

Interest Calculator

Initial investment

Annual contribution

Monthly contribution

Contribute at the ☒ beginning ☐ end of each compounding period

Interest rate %

Compound

Investment length years months

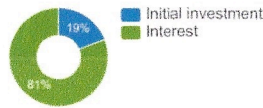
Tax rate %

Inflation rate %

Results

Ending balance **\$27,048.43**
 Total principal \$5,195.94
 Total interest **\$21,852.49**

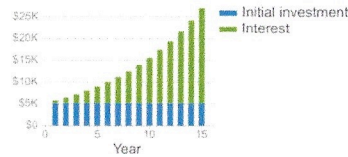
* interest rate of 11% compound daily is equivalent to annual rate of 11.626%



Accumulation Schedule

Annual Schedule **Monthly Schedule**

Year	Deposit	Interest	Ending balance
1	\$5,195.94	\$604.08	\$5,800.02
2	\$0.00	\$674.31	\$6,474.33
3	\$0.00	\$752.70	\$7,227.03
4	\$0.00	\$840.21	\$8,067.24
5	\$0.00	\$937.89	\$9,005.13
6	\$0.00	\$1,046.93	\$10,052.07
7	\$0.00	\$1,168.65	\$11,220.72
8	\$0.00	\$1,304.52	\$12,525.23
9	\$0.00	\$1,456.18	\$13,981.41
10	\$0.00	\$1,625.47	\$15,606.88
11	\$0.00	\$1,814.45	\$17,421.33
12	\$0.00	\$2,025.40	\$19,446.73
13	\$0.00	\$2,260.87	\$21,707.60
14	\$0.00	\$2,523.72	\$24,231.31
15	\$0.00	\$2,817.12	\$27,048.43



Related

[Investment Calculator](#) [Average Return Calculator](#) [ROI Calculator](#)

Interest is the compensation paid by the borrower to the lender for the use of money as a percent or an amount. The concept of interest is the backbone behind most financial instruments in the world.

There are two distinct methods of accumulating interest, categorized into simple interest or compound interest.

Simple Interest

The following is a basic example of how interest works. Derek would like to borrow \$100 (usually called the principal) from the bank for one year. The bank wants 10% interest on it. To calculate interest:

$$\$100 \times 10\% = \$10$$

This interest is added to the principal, and the sum becomes Derek's required repayment to the bank one year later.

$$\$100 + \$10 = \$110$$

Derek owes the bank \$110 a year later, \$100 for the principal and \$10 as interest.

Let's assume that Derek wanted to borrow \$100 for two years instead of one, and the bank calculates interest annually. He would simply be charged the interest rate twice, once at the end of each year.

$$\$100 + \$10(\text{year } 1) + \$10(\text{year } 2) = \$120$$

Derek owes the bank \$120 two years later, \$100 for the principal and \$20 as interest.

The formula to calculate simple interest is:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \text{term}$$

When more complicated frequencies of applying interest are involved, such as monthly or daily, use the formula:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \frac{\text{term}}{\text{frequency}}$$

However, simple interest is very seldom used in the real world. Even when people use the everyday word 'interest,' they are usually referring to interest that compounds.

Compound Interest

Compounding interest requires more than one period, so let's go back to the example of Derek borrowing \$100 from the bank for two years at a 10% interest rate. For the first year, we calculate interest as usual:

$$\$100 \times 10\% = \$10$$

This interest is added to the principal, and the sum becomes Derek's required repayment to the bank for that present time.

Interest Calculator

EXHIBIT YYY

Initial investment

Annual contribution

Monthly contribution

Contribute at the ☒ beginning ☐ end of each compounding period

Interest rate %

Compound

Investment length years months

Tax rate %

Inflation rate %

Results

Ending balance **\$21,139.18**
 Total principal \$5,195.94
 Total interest **\$18,756.75**

Total tax \$2,813.51
 Total interest after tax \$15,943.24

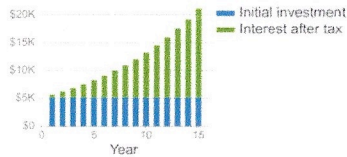
* interest rate of 11% compound daily is equivalent to annual rate of 11.626%



Accumulation Schedule

Annual Schedule **Monthly Schedule**

Year	Deposit	Interest	Tax	Ending balance
1	\$5,195.94	\$599.46	\$89.92	\$5,705.48
2	\$0.00	\$658.25	\$98.74	\$6,264.99
3	\$0.00	\$722.80	\$108.42	\$6,879.37
4	\$0.00	\$793.68	\$119.05	\$7,554.00
5	\$0.00	\$871.51	\$130.73	\$8,294.79
6	\$0.00	\$956.98	\$143.55	\$9,108.22
7	\$0.00	\$1,050.83	\$157.62	\$10,001.43
8	\$0.00	\$1,153.88	\$173.08	\$10,982.22
9	\$0.00	\$1,267.03	\$190.05	\$12,059.20
10	\$0.00	\$1,391.29	\$208.69	\$13,241.79
11	\$0.00	\$1,527.72	\$229.16	\$14,540.36
12	\$0.00	\$1,677.54	\$251.63	\$15,966.27
13	\$0.00	\$1,842.05	\$276.31	\$17,532.01
14	\$0.00	\$2,022.69	\$303.40	\$19,251.29
15	\$0.00	\$2,221.05	\$333.16	\$21,139.18



Related

[Investment Calculator](#) [Average Return Calculator](#) [ROI Calculator](#)

Interest is the compensation paid by the borrower to the lender for the use of money as a percent or an amount. The concept of interest is the backbone behind most financial instruments in the world.

There are two distinct methods of accumulating interest, categorized into simple interest or compound interest.

Simple Interest

The following is a basic example of how interest works. Derek would like to borrow \$100 (usually called the principal) from the bank for one year. The bank wants 10% interest on it. To calculate interest:

$$\$100 \times 10\% = \$10$$

This interest is added to the principal, and the sum becomes Derek's required repayment to the bank one year later.

$$\$100 + \$10 = \$110$$

Derek owes the bank \$110 a year later, \$100 for the principal and \$10 as interest.

Let's assume that Derek wanted to borrow \$100 for two years instead of one, and the bank calculates interest annually. He would simply be charged the interest rate twice, once at the end of each year.

$$\$100 + \$10(\text{year } 1) + \$10(\text{year } 2) = \$120$$

Derek owes the bank \$120 two years later, \$100 for the principal and \$20 as interest.

The formula to calculate simple interest is:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \text{term}$$

When more complicated frequencies of applying interest are involved, such as monthly or daily, use the formula:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \frac{\text{term}}{\text{frequency}}$$

However, simple interest is very seldom used in the real world. Even when people use the everyday word 'interest,' they are usually referring to interest that compounds.

Compound Interest

Compounding interest requires more than one period, so let's go back to the example of Derek borrowing \$100 from the bank for two years at a 10% interest rate. For the first year, we calculate interest as usual:

$$\$100 \times 10\% = \$10$$

This interest is added to the principal, and the sum becomes Derek's required repayment to the bank for that present time.

Interest Calculator

Initial investment

Annual contribution

Monthly contribution

Contribute at the ☒ beginning ☐ end of each compounding period

Interest rate %

Compound

Investment length years months

Tax rate %

Inflation rate %

Results

Ending balance **\$27,048.43**
 Total principal \$5,195.94
 Total interest **\$21,852.49**

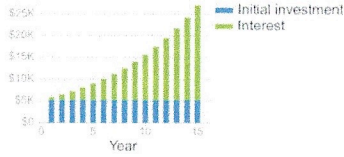
* interest rate of 11% compound daily is equivalent to annual rate of 11.626%



Accumulation Schedule

Annual Schedule **Monthly Schedule**

Year	Deposit	Interest	Ending balance
1	\$5,195.94	\$604.08	\$5,800.02
2	\$0.00	\$674.31	\$6,474.33
3	\$0.00	\$752.70	\$7,227.03
4	\$0.00	\$840.21	\$8,067.24
5	\$0.00	\$937.89	\$9,005.13
6	\$0.00	\$1,046.93	\$10,052.07
7	\$0.00	\$1,168.65	\$11,220.72
8	\$0.00	\$1,304.52	\$12,525.23
9	\$0.00	\$1,456.18	\$13,981.41
10	\$0.00	\$1,625.47	\$15,606.88
11	\$0.00	\$1,814.45	\$17,421.33
12	\$0.00	\$2,025.40	\$19,446.73
13	\$0.00	\$2,260.87	\$21,707.60
14	\$0.00	\$2,523.72	\$24,231.31
15	\$0.00	\$2,817.12	\$27,048.43



Related

[Investment Calculator](#) [Average Return Calculator](#) [ROI Calculator](#)

Interest is the compensation paid by the borrower to the lender for the use of money as a percent or an amount. The concept of interest is the backbone behind most financial instruments in the world.

There are two distinct methods of accumulating interest, categorized into simple interest or compound interest.

Simple Interest

The following is a basic example of how interest works. Derek would like to borrow \$100 (usually called the principal) from the bank for one year. The bank wants 10% interest on it. To calculate interest:

$$\$100 \times 10\% = \$10$$

This interest is added to the principal, and the sum becomes Derek's required repayment to the bank one year later.

$$\$100 + \$10 = \$110$$

Derek owes the bank \$110 a year later, \$100 for the principal and \$10 as interest.

Let's assume that Derek wanted to borrow \$100 for two years instead of one, and the bank calculates interest annually. He would simply be charged the interest rate twice, once at the end of each year.

$$\$100 + \$10(\text{year } 1) + \$10(\text{year } 2) = \$120$$

Derek owes the bank \$120 two years later, \$100 for the principal and \$20 as interest.

The formula to calculate simple interest is:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \text{term}$$

When more complicated frequencies of applying interest are involved, such as monthly or daily, use the formula:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \frac{\text{term}}{\text{frequency}}$$

However, simple interest is very seldom used in the real world. Even when people use the everyday word 'interest,' they are usually referring to interest that compounds.

Compound Interest

Compounding interest requires more than one period, so let's go back to the example of Derek borrowing \$100 from the bank for two years at a 10% interest rate. For the first year, we calculate interest as usual:

$$\$100 \times 10\% = \$10$$

This interest is added to the principal, and the sum becomes Derek's required repayment to the bank for that present time.

Interest Calculator

EXHIBIT YYY

Initial investment

Annual contribution

Monthly contribution

Contribute at the ☒ beginning ☐ end of each compounding period

Interest rate %

Compound

Investment length years months

Tax rate %

Inflation rate %

Results

Ending balance **\$21,139.18**
 Total principal \$5,195.94
 Total interest **\$18,756.75**

Total tax \$2,813.51
 Total interest after tax \$15,943.24

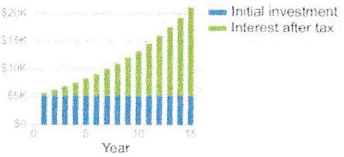
* interest rate of 11% compound daily is equivalent to annual rate of 11.626%



Accumulation Schedule

Annual Schedule **Monthly Schedule**

Year	Deposit	Interest	Tax	Ending balance
1	\$5,195.94	\$599.46	\$89.92	\$5,705.48
2	\$0.00	\$658.25	\$98.74	\$6,264.99
3	\$0.00	\$722.80	\$108.42	\$6,879.37
4	\$0.00	\$793.68	\$119.05	\$7,554.00
5	\$0.00	\$871.51	\$130.73	\$8,294.79
6	\$0.00	\$956.98	\$143.55	\$9,108.22
7	\$0.00	\$1,050.83	\$157.62	\$10,001.43
8	\$0.00	\$1,153.88	\$173.08	\$10,982.22
9	\$0.00	\$1,267.03	\$190.05	\$12,059.20
10	\$0.00	\$1,391.29	\$208.69	\$13,241.79
11	\$0.00	\$1,527.72	\$229.16	\$14,540.36
12	\$0.00	\$1,677.54	\$251.63	\$15,966.27
13	\$0.00	\$1,842.05	\$276.31	\$17,532.01
14	\$0.00	\$2,022.69	\$303.40	\$19,251.29
15	\$0.00	\$2,221.05	\$333.16	\$21,139.18



Related

[Investment Calculator](#) [Average Return Calculator](#) [ROI Calculator](#)

Interest is the compensation paid by the borrower to the lender for the use of money as a percent or an amount. The concept of interest is the backbone behind most financial instruments in the world.

There are two distinct methods of accumulating interest, categorized into simple interest or compound interest.

Simple Interest

The following is a basic example of how interest works. Derek would like to borrow \$100 (usually called the principal) from the bank for one year. The bank wants 10% interest on it. To calculate interest:

$$\$100 \times 10\% = \$10$$

This interest is added to the principal, and the sum becomes Derek's required repayment to the bank one year later.

$$\$100 + \$10 = \$110$$

Derek owes the bank \$110 a year later, \$100 for the principal and \$10 as interest.

Let's assume that Derek wanted to borrow \$100 for two years instead of one, and the bank calculates interest annually. He would simply be charged the interest rate twice, once at the end of each year.

$$\$100 + \$10(\text{year } 1) + \$10(\text{year } 2) = \$120$$

Derek owes the bank \$120 two years later, \$100 for the principal and \$20 as interest.

The formula to calculate simple interest is:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \text{term}$$

When more complicated frequencies of applying interest are involved, such as monthly or daily, use the formula:

$$\text{interest} = \text{principal} \times \text{interest rate} \times \frac{\text{term}}{\text{frequency}}$$