Interest Income

You lend \$1,000 and charge 10% interest

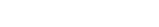
You saved \$1,000 in an account that pays 10% interest

You bought a \$1,000 government bond that pays 10% interest

You bought a \$1,000 corporate bond that pays 10% interest



Interest Income = $1,000 \times 0.1 = 100



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Today: you lend \$100