Lending Club Case Study

SUBMISSION

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Abstract

TITLE: identify risky loan applicants, then such loans can be reduced thereby cutting down the amount of credit loss.

BACKGROUND: We have data in csv format of loan, And we have to create valuable insight from data using python language and EDA.
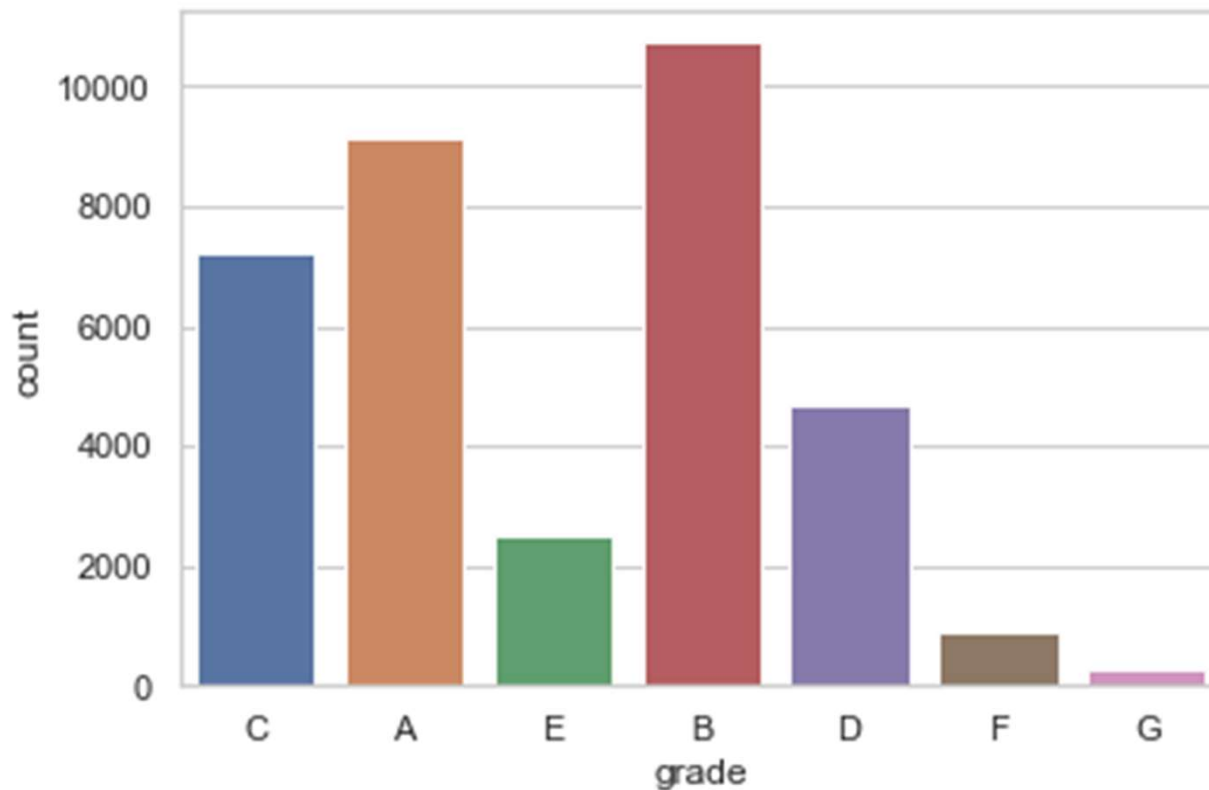
METHODS: We are using python language and pandas library for data cleaning and imputing mismatch data, for visualization in bar plot we are using pandas plot.
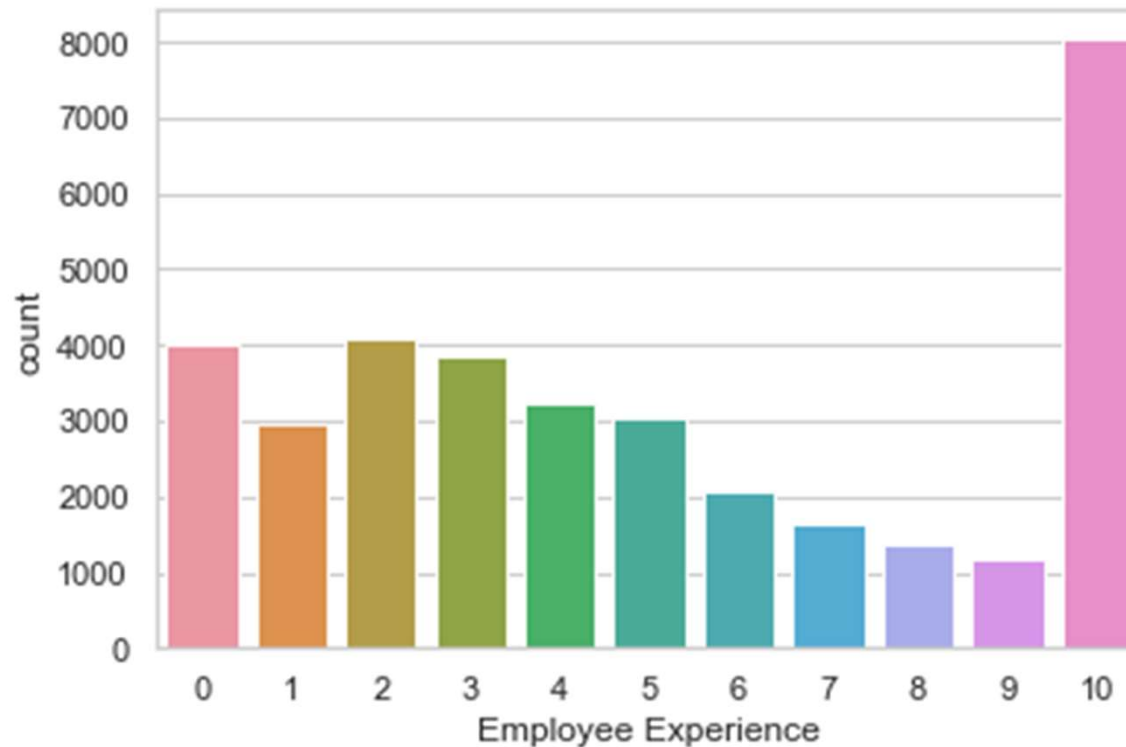
Univariate Analysis

Charged Off is very low in number compare to fully paid(nearby 5000 are risky or likely to default)
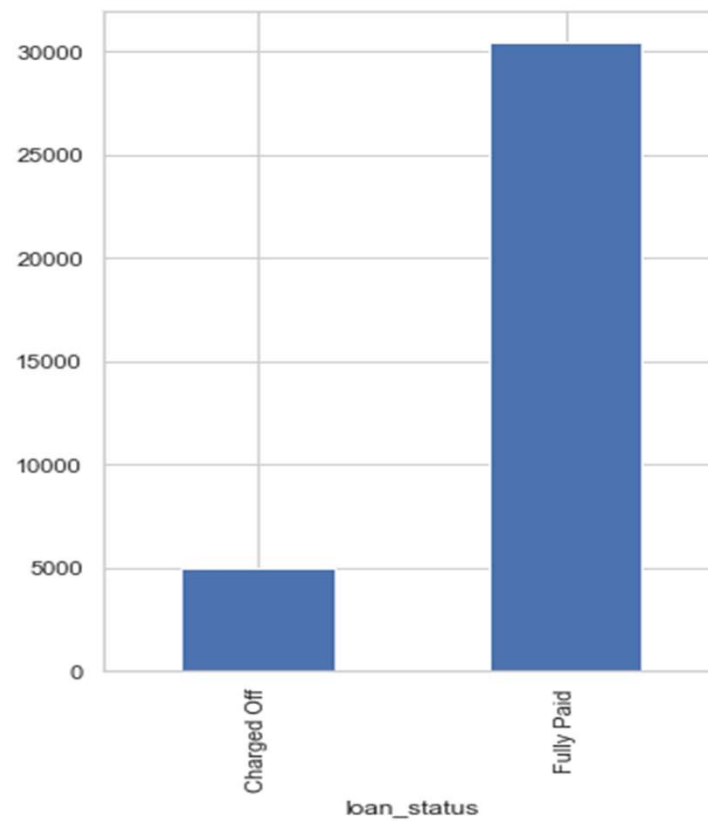
As per plot Grade B and Grade A Category customers are much likely to apply for loans

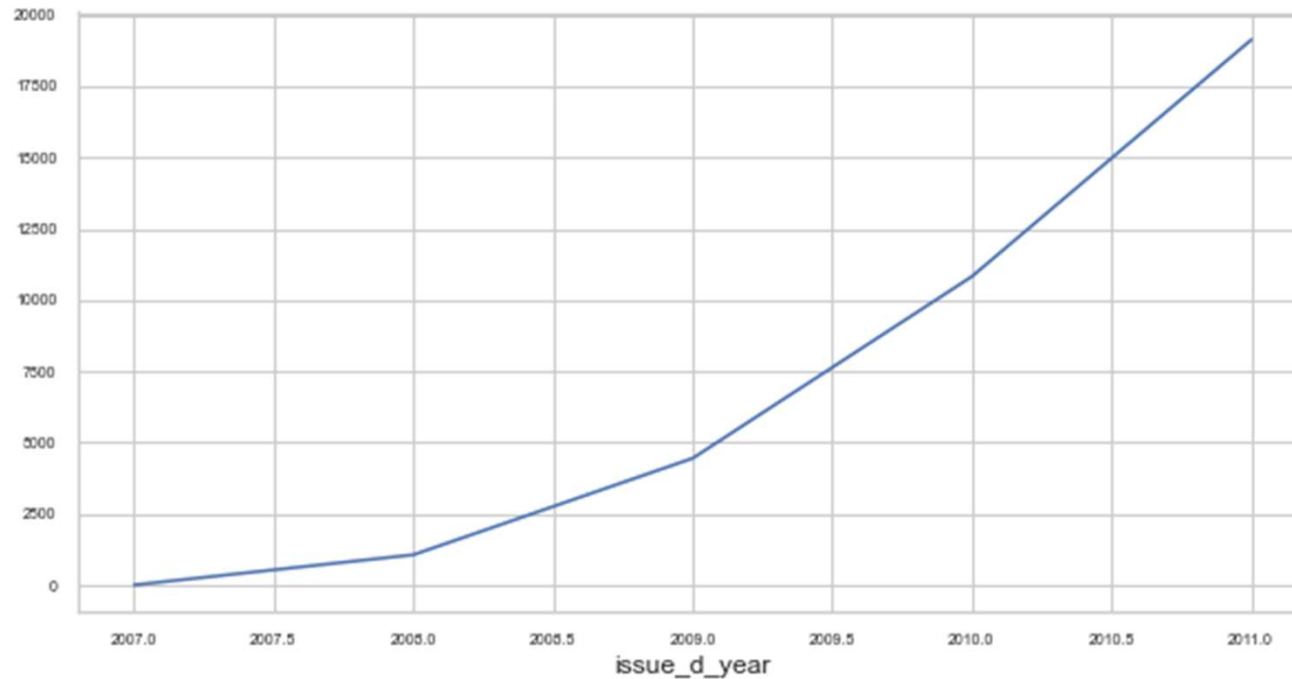# Employee with 10+ experience apply for loan and less to default

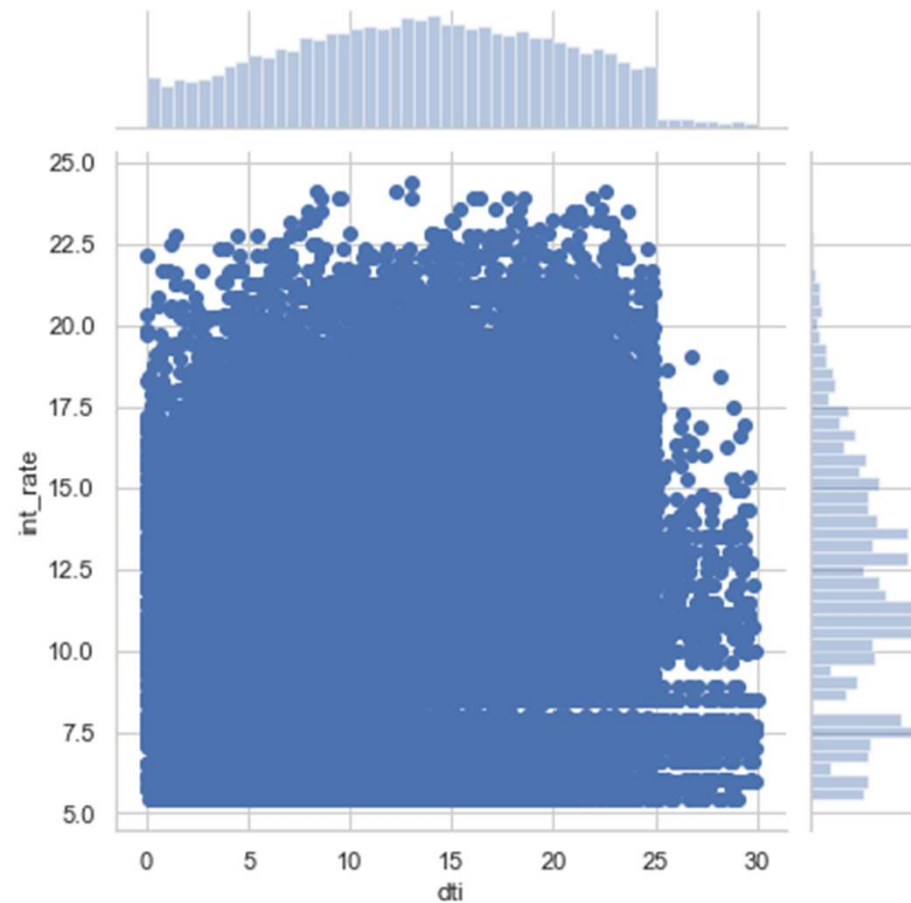**Most term of loan fall in 36 Months of category and less risky**

Bivariate Analysis

Loan amount is increasing wrt years - indicates positive market for loan to borrowers
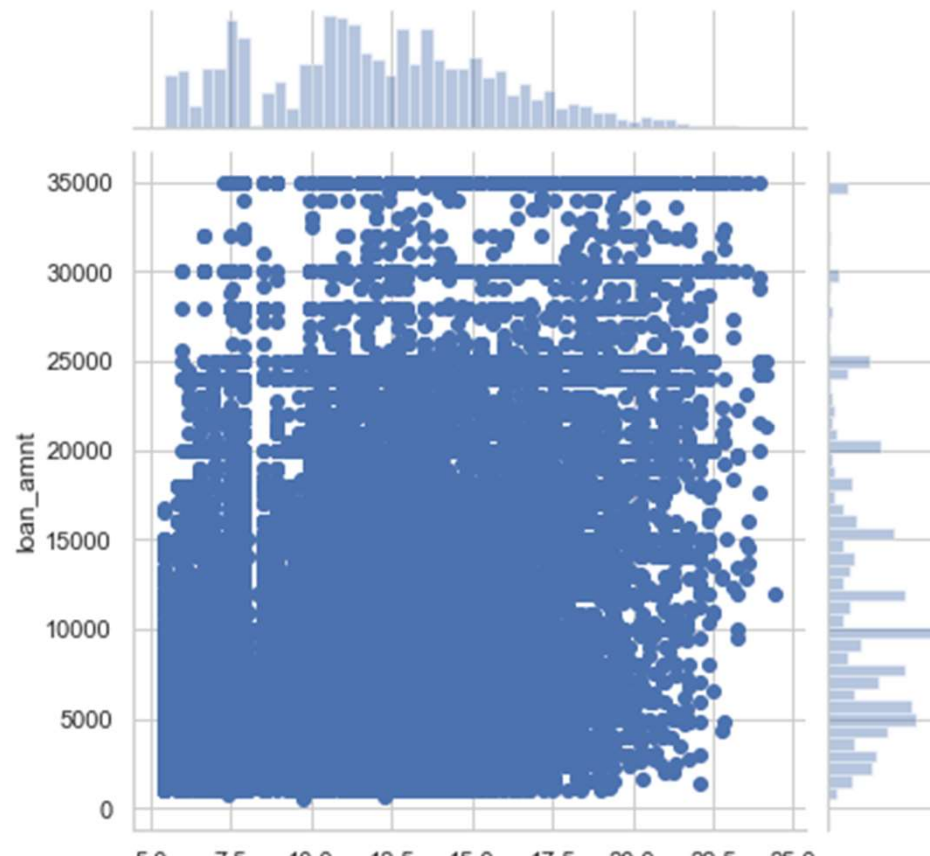
Interest rate 20 above likely to default

More than 25000 Amount has chances of default as it has least population

CONCLUSION

1. As per the plots High Risk loans are mostly belongs to higher interest rates.
2. Default can be avoided if loan provided to Group A and Gropu B Category
3. Term Loan more than 36 is also risky should be avoided