






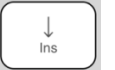




Interest Conversion Worksheet

The Interest Conversion worksheet converts interest rates between nominal rate (or annual percentage rate) and annual effective rate.

- To access the Interest Conversion worksheet, press , .
- To select interest conversion variables, press , .

<i>Variable</i>	<i>Key</i>	<i>Display</i>	<i>Variable Type</i>
Nominal rate	 , 	NOM	Enter/compute
Annual effective rate	 , 	EFF	Enter/compute
Compounding periods per year	 , 	C/Y	Enter-only





Comparing the Nominal Interest Rate of Investments

Comparing the nominal interest rate (annual percentage rate) of investments is misleading when the investments have the same nominal rate but different numbers of compounding periods per year.

To make a more valid comparison, convert the nominal interest rate (**NOM**) to the annual effective interest rate (**EFF**) for each investment.

- The nominal interest rate (**NOM**) is the interest rate per compounding period multiplied by the number of compounding periods per year.
- The annual effective interest rate (**EFF**) is the compound annual interest rate that you actually earn for the period of time stated.

Resetting Variables

- To reset all calculator variables and formats to default values, including the Interest Conversion worksheet variables, press , .
- To clear the **NOM** and **EFF** variables and reset default values without affecting **C/Y**, press ,  in the Interest Conversion worksheet.













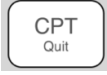
Converting Variables

You can convert a nominal rate to an annual effective rate or vice versa.

Entering Values for Nom and EFF

Enter a value for **NOM** or **EFF** as an annual rate.

Converting Interest Rates

1. To access the Interest Conversion worksheet, press , . The current **NOM** value appears.
2. To clear the worksheet, press , .
3. Enter a value for the known interest rate (either **NOM** or **EFF**).
4. To enter a value for a known variable, press ,  until **NOM** or **EFF** is displayed, key in a value, and press .
5. Press ,  to display **C/Y**. If necessary, change the value and press .
6. To compute a value for the unknown variable (interest rate), press ,  until **NOM** or **EFF** is displayed, and then press . The calculator displays the computed value.