Name: _____Nos: ____ Grade: __ LESSON QUIZ: COMPOUND INTEREST

Guidance 1. Read each question carefully before you begin answering it. G11

2. Check your answers seem right from the table given. 3. Always show your workings.

FORMULAS:

1. Susan puts $20,000 in a saving account paying 8% annual interest compounded monthly. At this rate, how much money will be in the account after 40 years? ANSWER: ____

2. John wants to save $2,000,000 for retirement in 45 years. He invests in a mutual fund paying an average of 9.5% each year compounded quarterly. How much should he deposit into his mutual fund? ANSWER: ____

3. Sarah wishes to turn her $10,000 into $100,000 in 20 years. How much interest does he need to receive compounded annually to reach her goal? Leaving your answer in decimal form ANSWER: _____

4. Marie invests $50,000 into an index annuity that's averaging 8.4% per year compounded semiannually. At this rate, how much years will it take for her account to reach $1,000,000? ANSWER: ____

5. Ezekiel wants to have $1,500,000 in 50 years. How much should he invest now in account paying 12% interest compounded continuously?
ANSWER: ___

0.122	3,718.13	36.4	485,467.79	29,249

Click on finished, get your answer, take pictures and send via **line ID: gpower11**. **By T.OJO**

LIVEWORKSHEETS