ECO137 Quiz 2 (Nov.3.2017)

Given A = 1000 TL and the annual interest rate = 12%, answer the questions 1, 2 and 3.

1. If the interest is monthly compounding, how much money you will have after 3 years?

2. If the interest is continuously compounding, how much money you will have after 5 years?

3. How long does it take for A to be doubled?

4. Suppose now that the value of your new car is 50,000 TL. If the value is depreciated at the annual rate of 5%, how long does it take for the value of your car to be half ?