

June 30, 2011

**Volumetric Fund, Inc.**  
**A No-Load Mutual Fund**

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**Second Quarter**  
**Report 2011**

2

**Volumetric Fund, Inc.**



To our shareholders:

Volumetric Fund's net asset value per share (NAV) advanced 8.2% in the first half of 2011. We again outperformed the market which closed up 5.0%, as measured by the Standard & Poor's 500 Index. In the volatile second quarter, stocks ended up flat and essentially unchanged, as indicated in the table below. Volumetric Fund was down 0.1% in the second quarter, as compared to the Standard & Poor's 500 Index which dropped 0.4% in the same period. Overall, our NAV closed out the second quarter at \$18.82. This was up \$1.43 from \$17.39 since the beginning of the year, but down \$0.02 from \$18.84, as of March 31.

	Second Quarter	First Half	Since 9/1/00*
Volumetric Fund	- 0.1%	+ 8.2%	+ 53.6%
S&P 500 Index	- 0.4	+ 5.0	- 13.2
Dow Jones Ind.	+ 0.8	+ 7.2	+ 10.5
NYSE Comp. Index	- 1.0	+ 4.5	+ 16.2
NASDAQ	- 0.3	+ 4.6	- 34.5

\*Introduction of Volume & Range System

The Volumetric Index, which indicates the value of a hypothetical investment of \$10,000 in the Fund on January 1, 1979, with all distributions reinvested, stood at \$206,290 as of June 30, 2011. This is equivalent to a 9.8% compounded growth rate since the beginning of 1979.

#### PORTFOLIO REVIEW

Currently, we have 60 securities in our portfolio. We have 56 gainers and only 4 losers. Our average stock is up 37.4%. At the end of the second quarter, our best performing stock was Timberland, the shoe and boots maker, which more than doubled with a 159% gain. It will be taken over by VF Corporation. Our worst security was AK Steel, down 7%. During the second quarter we purchased 13 securities and sold 24, as indicated below. Our cash position was increased from 14% to 30%.

**Purchases:** Actuant Corp., AK Steel Holding, Best Buy, Constellation Energy, Ely Lilly, Equifax, Fedex, Home Depot, Merck & Co., Republic Corp., Ryland Group, Tyson Foods and Whirlpool.

**Sales:** Alcoa, Arkansas Best, Arrow Electronics, Children's Place, Citrix Systems, Costco, Deere, Disney, Fluor Corporation, General Mills, Harmony Gold, Hess Oil, Hewlett-Packard, Hospira, Jeffreys Group, Leucadia National, Murphy Oil, Parker Hannifin, Reliance Steel, Rockwell Automation, SPX Corp., Teleflex, Thomas & Betts and Ultra Petroleum.

Among the stocks we sold during the second quarter, the five best gainers were: computer software company Citrix Systems, which more than tripled, with a 219% gain. The next best four gainers were: Deere & Co. with a 73% net realized gain, Costco with a 67% net realized gain, Leucadia National with a 50% net realized gain and Arrow Electronics with a 48% net realized gain.

For the six months ended June 30, 2011, purchases and sales of securities were \$7.5 million and \$11.3 million, respectively. Currently, the following ten securities had the greatest unrealized appreciation in our portfolio, as of June 30, 2011.

	% Gain	% of Total Net Assets
1. Timberland	159.0%	2.12%
2. Panera Bread	125.0	1.69
3. Hansen Natural	118.8	1.75
4. Stanley Black & Decker	116.1	1.49
5. Altera	94.2	1.67
6. Cypress Semiconductor	89.6	1.52
7. Mastech	86.3	1.51
8. WW Grainger	85.6	0.76
9. United Technology	80.6	1.31
10. Mack-Cali Realty	69.5	1.11

#### ANNUAL MEETING

Volumetric Fund's annual meeting was held on June 9, 2011. All 9 nominated directors were re-elected for their respective terms. Furthermore, the shareholders approved BBD, LLP, as the Fund's independent registered public accounting firm for year ending December 31, 2011.

#### OUTLOOK

Barring difficulties in approving a higher debt ceiling, we remain optimistic for 2011. As we mentioned in our first quarter report, the stock market is usually strong in the third year of the four year presidential election cycle. A double digit return for Volumetric by the end of 2011 appears achievable. Consequently, we expect to reduce our relatively high cash position to a lower level in July.

Your semi-annual account statement is enclosed with this report. If you have any questions, please do not hesitate to call us. Also, if you wish to add to your investment in Volumetric Fund, please use the "Additional Investment" form on the bottom of your account statement. Thank you for your trust and confidence.

Sincerely,



Gabriel J. Gibbs  
Chairman and CEO



Irene J. Zawitkowski  
President

**VOLUMETRIC FUND, INC.**  
**STATEMENT OF OPERATIONS**  
For Six Months Ended, June 30, 2011  
(Unaudited)

INVESTMENT INCOME	
Dividends	\$ 129,201
Interest	<u>554</u>
TOTAL INVESTMENT INCOME	<u>129,755</u>
EXPENSES	
Management Fee	<u>210,278</u>
INVESTMENT INCOME – NET	<u>(80,523)</u>
REALIZED AND UNREALIZED	
GAIN ON INVESTMENTS	
Net realized gain on investments	1,875,576
Unrealized appreciation of investments	
Beginning of year	\$ 4,075,641
End of period	<u>3,975,383</u>
Decrease in unrealized appreciation	<u>(100,258)</u>
NET GAIN ON INVESTMENTS	<u>1,775,318</u>
NET INCREASE IN NET ASSETS	
RESULTING FROM OPERATIONS	<u>\$1,694,795</u>

**FINANCIAL HIGHLIGHTS**  
(For a share outstanding throughout the period)  
(Six months ended June 30, 2011)  
(Unaudited)

<u>Per share data</u>	
Net asset value, December 31, 2010	\$ 17.39
Income from investment operations:	
Investment income - Net	(0.07)
Net realized and unrealized gain on	
Investments	<u>1.50</u>
Total from investment operations	<u>1.43</u>
Net asset value, June 30, 2011	<u>\$ 18.82</u>
Total return*	<u>8.24%</u>

<u>Ratios and supplemental data:</u>	
Net assets, end of period (in thousands)	\$ 22,264
Ratio of expenses to average net assets**	1.92 %
Ratio of net inv. inc. to average net assets*	(0.37) %
Portfolio turnover rate*	42 %

\* Not Annualized      \*\* Annualized

**VOLUMETRIC FUND, INC.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
For Six Months Ended, June 30, 2011  
(Unaudited)

CHANGES RESULTING FROM OPERATIONS	
Investment income - Net	\$ (80,523)
Net realized gain on investments	1,875,576
Decrease in unrealized appreciation	<u>(100,258)</u>
NET INCREASE IN NET ASSETS	
RESULTING FROM OPERATIONS	<u>1,694,795</u>
CAPITAL SHARE TRANSACTIONS	
Shares purchased	525,662
Shares redeemed	<u>(288,623)</u>
NET INCREASE FROM CAPITAL	
SHARE TRANSACTIONS	<u>237,039</u>
NET INCREASE IN NET ASSETS	1,931,834
NET ASSETS	
Beginning of year	<u>20,331,892</u>
End of period	<u>\$22,263,726</u>

**VOLUMETRIC FUND, INC.**  
**STATEMENT OF NET ASSETS**  
**June 30, 2011**  
**(Unaudited)**

**Equities: 69.3%**

<b>SHARES</b>	<b>COMPANY</b>	<b>VALUE</b>	<b>SHARES</b>	<b>COMPANY</b>	<b>VALUE</b>
<b>Aerospace/Defense: 2.4%</b>			<b>Leisure: 2.2%</b>		
2,600	Goodrich Corp.	\$248,300	11,000	Electronic Arts Co.*	\$259,600
3,300	United Technologies	292,083	13,300	International Game Technology	233,814
		<u>540,383</u>			<u>493,414</u>
<b>Auto/Auto Parts: 1.3%</b>			<b>Machinery: 3.4%</b>		
9,600	Gentex	290,208	7,000	Ball Corporation	269,220
<b>Building/Construction: 1.0%</b>			4,600	Stanley Black & Decker	331,430
13,000	Ryland Group	214,890	2,004	Whirlpool	162,965
		<u>214,890</u>			<u>763,615</u>
<b>Business Services: 2.4%</b>			<b>Materials/Metals: 2.4%</b>		
8,500	Iron Mountain	289,765	15,000	AK Steel*	204,880
5,200	Omnicom Group	250,432	14,000	Worthington Industries	323,400
		<u>540,197</u>			<u>528,280</u>
<b>Chemicals: 5.9%</b>			<b>Medical/Health : 4.0%</b>		
2,700	Air Products & Chemicals	258,066	4,000	Baxter International	238,760
3,200	Ashland, Inc.	206,784	2,000	C.R. Bard	219,720
5,200	DuPont de Nemours	281,060	6,900	Lincare Holdings	201,963
2,900	Eastman Chemical	296,003	8,400	PSS World Medical*	235,284
4,200	International Flavors & Fragrances	269,808			<u>895,727</u>
		<u>1,311,721</u>	<b>Misc./Diversified: 4.2%</b>		
<b>Communications: 1.7%</b>			8,400	Actuant	225,372
2,700	L-3 Communication	236,115	17,000	Mastech*	335,240
3,214	Motorola Solutions	147,973	3,800	Republic Corp.	117,230
		<u>384,088</u>	7,794	Waste Connections Inc.	247,304
<b>Computers/Hardware: 1.1%</b>					<u>925,146</u>
15,500	Seagate Technology PLC*	250,480	<b>Oil/Energy: 2.6%</b>		
<b>Computers/Software: 2.1%</b>			4,600	Helmerich & Payne	304,152
4,200	Ansys, Inc.*	229,614	6,600	Sunoco	275,286
2,300	Equinix*	232,346			<u>579,438</u>
		<u>461,960</u>	<b>Real Estate: 1.1%</b>		
<b>Consumer Products: 2.1%</b>			7,500	Mack-Cali Realty	247,050
11,000	Timberland Co., Class A*	472,670	<b>Restaurants: 1.7%</b>		
<b>Drugs: 2.9%</b>			3,000	Panera Bread, Class A*	376,980
6,100	Ely Lilly	228,933	<b>Retail: 3.2%</b>		
5,098	Merck	179,908	7,000	Best Buy	219,870
11,500	Pfizer	236,900	6,200	Home Depot	224,564
		<u>645,741</u>	5,900	Ruddick	256,886
<b>Electrical/Semiconductor: 5.2%</b>					<u>701,320</u>
8,000	Altera	370,800	<b>Transportation/Shipping: 3.3%</b>		
16,000	Cypress Semiconductor*	338,240	2,400	Fedex	227,640
18,000	NVIDIA*	286,830	5,500	JB Hunt Transportation Services	258,995
1,100	W.W. Grainger, Inc.	169,015	3,400	Norfolk Southern	254,762
		<u>1,164,885</u>			<u>741,397</u>
<b>Financial Services: 1.0%</b>			<b>Utilities: 2.2%</b>		
6,200	Equifax*	215,264	7,000	Constellation Energy	265,720
<b>Foods/Beverage: 3.7%</b>			5,500	Edison International	217,000
3,400	Coca Cola	228,786			<u>482,720</u>
4,800	Hansen Natural Corp.*	388,560	<b>TOTAL EQUITIES:</b>		
10,700	Tyson Foods	207,794		(COST: \$11,448,107)	15,429,690
		<u>825,140</u>	<b>CASH EQUIVALENTS &amp; RECEIVABLES: 30.7%</b>		
<b>Forest Products: 1.1%</b>			Cash		23,222
8,500	Packaging Corporation of America	237,915	JP Morgan Interest Bearing Deposit Acct.		7,251,406
<b>Indexes: 3.4%</b>			Dividends and interest receivable		24,748
3,700	Dow-Jones Industrial Trust ETF	458,171	<b>TOTAL CASH EQUIVALENTS/ RECEIVABLES</b>		<u>7,299,376</u>
2,200	SPDR S&P 500 Trust ETF	290,334	<b>TOTAL ASSETS</b>		22,729,066
		<u>748,505</u>	Less liabilities: Payable to broker		(465,340)
<b>Insurance: 0.9%</b>			<b>NET ASSETS: 100.0%</b>		<u>\$ 22,263,726</u>
12,200	Fidelity National Financial, Class A	192,028	<b>VOLUMETRIC SHARES OUTSTANDING</b>		1,182,828
<b>Internet: 0.9%</b>			<b>NET ASSET VALUE PER SHARE</b>		<u>\$18.82</u>
13,200	Yahoo Inc.*	198,528			

\* Non-income producing security

**Volumetric Fund, Inc.**

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**Investment Adviser and  
Transfer Agent**

Volumetric Advisers, Inc.  
Pearl River, New York

**Custodian**

J.P. Morgan Chase  
New York, New York

**Independent Registered Public  
Accounting Firm**

BBD, LLP  
Philadelphia, Pennsylvania

**Board of Directors**

William P. Behrens  
Gabriel J. Gibs, Chairman  
Josef Haupl  
Raymond T. Mundy  
Stephen Samitt  
Allan A. Samuels  
David L. Seidenberg  
Raymond W. Sheridan  
Irene J. Zawitkowski

**Officers**

Gabriel J. Gibs  
*Chief Executive Officer, Portfolio Co-Manager*  
Irene J. Zawitkowski  
*President, Portfolio Co-Manager*  
Jeffrey M. Gibs  
*Vice President, Chief Compliance Officer*