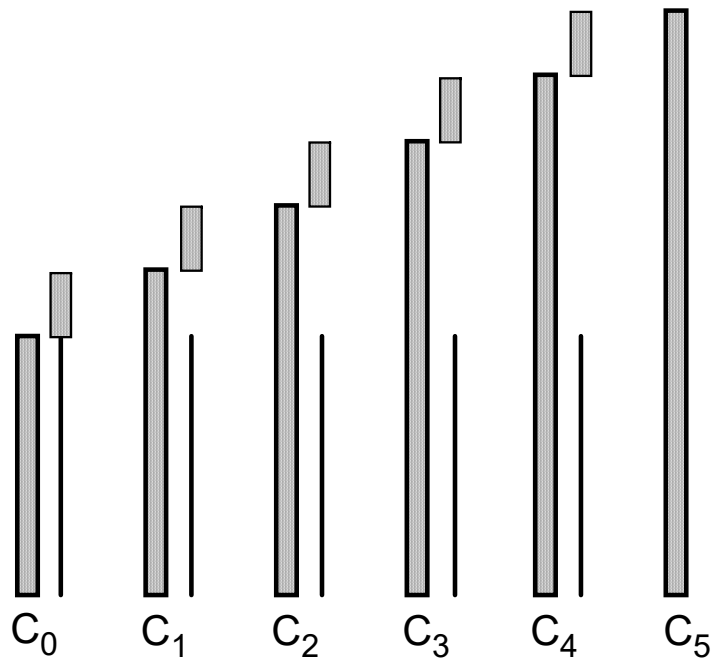
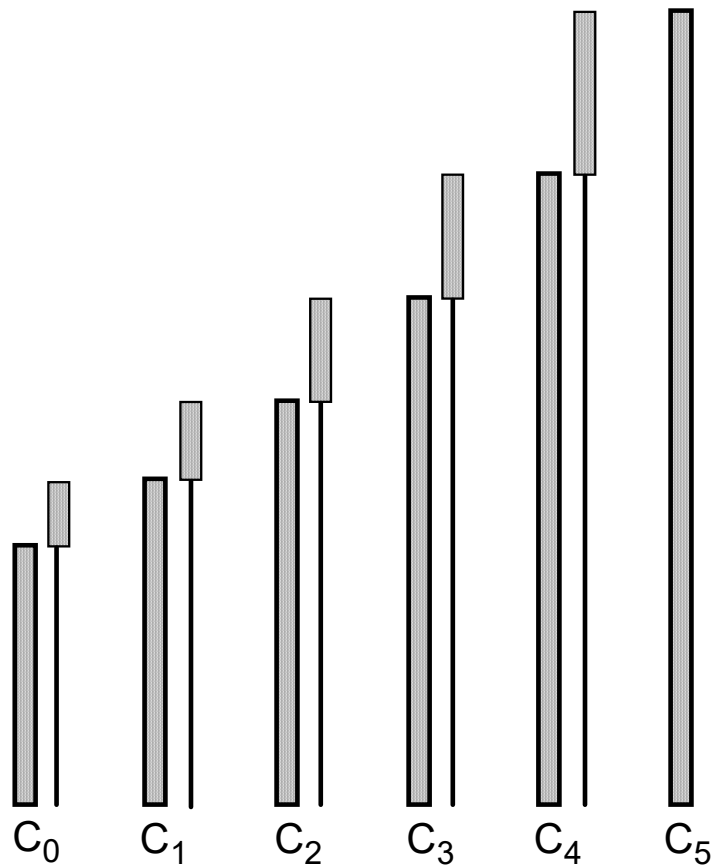


Simple interest



Interest paid at the end of the n^{th} compounding period is based on the **initial** capital C_0 .

Compound interest



Interest paid at the end of the n^{th} compounding period is based on the **previous** capital C_{n-1} .