

The Rule of 72

How long does it take to double the money you save or invest? Follow the Rule of 72. The equation is this: Years to double your money = 72 divided by the interest rate.

1. Your money is invested in an account that earns 8 percent interest. How long will it take for your money to double?
Answer: _____
2. Your money is invested in an account that earns 4 percent interest. How long will it take for your money to double?
Answer: _____
3. Your money is invested in an account that earns 3 percent interest. How long will it take for your money to double?
Answer: _____
4. Your money is invested in an account that earns 1 percent interest. How long will it take for your money to double?
Answer: _____
5. Your money is invested in an account that earns 18 percent interest. How long will it take for your money to double?
Answer: _____
6. Your money is invested in an account that earns 9 percent interest. How long will it take for your money to double?
Answer: _____
7. Your money is invested in an account that earns 6 percent interest. How long will it take for your money to double?
Answer: _____
8. Your money is invested in an account that earns 12 percent interest. How long will it take for your money to double?
Answer: _____
9. Your money is invested in an account that earns 2 percent interest. How long will it take for your money to double?
Answer: _____

(continued)

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10. Your money is invested in an account that earns 16 percent interest. How long will it take for your money to double?

Answer: _____

11. Of all the interest rates mentioned in questions 1 through 10, which interest rate would you like to receive?

Answer: _____

12. Do you want to invest your money in something with a high interest rate—or a low interest rate?

Answer: _____