



Consumer Math – Annuities and the TVM solver

5 years if the interest rate equals 10%.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```

*Present Value Lump Sum -*

*Compounding Effects:*

Annual, Semi-annual, Quarterly, Monthly, Weekly, Daily

Example 4: Find the present value of a \$100 cash flow that is to be received 5 years from now if the interest rate equals 10% compounded quarterly using the effective annual rate to take the compounding effect into consideration.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```

Example 5: Find the present value of a \$100 cash flow that is to be received 5 years from now if the interest rate equals 10% compounded quarterly using the rate per period to take the compounding effect into consideration.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```

Continuous **THIS IS NEW**

Example 6: Find the present value of a \$100 cash flow that is to be received 5 years from now if the interest rate equals 10% compounded continuously using the effective annual rate to take the compounding effect into consideration.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```

**Future Value**

◆ *Future value of a lump sum*

Example 7: Find the future value in 5 years of a \$100 cash flow if the interest rate equals 10%.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```

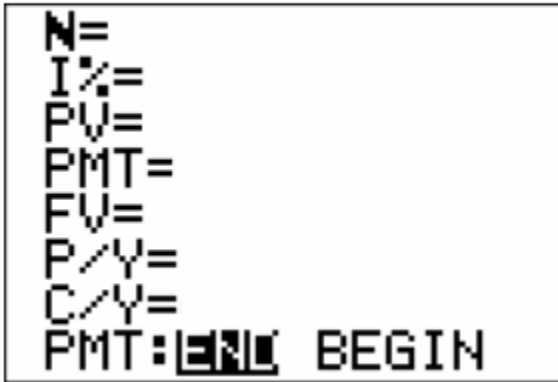
◆ *Future value of an annuity*

Example 8: Find the future value at time 5 of a \$100 annuity that is to be received annually over the next 5 years if the interest rate equals 10%.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```

Consumer Math – Annuities and the TVM solver

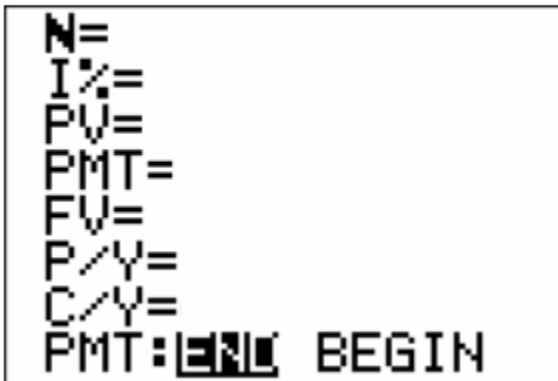
Example 9: Find the future value at time 5 of a \$100 annuity that is to be received quarterly over the next 5 years if the interest rate equals 10%.



*Future Value Lump Sum - Compounding Effects:*

Annual, Semi-annual, Quarterly, Monthly, Weekly, Daily

Example 10. Find the future value in 5 years of a \$100 cash flow if the interest rate equals 10% compounded quarterly using the effective annual rate to take the compounding effect into consideration.



Consumer Math – Annuities and the TVM solver

Example 11. Find the future value in 5 years of a \$100 cash flow if the interest rate equals 10% compounded quarterly using the rate per period to take the compounding effect into consideration.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```

Continuous

Example 12. Find the future value in 5 years of a \$100 cash flow if the interest rate equals 10% compounded continuously using the effective annual rate to take the compounding effect into consideration.

```
N=  
I%=  
PV=  
PMT=  
FV=  
P/Y=  
C/Y=  
PMT: [END] BEGIN
```