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The ABCs of AI Credit

A Playbook for Issuers

PLAYBOOK 1: A IS FOR AGENTS

April 2026

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"The ABCs of AI Credit: A Playbook for Issuers; Playbook 1: A Is for Agents" was produced in collaboration with Thredd, and PYMNTS Intelligence is grateful for the company's support and insight. PYMNTS Intelligence retains full editorial control over the following findings, methodology and data analysis.

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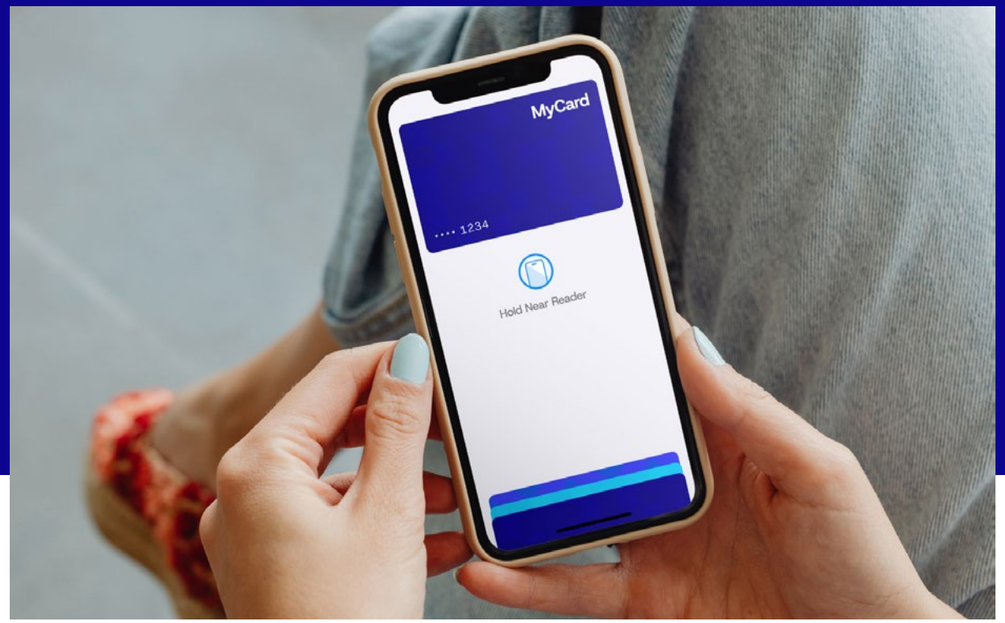
FROM FIXED RULES TO REAL-TIME **TRANSACTION INTELLIGENCE**

For decades, the machinery of credit has relied on a defense-first posture built on rigid “if-then” rules and static scorecards. While these tools provided a foundation for the digital age, they are increasingly ill-equipped for a world of always-on, cross-border and instant commerce. In 2026, the challenge has shifted from simply processing transactions to managing an increasingly complex financial ecosystem where risk dynamics and competitive pressures converge. When legacy systems fail to distinguish between a legitimate customer in a new location and a sophisticated fraudster, the result is friction, or worse, a “false decline” that leaves a customer’s available credit limit stranded.



The shift toward artificial intelligence (AI) agents represents a fundamental change in the operating layer of payments. Rather than acting as a simple gatekeeper, AI agents function as a cognitive layer that evaluates every transaction in milliseconds to protect liquidity and enable smarter flows. Critically, that cognitive layer depends on modern, application programming interface (API)-first processing infrastructure, the real-time, programmable foundation without which AI agents remain a theoretical exercise.

That foundation matters for established card issuers modernizing legacy stacks. It matters equally for the growing wave of FinTechs, digital lenders and platform businesses entering credit issuance for the first time. These organizations are building on API-native infrastructure from day one, not retrofitting intelligence onto systems that were never designed for it.

I. THE ‘A IS FOR AGENTS’ THESIS

AI Agents as the Operating Layer for Programmable Payments

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The core thesis of this playbook is that the credit-payments life cycle is moving from “after-the-fact” reporting into live payment flows. Traditional payment platforms were designed to maximize throughput by applying static rules to produce a simple “yes” or “no.” As we move deeper into 2026, this model is no longer sufficient: With digital and mobile channels now accounting for the majority of transaction activity, fraud patterns have become faster, more complex and more difficult to detect using static rules, necessitating more adaptive, real-time defenses.

Autonomous AI agents act as the “brains” of a programmable payments infrastructure. Unlike batch-processed models, these agents operate at the “speed of signal,” activating trusted data at the exact moment of decision. These agents interpret intent and context in real time through the following:

BEHAVIORAL CONTEXT:
Analyzing if a transaction aligns with a user’s historical “financial rhythm” rather than just exceeding a dollar threshold.

DYNAMIC RISK ORCHESTRATION:
Drawing on external data sources and real-time APIs to optimize risk, experience and revenue simultaneously.

EXPLAINABLE LOGIC:
Moving beyond the “black box” to provide a defensible audit trail that satisfies both customers and regulators.

II. IMPACT ON ISSUER PERFORMANCE

Optimizing the 'Yes' and Protecting Customer Liquidity

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For a general manager or CFO, the value of AI agents is found in their impact on the bottom line. The transition to agentic payments addresses two critical areas of performance:

01

MAXIMIZING LEGITIMATE APPROVALS

Traditional fraud rules are often "blunt instruments" that inadvertently block legitimate spending when it deviates from a narrow profile. AI agents use a broader set of signals, including behavioral profiling and real-time navigation flow, to distinguish between high-risk activity and legitimate spending shifts. This ensures that the customer's open-to-buy (OTB), or credit limit, remains fluid and accessible.

For newer entrants like marketplace lenders, vertical software-as-a-service (SaaS) platforms and embedded finance providers, the same signals unlock something different: the ability to translate their own rich transaction and behavioral data into card-based credit products, extending credit responsibly to consumers that traditional scorecards would overlook.

02

ADAPTIVE TRANSACTION LOGIC

Instead of a binary “Yes/No,” AI agents allow for a “third way” that balances security with a seamless user experience. An agent might do the following:

TRIGGER SELF-RESOLVING ALERTS:
Send a real-time mobile alert asking the customer to verify a high-value purchase, minimizing manual monitoring workloads for the bank.

ADJUST DYNAMIC LIMITS:
From March 2026, regulatory changes will allow banks with strong fraud controls greater flexibility to set their own contactless and transaction limits.

COMBAT “MILLISECOND” THREATS:
Detect AI-generated deception, such as deepfakes or synthetic identity fraud, with which traditional identity checks can no longer keep pace.

III. KPI IMPACT FOR ISSUERS

Measuring the Shift to Intelligence

To track the success of an AI agent strategy, issuers should monitor several core metrics that define 2026 performance:

Key Performance Indicator (KPI)	The AI Agent Advantage
Authorization Rate	Increases by identifying uncharacteristic but legitimate customer behavior
False Decline Rate	Decreases as behavioral intelligence models “normal” user behavior in real time
Operational Efficiency	Lowers cost-to-serve by reducing manual investigations and “toggling” between systems
Fraud Loss Rate	Reduces losses from account-to-account (A2A) and person-to-person (P2P) scams that bypass static rules

IV. PRACTITIONER PERSPECTIVE: THE ‘ONE VIEW’ STRATEGY

Case Study: Moving Beyond the ‘Black Box’

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A significant hurdle for financial executives is ensuring that AI remains accountable and governed. In 2026, the industry has moved toward unified intelligence, where credit, fraud and compliance functions converge.

A prime example is the One View solution, a collaborative effort between Thredd and Featurespace (a Visa company). This platform provides a single interface for monitoring both card and non-card transactions, such as A2A payments. By unifying these data streams, fraud teams can identify unusual patterns that were previously hidden in isolated silos, effectively acting as a “security guard” that protects customer liquidity without the regulatory burden of traditional underwriting.

V. THREE MOVES TO UNLOCK NEXT STEPS

For organizations ready to move from vision to execution, whether optimizing an existing credit program or building one for the first time, PYMNTS Intelligence recommends three immediate strategic steps:

01

IDENTIFY FRICTION POINTS.
Audit your current transaction flow to see where legacy “if-then” rules are causing the most false declines or manual reviews.

02

PILOT AGENTIC SECURITY.
Deploy AI agents in a high-risk segment, such as cross-border payments, to test the lift in authorization rates and OTB protection.

03

MODERNIZE THE OTB NARRATIVE.
Shift internal discussions from “credit underwriting” to “transaction intelligence” to ensure that AI adoption remains compliant and CFO-approved.

VI. CONCLUSION: FROM TRANSACTION DECISIONS TO CREDIT OUTCOMES

The shift to AI agents is not simply a technological upgrade; it is a redefinition of how credit operates in a real-time payments environment. As transactions become faster, more frequent and increasingly digital, the decision to approve or decline a payment is no longer just a fraud control. It is the moment that determines whether a customer's available funds can be used and how effectively that liquidity supports everyday financial activity.

In this context, transaction intelligence becomes inseparable from credit performance. Systems that can distinguish intent, adapt to behavior and respond in milliseconds do more than reduce fraud. They enable legitimate spending, preserve customer trust and ensure that available credit remains accessible when it matters most.

For issuers, this represents a fundamental shift in the operating model. Success is no longer defined solely by risk avoidance but by the ability to balance protection with access, maximizing approvals while minimizing loss. AI agents make this balance possible by embedding intelligence directly into payment flows, where decisions have immediate financial impact.

As the series continues, the focus will expand from agents to the data and infrastructure that power them. But the foundation is already clear: In an always-on economy, credit is no longer managed only at origination. It is shaped continuously, one transaction at a time.

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ABOUT

PYMNTS INTELLIGENCE

PYMNTS Intelligence is a leading global data and analytics platform that uses proprietary data and methods to provide actionable insights on what's now and what's next in payments, commerce and the digital economy. Its team of data scientists include leading economists, econometricians, survey experts, financial analysts and marketing scientists with deep experience in the application of data to the issues that define the future of the digital transformation of the global economy. This multilingual team has conducted original data collection and analysis in more than three dozen global markets for some of the world's leading publicly traded and privately held firms.

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Thredd is the trusted, AI-first, cloud-enabled issuer processing platform powering the next generation of global payments. Through a single API and unified platform, Thredd delivers debit, credit, digital wallet and ledger capabilities to 130+ FinTechs, digital banks and embedded finance providers, across 50+ countries, processing billions of transactions annually. With a global operating footprint, local expertise and AI integrated into every layer of its platform, Thredd has been purpose-built for speed, scale and modern issuance models, setting the standard for market entry, client experience, security, regulatory rigor and operational resilience. Learn more at www.thredd.ai.

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