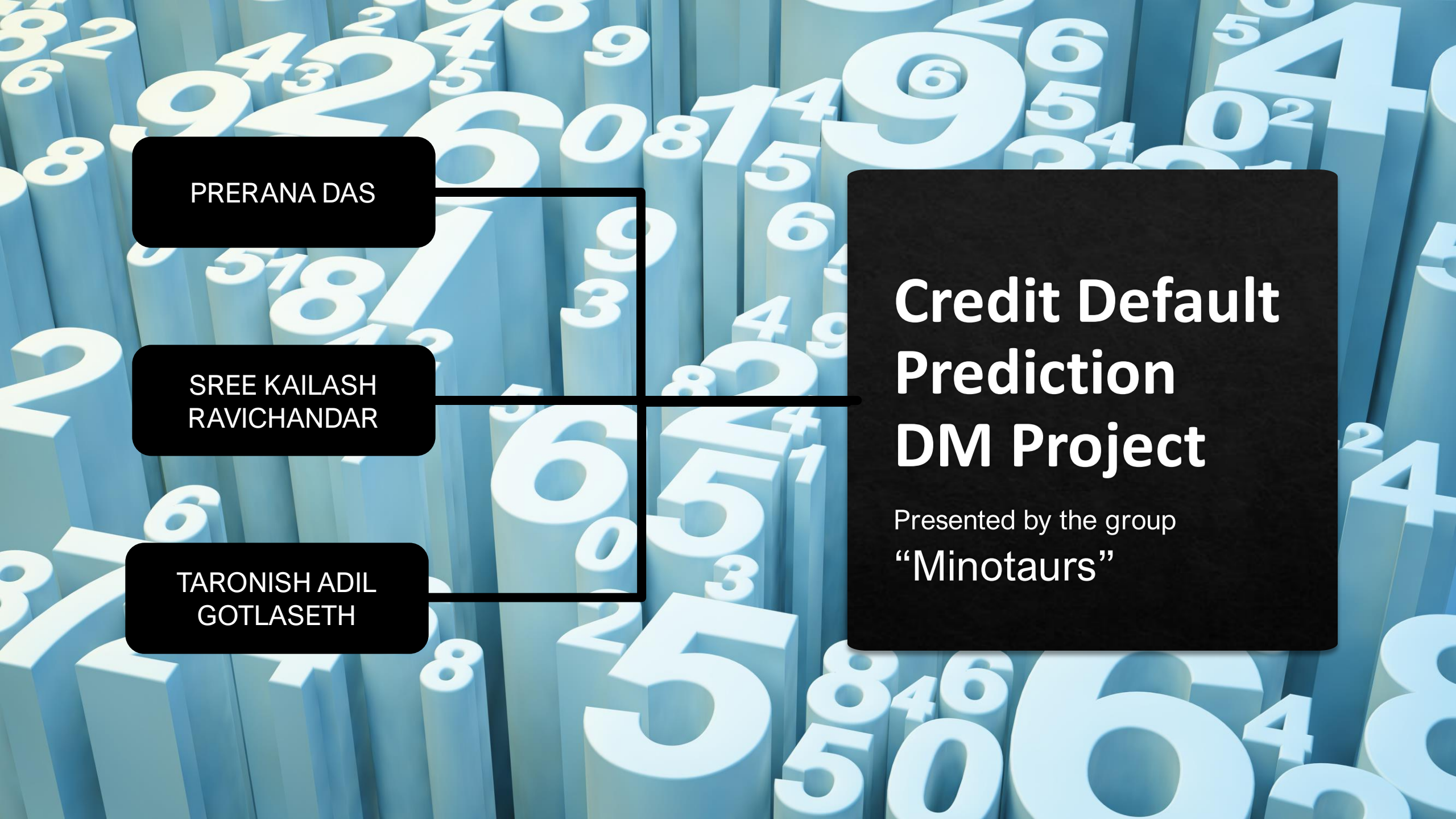
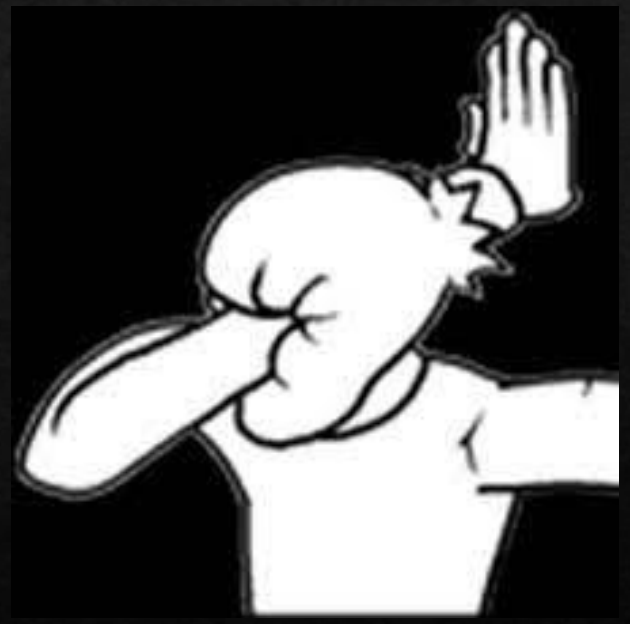

PRERANA DAS
SREE KAILASH RAVICHANDAR
TARONISH ADIL GOTLASETH
Credit Default Prediction DM Project
Presented by the group
“Minotaurs”

SAME AS EVERYONE!!! AGENDA!!!

- PROJECT OBJECTIVE
- EXPLORATORY DATA ANALYSIS
- DATA TRANSFORMATION
- FINAL MODELS
- CONCLUSION AND LEARNING



BUSINESS OBJECTIVE

The business objective is to predict credit default!

Description of business problem:

Develop a predictive model that utilizes historical payment status and certain demographical information to evaluate the likeliness of credit default

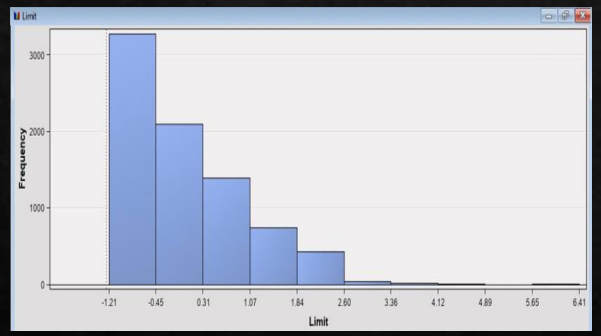
EXPLORATORY DATA ANALYSIS

2 Class Inputs
21 Interval Inputs

Checked for statistical measures
(Mean, Min, Max, SD, Skewness, Kurtosis)

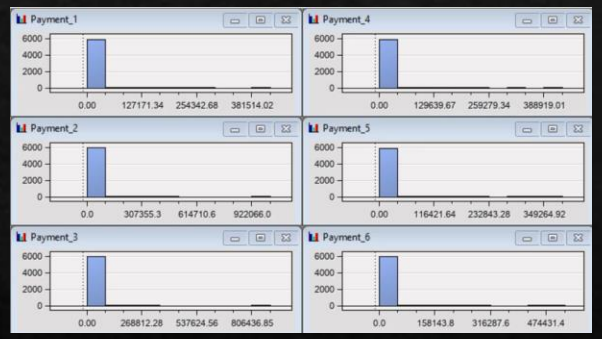
0% of missing data

LIMIT



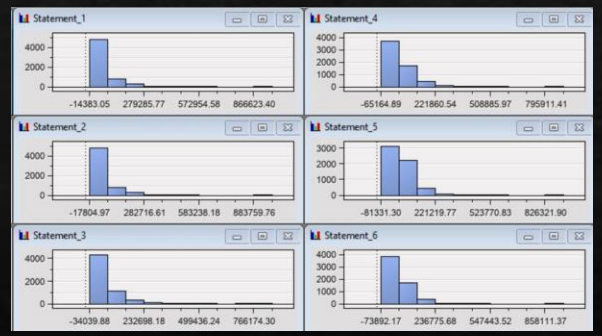
Skewed Distribution

PAYMENT



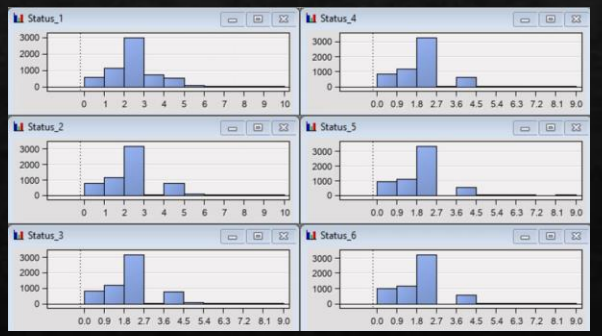
Skewed Distribution

STATEMENT



Skewed Distribution

STATUS

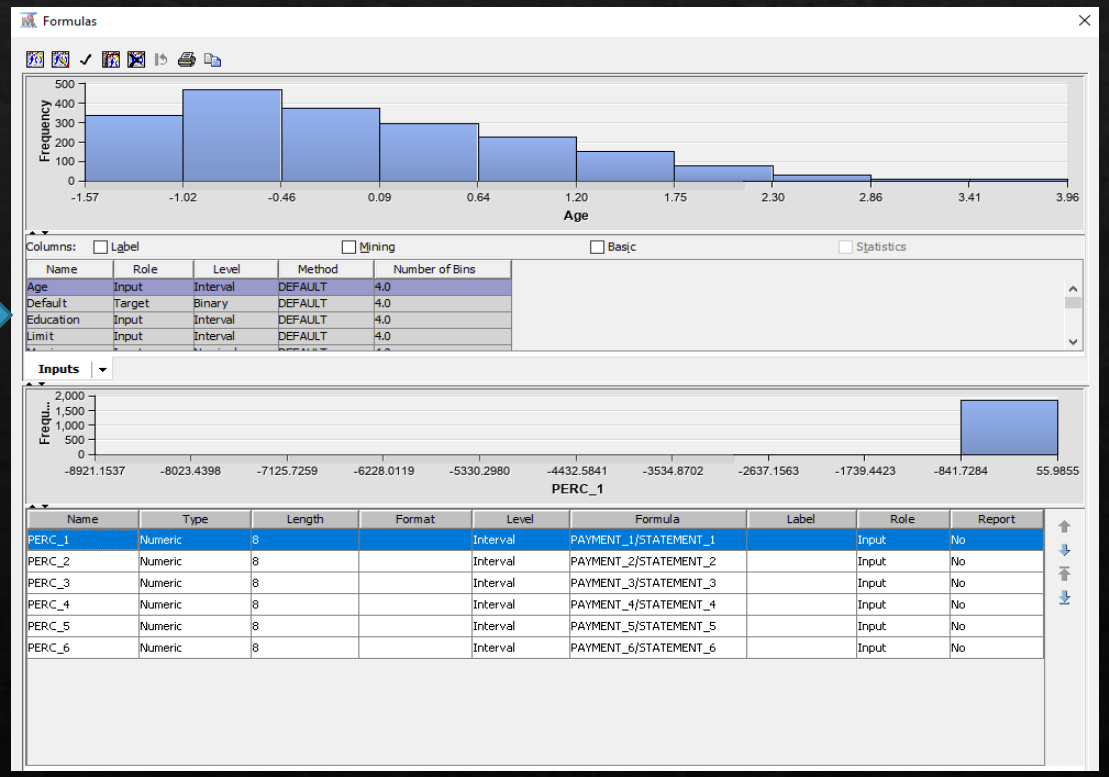


Good Distribution

DATA TRANSFORMATION

CUSTOM TRANSFORMATIONS

COLUMN	TRANSFORMATION
Marriage, Sex	Dummy indicators
Statement 1… Statement 6	Best
Status 4	Best



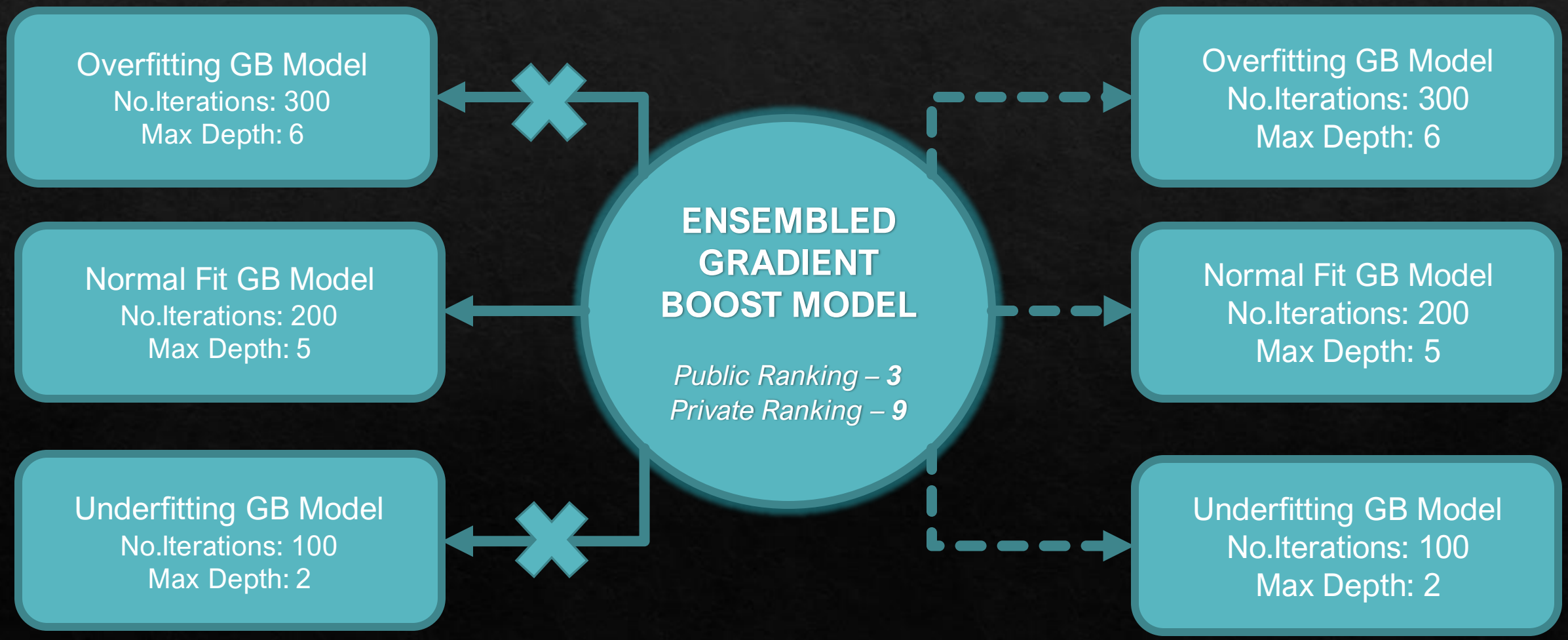
NEW VARIABLES

Percentage Of Statement Paid = Payment/Statement

FINAL MODELS

Public Leaderboard ROC: 0.75042
Private Leaderboard ROC: 0.75051

Public Leaderboard ROC: 0.75145
Private Leaderboard ROC: 0.74979



CONCLUSION AND LEARNING

Feature Engineering is as important as any other stage, to better the performance of ML algorithm

Gradient Boost provides great models reducing overfitting, compared to other models

Ensemble Models provide the most robust and superior results by combining multiple models

A choice based on **both training and validation ROC** is always more stable

CONCLUSION AND LEARNING

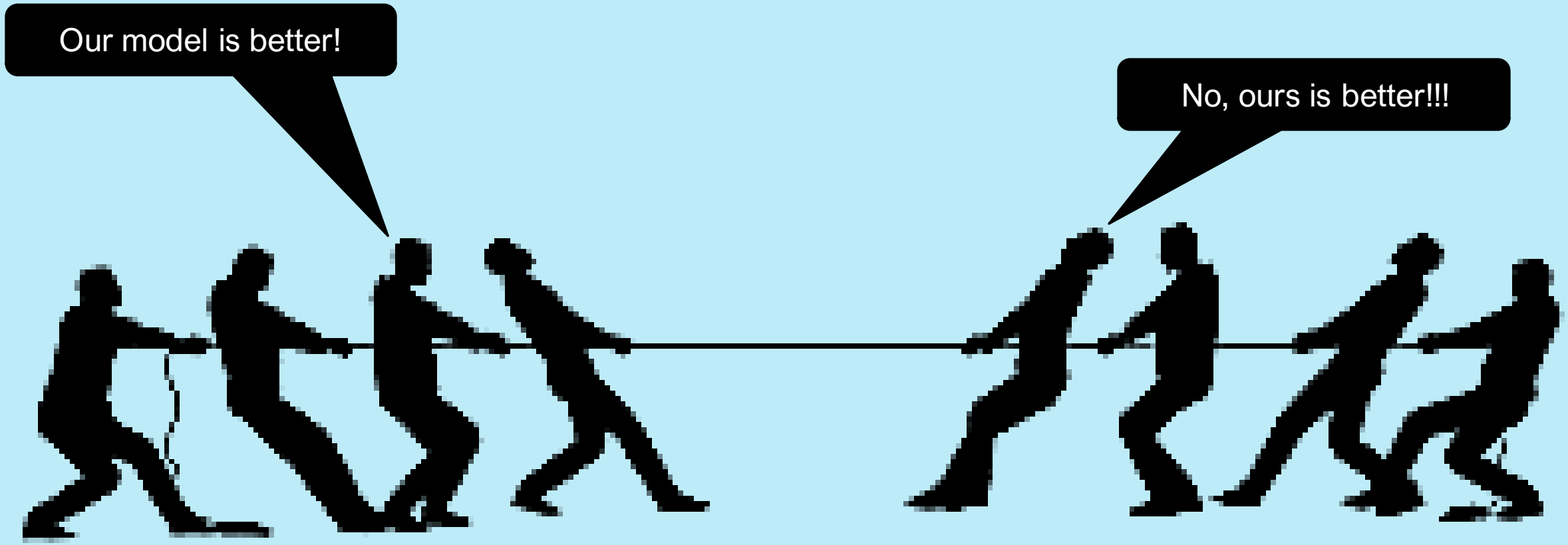
Feature Engineering is as important as any other stage, to better the performance of ML algorithm

Gradient Boost provides great models reducing overfitting, compared to other models

Ensemble Models provide the most robust and superior results by combining multiple models

A choice based on **both training and validation ROC** is always more stable

It is never enough!
No model is good enough for any of us!



THANK YOU!!