

Percent Change¹
Quick Sheet²

Percent Change from starting to ending point

$$\% \text{ Change} = \% \Delta$$

Solve for % Δ

$$\% \Delta = \frac{P_2 - P_1}{P_1} (100)$$

$$\text{Price (new)} = P_{NEW} = P_2 = P_{END}$$

Solve for P₂

$$P_2 = P_1 \times \left(\frac{\% \Delta}{100} + 1 \right)$$

$$\text{Price (old)} = P_{OLD} = P_1 = P_{BEG}$$

Solve for P₁

$$P_1 = \frac{P_2}{1 + \frac{\% \Delta}{100}}$$

Percent Change from ending to starting point

$$\% \text{ Change} = \% \Delta$$

Solve for % Δ

$$\% \Delta = \frac{P_2 - P_1}{P_2} (100)$$

$$\text{Price (new)} = P_{NEW} = P_2 = P_{END}$$

Solve for P₂

$$P_2 = P_1 \times (1 + \Delta)$$

$$\text{Price (old)} = P_{OLD} = P_1 = P_{BEG}$$

Solve for P₁

$$P_1 = P_2 (1 - \Delta)$$

When calculating % Δ you should **ALWAYS** extend your calculation to the 4th decimal place. If you're finding the solution for a quiz or exam you should then also pay close attention to how the solution is to be presented and only use as many places to the right of the decimal as instructed in the problem or question.

¹ The Quick Sheet is intended to present an abbreviated presentation of the included concepts in corporate finance and is not intended to be a full or complete representation of the concepts, models, metrics or the underlying foundations from which they are built.

² This material set was provided by Richard Haskell, PhD, Associate Professor of Finance, Bill and Vieve Gore School of Business, Westminster College, Salt Lake City, Utah (2017), rhaskell@westminstercollege.edu.