

# BANK LOAN ANALYSIS

## PROBLEM STATEMENT

### DASHBOARD 1: SUMMARY

To enhance our oversight and evaluation of the bank's loan operations, we need to develop a detailed Bank Loan Report. This document will shed light on critical loan metrics and their evolution, aiding in informed decision-making, tracking our loan portfolio's status, and pinpointing lending strategy trends.

#### Key Performance Indicators (KPIs) Requirements:

**Total Loan Applications:** It's vital to tally the total loan applications received within a certain timeframe, with a focus on Month-to-Date (MTD) applications and their Month-over-Month (MoM) variations.

**Total Funded Amount:** The overall funds loaned out are key, including MTD totals and MoM analysis.

**Total Amount Received:** Monitoring what we've received from borrowers underpins our cash flow and repayment analysis, requiring MTD and MoM evaluations.

**Average Interest Rate:** We aim to calculate and monitor the MTD average interest rate and its MoM changes to understand the cost of our lending portfolio.

**Average Debt-to-Income Ratio (DTI):** Assessing borrowers' financial health through their DTI, with a focus on MTD averages and MoM dynamics, is crucial.

#### Good Loan vs Bad Loan KPIs:

To distinguish between 'Good Loans' and 'Bad Loans' for quality assessment, we need specific metrics based on loan status.

**Good Loan KPIs:** Include percentages and totals for 'Good Loans' (loans either 'Fully Paid' or 'Current'), alongside funded amounts and total received.

**Bad Loan KPIs:** Focus on the percentages and totals for 'Bad Loans' ('Charged Off' status), including funded amounts and total received.

## Loan Status Grid View

Creating a grid view report by 'Loan Status' will offer a comprehensive analysis tool, showcasing metrics like total applications, funded amounts, received amounts, alongside MTD figures, average interest rates, and DTI ratios.

## DASHBOARD 2: OVERVIEW

This section aims to graphically represent vital loan metrics and trends across various chart types, enhancing insight into our loan operations and supporting strategic decisions.

Charts Required: Covering monthly trends, regional analysis, loan term distribution, employment length impact, loan purpose breakdown, and home ownership analysis, utilizing line charts, filled maps, donut charts, bar charts, and tree maps.

## DASHBOARD 3: DETAILS

The 'Details Dashboard' will consolidate all crucial loan data, offering a comprehensive view of loan metrics, borrower profiles, and loan performance, with the aim of providing a user-friendly interface for accessing detailed loan information.