

Solutions to Problem Set 2

Problem 2.1

- a. $PV = -94.8016$
- b. $PV = -1,323.3397$
- c. $PV = -530.4708$

Problem 2.2

$PV = -114.0041$

Problem 2.3

$NPV = -21.3144$

Problem 2.4

$NPV = 22.6256$

Problem 2.5

$NPV = 485.9978$

Problem 2.6

$NPV = 16.8657$

Problem 2.7

- a. $NPV = 29.3296$
- b. $NPV = 8.3313$

Problem 2.8

- a. $NPV = -52.0802$
- b. $NPV = -93.8270$

Problem 2.9

- a. $NPV = 1,686.7017$
- b. $NPV = 3,874.5304$

Problem 2.10

$NPV = -61.2830$

Problem 2.11

$NPV = 2,832.8302$