

Sheet1

Example 1 Determine the monthly payments required to pay back a loan of 75000 dollars over thirty years.

Principal	75000		
Interest	9.25% Monthly		0.7708%
Period ,yrs	30 Months		360

Payment \$617.01 @PMT(B4,D5,D6)

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Example 2 Determine the present value of the above monthly payments.

Annuity	\$617.01		
Interest	9.25% Monthly		0.7708%
Period ,yrs	30 Months		360

Principal **-\$0.03** @PV(B14,D15,D16)

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Example 3 Determine the Future value of an annuity. i.e. You save \$100 a month for 5 years so your kids can go to college. Money is compounded monthly.

Savings	100		
Interest	5.50% Monthly		0.4583%
Period, yrs	5 Months		60

Total **-\$0.01** @FV(B26,D27,D28)

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Example 4 Determine the net present value in 1986 of expenses that occur as follows. ( interest rate = 7% )

Year >>	1986	1987	1988	1989	1990
	-100	-200	-300	-600	-1000
Net PV	\$0				