



Banking Monitor - Edition 1

June 2017



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Blockchain



BNP Paribas Securities Services partnered with AXA Investment Managers to create a blockchain powered fund distribution platform

The new digital fund distribution platform called BNP Paribas Fund Link will improve flow of information between fund buyers and sellers via blockchain and smart contract technology to speed up the onboarding process. End-to-end trade execution will use embedded business rules and shared information which will allow efficient control and transparency of the distribution chain while removing unnecessary delays and reconciliation costs. [Banking Technology](#)

Large Canadian banks are testing digital identity network powered by blockchain

The network which is currently under the testing phase at Royal Bank of Canada and Toronto-Dominion Bank is developed by SecureKey Technologies in partnership with IBM. The digital identity network will allow consumers to use a mobile app to confirm details of their identity such as age or credit scores when accessing services. Using IBM's Blockchain technology, the system distributes information across a network of computers, thus securing against identity theft via hacking. [Financial Post](#)

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Payments



Carrefour partnered with BNP Paribas to launch a new mobile wallet

The new mobile wallet called Lyf Pay supports in-store, P2P transactions as well as loyalty cards, coupons and offers. Lyf Pay app relies on QR codes, is non-proprietary and can be used on all smartphones. The idea was first conceived in October, 2016 and originates from the merger between two previous mobile payment technologies; Wa! from BNP Paribas and Fivory from Carrefour. Other participants in Lyf include Mastercard and Credit Mutuel. [Banking Tech](#)

Citibank launched cross border payment solution for corporates

The payment solution eliminates the need for multiple, underlying physical documents for trade payments. With open accounts import payments, customers can directly share import payment information with the bank, eliminating the need to share multiple documents. This will benefit importers by replacing physical invoice with system

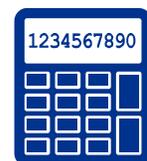
generated invoice and thus saving costs on documentation and warehousing. For banks, turnaround time will reduce to less than three hours from same day presently. [Live Mint](#)

Citibank offers card members credit card scanning feature in mobile app

The new feature on Citibank's mobile app will allow US credit cardholders to activate their card by simply scanning it through the mobile app, thus streamlining the activation process. Once the card is scanned, the card account number will automatically populate within the registration. Customers will be only required to provide their CVV, date of birth and last four Social Security number digits to activate their card. [Citi Group](#)

[UBS bank](#), [Deutsche Bank](#), [Wells Fargo](#) and [HSBC Bank](#) also made progress in mobile payments.

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Cognitive Technology

HDFC Life Insurance launched artificial intelligence bot to respond to user queries faster

The email bot named SPOK can automatically read, understand, categorize, prioritize and respond to customer emails that are sent to the insurance company within milliseconds. In the bank's opinion this automation initiative will enable it to respond to user queries more efficiently and consistently. It will also help generate deeper insight on customer needs by identifying patterns in customer interactions and facilitating HDFC Life to progressively anticipate and address all customer issues and needs. [Techseen.com](#)

ANZ Bank in process automation push

ANZ bank will start a process automation drive which would streamline the way it provides services to customers. The bank will set up a process industrialization team whose task it will be to re-engineer their end-to-end processes in order to uplift customer experience, simplify its business and enable digitization. [IT News](#)

Deutsche Bank deploys artificial intelligence to help meet demands of regulatory compliance

Developed by Deutsche Bank's Innovation Group, the technology can automatically search for terms that auditors routinely monitor and aid in regulatory compliance. Using machine learning the technology will help the bank reduce regulatory costs and improve accuracy while analyzing voice and video recordings of bankers' interaction with clients.

[Fintech Collective](#)

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Wealth Management



BNP Paribas Wealth Management unveiled a new program, Client Experience, aimed at improving its digital solutions

The venture was launched as part of a collaboration between BNP Paribas and fintech companies to offer clients personal finance recommendations and portfolio analysis. The program includes products such as mySafePlace, a secure e-vault; myBioPass which enables customers to perform transactions using biometric authentication; myWealth offering a full range of mobile banking services; and the Leaders' Connection, a digital platform that allows BNP Paribas Wealth Management to connect with eligible investors to facilitate co-investments and offer investment opportunities. [Digital Banking](#)

Citibank launched Total Wealth Advisor system

Total wealth Advisor is an image-based intuitive tool for financial advisors to provide a more professional service to customers. The TWA system would comprise of goal oriented financial planning, an image-based interactive interface and asset allocation review. The image-based interface would be designed to present the client with a clear and easy to use platform which would summarize their investments and financial targets. The TWA system would also aims to help customers review their transaction records, asset changes and investment results during a specific period. [China Post](#)

RBC's video MyAdvisor aims to make banking clients wiser

Royal bank of Canada (RBC) has launched a live video service to allow its clients connect with its advisors in real time. Through the video both the client and the advisor can view and adjust a dashboard showing the client's savings and investment goals and establish actions to achieve those goals. [Banking Technology](#)

Commonwealth Bank introduced new features on its mobile app for saving and tracking spending

Commonwealth bank's mobile application has four new functions:

- Transaction notifications to provide an update on daily spending.
- Spend Tracker which would provide a month-to-date summary of credit card activity and intelligently compare it to the average for the past three months;
- Savings Challenge will look into last three months balance and help customers understand if they have saved more efficiently
- Savings Jar would take the Acorns approach and round up any transaction for saving. [EFTM](#)

RBS planning to roll-out robo-advice

RBS is currently engaged in a trial of the technology, which could help it to cut costs as it strives to regain profitability amid the ongoing fall-out from the financial crisis. The Royal Bank of Scotland expects to be in a position to make a decision on the roll-out of robo-advice for mortgages by the end of the third quarter of 2017. [FT adviser](#)

UBS launches Smart Wealth digital platform in UK

Smart Wealth provides regulated and real-time advice online, a unique feature is the complete digitalization of the solution. UBS is the first among the big banks in the UK offer such a service. According to UBS, the platform recommends a suitable investment strategy based on a client's individual financial situation relative to their attitude to risk and an understanding of their life stage, assets and goals. [Banking Technology](#)

[Standard Chartered Bank and Bank of America](#) also made progress in the developing a wealth management tool / platform.

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Fintech



China's central bank set up its Fintech committee

The People's Bank of China (PBOC) has set up a Fintech committee, aimed at strengthening financial research, planning and co-ordination. The committee is expected to:

- Further strengthen exchanges and co-operation domestically and internationally;
- Help improve the financial and technological innovation management mechanism that is suitable for China's national conditions;
- Handle the relationship between safety and development; and

- Guide the proper use of new technologies in the financial field.

The bank is also looking for partnerships to promote healthy and orderly development of China's financial technology. [Banking Tech](#)

RBS plans to open its first Fintech hub in Scotland

The Royal Bank of Scotland announced its plans to open Scotland's first FinTech hub with the goal of offering support to the country's entrepreneurs. This move is a part of RBS' goal to create several "Entrepreneurial Spark" hubs in cities across the U.K. that will offer free support, advice and resources to aspiring entrepreneurs. The hub is slated to open by May and will be housed in RBS headquarters in Edinburgh. Once opened, it will host over 100 entrepreneurs and 10 supporting organizations. Additionally, RBS unveiled its plans to launch four more hubs over the next 12 months. [IBS Intelligence](#)

Bank of England's (BoE) Fintech accelerator has teamed with Ripple for a cross-border payments proof of concept (PoC)

The PoC with Ripple is intended to demonstrate the synchronised movement of two different currencies across two different real-time gross settlement systems to illustrate how this kind of synchronisation might lower settlement risk and improve the speed and efficiency of cross-border payments. Along with the Ripple deal, the bank is working with artificial intelligence (AI) start-up MindBridge on a PoC. BoE will use MindBridge's AI Auditor to detect anomalies in financial transactions and reports using data science, machine learning and AI. BoE has also set up a community to share developments, trends and insights and increase networking across firms. [Banking Technology](#)

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Banking Services



Branch Banking

Bank of America opened teller less 'Robo branches'

Bank of America (BofA) is experimenting to completely automate branches with smaller footprints and no on-site employees. The bank has already opened these robo branches in Minneapolis, and Denver. The automated branches feature an ATM and a meeting room for video conferencing. Customers make an appointment through the bank's mobile app and have a one-on-one video conversation with a bank employee who works in remote location. As a security measure, the video conferencing rooms can only be accessed with a Bank of America ATM or debit card. The branches will temporarily have

on-site “digital ambassadors” to answer questions and ease customers into the concept but BofA intends to eliminate human presence altogether. [The Financial Brand](#)

Online Banking and ATM access

Lloyds to pilot facial recognition access to online banking

Lloyds Bank would pilot with Microsoft’s Windows Hello system to use the finger print and facial recognition technology for online banking logins on their Windows devices. Halifax and Bank of Scotland are also to pilot the Hello system later in 2017 for internet banking access. Although, Lloyd's is the first UK bank to test out Windows Hello, use of different forms of biometrics is becoming increasingly common with Natwest and Atom using face behavioral and voice biometrics as core customer credentials. [Fin extra](#)

Well Fargo is offering card free access to all its US ATMs

The bank’s One-Time Access Code technology will allow customers to authenticate at an ATM using an eight-digit token and their debit or ATM PIN, instead of a physical card. Later this year, the bank is also planning to initiate the card less payments and the ATM transaction with the tap and pay technology in an NFC-enabled smartphone. [IBS Intelligence](#)

Standard Chartered partnered with Transguard for smart cash transactions

Under the current agreement, Transguard will provide cash deposit machines to Standard Chartered Bank on an OPEX (operational expense) model, thereby allowing the bank to outsource the entire process, from installation of cash machines to operation and maintenance. Standard Chartered has successfully piloted the smart cash deposit machine at its Dubai Branch and brought on-board its first client Maersk Kanoo UAE. During the first phase, the Bank has also selected another two branches to be involved in the initiative, Deira and Khalidiya in Abu Dhabi. [CPI Financial](#)

[HSBC Bank](#) also added voice authentication to digital banking.

Other innovative services

MasterCard launched biometric card after trials in South Africa

The card combines chip technology with fingerprints to verify the identity of the cardholder. During recent trials, employees from Pick n Pay and Absa tested the convenience and security of the card. The following method has been claimed to be affordable, reliable, convenient and secure. [Business Report](#)

Standard Bank will launch a new credit card which would allow users to customize transactions

Standard Bank in partnership with Root would launch a light weight bank account with a programmable credit card, online banking interface, mobile app, and APIs. Through Root

Code and other APIs to the bank account, users can build any feature they like and integrate it with other services to expand their account's functionality. Root is an OfferZen project, with Standard Bank providing the underlying banking service and the regulatory framework. [*Business Tech*](#)

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