

Name \_\_\_\_\_ Date \_\_\_\_\_ Pd \_\_\_\_\_

### 11.1 Solving Simple & Compound Interest DAY THREE CYU

Use when you get it right all by yourself

**S** Use when you did it all by yourself, but made a silly mistake

**H** Use when you could do it alone with a little help from teacher or peer

**G** Use when you completed the problem in a group

**X** Use when a question was attempted but wrong (get help)

**N** Use when a question was not even attempted

CONCEPTS	BASIC	INTERMEDIATE	ADVANCED
Solving Compound Interest Problems	1 - 4		
Solving Simple Interest Problems	5 - 8		

Use the compound interest formula ( $A = P(1 + r)^t$ ) to solve the following problems.

1. Find the rate  $r$  at which \$3000 compounded annually grows to \$4320 in 2 years.
2. Find the rate  $r$  at which \$800 compounded annually grows to \$882 in 2 years.
3. Find the rate at which \$15,000 compounded annually grows to \$16,224 in 2 years.
4. Find the rate at which \$2000 compounded annually grows to \$2880 in 2 years.

Use the simple interest formula ( $I = Prt$ ) to solve the following real-world problems.

5. A bank is offering 2.5% simple interest on a saving account. If you deposit \$5000, how much interest will you earn in one year?
  
  
  
  
  
  
  
  
  
  
6. To buy a car, Jessica borrowed \$15,000 for 3 years at an annual simple interest rate of 9%. How much interest will she pay if she pays the entire loan off at the end of the third year? What is the total amount that she will repay?
  
  
  
  
  
  
  
  
  
  
7. Nancy invested \$6000 in a bond at a yearly rate of 3%. She earned \$450 in interest. How long was the money invested?
  
  
  
  
  
  
  
  
  
  
8. Mr. Johnson borrowed \$8000 for 4 years to make home improvements. If he repaid a total of \$10,320, at what interest rate did he borrow the money?

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**CYU Reflection:** *How far can you go: basic, intermediate, or advanced?*

**Rate your mastery level!**

How confident are you with the skills this CYU covered? Circle the score you would give yourself.

