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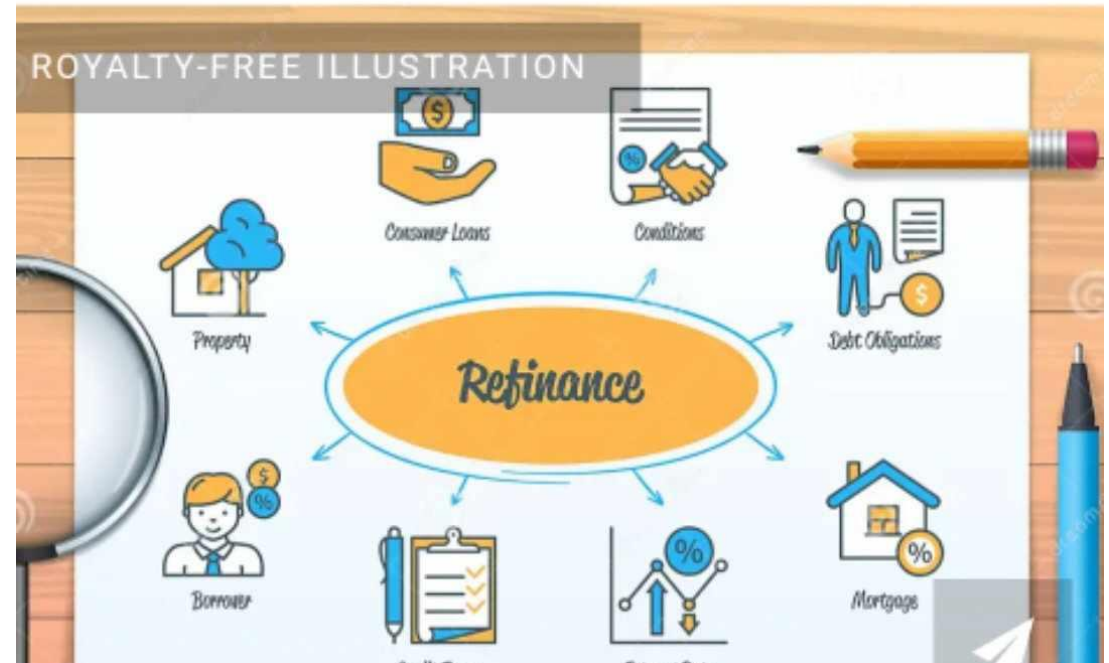
Roll Number:01-026-20

A Resserch Report On: Factors affecting household of loan amounts.

Keywords: Rural vs. urban borrowers, income levels, total amount of land in the household, interest rate, household size

Abstract

- The research explores key factors that influence household loan amounts in Bangladesh, with a focus on occupation, land ownership, and monthly income. These factors are pivotal in determining the eligibility and amount of loans households can secure from financial institutions.



Introduction

Bangladesh has seen a rapid expansion of microfinance institutions, like Grameen Bank and BRAC, providing financial access to unbanked households. This has led to a complex relationship between households and loan amounts, which is crucial for both individual and national economic growth. Understanding the factors influencing household loan amounts—such as income levels, interest rates, demographics, collateral, and cultural influences—is essential for examining the microfinance landscape. This research paper explores these factors using empirical data, case studies, and literature to provide insights into borrowing behavior and contribute to discussions on financial inclusion and microcredit in Bangladesh.



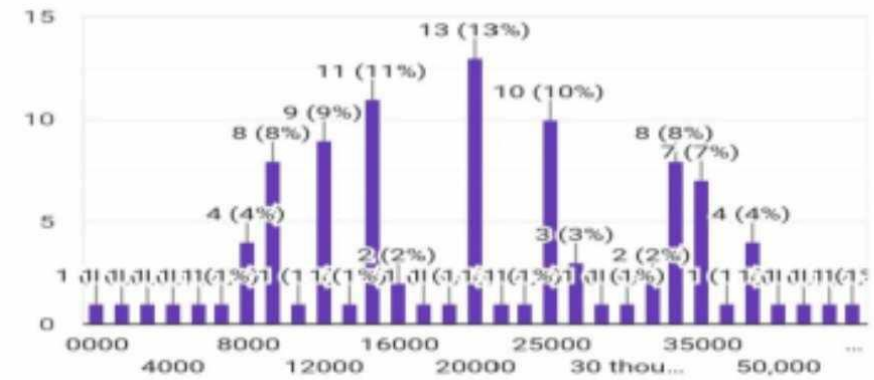
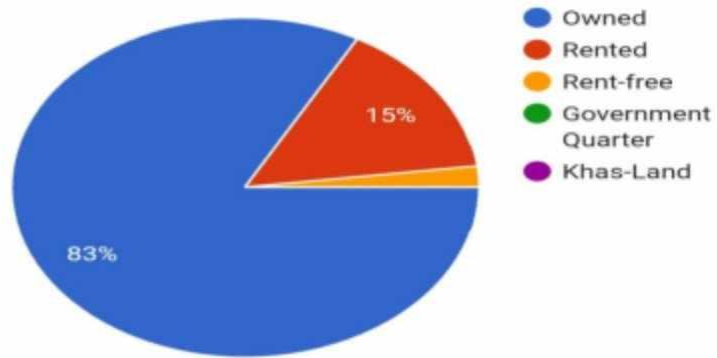
Data collection and Variables

- In Bangladesh, data can be sourced from financial institutions, government records, surveys, and academic studies. A sampling strategy might involve either random sampling or targeting a specific population subset. Data collection methods could include surveys, interviews, or analysis of pre-existing datasets. The dependent variable may be household loan amounts, while independent variables could include income, credit history, and loan interest rates.

Data Collection and Sampling Techniques



Figures



Conclusion

- In conclusion, interest rates play a crucial role in determining household loan amounts. Lower interest rates reduce borrowing costs, enabling households to afford larger loans, while higher rates increase repayment obligations, limiting the loan size. Additionally, market conditions, such as inflation and economic growth, significantly influence lending. In a stable or growing economy, lenders are more willing to offer larger loans due to lower default risk, while in uncertain economic times, loan amounts may be restricted. Both factors shape household borrowing capacity and overall financial decisions.

