

FICO® Score for International Markets

With the FICO® Score for International Markets:



Gain efficiencies with a single risk measure:

Address planning, operations and policy across consumer credit markets.



Be current and relevant:

Take full advantage of a wide range of market-specific credit bureau data from negative-only to full-positive credit history data.



Apply a powerful multiple-score scenario: Draw on lender-acquired data and public information files with the FICO® Score.



Profit from credit modeling expertise: Adopt a solution proven globally from the experts in data, analytics and credit risk.

The FICO® Score for International Markets, the industry standard for objective risk assessment, can be used in any country where there is active and stable credit reporting data. The solution improves the appraisal of a borrower's creditworthiness by intelligently interpreting data and providing a numerical snapshot of a consumer's credit risk. The FICO® Score rank-orders consumers by how likely they are to pay their credit obligations as agreed. The model analyses the information available on the credit bureau profile with relevant information from the lender, and produces a numeric score that is indicative of the future credit risk.

Rapidly implement within a credit bureau or directly into the lender's setting

The FICO® Score for International Markets delivers a highly predictive and consistent risk calculation by intelligently interpreting the data aggregated by the credit bureau in each market. FICO® Score has been validated on the likelihood a given consumer will become seriously delinquent (90 days or greater) on a credit obligation within the next 12 months. This precise risk prediction can be applied to decisions at varying levels of delinquency and time periods, and across customer segments, credit products and lifecycle phases – from origination to account management.

The score has a range of 300 to 850 to which lenders apply their strategies; the model being scaled so that the higher the score, the lower the risk. The solution is designed with a comprehensive yet flexible range of characteristics wrapped in preconfigured software that can be rapidly implemented within credit bureaux systems or directly into the lender's environment.

The FICO® Score renders powerful decision support that can benefit lenders and credit bureaux

For Lenders

- Speed approval/decline decisions for new applicants
- Refine allocation of credit limits and loan amounts
- Approve/decline requests for credit limit increases
- Establish deposit amounts and payment methods for utility accounts
- Set other risk-based pricing and terms of business consistently

For Credit Bureaux

- Launch a new offering quickly with expert models and rapid implementation
- Meet the demand of bureau clients for a broad-based risk score
- Leverage the data you aggregate to offer new high-impact services
- Provide broader client support through value-added analytic products

Available Anywhere There Is Credit Data

The FICO® Score for International Markets is available as an expert or empirical model. The expert model is chosen in cases where time to market is critical and development data is not readily available.

FICO **expert models** encapsulate the 60 years of accumulated skills, knowledge and experience of our credit experts in the form of an algorithm. Expert models are developed when data is not available or is inconsistent, inadequate, or outdated and does not express the current consumer behaviour or economic conditions. Expert models reduce the time, expense and data demands of empirical development. Clients who start with an expert model often engage FICO to source, analyse and apply data to build and deploy a data-driven empirical model once data becomes available.

Empirical models are constructed by analysing the historical default performance for similar credit exposures. Empirically derived models are tailored to proprietary product portfolios, customer bases and in-country credit bureau data.

Empirical models are built after extensive data analysis and, therefore, generally provide a higher degree of performance. FICO has assisted clients in moving from expert models to fully empirical models.

In both cases, appropriate historical data is needed in order to map data to the FICO® Score interface and validate the final model. FICO can assist in data extraction and analysis from the outset of the process to detect possible issues in the raw data up front to minimize delays in implementation.

Value Propositions

FICO can rapidly deliver a solution for implementation within the bureau or the lender’s own system environment that will bring the benefits of FICO® Scores without the lead times associated with empirical scoring developments. Most importantly for the global market, the scoring system intelligently interprets the varying levels of data available in each country in which it is deployed.

FICO continues to validate the models for international markets to capture the most current trends in consumer credit risk to ensure decisions are not based on stale information.

The Power of Data

For credit bureaux, such as Círculo de Crédito in México, the challenge was how to increase credit access for consumers with no credit file or limited credit history.

A combination of FICO® Score for International Markets and FICO® Extended Score was developed for the Mexican population of which nearly 10 million lack enough traditional credit history to calculate a reliable score.

The FICO® Extended Score reflects the latest trends in the Mexican credit marketplace and incorporates a new Household ID data source now available from Círculo de Crédito. The score incorporates the most complete assessment of the Mexican consumer based on not only their own credit profile but also the profile of the consumers that live in the same household. The FICO® Extended Score is able to provide a score for approximately 40% more consumers, thereby enabling lenders to make more confident risk decisions and increase financial inclusion.

FICO has launched the FICO® Score for International Markets in partnership with Lenddo, a specialist in credit and verification technologies, The FICO® Score and the new FICO® Score X Data are being made available via the Lenddo platform for the Indian market. The collaboration will combine Lenddo’s knowledge in the use of non-traditional data for scoring and online verification with FICO’s established strength in credit scores that are predictive, transparent and fair to increase financial inclusion in India.

Most recently, FICO® Score for International Markets is in development for the Philippines based initially on data from CIBI, the Philippines’ first and only local credit bureau, and its member cooperative banks. The score will combine, compare and standardise bureau information to improve consumer credit reporting.

Available Worldwide

Expert and empirically derived models of the FICO® Score have been deployed through bureau partners and direct to lenders on five continents:

- **APAC:** India, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand
- **EMEA:** Armenia, Bahrain, Egypt, Ireland, Kazakhstan, Nigeria, Poland, Qatar, Romania, Russia, Saudi Arabia, South Africa, Sweden, Turkey
- **Americas:** Brazil, Canada, Mexico, Panama, Peru, United States

In Summary

Over the past 60 years, FICO has brought credit scoring to countries around the world, helping make lending non-biased and more accurate. The FICO® Score is the standard measure of US consumer credit risk, and is used in more than 20 countries. More than 10 billion FICO® Scores are purchased each year by lenders.

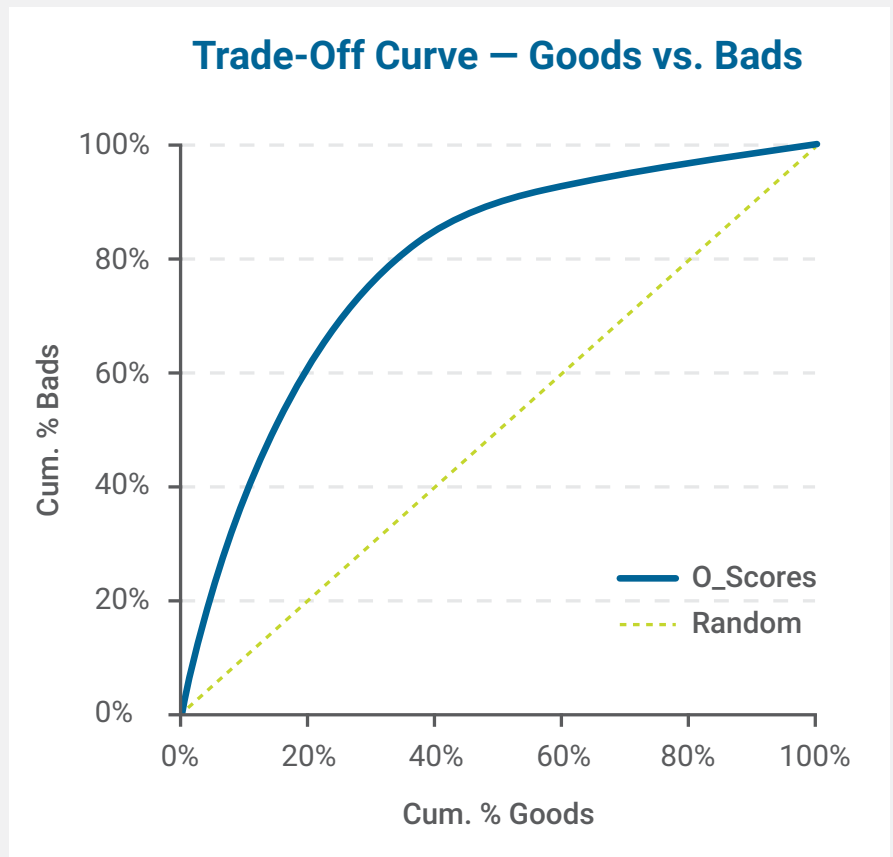
The introduction of broad-based credit scores has transformed credit in many countries. Making access to credit open and fair to all citizens, while protecting the financial stability of the lender with a view into their credit risk exposure.

Credit bureaux can remove impediments to credit expansion by empowering creditors to make careful, compliant originations and account management decisions quickly and at a low cost.

Associated Products

FICO® SME Score is a credit risk assessment tool that provides credit grantors with an effective rank-ordering

FICO® Score for International Markets Origination Window: 2014–2015



As in this sample research data, evaluating the total applicant population will show the effectiveness of the score. A plot that has the cumulative % of bads on the y-axis, and the cumulative % of the total population on the x-axis.

system of risk for micro-financers, start-ups, small business lending and leasing.

FICO® Collections Score is an assessment of a consumer’s likelihood of going further into delinquency.

FICO® Score X Data is the alternative-data credit scoring solution available for markets outside of the US. Developed specifically for each country, the new score empowers lenders’ financial inclusion efforts by helping consumers with “thin files” and consumers with no credit history to get access to credit.

FICO® Expansion Score assesses credit risk by evaluating consumers’ credit application and credit reporting agency data.

More Information

Find out more about how your organization can benefit from credit-bureau based scoring solutions and analytics by emailing us at globalscoreservice@fico.com.



FOR MORE INFORMATION

www.fico.com
www.fico.com/blogs

NORTH AMERICA

+1 888 342 6336
info@fico.com

LATIN AMERICA & CARIBBEAN

+55 11 5189 8267
LAC_info@fico.com

EUROPE, MIDDLE EAST & AFRICA

+44 (0) 207 940 8718
emeainfo@fico.com

ASIA PACIFIC

+65 6422 7700
infoasia@fico.com