

(b) Case 2.

$$1600 \left(1 + \frac{0.05}{367}\right)^{7 \times 367}$$

\$ 52858.66

(c) Plan B

The amount in B will be higher than A.

9.

$$A = P \left(1 + \frac{r}{n}\right)^{nt}$$

$$= 3000 \left(1 + \frac{0.035}{2}\right)^{2 \times 6}$$

\$ 3694.32

10 Compound Interest makes sum of money to grow faster because you are able to earn returns even from your returns depending on the number of times the amount is compounded.

6.

$$a = \$4500$$

$$b = 6 \text{ years}$$

$$c = 6\%$$

$$d = 2 \text{ times}$$

$$e = \$6417.92$$

7

Plan A

$$A = P \left(1 + \frac{r}{n}\right)^{nt}$$

$$= 2400 \times (1 + 0.045)^5$$

$$= \$2990.84$$

Plan B

$$A = 2400 \left(1 + \frac{0.045}{12}\right)^{5 \times 12}$$

$$2400 (1.0375)^{60}$$

$$\$21852.32$$

He is supposed to use plan 2.

8

Plan 1

$$(a) A = P \left(1 + \frac{r}{n}\right)^{nt}$$

$$= 1600 (1 + 0.06)^7$$

$$= \$2405.81$$

# Canadian math

1.

$$\begin{aligned} I &= PRT \\ &= 750 \times \frac{8}{100} \times 4 \\ &= 240 \\ &= \$240 \end{aligned}$$

2

$$\begin{aligned} A &= P + PRT \\ 825 + 825 \times \frac{11.5}{100} \times 4 \\ 825 + 379.5 \\ &= \$1204.5 \end{aligned}$$

3

$$\begin{aligned} A &= P + PRT \\ 1080 + \left( \frac{4.25}{100} \times 1080 \times \frac{11}{2} \right) \\ 1080 + 252.45 \\ &= 1332.45 \end{aligned}$$

4 Leslie took a simple interest loan of \$700 for a period of 2 years at a rate of 9% per annum. Calculate the amount of money he pays at the end of the period.

5

$$\begin{aligned} A &= P + (PRT) \\ 1300 + \left( \frac{1300 \times 5}{100} \times \frac{9}{12} \right) \\ 1300 + 48.75 \\ &= \$1348.75 \end{aligned}$$