**Activity – The Power of Compounding Interest**

1. At the end of age 65, what was the difference in the total RRSP amount between Anthony and Sarah?
2. Sarah made only eight contributions totaling $16,000, while Anthony made 39 contributions, totaling $78,000. At the age of 65, what was the difference in the total interest earned by Sarah and the total interest earned by Anthony?
3. If Anthony’s and Sarah’s savings had been calculated using simple interest, who do you think would have earned more interest by the age of 65? Explain why.
4. If you wanted to contribute $2000 per year like Anthony and Sarah, you would have to save $5.48 per day. How would you encourage your peers to start this savings plan?