Federal Reserve Bank of Philadelphia

Third Annual FinTech Conference

How Cloud and AI are Transforming Financial Services

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November 14, 2019

Google Cloud

Google Cloud Platform

Announced regions

Current regions and number of zones

Future regions and number of zones

Seoul
Tokyo
Osaka
Hong Kong
Taiwan
Mumbai
Singapore
Jakarta
Sydney

Oregon
Salt Lake City
Montréal
Los Angeles
Iowa
N. Virginia
Las Vegas
S. Carolina
São Paulo

Netherlands
London
Belgium
Finland
Warsaw
Frankfurt
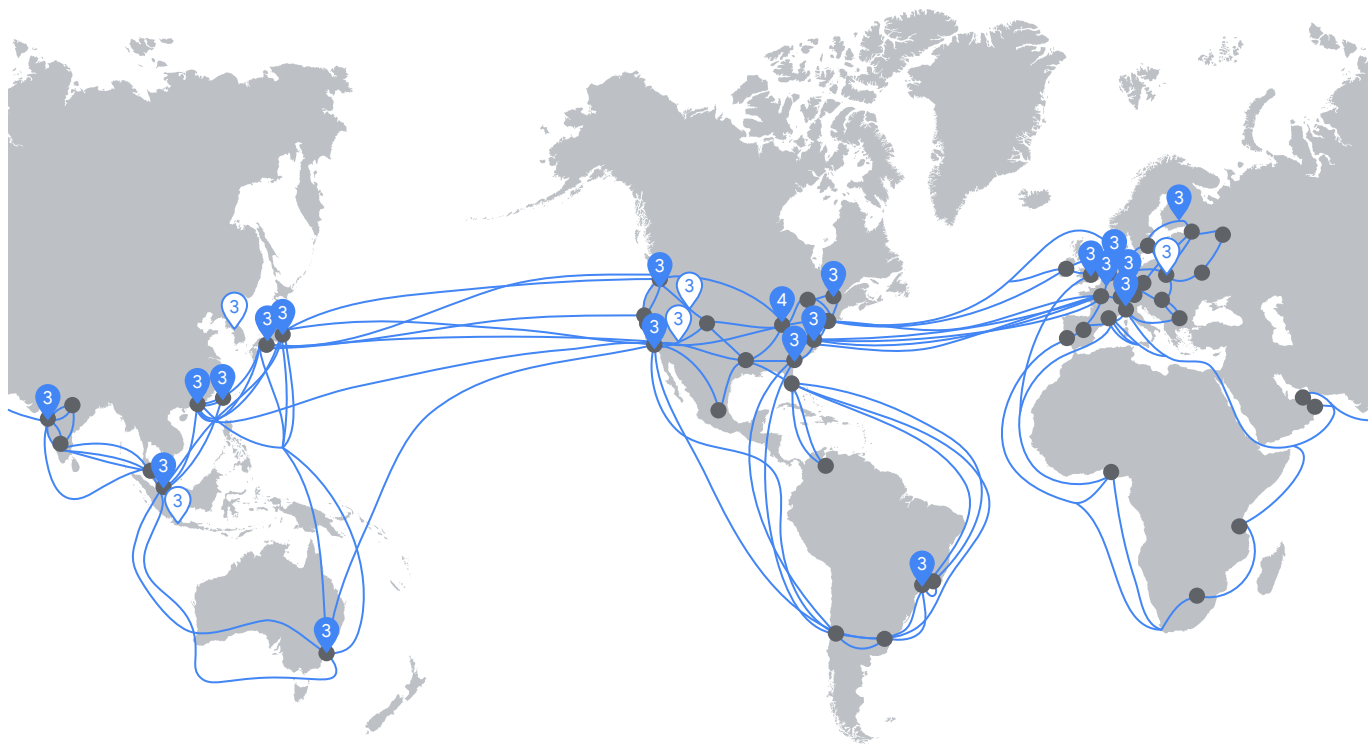Zurich

Google Cloud Platform

134 points of presence and
14 subsea cable investments
around the globe

Current regions
and number of zones

Future regions
and number of zones

Edge points
of presence

Network

We need banking but we don't need banks anymore.

Bill Gates, 1994

Google Cloud

FSIs face increasing challenges

Customers are demanding more

Customers expect seamless, custom experiences.

Loyalty is increasingly difficult to maintain.

Market forces are in constant flux

Cloud-native fintechs are changing how FSIs go to market.

Regulators are leveling the playing field.

Risk & regulatory burdens mount

Exposure to market & operational risks are increasing.

Meeting compliance demands continue to be a heavy burden.

Legacy IT & High Costs

Inflexible, expensive legacy infrastructure prevents rapid change.

Data remains in silos and difficult to use effectively.

Google Cloud

Customer expectations are changing

24/7
Customers expect always-on, seamless service and personal offerings

1/3
Millennials are willing to switch FSIs in the next 90 days if it means a better experience.

Google Cloud

"

[Financial services institutions] have often grown through acquisition, operating with relatively static products and geographies. Typically, these IT operating models just are not nimble enough to support where things are headed."

PWC
FS Technology 2020 and Beyond, 2016

Democratization of Innovation

"The world is changing. Big will not beat small anymore. It will be the fast beating the slow.

Rupert Murdoch

Google Cloud

Financial institutions...still **struggle to extract meaningful information and use it for good business decisions**. By some estimates, businesses use only 0.5% of available data. To turn data into insights, firms must overcome data stuck in silos, incompatible formats, and more.

PWC
Data and Analytics in Financial Services, 2018

Google Cloud

Machine learning is a core, transformative way by which we're rethinking how we're doing everything

Sundar Pichai
CEO, Google

Google Cloud

Machine Learning in Financial Services

Sales

Content personalization, product x-sells/up-sells

Trading

Algo-trading, backtesting, strategy mining,

Operations

Automate end-to-end flows, customer support

Compliance

KYC, trade surveillance

Risk Management

Credit risk modeling, RegTech

Financial Control

Model forecasts, optimize period end close

Lending

Credit scoring, underwriting

Payments

Fraud detection, AML

Research

Sentiment/news analysis, insight extraction

Investment Management

Personalize financial Products, robo-advising

Legal

Contract intelligence, legal documents analysis

Vendor Management

Supply chain optimization, 3rd-party risk management

Financial Services Cloud Overview

$1.5T

2018, financial markets represented 7.4% ($1.5T) of U.S. gross domestic product

$23.9B

The finance cloud market will grow from $12.9B USD in 2019 to $23.9B by 2021

61%

Sixty-one percent of FSI survey respondents said cloud strategy was only formative in their org

1867

2019

Google Cloud