

NNTRUST INVESTMENT

Invest smarter

K. Hema Mounika (hmk25)

K. Vinay Kumar (vkk26)

K. Jhansi Naveena (jnk22)



NEED TO KNOW



A start-up peer-to-peer lending company that brings borrowers and potential investors to invest on personal, education and small business loans.



We offer information regarding the likelihood of a loan being charged-off before fully funded, to potential investors, using predictive models.



Increase interest rates of those who had history of not paying the installments by due date or have less than fair credit score.

- Historical data undergoes various classification models to determine important features and best model to predict charge – off likeliness.
- Features:
 - Loan amount
 - Term
 - Interest
 - Installments
 - FICO score
 - Employment data (length, income)
 - Debt to income ratio
 - Earliest credit line
 - Open accounts
 - Total accounts
 - Mortgage account

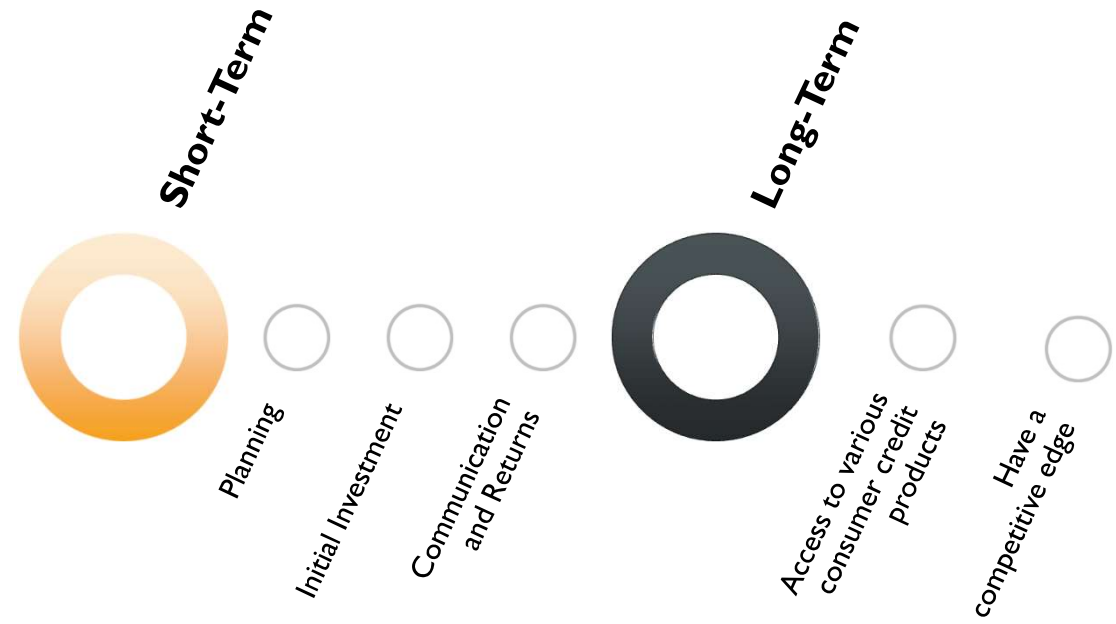


DATA SCIENCE

AUC/ROC TEST SCORES

- Logistic Regression: 0.7286
- SVM: 0.7226
- KNN: 0.7208
- Random Forest: 0.7305
- Random Forest with important variables: 0.72897
- Neural Network: 0.7290

INVESTMENT GOALS



SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none">• Automated data science technology• Online investment advisors• Frequently updated website• Communication• High returns to investors• Less charge – off likelihood	<ul style="list-style-type: none">• Risk of losing money• Risk for laypeople• No insurance or government protection for the company
Opportunities	Threats
<ul style="list-style-type: none">• Investors diversification• More accessibility for borrowers• Low interest rates• Low origination fees• Platform globalization	<ul style="list-style-type: none">• Possible breakeven situation• Impact on the platform when interest rates rise• Regulatory changes