

PREFACE

THE within tables are for the purpose of valuing Debentures (bearing yearly interest), the principal of which is repayable in annual instalments, so that the total amount paid each year (including both principal and interest) is the same.

EXAMPLE.

Given a \$1000.00 5% bond, repayable in 17 equal annual instalments, including principal and interest: At what price shall it be sold to yield the purchaser 4% interest?

Find the page in the table headed *17 years*, and then the column headed 5% (the rate of interest which the bond bears); follow the column down until opposite 4 (the rate of interest it is desired the bond shall yield the purchaser) in the column at the side. The result is 107.91, *i.e.* the bond must be sold at \$1079.10, and accrued interest (if any), to yield the purchaser 4% interest.