



## To the point!

Cross-Asset- and Strategy-Research

# The new phenomenon ChatGPT

## How will generative artificial intelligence change finance?

In recent years, we have seen the rise of artificial intelligence (AI) in many fields, from medicine to logistics. However, finance is an industry that will be particularly affected by generative AI. Generative AI refers to algorithms that are able to analyze data and generate new information or even complex patterns from it.

One of the most obvious use cases of generative AI in finance is the **prediction of market trends**. In the past, financial analysts had to rely on historical data to identify trends and make predictions. However, generative AI allows them to quickly and accurately identify new trends by analyzing large amounts of data. This enables them to make more informed decisions and respond more quickly to market changes.

Another area where generative AI will have a big impact is **portfolio management**. Financial analysts usually have to consider a large number of factors to create a successful portfolio. However, generative AI can quickly and effectively analyze a variety of variables to create an optimal portfolio. This can help minimize risk and maximize return.

Another application of generative AI is the **personalization of financial services**. Every customer has different needs and risk appetites. Financial institutions can use generative AI to quickly and easily create personalized offers and recommendations. This not only improves the customer experience, but also increases the likelihood that customers will opt for additional services and products.

Another application of generative AI is the **automation of financial processes**. Financial institutions often need to perform a large number of routine tasks such as data entry and transaction



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Financial sector likely to be strongly affected by AI

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Personalized financial services as an opportunity

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verification. Generative AI can automate these processes, saving time and money. This allows financial institutions to focus on key strategic decisions.

However, there are also **risks** associated with the use of generative AI in finance. An important factor is **data security**. Since financial institutions process a large amount of confidential data, they need to ensure that data do not fall into the wrong hands.

There is also the risk of **errors**, which can arise from unforeseen patterns or miscalculations in generative AI. Therefore, it is important that financial institutions ensure that their systems and algorithms are adequately tested and monitored to minimize such risks.

Overall, it is clear that generative AI will change finance in many ways. From predicting market trends to personalizing financial services, generative AI offers many benefits. However, financial institutions must also consider the risks and ensure that they take appropriate steps to ensure the security and accuracy of their systems. However, with the right implementation, the impact of generative AI on finance can be extremely positive.

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**But attention:  
Do not overlook  
risks!**

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**Attention:** This text was written entirely by ChatGPT in response to the question in the subtitle. I have merely clarified the structure by highlighting. I hope you noticed the difference?

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