

VALUE LINE FUND INC
Form N-Q
November 26, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-Q
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file Number 811-02265

The Value Line Fund, Inc.
(Exact name of registrant as specified in charter)

7 Times Square, New York, NY 10036

Mitchell E. Appel
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-907-1900

Date of fiscal year end: December 31

Date of reporting period: September 30, 2013

Item 1: Schedule of Investments.

A copy of Schedule of Investments for the period ended 9/30/13 is included with this Form.

The Value Line Fund, Inc.

Schedule of Investments
(unaudited) September 30, 2013

| Shares | | Value |
|--------------------------------|---------------------------------------|--------------|
| COMMON STOCKS (98.1%) | | |
| CONSUMER DISCRETIONARY (15.3%) | | |
| 4,000 | AutoZone, Inc. * | \$ 1,690,920 |
| 6,800 | BorgWarner, Inc. | 689,452 |
| 22,400 | Brinker International, Inc. | 907,872 |
| 6,000 | Buckle, Inc. (The) (1) | 324,300 |
| 7,600 | Buffalo Wild Wings, Inc. * | 845,272 |
| 17,500 | Darden Restaurants, Inc. | 810,075 |
| 12,300 | Dick's Sporting Goods, Inc. | 656,574 |
| 9,000 | Domino's Pizza, Inc. | 611,550 |
| 7,300 | Genuine Parts Co. | 590,497 |
| 8,700 | Gildan Activewear, Inc. | 404,028 |
| 33,000 | LKQ Corp. * | 1,051,380 |
| 15,300 | McDonald's Corp. | 1,472,013 |
| 14,000 | NIKE, Inc. Class B | 1,016,960 |
| 3,200 | O'Reilly Automotive, Inc. * | 408,288 |
| 10,400 | Penn National Gaming, Inc. * | 575,744 |
| 9,300 | Starbucks Corp. | 715,821 |
| 44,000 | TJX Companies, Inc. (The) | 2,481,160 |
| 2,600 | VF Corp. | 517,530 |
| 8,400 | Wolverine World Wide, Inc. | 489,132 |
| 24,800 | Yum! Brands, Inc. | 1,770,472 |
| | | 18,029,040 |
| CONSUMER STAPLES (11.0%) | | |
| 3,100 | Boston Beer Co., Inc. (The) Class A * | 757,051 |
| 4,900 | British American Tobacco PLC ADR (1) | 515,235 |
| 4,000 | Bunge Ltd. | 303,640 |
| 11,400 | Casey's General Stores, Inc. | 837,900 |
| 26,000 | Church & Dwight Co., Inc. | 1,561,300 |
| 7,000 | Costco Wholesale Corp. | 805,840 |
| 7,500 | Energizer Holdings, Inc. | 683,625 |
| 40,500 | Flowers Foods, Inc. | 868,320 |
| 21,000 | General Mills, Inc. | 1,006,320 |
| 33,000 | Hormel Foods Corp. | 1,389,960 |
| 15,700 | Ingredion, Inc. | 1,038,869 |

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| | | |
|--------|-----------------------------------|------------|
| 18,100 | J&J Snack Foods Corp. | 1,461,032 |
| 9,000 | PepsiCo, Inc. | 715,500 |
| 6,000 | Reynolds American, Inc. | 292,680 |
| 12,000 | Whole Foods Market, Inc. | 702,000 |
| | | 12,939,272 |
| | ENERGY (3.2%) | |
| 6,000 | Chevron Corp. | 729,000 |
| 2,000 | Core Laboratories N.V. | 338,420 |
| 14,000 | Enbridge, Inc. | 584,360 |
| 10,000 | EQT Corp. | 887,200 |
| 5,600 | FMC Technologies, Inc. * | 310,352 |
| 13,400 | Noble Energy, Inc. | 897,934 |
| | | 3,747,266 |
| | FINANCIALS (6.5%) | |
| 8,000 | Affiliated Managers Group, Inc. * | 1,461,120 |
| 20,000 | AFLAC, Inc. | 1,239,800 |
| 9,000 | American Tower Corp. REIT | 667,170 |
| 6,000 | Bank of Montreal | 400,920 |
| 3,000 | BlackRock, Inc. | 811,860 |
| 2,300 | Camden Property Trust REIT | 141,312 |

| Shares | | Value |
|--------|--|-----------|
| 500 | Everest Re Group Ltd. | \$ 72,705 |
| 6,300 | M&T Bank Corp. | 705,096 |
| 4,400 | MetLife, Inc. | 206,580 |
| 2,000 | PartnerRe Ltd. | 183,080 |
| 5,000 | Prudential Financial, Inc. | 389,900 |
| 8,000 | Royal Bank of Canada | 513,680 |
| 4,900 | Stifel Financial Corp. * | 201,978 |
| 8,400 | T. Rowe Price Group, Inc. | 604,212 |
| | | 7,599,413 |
| | HEALTH CARE (11.6%) | |
| 11,600 | Alexion Pharmaceuticals, Inc. * | 1,347,456 |
| 9,600 | Allergan, Inc. | 868,320 |
| 5,800 | C.R. Bard, Inc. | 668,160 |
| 13,740 | Catamaran Corp. * | 631,353 |
| 24,400 | Cerner Corp. * | 1,282,220 |
| 800 | Cooper Cos., Inc. (The) | 103,752 |
| 1,500 | DaVita HealthCare Partners, Inc. * | 85,350 |
| 3,900 | DENTSPLY International, Inc. | 169,299 |
| 8,000 | Edwards Lifesciences Corp. * | 557,040 |
| 15,340 | Express Scripts Holding Co. * | 947,705 |
| 12,700 | Henry Schein, Inc. * | 1,316,990 |
| 5,400 | IDEXX Laboratories, Inc. * | 538,110 |
| 2,800 | McKesson Corp. | 359,240 |
| 8,400 | Mednax, Inc. * | 843,360 |
| 4,700 | Mettler-Toledo International, Inc. * | 1,128,423 |
| 9,100 | Novo Nordisk A/S ADR | 1,539,902 |
| 10,000 | Teva Pharmaceutical Industries Ltd. ADR | 377,800 |
| 10,200 | Thermo Fisher Scientific, Inc. | 939,930 |

| | | |
|--------|--------------------------------------|------------|
| | | 13,704,410 |
| | INDUSTRIALS (27.7%) | |
| 7,800 | Acuity Brands, Inc. | 717,756 |
| 36,750 | AMETEK, Inc. | 1,691,235 |
| 11,100 | Canadian National Railway Co. | 1,125,207 |
| 800 | Canadian Pacific Railway Ltd. | 98,640 |
| 10,000 | Chicago Bridge & Iron Co. N.V. | 677,700 |
| 15,000 | CLARCOR, Inc. | 832,950 |
| 6,000 | Clean Harbors, Inc. * | 351,960 |
| 20,700 | Danaher Corp. | 1,434,924 |
| 31,000 | Donaldson Co., Inc. | 1,182,030 |
| 3,000 | Eaton Corp. PLC | 206,520 |
| 4,800 | Equifax, Inc. | 287,280 |
| 2,400 | Esterline Technologies Corp. * | 191,736 |
| 8,000 | Fastenal Co. | 402,000 |
| 7,000 | FedEx Corp. | 798,770 |
| 7,900 | General Dynamics Corp. | 691,408 |
| 7,300 | Graco, Inc. | 540,638 |
| 11,187 | HEICO Corp. | 757,807 |
| 15,000 | IDEX Corp. | 978,750 |
| 3,500 | IHS, Inc. Class A * | 399,630 |
| 5,850 | ITT Corp. | 210,308 |
| 6,800 | J.B. Hunt Transport Services, Inc. | 495,924 |
| 9,000 | Kansas City Southern | 984,240 |
| 15,700 | Kirby Corp. * | 1,358,835 |
| 5,400 | L-3 Communications Holdings, Inc. | 510,300 |
| 2,000 | Lincoln Electric Holdings, Inc. | 133,240 |
| 2,300 | Middleby Corp. (The) * | 480,493 |

The Value Line Fund, Inc.

September 30, 2013

| Shares | | Value |
|--------|--|--------------|
| 9,200 | Parker Hannifin Corp. | \$ 1,000,224 |
| 5,700 | Precision Castparts Corp. | 1,295,268 |
| 16,000 | Republic Services, Inc. | 533,760 |
| 79,600 | Rollins, Inc. | 2,110,196 |
| 12,400 | Roper Industries, Inc. | 1,647,588 |
| 12,000 | Stericycle, Inc. * | 1,384,800 |
| 14,600 | Toro Co. (The) | 793,510 |
| 8,800 | Union Pacific Corp. | 1,366,992 |
| 11,400 | United Technologies Corp. | 1,229,148 |
| 5,600 | Valmont Industries, Inc. | 777,896 |
| 4,900 | W.W. Grainger, Inc. | 1,282,379 |
| 7,700 | Wabtec Corp. | 484,099 |
| 25,300 | Waste Connections, Inc. | 1,148,873 |
| | | 32,595,014 |
| | INFORMATION TECHNOLOGY (10.2%) | |
| 19,600 | Accenture PLC Class A | 1,443,344 |
| 8,300 | Alliance Data Systems Corp. * | 1,755,201 |
| 7,000 | Amphenol Corp. Class A | 541,660 |
| 3,700 | Anixter International, Inc. * | 324,342 |
| 13,500 | ANSYS, Inc. * | 1,168,020 |
| 6,500 | Automatic Data Processing, Inc. | 470,470 |
| 16,000 | Cognizant Technology Solutions Corp. Class A * | 1,313,920 |
| 3,500 | Equinix, Inc. * | 642,775 |
| 2,000 | Fiserv, Inc. * | 202,100 |
| 2,300 | MasterCard, Inc. Class A | 1,547,394 |
| 2,800 | MICROS Systems, Inc. * | 139,832 |
| 8,800 | Open Text Corp. | 656,920 |
| 24,000 | Salesforce.com, Inc. * | 1,245,840 |
| 6,100 | WEX, Inc. * | 535,275 |
| | | 11,987,093 |
| | MATERIALS (9.2%) | |
| 3,000 | Airgas, Inc. | 318,150 |
| 12,000 | Ball Corp. | 538,560 |
| 25,600 | Crown Holdings, Inc. * | 1,082,368 |
| 12,000 | Ecolab, Inc. | 1,185,120 |
| 23,400 | FMC Corp. | 1,678,248 |
| 2,000 | NewMarket Corp. (1) | 575,820 |
| 10,000 | Packaging Corp. of America | 570,900 |
| 10,300 | Praxair, Inc. | 1,238,163 |
| 12,000 | Scotts Miracle-Gro Co. (The) Class A | 660,360 |

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|--------|------------------------------------|------------|
| 11,400 | Sigma-Aldrich Corp. | 972,420 |
| 25,900 | Silgan Holdings, Inc. | 1,217,300 |
| 12,400 | Valspar Corp. (The) | 786,532 |
| | | 10,823,941 |
| | TELECOMMUNICATION SERVICES (0.8%) | |
| 13,000 | Crown Castle International Corp. * | 949,390 |
| | UTILITIES (2.6%) | |
| 10,000 | ITC Holdings Corp. | 938,600 |
| 4,000 | NextEra Energy, Inc. | 320,640 |
| 15,000 | ONEOK, Inc. | 799,800 |
| 23,000 | Questar Corp. | 517,270 |

| | | |
|--------|-----------------------------|-------------|
| Shares | | Value |
| 10,900 | Wisconsin Energy Corp. | \$ 440,142 |
| | | 3,016,452 |
| | TOTAL COMMON STOCKS | |
| | (Cost \$67,666,498) (98.1%) | 115,391,291 |

| | | |
|------------------|---|-----------|
| Principal Amount | | Value |
| | SHORT-TERM INVESTMENTS (2.7%) | |
| | REPURCHASE AGREEMENTS (1.9%) | |
| \$2,300,000 | With Morgan Stanley, 0.02%, dated 09/30/13, due 10/01/13, delivery value \$2,300,001 (collateralized by \$2,340,000 U.S. Treasury Notes 1.000% due 03/31/17, with a value of \$2,351,673) | 2,300,000 |
| | JOINT REPURCHASE AGREEMENTS (INVESTMENTS OF CASH COLLATERAL FOR SECURITIES ON LOAN) (0.8%) | |
| 343,097 | Joint Repurchase Agreement with Morgan Stanley, 0.05%, dated 09/30/13, due 10/01/13, delivery value \$343,097 (collateralized by \$349,958 U.S. Treasury STRIPS Zero Coupon Notes due 11/15/15 - 08/15/23, U.S. Treasury Notes 0.250% - 1.250% due 09/15/15 - 09/30/15, U.S. Treasury Bonds 6.125% due 11/15/27, with a value of \$346,373) | 343,097 |
| 358,692 | Joint Repurchase Agreement with Barclays, 0.06%, dated 09/30/13, due 10/01/13, delivery value \$358,692 (collateralized by \$365,867 U.S. Treasury Inflation Indexed Notes 0.500% due 04/15/15, with a value of | |

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| | | |
|---------|---|---|
| 233,929 | \$365,047) Joint Repurchase Agreement with Credit Suisse First Boston, 0.05%, dated 09/30/13, due 10/01/13, delivery value \$233,930 (collateralized by \$238,631 U.S. Treasury Notes 0.250% due 10/15/15, with a value of \$238,357) | 358,692 233,929 935,718 |
| | TOTAL SHORT-TERM INVESTMENTS (Cost \$3,235,718) (2.7%) | 3,235,718 |

The Value Line Fund, Inc.

Schedule of Investments
(unaudited)

Principal
Amount

Value

TOTAL INVESTMENT
SECURITIES (100.8%)
(Cost \$70,902,216)

\$ 118,627,009

EXCESS OF LIABILITIES OVER CASH AND
OTHER ASSETS (-0.8%)

(947,034)

NET ASSETS (2) (100%)

\$ 117,679,975

NET ASSET VALUE OFFERING AND
REDEMPTION PRICE, PER OUTSTANDING
SHARE

(\$117,679,975 ÷ 9,517,625 shares outstanding)

\$ 12.36

* Non-income producing.

(1) A portion or all of the security was held on loan. As of September 30, 2013, the market value of the securities on loan was \$921,150.

(2) For federal income tax purposes, the aggregate cost was \$70,902,216, aggregate gross unrealized appreciation was \$47,873,556, aggregate gross unrealized depreciation was \$148,763 and the net unrealized appreciation was \$47,724,793.

ADR American Depositary Receipt.

REIT Real Estate Investment Trust.

STRIPS Separate Trading of Registered Interest and Principal Securities.

The Fund follows fair valuation accounting standards (FASB ASC 820-10) which establish a definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These inputs are summarized in the three broad levels listed below:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;

Level 3 – Inputs that are unobservable.

Transfers between investment levels may occur as the markets fluctuate and/or the availability of data used in an investment’s valuation changes. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the inputs used to value the Fund’s investments in securities as of September 30, 2013:

| Investments in Securities: | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|----------------|--------------|---------|----------------|
| Assets | | | | |
| Common Stocks | \$ 115,391,291 | \$ 0 | \$ 0 | \$ 115,391,291 |
| Short-Term Investments | 0 | 3,235,718 | 0 | 3,235,718 |
| Total Investments in Securities | \$ 115,391,291 | \$ 3,235,718 | \$ 0 | \$ 118,627,009 |

The Fund follows the updated provisions surrounding fair value measurements and disclosures on transfers in and out of all levels of the fair value hierarchy on a gross basis and the reasons for the transfers as well as to disclosures about the valuation techniques and inputs used to measure fair value for investments that fall in either Level 2 or Level 3 of the fair value hierarchy.

The Fund’s policy is to recognize transfers between levels at the beginning of the reporting period.

The amounts and reasons for all transfers in and out of each level within the three-tier hierarchy are disclosed when the Fund had an amount of total transfers during the reporting period that was meaningful in relation to its net assets as of the end of the reporting period. An investment asset’s or liability’s level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used.

For the period ended September 30, 2013 there were no Level 3 investments. The Schedule of Investments includes a breakdown of the Schedule’s investments by category.

Item 2. Controls and Procedures.

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in rule 30a-2(c) under the Act (17 CFR 270.30a-2(c)) based on their evaluation of these controls and procedures as of the date within 90 days of filing date of this report, are approximately designed to ensure that material information relating to the registrant is made known to such officers and are operating effectively.
- (b) The registrant's principal executive officer and principal financial officer have determined that there have been no significant changes in the registrant's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including corrective actions with regard to significant deficiencies and material weaknesses.

Item 3. Exhibits:

- (a) Certifications of principal executive officer and principal financial officer of the registrant.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By /s/ Mitchell E. Appel
Mitchell E. Appel, President

Date: November 25, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Mitchell E. Appel
Mitchell E. Appel, President, Principal Executive Officer

By: /s/ Emily D. Washington
Emily D. Washington, Treasurer, Principal Financial Officer

Date: November 25, 2013