Samples **Continuous compounding**

1. Peter needs to pay a bill of $200 in 8 years' time. His bank account earns 6.0 percent interest each year, compounding continuously. How much money does he need to invest now in order to exactly cover his bill in 8 years? Ignore fees and taxes, and round your answer to cents.

2. Peter needs to pay a bill of $1000 in 18 years' time. His bank account earns 7.0 percent interest each year, compounding continuously. How much money does he need to invest now in order to exactly cover his bill in 18 years? Ignore fees and taxes, and round your answer to cents.

3. Peter needs to pay a bill of $900 in 10 years' time. His bank account earns 5.0 percent interest each year, compounding continuously. How much money does he need to invest now in order to exactly cover his bill in 10 years? Ignore fees and taxes, and round your answer to cents.