

Report on Artificial Intelligence Application in Banking

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

The Hong Kong Monetary Authority (HKMA) today (December 23) published a report titled "Reshaping Banking with Artificial Intelligence" as part of a series of publications on the study of the opportunities and challenges of applying Artificial Intelligence (AI) technology in the banking industry.

In 2019, the HKMA has commissioned a consulting firm to conduct a study on the application of AI technology in the Hong Kong banking industry. The findings of the study are presented in this report, which summarises insights from academics and industry experts. This report also shares the result of an industry-wide survey on banks, industry organisations and fintech firms conducted in Q3 2019, with one of the key findings showing almost 90 per cent of the surveyed retail banks have adopted or plan to adopt AI applications.

To help the industry understand the risk and potential of applying AI technology, the report covers the latest development trends, potential use cases, status of AI development in banking, challenges and considerations in designing and deploying the technology, as well as the market outlook.

Senior Executive Director of the HKMA, Mr Edmond Lau said, "AI will bring profound changes to the way in which the banking industry operates. The appropriate adoption of the technology may have the potential to reshape banking in the future. Understanding the technology and its implications from the outset is crucial to fully unleashing the power of AI. We hope this AI report as well as the subsequent reports will offer the industry some useful references for further adoption of the technology."

The report is available on the [HKMA website](#).