Belinda’s daughter, Samantha is in Year 10, and is anticipating buying a car

to be able to drive to University, after she finishes high school on Friday December 17th 2020.

She recently inherited $15 000 and intends to spend this on a reasonable car, however, she understands that inflation should be minimal but any interest earned between now and then will result in greater buying power.

Research different banks to find

* three different rates

for investing her inheritance for

* a minimum of three years.

For each bank, state

* the type of account, (eg. Savings)
* what the account is called, (eg. Super saver)
* the minimum balance or range and (eg, 1000 minimum or $50 per month)
* the interest rate. (eg. First $3000 is 1.25%, then amounts over that earn 3%)
* Choose at least ONE simple interest account and
* TWO different compounding interest rate accounts to compare.

1. Construct a table to show how the interest is calculated after one year, two and three years.
2. Draw a graph with a legend to compare the three accounts.

**This Take Home part of the project is essential for the In-Class component of your assessment and will be marked against the rubric on the back page**

**Marking Rubric for at-home work.**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 0-1 marks | 2-3 marks | 4-5 marks |
| Presentation | Little care taken with presentation. | Some care taken with presentation. | Excellent presentation – obvious care demonstrated in all aspects. |
| Calculations | Incorrect or incomplete information provided. | some calculations incorrect or missing. | All calculations are correct and documented. |
| Bank Account Type with restrictions | Incorrect or missing information. | Not all three banks covered, name or information missing or incorrect | All three bank account types accurately given. |
| Graph | Incorrect, missing or inappropriate graph or no images provided. | Incomplete or inappropriate graphs or inaccurate. Few or no graphical images provided. | Interesting, relevant information chosen, labels and legend provided, all three banks provided on graph. |
| Table Information | Incomplete, inaccurate or missing information provided. | Tabled information partially correct. | Table filled out correctly. |

Investigation 4. Finance. Investment Comparison.

(In Class Part.) Calculators Allowed. 50 minutes.

Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Marks /20

Caitlyn has $2000 to invest for two years.

She has visited several banks and found four different options.

A simple interest account at 5%,

A compound interest account at 4%, compounding yearly

A compounding interest account of 3.5% compounding quarterly,

And a compounding interest account of 3.45% compounding monthly.

Draw a table and show the calculations to show her how much money she could earn from each option.

Draw a graph to indicate the shape of the interest growth patterns.

**Marking Rubric for in-class work.**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 0-1 marks | 2-3 marks | 4-5 marks |
| Presentation | Little care taken with presentation. | Some care taken with presentation. | Excellent presentation – obvious care demonstrated in all aspects. |
| Calculations | Incorrect or incomplete information provided. | some calculations incorrect or missing. | All calculations are correct and documented. |
| Graph | Incorrect, missing or inappropriate graph or no images provided. | Incomplete or inappropriate graphs or inaccurate. Few or no graphical images provided. | Interesting, relevant information chosen, labels and legend provided, all three banks provided on graph. |
| Table Information | Incomplete, inaccurate or missing information provided. | Tabled information partially correct. | Table filled out correctly. |