



Overall  Rating



(VALLX)

Among 1,092 Large Growth 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 VALLX  
Institutional VLLIX

Inception Dates

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

Total Assets

\$358M  
(as of 6/30/24)

Top 10 Holdings

(as of 6/30/24)

Company	Weight (%)
NVIDIA Corp	11.26
Meta Platforms Inc Class A	6.61
Uber Technologies Inc	6.18
Amazon.com Inc	5.23
Alphabet Inc Class A	4.82
Microsoft Corp	4.05
Advanced Micro Devices Inc	4.02
CrowdStrike Holdings Inc Class A	3.63
Netflix Inc	3.01
Vertex Pharmaceuticals Inc	3.01

Value Line Funds

443.279.2015  
www.vlfunds.com

Portfolio Manager Q&A

Value Line Larger Companies Focused Fund (VALLX/VLLIX)

Q1: Would you please comment on the stock market's performance for the second quarter of 2024 and the 1-year period, and how the Fund performed in these periods?

The stock market returns were once again dominated by a handful of mega-cap growth companies referred to as the "Magnificent Seven" in the second quarter of 2024. The S&P 500 Index gained 4.28% for the quarter, but interestingly, only 5 of the 11 sectors ended the quarter with positive returns. For the 1-year period ended June 30, 2024, the S&P 500 Index gained 24.56%.

With respect to the Fund's relative performance, the Fund returned 2.25% for the three months ended June 30, 2024, lagging the Morningstar Large Growth category average return of 4.94%. However, for the 1-year period, the Fund outperformed the category average by over 500 basis points, with a return of 34.21% compared to the category average of 29.15%.

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

Q2: Would you please discuss the Fund's Q2 performance from a sector perspective compared to the S&P 500 Index?

The Fund's underperformance versus the S&P 500 was primarily driven by stock selection in the Health Care and Information Technology (IT) sectors. Portfolio holdings Exact Sciences Corp. (EXAS), which provides cancer screening and diagnostic products, and DexCom Inc. (DXCM), which makes continuous glucose monitoring systems for diabetic patients, were both down significantly and were primary drivers of the Fund's Health Care sector underperformance. The Fund's IT holdings lagged the performance of Index's IT sector, driven by weakness in Fund positions including Advanced Micro Devices (AMD), Salesforce Inc. (CRM) and Workday Inc. (WDAY), among others.

On the other hand, the Fund's largest sector contributors were Consumer Discretionary and Energy. The Fund's Consumer Discretionary holdings rose 3% for the quarter, compared with the S&P 500's Consumer Discretionary sector gain of 1%. The primary contributor in the sector was Rivian Automotive Inc. (RIVN). Rivian designs and manufactures electric vehicles, specializing in vans, pickup trucks and sport utility vehicles. The Fund's only Energy sector holding was Diamondback Energy (FANG), which rose 2% during the quarter. Diamondback is a leading oil and gas producer that operates exclusively in the Permian Basin. The Index's energy companies declined 2% for the quarter.

Q3: Among the many large-cap companies in the U.S., what are the characteristics that you look for when considering Fund investments?

The Fund is a "best ideas" portfolio, primarily comprised of large-cap companies we believe are best positioned for long-term growth. The Fund invests in companies that are in varying stages of their growth life cycle, as we believe that a combination of companies across different stages is an important way to enhance returns. We classify these growth stages into three portfolio categories.

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**Established Growth Companies:** This category is generally the largest in the portfolio, consisting of dominant large-cap growth companies that have sustainable sales and earnings growth and stable business models. Typically, these companies benefit from secular growth drivers and have competitive advantages. An example of this type of company in the portfolio is Adobe Inc. (ADBE), which provides software and services for content creation, marketing and advertising.

**Next-Gen Growth Companies:** These companies are usually in an earlier stage of their growth life cycle. They typically are experiencing high rates of growth since they are often still commercially rolling out their unique products and services and taking steps to improve their profitability while balancing the high demand for their products and services. A portfolio example is Rivian, which holds a growing market share position within the electric passenger truck and utility vehicle niche market.

**Opportunistic Growth Companies:** This category includes cyclical growth companies and growth companies that may be out of favor. One portfolio example of a cyclical growth

company is Diamondback Energy. Energy companies are generally cyclical; however, we believe that Diamondback's management has executed the company's business model extremely well and is attractively valued.

#### Q4: How do the Fund's growth characteristics compare to the broader market?

As of June 30, 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 1.8X the growth of S&P 500.

	VALLX/VLLIX Equity Portfolio	S&P 500 Index
3-Year Projected Avg Annual Sales Growth Rate	18%	10%
3-5-Year Estimated Forward Earnings Growth Rate	29%	16%

### Portfolio Manager



**Cindy Starke**

*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.*

**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](http://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.**

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