

Savings Plan

Show how you found your answers:

1. Pick a career of your choice. _____
2. Find the average annual salary for your career at <http://stats.bls.gov> _____

Assume you invest your money at an annual percentage rate of 9%.

3. How much will you have received from your employer after 40 years? _____

4. How much will you have if you save 10% of your income each month in an annuity with compound interest for 40 years? _____

5. How much will you save under your mattress in 40 years if you save 10% of your salary each month? _____

6. How much would you need to save each month to accumulate \$1 Million in 40 years?
 - a. Under your mattress? _____
 - b. Invested at 9% annually? _____