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SPADE Defense Index Statistics

12/31/07 Close: 2573.07
 All-time Close: 2747.67
 Date of all-time close: 9 October 2007

	SPADE Defense	S&P500
December	[1.87%]	[0.86%]
4th Quarter	[4.22%]	[3.82%]
2007	22.17%	3.53%

10-Year performance data of the Index is now available

By the Numbers

- 22.2% 2007 performance for the SPADE Defense Index
- 8 Consecutive years that the Index has beaten the S&P 500
- 6 Years, double-digit outperforming the broader market
- 19%+ Index gains in 4 of past 5 years
- 6x Alpha (1864 basis points over the S&P500 in 2007)
- 343.5% Gain in AUM to \$376M for the ETF
- 13 Constituents with 50%+ gains
- 39 of 54 Constituents with better than 10%
- 72% Index constituents that outperformed the S&P500

Commentary

Compiling a track record that many professional money managers and mutual funds would envy, the defense and homeland security sector outperformed the S&P500 benchmark for an **eighth** consecutive year.

The benchmark SPADE Defense Index (AMEX:DXS) gained **22.17%**; this was 18.64% better than the widely followed S&P500 broad-market index.

During this period, the SPADE Defense Index outperformed the S&P500 by more than 10% in six of the eight yearly periods and gained better than 19% in four of the previous five years. Since 2000, the SPADE Defense Index has produced a total cumulative gain of 161.27%, as compared to the S&P500's decline of [0.06%], and the Russell 3000's gain of 7.05%. The PowerShares Aerospace & Defense ETF (AMEX:PPA), which seeks to replicate the SPADE Defense Index, has seen 2007 inflows of 343.5% as investors added defense to their core portfolios.

The Midst of a Long Investment Cycle

Although much of the gains can be attributed to government spending in the aftermath of 9-11 and the war in Iraq, the defense sector's positive performance predates the 9-11 attack on the U.S., and trends suggest that growth may continue even after a pullback from Iraq occurs. Notably:

1. The mission to protect and defend the...
 (continued on page 2)

December 2007 Rebalancing

Textron, Elbit, AAR, and Triumph Added to the SPADE Defense Index

December 27, 2007 – The ISBC announced the results of its quarterly review of the SPADE Defense Index™ (AMEX: DXS). Effective 31 December 2007, Textron (NYSE: TXT), Elbit Systems (NASDAQ: ESLT), AAR Corporation (NYSE: AIR), and Triumph Group (NYSE: TGI) were added to the index. **EDO** and **United Industrial** exited the index during the quarter as acquisitions of both companies, by ITT and Textron respectively, were completed. The SPADE Defense Index serves as a benchmark for the value that the markets ascribe to companies involved with defense, homeland security, and space, and forms the basis for the PowerShares Aerospace & Defense Portfolio ETF (AMEX: PPA), the longest-operating exchange-traded fund for this sector.

Changes to the Index are as follows:

ADDITIONS (NAME / SYMBOL)

Textron Inc. (NYSE: TXT) – The firm is a manufacturer of military helicopters and their recent acquisition of United Industrial Corp. provides them with access to the unmanned aerial vehicle (UAV) market. Overall, the firm generates approximately 35% of its revenues from defense. An addition 35% is generated from its business line that manufactures the Cessna aircraft, which is increasingly being used for homeland security reconnaissance.

Elbit Systems (NASDAQ: ESLT) - Elbit Systems specializes in defense electronic and electro-optic systems including C4ISR systems
 (continued on page 2)

What the Analysts are Saying (Dec07/Jan08)

Fitch Ratings

The 2008 election should not affect core [defense] spending until fiscal 2011.

Goldman Sachs

Raised its defense sector outlook, “We believe defense stocks are an attractive place for investors to go when economic growth is slowing or turning negative.”

The report projected a slowdown in real GDP growth in 2008 and said defense stocks have outperformed the S&P 500 by an annual average of 30% when GDP growth is below 1%.

Morningstar - John Kearney - 20 Dec 07

“...aerospace and defense [are] a pocket of strength’ that appear[s] to have staying power. Strong commercial aerospace demand and increased defense spending show no signs of waning.”

DowJones - 4 Jan 08

“Aerospace Company Stocks Poised for 2008 Gains” - Following a banner year in 2007, aerospace stocks should keep flying higher this year, fueled by a health increase in U.S. defense spending and the robust worldwide market for commercial aircraft.

(continued on page 4)

December 2007 Leaders

1	MTC Technologies	43.73%
2	DynCorp	28.61%
3	AAR Corporation	15.17%
4	Mantech Int'l	13.26%
5	Mercury Computer	9.89%
6	Honeywell	8.74%
7	SRA International	7.60%
8	OSI Systems	6.78%
9	Applied Signal	6.34%
10	GeoEye	6.08%

December 2007 Laggards

1	Force Protection	[56.71%]
2	Trimble Navigation	[18.42%]
3	Garmin	[9.64%]
4	DRS Technologies	[8.34%]
5	KVH Industries	[7.25%]
6	Stanley	[6.65%]
7	Computer Sciences	[6.34%]
8	Precision Castparts	[5.86%]
9	URS Corporation	[5.50%]
10	Boeing	[5.49%]

2007 Top Performers

1	EDO Corporation*	135.13%
2	FLIR Systems	98.67%
3	Stanley	89.36%
4	TASER International	89.09%
5	Elbit Systems	84.40%
6	Cubic Corporation	80.65%
7	Precision Castparts	77.18%
8	Garmin Ltd	74.27%
9	GeoEye	73.90%
10	DynCorp	69.38%

2007 Laggards

1	Force Protection	[73.12%]
2	KVHI	[24.03%]
3	CACI	[20.76%]
4	Ceradyne	[16.94%]
5	Gencorp	[16.83%]
6	SI International	[15.27%]
7	Herley Industries	[15.07%]
8	Argon ST	[13.83%]
9	Computer Sciences	[7.31%]
10	American Sci & Eng	[4.64%]

* Through 30 November 2007. Acquisition of firm by ITT closed in December

Commentary (continued, pg 1)

U.S. and its citizens remains a critical goal of government

2. Support for defense among Congress and political leaders remains strong.

3. The recently approved core Department of Defense budget for FY-08 is 10% higher than FY-07.

4. A tremendous need to recapitalize equipment used in Iraq and modernize defense equipment and systems--some of which date to the Eisenhower Administration. (see page 2, column 3...the \$100 Billion Contract for an example)

5. Continued expansion in related business lines such as commercial aircraft.

While the industry is cyclical in nature, most analysts believe that a downturn that will follow the investment cycle is still several years away. But as always, the biggest risk to the change fortunes of the sector is politics.

The Defense Sector and the 2008 Economy

There is currently a lot of pressure on the U.S. economy as issues related to the sub-prime loan crisis, inflation, and the possibility of recession come to the forefront.

Although spending on defense and security is currently between 4% and 5% of U.S. GDP, economic issues such as the aforementioned tend to have less of a direct impact on the defense sector which derives much of its revenues from government budgets. While the sector may move in

ETF Statistics (AMEX: PPA)

Powershares Aerospace & Defense

Exchange / Ticker Symbol:	AMEX / PPA
Fee	60 basis
Assets (12/31/07)	\$ 376 M
Closing Price (12/31/07)	\$22.65
December 07 Volume	2,867,600

sympathy with the overall market at times, the underlying factors driving the defense industry remain quite different.

Mergers and Acquisitions

In December, BAE Systems announced that it was acquiring MTC Technologies (NASDAQ: MTCT) for \$450 million including the assumption of \$81 million in debt and they expected the deal to close in early 2008.

The Last Word on 2007

Returns by the "Big-5" prime contractors were at the middle of the pack producing single to low-double digit growth. The companies that performed best were some of the mid-caps that filled a critical wartime need or were acquired during the year.

Although a few defense IT firms rebounded in 2007, for the most part, they continued to lag as money shifted from R&D and investment programs into war-related acquisitions. Finally, to show how the winds of change affect individual companies, Force Protection [as well as other companies involved with mine-resistant (MRAP) vehicles and armored systems] which were high-fliers for most of the year, saw their stocks collapse in November and December as the Marine Corps began questioning their future needs and plans Force Protection ended the year down more than 70% after being up more than 25% YTD through September.

**Coming in late January...
the FY-09 Defense Budget**

Powershares Aerospace & Defense ETF(PPA)

Average Portfolio Market Cap*	\$12.03 Billion
Portfolio P/E*	19.17
Portfolio P/S*	1.19
Portfolio P/B*	3.17
Portfolio P/Cash Flow*	11.37
Earnings Growth Rate (ttm)*	12.93%
3 month Avg Daily Trading Volume**	147,623

source: Yahoo! Finance

Quarterly Rebalance (continued, pg 1)

for unmanned vehicles for defense and homeland security applications. Its operations include systems and products for military aircraft and helicopters, land vehicles, military communications, UAVs, electro-optic and countermeasures, and homeland security and C4I.

AAR Corporation (NYSE: AIR) - AAR provides products and services to the aviation, aerospace, and defense industries worldwide including the maintenance, repair, and overhaul of aircraft systems. Other divisions are involved with cargo loading and handling systems for military aircraft and helicopters, and advanced composite structures. The addition of AAR provides exposure to a growing MRO market associated with the rising age of military aircraft and an expanding commercial aviation market. More than a third of revenues are derived from its defense operations with the balance from commercial aerospace.

Triumph Group (NYSE: TGI) - Triumph Group engages in the design, manufacture, repair, overhaul, and distribution of aircraft components worldwide. This company also provides exposure to the MRO market. One-third of the company's revenues are derived from military contracts.

The addition of these firms provides the Index with added diversification in defense growth areas such as unmanned aerial vehicles, persistent surveillance, electro-optics, as well as operations and technical services.

About

The SPADE Defense Index (AMEX: DXS) provides an investment benchmark for companies involved with defense, homeland security, and space.

The Index is designed to reflect the broad diversity of activities that is representative of companies involved with defense, homeland security, and space – including industrial firms that manufacture aircraft, tanks, ships, and missiles and those involved with current and next generation systems related to network centric warfare and information technology; intelligence, surveillance, and reconnaissance; satellites; border security; and defense systems that protect the lives of our servicemen and servicewomen.

Licensed Products

Exchange Traded Fund (ETF)

The Powershares Aerospace & Defense Portfolio ETF (AMEX: PPA) is designed to track the performance of the SPADE Defense Index

Options

ETF options are traded by the American Stock Exchange using the underlying symbol.

Rules

The Index was designed to be RIC (Registered Investment Company) compliant for the purpose of enabling financial products. Companies are required to meet a variety of eligibility criteria including market valuation, liquidity, and listing on a major U.S. exchange. Full details are available on our website.

- * Market Cap: Minimum \$100M
- * Share Price: Minimum \$5.00
- * Liquidity: 50,000 shares/day avg

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The \$100 Billion Contract

A contract to replace the Air Force refueling tankers is set to be decided later this month. Initially the contract is for 179 aircraft worth about \$40 billion but could grow to \$100 billion with additional orders. Both Boeing and a team led by Northrop Grumman (partnered with EADS) have submitted their final proposals.

DHS Increases Budget

DHS boosted its FY08 budget for airport explosive detection by 7% rising to \$544 million. Of this, \$89 million is devoted to next-generation systems in small and medium-sized airports.

The \$11 Billion Contract

Potentially worth \$11 billion, the STOC II, Simulation and Training Omnibus Contract will update the Army's fleet of training simulators. A number of companies are expected to land a share of the program. Winners will be chosen in September. A final request for proposals will be issued in mid-February. The deal follows an \$11.2 billion Warfighter Focus contract issued in 2007 to Raytheon for maintenance, logistics, and other services to wargame trainers located worldwide.

Security Trend: Data Breaches Rise in 2007

According to two groups tracking the loss or theft of personal data such as social security numbers or credit cards, incidents soared in 2007.

The Identity Theft Resource Center recorded more than 79 million records compromised in 2007 through December 18th, nearly a 400% increase from 20 million records in 2006. Attrition.org estimated more than 162 million records compromised through December 21, up from 49 million in 2006.

Year	SPADE	S&P500
2007	22.17%	3.53%
2006	19.33%	13.62%
2005	5.30%	3.00%
2004	20.47%	8.99%
2003	37.27%	26.38%
2002	[2.87%]	[23.37%]
2001	0.94%	[13.04%]
2000	4.98%	[10.14%]
1999	15.31%	19.53%
1998	6.63%	26.67%

Quarter	SPADE	S&P500
4Q07	[4.22%]	[3.82]
3Q07	[2.39%]	[2.99%]
2Q07	10.76%	5.81%
1Q07	4.37%	0.18%
4Q06	8.79%	6.17%
3Q06	3.21%	5.17%
2Q06	[4.03%]	[1.91%]
1Q06	10.65%	3.73%
4Q05	[0.47%]	1.59%
3Q05	4.44%	3.15%
2Q05	3.91%	0.91%
1Q05	[2.52%]	[2.59%]
4Q04	9.80%	8.73%
3Q04	2.81%	[2.30%]
2Q04	6.34%	1.30%
1Q04	0.36%	1.29%
4Q03	18.97%	11.64%
3Q03	5.27%	2.20%
2Q03	19.03%	14.89%
1Q03	[7.92%]	[3.60%]
4Q02	3.39%	7.92%
3Q02	[17.04%]	[17.63%]
2Q02	[2.86%]	[13.73%]
1Q02	16.57%	[0.06%]
4Q01	14.59%	10.29%
3Q01	[10.40%]	[14.29%]
2Q01	5.91%	5.52%
1Q01	[7.18%]	[12.11%]
4Q00	[0.05%]	[8.09%]
3Q00	12.14%	[1.24%]
2Q00	[7.11%]	[2.93%]
1Q00	0.83%	2.00%
4Q99	7.57%	14.54%
3Q99	[10.18%]	[6.56%]
2Q99	21.39%	6.71%
1Q99	[1.68%]	4.65%
4Q98	13.70%	20.87%
3Q98	[16.88%]	[10.30%]
2Q98	[1.88%]	2.91%
1Q98	14.99%	13.53%



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Analyst Commentary (continued, pg2)

Forbes.com - 20 Dec 07

Analyst: J.B. Groh, D.A. Davidson & Co.
 "There will be no recession in aerospace. The last three years have illustrated the strength of the global aerospace market, as most orders have been from areas outside North America. This is unique in that North American typically leads the cycle. Massive backlogs at Boeing and Airbus (about 6,400 aircraft, or more than six years of production at current levels) have caused valuations to rise for suppliers.

"As long as backlogs are still increasing, we expect aerospace names to outperform the overall market."

"One misplaced assumption is that the 'party is over.' While aerospace stocks have done very well over the past few years...there are still plenty of additional opportunities. High fuel prices shrink the economic life of a passenger aircraft and that should continue to drive fleet renewal."

Analyst: Troy Lahy, Stifel Nicolas
 "Expect another strong year of aircraft order activity, as airlines seek to start recapitalizing their fleets following several years of under-spending on modernization...Higher oil prices compounded by an aged aircraft fleet will result in many legacy U.S. airlines beginning to place orders for new, fuel efficient aircraft."

TheStreet.com - 2 Jan 08

"Destroying the 'Republicans Are Better for Defense Stocks' Myth" -- "...With this in mind, I believe that ETFs focused on the aerospace & defense sector should fare well in 2008."

CIBC World Markets

In a December note to investors...
 Larry Lanzillotta, Northrop Grumman's VP of customer relations stated there could be "some degree of resurgence in Navy shipbuilding in FY09 and the possibility of the company getting approval to begin building two submarines a year starting with the 2010 budget." The letter also stated that *he suggested that FY09 would include another increase in defense spending and hinted at his belief that the 2010 plan is for an additional pop in growth, which is something we haven't been expecting.*

Washington Post (31 Dec 07, D4)

"Companies and analysts are stating that there are signs that the government might start to spend more heavily on services in 2008 and beyond."

"Intelligence represents an area where many companies believe that the intersection of national security and technology will make for good business opportunities."

In the article, CACI CEO, Paul Cofoni, stated that, "the changing strategy in the war on terror and Iraq should drive dollars back to technology service contractors. "It will turn to be less about bombs, tanks, airplanes, and more about collaboration among intelligence agencies, law enforcement, and the military."

Blogging Stocks

In searching out investments for 2008 [in] what is likely to be a precarious stock market, I have been touting the defense industry for the last two months as one of the stories for next year in terms of growth and safety.

ETF Expert - 21 Dec 07

"Meanwhile, smart-and-balanced investors were able to capitalize on defense spending.

and last, but definitely not least...

Jim Cramer, CNBC, TheStreet.com

[Here's] what I really like [for 2008] (1) aerospace and defense, (2) agriculture, (3) oil and oil service, (4) minerals and mining, and (5) infrastructure.

About Aerospace and Defense

...American investors have such a hard time understanding the bull market in aerospace. They are just too U.S.-centric. Around the globe in every newly industrialized nation, there is a booming airline company, often state-run, that is growing the way our airlines grew in the 1940s and 1950s, when this sector was hot, hot, hot. This growth can go on for years...China could use 10 times the number of planes it has and still not offer airline service to millions of people That means there will be demand for planes just for China that could fill order books for generations. The countries in the Middle East, flush with oil money, want to expand their airlines. So do the newly wealthy nations in South American. Same with Central and Easter Europe. That's where the growth is coming from.

...As with all bull markets, the components of the bulls, the suppliers to the end markets -- in this case, Boeing and Airbus -- can boom right alongside the customers.

On Wall Street, we often group aerospace with defense. That's because the analysts who understand planes can follow the defense plays that have an aerospace component. In this particular case, there's more than just

convenience to the marriage. The U.S. is home to most of the world's major defense contractors, and we have become a giant exporter...

...[The U.S. is] financing billions and billions of dollars to arm Saudi Arabia and Israel and Egypt for many years to come. Plus, in our own country, post-9/11, both political parties have remained committed to military spending, something that will continue even if we eventually wind up our efforts in Iraq.

Share Buybacks

L-3's board in mid-December approved the repurchase of \$750M of common stock over the next two years, up from the \$500M approved last December.

Northrop Grumman announced on December 20th its plans to buy back up to \$2.5 billion, the largest share repurchase in the company's history. This represents about 9% of outstanding shares.

Boeing announced in October a \$7 billion buyback worth about 9% of outstanding shares.

Raytheon in October announced a \$2 billion share buyback.

Lockheed Martin will increase its share buyback by an additional 20 million shares. on top of the 20 million shares remaining from its prior board authorization. The firm has been buying back shares since October 2002 and repurchased 88.1 million shares through June 2007. As of 30 June 2007, approximately 412 million shares of common stock remain on the balance sheet.

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	Jan-08		SPADEFense Index							Market	Forward	Price/	Price/	
Split	Company	Ticker	Float %	Price	Price	% Ch	% Ch		Cap	P/E	Sales	Book	Div Yld	
			31-Dec	30-Nov-07	31-Dec-07	2007	MTD		intraday	(ttm)	ttm	mrq	forward %	
	Honeywell Intl	HON	6.70	56.62	61.57	36.10%	8.74%		51.89	16.46	1.91	4.58	1.60%	
	United Technologies	UTX	6.69	74.77	76.54	22.42%	2.37%		77.97	15.78	1.90	4.84	1.70%	
	Boeing Co	BA	6.61	92.54	87.46	-1.55%	-5.49%		70.60	14.60	1.32	7.59	1.80%	
	Lockheed Martin	LMT	6.33	110.67	105.26	14.33%	-4.89%		45.90	14.48	1.26	5.99	1.60%	
	Genl Dynamics	GD	5.22	88.78	88.99	19.69%	0.24%		17.91	15.53	0.87	2.25	1.30%	
	Northrop Grumman	NOC	4.49	78.79	78.64	16.16%	-0.19%		27.94	14.02	0.92	1.66	1.90%	
	Raytheon Co	RTN	4.47	61.85	60.70	14.96%	-1.86%		27.12	15.93	1.28	2.61	1.70%	
	Garmin Ltd	GRMN	4.32	107.35	97.00	74.27%	-9.64%		10.47	22.05	11.52	10.02	0.80%	
	Itt Indus	ITT	4.11	64.44	66.04	16.23%	2.48%		6.10	16.47	0.79	2.47	0.80%	
	Precision Castparts	PCP	4.04	147.34	138.70	77.18%	-5.86%		18.43	16.87	5.61	10.00	0.10%	
	Rockwell Collins	COL	4.03	72.12	71.97	13.71%	-0.21%		12.43	16.21	3.61	13.23	0.90%	
	L-3 Communications Hldgs	LLL	4.02	110.65	105.94	29.54%	-4.26%		12.73	16.32	1.51	2.97	0.90%	
2:1	Textron	TXT	4.01	69.05	71.30	52.07%	3.26%		9.44	17.74	0.81	2.89	1.30%	
	Goodrich Corp	GR	3.34	71.29	70.61	55.02%	-0.95%		8.68	16.31	1.65	5.85	1.30%	
	Computer Sciences	CSC	3.26	52.82	49.47	-7.31%	-6.34%		9.15	11.37	0.63	1.47		
	Harris Corp	HRS	3.25	62.77	62.68	36.68%	-0.14%		8.38	15.99	2.71	5.57	1.00%	
	SAIC	SAI	3.15	19.94	20.12	13.10%	0.90%		8.54	19.92				
	Ball Corp	BLL	1.71	46.25	45.00	3.21%	-2.70%		4.68	12.00	0.82	5.43	0.90%	
	URS Corporation	URS	1.70	57.49	54.33	26.79%	-5.50%							
2:1	Flir Systems	FLIR	1.61	68.73	31.30	96.67%	-2.23%		2.17	28.45	4.56	6.35		
	Alliant Techsystems	ATK	1.41	116.83	113.76	45.49%	-2.63%		4.17	15.37	1.39	5.87		
2:1	Trimble Navigation Ltd * (2:1 split)	TRMB	1.39	37.07	30.24	19.22%	-18.42%		1.63	20.86	2.20	3.04		
	Oshkosh Truck	OSK	1.33	48.09	47.26	-2.40%	-1.73%		3.47	8.69	1.19	4.30	0.80%	
	Elbit Systems	ESLT	0.95	56.68	59.56	84.40%	5.08%		2.43	20.19	2.34	5.18	1.20	
	Drs Technologies	DRS	0.85	59.21	54.27	3.02%	-8.34%		1.52	13.88	1.08	2.11	0.20%	
	Moog Inc.	MOGA	0.74	45.08	45.81	19.95%	1.62%		1.77	14.50	1.72	3.46		
	Teledyne Technologies	TDY	0.71	54.22	53.33	32.89%	-1.64%		1.79	18.14	1.52	5.55		
	Sra International'a'	SRX	0.64	27.37	29.45	10.13%	7.60%		1.61	20.89	1.71	3.59		
	DynCorp	DCP	0.58	20.90	26.88	69.38%	28.61%		1.53	18.41	0.71	3.88		
	Esterline Technologies	ESL	0.57	52.22	51.75	28.64%	-0.90%		1.31	13.91	1.58	2.12		
	Mantech International'a'	MANT	0.57	38.69	43.82	18.98%	13.26%		1.45	18.89	1.51	3.96		
	Orbital Sciences Corp	ORB	0.55	24.06	24.52	32.97%	1.91%		1.35	24.52	2.03	3.43		
	AAR Corp	AIR	0.55	33.02	38.03	30.28%	15.17%		1.27	16.75	1.53	3.81		
	Triumph Group	TGI	0.52	81.26	82.35	57.07%	1.34%		1.31	16.05	1.84	2.44	0.20	
	L-1 Identity Solutions	ID	0.51	18.58	17.95	18.64%	-3.39%		1.31	74.79	6.29	1.25		
	Caci Intl	CAI	0.51	45.39	44.77	-20.76%	-1.37%		1.35	14.63	0.81	2.06		
	Ceradyne Inc	CRDN	0.49	49.44	46.93	-16.94%	-5.08%		1.16	8.13	3.38	7.53		
	Cubic Corp	CUB	0.40	39.48	39.20	80.65%	-0.71%		1.05	21.66	1.33	3.59	0.50%	
	Cogent Inc.	COGT	0.40	11.10	11.15	1.27%	0.45%		1.04	24.24	7.43	2.50		
	Viasat Inc	VSAT	0.40	33.35	34.43	15.50%	3.24%		0.93	19.56	2.46	3.93		
	TASER International Inc.	TASR	0.34	14.01	14.39	89.09%	2.71%		0.88	41.11	16.61	8.79		
	Stanley Inc.	SXE	0.27	34.30	32.02	89.36%	-6.65%		0.71	24.26	1.64	4.96		
	Gencorp	GY	0.25	12.10	11.66	-16.83%	-3.64%		0.64	23.80	1.13	6.31		
	Ladish Co	LDSH	0.24	44.16	43.19	16.48%	-2.20%		0.60	16.18	2.43	4.46		
	GeoEye	GEOY	0.22	31.72	33.65	73.90%	6.08%		0.59	16.41	3.67	4.32		
	American Science & Engineering	ASEI	0.20	57.85	56.75	-4.64%	-1.90%		0.49	17.85	3.57	5.20		
	AeroVironment (IPO 23Jan07)	AVAV	0.18	24.09	24.20	-3.20%	0.46%		0.46	21.04	2.66	3.39		
	Osi Systems	OSIS	0.17	24.79	26.47	26.47%	6.78%		0.43	21.01	1.06	1.91		
	Argon St	STST	0.15	18.22	18.56	-13.83%	1.87%		0.37	16.87	1.34	1.89		
	Ducommun	DCO	0.15	36.76	38.00	66.08%	3.37%		0.38	18.18	1.51	2.27		
	Si International	SINT	0.14	25.96	27.47	-15.27%	5.82%		0.31	16.45	0.87	1.90		
	Mercury Computer Sys	MRCY	0.14	14.66	16.11	20.58%	9.89%		0.34	21.48	1.28	1.64		
	MTC Technologies Inc.	MTCT	0.13	16.35	23.50	-0.21%	43.73%		0.37	19.75	1.05	2.23		
	Force Protection	FRPT	0.12	10.81	4.68	-73.12%	-56.71%			4.63				
	Herley Industries	HRLY	0.07	14.13	13.75	-15.07%	-2.69%		0.20	15.62	1.25	0.98		
	Applied Signal Technology	APSG	0.06	12.77	13.58	-3.41%	6.34%		0.16	18.35	0.99	1.58	3.70%	
	Kvh Industries	KVHI	0.05	8.69	8.06	-24.03%	-7.25%		0.11	16.79	1.67	1.66		