

Day 5 Group Work of Corporate Finance I

Name _____ Batch No _____ Roll No _____ Age _____ Group _____

Please compute and fill in the Blanks Below:

- Planning for a retired life through a corpus today:
 - You plan to retire at the end of 60 Years. You expect your life expectancy to be 85 years. The going interest rate is 2%. You plan to have a standard of living which involves a standard of living equivalent to 100,000 Dirham's per year. How much corpus of fund would you need (as on date)? (Hint: Take your age into consideration).
 - You plan to retire at the end of 60 Years. You expect your life expectancy to be 85 years. The going interest rate is -2% (i.e., minus two percent). You plan to have a standard of living which involves a standard of living equivalent to 100,000 Dirham's per year. How much corpus of fund would you need (as on date)? (Hint: Take your age into consideration).
 - You plan to retire at the end of 60 Years. You expect your life expectancy to be 85 years. The going interest rate is [Your Group Number]%. You plan to have a standard of living which involves a standard of living equivalent to 100,000 Dirham's per year. How much corpus of fund would you need (as on date)? (Hint: Take your age into consideration).
- Planning to take a home loan (to purchase a house):
 - You decide to purchase apartment worth 1 million Dirham. A bank agrees to fund the same at interest rate of 4% per annum. You clearly mention that you will be able to make a constant payment of 12,000 Dirhams per annum. Determine the number of periods for the loan to be repaid.
 - What will be the interest repaid by you in the second period?
 - What will be the principal amount repaid by you in the third period?
 - You decide to purchase an apartment worth [Your Roll Number] million Dirham. A bank agrees to fund the same at interest rate of [Your Group Number]% per annum. You clearly mention that you will be able to make a constant payment of 12,000 Dirhams per annum. Determine the number of periods for the loan to be repaid.
 - What will be the interest repaid by you in the second period?
 - What will be the principal amount repaid by you in the third period?
- What is the going interest rate in UAE?
Bank savings rate _____ Three-year Bank fixed deposit rate _____
 - What is the going inflation rate in UAE?
- What is the going interest rate in Egypt?
Bank savings rate _____ Three-year Bank fixed deposit rate _____
 - What is the going inflation rate in Egypt?