

# **Compound Interest**

Use the Compound Interest Formula to calculate the compound interest word problems: **NOTE:** Interest Compounded Semi Annually

- 1. If a principal of \$755 was invested at a rate of 7% compounded semiannually and terminates with a balance of \$866.38, how long was the money invested for?
- 2. How much interest does a \$567 investment earn at 10% compounded semiannually over three years?
- 3. At what rate was an investment made that obtains \$139.29 in interest compounded semiannually on \$525 over three years?
- 4. If the balance at the end of seven years on an investment of \$553 that has been invested at a rate of 10% compounded semiannually is \$1,094.90, how much was the interest?
- 5. If you invest \$742 at an interest rate of 6% compounded semiannually, how much money will you have after five years?
- 6. How much principal must be invested to earn \$335.75 in seven years at an interest rate of 6% compounded semiannually?
- 7. What was the interest rate if your balance on an investment of \$220 at the end of seven years is \$310.85 and the interest was compounded semiannually?
- 8. If you received \$6.88 on \$113 invested at a rate of 6% compounded semiannually, for how long did you invest the principal?
- 9. If a principal of \$473 was invested at a rate of 6% compounded semiannually and terminates with a balance of \$759.03, how long was the money invested for?
- 10. The ending balance on an investment is \$614.63. If the principal was invested at 7% compounded semiannually for three years, what was the principal?

# Compound Interest

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

 If a principal of \$755 was invested at a rate of 7% compounded semiannually and terminates with a balance of \$866.38, how long was the money invested for?

#### two years

2. How much interest does a \$567 investment earn at 10% compounded semiannually over three years?

### \$192.83

3. At what rate was an investment made that obtains \$139.29 in interest compounded semiannually on \$525 over three years?

#### 8%

4. If the balance at the end of seven years on an investment of \$553 that has been invested at a rate of 10% compounded semiannually is \$1,094.90, how much was the interest?

# \$541.90

5. If you invest \$742 at an interest rate of 6% compounded semiannually, how much money will you have after five years?

#### \$997.19

6. How much principal must be invested to earn \$335.75 in seven years at an interest rate of 6% compounded semiannually?

# \$655

7. What was the interest rate if your balance on an investment of \$220 at the end of seven years is \$310.85 and the interest was compounded semiannually?

# 5%

8. If you received \$6.88 on \$113 invested at a rate of 6% compounded semiannually, for how long did you invest the principal?

#### one year

9. If a principal of \$473 was invested at a rate of 6% compounded semiannually and terminates with a balance of \$759.03, how long was the money invested for?

# eight years

10. The ending balance on an investment is \$614.63. If the principal was invested at 7% compounded semiannually for three years, what was the principal?

# \$500