**Module 5: Time Value of Money (TVM)**

* Understand that time value of money is essential component for making long-term decisions
* Understand 3 principles of TVM
* What is interest and understand different types of interest
  + Fixed and Variable
  + High and Low
  + Simple and compound
* What are annuities
* What is a loan amortization?
* Understand how to calculate
  + Future value
  + Present value
  + Future value of ordinary annuity and future value of annuity due
  + Present value of ordinary annuity and present value of annuity due
  + Loan amortization

**Book**: Chapter 5

**PowerPoint**: Module 5

**Articles**

[Tax withholding: Good for government, bad for taxpayers](http://www.investopedia.com/articles/tax/10/tax-withholding-benefits-criticisms.asp)

[Understanding the cost of money](https://www.boundless.com/finance/textbooks/boundless-finance-textbook/bond-valuation-6/the-basics-of-interest-rates-61/understanding-the-cost-of-money-279-3885/)

[Janet Yellen](https://www.washingtonpost.com/business/economy/new-fed-chief-janet-yellen-has-long-history-of-breaking-barriers/2014/02/02/9e8965ca-876d-11e3-833c-33098f9e5267_story.html)

**Practice Problems**

Additional practice problems: [HERE](http://www.westga.edu/~rbest/finc3511/sampleprobs/sample2.pdf)

[Additional problems 1](http://educ.jmu.edu/~drakepp/principles/module3/tvm_problems_solutions.pdf)

[Additional problems 2](http://www2.fiu.edu/~keysj/TVM_PROBLEMS.pdf)

[Additional problems 3](http://financeintheclassroom.org/downloads/TimeValueMoney.pdf)

**Activities**

[Time value of money](http://www.econedlink.org/teacher-lesson/37/Time-Value-Money)

Teach me money: [Time value of money](http://www.teachmeaboutmoney.org/teens/interest/)

Money instructor: [Time value of money](http://www.moneyinstructor.com/wsp/wsp0060.asp)

[Joe wins the lottery](http://www.econoclass.com/joewinsthelottery.html)