

(a)

How much will a lump sum of \$10,000, invested at 7% per annum, grow to in 20 years?

(b)

How much will be in account after 2 years, if \$50 is placed into the account at the beginning of each month? Assume the account's interest rate is 6%, with monthly compounding.

(c)

How much should be set aside today, so that it will grow to \$30,000 in 15 years? The discount rate is 9%.

(d)

What is the present worth of an income stream that includes annual end-of-period payments of \$100,000 for 20 years? Assume the appropriate discount rate is 8% per year.