**Overview of the problem**

In this project you will have to put yourself in the shoes of a loan issuer and manage credit risk by using the past data and deciding whom to give the loan to in the future. The text files contain complete loan data for all loans issued by XYZ Corp. through 2007-2015. The data contains the indicator of default, payment information, credit history, etc.

The data should be divided into train (June 2007 - May 2015) and out-of-time test (June 2015 - Dec 2015) data. You will have use the training data to build models/analytical solution and finally apply it to test data to measure the performance and robustness of the models.

You should use the variable : 'issue\_d' to divide the data in the above time periods, the variable is in <month>-<year> format.

**Data and Problem Details**

Objective : You have to build a data model to predict the probability of default, and choose a cut-off based on what you feel is suitable. Alternatively you can also use a modelling technique which gives binary output.