

Problem 1 (4 points): [GH 3.2.31] In the early to mid 1900s, New York City loan sharks would loan \$4 at the beginning of the week to be repaid with \$5 at the end of the week. What annual rate of simple interest did the loan sharks charge?

Problem 2 (6 points): [GH 3.3.46] If a deposit is made into an account earning 6% interest compounded monthly, how long will it take the amount in the account to triple in value? **Hint:** The answer doesn't depend on the amount of the initial deposit.

Problem 3 (0 points): What has been the rate of inflation in the United States since 2000, i.e., from 2000 to 2006? Answer as a percentage to two decimal points.