



TAICHUNG COMMERCIAL BANK – LOAN APPROVAL ANALYSIS

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GOALS

- Determine the most important financial ratios in the underwriting process
- Create suggestions to improve/streamline the process

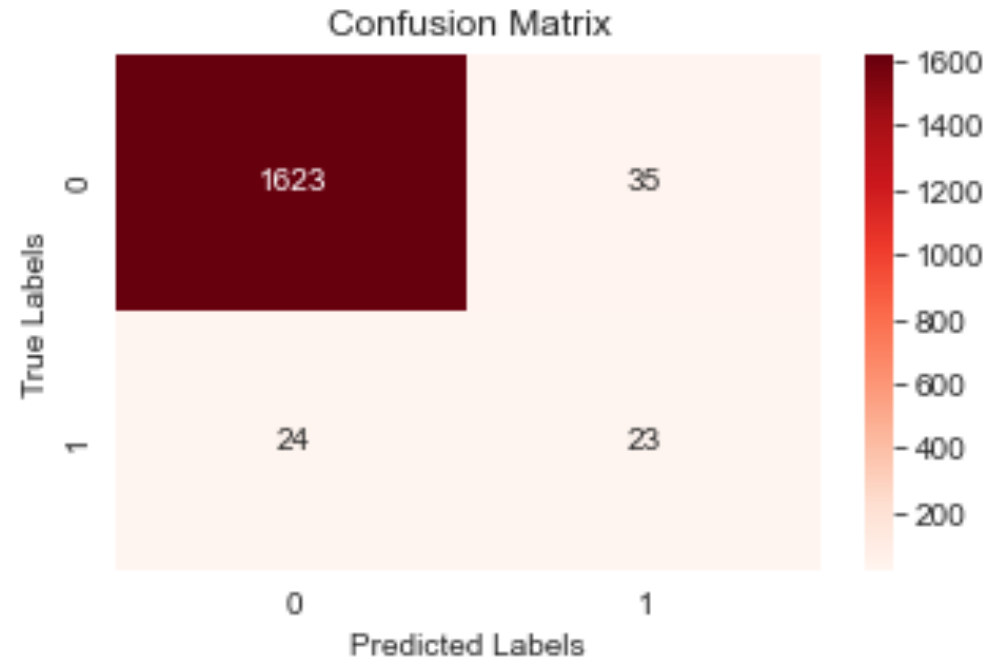


DATA & METHODS

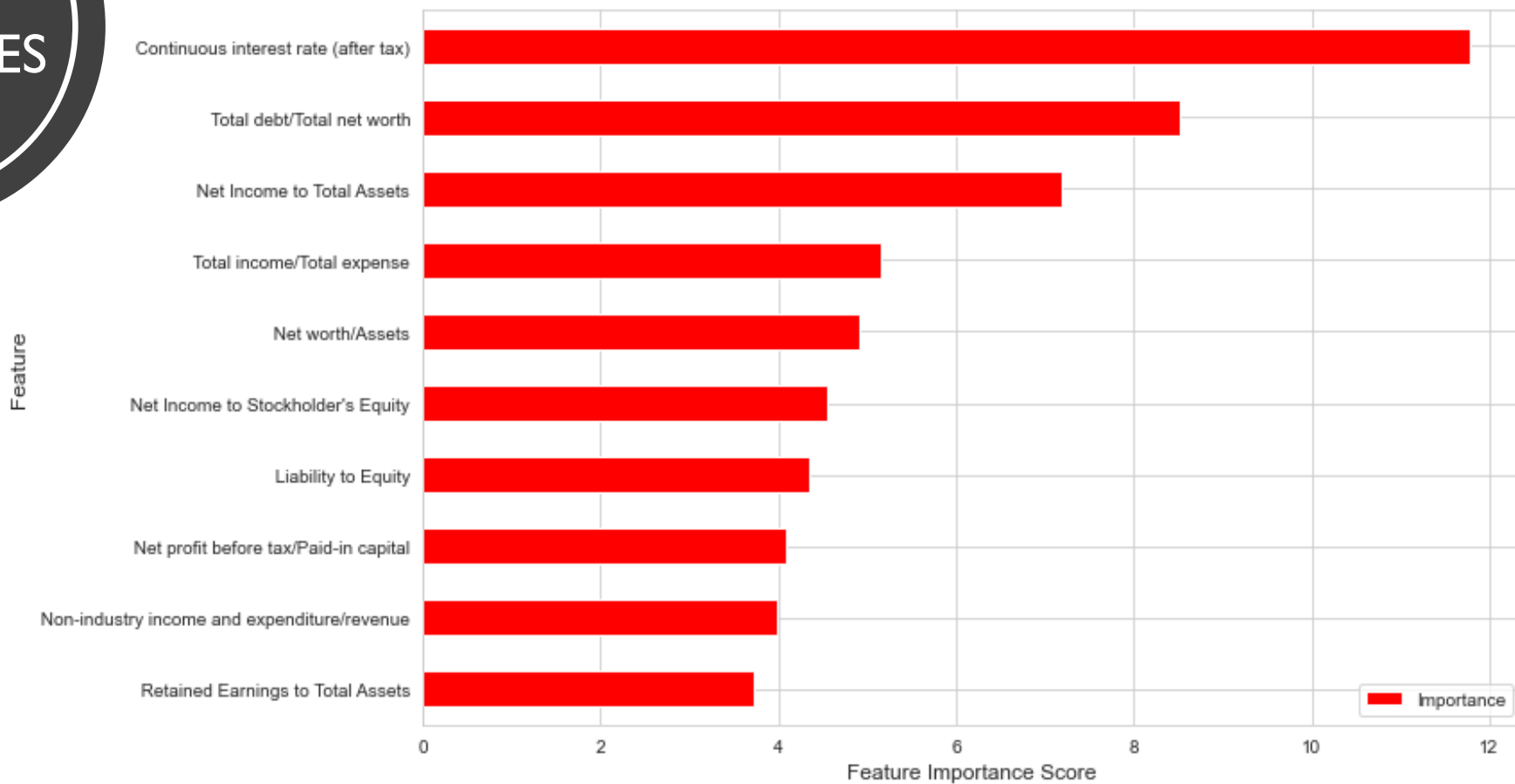
- Bankruptcy data from the Taiwan Economic Journal
- EDA
 - Highly correlated features dropped
 - Sample Minority Oversampling Technique (“SMOTE”) applied
- Five different algorithms ran
- Deep-dive into chosen model

MODELING RESULTS

- Random Forest Classifier
- F1-Score = 43.8%



TOP 10 VARIABLES



SUGGESTIONS



Separate clients into
Red, Amber and
Green buckets



Review client
history