



**Overall Morningstar Rating**



Among 541 Mid-Cap Growth Funds  
(as of 6/30/18)

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.



**Stephen E. Grant**

*Portfolio Manager*

Mr. Grant has been Portfolio Manager of the Value Line Premier Growth Fund since 1996 and has over 25 years of investment experience. Mr. Grant earned an MBA from Wharton and a BA from Stanford University.

**Fund Facts**

Symbol: VALSX  
Inception date: 5/30/56  
Total assets: \$343M  
(as of 6/30/18)

**Top 10 Holdings**

(as of 6/30/18)

Company	Weight (%)
Waste Connections, Inc.	3.82
IDEXX Laboratories, Inc.	3.52
Roper Technologies, Inc.	3.14
Ansys, Inc.	3.13
Mettler-Toledo International	2.99
Fiserv, Inc.	2.96
Teledyne Technologies, Inc.	2.92
The Toro Co.	2.79
Salesforce.com, Inc.	2.47
The Ultimate Software Grp.	2.44

**Portfolio Manager Q&A**

**Value Line Premier Growth Fund (VALSX)**

**Q1: How did the Fund perform against the Morningstar Mid-Cap Growth Funds category and its benchmark S&P 500 Index over the past year?**

Over the one-year period ended June 30, 2018, the Fund rose 14.94% while the S&P 500 increased 14.37%. The Morningstar Mid-Cap Growth peer group averaged a return of 18.06% during the same period as high-flying, aggressive growth stocks appeared to be favored by investors. By comparison, the Morningstar Mid-Cap Value Funds category average gained only 8.86% on a one-year basis as of June 30, 2018.

Importantly, the Value Line Premier Growth Fund focuses on high-quality companies of all sizes that have had a 10+ year track record of consistent growth in earnings and stock price. In a strong market, these stocks may underperform, yet over longer time periods, greater capital protection can be achieved. As of June 30, 2018, the Fund has had above average risk-adjusted returns as measured by Sharpe ratio over the 3-, 5- and 10-year periods.

Above Average Risk-Adjusted Returns			
Sharpe Ratio	3-Yr	5-Yr	10-Yr
<b>Fund</b>	<b>1.05</b>	<b>1.14</b>	<b>0.62</b>
Morningstar Mid-Cap Growth Funds Category Average	0.78	1.02	0.59

**Q2: Would you describe the portfolio from a sector perspective?**

Given the Fund's focus on consistent long-term growth, the Fund's sector weightings tend to differ significantly from the Morningstar Mid-Cap Growth Funds category weightings. The Fund tends to hold companies in more defensive areas of the market and steer away from high-flying, aggressive growth areas.

For example, the Fund's most significant sector overweight was in Industrials. As of June 30, 2018, the Fund had a 32% weighting in Industrials compared to the Morningstar category's weighting of 18%. Conversely, the largest underweight as of June 30, 2018 was in Financials as the Fund only held a 4% weighting compared to 12% for the Morningstar Mid-Cap Growth category average.

### Q3: Given the overweight to Industrials stocks, how might trade tariffs affect the Fund's holdings?

While trade tariffs could have a negative effect on many manufacturers and global companies, we do not anticipate that the Fund's Industrials holdings will be significantly, if at all, affected. The Fund holds a diversified set of companies within the Industrials sector, many of which are less sensitive to the economic background or operate only in the U.S. For example, the Fund's portfolio includes Waste Connections, a waste management business, Rollins Inc., a pest control company and Toro Co., a manufacturer of irrigation equipment. We select many of these Industrials stocks because they have proprietary products and services that are essential regardless of the economic environment.

#### Value Line Premier Growth Fund Performance (as of 6/30/18)

	1 Year	3 Year	5 Year	10 Year
<b>Premier Growth Fund (VALSX)</b>	<b>14.94%</b>	<b>10.70%</b>	<b>11.44%</b>	<b>9.10%</b>
S&P 500 Index	14.37	11.93	13.42	10.17
Morningstar Mid-Cap Growth Category Average	18.06	9.68	12.31	9.45
Percentile Rank in Morningstar Cat.	73	37	71	61
# of Funds in Category	607	541	480	344
Morningstar Risk		<b>Low</b>	<b>Low</b>	<b>Below Avg.</b>
Expense ratio: 1.20%				

*Morningstar rates funds based on enhanced Morningstar risk-adjusted returns.*

**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.**

*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.*

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-year period and 3 stars for the 5-year and 10-year periods ended 6/30/18, out of 541, 480 and 344 mid-cap growth funds, respectively.

**Past performance is no guarantee of future results. Value Line Mutual Funds are distributed by EULAV Securities LLC.**

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