

Algebra 2 Investment Application

- I have \$60,000 to invest. I would like to put part of the money in a stock that should earn 10% and the rest in a bank CD at 6%. Both investments would be for one year, and I'd like to earn \$5000.
- How much should I invest at each rate?

Algebra 2 Investment Application

Let x = the amount invested at 10%

Let $60000 - x$ = the amount invested at 6%

(Int. on 1st part) + (Int. on 2nd part) = \$5000

$(10\% \text{ of } x) + (6\% \text{ of } 60000 - x) = 5000$

Algebra 2 Investment Application

$$(10\% \text{ of } x) + (6\% \text{ of } 60000 - x) = 5000$$

$$.10x + .06(60000 - x) = 5000$$

$$.10x + 3600 - .06x = 5000$$

$$.04x = 1400$$

$$4x = 140000$$

$$x = 35000$$