

Consider \$1000 invested for ten years at a rate of 6%/a compounded as per the chart:

<i>Initial Amount</i>	<i>Compounded</i>	<i>Formula</i>	<i>Final Amount after 10 Years</i>
\$1000.00	annually	$P = 1000(1 + 0.06)^{10}$	
\$1000.00	quarterly	$P = 1000\left(1 + \frac{0.06}{4}\right)^{40}$	
\$1000.00	monthly		
\$1000.00	daily		
\$1000.00	continuously		