

King Fahd University of Petroleum & Minerals
Department of Math and Stat
Math 105 Semester 191 - Quiz 4

Name _____ ID No. _____

- 1) Suppose you can invest money at 4.5% compounded quarterly or at 4.7% compounded semiannually. Which is the better choice?
- 2) A debt of \$1000 due 4 years from now and \$1500 due 6 years from now, is instead to be paid off by a single payment 5 years from now. How much is the payment if an interest rate of 8.4% compounded monthly is assumed?