



Overall Rating



Among 580 Mid-Cap Growth Funds
(as of 3/31/17)

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 20 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: \$323M
(as of 3/31/17)

Top 10 Holdings

(as of 3/31/17)

Company	Weight (%)
Waste Connections, Inc.	3.2%
Toro Co.	3.1%
IDEXX Laboratories, Inc.	2.8%
Mettler-Toledo Intl, Inc.	2.6%
Roper Technologies, Inc.	2.5%
Fiserv, Inc.	2.4%
Church & Dwight Co. Inc.	2.1%
Henry Schein, Inc.	2.0%
Ansysis, Inc.	2.0%
Mastercard, Inc.	2.0%

Portfolio Manager Q&A

Value Line Premier Growth Fund (VALSX)

Q1: Would you please discuss the Fund's first quarter results compared to its mid-cap growth peers and the S&P 500 Index?

During the first quarter of 2017, the Fund performed largely in-line with the Morningstar Mid-Cap Growth Funds category as the Fund rose 7.04% compared to the category average return of 7.30%. The Fund outperformed the S&P 500 by nearly 100 basis points as of March 31, 2017.

In terms of sector performance, Energy was the worst performing sector in the first quarter of 2017 and the Fund benefited on a relative basis because it held no Energy companies. Energy companies do not generally meet our strict criteria of long-term consistent growth. In addition, the Fund benefited from its stock selection in Healthcare, with holdings IDEXX Laboratories rising over 30% and Mettler-Toledo returning nearly 15% during the quarter.

Conversely, a few of the Fund's holdings suffered industry-wide setbacks. For example, auto supply stores, AutoZone and O'Reilly Automotive, declined in the quarter due to reports that Amazon may start selling auto parts directly on its website, becoming a direct competitor to the traditional retail chains. With these stores possessing knowledgeable personnel and a strong, reliable brand name in an industry that is less sensitive to the market environment, we believe these companies will be able to maintain their long-term consistent growth in earnings and stock price regardless of Amazon's entrance into this market.

Q2: While the Fund can look for opportunity among companies of all sizes, would you please discuss why you believe mid-caps are a "sweet spot" for the strategy?

The Fund utilizes the time-tested Value Line Research to seek companies experiencing consistency in earnings and stock price growth, preferably over a 10-year period or longer. Due to this strict criteria, a majority of companies that fit this strategy are in the mid-cap category. Compared to smaller companies, many mid-cap companies have 10+ years of proven growth, experienced management teams, significant market share and proprietary goods and services. In addition, mid-caps generally have more growth potential for longer time frames than their larger peers.

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Q3: The slight uptick in volatility in late March reminded investors that prices can move in two directions. How has the Fund performed on a risk-adjusted basis?

As of March 31, 2017, the Value Line Premier Growth Fund provided “Low or Below Average” risk over 3, 5 and 10 year periods among its Morningstar Mid-Cap Growth peers. The Fund also provided lower standard deviation than the Morningstar category during the same timeframes.

Volatility has been unusually low during the past two quarters, as the Dow Jones Industrial Average experienced 109 days without a daily 1% drop. Yet, in March 2017, there were more down days than up days. With volatility potentially on an upswing, we believe investors should consider an allocation that focuses on risk adjusted returns over time.

Value Line Premier Growth Fund Performance (as of 3/31/17)					
	Average Annual Returns				
	QTD	1 Year	3 Year	5 Year	10 Year
Premier Growth Fund (VALSX)	7.04%	12.47%	6.66%	10.03%	7.61%
S&P 500 Index	6.07	17.17	10.37	13.30	7.51
Morningstar Mid-Cap Growth Category Average	7.30	15.58	6.06	10.30	7.12
Morningstar Cat. Rank (%)		78	41	53	39
# of Funds in Category		635	580	500	368
Morningstar Risk			Low	Low	Below Avg.
Expense ratio: 1.23%					

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-year period, 3 stars for the 5-year period and 4 stars for the 10-year period ended 3/31/17, out of 580, 500 and 368 mid-cap growth funds, respectively.

The inception dates of Value Line Mutual Funds range from 1950 to 2016. **Value Line Mutual Funds are distributed by EULAV Securities LLC. Past performance is no guarantee of future results.**

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