



Overall Morningstar Rating



(VALIX)

Among 682 Moderate Allocation funds (as of 3/31/25)

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the Fund's 3-, 5-, and 10-year (if applicable) Morningstar metrics.

Fund Facts

Symbol

Investor VALIX
Institutional VLIIX

Inception Date

Investor 10/1/52
Institutional 11/1/15

Total Assets

\$431M (as of 3/31/25)

Top 10 Holdings

(as of 3/31/25)

Company	Weight (%)
Meta Platforms Inc Class A	4.34
NVIDIA Corp	3.57
Amazon.com Inc	3.04
Uber Technologies Inc	2.93
Alphabet Inc Class A	2.69
Apple Inc	2.66
Strategy Class A	2.24
Microsoft Corp	2.21
Advanced Micro Devices Inc	2.17
Visa Inc Class A	2.14

Value Line Funds

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Portfolio Manager Q&A

Value Line Capital Appreciation Fund (VALIX/VLIIX)

Q1: How did the Fund perform relative to the Morningstar Moderate Allocation Category in the first quarter of 2025 and for longer-term periods?

In the first three months of 2025, the Fund declined 4.83%, underperforming the Morningstar Moderate Allocation Category average decline of 0.31%. During the first quarter, the market experienced a high level of volatility due to uncertainty related to the new administration's budgetary, regulatory, and trade policies. While we are never satisfied with relative underperformance in the short term, we believe that longer-term periods are more important to investors.

Notably, the Fund has outperformed the Morningstar category, with top quintile (20% or better) performance for the 3-, 5- and 10-year periods ended March 31, 2025.

	1 Year	3 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. – VALIX	56	13	7	5
# of Funds in Category	707	682	628	490

Source: Morningstar as of 3/31/25

Please visit the Fund's [performance page](#) for complete performance information.

Q2: What drove the Fund's equity portfolio performance compared to the S&P 500 Index in the first quarter?

In the first quarter, the Fund's equity portfolio lagged the S&P 500's return of -4.27%, driven by a combination of stock selection and sector allocation. From a sector perspective, the Fund's largest positive contributor was the Industrials sector, and the Financials sector was the primary detractor.

Within the Industrials sector, the Fund benefited from its overweight position in Uber Technologies (UBER), the ride-sharing platform and delivery service. Uber's stock price gained approximately 21% in the first quarter.

The Fund's Financials companies declined 4% on average compared to the S&P 500 Financials companies which gained approximately 4%. In this sector, the Fund's largest detractor was Coinbase Global Inc. (COIN), the leading cryptocurrency exchange platform in the U.S.

Q3: What was the Fund's allocation between equities and fixed income as of March 31, 2025?

As of March 31, 2025, the Fund held 66% in equities and 34% in fixed income and cash. The Fund's fixed income portfolio is comprised primarily of investment grade bonds (rated AAA through BBB). As of March 31, 2025, approximately 99% of the Fund's debt securities were investment grade rated.

Q4: Why should an investor consider this Fund?

We believe the Fund offers a compelling approach to balanced fund investing due to its flexible allocation among equities, fixed income and cash. In addition, the Fund's equity portfolio is more growth-oriented compared to other funds in the Morningstar Moderate Allocation Category. Approximately 43% of the Fund's equity portfolio holdings are classified as growth companies, compared to just 26% among the Morningstar category peers, on average.

In addition, we believe that sales and earnings growth are important growth drivers over time, and we strive to own a portfolio of equities with future sales and earnings

potential greater than the S&P 500. As of March 31, 2025, the Fund's equity portfolio had a 3-year projected average annual sales growth rate that was 1.5X the S&P 500's rate, and its 3- to 5-year estimated forward earnings growth rate was significantly higher compared to the S&P 500.

	VALIX/VLIIX Equity Portfolio	S&P 500 Index
3-Year Projected Avg Annual Sales Growth Rate	13.0%	8.5%
3-5-Year Estimated Forward Earnings Growth Rate	16.5%	12.3%

Senior Portfolio Managers

Cindy Starke

Cindy Starke joined Value Line Funds as a portfolio manager in 2014 and has over 25 years of mid and large-cap growth investment experience. Ms. Starke received a BS and an MBA from Fordham University.


Liane Rosenberg

Liane Rosenberg has been with Value Line Funds since 2009. She has over 25 years of experience in fixed income portfolio management. Ms. Rosenberg received a BA from State University of New York at Albany and an MBA from Fordham University.

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact the fund's short term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost. Past performance data through the most recent month end is available at www.vlfunds.com or by calling 800.243.2729. You should carefully consider investment objectives, risks, charges and expenses of Value Line Mutual Funds before investing. This and other information can be found in the fund's prospectus and summary prospectus, which can be obtained free of charge from your investment representative, by calling 800.243.2729, or by clicking on the applicable fund at www.vlfunds.com. Please read it carefully before you invest or send money. The average annual returns shown above are historical and reflect changes in share price, reinvested dividends and are net of expenses. Investment results and the principal value of an investment will vary.

The Morningstar Rating™ for funds, or "star rating" is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The Fund (VALIX) received 2 stars for the 3-year period, 3 stars for the 5-year period and 4 stars for the 10-year period ended 3/31/25 among 682, 628 and 490 Moderate Allocation funds, respectively. © 2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. *There are risks associated with investing in small and mid cap stocks, which tend to be more volatile and less liquid than stocks of large companies, including the risk of price fluctuations.*

3-Yr Average Projected Annual Sales Growth Rate is the year-over-year average growth rate of holdings based on analysts' consensus revenue estimates of holdings. 3-5 Yr Average Estimated Forward Earnings Growth Rate is the year-over-year average growth rate based on analysts' consensus EPS (earnings per share) estimates. If EPS estimates are available for 5 years forward, it is an average of 5 years; otherwise, it is an avg of 3 years forward EPS estimates.

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