Customer Risk Overview

IDENTIFICATION OF RISKY SEGMENTS BY UTILIZATION AND LATE PAYMENT.
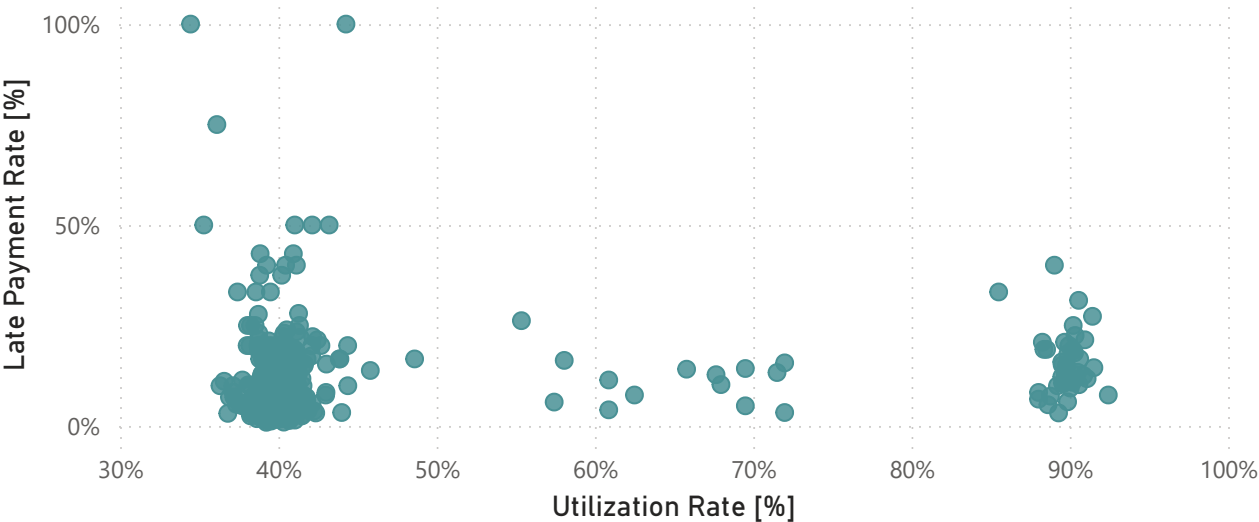
NUMBER OF CUSTOMERS
623

AVERAGE LATE PAYMENT
7.58%

AVERAGE UTILIZATION
44.85%

LATE PAYMENT PERCENTAGE BY AGE BAND
Customers under 20 show the highest delinquency rate.

Age Band	Late Payment %
<20	10.34%
20-29	8.23%
50-59	8.09%
60+	7.58%
30-39	7.20%
40-49	7.17%

LATE PAYMENT PERCENTAGE BY INCOME
Customers earning less than 30K show repeated late payments.

Income	Late Payment %
<30K	14.94%
>100K	6.48%
60K-100K	5.89%
30K-60K	5.56%
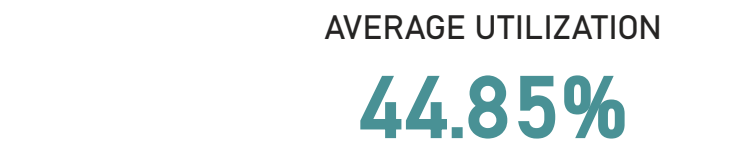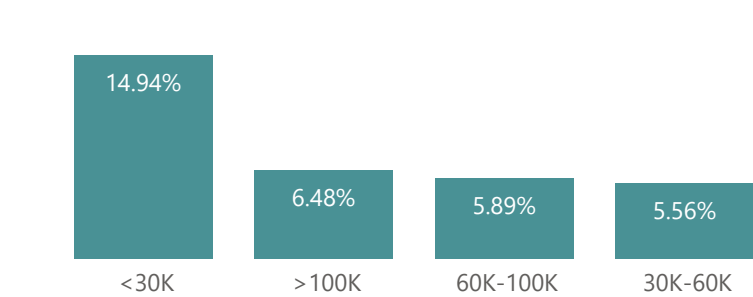
AVERAGE UTILIZATION PERCENTAGE BY INCOME
Customers earning less than 30K show more utilization rate.

Income	Utilization %
<30K	49.84%
>100K	44.41%
60K-100K	44.23%
30K-60K	42.97%

UTILIZATION VS LATE PAYMENT PERCENTAGES (PER CUSTOMER)
Top-right quadrant shows highest risk customers.
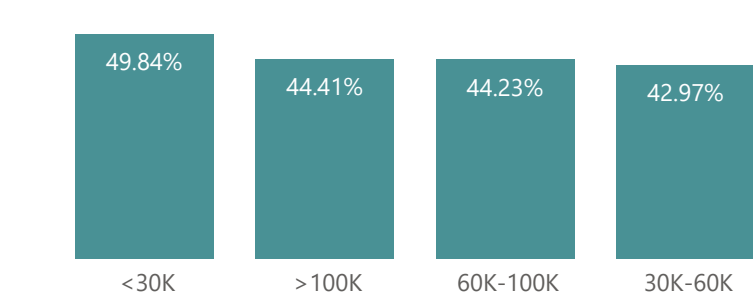
Age Band
- [ ] <20
- [ ] 20-29
- [ ] 30-39
- [ ] 40-49
- [ ] 50-59
- [ ] 60+

Income Bracket
- [ ] <30K
- [ ] >100K
- [ ] 30K-60K
- [ ] 60K-100K

Card Tier
- [ ] Black
- [ ] Gold
- [ ] Platinum
- [ ] Standard

INSIGHTS

- <20 age band stands out → target for education or pre-emptive measures.
- <30K income has visibly higher utilization and late payment rate → clear credit risk signal.

Early Signs of Credit Distress

IDENTIFICATION OF RISING UTILIZATION OR DECLINING PAYMENT TRENDS.

Utilization Percentage Over Time

Utilization rates have remained stable since 2019, averaging around 45-46% annually.

2018	2019	2020	2021	2022	2023	2024	2025
48%	46%	45%	45%	45%	45%	45%	45%

Year
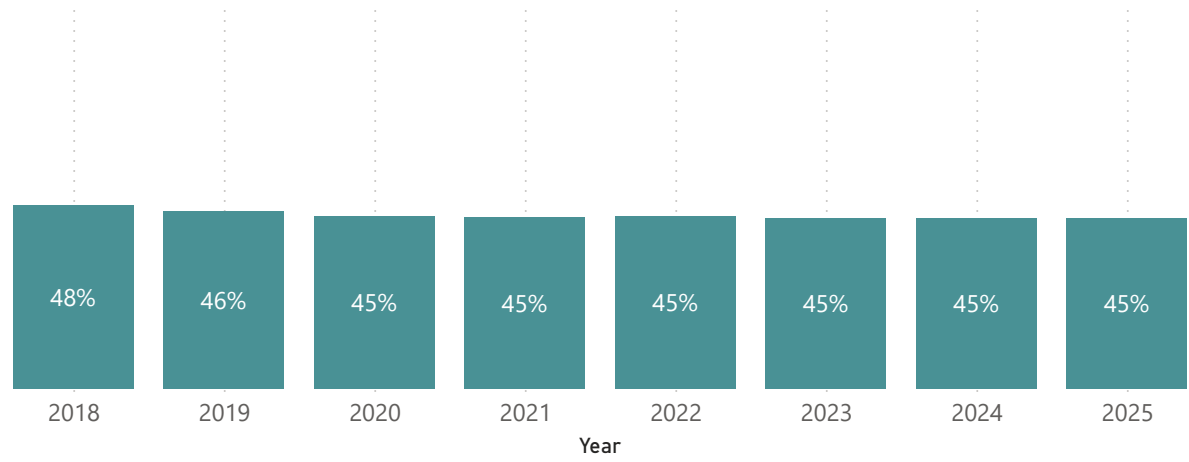
Credit usage is steady, implying that **distress signals are more customer-specific.**

Late Payment Percentage Over Time

Late payment rates have remained stable since 2019, averaging around 7-9% annually.

Late Payment ● False ● True

2018	2019	2020	2021	2022	2023	2024	2025
12%	9%	7%	7%	8%	7%	8%	8%
88%	91%	93%	93%	92%	93%	92%	92%

Year
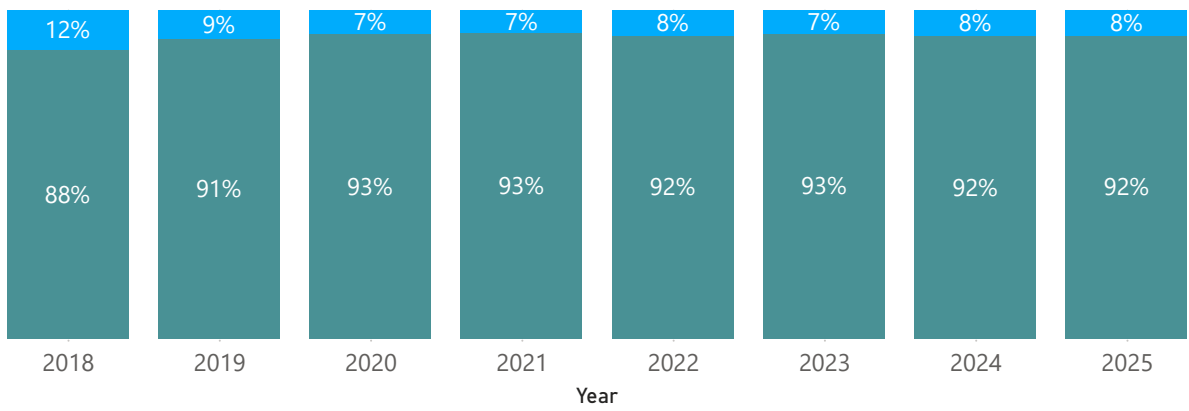
This steady delinquency rate suggests **persistent repayment challenges** among customers.

Average Utilization Rate Over Time

Customers with high utilization rate tend to show this behaviour for a long time.
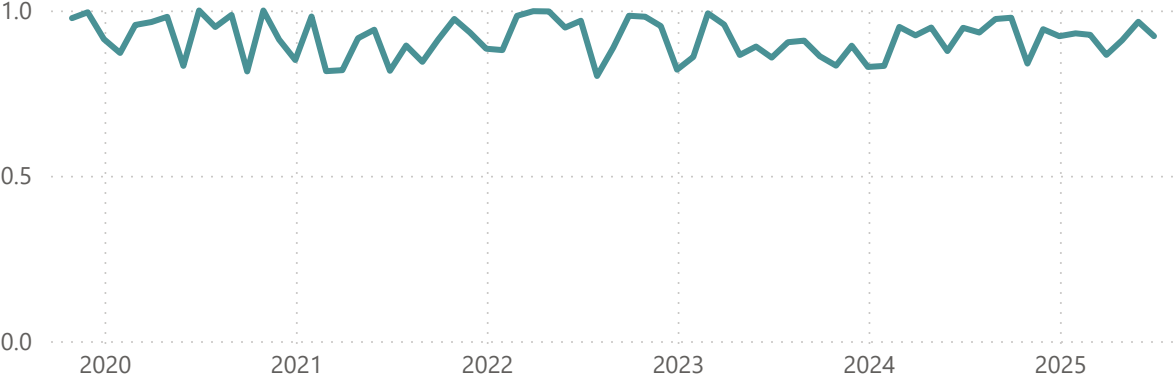
There is no point of turn over time. Risky customers usually show a **high rate since the begining.**

Balance vs Payment Over Time

The customers are increasingly paying less over time.
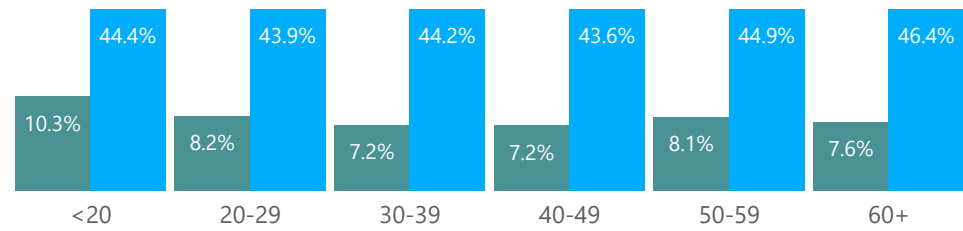
—— Balance —— Payment Made
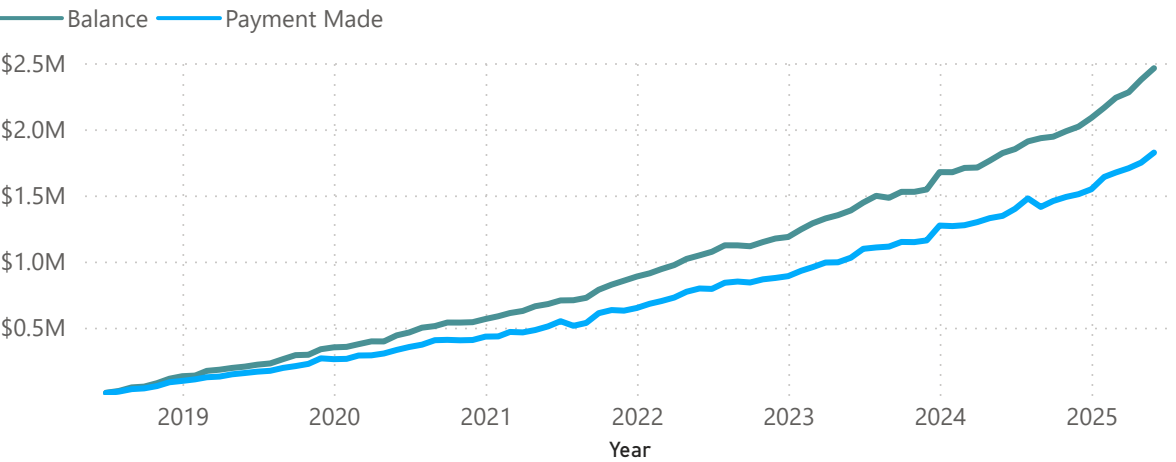
This behaviour might be **a sign of financial distress** among customers.

Demographic Breakdown

EVALUATION OF RISK METRICS FOR DIMENSIONS, SUCH AS AGE GROUPS, INCOME LEVELS, ETC.

Legend: ● Late Payment % ● Avg Utilization

LATE PAYMENT AND UTILIZATION BY AGE BAND

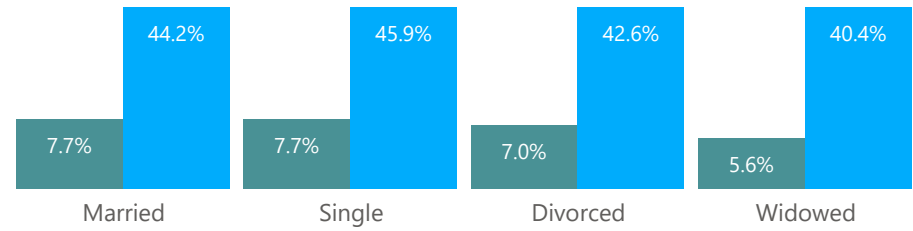| Age Band	<20	20-29	30-39	40-49	50-59	60+
Late Payment %	10.3%	8.2%	7.2%	7.2%	8.1%	7.6%
Avg Utilization	44.4%	43.9%	44.2%	43.6%	44.9%	46.4%

Customers under 20 show both the highest late payment rate (10.3%) and a high utilization (44.4%), suggesting **a risk behavior linked to financial inexperience.**

LATE PAYMENT AND UTILIZATION BY INCOME

Income	<30K	>100K	30K-60K	60K-100K
Late Payment %	14.9%	6.5%	5.6%	5.9%
Avg Utilization	49.8%	44.4%	43.0%	44.2%

Customers earning less than 30K have the highest delinquency rate (14.9%) and utilization (49.8%). **This group must be monitored due to these strong indicators of credit stress.**

LATE PAYMENT AND UTILIZATION BY GENDER

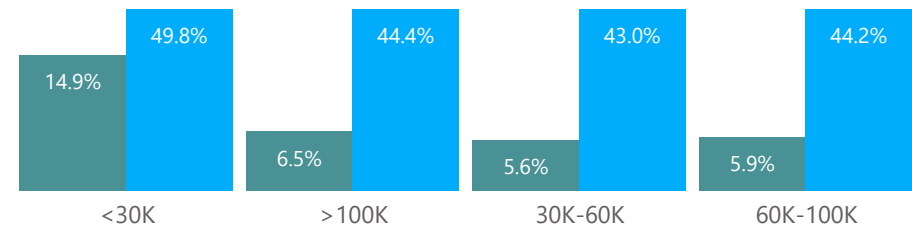| Gender	Other	Non-Binary	Female	Male
Late Payment %	11.7%	9.0%	7.6%	7.4%
Avg Utilization	41.9%	42.5%	44.0%	45.9%

Customers identifying as "Other" or "Non-Binary" show higher late payment rate, though sample size should be reviewed before making operational decisions.

LATE PAYMENT AND UTILIZATION BY EMPLOYMENT STATUS

Employment Status	Retired	Self-Employed	Student	Unemployed	Employed
Late Payment %	10.1%	9.0%	7.4%	7.4%	7.0%
Avg Utilization	47.2%	47.6%	42.6%	43.5%	44.6%

Retired and Self-Employed customers have the highest **utilization** and **late payment rates.** This could reflect variable income patterns.

LATE PAYMENT AND UTILIZATION BY MARITAL STATUS

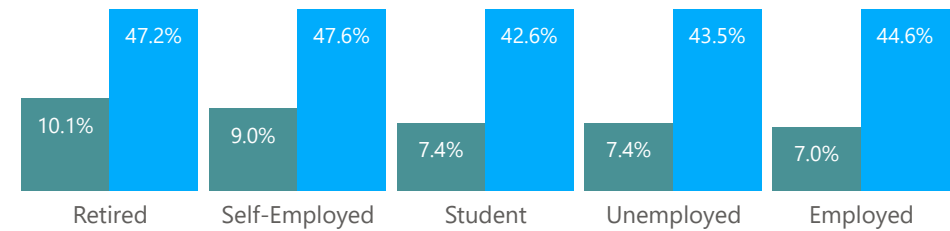| Marital Status	Married	Single	Divorced	Widowed
Late Payment %	7.7%	7.7%	7.0%	5.6%
Avg Utilization	44.2%	45.9%	42.6%	40.4%

Married and Single customers show similar risk levels. **Widowed customers** show the lowest risk, with only **5.6% late payments** and the lowest utilization.

LATE PAYMENT AND UTILIZATION BY CARD TIER

Card Tier	Standard	Gold	Platinum	Black
Late Payment %	9.2%	6.3%	6.3%	5.7%
Avg Utilization	45.9%	44.7%	43.0%	41.3%
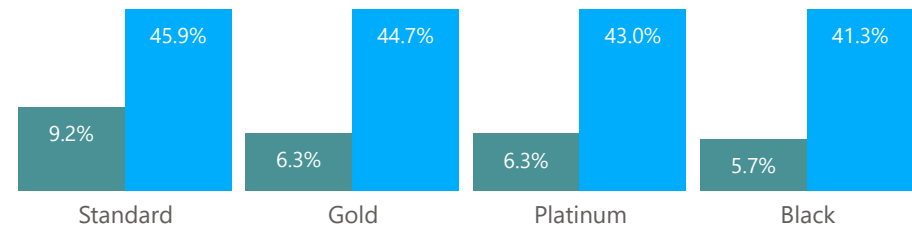
Standard card holders show the highest late payment and utilization, while Black card holders show the lowest. **Higher-tier customers appear more financially stable.**

Exposure Reduction

IDENTIFICATION OF RISKY CLIENTS THAT POTENTIALLY NEED LOWER EXPOSURE.

RISKY NEW CLIENTS

Customer ID	Card ID	Account Age (years)	Utilization Rate	Late Payment Rate
209	245	1	89.03%	40.00%
473	559	0	85.51%	33.33%

This table shows new customers with high late payment rate and utilizations, and with an account not older than 2 years.

There are two recent clients that fit these criteria, indicating that they might need a higher credit limit.

LOW-VALUE, CHRONICALLY LATE CLIENTS

Customer ID	Card ID	Account Age (years)	Utilization Rate	Late Payment Rate	Average Spend
289	340	12	34.46%	100.00%	$38.81
89	101	2	43.21%	50.00%	$40.31
490	577	1	38.16%	50.00%	$48.04
41	42	4	38.85%	42.86%	$37.21
204	239	8	41.14%	40.00%	$40.35
287	337	4	39.21%	40.00%	$40.79
14	14	12	36.86%	37.50%	$39.01
244	284	18	40.22%	37.50%	$42.92
96	109	4	40.99%	33.33%	$36.15
159	183	33	39.37%	33.33%	$34.11
283	331	26	90.56%	31.25%	$38.76

This table shows customers who have at least a 1-year-old account, spend less than $100 per month, and have a late payment rate equal to or higher than 30%.

These are the customers to monitor closely or reduce exposure, as they present financial risk but provide limited value.