

**Course:****Financial Modeling in Microsoft Excel**

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Duration: 2 Days (9:00 – 16:00)

**Description**

This class is designed for students who wish to go beyond the standard Excel training and desire an introduction to the application of spreadsheets to Finance. Students will learn the fundamentals to sound financial modeling, date math, innovative ways to create key financial graphs, and function combinations that enhance financial modeling.

**Prerequisites**

- Microsoft Excel Advanced (Expert Topics & Data Management)

**Who Should Take This Course?**

Users of Excel 2000 who want to become high-end-user specialists in the application of the software to Finance.

**Objectives**

- ✓ The fundamentals to sound financial modeling
- ✓ Date Math
- ✓ Application of the Time Value of Money concept to the decision making process utilizing Excel
- ✓ Beyond standard Excel charting with an emphasis on the application to Finance.
- ✓ Dynamic ranges, charts, and modeling

**Outline****Keyboard Shortcuts to Live and Die By**

Navigation  
Relative / Absolute  
Mouse & Selecting Tricks  
Transpose row and column

**Useful Excel Knowledge**

Go To / Special  
Pop Up Pictures in Your Spreadsheet!  
IS Functions  
INDEX & COUNTA  
Reference last entry in a list  
Offset  
Calculating Year to Date Values  
Dynamic Ranges  
Array Formulas  
Calculating Year to Date Values  
Multiple Criteria Text Lookup  
Multiple Criteria Calculations  
Criteria Based Custom Number Formats  
Excel Bloat – Removing  
Text Parsing  
Vlookup & Hlookup function  
Weekday & Networkdays  
If function

**Financial Modeling Rules**

Simple Rules to Follow That Makes Building  
Big Models Easy

**Time Value of Money and Date Math**

Concept of present value

Interest  
Simple  
Compounding  
Date Formulas  
EDATE()  
EOMonth()

**Net Present Value and IRR**

NPV & PV Concept  
Net Present Value  
FV Concept  
Payback Period Concept  
IRR & MIRR & XIRR Concept  
Profitability Concept  
Choosing Investments via Cashflows  
Leasing Example  
NPV vs. IRR  
PMT & IPMT & PPMT function  
Data Table

**Financial Modeling – Mortgage Calculator Model**

Designing Mortgage Calculator Model That Will  
Solve for Cashflows Given Any Three of the  
Following Four Items: Interest Rate, Number  
of Periods, Payment, Loan Amount  
Date Math  
Dynamic Cashflow Schedule  
Conditional Formatting  
Prepayment Effects  
Solving Budget  
Case Study