

## Algebra Essentials and Applications Internet Activity

### ***ME1 Compound Interest Investigations***

1. Answer the questions shown at the bottom of the Interest Tutorial page.

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2. You invest \$10 per week for 5 years in an account that earns 7% interest compounded continuously. Use the Basic Compound Interest Calculator to determine how much money you will have at the end of the 5 years.

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3. You want to buy a car for \$8000 4 years from now. If your local bank pays 5.5% interest compounded continuously, how much money do you need to deposit each week in order to achieve your goal? (Hint: Try entering various amounts in the Basic Compound Interest Calculator until you find the amount that gives you \$8000 after 4 years.)

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