

Project Title	Credit Card Default Prediction
Technologies	Machine Learning
Domain	Banking

Problem Statement:

Financial threats are displaying a trend about the credit risk of commercial banks as the incredible improvement in the financial industry has arisen. In this way, one of the biggest threats faced by commercial banks is the risk prediction of credit clients. The goal is to predict the probability of credit default based on credit card owner's characteristics and payment history.

Approach:

The classical machine learning tasks like Data Exploration, Data Cleaning, Feature Engineering, Model Building and Model Testing. Try out different machine learning algorithms that's best fit for the above case.

Results:

You have to build a solution that should able to predict the probability of credit default based on credit card owner's characteristics and payment history.

Dataset:

Dataset Link: [Card Default Data](#)

Project Evaluation metrics:**Code:**

- You are supposed to write a code in a modular fashion (**in functional blocks**)
- Maintainable: It can be maintained, even as your codebase grows.
- Portable: It works the same in every environment (operating system)
- You have to maintain your code on **GitHub**.
- You have to keep your **GitHub** repo public so that anyone can check your code.
- Proper readme file you have to maintain for any project development.
- You should include basic workflow and execution of the entire project in the readme file on **GitHub**
- Follow the coding standards: <https://www.python.org/dev/peps/pep-0008/>

About Dataset

Dataset Information

This dataset contains information on default payments, demographic factors, credit data, history of payment, and bill statements of credit card clients in Taiwan from April 2005 to September 2005.

Content

There is 25 Variable:

- **ID:** ID of each client
- **LIMIT_BAL:** Amount of given credit in NT dollars (includes individual and family/supplementary credit)
- **SEX:** Gender (1=male, 2=female)
- **EDUCATION:** (1=graduate school, 2=university, 3=high school, 4=others, 5=unknown, 6=unknown)
- **MARRIAGE:** Marital status (1=married, 2=single, 3=others)
- **AGE:** Age in years
- **PAY_0:** Repayment status in September, 2005 (-1=pay duly, 1=payment delay for one month, 2=payment delay for two months, ... 8=payment delay for eight months, 9=payment delay for nine months and above)
- **PAY_2:** Repayment status in August, 2005 (scale same as above)
- **PAY_3:** Repayment status in July, 2005 (scale same as above)
- **PAY_4:** Repayment status in June, 2005 (scale same as above)
- **PAY_5:** Repayment status in May, 2005 (scale same as above)
- **PAY_6:** Repayment status in April, 2005 (scale same as above)
- **BILL_AMT1:** Amount of bill statement in September, 2005 (NT dollar)
- **BILL_AMT2:** Amount of bill statement in August, 2005 (NT dollar)
- **BILL_AMT3:** Amount of bill statement in July, 2005 (NT dollar)
- **BILL_AMT4:** Amount of bill statement in June, 2005 (NT dollar)
- **BILL_AMT5:** Amount of bill statement in May, 2005 (NT dollar)
- **BILL_AMT6:** Amount of bill statement in April, 2005 (NT dollar)
- **PAY_AMT1:** Amount of previous payment in September, 2005 (NT dollar)
- **PAY_AMT2:** Amount of previous payment in August, 2005 (NT dollar)
- **PAY_AMT3:** Amount of previous payment in July, 2005 (NT dollar)
- **PAY_AMT4:** Amount of previous payment in June, 2005 (NT dollar)
- **PAY_AMT5:** Amount of previous payment in May, 2005 (NT dollar)

- **PAY_AMT6**: Amount of previous payment in April, 2005 (NT dollar)
- **default.payment.next.month**: Default payment (1=yes, 0=no)

Inspiration

Some ideas for exploration:

1. How does the probability of default payment vary by categories of different demographic variables?
2. Which variables are the strongest predictors of default payment

Note: After completion of all the task you need to create a PowerPoint presentation That should contain the :

1. Problem Statement
2. Tools Used
3. Approaches
4. EDA Insights
5. Best ML Model
6. Evaluation Metrics of Model
7. Future Development