

Annuities

Formulas

New Vocabulary

Annuities

Future Value

You start a retirement fund the day after you graduate from college. You invest \$100 a month at 6% per year. How much will you have at the age of 65?

Present Value

You buy a car that costs \$30,000. The bank loans you the money at 2% per year for 5 years. What are your monthly payments?

SUMMARY