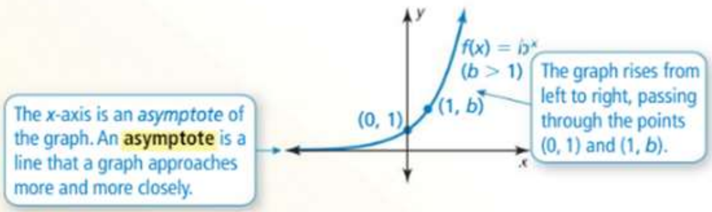
Core Concept

Parent Function for Exponential Growth Functions

The function $f(x) = b^x$, where $b > 1$, is the parent function for the family of exponential growth functions with base b. The graph shows the general shape of an exponential growth function.

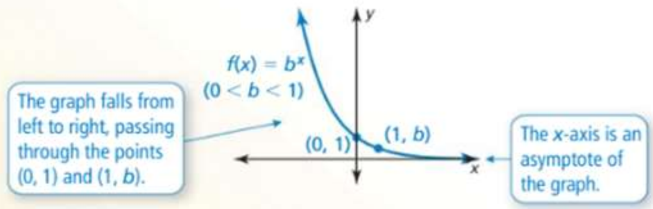


The domain of $f(x) = b^x$ is all real numbers. The range is $y > 0$.

Core Concept

Parent Function for Exponential Decay Functions

The function $f(x) = b^x$, where $0 < b < 1$, is the parent function for the family of exponential decay functions with base b. The graph shows the general shape of an exponential decay function.



The domain of $f(x) = b^x$ is all real numbers. The range is $y > 0$.

Core Concept

Compound Interest

Consider an initial principal P deposited in an account that pays interest at an annual rate r (expressed as a decimal), compounded n times per year. The amount A in the account after t years is given by

$$A = P\left(1 + \frac{r}{n}\right)^{nt}.$$

$\longrightarrow$

$$A = P\left(1 + \frac{r}{n}\right)^{nt}$$

Core Concept

The Natural Base e

The natural base e is irrational. It is defined as follows:

As x approaches $+\infty$, $\left(1 + \frac{1}{x}\right)^x$ approaches $e \approx 2.71828182846$.

Core Concept

Properties of Rational Exponents

Let a and b be real numbers and let m and n be rational numbers, such that the quantities in each property are real numbers.

Property Name	Definition	Example
Product of Powers	$a^m \cdot a^n = a^{m+n}$	$5^{1/2} \cdot 5^{3/2} = 5^{(1/2+3/2)} = 5^2 = 25$
Power of a Power	$(a^m)^n = a^{mn}$	$(3^{5/2})^2 = 3^{(5/2 \cdot 2)} = 3^5 = 243$
Power of a Product	$(ab)^m = a^m b^m$	$(16 \cdot 9)^{1/2} = 16^{1/2} \cdot 9^{1/2} = 4 \cdot 3 = 12$
Negative Exponent	$a^{-m} = \frac{1}{a^m}, a \neq 0$	$36^{-1/2} = \frac{1}{36^{1/2}} = \frac{1}{6}$
Zero Exponent	$a^0 = 1, a \neq 0$	$213^0 = 1$
Quotient of Powers	$\frac{a^m}{a^n} = a^{m-n}, a \neq 0$	$\frac{4^{5/2}}{4^{1/2}} = 4^{(5/2-1/2)} = 4^2 = 16$
Power of a Quotient	$\left(\frac{a}{b}\right)^m = \frac{a^m}{b^m}, b \neq 0$	$\left(\frac{27}{64}\right)^{1/3} = \frac{27^{1/3}}{64^{1/3}} = \frac{3}{4}$

Core Concept

Continuously Compounded Interest

When interest is compounded *continuously*, the amount A in an account after t years is given by the formula

$$A = Pe^{rt}$$

where P is the principal and r is the annual interest rate expressed as a decimal.

Core Concept

Change-of-Base Formula

If a, b, and c are positive real numbers with $b \neq 1$ and $c \neq 1$, then

$$\log_c a = \frac{\log_b a}{\log_b c}.$$

In particular, $\log_c a = \frac{\log a}{\log c}$ and $\log_c a = \frac{\ln a}{\ln c}$.

Exponential Models

Some real-life quantities increase or decrease by a fixed percent each year (or some other time period). The amount y of such a quantity after t years can be modeled by one of these equations.

Exponential Growth Model	Exponential Decay Model
$y = a(1 + r)^t$	$y = a(1 - r)^t$

Note that a is the initial amount and r is the percent increase or decrease written as a decimal. The quantity $1 + r$ is the growth factor, and $1 - r$ is the decay factor.

Core Concept

Definition of Logarithm with Base b

Let b and y be positive real numbers with $b \neq 1$. The **logarithm of y with base b** is denoted by $\log_b y$ and is defined as

$$\log_b y = x \quad \text{if and only if} \quad b^x = y.$$

The expression $\log_b y$ is read as "log base b of y."

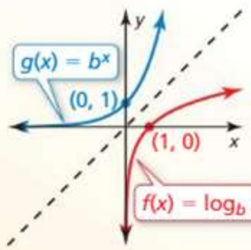
Common Logarithm	Natural Logarithm
$\log_{10} x = \log x$	$\log_e x = \ln x$

Core Concept

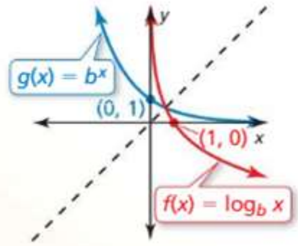
Parent Graphs for Logarithmic Functions

The graph of $f(x) = \log_b x$ is shown below for $b > 1$ and for $0 < b < 1$. Because $f(x) = \log_b x$ and $g(x) = b^x$ are inverse functions, the graph of $f(x) = \log_b x$ is the reflection of the graph of $g(x) = b^x$ in the line $y = x$.

Graph of $f(x) = \log_b x$ for $b > 1$



Graph of $f(x) = \log_b x$ for $0 < b < 1$



Note that the y-axis is a vertical asymptote of the graph of $f(x) = \log_b x$. The domain of $f(x) = \log_b x$ is $x > 0$, and the range is all real numbers.

Core Concept

Property of Equality for Exponential Equations

Algebra If b is a positive real number other than 1, then $b^x = b^y$ if and only if $x = y$.

Example If $3^x = 3^5$, then $x = 5$. If $x = 5$, then $3^x = 3^5$.

Core Concept

Property of Equality for Logarithmic Equations

Algebra If b, x, and y are positive real numbers with $b \neq 1$, then $\log_b x = \log_b y$ if and only if $x = y$.

Example If $\log_2 x = \log_2 7$, then $x = 7$. If $x = 7$, then $\log_2 x = \log_2 7$.

Core Concept

Properties of Logarithms

Let b, m, and n be positive real numbers with $b \neq 1$.

Product Property $\log_b mn = \log_b m + \log_b n$

Quotient Property $\log_b \frac{m}{n} = \log_b m - \log_b n$

Power Property $\log_b m^n = n \log_b m$

By the definition of a logarithm, it follows that the logarithmic function $g(x) = \log_b x$ is the inverse of the exponential function $f(x) = b^x$. This means that

$$g(f(x)) = \log_b b^x = x \quad \text{and} \quad f(g(x)) = b^{\log_b x} = x.$$

In other words, exponential functions and logarithmic functions "undo" each other.

Transformation	$f(x)$ Notation	Examples	
Horizontal Translation Graph shifts left or right.	$f(x - h)$	$g(x) = 4^{x-3}$ $g(x) = 4^{x+2}$	3 units right 2 units left
Vertical Translation Graph shifts up or down.	$f(x) + k$	$g(x) = 4^x + 5$ $g(x) = 4^x - 1$	5 units up 1 unit down
Reflection Graph flips over x- or y-axis.	$f(-x)$ $-f(x)$	$g(x) = 4^{-x}$ $g(x) = -4^x$	in the y-axis in the x-axis
Horizontal Stretch or Shrink Graph stretches away from or shrinks toward y-axis.	$f(ax)$	$g(x) = 4^{2x}$ $g(x) = 4^{x/2}$	shrink by a factor of $\frac{1}{2}$ stretch by a factor of 2
Vertical Stretch or Shrink Graph stretches away from or shrinks toward x-axis.	$a \cdot f(x)$	$g(x) = 3(4^x)$ $g(x) = \frac{1}{4}(4^x)$	stretch by a factor of 3 shrink by a factor of $\frac{1}{4}$