

How Money Grows

To maximize the growth of your money, the two key factors are time and your rate of return. The following chart reviews what a \$1,000 investment today will do over time at various rates of return.

You can see, for example, that at a 1 percent rate of return, your money would not even double in 40 years, but at a 6 percent rate of return, it would increase more than tenfold. At 8 percent, your money increases 24-fold. This chart illustrates how even a small increase in the rate of return can make a significant difference over the long term. So its important to shop around for the best rate.

How a \$1,000 investment today will grow over time.

		10 Years	20 Years	30 Years	40 Years
1%	Rate of Return	\$ 1,105	\$ 1,221	\$ 1,349	\$ 1,491
2%	Rate of Return	\$ 1,221	\$ 1,491	\$ 1,821	\$ 2,224
3%	Rate of Return	\$ 1,349	\$ 1,820	\$ 2,456	\$ 3,315
4%	Rate of Return	\$ 1,490	\$ 2,222	\$ 3,313	\$ 4,939
5%	Rate of Return	\$ 1,647	\$ 2,712	\$ 4,467	\$ 7,358
6%	Rate of Return	\$ 1,819	\$ 3,310	\$ 6,022	\$ 10,957
7%	Rate of Return	\$ 2,009	\$ 4,038	\$ 8,116	\$ 16,311
8%	Rate of Return	\$ 2,219	\$ 4,926	\$ 10,935	\$ 24,273
9%	Rate of Return	\$ 2,451	\$ 6,009	\$ 14,730	\$ 36,109
10%	Rate of Return	\$ 2,707	\$ 7,328	\$ 19,837	\$ 53,700