

Bank loan Report: Summary & Risk Analysis

This report presents a comprehensive evaluation of the bank's lending operations. By analyzing key performance indicators (KPIs) and borrower health metrics, we can assess the institution's capital efficiency, repayment success, and overall portfolio risk. All data and insights are derived from the official Bank Loan Summary Dashboard.

1. Executive Key Performance Indicators (KPIs)

The primary tier of the analysis focuses on five critical metrics that track monthly growth and cumulative performance.

Primary Metric	Current Total	Month-to-Date (MTD)	Month-over-Month (MoM)
Total Loan Applications	38,576	4.3K	+6.9%
Total Funded Amount	\$435.8M	\$54.0M	+13.0%
Total Amount Received	\$473.1M	\$58.1M	+15.8%
Average Interest Rate	12.0%	12.4%	+3.5%
Average Debt-to-Income (DTI)	13.3%	13.7%	+2.7%

Strategic Observations:

- Repayment Velocity:** The Total Amount Received (\$473.1M) continues to exceed the Total Funded Amount (\$435.8M), confirming that the bank is successfully recovering principal plus interest. The 15.8% MoM growth in receipts outpaces the 13.0% growth in funding, indicating healthy liquidity.
- Borrower Risk Profile:** The Average DTI has seen a slight uptick to 13.7% in the current

month. While still within a healthy range, this suggests that recent applicants carry slightly higher debt burdens relative to their income compared to previous periods.

- **Yield Adjustment:** The 3.5% increase in the average interest rate suggests the institution may be adjusting its pricing to account for shifting market conditions or higher-risk profiles.

2. Portfolio Quality and Risk Segmentation

The portfolio is divided into "Good Loans" and "Bad Loans" to provide a visual health check of the institution's assets.

Good Loan Performance (86.2% Concentration)

This segment represents the primary engine of the bank, consisting of loans that are either "Fully Paid" or "Current."

- **Application Volume:** 33.2K successful applications.
- **Capital Commitment:** \$370.2M has been funded to this segment.
- **Total Recovery:** \$435.8M has been received back, representing the vast majority of the bank's revenue.

Bad Loan Performance (13.8% Concentration)

This segment tracks "Charged Off" loans where the borrower has defaulted, requiring intensive recovery efforts.

- **Application Volume:** 5.3K applications.
- **Capital Loss Exposure:** While \$65.5M was funded, only \$37.3M has been received, highlighting a significant loss in principal.

3. Granular Breakdown by Loan Status

The following detailed table offers a deep dive into how different borrower categories contribute to the bank's bottom line.

Loan Status	Total Applications	Total Funded Amount	Total Amount Received	MTD Amount Received	Avg Interest Rate	Avg DTI
Fully	32,145	\$351,358,	\$411,586,	\$47,815,8	11.64%	13.17%

Paid		350	256	51		
Current	1,098	\$18,866,500	\$24,199,914	\$4,934,318	15.10%	14.72%
Charged Off	5,333	\$65,532,225	\$37,284,763	\$5,324,211	13.88%	14.00%
Grand Total	38,576	\$435,757,075	\$473,070,933	\$58,074,380	12.05%	13.33%

Critical Findings:

1. **The "Current" Segment:** Despite having the lowest volume of applications, this segment carries the highest average interest rate (15.10%) and the highest DTI (14.72%). This indicates that recent high-yield lending is targeted toward borrowers with more complex financial profiles.
2. **Profitability Core:** The "Fully Paid" category maintains the lowest interest rates (11.64%) and lowest debt ratios (13.17%), proving that lower-risk borrowers are the most stable contributors to the bank's success.
3. **Charge-Off Impact:** The bank has processed over 5,300 defaults. Monitoring the 14.00% average DTI in this segment is vital, as it serves as a warning threshold for future underwriting.

4. Visual Dashboard Methodology

The report utilizes specific visualization techniques to ensure data is actionable for decision-makers:

- **Donut Charts:** Used to show the distribution of portfolio health, making it easy to see that nearly 9 out of 10 loans are performing well.
- **KPI Cards:** High-impact boxes at the top of the dashboard allow for immediate tracking of MoM growth percentages, ensuring that stakeholders can spot trends in lending volume or interest rate spikes instantly.
- **Filter System:** The dashboard allows for granular filtering by "State," "Grade," and "Purpose," providing the flexibility to analyze regional performance or specific loan types like vehicle or home improvement loans.

5. Conclusion and Recommendations

The bank's portfolio is currently robust, with a **86.2% Good Loan rate** and total receipts exceeding \$473 million. While growth remains strong at 13.0% MoM in funding, the rising DTI and interest rates in the "Current" segment suggest a shift toward more aggressive, higher-yield lending. To ensure long-term stability, it is recommended to maintain strict oversight on the "Charged Off" segment and continue monitoring whether the higher interest rates effectively compensate for the increased debt levels seen in recent applications.