



Overall **MORNINGSTAR** Rating



Among 544 Mid-Cap Growth Funds (as of 9/30/19)

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.



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

<b>Symbol</b>	VALSX
<b>Inception Date</b>	5/31/56
<b>Total Assets</b>	\$483M <i>(as of 9/30/19)</i>

Top 10 Holdings  
*(as of 9/30/19)*

Company	Weight (%)
Accenture PLC Class A	3.59
Danaher Corp.	3.47
Waste Connections, Inc.	3.28
Teledyne Technologies, Inc.	3.12
IDEXX Laboratories, Inc.	3.09
Heico Corp.	3.08
Mastercard, Inc. A	3.00
Fiserv, Inc.	2.99
Roper Technologies, Inc.	2.85
Ansys, Inc.	2.80

## Portfolio Manager Q&A

### Value Line Premier Growth Fund (VALSX)

#### Q1: Would you please discuss the factors contributing to the Fund's performance compared to its primary benchmark S&P 500 Index and its peers in the Morningstar Mid-Cap Growth Funds category for the quarter ended September 30, 2019?

For the third quarter, the Fund returned 1.00%, while its primary benchmark, the S&P 500 Index rose 1.70%. The Fund outperformed the Morningstar Mid-Cap Growth Funds category return of -1.80% by 280 basis points. Over the one-year time period ended September 30, 2019, the Fund rose 13.24%, significantly outpacing both the Index return of 4.25% and Morningstar category average return of 1.10%.

We believe the Fund's outperformance was driven by our disciplined and repeatable stock selection process. We use a bottom-up investment approach to seek high-quality companies of all sizes with a proven track record of 10 or more years of consistent growth in stock price and earnings.

With our long-term investment perspective, we can use short-term market volatility to our advantage. During the quarter, market volatility provided us with an attractive entry point to purchase several new holdings, while also enabling us to eliminate a few smaller positions.

#### Q2: How does the Fund's flexible approach to investing in companies across the market capitalization spectrum help the risk/reward profile?

We believe the Fund's flexible approach to growth companies has led us to achieve outperformance without taking undue risk. The Fund received "Low" risk ratings from Morningstar for the 3, 5, and 10-year periods as of September 30, 2019. For the same time period, the Fund ranked in the **top 5% or better for risk-adjusted returns** as evidenced by Sharpe Ratio over the 3-, 5-, and 10-year time periods.

Premier Growth Fund (VALSX)	3 Year	5 Year	10 Year
<b>Morningstar Risk Rating</b>	<b>Low</b>	<b>Low</b>	<b>Low</b>
<b>Sharpe Ratio Percentile Rank</b>	<b>Top 2%</b>	<b>Top 5%</b>	<b>Top 5%</b>
# of Morningstar Mid-Cap Growth Funds	544	487	375

Source: Morningstar as of 9/30/19

#### Q3: Would you please discuss the types of companies that best meet the Fund's investment criteria?

The Fund's investment approach is to own companies that have a long-term history of 10+ years of consistent growth in both stock price and earnings. By owning companies demonstrating this growth over time, we believe we are more likely to experience predictable growth regardless of economic or stock market conditions. As a result, we focus on stock selection rather than sector weightings.

Some examples of our holdings include Accenture PLC, the strategy and consulting company, and Mettler-Toledo International, which provides scales and analytical instruments for the biotechnology industry. During the quarter, we also purchased Intercontinental Exchange Inc., which is best known for its ownership of the New York Stock Exchange.

As of September 30, 2019, the Fund's top sectors were Industrials and Information Technology (IT). Both sectors remained an overweight to the S&P 500 Index. For the quarter, the Fund had a 29.3% weighting to Industrials and a 28.5% weighting to IT, compared to the Index weighting of 9.3% and 21.9%, respectively.

#### Value Line Premier Growth Fund Performance (as of 9/30/19)

	Average Annual Returns					
	QTD	1 Year	3 Year	5 Year	10 Year	15 Year
<b>Premier Growth Fund (VALSX)</b>	<b>1.00</b>	<b>13.24</b>	<b>17.09</b>	<b>12.57</b>	<b>14.01</b>	<b>10.56</b>
S&P 500 Index	1.70	4.25	13.39	10.84	13.24	9.01
Morningstar Mid-Cap Growth Category Average	-1.18	1.10	13.10	9.89	12.56	8.78
<b>Percentile Rank in Morningstar Cat.</b>		<b>2</b>	<b>11</b>	<b>18</b>	<b>22</b>	<b>27</b>
# of Funds in Category		603	544	487	375	249
Morningstar Risk			<b>Low</b>	<b>Low</b>	<b>Low</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 5 stars for the 3-year, 4 stars for the 5-year and 5 stars for the 10-year period ended 9/30/19, out of 544, 487 and 375 mid-cap growth funds, respectively.

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

Value Line, Value Line Logo, Timeliness, Safety are trademarks or registered trademarks of Value Line Inc. and/or its affiliates in the United States and other countries. Used by permission.