AMERICAN EXCHANGE.

When gold is at 115, how much American currency must be given for $300 of gold?

SOLUTION.—When gold is at 115, $1 gold is worth $1.15 in currency; therefore $300 would be worth 300 times $1.15 = $345, ANS.

How much American currency, at a discount of 20 per cent, must be paid for $500 gold?

SOLUTION.—When American currency is at 20 per cent. discount, $1 of it is worth only 80 cents in gold, that is 80 cents in gold = 1.00 currency, therefore $500 gold will be as many times one dollar currency as 80 cents is contained in $500, hence $500 ÷ 80 = $625, ANS.

How much gold at 113 can be bought for $158.30 American currency?

SOLUTION.—When gold is at 113, $1 gold is equal to $1.13 currency; therefore in $158.20 there will be as many gold dollars as the number of times $1.13 is contained in $158.20, that is, divide $158.28 by 1.13 = $140, ANS.

How much gold can be bought for $150 American currency which is at a discount of 15 per cent.

SOLUTION.—When American currency is at a discount of 15 per cent., $1 of it is worth 85 cents, and therefore $150 is worth 150 times 85 cents = $127.50, ANS.

EXERCISES.

1. I exchanged $750 of American currency at discount of 18 per cent. for gold. How much did I get?

ANS. $615.

2. Bought a suit of clothes in St John for $35 and paid for them in American currency at 32 per cent. discount. How much had I to pay?

ANS. $51.47.

Additional exercises may be found in Eaton's Commercial Arithmetic.