



Module 48: PMT Formula

48.1 PMT Formula

PMT is one of the more important financial functions you'll use in Excel.

The PMT function in Excel can be used to calculate the payments for a loan if it has constant payments and a constant interest rate.

The formula is written as: **=PMT(rate, per, nper, pv, [fv], [type])**

rate - This is the interest rate.

per - This is the period you want to find the interest for.

nper - This is the total number of payments to make.

pv - This is the present value.

fv - This is an optional argument. It is the future value. If it is not used, it is set as 0 by default.

type - This is optional. You can use the numbers 0 or 1 to show when a payment is due. If left blank it will default to 0.

48.2 Instructional Video

PMT Formula - 1m 32s

48.3 Task

Estimated Time: 10 minutes

Download the worksheet that accompanies this video by clicking below. Once downloaded practice using the PMT Formula using the video above as a reference.

[Download Worksheet](#)

Option #2: Worksheet without formula

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