

Name: _____

Date: _____

BLM 7-8

Section 7.4 Solve Financial Problems Using Technology

- Calculate the future value of \$10 000 invested at 8% per year after 10 years for each compounding period.
 - annually
 - semi-annually
 - quarterly
 - monthly
 - weekly
- Calculate the future value of \$4500 invested at 3.5% per year, compounded monthly for 8 years.
- Garret borrows \$3000 at 4.4% per year, compounded monthly. How much does he need to repay at the end of 3 years?
- Jamie wants to invest \$14 000 for 6 years. Calculate the future value of her investment at each interest rate.
 - 5.8% simple interest
 - 5.5% per year, compounded semi-annually
 - 5.0% per year, compounded monthly
- Laura invests \$10 000 at 3.3% per year, compounded semi-annually.
 - How long will it take for her investment to grow to \$18 000?
 - Determine the number of compounding periods for the investment.
- Trevor invests \$3000 at 6.6% per year, compounded semi-annually.
 - How long will it take for his investment to triple in value?
 - Determine the number of compounding periods for the investment.
- Kevin wants his \$3500 investment to grow to \$4100 in 3 years. Determine the annual interest rate Kevin needs to invest at for each compounding period to reach his goal.
 - annually
 - semi-annually
 - quarterly
 - monthly
 - weekly
- What annual interest rate, compounded monthly, is necessary for a \$1600 investment to grow to \$2150 in 6 years?
- Rachel invests \$1500 in a plan for 4 years with interest compounded semi-annually. What annual interest rate is necessary for her investment to be worth \$1840 at the end of 4 years?
- Calculate the amount that must be invested today at each interest rate to have \$8500 in 5 years.
 - 3% per year, compounded monthly
 - 4% per year, compounded semi-annually
 - 5% per year, compounded annually
- Determine which investment will reach \$10 000 more quickly.

A: \$6000 invested at 9% per year, compounded semi-annually

B: \$7500 invested at 5.5%, compounded quarterly
- Glen says that if he invests \$25 000 on his 16th birthday at 6.2% per year, compounded semi-annually, he will have one million dollars by his 65th birthday. Do you agree? Explain.