

Review exercises 1 Functions and equations

Problems

R1.1 Which of the following relations are functions? Explain your answers.

- a) $f_1 : \mathbb{R}_0^+ \rightarrow \mathbb{R}^+, x \mapsto y = f_1(x) = \sqrt{x}$
- b) $f_2 : \{2, 3, 4, \dots\} \rightarrow \mathbb{N}, x \mapsto y = f_2(x) = x - 1$
- c) $D = \text{Set of all Swiss cantons}$
 $C = \text{Set of all Swiss towns and cities}$
 $f_3 : D \rightarrow C, x \mapsto y = f_3(x) = \text{capital of } x$
- d) $f_4 : \{x : x \in \mathbb{R} \text{ and } x \geq 3\} \rightarrow \mathbb{R}, x \mapsto y = f_4(x) = \frac{1}{x^2 - 9}$
- e) $f_5 : \mathbb{R}_0^+ \rightarrow \mathbb{R}, x \mapsto y = f_5(x) = \log_a(x)$

R1.2 If $f(x) = 9x - x^2$, find ...

- a) ... $f(0)$.
- b) ... $f(-3)$.
- c) ... $\frac{f(x+h) - f(x)}{h}$ and simplify the expression.

R1.3 Solve the equations below, and state the solution sets:

- a) $3x - 8 = 23$
- b) $\frac{6}{3x-5} = \frac{6}{2x+3}$
- c) $\frac{2x+5}{x+7} = \frac{1}{3} + \frac{x-11}{2x+14}$

R1.4 Solve the following equations for x , and state the solution sets.
Take into account that the parameters a and p can be any real numbers.

- a) $ax = 60$
- b) $(p-1)px = p^2 - 1$

R1.5 Solve each system of equations, and state the solution sets:

- a) $2x + y = 19$
 $x - 2y = 12$
- b) $6x + 3y = 1$
 $y = -2x + 1$

R1.6 Determine the equation of the linear function whose graph ...

- a) ... has slope 4 and intercept 2.
- b) ... passes through $(-2|1)$ and has slope $\frac{2}{5}$.
- c) ... (see next page)

- c) ... passes through $(-2|7)$ and $(6|-4)$.
d) ... passes through $(1|6)$ and is parallel to $y = 4x - 6$.

R1.7 A certain product has the following supply and demand functions:

$$p = f_s(q) = (4q + 5) \text{ CHF}$$

$$p = f_d(q) = (-2q + 81) \text{ CHF}$$

- a) If the price is 53 CHF, how many units are supplied and how many are demanded?
b) Determine both the equilibrium quantity and the equilibrium price.

R1.8 The total cost and total revenue for a certain product are given by the following:

$$C(x) = (38.80x + 4500) \text{ CHF}$$

$$R(x) = 61.30x \text{ CHF}$$

- a) Determine the fixed costs.
b) Determine the variable costs for producing 10 units.
c) Determine the number of units required to break even.

R1.9 The supply function and the demand function for a product are linear and are determined by the tables that follow. Determine the quantity and price that will give market equilibrium.

Supply function

<u>Price</u>	<u>Quantity</u>
100 CHF	200
200 CHF	400
300 CHF	600

Demand function

<u>Price</u>	<u>Quantity</u>
200 CHF	200
100 CHF	400
0 CHF	600

R1.10 Determine the solution sets of the equations below:

- a) $4x - 3x^2 = 0$
b) $3x^2 - 6x = 9$
c) $4x^2 + 25 = 0$
d) $\frac{1}{x} + 2x = \frac{1}{3} + \frac{x+1}{x}$
e) $\frac{x-4}{x-5} = \frac{30-x^2}{x^2-5x}$

R1.11 Determine the equation of the quadratic function whose graph ...

- a) ... has the vertex $(2|4)$ and passes through $(3|3)$.
b) ... passes through $(-3|-3)$, $(0|3)$, and $(3|0)$.

R1.12 The supply function for a product is given by $p = (q^2 + 300) \text{ CHF}$, and the demand is given by $p/\text{CHF} + q = 410$. Determine the equilibrium quantity and price.

R1.13 If total costs for a service (x = service quantity) are given by $C(x) = (1760 + 8x + 0.6x^2) \text{ CHF}$ and total revenues are given by $R(x) = (100x - 0.4x^2) \text{ CHF}$, determine the service quantity at the break-even points.

- R1.14 Determine the equation of the exponential function whose graph passes through P and Q.
- a) $P(0|1)$ $Q(2|9)$
- b) $P(1|20)$ $Q(2|100)$
- R1.15 Evaluate each logarithm without using a calculator:
- a) $\log_5(1)$
- b) $\log_2(8)$
- c) $\log_3\left(\frac{1}{3}\right)$
- d) $\log_3(3^8)$
- e) $e^{\ln(5)}$
- f) $10^{\lg(3.15)}$
- R1.16 If 8000 CHF is borrowed for 3 years at an annual simple interest rate of 12%, what is the future value of the loan at the end of the 3 years?
- R1.17 Mary borrowed 2000 CHF from her parents and repaid them 2200 CHF after 4 years. Determine the annual simple interest rate at which Mary borrowed the money.
- R1.18 How much earnings must a future student deposit on a bank account in order to have 3000 CHF for tuition and fees 3 years later, if the investment pays simple interest at an annual interest rate of 6%?
- R1.19 If 1000 CHF is invested for 4 years at a nominal annual interest rate of 8%, compounded quarterly, how much interest will be earned?
- R1.20 How much must one invest now in order to have 18'000 CHF in 4 years if the investment pays interest at a nominal annual interest rate of 5.4%, compounded monthly?
- R1.21 In 2010 an African country had a population of 4.5 million. The population has been increasing at 4% per year. What will the population be in 2030 if the growth factor does not change?
- R1.22 A company wants to have 250'000 CHF available in 4 1/2 years for new construction. How much must be deposited at the beginning of each quarter to reach this goal if the investment pays interest at a nominal annual interest rate of 10.2%, compounded quarterly?
- R1.23 A retirement account that pays interest at a nominal annual interest rate of 6.8%, compounded semiannually, contains 488'000 CHF. How long can 40'000 CHF be withdrawn at the end of each half-year until the account balance is 0 CHF?
- R1.24 (see next page)

- R1.24 Three years from now, a couple plan to spend 4 months travelling in China, Japan, and Southeast Asia. When they take their trip, they would like to withdraw 5000 CHF at the beginning of each month to cover their expenses for that month. Starting now, how much must they deposit at the beginning of each month for the next 3 years so that the account will provide the money they want while they are travelling? Assume that such an account pays interest at a nominal annual interest rate of 6.6%, compounded monthly.
- R1.25 Mr S. is obligated to pay 25'000 CHF at the end of each of the following 8 years to his divorced wife. As a result of a personal profit in his company, he is able to pay the whole sum at the end of the first year (instead of making 8 payments at the end of each year). What amount of money does he have to pay at the end of the first year if interest, compounded annually, has been fixed at an annual interest rate of 4.5%?
- R1.26 Mr P. is thinking about an investement for his retirement. He would like to withdraw 8000 CHF from an account at the end of each year for 15 years starting at the end of the year in which he turns 60. He assumes that money pays interest at an annual interest rate of 2.5% throughout the 15 years.
- a) He wants to save the money by making 30 constant payments at the end of each year until turning 55. How much must he pay in each year, if his bank pays him interest at an annual interest rate of 3%, compounded annually? Assume that the interest rate of 3% is valid until Mr P. turns 60.
 - b) Mr P. has won 40'000 CHF in a lottery! Would this amount be sufficient for his retirement scheme if he pays the money in at the end of the year in which he turns 25? Assume the same interest conditions as in a).

Answers

- R1.1 a) no function
f is not defined for $x = 0$ (although $0 \in \mathbb{R}_0^+$), as $y = f(0) = 0 \notin \mathbb{R}^+$
- b) function
- c) function
- d) no function
f is not defined for $x = 3$.
- e) no function
f is not defined for $x = 0$.

Hints:

- A function must be defined for each element of the domain.
- A function must be unique, i.e. only one element of the codomain is assigned to each element in the domain.

- R1.2 a) $f(0) = 0$
- b) $f(-3) = -36$
- c) $\frac{f(x+h) - f(x)}{h} = 9 - 2x - h$

- R1.3 a) $S = \left\{ \frac{31}{3} \right\}$
- b) $S = \{8\}$

Hint:

- First get rid of the fraction by multiplying by the least common denominator.

- c) $S = \{ \}$

Hints:

- Use the same procedure as in b).
- Because of the denominators $x + 7$ and $2x + 14$ in the original equation, -7 cannot be a solution.

- R1.4 a) if $a = 0$: no solution $\Rightarrow S = \{ \}$
if $a \neq 0$: $x = \frac{60}{a}$ $\Rightarrow S = \left\{ \frac{60}{a} \right\}$
- b) if $p = 0$: no solution $\Rightarrow S = \{ \}$
if $p = 1$: $x \in \mathbb{R}$ $\Rightarrow S = \mathbb{R}$
if $p \neq 0$ and $p \neq 1$: $x = \frac{p+1}{p}$ $\Rightarrow S = \left\{ \frac{p+1}{p} \right\}$

Hints:

- Division by 0 is not defined.
- A division by a number that contains the parameter a or p requires a case differentiation.

- R1.5 a) $(x, y) = (10, -1)$
 $S = \{(10, -1)\}$
- b) $S = \{ \}$

Hints:

- First solve one equation for y (or x).
- Substitute the expression for y (or x) in the other equation.
- Solve the equation for x (or y).

- R1.6 a) $y = f(x) = 4x + 2$
b) $y = f(x) = \frac{2}{5}x + \frac{9}{5}$
c) $y = f(x) = -\frac{11}{8}x + \frac{17}{4}$
d) $y = f(x) = 4x + 2$

Hints:

- First state the general form of the equation of a linear function.
- Determine the two parameters (a and b) of the equation by building up a system of two equations according to the stated problem.
- A point is on the graph of a function if and only if its coordinates fulfil the equation of the function.

- R1.7 a) 12 supplied, 14 demanded
b) $f_s(q) = f_d(q)$ for $q = \frac{38}{3} = 12.6... \notin \mathbb{N}$
 $\Rightarrow$ no exact equilibrium $\rightarrow q = 13, f_s(13) = 57$ CHF, $f_d(13) = 55$ CHF

- R1.8 a) 4500 CHF
b) 388 CHF
c) $C(x) = R(x)$ for $x = 200$

- R1.9 Supply function: $f_s(q) = \frac{1}{2}q$ CHF
Demand function: $f_d(q) = \left(-\frac{1}{2}q + 300\right)$ CHF
Market equilibrium: $f_s(q) = f_d(q)$ for $q = 300$ and $p = 150$ CHF

- R1.10 a) $S = \{0, 4/3\}$

Hints:

- Factorise the left hand side of the equation (factor x).
- A product is equal to 0 if and only if at least one factor is equal to 0.

- b) $S = \{-1, 3\}$

Hint:

- Use the quadratic formula.

- c) $S = \{ \}$

Hints:

- First solve for x^2 .
- The square of any real number is equal to or greater than 0.

- d) $S = \{2/3\}$

Hints:

- First get rid of the fractions by multiplying by the least common denominator ($= 3x$).
- The fractions $\frac{1}{x}$ and $\frac{x+1}{x}$ are not defined for $x = 0$. Hence, $x = 0$ cannot be a solution.

- e) (see next page)

e) (same equation as in exercise 7.6 c))

$$S = \{-3\}$$

Hints:

- First get rid of the fractions by multiplying by the least common denominator ($= x(x - 5)$).
- The fractions in the original equation are not defined for $x = 5$. Hence, $x = 5$ cannot be a solution.

R1.11 a) $y = f(x) = -(x - 2)^2 + 4$

b) $y = f(x) = -\frac{1}{2}x^2 + \frac{1}{2}x + 3$

Hints:

- First state the equation of a general quadratic function.
- Use the vertex form of the equation in a).
- Use the general form of the equation in b).
- Determine the parameters in the equation by building up a system of equations according to the stated problem.
- A point is on the graph of a function if and only if its coordinates fulfil the formula of the function.

R1.12 Supply function: $f_s(q) = (q^2 + 300)$ CHF

Demand function: $f_d(q) = (-q + 410)$ CHF

Market equilibrium: $f_s(q) = f_d(q)$ for $q = 10$ and $p = 400$ CHF

R1.13 $C(x) = R(x)$

$$x_1 = 46 + 2\sqrt{89} = 64.9 \text{ (rounded)}$$

$$x_2 = 46 - 2\sqrt{89} = 27.1 \text{ (rounded)}$$

R1.14 a) $y = f(x) = 3^x$

b) $y = f(x) = 4 \cdot 5^x$

Hints:

- First state the equation of a general exponential function.
- Determine the parameters in the equation by building up a system of equations according to the stated problem.
- A point is on the graph of a function if and only if its coordinates fulfil the equation of the function.

R1.15 a) 0

b) 3

c) -1

d) 8

Hint:

- The expression $\log_a(x)$ is the answer to the question "a to what power is equal to x?"

e) 5

f) 3.15

Hint:

- Use that $a^{\log_a(x)} = x$ for any $a \in \mathbb{R}^+ \setminus \{1\}$.

R1.16 Simple interest

$$C_n = C_0(1 + nr) \quad \text{where } C_0 = 8000 \text{ CHF, } r = 12\%, n = 3$$
$$\Rightarrow C_3 = 10'880 \text{ CHF}$$

R1.17 Simple interest

$$r = \frac{\frac{C_n}{C_0} - 1}{n} \quad \text{where } C_0 = 2000 \text{ CHF, } C_n = 2200 \text{ CHF, } n = 4$$
$$\Rightarrow r = 2.5\%$$

R1.18 Simple interest

$$C_0 = \frac{C_n}{1 + nr} \quad \text{where } C_n = 3000 \text{ CHF, } r = 6\%, n = 3$$
$$\Rightarrow C_0 = 2542.37 \text{ CHF (rounded)}$$

R1.19 Compound interest

$$C_n = C_0 (1 + r)^n \quad \text{where } C_0 = 1000 \text{ CHF, } r = \frac{8\%}{4} = 2\%, n = 4 \cdot 4 = 16$$
$$\Rightarrow C_n - C_0 = 372.79 \text{ CHF (rounded)}$$

R1.20 Compound interest

$$C_0 = \frac{C_n}{(1 + r)^n} \quad \text{where } C_n = 18'000 \text{ CHF, } r = \frac{5.4\%}{12}, n = 12 \cdot 4 = 48$$
$$\Rightarrow C_0 = 14'510.26 \text{ CHF (rounded)}$$

R1.21 9.86 million (rounded)

Hints:

- The population grows exponentially.
- State the general form of the exponential function.
- Find out both the initial value and the growth factor.

More detailed answer:

- $y = f(x) = c \cdot a^x$
- initial value (population in 2010): $c = f(0) = 4'500'000$
- growth factor $a = 1 + 4\% = 1.04$
- population in 2030: $f(20) = 4'500'000 \cdot 1.04^{20} = 9.86 \text{ Mio (rounded)}$

R1.22 Annuity due

$$p = \frac{A_n(q - 1)}{q(q^n - 1)} \quad \text{where } A_n = 250'000 \text{ CHF, } q = 1 + \frac{10.2\%}{4}, n = 4.5 \cdot 4 = 18$$
$$\Rightarrow p = 10'841.24 \text{ CHF (rounded)}$$

R1.23 (see next page)

R1.23 Ordinary annuity

$$n = \frac{\lg\left(\frac{p}{p - A_0(q-1)}\right)}{\lg(q)} \quad \text{where } A_0 = 488'000 \text{ CHF, } p = 40'000 \text{ CHF, } q = 1 + \frac{6.8\%}{2}$$
$$\Rightarrow n = 16.02... \rightarrow 16 \text{ half-years} = 8 \text{ years}$$

R1.24 2 annuities: 3 years starting from now (paying in money), 4 months (withdrawing money)

- 4 months (withdrawing money): annuity due

$$A_0 = p \frac{q^n - 1}{q^n(q-1)} \quad \text{where } p = 5000 \text{ CHF, } q = 1 + \frac{6.6\%}{12}, n = 4$$
$$\Rightarrow A_0 = 19'836.49... \text{ CHF}$$

- 3 years starting from now (paying in money): annuity due

$$p = \frac{A_n(q-1)}{q(q^n-1)} \quad \text{where } A_n = \dots (= A_0 \text{ in first annuity}), q = 1 + \frac{6.6\%}{12}, n = 36$$
$$\Rightarrow p = 497.04 \text{ CHF (rounded)}$$

R1.25 The whole sum Mr S. pays in at the end of the first year pays interest. The capital at the end of the 8th year must be the same as the value the annuity would have if Mr S. made 8 payments at the end of each year.

- Ordinary annuity

$$A_n = p \frac{q^n - 1}{q - 1} \quad \text{where } p = 25'000 \text{ CHF, } q = 1 + 4.5\%, n = 8$$
$$\Rightarrow A_n = 234'500.34... \text{ CHF}$$

- Compound interest

$$C_0 = \frac{C_n}{(1+r)^n} \quad \text{where } C_n = \dots (= A_n \text{ in annuity}), r = 4.5\%, n = 7$$
$$\Rightarrow C_0 = 172'317.53 \text{ CHF (rounded up)}$$

R1.26 a) - Ordinary annuity (from age 60 to age 75)

$$A_0 = p \frac{q^n - 1}{q^n(q-1)} \quad \text{where } p = 8000 \text{ CHF, } q = 1 + 2.5\%, n = 15$$
$$\Rightarrow A_0 = 99'051.02... \text{ CHF}$$

- Compound interest (from age 55 to age 60)

$$C_0 = \frac{C_n}{(1+r)^n} \quad \text{where } C_n = \dots (= A_0 \text{ in annuity from age 60 to age 75}), r = 3\%, n = 5$$
$$\Rightarrow C_0 = 85'442.28... \text{ CHF}$$

- Ordinary annuity (from age 25 to age 55)

$$p = \frac{A_n(q-1)}{q^n-1} \quad \text{where } A_n = \dots (= C_0), q = 1 + 3\%, n = 30$$
$$\Rightarrow p = 1795.93 \text{ CHF}$$

b) Compound interest (from age 25 to age 60)

$$C_n = C_0 (1+r)^n \quad \text{where } C_0 = 40'000 \text{ CHF, } r = 3\%, n = 35$$
$$\Rightarrow C_n = 112'554.50 \text{ CHF (rounded)} > \dots (= A_0 \text{ in annuity from age 60 to age 75})$$
$$\Rightarrow \text{The amount is sufficient for his retirement scheme.}$$