

People's Democratic Republic of Algeria
Ministry of Higher Education and Scientific Research

M^{ed} Cherif Messaadia University - Souk ahras

Faculty of Economics, Commerce and Management Sciences

Department of Basic Education



Level: 1st year Bachelor degree

Section: 1st and 2nd section

Subject: Mathematics 01

Exercises serie n :02*

(simple and compound interest)

Exercise 01 :

1000 is invested at two years in a bank, earning a simple interest rate of 8% per annum.

1/ Determine the simple interest earned.

Exercise 02 :

200, 000AD is invested for 4 years 9 months in a bank earning a simple interest rate of 10% per annum.

1/ Calculate the simple amount at the end of the investment period.

Exercise 03 :

90000 AD is invested for 7 years 3 months. This investment is offered 12% compounded monthly for the first 4 years & 12% compounded quarterly for the rest of the period. Calculate the compound amount of this investment.

Exercise 04 :

1/ At what rate compounded semi – annually will 2000€ become 3500€ in five years?

2/ Shaima invested a certain sum of money in an account that pays 5% compounded quarterly. The account will amount to 1000€ in 27 months' time.

- Calculate the original principal that was invested.