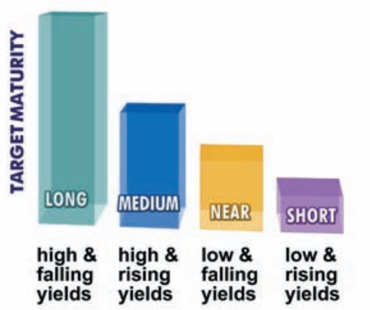
HUSSMAN INVESTMENT TRUST

Hussman Strategic Growth Fund

Hussman Strategic Total Return Fund

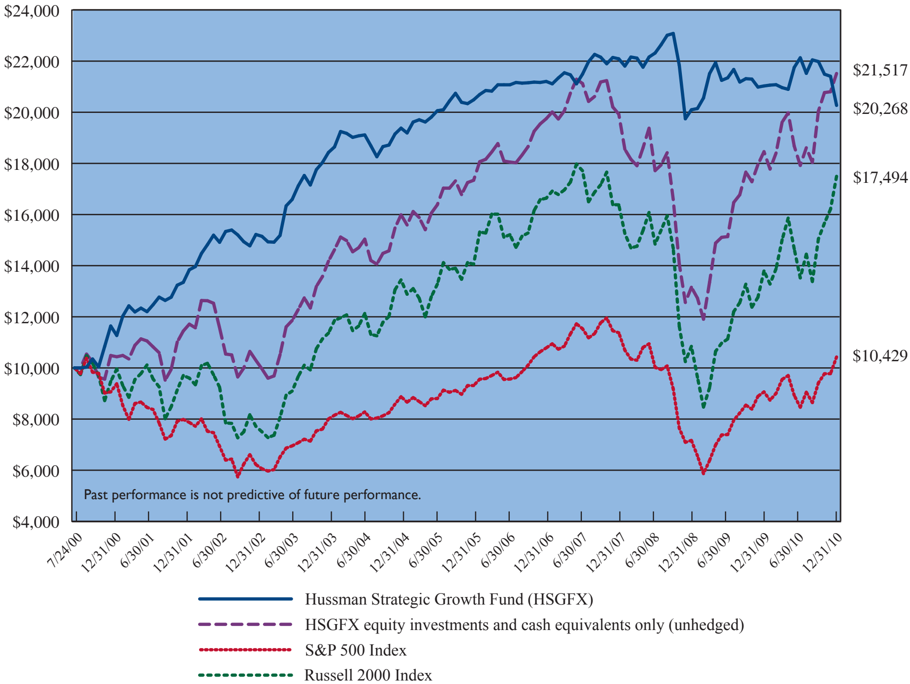


SEMI-ANNUAL REPORT

December 31, 2010
(Unaudited)

STRATEGIC GROWTH FUND

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



Average Annual Total Returns[(b)]
For Periods Ended December 31, 2010

	1 Year	3 Years	5 Years	10 Years	Since Inception[(c)]
Hussman Strategic Growth Fund[(d)]	(3.62%)	(2.83%)	(0.21%)	5.70%	7.00%
S&P 500 Index	15.06%	(2.86%)	2.29%	1.41%	0.40%
Russell 2000 Index	26.86%	2.22%	4.47%	6.33%	5.50%

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

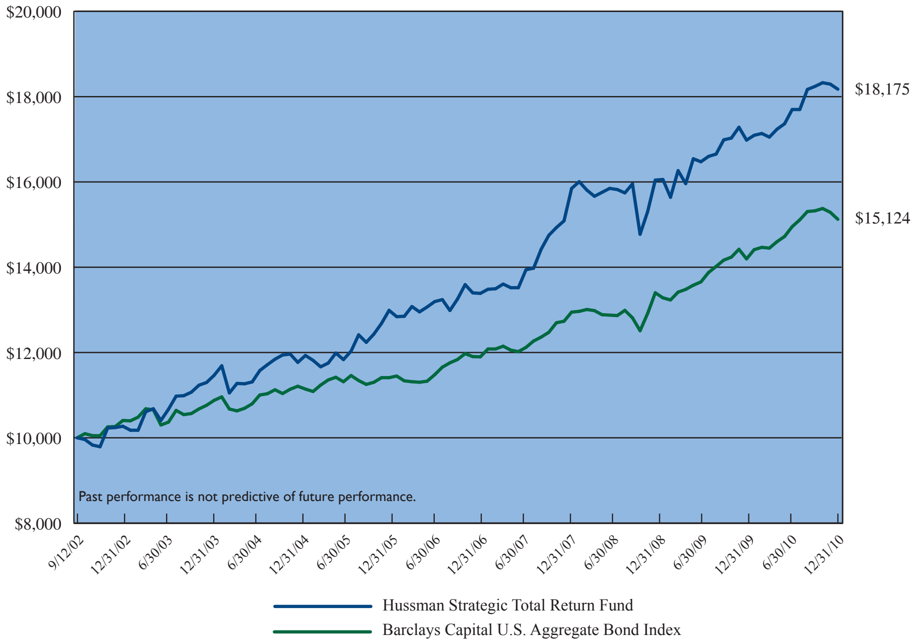
(b) Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

(c) The Fund commenced operations on July 24, 2000.

(d) The Fund's annualized expense ratio was 1.03% during the six months ended December 31, 2010. The expense ratio as disclosed in the November 1, 2010 prospectus was 1.05%.

STRATEGIC TOTAL RETURN FUND

Comparison of the Change in Value of a $10,000 Investment in Hussman Strategic Total Return Fund versus the Barclays Capital U.S. Aggregate Bond Index



Average Annual Total Returns[a]

For Periods Ended December 31, 2010

	1 Year	3 Years	5 Years	Since Inception[b]
Hussman Strategic Total Return Fund[c]	7.03%	6.40%	7.46%	7.46%
Barclays Capital U.S. Aggregate Bond Index[d]	6.54%	5.90%	5.80%	5.11%

[a] Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[b] The Fund commenced operations on September 12, 2002.

[c] The Fund's annualized expense ratio was 0.63% during the six months ended December 31, 2010. The expense ratio as disclosed in the November 1, 2010 prospectus was 0.73%.

[d] The Barclays Capital U.S. Aggregate Bond Index covers the U.S. investment grade fixed rate bond market, with index components for U.S. government, agency and corporate securities.

Dear Shareholder,

For the year ended December 31, 2010, Hussman Strategic Growth Fund achieved a total return of -3.62%, compared with a total return of 15.06% for the Standard & Poor's 500 Index. Meanwhile, Hussman Strategic Total Return Fund achieved a total return of 7.03%, compared with a gain of 6.54% for the Barclays Capital U.S. Aggregate Bond Index. While we successfully navigated bond market conditions in 2010, the stock market proved far more challenging in the final months of the year.

Strategic Growth Fund has achieved an average annual total return of 7.00% from its inception on July 24, 2000 through December 31, 2010, compared with an average annual return of 0.40% for the S&P 500 Index over the same period. An initial $10,000 investment in the Fund on July 24, 2000 would have grown to $20,268, compared with $10,429 for the same investment in the S&P 500 Index.

Strategic Total Return Fund has achieved an average annual total return of 7.46% from its inception on September 12, 2002 through December 31, 2010, compared with an average annual total return of 5.11% for the Barclays Capital U.S. Aggregate Bond Index. An initial $10,000 investment in the Fund on September 12, 2002 would have grown to $18,175, compared with $15,124 for the same investment in the Barclays Capital U.S. Aggregate Bond Index.

Since the inception of Strategic Growth Fund in 2000, the Fund has outperformed the S&P 500 Index by 6.60% (660 basis points) annually, on average. Since the inception of Strategic Total Return Fund in 2002, the Fund has outperformed the Barclays Capital U.S. Aggregate Bond Index by 2.35% (235 basis points) annually, on average.

Strategic Growth Fund

As late as September 2010, Strategic Growth Fund had a 2010 year-to-date performance that was ahead of the S&P 500 Index. During the fourth quarter of 2010, the Federal Reserve embarked on an aggressive policy of "quantitative easing," coupled with an Op-Ed article by Fed Chairman Ben Bernanke in the Washington Post, which all but endorsed speculation in stocks, on the theory that higher stock prices produce a "wealth effect" that increases economic output and earnings, which in turn justifies higher stock prices in a "virtuous circle."

Despite extensive historical evidence against this proposition, Bernanke's rhetoric and his repeated mention of the stock market provoked a surge in stocks associated with what Wall Street typically calls the "risk trade." These included stocks in cyclical and commodity-related industries, small capitalization stocks, and companies with uneven revenue growth and unstable profit margins, which we typically characterize as "low quality." At the same time, many conservative stocks fell out of favor. Ironically, the prices of Treasury bonds – the direct objects of the Fed's purchases – also plunged. Though the individual stocks owned in Strategic Growth Fund actually slightly outperformed the S&P 500 Index for 2010 as a whole, a small portion of our hedge included the Nasdaq 100 and Russell 2000 Indices, and the late-year surge in those indices produced enough additional hedging losses to leave the Fund with a slightly negative return for 2010.

In pursuing the investment objective of Strategic Growth Fund, our goal is to outperform the S&P 500 Index over the complete market cycle (bull market peak to bull market peak, bear market trough to bear market trough), while having smaller periodic losses than a passive investment strategy. Consistent with this goal, and despite the most turbulent market environment since the Great Depression, Strategic Growth Fund remained ahead of the S&P 500 Index for the period from the 2007 market peak through December 31, 2010, and experienced substantially smaller interim losses during this period.

During the most recent market cycle, we continued to be very good at selecting stocks. For the three-year period ended December 31, 2010, the stocks held by Strategic Growth Fund appreciated by a cumulative 6.30%, versus an overall loss of -9.33% for the S&P 500 Index. In the interim, our stock selections experienced substantial losses during the 2008-2009 market plunge, albeit smaller than those experienced by the S&P 500 Index, but our hedging approach successfully reduced the impact of those losses. Still, taking the period since 2007 as a whole, we were not nearly as successful as we would have liked in achieving positive absolute returns from our ability to effectively identify stocks for investment.

Overall, this recent performance is a disappointment. Ultimately, successful investment requires positive absolute returns – losing less than the market is not enough. While hedging has helped us to largely avoid the impact of two spectacular market plunges during the past decade, the hedging component of our investment strategy has also been a source of periodic disappointment in recent years, and some explanation is in order.

Both day-to-day, and over the long-term, we pursue a straightforward investment discipline: find a set of daily actions that can be expected to produce results if they are followed consistently, and then follow them consistently. Having a well-tested investment discipline, evaluated by analyzing decades of historical data, is what gives us confidence in what we do. With regard to hedging, our approach is also fairly straightforward: accept market risk in proportion to the return that can be expected, on average, per unit of risk.

Although we correctly foresaw the credit strains of 2008 and the likelihood of significant market losses, we did not foresee the speed and relentlessness of the decline, nor the policy responses of the Treasury and Federal Reserve, which I viewed as reckless and misguided. It quickly became clear that the behavior of the markets was “out of sample” from the standpoint of the post-1940 data that we had generally used as the basis for our hedging discipline. Indeed, on most measures, the market was acting in a way that was much more characteristic of other periods of credit crisis in the U.S. and internationally, including the Great Depression. We believed that it was a mistake to treat the downturn as a typical, run-of-the-mill post-war recession, but it was an enormous challenge to integrate the often contradictory implications of other crisis-related historical data in a satisfactory way.

Averaging the implications of post-war and post-credit crisis data proved to be inadequate, because the outcomes during comparable crises were so hostile, even if we gave them very little weight. For example, during the Depression era, by the time that the S&P 500 Index was priced to achieve 10-year expected returns of 10% annually (based on our standard valuation methodology), the stock market had already declined by half. But this was only the beginning – the market would continue to lose another two-thirds of its value before its final low. Even trend-following systems experienced false signals and deep losses. The threshold for accepting market risk during periods of credit crisis was typically much higher than in post-war data, requiring much more stringent valuation criteria. Even during lesser crises in the post-war period, stocks had typically established their lows at much cheaper valuations than existed at the 2009 trough. It was not enough to measure “risk” - the chance of rolling something other than 7, given that you know two six-sided dice are being thrown; we also needed to deal with “uncertainty” - the chance that the dice themselves might have actually eight, twelve, or twenty sides without our knowledge.

It was not until 2010 that we finally established an adequate and robust solution to these challenges, which we recently put into practice after extensive validation testing. I’ve described these methods at more length in my Weekly Market Comment on the Hussman Funds website. Briefly, rather than assuming that any single set of investment criteria is “best,” we evaluate scores of criteria over numerous historical data samples. If an observed set of market conditions would have resulted in strong average market returns regardless of which model or subset of data we examine, we conclude that significant exposure to market risk is warranted. In contrast, if a given set of conditions is associated with a wide range of possible outcomes depending on the subset of data we examine, we take a more cautious approach, even if the outcomes are positive on average. In this way, our exposure to market fluctuations can reflect the expected return, risk and uncertainty that has historically been associated with the investment conditions we observe at each point in time, without relying on any one particular view of the world. The implication for Strategic Growth Fund is that shareholders can expect a greater range of positive market exposures than we have accepted in past years, but also a tightly defensive stance in response to historically hostile market conditions.

It is tempting to believe that somehow Federal Reserve policy or other factors have changed the world in ways that make historical valuation relationships obsolete. I believe this is incorrect. These relationships have performed quite well over the past decade, and have correctly identified important valuation extremes. The challenges we faced as a result of having to consider Depression-era data had nothing to do with difficulties in valuing stocks. The basic fact remains that stocks are a claim on a long-term stream of cash flows that will be delivered to investors over time. Numerous factors can affect the day-to-day price that investors pay for stocks, but the historical record suggests that not even the wildest speculation materially changes the underlying stream of long-term cash flows they will deliver – it only changes the rate of return that investors can expect in the future, as the result of the price they pay.

The importance of careful investment valuation is easily ignored during periods of speculation, but as the great value investor Benjamin Graham wrote decades ago:

"Speculators often prosper through ignorance; it is a cliché that in a roaring bull market knowledge is superfluous and experience is a handicap. But the typical experience of the speculator is one of temporary profit and ultimate loss."

In short, the hedging challenges we've faced in recent years resulted from a profound economic crisis that forced us to expand the range of historical data that we needed to contemplate. I have no faith that the underlying credit and solvency problems in the U.S. economy have been addressed, but changes in accounting rules coupled with large government deficits and extraordinary monetary interventions have successfully kicked the can down the road, allowing some amount of economic recovery. While I believe that the lessons from our research will be enormously useful during future periods of market turbulence, they unfortunately don't give us a time machine to do anything differently in 2008 or 2009, nor would our investment decisions have been much different since about April 2010 than they have been in practice. Despite the challenges posed by the recent credit crisis, I remain convinced that the most reliable source of investment returns is to follow a consistent investment discipline that has stood the exhaustive test of history.

The table below presents the total returns for 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 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%	28.68%
2004	5.16%	12.81%	10.88%
2005	5.71%	8.43%	4.91%
2006	3.51%	13.88%	15.79%
2007	4.16%	0.89%	5.49%
2008	-9.02%	-33.97%	-37.00%
2009	4.63%	38.12%	26.46%
2010	-3.62%	16.57%	15.06%
Since Inception (Average annual return)	7.00%	7.62%	0.40%

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

Given the weak total return of the S&P 500 Index since the inception of the Fund, and the general tendency of the Fund to hedge its exposure to market fluctuations during this generally unrewarding period, the performance of the stocks held by the Fund has been an essential source of overall investment performance. Since inception, the average annualized return of the stocks held by the Fund has been 7.62% after expenses. The primary effect of the Fund's hedging has been to significantly reduce volatility and drawdown risk over time.

Strategic Total Return Fund

For the year ended December 31, 2010, Strategic Total Return Fund achieved a total return of 7.03%, compared with a total return of 6.54% for the Barclays Capital U.S. Aggregate Bond Index.

The Fund's exposure to interest rate fluctuations was generally modest during 2010, typically less than 2 years. This means that a 100 basis point change in interest rates could be expected to impact the Fund's value by less than 2%. While the Fund briefly increased its exposure to interest rate fluctuations to a duration of about 4 years in response to the spike in Treasury yields that followed the Federal Reserve's policy of quantitative easing, we quickly cut the Fund's duration back below 2 years on the nearly immediate upward pressure on commodity prices and global inflation measures that followed.

During 2010, Strategic Total Return Fund also held an allocation to precious metals shares generally ranging between 1% and 10% of assets. The Fund's modest and variable exposure to precious metals shares has been an important contributor to its performance, but was also responsible for much of the Fund's day-to-day volatility at times when the Fund was invested in this sector.

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

Year	HSTRX	Barclays Capital U.S. Aggregate Bond Index
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%
2007	12.61%	6.97%
2008	6.34%	5.24%
2009	5.84%	5.93%
2010	7.03%	6.54%
Since Inception (Average Annual Returns)	7.46%	5.11%

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

Portfolio Composition and Performance Drivers

As of December 31, 2010, Strategic Growth Fund had net assets of $6,273,095,403, and held 120 stocks in a wide variety of industries. The largest sector holdings as a percent of net assets were health care (37.2%), consumer discretionary (23.2%), consumer staples (18.6%), and information technology (16.1%). The smallest industry weights relative to the S&P 500 Index were in industrials (2.4%), telecommunications (0.9%), energy (0.7%), financials (0.5%) and materials (0.1%).

The Fund's holdings of individual stocks as of December 31, 2010 accounted for $6,256,722,934, or 99.7% of net assets. Against these stock positions, the Fund also held 39,000 option combinations (long put option, short call option) on the S&P

500 Index, 8,000 option combinations on the Russell 2000 Index and 3,000 option combinations on the Nasdaq 100 Index. Each option combination behaves as a short sale on the underlying index, with a notional value of $100 times the index value. On December 31, 2010, the S&P 500 Index closed at 1,257.64, while the Russell 2000 Index and the Nasdaq 100 Index closed at 783.65 and 2,217.86, respectively. The Fund's total hedge therefore represented a short position of $6,197,074,000, thereby hedging 99.0% of the dollar value of the Fund's long investment positions in individual stocks.

Though the performance of Strategic Growth Fund's diversified portfolio cannot be attributed to any narrow group of stocks, the following holdings achieved gains in excess of $35 million during the semi-annual period ended December 31, 2010: Amazon, Endo Pharmaceutical, Panera Bread, Joy Global, Network Appliances, Checkpoint Software, Bucyrus International, Walgreens, and Illumina. Holdings with losses in excess of $5 million during this same period were Cisco, Intuitive Surgical, and Aeropostale.

Strategic Growth Fund continues to be very manageable, with substantial flexibility to respond to changing market conditions, low market impact of trading, commission costs well below estimated industry averages, and continued reductions in the Fund's expense ratio. The Fund's positions in individual stocks generally represent less than a single day's average trading volume in those securities. Even during the volatile and often low-volume trading of the past year, the Fund's average market impact of trading (the difference between the last sale at the time of order placement and the actual price at which the Fund's stock transactions are executed) has been a fraction of 1%, and the Fund's average commission is currently 1.3 cents per share, compared with industry averages estimated to be several times that amount. Finally, the Fund's expense ratio during its fiscal year ended June 30, 2010 was 1.05%, and has since declined further due to breakpoints in management fees and economies of scale in other Fund expenses. According to recent statistics, the average expense ratio among the limited group of mutual funds pursuing similar strategies and classified as "long-short" by Morningstar is 2.03%.

As of December 31, 2010, Strategic Total Return Fund had net assets of $2,426,035,797. Short-term Treasury bills accounted for 45.4% of the Fund's net assets, with Treasury notes, Treasury bonds, Treasury Inflation Protected Securities (TIPS) and money market funds representing an additional 51.8% of the Fund's net assets. Exchange-traded funds, precious metals shares and utility shares accounted for 1.0%, 1.4% and 0.3% of net assets, respectively. The Fund carried a duration of less than 2 years (meaning that a 1% change in interest rates would be expected to impact the Fund's asset value by less than 2% on the basis of bond price fluctuations).

In Strategic Total Return Fund, during the semi-annual period ended December 31, 2010, portfolio gains in excess of $5 million were achieved in U.S. Treasury Note (3.375%, due 11/15/2019), U.S. Treasury Note (3.625%, due 8/15/2019), Agnico-Eagle Mines, and Cia De Minas Buena - ADR . Holdings with losses in excess of $1 million during this same period were U.S. Treasury Bond (3.875%, due 8/15/2040), U.S. Treasury Note (4.25%, due 11/15/2040), U.S. Treasury Bond (4.25%, due 5/15/2039), and U.S. Treasury Note (2.625%, due 11/15/2020).

Present Conditions

For the third time in a decade, the Federal Reserve has embarked on a policy that addresses structural economic problems by provoking speculation in asset prices. The first two attempts were ultimately followed by stock market declines greater than 50% each. As we enter 2011, the stock market remains in what we view as an already strenuously overvalued advance, which has driven our estimates for S&P 500 Index total returns to less than 3.2% annually over the coming decade. My expectation is that this attempt to create what the economist Ludwig von Mises called "illusory prosperity" will end no better than it has in the past. As von Mises wrote in 1931, before the worst portion of the Great Depression:

"Credit expansion cannot increase the supply of real goods. It merely brings about a rearrangement. It diverts capital investment away from the course prescribed by the state of economic wealth and market conditions. It causes production to pursue paths which it would not follow unless the economy were to acquire an increase in material goods. As a result, the upswing lacks a solid base. It is not a real prosperity. It is illusory prosperity. It did not develop from an increase in economic wealth [i.e. the accumulation of savings made available for productive investment]. Rather, it arose because the credit expansion created the illusion of such an increase. Sooner or later, it must become apparent that this economic situation is built on sand."

None of this, however, implies that a severe market downturn should be expected over the near term. Though it is not possible to rule out a substantial decline in market valuations, our main reason for defensiveness as we enter 2011 is that the market environment is characterized by a syndrome of elevated valuations, overextended price trends, overbullish investor sentiment, and rising interest rates. This combination of conditions typically does not persist for more than a few months, but when the complete set has been observed, the stock market has often been vulnerable to abrupt losses that can erase weeks or months of gains in a few trading sessions.

Over the past decade, I've typically written in our annual reports that our investment performance has been "as intended," describing our record of outperforming the market with restrained risk as "neither extraordinary nor disappointing." However, this characterization is not accurate for the period since the 2007 market peak. By nearly every measure, this recent period has been both extraordinary and disappointing for the economy, the stock market, and occasionally, for our own performance. Though we experienced far less volatility than the major stock market indices, we would have expected to also achieve positive absolute returns over this period, regardless of the overall decline in the stock market.

From the standpoint of the research we have recently implemented, I know where I could have done things differently, particularly in late 2008 and 2009. But given the exceptional uncertainties we faced at the time, I chose first to do no harm. The deepest pullback experienced by Strategic Growth Fund since its inception has been a 21.45% loss, versus a 55.25% loss in the S&P 500 Index. To appreciate the relative difference between the two, note that a 27.31% gain is required to recover a 21.45% loss, while a 123.46% gain is required to recover a 55.25% loss. This underscores the fact that risk management tends to be generous. Despite the possibility of missed returns, avoiding market risk during historically unfavorable market conditions need not be costly to long-term performance, provided that deep periodic losses are largely avoided.

We have emerged from this period with an expanded set of analytical tools that I expect to be useful regardless of future market conditions, and which I believe will extend our long-term record of outperforming the market over full market cycles with restrained volatility. Importantly, we also expect a beneficial impact on our analysis of bonds, precious metals, and other securities that we hold in Strategic Total Return Fund.

In recent quarters, the U.S. economy has enjoyed a sluggish recovery, with positive but weak employment growth, and strong corporate profits benefiting from government deficit spending coupled with labor substitution from the U.S. to China. Both for the labor market and for corporate profits, recent inflation pressure in China is an important development because it raises the "real" exchange rate for Chinese goods and labor services. While we would consider a substantial revaluation of the Chinese yuan to be favorable for U.S. employment prospects, it would also tend to reduce the record share of corporate profits-to-GDP that U.S. corporations temporarily enjoy. Careful attention to profit margins is as important as ever, and I remain concerned that analysts who value stocks based on a simplistic multiple of "forward operating earnings" are ignoring the strong historical tendency for elevated profit margins to retreat.

With regard to credit conditions in the U.S. economy, I disagree with the view that the extraordinary government interventions of recent years have corrected the underlying imbalances. In hindsight, the advance from the 2009 market low immediately followed a change in accounting rules by the FASB, which eliminated the need for financial companies to report their assets at market value, and instead allowed "substantial discretion" in the valuation of those assets. This effectively relieved banks of the regulatory burden of holding adequate capital. At the same time, the U.S. Federal Reserve purchased nearly $1.5 trillion of mortgage securities issued by Fannie Mae and Freddie Mac, both of which were insolvent and in conservatorship. I continue to believe that these purchases were not authorized under Section 14.1 of the Federal Reserve Act (which applies to open market purchases, but is restricted to bona-fide government agencies, Treasury debt and fully-guaranteed foreign government debt), nor under Section 13.3 (which applies to "discounting" of short-term obligations under the Act). Though the collective effect has been to obscure accounting transparency and to shift private sector losses to the public sector, none of this cures the insolvent debt. My impression is that by placing troubled debt out of sight, it has been possible for the investing public to focus on easy money and the temporarily high corporate profit margins that result from coupling mass layoffs with enormous government outlays. But I do not consider this situation to be permanent.

We already observe strong pressure in the U.S. and internationally to reduce fiscal deficits, while states, municipalities, and peripheral European countries that cannot print their own currencies are facing even more severe budget austerity. With the Federal Reserve already committed to expanding the U.S. monetary base to a record 16 cents of currency and reserves for every dollar of nominal GDP, monetary policy also appears to be approaching its unstable limits. It is quite true that by holding short-term interest rates near zero, bank profits can be enhanced by allowing them a cheap source of funding, but this is at the expense of individuals on fixed incomes who rely on interest from deposits, and accept lower yields in return for principal safety. It also risks creating a "zombie" banking system like that of Japan, where the primary activity of banks for nearly a decade was recapitalizing their balance sheets instead of making productive loans.

Meanwhile, the bailout of Fannie Mae and Freddie Mac has already cost more than five times the annual budget of the National Institutes of Health, which is the major source of funding for basic research in diseases such as cancer, Alzheimer's, Parkinson's, and autism. I strongly believe that by avoiding the continuing need to restructure mortgage debt, bank liabilities, and sovereign debt, the welfare of the general public has been pushed beneath that of bondholders who sought higher yields, knowingly accepted greater risk, financed bad loans, and now characterize any risk of loss on their part with words like "failure" and "meltdown." Unfortunately, most of this debt is of short and intermediate maturity, requiring it to be repeatedly refinanced, and making it virtually impossible to inflate away because interest rates can be reset at each point of refunding. All of this may end without further turmoil, but I doubt it.

Nevertheless, it is important to emphasize that these are background considerations, and as we've seen over the past two years, intermediate-term risks do not persistently drive short-term market behavior. Our defensive stance as we enter 2011 is based on a syndrome of observable factors (elevated valuations, overextended price trends, overbullish sentiment, and rising interest rates) that has historically produced a negative return/risk profile, on average. As some of these conditions clear, we expect periodic opportunities to establish at least moderate exposure to market fluctuations, even against an economic backdrop that warrants continued concern.

The experience of the past decade emphasizes that speculators should not declare victory at halftime. Still, I expect that as we move forward, Strategic Growth Fund will exercise greater latitude in accepting moderate, if temporary, exposure to market fluctuations more frequently than we have in recent years, even if valuations do not normalize for some time.

With interest rates moving sharply higher from their recent lows, bond investors have increasingly recognized that the long bull market in bonds since the 1980's may be behind us. With regard to our investment approach in Strategic Total Return, it is important to recognize that we tend to shift the Fund's investment stance in response to shifts in market conditions a few times a year, on average. The strategy of Strategic Total Return has never relied much on the existence of a bull market in bonds (indeed, the Fund's average bond market duration has rarely exceeded 4 years since the inception of the Fund, and has typically been limited to just 1-2 years). Since bond yields rarely advance in a straight line, I expect that we will continue to observe opportunities to shift the Fund's investment positions a few times annually. Indeed, from an investment standpoint, higher average yields present much better periodic investment opportunities than low average yields do, again provided that yields are not rising in a straight line.

As always, we continue to focus on outperforming our investment benchmarks over the complete market cycle, with smaller periodic losses than a passive investment strategy. Despite the challenges of the recent market cycle, we are confident that adhering to a well-tested investment discipline is the best way to pursue strong absolute returns and long-term investment results. The ability to systematically vary the Funds' investment exposure in response to changes in market conditions will be essential. I remain watchful of risk, and despite many continued concerns, I am excited about the opportunities ahead.

Sincerely,

John P. Hussman, Ph.D.

Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares of the Funds, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Weekly updates regarding market conditions and investment strategy, as well as special reports, analysis, and performance data current to the most recent month end, are available at the Hussman Funds website www.hussmanfunds.com.

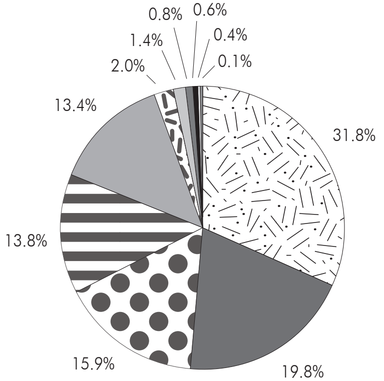
An investor should consider the investment objectives, risks, charges and expenses of the Funds carefully before investing. The Funds' prospectuses contain this and other important information. To obtain a copy of the Hussman Funds' prospectuses please visit our website at www.hussmanfunds.com or call 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 or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed. The securities held by the Funds that are discussed in the Letter to Shareholders were held during the period covered by this 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 Funds' adviser with respect to those securities may change at any time.

Hussman Strategic Growth Fund
Portfolio Information

December 31, 2010 (Unaudited)

Sector Allocation (% of Total Investments and Money Market Funds)

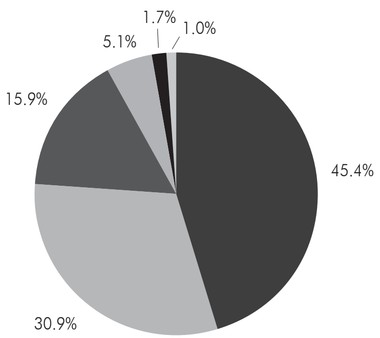


Health Care - 31.8%
Consumer Discretionary - 19.8%
Consumer Staples - 15.9%
Information Technology - 13.8%
Money Market Funds - 13.4%
Industrials - 2.0%
Other - 1.4%
Telecommunication Services - 0.8%
Energy - 0.6%
Financials - 0.4%
Materials - 0.1%

Hussman Strategic Total Return Fund
Portfolio Information

December 31, 2010 (Unaudited)

Asset Allocation (% of Net Assets)



U.S. Treasury Bills - 45.4%
Cash Equivalents, Other Assets and Liabilities - 30.9%
U.S. Treasury Notes and Bonds - 15.9%
U.S. Treasury Inflation-Protection Notes - 5.1%
Common Stocks - 1.7%
Exchange-Traded Funds - 1.0%

COMMON STOCKS — 99.7%	Shares	Value
Consumer Discretionary — 23.2%		
Hotels, Restaurants & Leisure — 5.8%		
Cheesecake Factory, Inc. (The) [(a)]	2,292,000	$ 70,272,720
Chipotle Mexican Grill, Inc. - Class A [(a)]	250,000	53,165,000
McDonald's Corp.	500,000	38,380,000
Panera Bread Co. - Class A [(a)]	1,250,000	126,512,500
PF Chang's China Bistro, Inc.	317,000	15,361,820
Royal Caribbean Cruises Ltd. [(a)]	750,000	35,250,000
Starbucks Corp.	750,000	24,097,500
		363,039,540
Internet & Catalog Retail — 0.3%		
Netflix, Inc. [(a)]	100,000	17,570,000
Media — 1.9%		
ComCast Corp. - Class A	1,050,000	23,068,500
Gannett Co., Inc.	300,000	4,527,000
McClatchy Co. (The) - Class A [(a)]	143,000	667,810
McGraw-Hill Cos., Inc. (The)	2,500,000	91,025,000
		119,288,310
Multiline Retail — 3.7%		
Big Lots, Inc. [(a)]	1,000,000	30,460,000
Dollar Tree, Inc. [(a)]	910,000	51,032,800
Family Dollar Stores, Inc.	750,000	37,282,500
Kohl's Corp. [(a)]	1,000,000	54,340,000
Target Corp.	1,000,000	60,130,000
		233,245,300
Specialty Retail — 9.6%		
Aéropostale, Inc. [(a)]	5,250,000	129,360,000
American Eagle Outfitters, Inc.	4,770,000	69,785,100
AutoZone, Inc. [(a)]	100,000	27,259,000
Bed Bath & Beyond, Inc. [(a)]	2,500,000	122,875,000
Best Buy Co., Inc.	1,500,000	51,435,000
GameStop Corp. - Class A [(a)]	800,000	18,304,000
Home Depot, Inc. (The)	1,100,000	38,566,000
RadioShack Corp.	1,000,000	18,490,000
Ross Stores, Inc.	450,000	28,462,500
TJX Cos., Inc. (The)	2,250,000	99,877,500
		604,414,100

COMMON STOCKS — 99.7% (continued)	Shares	Value
Consumer Discretionary — 23.2% (continued)		
Textiles, Apparel & Luxury Goods — 1.9%		
Coach, Inc.	400,000	$ 22,124,000
Deckers Outdoor Corp. (a)	250,000	19,935,000
NIKE, Inc. - Class B	600,000	51,252,000
Under Armour, Inc. - Class A (a)	445,000	24,403,800
		117,714,800
Consumer Staples — 18.6%		
Beverages — 2.6%		
Coca-Cola Co. (The)	500,000	32,885,000
PepsiCo, Inc.	2,000,000	130,660,000
		163,545,000
Food & Staples Retailing — 5.6%		
BJ's Wholesale Club, Inc. (a)	2,335,000	111,846,500
CVS Caremark Corp.	750,000	26,077,500
Sysco Corp.	1,965,000	57,771,000
Walgreen Co.	2,245,000	87,465,200
Whole Foods Market, Inc. (a)	1,344,000	67,992,960
		351,153,160
Food Products — 4.6%		
Campbell Soup Co.	1,055,000	36,661,250
Dean Foods Co. (a)	1,155,000	10,210,200
General Mills, Inc.	3,200,000	113,888,000
H.J. Heinz Co.	600,000	29,676,000
J.M. Smucker Co. (The)	250,000	16,412,500
Kellogg Co.	1,250,000	63,850,000
Sara Lee Corp.	1,000,000	17,510,000
		288,207,950
Household Products — 5.8%		
Clorox Co. (The)	1,973,000	124,851,440
Colgate-Palmolive Co.	1,750,000	140,647,500
Kimberly-Clark Corp.	1,250,000	78,800,000
Procter & Gamble Co. (The)	300,000	19,299,000
		363,597,940
Energy — 0.7%		
Energy Equipment & Services — 0.7%		
Dresser-Rand Group, Inc. (a)	650,000	27,683,500
Rowan Cos., Inc. (a)	500,000	17,455,000
		45,138,500

COMMON STOCKS — 99.7% (continued)	Shares	Value
Financials — 0.5%		
Insurance — 0.5%		
Berkshire Hathaway, Inc. - Class B [a]	375,000	$ 30,041,250
Health Care — 37.2%		
Biotechnology — 2.9%		
Amgen, Inc. [a]	1,250,000	68,625,000
Biogen Idec, Inc. [a]	1,500,000	100,575,000
Gilead Sciences, Inc. [a]	400,000	14,496,000
		183,696,000
Health Care Equipment & Supplies — 7.5%		
Alcon, Inc.	250,000	40,850,000
Align Technology, Inc. [a]	1,337,000	26,124,980
ArthroCare Corp. [a]	975,000	30,283,500
Becton, Dickinson and Co.	484,000	40,907,680
C.R. Bard, Inc.	760,000	69,745,200
IDEXX Laboratories, Inc. [a]	386,000	26,718,920
Integra LifeSciences Holdings Corp. [a]	1,001,000	47,347,300
Intuitive Surgical, Inc. [a]	150,000	38,662,500
Medtronic, Inc.	1,000,000	37,090,000
ResMed, Inc. [a]	500,000	17,320,000
Stryker Corp.	1,250,000	67,125,000
Varian Medical Systems, Inc. [a]	273,000	18,913,440
Zimmer Holdings, Inc. [a]	156,000	8,374,080
		469,462,600
Health Care Providers & Services — 8.2%		
Amedysis, Inc. [a]	305,000	10,217,500
Humana, Inc. [a]	3,000,000	164,220,000
Laboratory Corp. of America Holdings [a]	685,000	60,225,200
LifePoint Hospitals, Inc. [a]	327,000	12,017,250
Patterson Cos., Inc.	1,000,000	30,630,000
Quest Diagnostics, Inc.	608,000	32,813,760
UnitedHealth Group, Inc.	2,500,000	90,275,000
WellPoint, Inc. [a]	2,000,000	113,720,000
		514,118,710
Life Sciences Tools & Services — 6.1%		
Illumina, Inc. [a]	1,534,000	97,163,560
Life Technologies Corp. [a]	3,026,000	167,943,000
Pharmaceutical Product Development, Inc.	720,000	19,540,800
Waters Corp. [a]	1,240,000	96,360,400
		381,007,760

COMMON STOCKS — 99.7% (continued)	Shares	Value
Health Care — 37.2% (continued)		
Pharmaceuticals — 12.5%		
Abbott Laboratories	1,500,000	$ 71,865,000
AstraZeneca plc - ADR	3,750,000	173,212,500
Bristol-Myers Squibb Co.	3,500,000	92,680,000
Endo Pharmaceuticals Holdings, Inc. [(a)]	2,555,000	91,239,050
Forest Laboratories, Inc. [(a)]	150,000	4,797,000
Impax Laboratories, Inc. [(a)]	282,000	5,671,020
Johnson & Johnson	1,250,000	77,312,500
Merck & Co., Inc.	2,500,000	90,100,000
Novartis AG - ADR	635,000	37,433,250
Pfizer, Inc.	5,000,000	87,550,000
Shire plc - ADR	183,000	13,245,540
Valeant Pharmaceuticals International, Inc.	1,500,000	42,435,000
		787,540,860
Industrials — 2.4%		
Construction & Engineering — 0.1%		
KBR, Inc.	197,000	6,002,590
Machinery — 2.3%		
Bucyrus International, Inc.	642,000	57,394,800
Joy Global, Inc.	800,000	69,400,000
Timken Co.	350,000	16,705,500
		143,500,300
Information Technology — 16.1%		
Communications Equipment — 1.4%		
Cisco Systems, Inc. [(a)]	4,000,000	80,920,000
InterDigital, Inc. [(a)]	132,000	5,496,480
		86,416,480
Computers & Peripherals — 4.8%		
Dell, Inc. [(a)]	7,000,000	94,850,000
NetApp, Inc. [(a)]	1,250,000	68,700,000
QLogic Corp. [(a)]	2,559,000	43,554,180
Synaptics, Inc. [(a)]	3,135,000	92,106,300
		299,210,480
Electronic Equipment & Instruments — 0.0%		
FUJIFILM Holdings Corp. - ADR	49,400	1,765,556
Sanmina-SCI Corp. [(a)]	12,000	137,760
		1,903,316

COMMON STOCKS — 99.7% (continued)	Shares	Value
Information Technology — 16.1% (continued)		
Internet Software & Services — 1.4%		
eBay, Inc. [(a)]	2,000,000	$ 55,660,000
VistaPrint N.V. [(a)]	691,000	31,786,000
		87,446,000
IT Services — 2.1%		
Amdocs Ltd. [(a)]	1,000,000	27,470,000
Cognizant Technology Solutions Corp. - Class A [(a)]	500,000	36,645,000
Computer Sciences Corp.	899,000	44,590,400
Sapient Corp.	2,000,000	24,200,000
		132,905,400
Semiconductors & Semiconductor Equipment — 2.1%		
Altera Corp.	1,000,000	35,580,000
SunPower Corp. - Class A [(a)]	1,400,000	17,962,000
Xilinx, Inc.	2,790,000	80,854,200
		134,396,200
Software — 4.3%		
Check Point Software Technologies Ltd. [(a)]	1,500,000	69,390,000
FactSet Research Systems, Inc.	160,000	15,001,600
Microsoft Corp.	5,500,000	153,560,000
Oracle Corp.	1,000,000	31,300,000
		269,251,600
Materials — 0.1%		
Chemicals — 0.1%		
BASF SE - ADR	76,800	6,140,928
Telecommunication Services — 0.9%		
Diversified Telecommunication Services — 0.6%		
Verizon Communications, Inc.	1,122,000	40,145,160
Wireless Telecommunication Services — 0.3%		
China Mobile Ltd. - ADR	335,000	16,622,700
Total Common Stocks (Cost $5,451,600,360)		$ 6,256,722,934

PUT OPTION CONTRACTS — 1.6%	Contracts	Value
Nasdaq 100 Index Option, 01/22/2011 at $2,100	3,000	$ 2,505,000
Russell 2000 Index Option, 02/19/2011 at $750	8,000	13,168,000
S&P 500 Index Option, 02/19/2011 at $1,230	39,000	83,148,000
Total Put Option Contracts (Cost $103,960,715)		$ 98,821,000
Total Investments at Value — 101.3% (Cost $5,555,561,075)		$ 6,355,543,934

MONEY MARKET FUNDS — 15.7%	Shares	Value
Federated U.S. Treasury Cash Reserve Fund - Institutional Shares, 0.01% [(b)]	337,129,386	$ 337,129,386
First American Treasury Obligations Fund - Class Y, 0.00% [(b)]	647,406,552	647,406,552
Total Money Market Funds (Cost $984,535,938)		$ 984,535,938
Total Investments and Money Market Funds at Value — 117.0% (Cost $6,540,097,013)		$ 7,340,079,872
Liabilities in Excess of Other Assets — (17.0%)		(1,066,984,469)
Net Assets — 100.0%		$ 6,273,095,403

ADR - American Depositary Receipt.

[(a)] Non-income producing security.

[(b)] Variable rate security. The rate shown is the 7-day effective yield as of December 31, 2010.

See accompanying notes to financial statements.

Hussman Strategic Growth Fund
Schedule of Open Written Option Contracts

December 31, 2010 (Unaudited)

WRITTEN CALL OPTION CONTRACTS	Contracts	Value of Options	Premiums Received
Nasdaq 100 Index Option, 01/22/2011 at $1,800	3,000	$ 125,160,000	$ 116,396,060
Russell 2000 Index Option, 01/22/2011 at $620	8,000	130,800,000	108,789,492
S&P 500 Index Option, 01/22/2011 at $980	20,000	553,980,000	481,973,730
S&P 500 Index Option, 01/22/2011 at $1,030	19,000	431,262,000	360,975,043
Total Written Option Contracts		$ 1,241,202,000	$ 1,068,134,325

See accompanying notes to financial statements.

COMMON STOCKS — 1.7%	Shares	Value
Materials — 1.4%		
Metals & Mining — 1.4%		
Agnico-Eagle Mines Ltd.	100,000	$ 7,670,000
AngloGold Ashanti Ltd. - ADR	100,000	4,923,000
Barrick Gold Corp.	50,000	2,659,000
Compania De Minas Buenaventura S.A. - ADR	100,000	4,896,000
Goldcorp, Inc.	100,000	4,598,000
Harmony Gold Mining Co. Ltd. - ADR	264,000	3,310,560
Newmont Mining Corp.	50,000	3,071,500
Randgold Resources Ltd. - ADR	25,000	2,058,250
Stillwater Mining Co. [(a)]	10,000	213,500
		33,399,810
Utilities — 0.3%		
Electric Utilities — 0.2%		
Pepco Holdings, Inc.	136,000	2,482,000
Pinnacle West Capital Corp.	57,000	2,362,650
		4,844,650
Multi-Utilities — 0.1%		
Ameren Corp.	43,000	1,212,170
DTE Energy Co.	54,000	2,447,280
		3,659,450
Total Common Stocks (Cost $35,754,059)		$ 41,903,910

U.S. TREASURY OBLIGATIONS — 66.4%	Par Value	Value
U.S. Treasury Bills [(b)] - 45.4%		
0.19%, due 01/06/2011	$ 500,000,000	$ 499,999,500
0.16%, due 04/07/2011	500,000,000	499,834,000
0.15%, due 05/05/2011	100,000,000	99,953,600
		1,099,787,100
U.S. Treasury Bonds — 1.0%		
4.25%, due 05/15/2039	25,000,000	24,632,825
U.S. Treasury Inflation-Protected Notes — 5.1%		
2.00%, due 04/15/2012	26,944,250	27,944,124
2.00%, due 07/15/2014	29,006,000	31,383,129
2.375%, due 01/15/2027	16,267,350	18,119,030
2.50%, due 01/15/2029	40,745,600	46,360,873
		123,807,156

U.S. TREASURY OBLIGATIONS — 66.4% (continued)	Par Value	Value
U.S. Treasury Notes — 14.9%		
3.00%, due 08/31/2016	$ 75,000,000	$ 77,871,075
2.625%, due 11/15/2020	300,000,000	283,031,400
		360,902,475
Total U.S. Treasury Obligations (Cost $1,598,715,220)		$ 1,609,129,556

EXCHANGE-TRADED FUNDS — 1.0%	Shares	Value
CurrencyShares British Pound Sterling Trust [(a)] [(c)]	100,000	$ 15,577,000
SPDR DB International Government Inflation-Protected Bond ETF	160,000	9,297,600
Total Exchange-Traded Funds (Cost $22,697,300)		$ 24,874,600
Total Investments at Value — 69.1% (Cost $1,657,166,579)		$ 1,675,908,066

MONEY MARKET FUNDS — 30.8%	Shares	Value
Federated U.S. Treasury Cash Reserve Fund - Institutional Shares, 0.01% [(d)]	189,281,731	$ 189,281,731
First American Treasury Obligations Fund - Class Y, 0.00% [(d)]	558,469,354	558,469,354
Total Money Market Funds (Cost $747,751,085)		$ 747,751,085
Total Investments and Money Market Funds at Value — 99.9% (Cost $2,404,917,664)		$ 2,423,659,151
Other Assets in Excess of Liabilities — 0.1%		2,376,646
Net Assets — 100.0%		$ 2,426,035,797

ADR - American Depositary Receipt.

(a) Non-income producing security.

(b) Rate shown is the annualized yield at time of purchase, not a coupon rate.

(c) For federal income tax purposes, structured as a grantor trust.

(d) Variable rate security. The rate shown is the 7-day effective yield as of December 31, 2010.

See accompanying notes to financial statements.

Hussman Investment Trust
Statements of Assets and Liabilities

December 31, 2010 (Unaudited)

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
ASSETS		
Investments in securities:		
At acquisition cost	$ 5,555,561,075	$ 1,657,166,579
At value (Note 1)	$ 6,355,543,934	$ 1,675,908,066
Investments in money market funds	984,535,938	747,751,085
Cash	500,000	—
Dividends and interest receivable	4,308,441	3,214,316
Receivable for investment securities sold	180,722,737	—
Receivable for capital shares sold	8,484,345	4,454,909
Other assets	323,456	151,668
Total Assets	7,534,418,851	2,431,480,044
LIABILITIES		
Dividends payable	4,090,773	1,419,499
Written call options, at value (Notes 1 and 4) (premiums received $1,068,134,325)	1,241,202,000	—
Payable for capital shares redeemed	9,918,467	2,584,713
Accrued investment advisory fees (Note 3)	4,903,156	965,773
Payable to administrator (Note 3)	444,000	179,200
Payable to Trustees	5,500	5,500
Other accrued expenses	759,552	289,562
Total Liabilities	1,261,323,448	5,444,247
NET ASSETS	$ 6,273,095,403	$ 2,426,035,797
Net assets consist of:		
Paid-in capital	$ 7,203,850,084	$ 2,393,418,483
Accumulated undistributed net investment income	36,493	109,870
Accumulated net realized gains (losses) from security transactions and option contracts	(1,557,706,358)	13,765,957
Net unrealized appreciation on investments and option contracts	626,915,184	18,741,487
NET ASSETS	$ 6,273,095,403	$ 2,426,035,797
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	510,253,786	200,053,291
Net asset value, offering price and redemption price per share[a] (Note 1)	$ 12.29	$ 12.13

[a] Redemption price varies based on length of time shares are held.

See accompanying notes to financial statements.

Statements of Operations

For the Six Months Ended December 31, 2010 (Unaudited)

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
INVESTMENT INCOME		
Dividends	$ 46,032,157	$ 1,872,322
Foreign withholding taxes on dividends	(284,263)	(31,946)
Interest	—	11,427,551
Total Income	45,747,894	13,267,927
EXPENSES		
Investment advisory fees (Note 3)	29,236,861	5,320,905
Transfer agent, account maintenance and shareholder services fees (Note 3)	2,066,170	632,004
Administration fees (Note 3)	1,264,714	614,738
Registration and filing fees	347,585	188,847
Custodian and bank service fees	217,443	82,197
Fund accounting fees (Note 3)	192,277	84,078
Postage and supplies	158,767	66,440
Printing of shareholder reports	85,480	42,122
Professional fees	43,648	32,752
Compliance service fees (Note 3)	51,113	19,219
Trustees' fees and expenses	33,053	33,053
Insurance expense	44,525	14,078
Other expenses	19,039	18,461
Total Expenses	33,760,675	7,148,894
NET INVESTMENT INCOME	11,987,219	6,119,033
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS AND OPTION CONTRACTS (Note 4)		
Net realized gains (losses) from:		
Security transactions	469,393,454	88,315,078
Option contracts	(1,417,961,100)	—
Net change in unrealized appreciation (depreciation) on:		
Investments	761,085,048	(39,264,525)
Option contracts	(400,480,310)	—
NET REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS AND OPTION CONTRACTS	(587,962,908)	49,050,553
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	$ (575,975,689)	$ 55,169,586

See accompanying notes to financial statements.

Hussman Strategic Growth Fund
Statements of Changes in Net Assets

	Six Months Ended December 31, 2010 (Unaudited)	Year Ended June 30, 2010
FROM OPERATIONS		
Net investment income	$ 11,987,219	$ 2,164,645
Net realized gains (losses) from:		
Security transactions	469,393,454	1,022,837,564
Option contracts	(1,417,961,100)	(1,057,179,191)
Net change in unrealized appreciation (depreciation) on:		
Investments	761,085,048	(60,548,943)
Option contracts	(400,480,310)	302,121,068
Net increase (decrease) in net assets resulting from operations	(575,975,689)	209,395,143
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(14,114,668)	(7,151,672)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	1,601,216,191	3,031,392,017
Net asset value of shares issued in reinvestment of distributions to shareholders	10,023,895	5,351,985
Proceeds from redemption fees collected (Note 1)	270,606	474,913
Payments for shares redeemed	(933,666,827)	(2,029,932,592)
Net increase in net assets from capital share transactions	677,843,865	1,007,286,323
TOTAL INCREASE IN NET ASSETS	87,753,508	1,209,529,794
NET ASSETS		
Beginning of period	6,185,341,895	4,975,812,101
End of period	$ 6,273,095,403	$ 6,185,341,895
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	$ 36,493	$ 2,163,942
CAPITAL SHARE ACTIVITY		
Shares sold	122,128,093	233,800,402
Shares reinvested	815,614	418,778
Shares redeemed	(72,488,210)	(157,582,321)
Net increase in shares outstanding	50,455,497	76,636,859
Shares outstanding at beginning of period	459,798,289	383,161,430
Shares outstanding at end of period	510,253,786	459,798,289

See accompanying notes to financial statements.

Statements of Changes in Net Assets

	Six Months Ended December 31, 2010 (Unaudited)	Year Ended June 30, 2010
FROM OPERATIONS		
Net investment income	$ 6,119,033	$ 22,353,210
Net realized gains from security transactions	88,315,078	52,358,507
Net change in unrealized appreciation (depreciation) on investments	(39,264,525)	27,845,203
Net increase in net assets resulting from operations	55,169,586	102,556,920
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(15,325,552)	(19,991,520)
From net realized gains	(102,020,396)	(18,352,276)
Decrease in net assets from distributions to shareholders	(117,345,948)	(38,343,796)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	853,033,645	1,259,791,954
Net asset value of shares issued in reinvestment of distributions to shareholders	101,123,217	33,519,756
Proceeds from redemption fees collected (Note 1)	206,465	244,066
Payments for shares redeemed	(351,136,408)	(496,374,834)
Net increase in net assets from capital share transactions	603,226,919	797,180,942
TOTAL INCREASE IN NET ASSETS	541,050,557	861,394,066
NET ASSETS		
Beginning of period	1,884,985,240	1,023,591,174
End of period	$ 2,426,035,797	$ 1,884,985,240
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	$ 109,870	$ 3,367,648
CAPITAL SHARE ACTIVITY		
Shares sold	68,000,060	104,030,315
Shares reinvested	8,235,210	2,758,642
Shares redeemed	(28,119,632)	(41,070,483)
Net increase in shares outstanding	48,115,638	65,718,474
Shares outstanding at beginning of period	151,937,653	86,219,179
Shares outstanding at end of period	200,053,291	151,937,653

See accompanying notes to financial statements.

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

	Six Months Ended December 31, 2010 (Unaudited)	Year Ended June 30, 2010	Year Ended June 30, 2009	Year Ended June 30, 2008	Year Ended June 30, 2007	Year Ended June 30, 2006
Net asset value at beginning of period	$ 13.45	$ 12.99	$ 15.73	$ 15.85	$ 16.13	$ 15.90
Income (loss) from investment operations:						
Net investment income	0.02	0.00[a]	0.03	0.04	0.14	0.08
Net realized and unrealized gains (losses) on investments and options	(1.15)	0.48	(0.88)	0.55	0.16	0.69
Total from investment operations	(1.13)	0.48	(0.85)	0.59	0.30	0.77
Less distributions:						
Dividends from net investment income	(0.03)	(0.02)	(0.03)	(0.09)	(0.13)	(0.05)
Distributions from net realized gains	—	—	(1.87)	(0.63)	(0.46)	(0.50)
Total distributions	(0.03)	(0.02)	(1.90)	(0.72)	(0.59)	(0.55)
Proceeds from redemption fees collected (Note 1)	0.00[a]	0.00[a]	0.01	0.01	0.01	0.01
Net asset value at end of period	$ 12.29	$ 13.45	$ 12.99	$ 15.73	$ 15.85	$ 16.13
Total return[b]	(8.42%)[c]	3.68%	(4.35%)	3.84%	1.98%	5.05%
Net assets at end of period (000's)	$ 6,273,095	$ 6,185,342	$ 4,975,812	$ 3,275,008	$ 2,718,324	$ 2,816,108
Ratio of expenses to average net assets	1.03%[d]	1.05%	1.09%	1.11%	1.11%	1.14%
Ratio of net investment income to average net assets	0.36%[d]	0.04%	0.28%	0.28%	0.91%	0.63%
Portfolio turnover rate	25%[c]	111%	69%	150%	106%	63%

[a] Amount rounds to less than $0.01 per share.

[b] 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.

[c] Not annualized.

[d] Annualized.

See accompanying notes to financial statements.

Financial Highlights

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

	Six Months Ended December 31, 2010 (Unaudited)	Year Ended June 30, 2010	Year Ended June 30, 2009	Year Ended June 30, 2008	Year Ended June 30, 2007	Year Ended June 30, 2006
Net asset value at beginning of period	$ 12.41	$ 11.87	$ 11.99	$ 10.92	$ 11.30	$ 10.94
Income from investment operations:						
Net investment income	0.03	0.18	0.05	0.24	0.32	0.32
Net realized and unrealized gains on investments and foreign currencies	0.31	0.69	0.35	1.59	0.06	0.65
Total from investment operations	0.34	0.87	0.40	1.83	0.38	0.97
Less distributions:						
Dividends from net investment income	(0.08)	(0.16)	(0.01)	(0.23)	(0.33)	(0.31)
Distributions from net realized gains	(0.54)	(0.17)	(0.53)	(0.54)	(0.43)	(0.30)
Total distributions	(0.62)	(0.33)	(0.54)	(0.77)	(0.76)	(0.61)
Proceeds from redemption fees collected (Note 1)	0.00[a]	0.00[a]	0.02	0.01	0.00[a]	0.00[a]
Net asset value at end of period	$ 12.13	$ 12.41	$ 11.87	$ 11.99	$ 10.92	$ 11.30
Total return[b]	2.69%[d]	7.44%	3.94%	17.23%	3.46%	9.01%
Net assets at end of period (000's)	$ 2,426,036	$ 1,884,985	$ 1,023,591	$ 330,965	$ 174,480	$ 158,735
Ratio of net expenses to average net assets	0.63%[e]	0.67%	0.75%	0.90%	0.90%	0.90%[c]
Ratio of net investment income to average net assets	0.54%[e]	1.59%	0.26%	2.05%	2.86%	2.94%
Portfolio turnover rate	118%[d]	69%	36%	212%	41%	55%

[a] Amount rounds to less than $0.01 per share.

[b] 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.

[c] Absent investment advisory fee reductions by the Adviser, the ratio of expenses to average net assets would have been 0.92% for the year ended June 30, 2006.

[d] Not annualized.

[e] Annualized.

See accompanying notes to financial statements.

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund (each, a "Fund", and collectively, the "Funds") are diversified series of Hussman Investment Trust (the "Trust"), which is registered under the Investment Company Act of 1940 as an open-end managment investment company. Each Fund is authorized to issue an unlimited number of shares. Hussman Strategic Growth 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, other than NASDAQ quoted securities, are valued at the last sales price, or if there are no sales on that day, at the mean of the closing bid and asked prices. Values of foreign securities are translated from the local currency into U.S. dollars using currency exchange rates supplied by an independent pricing quotation service.

Pursuant to procedures approved by the Board of Trustees, options traded on a national securities exchange are valued at prices between the closing bid and ask prices determined by Hussman Econometrics Advisors, Inc. (the "Adviser") to most closely reflect market value as of the time of computation of net asset value. As of December 31, 2010, 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 last sale price or, if not available, at the mean of the bid and ask prices 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. Fixed income securities may also be valued on the basis of prices provided by an independent pricing service. The fair value of securities with remaining maturities of 60 days or less may be 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.

Accounting principles generally accepted in the United States ("GAAP") establish a single authoritative definition of fair value, set out a framework for measuring fair value and require additional disclosures about fair value measurements.

Various inputs are used in determining the value of each of the Fund's investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs
- Level 3 – significant unobservable inputs

For example, options contracts purchased and written by Hussman Strategic Growth Fund are classified as Level 2 since they are valued at prices between the closing bid and ask prices determined by the Adviser to most closely reflect market value. U.S. Treasury obligations held by Hussman Strategic Total Return Fund are classified as Level 2 since values are based on prices provided by an independent pricing service that utilizes various "other significant observable inputs" including bid and ask quotations, prices of similar securities and interest rates, among other factors. The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. The inputs used to measure the value of a particular security may fall into more than one level of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement of that security is determined to fall in its entirety is the lowest level input that is significant to the fair value measurement.

The following is a summary of the inputs used to value each Fund's investments and other financial instruments as of December 31, 2010 by security type:

Hussman Strategic Growth Fund

	Level 1	Level 2	Level 3	Total
Investments in Securities and Money Market Funds:				
Common Stocks	$ 6,256,722,934	$ —	$ —	$ 6,256,722,934
Put Option Contracts	—	98,821,000	—	98,821,000
Money Market Funds	—	984,535,938	—	984,535,938
Total Investments in Securities and Money Market Funds	$ 6,256,722,934	$ 1,083,356,938	$ —	$ 7,340,079,872
Other Financial Instruments:				
Written Call Option Contracts	$ —	$(1,241,202,000)	$ —	$(1,241,202,000)
Total Other Financial Instruments	$ —	$(1,241,202,000)	$ —	$(1,241,202,000)

Hussman Strategic Total Return Fund

	Level 1	Level 2	Level 3	Total
Investments in Securities and Money Market Funds:				
Common Stocks	$ 41,903,910	$ —	$ —	$ 41,903,910
U.S. Treasury Obligations	—	1,609,129,556	—	1,609,129,556
Exchange-Traded Funds	24,874,600	—	—	24,874,600
Money Market Funds	—	747,751,085	—	747,751,085
Total Investments in Securities and Money Market Funds	$ 66,778,510	$ 2,356,880,641	$ —	$ 2,423,659,151

Each Fund's Schedule of Investments identifies the specific securities (by type of security and industry type) that comprise that Funds holdings within the Level 1 and Level 2 categories shown in the tables above. During the six months ended December 31, 2010, the Funds did not have any significant transfers in and out of Level 1 or

Level 2. In addition, the Funds did not have any assets or liabilities that were measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as of or during the six months ended December 31, 2010.

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. 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.

Hussman Strategic Growth Fund may use futures and options contracts for the purpose of seeking to reduce the overall investment risk that would otherwise be associated with the securities in which it invests. For example, the Fund may sell a stock index futures contract to hedge the risk of a general market or market sector decline that might adversely affect prices of the Fund's portfolio securities. To the extent there is a correlation between the Fund's portfolio and a particular stock index, the sale of futures contracts on that index could reduce the Fund's exposure to general market risk.

When a Fund writes an index option, an amount equal to the net premium (the premium less the commission) received by the Fund is recorded as a liability in the Fund's Statement of Assets and Liabilities and is subsequently marked-to market daily. If an index option expires unexercised 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 index option is exercised, the Fund will be required to pay the difference between the closing index value and the exercise price of the option. 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 collateralizing these agreements is monitored on a daily basis to ensure that the value of the collateral during the term of the agreements equals or exceeds the repurchase price plus accrued interest. If the bank or dealer defaults, realization of the collateral by the Funds may be delayed or limited, and the Funds may suffer a loss if the value of the collateral declines.

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 on the London Stock 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 that result from changes in exchange rates.

Share Valuation and Redemption Fees — The net asset value per share of each Fund is calculated as of 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 by dividing the total value of the Fund's assets, less its liabilities, by the number of its shares outstanding. The offering price and redemption price per share of each Fund is equal to the net asset value per share. However, shares of each Fund are generally subject to a redemption fee of 1.5%, payable to the applicable Fund, if redeemed within sixty days of the date of purchase. During the periods ended December 31, 2010 and June 30, 2010, proceeds from redemption fees totaled $270,606 and $474,913, respectively, for Hussman Strategic Growth Fund and $206,465 and $244,066, 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 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 GAAP. 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 of foreign currency transactions.

The tax character of distributions paid during the periods ended December 31, 2010 and June 30, 2010 was as follows:

	Periods Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions
Hussman Strategic Growth Fund	12/31/10	$ 14,114,668	$ —	$ 14,114,668
	6/30/10	$ 7,151,672	$ —	$ 7,151,672
Hussman Strategic Total Return Fund	12/31/10	$ 84,167,042	$ 33,178,906	$ 117,345,948
	6/30/10	$ 34,722,623	$ 3,621,173	$ 38,343,796

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 — Expenses of the Trust not attributable solely to one of the Funds are allocated between the Funds based on relative net assets of each Fund or the nature of the expense and the relative applicability to each Fund and the other series of the Trust.

Accounting Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of 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 qualify as a regulated investment company under Subchapter M of the Internal Revenue Code. 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 its 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 a federal excise tax applicable to regulated investment companies, it is 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, 2010:

	Hussman Strategic Growth Fund	Hussman Strategic Total Return Fund
Cost of portfolio investments	$ 5,483,393,139	$ 2,404,801,647
Gross unrealized appreciation	$ 950,626,378	$ 25,392,401
Gross unrealized depreciation	(156,934,255)	(6,420,046)
Net unrealized appreciation	$ 793,692,123	$ 18,972,355
Accumulated undistributed ordinary income	4,127,266	1,298,501
Capital loss carryforwards	(375,427,325)	—
Other gains (losses)	(1,349,055,972)	13,765,957
Other temporary differences	(4,090,773)	(1,419,499)
Total accumulated earnings (deficit)	$ (930,754,681)	$ 32,617,314

The difference between the federal income tax cost of portfolio investments and their financial statement cost is due to certain timing differences in the recognition of capital gains or losses under income tax regulations and GAAP. These "book/tax" differences are temporary in nature and are primarily due to option transactions, losses deferred due to wash sales and differing treatments of realized and unrealized gains and losses on exchange-traded funds taxed as grantor trusts.

As of June 30, 2010, Hussman Strategic Growth Fund has capital loss carryforwards for federal income tax purposes of $375,427,325, which expire June 30, 2018. These capital loss carryforwards may be utilized in the current and future years to offset net realized capital gains prior to distributing such gains to shareholders.

For the six months ended December 31, 2010, Hussman Strategic Total Return Fund reclassified $5,948,741 of accumulated net realized gains from security transactions against undistributed net investment income on its Statement of Assets and Liabilities due to differing treatments of realized gains and losses on exchange-traded funds taxed as grantor trusts. Such reclassification, the result of permanent differences between financial statement and income tax reporting requirements, has no effect on the Fund's total net assets or net asset value per share.

Each Fund recognizes the tax benefits or expenses of uncertain tax positions only when the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has reviewed each Fund's tax positions taken on federal income tax returns for all open tax years (tax years ended June 30, 2006 through June 30, 2010) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements.

2. INVESTMENT TRANSACTIONS

During the six months ended December 31, 2010, cost of purchases and proceeds from sales and maturities of investment securities, other than short-term investments and U.S. government securities, amounted to $1,593,875,788 and $2,158,911,952, respectively, for Hussman Strategic Growth Fund and $236,302,008 and $438,865,255, respectively, for Hussman Strategic Total Return Fund.

3. TRANSACTIONS WITH AFFILIATES

One of the Trustees and certain 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 the Adviser a fee, which is computed and accrued daily and paid monthly, at annual rates of 0.90% of the first $5 billion of its average daily net assets and 0.85% of such assets over $5 billion. Under the terms of a separate Advisory Agreement between the Trust and the Adviser, Hussman Strategic Total Return Fund pays the Adviser a fee, which is computed and accrued daily and paid monthly, at annual rates of 0.50% of the first $1 billion of its average daily net assets and 0.45% of such assets in excess of $1 billion.

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 ("SEC") and state securities authorities.

Under the terms of the Administration Agreement, Ultimus receives a monthly fee from each Fund computed at annual rates of 0.075% of the Fund's average daily net assets up to $500 million; 0.05% of the next $1.5 billion of such assets; 0.04% of the next $1 billion of such assets; 0.03% of the next $2 billion of such assets; and 0.025% of such assets in excess of $5 billion, subject to a per Fund 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 the Fund's average daily net assets up to $500 million and 0.005% of such net assets in excess of $500 million. In addition, the Funds reimburse Ultimus for certain out-of-pocket expenses incurred 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 fee, payable monthly, of $22 annually for each direct account and $12 annually for certain accounts established through financial intermediaries, subject to a per Fund minimum fee of $1,500 per month. For the six months ended December 31, 2010, such fees were $1,080,268 and $277,354, for Hussman Strategic Growth Fund and Hussman Total Return Fund, respectively. In addition, the Funds reimburse Ultimus for certain out-of-pocket expenses, including, but not limited to, postage and supplies.

For shareholder accounts held through financial intermediaries, the Funds may, in some cases, compensate these intermediaries for providing certain account maintenance and shareholder services. During the six months ended December 31, 2010, Hussman Strategic Growth Fund and Hussman Strategic Total Return Fund paid $985,902 and $354,650, 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 Trust's Chief Compliance Officer and to administer the Trust's compliance policies and procedures. For these services, the Trust pays Ultimus a base fee of $15,000 per annum, plus an asset-based fee computed at annual rates 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. Each Fund pays its proportionate share of such fee along with the other series of the Trust. In addition, the Funds reimburse Ultimus for reasonable out-of-pocket expenses, if any, incurred in connection with these services.

Distribution Agreement

The Trust has entered into a Distribution Agreement with Ultimus Fund Distributors, LLC (the "Distributor"), pursuant to which the Distributor provides distribution services and serves as the principal underwriter to each Fund. The Distributor is a wholly-owned subsidiary of Ultimus. The Distributor's fees are paid by the Adviser.

4. DERIVATIVES TRANSACTIONS

Transactions in option contracts written by Hussman Strategic Growth Fund during the six months ended December 31, 2010 were as follows:

	Option Contracts	Option Premiums
Options outstanding at beginning of period	55,000	$ 321,356,680
Options written	238,500	3,641,942,783
Options cancelled in a closing purchase transaction	(243,500)	(2,895,165,138)
Options outstanding at end of period	50,000	$ 1,068,134,325

The locations in the Statements of Assets and Liabilities of Hussman Strategic Growth Fund's derivative positions are as follows:

Type of Derivative	Location	Value		Gross Notional Amount Outstanding December 31, 2010
		Asset Derivatives	Liability Derivatives	
Index put options purchased	Investments in securities at value	$ 98,821,000	$ —	$ 6,197,074,000
Index call options written	Written call options, at value	—	(1,241,202,000)	(6,197,074,000)

The average monthly notional amount of put options purchased, call options written and call options purchased during the six months ended December 31, 2010 was $6,398,219,167, $(6,398,219,167) and $367,200,000, respectively for Hussman Strategic Growth Fund.

Hussman Strategic Growth Fund's transactions in derivative instruments during the six months ended December 31, 2010 are recorded in the following locations in the Statements of Operations:

Type of Derivative	Location	Realized Gains (Losses)	Location	Change in Unrealized Gains (Losses)
Index put options purchased	Net realized gains (losses) from option contracts	$ (695,885,321)	Net change in unrealized appreciation (depreciation) on option contracts	$ (133,671,955)
Index call options purchased	Net realized gains (losses) from option contracts	(26,808,464)	Net change in unrealized appreciation (depreciation) on option contracts	—
Index call options written	Net realized gains (losses) from option contracts	(695,267,315)	Net change in unrealized appreciation (depreciation) on option contracts	(266,808,355)

Hussman Strategic Total Reutrn had no transactions in derivative instruments as of and for the six months ended December 31, 2010.

5. BANK LINE OF CREDIT

Hussman Strategic Growth Fund has an unsecured bank line of credit in the amount of $10,000,000. Hussman Strategic Total Return 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, 2010, the Funds did not borrow under their respective lines of credit.

6. CONTINGENCIES AND COMMITMENTS

The Trust's officers and Trustees are entitled to indemnification from the Funds for certain liabilities that may 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 may provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown, as this would involve potential claims for indemnification for losses that may or may not be incurred in the future. However, based on experience, the Trust believes the risk of loss to be remote.

7. SUBSEQUENT EVENTS

The Funds are required to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed as of the date of the Statement of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Funds are required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements and has noted no such events.

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, which may include 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 mutual fund's ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio.

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 (July 1, 2010 – December 31, 2010).

The table on the following page 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 the period with $1,000 invested in that Fund. You may use the information here, together with the amount of your investment, 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), and 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 ongoing 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 actual expenses associated with your investment. However, the example is useful in making comparisons because the SEC requires all mutual funds to provide an example of fund expenses based on a 5% annual return. You can assess each Fund's ongoing 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 for the past five years, can be found elsewhere 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, 2010	Ending Account Value December 31, 2010	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$ 915.80	$4.97
Based on Hypothetical 5% Annual Return (before expenses)	$1,000.00	$1,020.01	$5.24

* Expenses are equal to Hussman Strategic Growth Fund's annualized expense ratio of 1.03% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Hussman Strategic Total Return Fund

	Beginning Account Value July 1, 2010	Ending Account Value December 31, 2010	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$1,026.90	$3.22
Based on Hypothetical 5% Annual Return (before expenses)	$1,000.00	$1,022.03	$3.21

* Expenses are equal to Hussman Strategic Total Return Fund's annualized expense ratio of 0.63% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

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 SEC's 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). You may also obtain copies of these 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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