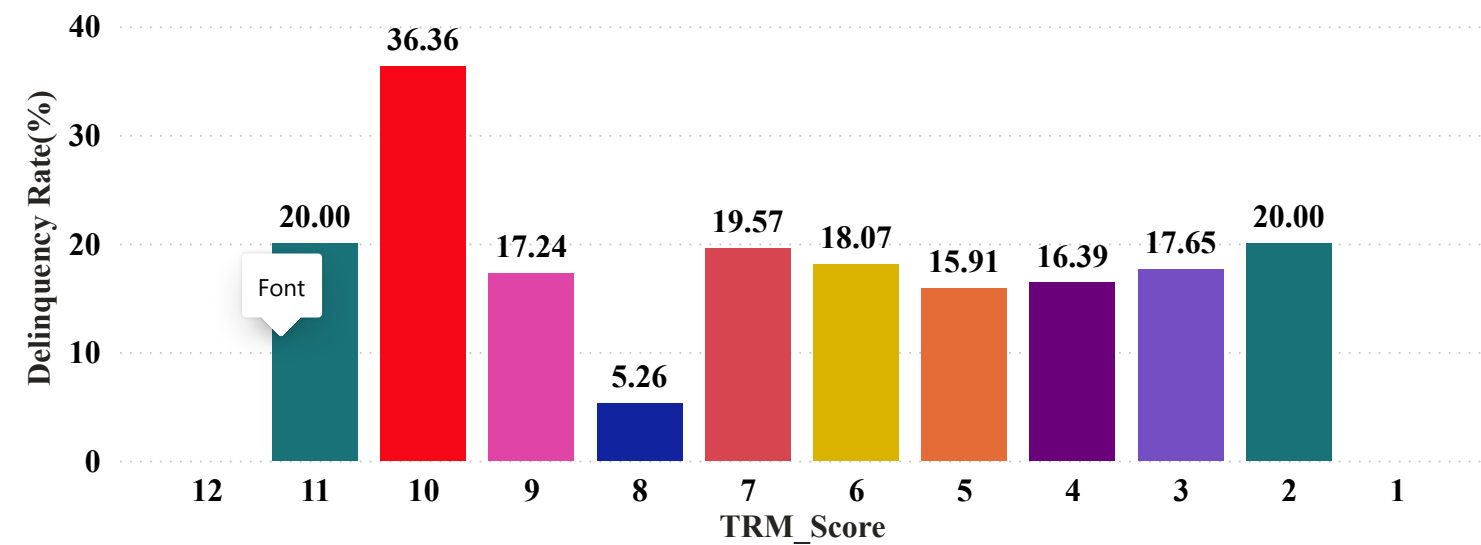
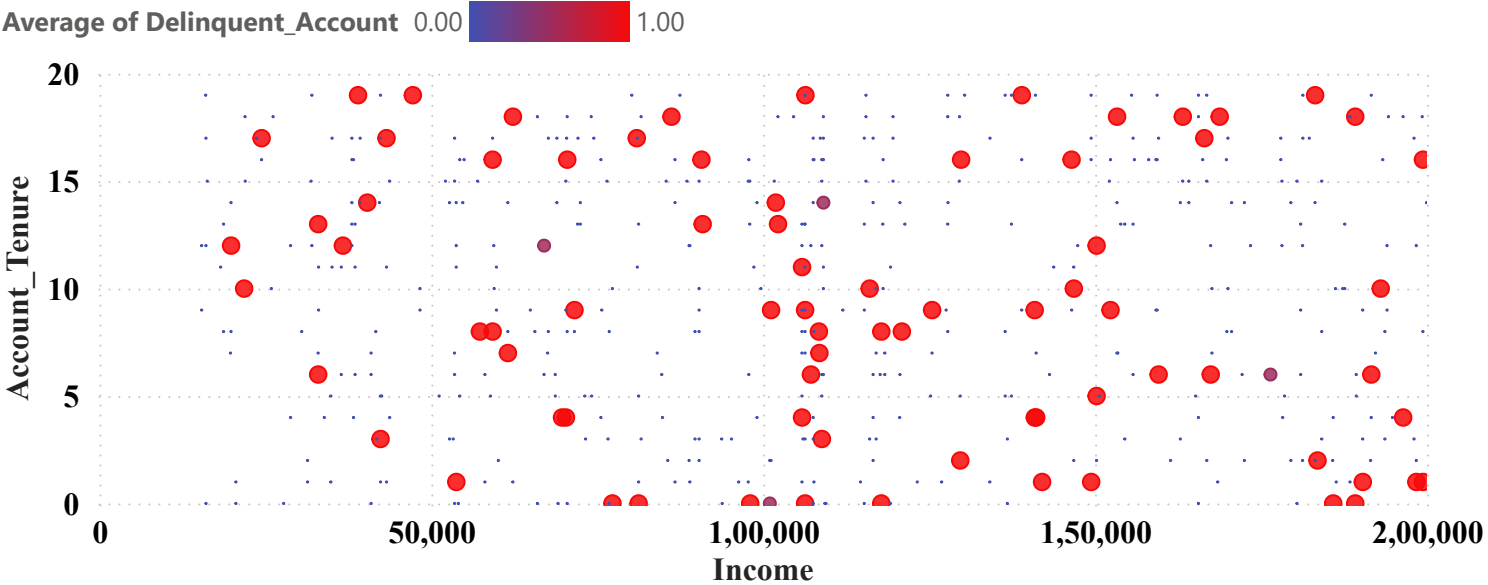


# Proactive Delinquency Strategy: Uncovering the 'Why' to Prevent Loss.

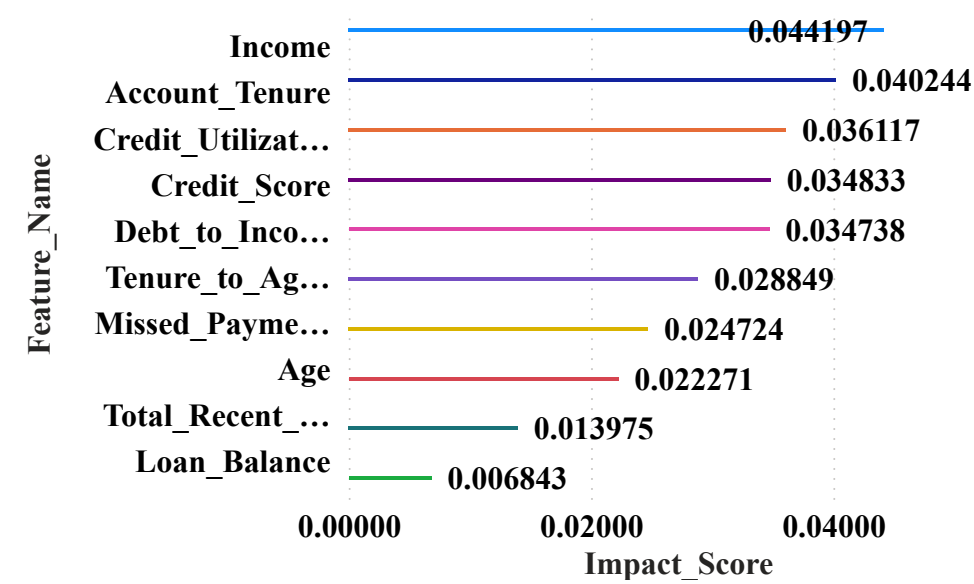
The TRM Risk Threshold: 36% Default Rate at Score 10



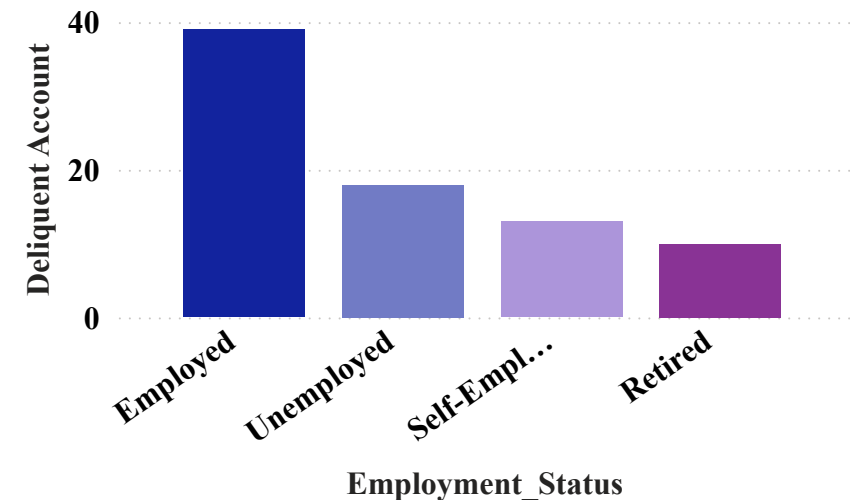
Identifying High-Risk Applicants: The Low Stability Quadrant.



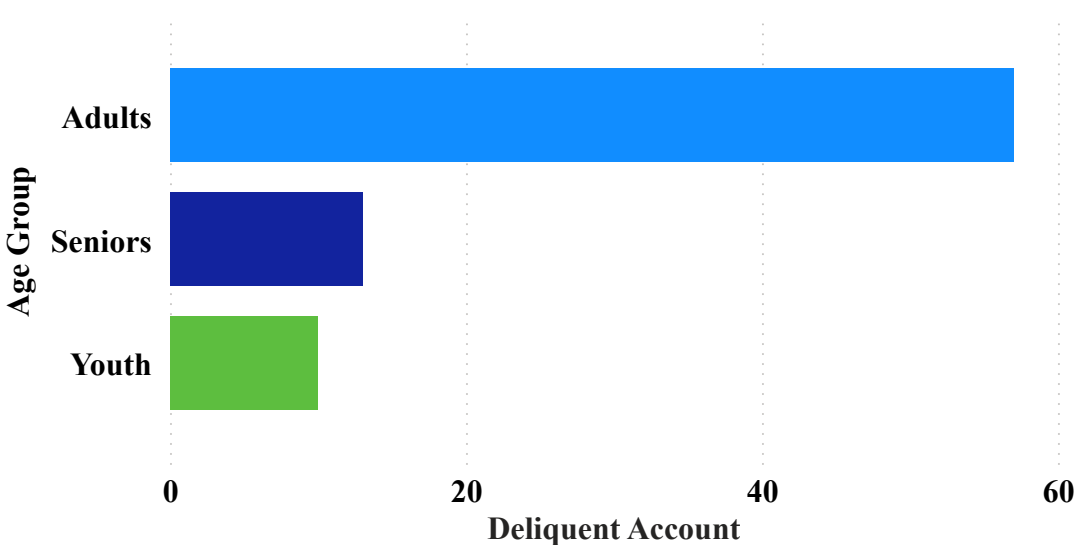
Top 10 Risk Factors: Why Linear Correlation is MISLEADING



Delinquency Volume by Employment: Risk Concentrated in Employed Segment



Age Group Delinquency: Adults Drive the Highest Loss Volume



## FINAL RECOMMENDATION: Dual-Model Risk System

Recommend deploying two models in parallel:

- XGBoost/NN:** For **Maximum Accuracy** (to capture the TRM spike).
- Logistic Regression:** For **Regulatory Compliance** (to generate transparent Reason Codes for collections).

⚠️ **TRM Anomaly:** Low linear correlation (0.014) is **MISLEADING**. Deeper analysis revealed the risk is non-linear, spiking to 36% at TRM=10 (see next chart).