

FIN-511
Chapter 1

- Major Topics:
 - Introduction
 - The screen
 - Navigating: ranges, text vs numbers, formulas, moving & copying, mathematical operators, order of operation
 - Functions: Function Wizard
 - Graphics: Charts in separate window vs embedded charts, formatting charts
 - Printing & Saving files

- Technical Highlights
 - Arithmetic average vs geometric average
 - Formula - $= (C6/J6)^{(1/7)} - 1$
 - Geomean function
 - Fame function: Fame_Geomean(B5:G5)

GEOMEAN

- Returns the geometric mean of an array or range of positive data. For example, you can use GEOMEAN to calculate average growth rate given compound interest with variable rates.
- GEOMEAN(number1,number2, ...)
- Number1,number2,... are 1 to 30 arguments for which you want to calculate the mean.
- The equation for the geometric mean is:
 $GM(y) = (y_1 \times y_2 \times y_3 \times \dots \times y_n)^{(1/n)}$
- Example
- GEOMEAN(4,5,8,7,11,4,3) equals 5.476987

- Assignment:
 - Do all of the work in the chapter, final result should look like Exhibit 1-8, including the graph and formatted as shown.
 - Remember formatting is important and do not truncate cell formulas.
 - Remember Columns/Rows/Gridlines
 - Work is individual. Each person will turn in one complete set of information: print out of spreadsheet and print out of cell formulas
 - Due at the beginning of class.
 - **Ask me about corrections to text!!!**

Additional Models

- Present Value / Future Value Tables
- Financial Functions:
=NPV, =IRR, =PMT, =PV, =NPER, =RATE