

UNIT 1 – ANSWER KEY

SECTION 1.1

1. Barter: a, e, f, h. Money: b, c, d, g
2. a. i. Extraction, ii. Production, iii. Distribution, iv. Consumption, v. Disposal
b. Answers may vary. Example: i. Mining for metals, ii. Overseas factory production, iii. Boats and Trucks to deliver to big box stores, iv. Cell phone used by someone in Canada for 3 years, v. Some parts recycled, some parts sent to landfill
3. Multiple possible answers. Example: excessive debt, basing happiness on material possessions
4. a. Min. b. Con. c. Con. d. Min. e. Con. f. Min.

SECTION 1.2

1. Interest, Principle, Rate (annual), Time (in years)
2. The original amount invested/deposited or borrowed.
3. a. \$60, \$560 b. \$720, \$6720 c. \$4875, \$19 875 d. \$320, \$4320
4. a. 8.8% b. Approx. 4.35 years or 52 months c. 14% d. \$7781.54 e. \$4150.00

SECTION 1.3

Clear and thoughtful answers required, based on lesson information.

SECTION 1.4

6 & 7 – ensure clear work shown below each table.

Period	P	r	I	A	Period	P	r	I	A
1	\$400	6%	\$24.00	\$424.00	1	\$400.00	6%	\$24.00	\$424.00
2	\$400	6%	\$24.00	\$448.00	2	\$424.00	6%	\$25.44	\$449.44
3	\$400	6%	\$24.00	\$472.00	3	\$449.44	6%	\$26.97	\$476.41
4	\$400	6%	\$24.00	\$496.00	4	\$476.41	6%	\$28.58	\$504.99
5	\$400	6%	\$24.00	\$520.00	5	\$504.99	6%	\$30.30	\$535.29

SECTION 1.5

1. 1, 2, 4, 12, 52, 365
2. $A=200(1+0.05)^4=243.10$, $A=350(1+\frac{0.06}{12})^{60}$ or $A=350(1+0.005)^{60}=472.10$,
 $A=2000(1+0.08)^{1.5}=2244.74$, $A=800(1+\frac{0.12}{4})^{18}$ or $A=800(1+0.03)^{18}=1361.95$,
 $A=1200(1+0.02)^{18}=1713.90$, $A=250(1+\frac{0.18}{365})^{63}$ or $A=250(1+0.00493)^{63}=257.89$
3. \$10655.52
4. \$5985.82

5. \$6198.76
6. \$3327.68
7. \$14500
8. \$5083.49
9. \$3936.27
10. 5.2%/a

SECTION 1.6

3. b) 0.19% d) \$6300 f) \$348 (submitted files my adjust as described)
5. C, T, S, T (how do you know? explained)
6. \$2295.23
7. 1.3%/a
8. 217.9 payments (4.2 years)
9. 52.9%/a
10. 38.5 payments (3.2 years)
11. \$103163.01, 33.6 payments, 64 years old
12. \$980250.96, \$7146.98