



## Value Line Defensive Strategies Fund VLDSX/VLDIX

### Fund Details as of 06/30/17

Manager	Bradley H. Alford
Inception Date	01/31/2011
Net Assets	\$1.9M
	No Load

### Morningstar<sup>†</sup> as of 06/30/17

Category	Multialternative
3 Year	★★
5 Year	★
10 Year	★
Overall	★
	of 243 Funds
	of 154 Funds
	of N/A Funds
	of 243 Funds

### Portfolio Statistics (3 Yr.) as of 06/30/17

Beta	0.2
Alpha	-2.5
R-Squared	20.42
Standard Deviation	2.79
Sharpe Ratio	-0.62
Mean	-1.77

### Valuation as of 06/30/17

TTM Yield	0.96%
Turnover (as of 9/30/16)	268%
Best Qtr. (last 10 years)	Quarter 3 - 2012 3.23%
Worst Qtr. (last 10 years)	Quarter 2 - 2013 -3.22%

### Value Line Funds

In 1950, Value Line started its first mutual fund. Over the years, Value Line Funds has evolved into what we are today — a diversified family of mutual funds with a wide range of investment objectives.

### Investment Objective and Strategy (Condensed)

The Fund seeks to achieve capital preservation while producing positive returns with low volatility regardless of broad equity and debt market directions.

The Adviser seeks to achieve the Fund's investment objective by investing the Fund's assets in multiple exchange-traded funds ("ETFs") and open-end mutual funds (collectively, the "underlying funds") that pursue a number of traditional and non-traditional or "alternative" investment strategies. As such, the Fund is a "fund of funds." The underlying funds also have the ability to pursue their own sector exposures and may invest in a broad range of securities, commodities and other financial instruments. The Fund's multiple strategies and sectors approach seeks to provide greater overall returns with similar volatility when compared to the HFRX Global Hedge Fund Index ("HFRX").

### Average Annual Returns as of 06/30/17

	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Investor Class - VLDSX <sup>1</sup>	2.08%	2.12%	-1.77%	0.16%	N/A
Institutional Class - VLDIX	2.41%	2.52%	-1.48%	0.44%	N/A
HFRX Global Hedge Fund Index	2.56%	6.00%	-0.35%	1.91%	-0.95%
Morningstar Multialternative	2.27%	-0.31%	2.48%	2.21%	4.48%

Multialternative Ranking <sup>†</sup>	-	227/402	213/243	151/154	N/A
Percentile Rank as of 06/30/17		56%	87%	98%	N/A

VLDSX Gross / Net Expense Ratio\*: 7.51%/3.14%, VLDIX Gross / Net Expense Ratio\*: 3.30%/2.89%.

<sup>1</sup> Represents the performance of the Investor Class Shares after June 10, 2016 (inception of the share class), and Institutional Class Shares prior to that date. Inception date for Institutional Class is Jan. 31, 2011.

<sup>†</sup>Morningstar<sup>™</sup> Ratings and Rankings based on Institutional class shares.

Since Inception date for Institutional Class (1/31/2011).

### Calendar Year Returns (%) as of 06/30/17

	2012	2013	2014	2015	2016	5/31
Value Line Defensive Strategies Fund	6.07	-0.80	1.66	-5.00	0.10	2.08
HFRX Global Hedge Fund Index	4.79	8.96	3.37	-0.23	2.50	2.56
Difference	1.28	-9.76	-1.71	-4.77	-2.40	-0.48

**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 1-800-243-2729. 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<sup>™</sup> 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.

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### Fees & Expenses

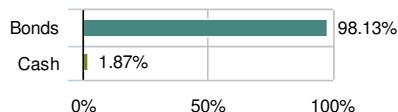
#### Investor Class

Expense Ratio Before Waivers	7.51%
Expense Ratio After Waivers	3.14%
Minimum Initial Investment	\$1,000
Minimum Subsequent Investment	\$100

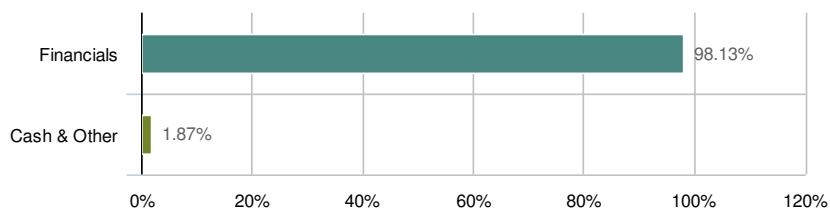
#### Institutional Class

Expense Ratio Before Waivers	3.30%
Expense Ratio After Waivers	2.89%
Minimum Initial Investment	\$10,000
Minimum Subsequent Investment	\$100

### Portfolio Composition as of 06/30/17



### Sector Distribution as of 06/30/17



### Top Holdings as of 06/30/17

Company Name	Weight (%)	Company Name	Weight (%)
Boston Partners Long/Short Equity Fund	17.66	Catalyst/Millburn Hedge Strategy Fund	17.62
Lazard Global Listed Infrastructure Portfolio	17.22	Osterweis Strategic Income Fund	13.88
Westwood Income Opportunity Fund	13.15	AQR Multi Strategy Alternative Fund	10.87
DoubleLine Total Return Bond Fund	7.73		

### 2016 Year-End Distributions (Finalized)

Ticker	Ordinary Income	Short Term	Long Term	Total Per Share	Ex. Date	Pay Date
Investor Class - VLDSX	\$0.05329	–	–	\$0.05329	12/30	12/30
Institutional Class - VLDIX	\$0.05327	–	–	\$0.05327	12/30	12/30
Investor Class - VLDSX	\$0.02011	–	–	\$0.02011	12/21	12/21
Institutional Class - VLDIX	\$0.03632	–	–	\$0.03632	12/21	12/21

**Standard Deviation** Statistical measure that shows the likelihood of an investment to yield above- or below-average returns over a period of time. For example, if hypothetical XYZ Fund has an average annual total return of 11% and a standard deviation of 6.00, that means XYZ Fund's performance is likely to vary from a low of 5% to a high of 17%. **Alpha Equation** A measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha. **Beta Equation (Stocks)** Beta of a portfolio is a number describing the correlated volatility of the portfolio in relation to the volatility of the benchmark. A positive beta means that the portfolio generally follows the benchmark. A negative beta means that the portfolio generally moves opposite the benchmark. **R Squared** The measure of diversification that determines how closely a particular fund's performance parallels an appropriate market benchmark over a period. The market is understood to have an R Squared of 100%. Therefore, a fund with an R Squared of 95% contains 95% of the market's diversification and risk. The remaining 5% is unique to the fund manager's actions. **Sharpe Ratio** A statistical expression calculated by dividing a fund's excess return by the standard deviation of those returns that measures the relative reward of holding onto risky investments. The higher the ratio, the greater the potential for return for the same amount of risk. The lower the ratio, the worse the fund's historical risk-adjusted performance.

*Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell securities. Current and future portfolio holdings are subject to risk. Mutual fund investing involves risk. Principal loss is possible. Because the Fund is a "fund of funds," an investor will indirectly bear the principal risks of the underlying funds. The Fund will bear its share of the fees and expenses of the underlying funds. Shareholders will pay higher expenses than would be the case if making direct investments in the underlying funds. Small- and medium-capitalization companies tend to have limited liquidity and greater price volatility than large capitalization companies. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. Investments in asset backed securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The underlying funds may engage in short sales, which could result in such a fund's investment performance suffering if it is required to close out a short position earlier than it had intended. Because the fund invests in ETFs, they are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of an ETF's shares may trade at a discount to its net asset value ("NAV"), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a Fund's ability to sell its shares. Investments in closed-end funds may trade infrequently, with small volume, which may make it difficult for to buy and sell shares and the value of funds may be discounted to the value of the underlying securities. The underlying funds may concentrate assets in fewer individual holdings and volatility of may be higher than more diversified funds. Investments in commodities-related businesses may be more volatile than investments in more traditional businesses based on demand and other factors. The underlying funds may invest in derivatives which involve special risks including correlation, counterparty, liquidity, operational, accounting and tax risks. These risks, in certain cases, may be greater than the risks presented by more traditional investments. 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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*\*The Adviser, the Manager and EULAV Securities LLC, the Fund's principal underwriter (the "Distributor"), have agreed to waive a portion of their management, advisory and, in the case of the Investor Class, Rule 12b-1 fees, and the Manager has further agreed to reimburse certain expenses of the Fund, to the extent necessary to limit the total annual operating expenses of each class (other than those attributable to Acquired Fund Fees and Expenses, interest, taxes, brokerage commissions, and extraordinary expenses not incurred in the ordinary course of the Fund's business) to a specified percentage of such class's average daily net assets (the "Expense Limitation"). Pursuant to the Expense Limitation, the total annual operating expenses (subject to the specified exclusions) will be limited to the annualized rate of 1.45% and 1.20% of the average daily net assets attributable to Investor Class shares and Institutional Class shares, respectively. The Adviser, the Manager and the Distributor may subsequently recover the reimbursed expenses and/or waived fees from a particular class (within three years after the fiscal year end in which the waiver/reimbursement occurred) to the extent that such class's expense ratio is less than the Expense Limitation. The Expense Limitation can be terminated or modified before June 30, 2017 only with the agreement of the Board of Trustees of the Value Line Funds Investment Trust (the "Trust"). The Fund's performance would be lower in the absence of such waivers.*