The Rule of 72 and the Rule of 115

How Long Will It Take to Double or Triple an Investment?[1]

The rule of 72 is a handy mathematical rule that helps in estimating approximately how many years it will take for an investment to **double** in value at a specified rate of return.

Rule of 72: If 72 is divided by an interest rate, the result is the approximate number of years needed to double the investment. For example, at a 1% rate of return, an investment will double in approximately 72 years; at a 10% rate of return it will take only 7.2 years, etc.

The rule of 115 is similar in that it estimates how long it takes an investment to **triple** in value.

Rule of 115: If 115 is divided by an interest rate, the result is the approximate number of years needed to triple an investment. For example, at a 1% rate of return, an investment will triple in approximately 115 years; at a 10% rate of return it will take only 11.5 years, etc.

Rate of Return	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%	11%
Years to double	72	36	24	18	14.4	12	10.3	9	8	7.2	6.5
Years to triple	115	57.5	38.3	28.8	23	19.2	16.4	14.4	12.8	11.5	10.5

Rate of Return	12%	13%	14%	15%	16%	17%	18%	19%	20%	21%	22%
Years to double	6	5.5	5.1	4.8	4.5	4.2	4	3.8	3.6	3.4	3.3
Years to triple	9.6	8.8	8.2	7.7	7.2	6.8	6.4	6.1	5.8	5.5	5.2

These rules can also tell you how long before a given item will double or triple in price at an estimated average rate of inflation.

For example, at an estimated average inflation rate of 8%, a loaf of bread will double in price every nine years. (72 ÷ 8 = 9).

The examples discussed here are hypothetical illustrations, shown for informational purposes only. They are not intended to represent any specific investment.

[1] Investing involves risk, including the possible loss of principal.

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