First Initial & Last Name: _____

Birth Month/Day: _____ (ex. 9/16)

For security purposes, only fill out your first initial, last name, month and day you were born

INTEREST RATES

Calculate your savings growth using simple interest and compound interest. Simple interest is calculated based on the initial amount put in a savings account. Coumpound interest is calculated based on the initial amount put in a savings account plus the gains made each month.

Simple Interest Calculation

Deposit $100 at 3% interest yearly.

Each year you will make $100 x 0.03 (3%) = $3.00

After 5 years you will make $3.00 + $3.00 + $3.00 + $3.00 + $3.00 = $15.00

Compound Interest Calculation

Deposit $100 at 3% interest yearly.

Year one you will make $100 x 0.03 (3%) = $3.00

Year two you will make $103 x 0.03 (3%) = $3.09

Year three you will make $106.09 x 0.03 (3%) = $3.18

Year four you will make $109.27 x 0.03 (3%) = $3.28

Year five you will make $112.55 x 0.03 (3%) = $3.38

After 5 years you will make $3.00 + $3.09 + $3.18 + $3.28 + $3.38 = $15.93

YOUR TURN

Using the previous examples, calculate the simple interest and compound interest of $200 deposited into a bank account with a 2% interest rate for 3 years?

Simple Interest Calculation

Compound Interest Calculation

Return via email to Whitney Landry at wlandry@bayportcu.org, drop off at any BayPort branch location, or mail to:

BayPort Credit Union
ATTN: Whitney Landry
One BayPort Way, Suite 350
Newport News, VA 23606