

Supporting Information
For
Econ 330
Exam 4
Fall 2008

Table 2. Estimated returns to farrow to finish hog production in Iowa—Southern Minnesota, by sale month. 10-year summary.

Month sold	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	Avg
January	\$0.05	\$-7.69	\$-7.72	\$10.76	\$-25.39	\$-32.77	\$-4.70	\$-5.00	\$-0.36	\$-19.30	\$-9.21
February	8.57	-3.43	-1.72	6.92	-26.62	-31.65	2.78	3.83	-2.27	-16.52	-6.01
March	-1.02	-7.59	2.16	-0.56	-26.76	-33.58	5.95	17.89	-8.07	-14.97	-6.66
April	-5.51	-13.13	1.21	14.17	-24.19	-24.32	22.17	19.07	-19.44	-12.08	-4.21
May	-4.85	-9.73	17.87	22.18	-3.78	-9.30	23.58	31.88	-14.89	7.63	6.06
June	-4.53	4.46	10.29	23.14	-3.53	-16.11	25.07	36.71	-5.04	14.68	8.51
July	-3.37	14.20	15.20	27.50	-15.87	-21.01	21.44	42.42	-1.27	7.16	8.64
August	-2.58	17.98	14.02	18.77	-16.91	-2.16	11.57	28.42	-29.99	-2.33	3.68
September	-17.96	14.67	0.81	7.62	-28.90	-8.24	6.40	16.61	-35.95	1.19	-4.37
October	-24.90	4.54	4.55	0.27	-32.28	-9.48	7.28	0.79	-28.95	-10.09	-8.83
November	-33.07	-11.99	6.53	-4.41	-54.59	-10.27	-5.80	-15.48	-26.70	-14.31	-17.01
December	-23.13	-3.56	10.99	-15.34	-63.68	-6.11	1.33	-13.14	-21.75	-17.15	-15.15
Average	\$-9.36	\$-0.11	\$6.18	\$9.25	\$-26.88	\$-17.08	\$9.76	\$13.67	\$-16.22	\$-6.34	\$-3.71

During the 1994-2003 period the range in profits was from \$-63.68 to \$42.42.

During this period, 41.7 percent of the months were profitable and 58.3 percent of the months were unprofitable.

Month sold	Months of		
	Profit	Loss	
January	50%	50%	Profit Over \$50 = 0.0% of months
February	40%	60%	Profit \$40 - 50 = 0.8% of months
March	30%	70%	Profit \$30 - 40 = 1.7% of months
April	40%	60%	Profit \$20 - 30 = 6.7% of months
May	50%	50%	Profit \$10 - 20 = 13.3% of months
June	60%	40%	Profit \$0 - 10 = 26.7% of months
July	60%	40%	Loss \$0 - -10 = 17.5% of months
August	50%	50%	Loss \$-10 - -20 = 15.8% of months
September	60%	40%	Loss \$-20 - -30 = 10.8% of months
October	50%	50%	Loss \$-30 - -40 = 5.0% of months
November	10%	90%	Loss \$-40 - -50 = 0.0% of months
December	20%	80%	Loss Over \$-50 = 1.7% of months

X

Percent Return on Investment by Type of Iowa Farm

Year	Hog	Beef Feeding	Dairy	Grain	Beef Raising
Average	6.2	6.3	7.7	7.2	4.0
High	14.5	10.9	15.0	16.2	17.0
Low	(1.0)	2.5	2.0	1.3	(5.0)
Standard Dev.	4.0	7.0	4.0	3.5	10.0
+1 Std.	10.2	13.3	11.7	10.7	14
-1 Std.	2.2	-7.7	3.7	3.7	-6

TABLE 4. ANNUAL DEPRECIATION PERCENTAGES FOR 3-YR PROPERTY, 150% DB

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	25.000%	43.750%	31.250%	18.750%	6.250%
2	37.500	28.125	34.375	40.625	46.875
3	25.000	25.000	25.000	25.000	25.000
4	12.500	3.125	9.375	15.625	21.875
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 5. ANNUAL DEPRECIATION PERCENTAGES FOR 5-YR PROPERTY, 150% DB

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	15.000%	26.250%	18.750%	11.250%	3.750%
2	25.500	22.125	24.375	26.625	28.875
3	17.850	16.520	17.062	18.637	20.212
4-5	16.660	16.520	16.763	16.567	16.404
6	8.330	2.065	6.287	10.354	14.355
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 6. ANNUAL DEPRECIATION PERCENTAGES FOR 6-YR PROPERTY, 150% DB

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	12.500%	21.875%	15.625%	9.375%	3.125%
2	21.875	19.531	21.094	22.656	24.219
3	16.406	14.649	15.820	16.992	18.164
4-6	14.063	14.062	14.063	14.063	14.062
7	7.032	1.759	5.272	8.788	12.306
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 7. ANNUAL DEPRECIATION PERCENTAGES FOR 7-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	10.714%	18.750%	13.393%	8.036%	2.679%
2	19.133	17.411	18.559	19.707	20.854
3	15.033	13.680	14.582	15.484	16.386
4	12.249	12.160	12.221	12.275	12.874
5-7	12.249	12.160	12.221	12.275	12.182
8	6.124	1.520	4.582	7.673	10.661
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 8. ANNUAL DEPRECIATION PERCENTAGES, 10-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	7.500%	13.125%	9.375%	5.625%	1.875%
2	13.875	13.031	13.594	14.156	14.719
3	11.794	11.077	11.555	12.033	12.511
4	10.025	9.415	9.821	10.228	10.634
5	8.739	8.711	8.730	8.748	9.039
6-10	8.739	8.710	8.730	8.748	8.718
11	4.372	1.092	3.275	5.470	7.632
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 9. ANNUAL DEPRECIATION PERCENTAGES, 12-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	6.250%	10.938%	7.813%	4.688%	1.563%
2	11.719	11.133	11.523	11.914	12.305
3	10.254	9.741	10.083	10.425	10.767
4	8.972	8.524	8.823	9.122	9.421
5	7.851	7.458	7.720	7.981	8.243
6-12	7.327	7.327	7.327	7.327	7.327
13	3.665	0.917	2.749	4.581	6.412
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 10. ANNUAL DEPRECIATION PERCENTAGES, 15-YR PROPERTY, 150% DB

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	5.000%	8.750%	6.250%	3.750%	1.250%
2	9.500	9.125	9.375	9.625	9.875
3	8.550	8.212	8.437	8.662	8.887
4	7.695	7.391	7.593	7.796	7.998
5	6.925	6.652	6.834	7.017	7.198
6	6.232	5.987	6.151	6.315	6.479
7-15	5.905	5.905	5.905	5.905	5.905
16	2.953	0.738	2.215	3.691	5.168
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 11. ANNUAL DEPRECIATION PERCENTAGES, 20-YR PROPERTY, 150% DB

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	3.750%	6.562%	4.687%	2.812%	0.937%
2	7.218	7.007	7.148	7.289	7.429
3	6.677	6.482	6.612	6.742	6.872
4	6.176	5.996	6.116	6.236	6.357
5	5.713	5.546	5.657	5.769	5.880
6	5.285	5.130	5.233	5.336	5.439
7	4.888	4.745	4.841	4.936	5.031
8	4.522	4.457	4.477	4.568	4.654
9-20	4.461	4.460	4.463	4.460	4.458
21	2.239	0.555	1.673	2.792	3.905
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 12. ANNUAL FRACTIONS FOR STRAIGHT LINE OVER N YEARS (N < 26)

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	1/2	7/8	5/8	3/8	1/8
2-N	1	1	1	1	1
N+1	1/2	1/8	3/8	5/8	7/8

DEPRECIATION FORMULA: Basis ÷ N times number from above table.

TABLE 13. ANNUAL FRACTIONS FOR 27½ YEAR PROPERTY, REGULAR MACRS

Tax Year	Month Placed in Service											
	1	2	3	4	5	6	7	8	9	10	11	12
1	11.5	10.5	9.5	8.5	7.5	6.5	5.5	4.5	3.5	2.5	1.5	0.5
2-27	12	12	12	12	12	12	12	12	12	12	12	12
28	6.5	7.5	8.5	9.5	10.5	11.5	12	12	12	12	12	12
29	-	-	-	-	-	-	0.5	1.5	2.5	3.5	4.5	5.5

DEPRECIATION FORMULA: Basis÷27½+12 times number from above table.

TABLE 14. ANNUAL FRACTIONS FOR 31½ YEAR PROPERTY, REGULAR MACRS

Tax Year	Month Placed in Service											
	1	2	3	4	5	6	7	8	9	10	11	12
1	11.5	10.5	9.5	8.5	7.5	6.5	5.5	4.5	3.5	2.5	1.5	0.5
2-31	12	12	12	12	12	12	12	12	12	12	12	12
32	6.5	7.5	8.5	9.5	11.5	12	12	12	12	12	12	12
33	-	-	-	-	-	-	0.5	1.5	2.5	3.5	4.5	5.5

DEPRECIATION FORMULA: Basis÷31½+12 times number from above table.

TABLE 15. ANNUAL FRACTIONS FOR ALTERNATIVE MACRS, 40 YEARS

Tax Year	Month Placed in Service											
	1	2	3	4	5	6	7	8	9	10	11	12
1	11.5	10.5	9.5	8.5	7.5	6.5	5.5	4.5	3.5	2.5	1.5	0.5
2-40	12	12	12	12	12	12	12	12	12	12	12	12
41	0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5

DEPRECIATION FORMULA: BASIS÷40+12 times number from above table.

COOPERATIVE EXTENSION SERVICE
 U.S. DEPARTMENT OF AGRICULTURE
 UNIVERSITY OF MISSOURI
 CLARK HALL, COLUMBIA, MISSOURI 65211



BULK RATE
 POSTAGE & FEES P
 EXTENSION SERV
 PERMIT NO. G-2F

OFFICIAL BUSINESS
 PENALTY FOR PRIVATE USE, \$300

THIRD CLASS BUI

TABLE 2 Future Value of a \$1 Investment

Interest Rate

Years	4%	4.5%	5%	5.5%	6%	6.5%	7%	7.5%	8%	8.5%	9%	9.5%	10%
1	1.0400	1.0450	1.0500	1.0550	1.0600	1.0650	1.0700	1.0750	1.0800	1.0850	1.0900	1.0950	1.1000
2	1.0816	1.0920	1.1025	1.1130	1.1236	1.1342	1.1449	1.1556	1.1664	1.1772	1.1881	1.1990	1.2100
3	1.1249	1.1412	1.1576	1.1742	1.1910	1.2079	1.2250	1.2423	1.2597	1.2773	1.2950	1.3129	1.3310
4	1.1699	1.1925	1.2155	1.2388	1.2625	1.2865	1.3108	1.3355	1.3605	1.3859	1.4116	1.4377	1.4641
5	1.2167	1.2462	1.2763	1.3070	1.3382	1.3701	1.4026	1.4356	1.4693	1.5037	1.5386	1.5742	1.6105
6	1.2653	1.3023	1.3401	1.3788	1.4185	1.4591	1.5007	1.5433	1.5869	1.6315	1.6771	1.7238	1.7716
7	1.3159	1.3609	1.4071	1.4547	1.5036	1.5540	1.6058	1.6590	1.7138	1.7701	1.8280	1.8876	1.9487
8	1.3686	1.4221	1.4775	1.5347	1.5938	1.6550	1.7182	1.7835	1.8509	1.9206	1.9926	2.0669	2.1436
9	1.4233	1.4861	1.5513	1.6191	1.6895	1.7626	1.8385	1.9172	1.9990	2.0839	2.1719	2.2632	2.3579
10	1.4802	1.5530	1.6289	1.7081	1.7908	1.8771	1.9672	2.0610	2.1589	2.2610	2.3674	2.4782	2.5937
11	1.5395	1.6229	1.7103	1.8021	1.8983	1.9992	2.1049	2.2156	2.3316	2.4532	2.5804	2.7137	2.8531
12	1.6010	1.6959	1.7959	1.9012	2.0122	2.1291	2.2522	2.3818	2.5182	2.6617	2.8127	2.9715	3.1384
13	1.6651	1.7722	1.8856	2.0058	2.1329	2.2675	2.4098	2.5604	2.7196	2.8879	3.0658	3.2537	3.4523
14	1.7317	1.8519	1.9799	2.1161	2.2609	2.4149	2.5785	2.7524	2.9372	3.1334	3.3417	3.5629	3.7975
15	1.8009	1.9353	2.0789	2.2325	2.3966	2.5718	2.7590	2.9589	3.1722	3.3997	3.6425	3.9013	4.1772
16	1.8730	2.0224	2.1829	2.3553	2.5404	2.7390	2.9522	3.1808	3.4259	3.6887	3.9703	4.2719	4.5950
17	1.9479	2.1134	2.2920	2.4848	2.6928	2.9170	3.1588	3.4194	3.7000	4.0023	4.3276	4.6778	5.0545
18	2.0258	2.2085	2.4066	2.6215	2.8543	3.1067	3.3799	3.6758	3.9960	4.3425	4.7171	5.1222	5.5599
19	2.1068	2.3079	2.5270	2.7656	3.0256	3.3086	3.6165	3.9515	4.3157	4.7116	5.1417	5.6088	6.1159
20	2.1911	2.4117	2.6533	2.9178	3.2071	3.5236	3.8697	4.2479	4.6610	5.1120	5.6044	6.1416	6.7275
21	2.2788	2.5202	2.7860	3.0782	3.3996	3.7527	4.1406	4.5664	5.0338	5.5466	6.1088	6.7251	7.4002
22	2.3699	2.6337	2.9253	3.2475	3.6035	3.9966	4.4304	4.9089	5.4365	6.0180	6.6586	7.3639	8.1403
23	2.4647	2.7522	3.0715	3.4262	3.8197	4.2564	4.7405	5.2771	5.8715	6.5296	7.2579	8.0635	8.9543
24	2.5633	2.8760	3.2251	3.6146	4.0489	4.5331	5.0724	5.6729	6.3412	7.0846	7.9111	8.8296	9.8497
25	2.6658	3.0054	3.3864	3.8134	4.2919	4.8277	5.4274	6.0983	6.8485	7.6868	8.6231	9.6684	10.8347
30	3.2434	3.7453	4.3219	4.9840	5.7435	6.6144	7.6123	8.7550	10.0627	11.5583	13.2677	15.2203	17.4494
35	3.9461	4.6673	5.5160	6.5138	7.6861	9.0623	10.6766	12.5689	14.7853	17.3796	20.4140	23.9604	28.1024
40	4.8010	5.8164	7.0400	8.5133	10.2857	12.4161	14.9745	18.0442	21.7245	26.1330	31.4094	37.7194	45.2593

TABLE 3 Future Value of a \$1 Annuity

Interest Rate

Years	4%	4.5%	5%	5.5%	6%	6.5%	7%	7.5%	8%	8.5%	9%	9.5%	10%
1	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2	2.0400	2.0450	2.0500	2.0550	2.0600	2.0650	2.0700	2.0750	2.0800	2.0850	2.0900	2.0950	2.1000
3	3.1216	3.1370	3.1525	3.1680	3.1836	3.1992	3.2149	3.2306	3.2464	3.2622	3.2781	3.2940	3.3100
4	4.2465	4.2782	4.3101	4.3423	4.3746	4.4072	4.4399	4.4729	4.5061	4.5395	4.5731	4.6070	4.6410
5	5.4163	5.4707	5.5256	5.5811	5.6371	5.6936	5.7507	5.8084	5.8666	5.9254	5.9847	6.0446	6.1051
6	6.6330	6.7169	6.8019	6.8881	6.9753	7.0637	7.1533	7.2440	7.3359	7.4290	7.5233	7.6189	7.7156
7	7.8983	8.0192	8.1420	8.2669	8.3938	8.5229	8.6540	8.7873	8.9228	9.0605	9.2004	9.3426	9.4871
8	9.2142	9.3800	9.5491	9.7216	9.8975	10.0769	10.2598	10.4464	10.6366	10.8306	11.0285	11.2302	11.4351
9	10.5828	10.8021	11.0266	11.2563	11.4913	11.7319	11.9780	12.2298	12.4876	12.7512	13.0210	13.2971	13.5791
10	12.0061	12.2882	12.5779	12.8754	13.1808	13.4944	13.8164	14.1471	14.4866	14.8351	15.1929	15.5603	15.9371
11	13.4864	13.8412	14.2068	14.5835	14.9716	15.3716	15.7836	16.2081	16.6455	17.0961	17.5603	18.0385	18.5311
12	15.0258	15.4640	15.9171	16.3856	16.8699	17.3707	17.8885	18.4237	18.9771	19.5492	20.1407	20.7522	21.3841
13	16.6268	17.1599	17.7130	18.2868	18.8821	19.4998	20.1406	20.8055	21.4953	22.2109	22.9534	23.7236	24.5221
14	18.2919	18.9321	19.5986	20.2926	21.0151	21.7673	22.5505	23.3659	24.2149	25.0989	26.0192	26.9774	27.9751
15	20.0236	20.7841	21.5786	22.4087	23.2760	24.1822	25.1290	26.1184	27.1521	28.2323	29.3609	30.5402	31.7721
16	21.8245	22.7193	23.6575	24.6411	25.6725	26.7540	27.8881	29.0772	30.3243	31.6320	33.0034	34.4416	35.9491
17	23.6975	24.7417	25.8404	26.9964	28.2129	29.4930	30.8402	32.2580	33.7502	35.3207	36.9737	38.7135	40.5441
18	25.6454	26.8551	28.1324	29.4812	30.9057	32.4101	33.9990	35.6774	37.4502	39.3230	41.3013	43.3913	45.5991
19	27.6712	29.0636	30.5390	32.1027	33.7600	35.5167	37.3790	39.3532	41.4463	43.6654	46.0185	48.5135	51.1591
20	29.7781	31.3714	33.0660	34.8683	36.7856	38.8253	40.9955	43.3047	45.7620	48.3770	51.1601	54.1222	57.2711
21	31.9692	33.7831	35.7193	37.7861	39.9927	42.3490	44.8652	47.5525	50.4229	53.4891	56.7645	60.2638	64.0011
22	34.2480	36.3034	38.5052	40.8643	43.3923	46.1016	49.0057	52.1190	55.4568	59.0356	62.8733	66.9889	71.4011
23	36.6179	38.9370	41.4305	44.1118	46.9958	50.0982	53.4361	57.0279	60.8933	65.0537	69.5319	74.3529	79.5411
24	39.0826	41.6892	44.5020	47.5380	50.8156	54.3546	58.1767	62.3050	66.7648	71.5832	76.7898	82.4164	88.4911
25	41.6459	44.5652	47.7271	51.1526	54.8645	58.8877	63.2490	67.9779	73.1059	78.6678	84.7009	91.2459	98.3411

TABLE 4 Present Value of a \$1 Lump Sum

Years	Interest Rate												
	4%	4.5%	5%	5.5%	6%	6.5%	7%	7.5%	8%	8.5%	9%	9.5%	10%
1	0.96154	0.95694	0.95238	0.94787	0.94340	0.93897	0.93458	0.93023	0.92593	0.92166	0.91743	0.91324	0.90909
2	0.92456	0.91573	0.90703	0.89845	0.89000	0.88166	0.87344	0.86533	0.85734	0.84946	0.84168	0.83401	0.82645
3	0.88900	0.87630	0.86384	0.85161	0.83962	0.82785	0.81630	0.80496	0.79383	0.78291	0.77218	0.76165	0.75131
4	0.85480	0.83856	0.82270	0.80722	0.79209	0.77732	0.76290	0.74880	0.73503	0.72157	0.70843	0.69557	0.68301
5	0.82193	0.80245	0.78353	0.76513	0.74726	0.72988	0.71299	0.69656	0.68058	0.66505	0.64993	0.63523	0.62092
6	0.79031	0.76790	0.74622	0.72525	0.70496	0.68533	0.66634	0.64796	0.63017	0.61295	0.59627	0.58012	0.56447
7	0.75992	0.73483	0.71068	0.68744	0.66506	0.64351	0.62275	0.60275	0.58349	0.56493	0.54703	0.52979	0.51316
8	0.73069	0.70319	0.67684	0.65160	0.62741	0.60423	0.58201	0.56070	0.54027	0.52067	0.50187	0.48382	0.46651
9	0.70259	0.67290	0.64461	0.61763	0.59190	0.56735	0.54393	0.52158	0.50025	0.47988	0.46043	0.44185	0.42410
10	0.67556	0.64393	0.61391	0.58543	0.55839	0.53273	0.50835	0.48519	0.46319	0.44229	0.42241	0.40351	0.38554
11	0.64958	0.61620	0.58468	0.55491	0.52679	0.50021	0.47509	0.45134	0.42888	0.40764	0.38753	0.36851	0.35049
12	0.62460	0.58966	0.55684	0.52598	0.49697	0.46968	0.44401	0.41985	0.39711	0.37570	0.35553	0.33654	0.31863
13	0.60057	0.56427	0.53032	0.49856	0.46884	0.44102	0.41496	0.39056	0.36770	0.34627	0.32618	0.30734	0.28966
14	0.57748	0.53997	0.50507	0.47257	0.44230	0.41410	0.38782	0.36331	0.34046	0.31914	0.29925	0.28067	0.26333
15	0.55526	0.51672	0.48102	0.44793	0.41727	0.38883	0.36245	0.33797	0.31524	0.29414	0.27454	0.25632	0.23939
16	0.53391	0.49447	0.45811	0.42458	0.39365	0.36510	0.33873	0.31439	0.29189	0.27110	0.25187	0.23409	0.21763
17	0.51337	0.47318	0.43630	0.40245	0.37136	0.34281	0.31657	0.29245	0.27027	0.24986	0.23107	0.21378	0.19784
18	0.49363	0.45280	0.41552	0.38147	0.35034	0.32189	0.29586	0.27205	0.25025	0.23028	0.21199	0.19523	0.17986
19	0.47464	0.43330	0.39573	0.36158	0.33051	0.30224	0.27651	0.25307	0.23171	0.21224	0.19449	0.17829	0.16351
20	0.45639	0.41464	0.37689	0.34273	0.31180	0.28380	0.25842	0.23541	0.21455	0.19562	0.17843	0.16282	0.14864
21	0.43883	0.39679	0.35894	0.32486	0.29416	0.26648	0.24151	0.21899	0.19866	0.18029	0.16370	0.14870	0.13513
22	0.42196	0.37970	0.34185	0.30793	0.27751	0.25021	0.22571	0.20371	0.18394	0.16617	0.15018	0.13580	0.12285
23	0.40573	0.36335	0.32557	0.29187	0.26180	0.23494	0.21095	0.18950	0.17032	0.15315	0.13778	0.12402	0.11168
24	0.39012	0.34770	0.31007	0.27666	0.24698	0.22060	0.19715	0.17628	0.15770	0.14115	0.12640	0.11326	0.10153
25	0.37512	0.33273	0.29530	0.26223	0.23300	0.20714	0.18425	0.16398	0.14602	0.13009	0.11597	0.10343	0.09230
30	0.30832	0.26700	0.23138	0.20064	0.17411	0.15119	0.13137	0.11422	0.09938	0.08652	0.07537	0.06570	0.05731
35	0.25342	0.21425	0.18129	0.15352	0.13011	0.11035	0.09366	0.07956	0.06763	0.05754	0.04899	0.04174	0.03558
40	0.20829	0.17193	0.14205	0.11746	0.09722	0.08054	0.06678	0.05542	0.04603	0.03827	0.03184	0.02651	0.02209

TABLE 5 Present Value of a \$1 Annuity

Years	Interest Rate												
	4%	4.5%	5%	5.5%	6%	6.5%	7%	7.5%	8%	8.5%	9%	9.5%	10%
1	0.9615	0.9569	0.9524	0.9479	0.9434	0.9390	0.9346	0.9302	0.9259	0.9217	0.9174	0.9132	0.9090
2	1.8861	1.8727	1.8594	1.8463	1.8334	1.8206	1.8080	1.7956	1.7833	1.7711	1.7591	1.7473	1.7354
3	2.7751	2.7490	2.7232	2.6979	2.6730	2.6485	2.6243	2.6005	2.5771	2.5540	2.5313	2.5089	2.4868
4	3.6299	3.5875	3.5460	3.5052	3.4651	3.4258	3.3872	3.3493	3.3121	3.2756	3.2397	3.2045	3.1698
5	4.4518	4.3900	4.3295	4.2703	4.2124	4.1557	4.1002	4.0459	3.9927	3.9406	3.8897	3.8397	3.7902
6	5.2421	5.1579	5.0757	4.9955	4.9173	4.8410	4.7665	4.6938	4.6229	4.5536	4.4859	4.4198	4.3551
7	6.0021	5.8927	5.7864	5.6830	5.5824	5.4845	5.3893	5.2966	5.2064	5.1185	5.0330	4.9496	4.8674
8	6.7327	6.5959	6.4632	6.3346	6.2098	6.0888	5.9713	5.8573	5.7466	5.6392	5.5348	5.4334	5.3341
9	7.4353	7.2688	7.1078	6.9522	6.8017	6.6561	6.5152	6.3789	6.2469	6.1191	5.9952	5.8753	5.7584
10	8.1109	7.9127	7.7217	7.5376	7.3601	7.1888	7.0236	6.8641	6.7101	6.5613	6.4177	6.2788	6.1434
11	8.7605	8.5289	8.3064	8.0925	7.8869	7.6890	7.4987	7.3154	7.1390	6.9690	6.8052	6.6473	6.4954
12	9.3851	9.1186	8.8633	8.6185	8.3838	8.1587	7.9427	7.7353	7.5361	7.3447	7.1607	6.9838	6.8129
13	9.9856	9.6829	9.3936	9.1171	8.8527	8.5997	8.3577	8.1258	7.9038	7.6910	7.4869	7.2912	7.1029
14	10.5631	10.2228	9.8986	9.5896	9.2950	9.0138	8.7455	8.4892	8.2442	8.0101	7.7862	7.5719	7.3661
15	11.1184	10.7395	10.3797	10.0376	9.7122	9.4027	9.1079	8.8271	8.5595	8.3042	8.0607	7.8282	7.6054
16	11.6523	11.2340	10.8378	10.4622	10.1059	9.7678	9.4466	9.1415	8.8514	8.5753	8.3126	8.0623	7.8234
17	12.1657	11.7072	11.2741	10.8646	10.4773	10.1106	9.7632	9.4340	9.1216	8.8252	8.5436	8.2760	8.0211
18	12.6593	12.1600	11.6896	11.2461	10.8276	10.4325	10.0591	9.7060	9.3719	9.0555	8.7556	8.4713	8.2000
19	13.1339	12.5933	12.0853	11.6077	11.1581	10.7347	10.3356	9.9591	9.6036	9.2677	8.9501	8.6496	8.3611
20	13.5903	13.0079	12.4622	11.9504	11.4699	11.0185	10.5940	10.1945	9.8181	9.4633	9.1285	8.8124	8.5089
21	14.0292	13.4047	12.8212	12.2752	11.7641	11.2850	10.8355	10.4135	10.0168	9.6436	9.2922	8.9611	8.6436
22	14.4511	13.7844	13.1630	12.5832	12.0416	11.5352	11.0612	10.6172	10.2007	9.8098	9.4424	9.0969	8.7661
23	14.8568	14.1478	13.4886	12.8750	12.3034	11.7701	11.2722	10.8067	10.3711	9.9629	9.5802	9.2209	8.8761
24	15.2470	14.4955	13.7986	13.1517	12.5504	11.9907	11.4693	10.9830	10.5288	10.1041	9.7066	9.3341	8.9761
25	15.6221	14.8282	14.0939	13.4139	12.7834	12.1979	11.6536	11.1469	10.6748	10.2342	9.8226	9.4376	9.0661
30	17.0000	16.1000	15.1000	14.1000	13.1000	12.1000	11.1000	10.1000	9.1000	8.1000	7.1000	6.1000	5.1000
35	18.0000	17.0000	16.0000	15.0000	14.0000	13.0000	12.0000	11.0000	10.0000	9.0000	8.0000	7.0000	6.0000
40	19.0000	18.0000	17.0000	16.0000	15.0000	14.0000	13.0000	12.0000	11.0000	10.0000	9.0000	8.0000	7.0000