

The Time Value of Money

The following scenario illustrated how powerful the time value of money can be.
The example is based on a 10% compound rate with investment on January 2nd of each year.

Age	Investment	Total Value
19	\$ 2,000.00	\$ 2,200.00
20	\$ 2,000.00	\$ 4,620.00
21	\$ 2,000.00	\$ 7,282.00
22	\$ 2,000.00	\$ 10,210.00
23	\$ 2,000.00	\$ 13,431.00
24	\$ 2,000.00	\$ 16,974.00
25	\$ 2,000.00	\$ 20,871.00
26	\$ 2,000.00	\$ 25,158.00
27	\$ -	\$ 27,674.00
28	\$ -	\$ 30,442.00
29	\$ -	\$ 33,486.00
30	\$ -	\$ 36,834.00
31	\$ -	\$ 40,518.00
32	\$ -	\$ 44,570.00
33	\$ -	\$ 48,027.00
34	\$ -	\$ 53,929.00
35	\$ -	\$ 59,322.00
36	\$ -	\$ 65,256.00
37	\$ -	\$ 71,780.00
38	\$ -	\$ 78,958.00
39	\$ -	\$ 86,854.00
40	\$ -	\$ 95,540.00
41	\$ -	\$ 105,094.00
42	\$ -	\$ 115,603.00
43	\$ -	\$ 127,163.00
44	\$ -	\$ 130,880.00
45	\$ -	\$ 153,868.00
46	\$ -	\$ 169,255.00
47	\$ -	\$ 188,180.00
48	\$ -	\$ 204,798.00
49	\$ -	\$ 226,278.00
50	\$ -	\$ 247,806.00
51	\$ -	\$ 272,586.00
52	\$ -	\$ 299,845.00
53	\$ -	\$ 329,830.00
54	\$ -	\$ 362,813.00
55	\$ -	\$ 399,094.00
56	\$ -	\$ 439,003.00
57	\$ -	\$ 482,904.00
58	\$ -	\$ 531,194.00
59	\$ -	\$ 584,314.00
60	\$ -	\$ 642,745.00
61	\$ -	\$ 707,202.00
62	\$ -	\$ 777,722.00
63	\$ -	\$ 855,494.00
64	\$ -	\$ 941,043.00
65	\$ -	\$ 1,035,148.00

Age	Investment	Total Value
19	\$ -	\$ -
20	\$ -	\$ -
21	\$ -	\$ -
22	\$ -	\$ -
23	\$ -	\$ -
24	\$ -	\$ -
25	\$ -	\$ -
26	\$ -	\$ -
27	\$ 2,000.00	\$ 2,200.00
28	\$ 2,000.00	\$ 4,620.00
29	\$ 2,000.00	\$ 7,282.00
30	\$ 2,000.00	\$ 10,210.00
31	\$ 2,000.00	\$ 13,431.00
32	\$ 2,000.00	\$ 16,974.00
33	\$ 2,000.00	\$ 20,871.00
34	\$ 2,000.00	\$ 25,158.00
35	\$ 2,000.00	\$ 29,874.00
36	\$ 2,000.00	\$ 35,072.00
37	\$ 2,000.00	\$ 40,768.00
38	\$ 2,000.00	\$ 47,045.00
39	\$ 2,000.00	\$ 53,949.00
40	\$ 2,000.00	\$ 61,544.00
41	\$ 2,000.00	\$ 69,899.00
42	\$ 2,000.00	\$ 79,089.00
43	\$ 2,000.00	\$ 89,198.00
44	\$ 2,000.00	\$100,318.00
45	\$ 2,000.00	\$112,550.00
46	\$ 2,000.00	\$126,005.00
47	\$ 2,000.00	\$140,805.00
48	\$ 2,000.00	\$157,086.00
49	\$ 2,000.00	\$174,094.00
50	\$ 2,000.00	\$194,694.00
51	\$ 2,000.00	\$216,363.00
52	\$ 2,000.00	\$240,199.00
53	\$ 2,000.00	\$266,419.00
54	\$ 2,000.00	\$295,261.00
55	\$ 2,000.00	\$326,988.00
56	\$ 2,000.00	\$361,886.00
57	\$ 2,000.00	\$400,275.00
58	\$ 2,000.00	\$442,503.00
59	\$ 2,000.00	\$488,953.00
60	\$ 2,000.00	\$540,048.00
61	\$ 2,000.00	\$596,253.00
62	\$ 2,000.00	\$658,078.00
63	\$ 2,000.00	\$726,086.00
64	\$ 2,000.00	\$800,895.00
65	\$ 2,000.00	\$883,185.00

