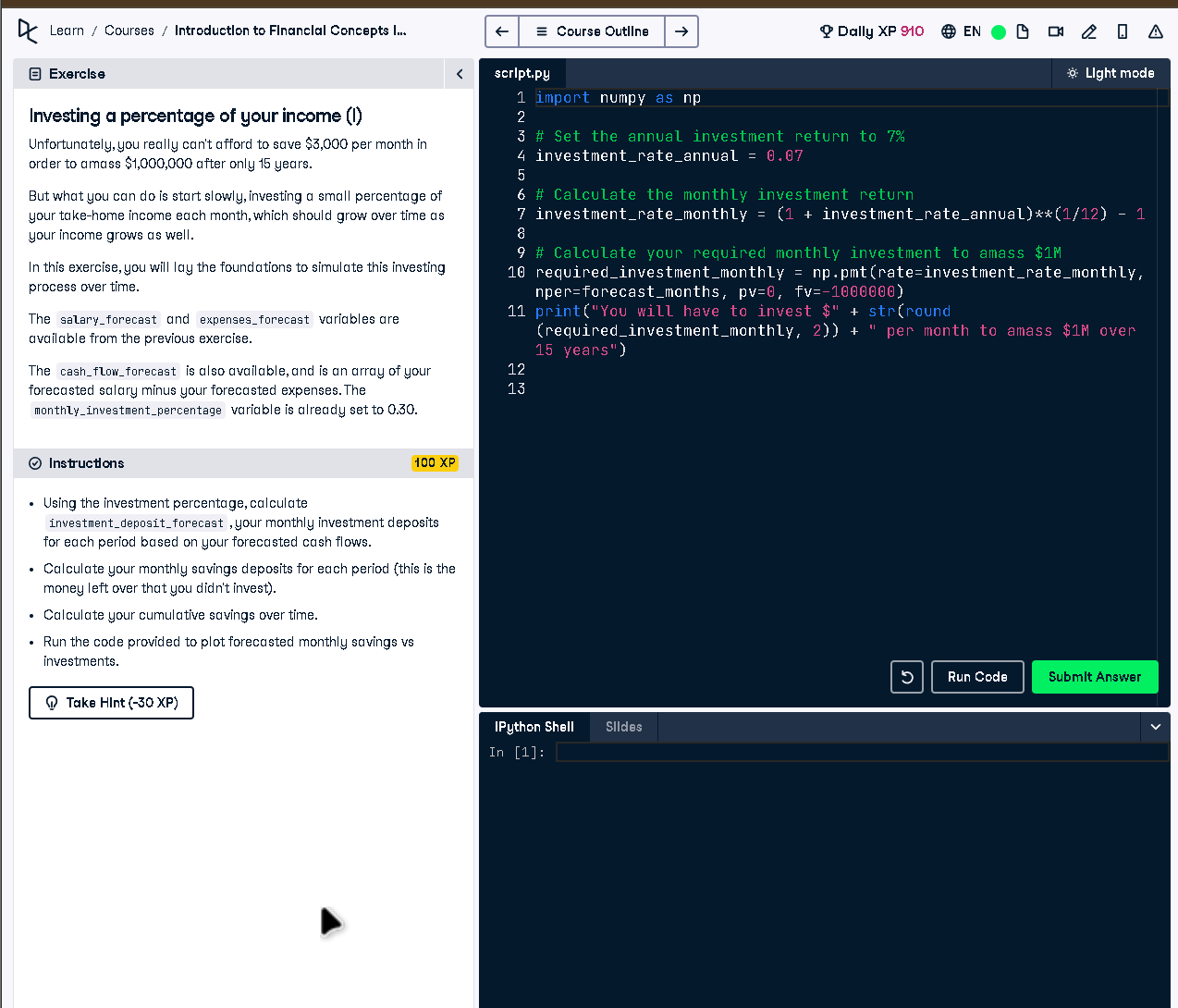
Investing a Percentage of Your Income (I) - Corrected Full Answer



# Full Code Answer:

import numpy as np  
  
# Calculate your monthly deposit into your investment account  
investment\_deposit\_forecast = cash\_flow\_forecast \* monthly\_investment\_percentage  
  
# The rest goes into your savings account  
savings\_forecast\_new = cash\_flow\_forecast \* (1 - monthly\_investment\_percentage)  
  
# Calculate your cumulative savings over time  
cumulative\_savings\_new = np.cumsum(savings\_forecast\_new)  
  
# Plot your forecasted monthly savings vs investments  
plt.plot(investment\_deposit\_forecast, color='red')  
plt.plot(savings\_forecast\_new, color='blue')  
plt.legend(handles=[investments\_plot, savings\_plot], loc=2)  
plt.show()

# Question:

How do you calculate and compare monthly investments and savings when investing a fixed percentage of income?

# 20-word Explanation (Question):

Investment and savings split is calculated by distributing cash flows based on a fixed investment percentage every month.

# Answer:

Multiply cash\_flow\_forecast by monthly\_investment\_percentage for investments, allocate the rest to savings, and plot both for comparison.

# 20-word Explanation (Answer):

The remaining income after investments is saved, while cumulative tracking and plotting provide visual insights into growth patterns.