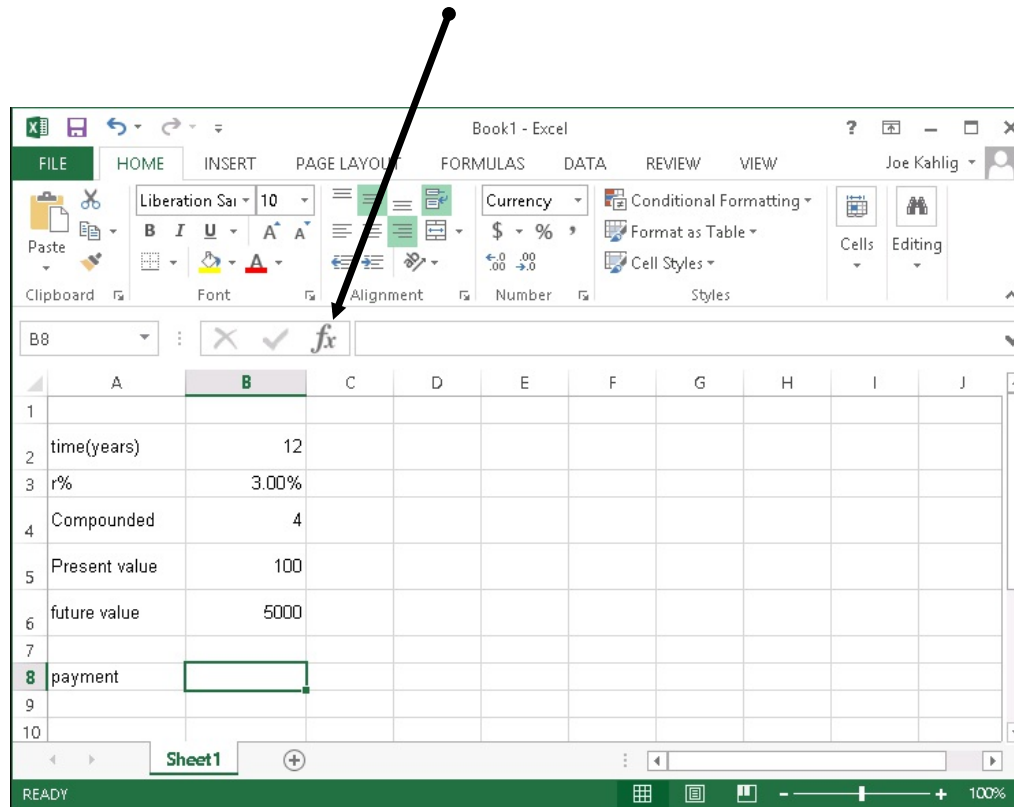


Lets compute the payment needed when you want to save up to \$5,000.
Start the account with \$100 and earn interest 3% compounded quarterly.

Function Wizzard



Step 1: click on the function wizzard. The window that opens is on the next page.

Function Arguments

PMT

Rate = number

Nper = number

Pv = number

Fv = number

Type = number

=

Calculates the payment for a loan based on constant payments and a constant interest rate.

Rate is the interest rate per period for the loan. For example, use 6%/4 for quarterly payments at 6% APR.

Formula result =

[Help on this function](#) OK Cancel

Clicking on this blank gives the instructions on what the computer is looking for.

click on the cell B3. This is where the interest rate per period is entered. $i = r/m$

goto the next slide for more info.

Function Arguments

PMT

Rate	B3/B4	=	0.0075
Nper		=	number
Pv		=	number
Fv		=	number
Type		=	number

=

Calculates the payment for a loan based on constant payments and a constant interest rate.

Rate is the interest rate per period for the loan. For example, use 6%/4 for quarterly payments at 6% APR.

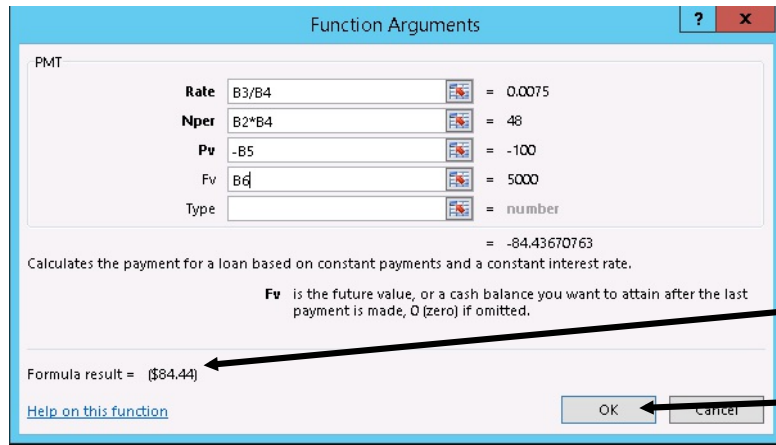
Formula result =

[Help on this function](#)

OK Cancel

Now click on the next blanks and input the necessary information.

see next slide.



Notice that this region shows the result. The negative is showing the direction of the money flow. We want this number positive, so add a negative sign at the start of the formula and then press ok.

add negative sign before the pmt.

