Foundations of Math 11
Worksheet - Compound Interest

1. Complete the following chart:

Principal	Rate/a	Time	Compounded	Formula	Amount	Interest
$1200	12%	5 a	Semi-annually	$A = 1200\left(1 + \dfrac{0.12}{2}\right)^{10}$	$2149.02	$949.02
$480	6%	3 a	Quarterly			
$10000	8%	12 a	Annually			
$5600	$7\frac{1}{4}$%	10 a	Semi-annually			
$80	$10\frac{1}{2}$%	20 a	Monthly			
$1 200 000	5%	7 a	Quarterly			

2. Examine how varying interest rates and compounding intervals affects the following investment.

Principal	Rate/a	Time	Compounded	Formula	Amount	Interest
$12 000	8%	15 a	Annually			
$12 000	8%	15 a	Semi-Annually			
$12 000	8%	15 a	Quarterly			
$12 000	8%	15 a	Monthly			
$12 000	8%	15 a	Daily			
$12 000	8%	15 a	Simple Interest			

3. Which of the following investments would be worth the most money after 20 years?

$5000 at 8%/a compounded semi-annually	$7000 at 6%/a compounded daily	$17000 at 2%/a compounded monthly