



**Overall Morningstar Rating**



(VALIX)

Among 687 Moderate Allocation funds (as of 12/31/24)

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**

\$464M  
(as of 12/31/24)

**Top 10 Holdings**

(as of 12/31/24)

Company	Weight (%)
Meta Platforms Inc Class A	4.09
NVIDIA Corp	4.07
Apple Inc	2.90
Alphabet Inc Class A	2.89
Amazon.com Inc	2.87
MicroStrategy Inc Class A	2.62
Advanced Micro Devices Inc	2.43
Microsoft Corp	2.30
Uber Technologies Inc	2.17
Tesla Inc	1.98

**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 in the fourth quarter and 1-year periods in 2024 compared to the Morningstar Moderate Allocation Category?**

In the fourth quarter of 2024, the Fund's return of 5.72% outperformed the Morningstar Moderate Allocation Category average return of -0.84%. For the 1-year period ended December 31, 2024, the Fund returned 21.23%, surpassing the category's average return of 11.39% by almost 1,000 basis points.

In addition, we are pleased that **the Fund's performance ranked in the top 2% among its Morningstar category peers for the 1-year period and ranked in the top decile (10% or better) for the 5 and 10-year periods** ended December 31, 2024.

	1 Year	3 Year	5 Year	10 Year
<b>Percentile Rank in Morningstar Cat. – VALIX</b>	<b>2</b>	<b>17</b>	<b>7</b>	<b>4</b>
# of Funds in Category	727	687	641	489

Source: Morningstar as of 12/31/24

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

**Q2: What drove the Fund's equity portfolio performance relative to the S&P 500 Index in 2024?**

In 2024, the Fund's equity portfolio outperformance relative to the S&P 500 was driven by a combination of sector allocation and stock selection. The Fund's two largest contributing sectors were Information Technology (IT) and Financials.

**IT:** The Fund's IT holdings gained 62% compared to the S&P's IT gain of 37%. Two of the Fund's biggest positive contributing stocks in the sector were MicroStrategy Inc. (MSTR) and NVIDIA Corp. (NVDA). MicroStrategy (+359%) provides enterprise analytics and mobility software incorporating Artificial Intelligence (AI), and it is one of the largest corporate holders of Bitcoin. NVIDIA (+171%) is the leader in accelerated computing and develops graphics processing units that are used in AI.

**Financials:** The Fund's Financial sector companies rose 61% compared to the Index's Financial companies which rose 31%. The Fund's two biggest positive contributors in the sector were Robinhood Markets Inc. (HOOD) and Interactive Brokers Group Inc. (IBKR). Robinhood (+192%) is a financial services platform operator focused on retail brokerage. Interactive Brokers (+114%) is an automated global electronic broker providing trading and custody services.

**Q3: What was the Fund's allocation of equities and fixed income at year-end?**

As of December 31, 2024, the Fund held 66% in equities, 28% in bonds and 6% in cash and equivalents. Within the fixed income portfolio, approximately 99% of the Fund's debt securities were rated investment grade (rated AAA through BBB) as of December 31, 2024.

**Q4: Within the Fund’s equity allocation, what do you view as the most important driver for stocks’ performance over time?**

We believe that sales and earnings growth drive share price appreciation over time. As such, we strive to own a portfolio of companies that can collectively grow their future sales and earnings at faster rates compared to the S&P 500 Index. As of December 31, 2024, the Fund’s equity portfolio had a 3-year projected average annual sales growth rate, and a 3- to 5-year estimated forward earnings growth rate, that were 1.5X the rates of the S&P 500.

	VALIX/VLIIX Equity Portfolio	S&P 500 Index
3-Year Projected Avg Annual Sales Growth Rate	16.5%	11.2%
3-5-Year Estimated Forward Earnings Growth Rate	20.7%	14.2%

**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](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 3 stars for the 3-year period and 4 stars for the 5- and 10-year periods ended 12/31/24 among 687, 641 and 489 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.*

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