



Large Bank Automates Credit Risk Due Diligence Process Using FRP Platform

About the customer

One of the largest banks in North America (\$700 Billion AUM) has been able to reduce underwriting costs by 20% using FRP. FRP automates and complements their credit risk due diligence process.

This large bank gets hundreds of business loan applications per day. To evaluate these applications manually for credit risk from internet data (social media, website, registrations, etc.) is a tedious process with high likelihood for errors. Datanomers FinTech platform, Financial Risk Profiler (FRP) automated their due diligence process providing them alternate data i.e., “Leading Indicators” of credit/fraud risk about these businesses in a matter of minutes.



Sector: **Finance**



Location: **United States**



People: **45,000**



The Challenge

Being able to quickly assess which loan applicants are likely to default versus perform on the loan was important to this bank. Coupled with financial data, this bank is able to assess the credit risk of the loan applicants more quickly and reliably.

For commercial lending, banks consider financials for an enterprise. While financials are core for credit risk, there are two handicaps:

- It excludes thin-file candidates - with minimum financial history
- Financials are lagging-indicator of credit risk.

Financial Risk Profiler (FRP) mines web data, for credit risk to overcome these two limitations. The web has plentiful information about small-medium businesses, which compensates for the paucity of financials. Further, it's the leading-indicator for credit risk. The challenge with web data is that it's statistically noisy. Powered by Amelia.ai NLP engine, FRP is able to mine the web for relevant data, minus the spams.



Credit Risk Assessment

These were the key aspects for implementing solutions



Leading Indicators

Internet is a leading indicator of credit risk

Advanced AI/ML Tech Helps Address

FRP is an AI-powered automated due diligence platform that captures Leading Indicators of credit risk from the web, accelerates and enhances risk assessment of borrowers, improves productivity of your underwriters, monitors ongoing credit worthiness of your borrower/tenant or anyone you extend credit to.

Imagine the savings you can realize by automating and using an AI/ML solution that can mine for credit risk information from the world wide web.

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