



Overall Rating



(Investor)

Among 1,235 Large Growth Funds
(as of 6/30/19)

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.



Cindy Starke
Portfolio Manager

Ms. Starke has over 20 years of investment experience. She earned a BS and an MBA from Fordham University.

Fund Facts

Symbol

Investor VALLX
Institutional VLLIX

Inception Dates

Investor 3/20/72
Institutional 11/1/15

Total Assets

\$311M
(as of 6/30/19)

Top 10 Holdings

(as of 6/30/19)

Company	Weight (%)
Amazon.com, Inc.	6.69
Visa, Inc. Class A	4.85
Amarin Corp. PLC ADR	4.80
Facebook, Inc. A	4.15
PayPal Holdings, Inc.	3.82
Alexion Pharmaceuticals, Inc.	3.79
Netflix, Inc.	3.78
Exelixis, Inc.	3.67
Alibaba Group Holding Ltd. ADR	3.48
Activision Blizzard, Inc.	3.41

Portfolio Manager Q&A

Value Line Larger Companies Focused Fund (VALLX/VLLIX)

Q1: Would you please comment on the Fund's performance relative to the S&P 500 Index for the second quarter of 2019 and year to date?

For the quarter ended June 30, 2019, the Fund rose 2.70%, trailing the S&P 500's return of 4.30%. The Fund's relative underperformance this period was mainly due to our overweight allocation to the Health Care sector, which was the second-worst performing sector in the S&P 500. However, on a year-to-date basis, the Fund's 23.13% return has outperformed the S&P 500 by nearly 460 basis points.

As a focused large cap growth fund with high active share (87% as of June 30, 2019), we expect that we will have periods of short-term underperformance and outperformance versus the Index. We take a longer-term outlook on our holdings and are not swayed by short term price volatility. Rather we tend to use these periods to add to or trim positions as we strive to outperform the Index and our large-cap growth peers over longer periods of time. Since the Fund transitioned to a "best ideas" portfolio in 2014, it has significantly outperformed the S&P 500 Index for the three and five year periods ended June 30, 2019. We believe our approach of owning leading large-cap growth companies that are driven by secular growth drivers, above averages sales and earnings growth rates, and led by visionary management teams should lead to continued outperformance over time.

	3 Year	5 Year
Fund Average Annual Outperformance over the S&P 500 Index (basis points)	613+	368+

Source: Morningstar

Q2: What are some of the advantages of owning a focused, large-cap growth fund like the Value Line Larger Companies Focused Fund?

We believe that a focused, large-cap growth fund with high active share and good stock selection should outperform its Index and peers. For instance, the Value Line Larger Companies Focused Fund generally owns between 25 and 50 stocks, and as of June 30, 2019, the Fund held 39 stocks. By owning a select group of fast-growing companies and committing more capital into our top ideas, we are forced to prioritize what holdings offer the best risk and return profile and we allocate to these positions in the Fund accordingly. The limited number of spaces also requires us to constantly evaluate which companies deserve to remain in the Fund and what new companies are worthy of potential investment. Running a concentrated portfolio allows us to more closely follow company-specific developments as they take place and add to or trim our positions when company news impacts the prices of our companies.

Q3: How do the sales and earnings growth rates for the Fund's holdings compare with those in the S&P 500?

The Fund focuses on owning companies that are growing their sales and earnings at a faster rate relative to the S&P 500. As a result, the Fund's companies had an estimated average three-year sales growth rate of 21%, more than three times greater than the S&P 500's 6% average sales growth rate as of June 30, 2019. The Fund also had a three- to five-year estimated average earnings per share growth rate of 24%, twice the Index's 12% rate. We believe that owning companies that can grow their sales and earnings at a faster pace than the market and their peers over a multiple-year period are generally better positioned for longer term growth of capital.

Value Line Larger Companies Focused Fund Performance (as of 6/30/19)

	QTD	Average Annual Returns				
		1 Year	3 Year	5 Year	10 Year	15 Year
Investor - VALLX	2.70	8.85	20.32	14.39	15.32	9.48
Institutional - VLLIX¹	2.79	9.10	20.55	14.47	15.36	9.51
S&P 500 Index	4.30	10.42	14.19	10.71	14.70	8.75
Morningstar Large Growth Category Average	4.65	10.02	16.97	11.33	14.71	8.40
Percentile Rank in Morningstar Cat. - VALLX		62	16	11	39	40
# of Funds in Category		1,383	1,235	1,100	812	564
VALLX Gross/Net Expense Ratio*: 1.18% / 1.15%, VLLIX Gross/Net Expense Ratio*: 3.92%/0.90%						

Morningstar Ratings and Categories based on risk adjusted returns of Investor class shares.

¹*Italics indicates Morningstar Extended Performance. Extended performance is an estimate based on the performance of the fund's oldest share class, adjusted for fees. The inception date of VLLIX is November 1, 2015.*

*EULAV Asset Management (the "Adviser") has contractually agreed to waive through June 30, 2020 certain Fund-wide fees and further assume certain Fund-wide expenses to the extent necessary to limit such expenses (excluding brokerage commissions, interest, taxes, and certain non-routine Fund-wide expenses) to 0.90% of the average daily net assets of each class (the "Fund-level Expense Limitation"). In addition, the Adviser and EULAV Securities LLC (the "Distributor") have contractually agreed to permanently waive certain class-specific fees and assume certain class-specific expenses so that the Institutional Class bears its class-specific fees and expenses at the same percentage of its average daily net assets as the Investor Class's class-specific fees and expenses (excluding 12b-1 fees and certain non-routine class-specific expenses) (the "Class Expense Limitation," together with the Fund-level Expense Limitation, the "Expense Limitations"). Each Expense Limitation can be terminated with the agreement of the Fund's Board. The Adviser and the Distributor may subsequently recover from a class any fees waived and expenses assumed within three years from the month in which the waiver or assumption occurred for such class, to the extent its expense ratio is less than the applicable Expense Limitation or, if lower, the expense limitation in effect when the waiver or assumption occurred. The Fund's performance would be lower in the absence of such waivers.

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 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 received 4 stars for the 3- and 5-year periods and 3 stars for the 10-year period ended 6/30/19 among 1,235, 1,100 and 812 large growth funds, respectively.

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