



# The Power of Compounding

Think of compounding as interest on interest, where the money you earn is continually reinvested.

## Initial Investment

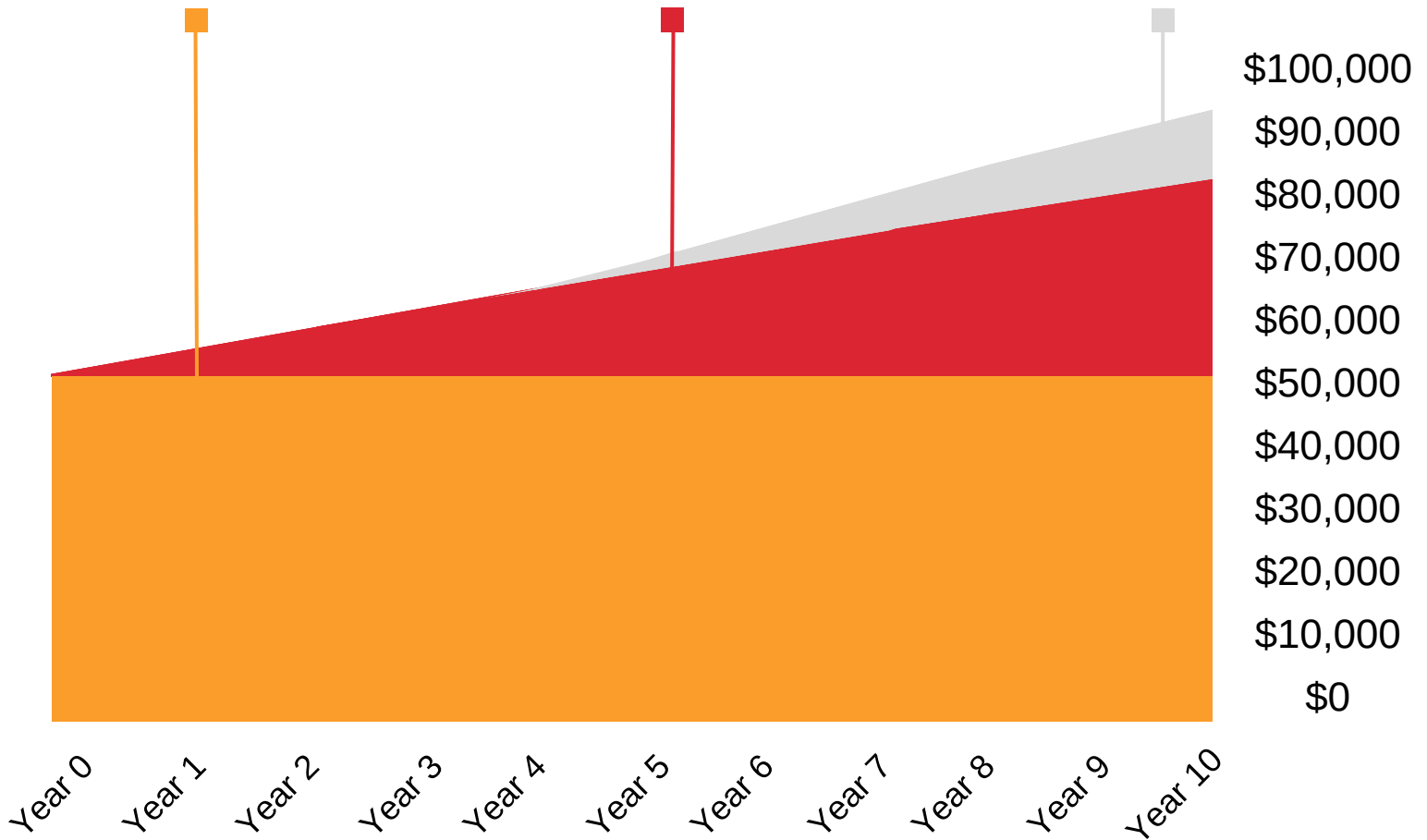
For example, say you invest **\$50,000** today earning 6.50% interest annually.

## Simple Interest

With simple interest, you would have **\$82,500** at the end of 10 years.

## Compounded Earnings

With compounding, you would have more than **\$93,000** at the end of 10 years.



## How a difference of 1% in rate of return affects your investment:

**Initial Investment:** \$50,000  
**Length of Investment:** 10 years

**Maturity Amount:**

4.50%

\$77,648

5.50%

\$85,407

6.50%

\$93,856

**Note:** Actual investment performance is based on certain assumptions, and as such does not guarantee any specific outcome.