

**5 EXCEL
FEATURES
EVERY
DATA
ANALYST
SHOULD KNOW**

Financial Modeling in Excel

5 Excel features you should know

Data Table

A great tool for your what-if analysis. A range of cells in which you can change values in some of the cells and come up with different answers to a problem.

How to create it?

Instructions

1. Write down input data

2. Calculate the value you want to find out

3. Write down additional input data you want to test

4. Go to Data -> What-If Analysis -> Data Table

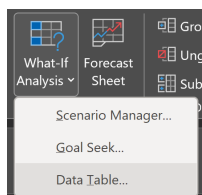
5. Put in row and column input cell that corresponds to the layout you have created in step #3 and press OK

Example

Interest rate, number of periods and starting amount if you want to see how your savings amount would differ under different scenarios

Savings amount from the initial input data

Changes in interest rate, starting amount



Row input cell - interest rate from initial input data;

Column input cell - starting amount from initial input data

Interest Rate	7%
Number of Periods	3
Starting Amount	\$ 2,000

By changing the initial input data, your data table will update too!

	\$6,430	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%
\$ 1,500	\$ 4,752	\$ 4,775	\$4,799	\$4,822	\$ 4,846	\$ 4,870	\$ 4,893	
\$ 1,600	\$ 5,069	\$ 5,094	\$5,119	\$5,144	\$ 5,169	\$ 5,194	\$ 5,220	
\$ 1,700	\$ 5,386	\$ 5,412	\$5,439	\$5,465	\$ 5,492	\$ 5,519	\$ 5,546	
\$ 1,800	\$ 5,702	\$ 5,730	\$5,759	\$5,787	\$ 5,815	\$ 5,844	\$ 5,872	
\$ 1,900	\$ 6,019	\$ 6,049	\$6,079	\$6,108	\$ 6,138	\$ 6,168	\$ 6,198	
\$ 2,000	\$ 6,336	\$ 6,367	\$6,398	\$6,430	\$ 6,461	\$ 6,493	\$ 6,524	
\$ 2,100	\$ 6,653	\$ 6,686	\$6,718	\$6,751	\$ 6,784	\$ 6,817	\$ 6,851	
\$ 2,200	\$ 6,970	\$ 7,004	\$7,038	\$7,073	\$ 7,107	\$ 7,142	\$ 7,177	
\$ 2,300	\$ 7,286	\$ 7,322	\$7,358	\$7,394	\$ 7,430	\$ 7,467	\$ 7,503	
\$ 2,400	\$ 7,603	\$ 7,641	\$7,678	\$7,716	\$ 7,754	\$ 7,791	\$ 7,829	
\$ 2,500	\$ 7,920	\$ 7,959	\$7,998	\$8,037	\$ 8,077	\$ 8,116	\$ 8,156	

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Pivot Table

A PivotTable is a powerful tool to calculate, summarize, and analyze data that lets you see comparisons, patterns, and trends in your data.

How to create it?

Instructions

1. Have an Excel table with data

2. Go to Insert -> PivotTable and choose a table or a range you want to analyze

3. Choose fields to summarize the data by

4. Go to PivotTable Analyze or Design tabs to customize the Pivot Table

Example

Store order history with customer ID, product ID, product price and product category

Choose the table from step 1

Look at the total sales and count of products bought by product categories. Choose columns, Rows, Filters, Values – everything is customizable and you can play with the report!

Add a slicer, insert timeline, add subtotals and other things

Summarized Data		
Product Category	Total Sales	Count of Product
Clothing	\$ 687	3
Furniture	\$ 845	6
Home & Garden	\$ 319	4
Pet Supplies	\$ 174	2
Grand Total	\$ 2,025	15

PivotTable Fields

Choose fields to add to report:

Search

☐ Customer ID

☒ Product

☒ Product Unit Price

☒ Product Category

Drag fields between areas below:

Filters

Columns

Rows

Values

Product Category

Total Sales

Count of Product

Defer Layout Update

Update

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Data Validation

Use data validation to restrict the type of data or the values that users enter into a cell. One of the most common data validation uses is to create a drop-down list.

How to create it?

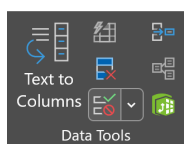
Instructions

1. Select the cell you want to create a drop-down list in

Example

On your input data Excel sheet, create a cell where users will be able to choose between different store locations

2. Select Data -> Data Validation



3. Choose what will the users be able to choose (numbers, dates, time, custom text, etc.)

Offer to choose from a list of store locations such as "USA, Spain, UK, Australia, Japan, Germany"

4. Create Input Message so that users know what they are choosing

"Select Store Location"

5. Link other data in your model to this dropdown list, so that values update automatically

Link profit and loss statements to geographical location of the stores from the dropdown by using "IF" statements

Store	USA	Year	2021
	USA Spain UK Australia Japan Germany	Store Location	
P&L Projections		USA	2021
Sales	[\$]	78,000,000	88,627,500
Domestic Sales	[\$]	70,000,000	72,467,500
Foreign Sales	[\$]	8,000,000	16,160,000
Manufacturing Costs	[\$]	56,500,000	63,240,000
Materials	[\$]	20,900,000	23,449,800
Direct Labor	[\$]	25,300,000	28,386,600
Other Direct Costs	[\$]	8,800,000	9,873,600
Indirect Manufacturing Costs	[\$]	1,500,000	1,530,000
Gross Profit	[\$]	21,500,000	25,387,500
SG&A Costs	[\$]	7,560,000	7,892,550
Marketing Costs	[\$]	1,560,000	1,772,550

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Power Query

Power Query (known as Get & Transform in Excel) is a great tool for minimizing repetitive daily tasks. You can import or connect to external data and then shape this data. For example, remove a column, change a data type, or merge tables in ways that meet your needs. Then, you can load your query into Excel to create charts and reports.

How to create it?

Instructions

1. Connect to Data
Go to Data -> Get Data

2. Transform Data
Do all kinds of changes to your data while the original dataset stays the same

3. Combine Data
Add other datasets and make connections between them to get more insights

4. Load Data
Load the transformed and combined data to your worksheet and enjoy the clean dataset

Example

Pull in data from a different Excel file that contains participant names and stage points

Clean Data - remove unneeded columns, assign data types, rename columns for better understanding, etc.

Pull in another data source on the background of the participants - country, company, age group, etc. Append Queries.

Load the appended query into the Excel file. After each stage, add information on the points and refresh dataset.

The screenshot displays the Excel Power Query Editor interface. The main area shows a table with the following columns: Stage 1 Rank, Stage 2 Rank, Stage 3 Rank, Stage 4 Rank, Stage 5 Rank, Age Group, Country, and Region. The table contains 46 rows of data. The 'Query Settings' pane on the right shows the 'Removed Other Columns' step, indicating that the original data has been transformed to include only the relevant columns.

Stage 1 Rank	Stage 2 Rank	Stage 3 Rank	Stage 4 Rank	Stage 5 Rank	Age Group	Country	Region
1	2	1	2	1	Open	United States of America	North America
2	4	1	2	1	Open	Ireland	Europe
3	3	3	3	3	Open	Australia	Asia & Pacific
4	2	10	12	5	Open	Canada	North America
5	7	6	14	11	Open	United Kingdom	Europe
6	6	28	4	4	Open	United States of America	North America
7	4	7	7	7	Open	United Kingdom	Europe
8	13	12	21	10	Open	India	Asia & Pacific
9	10	16	10	12	Open	Australia	Asia & Pacific
10	8	8	12	22	Open	United States of America	North America
11	30	7	11	16	Open	United States of America	North America
12	9	5	134	28	Open	Netherlands	Europe
13	12	25	14	47	Open	Australia	Asia & Pacific
14	24	30	18	24	Open	Ukraine	Europe
15	18	20	27	18	Open	United States of America	North America
16	35	11	36	19	Open	United States of America	North America
17	32	25	36	26	Open	South Africa	Africa
18	16	38	5	46	Open	New Zealand	Asia & Pacific
19	90	13	50	8	Open	South Africa	Africa
20	19	22	23	42	Open	Philippines	Asia & Pacific
21	23	42	42	13	Open	Spain	Europe
22	32	52	26	19	Open	United States of America	North America
23	16	48	53	31	Open	United States of America	North America
24	58	13	31	39	Open	New Zealand	Asia & Pacific
25	63	15	17	43	Open	Canada	North America
26	24	23	16	84	Open	United States of America	North America
27	51	45	48	13	Open	Costa Rica	South/Latin America
28	14	67	40	31	Open	Poland	Europe

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Group Data

If you have a list of data you want to group and summarize, you can create an outline of up to eight levels. Very important for financial models to switch between different levels of data complexity. Group data instead of hiding rows/columns!

How to do it (right)?

Instructions

1. Select rows/columns to group

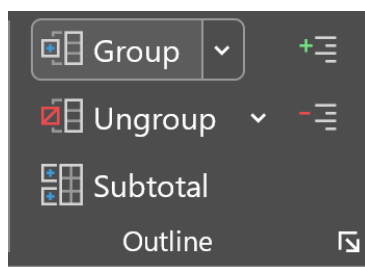
2. Go to Data -> Group -> Group

3. Group again, if you want to go into more detail

4. Press "-" to collapse the groups

Example

Level 1 – for top level management, Level 3 or 4 – for accountant in-depth data review



1	2	3	A	B	C	D	E
			1				
			2		Healthy Foods Inc. Financial Model		
			3				
			4		Period Start		
			5		Period End		
			6		Period #		
			7				
			8		1 P&L Projections		
			46		2 Balance Sheet Projections		
			74		3 Cashflow Projections		
			101		4 Healthy Foods Inc. Valuation		
			135				
			136		5 Support Schedules and Tables		
			330				
			331				