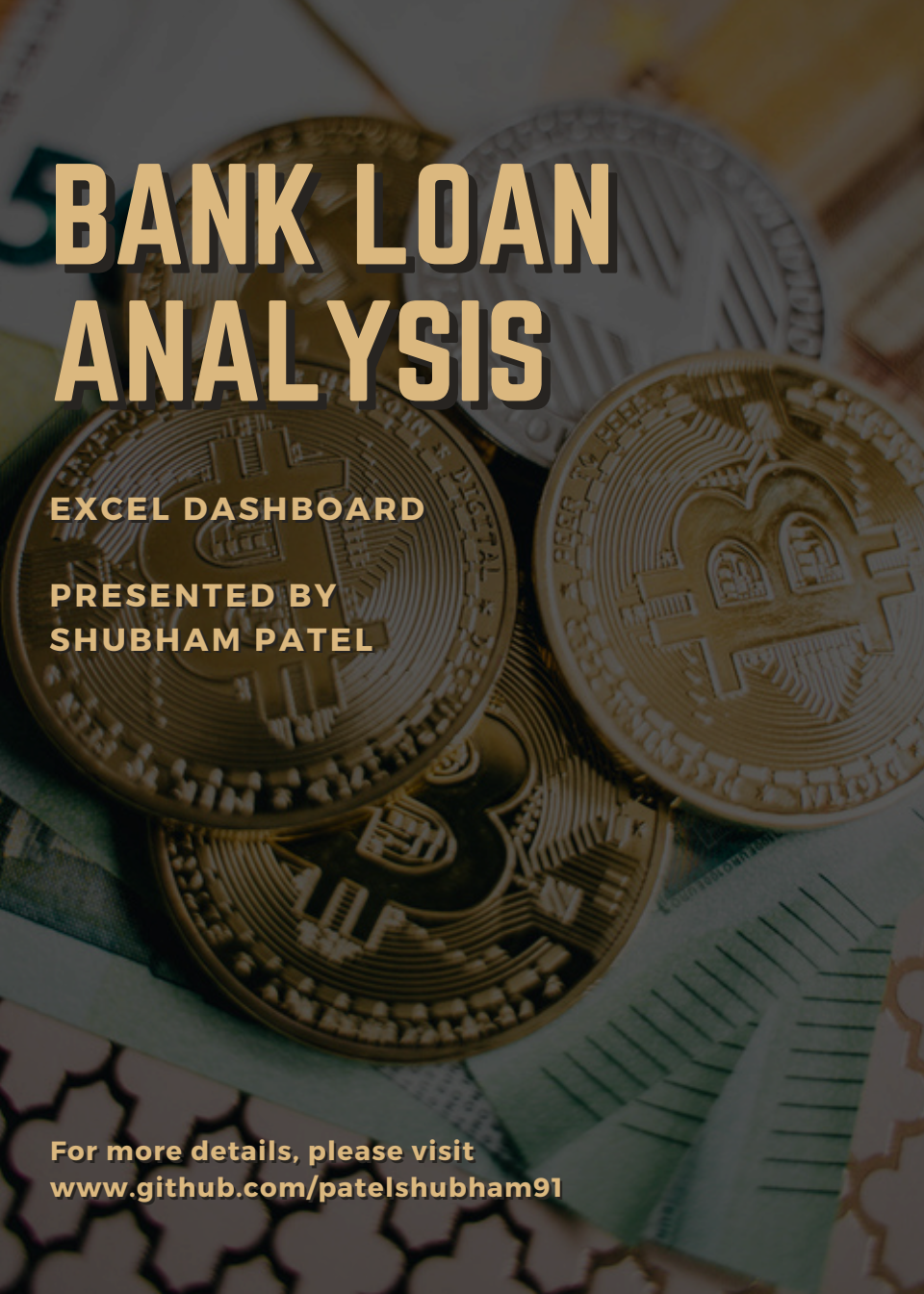


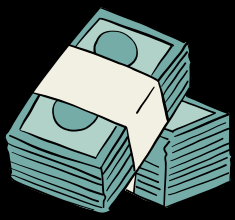
BANK LOAN ANALYSIS

EXCEL DASHBOARD

PRESENTED BY
SHUBHAM PATEL

For more details, please visit
www.github.com/patelshubham91

OBJECTIVE

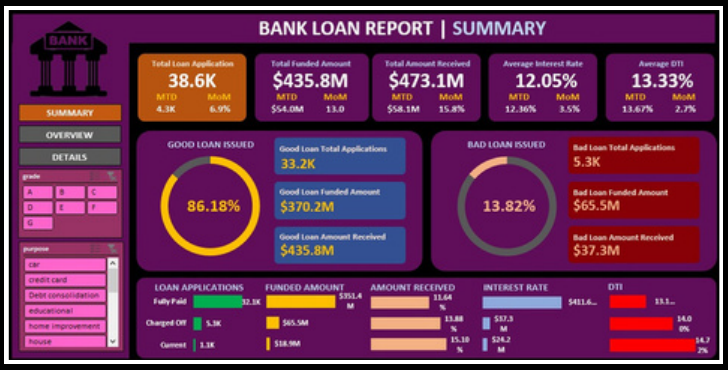


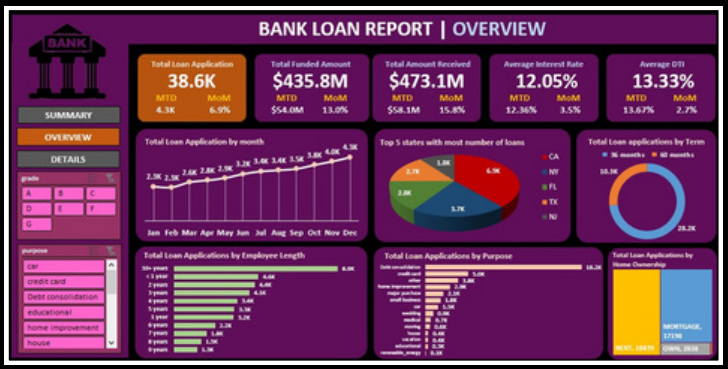
The main objective of this project is to analyze the loan data to understand the characteristics and patterns of loan applications and their outcomes. The analysis also aims to identify key factors that influence the likelihood of loan repayment or default, and understand how variables such as loan amount, interest rate, employment history, and creditworthiness (as indicated by factors like annual income and credit account history) predict the performance of loans. This insight can inform risk management strategies and lending policies to optimize the lending process and minimize defaults.

ABOUT DATASET

The document contains information about various individuals who have taken out car loans, detailing their employment status, loan status, loan amount, and payment history. The loans have varying terms, ranging from 36 to 60 months, and interest rates from 5.42% to 24.59%. Some individuals have fully paid off their loans, while others have had their loans charged off. The document provides a snapshot of the loan performance of different borrowers across different states and employment lengths. The dataset has 38,576 entries (loan records) and 24 columns (attributes).

DASHBOARDS


BANK LOAN REPORT | SUMMARY
SUMMARY
OVERVIEW
DETAILS
Total Loan Application
38.6K
MTD 4.3K
MoM 6.9%
Total Funded Amount
$435.8M
MTD $54.0M
MoM 13.0
Total Amount Received
$473.1M
MTD $58.1M
MoM 15.8%
Average Interest Rate
12.05%
MTD 12.36%
MoM 3.5%
Average DTI
13.33%
MTD 13.67%
MoM 2.7%
GOOD LOAN ISSUED
86.18%
Good Loan Total Applications
33.2K
Good Loan Funded Amount
$370.2M
Good Loan Amount Received
$435.8M
BAD LOAN ISSUED
13.82%
Bad Loan Total Applications
5.3K
Bad Loan Funded Amount
$65.5M
Bad Loan Amount Received
$37.3M
LOAN APPLICATIONS
FUNDED AMOUNT
AMOUNT RECEIVED
INTEREST RATE
DTI
Fully Paid
Charged Off
Current
car
credit card
Debt consolidation
educational
home improvement
house


BANK LOAN REPORT | OVERVIEW
SUMMARY
OVERVIEW
DETAILS
Total Loan Application
38.6K
MTD 4.3K
MoM 6.9%
Total Funded Amount
$435.8M
MTD $54.0M
MoM 13.0%
Total Amount Received
$473.1M
MTD $58.1M
MoM 15.8%
Average Interest Rate
12.05%
MTD 12.36%
MoM 3.5%
Average DTI
13.33%
MTD 13.67%
MoM 2.7%
Total Loan Application by month
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
Top 5 states with most number of loans
CA
NY
FL
TX
NJ
Total Loan applications by Term
36 months
60 months
Total Loan Applications by Employee Length
Total Loan Applications by Purpose
Total Loan Applications by Home Ownership
MORTGAGE
car
credit card
Debt consolidation
educational
home improvement
house

KEY PERFORMANCE INDICATORS (KPI)

- 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).
- 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.
- 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.

- 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.
- 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 VS BAD LOAN

GOOD LOAN	BAD LOAN
• Good Loan Application Percentage : 86.18 %	• Bad Loan Application Percentage : 13.82 %
• Good Loan Applications: 33.2 K	• Bad Loan Applications: 5.3 K
• Good Loan Funded Amount: $ 370.2 M	• Bad Loan Funded Amount: $ 65.5 M
• Good Loan Total Received Amount: $ 435.8 M	• Bad Loan Total Received Amount: $ 37.3 M

Based on the data provided, the bank is in profit.

RECOMMONDATIONS

- ***Identify Risk Factors:*** Review the characteristics of bad loan applications to identify common risk factors such as low credit scores, high debt-to-income ratios, or unstable employment histories.
- ***Enhance Underwriting Criteria***: Strengthen underwriting criteria to mitigate risks associated with bad loans. This may include setting minimum thresholds for credit scores, debt-to-income ratios, or employment stability.
- ***Improve Verification Processes:*** Implement robust verification processes to ensure the accuracy of applicant information, including income verification, employment verification, and identity verification.
- ***Monitor and Manage Portfolio:*** Continuously monitor the loan portfolio performance and identify early warning signs of potential defaults. Implement proactive measures such as loan restructuring or collections strategies to minimize losses.
-

Thank You