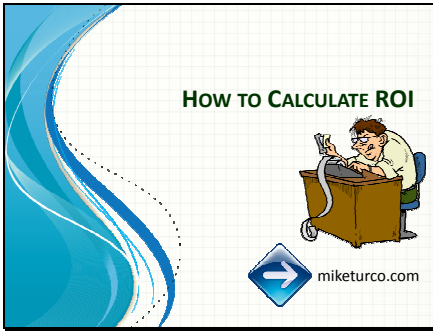


## **Workbook for the How to Calculate ROI Video**

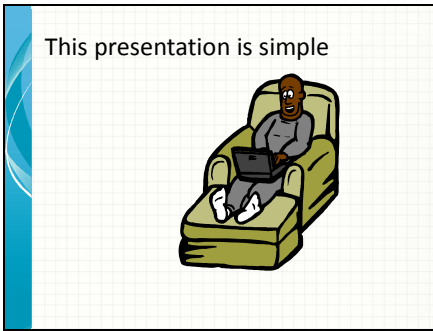
This workbook provides the transcript to the video presentation at [www.miketurco.com/roi](http://www.miketurco.com/roi) .

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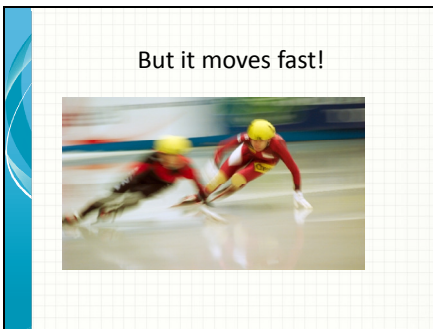
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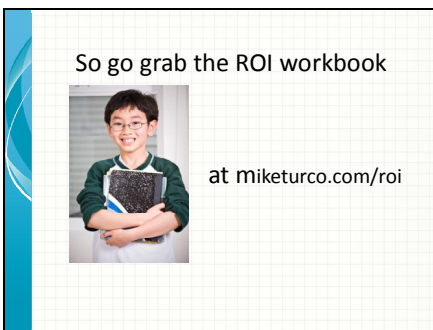
Hi, this is Mike from miketurco.com. I'm going to explain how to calculate ROI



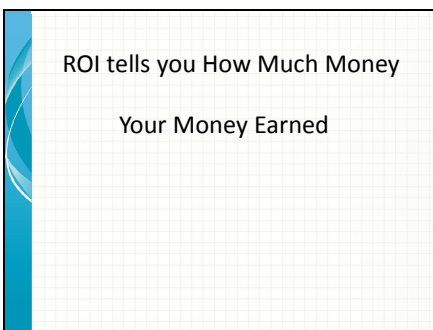
This is a really easy presentation to follow



But it does move pretty quickly



So be sure to pick up a copy of the ROI Workbook at [miketurco.com/roi](http://miketurco.com/roi)



ROI, or Return on Investment tells you how much money your money has earned

Here is the ROI formula

$$\text{ROI} = \frac{\text{Net Profit}}{\text{Investment}} \times 100$$

And... Here is the ROI formula. Its really easy to use.

Here is the ROI formula

$$\text{ROI} = \frac{\text{Net Profit}}{\text{Investment}} \times 100$$

ROI equals net profit

Here is the ROI formula

$$\text{ROI} = \frac{\text{Net Profit}}{\text{Investment}} \times 100$$

Divided by your investment

Times 100

Here is the ROI formula

$$\text{ROI} = \frac{\text{Net Profit}}{\text{Investment}} \times 100$$

Expressed as a Percentage

And its expressed as a percentage

### Zero Percent is the Break Even Point

If you buy something for a dollar

and sell it for a dollar

your ROI is 0%

An ROI of Zero Percent is your Break Even point

If you buy something for a dollar and sell it for a dollar,  
your ROI is zero percent

### 100% means you Doubled your Money

If you buy something for a dollar  
and sell it for two  
your ROI is 100%

An ROI of One Hundred Percent means you doubled your money.

If you buy something for a dollar and sell it for two, your ROI is one hundred percent.

#### Example: Buy/Sell a car

- You bought a used car for \$1200
- You sold the car for \$1800
- So your Net Profit was \$600

What was the Return on your Investment?

Here is a good example.

Lets say you bought a used car for \$1200, and sold that car for \$1800.

Your net profit was 600 bucks

So, what was your Return on Investment?

#### Example: Buy/Sell a car

- Your **Investment** was \$1200
- Your **net profit** was \$600

Your Return on Investment was 50%

$$\text{ROI} = \frac{600}{1200} \times 100 = 50\%$$

Well, your Profit was \$600 and your Investment was \$1200. So when you plug the numbers into the formula, you see that your ROI was fifty percent.

That means you got all of your money back plus fifty percent more.

#### Example: Buy/Sell Stock

- You **Invested** \$2000 in stock
- One year later, You sold the stock for \$1200
- So your **net profit** was -\$600

So, what was the Return on your Investment?

$$\text{ROI} = \frac{\text{Net Profit}}{\text{Investment}} \times 100$$

Here's another example.

Let's say you invested \$2000 on the stock market And then sold your stocks a year later for \$1200. This means your net profit was a minus \$600

So, what is your Return on Investment?

#### Example: Buy/Sell Stock

- You **Invested** \$2000 in stocks
- One year later, You sold the stock for 1200
- So your **net profit** was -600

When you plug your numbers into the formula, you see that your Return on Investment was a Negative Thirty Percent

$$\text{ROI} = \frac{-600}{2000} \times 100 = -30\%$$

When you plug your numbers into the formula, you see that your return on investment was a negative thirty percent.

In other words, you lost thirty percent of your investment.



If you have any questions regarding ROI, feel free to call or email, or visit my website at [www.miketurco.com](http://www.miketurco.com)