

Day 7 (July 6)

Tuesday, July 06, 2010
8:22 AM

Kenny's Work from Day 6:

1. 20,000 / 48 months is > than you already
2.

$$P(0) = 20000$$

$$P(1) = 20000 (1.005) - p =$$

$$P(2) = 20000 (1.005)^2 - p \cdot 1.005 - p$$

$$P(3) = 20000 (1.005)^3 - 1.005^2 p - 1.005 p - p$$

$$P(4) = 20000 (1.005)^4 - (1.005)^3 p - 1.005^2 p - 1.005 p - p$$

$$P(48) = 20000 (1.005)^{48} - p (1.005)^{47} - 1.005 p - \dots$$

$$mp = 20000 (1.005)^{48} - X \left(\frac{1 - (1.005)^{48}}{1 - 1.005} \right)$$

Geometric Series

$$25409 - X \left(\frac{-27}{-.005} \right) = 0$$

$$25409 - X (-54.09) = 0$$

$$25409 + 54.09X = 0$$

$$54.09X = 25409$$