

SUMMARY

We have analyzed the Lending club data and predicted the interest rate using 3 ML models : Linear Regression , Random Forest , Neural Network . We infer that among the three models the neural network model gives the best MAPE of 6.7%. Also , there is an alternate AutoML model AutoSK used to predict the interest rates. This gives us the accuracy of 99%. The model can be extended to predict returns. Our analysis showed that majority of the investments in Lending Club is in re-finance . This is an assurance to you that lower interest rate loans can be borrowed and re-invested in higher returns domains within and beyond Lending Club.

The increase in number of loans over the years also assures of increasing popularity of lending club