? How can I calculate the interest rate using Google Sheets?

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"This is a formal description explaining the process of calculating interest rates using Google Sheets. With the use of this digital spreadsheet tool, individuals can easily and accurately determine the interest rate of a loan or investment. By inputting relevant financial data, such as principal amount, time period, and compounding frequency, the formula function in Google Sheets can automatically calculate the interest rate. This feature of Google Sheets provides users with a convenient and efficient method for determining interest rates, making it a valuable tool for financial planning and analysis."

INTRATE

Calculates the effective interest rate generated when an investment is purchased at one price and sold at another with no interest or dividends generated by the investment itself.

Sample Usage

```
INTRATE(DATE(2010,01,02),DATE(2019,12,31),90,140,2)
```

```
INTRATE(A2,B2,C2,D2,1)
```

Syntax

```
INTRATE(buy_date, sell_date, buy_price, sell_price, )
```

`buy_date` - The date of purchase of the investment.

`sell_date` - The date of sale of the investment.

`buy_price` - The price at which the investment was purchased.

`sell_price` - The price at which the investment was sold.

`day_count_convention` - - An indicator of what day count method to use.

0 indicates US (NASD) 30/360 - This assumes 30 day months and 360 day years as per the National Association of Securities Dealers standard, and performs specific adjustments to entered dates which fall at the end of months.

1 indicates Actual/Actual - This calculates based upon the actual number of days between the specified dates, and the actual number of days in the intervening years. Used for US Treasury Bonds and Bills, but also the most relevant for non-financial use.

2 indicates Actual/360 - This calculates based on the actual number of days between the speficied

dates, but assumes a 360 day year.

3 indicates Actual/365 - This calculates based on the actual number of days between the specified dates, but assumes a 365 day year.

4 indicates European 30/360 - Similar to `0`, this calculates based on a 30 day month and 360 day year, but adjusts end-of-month dates according to European financial conventions.

Notes

`buy_date` and `sell_date` should be entered using `DATE`, `TO_DATE` or other date parsing functions rather than by entering text.

See Also

`NOMINAL`: Calculates the annual nominal interest rate given the effective rate and number of compounding periods per year.

`EFFECT`: Calculates the annual effective interest rate given the nominal rate and number of compounding periods per year.

Examples