Bank Loan Dashboard Insights

<u>Dashboard 1: Overview</u>

This dashboard emphasizes trends and distributions of loan applications:

1. Key Metrics (Top Panel):

- Total Loan Applications: 38.6K, with a Month-to-Date (MTD) value of 4.3K and a
  Month-over-Month (MoM) increase of 6.9%.

- Total Funded Amount: $435.8M, with significant MoM growth (13%).

- Total Amount Received: $473.1M, reflecting a robust repayment structure (MoM +15.8%).

- Average Interest Rate (12.05%) and Debt-to-Income Ratio (DTI, 13.33%) are relatively
  stable.

2. Trends Over Time:

- Loan applications show a steady increase, peaking in December. This could indicate
  seasonal trends.

3. Geographic Trends (Map Visualization):

- High activity in specific states (darker-shaded areas). This may help identify focus
  regions for expansion.

4. Loan Term Analysis:

- A significant majority (73%) of loans are for 36 months.

5. Loan Purpose and Employment Length:

- Debt consolidation (18.2K) is the most common loan purpose, followed by credit cards
  (5.0K).

- Borrowers with 10+ years of employment dominate (8.9K).

6. Home Ownership Analysis:

- Renters lead loan applications (18.4K), followed by those with mortgages (17.2K).

Dashboard 2: Summary

This dashboard focuses on performance, distinguishing between "Good" and "Bad" loans.

1. Loan Quality Analysis:

- Good Loans85.88% (33.2K applications), with $370.2M funded and $435.8M received.

- Bad Loans: 14.12% (5.3K applications), funded at $65.5M but only $37.3M received.

2. Loan Applications by Status:

- Fully Paid Loans: Dominates (32145).

- Charged-Off Loans: 1098 applications underline areas needing better risk assessments.

3. Financial Metrics:

- Funded Amounts: Strong funding in "Fully Paid" loans ($351.4M) compared to "Charged Off" ($65.5M).

- Received Amounts: Good loans contribute significantly more to cash flow.

4. Interest Rate and DTI Distribution:

- Bad loans have slightly higher average interest rates (13.88%) and DTI ratios (14.00%).

Key Takeaways From Analysis

1. Loan Portfolio Strengths:

- The majority (85.88%) of loans are performing well, with a consistent inflow of repayments.

2. Areas for Improvement:

- Bad Loan Mitigation: Analyze why 14.12% of loans are in the "Charged-Off" category.

- Regional Insights: Target regions with lower activity for marketing campaigns.

3. Strategic Considerations:

- Evaluate lending practices in regions with high "Charged-Off" loans.

- Offer incentives for borrowers transitioning to "Good Loan" status.