

# Introduction to Valuation Topics

This is a general guideline and should be viewed as such. Anything covered in class can be tested.

1. Time value of money
  - (a) Future value (FV)
  - (b) Present value (PV)
  - (c) Interest rate ( $r$  or  $I\%$ )
  - (d) Time Periods ( $t$  or  $N$ )
2. Simple interest vs compound interest
3. Compounding vs discounting
4. Be able to compute: PV, FV, Number of periods ( $N$ ), and  $r$
5. Relationship between interest rates, time, PV and FV.