

Report on “Artificial Intelligence and Big Data in the Financial Services Industry: A Regional Perspective and Strategies for Talent Development”

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Institute for Monetary and Financial Research (HKIMR), the research arm of the Hong Kong Academy of Finance (AoF), today (October 28) released a new Applied Research report, titled "Artificial Intelligence and Big Data in the Financial Services Industry: A Regional Perspective and Strategies for Talent Development". HKIMR Applied Research reports are released on topics that are highly relevant to market participants and regulators in Hong Kong, and they aim to provide insights on the long-term development strategy and direction of Hong Kong's financial services industry.

The report describes the recent transformation of the financial services industry using artificial intelligence (AI) and big data (BD) technologies, and highlights the role of talent integrating these new technologies into the financial services industry's core business functions. The report also explores market participants' views on AI/BD adoption and the demand for talent in major Asia-Pacific financial centres in a survey commissioned by the HKIMR. The findings suggest that 71 per cent of firms across sectors of the financial services industry in the region have either adopted or planned to adopt AI/BD technologies in the next 12 months. Market participants identify clear benefits from AI/BD adoption, but they also highlight that the shortage of talent is one of the key challenges now and in the next five years. The report also presents market participants' views on promoting talent development and reviews the relevant initiatives implemented internationally and in Hong Kong. The report is concluded by suggestions aimed to enrich Hong Kong's pool of talent, including strategies to narrow the existing talent gap, support talent recruitment as well as foster talent development.

"The findings of this report suggest that professionals versed in both finance and AI/BD technologies will be especially welcome in the next two years, indicating that most sectors of the industry will move towards a higher level of integration between business and technology functions. Hong Kong and the Asia-Pacific region are well placed to lead this development, as documented by a net inflow of talent into the region's main financial centres. We hope that this study sheds light on talent characteristics and needs by financial institutions advancing their AI/BD adoption and thus help support the healthy growth of the financial services industry in Hong Kong and the region," said Deputy Chief Executive of the Hong Kong Monetary Authority and Deputy Chairman of the HKIMR, Mr Edmond Lau.

The report is available on the [AoF/HKIMR website](#).

About the AoF

The AoF is set up with full collaboration amongst the HKMA, the Securities and Futures Commission, the Insurance Authority and the Mandatory Provident Fund Schemes Authority. By bringing together the strengths of the industry, the regulatory community, professional bodies and the academia, it aims to serve as (i) a centre of excellence for developing financial leadership; and (ii) a repository of knowledge in monetary and financial research, including applied research.

About the HKIMR

The HKIMR is the research arm of the AoF. Its main remit is to conduct research in the fields of monetary policy, banking and finance that are of strategic importance to Hong Kong and the Asia region. The Applied Research studies undertaken by the HKIMR are on topics that are highly relevant to the financial industry and regulators in Hong Kong, and they aim to provide insights on the long-term development strategy and direction of Hong Kong's financial industry.