... if I couldn't formulate a problem in economic theory mathematically, I didn't know what I was doing.

R. Lucas

Lecture 2
Sec. 2.2, 10.1, 10.3: Rates of change. Powers and roots. Interest.

Here are recommended exercises from the textbook [SHSC].

Section **2.2** exercise 1-14
Section **10.1** exercise 1-9
Christmas exam resit spring 2017, Problem 1
Section **10.3** exercise 1a, 2a

Christmas exam resit spring 2017, Problem 1

A bank account has a nominal annual rate of interest 6,40% with interest paid monthly. What is the effective interest?

(A) 6,40%
(B) Between 6,40% and 6,50%
(C) Between 6,50% and 6,60%
(D) More than 6,40%
(E) I choose not to answer this question.