

Asian Financial Forum 2018

Reimagine the Possible in the World of AI

Synopsis

Artificial Intelligence is developing at an exponential rate and there's a lot of expectation surrounding AI's capabilities. This workshop will explore innovation in AI, in particular artificial general intelligence, voice recognition and deep learning. Given AI's speed of technological development, what does it hold for businesses and humanity as a whole in the future? How will AI impact, disrupt, enhance and augment what businesses can do? How can businesses make the most of AI? Can AI be regulated and, if so, should it be regulated and by whom? What will the future look like in the world of AI, especially with regard to jobs and skills needed in the future?

Moderator

- **Mr Matthew Phillips**
Asia Financial Services M&A Leader & China and Hong Kong Financial Services Leader, PwC

Speakers

- **Mr Dekai Wu**
Professor of Computer Science and Engineering, HKUST
- **Mr Juergen Rahmel**
Research Director Artificial Intelligence, Global Head of Innovation Quality Management Applied Innovation & Strategic Investments, HSBC Operations Service and Technology, The Hongkong and Shanghai Banking Corporation Limited
- **Mr Noah Silverman**
Founder, Helios.ai
- **Mr Sherman Lee**
Partner, Zeroth; Founder, Raven Protocol

Expert panellists outlining their views on the future of AI at the 11th Asian Financial Forum (AFF) agreed that while there is no doubt that AI is one of the hottest topics in the finance sector, attention needs to be paid to its application in terms of capabilities and business needs.

Panel modulator Matthew Phillips, Asia Financial Services M&A Leader & China and Hong Kong Financial Services Leader, PwC, raised the topic of whether "froth and overexuberance" in AI use are responsible for a misallocation of investment resources within the financial sector? "There seems to be some confusion over what AI technologies can do and where they can be applied," said Phillips.

Picking up on the AI allocation theme, Juergen Rahmel, Research Director Artificial Intelligence, Global Head of Innovation Quality Management Applied Innovation & Strategic Investments, HSBC Operations Service and Technology, The Hongkong and Shanghai Banking Corporation Limited, explained that, from a commercial

perspective, any AI application must offer a business solution and perform a task better than in the conventional way. "There should also be ways of measuring effectiveness." For example, because AI tools offer different functions, Rahmel says it is important to identify if an AI application is needed for predictive, decision-making, monitory solutions or rule-based analysis. "There is the question about the level and depth of solution needed," said Rahmel, who also pointed out it is important not to confuse AI, machine learning and chatbots. "An algorithm that provides a basic Q&A function is not a chatbot," he explained, adding that customer interface technologies that use natural language are far more complex and revolutionise the way in which banks interact with their clients. With concerns over the way banks may use AI to gather data and privacy of data, Rahmel believes collaboration between the financial sector and regulators is the best way of developing regulations. "In many areas this is new territory for banks and the regulators, therefore it would be helpful to work together."

As an investor in early stage technology companies, Sherman Lee, Partner, Zeroth; founder, Raven Protocol, said taking an AI idea from concept to execution is challenging. He said while AI developments proliferate, and many are viable, the real test of AI development is creating the tools that software users are looking for to make life convenient for customers or provide a launch pad for raising the level of customer experience. "At the core, AI platforms need to be able to be built out and deliver whatever enterprise clients are looking for," Lee said. With Amazon, Facebook and Google holding the bulk of AI tools and data collection, another challenge for start-ups developing AI and machine learning is finding ways to decentralise data and deep learning tools so they become available for mass use. "When and if that happens, it really would revolutionise the world," said Lee.

From the perspective of having worked in AI for more than three decades, Dekai Wu, Professor of Computer Science and Engineering at the Hong Kong University of Science, explained the difference between "weak" AI, a technology specifically designed to complete a narrow task, and strong AI, which is capable of cognitive functions. "Weak AI is still far more powerful than anything we have developed previously, but would fall way below the capabilities of a three-year-old child in terms of understanding," Wu said. He explained that strong AI is technology that can think and function very similarly to humans. Even then, according to Wu, AI has its limitations. Look at the mistakes language translation programmes make, which no human would make. However, it is AI development in areas similar to Google and Microsoft translation AI tools that Wu feels would be the most beneficial and productive. "Instead of hundreds of technology developers, including banks, duplicating research, it could be truly transformational if they all came together to advance technology." Since metaphorical language is the predominant way that humans communicate in both business and social interactions, Wu said AI systems must understand metaphor in order to communicate better with people.

Having worked with data and technology for over 20 years, Noah Silverman, Founder, Helios.ai, said that enthusiasm for AI has led to a situation where many businesses have an AI solution, but no problem to solve. "It should be a case of using tangible AI solutions to solve tangible business problems," he said, adding that a "perfect storm" has been created by public, media and business misunderstanding

what AI is capable of doing, and a push from AI developers and business to try to apply AI applications to every situation. Silverman also stressed that while AI will continue to impact the workplace where jobs are done and questions answered, in many cases jobs won't entirely disappear: many will simply be redefined. "Rather than burn energy on things that can be done in an easier way, AI can allow humans to focus on human elements," he said.

ENDS