

① Review today.

- we will decide if you write the test tomorrow at the end of class

② I am making an Interest help sheet for the Δ formulas

GIC - guaranteed
investment
certificate

} "term deposit"

① IS

$$A = P \left(1 + \frac{r}{n} \right)^{nt}$$

KEY TAKEAWAYS

- A term deposit is a type of deposit account held at a financial institution where money is locked up for some set period of time.
- Term deposits are usually short-term deposits with maturities ranging from one month to a few years.
- Typically, term deposits offer higher interest rates than traditional liquid savings accounts, whereby customers can withdraw their money at any time.

Bank

ex. 3 yrs

36 mo.

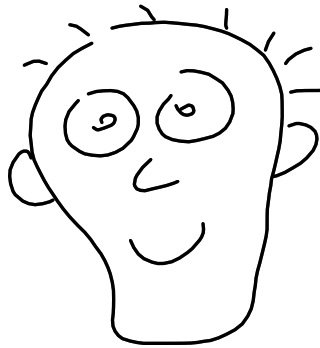
— (adv)

locked in — can't take out!
(disadv)

Q18

Cash Advance - use your credit card
at an ATM.

- could be a fee
- could be higher interest rate



Savings 1%

Loan from grandma 0%

Loan from bank 5-7%

Credit Card loan 20%

Danger! - Moneyman loan 500%

Q19 Buy Now Pay Later

\$1300 iPhone 11

Today, Nov 5, 2021 - pay \$0

I owe \$1300 on Nov 5, 2022.

If you don't have the money,

they give you a loan! BUT

add a year of interest
right away, high int

rate, daily compounds.

$$\$1300 \left(1 + \frac{.1999}{365} \right)^{365} = 1587.58$$

$$\begin{aligned} \text{You owe } & 1300 + 1587.58 \\ & = \underline{\underline{\$2887.58}} \text{!!!!!!} \end{aligned}$$