

## THE INTELLECTUAL DEVELOPMENT OF ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING IN THE FINANCE INDUSTRY: A SCOPING AND EMBEDDED REVIEW

Premananda Meher<sup>1</sup>, Dr. Rohita Kumar Mishra<sup>2</sup>

<sup>1,2</sup>, Sambalpur University, Sambalpur- 768019, Odisha, India

### Abstract

In recent years, the rise of new computer technologies has led to a significant increase in the influence of Artificial Intelligence (AI) and Machine Learning (ML). However, the progress of AI still relies on the creative contributions of data scientists and engineers. This article aims to delve into the intellectual development of AI and ML within the finance industry by conducting a comprehensive review combined with an embedded analysis. It explores a range of domains where AI finds utility in finance, including the detection and prevention of fraud, credit scoring, investment management, and customer service. The study identifies several areas where AI and ML have already made an impact in finance, such as Portfolio Management and Risk Management, Financial Fraud Detection and Anti-money laundering, Sentiment Analysis, and Investor Behavior. It sheds light on the valuable contributions that AI and ML research offer to the financial sector in terms of possibilities and solutions for financial institutions and organizations. The findings of the study conclude that AI possesses immense potential to revolutionize the finance industry, presenting opportunities to enhance efficiency, accuracy, and customer experience while concurrently reducing costs. Nonetheless, successful implementation necessitates a thoughtful consideration of risks and challenges, including the development of ethical frameworks and the establishment of regulatory oversight. The research identifies key areas that merit further exploration and development to maximize the benefits of AI in finance.

**Keywords:** Artificial Intelligence; Machine Learning; Finance Industry; Embedded Review;

### 1. Introduction

Artificial Intelligence (AI) has made remarkable strides in recent years, impacting a wide range of industries, including finance. The finance sector has experienced a significant transformation with the adoption of AI, which has streamlined operations, enhanced decision-making, and improved overall efficiency. By harnessing large datasets, machine learning algorithms, and natural language processing techniques, financial institutions can now make more informed choices, manage risks effectively, and provide personalized customer service. According to Accenture, AI technology has the potential to save banks up to \$450 billion in operational costs and generate an additional \$1 trillion in revenue by 2035. This has led to an exploration of AI in various financial domains such as investment management, risk management, and fraud detection.

The use of AI in finance has become increasingly prevalent due to advancements in technology and data analytics. Dating back to the 1950s, AI has evolved significantly, with notable progress in machine learning, natural language processing, and computer vision. In the finance industry, AI is leveraged to automate repetitive tasks, detect patterns and anomalies in data, and provide insights to drive decision-making processes. One of the key advantages of AI in finance is its ability to rapidly and accurately analyze vast amounts of data.

Financial institutions generate substantial volumes of data, including transaction records, customer information, and market data. Analyzing such data manually would be time-consuming and prone to errors. AI-powered algorithms, on the other hand, can process this data in real time, offering valuable insights that would be challenging to obtain through manual analysis.

Fraud detection is another area where AI excels in the finance industry. Financial fraud poses a significant problem, resulting in billions of dollars in losses for businesses annually. AI algorithms can analyze data to identify fraud patterns and flag suspicious transactions, enabling further investigation. This proactive approach helps financial institutions prevent fraud before it occurs, safeguarding their resources and protecting customers.

Implementing AI in finance does come with certain challenges, including regulatory compliance, data privacy, and bias mitigation. Financial institutions must ensure compliance with various regulations, such as anti-money laundering (AML) and know-your-customer (KYC) rules. Designing AI algorithms that adhere to these regulations can be complex. Additionally, safeguarding data privacy poses another hurdle. Financial institutions must prioritize the confidentiality and security of customer data, ensuring compliance with data privacy regulations. Bias is yet another concern when implementing AI in finance.

The biases present in the training data used to develop AI algorithms can propagate biases within the system. To address this issue, financial institutions must ensure their AI algorithms are trained on unbiased data.

Despite these challenges, the future outlook for AI in the finance industry is promising. AI is expected to continue playing an increasingly pivotal role in areas such as fraud detection, risk management, and customer service. Financial institutions that embrace AI will be better positioned to thrive in an increasingly digitized world. In conclusion, artificial intelligence has significantly transformed the finance industry, offering benefits such as enhanced efficiency, fraud detection, and risk management. However, challenges persist, including regulatory compliance, data privacy, and bias. Financial institutions must navigate these challenges to fully leverage the benefits of AI. With ongoing advancements in technology and data analytics, the future of AI in finance holds great potential.

This research paper will provide an overview of the role of AI in finance, explore the various applications of AI in finance, and examine its impact on the finance industry. Additionally, it will examine the ethical and legal implications of AI in finance and look at future trends in the field. The remainder of this paper will be structured as follows: Section II will provide an overview of AI in finance, including the challenges and advantages of AI. Section III will examine specific use cases of AI in finance, such as investment management and customer service. Section IV will discuss the impact of AI on the finance industry, including its potential to improve efficiency, and accuracy, and reduce human error. Section V will explore the ethical and legal implications of AI in finance, including issues of bias and discrimination, data privacy and security, and transparency and accountability. Section VI will discuss future trends of AI in finance, including developments in machine learning, the adoption of AI by financial institutions, and emerging business models. Finally, Section VII will provide a summary of findings & Conclusion for AI in the Finance Industry.

## **2. An overview of Artificial Intelligence in Finance**

Artificial Intelligence (AI) and Machine Learning (ML) have become increasingly popular in many sectors, and finance is no exception. These technologies have opened up new opportunities for financial institutions to analyze and process data more efficiently, allowing for better decision-making and risk management. One of the main applications of AI and ML in finance is portfolio management and robo-advisory. AI and ML algorithms are used to analyze financial data and create optimized portfolios, based on factors such as risk tolerance, investment objectives, and market conditions. These technologies can also provide personalized investment advice through robo-advisory platforms, which can be accessed by customers through mobile apps or web portals. This allows for a more efficient and cost-effective way of managing investment portfolios, compared to traditional portfolio management methods.

### **Advantages of AI in Finance**

Artificial intelligence has the potential to revolutionize the financial industry in numerous ways. Its capacity to rapidly and accurately process vast amounts of data offers a range of benefits for both financial institutions and consumers.

One notable advantage of AI in finance is its ability to automate tasks. Recent research highlights how AI can automate various financial functions, including customer service and risk management (Cheng et al., 2020). For instance, AI-powered chatbots can deliver round-the-clock customer support, addressing common inquiries and resolving customer issues. This not only saves financial institutions time and money spent on hiring and training human customer service representatives but also ensures prompt assistance for customers. Furthermore, AI algorithms can automate repetitive tasks like data entry and reconciliation, allowing staff to focus on more complex duties that require human judgment.

Another significant benefit of AI in finance lies in its fraud detection capabilities. Financial institutions face increasing challenges in identifying fraudulent activities such as identity theft, credit card fraud, and money laundering. AI algorithms can analyze vast datasets, detecting patterns and anomalies that may elude human analysts. According to a report by Insider Intelligence (2021), AI can reduce false positives by up to 50% and increase detection rates by 50%. This significantly mitigates the risk of financial losses due to fraudulent activities and provides substantial savings for financial institutions.

Personalized recommendations represent another advantage of AI in finance. By analyzing a customer's financial behavior, preferences, and needs, AI can offer tailored recommendations for financial products and services such as investment portfolios, insurance plans, and loans. This personalized approach enhances customer engagement, loyalty, and ultimately drives increased revenue and profitability for financial institutions. Accenture (2018) reveals that personalized recommendations can lead to 2-3 times higher conversion rates compared to non-personalized suggestions.

In conclusion, the benefits of AI in finance encompass task automation, fraud detection, and personalized recommendations. However, it is crucial to address concerns surrounding data privacy, cybersecurity, and ethical considerations in the implementation of AI within the financial industry. Financial institutions must take appropriate measures to safeguard data privacy and security while ensuring ethical practices.

By embracing these considerations, AI holds the potential to transform the financial industry, delivering significant advantages for both financial institutions and consumers.

### **Challenges of AI in Finance**

AI's application in finance presents several advantages, yet it also introduces challenges that demand attention. The incorporation of AI in finance prompts concerns regarding data privacy, cybersecurity, and ethical implications. Data privacy emerges as a significant challenge due to the extensive analysis of data by AI algorithms, raising the potential risk of compromising personal information. Within the financial industry, where data like credit scores, account details, and transaction histories are stored, breaches can have severe consequences. Financial institutions are responsible for implementing robust security measures to protect the data they collect and store. Compliance with data protection regulations such as GDPR is crucial in ensuring the proper use of AI algorithms (Sarea et al., 2021).

Another noteworthy challenge revolves around cybersecurity. Financial institutions serve as enticing targets for cybercriminals due to the immense value of the data they possess. AI algorithms, reliant on substantial data volumes, can be particularly susceptible to cyberattacks. Breaches within AI systems can lead to compromised data, financial losses, and damage to reputations. Financial institutions must take diligent measures to fortify their AI systems against cyber threats. Regular updates, vulnerability testing, and the implementation of comprehensive security measures are vital aspects of safeguarding AI systems.

Ethical considerations pose an additional challenge in the utilization of AI within finance. The integrity and impartiality of AI algorithms hinge on the quality and fairness of the data used for training. Biased data engenders biased AI systems, potentially resulting in unfair and discriminatory outcomes, particularly in domains like lending and credit scoring. Financial institutions bear the responsibility of ensuring that AI algorithms are trained on unbiased and representative data. They must also prioritize the transparency, explainability, and accountability of their AI systems.

In conclusion, while AI brings notable advantages to finance, it simultaneously demands careful attention to challenges. Data privacy, cybersecurity, and ethical considerations constitute significant hurdles that financial institutions must address when implementing AI. By actively addressing these concerns, financial institutions can foster an environment of trust, security, and fairness in their AI-driven operations.

### **3. Use case of AI in Finance**

Artificial Intelligence (AI) and Machine Learning (ML) have been transforming the finance industry in recent years. Here are some applications of AI and ML in finance, along with relevant research citations:

1. Fraud detection: AI and ML can be used to detect fraudulent transactions and prevent financial crimes. Research shows that ML algorithms can improve fraud detection accuracy by up to 20% compared to traditional methods (Bose et al., 2019).
2. Risk management: AI and ML can be used to analyze and predict market trends and potential risks. Research shows that ML models can accurately predict stock prices and market trends upto some extent (Shen et al., 2020).

3. Personalized financial advice: AI and ML can be used to provide personalized financial advice to customers based on their financial goals and risk tolerance. Research shows that ML algorithms can improve the accuracy of financial planning by up to 15% (Poon et al., 2020).

4. Algorithmic trading: AI and ML can be used to analyze large amounts of data and make trading decisions in real-time. Research shows that ML algorithms can improve trading performance and generate higher returns compared to traditional methods (Gupta et al., 2021).

5. Credit risk assessment: AI and ML can be used to analyze customer data and assess credit risk. Research shows that ML algorithms can improve the accuracy of credit risk assessment by up to 30% (Li et al., 2020).

### **Use of AI in Investment and Risk Management**

Artificial Intelligence (AI) has ushered in a new era of transformation in the realms of investment and risk management. Its integration in the finance industry empowers businesses to enhance their decision-making processes, generate precise predictions, and eradicate errors. A key application of AI in investment is through the utilization of predictive analytics. Leveraging machine learning algorithms, predictive analytics delves into historical data to identify patterns that aid in making informed decisions about future market trends. According to a report by McKinsey & Company, predictive analytics has the potential to reduce investment risk by up to 25% (Manyika&Bughin, 2018).

Portfolio management represents another valuable domain for AI in investment and risk management. By employing complex algorithms, AI can tailor portfolio strategies to meet the unique needs of investors. Through meticulous evaluation of risk and rewards across various investment options, AI generates portfolios that maximize returns while minimizing risk. Research conducted by the Boston Consulting Group indicates that companies utilizing AI for portfolio management could increase their returns by up to 1.5%.

Moreover, AI proves invaluable in the realm of risk management. By analyzing market trends and detecting potential risks, AI enables investors to make well-informed decisions that safeguard their investments. McKinsey & Company's study further highlights that AI adoption for risk management can lead to risk reduction of up to 25%. AI also plays a pivotal role in fraud detection within the investment sphere. Through the analysis of vast amounts of data, AI algorithms can discern patterns indicative of fraudulent behavior. The Association of Certified Fraud Examiners reported that companies implementing AI for fraud detection purposes can experience a reduction in losses of up to 50%.

Lastly, AI facilitates the development of trading algorithms that execute trades with lower transaction costs. By examining real-time market trends and swiftly executing trades, AI empowers investors to capitalize on market opportunities. A study by Goldman Sachs posits that the integration of AI in trading could result in cost savings of up to 10% (Zhang et al., 2021).

In summary, AI holds immense potential for revolutionizing the landscape of investment and risk management. Its capabilities in generating accurate predictions, mitigating risk, and identifying fraudulent activities are vast. The diverse applications of AI in investment empower businesses to make well-informed decisions that optimize returns.

### **Use of AI in Fraud Detection and Prevention**

The rise of digital transformation in the finance industry has led to the increased usage of Artificial Intelligence (AI) to combat fraudulent activities (Deloitte UK, "The Transformation of Fraud Detection and Prevention using AI," 2018). AI algorithms help financial institutions to detect, prevent, and manage fraudulent activities more efficiently than traditional methods. One of the most important use cases of AI in fraud detection is the identification of fraudulent transactions in realtime. With AI-powered fraud detection, financial institutions can monitor every transaction in real-time, analyze it, and identify patterns that are consistent with fraudulent activities. The algorithms can learn from historical data, identify patterns and can also identify new fraudulent patterns that were not previously detected. In this way, AI can help to detect and prevent fraud in realtime, which is critical to preventing significant financial losses (IBM, "Fighting Fraud with AI," 2018).

Another use case of AI in fraud detection and prevention is the identification of fraudulent accounts. By analyzing data related to account creation and usage, AI algorithms can identify fake accounts and accounts that are being used for fraudulent purposes. This can be achieved by analyzing patterns such as the creation of multiple accounts, inconsistent user information, and account activity that is not consistent with the user's profile. By identifying fraudulent accounts early, AI can prevent significant financial losses and protect customers from harm (Li et al., 2021).

AI can also be used in fraud prevention by identifying potential risks before they occur. By analyzing large volumes of data, AI algorithms can identify patterns and trends that indicate a high likelihood of fraudulent activities. This can help financial institutions to identify and mitigate risks before they occur, preventing significant financial losses and reputational damage (Ketterer&Vujičić, 2019). Furthermore, AI can be used in identifying money laundering activities. Money laundering is a significant challenge for financial institutions, and it's becoming increasingly sophisticated. AI algorithms can analyze large volumes of transactional data and identify patterns and trends consistent with money laundering activities. This can help financial institutions to comply with regulatory requirements and prevent significant financial losses (Machine Learning and AI for Fraud Prevention: A Review of Current State and Future Promises" by Daniel M. Abate, M. HadiAmini, and Weiwei Jiang. In Journal of Financial Crime, 2018).

AI is transforming the finance industry by providing more efficient and effective fraud detection and prevention. By analyzing large volumes of data in realtime, AI can identify patterns and trends consistent with fraudulent activities, which can help financial institutions to prevent significant financial losses and protect their customers. As AI continues to evolve, its application in fraud detection and prevention will only become more powerful and accurate.

#### **Use of AI in Investor behaviour and sentiment analysis**

Artificial intelligence (AI) has become a game-changer in investor behaviour and sentiment analysis. AI-based techniques can analyze large amounts of data in real-time, identifying patterns and providing insights into investor sentiment, behaviour, and market trends. Sentiment analysis, in particular, has been used in the finance industry to detect and monitor the emotions and opinions of investors, enabling firms to make informed investment decisions (Chatzimparmpas A., 2020).

One use case of AI in investor behaviour and sentiment analysis is in social media analytics. AI algorithms can track and analyze social media posts, comments, and reviews related to specific companies, sectors, or markets. The data is then analyzed to identify trends, opinions, and emotions related to the stocks, helping investors to make more informed decisions (C. Zhang, et al., 2020).

Another use case is in analyzing news articles and press releases. AI algorithms can analyze large volumes of news articles in real-time, identifying patterns, and predicting the impact of the news on stock prices. By analyzing the sentiment of news articles, AI-based sentiment analysis tools can provide valuable insights to investors (T. Avcu, et al, 2021).

AI-based techniques have revolutionized the way investors analyze and interpret market trends and sentiments. With the help of AI, investors can make more informed investment decisions, leading to better outcomes for both the investors and the financial industry as a whole.

#### **Use of AI on Cyber security and Credit Assessment**

Artificial Intelligence (AI) has been gaining popularity in various fields, including cyber security and credit assessment. One of the primary use cases of AI in these domains is the automation of security and credit assessment processes, making them more efficient and reliable.

In cyber security, AI is used to detect, prevent, and respond to cyber-attacks. With the increasing sophistication of cyber threats, AI-based cyber security systems can analyze massive amounts of data in real-time to identify and mitigate potential risks. AI algorithms can detect anomalies in network traffic, identify suspicious user behaviour, and respond quickly to mitigate the damage caused by cyber-attacks. In credit assessment, AI can improve the accuracy and efficiency of the lending process. AI algorithms can analyze vast amounts of data, including credit scores, financial statements, and payment histories, to assess a borrower's creditworthiness. AI-based credit assessment systems can also use alternative data sources, such as social media, to provide a more comprehensive assessment of a borrower's creditworthiness.

Moreover, AI can also help identify potential fraudulent activities, such as identity theft, by analyzing patterns in credit applications and transactions. A study by the Federal Reserve Bank of Philadelphia found that AI-based credit scoring models outperformed traditional credit scoring models by accurately predicting default rates and reducing the likelihood of loan losses. Another study by the University of Southern California found that AI-based fraud detection systems were more accurate and efficient than traditional rule-based systems, reducing false positives and improving overall fraud detection rates (Eryigit et al., 2017) (Wong et al., 2007).

In conclusion, the use of AI in cyber security and credit assessment offers significant benefits, including increased efficiency, improved accuracy, and enhanced fraud detection capabilities. As AI technology continues to advance, we can expect further improvements in these domains, making them more effective in protecting against cyber threats and ensuring sound lending practices.

#### **4. Impact of AI on the Finance Industry**

The finance industry has seen a significant transformation with the integration of artificial intelligence (AI) in various processes. AI's impact on finance has been extensive, from the automation of manual processes to improving customer experience. Elsevier research papers have explored the various ways AI has impacted the finance industry. One of the most significant impacts of AI on finance has been in the area of risk management. Risk management is an essential function in the finance industry, and AI has enabled more effective risk management. Research has shown that AI is capable of identifying patterns and analyzing large volumes of data in real-time, which has made it possible to predict potential risks before they occur (Heaton H. et al, 2019). Another area where AI has had a significant impact is fraud detection and prevention. Fraud is a major concern in the finance industry, and AI has helped mitigate this risk. Machine learning algorithms can identify unusual patterns and flag them for further investigation (Bhattacharya & Pal, 2020). AI has also impacted the customer experience in the finance industry.

Chatbots, which are powered by AI, can handle customer inquiries 24/7, improving customer satisfaction (Berman et al., 2020). AI has also made it possible to personalize the customer experience, which is crucial in the finance industry. By analyzing customer data, AI can provide customized investment advice and other financial services (Bajaj and Srivastava, 2021). Additionally, AI has enabled the automation of manual processes in the finance industry, reducing operational costs and increasing efficiency. One study found that robotic process automation (RPA) can reduce operational costs in the finance industry by up to 80% (Sharma et al., 2021). Finally, AI has impacted credit assessment in the finance industry. Traditional credit assessment methods rely on credit history, which can be limited and slow. AI has enabled the analysis of alternative data sources, such as social media and online behaviour, to assess creditworthiness (Hu & Yu, 2021). AI has had a significant impact on the finance industry. It has transformed risk management, fraud detection and prevention, customer experience, the credit assessment, and process automation. As technology continues to evolve, the finance industry will continue to benefit from its integration.

#### **5. Ethical and Legal Implications of AI in Finance**

The growing reliance on AI in finance brings forth a multitude of ethical and legal considerations that demand our attention. Among the primary ethical concerns is the issue of bias. It is crucial to acknowledge that AI algorithms are only as unbiased as the data they are trained on. If the data itself carries inherent biases, the AI system will inevitably reflect and perpetuate those biases in its decision-making process. This has the potential to foster discrimination and further exacerbate systemic inequalities. To combat this, AI developers must prioritize training algorithms on diverse and representative data sets. Ongoing monitoring and testing are essential to detect and rectify any biases that may arise (Yildirim & Al-Hawamdeh, 2020).

Another ethical concern revolves around the potential job loss as AI systems automate tasks previously performed by humans. While automation can enhance efficiency and reduce costs, it also has the potential to displace workers and widen income disparities. To address this issue, companies must actively consider the impact of AI on their workforce and make investments in reskilling and upskilling initiatives. By preparing employees for new roles that complement AI systems, companies can mitigate the negative consequences and promote a more equitable transition (Sweeney & Efstathiou, 2021).

On the legal front, the implications of AI in finance revolve around matters of accountability and transparency. As AI systems make increasingly complex decisions, determining responsibility for errors or unethical behavior can prove challenging. Additionally, the lack of transparency in certain AI systems creates obstacles for regulators seeking to ensure compliance with legal requirements. To tackle these concerns, industry groups and governments are developing guidelines and regulations that emphasize transparency and accountability in AI systems. Examples include the General Data Protection Regulation (GDPR) in Europe, aimed at safeguarding data privacy and promoting responsible AI practices (Llobet&Barbolla, 2020).

The impact of AI in the finance industry is profound and far-reaching. However, it is crucial for companies and policymakers to address the ethical and legal implications that accompany this technology. By ensuring the responsible development and deployment of AI systems, we can harness the full potential of this technology while minimizing potential risks and pitfalls.

## **6. Future Trends of AI in the Finance Industry**

The future trends of AI in finance are vast and diverse. With the rapid advancement of AI technology, there are numerous potential applications in the financial sector. Here are a few future trends to look out for:

1. **Advanced Fraud Detection:** AI technology will play a vital role in the detection and prevention of financial fraud. AI-powered tools will have the ability to detect suspicious patterns in transactions and flag them for investigation.
2. **Personalized Investment Advice:** With the help of AI-powered tools, financial advisors will be able to provide personalized investment advice to their clients. These tools will analyze a client's financial history, goals, and risk tolerance to provide recommendations that are tailored to their individual needs.
3. **Enhanced Customer Service:** Chatbots and other AI-powered customer service tools will become increasingly popular in the financial sector. These tools will be able to provide quick and efficient responses to customer inquiries, 24/7.
4. **Predictive Analytics:** AI-powered predictive analytics tools will become more sophisticated, allowing financial institutions to better predict market trends and make more informed investment decisions.
5. **Improved Cybersecurity:** AI technology will also be utilized to enhance cybersecurity in the financial sector. Machine learning algorithms will be able to detect and prevent cyber attacks in realtime.

Overall, the future trends of AI in finance are exciting and full of potential. As AI technology continues to advance, we can expect to see even more innovative and impactful use cases in the financial sector.

## **7. Conclusion**

In conclusion, AI has transformed the finance industry in unprecedented ways, providing advanced algorithms and computational power to support decisions and predict future trends with greater accuracy. AI technology has enabled financial institutions to provide better customer experience, lower risks, increase efficiency, and generate higher profits. AI has provided use cases across multiple areas in finance, including investment and risk management, fraud detection and prevention, investor behaviour and sentiment analysis, and cyber-security and credit assessment.

These use cases have been validated through research and have resulted in improvements in the accuracy, speed, and cost-effectiveness of financial services. Despite the many advantages of AI, there are also ethical and legal implications that need to be considered, such as the potential for bias in data and algorithms, the need for transparency and accountability, and the protection of privacy and confidentiality. Addressing these concerns is essential to ensure that the benefits of AI in finance are accessible to all individuals and groups.

It is clear that AI is not a fad, but a reality that is transforming the way we interact with financial services. Therefore, we must continue to invest in research & development and collaborate across disciplines to harness the full potential of AI in finance, while ensuring that its development and deployment are done ethically, responsibly and with a view to the long-term sustainability of the industry.

## References

1. "Artificial Intelligence and AI at Scale," Boston Consulting Group, <https://www.bcg.com/capabilities/digital-technology-data/artificial-intelligence>
2. "Artificial Intelligence in Finance: A Review and Future Directions" by X. Zhang, H. Xiong, Y. Liu, and X. Wang, in IEEE Transactions on Emerging Topics in Computing, vol. 9, no. 3, pp. 1048-1062, Sept. 2021. doi: 10.1109/TETC.2020.3014964
3. "Machine Learning and AI for Fraud Prevention: A Review of Current State and Future Promises" by Daniel M. Abate, M. HadiAmini, and Weiwei Jiang. In Journal of Financial Crime, 2018.
4. "Report to the Nations: 2020 Global Study on Occupational Fraud and Abuse," Association of Certified Fraud Examiners, <https://www.acfe.com/report-to-the-nations/2020/>
5. "The Promises and Challenges of Machine Learning," McKinsey & Company, <https://www.mckinsey.com/business-functions/mckinsey-analytics/our-insights/the-promises-and-challenges-of-machine-learning>
6. Accenture (2019), "The Future of Fintech and Banking: Digitally disrupted or reimaged?" [online] Available: [https://www.accenture.com/\\_acnmedia/PDF-96/Accenture-2019-Future-of-Fintech-and-Banking.pdf](https://www.accenture.com/_acnmedia/PDF-96/Accenture-2019-Future-of-Fintech-and-Banking.pdf).
7. Accenture. (2017). Why Artificial Intelligence is the Future of Growth. Retrieved from [https://www.accenture.com/\\_acnmedia/PDF-62/Accenture-Why-AI-is-the-Future-of-Growth.pdf](https://www.accenture.com/_acnmedia/PDF-62/Accenture-Why-AI-is-the-Future-of-Growth.pdf).
8. Accenture. (2018). Banking on Personalization. Retrieved from [https://www.accenture.com/\\_acnmedia/pdf-96/accenture-banking-personalization-decoded.pdf](https://www.accenture.com/_acnmedia/pdf-96/accenture-banking-personalization-decoded.pdf)
9. Bajaj and V. Srivastava, "Artificial Intelligence in Banking: A Comprehensive Review," AI Communications, vol. 34, no. 1, pp. 41-59, 2021.
10. Bose, I., Chen, X., & Shi, Y. (2019). Machine learning for fraud detection in accounting and finance: A review of the literature. Intelligent Systems in Accounting, Finance and Management, 26(4), 181-195.
11. Brundage, M., Avin, S., Clark, J., Toner, H., Eckersley, P., Garfinkel, B., ...&Yampolskiy, R. (2018). The malicious use of artificial intelligence: Forecasting, prevention, and mitigation. arXiv preprint arXiv:1802.07228.
12. C. K. Wong, M. Saberi, and C. C. Tappert, "Comparison of Rule-Based and Artificial Intelligence Methods for Credit Scoring," in IEEE Transactions on Systems, Man, and Cybernetics, Part C (Applications and Reviews), vol. 37, no. 2, pp. 199-209, March 2007.
13. Cheng, X., Luo, Y., Sun, C., & He, Y. (2020). A Review of Artificial Intelligence in Finance: Focus on the Recent Advances, Methodologies, and Economic and Financial Applications. Journal of Risk and Financial Management, 13(4), 76.
14. Deloitte (2019), "AI in Financial Services," [online] Available: <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/financial-services/deloitte-uk-ai-in-financial-services.pdf>.
15. Deloitte UK, "The Transformation of Fraud Detection and Prevention using AI," 2018.
16. Gupta, M., Jain, A., &Chakraborty, S. (2021). A comparative analysis of machine learning-based trading algorithms. Journal of Behavioral and Experimental Finance, 30, 101518.
17. Heaton, H., Naim, N. and Wood, R. "Artificial Intelligence in Finance," Journal of Financial Perspectives, vol. 7, no. 3, pp. 12-22, 2019.
18. Hasan, M. R., & Choi, J. Y. (2020). The Challenges of Artificial Intelligence in Finance: A Review. Journal of Finance and Data Science, 6(4), 443-461.
19. IBM, "Fighting Fraud with AI," 2018.
20. IDC (2019), "Worldwide Spending on Artificial Intelligence Systems Will Grow to Nearly \$98 Billion in 2023, According to New IDC Spending Guide," [online] Available: <https://www.idc.com/getdoc.jsp?containerId=prUS45486119>.
21. Insider Intelligence. (2021). AI in Finance: How AI is Transforming the Financial Landscape. Retrieved from <https://www.insiderintelligence.com/insights/ai-in-finance/>
22. J. Li, H. Liu, S. Wu, and B. Yu, "Financial Fraud Detection Model Based on Improved Convolutional Neural Network," Procedia Computer Science, vol. 183, pp. 18-27, 2021.
23. Li, X., Lin, L., &Shen, Z. (2020). Credit risk assessment based on machine learning: A review. IEEE Access, 8, 74099-74114.
24. Llobet, G., &Barbolla, R. (2020). AI in financial services: From theory to applications. PloS one, 15(12), e0242458.
25. M. J. Berman, A. J. Weech, and M. O. Vasquez, "Customer Satisfaction with Chatbots in the Financial Services Industry," Journal of Financial Services Marketing, vol. 25, no. 1, pp. 20-29, 2020.

26. M. Ketterer and M. Vujičić, "Artificial Intelligence for Fraud Detection and Prevention in Financial Services," *Journal of Accounting Research*, vol. 57, no. 5, pp. 1345-1387, 2019.
27. O. Eryigit, A. N. Kupcu, and E. Yildirim, "Application of Artificial Intelligence in Cyber Security," 2017 International Conference on Computer Science and Engineering (UBMK), Antalya, 2017, pp. 219-224.
28. P. Bhattacharya and S. Pal, "Application of Machine Learning Techniques in Banking: A Review," *International Journal of Advanced Science and Technology*, vol. 29, no. 6, pp. 339-347, 2020.
29. Poon, S. H., Nga, D. C. Y., & Chu, S. C. (2020). Machine learning in financial planning: A review of the literature. *Journal of Financial Services Marketing*, 25(1), 12-26.
30. R. Hu and J. Yu, "Credit Assessment Based on Machine Learning Algorithm in Finance," *Wireless Personal Communications*, vol. 116, no. 1, pp. 319-328, 2021.
31. R. K. Sharma, S. Jain, and S. K. Jain, "Robotic Process Automation in Finance: A Systematic Review," *Journal of Intelligent and Fuzzy Systems*, vol. 41, no. 4, pp. 1-13, 2021.
32. Shen, Y., Huang, C. Y., & Wu, P. H. (2020). A comparative study of machine learning algorithms in financial forecasting. *Journal of Forecasting*, 39(6), 895-907
33. Sweeney, E., & Efstathiou, J. (2021). The ethics of artificial intelligence in finance. *Journal of Financial Regulation*, 7(1), 1-17.
34. Yildirim, P., & Al-Hawamdeh, A. (2020). Ethics of AI in finance: A literature review. *Journal of Business Research*, 117, 195-204.
35. Accenture. (2017). Why artificial intelligence is the future of growth. [https://www.accenture.com/\\_acnmedia/PDF-62/Accenture-Why-AI-is-the-Future-of-Growth.pdf](https://www.accenture.com/_acnmedia/PDF-62/Accenture-Why-AI-is-the-Future-of-Growth.pdf)
36. Accenture. (2018). Banking on personalization. [https://www.accenture.com/\\_acnmedia/pdf-96/accenture-banking-personalization-decoded.pdf](https://www.accenture.com/_acnmedia/pdf-96/accenture-banking-personalization-decoded.pdf)
37. Accenture. (2019). The Future of Fintech and Banking: Digitally disrupted or reimaged? [Online]. [https://www.accenture.com/\\_acnmedia/PDF-96/Accenture-2019-Future-of-Fintech-and-Banking.pdf](https://www.accenture.com/_acnmedia/PDF-96/Accenture-2019-Future-of-Fintech-and-Banking.pdf)
38. Artificial intelligence and AI at scale. <https://www.bcg.com/capabilities/digital-technology-data/artificial-intelligence>. Boston Consulting Group.
40. Bajaj, & Srivastava, V. (2021). Artificial intelligence in banking: A comprehensive review. *AI Communications*, 34(1), 41-59.
42. Berman, M. J., Weech, A. J., & Vasquez, M. O. (2020). Customer satisfaction with chatbots in the financial services industry. *Journal of Financial Services Marketing*, 25(1), 20-29.
44. Bhattacharya, P., & Pal, S. (2020). Application of machine learning techniques in banking: A review. *International Journal of Advanced Science and Technology*, 29(6), 339-347.
45. Bose, I., Chen, X., & Shi, Y. (2019). Machine learning for fraud detection in accounting and finance: A review of the literature. *Intelligent Systems in Accounting, Finance and Management*, 26(4), 181-195.
46. Brundage, M., Avin, S., Clark, J., Toner, H., Eckersley, P., Garfinkel, B., & Yampolskiy, R. (2018). The malicious use of artificial intelligence: Forecasting, prevention, and mitigation. arXiv preprint arXiv:1802.07228.
48. Cheng, X., Luo, Y., Sun, C., & He, Y. (2020). A review of artificial intelligence in finance: Focus on the recent advances, methodologies, and economic and financial applications. *Journal of Risk and Financial Management*, 13(4), 76.
50. Deloitte, U. K. (2018). The transformation of fraud detection and prevention using AI.
51. Deloitte. (2019). AI in financial services [Online]. <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/financial-services/deloitte-uk-ai-in-financial-services.pdf>
53. Eryigit, O., Kupcu, A. N., & Yildirim, E. (2017). Application of artificial intelligence in cyber security International Conference on Computer Science and Engineering (UBMK), Antalya, 2017 (pp. 219-224).
54. Gupta, M., Jain, A., & Chakraborty, S. (2021). A comparative analysis of machine learning-based trading algorithms. *Journal of Behavioral and Experimental Finance*, 30, 101518.
55. Hasan, M. R., & Choi, J. Y. (2020). The challenges of artificial intelligence in finance: A review. *Journal of Finance and Data Science*, 6(4), 443-461.
57. Heaton, H., Naim, N., & Wood, R. (2019). Artificial intelligence in finance. *Journal of Financial Perspectives*, 7(3), 12-22.

58. Hu, R., & Yu, J. (2021). Credit assessment based on machine learning algorithm in finance.
59. *Wireless Personal Communications*, 116(1), 319–328.
60. IBM. (2018). Fighting fraud with AI.
61. Insider intelligence. (2021). AI in finance: How AI is transforming the financial landscape.
62. <https://www.insiderintelligence.com/insights/ai-in-finance/>
63. International Development Council. (2019). Worldwide spending on artificial intelligence
64. systems will grow to nearly \$98 billion in 2023, according to new IDC spending guide
65. [Online]. <https://www.idc.com/getdoc.jsp?containerId=prUS45486119>
66. Ketterer, M., & Vujičić, M. (2019). Artificial intelligence for fraud detection and prevention in financial services. *Journal of Accounting Research*, 57(5), 1345–1387.
67. Li, J., Liu, H., Wu, S., & Yu, B. (2021). Financial fraud detection model based on improved
68. convolutional neural network. *Procedia Computer Science*, 183, 18–27.
69. Li, X., Lin, L., & Shen, Z. (2020). Credit risk assessment based on machine learning: A review. *IEEE Access*, 8, 74099–74114.
70. Llobet, G., & Barbolla, R. (2020). AI in financial services: From theory to applications. *PLOS ONE*, 15(12), e0242458.
71. Poon, S. H., Nga, D. C. Y., & Chu, S. C. (2020). Machine learning in financial planning: A
72. review of the literature. *Journal of Financial Services Marketing*, 25(1), 12–26.
73. Report to the nations: 2020 global study on occupational fraud and abuse. <https://www.acfe.com/report-to-the-nations/2020/>. Association of Certified Fraud Examiners.
74. Sharma, R. K., Jain, S., & Jain, S. K. (2021). Robotic process automation in finance: A
75. systematic review. *Journal of Intelligent and Fuzzy Systems*, 41(4), 1–13.
76. Shen, Y., Huang, C. Y., & Wu, P. H. (2020). A comparative study of machine learning
77. algorithms in financial forecasting. *Journal of Forecasting*, 39(6), 895–907.
78. Sweeney, E., & Efstathiou, J. (2021). The ethics of artificial intelligence in finance. *Journal of Financial Regulation*, 7(1), 1–47.
79. The promises and challenges of machine learning. <https://www.mckinsey.com/business-functions/mckinsey-analytics/our-insights/the-promises-and-challenges-of-machine-learning>. McKinsey & Company.
80. Wong, C. K., Saberi, M., & Tappert, C. C. (March 2007). Comparison of rule-based and artificial intelligence methods for credit scoring. In *IEEE Transactions on Systems, Man and Cybernetics Part C (Applications and Reviews)*, 37(2), 199–209.
81. Xiong, H., Liu, Y., & Wang, X. (September 2021). ‘Artificial Intelligence in Finance: A Review and Future Directions’ by X. Zhang. In *IEEE Transactions on Emerging Topics in Computing*, 9(3), 1048–1062. <https://doi.org/10.1109/TETC.2020.3014964>
82. Yildirim, P. et al. (2020). Ethics of AI in finance: A literature review.
83. Hawamdeh, A. *Journal of Business Research*, 117, 195–204.