عنوان مقاله:

Multiple Interest Rate Analysis

محل انتشار:

سومین کنفرانس بین المللی تکنیک های توسعه پایدار در مدیریت و مهندسی صنایع با رویکرد شناخت چالش های دائمی (سال: 1399)

تعداد صفحات اصل مقاله: 9

نویسنده:

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خلاصه مقاله:

Net Present Value and Internal Rate of Returns are two fundamental methods to evaluate investment decisions. Unfortunately, sometimes using aforementioned methods yield inconsistent answers even contradictory one when comparing together. In this paper, we explained Multiple Interest Rate Analysis holistically, which can enable users to achieve accurate results when making investment decisions. Multiple interest rate analysis (MIRA) described in this paper employs the fundamental theorem of algebra to clarify the relationship between NPV and IRR, this clarification providing novel, cogent support to the academic preference for NPV. We illustrated this concept with several applicable examples to clarify this important issue. Furthermore, for modeling purpose, we used Python programming to pave the way for readers to grasp concepts fundamentally. The explanation in this paper is concise and subtle: concise because the unconventional interest rates collapse into a single, real-valued financial statistic: duration, capturing pattern in the adjusted cash flows; subtle because the route to the adjusted cash flows is not obvious, the route involving analysis in the complex plane.

کلمات کلیدی:

Net Present Value, Internal Rate of Return, Multiple Interest Rate Analysis