Unit 5 lesson 5

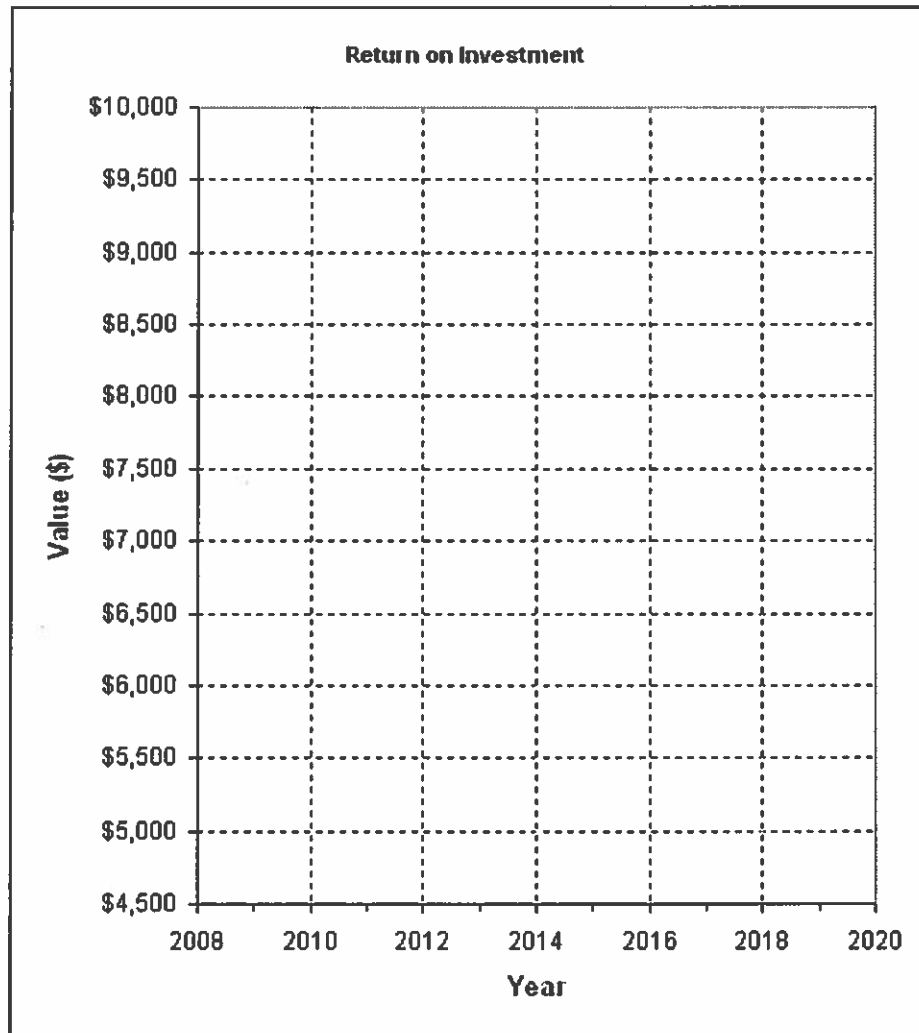## Exponential Model (Growth) - Return on Investment

You have invested $5000 in a GIC that earns 6.5% per year compounded annually. Complete the table below and graph the amount your investment is worth at the end of each year.

Date	Principle ($)	Ratio
2008	$5,000	
2009		
2010		
2011		
2012		
2013		
2014		
2015		
2016		

Return on Investment

1. Is this relationship exponential?

How can you tell?

2. How long will it take for your investment to double in value?

$$y = ab^{x}$$