

Business Math

Chapter 3: Ratios and Proportions



1. How much will it cost in Canadian dollars to purchase €2000 at a bank that charges a 2.2% commission on the transaction? Use an exchange rate of \$1 Canadian equals €0.711142.
2. You have returned from Great Britain with £200 left over. How much will you receive from your bank when you convert the currency back to Canadian dollars? The bank charges a 2.8% service charge for this type of transaction. Also, use this exchange rate: £1 equals \$1.657 Canadian dollars.
3. How many more US dollars can you obtain with \$2000 Canadian if you convert at ICE than the Royal Bank? Royal Bank = \$1.109 Canadian for \$1 US and ICE = \$1.074 Canadian for \$1 US.
4. If the price in the base year was \$0.50 and is now \$2.99, what is the current CPI?
5. If you had \$1000 at the beginning of the year when the CPI was 110.2, how much money would you have to have at the end of the year if the CPI is now 115.6?
6. You wish to know if the tuition per course has increased faster than inflation. Over the last ten years tuition has risen from \$220 per course to \$450 per course. The CPI has risen from 97.2 to 104.6. What should be the tuition fee per course if tuition had merely kept pace with inflation?