Effective Annual Interest Rate

$$\text{Effective Annual Rate} = \left[1 + \frac{\text{Nominal interest rate}}{\text{\# of compounding periods}}\right]^{\text{\^ (number of compounding periods)}} - 1$$

Real Return

$$\text{Real Rate of Return} = \frac{(1 + \text{Nominal Rate})}{(1 + \text{Inflation Rate})} - 1$$

(1+Kn)=(1+Kr)*(1+Inflation Rate)

Cost of Equity

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