



Name _____

Compound Interest

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

NOTE: Interest Compounded Monthly

1. The cost of a loan for \$8,512 over four years is \$2,741.32 compounded monthly. What was the rate on the loan?
2. What was the interest rate if your balance on an investment of \$8,444 at the end of seven years is \$15,817.32 and the interest was compounded monthly?
3. If you received \$514.21 on \$8,337 invested at a rate of 6% compounded monthly, for how long did you invest the principal?
4. If you put \$9,530 in a savings account that pays 5% compounded monthly for seven years what is the amount of money you will have at the end of the seven years?
5. If a loan is taken out for \$3,930 at 8% compounded monthly and costs \$1,925.09, how long was the loan for?
6. The ending balance on an investment is \$2,188.64. If the principal was invested at 9% compounded monthly for six years, what was the principal?
7. If you put \$9,526 in a savings account that pays 7% compounded monthly for nine years what is the amount of money you will have at the end of the nine years?
8. The ending balance on an investment is \$1,830.39. If the principal was invested at 6% compounded monthly for five years, what was the principal?
9. The ending balance on an investment is \$17,493.69. If the principal was invested at 9% compounded monthly for eight years, what was the principal?
10. You invested \$5,642 and after three years the total amount of the investment was \$6,553.03. What was the interest rate if it was compounded monthly?



Name _____

Compound Interest

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

NOTE: Interest Compounded Monthly

1. The cost of a loan for \$8,512 over four years is \$2,741.32 compounded monthly. What was the rate on the loan?

7%

2. What was the interest rate if your balance on an investment of \$8,444 at the end of seven years is \$15,817.32 and the interest was compounded monthly?

9%

3. If you received \$514.21 on \$8,337 invested at a rate of 6% compounded monthly, for how long did you invest the principal?

one year

4. If you put \$9,530 in a savings account that pays 5% compounded monthly for seven years what is the amount of money you will have at the end of the seven years?

\$13,513.88

5. If a loan is taken out for \$3,930 at 8% compounded monthly and costs \$1,925.09, how long was the loan for?

five years

6. The ending balance on an investment is \$2,188.64. If the principal was invested at 9% compounded monthly for six years, what was the principal?

\$1,278

7. If you put \$9,526 in a savings account that pays 7% compounded monthly for nine years what is the amount of money you will have at the end of the nine years?

\$17,853.41

8. The ending balance on an investment is \$1,830.39. If the principal was invested at 6% compounded monthly for five years, what was the principal?

\$1,357

9. The ending balance on an investment is \$17,493.69. If the principal was invested at 9% compounded monthly for eight years, what was the principal?

\$8,538

10. You invested \$5,642 and after three years the total amount of the investment was \$6,553.03. What was the interest rate if it was compounded monthly?

5%