

Present value of a dollar in n years, compounded annually

Years to Maturity	Rate in Percent								
	4.0	4.5	5.0	5.5	6.0	6.5	7.0	7.5	8.0
1	0.9615	0.9569	0.9524	0.9479	0.9434	0.9390	0.9346	0.9302	0.9259
2	0.9246	0.9157	0.9070	0.8985	0.8900	0.8817	0.8734	0.8653	0.8573
3	0.8890	0.8763	0.8638	0.8516	0.8396	0.8278	0.8163	0.8050	0.7938
4	0.8548	0.8386	0.8227	0.8072	0.7921	0.7773	0.7629	0.7488	0.7350
5	0.8219	0.8025	0.7835	0.7651	0.7473	0.7299	0.7130	0.6966	0.6806
6	0.7903	0.7679	0.7462	0.7252	0.7050	0.6853	0.6663	0.6480	0.6302
7	0.7599	0.7348	0.7107	0.6874	0.6651	0.6435	0.6227	0.6028	0.5835
8	0.7307	0.7032	0.6768	0.6516	0.6274	0.6042	0.5820	0.5607	0.5403
9	0.7026	0.6729	0.6446	0.6176	0.5919	0.5674	0.5439	0.5216	0.5002
10	0.6756	0.6439	0.6139	0.5854	0.5584	0.5327	0.5083	0.4852	0.4632
11	0.6496	0.6162	0.5847	0.5549	0.5268	0.5002	0.4751	0.4513	0.4289
12	0.6246	0.5897	0.5568	0.5260	0.4970	0.4697	0.4440	0.4199	0.3971
13	0.6006	0.5643	0.5303	0.4986	0.4688	0.4410	0.4150	0.3906	0.3677
14	0.5775	0.5400	0.5051	0.4726	0.4423	0.4141	0.3878	0.3633	0.3405
15	0.5553	0.5167	0.4810	0.4479	0.4173	0.3888	0.3624	0.3380	0.3152
16	0.5339	0.4945	0.4581	0.4246	0.3936	0.3651	0.3387	0.3144	0.2919
17	0.5134	0.4732	0.4363	0.4024	0.3714	0.3428	0.3166	0.2925	0.2703
18	0.4936	0.4528	0.4155	0.3815	0.3503	0.3219	0.2959	0.2720	0.2502
19	0.4746	0.4333	0.3957	0.3616	0.3305	0.3022	0.2765	0.2531	0.2317
20	0.4564	0.4146	0.3769	0.3427	0.3118	0.2838	0.2584	0.2354	0.2145
21	0.4388	0.3968	0.3589	0.3249	0.2942	0.2665	0.2415	0.2190	0.1987
22	0.4220	0.3797	0.3418	0.3079	0.2775	0.2502	0.2257	0.2037	0.1839
23	0.4057	0.3634	0.3256	0.2919	0.2618	0.2349	0.2109	0.1895	0.1703
24	0.3901	0.3477	0.3101	0.2767	0.2470	0.2206	0.1971	0.1763	0.1577
25	0.3751	0.3327	0.2953	0.2622	0.2330	0.2071	0.1842	0.1640	0.1460
26	0.3607	0.3184	0.2812	0.2486	0.2198	0.1945	0.1722	0.1525	0.1352
27	0.3468	0.3047	0.2678	0.2356	0.2074	0.1826	0.1609	0.1419	0.1252
28	0.3335	0.2916	0.2551	0.2233	0.1956	0.1715	0.1504	0.1320	0.1159
29	0.3207	0.2790	0.2429	0.2117	0.1846	0.1610	0.1406	0.1228	0.1073
30	0.3083	0.2670	0.2314	0.2006	0.1741	0.1512	0.1314	0.1142	0.0994

For example: One dollar to be delivered in five years will cost \$.7835 if the interest rate is 5%, compounded annually. Thus, if I need to pay \$20,000 five years from now I need to put away \$20,000*.7835 = \$15,670 today.