

December 31, 2018

Volumetric Fund, Inc.
A No-Load Mutual Fund

Annual Report

2018





To Our Shareholders:

Volumetric Fund's ("Fund") net asset value ("NAV") closed the year at \$18.42 per share, as adjusted for the distribution. The NAV has declined 10.26% during 2018. In line with Volumetric Fund's investment objective, "capital growth and secondarily downside protection", there are continuous allocation changes to the portfolio between stocks and cash (money market investments). The Fund utilizes its proprietary "Internal Asset Allocation" formula to raise cash during negative market conditions and conversely reduce cash during positive market conditions. Therefore, the Fund uses two benchmarks to compare performance. These benchmarks are the Standard & Poor's 500 Index, for the stock portion of the portfolio, and the Citi Group 3-Month Treasury-Bill Index for the money market portion of the portfolio. A combination of these benchmarks should be considered when making a comparison. For the year 2018, the Standard & Poor's 500 Index declined 4.38% and the Citi Group 3-Month Treasury-Bill Index gained 1.86%.

The Volumetric Index which indicates the value of a \$10,000 hypothetical investment in the Fund on January 1, 1979, stood at \$306,865 on December 31, 2018. Our compounded annual return, during our 40 years of history, has been 8.94%.

The Fund typically invests in a broadly diversified portfolio of large and mid-cap stocks; although the portfolio may also contain small cap stocks. The Fund's securities are generally a blend of value and growth stocks.

As indicated on your December 31, 2018 account statement, it was noted that the Fund declared a long-term capital gain distribution of \$0.44 per share, to shareholders of record of December 27, 2018. The Fund went ex-dividend on December 28, 2018, and on that day the Fund's opening NAV was reduced from \$18.76 by the \$0.44 distribution to \$18.32. Your capital gain distribution was reinvested into additional shares, except for cash dividend shareholders.

FOURTH QUARTER PORTFOLIO CHANGES

At year end, December 31, 2018, the Fund held a cash and cash equivalent position (Fidelity Investments Money Market Government Portfolio) of 33.7%. Currently, we have 50 securities in our portfolio with 31 gainers and 19 losers. Our average stock in the portfolio has an unrealized gain of 25.1%. Three of our stocks have more than doubled. Our best performing percentage gaining stock was HP Inc., a computer systems company with a 184.5% unrealized gain at year end. Our worst performing stock was Raytheon Co. with a 21.8% unrealized loss, at year end. Our ten leading stocks are shown in the "Top Stocks and Industry Holdings" section.

The following 15 stocks were added to the Fund's portfolio during the fourth quarter: Amphenol Corp., Avery Dennison Corp., Blackrock Inc., Bristol-Meyers Squibb Co., C.H. Robinson Worldwide, Darden Restaurants Inc., Delta Air Lines Inc., Eastman Chemical Co., Estee Lauder Companies Inc., Intel Corp., Lennar Corp., Nike Inc. Cl B, Owens Corning, Quanta Services Inc., and Stryker Corp.

On the sell side, utilizing the guidelines of our "Volume and Range" system, we sold the following 37 stocks from our portfolio: Activision Blizzard Inc., Allstate Corporation, Amphenol Corp., C.H. Robinson Worldwide, Caterpillar Inc., Cerner Corp., Citigroup Inc., Conagra Brands Inc., Constellation Brands Inc., D.R. Horton Inc., Delta Air Lines Inc., DowDuPont Inc., Eastman Chemical Co., Electronic Arts Inc., EOG Resources Inc., Fluor Corp., ITT Inc., Kansas City Southern, Laboratory Corp of America Holdings, Linde Plc., LKQ Corp., M&T Bank Corp., Microchip Technology Inc., Monster Beverage Corp., Nucor Corp., Paccar Inc., Packaging Corp of America, Praxair Inc., Quest Diagnostics Inc., Rockwell Collins Inc., Snap-On Inc., Stryker Corp., Texas Instruments Inc., The Hartford Financial Services Group, United Technologies Corp., and Unum Group.

TOP STOCKS AND INDUSTRY HOLDINGS (Unaudited)

As of December 31, 2018, our ten greatest unrealized stock percentage gainers and our 10 largest industry holdings are listed below. See "Statement of Net Assets" on page 5 for details.

Company	Unrealized Gain (%)	% of Fund's Net Assets
HP Inc	184.5%	0.9%
Cintas Corp	136.0%	2.1%
Autodesk Inc	114.5%	2.1%
Atmos Energy Corp	82.4%	0.7%
FMC Corp	78.3%	1.7%
Microsoft Corp	76.8%	1.7%
Waste Connections Inc	69.6%	2.4%
Expeditors Int'l of Washington Inc	57.5%	1.4%
Visa Inc Class A	57.3%	1.7%
Amazon.com Inc	56.7%	1.7%
Total:		16.4%

Industry	% of Fund's Net Assets
Services	5.8%
Chemicals	5.8%
Healthcare	5.5%
Computer Software	5.4%
Construction	4.4%
Computers and Semiconductors	3.8%
Financials	3.3%
Retail	3.2%
Electronic Services	3.1%
Industrial Conglomerates	2.6%
Total:	42.9%

OTHER NEWS

As mentioned in our Semi-Annual Report, at the Fund's Annual Meeting on June 7, 2018, shareholders elected all nine nominated directors for their respective terms. The Fund's shareholders of record, as of the close of business on April 20, 2018, voted 961,743.799 shares in favor and 12,293.277 shares against or abstentions to approve this proposal. Furthermore, they approved BBD, LLP, as the Fund's independent registered public accounting firm for calendar year 2018. The Fund's shareholders of record, as of the close of business on April 20, 2018, voted 970,871.813 shares in favor and 3,165.263 shares against or abstentions to approve this proposal.

The Board of Directors, at their November 29, 2018 meeting, approved the renewal of the Investment Advisory contract between Volumetric Fund, Inc. and Volumetric Advisers, Inc. The Directors discussed various factors that formed the basis for their renewal of the contract: 1) Volumetric Advisers, Inc. uses a proven, proprietary technique for managing the Fund's portfolio; 2) the Fund's performance was discussed indicating the quality of service being provided 3) the Fund's expense ratio was noted to be in line with other no-load mutual funds of similar size and as indicated in the Prospectus, the management fee decreases on a sliding scale as the Fund's assets grow.

UPDATE

The stock market has opened the year with a very strong performance. In fact, January 2019 was the best January in more than 30 years. And as the old Wall Street saying goes, "as goes January, so goes the year", could be very positive for stocks in 2019. This is also known as the "January Barometer", which statistically shows the direction of the market for the year. More times than not, if January is up, the year will be up as well. This metric is according to the "Stock Trader's Almanac", going back to 1950. The year 2019 has also started out well for Volumetric Fund. The Fund's NAV has advanced 8.2% from its opening price of \$18.42 to \$19.93, as of February 13th. Consequently, utilizing the "Volume and Range" system, we have aggressively reduced our cash and money market investments position from 33.7% to 14.9%. Our current proprietary indicator is slightly positive and therefore we will continue to increase our equities position.

We thank you for your continued trust and confidence. If you are interested in obtaining our prospectus and general information about the Fund please visit our website, www.volumetric.com. Also, do not hesitate to call us if you have any questions.

February 14, 2019

Sincerely,



Gabriel J. Gibbs
Chair Emeritus



Irene J. Zawitkowski
Chair and CEO

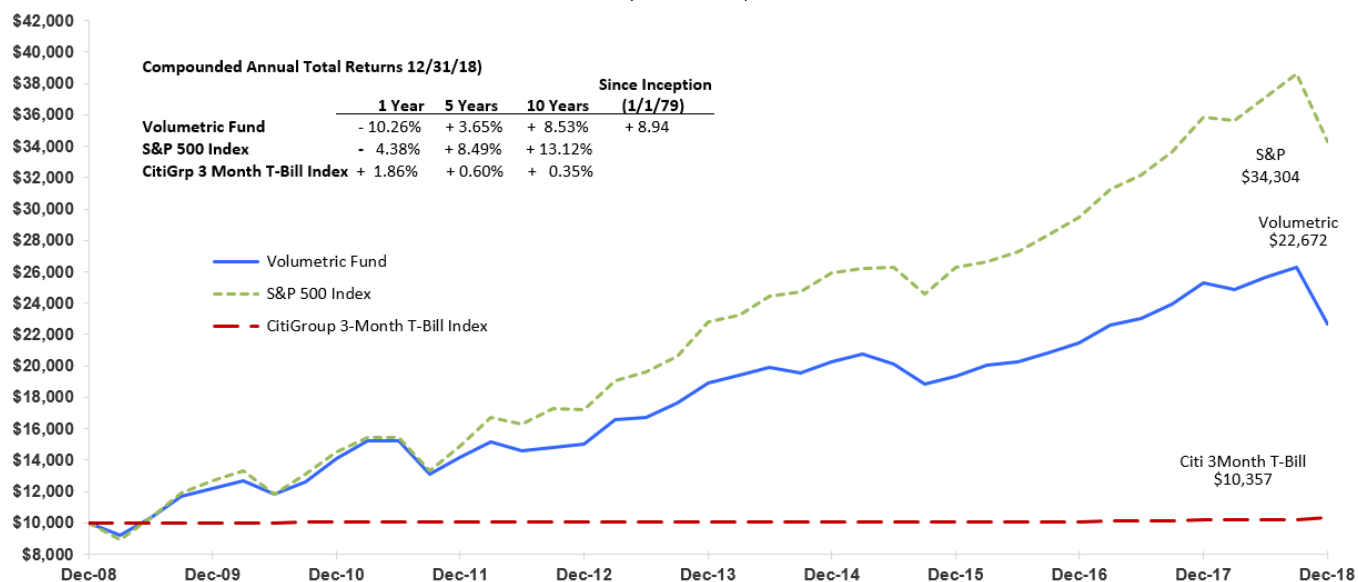


Jeffrey Gibbs
President

Hypothetical Growth of a \$10,000 Investment*

(From December 31, 2008 to December 31, 2018)

(Unaudited)

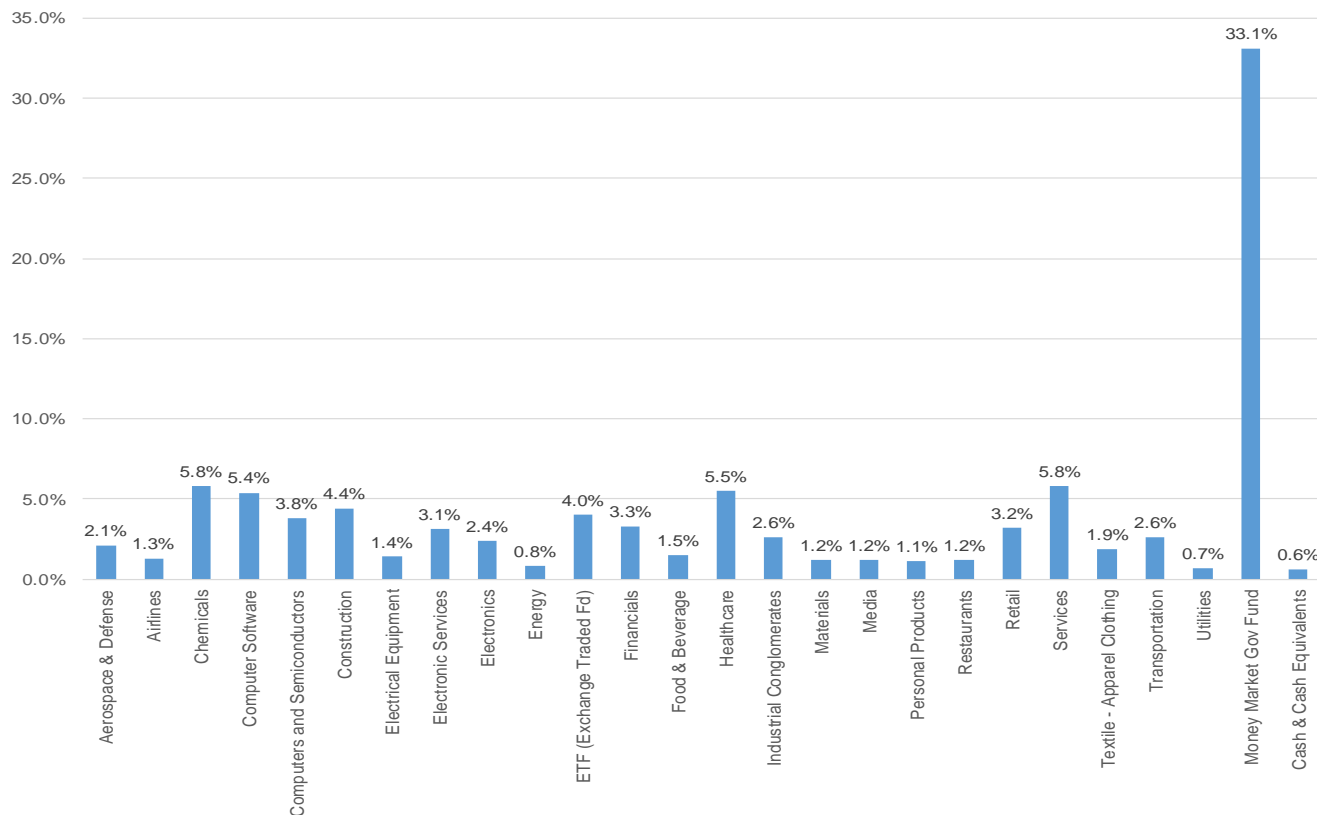


*The chart represents the historical 10 year performance of a hypothetical investment of \$10,000 in Volumetric Fund, S&P 500 Index and CitiGroup 3 Month T-Bill Index. The performance shown above does not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares. All distributions and dividends are assumed to be reinvested. The Standard & Poor's 500 Index ("S&P 500"), includes 500 leading companies in the U.S. economy. The CitiGroup 3 Month T-Bill Index reflects an average of the last three-month treasury bill issues. Both indexes are unmanaged and their performance does not reflect the deduction of expenses associated with a mutual fund, such as investment management and fund accounting fees. The Fund's performance reflects the deduction of fees for these services. Past performance is not predictive of future performance.

Industry Group Weight Percentage

(As a Percentage of Net Assets)

(Unaudited)



FINANCIAL HIGHLIGHTS
(for a share outstanding throughout each year)

Years ended December 31	2018	2017	2016	2015	2014
Net asset value, beginning of year	\$21.02	\$19.28	\$18.90	\$21.81	\$21.82
Income (loss) from investment operations					
Net investment loss	(0.09)	(0.09)	(0.10)	(0.14)	(0.17)
Net realized and change in unrealized gain (loss) on investments	(2.07)	3.47	2.17	(0.79)	1.59
Total from investment operations	(2.16)	3.38	2.07	(0.93)	1.42
Less distributions from:					
Net realized gains	(0.44)	(1.64)	(1.69)	(1.98)	(1.43)
Total distributions	(0.44)	(1.64)	(1.69)	(1.98)	(1.43)
Net asset value, end of year	\$18.42	\$21.02	\$19.28	\$18.90	\$21.81
Total return	(10.26%)	17.50%	11.29%	(4.69%)	6.96%
Ratios and Supplemental Data:					
Net assets, end of year (in thousands)	\$30,903	\$35,465	\$29,638	\$26,691	\$28,516
Ratio of expenses to average net assets	1.90%	1.91%	1.93%	1.92%	1.93%
Ratio of net investment loss to average net assets	(0.43%)	(0.46%)	(0.57%)	(0.70%)	(0.82%)
Portfolio turnover rate	71%	92%	87%	82%	96%

VOLUMETRIC FUND, INC.
STATEMENT OF OPERATIONS
For the year ended December 31, 2018

INVESTMENT INCOME	
Dividends (net of foreign withholding tax of \$861)	\$ 415,173
Interest.....	101,688
TOTAL INVESTMENT INCOME.....	516,861
EXPENSES	
Management fee (Note 2).....	669,644
NET INVESTMENT LOSS	(152,783)
REALIZED AND UNREALIZED GAIN / (LOSS) ON INVESTMENTS	
Net realized gain on investments.....	720,253
Change in unrealized appreciation on investments	
Beginning of year	\$ 7,786,026
End of year	3,641,623
Decrease in unrealized appreciation.....	(4,144,403)
NET LOSS ON INVESTMENTS.....	(3,424,150)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS.....	\$ (3,576,933)

See notes to financial statements

Equities: 66.3%					
SHARES	COMPANY	VALUE	SHARES	COMPANY	VALUE
Aerospace & Defense -- 2.1%			Healthcare -- 5.5%		
2,000	L3 Technologies Inc	\$ 347,320	6,700	Bristol-Meyers Squibb Co	\$ 348,266
2,000	Raytheon Co	306,700	6,500	Merck & Co	496,665
		654,020	1,000	Regeneron Pharmaceuticals Inc*	373,500
Airlines -- 1.3%			2,000	UnitedHealth Group Inc	498,240
6,400	Alaska Air Group Inc	389,440			1,716,671
		389,440	Industrial Conglomerates -- 2.6%		
Chemicals -- 5.8%			2,700	Honeywell International Inc	356,724
2,400	Air Products & Chemicals	384,120	1,700	Roper Technologies Inc	453,084
7,300	FMC Corp	539,908			809,808
2,900	Int'l Flavors & Fragrances Inc	389,383	Materials -- 1.2%		
16,000	Mosaic Company	467,360	4,000	Avery Dennison Corp	359,320
		1,780,771			359,320
Computer Software -- 5.4%			Media -- 1.2%		
5,000	Autodesk Inc*	643,050	3,500	The Walt Disney Co	383,775
5,200	Microsoft Corp	528,164			383,775
3,700	Salesforce.com Inc*	506,789	Personal Products -- 1.1%		
		1,678,003	2,700	Estee Lauder Companies Inc	351,270
Computers and Semiconductors -- 3.8%					351,270
14,000	HP Inc	286,440	Restaurants -- 1.2%		
7,900	Intel Corp	370,747	3,600	Darden Restaurants Inc	359,496
8,700	NetApp Inc	519,129			359,496
		1,176,316	Retail -- 3.2%		
Construction -- 4.4%			350	Amazon.com Inc*	525,689
6,200	Jacobs Engineering Group	362,452	2,200	Costco Wholesale Corp	448,162
8,600	Lennar Corp	336,690			973,851
7,300	Owens Corning	321,054	Services -- 5.8%		
10,900	Quanta Services Inc	328,090	3,800	Cintas Corp	638,362
450	Resideo Technologies Inc*	9,248	5,900	Republic Services Inc	425,331
		1,357,534	9,900	Waste Connections Inc	735,075
Electrical Equipment -- 1.4%					1,798,768
6,200	Ametek Inc	419,740	Textile - Apparel Clothing -- 1.9%		
		419,740	5,000	Nike Inc. Cl B	370,700
Electronic Services -- 3.1%			2,400	PVH Corp	223,080
3,300	Automatic Data Processing Inc	432,696			593,780
3,900	Visa Inc Class A	514,566	Transportation -- 2.6%		
		947,262	6,200	Expeditors Int'l of Washington Inc	422,158
Electronics -- 2.4%			270	Garrett Motion Inc*	3,332
10,400	Cisco Systems Inc	450,632	12,500	Werner Enterprises Inc	369,250
10,100	Corning Inc	305,121			794,740
		755,753	Utilities -- 0.7%		
Energy -- 0.8%			2,300	Atmos Energy Corp	213,256
3,700	Exxon Mobil Corporation	252,303			213,256
		252,303	TOTAL EQUITIES (Cost: \$16,858,662)		
ETF (Exchange Traded Fund) -- 4.0%			INVESTMENT COMPANY 33.1%		
5,000	SPDR S&P 500 Trust	1,249,600	10,232,229 Shares -- Fidelity Investments Money Market		
		1,249,600	Gov Portfolio - Class I, 2.25%** (Cost: \$10,232,229)		
Financials -- 3.3%			10,232,229		
900	Blackrock Inc	353,538	TOTAL INVESTMENTS (Cost: \$27,090,891): 99.4%		
8,100	Charles Schwab Corp	336,393	CASH EQUIVALENTS/RECEIVABLE: 0.6%		
4,500	Torchmark Corp	335,385	Cash		
		1,025,316	Dividends and Interest Receivable		
Food & Beverage -- 1.5%			TOTAL CASH EQUIVALENTS/ RECEIVABLES		
3,300	McCormick & Co Inc (Non-Vtg)	459,492	TOTAL ASSETS		
		459,492	Less Liabilities:		
			NET ASSETS 100.0%		
			VOLUMETRIC SHARES OUTSTANDING		
			NET ASSET VALUE, OFFERING & REDEMPTION		
			PRICE PER SHARE		
			\$ 30,903,414		
			1,677,732		
			\$18.42		

** Variable Rate Security. The rate presented is as of December 31, 2018.

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VOLUMETRIC FUND, INC.
STATEMENTS OF CHANGES IN NET ASSETS

	For the Years Ended	
	<u>12/31/2018</u>	<u>12/31/2017</u>
CHANGES RESULTING FROM OPERATIONS		
Net investment loss.....	\$ (152,783)	\$ (149,075)
Net realized gain on investments.....	720,253	2,665,496
(Decrease) Increase in unrealized appreciation.....	<u>(4,144,403)</u>	<u>2,779,282</u>
NET (DECREASE) INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....	(3,576,933)	5,295,703
TOTAL DISTRIBUTIONS TO SHAREHOLDERS	(721,521)	(2,572,998) *
CAPITAL SHARE TRANSACTIONS (NOTE 3).....	<u>(262,716)</u>	<u>3,104,294</u>
NET (DECREASE) INCREASE IN NET ASSETS.....	(4,561,170)	5,826,999
NET ASSETS		
Beginning of year	<u>35,464,584</u>	<u>29,637,585</u>
End of year	<u>\$ 30,903,414</u>	<u>\$ 35,464,584</u>

*Amount represents distributions to shareholders from net realized gains. See "Recent Accounting Pronouncements and Reporting Updates" in the Notes to Financial Statements for more information.

See notes to financial statements

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2018

1. Significant Accounting Policies

Volumetric Fund, Inc. (the "Fund") is registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended, as a diversified, open-end investment company. The Fund's investment objective is capital growth. Its secondary objective is downside protection. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The Fund is an investment company that follows the accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946 applicable to investment companies.

- a) Valuation of Securities: Investments in securities traded on a national securities exchange (or reported on the NASDAQ national market) are valued at the closing price on the day of valuation. If a market quote is not available, the Fund will value the security at fair market value as determined in good faith by Volumetric Advisers, Inc., as directed by the Board of Directors.

GAAP establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires certain disclosures about fair value measurements. Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining fair value of investments)

The inputs or methodology used for valuing securities are not necessarily indications of the risk associated with investing in those securities.

As of December 31, 2018, all of the securities held by the Fund were valued using Level 1 inputs. See the Fund's Statement of Net Assets for a listing of securities valued using Level 1 inputs by security type and industry type, as required by GAAP. There were no transfers among Levels 1, 2 and 3 for the year ended December 31, 2018. Transfers are recognized at the end of the reporting periods.

- b) Securities Transactions and Investment Income: Realized gains and losses are determined on the identified cost basis which is the same basis used for federal income tax purposes. Dividend income and distributions to shareholders are recorded on the ex-dividend date and interest income is recognized on the accrual basis.

The Fund recognizes the tax benefits or expenses of uncertain tax positions only when the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has reviewed the Fund’s tax positions taken on Federal and state income tax returns for all open tax years (2015-2017) or expected to be taken during the year ended December 31, 2018 and concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements.

- c) **Federal Income Taxes:** The Fund’s policy is to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all of the Fund’s taxable income to its shareholders. Therefore, no federal income tax provision is required.
- d) **Distributions to Shareholders:** It is the Fund’s policy to distribute all net investment income and all net realized gains, in excess of any available capital loss carryovers, at year end. The Board of Directors declared the following distributions.

Record Date	December 27, 2018	December 27, 2017
Ex-Dividend Date	December 28, 2018	December 28, 2017
Payment Date	December 31, 2018	December 29, 2017
Distribution	\$0.44 per share	\$1.64 per share

The tax character of distributions recorded and paid during the years ended December 31, 2018 and 2017 were as follows:
Long Term Capital Gains: 2018: \$721,521, 2017: \$2,572,998. Ordinary Income: 2018: \$0, 2017: \$0.

- e) **Use of Estimates:** The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reported period. Actual results could differ from those estimates.

2. Management Fee and Other Transactions with Affiliates

The Fund receives investment management and advisory services under an advisory agreement with Volumetric Advisers, Inc., that provides for fees to be paid at an annual rate of 2.0% of the first \$10,000,000 of average daily net assets, 1.9% of the next \$15,000,000, 1.8% of net assets from \$25 million to \$50 million and declining thereafter to 1.5% on net assets over \$100,000,000. The Fund’s adviser pays the cost of all management, supervisory and administrative services required in the operation of the Fund. This includes investment management, fees of the custodian, independent public accountants and legal counsel, remuneration of officers and directors, state registration fees and franchise taxes, shareholder services, including maintenance of the shareholder accounting system, insurance, marketing expenses, shareholder reports, proxy related expenses and transfer agency. Certain officers and directors of the Fund are also officers and directors of the investment adviser.

3. Capital Stock Transactions

At December 31, 2018, there were 4,000,000 shares of \$0.01 par value capital stock authorized. Transactions in capital stock were as follows:

	Year Ended December 31, 2018		Year Ended December 31, 2017	
	Shares	Amount	Shares	Amount
Shares sold	37,713	\$799,874	101,565	\$2,067,880
Distributions reinvested	37,911	\$694,522	117,990	\$2,488,409
	75,624	\$1,494,396	219,555	\$4,556,289
Shares redeemed	(84,783)	(\$1,757,112)	(70,126)	(\$1,451,995)
Net increase (decrease)	(9,159)	(\$262,716)	149,429	\$3,104,294

4. Purchases and Sales of Investment Securities / Federal Tax Cost Information

For the year ended December 31, 2018, purchases and proceeds from sales of securities were \$20,568,020 and \$28,021,980, respectively. At December 31, 2018 the cost of investments for Federal income tax purposes was \$27,090,891. Accumulated net unrealized appreciation on investments was \$3,641,623 consisting of \$4,224,007 gross unrealized appreciation and \$582,384 gross unrealized depreciation.

5. Composition of Net Assets

At December 31, 2018 net assets consisted of:

Net capital paid in on shares of stock.....	\$27,261,791
Distributable Earnings	3,641,623
Net Assets	<u>\$30,903,414</u>

6. Federal Income Tax

As of December 31, 2018, the components of distributable earnings on a tax basis were as follows:

Unrealized appreciation.....	<u>\$3,641,623</u>
Distributable earnings.....	<u>\$3,641,623</u>

For the year ended December 31, 2018, the Fund recorded the following reclassification, distributable earnings was increased by \$154,051 and net capital paid in on shares of stock was decreased by \$154,051. Such reclassifications, the result of permanent differences between the financial statements and income tax reporting requirements, have no effect on the Fund's net assets.

7. Commitments and Contingencies

Under the Fund's organizational documents, its Officers and Directors are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business, the Fund entered into contracts with its service providers, on behalf of the Fund, and others that provide for general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund. The Fund expects the risk of loss to be remote.

8. Underlying Investment in Other Investment Company

The Fund invested in another investment company. The underlying investment company is subject to specific risks, depending on the nature of the underlying fund. Investors in the Fund will indirectly bear fees and expenses charged by the underlying investment company in which the Fund invests in addition to the Fund's direct fees.

The performance of the Fund will be directly affected by the performance of the Fidelity Investments Money Market Government Portfolio - Class I. The financial statements, including the schedule of investments, can be found at the Securities and Exchange Commission's (SEC) website www.sec.gov and should be read in conjunction with the Fund's financial statements. As of December 31, 2018, the percentage of the Fund's net assets invested in the Fidelity Investment Money Market Government Portfolio - Class I was 33.1%.

9. Recent Accounting Pronouncements and Reporting Updates

In August 2018, the FASB issued Accounting Standards Update ("ASU") No. 2018-13, which changes certain fair value measurement disclosure requirements. The new ASU, in addition to other modifications and additions, removes the requirement to disclose the amount and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy, and the policy for the timing of transfers between levels. For investment companies, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is allowed. At this time, management is evaluating the implications of the ASU and any impact on the financial statement disclosures.

In August 2018, the Securities and Exchange Commission adopted amendments to certain disclosure requirements under Regulation S-X to conform to GAAP, including: (i) an amendment to require presentation of the total, rather than the components, of distributable earnings; and (ii) an amendment to require presentation of the total, rather than the components, of distributions to shareholders, except for tax return of capital distributions, if any, on the Statement of Changes in Net Assets. The amendments also removed the requirement for parenthetical disclosure of undistributed net investment income on the Statement of Changes in Net Assets. This amendment facilitates compliance of the disclosure of information without significantly altering the information provided to investors. These amendments have been adapted with these financial statements.

10. Subsequent Events

Management has evaluated the impact of all subsequent events on the Fund through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**To the Board of Directors and the Shareholders of
Volumetric Fund, Inc.**

Opinion on the Financial Statements

We have audited the accompanying statement of net assets of Volumetric Fund, Inc. (the "**Fund**") as of December 31, 2018 and the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended and the financial highlights for each of the years in the five-year period then ended, and the related notes and schedules (collectively referred to as the "**financial statements**"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2018, and the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended and its financial highlights for each of the years in the five-year period then ended, in conformity with accounting principles generally accepted in the United States of America ("**GAAP**").

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("**PCAOB**") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities law and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risk of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2018 by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

BBD, LLP

BBD, LLP

We have served as the auditor of the Volumetric Fund, Inc. since 2009.

**Philadelphia, Pennsylvania
February 20, 2019**

PROSPECTUS, PROXY AND PORTFOLIO INFORMATION (Unaudited)

This report is intended for the shareholders of the Fund and may not be used as sales literature unless preceded or accompanied by a current prospectus. To obtain a current prospectus please call 1-800-541-3863 or visit www.volumetric.com.

Information is available to shareholders who are interested in the Fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30. This information may be obtained without charge either by calling the Fund's toll-free number, 800-541-3863, or by visiting the SEC's website at www.sec.gov.

The Fund files its complete schedule of portfolio holdings with Securities and Exchange Commission, for the first and third quarters of each fiscal year on form N-Q. These forms are available on the Commission's website at www.sec.gov. This information is also available from the Fund by calling 800-541-3863 or visit www.volumetric.com.

DIRECTORS (Unaudited)

Directors, who are not salaried employees of Volumetric Advisers, Inc. (the "Adviser"), 87 Violet Drive, Pearl River, NY 10965, receive a fee for each Board or committee meeting they attend. Directors' fees had no effect on the Fund's expenses and expense ratio since all of their fees were paid by the Adviser. On a yearly basis, the full Board of Directors meet three times and the Independent Directors meet three times. In addition, the Audit Committee meets twice and the Governance & Nominating committee meets once.

INFORMATION ABOUT YOUR FUND'S EXPENSES

For the six months ended December 31, 2018 (Unaudited)

As a shareholder of the Fund, you incur ongoing costs, including management fees and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 made at the beginning of the period and held for the entire semi-annual period, July 1, 2018 – December 31, 2018.

Below are two ways to evaluate your Fund's costs.

Actual Fund Return: This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the Fund's actual return for the six month period, the "Expense Ratio" column shows the period's annualized expense ratio and the "Expenses Paid During Period" column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund at the beginning of the period. You may use the information here, together with your account value, to estimate the expenses that you paid over the period. To do so, simply divide your account value by \$1,000 (for example, a \$7,000 account value divided by \$1,000 = 7.0), then multiply the result by the number given in the first line under the heading entitled "Expenses Paid During Period."

Hypothetical 5% Return: This section is intended to help you compare your Fund's costs with those of other mutual funds. It assumes that the Fund had an annual return of 5% before expenses, the expense ratio is unchanged. Because the return used is not the Fund's actual return, the results do not apply to your investment. This sample is useful in making comparisons to other mutual funds because the Securities and Exchange Commission requires all mutual funds to provide examples of expenses calculated and based on an assumed 5% annual return. You can assess your Fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight and help you compare your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees. Volumetric Fund does not charge any sales loads, redemption fee, or exchange fees, but these fees may be present in other funds to which you compare our Fund. Therefore, the hypothetical portions of the table are useful in comparing ongoing costs only, and will not help you to determine the relative total costs of owning different funds.

	Beginning Account Value, 07/01/18	Ending Account Value, 12/31/18*	Net Expense Ratio	Expenses Paid During Period**
Actual	\$1,000	\$ 899.10	1.90%	\$ 9.09
Hypothetical 5% Return	\$1,000	\$ 1,015.58	1.90%	\$ 9.65

*The actual total return for the six-month period ended December 31, 2018, was -10.09%.

**Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

GENERAL INFORMATION

INVESTMENT ADVISER and TRANSFER AGENT

Volumetric Advisers, Inc.
87 Violet Drive
Pearl River, NY 10965

CUSTODIAN

U.S. Bank N.A.
615 E Michigan Street
Milwaukee, WI 53202

IRA AND PENSION ACCOUNTS TRUSTEE

Equity Trust Company
1 Equity Trust
Westlake, OH 44145

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

BBD, LLP
1835 Market Street, 3rd Floor
Philadelphia, PA 19103

DIRECTORS (Unaudited)

The Directors of the Fund and their ages, positions, addresses and principal occupations during the past five years are set forth below. There is no limit on the length of the term that each director serves. The Fund's Statement of Additional Information contains additional information about the Directors and is available without charge, upon request, by calling 1-800-541-FUND or visiting www.volumetric.com.

Interested Directors

<u>Name, Address and Age</u>	<u>Position(s) Held with Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Occupation</u>	<u>Number of Portfolios in Fund Complex Overseen by Director</u>	<u>Other Director- ships Held by Director during Past Five Years</u>
Jeffrey M. Gibbs Volumetric Fund, Inc. 87 Violet Drive Pearl River, NY 10965 info@volumetric.com Age: 52	President, Portfolio Co- Manager, CCO and Director	Annually 2018	President and Portfolio Co-Manager since 2016 and CCO since 2005. Jeffrey was Executive Vice President from 2015 to 2016 and Vice President from 1997 to 2015. He has worked as a consultant to the Fund since 1989. Jeffrey is President of Volumetric Advisers, Inc. He was previously employed by US Bank and AIS (acquired by US Bank), as Vice President of hedge fund accounting and operations (2005 to 2015).	1	None
Irene J. Zawitkowski Volumetric Fund, Inc. 87 Violet Drive Pearl River, NY 10965 info@volumetric.com Age: 65	Chair, CEO, Senior Portfolio Manager and Director	Annually 1978	Chair since June 2018, CEO and Senior Portfolio Manager since 2016. Ms. Zawitkowski was President and Portfolio Co-Manager from 2003 to 2016 and Executive Vice President of the Fund from inception to 2003. Ms. Zawitkowski is also Executive Vice President of Volumetric Advisers, Inc.	1	None

Independent Directors					
<u>Name, Address and Age</u>	<u>Position(s) Held with Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Occupation</u>	<u>Number of Portfolios in Fund Complex Overseen by Director</u>	<u>Other Director- ships Held by Director during Past Five Years</u>
Josef Haupl 9 Grove Place Mountain Lakes, NJ 07046 bod@volumetric.com Age: 74	Director (1)	Annually 2004	Engineering consultant to the chemical industry, since 2002. Previously, Director of Technology of Lurgi PSI, an engineering and construction services company for the chemical industry.	1	None
Alexandre M. Olbrecht, Dr. 7 Main Street, RR 5 Mt. Kisco, NY 10549-3923 bod@volumetric.com Age 40	Director (3)	Annually 2012	Associate Professor of Economics, Anisfield School of Business at Ramapo College of NJ, since 2005. Executive Director emeritus of the Eastern Economic Association. He was elected by the Board as the Fund's Vice Financial Expert.	1	None
Cornelius O'Sullivan 38 South Main Street Pearl River, NY 10965 bod@volumetric.com Age 50	Director (3)	Annually 2017	Proprietor of Neil T. O'Sullivan, CPA, PLLC since 2009. Previously Partner, Cherian, O'Sullivan & Tatapudy, LLP, certified public accountants, since 2003. Mr. O'Sullivan started his accounting career with Ernst & Young, LLP certified public accountants.	1	None
Stephen J. Samitt Volumetric Fund, Inc. 87 Violet Drive Pearl River, NY 10965 shareholdercomments@volumetric.com Age: 77	Director (1)(4)	Annually 1996	Stephen Samitt, CPA, LLC, since 2008. Previously, Principal, Briggs Bunting & Dougherty, LLP, a full service public accounting firm, since 1997. He was elected by the Board as the Fund's Financial Expert.	1	None
Allan A. Samuels Rockland Business Assoc. One Blue Hill Plaza Pearl River, NY 10965 bod@volumetric.com Age: 80	Director (2)	Annually 2007	CEO and President of Rockland Business Association (RBA) since 2001. RBA is a non-profit organization of about 700 businesses in Rockland County, NY, for the advancement of its members via public relations, seminars, networking and legislation. He is also Board member of several non-profit and business organizations.	1	None
David L. Seidenberg 29 Shaw Road Woodcliff Lake, NJ 07677 bod@volumetric.com Age: 72	Director (3)	Annually 1983	President, SQ Ventures, LLC, since 2002. Previously, Vice President of Davos Chemical Company from 1972 until 2002.	1	None
Raymond W. Sheridan R. Sheridan Financial, Inc. 19 E. Washington Ave Pearl River, NY 10965 bod@volumetric.com Age: 68	Director (1)	Annually 1995	President, Raymond Sheridan Financial, Inc., insurance and financial services. Vice President and Treasurer of the Fund between 1997 and 2005.	1	None
Non-Director					
<u>Officer</u> Gabriel J. Gibbs Volumetric Fund, Inc. 87 Violet Drive Pearl River, NY 10965 info@volumetric.com Age: 82	Chair Emeritus, Portfolio Co- Manager	N/A	Chair Emeritus, Portfolio Co-Manager and Founder of the Fund. Gabriel was Chair from 1978 (inception) to June 2018 and CEO from 1978 (inception) to 2016 and Portfolio Manager from inception to 2003. Mr. Gibbs is also the Vice President of Volumetric Advisers, Inc.	N/A	N/A

(1) Member of the Governance & Nominating Committee; (2) Chair of the Governance & Nominating Committee; (3) Member of the Audit Committee;
(4) Chair of the Audit Committee.

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Pearl River, New York 10965
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800-541-FUND
Ticker: VOLMX
www.volumetric.com
info@volumetric.com

**Investment Adviser and
Transfer Agent**

Volumetric Advisers, Inc.
Pearl River, New York 10965

Custodian

U.S. Bank N.A.
Milwaukee, Wisconsin 53212

**Independent Registered Public
Accounting Firm**

BBD, LLP
Philadelphia, Pennsylvania 19103

Board of Directors

Jeffrey Gibbs
Josef Haupl
Alexandre M. Olbrecht, Dr.
Cornelius O'Sullivan
Stephen J. Samitt
Allan A. Samuels
David L. Seidenberg
Raymond W. Sheridan
Irene J. Zawitkowski, Chair

Officers

Gabriel J. Gibbs
Chair Emeritus, Portfolio Co-Manager
Irene J. Zawitkowski
Chair, CEO, Senior Portfolio Manager
Jeffrey M. Gibbs
President, Portfolio Co-Manager, CCO