Investor A: Opens an IRA at 12%. Deposits $2,000 each year for six years, then stops.

Investor B: During the first six years, spends the money on himself. Then opens an IRA, depositing $2,000 each year (for 35 years!) until age 62.

Results: Investor A and B have almost the same amount, even though Investor A saved only $12,000 compared to Investor B's $70,000!

Two Things to Remember:
1. Compound interest can help you save a lot for retirement.
2. Start investing early!

	Investor A		**Investor B**	
Age	$ Payment	End of Year Accumulation	$ Payment	End of Year Accumulation
22	2,000	2,240	0	0
23	2,000	4,479	0	0
24	2,000	7,559	0	0
25	2,000	10,706	0	0
26	2,000	14,230	0	0
27	2,000	18,178	0	0
28	0	20,359	2,000	2,240
29	0	22,803	2,000	4,749
30	0	25,539	2,000	7,559
31	0	28,603	2,000	10,706
32	0	32,036	2,000	14,230
33	0	35,880	2,000	18,178
34	0	40,186	2,000	22,559
35	0	45,008	2,000	27,551
36	0	50,409	2,000	33,097
37	0	56,458	2,000	39,309
38	0	63,233	2,000	46,266
39	0	70,821	2,000	54,058
40	0	79,320	2,000	62,785
41	0	88,838	2,000	72,559
42	0	99,499	2,000	83,507
43	0	111,438	2,000	95,767
44	0	124,811	2,000	109,499
45	0	139,788	2,000	124,879
46	0	156,563	2,000	142,105
47	0	175,351	2,000	161,397
48	0	196,393	2,000	183,005
49	0	219,960	2,000	207,206
50	0	246,355	2,000	234,310
51	0	275,917	2,000	264,668
52	0	309,028	2,000	298,668
53	0	346,111	2,000	336,748
54	0	387,644	2,000	379,398
55	0	434,161	2,000	427,166
56	0	486,261	2,000	480,665
57	0	544,612	2,000	540,585
58	0	609,966	2,000	607,695
59	0	683,162	2,000	682,859
60	0	765,141	2,000	767,042
61	0	856,958	2,000	861,327
62	0	959,793	2,000	966,926
Total Contributions -	**$12,000**		**$70,000**	
Total Value of IRA	**- $959,793**		**$966,926**	