

**Exercise 5.6**

The standard deviation is given by

$$\begin{aligned} \text{SD} &= 50000 \times \frac{1}{d} \times \sqrt{{}^2A_{[60]} - (A_{[60]})^2} \\ &= 50000 \times \frac{1}{.05/1.05} \times \sqrt{0.10781 - (0.28984)^2} \\ &= 161,995.6 \end{aligned}$$