



Name _____

Compound Interest

Use the Compound Interest Formula to calculate the compound interest word problems:

NOTE: Interest Compounded Annually

1. Your final balance on an investment of \$204 invested at 8% compounded annually was \$323.72. For what period of time did you invest?
2. How long must \$727 be invested at a rate of 7% compounded annually to earn \$440.40 in interest?
3. You invested \$544 and after two years the total amount of the investment was \$588.39. What was the interest rate if it was compounded annually?
4. You put \$755 into a savings account with an interest rate of 4% compounded annually which earns \$61.61 over a period of time. How long was the period of time?
5. The cost of a loan for \$770 over nine years is \$325.95 compounded annually. What was the rate on the loan?
6. If you borrow \$530 at 8% compounded annually for four years, how much will you pay back by the end of the term?
7. The cost of a loan for \$551 over nine years is \$233.24 compounded annually. What was the rate on the loan?
8. You take out a loan for \$292 at an interest rate of 4% compounded annually for five years. What is the total amount that you will have at the end of the five years?
9. You put \$256 into a savings account with an interest rate of 9% compounded annually which earns \$254.10 over a period of time. How long was the period of time?
10. If you put \$118 in a savings account that pays 8% compounded annually for two years what is the amount of money you will have at the end of the two years?



Compound Interest

Use the Compound Interest Formula to calculate the compound interest word problems:

NOTE: Interest Compounded Annually

1. Your final balance on an investment of \$204 invested at 8% compounded annually was \$323.72. For what period of time did you invest?
six years
2. How long must \$727 be invested at a rate of 7% compounded annually to earn \$440.40 in interest?
seven years
3. You invested \$544 and after two years the total amount of the investment was \$588.39. What was the interest rate if it was compounded annually?
4%
4. You put \$755 into a savings account with an interest rate of 4% compounded annually which earns \$61.61 over a period of time. How long was the period of time?
two years
5. The cost of a loan for \$770 over nine years is \$325.95 compounded annually. What was the rate on the loan?
4%
6. If you borrow \$530 at 8% compounded annually for four years, how much will you pay back by the end of the term?
\$721.06
7. The cost of a loan for \$551 over nine years is \$233.24 compounded annually. What was the rate on the loan?
4%
8. You take out a loan for \$292 at an interest rate of 4% compounded annually for five years. What is the total amount that you will have at the end of the five years?
\$355.26
9. You put \$256 into a savings account with an interest rate of 9% compounded annually which earns \$254.10 over a period of time. How long was the period of time?
eight years
10. If you put \$118 in a savings account that pays 8% compounded annually for two years what is the amount of money you will have at the end of the two years?
\$137.64