**Credit Risk Analysis Report**

1. The purpose of the analysis is to create and train the model for healthy and high-risk loans. We wanted to take a dataset and use a big percentage of it to train the model to predict accurately. We hold a small percentage of the data back and use that to test the model after it has learned from the training data. We then wanted to see how well the model worked and how accurate it was at predicting the outcomes. At the end of this, we were able to see how accurate it was at predicting healthy and high-risk loans.
2. Accuracy: Number of correct classifications divided by the total number of instances

Precision: Proportion of positive predictions that are positive/correct

Recall: Proportion of true positives out of the total number of actual positive instances.

1. The logistics model predicts the '0' (healthy loan) almost perfectly with a perfect score for precision and f1-score and a 0.99 for the recall. For '1' (high-risk loan), the model predictions are pretty good with 0.84 in the precision score, 0.94 in the recall score, and 0.89 in the f1-score. These numbers are not bad but still has a lot of room to improve on for the model to be more precise. My recommendation for the company on this model would be that it is a pretty good model and especially great with predicting the healthy loans but would be wary about the predictions on the high-risk loans and would look to improve this model to make it precise for both types of loans.