

Name: _____

Date: _____

Daily Check In

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

Logan has $\$7352.67$ in a savings account. He invested this at an annual rate of 1.9%, compounded monthly, for 42 weeks. How much money did Logan invest? $n=12$

A	?
P	7352.67
I	
r	0.019
t	42/52
n	12

$$A = 7352.67 \left(1 + \frac{0.019}{12} \right)^{12 \times \frac{42}{52}}$$





$$= 7352.67 \left(1 + \frac{0.019}{12} \right)^{9.7}$$

$$= 7352.67 \left(1 + 0.001583 \right)^{9.7}$$

$$= 7352.67 (1.001583)^{9.7}$$

$$= 7352.67 (1.0155)$$

$$= \$7466.38$$

How did you do? (Circle one)	Emerging	Developing	Proficient	Extending
				

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Daily Check In

20 months

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

use $\frac{20}{12}$

Logan has \$1893.52 in a savings account. He invested this at an annual rate of 2.3%, compounded quarterly, for 32 weeks. How much money did Logan invest?

A	?
P	1893.52
r	0.023
t	32/52
n	4

$$A = 1893.52 \left(1 + \frac{0.023}{4} \right)^{4 \times \frac{32}{52}}$$





$$= 1893.52 \left(1 + \frac{0.023}{4} \right)^{2.46}$$

$$= 1893.52 \left(1 + 0.00575 \right)^{2.46}$$

$$= 1893.52 \left(1.00575 \right)^{2.46}$$

$$= 1893.52 (1.0142)$$

$$= \$1920.42$$

How did you do? (Circle one)	Emerging	Developing	Proficient	Extending
				

Name: Rea Harris

Date: _____

Daily Check In

 $\frac{4}{5}$

1. Define what **term** is, with respect to **simple interest**.

The amount of time you borrowed money ✓

2. Sue is planning a trip to Toronto, so she invested \$2000 to spend on her trip at an annual interest rate of 0.75%. She is planning on leaving in 4 months. How much money will she have to spend on her trip?

$$I = (2000)(0.0075)\left(\frac{0.33}{\cancel{0.34}}\right)$$

$$\frac{4 \text{ months}}{12 \text{ months}} = 0.3\bar{3}$$

$$= 0.33$$

$$I = \$4.95 \checkmark$$





$$0.75\% = \frac{0.75}{100}$$

$$= 0.0075$$

$$A = ? P + I$$

$$= 2000 + 4.95$$

$$= \$2004.95$$

	Emerging	Developing	Proficient	Extending
How did you do? (Circle one)				

Name: _____

Date: _____

Buying on Credit

- you don't pay for what your buying in the moment - you're borrowing that money.
- ⇒ you are going to have to pay it back.

Examples:

1. You don't have the money yet
2. Too big a purchase to pay for all at once. (house)
3. A bill you can't pay for
4. Some credit cards offer incentives
5. To build a credit rating.

Credit Cards	
Advantages	Disadvantages
build your credit rating fast	Debt if it's not paid off
fast for online shopping	- if you don't use it it won't help your credit rating
purchase necessities if you don't have the cash.	- fees associated with using it.

* too convenient *

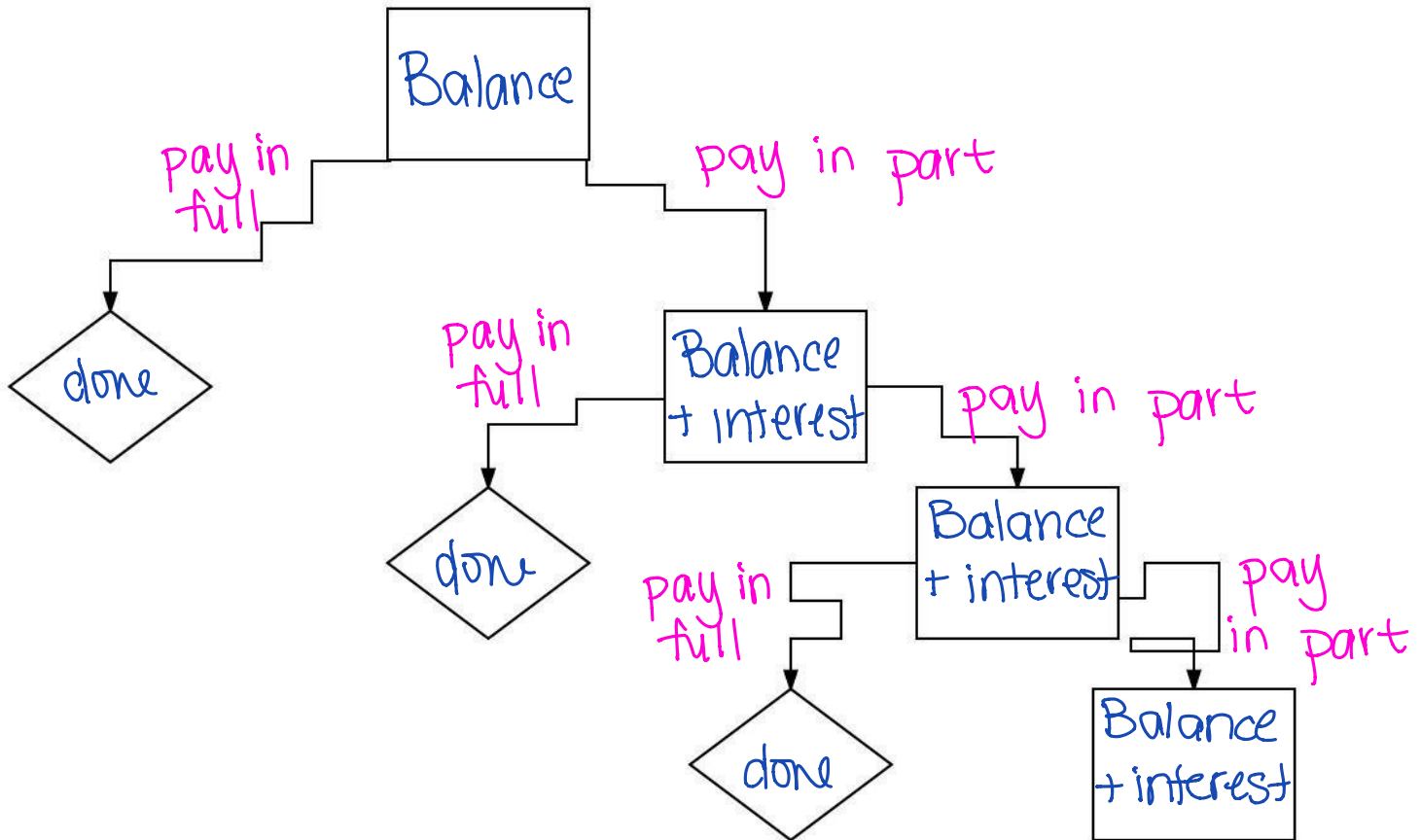
At the end of each month, you have 2 options:

1. Pay in full - no interest accrued.
- not helping your credit rating
 2. Pay in part - minimum payment or more
- interest will accrue on the balance
- positively influencing your

credit rating

Using A Credit Card

Use your credit card



Previous Balance	\$225.52	Credit Limit	\$5,000.00
LESS Payments & Credits	\$230.00	Available Credit Limit	\$4,740.31
PLUS New Charges/Adjustments inc. Interest, if any	\$264.17	Available Cash Limit	\$1,000.00
EQUALS New Balance	\$259.69		
Minimum Amount Due on Sep 3, 2011		Payment Period Remaining	
	\$10.00	If each month you pay the Minimum Amount Due only	2 Year(s) 0 Month(s)

Statement includes payments and charges received by Aug 13, 2011

1. How much interest is due on an unpaid credit card balance of \$1047.28 at a rate of 21.25% for 27 days?
2. How much interest is due on an unpaid credit card balance of \$2111.67 at a rate of 18.5% for 5 months?
3. Adam has an unpaid credit card balance of \$765.43 that charges an interest rate of 19.75%. If his payment was due on September 23, how much interest will he owe on October 14? Hint: September has 30 days.
4. Debbie has an unpaid credit card balance of \$568.93. Her credit card company charges 24% per year, counting each day that an amount is owed. If she did not pay anything on July 10, her due date, how much does she owe on her next statement date, August 2? July has 31 days.

5. Stuart has an unpaid credit card balance of \$268.67. What is his minimum payment if his credit card company charges an interest rate of 18.25%, and Stuart must pay 3% or \$25, whichever is greater?
6. If Jamie took a cash advance of \$259 on her credit card for 42 days and is charged an interest rate of 21.75%, how much interest will she be charged for that period?
7. Harvey used his credit card to make the following purchases during the month. He does not have a previous balance

Date	Item	Amount
July 3	Oil Change	\$107.42
July 6	Groceries	\$139.88
July 10	Gas	\$62.00
July 15	Groceries	\$89.71
July 19	Dinner	\$47.69
July 22	Plane ticket	\$725.27

- a. What is his balance due on his statement date of July 27?
- b. If the minimum payment is 5% or \$25.00 whichever is greater, what is Harvey's minimum payment?

$$P = \$2936.80$$

$$\begin{aligned} A &= P \left(1 + \frac{r}{n} \right)^{nt} \\ &= 2936.80 \left(1 + \frac{0.1999}{12} \right)^{12 \times 1} \\ &= 2936.80 (1 + 0.016658)^{12} \\ &= 2936.80 (1.21927) \\ &= 3580.76 \end{aligned}$$

$$\begin{aligned} I &= A - P \\ &= 3580.76 - 2936.80 \\ &= \$643.96 \end{aligned}$$