Attendance Quiz 1

Name: ____________________________ Date: Tuesday, July 6

1. (Compound Interest) Use the compound interest formula to determine the accumulated balance after the stated period. Assume that interest is compounded annually.

   (a). $2000 is invested at an APR of 3% for 10 years.

   (b). $30,000 is invested at an APR of 7% for 25 years.

2. (Compound Interest More Than Once a Year) Use the compound interest formula for compounding more than once a year to determine the accumulated balance after the stated period.

   (a). A $1000 deposit at an APR of 5.5% with quarterly compounding for 10 years.

   (b). A $1000 deposit at an APR of 5.5% with daily compounding for 10 years.
3. (Continuous Compounding) Use the compound interest formula for continuous
compounding to determine the accumulated balance after 1 year, 5 years, and 20 years.
Also find the APY for each account.

(a). A $1000 deposit in an account with an APR of 4%.

(b). A $5000 deposit in an account with an APR of 6.5%.