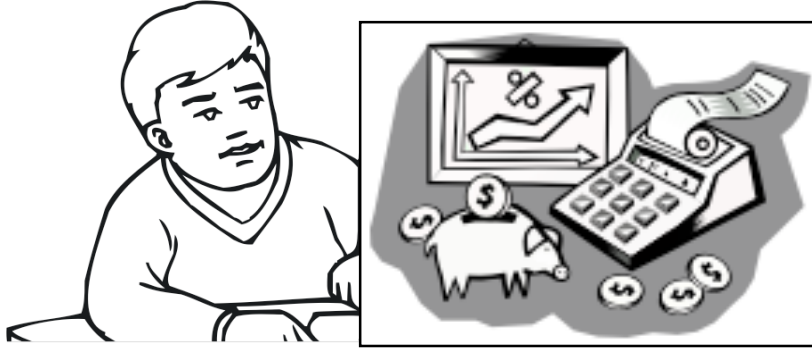


Saving Money in a CD

Compound Interest Using Simple Multiplication (No Formula)



Tommy liked the idea of getting interest on his money. After all, that is why we invest money. "What if I left the money in for two years, or three years, or four years," he thought? The easiest way is to put money in a savings account or CD (Certificate of Deposit).

That was real easy to figure out how much he would have after one year!

CD	Int. Rate	Int. Earned	CD	Total after 1st year
\$500	x .10 (10%)	= \$50	+ \$500	= \$ _____

CD	Int. Rate	Int. Earned	CD	Total after 2nd year
\$550	x .10 (10%)	= \$50	+ \$550	= _____



Using a calculator: Just type it in like a multiplication problem.

Do more calculations:

CD	CD + Interest Rate	Total after one year	Total after two years
\$1,000	x 1.10 (10%)	= _____	x 1.10 (10%) = _____
\$1,500	x 1.10 (10%)	= _____	x 1.10 (10%) = _____
\$2,000	x 1.10 (10%)	= _____	x 1.10 (10%) = _____
\$2,500	x 1.10 (10%)	= _____	x 1.10 (10%) = _____