

How do I use the RRI function in Google Sheets?

Authored by
stats writer

June 29, 2024

RECOMMENDED CITATION

stats writer (2024). *How do I use the RRI function in Google Sheets?*. PSYCHOLOGICAL SCALES. Retrieved from <https://scales.arabpsychology.com/?p=158938>

The RRI function in Google Sheets is a tool used to calculate the compound annual growth rate (CAGR) of an investment over a specific period of time. It takes into account the initial investment, the final value, and the number of periods to determine the annualized growth rate. To use this function, simply select a cell where you want the result to appear, type "=RRI(" into the formula bar, and fill in the required arguments in the specified order (rate, number of periods, present value, and future value). This function can be particularly useful for investors and financial analysts in evaluating the performance of different investments.

RRI function

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

Parts of a RRI function

RRI(number_of_periods, present_value, future_value)

Part	Description
number_of_periods	Required. The number of periods.
present_value	Required. The present value of the investment
future_value	Required. The future value of the investment.

Notes

All values must be positive. Number_of_periods and present_value must be greater than 0. If future_value is 0, the rate returned is -1 (-100%).

Examples

RRI	Formula
-0.1083343751	=RRI(10.5, 10, 3)
0.2599210499	=RRI(3, 2, 4)
-1	=RRI(1, 10, 0)

Related functions

PDURATION: The PDURATION function returns the number of periods for an investment to reach

a specific value at a given rate.

ARABPSYCHOLOGY.COM