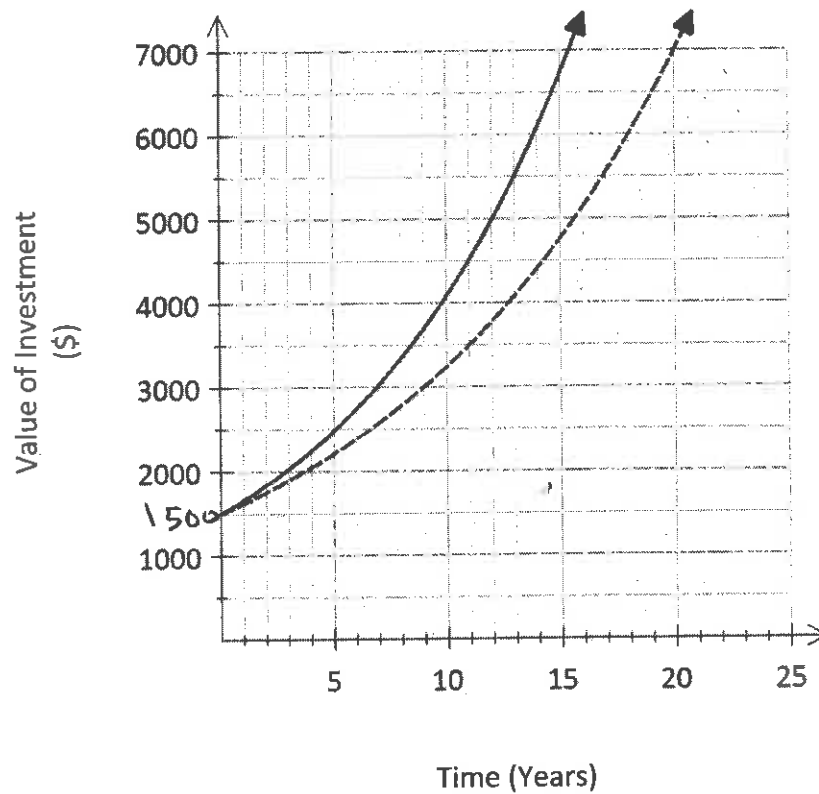


Example 6



- a) The graphs of two investments are shown. What type of investments are these: simple or compound interest? How do you know?
 Compound Interest because the graphs are increasing exponentially.

- b) State the initial value of each investment.

Both have initial value of \$ 1500

- c) What would account for the difference in the two graphs?

Could be: (1) different compounded period → annually daily
 (2) different interest rate

Complete #11-12 in Assignment 1