



OneConnect Financial
Technology Co., Ltd.



How AI Is Shaping the Future of Banking in Three Leading Southeast Asian Countries

Southeast Asian markets have seen a vast uptake in AI-led financial technology solutions. See how OneConnect Financial Technology contributes to this digital revolution in financial services.



Artificial Intelligence (AI) has made steady, visible changes to a broad variety of industry types, among which includes the global financial services sector. Increasingly, the industry has grown dependent on technology in only a few short decades. Among the various ways that AI is applied within financial services includes data aggregation, security, authentication, goods, and services. To provide a sense of how rapidly its applications have scaled, the market for AI in banking was assessed at \$3.88 billion in 2020. By the end of the decade, it is anticipated to rise by 32.6% CAGR to \$64.03 billion.

Southeast Asian nations have not been left out amid this rapid growth in AI applications within financial services. In fact, Southeast Asia with some of the most rapidly developing economies in the world, has even spearheaded this rapid deployment of AI in finance, through many ways. Economies like Vietnam are expanding significantly, while the Thailand, Philippines, and Singapore markets have increasingly welcomed digital banking in several forms. As a result, the area is primed for upheaval, especially with its considerable population of approximately 675 million people.

By 2030, it is predicted that there will be 721 million people in Southeast Asia, making it the third most populated area in the world after China and India. Emerging market economies are still growing faster than the global average. For instance, by 2030, Malaysia, Indonesia, the Philippines, Singapore, and Thailand's combined GDPs are projected to reach \$4.3 trillion, according to estimates. This makes the region the sixth-largest global economic bloc.

Southeast Asia's digital banking industry has significantly grown during the last several years. Both the unbanked and underbanked populations across markets like Indonesia, Thailand, and the Philippines are excitedly expecting greater access to digital banking services. Many of these prospective clients come from Tier 2 and Tier 3 cities, where it is difficult to visit a bank branch or office. Fintech businesses, established banks, and credit bureaus have aggressively used alternative data and machine learning applications to generate better insights and broaden their service coverage and accessibility.



With AI finding increasing use in credit and risk operations to improve credit evaluation, credit scoring, and fraud detection processes, digital banking has only become more accessible, while increasingly secure. Additionally, AI has improved every stage of the loan process, from application and acquisition to electronic Know-Your-Customer (eKYC), fraud detection, underwriting, and collection across Southeast Asia.

With many such AI applications offering digitalised solutions, OneConnect Financial Technology is among providers who combine cutting-edge technology with deep industry knowledge within the financial services sector. Centrio is one such product that shapes the future of banking in Southeast Asia.

Centrio, often described as a 'digital bank in a box', equips lenders with a modular, cost-effective core banking system that is simple to implement. It is fueled by state-of-the-art technology and refined by profound insights and proficiency. Centrio is an easier, safer, and more intelligent solution that completely transforms banking in terms of all procedures, user experiences, and clientele. As Centrio makes banking simpler to upgrade with microservices, dual-core deployment,

and compatibility with leading user interface platforms like Openbank.

This digital-bank-in-a-box makes banking safer by combating information, downtime, and application risks:

■ **Information Risk:**

Ping An Cloud is the first financial cloud that passed the ISO 27018 certification

■ **Downtime Risk:**

Separation based on microservice architecture ensures that the failure of one service will not cause the other services to fail

■ **Application Risk:**

Managed by state-of-the-art anti-fraud technology and Risk-as-a-Service

At its core, Centrio is designed to make banking smarter. It allows for AI-enhanced customer banking experiences throughout the user journey, improving customer engagement, behaviour analysis, anti-fraud, eKYC, and related analytics.

To learn more about OneConnect's industry-changing financial technology solutions, click [here](#).

