

Excel Tips

Formulas are entered by typing in '=' followed by the name of the formula.

=B3	Copies the data or result from cell B3 into the current cell (B3 is a relative reference: if the formula is copied one cell to the right, the reference becomes =C3)
=\$B3	Absolute reference to column B (stays constant even if formula is copied), and relative reference to row 3
=\$B\$3	Absolute reference for column and row (always the same)
=sum(A3:A5)	Gives the sum of cells A3, A4, A5
=B3+(B5-A5)	Adds the contents of cells B3 to the difference between B5 and A5
=A2*B4	Multiplication
=A2/B4	Division
=IRR(A1:D1)	Calculates the IRR for the cash flows given in cells A1,B1,C1,D1 Note that the first cash flow should be negative
=NPV(A1, B1:D1)	Calculates the PV of cash flows given in cells B1, C1, D1, using the information in cell A1 as the discount rate; to get the actual NPV, you have to subtract the year 0 cash flow
=1/(1+\$A\$1)^B2	Calculates $1/(1+A1)^{\text{number in B2}}$; the \$ signs mean that you always use the same discount rate (the one in A1), even if you copy this formula from one cell to another
=sumproduct(A1:D1,A2:D2)	=A1*A2 + B1*B2 + C1*C2 + D1*D2; useful for calculating weighted averages

You can use the Control-c to copy formulas and paste them with Control-v. If you want the reference to another cell to stay the same, no matter where you paste the formula, the reference must be entered as an 'absolute' reference, using dollar signs, e.g. =\$B\$7 instead of =B7. If you only want the row to stay constant and the column to adjust, use B\$7; use \$B7 for a constant row and adjusting column.

Make sure your spreadsheet displays at least two decimal places for all percentage rates. To change the number, right-click on the cell or a range of highlighted cells, choose 'Format cells' and select as category 'number', 'currency' or 'percentage'. You can then change the number of decimal places. All large numbers must use 1,000 separators (,) for better readability.