

Defense Small Caps Outperform “Big Five” Prime Contractors SSG Offers Insights in New Defense Stock Index & Deal Tracker

New York (March 31, 2026) Small-cap defense companies have outperformed the “Big Five” prime contractors over the last year amid growing defense budgets and recent White House pressure on the primes to improve their production capacity, innovation and on-time delivery, according to analysis from the Secure Strategy Group (SSG), a defense advisory firm. See details on the relative performances at www.securesg.com.

“Smaller companies, public and private, often offer the agility, ingenuity and responsiveness now demanded by the Pentagon,” says Scott Greiper, President and Founder of SSG. “We believe the federal government and defense integrators may increasingly turn to smaller, more nimble providers as defense budgets surge,” adds Greiper. To provide greater visibility into this market segment, SSG has launched a Defense Small-Cap Index and Defense Deal Tracker.

SSG’s Defense Small-Cap Index currently includes 76 public micro- and small-cap companies representing more than \$31 billion in combined market capitalization as of March 27, 2026. These companies are engaged in a variety of defense sectors, including unmanned systems, munitions and defense electronics. The Index is an SSG-created market monitor for informational purposes, not an investable product, and its methodology and constituent list are available on the web site. (Small-cap securities may involve greater volatility and liquidity risk than larger-cap securities.)

The SSG Defense Deal Tracker analyzes and reports on financing transactions (equity and debt) and M&A activity in the sector. SSG has observed more than \$4 billion in M&A activity and nearly \$600 million in equity and debt financings YTD for public companies on the SSG Defense Small-Cap Index and private companies in the sector.

“Our new market intelligence tools are designed to provide greater visibility and awareness of these companies for investors, lenders, acquirers, strategics and the media, and a deeper understanding of how investors and acquirers are transacting in the defense sector,” notes Greiper.

As it pushes for record spending and production, the Trump Administration has seemingly grown frustrated with “business as usual” in the defense industry. “Many large contractors — while underperforming on existing contracts — pursue newer, more lucrative contracts, stock buy-backs, and excessive dividends to shareholders at the cost of production capacity, innovation, and on-time delivery,” declared the White House in January’s Executive Order 14372, which restricts dividends and share buybacks for underperforming prime contractors. In contrast, many small caps forego such financial engineering to reinvest in growth, production and R&D.

The SSG Defense Small-Cap Index and Defense Deal Tracker, and information on their methodology, can be found at www.securesg.com. Access is provided at no cost upon registration with name and email, with the option to receive periodic market intelligence updates.

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About the Secure Strategy Group (SSG)

Founded in 2008, the Secure Strategy Group (SSG) is an advisory firm that helps emerging defense and physical security companies achieve their growth and strategic objectives through capital raising, business and corporate development, market intelligence and M&A. SSG’s team offers expertise forged by decades of experience in the defense and security industries, Wall Street and the US government. Broker-dealer services provided by [Bradley Woods & Co. Ltd.](#) member, [FINRA](#) and SIPC. Secure Strategy Group and Bradley Woods & Co. Ltd. are independent entities. Officers of Secure Strategy Group are licensed registered representatives of Bradley Woods & Co. Ltd.

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