

# Download Wacc Explanation

The weighted average cost of capital (WACC) is a calculation of a firm's cost of capital in which each category of capital is proportionately weighted. All sources of capital, including common ...Definition of WACC. A firm's Weighted Average Cost of Capital (WACC) represents its blended cost of capital Cost of Capital Cost of capital is the minimum rate of return that a business must earn before generating value.In Bloomberg, you can find weighted average cost of capital by typing WACC <GO>. You will be able to see the historical chart at the bottom left hand corner of the screen.Aswath Damodaran 2 Value/Earnings and Value/Cashflow Ratios n While Price earnings ratios look at the market value of equity relative to earnings to equity investors, Value earnings ratios look at the market value of