

Edgar Filing: FIRST TRUST VALUE LINE DIVIDEND FUND - Form N-Q

FIRST TRUST VALUE LINE DIVIDEND FUND

Form N-Q

October 29, 2004

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
INVESTMENT COMPANY

Investment Company Act file number 811-21381  
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FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
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(Exact name of registrant as specified in charter)

1001 Warrenville Road  
Suite 300  
LISLE, IL 60532  
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(Address of principal executive offices) (Zip code)

W. Scott Jardine  
First Trust Portfolios, LP  
1001 Warrenville Road  
Suite 300  
LISLE, IL 60532  
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(Name and address of agent for service)

Registrant's telephone number, including area code: 630-241-4141  
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Date of fiscal year end: MAY 31, 2004  
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Date of reporting period: AUGUST 31, 2004  
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Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule of Investments is attached herewith.

First Trust Value Line(R)Dividend Fund  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

SHARES		MARKET VALUE
COMMON STOCKS - 99.1%		
	UTILITIES - 20.2%	
104,739	AGL Resources, Inc.	\$3,193,492
119,289	ALLETE, Inc.	3,227,960
78,450	Cinergy Corp.	3,175,656
76,717	Consolidated Edison, Inc.	3,237,457
78,724	Constellation Energy Group, Inc.	3,235,556
48,810	Dominion Resources, Inc.	3,167,281
129,773	Energy East Corp.	3,162,568
52,896	Entergy Corp.	3,189,629
61,039	Equitable Resources, Inc.	3,200,275
87,631	Exelon Corp.	3,229,202
46,150	FPL Group, Inc.	3,193,580
107,886	Great Plains Energy, Inc.	3,253,842
124,556	Hawaiian Electric Industries, Inc.	3,214,790
83,157	KeySpan Corp.	3,168,282
126,907	MDU Resources Group, Inc.	3,219,631
120,014	National Fuel Gas Company	3,213,975
77,851	New Jersey Resources Corp.	3,180,213
88,416	Nicor, Inc.	3,169,714
65,751	NSTAR	3,208,649
76,568	Peoples Energy Corp.	3,181,400
74,248	Piedmont Natural Gas Company, Inc.	3,222,363
76,071	Pinnacle West Capital Corp.	3,210,957
151,123	PNM Resources, Inc.	3,229,499
72,844	Progress Energy, Inc.	3,197,123
78,043	Questar Corp.	3,174,789
84,424	SCANA Corp.	3,203,047
87,100	Sempra Energy	3,148,665
105,368	The Southern Company	3,197,919
153,248	TransCanada Corp.	3,201,351
130,448	Vectren Corp.	3,189,454
110,954	WGL Holdings, Inc.	3,178,832
97,410	Wisconsin Energy Corp.	3,190,177
68,487	WPS Resources Corp.	3,196,288
180,984	Xcel Energy, Inc.	3,194,368
		108,757,984
	BANKS - 19.4%	
123,292	AmSouth Bancorp	3,211,756
101,216	Associated Banc-Corp.	3,168,061
71,412	Bank of America Corp.	3,212,112
77,280	Bank of Montreal	3,190,891
112,575	Bank of Nova Scotia	3,085,681
79,657	BB&T Corp.	3,185,483
62,119	Canadian Imperial Bank of Commerce	3,164,963
94,328	Capitol Federal Financial	3,188,286

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71,123	Charter One Financial, Inc.	3,162,840
47,719	City National Corp.	3,148,500
52,631	Comerica, Inc.	3,165,755
65,020	Commerce Bancshares, Inc.	3,142,417
62,524	Fifth Third Bancorp	3,114,320
70,284	First Horizon National Corp.	3,195,813
91,620	First Midwest Bancorp, Inc.	3,154,477
119,110	Hibernia Corp., Class A	3,198,103

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First Trust Value Line(R)Dividend Fund - (Continued)  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - (CONTINUED)		
BANKS - (CONTINUED)		
78,646	Marshall & Ilsley Corp.	\$3,152,132
66,666	Mercantile Bankshares Corp.	3,173,302
94,604	National Bank of Canada	3,101,770
83,930	National City Corp.	3,171,715
75,815	North Fork Bancorporation, Inc.	3,179,681
126,147	Old National Bancorp	3,142,322
58,812	PNC Financial Services Group, Inc.	3,156,440
100,158	Regions Financial Corp.	3,234,102
67,796	Royal Bank of Canada	3,070,481
77,129	SouthTrust Corp.	3,189,284
46,320	SunTrust Banks, Inc.	3,154,392
124,900	Synovus Financial Corp.	3,172,460
92,695	Toronto-Dominion Bank	3,223,932
123,921	Washington Federal, Inc.	3,192,205
81,717	Washington Mutual, Inc.	3,173,071
53,805	Wells Fargo & Company	3,161,044
84,923	Wilmington Trust Corp.	3,154,040
		-----
		104,491,831
		-----
REITS - 11.9%		
102,132	Archstone-Smith Trust	3,191,625
52,318	Avalonbay Communities, Inc.	3,160,007
86,598	BRE Properties, Inc., Class A	3,236,167
95,468	Duke Realty Corp.	3,245,912
112,736	Equity Office Properties Trust	3,219,740
97,953	Equity Residential	3,172,698
70,899	Federal Realty Investment Trust	3,217,397
125,346	Health Care Property Investors, Inc.	3,177,521
85,405	Healthcare Realty Trust, Inc.	3,224,039
63,619	Kimco Realty Corp.	3,201,308
79,797	Liberty Property Trust	3,228,587
71,139	Mack-Cali Realty Corp.	3,219,751
123,678	New Plan Excel Realty Trust	3,180,998
82,398	Pennsylvania Real Estate Investment Trust	3,152,548
95,641	Plum Creek Timber Company, Inc.	3,159,979
88,268	Prologis	3,190,888
56,916	Simon Property Group, Inc.	3,184,450
150,978	United Dominion Realty Trust, Inc.	3,205,263
106,040	Washington Real Estate Investment Trust	3,216,193
95,612	Weingarten Realty Investors	3,214,475

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		-----
		63,999,546
		-----
	FOOD, BEVERAGE & TOBACCO - 10.0%	
60,305	Anheuser-Busch Companies, Inc.	3,184,104
68,339	Brown-Forman Corp., Class B	3,245,419
99,370	Cadbury Schweppes PLC, Sponsored ADR	3,244,431
120,243	Campbell Soup Company	3,121,508
70,661	Coca-Cola Company	3,159,253
120,610	ConAgra Foods, Inc.	3,159,982
67,363	General Mills, Inc.	3,182,902
83,048	H.J. Heinz Company	3,148,350
65,275	Hershey Foods Corp.	3,151,477
75,238	Kellogg Company	3,158,491

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First Trust Value Line(R)Dividend Fund - (Continued)  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - (CONTINUED)		
FOOD, BEVERAGE & TOBACCO - (CONTINUED)		
100,604	Kraft Foods, Inc.	\$3,146,893
63,941	PepsiCo, Inc.	3,197,050
140,869	Sara Lee Corp.	3,117,431
67,986	The J.M. Smucker Company	3,125,996
52,896	Unilever NV	3,176,934
91,620	Unilever PLC, Sponsored ADR	3,192,041
69,542	Universal Corp.	3,138,430
		-----
		53,850,692
		-----
ENERGY - 5.9%		
59,231	BP PLC, Sponsored ADR	3,180,705
33,106	ChevronTexaco Corp.	3,227,835
43,151	ConocoPhillips	3,211,729
69,634	Exxon Mobil Corp.	3,210,127
89,139	Marathon Oil Corp.	3,233,072
62,463	Occidental Petroleum Corp.	3,226,214
62,512	Royal Dutch Petroleum Company	3,168,733
1,965	Shell Transport & Trading Company PLC, Sponsored ADR	3,188,050
52,016	Sunoco, Inc.	3,198,984
32,655	Total SA, Sponsored ADR	3,199,863
		-----
		32,045,312
		-----
CAPITAL GOODS - 5.3%		
42,888	Caterpillar, Inc.	3,117,957
51,083	Emerson Electric Company	3,179,917
96,429	General Electric Company	3,161,907
73,266	Harsco Corp.	3,288,178
72,245	Hubbell, Inc., Class B	3,117,372
77,660	Lancaster Colony Corp.	3,205,805
105,333	Lincoln Electric Holdings, Inc.	3,166,310
99,059	Snap-On, Inc.	3,147,104
72,560	Teleflex, Inc.	3,173,049
		-----

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		28,557,599
		-----
	INSURANCE - 5.3%	
99,873	Arthur J. Gallagher & Company	3,181,954
46,192	Chubb Corp.	3,141,518
78,783	Cincinnati Financial Corp.	3,178,894
65,696	Jefferson-Pilot Corp.	3,146,838
69,496	Lincoln National Corp.	3,148,169
70,820	Marsh & McLennan Companies, Inc.	3,164,946
62,985	Mercury General Corp.	3,158,698
66,136	The Allstate Corp.	3,122,280
74,881	Unitrin, Inc.	3,141,258
		-----
		28,384,555
		-----
	MATERIALS - 4.1%	
61,670	Ashland, Inc.	3,171,688
118,841	Bemis Company	3,140,968
73,831	E. I. du Pont de Nemours and Company	3,120,098
81,950	International Flavors & Fragrances, Inc.	3,157,534
52,798	PPG Industries, Inc.	3,155,736
121,913	Sonoco Products Company	3,158,766

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First Trust Value Line(R)Dividend Fund - (Continued)  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - (CONTINUED)		
	MATERIALS - (CONTINUED)	
66,638	Vulcan Materials Company	\$3,176,633
		-----
		22,081,423
		-----
	HOUSEHOLD & PERSONAL PRODUCTS - 3.5%	
50,779	Avery Dennison Corp.	3,155,915
43,169	Fortune Brands, Inc.	3,157,812
47,813	Kimberly-Clark Corp.	3,189,127
117,428	Leggett & Platt, Inc.	3,157,639
56,732	Procter & Gamble Company	3,175,290
60,190	The Clorox Company	3,180,440
		-----
		19,016,223
		-----
	PHARMACEUTICALS & BIOTECHNOLOGY - 3.5%	
76,550	Abbott Laboratories	3,191,370
76,457	GlaxoSmithKline PLC, Sponsored ADR	3,145,441
49,045	Lilly (Eli) & Company	3,111,905
70,019	Merck & Company, Inc.	3,148,754
96,991	Pfizer, Inc.	3,168,696
84,356	Wyeth	3,084,899
		-----
		18,851,065
		-----
	TELECOMMUNICATION SERVICES - 2.9%	
58,779	ALLTEL Corp.	3,212,272

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119,923	BellSouth Corp.	3,209,139
122,480	SBC Communications, Inc.	3,158,759
105,018	Telecom Corp. of New Zealand Ltd., Sponsored ADR	3,153,691
81,087	Verizon Communications, Inc.	3,182,665
		-----
		15,916,526
		-----
	HEALTH CARE EQUIPMENT & SERVICES - 1.8%	
103,606	Baxter International, Inc.	3,164,127
55,594	Hillenbrand Industries, Inc.	3,127,719
54,699	Johnson & Johnson	3,178,012
		-----
		9,469,858
		-----
	MEDIA - 1.2%	
76,218	Dow Jones & Company, Inc.	3,128,749
48,977	Knight-Ridder, Inc.	3,155,588
		-----
		6,284,337
		-----
	DIVERSIFIED FINANCIALS - 1.2%	
124,409	Allied Capital Corp.	3,158,744
79,999	SLM Corp.	3,121,561
		-----
		6,280,305
		-----
	AUTOMOBILES & COMPONENTS - 1.1%	
82,571	Genuine Parts Company	3,130,267
41,540	Magna International, Inc.	3,093,899
		-----
		6,224,166
		-----
	ELECTRIC UTILITIES - 0.6%	
68,250	Ameren Corp.	3,193,418
		-----
	COMMERCIAL SERVICES - 0.6%	
72,945	Pitney Bowes, Inc.	3,177,484
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First Trust Value Line(R)Dividend Fund - (Continued)  
 Portfolio of Investments  
 August 31, 2004 (Unaudited)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - (CONTINUED)		
65,902	HOTELS, RESTAURANTS & LEISURE - 0.6% Polaris Industries, Inc.	\$ 3,107,938
		-----
	TOTAL COMMON STOCKS	533,690,262
		-----
	(Cost \$484,537,466)	
	TOTAL INVESTMENTS - 99.1% (Cost \$484,537,466) *	533,690,262
		-----
	NET OTHER ASSETS & LIABILITIES - 0.9%	5,078,510

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NET ASSETS - 100.0%

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\$538,768,772  
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\* Aggregate cost for federal tax purposes.  
ADR American Depository Receipt  
REIT Real Estate Investment Trust

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First Trust Value Line(R) Dividend Fund  
August 31, 2004 (Unaudited)

1. VALUATION AND INVESTMENT PRACTICES

PORTFOLIO VALUATION:

The Fund determines the net asset value ("NAV") of its shares daily, as of the close of regular session trading on the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. The NAV is computed by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses and dividends declared but unpaid), by the total number of shares outstanding.

The Fund's investments are valued at market value or, in the absence of market value with respect to any portfolio securities, at fair value as determined by, or under the direction of the Fund's Board of Trustees. Portfolio securities listed on any exchange other than the NASDAQ National Market ("NASDAQ") are valued at the last sale price on the business day of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the most recent bid and asked prices on such day. Securities trading on the NASDAQ are valued at the NASDAQ Official Closing Price as determined by NASDAQ. Portfolio securities traded in the over-the-counter market, but excluding securities trading on the NASDAQ, are valued at the closing bid prices. Short-term investments that mature in 60 days or less are valued at amortized cost.

Foreign securities traded outside the United States are generally valued as of the time their trading is complete, which is usually different from the close of the NYSE. Occasionally, events affecting the value of such securities may occur between such times and the close of the NYSE that will not be reflected in the computation of a Fund's NAV. If events materially affecting the value of such securities occur during such period, these securities will be valued at their fair value according to procedures decided upon in good faith by the Fund's Board of Trustees. All securities and other assets of the Fund initially expressed in foreign currencies will be converted to U.S. dollars using exchange rates in effect at the time of valuation.

SECURITIES TRANSACTIONS:

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis.

Securities purchased or sold on a when-issued or delayed-delivery basis may be settled a month or more after the trade date; interest income is not accrued until settlement date. The Fund instructs the custodian to segregate assets of the Fund with a current value at least equal to the amount of its when-issued purchase commitments.

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2. UNREALIZED APPRECIATION/(DEPRECIATION)

On August 31, 2004, net unrealized appreciation for Federal tax purposes was \$49,152,796, consisting of \$52,716,245 aggregate gross unrealized appreciation for all securities in which there is an excess of value over tax cost and \$3,563,449 aggregate gross unrealized depreciation for all securities in which there is an excess of tax cost over value.

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ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

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.

(Registrant) FIRST TRUST VALUE LINE(R) DIVIDEND FUND

By (Signature and Title)\* /S/ JAMES A. BOWEN

-----  
James A. Bowen, Chief Executive Officer  
(principal executive officer)

Date OCTOBER 28, 2004  
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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



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following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* /S/ JAMES A. BOWEN

-----  
James A. Bowen, Chief Executive Officer  
(principal executive officer)

Date OCTOBER 28, 2004

By (Signature and Title)\* /S/ MARK R. BRADLEY

-----  
Mark R. Bradley, Chief Financial Officer  
(principal financial officer)

Date OCTOBER 28, 2004

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\* Print the name and title of each signing officer under his or her signature.