

Abstract

Traditional approach in the analysis and estimation of the probability of default is based on static frameworks. It has been shown that these models can be improved using panel data, in which the model is built considering the observed dynamic of the included variables. We study if the traditional dynamic logistic model can be improved if we modify the specification using a neural network model, and test if the dynamic aspect of the model improves classification capacity. We conclude analyzing if these changes improve the prediction capability of the model.