Credit Risk Learning Roadmap for Beginners

This roadmap is designed for absolute beginners aiming to learn Credit Risk, whether they come from an engineering, commerce, finance, or non-finance background. The guide is broken into multiple phases and provides track-based guidance to address different learning needs.

# 🚦 Phase 0: Understanding the Industry (Week 1)

Goal: Understand what credit risk is and why it matters in banking/finance.  
Topics to Cover:  
- What is Risk Management in Banks?  
- Types of Risks: Credit, Market, Operational  
- What is Credit Risk?  
- Role of Credit Risk teams in banks (Retail vs Corporate)  
- Credit Risk Lifecycle (Application → Approval → Monitoring → Default → Recovery)

# Track Difference: Based on Background

| Background | You Focus More On... | Bridge These Gaps |  
|----------------|----------------------------------------------|------------------------------------------|  
| Engineering | Tools (Python, SQL), Quant Models | Finance & Banking Concepts |  
| Commerce/Finance | Risk Concepts, Basel, Financial Products | Learn Coding + Data Handling |  
| Arts/Other | High-level business understanding, reporting | Learn Finance Basics + Analytics Tools |

# 🧠 Phase 1: Core Concepts of Credit Risk (Weeks 2–4)

* - Creditworthiness & Credit Score
* - Retail vs Corporate Lending
* - Probability of Default (PD)
* - Loss Given Default (LGD)
* - Exposure at Default (EAD)
* - Basel Accords (Basel I/II/III)
* - Credit Risk Models Overview

# 💻 Phase 2: Tools & Data Skills (Weeks 5–8)

* - Excel: Risk calculations, modeling
* - SQL: Query loan data
* - Python: Model building (Logistic, Decision Trees)
* - Sample Projects: PD calculation, SQL delinquency queries, Logistic Regression model

# 📈 Phase 3: Credit Risk Modelling (Weeks 9–12)

* - Scorecard Model (Application/Behavioral)
* - Logistic Regression for PD
* - Decision Trees for Classification
* - Vintage Analysis / Roll Rate
* - Segmentation techniques

# 🧑‍💼 Phase 4: Regulatory & Practical Skills (Weeks 13–16)

* - IFRS 9 and Expected Credit Loss (ECL)
* - Stress Testing
* - Risk Reporting
* - Overrides, Monitoring, Collections
* - Regulatory submission formats (India: RBI, Globally: Basel)

# 📄 Phase 5: Resume, Projects & Job Prep (Weeks 17–18)

* - Add Projects and Tools to Resume
* - Practice Interview Questions (PD, Scorecards, Basel)

# 🧠 Roadmap Summary (18 Weeks)

| Phase | Duration | Focus |  
|------------|--------------|------------------------------------------|  
| Phase 0 | Week 1 | Banking & Risk Basics |  
| Phase 1 | Weeks 2–4 | Core Credit Risk Concepts |  
| Phase 2 | Weeks 5–8 | Tools: Python, SQL, Excel |  
| Phase 3 | Weeks 9–12 | Credit Risk Modelling |  
| Phase 4 | Weeks 13–16 | Regulations & Real-World Projects |  
| Phase 5 | Weeks 17–18 | Resume + Interviews + Mock Cases |

