

Credable Lending Acquisition Analysis

Year

All

52.04%

Deafult Rate

0.48

Repayment Rate

501K

Risk Exposure

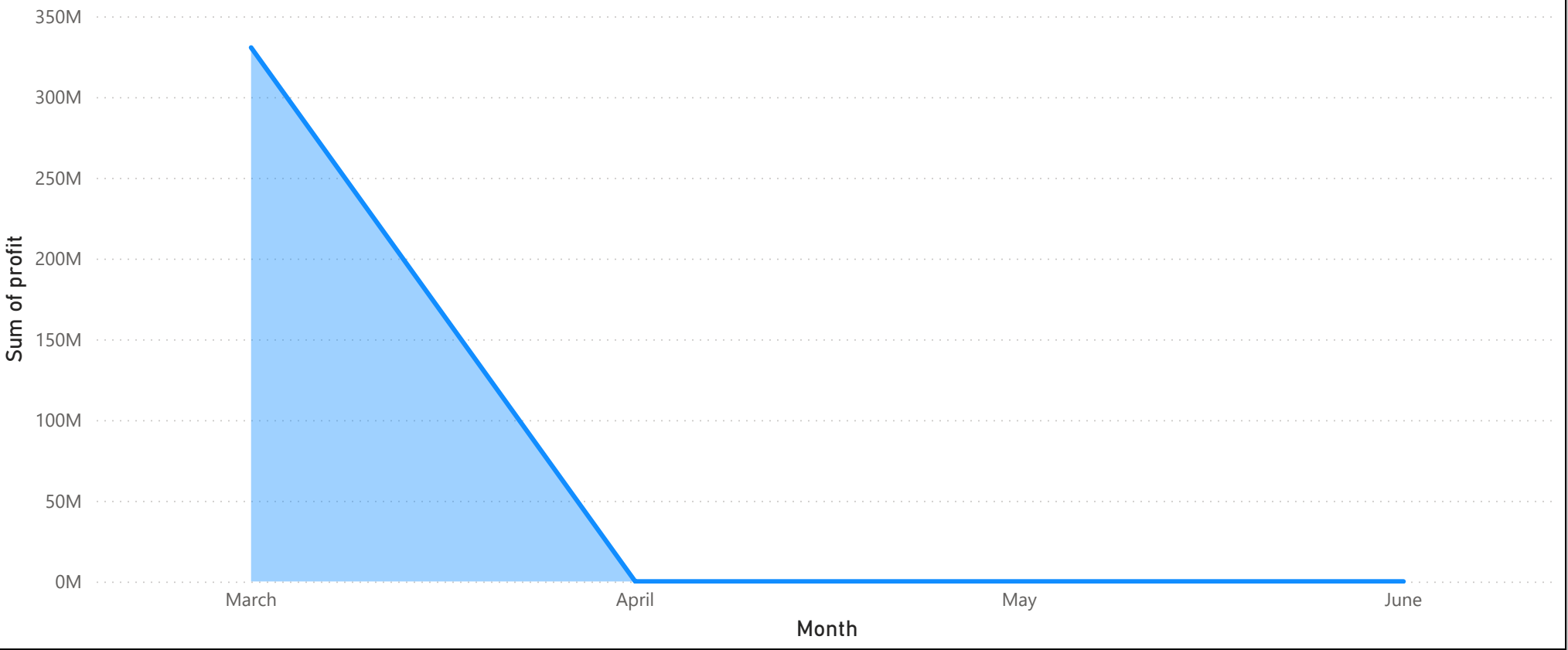
-691.63K

Sum of Profitability

Month

All

3 Month Profit Forecast



Year

All

Quarter

All

Month

All

Day

All

customer_id

All

964K

Total Loan Disbursemnt

14.83

Average Tenure in days

123.73

Average Loan Fee

123.73K

Total Loan Fee

3500

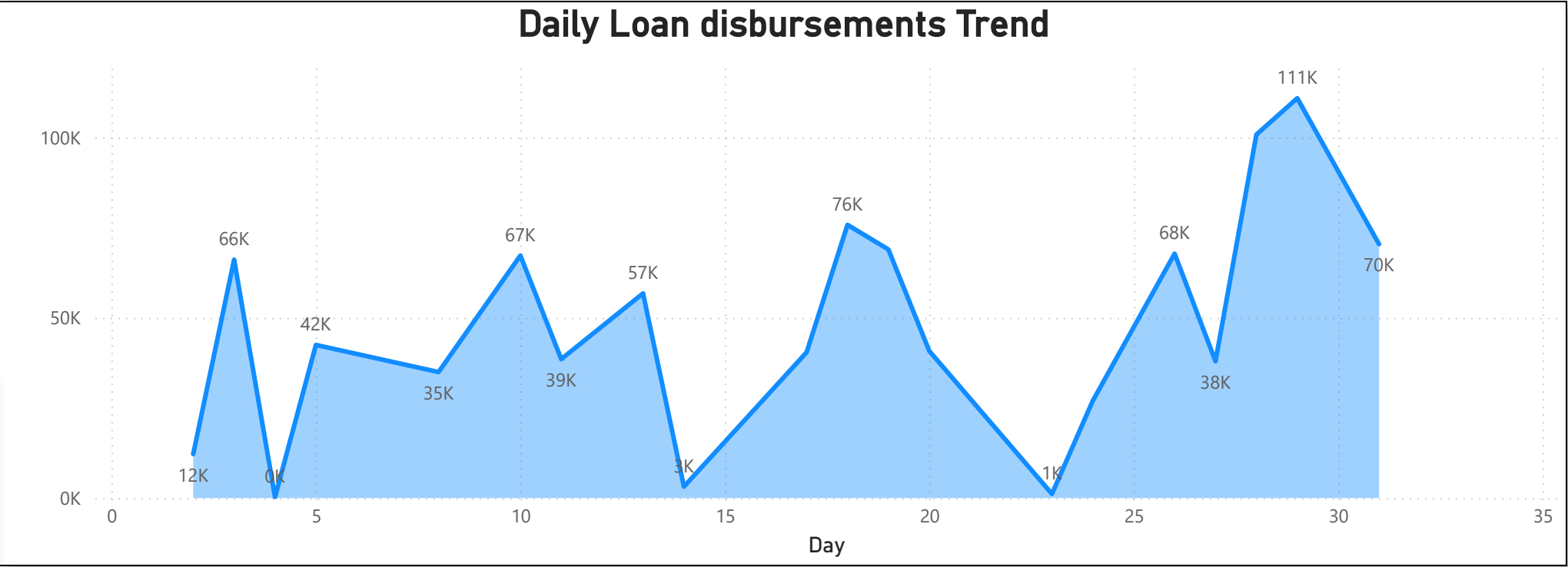
Highest Loan Amount

963.66

Average Loan Disbursement

525.00

Highest Loan Fee



Year

All

Quarter

All

Month

All

Day

All

customer_id

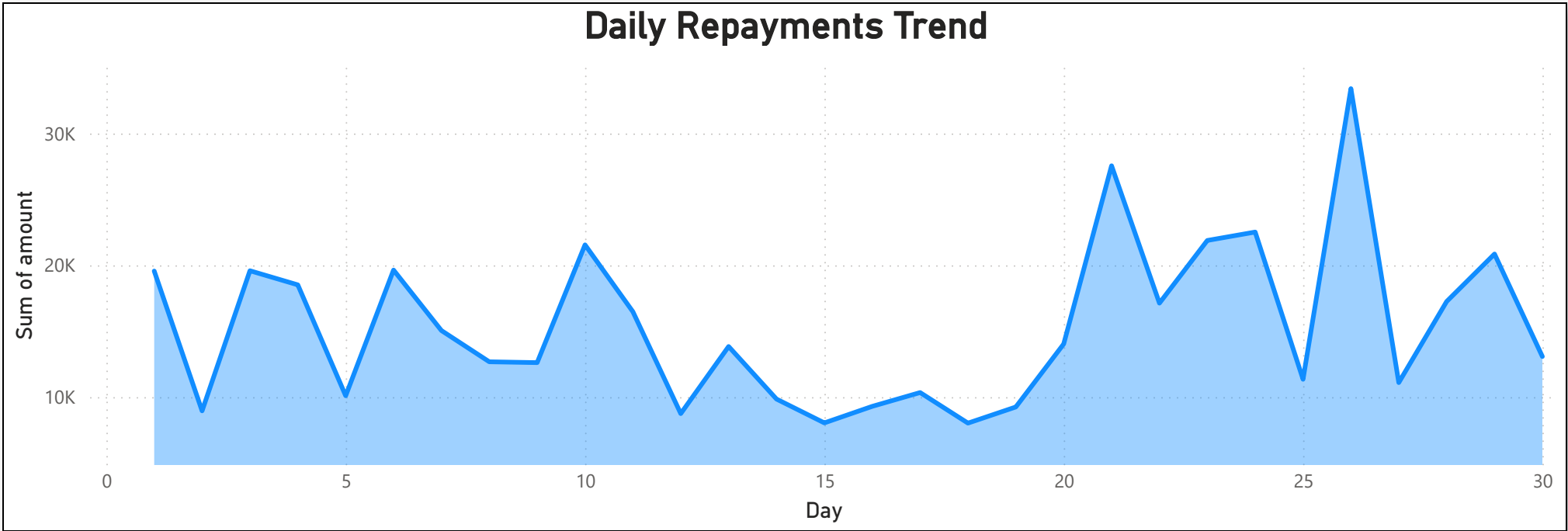
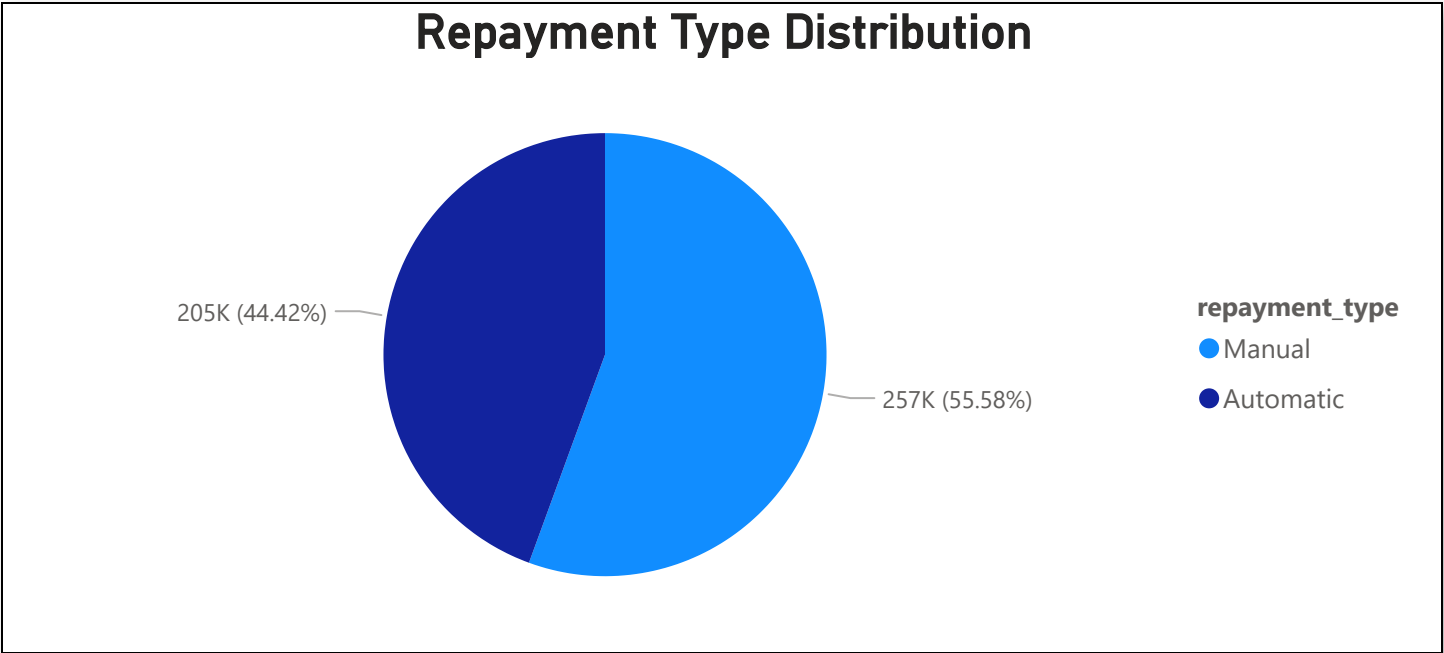
All

4025

Highest Repayment Amount

462K

Total Repayment Amount



Analysis of the company's current credit exposure and risk management strategies.

- Credit Exposure:** The company has a risk exposure of -691.63K, indicating potential losses. The total loan disbursement is 964K, with the highest loan amount being 3500. The total repayment amount is 462K, with the highest repayment amount being 4025.
- Risk Management Strategies:** The default rate is 0.48%, and the repayment rate is 52.04%. The company should focus on improving repayment rates and reducing default rates. The distribution of repayment types shows 44.42% manual and 55.58% automatic, suggesting a reliance on automated systems for repayments.

Recommendation appropriate provisioning and write-off thresholds



Preparing Q&A

- **WRITE-OFF THRESHOLDS.** Loans that are more than 90 days past due with no recovery prospects should be considered for write-offs. This helps in cleaning the portfolio and focusing on recoverable assets.

Portfolio triggers / alerts to mitigate adverse portfolio shift

. Triggers/Alerts:

- . Default Rate Increase: Set an alert if the default rate exceeds 1%.**
- . Repayment Rate Drop: Monitor if the repayment rate falls below 50%.**
- . High-Risk Loans: Flag loans that are above 80% of the highest loan amount (3500).**
- . Daily Monitoring: Implement daily monitoring of loan disbursements and repayments to detect any unusual trends.**

Recommended data-driven changes to the product design and features to enhance profitability and manage credit risk.

- . Product Design:
- . Dynamic Pricing: Adjust loan fees based on customer risk profiles. Higher-risk customers could be charged higher fees.
- . Flexible Repayment Options: Introduce more flexible repayment options to encourage timely repayments.
- . Incentivize Automatic Repayments: Offer incentives for customers who opt for automatic repayments to reduce manual repayment risks.
- . Credit Risk Management:
- . Enhanced Credit Scoring: Use advanced analytics to improve credit scoring models, ensuring better risk assessment.
- . Regular Portfolio Reviews: Conduct regular reviews of the loan portfolio to identify and mitigate risks