

### After completing this lesson, you will be able to:

- Use the PMT function to forecast loan payments.
- Calculate cumulative interest.
- Compute investment value.
- Use the IF function.

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### Using the Payment (PMT) Function

#### To use the Payment (PMT) function

1. Click the cell that will contain the formula.
2. On the Insert menu, click Function.
3. In the Or select a category list, click Financial.
4. In the Select a function list, click PMT and click OK.
5. Enter the interest rate, number of payments, and principal.
6. Click OK.

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### Using the Cumulative Interest (CUMIPMT) Function

#### To use the Cumulative Interest (CUMIPMT) function

1. Click the cell that will contain the formula.
2. On the Insert menu, click Function.
3. In the Or select a category list, click Financial.

*(continued)*

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### Using the Cumulative Interest (CUMIPMT) Function

#### To use the Cumulative Interest (CUMIPMT) function *(continued)*

4. In the Select a function list, click CUMIPMT and click OK.
5. Enter the interest rate, number of payment periods, and principal.
6. Enter the start period, end period, and type and then click OK.

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### Using the Future Value (FV) Function

#### To use the Future Value (FV) function

1. Click the cell that will contain the formula.
2. On the Insert menu, click Function.
3. In the Or select a category list, click Financial.

*(continued)*

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### Using the Future Value (FV) Function

#### To use the Future Value (FV) function *(continued)*

4. In the Select a function list, click FV and click OK.
5. Enter the interest rate, number of payment periods, and payment amount.
6. Click OK.

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### Using the IF Function

#### To use the IF function

1. Click the cell that will contain the formula.
2. On the Insert menu, click Function.
3. In the Or select a category list, click Logical.

*(continued)*

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### Using the IF Function

#### To use the IF function *(continued)*

4. In the Select a function list, click IF and click OK.
5. Type the Logical\_test expression, the Value\_if\_true, and the Value\_if\_false.
6. Click OK.

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