

Day 4

Annuity Calculations

$$F = A \left(\frac{(1+i)^n - 1}{i} \right)$$

F is future value

A is the value of individual payments per period

i is the interest rate compounded per period

n is the number of payments per period

- **If you save \$125.00 each month for 30 years at 7.5% interest**, how much money will you have for retirement?
- **If you save \$50.00 each month for 30 years at 7.5% interest rate**, how much money will you have for retirement?
- **If you save \$175.00 each month for 30 years at 7.% interest**, how much money will you have for retirement?

*You need to show all work. Everything must be typed and you **have to** use equation editor for all mathematical equations and steps.*