Name _____ Date _____

Expressions for Exponential Functions - Guided Lesson Explanation

Explanation # 1

The formula of compound interest is

$A = P\left(1 + \frac{r}{n}\right)^{nt}$

$A = 5000\left(1 + \frac{5}{2}\right)^{2*3}$

$A = 5{,}306.04$

So, the answer is $5,306.04.

Explanation # 2

The formula of compound interest is

$A = P\left(1 + \frac{r}{n}\right)^{nt}$

$A = 25{,}000\left(1 + \frac{8}{4}\right)^{4*5}$

$A = 38{,}649.49$

So, the answer is $38,649.49

Explanation # 3

The formula of compound interest is

$A = P\left(1 + \frac{r}{n}\right)^{nt}$

$A = 36{,}700\left(1 + \frac{6}{1}\right)^{1*3}$

$A = 43{,}710.29$

So, the answer is $43,710.29