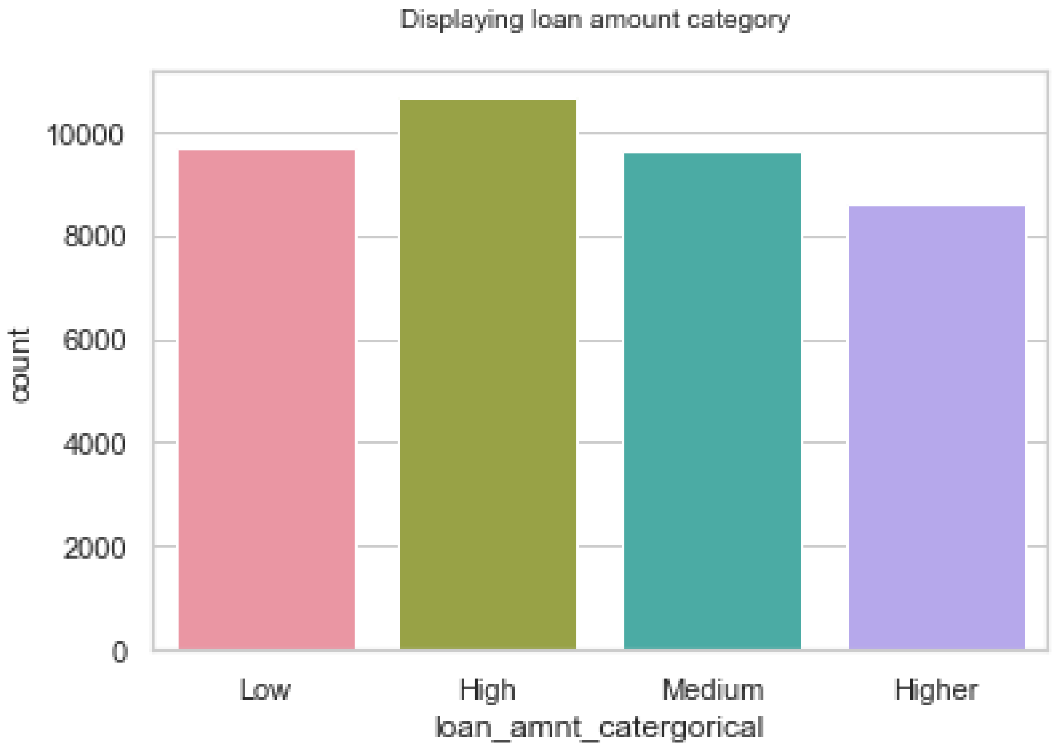
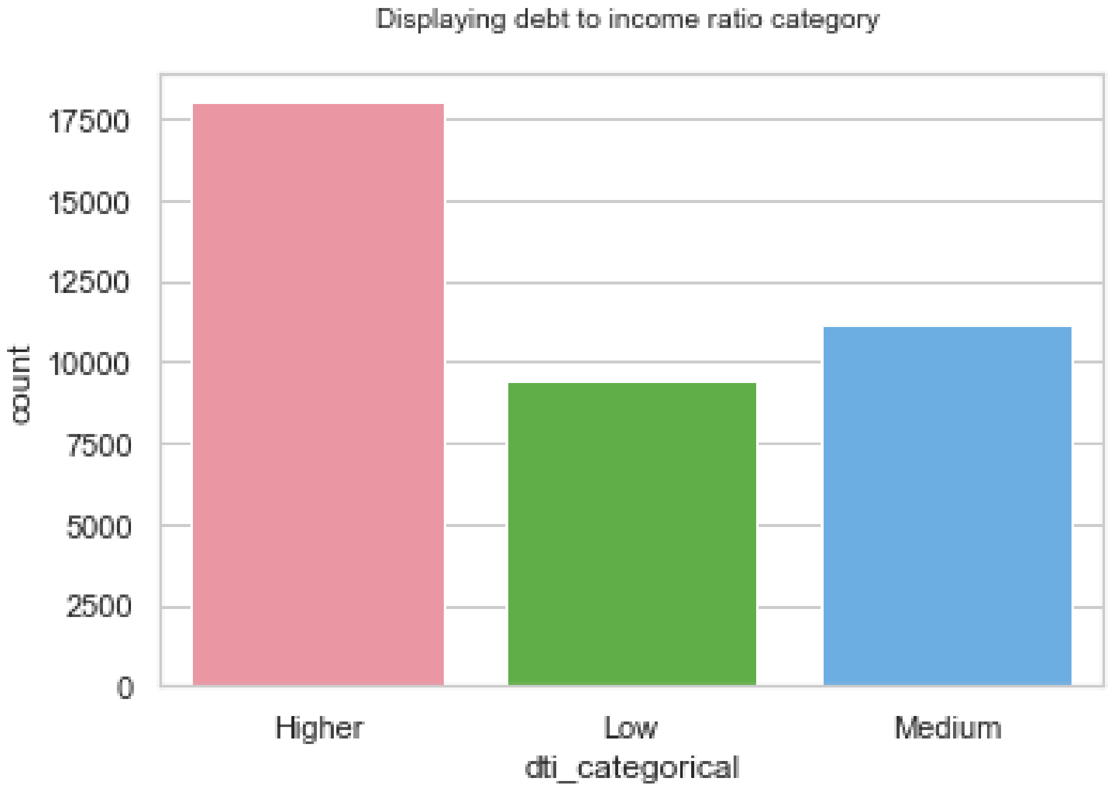
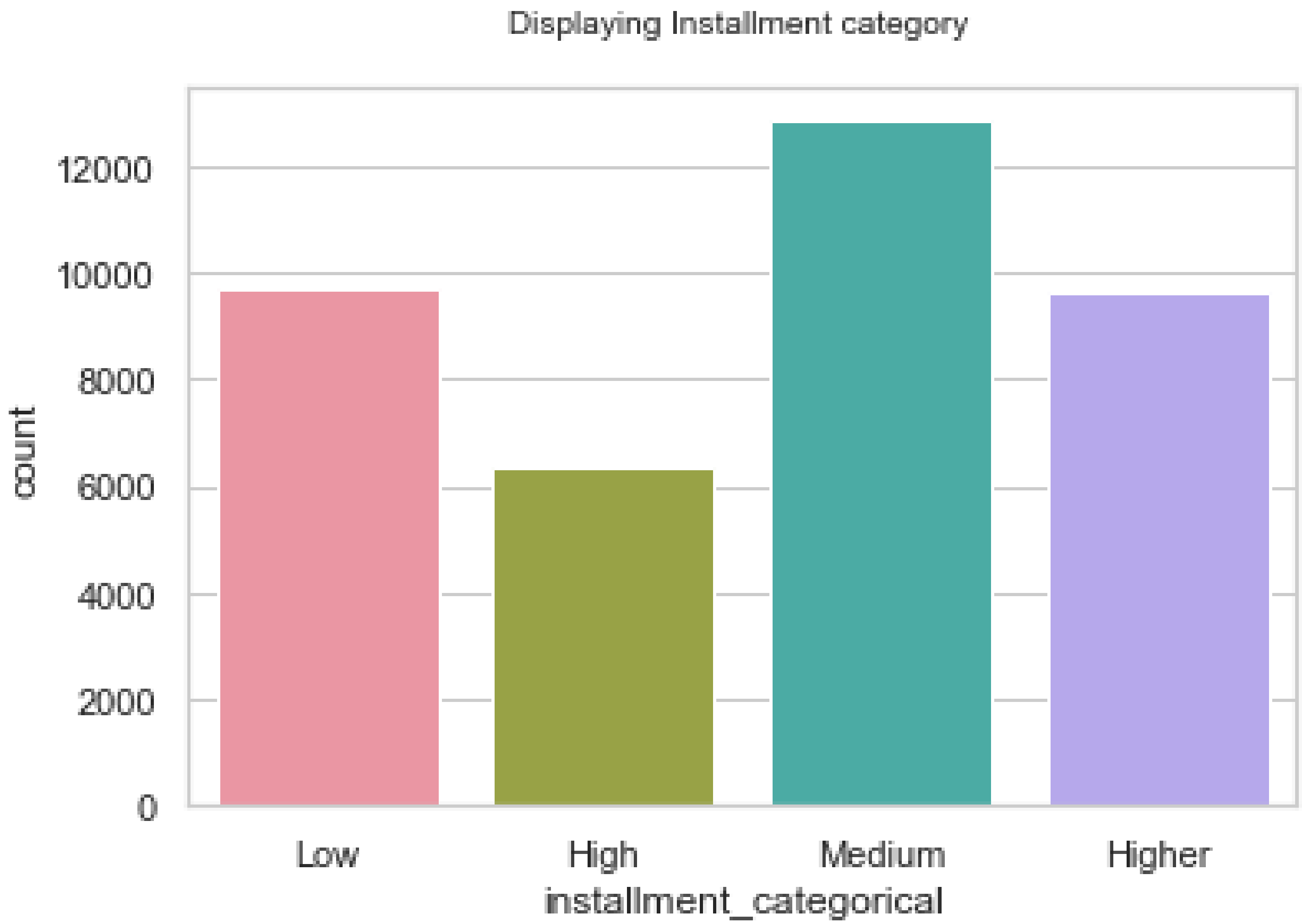
Lending club case study

Displaying the various graphs under univariate analysis:



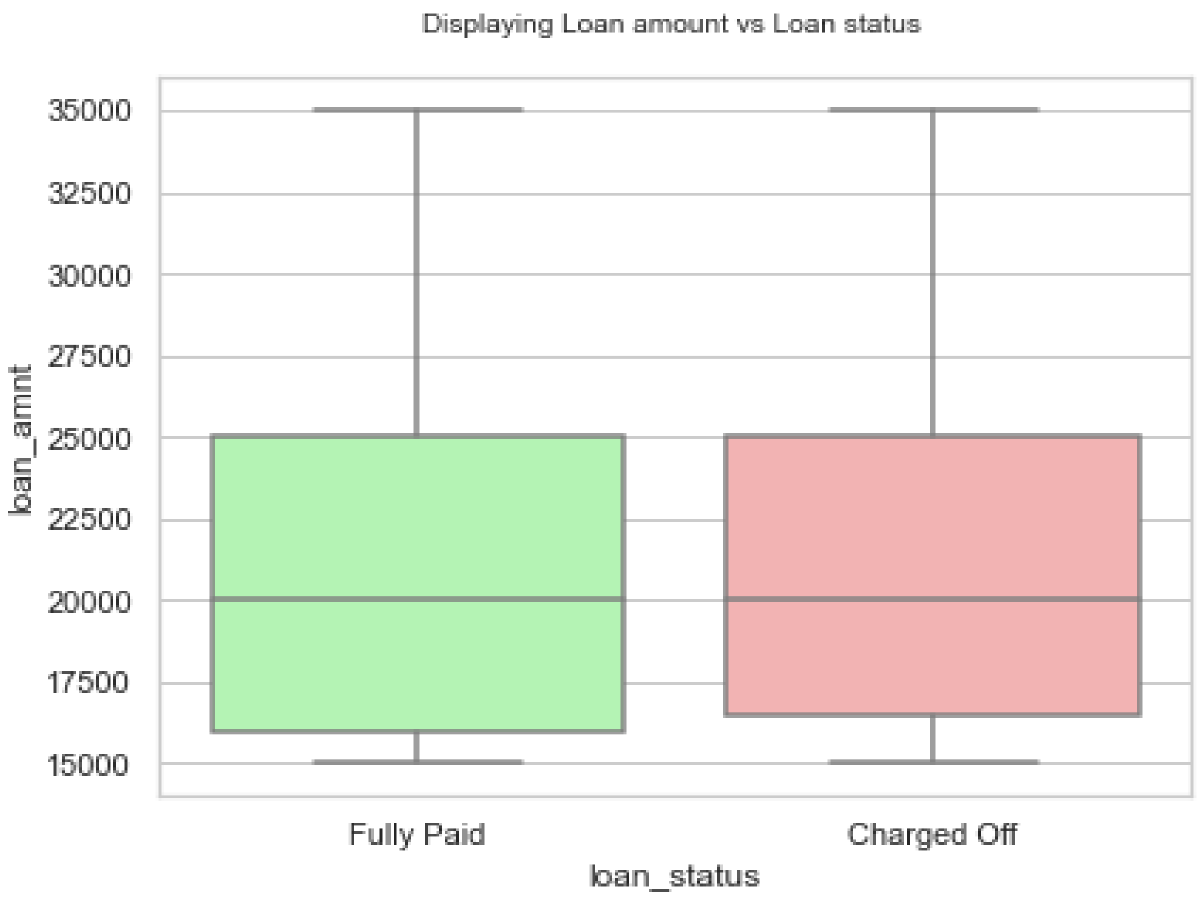


Majority of the Loan amount lies in the High range category
Majority of debt to income ratio lies in high category.

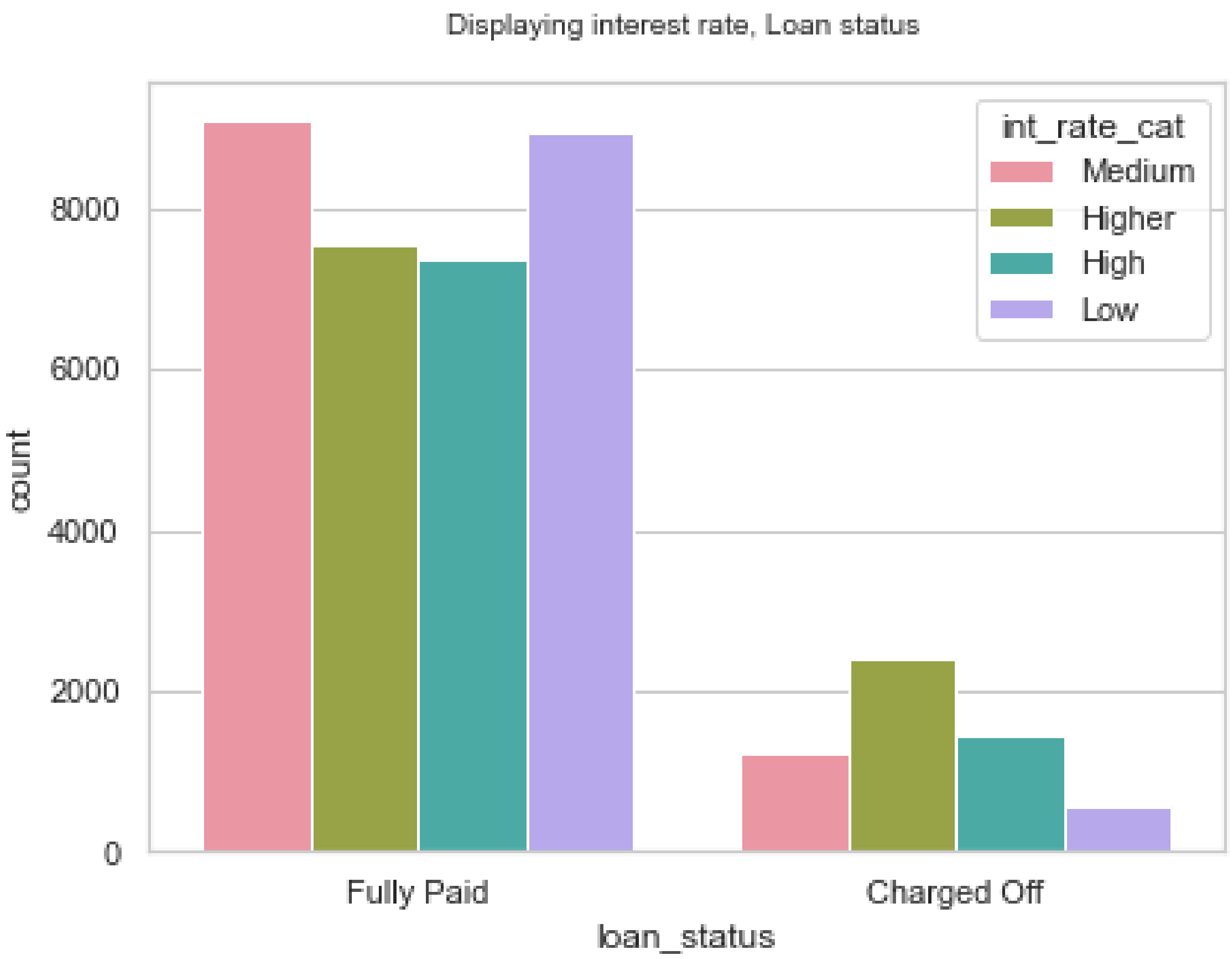


Majority of Installment lies in low category.

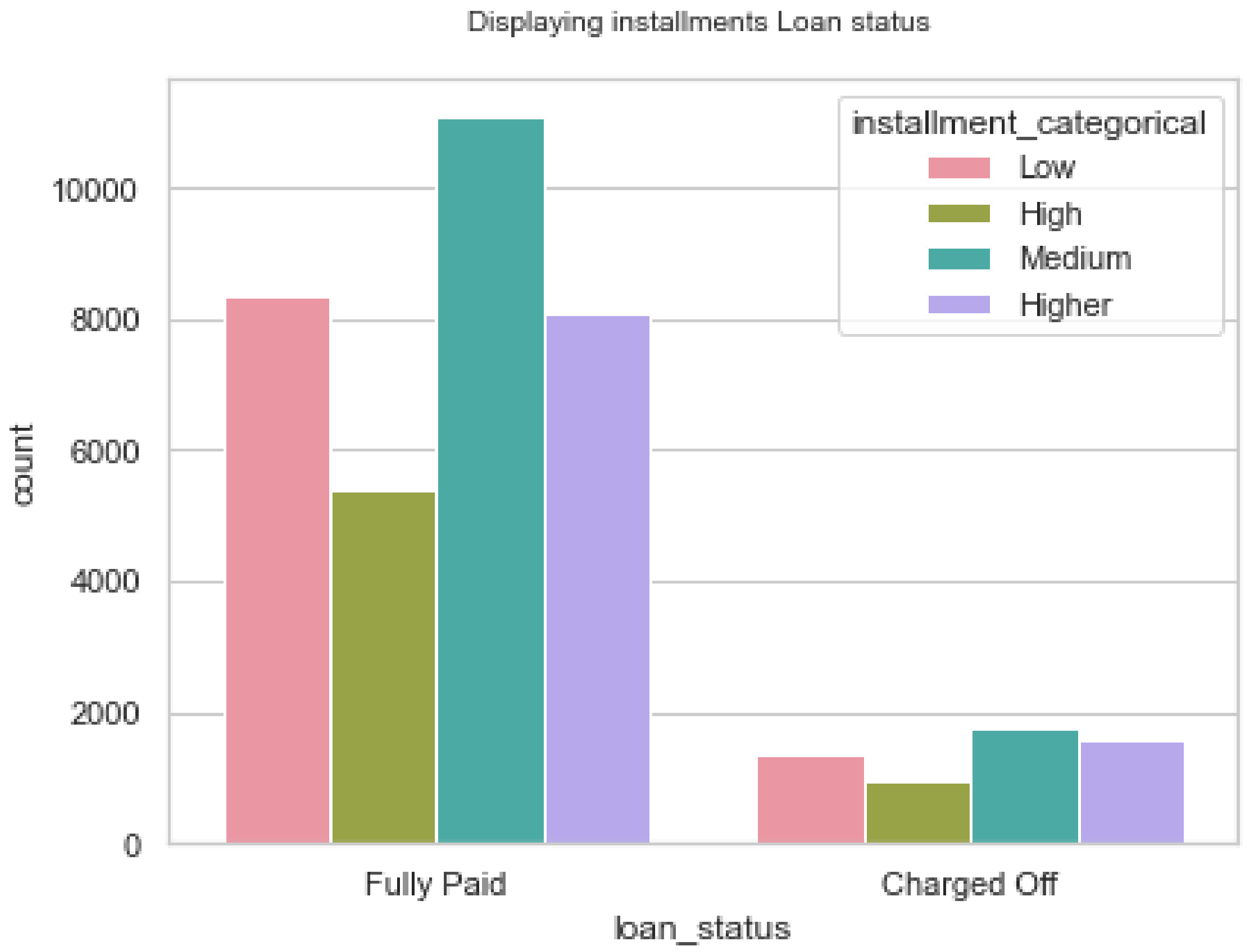
Displaying various slides from Bivariate analysis:



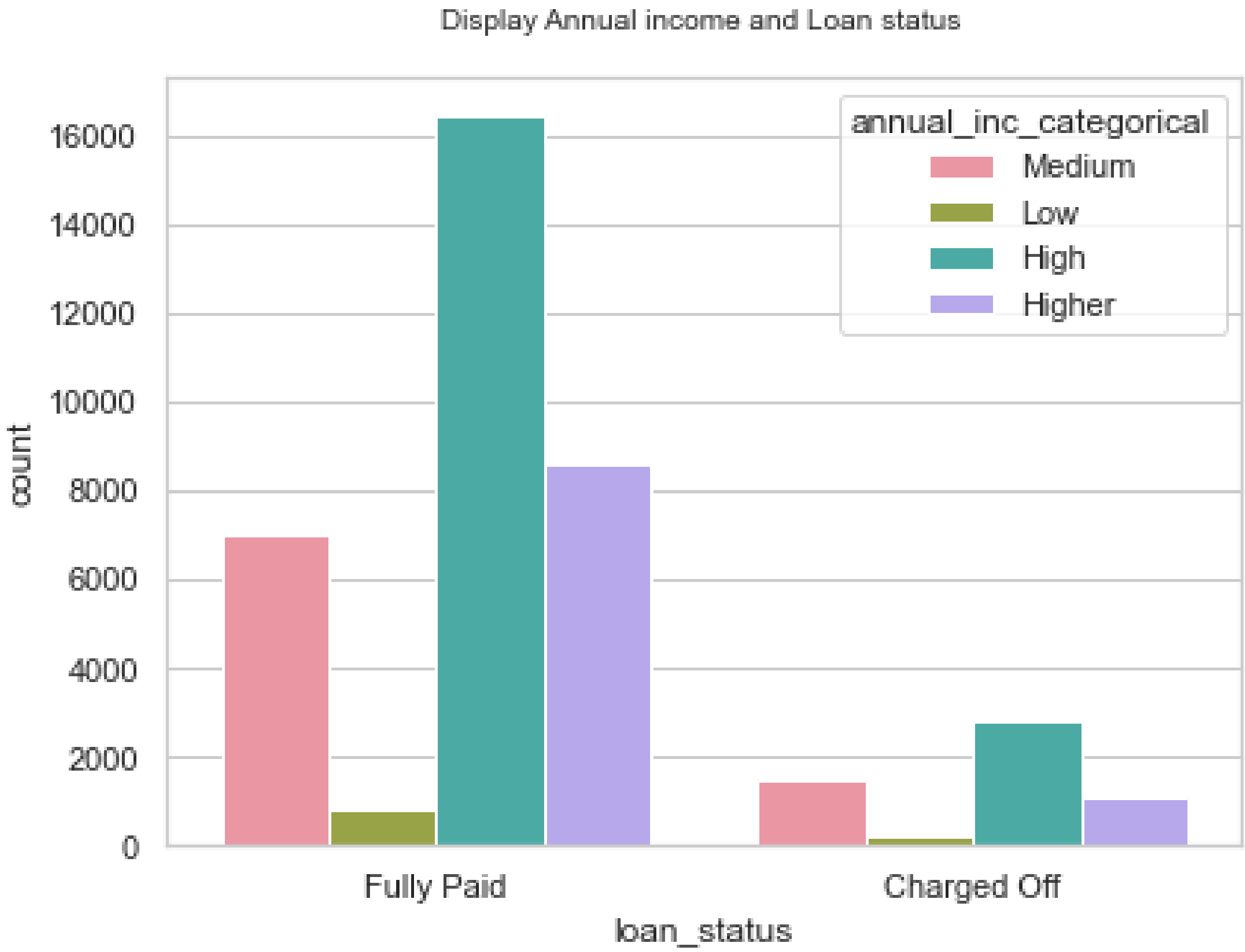
From above box plot the higher the loan amount higher the loan might get charged off.



From the above Bar chart , higher the interest rate, higher chances of loan getting charged off.



Higher the loan amount higher the chances of charged off.



High and higher the income, higher the repayment.

Higher the DTI (debt to income ratio) will lead to higher charged off rate.

Conclusion:

- We can conclude the below points:

- Below are some of the drivers for loan default. Apart from these, I am sure there will be multiple others too; however, according to me, these are the most impactful ones.

- Higher the interest higher the Charge off ratio.
- Higher the DTI (debt to income ratio) will lead to higher charged off rate.
- High income individuals has high repayment rate.
- High and higher the income, higher the repayment.