Exit Ticket C10 - Compound Interest

Name:... Date:.......................................

$700 was invested at 3% compound interest (per annum) for 2 years. How much interest was earned in that time?

a) $42.63

b) $42

c) $483

d) $742.63

Correct Answer: A B C D

Explanation:

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Compound interest

£600 is invested at a compound interest rate of 5% per annum.

What is it worth after 3 years?

A: £694.58

C: £690

B: £694.56

D: £694

Correct Answer: A B C D

Explanation:

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AQA
Realising potential

£150 is invested at a simple interest rate of 3%

Which calculation works out the total interest after 4 years?

A   £150 × 1.03⁴

B   £150 × 1.03 × 4

C   £150 ÷ 0.03 × 4

D   £150 × 0.03 × 4

Correct Answer: A B C D

Explanation:

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