**Solution 1.57**

At a compound interest rate of 10% per year, the amount that $10,000 one year ago is equivalent to now is closest to:

(*a*) $8264

(*b*) $9091

(*c*) $11,000

(*d* ) $12,100

*Solution:*

Amount now = 10,000 + 10,000(0.10)

= $11,000

Answer is (c)