

Agenda for Friday, August 31, 2007

- Compound Interest
- Superannuation
- HW on calendar
- Monday: Labor Day ... No Classes
- Tuesday: Q & A ... 8.1 - 8.3

Institution Rates For 5-year CD rates in Houston, TX

INSTITUTION	DATE	RATE	CM	APY	MIN. DEPOSIT
Sort By: <input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>	<input type="radio"/>
E-LOAN 	8/30	5.40	D	5.55	10000
Third Federal Savings and Loan 	8/30	5.30	Q	5.40	0
MetLife Bank, NA 	8/30	5.26	D	5.40	25000
Discover Bank 	8/30	5.23	D	5.36	2500
Franklin Bank, S.S.B.	8/30	4.91	Q	5.00	1000
Compass Bank	8/30	4.64	D	4.75	5000
Beal Bank	8/30	4.57	Q	4.65	1000
Amegy Bank	8/30	4.55	D	4.65	1000
World Savings Bank	8/30	4.41	D	4.51	10000
Guaranty Bank	8/30	4.18	Q	4.25	1000
Chase Bank	8/30	3.68	D	3.75	1000
Bank of America	8/30	3.49	M	3.55	1000

Calculate the values of some investments after 5 years ...

Stands for compounding method in bankrate.com tables. These include: S-- Simple interest.
 A--Compounded annually.
 H--Compounded semi-annually.
 Q--Compounded quarterly.
 M--Compounded monthly.
 D--Compounded daily.

Develop a formula for compound interest...

Superannuation ...

p = principal

r = interest rate for each installment (payment)

n = number of installments

m = monthly installment

A_n = amount owed after n months

Given p , r , and n , find an expression for m .