## **TOPIC**

Economics – Section VI – Question 1

## QUESTION

A loan-shark company provides loans and charges an interest of 5% per month. If the interest is compounded monthly, the effective interest rate for the year most nearly is

- (A) 60.00%
- (B) 64.34%
- (C) 78.58%
- (D) 79.58%

## **CONTRIBUTOR**

Autar Kaw