

Compound Interest using TVM Solver on the Calculator

- If you have a TI-83 press $2^{\text{nd}} x^{-1}$ to access the Finance Menu. If you have a TI-83 Plus or TI-84 Plus, press APPS and then 1:Finance. Once you are at the finance menu, select 1:TVM Solver.
- Enter the following inputs for the pieces of information that are given:
 - N = the total number of times the account is compounded (the number of compounding periods per year \times the number of years)
 - $I\%$ = interest rate (as a percentage)
 - PV = present value
 - PMT = payment amount (0 for this class)
 - FV = future value
 - $P/Y = C/Y$ = the number of compounding periods per year.
- Move the cursor to the value you are solving for and hit ALPHA and then ENTER.
- Note: The TVM Solver looks at the direction of the cash flows. Just realize that if you enter PV as a positive number, FV will be returned to you as a negative number. Thus, if you enter both PV and FV they must have opposite signs. Also, in all of the problems we do make sure that END is highlighted at the bottom of the screen.