

**Formula Sheet: Exam #1**  
**Econ 4673**  
**Dr. Keen**

M1 = currency + traveler's checks + demand deposits + other checkable deposits

M2 = M1 + small time deposits + savings deposits + retail money market mutual funds

MZM = M1 + savings deposits + retail money market mutual funds + institutional money market mutual funds

$$PV = \frac{CP}{(1+i)^n}$$

Coupon rate = coupon payment/face value

$$LV = \frac{FP}{(1+i)} + \frac{FP}{(1+i)^2} + \dots + \frac{FP}{(1+i)^n}$$

$$P = \frac{C}{(1+i)} + \frac{C}{(1+i)^2} + \dots + \frac{C}{(1+i)^n} + \frac{F}{(1+i)^n}$$

$$P = \frac{F}{(1+i)^n}$$

$$P = \frac{C}{(1+i)} + \frac{C}{(1+i)^2} + \frac{C}{(1+i)^3} + \dots$$

$$R = \frac{C}{P_t} + \frac{P_{t+1} - P_t}{P_t}$$

$$R = r + \pi^e$$

$$R_{n,t} = \frac{R_{1,t} + R_{1,t+1} + R_{1,t+2} + \dots + R_{1,t+n-1}}{n}$$

$$R_{n,t} = \frac{R_{1,t} + R_{1,t+1} + R_{1,t+2} + \dots + R_{1,t+n-1}}{n} + l_{n,t}$$

$$P_t = \frac{D_{t+1}}{(1+k)} + \frac{D_{t+2}}{(1+k)^2} + \dots + \frac{D_{t+n}}{(1+k)^n} + \frac{P_{t+n}}{(1+k)^n}$$

$$P_t = \sum_{n=1}^{\infty} \frac{D_{t+n}}{(1+k)^n}$$

$$P_t = \frac{D_t \times (1+g)^*}{(k-g)}$$

$$R_t^{\text{of}} = \frac{P_{t+1}^{\text{of}} - P_t + C}{P_t}$$