



**Overall  Rating**



Among 1,125 Large Growth Funds (as of 9/30/23)

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 VALSX  
Institutional VILSX

**Inception Date**

Investor 5/31/56  
Institutional 4/30/20

**Total Assets**

\$374M  
(as of 9/30/23)

**Top 10 Holdings**

(as of 9/30/23)

Company	Weight (%)
Cintas Corp	6.70
Accenture PLC Class A	5.76
TransDigm Group Inc	5.62
Costco Wholesale Corp	5.10
Roper Technologies Inc	4.92
Mastercard Inc Class A	4.45
S&P Global Inc	4.06
Thermo Fisher Scientific Inc	3.97
Union Pacific Corp	3.96
Marsh & McLennan Companies Inc	3.80

**Value Line Funds**

443.279.2015  
www.vlfunds.com

**Portfolio Manager Q&A**

**Value Line Select Growth Fund (VALSX/VILSX)**

**Q1: Would you please comment on the Fund's performance relative to the Morningstar Large Growth Funds category average in the third quarter?**

In the quarter ended September 30, 2023, the Fund returned -2.09%, outperforming the Morningstar Large Growth Funds category average decline of 3.59% by 150 basis points. In a quarter when most market indices were down, including the S&P 500 Index which declined 3.27%, we are pleased the Fund outperformed on a relative basis.

While the Fund outperformed in the short-term during the third quarter, we believe that a longer perspective is more important to investors. We continue to invest with long-term performance in mind, maintaining our investment approach which emphasizes companies with long-term, consistent growth in both stock price and earnings.

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

**Q2: How does the Fund's risk profile compare to its category peers?**

In addition to long-term growth, we believe that maintaining a lower risk profile is important to investors. Our approach is designed to seek steady growth over time with less volatility. Compared to the Morningstar Large Growth Funds category average, the Fund has demonstrated lower volatility, as measured by standard deviation, for the 3, 5 and 10-year periods ended September 30, 2023. In addition, Morningstar has awarded the Fund "Below Average" Risk Ratings for the same periods.

	3 Year	5 Year	10 Year
Fund (VALSX) Standard Deviation	19.15	19.80	15.41
Morningstar Large Growth Funds Category Avg. Standard Deviation	20.99	21.50	17.01
Morningstar Risk Rating	<b>Below Avg.</b>	<b>Below Avg.</b>	<b>Below Avg.</b>

Source: Morningstar as of 9/30/2023

**Q3: Would you please describe the Fund's approach to large-cap growth investing?**

The Fund's investment approach emphasizes consistent growth. More specifically, when selecting companies for investment in the Fund, we look for those that have a track record of 10 or more years of consistent growth in both stock price and earnings. These types of companies have healthy balance sheets, experienced management teams, and a strong market share. We typically avoid companies that are likely to be subject to dramatic fluctuations in price.

Our investment approach features companies that have demonstrated consistent growth in a variety of economic conditions, and that we believe are capable of continued growth. Given our long-term perspective and consistent growth orientation, we often hold companies for a period of several years and allow them time to execute their business plans. Two examples of long-term Fund holdings include:

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- **Cintas Corp. (CTAS):** The Fund has held Cintas since 2017. Cintas provides uniforms and other products and services, such as cleaning equipment, first aid kits, and fire inspections. The company is well known for offering uniforms for a wide range of professions that are available through both rental agreements and direct sales.
- **Accenture PLC (ACN):** The Fund has owned a position in Accenture since 2010. The company provides information technology services in an array of applications, such as consulting, digital transformation, and software system integration.

#### **Q4: How many companies does the Fund's portfolio hold, and what changes were made to the Fund in the third quarter?**

The Fund is a concentrated portfolio of our "best ideas," generally holding between 25 and 50 companies. As of September 30, 2023, the Fund held 31 companies. We believe that holding a fewer number of companies allows each holding to contribute meaningfully to the Fund's returns.

In the third quarter, we added incrementally to some of our existing portfolio holdings by taking advantage of pricing opportunities. We exited our position in Fortinet Inc. (FTNT), a cybersecurity vendor, as its growth metrics no longer met our stringent criteria. We did not add any new companies to the portfolio.

### Portfolio Manager



**Stephen E. Grant**

Portfolio Manager

*Stephen E. Grant has been a portfolio manager with the Value Line Funds since 1991. Over the past 30 years, Mr. Grant's unique quantitative/behavioral methodology has driven the success of several equity and hybrid funds. Mr. Grant has a B.A. in Economics from Stanford University and an MBA in Finance from the Wharton School of the University of Pennsylvania.*

**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- and 5-year periods and 3 stars for the 10-year period ended 9/30/23, out of 1,125, 1,040 and 810 large growth funds, respectively.

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