

Formulae Sheet

1. Future value of a lump sum $FV_t = PV (1 + i)^t$
2. Present value of a lump sum $PV = FV_t / (1 + i)^t$
3. Future value of an annuity $FV = PMT * \frac{(1 + i)^t - 1}{i}$
4. Present value of an annuity $PV = PMT * \left[\frac{1}{i} - \frac{1}{i(1 + i)^t} \right]$
5. Present value of a perpetuity $PV = PMT / i$
6. Effective annual rates $EAR = [1 + APR/m]^m - 1$
7. Current Ratio = [Current Assets / Current Liabilities]
8. Quick Ratio = [(Current Assets - Inventory) / Current Liabilities]
9. Inventory Turnover = [Sales / Inventory]
10. Days Sales Outstanding (DSO) = [Accounts Receivable / (Sales/day)]
11. Fixed Asset Turnover = [Net Sales / Net Fixed Assets]
12. Total Asset Turnover = [Net Sales / Total Assets]
13. Debt Ratio = [Total Liabilities / Total Assets]
14. Equity Multiplier = [Total Assets / Shareholders's Equity]
15. Profit Margin = [Net Income / Net Sales]
16. Return on Assets (ROA) = [Net Income / Total Assets]
17. Return on Equity (ROE) = [Net Income / Shareholders's Equity]
18. DuPont Equation: $ROE = [\text{Profit Margin} * \text{Total Asset Turnover} * \text{Equity Multiplier}]$
19. PE Ratio = [Price per share / EPS]
20. PEG Ratio = [PE Ratio / $e(g_{EPS})$]
21. Market-to-Book = Stock Price / Book Value per share