

PROBLEM STATEMENT

In order to monitor and assess our bank's lending activities and performance, we need to create a comprehensive Bank Loan Report. This report aims to provide insights into key loan-related metrics and their changes over time. The report will help us make data-driven decisions, track our loan portfolio's health, and identify trends that can inform our lending strategies.

Dashboard Requirements

Key Performance Indicators (KPIs) Requirements:

1. **Total Loan Applications:** We need to calculate the total number of loan applications received during a specified period. Additionally, it is essential to monitor the Month-to-Date (MTD) Loan Applications and track changes Month-over-Month (MoM).
2. **Total Funded Amount:** Understanding the total amount of funds disbursed as loans is crucial. We also want to keep an eye on the MTD Total Funded Amount and analyse the Month-over-Month (MoM) changes in this metric.
3. **Total Amount Received:** Tracking the total amount received from borrowers is essential for assessing the bank's cash flow and loan repayment. We should analyse the Month-to-Date (MTD) Total Amount Received and observe the Month-over-Month (MoM) changes.
4. **Average Interest Rate:** Calculating the average interest rate across all loans, MTD, and monitoring the Month-over-Month (MoM) variations in interest rates will provide insights into our lending portfolio's overall cost.
5. **Average Debt-to-Income Ratio (DTI):** Evaluating the average DTI for our borrowers helps us gauge their financial health. We need to compute the average DTI for all loans, MTD, and track Month-over-Month (MoM) fluctuations.

Good Loan v Bad Loan KPI's

In order to evaluate the performance of our lending activities and assess the quality of our loan portfolio, we need to create a comprehensive report that distinguishes between 'Good Loans' and 'Bad Loans' based on specific loan status criteria

Good Loan KPIs:

1. **Good Loan Application Percentage:** We need to calculate the percentage of loan applications classified as 'Good Loans.' This category includes loans with a loan status of 'Fully Paid' and 'Current.'
2. **Good Loan Applications:** Identifying the total number of loan applications falling under the 'Good Loan' category, which consists of loans with a loan status of 'Fully Paid' and 'Current.'
3. **Good Loan Funded Amount:** Determining the total amount of funds disbursed as 'Good Loans.' This includes the principal amounts of loans with a loan status of 'Fully Paid' and 'Current.'
4. **Good Loan Total Received Amount:** Tracking the total amount received from borrowers for 'Good Loans,' which encompasses all payments made on loans with a loan status of 'Fully Paid' and 'Current.'

Bad Loan KPIs:

1. **Bad Loan Application Percentage:** Calculating the percentage of loan applications categorized as 'Bad Loans.' This category specifically includes loans with a loan status of 'Charged Off.'
2. **Bad Loan Applications:** Identifying the total number of loan applications categorized as 'Bad Loans,' which consists of loans with a loan status of 'Charged Off.'

3. **Bad Loan Funded Amount:** Determining the total amount of funds disbursed as 'Bad Loans.' This comprises the principal amounts of loans with a loan status of 'Charged Off.'
4. **Bad Loan Total Received Amount:** Tracking the total amount received from borrowers for 'Bad Loans,' which includes all payments made on loans with a loan status of 'Charged Off.'

Loan Status Grid View

In order to gain a comprehensive overview of our lending operations and monitor the performance of loans, we aim to create a grid view report categorized by 'Loan Status.' This report will serve as a valuable tool for analysing and understanding the key indicators associated with different loan statuses. By providing insights into metrics such as 'Total Loan Applications,' 'Total Funded Amount,' 'Total Amount Received,' 'Month-to-Date (MTD) Funded Amount,' 'MTD Amount Received,' 'Average Interest Rate,' and 'Average Debt-to-Income Ratio (DTI),' this grid view will empower us to make data-driven decisions and assess the health of our loan portfolio.