

Learning Objectives 4.1 Calculate future values and understand compounding.4.8 Distinguish between the different types of loan repayments: discount loans, interest-only loans, and amortized loans 3.1 Future Value and Compounding Interest ?The time value of money (TVM) refers to a dollar in hand today being worth more than a dollar received in the future because you can invest today's dollar in an interest-bearing account that grows in value over time.4.4 Compute the future value of multiple cash flows.