

## Investor Education Series, Vol 1.4

### The Rule of 72

As you can see from the information presented to the right, a small increase in the return achieved can go a long way. Another way to illustrate this point is through a simple mathematical calculation called “The Rule of 72,” which is used to approximate the number of years it can take an investment to double in value.

By dividing a percentage return into 72 you can determine approximately how long it may take to double your money. For instance, if an investment receives a 6% return annually, the dollar value may double in approximately 12 years ( $72 \div 6 = 12$ ). But if an investment produces an 8% return annually—just 2% more a year—the dollar value may double in approximately nine years ( $72 \div 8 = 9$ ).

For more information about MainStay Funds, please call 1-800-MAINSTAY (1-800-624-6782) for a prospectus. Investors are asked to consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus contains this and other information about the investment company. Please read the prospectus carefully before investing.

**You can also access our web site at [www.mainstayfunds.com](http://www.mainstayfunds.com).**

When it comes to investing, a small increase in the return you achieve can go a long way toward meeting your financial goals.

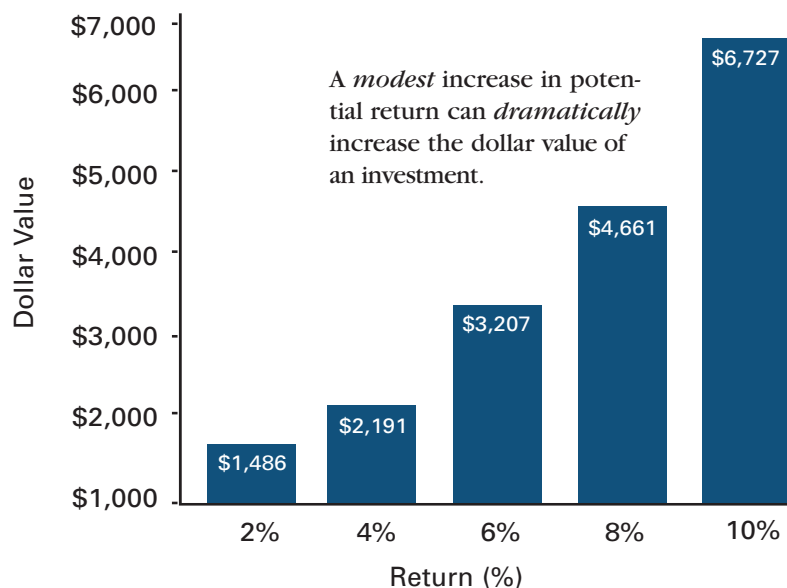
**Q) A \$1,000 investment, with a 2% annual return would grow to \$1,486 after 20 years. What would the investment be worth if the annual return increased from 2% to 4% over that same 20-year period?**



- A. \$1,706      B. \$1,982      C. \$2,000      D. \$2,191

The answer is \$2,191—**That is over 47% more in assets and more than double the original \$1,000 investment!**

### The Difference a Percentage Increase Could Make to an Investment Growth of \$1,000 over a 20-Year Period.



To make the most of your return potential, work closely with your investment professional. He or she can review your financial goals and construct a portfolio that seeks to strike a balance between goals, risk tolerance, and time horizon.

The interest rates quoted above are hypothetical and do not represent the return of any particular investment.

Source: New York Life Investment Management LLC, 4/7/04.

**Securities distributed by NYLIFE Distributors LLC, 169 Lackawanna Avenue, Parsippany, New Jersey 07054.**

Not FDIC insured. No bank guarantee. May lose value.