

How to use the CUMPRINC function in Excel?

Authored by
stats writer

June 29, 2024

RECOMMENDED CITATION

stats writer (2024). *How to use the CUMPRINC function in Excel?*. PSYCHOLOGICAL SCALES. Retrieved from <https://scales.arabpsychology.com/?p=158682>

The CUMPRINC function in Excel is a useful tool for calculating the cumulative principal payments on a loan or investment over a specific period of time. To use this function, first select the cell where you want the result to appear. Then, type "=CUMPRINC(" into the cell and follow it with the required arguments, including the interest rate, number of periods, and loan amount. You can also include optional arguments such as the payment frequency and the starting period. Once all the arguments are entered, press enter to display the cumulative principal payment. This function can be helpful for analyzing loan or investment payments and planning for future payments.

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

Description

Returns the cumulative principal paid on a loan between start_period and end_period.

Syntax

CUMPRINC(rate, nper, pv, start_period, end_period, type)

The CUMPRINC function syntax has the following arguments:

Rate Required. The interest rate.

Nper Required. The total number of payment periods.

Pv Required. The present value.

Start_period Required. The first period in the calculation. Payment periods are numbered beginning with 1.

End_period Required. The last period in the calculation.

Type Required. The timing of the payment.

Type	Timing
0 (zero)	Payment at the end of the period
1	Payment at the beginning of the period

Remarks

Make sure that you are consistent about the units you use for specifying rate and nper. If you make

monthly payments on a four-year loan at an annual interest rate of 12 percent, use 12%/12 for rate and 4*12 for nper. If you make annual payments on the same loan, use 12% for rate and 4 for nper.

If $\text{rate} \leq 0$, $\text{nper} \leq 0$, or $\text{pv} \leq 0$, CUMPRINC returns the #NUM! error value.

If $\text{start_period} < 1$, $\text{end_period} < 1$, or $\text{start_period} > \text{end_period}$, CUMPRINC returns the #NUM! error value.

If type is any number other than 0 or 1, CUMPRINC returns the #NUM! error value.

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