

Solution 1.19

Identify the four engineering economy symbols and their values. Use a question mark with the symbol whose value is to be determined.

DubaiWorks manufactures angular contact ball bearings for pumps that operate in harsh environments. The company invested \$2.4 million in a process that resulted in net profits of \$760,000 per year for five consecutive years. What rate of return did the company make?

Solution:

$P = \$2,400,000$; $A = \$760,000$; $n = 5$; $i = ?$