

ABSTRACT

Non-performing loans (NPLs) are one of the indicators of the bank's performance rating in running a credit program to its customers. Hence, this becomes the main focus of every bank to avoid an increase troubled loans for their customers. However, Bank Mandiri, Ltd Jakarta Thamrin Branch had experienced increasing NPL up to 18.22% within 3 months. This issue needs to be addressed considering that healthy commercial banks should avoid troubled loans by conducting strong credit control. As-sessing credit worthiness can be done using 5C factors, which is one of the efforts to minimize risk of NPL from making wrong credit decisions from the predictor variable leading to bad credit. This study employed Random Forest technique. The prediction obtained by the collateral variable had an MDA level of 99.94, and the income capacity variable was 12.14, which is the main factor in determining customers' characteristics in predicting the condition of the customer's credit status.

Keywords: Non performing loan, Factor 5 C, Data Mining, Predictions, Random Forest