

VALUE LINE FUND INC  
Form N-Q  
November 30, 2009

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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)

220 East 42nd Street, New York, NY 10017

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

Registrant's telephone number, including area code: 212-907-1500

Date of fiscal year end: December 31, 2009

Date of reporting period: September 30, 2009

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Item 1: Schedule of Investments.

A copy of Schedule of Investments for the period ended 9/30/09 is included with this Form.

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The Value Line Fund, Inc.

Schedule of Investments (unaudited)

September 30, 2009

| Shares |                                   | Value      |
|--------|-----------------------------------|------------|
|        | COMMON STOCKS (91.1%)             |            |
|        | CONSUMER DISCRETIONARY (20.0%)    |            |
| 12,000 | 99 Cents Only Stores *            | \$161,400  |
| 24,000 | Aaron's, Inc.                     | 633,600    |
| 21,000 | Advance Auto Parts, Inc.          | 824,880    |
| 11,200 | Aeropostale, Inc. *               | 486,864    |
| 6,000  | Apollo Group, Inc. Class A *      | 442,020    |
| 7,000  | AutoZone, Inc. *                  | 1,023,540  |
| 2,000  | Bob Evans Farms, Inc.             | 58,120     |
| 20,000 | Buckle, Inc. (The)                | 682,800    |
| 5,000  | Buffalo Wild Wings, Inc. *        | 208,050    |
| 3,000  | Corinthian Colleges, Inc. *       | 55,680     |
| 9,000  | Darden Restaurants, Inc.          | 307,170    |
| 25,000 | DIRECTV Group, Inc. (The) *       | 689,500    |
| 10,000 | Dollar Tree, Inc. *               | 486,800    |
| 26,700 | Expedia, Inc. *                   | 639,465    |
| 17,000 | Family Dollar Stores, Inc.        | 448,800    |
| 15,000 | Guess?, Inc.                      | 555,600    |
| 3,000  | Interactive Data Corp.            | 78,630     |
| 17,000 | International Game Technology     | 365,160    |
| 13,000 | Jack in the Box, Inc. *           | 266,370    |
| 4,000  | Jos. A. Bank Clothiers, Inc. *    | 179,080    |
| 11,000 | LKQ Corp. *                       | 203,940    |
| 5,800  | National Presto Industries, Inc.  | 501,758    |
| 2,000  | Netflix, Inc. *                   | 92,340     |
| 2,000  | O'Reilly Automotive, Inc. *       | 72,280     |
| 14,000 | Panera Bread Co. Class A *        | 770,000    |
| 5,000  | Peet's Coffee & Tea, Inc. *       | 141,150    |
| 2,000  | PEP Boys-Manny Moe & Jack         | 19,540     |
| 12,000 | PF Chang's China Bistro, Inc. *   | 407,640    |
| 10,000 | Priceline.com, Inc. *             | 1,658,200  |
| 22,000 | Ross Stores, Inc.                 | 1,050,940  |
| 23,000 | Shaw Communications, Inc. Class B | 414,230    |
| 4,000  | Strayer Education, Inc.           | 870,720    |
| 30,000 | TJX Companies, Inc. (The)         | 1,114,500  |
| 9,100  | Unifirst Corp.                    | 404,495    |
| 10,000 | Warnaco Group, Inc. (The) *       | 438,600    |
| 10,000 | WMS Industries, Inc. *            | 445,600    |
| 28,000 | Yum! Brands, Inc.                 | 945,280    |
|        |                                   | 18,144,742 |
|        | CONSUMER STAPLES (10.0%)          |            |

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|        |  |           |
|--------|--|-----------|
| 2,000  | British American Tobacco PLC ADR       | 126,500   |
| 13,200 | Casey's General Stores, Inc.           | 414,216   |
| 2,000  | Chattem, Inc. *                        | 132,820   |
| 11,000 | Church & Dwight Co., Inc.              | 624,140   |
| 200    | Coca-Cola Enterprises, Inc.            | 4,282     |
| 33,000 | Cott Corp. *                           | 242,550   |
| 17,000 | CVS Caremark Corp.                     | 607,580   |
| 29,000 | Diamond Foods, Inc.                    | 919,880   |
| 30,000 | Flowers Foods, Inc.                    | 788,700   |
| 24,500 | Green Mountain Coffee Roasters, Inc. * | 1,809,080 |
| 7,000  | Hansen Natural Corp. *                 | 257,180   |
| 23,000 | J&J Snack Foods Corp.                  | 993,370   |
| 12,900 | Lancaster Colony Corp.                 | 661,383   |
| 8,300  | Lance, Inc.                            | 214,306   |
| 6,000  | Molson Coors Brewing Co. Class B       | 292,080   |
| 28,000 | TreeHouse Foods, Inc. *                | 998,760   |
|        |  | 9,086,827 |

Shares

Value

|        |                                      |           |
|--------|--------------------------------------|-----------|
|        | ENERGY (1.2%)                        |           |
| 1,000  | Core Laboratories N.V.               | \$103,090 |
| 14,200 | Dresser-Rand Group, Inc. *           | 441,194   |
| 3,000  | Enbridge, Inc.                       | 116,400   |
| 11,000 | Southwestern Energy Co. *            | 469,480   |
|        |                                      | 1,130,164 |
|        | FINANCIALS (1.7%)                    |           |
| 13,000 | AFLAC, Inc.                          | 555,620   |
| 4,000  | Capitol Federal Financial            | 131,680   |
| 17,000 | Hudson City Bancorp, Inc.            | 223,550   |
| 23,000 | Knight Capital Group, Inc. Class A * | 500,250   |
| 2,000  | Stifel Financial Corp. *             | 109,800   |
|        |                                      | 1,520,900 |
|        | HEALTH CARE (21.4%)                  |           |
| 15,000 | Allergan, Inc.                       | 851,400   |
| 14,000 | AmerisourceBergen Corp.              | 313,320   |
| 2,000  | Bio-Rad Laboratories, Inc. Class A * | 183,760   |
| 19,400 | Catalyst Health Solutions, Inc. *    | 565,510   |
| 20,000 | Cerner Corp. *                       | 1,496,000 |
| 6,000  | Chemed Corp.                         | 263,340   |
| 28,000 | Computer Programs & Systems, Inc.    | 1,159,480 |
| 4,000  | Covance, Inc. *                      | 216,600   |
| 6,000  | DENTSPLY International, Inc.         | 207,240   |
| 1,000  | Dionex Corp. *                       | 64,970    |
| 19,000 | Edwards Lifesciences Corp. *         | 1,328,290 |
| 4,000  | ev3, Inc. *                          | 49,240    |
| 13,000 | Express Scripts, Inc. *              | 1,008,540 |
| 23,000 | Gilead Sciences, Inc. *              | 1,071,340 |
| 9,000  | Haemonetics Corp. *                  | 505,080   |

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|        |  |            |
|--------|--|------------|
| 6,000  | Hospira, Inc. *                              | 267,600    |
| 27,000 | Illumina, Inc. *                             | 1,147,500  |
| 2,200  | Intuitive Surgical, Inc. *                   | 576,950    |
| 7,000  | Johnson & Johnson                            | 426,230    |
| 6,000  | Laboratory Corporation of America Holdings * | 394,200    |
| 4,000  | Life Technologies Corp. *                    | 186,200    |
| 14,000 | Medco Health Solutions, Inc. *               | 774,340    |
| 8,000  | MEDNAX, Inc. *                               | 439,360    |
| 16,000 | Novo Nordisk A/S ADR                         | 1,007,200  |
| 6,000  | NuVasive, Inc. *                             | 250,560    |
| 13,000 | Owens & Minor, Inc.                          | 588,250    |
| 22,000 | ResMed, Inc. *                               | 994,400    |
| 4,000  | Sanofi-Aventis ADR                           | 147,800    |
| 23,000 | Teva Pharmaceutical Industries Ltd. ADR      | 1,162,880  |
| 13,000 | Thermo Fisher Scientific, Inc. *             | 567,710    |
| 28,000 | Thoratec Corp. *                             | 847,560    |
| 200    | Universal Health Services, Inc. Class B      | 12,386     |
| 15,000 | VCA Antech, Inc. *                           | 403,350    |
|        |  | 19,478,586 |
|        | INDUSTRIALS (12.3%)                          |            |
| 7,000  | Alliant Techsystems, Inc. *                  | 544,950    |
| 45,000 | Applied Signal Technology, Inc.              | 1,047,150  |
| 14,000 | C.H. Robinson Worldwide, Inc.                | 808,500    |
| 5,000  | Copart, Inc. *                               | 166,050    |
| 15,100 | Cubic Corp.                                  | 595,997    |
| 4,000  | Dun & Bradstreet Corp. (The)                 | 301,280    |
| 15,000 | Elbit Systems Ltd.                           | 1,022,250  |
| 4,000  | FTI Consulting, Inc. *                       | 170,440    |

The Value Line Fund, Inc.

September 30, 2009

| Shares |  | Value      |
|--------|--|------------|
| 16,000 | IHS, Inc. Class A *                            | \$818,080  |
| 13,000 | Iron Mountain, Inc. *                          | 346,580    |
| 12,000 | L-3 Communications Holdings, Inc.              | 963,840    |
| 3,000  | Middleby Corp. (The) *                         | 165,030    |
| 17,000 | Oshkosh Corp.                                  | 525,810    |
| 50,000 | Rollins, Inc.                                  | 942,500    |
| 2,000  | Stantec, Inc. *                                | 50,200     |
| 10,000 | Stericycle, Inc. *                             | 484,500    |
| 12,000 | Tetra Tech, Inc. *                             | 318,360    |
| 1,000  | Universal Forest Products, Inc.                | 39,460     |
| 19,000 | URS Corp. *                                    | 829,350    |
| 10,000 | Valmont Industries, Inc.                       | 851,800    |
| 2,000  | W.W. Grainger, Inc.                            | 178,720    |
|        |  | 11,170,847 |
|        | <b>INFORMATION TECHNOLOGY (12.6%)</b>          |            |
| 17,000 | Advent Software, Inc. *                        | 684,250    |
| 5,000  | Amphenol Corp. Class A                         | 188,400    |
| 4,000  | ANSYS, Inc. *                                  | 149,880    |
| 200    | Apple, Inc. *                                  | 37,074     |
| 38,000 | Cognizant Technology Solutions Corp. Class A * | 1,469,080  |
| 18,000 | Dolby Laboratories, Inc. Class A *             | 687,420    |
| 7,000  | Equinix, Inc. *                                | 644,000    |
| 5,000  | F5 Networks, Inc. *                            | 198,150    |
| 18,000 | FactSet Research Systems, Inc.                 | 1,192,320  |
| 7,000  | Fiserv, Inc. *                                 | 337,400    |
| 700    | Google, Inc. Class A *                         | 347,095    |
| 33,000 | Informatica Corp. *                            | 745,140    |
| 1,200  | International Business Machines Corp.          | 143,532    |
| 5,000  | j2 Global Communications, Inc. *               | 115,050    |
| 2,200  | MasterCard, Inc. Class A                       | 444,730    |
| 5,000  | MAXIMUS, Inc.                                  | 233,000    |
| 7,000  | McAfee, Inc. *                                 | 306,530    |
| 10,000 | MICROS Systems, Inc. *                         | 301,900    |
| 25,000 | Open Text Corp. *                              | 933,250    |
| 51,000 | Oracle Corp.                                   | 1,062,840  |
| 7,000  | OSI Systems, Inc. *                            | 128,030    |
| 29,000 | Sybase, Inc. *                                 | 1,128,100  |
| 200    | Tessera Technologies, Inc. *                   | 5,578      |
|        |  | 11,482,749 |
|        | <b>MATERIALS (7.2%)</b>                        |            |

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|        |                                      |           |
|--------|--------------------------------------|-----------|
| 8,000  | Airgas, Inc.                         | 386,960   |
| 10,000 | Ball Corp.                           | 492,000   |
| 31,000 | Calgon Carbon Corp. *                | 459,730   |
| 37,000 | Crown Holdings, Inc. *               | 1,006,400 |
| 24,000 | FMC Corp.                            | 1,350,000 |
| 7,000  | NewMarket Corp.                      | 651,280   |
| 8,000  | Rock-Tenn Co. Class A                | 376,880   |
| 7,000  | Scotts Miracle-Gro Co. (The) Class A | 300,650   |
| 12,000 | Sigma-Aldrich Corp.                  | 647,760   |
| 16,000 | Silgan Holdings, Inc.                | 843,680   |
|        |                                      | 6,515,340 |

TELECOMMUNICATION SERVICES (1.6%)

|        |                                   |           |
|--------|-----------------------------------|-----------|
| 34,000 | American Tower Corp. Class A *    | 1,237,600 |
| 2,500  | Shenandoah Telecommunications Co. | 44,875    |
| 2,000  | Telefonica S.A. ADR               | 165,820   |
|        |                                   | 1,448,295 |

Shares

Value

UTILITIES (3.1%)

|        |                          |           |
|--------|--------------------------|-----------|
| 16,000 | FPL Group, Inc.          | \$883,680 |
| 16,000 | ITC Holdings Corp.       | 727,200   |
| 3,000  | Ormat Technologies, Inc. | 122,460   |
| 17,000 | UGI Corp.                | 426,020   |
| 14,000 | Wisconsin Energy Corp.   | 632,380   |
|        |                          | 2,791,740 |

TOTAL COMMON STOCKS AND TOTAL INVESTMENT SECURITIES (1) (91.1%)  
(Cost \$67,345,767)

82,770,190

Principal  
Amount

Value

SHORT-TERM INVESTMENTS (8.6%)

REPURCHASE AGREEMENTS (2) (8.6%)

|             |   |           |
|-------------|---|-----------|
| \$7,800,000 | With Morgan Stanley, 0.01%, dated 9/30/09, due 10/1/09, delivery value \$7,800,002<br>(collateralized by \$7,925,000 U.S. Treasury Notes 1.3750%, due 03/15/12, with a value<br>of \$7,969,140) | 7,800,000 |
|-------------|---|-----------|

TOTAL SHORT-TERM INVESTMENTS (3)  
(Cost \$7,800,000)

7,800,000

CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES (0.3%)

271,217

NET ASSETS (4) (100%)

\$90,841,407

NET ASSET VALUE OFFERING AND REDEMPTION PRICE, PER OUTSTANDING SHARE  
(\$90,841,407 ÷ 14,004,899 shares outstanding)

\$6.49

\* Non-income producing.

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- (1) Unless otherwise indicated, the values of the Portfolio are determined based on Level 1 inputs established by FASB ASC 820-10, Fair Value Measurements and Disclosures.
- (2) The Fund's custodian takes possession of the underlying collateral securities, the value of which exceeds the principal amount of the repurchase transaction, including accrued interest.
- (3) Values determined based on Level 2 inputs established by FASB ASC 820-10, Fair Value Measurements and Disclosures.
- (4) For federal income tax purposes, the aggregate cost was \$75,145,767, aggregate gross unrealized appreciation was \$15,956,126, aggregate gross unrealized depreciation was \$531,703 and the net unrealized appreciation was \$15,424,423.

ADR American Depositary Receipt.



In accordance with FASB ASC 820-10, Fair Value Measurements and Disclosures, (formerly Statement of Financial Accounting Standards ("SFAS") No. 157), the Fund discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (level 3 measurements). FASB ASC 820-10-35-39 to 55 provides three levels of the fair value hierarchy as follows:

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.

In April 2009, the Fund adopted the authoritative guidance included in FASB ASC 820-10, Fair Value Measurements and Disclosures, on determining fair value when the volume and level of activity for the asset or liability have significantly decreased and identifying transactions that are not orderly (formerly FSP FAS 157-4). FASB ASC 820-10-35-51A to 51H indicates that if an entity determines that either the volume and/or level of activity for an asset or liability has significantly decreased (from normal conditions for that asset or liability) or price quotations or observable inputs are not associated with orderly transactions, increased analysis and management judgment will be required to estimate fair value. Valuation techniques such as an income approach might be appropriate to supplement or replace a market approach in those circumstances. It provides a list of factors to determine whether there has been a significant decrease in relation to normal market activity. Regardless, however, of the valuation technique and inputs used, the objective for the fair value measurement in those circumstances is unchanged from what it would be if markets were operating at normal activity levels and/or transactions were orderly; that is, to determine the current exit price as promulgated by FASB ASC 820-10. The guidance also requires additional disclosures regarding inputs and valuation techniques used, change in valuation techniques and related inputs, if any, and more disaggregated information relating to debt and equity securities.

The following is a summary of the inputs used as of September 30, 2009 in valuing the Fund's investments carried at value:

| Investments in Securities:      | Level 1       | Level 2      | Level 3 | Total         |
|---------------------------------|---------------|--------------|---------|---------------|
| Assets                          |               |              |         |               |
| Common Stocks                   | \$ 82,770,190 | \$ 0         | \$ 0    | \$ 82,770,190 |
| Short-Term Investments          | 0             | 7,800,000    | 0       | 7,800,000     |
| Total Investments in Securities | \$ 82,770,190 | \$ 7,800,000 | \$ 0    | \$ 90,570,190 |

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, 2009

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, 2009