**Finance Applications**



|  |  |
| --- | --- |
| Compounded | n= |
| Annually |  |
| Bi-annually |  |
| Quarterly |  |
| Monthly |  |
| Weekly |  |
| Daily |  |

A = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

P = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

r = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

n = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

t = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Write a compound interest function to model each situation. Then find the balance after the given number of years.

1. $1000 invested at a rate of 3% compounded quarterly for 5 years.
2. $18,000 invested at a rate of 4.5% compounded annually for 6 years.

**Extension**:

What “r” value would be used if the principle is being doubled every year?

What about if it is tripled?