

Title:

Credit Risk Evaluation with Machine Learning Techniques

Abstract:

Reliable credit risk assessment of various lending and investment products is one of the key competencies of all banks and financial institutions in general. The credit risk associated with individual loans and bonds helps determine whether or not they would make a profitable addition to a credit portfolio. Better PD models therefore mean more profitable credit portfolios. Traditional quantitative techniques based on regression analysis, which has served financial institutions for decades, have a number of deficiencies which can be overcome with the help of up-to-date predictive analytics techniques.

This talk will cover different data analysis and machine learning techniques, and analyze the automation of the variable/feature selection process for the generation of robust credit scoring models. Furthermore, benchmarking of the aforementioned techniques to well-established, industry standards will be demonstrated.