

Betty-Ann's bank offers a simple interest rate of 4% per annum. How much interest would Betty-Ann earn on her investment of \$4000 after 8 months.

$$I = Prt$$

$$I = 4000 (0.04) \left(\frac{8}{12}\right)$$

$$I = 4000 (0.04) (0.66)$$

$$I = \$106.67$$

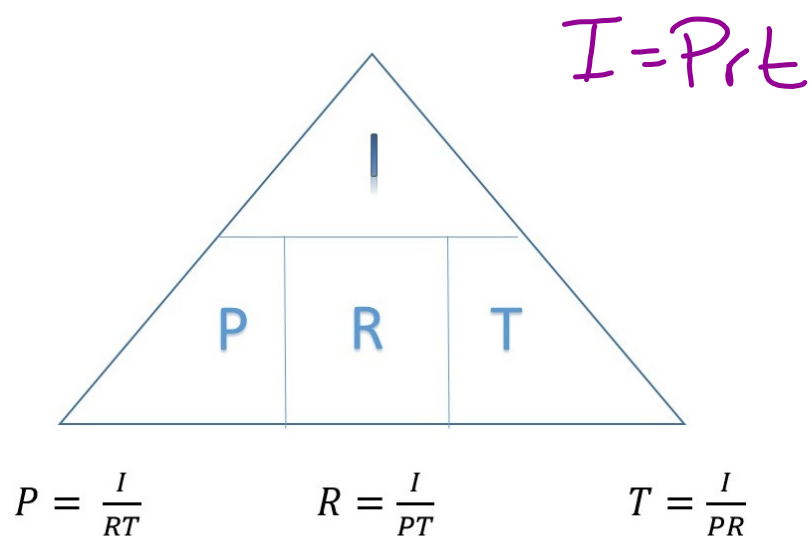


Time
in
years!!

Total balance = Principal + Int.

$$4000 + 106.67$$

From memory, or by modifying the formula $I = PRT$, write a formula designed to solve for (a) P, (b) R, and (c) T



$$\frac{2}{12} = 0.16$$

$$\frac{8.5}{100} = 0.085$$

I	P	R	T
	5000	11%	7 months
63.75	4687.50	8.5%	2 months
2964.75	35,400	16.8%	6 months
275	2000	11%	