

## Purchasing a Laptop Calculation

Friend A decides to put the money in a savings account that gives them 1.5% simple interest per month and save money until they have enough to buy the laptop they want.

Friend B wants to use the \$150.00 right away towards half the purchase of the laptop and put the rest on their credit card and pay it off slowly. The credit card charges 7% compound interest per month on the balance.

Who do you think is making the better choice? Explain your thinking.