

# Contents

## Chapter 1 ***Straight Lines and Functions***

1.1	The Straight Line .....	1
	<i>Exercise 1.1</i> .....	11
1.2	Mathematical Models and Functions .....	12
	<i>Exercise 1.2</i> .....	17
1.3	Demand and Supply .....	18
	<i>Exercise 1.3</i> .....	24
1.4	Cost, Revenue, and Profit Functions .....	24
	<i>Exercise 1.4</i> .....	28
1.5	Elasticity of Demand, Supply and Income .....	29
	<i>Exercise 1.5</i> .....	38
1.6	Budget and Cost Constraints .....	40
	<i>Exercise 1.6</i> .....	43
1.7	The Method of Least Squares .....	44
	<i>Exercise 1.7</i> .....	47
1.8	Excel for Linear Functions .....	48
	<i>Exercise 1.8</i> .....	57

## Chapter 2 ***Simultaneous Equations***

2.1	Simultaneous Linear Equations .....	59
	<i>Exercise 2.1</i> .....	65
2.2	Equilibrium and Break-even .....	67
	<i>Exercise 2.2</i> .....	73
2.3	Consumer and Producer Surplus .....	75
	<i>Exercise 2.3</i> .....	79
2.4	National Income Model and IS-LM Model .....	80
	<i>Exercise 2.4</i> .....	85
2.5	Excel for Simultaneous Linear Equations .....	86

Chapter 3	<b>Quadratic Equations</b>	
	3.1 Quadratic Equation .....	87
	<i>Exercise 3.1</i> .....	92
	3.2 Quadratic Functions .....	92
	<i>Exercise 3.2</i> .....	96
	3.3 Quadratic Functions in Economics .....	97
	3.4 Quadratic Functions with Excel .....	100
	<i>Exercises 3.3</i> .....	101
Chapter 4	<b>Non-Linear Functions, Their Graphs and Applications</b>	
	4.1 Polynomial Functions.....	104
	<i>Exercise 4.1</i> .....	110
	4.2 Functions of the form $y = a/(bx + c)$ .....	111
	<i>Exercise 4.2</i> .....	115
	4.3 Exponential and logarithmic functions.....	116
	<i>Exercise 4.3</i> .....	125
	4.4 Applications of Exponential Functions.....	126
	<i>Exercise 4.4</i> .....	129
	4.5 Bisection Method .....	132
	<i>Exercise 4.5</i> .....	141
	4.6 Excel for Non-linear Functions .....	142
Chapter 5	<b>Financial Mathematics</b>	
	5.1 Arithmetic Sequences and Series .....	145
	<i>Exercise 5.1</i> .....	151
	5.2 Geometric Sequences and Series .....	152
	<i>Exercise 5.2</i> .....	156
	5.3 Simple and Compound Interests .....	158
	<i>Exercise 5.3</i> .....	174
	5.4 Compound Depreciation .....	175
	<i>Exercise 5.4</i> .....	178
	5.5 Net Present Value and Internal Rate of Return .....	179
	<i>Exercise 5.5</i> .....	183

5.6	Annuity .....	184
	<i>Exercise 5.6</i> .....	195
5.7	Excel for Financial Mathematics .....	197

Chapter 6    ***Differentiation and Applications***

6.1	Derivatives .....	203
	<i>Exercise 6.1</i> .....	217
6.2	Application of Derivatives in Economics and Business .....	219
	<i>Exercise 6.2</i> .....	236
6.3	Newton-Raphson Method .....	240
	<i>Exercise 6.3</i> .....	248
6.4	Excel for Derivatives .....	249