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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

FIRST TRUST VALUE LINE(R) DIVIDEND FUND

(Exact name of registrant as specified in charter)

1001 Warrenville Road
Suite 300
LISLE, IL 60532

(Address of principal executive offices) (Zip code)

W. Scott Jardine
First Trust Portfolios, LP
1001 Warrenville Road
Suite 300
LISLE, IL 60532

(Name and address of agent for service)

Registrant's telephone number, including area code: 630-241-4141

Date of fiscal year end: MAY 31, 2004

Date of reporting period: AUGUST 31, 2004

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

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NET ASSETS - 100.0%

\$538,768,772
=====

* 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

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

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