Home Credit

About Us

We are an international consumer finance provider focusing on responsible lending primarily to people with little to no credit history

Defaults

The failure to make required interest or principal repayments on a debt, whether that debt is a loan or a security.
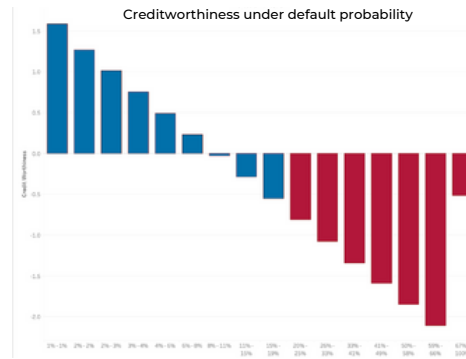
How do we assess default probability?

Number of queries
Tax payment
Total debt
Income
Other contract values

Little or no credit history?

Age
Industry

Key Findings

Creditworthiness under default probability

Credit Inquiries & Default Risk

A high number of credit inquiries, particularly in a short period, may signal to lenders that you are in financial stress, potentially increasing your risk of default

Income, Tax, Contract Values

Demonstrating higher income, tax payments, and larger contract values can indicate to lenders your strong financial standing and ability to repay loans.

Debt Management

If you have high debt levels but a track record of managing them well, this can reflect positively on your ability to handle credit.

Age and Default Probability

Typically, a higher age is associated with a lower default probability due to more established financial histories and possibly more stable life circumstances

Industry Standing

If you work in industries such as IT, gaming, marketing, wellness, or agriculture, you might be viewed more favorably by lenders due to industry stability or growth.

Recommendations

How to increase credit worthiness and decrease estimated default probability?

To improve your loan approval chances, avoid applying for multiple loans or credit lines within a short timeframe.

Work on increasing your income through career advancement, side jobs, or other income-generating activities.

Ensure you maintain a good debt-to-income ratio and make timely payments.

If you're younger, focusing on building a strong credit history can help mitigate the age factor.
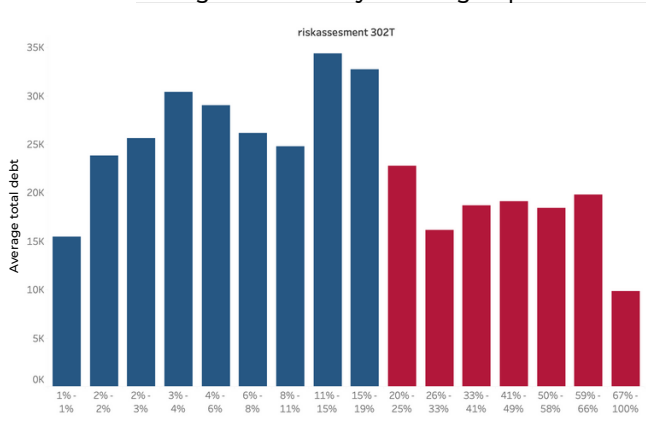
If you're in recruitment, insurance, tourism, real estate, or mining, you might need to demonstrate additional financial stability to counter any potential industry-related risks.
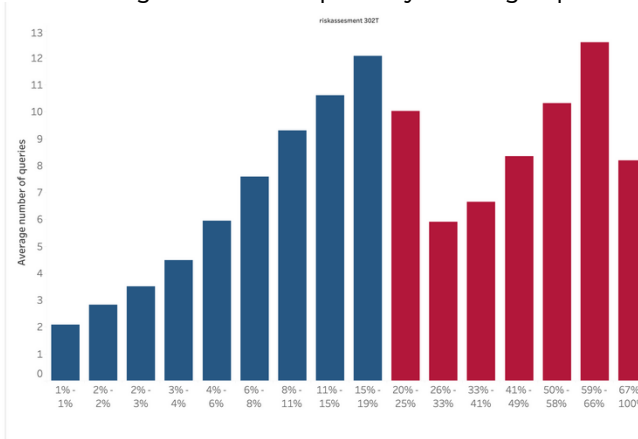
HOME CREDIT

High default
Low default

METHOD: Random Forest classification on Demographics, Socioeconomics, and Credit-related Data
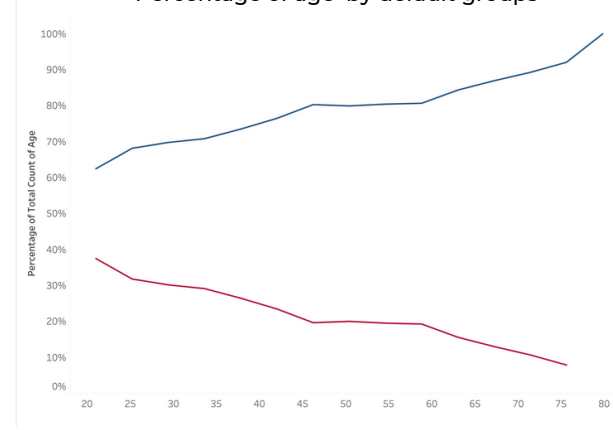
Average total debt by default groups

riskassessment 302T

Average total debt (35K, 30K, 25K, 20K, 15K, 10K, 5K, 0K)

1% - 1%, 2% - 2%, 2% - 3%, 3% - 4%, 4% - 6%, 6% - 8%, 8% - 11%, 11% - 15%, 15% - 19%, 20% - 25%, 26% - 33%, 33% - 41%, 41% - 49%, 50% - 58%, 59% - 66%, 67% - 100%

Average number of inquiries by default groups

riskassessment 302T

Average number of queries (13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1)

1% - 1%, 2% - 2%, 2% - 3%, 3% - 4%, 4% - 6%, 6% - 8%, 8% - 11%, 11% - 15%, 15% - 19%, 20% - 25%, 26% - 33%, 33% - 41%, 41% - 49%, 50% - 58%, 59% - 66%, 67% - 100%
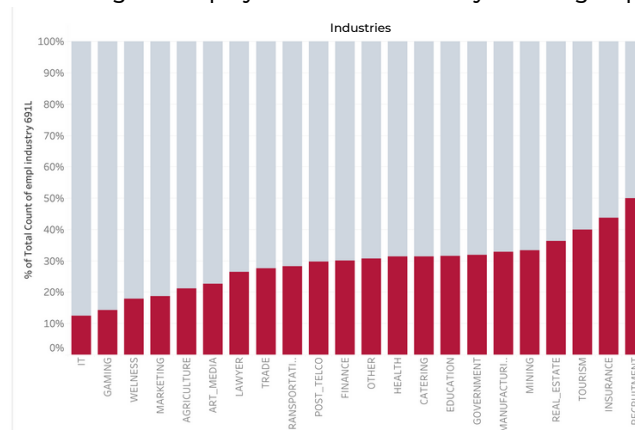
STRATEGIES AND ASSESSMENT

1. **Query Thresholds**
2. **Income & Financial Indicators**
3. **Age Correlation**
4. **Industry-based Approach**
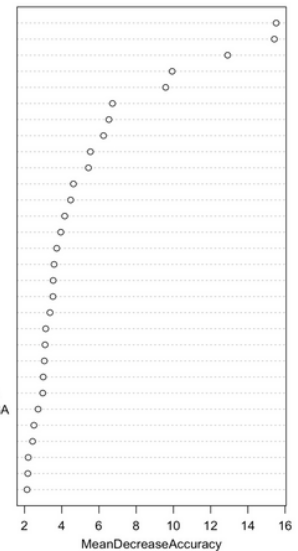5. **Marital Status & Education Data**

Percentage of age by default groups

Percentage of Total Count of Age (100%, 90%, 80%, 70%, 60%, 50%, 40%, 30%, 20%, 10%, 0%)

20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80

Percentage of Employment in industries by default groups

Industries

% of Total Count of empl industry 691L (100%, 90%, 80%, 70%, 60%, 50%, 40%, 30%, 20%, 10%, 0%)

IT, GAMING, WELNESS, MARKETING, AGRICULTURE, ART_MEDIA, LAWYER, TRADE, TRANSPORTATI., POST_TELCO, FINANCE, OTHER, HEALTH, CATERING, EDUCATION, GOVERNMENT, MANUFACTURI., MINING, REAL_ESTATE, TOURISM, INSURANCE, RECRUITMENT
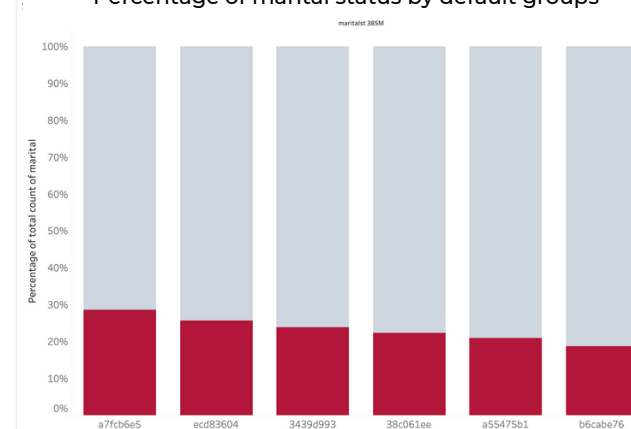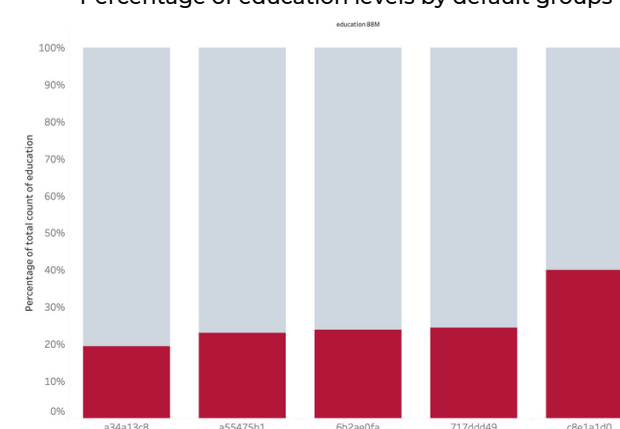
Most predictive Credit-related variables

days360_512L
numberofqueries_373L
birthdate_574D
firstquarter_103L
pmtssum_45A
totaldebt_9A
numinsttopaygr_769L
numinstunpaidmax_3546851L
pmtscount_423L
currdebt_22A
sumoutstandtotal_3546847A
lastcancelreason_561M
numrejects9m_859L
numinstpaidearly_338L
lastactivateddate_801D
maxdebt4_972A
lastst_736L
lastapprcredamount_781A
annuitynextmonth_57A
numinstls_657L
credtype_322L
firstdatedue_489D
avgoutstandbalancel6m_4187114A
maxoutstandbalance12m_4187113A
education_1103M
lastapprdate_640D
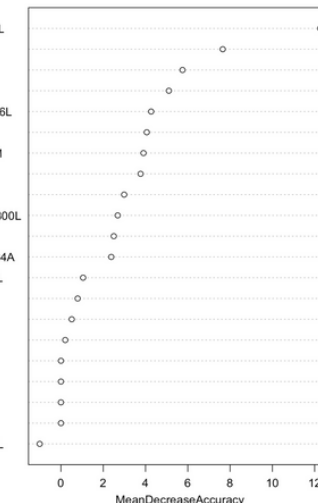lastapplicationdate_877D
totalsettled_863A
numactiverelcontr_750L

MeanDecreaseAccuracy (2, 4, 6, 8, 10, 12, 14, 16)

Percentage of marital status by default groups

maritalst 385M

Percentage of total count of marital (100%, 90%, 80%, 70%, 60%, 50%, 40%, 30%, 20%, 10%, 0%)

a7fcb6e5, ecd83604, 3439d993, 38c061ee, a55475b1, b6cabe76

Percentage of education levels by default groups

education 88M

Percentage of total count of education (100%, 90%, 80%, 70%, 60%, 50%, 40%, 30%, 20%, 10%, 0%)

a34a13c8, a55475b1, 6b2ae0fa, 717ddd49, c8e1a1d0

Most predictive demographics and socioeconomics variables.

numberofqueries_373L
age
education_88M
empl_industry_691L
contractssum_5085716L
familystate_447L
description_5085714M
incometype_1044T
maritalst_385M
empl_employedtotal_800L
sex_738L
mainoccupationinc_384A
safeguarantyflag_411L
language1_981M
role_1084L
for3years_584L
for3years_128L
pmtaverage_3A
childnum_185L
num_group1
requesttype_4525192L

MeanDecreaseAccuracy (0, 2, 4, 6, 8, 10, 12)