

11/16 8.7 Continued... Simple Interest

Interest: Amount paid for the use of money.

Principal: the amount you save or borrow

Annual Interest Rate: percent of the principal you earn or pay per year

$$\text{Simple Interest} = I = Prt$$

I = Interest

P = principal

r = annual interest rate

t = time in years

$$P. 408 = Ex 5$$

$$I = Prt$$

$$I = 75(0.04)(1)$$

$$I = \$3$$

$$\begin{array}{r} 75 \\ \times 0.04 \\ \hline 3.00 \end{array}$$

$$I = Prt \quad \underbrace{.02.3\%}_{.023} \rightarrow 0.023$$

$$I = 35 (.023) (21)$$

$$= \$16.91$$

$$\begin{array}{r} .023 \\ \times 35 \\ \hline 115 \\ 069 \\ \hline 0.805 \\ \times 21 \\ \hline 0805 \\ +1610 \\ \hline 16.905 \end{array}$$

$$2.3\% = \frac{2.3}{100} = .023$$

$$100 \overline{) 2.300}$$

$$\begin{array}{r} .023 \\ \underline{-200} \\ 300 \end{array}$$

$$\underbrace{.02.3\%}$$

$$\underbrace{.33\%} = 0.33$$

In class:

p. 409 #s 23-26

p. 715 #s 35-40

HW: 8.7 WS

#s - 13-16