

Chapter 7 / Example 8

Using the finance app

Zoe deposits €25 000 in a bank offering 2.4% annual interest rate compounded quarterly. From this account she wishes to pay her rent, which is €600 per month. How long will it take until the account can no longer be used to pay the rent?

Press **[APPS]** 1:Finance...

Press 1:TVM Solver...

```
N=0
I%=0
PV=0
PMT=0
FV=0
P/Y=1
C/Y=1
PMT:[END] BEGIN
```

N = 0
I% = 2.4
PV = -25000
PMT = 600
FV = 0
P/Y = 12
C/Y = 4
PMT:END

```
N=0
I%=2.4
PV=-25000
PMT=600
FV=0
P/Y=12
C/Y=4
PMT:[END] BEGIN
```

Move the cursor back to N and press **[ALPHA]** **[ENTER]** **SOLVE** to get the answer.

N = 43.5 months, meaning that she will be able to pay the rent from this account for 43 complete months.

```
■ N=43.54520485
I%=2.4
PV=-25000
PMT=600
FV=0
P/Y=12
C/Y=4
PMT:[END] BEGIN
```