

# The Rule of 72 and the Rule of 115

## *How Long Will It Take to Double or Triple Your Investment?*

The rule of 72 is a handy mathematical rule which helps in estimating approximately how many years it will take for an investment to double in value at a specified rate of return.

For example, at a 1% rate of return, an investment will double in approximately 72 years; at a 10% rate of return it will take only 7.2 years, etc.

The rule of 115 is a similar rule that allows one to estimate how long it will take an investment to triple in value.

For example, at a 1% rate of return, an investment will triple in approximately 115 years; at a 10% rate of return it will take only 11.5 years, etc.

<b>Rate of Return</b>	<b>1%</b>	<b>2%</b>	<b>3%</b>	<b>4%</b>	<b>5%</b>	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>9%</b>	<b>10%</b>	<b>11%</b>
<b>Years to double</b>	72	36	24	18	14.4	12	10.3	9	8	7.2	6.5
<b>Years to triple</b>	115	57.5	38.3	28.8	23	19.2	16.4	14.4	12.8	11.5	10.5

<b>Rate of Return</b>	<b>12%</b>	<b>13%</b>	<b>14%</b>	<b>15%</b>	<b>16%</b>	<b>17%</b>	<b>18%</b>	<b>19%</b>	<b>20%</b>	<b>21%</b>	<b>22%</b>
<b>Years to double</b>	6	5.5	5.1	4.8	4.5	4.2	4	3.8	3.6	3.4	3.3
<b>Years to triple</b>	9.6	8.8	8.2	7.7	7.2	6.8	6.4	6.1	5.8	5.5	5.2

These rules can also tell you how long before a given item will double or triple in price at an estimated average rate of inflation.

For example, at an estimated average inflation rate of 8%, a loaf of bread will double in price every nine years.