

## MM150 – Unit 5

Open the Investment Calculator.

- Enter an amount between \$100 and \$500 that you think you can afford to save each month for retirement into the spreadsheet.
- Calculate how many years it will be until you reach age 67. Enter this amount into the spreadsheet.
- Choose an interest rate between 1% and 7% and enter it into the spreadsheet.
- Add 10 years to your previous age calculation to determine how much more you could have accumulated if you started 10 years ago.

The investment calculator will show you how much you can save if you invest today and how much you could have accumulated if you had started your investing 10 years ago. In your post, list the amounts you chose and calculated. Also state the results of your two investments.

How much more would you have for your retirement if you had started saving 10 years ago? Did the results surprise you in any way? Explain. Do you think the amounts you have calculated will be enough to retire on?

### **Initial Response Post Example**

NOTE: Not all parts of the Discussion are included in this Example. Read the Discussion Question thoroughly and respond to all parts of the Question.

Monthly investment: \$100

Years until 67: 12

Interest rate: 3.5%

10 years ago: 22 years until age 67

If I invest \$100 a month for the next 12 years at 3.5%, I will have saved \$17,863.94. If I had started investing 10 years ago, I would have saved \$39,680.47.

I would have saved \$21,816.54 more had I started saving 10 years ago. The results did surprise me because... I don't think the amounts will be enough to retire on because...