Ma 308 ~ Theory of Interest

Homework Problems
Portfolio and Investment Year Methods

page 601, # 22. The following is a table of interest rates credited under the investment year method. Unfortunately, a few entries are missing.

Calendar Yr of Original Invest	Investment Year Rates			Portfolio Rates
y	i_1^y	i_2^y	i_3^y	i^{y+3}
1992	5.2%	-	4.8%	4.3%
1993	4.2	4.7	4.0	-
1994	-	5.5	5.7	5.1