

Algebra 2

Unit: Exponential and Logarithmic Functions

Section: Exponential Growth and Decay

Flashcards: Continuous Compounding Formula

Directions: Answer the following questions.

1. You invest \$7,000 in an account with an interest rate of 6% compounded continuously. How much money is in the account after 5 years?
2. You invest \$6,000 in an account with an interest rate of 5.5% compounded continuously. How much money is in the account after 10 years?
3. You invest \$3,200 in an account with an interest rate of 2% compounded continuously. How much money is in the account after 2 years?
4. You invest \$1,000 in an account with an interest rate of 2.5% compounded continuously. How much money is in the account after 20 years?

Answers:

1. \$9,449.01
2. \$10,399.52
3. \$3,330.59
4. \$1,648.72