



**Overall Morningstar Rating**



(VALIX)

Among 689 Moderate Allocation funds

(as of 6/30/24)

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**

\$450M  
(as of 6/30/24)

**Top 10 Holdings**

(as of 6/30/24)

Company	Weight (%)
NVIDIA Corp	4.64
Meta Platforms Inc Class A	3.57
Alphabet Inc Class A	2.98
Amazon.com Inc	2.65
Microsoft Corp	2.52
Uber Technologies Inc	2.33
Apple Inc	2.33
MicroStrategy Inc Class A	2.10
Netflix Inc	1.57
Visa Inc Class A	1.51

**Value Line Funds**

443.279.2015

www.vlfunds.com

**Portfolio Manager Q&A**

**Value Line Capital Appreciation Fund (VALIX/VLIIX)**

**Q1: How did the Fund perform relative to the Morningstar Moderate Allocation category for the second quarter of 2024 and for longer-term periods?**

For the quarter ended June 30, 2024, the Fund's return of 0.43% lagged the Morningstar Moderate Allocation category average return of 1.18%. However, the Fund's 1-year return of 22.39% outperformed the category average return of 12.61% by over 900 basis points. In addition, we are pleased that **the Fund's 1-year performance ranked in the top 3% among Morningstar Moderate Allocation funds and ranked in the top 20% or better for the 5- and 10-year periods** ended June 30, 2024.

	1 Year	5 Year	10 Year
<b>Percentile Rank in Morningstar Cat. – VALIX</b>	<b>3</b>	<b>16</b>	<b>5</b>
# of Funds in Category	740	649	493

Source: Morningstar as of 6/30/24

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

**Q2: What drove the Fund's equity portfolio performance from a sector perspective in the second quarter compared to the S&P 500 Index?**

The Fund's equity portfolio performance underperformed the S&P 500 Index this quarter. The main driver of the weaker equity performance versus the Index was stock selection in the Information Technology (IT) and Health Care sectors. The Fund's biggest detractor from a sector perspective was IT. Although the Fund's IT companies gained 7%, they lagged the Index's IT companies which gained 14%, on average.

On the other hand, the top contributing sector was Energy. The Fund's energy companies gained 3% while the S&P 500 Energy sector lost 2%. The Fund's two biggest contributing energy companies were Diamondback Energy (FANG), an oil and gas producer in the Permian Basin, and Pioneer Natural Resources (PXD), which was acquired by Exxon Mobile Corp. (XOM) in May.

**Q3: How was the Fund's portfolio allocated among equities, fixed income and cash as of June 30, 2024?**

As of June 30, 2024, the Fund held 65% in equities, compared to 67% at the end of the prior quarter, and 35% in fixed income and cash. Within the Fund's fixed income allocation, the portfolio overwhelmingly includes investment grade securities (rated AAA through BBB). Approximately 99% of the Fund's debt securities were rated investment grade as of June 30, 2024.

**Q4: Why should an investor consider this Fund?**

When considering balanced funds, we believe the Fund's growth-oriented equity investment style offers an attractive approach for pursuing long-term capital appreciation. We believe that sales and earnings growth drive share price appreciation over time, and we strive to own a portfolio of companies that can collectively grow their

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future sales and earnings at faster rates relative to the S&P 500 Index. As of June 30, 2024, the Fund's equity portfolio had a 3-year projected average annual sales growth rate that was 1.7X the S&P 500's rate, as well as a 3- to 5-year estimated forward earnings growth rate that was 1.4X that of the S&P 500.

	VALIX/VLIIX Equity Portfolio	S&P 500 Index
3-Year Projected Avg Annual Sales Growth Rate	17%	10%
3-5-Year Estimated Forward Earnings Growth Rate	23%	16%

## Portfolio Managers



### Cindy Starke

*Co-Portfolio Manager*

*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

*Co-Portfolio Manager*

*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](http://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](http://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 1 star for the 3-year period, 3 stars for the 5-year period and 4 stars for the 10-year period ended 6/30/24 among 689, 649 and 493 Moderate Allocation funds, respectively. © 2024 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.*

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