Period:

Math 9: Interest Quiz (Finance Quiz #2)

Full credit will only be awarded for all work shown in a neat and organized manner.

Answer to 2 decimal places

There are 52 weeks in a year		There are 12 months in a year		There are 365 days in a year
	$I = P \cdot r \cdot t$		A= F	$P(1+\frac{r}{n})^{nt}$

1. **Explain** the difference between <u>interest</u> and <u>final amount</u>.

2. Rita takes out a loan of \$5,000 for 4 years at 6.5%. How much <u>interest</u> does Rita have to pay back using simple interest?

3. Yuri invests \$7,500 for 300 days at 10.2%. How much money will be in Yuri's account using simple interest?

4. Tom borrows \$3675 for 19 months at 8.7% interest. How much does Tom have to pay back at the end using simple interest?

5. Suyeon deposits \$3,000 in a savings account at 3% compounded annually. How much will be in the account 15 years later using compound interest?

6. You are looking to take out a loan for \$10,000 from a bank for 8 years. They offer you an interest rate of 6.9% compounded quarterly. How much will you have to pay back at the end using compound interest?

7. Lily invests \$5600 at 11.8% compounded monthly. How much interest does she earn after 10 years using compound interest?