



# Module 48: PMT Function

## 48.1 PMT Function

**PMT is one of the more important financial functions you will 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 Function - 1m 32s**

## 48.3 Task

*Estimated Time: 10 minutes*

Download the worksheet that accompanies this video by clicking below. Once downloaded, follow the video above and you will see how to use the PMT function.

[Download Worksheet](#)

[Download Worksheet - Without Formula](#)

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