

Variable Key

FV = Future value of an investment

PV = Present value of an investment (the lump sum)

r = Return or interest rate per period (typically 1 year)

n = Number of periods (typically years) that the lump sum is invested

PMT = Payment amount

Cn = Cash flow stream number

Equation guide

Future value of a lump sum:

$$FV = PV \times (1 + r)^n$$

Future Value of an Ordinary Annuity

$$FV = PMT \times \left\{ \left[\frac{(1 + r)^n - 1}{r} \right] \right\}$$

Future Value of an Annuity Due

$$FV \text{ (annuity due)} = PMT \times \left\{ \left[\frac{(1 + r)^n - 1}{r} \right] \right\} \times (1 + r)$$



By **deluded1**

cheatography.com/deluded1/

Not published yet.

Last updated 12th September, 2017.

Page 1 of 1.

Sponsored by **Readable.com**

Measure your website readability!

<https://readable.com>