

## Miscellaneous Exercise 14

$$1 \quad G_5 = 100 = ar^4$$

$$G_7 = 400 = ar^6$$

$$\frac{G_7}{G_5} = \frac{400}{100} = \frac{ar^6}{ar^4}$$

$$4 = r^2$$

$$r = \pm 2$$

$$G_5 = 100 = a(2)^4$$

$$100 = 16a$$

$$a = \frac{100}{16} = \frac{25}{4}$$

$$2 \quad G_1 = a, r = \frac{1}{\sqrt{2}}$$

$$S_\infty = \frac{a}{1 - \frac{1}{\sqrt{2}}} = \frac{a\sqrt{2}}{\sqrt{2}-1} \times \frac{\sqrt{2}+1}{\sqrt{2}+1}$$

$$= \frac{2a + a\sqrt{2}}{1} = a(2 + \sqrt{2})$$

$$3 \quad U_n = ar^{n-1}$$

$$a = 3, U_2 = -\frac{3}{4}$$

$$r = \frac{U_2}{U_1} = \frac{-\frac{3}{4}}{3} = -\frac{1}{4}$$

$$S_n = \frac{a(1-r^n)}{1-r} = \frac{3(1 - (-\frac{1}{4})^n)}{1 + \frac{1}{4}}$$

$$= 3 \times \frac{4}{5} (1 - (-\frac{1}{4})^n)$$

$$= \frac{12}{5} - \frac{12}{5}(-\frac{1}{4})^n$$

$$4. \quad 0.99 + 0.99^2 + 0.99^3 + \dots + 0.99^{99}$$

$$a = 0.99, r = 0.99, n = 99$$

$$S_{99} = \frac{0.99(1 - 0.99^{99})}{1 - 0.99}$$

$$\approx \frac{0.99}{0.01} \times 0.63 \approx \underline{62}$$

$$5. \quad a = \frac{1}{10^3}, r = \frac{1}{10^3}$$

$$S_\infty = \frac{\frac{1}{10^3}}{1 - \frac{1}{10^3}} = \frac{0.001}{0.999} = \frac{1}{999}$$

$$0.108108\dots = \frac{108}{999} = \frac{4}{37}$$

$$6 \quad a = 1, r$$

$$S_\infty = 5 = \frac{1}{1-r}$$

$$5 - 5r = 1$$

$$4 = 5r$$

$$r = \frac{4}{5}$$

$$S_n > 4.9$$

$$\frac{a(1-r^n)}{1-r} > 4.9$$

$$\frac{1 - (\frac{4}{5})^n}{1 - \frac{4}{5}} > 4.9$$

$$1 - (\frac{4}{5})^n > 4.9 \times 0.2$$

$$1 - 0.98 > (\frac{4}{5})^n$$

$$0.02 > 0.8^n$$

$$\log 0.02 > n \log 0.8$$

$$\log(2 \times 10^{-2}) > n(\log 8 \times 0.1)$$

$$-2 + \log 2 > n(-1 + \log 8)$$

$$n > 17.53$$

$$n = \underline{18}$$

$$7 \quad a = 12, G_4 = -\frac{3}{2}$$

$$-\frac{3}{2} = 12r^{n-1}$$

$$-\frac{3}{2} \times \frac{1}{12} = r^{n-1}$$

$$-\frac{3}{24} = r^3$$

$$-\frac{1}{8} = r^3$$

$$r = -\frac{1}{2} \quad S_n = 8[1 - (-0.5)^n]$$

$$S_\infty = \frac{12}{1 + \frac{1}{2}} = 12 \times \frac{2}{3} = \underline{8}$$

$$S_\infty - S_n < 0.001$$

$$8 - 8[1 - (-0.5)^n] < 0.001$$

$$(-0.5)^n < \frac{0.001}{8}$$

$$n > \frac{\log \frac{0.001}{8}}{\log 0.5} = 12.97$$

$$n = 13$$

$$8 \quad S_8 = \frac{1}{2} S_\infty$$

$$\frac{a(1-r^8)}{1-r} = \frac{1}{2} \frac{a}{(1-r)}$$

$$\frac{1-r^8}{1-r} = \frac{1}{2(1-r)}$$

$$(1-r) = 2(1-r)(1-r^8)$$

$$1 = 2(1-r^8)$$

$$1-r^8 = \frac{1}{2}$$

$$\frac{1}{2} = r^8$$

$$r = \sqrt[8]{\frac{1}{2}} = \underline{0.917}$$

$$Q_{17} = 10 = a \times 0.917^{16}$$

$$a = \frac{10}{0.917^{16}} = \underline{40}$$

$$9 \quad 20, 110\% \times 20, (110\%)^2 \times 20, \dots$$

$$U_n = 20 \times 1.1^{n-1}$$

$$U_n > 100$$

$$20 \times 1.1^{n-1} > 100$$

$$1.1^{n-1} > 5$$

$$n-1 > \frac{\log 5}{\log 1.1}$$

$$n > 1 + \frac{\log 5}{\log 1.1} = 17.9$$

$$n = 18$$

$$10 \quad \begin{matrix} 0 & 1 & 2 & \dots & 10 \\ 6000, & 1.06 \times 6000, & 1.06^2 \times 6000, & \dots & 1.06^{10} \times 6000 = 10\,745 \end{matrix}$$

$$\text{Jan 1990 } 6000$$

$$\text{Jan 1991 } 6000 \times 1.06$$

$$\text{Jan 1992 } 6000 \times 1.06^2$$

$$10 \text{ years} \rightarrow \text{Jan 2000} \rightarrow 6000 \times 1.06^{10} = 10\,745$$

$$\text{Jan 90 } 6000 \times 1.06^{10}$$

$$\text{Jan 91 } 6000 \times 1.06^9$$

$$\text{Jan 92 } 6000 \times 1.06^8$$

$$\text{Jan 93 } 6000 \times 1.06^7$$

$$\text{Jan 94 } 6000 \times 1.06^6$$

$$\text{Jan 95 } 6000 \times 1.06^5$$

$$\text{Total} = 6000 \underbrace{(1.06^5 + 1.06^6 + 1.06^7 + \dots + 1.06^{10})}_{S_n}$$

$$a = 1.06^5, r = 1.06, n = 6$$

$$S_n = \frac{1.06^6 (1.06^6 - 1)}{0.06} = 7.39$$

$$\text{Total} = 6000 \times S_n = \underline{44363}$$

$$16 \quad S_{\infty} = 1 + r + r^2 + \dots = k \times \underbrace{(1 - r + r^2 - \dots)}_{S_2}$$

$$a = 1, r$$

$$a = 1, -r$$

$$S = \frac{a}{1-r} = k \frac{a}{1+r}$$

$$k(1-r) = 1+r$$

$$k = \frac{1+r}{1-r}$$

$$17 \quad B = 100\,000 \quad 25 \text{ years}$$

$$I = 4\% \text{ per year} \quad r = 1.04$$

$$0 \quad 100\,000$$

$$1 \quad Br - C$$

$$2 \quad (Br - C)r - C = Br^2 - Cr - C$$

$$3 \quad (Br^2 - Cr - C)r - C = Br^3 - Cr^2 - Cr - C$$

⋮

$$25 \quad Br^{25} - Cr^{24} - Cr^{23} - \dots - C$$

$$0 = Br^{25} - C(r^{24} + r^{23} + \dots + r^0)$$

$$Br^{25} = C(r^{24} + r^{23} + \dots + 1)$$

$$B = C \underbrace{\left( \frac{1}{r} + \frac{1}{r^2} + \dots + \frac{1}{r^{25}} \right)}_{S_n}$$

$$a = \frac{1}{1.04}, r = \frac{1}{1.04}, n = 25$$

$$S_n = \frac{\frac{1}{1.04} \left( 1 - \left( \frac{1}{1.04} \right)^{25} \right)}{1 - \frac{1}{1.04}} = 25 \left( 1 - \right)$$

$$24. \text{ I. } a = 1, r$$

$$\text{II. } a = 4, r' = \frac{1}{4}r$$

$$\frac{1}{1-r} = \frac{4}{1-\frac{1}{4}r}$$

$$1 - \frac{1}{4}r = 4 - 4r$$

$$4r - \frac{1}{4}r = 3$$

$$3\frac{3}{4}r = 3$$

$$\frac{15}{4}r = 3$$

$$r = \frac{12}{15} = \frac{4}{5}$$

$$S_{\infty} = \frac{1}{1-r}$$

$$S_{\infty} = \frac{4}{1-\frac{1}{4}r}$$

$$S_{\infty} = \frac{1}{1-\frac{4}{5}} = \frac{1}{1/5} = \underline{\underline{5}}$$

$$25 \quad G_3 = -108$$

$$G_6 = 32$$

$$\text{i} \quad \frac{G_6}{G_3} = \frac{ar^5}{ar^2} = r^3 = \frac{32}{-108} = -\frac{8}{27}$$

$$r = -\frac{2}{3}$$

$$\text{ii} \quad G_6 = 32 = a \left( -\frac{2}{3} \right)^5$$

$$32 = a \left( -\frac{32}{243} \right)$$

$$a = 32 \left( -\frac{243}{32} \right) = -\underline{\underline{243}}$$

$$\text{iii} \quad S_{\infty} = \frac{a}{1-r} = \frac{-243}{1+\frac{2}{3}} = -\frac{243}{5/3} = -\frac{729}{5}$$

$$26 \quad S_{\infty} = \frac{a}{1-2r} = \frac{3a}{1-r}$$

$$\frac{1}{1-2r} = \frac{3}{1-r}$$

$$1-r = 3-6r$$

$$5r = 2$$

$$r = \frac{2}{5}$$

$$23 \quad G_1 = 16, G_4 = \frac{27}{4}$$

$$\frac{27}{4} = 16r^3$$

$$r^3 = \frac{27}{4 \times 16} = \frac{3^3}{4^3}$$

$$r = \frac{3}{4}$$

$$S_{\infty} = \frac{a}{1-r} = \frac{16}{1-\frac{3}{4}} = 64$$