

Start here for  
Question Number: **9**

a) i) \$500    0.5% p.a.    monthly    20 yrs

$$P = 500 \left( \frac{1.05}{0.05} \right) \left[ \frac{1.05^{240} - 1}{0.05} \right] \quad \frac{a(r^n - 1)}{r - 1}$$

$$= \$232\,175.55$$

ii)  $(P - 400\,000) \times 1.005^n + 400\,000$  ①

~~128~~ 128 months ②

b) i)  $x > 2$

ii) 6

iii) 6

iv)

