

**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.

20%

2. Find the rate  $r$  at which \$800 compounded annually grows to \$882 in 2 years.

5%

3. Find the rate at which \$15,000 compounded annually grows to \$16,224 in 2 years.

4%

4. Find the rate at which \$2000 compounded annually grows to \$2880 in 2 years.

20%

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?

\$125

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?

\$4,050  
\$19,050

7. Nancy invested \$6000 in a bond at a yearly rate of 3%. She earned \$450 in interest. How long was the money invested?

2.5 years

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?

7.25%

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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.

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1	2	3	4	5	6	7	8
Basic		Intermediate			Advanced		Solved ALL!

