Credit Decision Memory Report

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Executive Summary

This report provides similarity-based decision support for a newly submitted loan application. The system does not automate approval or rejection. Instead, it retrieves historical loan cases with comparable characteristics and summarizes their observed outcomes to assist human decision-makers.

Application Snapshot

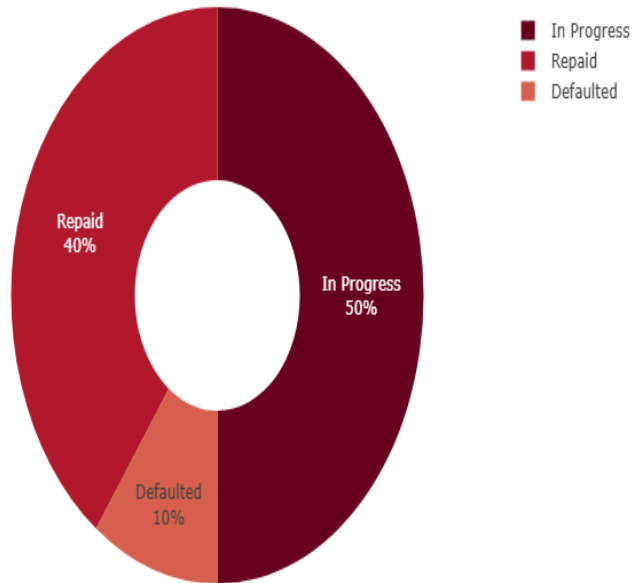| Attribute	Value
Monthly Income	$1,000
Existing Monthly EMIs	$1,200
Debt-to-Income Ratio	1.20
Loan Amount Requested	$10,000
Loan Tenure (Months)	24
Credit Score	760
Applicant Age	59
Number of Dependents	1
Employment Status	Self-Employed
Property Ownership	Mortgaged
Loan Type	Auto Loan
Purpose of Loan	Business

Similarity Methodology

Historical loan cases were retrieved based on vector similarity across multiple financial and contextual attributes, including income level, loan amount, credit score, loan tenure, employment status, property ownership, and loan purpose.

This approach ensures that comparisons are made against economically and behaviorally comparable cases rather than relying on abstract predictive scores.

Historical Outcome Analysis

The system identified 10 historical loan cases with similar characteristics. Among these cases, 40.0% were successfully repaid, 10.0% resulted in default, and 0.0% are still in progress. 1 cases were associated with confirmed fraud signals.

Observed Risk and Positive Signals

Risk Signals

- Presence of fraud cases in the similarity set.

- Elevated debt-to-income ratio compared to peer cases.

Positive Signals

- Strong credit score relative to similar applicants.

- Majority of similar cases resulted in successful repayment.

Decision Support Statement

This similarity-based assessment suggests how comparable loans have historically performed under similar conditions. It is intended to support, not replace, human judgment. Final credit decisions should incorporate institutional policies, regulatory requirements, and current economic context.