



كلية الرشيد الجامعة
قسم هندسة تقنيات الحاسوب
المرحلة / الرابع
المادة / ادارة مشاريع
مدرس المادة / د. محمد علاء حسين

Lecture 3

Lecture By
Department Of Computer Technical Engineering
Dr. Mohammed Alaa Hussein

Engineering economics

Engineering economics:- is branch of economics used by engineering to optimize their designs and construction projects.

The following symbol and definitions

P: - principle, a sum of money invested in initial year, or
The present sum of money.

i :- interest rate per of unit of time expressed as a decimal ex:- 5% = 0.05

n:- time , the number of units of times over which inters
Accumulates.

I: - simple interest

F: - compound amount, a sum of money at end of n
units at interest i .

Simple interest

$$\text{Simple interest (I)} = p i n$$

Example:- an amount of 2500\$ is deposit in a bank offering 5% simple interest per annum what is the interest at the end of the first year?

Solution:-

$$P= 2500\$ \quad i=0.05 \quad n= 1$$

$$\text{Simple interest (I)} = p i n$$

$$= 2500 * 0.05 * 1$$

$$= 125 \$$$