



Overall  Rating



Among 565 Mid-Cap Growth Funds
(as of 12/31/19)

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

Symbol	VALSX
Inception Date	5/31/56
Total Assets	\$487M <i>(as of 12/31/19)</i>

Top 10 Holdings

(as of 12/31/19)

Company	Weight (%)
Danaher Corp	4.49
Mastercard Inc A	4.19
Accenture PLC Class A	3.95
Teledyne Technologies Inc	3.38
Thermo Fisher Scientific Inc	3.37
Fiserv Inc	3.36
Ansys Inc	3.27
Waste Connections Inc	3.26
Salesforce.com Inc	3.04
IDEXX Laboratories Inc	2.99

Portfolio Manager Q&A

Value Line Premier Growth Fund (VALSX)

Q1: Would you please comment on the Fund's 2019 outperformance relative to the S&P 500 Index and the Morningstar Mid-Cap Growth category?

We are pleased that the Fund produced a strong return of 36.59% for the year ended December 31, 2019, significantly outperforming the S&P 500 Index by over 500 basis points. Additionally, the Fund outpaced the Morningstar Mid-Cap Growth category average return of 32.52% by over 400 basis points. More importantly, over longer market cycles, the Fund's performance also surpassed both the Index and the Morningstar category for the 3-, 5- and 10-year periods ended December 31, 2019.

We believe the successful performance of the Fund over these time periods is due primarily to two factors. First, our investment approach takes a long-term, historical perspective. We look for companies that have a demonstrated record of consistent growth in both stock price and earnings over a period of 10+ years. Second, we do not favor any particular sector or market capitalization. Rather, we take a bottom-up approach to finding those companies, in any sector regardless of size, with the consistent, long-term growth that meets our stringent criteria.

Q2: How does the Fund's risk/reward profile compare to the Morningstar Mid-Cap Growth category?

Impressively, the Fund has been recognized for its "Low" risk ratings from Morningstar in the 3, 5 and 10-year periods as of December 31, 2019, while also receiving "Above Average" return ratings within its Morningstar category for the same time periods. Additionally, the Fund featured above-average risk-adjusted returns as measured by Sharpe Ratio over the 3, 5 and 10-year periods as of December 31, 2019.

Value Line Premier Growth Fund (VALSX)	3 Year	5 Year	10 Year
Morningstar Risk Rating	Low	Low	Low
Morningstar Return Rating	Above Avg.	Above Avg.	Above Avg.
Fund Sharpe Ratio	1.40	1.01	1.07
Morningstar Mid-Cap Growth Category Avg. Sharpe Ratio	0.95	0.70	0.84

Source: Morningstar as of 12/31/19

We believe the Fund's lower risk rating relative to the Morningstar Mid-Cap Growth Funds category is primarily attributable to our disciplined investment approach of identifying high-quality companies with an outstanding track record of 10+ years of consistent growth in both stock price and earnings. This selection criteria helps uncover companies that can perform well in both positive and negative market cycles. For example, some long-time holdings include Waste Connections (WCN), which provides waste collection, transfer and disposal services, and Danaher Corporation (DHR), a globally diversified company with operations in environmental and applied solutions, life sciences and diagnostics. Companies such as these tend to have more predictable operating results and have demonstrated consistent growth regardless the economic environment.

Q3: Would you please comment on any additions or deletions to the Fund during the quarter?

In the fourth quarter, we added Aon PLC (AON) to the Fund. Aon provides professional services comprised of risk and insurance brokerage consulting. We also sold three holdings during the quarter that no longer met our investment criteria. The Fund ended the year with 60 holdings. From a sector perspective, the composition of the Fund has not changed significantly since the previous quarter. As of December 31, 2019, the Fund's largest sectors were Information Technology (IT) and Industrials, each with a 31% weighting, compared to the S&P 500's IT and Industrials weightings of 23% and 9%, respectively.

Value Line Premier Growth Fund Performance (as of 12/31/19)

	Average Annual Returns					
	QTD	1 Year	3 Year	5 Year	10 Year	15 Year
Premier Growth Fund (VALSX)	5.31%	36.59%	19.21%	12.69%	13.92%	10.13%
S&P 500 Index	9.07	31.49	15.27	11.70	13.56	9.00
Morningstar Mid-Cap Growth Category Average	8.05	32.52	15.57	10.45	12.79	9.13
Percentile Rank in Morningstar Cat.		25	19	18	28	28
# of Funds in Category		618	565	501	385	260
Morningstar Risk			Low	Low	Low	
Gross / Net 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 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.

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-, 5- and 10-year periods ended 12/31/19, out of 565, 501 and 385 mid-cap growth funds, respectively.

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