

A device requires A and B components for a device. Component A costs 7 euros and component B costs 12 euros each. The total cost for producing a batch for these components is 19 800 euros. The total components are 2400. How many of each component type (A and B) are there?

let  $x$  = number of components A

$y$  = number of components B

$$7x + 12y = 19,800 \quad \textcircled{1}$$

$$x + y = 2400 \quad \textcircled{2}$$

$$\textcircled{2} \times 7: 7x + 7y = 16800$$

$$\textcircled{1} - \textcircled{2}: 5y = 3000$$

$$y = 600$$

$$\textcircled{2}: x + 600 = 2400$$

$$x = 1800$$

∴ components A have 1800 pieces components B have 600 pieces

Internet speeds can be considered to have grown in an exponential manner. Today in Finland the standard speeds are around 100 Megabits/s, and let's say they used to be 20 Megabit/s in 2014.

a) What is the exponential growth rate of these speeds?

b) If we consider this pace of development to continue, what would be a standard connection in 2030?

c) Today the fastest (consumer) connections are around 1 000 mbit/s a second, when would these be double the amount if also these developed at the same pace?

a)  $PV = 20 \text{ Mbps}$

$$FV = 100 \text{ Mbps}$$

$$t = 11 \text{ years}$$

$$FV = PV \times (1+r)^t$$

$$100 = 20 \times (1+r)^{11}$$

$$\frac{100}{20} = 20 \times (1+r)^{11}$$

$$5 = (1+r)^{11}$$

$$1+r = 5^{\frac{1}{11}}$$

$$r = 0.1576 \text{ or } 15.76\%$$

b)  $t = 2030 - 2014 = 16 \text{ years}$

$$FV = 20 \times (1+0.1576)^{16}$$

$$FV = 20 \times (1.1576)^{16}$$

$$FV \approx 20 \times 10.40 \approx 208 \text{ Mbps}$$

∴ In 2030 standard connection ≈ 208 Mbps

c)  $2000 = 1000 \times (1.1576)^t$

$$\frac{2000}{1000} = \frac{1000 \times (1.1576)^t}{1000}$$

$$2 = (1.1576)^t$$

$$\log 2 = t \log 1.1576$$

$$t = \frac{\log 2}{\log 1.1576} = 4.94 \text{ years}$$

∴ the fastest connections will be double in 4.94 years

## My Question

(Q7) Let's say the hard drive capacity of a laptop model has grown from 256 to 1024 GB in 8 years.

If consider a yearly rate and apply the exponential growth formula to this, how much is the yearly growth?

$$FV = p(1+r)^n$$

$FV$  = Future value /  $p$  = Initial value /  $r = ?$  Annual growth

$n$  = number of period

$$FV = p(1+r)^n$$

$$1024 = 256(1+r)^8$$

$$\frac{1024}{256} = \frac{256(1+r)^8}{256}$$

$$FV = 1024$$

$$P = 256$$

$$n = 8$$

$$r = ?$$

$$4 = (1+r)^8$$

$$1+r = 4^{\frac{1}{8}}$$

$$\ln(4) = 8 \ln(1+r)$$

$$\ln(4) = 8 \ln(1+r)$$

$$\ln(1+r) = \frac{\ln(4)}{8}$$

note: press 4 then ln

Annual growth rate is 18.9%

$$\ln(1+r) = 1.386$$

$$\ln(1+r) = \frac{1.386}{8}$$

$$= 0.173$$

$$1+r = e^{0.173}$$

$$1+r = 1.189$$

$$r = 18.9\%$$

\* Note: enter 0.173 then  $e^x$

My solution for partner

$$FV = PV(1+r)^t$$

$$\frac{FV}{PV} = (1+r)^t$$

$$1+r = \left(\frac{FV}{PV}\right)^t$$

$$r = \left(\frac{FV}{PV}\right)^t - 1$$

$$r = \left(\frac{1024}{256}\right)^{\frac{1}{8}} - 1$$

$$r = 1.1892 - 1 = 0.1892 \text{ or } 18.92\%$$

My review

I think it is the same formula as I use but it is different in solution as I solve for the solution to get r first then I put number in it. And the final answer still same so I think it is correct.