Compound Interest

Use the Compound Interest Formula to calculate the compound interest word problems: NOTE: Interest Compounded: Annually, Semi Annually, Quarterly or Monthly

- 1. If an investment over five years at a rate of 13% compounded semiannually results in a final balance of \$3,872.53, what was the original investment?
- 2. If you borrow \$5,006 for 18 years at an interest rate of 3% compounded quarterly, how much interest will you pay?
- 3. \$17,015.15 is earned on funds invested at a rate of 14% compounded annually over 11 years. What was the amount of the original investment?
- 4. What will the final balance be for \$1,758 invested at 11% compounded quarterly for seven years?
- 5. If a principal of \$2,139 was invested at a rate of 14% compounded quarterly and terminates with a balance of \$16,851.24, how long was the money invested for?
- 6. What is the interest rate if a principal of \$3,219 earns \$164.69 in interest compounded monthly in one year?
- 7. Your final balance on an investment of \$6,782 invested at 13% compounded monthly was \$79,121.82. For what period of time did you invest?
- 8. How much interest is earned on a principal of \$7,924 invested at an interest rate of 8% compounded semiannually for six years?
- 9. If you put \$4,239 into a savings account and after three years the balance is \$5,072.73, what was the interest rate if it was compounded monthly?
- 10. If a loan is taken out for \$3,191 at 3% compounded semiannually and costs \$2,597.53, how long was the loan for?

Compound Interest

Use the Compound Interest Formula to calculate the compound interest word problems: NOTE: Interest Compounded: Annually, Semi Annually, Quarterly or Monthly

1. If an investment over five years at a rate of 13% compounded semiannually results in a final balance of \$3,872.53, what was the original investment?

\$2,063

2. If you borrow \$5,006 for 18 years at an interest rate of 3% compounded quarterly, how much interest will you pay?

\$3,567.04

3. \$17,015.15 is earned on funds invested at a rate of 14% compounded annually over 11 years. What was the amount of the original investment?

\$5,274

4. What will the final balance be for \$1,758 invested at 11% compounded quarterly for seven years?

\$3,757.60

5. If a principal of \$2,139 was invested at a rate of 14% compounded quarterly and terminates with a balance of \$16,851.24, how long was the money invested for?

15 years

6. What is the interest rate if a principal of \$3,219 earns \$164.69 in interest compounded monthly in one year?

5%

7. Your final balance on an investment of \$6,782 invested at 13% compounded monthly was \$79,121.82. For what period of time did you invest?

19 years

8. How much interest is earned on a principal of \$7,924 invested at an interest rate of 8% compounded semiannually for six years?

\$4,762.58

9. If you put \$4,239 into a savings account and after three years the balance is \$5,072.73, what was the interest rate if it was compounded monthly?

6%

10. If a loan is taken out for \$3,191 at 3% compounded semiannually and costs \$2,597.53, how long was the loan for?

20 years