

Assignment 9

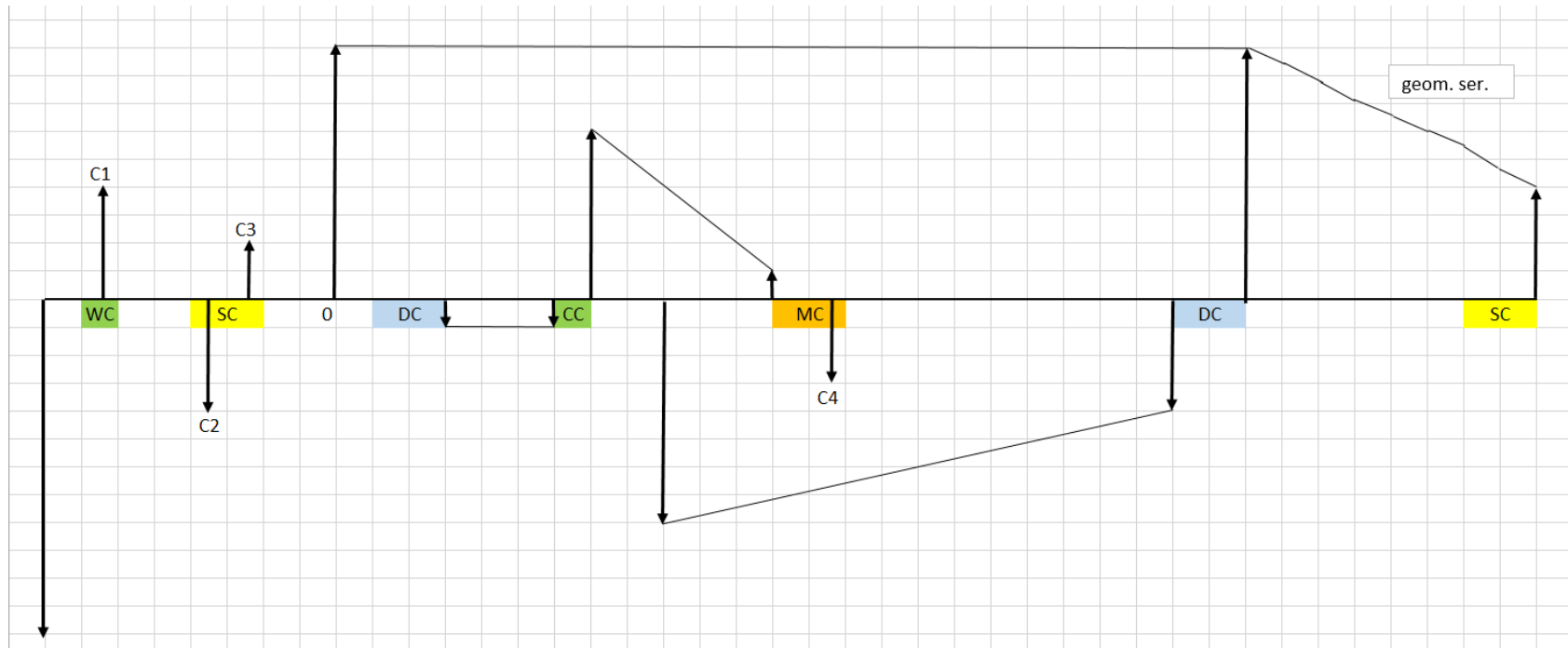
Question 1 - 65 Points

Use tables and formulas in Engineering Economy textbook that you have. No use of spreadsheet Internet capable devices is allowed. Attach your formula sheet to the test and submit.

Calculate the value of the following cash flow at 0 (APR=10%)

CC: continuous compounding; DC: daily compounding; WC: week compounding; MC: monthly compounding; SC: seasonal compounding

All payments are end-of-year transactions except C1, C2, C3 and C4 which occur at mid-year. Each horizontal grid line is one year and each vertical grid line is \$100.



Question 2 - 35 Points

What is the rate of return for the following investment?

Each horizontal grid line is one year and each vertical grid line is \$1000.

Use only tables for factor values.

