

How do I use the ACCRINTM function in Excel?

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The ACCRINTM function in Excel is a financial formula that calculates the accrued interest for a security that pays interest at maturity. To use this function, you need to provide the security's issue date, maturity date, annual coupon rate, and par value. Additionally, you can specify the frequency of interest payments and the basis for day count. The ACCRINTM function then returns the accrued interest amount for the specified period. This function is particularly useful for investors and financial professionals who need to calculate interest income for maturity-based securities. It is important to note that the ACCRINTM function is only available in Excel for Windows and not for Mac.

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

Description

Returns the accrued interest for a security that pays interest at maturity.

Syntax

ACCRINTM(issue, settlement, rate, par,)

Important: Dates should be entered by using the DATE function, or as results of other formulas or functions. For example, use DATE(2008,5,23) for the 23rd day of May, 2008. Problems can occur if dates are entered as text.

The ACCRINTM function syntax has the following arguments:

Issue Required. The security's issue date.

Settlement Required. The security's maturity date.

Rate Required. The security's annual coupon rate.

Par Required. The security's par value. If you omit par, ACCRINTM uses \$1,000.

Basis Optional. The type of day count basis to use.

Basis	Day count basis
0 or omitted	US (NASD) 30/360
1	Actual/actual
2	Actual/360
3	Actual/365

Basis	Day count basis
4	European 30/360

Remarks

Microsoft Excel stores dates as sequential serial numbers so they can be used in calculations. By default, January 1, 1900 is serial number 1, and January 1, 2008 is serial number 39448 because it is 39,448 days after January 1, 1900.

Issue, settlement, and basis are truncated to integers.

If issue or settlement is not a valid date, ACCRINTM returns the #VALUE! error value.

If $\text{rate} \leq 0$ or if $\text{par} \leq 0$, ACCRINTM returns the #NUM! error value.

If $\text{basis} < 0$ or if $\text{basis} > 4$, ACCRINTM returns the #NUM! error value.

If $\text{issue} \geq \text{settlement}$, ACCRINTM returns the #NUM! error value.

ACCRINTM is calculated as follows:

$$\text{ACCRINTM} = \text{par} \times \text{rate} \times A/D$$

where:

A = Number of accrued days counted according to a monthly basis. For interest at maturity items, the number of days from the issue date to the maturity date is used.

D = Annual Year Basis.