

Annual percentage rate (APR)

- yearly

- the cost you pay each year to borrow money

Periodic rate:

- Daily

Connection:

APR is calculated by multiplying the periodic interest rate by the number of periods in a year

$$\begin{array}{r} 1.65\% \\ \times 12 \\ \hline 330 \\ + 1650 \\ \hline 19.80\% \end{array}$$

Billing cycle

The time between two statement closing dates

Credit Line:

A flexible loan from a financial institution * a bank