Lending case Study – EDA

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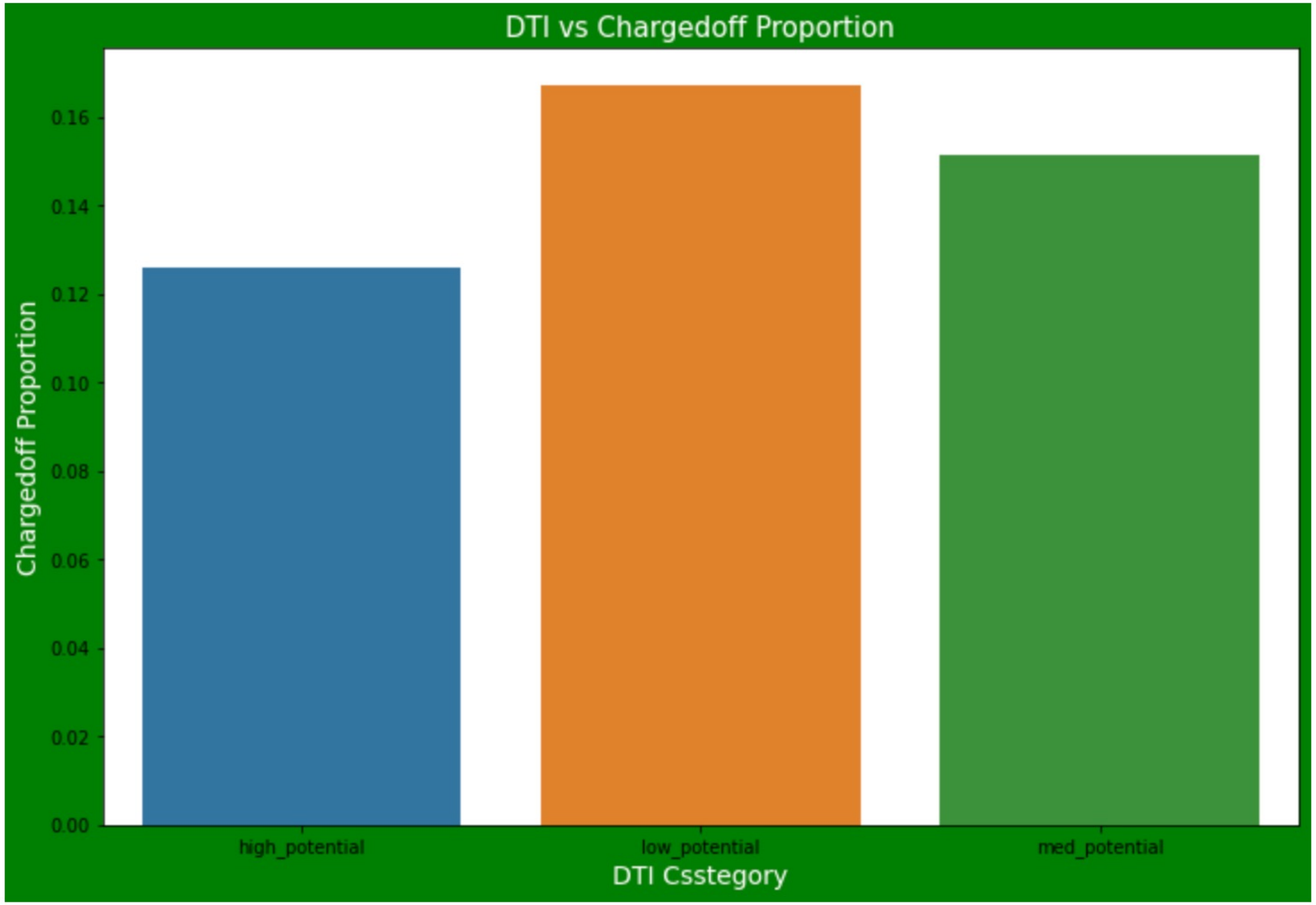
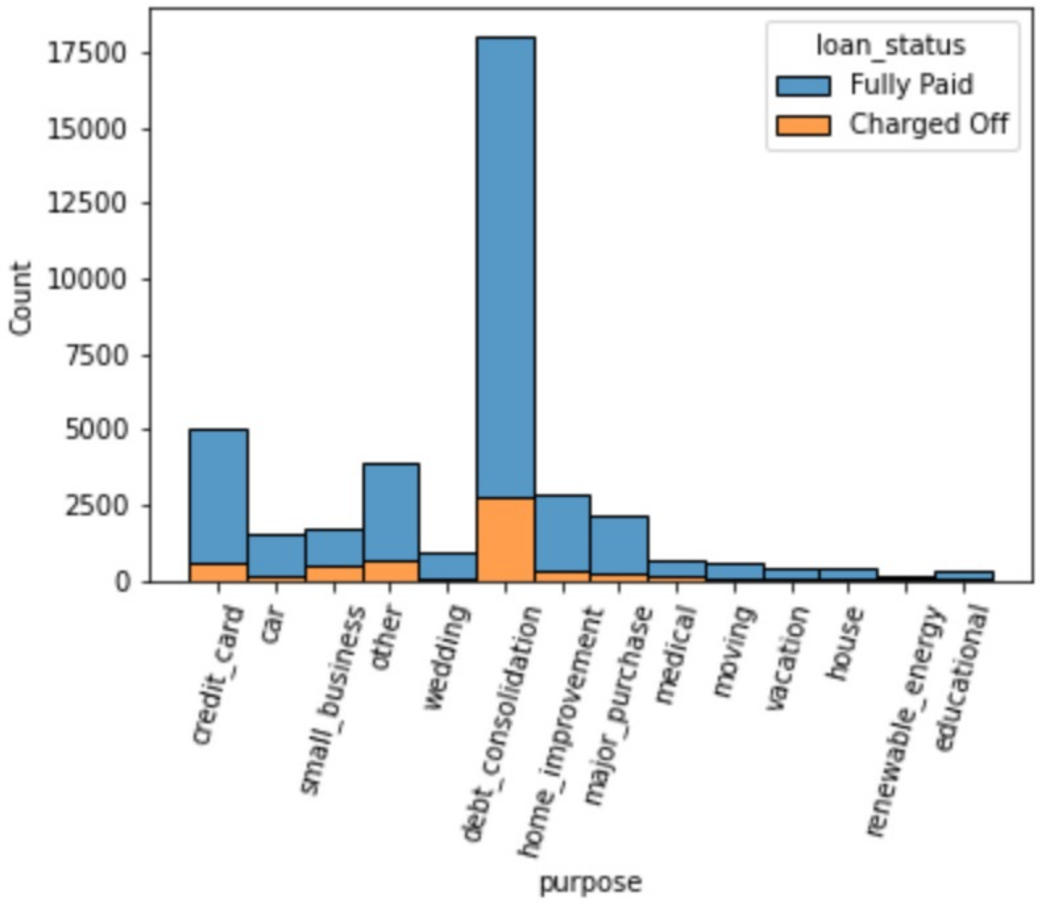
DTI vs Loan status

- You see the customers with low potential (dti >20 %) are more prone to charging off as per the history.
- Reason could be they are already having too much of liability and hence not able to repay this one



Loan default analysis w.r.t loan purpose

- We see higher default for credit card payment and for debt consolidation.
- Could be that customers payoff credit card bill with loan are not managing the financial resources properly and they are prone to defaultness



Impact of loan 36 vs 60 terms w.r.t loan status

- Observe that longer loan terms are prone to loan default.
- 60 months term have more default rate comparing the 36. months term.