

Name _____

Which Bank Do I Choose?

<u>Bank</u>	<u>Rate</u>
Chase Bank	0.20% compounded daily
Associated Bank	0.15% compounded quarterly
The Elgin State Bank	0.83% compounded quarterly
Harris Bank	0.83% compounded yearly
State Bank	0.15% compounded daily
Wells Fargo	0.15% compounded yearly

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

You have \$5,000 to invest in a CD. Given the rates for 6 local banks, find the worth of your CD after 5 years.

1. Chase Bank

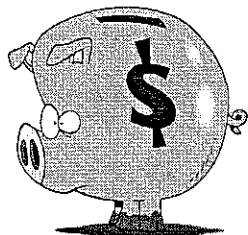
2. Associated Bank

3. The Elgin State Bank

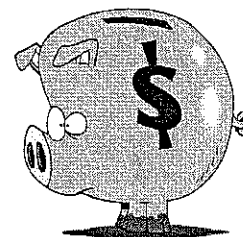
4. Harris Bank

5. State Bank

6. Wells Fargo



What Did You Discover?



1. Please provide your answers for each bank below.

Chase Bank	\$ _____
Associated Bank	\$ _____
The Elgin State Bank	\$ _____
Harris Bank	\$ _____
State Bank	\$ _____
Wells Fargo	\$ _____

2. Is it better to get a CD that compounds daily, quarterly, or yearly? Explain. (Give examples that you found)

3. Which bank did you choose to invest your money in? Explain your reasoning in 2-3 sentences.

4. Why do you think the bank pays interest to you for keeping money in their bank? Explain your reasoning in 2-3 sentences.