

How can I use the NPER function in Excel to determine the number of periods needed to reach a specific financial goal?

Authored by
stats writer

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The NPER function in Excel is a useful tool for financial planning that calculates the number of periods required to reach a specific financial goal. This function takes into account factors such as interest rates, payments, and present and future values to determine the exact number of periods needed to reach a desired financial target. By inputting these variables, the NPER function can assist individuals and businesses in making informed financial decisions and creating effective financial plans. With its easy-to-use format and accurate calculations, the NPER function is a valuable tool for anyone looking to achieve a specific financial goal within a set timeframe.

This article describes the formula syntax and usage of the **NPER** function in Microsoft Excel.

Description

Returns the number of periods for an investment based on periodic, constant payments and a constant interest rate.

Syntax

`NPER(rate,pmt,pv,,)`

For a more complete description of the arguments in NPER and for more information about annuity functions, see PV.

The NPER function syntax has the following arguments:

Rate Required. The interest rate per period.

Pmt Required. The payment made each period; it cannot change over the life of the annuity. Typically, pmt contains principal and interest but no other fees or taxes.

Pv Required. The present value, or the lump-sum amount that a series of future payments is worth right now.

Fv Optional. The future value, or a cash balance you want to attain after the last payment is made. If fv is omitted, it is assumed to be 0 (the future value of a loan, for example, is 0).

Type Optional. The number 0 or 1 and indicates when payments are due.

Set type equal to	If payments are due
0 or omitted	At the end of the period
1	At the beginning of the period

Example

Copy the example data in the following table, and paste it in cell A1 of a new Excel worksheet. For formulas to show results, select them, press F2, and then press Enter. If you need to, you can adjust the column widths to see all the data.

Data	Description	
0.12	Annual interest rate	
-100	Payment made each period	
-1000	Present value	
10000	Future value	
1	Payment is due at the beginning of the period (see above)	
Formula	Description	Live Result
=NPER(A2/12, A3, A4, A5, 1)	Periods for the investment with the above terms	59.6738657
=NPER(A2/12, A3, A4, A5)	Periods for the investment with the above terms, except payments are made at the beginning of the period	60.0821229
=NPER(A2/12, A3, A4)	Periods for the investment with the above terms, except with a future value of 0	-9.57859404