

How to Calculate Daily and Annual Return of a Stock

Introduction

Thank you for your interest in learning how to calculate daily return and annual return. Before we begin, it is important to understand the formula for daily return, which is $((\text{Close Stock Price Today} - \text{Close Stock Price Yesterday}) / \text{Close Stock Price Yesterday}) * 100$. While annual return is the sum of daily return over the course of a year. These concepts are fundamental to understanding the financial growth of prospective companies and we are excited to take you through the process step by step. In order to complete the instruction set, you will need access to Yahoo Finance and Microsoft Excel.

1. Open your web browser and go to <https://finance.yahoo.com>

2. In the Yahoo Finance search bar, type a company's stock you want to evaluate

3. Once you have chosen a stock, select the "Historical Data" tab

4. Select the "Time Period" tab

5. From the "Time Period" tab select one year as the period

6. Hit the "Apply" button

*Hitting "Apply" ensures the changes are made

S&P 500 2,132.55 -6.63 (-0.31%)
Dow 30 18,098.94 -46.26 (-0.26%)
Nasdaq 5,213.33 -25.89 (-0.49%)

Amazon.com, Inc. (AMZN) ☆ Add to watchlist
NasdaqGS - NasdaqGS Real Time Price. Currency in USD

829.28 -4.81 (-0.58%) **829.48** 0.20 (0.02%)
At close: 4:00 PM EDT After hours: 5:25 PM EDT

Summary Conversations Statistics Profile **Historical Data** Analysts

Time Period: Oct 13, 2015 - Oct 13, 2016 Show: Historical Prices Frequency: Daily Apply

Date	High	Low	Close	Adj Close*	Volume
Oct 12, 2015	37.67	830.10	834.09	834.09	2,370,100
Oct 11, 2015	41.29	828.35	831.00	831.00	3,588,200
Oct 10, 2015	45.20	840.27	841.71	841.71	1,827,100
Oct 07, 2016	845.79	845.95	837.45	839.43	2,426,200
Oct 06, 2016	843.70	847.21	840.60	841.66	2,684,000
Oct 05, 2016	838.00	845.67	836.12	844.36	3,469,100
Oct 04, 2016	840.91	842.37	830.26	834.03	2,950,300
Oct 03, 2016	836.00	839.86	831.25	836.74	2,769,400
Sep 30, 2016	832.61	839.95	832.40	837.31	4,430,600
Sep 29, 2016	828.26	837.50	824.63	829.05	4,922,200

7. Click the “Download Data” button which will download a .csv file

8. Go to your computer’s downloads and open the .csv file

9. Upon opening the .csv file you will be able to see all of the companies’ information for the previous year. Under the date column (column A), it is likely you will only be able to see the # symbol. In order to fix this issue, change the size of the cell by placing your cursor between columns “A” and “B” and drag the cursor to the right.

10. Save the file

table (3) - Excel

File Home Insert Page Layout Formulas Data Review View Tell me what you want to do

Clipboard Font Alignment Number Styles

POSSIBLE DATA LOSS Some features might be lost if you save this workbook in the comma-delimited (.csv) format. To preserve these features, save it in an Excel file format.

Date	Open	High	Low	Close	Volume	Adj Close
#####	834	837.67	830.1	834.09	2370100	834.09
#####	841.02	841.29	828.35	831	3578100	831
#####	843.25	845.2	840.27	841.71	1818000	841.71
#####	845.79	845.95	837.45	839.43	2416500	839.43
#####	843.7	847.21	840.6	841.66	2679200	841.66
#####	838	845.67	836.12	844.36	3450000	844.36
#####	840.91	842.37	830.26	834.03	2945000	834.03
#####	836	839.86	831.25	836.74	2757800	836.74
#####	832.61	839.95	832.4	837.31	4411600	837.31
#####	828.26	837.5	824.63	829.05	4882900	829.05
#####	818	830.14	817.03	828.72	4416100	828.72
#####	801.85	816.64	801.11	816.11	3811900	816.11
#####	801.8	805.93	797.15	799.16	2647300	799.16
#####	803.13	807.75	802.12	805.75	2347300	805.75
#####	794.27	805.89	794.27	804.7	4064100	804.7
#####	783.25	790.69	779.01	789.74	2702600	789.74
#####	776	781.37	776	780.22	1930600	780.22
#####	779.97	781.94	771	775.1	2292500	775.1
#####	773.28	780.46	771.66	778.52	5482800	778.52
#####	762	770.87	757.58	769.69	3034000	769.69
#####	762.2	767.5	758.85	761.09	2523000	761.09
#####	768.77	769.89	759.05	761.01	3106900	761.01
#####	757.35	772.66	756	771.49	3101400	771.49
#####	779.36	781	760.11	760.14	4204700	760.14
#####	783.89	786.5	781.44	784.06	2026400	784.06
#####	789.53	790.79	784.33	784.48	2422000	784.48
#####	774.04	789.48	770.22	788.87	3711700	788.87

table (3)

11. After you have saved the file, go to the top left cell (Column A)

12. Go to the “Insert Tab”

13. Hit “Insert Table”

The screenshot shows the Microsoft Excel interface with the 'Insert' tab selected. A data table is visible in the background, and the 'Create Table' dialog box is open in the foreground. The dialog box asks 'Where is the data for your table?' and has the range '\$A\$1:\$G\$254' entered. The 'My table has headers' checkbox is checked. The 'OK' button is highlighted.

Date	Open	High	Low	Close	Volume	Adj Close
10/12/2016	834	837.67	830.1	834.09	2370100	834.09
10/11/2016	841.02	841.29	828.35	831	3578100	831
10/10/2016	843.25	845.2	840.27	841.71	1818000	841.71
10/7/2016	845.79	845.95	837.45	839.43	2416500	839.43
10/6/2016	843.7	847.21	840.6	841.66	2679200	841.66
10/5/2016	838	845.67	836.12	844.36	3450000	844.36
10/4/2016	840.91	842.37	830.26	834.03	2945000	834.03
10/3/2016	836	839.86	831.25	836.74	2757800	836.74
9/30/2016	832.61	839.95	832.4	837.31	4411600	837.31
9/29/2016	828.26	837.5	824.63	829.05	4882900	829.05
9/28/2016	818	830.14	817.03	828.72	4416100	828.72
9/27/2016	801.85	816.64	801.11	816.11	3811900	816.11
9/26/2016	801.8	805.93	797.15	799.16	2647300	799.16
9/23/2016	803.13	807.75	802.12	805.75	2347300	805.75
9/22/2016	794.27	805.89	794.27	804.7	4064100	804.7
9/21/2016	783.25	790.69	779.01	789.74	2702600	789.74
9/20/2016	776	781.37	776	780.22	1930600	780.22
9/19/2016	779.97	781.94	771	775.1	2292500	775.1
9/16/2016	773.28	780.46	771.66	778.52	5482800	778.52
9/15/2016	762	770.87	757.58	769.69	3034000	769.69
9/14/2016	762.2	767.5	758.85	761.09	2523000	761.09
9/13/2016	768.77	769.89	759.05	761.01	3106900	761.01
9/12/2016	757.35	772.66	756	771.49	3101400	771.49
9/9/2016	779.36	781	760.11	760.14	4204700	760.14
9/8/2016	783.89	786.5	781.44	784.06	2026400	784.06
9/7/2016	789.53	790.79	784.33	784.48	2422000	784.48
9/6/2016	774.04	789.48	770.22	788.87	3711700	788.87
9/2/2016	774.11	776	771.7	772.44	2157400	772.44

14. From here, we want to create two more columns

15. Right Click on Column G

16. Select “Insert”

17. Select “Table Column to the Right”

18. Repeat this process in Column H

19. Label Column H as “Daily Returns”

20. Label Column I as “Annual Returns”

The screenshot shows the Microsoft Excel interface with a table of stock data. The table has columns labeled Date, Open, High, Low, Close, Volume, and Adj Close. A context menu is open over column G, showing options like Cut, Copy, Paste Options, and Insert. The 'Insert' option is expanded, showing 'Table Column to the Right' as the selected option. The ribbon at the top shows the 'Design' tab with various table style options. The status bar at the bottom indicates 'table (3)' and 'Ready'.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Date	Open	High	Low	Close	Volume	Adj Close							
2	10/12/2016	834	837.67	830.1	834.09	2370100	83							
3	10/11/2016	841.02	841.29	828.35	831	3578100	83							
4	10/10/2016	843.25	845.2	840.27	841.71	1818000	84							
5	10/7/2016	845.79	845.95	837.45	839.43	2416500	83							
6	10/6/2016	843.7	847.21	840.6	841.66	2679200	84							
7	10/5/2016	838	845.67	836.12	844.36	3450000	84							
8	10/4/2016	840.91	842.37	830.26	834.03	2945000	83							
9	10/3/2016	836	839.86	831.25	836.74	2757800	83							
10	9/30/2016	832.61	839.95	832.4	837.31	4411600	83							
11	9/29/2016	828.26	837.5	824.63	829.05	4882900	82							
12	9/28/2016	818	830.14	817.03	828.72	4416100	82							
13	9/27/2016	801.85	816.64	801.11	816.11	3811900	81							
14	9/26/2016	801.8	805.93	797.15	799.16	2647300	79							
15	9/23/2016	803.13	807.75	802.12	805.75	2347300	80							
16	9/22/2016	794.27	805.89	794.27	804.7	4064100	80							
17	9/21/2016	783.25	790.69	779.01	789.74	2702600	78							
18	9/20/2016	776	781.37	776	780.22	1930600	78							
19	9/19/2016	779.97	781.94	771	775.1	2292500	77							
20	9/16/2016	773.28	780.46	771.66	778.52	5482800	77							
21	9/15/2016	762	770.87	757.58	769.69	3034000	77							
22	9/14/2016	762.2	767.5	758.85	761.09	2523000	76							
23	9/13/2016	768.77	769.89	759.05	761.01	3106900	76							
24	9/12/2016	757.35	772.66	756	771.49	3101400	77							
25	9/9/2016	779.36	781	760.11	760.14	4204700	76							
26	9/8/2016	783.89	786.5	781.44	784.06	2026400	784.06							
27	9/7/2016	789.53	790.79	784.33	784.48	2422000	784.47998							
28	9/6/2016	774.04	789.48	770.22	788.87	3711700	788.87							
29	9/2/2016	774.11	776	771.7	772.44	2157400	772.44							

*The following visual depicts the new columns that should be added to the right.

The screenshot shows the Microsoft Excel interface with a table named 'Table1' containing stock price data. The table has 8 columns: Date, Open, High, Low, Close, Volume, Adj Close, and Column1. The ribbon is set to 'Design' under 'Table Tools', showing options for 'Table Style Options' such as 'Header Row', 'Total Row', 'Banded Rows', 'First Column', 'Last Column', and 'Filter Button'. The status bar at the bottom indicates 'table (3)' is selected.

	A	B	C	D	E	F	G	H	I	J	K
1	Date	Open	High	Low	Close	Volume	Adj Close	Column1			
2	10/12/2016		834	837.669983	830.099976	834.090027	2370100	834.090027			
3	10/11/2016	841.02002	841.289978	828.349976		831	3578100	831			
4	10/10/2016	843.25	845.200012	840.27002	841.710022	1818000	841.710022				
5	10/7/2016	845.789978	845.950012	837.450012	839.429993	2416500	839.429993				
6	10/6/2016	843.700012	847.210022	840.599976	841.659973	2679200	841.659973				
7	10/5/2016	838	845.669983	836.119995	844.359985	3450000	844.359985				
8	10/4/2016	840.909973	842.369995	830.26001	834.030029	2945000	834.030029				
9	10/3/2016	836	839.859985	831.25	836.739999	2757800	836.739999				
10	9/30/2016	832.609985	839.950012	832.400024	837.309998	4411600	837.309998				
11	9/29/2016	828.26001	837.5	824.630005	829.049988	4882900	829.049988				
12	9/28/2016	818	830.140015	817.030029	828.719971	4416100	828.719971				
13	9/27/2016	801.849976	816.640015	801.109985	816.109985	3811900	816.109985				
14	9/26/2016	801.799988	805.929993	797.150024	799.159973	2647300	799.159973				
15	9/23/2016	803.130005	807.75	802.119995	805.75	2347300	805.75				
16	9/22/2016	794.27002	805.890015	794.27002	804.700012	4064100	804.700012				
17	9/21/2016	783.25	790.690002	779.01001	789.739999	2702600	789.739999				
18	9/20/2016	776	781.369995	776	780.219971	1930600	780.219971				
19	9/19/2016	779.969971	781.940002	771	775.099976	2292500	775.099976				
20	9/16/2016	773.280029	780.460022	771.659973	778.52002	5482800	778.52002				
21	9/15/2016	762	770.869995	757.580017	769.690002	3034000	769.690002				
22	9/14/2016	762.200012	767.5	758.849976	761.090027	2523000	761.090027				
23	9/13/2016	768.77002	769.890015	759.049988	761.01001	3106900	761.01001				
24	9/12/2016	757.349976	772.659973	756	771.48999	3101400	771.48999				
25	9/9/2016	779.359985	781	760.109985	760.140015	4204700	760.140015				
26	9/8/2016	783.890015	786.5	781.440002	784.059998	2026400	784.059998				
27	9/7/2016	789.530029	790.789978	784.330017	784.47998	2422000	784.47998				
28	9/6/2016	774.039978	789.47998	770.219971	788.869995	3711700	788.869995				
29	9/2/2016	774.109985	776	771.700012	772.440002	2157400	772.440002				

This section will explain the formula necessary to calculate daily returns

21. In Cell H2, type the equal sign

22. Then select Cell E2 (Close Price Today)

23. Type the subtraction sign into the formula

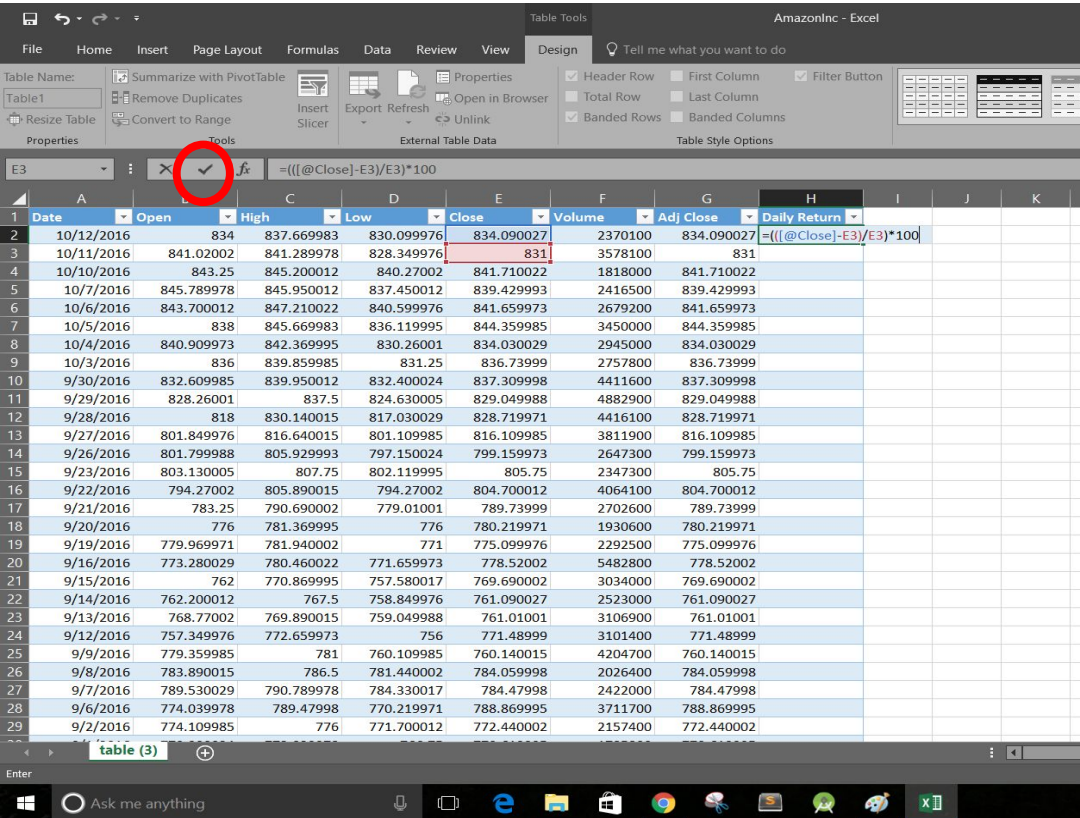
24. Select Cell E3 (Close Price Yesterday)

25. Then divide the entire formula by E3 (Close Price Yesterday)

26. Multiple the entire formula by 100

27. Your final formula should be: $=((E2-E3)/E3)*100$

28. Once you are confident with your formula, click the check mark above Column B. (This will then apply the formula to the entire H column).



This section is dedicated to calculating the Annual Daily Return using Excel formulas

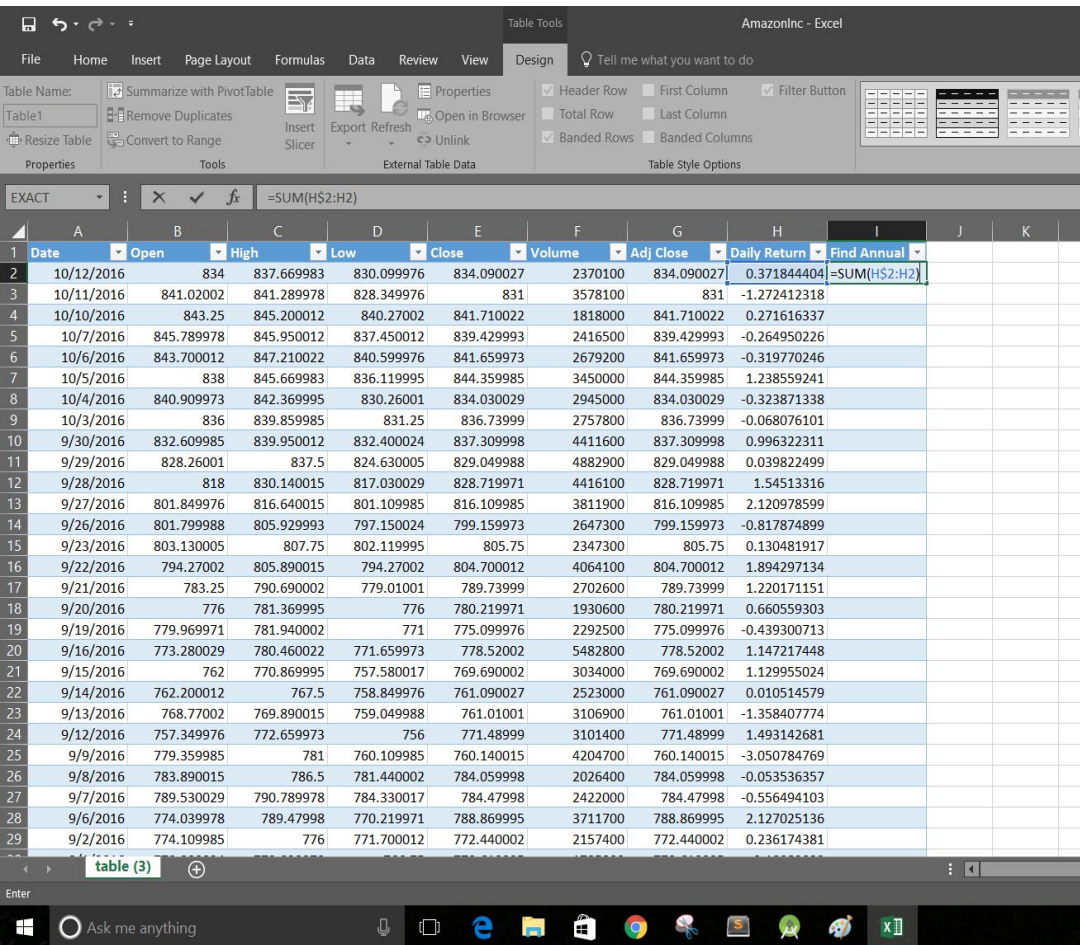
29. In Cell I2, start by typing the equal sign

30. Type “SUM” in Cell I2

31. Type “H\$2” in Cell I2

32. Type “(H2) in Cell I2

33. Proceed to click the check mark above Column B. (This will then apply the formula to the Entire I column).



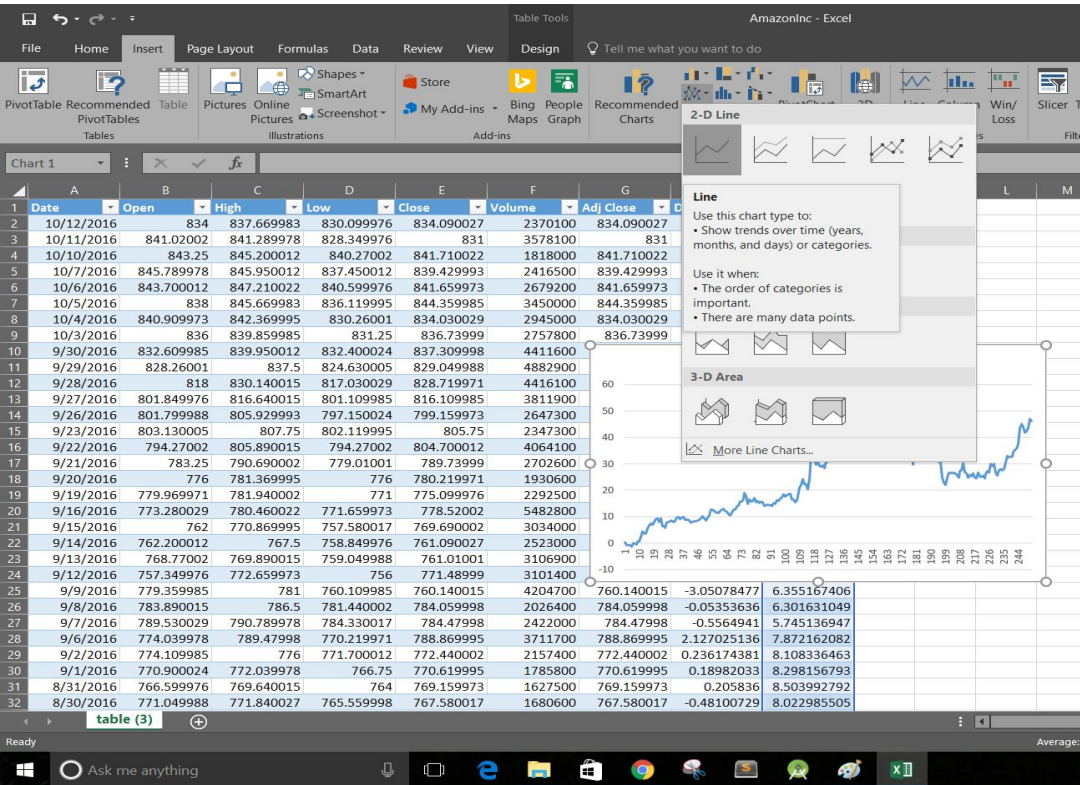
This section will explain how to graph the data, which will provide a quality visualization of the results.

34. Select the entire I2 Column

35. Click the “Insert” tab

36. Go to the graph icon and select the top left option

37. Excel will then graph the return over the course of the year, providing a nice visualization of the data.



The following visual illustrates the chart in relation to the data. Graphing the data is a valuable tool in order to interpret the results. This concludes the instruction set on calculating daily return and annual return on Yahoo Finance and Microsoft Excel.

