MA 110 WORKSHEET (3.2)

Name _____

1. Your 24-year-old sister invested her high school graduation money (at age 18). Her $1000 investment is now worth how much if she has been earning 6.5% compounded monthly?

2. You win $5,000 from a radio contest, and you decide to invest a portion of your winnings. Assuming you can earn 9% compounded monthly, how much of the $5,000 should you invest now to accumulate $10,000 in ten years?