

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

FIRST TRUST VALUE LINE DIVIDEND FUND  
Form N-Q  
October 30, 2006

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 L.P.  
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  
-----

Date of reporting period: AUGUST 31, 2006  
-----

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, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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

ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS  
 AUGUST 31, 2006 (UNAUDITED)

SHARES		MARKET VALUE
COMMON STOCKS - 99.1%		
	AIR FREIGHT & LOGISTICS - 0.5%	
41,489	United Parcel Service, Inc., Class B .....	\$ 2,906,304
		-----
	AUTO COMPONENTS - 0.5%	
41,161	Magna International, Inc. ....	2,961,534
		-----
	BEVERAGES - 1.1%	
58,930	Anheuser-Busch Companies, Inc. ....	2,909,963
65,251	Coca-Cola (The) Company .....	2,923,897
		-----
		5,833,860
		-----
	CAPITAL MARKETS - 1.1%	
99,066	Allied Capital Corp. ....	3,030,429
88,727	Federated Investors, Inc., Class B .....	2,970,580
		-----
		6,001,009
		-----
	CHEMICALS - 2.1%	
44,842	Air Products & Chemicals, Inc. ....	2,972,576
74,041	E. I. du Pont de Nemours and Company .....	2,959,419
75,620	International Flavors & Fragrances, Inc. ....	3,007,407
46,626	PPG Industries, Inc. ....	2,954,223
		-----
		11,893,625
		-----
	COMMERCIAL BANKS - 16.3%	
99,814	AmSouth Bancorporation .....	2,859,671
93,043	Associated Banc-Corp .....	2,934,576
49,098	Bank of Montreal .....	2,979,267
66,872	Bank of Nova Scotia .....	2,865,465
68,253	BB&T Corp. ....	2,921,228
38,929	Canadian Imperial Bank of Commerce .....	2,827,803
43,822	City National Corp. ....	2,883,488
51,498	Comerica, Inc. ....	2,948,260
58,817	Commerce Bancshares, Inc. ....	2,947,908
50,708	Compass Bancshares, Inc. ....	2,941,064
49,813	Cullen/Frost Bankers, Inc. ....	2,936,974
73,628	Fifth Third Bancorp .....	2,896,525
72,653	First Horizon National Corp. ....	2,773,892
79,638	First Midwest Bancorp, Inc. ....	2,974,479
121,656	Huntington Bancshares, Inc. ....	2,910,012
23,704	M&T Bank Corp. ....	2,902,792
62,623	Marshall & Ilsley Corp. ....	2,920,110
79,464	Mercantile Bankshares Corp. ....	2,934,606
52,465	National Bank of Canada .....	2,847,530

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

83,503	National City Corp. ....	2,887,534
155,320	Old National Bancorp .....	2,906,037
41,836	PNC Financial Services Group, Inc. ....	2,961,570
155,819	Popular, Inc. ....	2,968,352
79,139	Regions Financial Corp. ....	2,848,213
64,256	Royal Bank of Canada .....	2,854,252
37,874	SunTrust Banks, Inc. ....	2,893,574
100,643	Synovus Financial Corp. ....	2,926,698
50,435	Toronto-Dominion Bank .....	2,917,665

See Notes to Quarterly Portfolio of Investments.

Page 1

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2006 (UNAUDITED)

SHARES		MARKET VALUE
-----		
COMMON STOCKS - CONTINUED		
COMMERCIAL BANKS - (CONTINUED)		
51,755	Wachovia Corp. ....	\$ 2,827,376
83,503	Wells Fargo & Company .....	2,901,729
67,274	Wilmington Trust Corp. ....	2,963,420
		-----
		90,062,070
		-----
COMMERCIAL SERVICES & SUPPLIES - 1.6%		
48,533	Avery Dennison Corp. ....	3,006,134
68,786	Pitney Bowes, Inc. ....	2,998,382
89,026	R.R. Donnelley & Sons Company .....	2,886,223
		-----
		8,890,739
		-----
COMPUTERS & PERIPHERALS - 0.5%		
70,813	Diebold, Inc. ....	2,967,773
		-----
CONSTRUCTION MATERIALS - 0.5%		
38,349	Vulcan Materials Company .....	3,014,615
		-----
CONSUMER FINANCE - 0.6%		
63,305	SLM Corp. ....	3,072,192
		-----
CONTAINERS & PACKAGING - 1.1%		
91,867	Bemis Company .....	2,967,304
89,135	Sonoco Products Company .....	2,984,240
		-----
		5,951,544
		-----
DISTRIBUTORS - 0.5%		
70,951	Genuine Parts Company .....	2,932,405
		-----
DIVERSIFIED FINANCIAL SERVICES - 0.5%		
55,851	Bank of America Corp. ....	2,874,651
		-----
DIVERSIFIED TELECOMMUNICATION SERVICES - 2.2%		
94,833	AT&T, Inc. ....	2,952,151
72,599	BellSouth Corp. ....	2,956,231
140,667	Telecom Corp. of New Zealand Ltd.,	

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

	Sponsored ADR .....	3,104,521
83,696	Verizon Communications, Inc. ....	2,944,425
		-----
		11,957,328
		-----
	ELECTRIC UTILITIES - 6.4%	
63,568	ALLETE, Inc. ....	2,920,314
37,717	Entergy Corp. ....	2,928,725
48,195	Exelon Corp. ....	2,938,931
51,589	FirstEnergy Corp. ....	2,943,668
65,976	FPL Group, Inc. ....	2,932,633
97,276	Great Plains Energy, Inc. ....	2,968,863
108,169	Hawaiian Electric Industries, Inc. ....	2,965,994
64,114	Pinnacle West Capital Corp. ....	2,945,397
84,523	PPL Corp. ....	2,955,769
66,383	Progress Energy, Inc. ....	2,942,758
86,768	Southern (The) Company ....	2,973,539
121,099	Westar Energy, Inc. ....	2,953,605
		-----
		35,370,196
		-----

Page 2

See Notes to Quarterly Portfolio of Investments.

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2006 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
	COMMON STOCKS - CONTINUED	
	ELECTRICAL EQUIPMENT - 1.1%	
36,200	Emerson Electric Company .....	\$ 2,973,830
63,819	Hubbell, Inc., Class B .....	2,967,583
		-----
		5,941,413
		-----
	FOOD & STAPLES RETAILING - 1.1%	
95,081	Sysco Corp. ....	2,984,593
74,649	Weis Markets, Inc. ....	2,949,382
		-----
		5,933,975
		-----
	FOOD PRODUCTS - 8.0%	
68,965	Cadbury Schweppes PLC, Sponsored ADR .....	2,949,633
78,056	Campbell Soup Company .....	2,932,564
122,735	ConAgra Foods, Inc. ....	2,921,093
53,874	General Mills, Inc. ....	2,921,587
70,590	H.J. Heinz Company .....	2,953,486
54,044	Hershey (The) Company .....	2,916,214
61,174	J.M. Smucker (The) Company .....	2,974,892
58,526	Kellogg Company .....	2,967,268
87,975	Kraft Foods, Inc., Class A .....	2,983,232
65,887	Lancaster Colony Corp. ....	2,908,252
81,399	McCormick & Company, Inc. ....	2,964,552
176,217	Sara Lee Corp. ....	2,930,489
124,522	Unilever NV .....	2,968,604
122,838	Unilever PLC, Sponsored ADR .....	2,957,939

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

63,003	Wm. Wrigley Jr. Company .....	2,924,599
		-----
		44,174,404
		-----
	GAS UTILITIES - 5.4%	
81,582	AGL Resources, Inc. ....	2,968,769
103,142	Atmos Energy Corp. ....	2,970,490
82,485	Equitable Resources, Inc. ....	3,040,397
77,288	National Fuel Gas Company .....	2,950,083
61,020	New Jersey Resources Corp. ....	3,030,253
77,536	Northwest Natural Gas Company .....	2,965,752
70,045	Peoples Energy Corp. ....	2,968,507
114,743	Piedmont Natural Gas Company, Inc. ....	2,991,350
121,149	UGI Corp. ....	3,004,495
96,630	WGL Holdings, Inc. ....	3,002,294
		-----
		29,892,390
		-----
	HEALTH CARE EQUIPMENT & SUPPLIES - 1.1%	
93,763	Arrow International Inc. ....	3,029,483
51,977	Hillenbrand Industries, Inc. ....	2,966,327
		-----
		5,995,810
		-----
	HOUSEHOLD DURABLES - 1.6%	
40,745	Fortune Brands, Inc. ....	2,958,087
127,582	Leggett & Platt, Inc. ....	2,940,765
68,965	Snap-On, Inc. ....	3,013,770
		-----
		8,912,622
		-----

See Notes to Quarterly Portfolio of Investments.

Page 3

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2006 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - CONTINUED		
	HOUSEHOLD PRODUCTS - 2.1%	
48,531	Clorox (The) Company .....	\$ 2,902,639
49,575	Colgate-Palmolive Company .....	2,967,559
46,912	Kimberly-Clark Corp. ....	2,978,912
47,697	Proctor & Gamble (The)Company .....	2,952,444
		-----
		11,801,554
		-----
	INDEPENDENT POWER PRODUCERS & ENERGY TRADERS - 0.5%	
49,331	Constellation Energy Group, Inc. ....	2,964,300
		-----
	INDUSTRIAL CONGLOMERATES - 1.6%	
41,656	3M Company .....	2,986,735
86,049	General Electric Company .....	2,930,829
52,220	Teleflex, Inc. ....	2,914,398

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

		-----
		8,831,962
		-----
	INSURANCE - 5.3%	
51,416	Allstate (The) Corp. ....	2,979,043
108,898	Arthur J. Gallagher & Company ....	2,918,466
59,643	Chubb (The) Corp. ....	2,991,693
63,360	Cincinnati Financial Corp. ....	2,956,378
48,801	Lincoln National Corp. ....	2,962,221
89,409	Manulife Financial Corp. ....	2,919,204
48,075	MBIA Inc. ....	2,962,862
58,621	Mercury General Corp. ....	2,946,878
139,452	Old Republic International Corp. ....	2,914,547
64,892	Protective Life Corp. ....	2,986,979
		-----
		29,538,271
		-----
	LEISURE EQUIPMENT & PRODUCTS - 0.6%	
80,453	Polaris Industries, Inc. ....	3,065,259
		-----
	MACHINERY - 2.2%	
39,366	Deere & Company ....	3,074,485
44,391	Eaton Corp. ....	2,952,001
66,876	Illinois Tool Works, Inc. ....	2,935,856
77,973	Ingersoll-Rand Company Ltd., Class A ....	2,964,533
		-----
		11,926,875
		-----
	MEDIA - 1.6%	
52,875	Gannett Co., Inc. ....	3,005,944
131,387	New York Times (The) Company ....	2,958,835
92,158	Tribune Company ....	2,876,251
		-----
		8,841,030
		-----
	MULTI-UTILITIES - 9.1%	
55,541	Ameren Corp. ....	2,974,221
63,945	Consolidated Edison, Inc. ....	2,954,259
35,909	Dominion Resources, Inc. ....	2,868,770
98,830	Duke Energy Corp. ....	2,964,900

Page 4

See Notes to Quarterly Portfolio of Investments.

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2006 (UNAUDITED)

SHARES		MARKET VALUE
-----		-----
COMMON STOCKS - CONTINUED		
MULTI-UTILITIES - (CONTINUED)		
122,167	Energy East Corp. ....	\$ 2,962,550
71,404	KeySpan Corp. ....	2,927,564
117,336	MDU Resources Group, Inc. ....	2,874,732
90,130	NSTAR ....	2,967,981
79,901	OGE Energy Corp. ....	2,975,513
70,164	PG & E Corp. ....	2,941,977

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

102,308	PNM Resources Inc. ....	2,933,170
72,166	SCANA Corp. ....	2,984,064
60,099	Sempra Energy ....	2,988,122
107,569	Vectren Corp. ....	2,964,602
69,443	Wisconsin Energy Corp. ....	2,986,049
57,135	WPS Resources Corp. ....	2,935,596
142,111	Xcel Energy, Inc. ....	2,955,909
		-----
		50,159,979
		-----
	OIL, GAS & CONSUMABLE FUELS - 3.1%	
42,652	BP PLC, Sponsored ADR ....	2,902,469
43,546	Chevron Corp. ....	2,804,362
43,677	ConocoPhillips ....	2,770,432
41,201	Royal Dutch Shell PLC, Class A, ADR ....	2,840,397
42,274	Total SA, Sponsored ADR ....	2,850,536
91,693	TransCanada Corp. ....	2,981,856
		-----
		17,150,052
		-----
	PERSONAL PRODUCTS - 0.5%	
104,140	Avon Products, Inc. ....	2,989,859
		-----
	PHARMACEUTICALS - 4.3%	
59,557	Abbott Laboratories ....	2,900,426
133,621	Bristol-Myers Squibb Company ....	2,906,257
53,165	GlaxoSmithKline PLC, ADR ....	3,018,709
44,851	Johnson & Johnson ....	2,900,066
53,048	Lilly (Eli) & Company ....	2,966,975
106,544	Pfizer, Inc. ....	2,936,353
65,723	Sanofi-Aventis, ADR ....	2,954,249
60,777	Wyeth ....	2,959,840
		-----
		23,542,875
		-----
	REAL ESTATE INVESTMENT TRUSTS (REITS) - 10.7%	
54,870	Archstone-Smith Trust ....	2,917,987
24,397	AvalonBay Communities, Inc. ....	2,952,037
49,745	BRE Properties, Inc., Class A ....	2,939,432
78,668	Duke Realty Corp. ....	2,987,811
78,775	Equity Office Properties Trust ....	2,921,765
59,326	Equity Residential ....	2,958,588
40,094	Federal Realty Investment Trust ....	2,969,763
101,416	Health Care Property Investors, Inc. ....	3,051,607
71,633	Kimco Realty Corp. ....	2,976,351
61,471	Liberty Property Trust ....	2,942,617

See Notes to Quarterly Portfolio of Investments.

Page 5

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
 PORTFOLIO OF INVESTMENTS - (CONTINUED)  
 AUGUST 31, 2006 (UNAUDITED)

SHARES	MARKET VALUE
-----	-----
COMMON STOCKS - CONTINUED	

REAL ESTATE INVESTMENT TRUSTS (REITS) - (CONTINUED)

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

56,557	Mack-Cali Realty Corp. ....	\$ 3,006,005
108,735	New Plan Excel Realty Trust .....	2,999,999
68,982	Pennsylvania Real Estate Investment Trust ...	2,919,318
83,986	Plum Creek Timber Company, Inc. ....	2,925,232
52,712	Prologis .....	2,976,120
34,075	Public Storage, Inc. ....	2,952,599
33,778	Simon Property Group, Inc. ....	2,864,037
97,997	United Dominion Realty Trust, Inc. ....	2,989,888
74,230	Washington Real Estate Investment Trust .....	3,015,223
69,978	Weingarten Realty Investors .....	2,968,467
		-----
		59,234,846
		-----
	SPECIALTY RETAIL - 0.6%	
58,965	Sherwin-Williams (The) Company .....	3,044,953
		-----
	TEXTILES, APPAREL & LUXURY GOODS - 0.5%	
43,088	VF Corp. ....	3,011,420
		-----
	THRIFTS & MORTGAGE FINANCE - 2.6%	
97,570	Astoria Financial Corp. ....	2,995,399
85,517	Capitol Federal Financial .....	2,902,447
45,738	Freddie Mac .....	2,908,937
132,464	Washington Federal, Inc. ....	2,943,350
67,321	Washington Mutual, Inc. ....	2,820,077
		-----
		14,570,210
		-----
	TOTAL COMMON STOCKS .....	548,213,904
		-----
	(Cost \$482,662,821)	
	TOTAL INVESTMENTS - 99.1% .....	548,213,904
	(Cost \$482,662,821)*	
	NET OTHER ASSETS & LIABILITIES - 0.9% .....	5,160,856
		-----
	NET ASSETS - 100.0% .....	\$ 553,374,760
		=====

\* Aggregate cost for federal income tax and financial reporting purposes.

ADR American Depository Receipt

Page 6 See Notes to Quarterly Portfolio of Investments.

NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS (UNAUDITED)

FIRST TRUST VALUE LINE(R) DIVIDEND FUND  
AUGUST 31, 2006

1. VALUATION AND INVESTMENT PRACTICES

A. PORTFOLIO VALUATION:

The First Trust Value Line(R) Dividend Fund (the "Fund") determines the net asset value ("NAV") of its shares daily, as of the close of regular session



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

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 according to procedures adopted by 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 as 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 traded on the NASDAQ are valued at the NASDAQ Official Closing Price as determined by NASDAQ. Portfolio securities traded on more than one securities exchange are valued at the last sale price on the business day as of which such value is being determined at the close of the exchange representing the principal market for such securities. Portfolio securities traded in the over-the-counter market, but excluding securities traded on the NASDAQ, are valued at the closing bid prices. Short-term investments that mature in less than 60 days 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 always be reflected in such securities' value. 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 adopted by the Fund's Board of Trustees. All securities and other assets of the Fund denominated in foreign currencies will be converted to U.S. dollars using exchange rates in effect at the time of valuation.

### B. 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.

#### 2. UNREALIZED APPRECIATION/(DEPRECIATION)

As of August 31, 2006, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$72,886,063, and the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$7,334,980.

Page 7

### 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)).

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

(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 have materially affected, or are 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, Chairman of the Board, President and  
Chief Executive Officer  
(principal executive officer)

Date OCTOBER 24, 2006  
-----

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

-----  
James A. Bowen, Chairman of the Board, President and  
Chief Executive Officer  
(principal executive officer)

Date OCTOBER 24, 2006  
-----

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

-----  
Mark R. Bradley, Treasurer, Controller, Chief  
Financial Officer and Chief Accounting Officer  
(principal financial officer)

Date OCTOBER 24, 2006  
-----

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

