPTION CONTRACTS — 1.38%	Value
8,000	Russell 2000 Index Option, 03/17/2007 at $780	$ 17,784,000
10,000	S&P 500 Index Option, 03/17/2007 at $1,330	8,680,000
6,000	S&P 500 Index Option, 03/17/2007 at $1,400	12,636,000
	Total Put Option Contracts (Cost $44,236,000)	$ 39,100,000
	Total Investments at Value — 103.98% (Cost $2,685,149,474)	$ 2,955,879,102

Shares	MONEY MARKET FUNDS — 6.32%	Value
179,775,703	First American Treasury Obligations Fund - Class A (Cost $179,775,703)	$ 179,775,703
	Total Investments and Money Market Funds at Value — 110.30% (Cost $2,864,925,177)	$ 3,135,654,805
	Liabilities in Excess of Other Assets — (10.30%)	(292,779,776)
	Net Assets — 100.00%	$ 2,842,875,029

[(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, 2006 (Unaudited)

Contracts	WRITTEN CALL OPTION CONTRACTS	Value of Options	Premiums Received
8,000	Russell 2000 Index Option, 03/17/2007 at $700	$ 78,152,000	$ 84,628,000
6,000	S&P 500 Index Option, 03/17/2007 at $1,250	106,896,000	100,311,000
10,000	S&P 500 Index Option, 03/17/2007 at $1,330	104,230,000	95,485,000
		$ 289,278,000	$280,424,000

See accompanying notes to financial statements.

Shares	COMMON STOCKS — 22.56%		Value
	Electrical Equipment — 0.86%		
35,000	Endesa S.A. - ADR	$	1,628,200
	Electric Utilities — 2.10%		
25,000	Korea Electric Power Corp. - ADR		567,750
37,500	MDU Resources Group, Inc.		961,500
40,000	OGE Energy Corp.		1,600,000
20,000	SCANA Corp.		812,400
			3,941,650
	Gas Utilities — 0.78%		
45,000	WGL Holdings, Inc.		1,466,100
	Metals & Mining — 18.82%		
100,000	Agnico-Eagle Mines Ltd.		4,124,000
100,000	AngloGold Ashanti Ltd. - ADR		4,709,000
225,000	Barrick Gold Corp.		6,907,500
200,000	Compania de Minas Buenaventura S.A.u. - ADR		5,612,000
125,000	Goldcorp, Inc.		3,555,000
75,000	Harmony Gold Mining Co.		1,181,250
150,000	Newmont Mining Corp.		6,772,500
50,000	Randgold Resources Ltd. - ADR [(a)]		1,173,000
75,000	Stillwater Mining Co. [(a)]		936,750
35,000	USEC, Inc.		445,200
			35,416,200
	Total Common Stocks (Cost $36,610,657)	$	42,452,150

Par Value	U.S. TREASURY OBLIGATIONS — 66.31%		Value
	U.S. Treasury Bills — 15.69%		
$15,000,000	Discount note, due 03/15/2007	$	14,857,260
15,000,000	Discount note, due 06/14/2007		14,671,620
			29,528,880
	U.S. Treasury Inflation-Protection Notes — 50.62%		
23,193,400	3.50%, due 01/15/2011		24,151,960
30,690,630	3.375%, due 01/15/2012		32,051,330
22,451,200	3.00%, due 07/15/2012		23,111,602
16,484,100	1.875%, due 07/15/2013		15,930,350
			95,245,242
	Total U.S. Treasury Obligations (Cost $125,672,324)	$	124,774,122

Par Value	U.S. GOVERNMENT AGENCY OBLIGATIONS — 3.18%	Value
	Federal Farm Credit Bank — 0.21%	
$ 400,000	2.625%, due 09/24/2007	$ 392,648
	Federal Home Loan Bank — 0.26%	
500,000	5.70%, due 04/16/2018	491,641
	Federal National Mortgage Association — 2.71%	
JPY 600,000,000	2.125%, due 10/09/2007	5,095,878
	Total U.S. Government Agency Obligations (Cost $6,225,094)	$ 5,980,167
	Total Investments at Value — 92.05% (Cost $168,508,074)	$ 173,206,439

Shares	MONEY MARKET FUNDS — 7.24%	Value
13,632,467	First American Treasury Obligations Fund - Class A (Cost $13,632,467)	$ 13,632,467
	Total Investments and Money Market Funds at Value — 99.29% (Cost $182,140,541)	$ 186,838,906
	Other Assets in Excess of Liabilities — 0.71%	1,336,538
	Net Assets — 100.00%	$ 188,175,444

[a] Non-income producing security.

ADR American Depositary Receipt

JPY Japanese Yen

See accompanying notes to financial statements

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund (individually, a "Fund", and collectively, the "Funds") are each a diversified 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 a 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 over-the-counter markets 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.

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, 2006, 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 are 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 by the Adviser 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.

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 a daily 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.

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%, payable to the applicable Fund, if redeemed within six months of the date of purchase. During the periods ended December 31, 2006 and June 30, 2006, proceeds from redemption fees totaled $716,949 and $775,369, respectively, for Hussman Strategic Growth Fund and $56,132 and $28,184, 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 generally distributed annually. 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, 2006 and June 30, 2006 were as follows:

	Periods Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions
Hussman Strategic Growth Fund	12/31/06	$ 77,740,644	$28,486,453	$106,227,097
	6/30/06	$ 77,329,170	$ 180,977	$ 77,510,147
Hussman Strategic Total Return Fund	12/31/06	$ 6,022,214	$ 2,339,807	$ 8,362,021
	6/30/06	$ 5,081,839	$ 1,994,168	$ 7,076,007

Securities Transactions — For financial statement purposes, securities 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, 2006:

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
Cost of portfolio investments	$ 2,564,760,177	$ 182,667,139
Gross unrealized appreciation	$ 370,705,713	$ 6,235,425
Gross unrealized depreciation	(89,089,085)	(2,063,659)
Net unrealized appreciation	$ 281,616,628	$ 4,171,766
Net unrealized foreign exhange losses	—	(312)
Other losses	(213,386,767)	(571,835)
Other temporary differences	(3,778,587)	—
Total accumulated earnings	$ 64,451,274	$ 3,599,619

The difference between the federal income tax cost of portfolio investments and the financial statement cost for the Funds 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.

For the six months ended December 31, 2006, Hussman Strategic Total Return Fund reclassified $1,857 of foreign exchange losses from accumulated net realized losses to accumulated overdistributed net investment income on the Statement of Assets and Liabilities. Such reclassification, the result of permanent differences between financial statement and income tax reporting requirements, has no effect on the Fund's net assets or net asset value per share.

2. INVESTMENT TRANSACTIONS

During the six months ended December 31, 2006, cost of purchases and proceeds from sales and maturities of investment securities, other than short-term investments and U.S. government securities, amounted to $1,313,846,462 and $1,403,288,681, respectively, for Hussman Strategic Growth Fund and $24,810,185 and $14,168,270, respectively, for Hussman Strategic Total Return Fund.

3. TRANSACTIONS WITH AFFILIATES

Certain Trustees and officers of the Trust are affiliated with the Adviser or with 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 annual rates of 1.00% of the first $1 billion of its average daily net 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 annual rates of 0.55% of the first $500 million of its average daily net assets; and 0.50% of such assets in excess of $500 million.

Pursuant to an Expense Limitation Agreement with respect to Hussman Strategic 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, 2007. During the six months ended December 31, 2006, there were no fees waived by the Adviser. 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. During the six months ended December 31, 2006, the Adviser recouped $21,922 in previously waived fees from Hussman Strategic Total Return Fund. As of December 31, 2006, the amount of fee waivers and expense reimbursements available for recoupment by the Adviser is $279,456. The Adviser may recoup a portion of this amount no later than the dates as stated below:

	June 30, 2007	June 30, 2008	June 30, 2009
Hussman Strategic Total Return Fund	$ 116,810	$ 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.

Under the terms of the Administration Agreement, Ultimus receives a monthly fee from each Fund computed at an annual rate of 0.08% on the Fund's average daily net assets up to $500 million; 0.05% on the next $1.5 billion of such assets; 0.04% on the next $1 billion of such assets; and 0.03% on such assets in excess of $3 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 Fund a monthly base fee of $2,500, plus an asset-based fee computed at annual rates of 0.01% of its average daily net assets up to $500 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, 2006, Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund paid $355,707 and $21,449, 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, compensate these intermediaries for providing equivalent account maintenance and shareholder services, at an annual rate of not more than $17 per account. During the six months ended December 31, 2006, Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund paid $334,765 and $20,388, respectively, to financial intermediaries for such services.

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 computed at the annual rates of .005% of the average value of its 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, 2006, Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund paid $31,044 and $4,618, 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.

4. OPTION CONTRACTS WRITTEN

Transactions in option contracts written by Hussman Strategic Growth Fund during the six months ended December 31 2006 were as follows:

	Option Contracts	Option Premiums
Options outstanding at beginning of period	24,500	$ 122,163,250
Options written	49,500	435,980,750
Options cancelled in a closing purchase transactions	(50,000)	(277,720,000)
Options outstanding at end of period	24,000	$ 280,424,000

No contracts were written by Hussman Strategic Total Return Fund during the six months ended December 31, 2006.

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 determined by the lending bank at the time of borrowing. During the six months ended December 31, 2006, 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.

7. RECENT ACCOUNTING PRONOUNCEMENTS

On July 13, 2006, the Financial Accounting Standards Board (FASB) released FASB Interpretation No. 48 (FIN 48) "Accounting for Uncertainty in Income Taxes." FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in financial statements. FIN 48 requires the evaluation of tax positions taken in the course of preparing a fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the more-likely-than-not threshold would be booked as a tax expense in the current year and recognized as: a liability for unrecognized tax benefits; a reduction of an income tax refund receivable; a reduction of deferred tax asset; an increase in deferred tax liability; or a combination thereof. Adoption of FIN 48 is required for fiscal years beginning after December 15, 2006 and is to be applied to all open tax years as of the effective date. Recent SEC guidance allows implementing FIN 48 in net asset value calculations as late as the last such calculation in the first required financial statement reporting period. As a result, the Funds will incorporate FIN 48 in their Semi-Annual report on December 31, 2007. At this time, management is evaluating the implications of FIN 48 and its impact in the financial statements has not yet been determined.

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement on Financial Accounting Standards (SFAS) No. 157, "Fair Value Measurements." This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS No. 157 applies to fair value measurements already required or permitted by existing standards. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The changes to current generally accepted accounting principles resulting from the application of this Statement relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements. As of December 31 2006, the Trust does not believe the adoption of SFAS No. 157 will impact the amounts reported in the Funds' financial statements, however, additional disclosures may be required about the inputs used to develop the measurements and the effect of certain of the measurements reported on the statement of changes in net assets for a fiscal period.

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of a Fund, 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 ongoing costs 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 the applicable 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.

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, 2006	Ending Account Value December 31, 2006	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$ 1,006.30	$5.56
Based on Hypothetical 5% Return (before expenses)	$1,000.00	$ 1,019.66	$5.60

* Expenses are equal to Hussman Strategic Growth Fund's annualized expense ratio of 1.10% 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, 2006	Ending Account Value December 31, 2006	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$ 1,025.40	$4.59
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 (after waiver of fees and absorption of expenses pursuant to the Expense Limitation Agreement), multiplied by the average account value over the period, multiplied by 184/365 (to reflect the period covered by this report).

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 end 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.

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