## Math of Finance

## The Problem Set

In finding sums and terms, show that you're using formulas rather than just simply doing all the work on your calculator. Of course, a calculator double-check is a fun way to check to see if your theory is on the mark.

1. Find the forty-ninth term,  $a_{49}$  of the arithmetic sequence 7, 4, 1, ...

2. Find the first term,  $a_1$ , and the common difference, d, of the arithmetic sequence whose third term,  $a_3$ , is 16 and whose fifteenth term,  $a_{15}$ , is -8.

3. For the arithmetic sequence 18, 13, 8, 3, ...

- a. Find the common difference *d*.
- b. Find the twenty-fourth term  $a_{24}$ .
- c. Find the sum,  $S_{36}$ , of the first 36 terms.

4. Find the first term,  $a_1$ , and common difference, d, of the arithmetic sequence whose sum of the first 12 terms,  $S_{12}$ , is 246 and whose twelfth term,  $a_{12}$ , is 37.

5. For the arithmetic sequence  $3, 7/2, 4, 9/2, \ldots$ 

- a. Find the common difference *d*.
- b. Find the eleventh term,  $a_{11}$ .
- c. Find the sum,  $S_{50}$ , of the first 50 terms.

6. A ball rolling down an inclined plane moves 8 feet the first second. In each second thereafter it moves 16 feet more than in the preceding second.

- a. How far will the ball move during the tenth second?
- b. How far will it have moved during the first 10 seconds?

7. Find the sum of the first 10,000 terms of the arithmetic sequence whose tenth term,  $a_{10}$ , is -11 and whose nineteenth term,  $a_{19}$ , is -71.