



### Overall Rating



Among 660 50-70% Equity Allocation Funds (as of 3/31/22)

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 VLAAX  
Institutional VLAIX

#### Inception Date

Investor 8/24/93  
Institutional 11/1/15

#### Total Assets

\$1.4B  
(as of 3/31/22)

### Top 10 Holdings

(as of 3/31/22)

Company	Weight (%)
S&P Global Inc	2.89
Danaher Corp	2.84
Intercontinental Exchange	2.71
Thermo Fisher Scientific Inc	2.51
Cintas Corp	2.49
Intuit Inc	2.48
Teledyne Technologies Inc	2.34
Mastercard Inc Class A	2.02
Roper Technologies Inc	1.97
Adobe Inc	1.93

## Value Line Funds

443.279.2015

www.vlfunds.com

## Portfolio Manager Q&A

### Value Line Asset Allocation Fund (VLAAX/VLAIX)

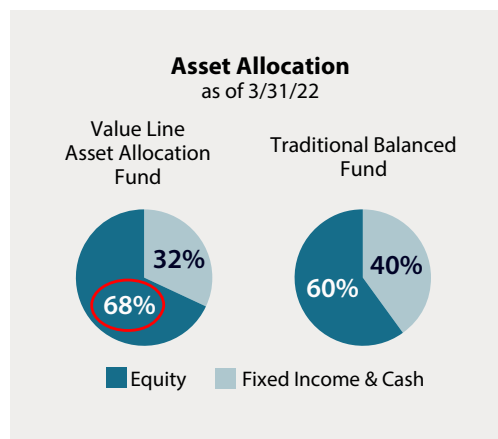
#### Q1: Would you please comment on the Fund's performance relative to the Morningstar 50-70% Equity Allocation Funds in the first quarter of 2022 as well as longer-term periods?

In the first quarter of 2022, the Fund's return of -7.52% lagged the Morningstar category average return of -4.63%. While we are never satisfied with short-term underperformance, we believe longer-term periods are more important to investors. In fact, the Fund has **outperformed the category average return for the 1, 3, 5 and 10-year periods** ended March 31, 2022. We believe this longer-term outperformance is primarily due to our investment process of owning equities with 10+ years of consistent growth in stock price and earnings, and primarily investment grade fixed income.

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

#### Q2: What is the current allocation among stocks, bonds and cash?

The Fund has the flexibility to adjust its allocation between equities and fixed income based on relative opportunities and risks, unlike some balanced funds that are tied to a strict 60/40 allocation. Amid recent stock market volatility, the Fund has taken the opportunity to make additional purchases into the equity portfolio at relatively attractive prices. As of March 31, 2022, the Fund held 68% in stocks, 27% in bonds and 5% in cash. This allocation reflects a higher equity position as compared to the beginning of the year when the Fund held approximately 64% in stocks.



#### Q3: What kind of companies does the Fund own in the equity portfolio?

When selecting companies for inclusion in the Fund, we look for companies with 10+ years of consistent growth in stock price and earnings. This investment process leads us to companies with more predictable operating results through various market conditions. Some such companies offer products and services to facilitate the normal operations of other businesses. For example, we own Teledyne Technologies Inc. (TDY) which sells technologies for industrial markets, including contracts with the U.S. Government. We also own Intercontinental Exchange Inc. (ICE) which operates financial exchanges and related products, including the New York Stock Exchange and the ICE Brent crude futures contract.

From a company size perspective, the Fund's holdings include primarily large- and mid-capitalization companies, with a greater emphasis on mid-cap companies relative to its peers in the Morningstar 50-70% Equity Allocation Funds category. We believe

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that companies with a smaller relative size have greater potential for continued future growth.

	% of Portfolio	% of Category Avg.
Giant	19.93%	44.92%
Large	47.34%	28.29%
<b>Mid</b>	<b>31.83%</b>	<b>19.31%</b>
Small	0.91%	6.00%
Micro	0.00%	1.48%

Source: Morningstar 3/31/22

#### Q4: What changes were made to the portfolio in the first quarter?

In the first quarter we sold a handful of the Fund's companies that were smaller, marginal positions that had demonstrated lesser performance consistency. In addition, one holding, IHS Markit, was acquired by another existing Fund holding, S&P Global Inc. (SPGI). Unlike the typical fund in its peer group, the Fund currently holds none of the 15 largest U.S. companies by market cap. As of March 31, 2022, the Fund held 58 companies in the equity portfolio.

### Portfolio Managers



#### Stephen E. Grant

*Co-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.*



#### Liane Rosenberg

*Co-Portfolio Manager*

*Liane Rosenberg has been with Value Line Funds since 2009. She has over 25 years of experience in fixed income portfolio management. Ms. Rosenberg received a BA from State University of New York at Albany and an MBA from Fordham University.*

**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 [vifunds.com](http://vifunds.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.vifunds.com](http://www.vifunds.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.**

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 3-year period actually has the greatest impact because it is included in all three rating periods. The Fund (VLAAX) received 3 stars for the 3-year period, 5 stars for the 5-year period and 4 stars for the 10-year period ended 3/31/22, out of 660, 603 and 435 50-70% Equity Allocation funds, respectively.

*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.*

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