**UNIT 3 – INVESTING AND BORROWING MONEY - ANSWERS**

**ASSIGNMENT 1 – DECIMALS AND PERCENTS**

1a) 0.25 b) 0.07 c) 0.005 d) 0.015 e) 0.47 f) 0.125

2a) 65% b) 4% c) 12% d) 5.5% e) 10% f) 0.2%

**ASSIGNMENT 2 – MORE DECIMALS AND PERCENTS**

1a) $45 b) $675 c) $98.70 d) $42

e) $4.68 f) $0.53 g) $100.00 h) 40.43

2a) 20% b) 33.3% c) 161.7% or 162%

d) 20.7 % or 21% e) 13.5% or 14% f) 1250%

**ASSIGNMENT 3 – SIMPLE INTEREST**

1a) d b) c c) a d) b e) YES! f) $2029.92

2a) $187.50 b) $730.13 c) $495

3) I=$58.90 4) $183.33 5) 3.38% 6) 21.6 months 7) 7% 8) 2.5y

**ASSIGNMENT 4 – COMPOUND INTEREST**

1) $5824.56 2) $749.34 3) $1153.08 4) $5367.03 5) $974.28 6) $169.11

**ASSIGNMENT 5 – THE RULE OF 72**

1a) 18 years b) 7.7 years c) 36.9 years d) 13.1 years

2) 7.2 years 3) 11.1 years 4) 26 years 5) $1034.59 This is double $500 started with.

**ASSIGNMENT 6 – CREDIT CARDS**

1) $16.46 2) $162.77 3) $8.70 4) $577.91 5) $25 6) $6.48

7a) $1171.97 b) $58.60 (5% is greater) c) $1113.37

**ASSIGNMENT 7 – STORE PROMOTIONS**

1) TV coat = $2280, r=21.3% 2) 4.96% or 5%

3) option 1- 38.8% option 2- 17.8% Option 2 is better

4) OP 1- $3298.40 OP 2- $3441.75 OP 3- $3330 Option 1 is the best deal

**ASSIGNMENT 8 – FIXED TERM LOANS**

1) $143.68 2) $263.58 b) $12 651.84 3a) $113.84 b) $4098.24

4a) $2300 b) $101.43 c) $2434.32 d) $3634.32

5a) Option-1 $221.26 Option-2 $326.82 5b) Option-1$7965.36 Option-2 $7843.68

5c) Answers vary.

**ASSIGNMENT 9 – PAYDAY LOANS**

1a) 1.25%/day b) 456.25% 2) $26.20 3) $906.61 4) 8 days