



Overall  Rating



Among 1,116 Large Growth Funds (as of 12/31/21)

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

\$503M (as of 12/31/21)

Top 10 Holdings

(as of 12/31/21)

Table with 2 columns: Company, Weight (%). Lists top 10 holdings including Accenture PLC Class A, Danaher Corp, Thermo Fisher Scientific Inc, etc.

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 fourth quarter and the year ended December 31, 2021?

We are pleased the Fund's solid return of 10.88% surpassed the Morningstar category by almost 400 basis points in the quarter ended December 31, 2021. The Fund also outperformed the category for the one-year period, with a gain of 24.16% relative to the category average return of 20.45%.

In addition, we are pleased the Fund has achieved 13 consecutive calendar years of positive total returns. In fact, the Fund is one out of just 20 funds in the Morningstar Large Growth Funds category to achieve this feat (out of 263 unique funds).

Please visit the Fund's performance page for complete performance information.

Q2: Would you please describe the types of companies that meet the Fund's investment criteria?

The Fund is a focused portfolio of our "best ideas" among growth-oriented larger companies. We typically own 25-50 primarily large-cap companies that have demonstrated 10+ years of consistent growth in both stock price and earnings.

For example, a few of the Fund's holdings that performed well over the past quarter included S&P Global (SPGI), which provides data and benchmarks to capital and commodity markets; Union Pacific (UNP), the largest public railroad in North America; and warehouse club, Costco Wholesale Corp. (COST).

In addition, the average market cap of the Fund's portfolio holdings tends to be smaller relative to the Morningstar Large Growth Funds category average. We believe companies on the lower end of the large-cap range still have plenty of potential room to grow compared to companies classified as "Giant" in market capitalization.

Q3: The Fund has a higher weighting to Healthcare companies compared to the category. What kind of Healthcare companies does the Fund hold?

Companies we own in the Healthcare sector have a history of consistent growth in stock price and earnings over 10+ years, the same criteria we apply to all companies. One way to think about this is the "picks and shovels" approach from the gold rush of the 19th century.

Value Line Funds

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Similarly, the Fund's companies are in the business of providing tools and equipment to Healthcare companies. For example, we own Danaher Corp. (DHR), which manufactures scientific instruments for research and diagnostics, and Thermo Fisher Scientific Inc. (TMO),

which sells lab equipment and scientific instruments. These types of companies are more likely to have consistent earnings and growth compared to other companies with a higher risk profile.

## 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 3 stars for the 3- and 5-year periods and 2 stars for the 10-year period ended 12/31/21, out of 1,116, 1,012 and 768 large growth funds, respectively.

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