

Dr. Raja Latif. Math131-05-071 QuizTest 05

Department of Mathematics and Statistics, King Fahd University of Petroleum and Minerals
Marks: 10, Time: 20 Minutes, Chapters 5.1-5.2 & 10.3. Wednesday, January 02, 2008

NAME: _____, I.D# _____

Serial Number	Section # 01: 08:00-8:50am	Section#05: 10:00 -10:50am	Section#07:1:10-2:00pm

NOTE – Show complete work for full credit. The questionns are not in any order of difficulty at all.

I. EXAM QUESTION.519TB10.3Q19 (MARKS:5)

If interest is compounded continuously at an annual rate of 0.08, how many years would it take for a principal P to triple (Three Times)?

Give your answer to the nearest year.

II. EXAM QUESTION.349ROLF57 (MARKS: 5)

A company will need \$ 280000 cash to modernize machinery in 5 (Five) years time.

A financial institution will invest the company's money in a fund at 8 % interest compounded semiannually (twice a year).

Determine the cash that must be deposited at present to meet this need.

Number of Years: _____

Present Value: _____ Dollars.

Weight of Peanuts : _____ Pounds