

How can I use the PDURATION function in Google Sheets?

Authored by
stats writer

June 29, 2024

RECOMMENDED CITATION

stats writer (2024). *How can I use the PDURATION function in Google Sheets?*.
PSYCHOLOGICAL SCALES. Retrieved from <https://scales.arabpsychology.com/?p=158803>

The PDURATION function is a tool in Google Sheets that allows users to calculate the duration of an investment or loan based on a set of input parameters. This function utilizes the present value, future value, and periodic payment to determine the time period required for an investment to reach a specific value. By using the PDURATION function, users can make more informed financial decisions and effectively plan for future investments. It is a useful tool for businesses, students, and individuals looking to manage their finances efficiently. To use this function, simply input the required values and the function will automatically calculate the duration.

PDURATION function

The PDURATION function returns the number of periods for an investment to reach a specific value at a given rate. Mathematically, $PDURATION = (\log(\text{futureValue}) - \log(\text{currentValue})) / (\log(1 + \text{rate}))$.

Parts of a PDURATION function

`PDURATION(rate, present_value, future_value)`

Part	Description
<code>rate</code>	Required. The rate at which the investment grows each period.
<code>present_value</code>	Required. The investment's current value.
<code>future_value</code>	Required. The investment's desired future value.

Notes

All values must be positive and greater than 0.

Examples

PDURATION	FORMULA
1.817059493	<code>=PDURATION(0.25, 10, 15)</code>
3.600511394	<code>=PDURATION(0.75, 2, 15)</code>

Related functions

RRI: The RRI function returns the interest rate needed for an investment to reach a specific value within a given number of periods.