

The background features a light cream color with decorative elements. In the top corners, there are wavy lines in shades of brown and olive green. In the bottom corners, there are stylized leaf illustrations in brown and olive green, set against soft, overlapping circles in light pink and beige. The central text is contained within a dark blue, irregularly shaped border that resembles a hand-drawn frame.

Cognitive Computing in Finance

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Introduction

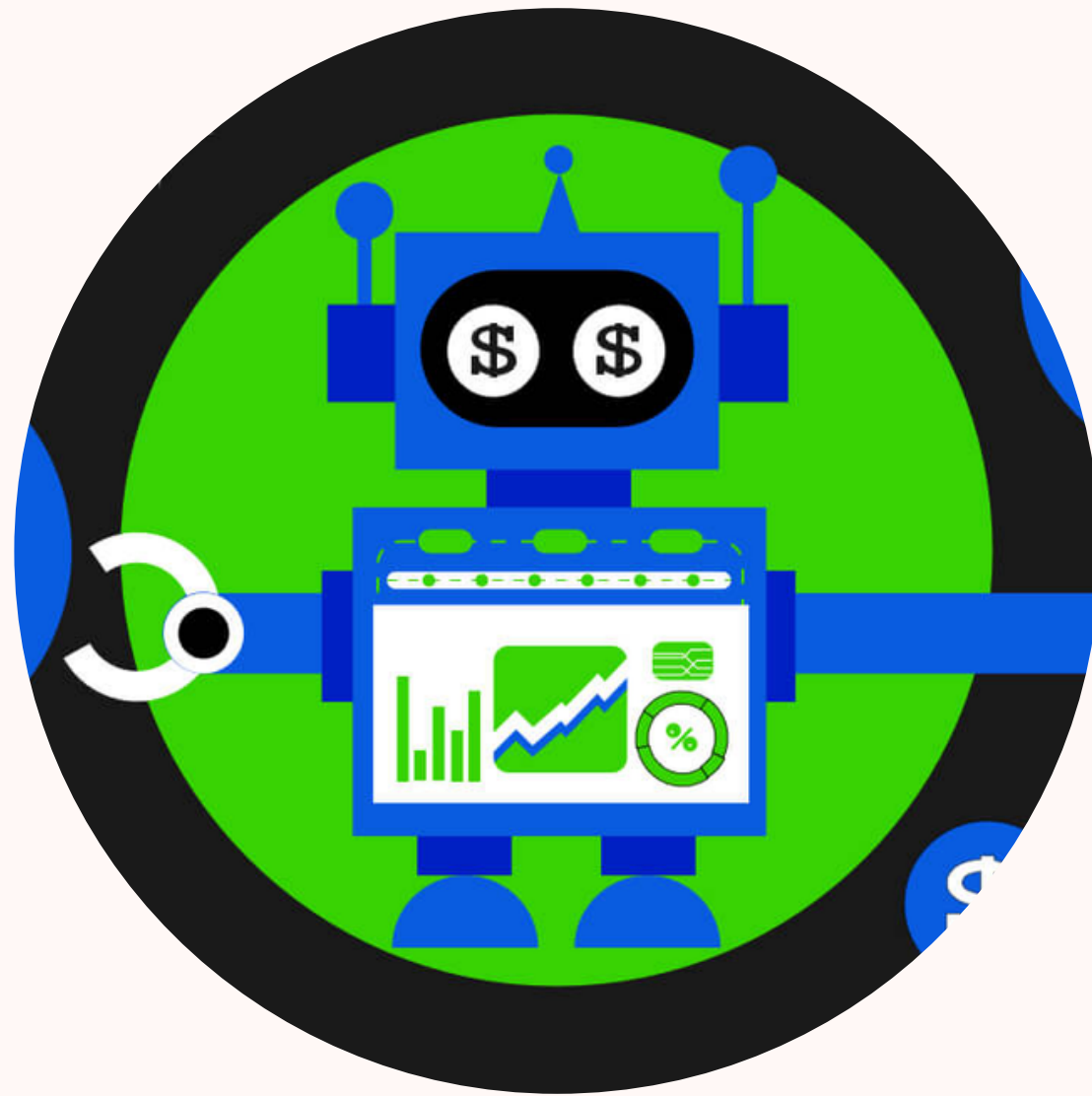
Advantages

Disadvantages

Robo-Advisor

*Pros & Cons of
Robo-Advisor*

Thank you



Introduction

Cognitive computing is a self-learning system that uses machine learning and data mining algorithms, neural networks and visual recognition to mimic human-like behaviours and reasoning to solve complex problems.

Advantages Of Cognitive Computing

Scenario modeling and stress testing:
Cognitive computing can simulate various market scenarios and stress tests to assess the resilience of financial institutions and investment portfolios under adverse conditions.

Market sentiment analysis: By analyzing social media and news data, cognitive computing can gauge market sentiment, enabling financial professionals to understand investor sentiment and adapt their strategies accordingly.

Advantages Of Cognitive Computing

Credit risk assessment: Cognitive computing can assess the creditworthiness of individuals and businesses by analyzing historical data, reducing the risk of loan defaults and improving the efficiency of the lending process.

Portfolio management: AI-powered tools can help portfolio managers optimize asset allocation, monitor investments, and adjust strategies based on market conditions and risk preferences.

Fraud detection and prevention: Cognitive computing can detect unusual transaction patterns and behavior indicative of fraud in real-time. It helps financial institutions safeguard against fraudulent activities and protect their customers' assets.

Customer service and support: AI-powered chatbots and virtual assistants can handle customer queries, provide personalized financial advice, and facilitate smoother customer interactions, improving customer satisfaction and loyalty.

Disadvantages of Cognitive computing

Security challenges- since Cognitive systems need large amounts of data to learn from, which can make the financial data more vulnerable to cybersecurity breaches. It must properly protect the data, especially if it's health, customer or any type of Personal Information.

R o b o - A d v i s o r

- Robo-advisors are digital platforms that provide automated, algorithmic investment services with minimal human supervision.
- They often automate and optimize passive indexing strategies based on modern portfolio theory.
- Robo-advisors are often inexpensive and require low opening balances, making them available to retail investors.
- They are best suited for traditional investing and are not the best options for more complex issues, such as estate planning.
- Robo-advisors have been criticized for their lack of empathy and complexity.

Pros and cons of Robo-Advisor

Pros

- Convenient, easy access
- Lower cost, low starting capital
- Investment experience not required
- Straightforward index investing
- Growing number of valuable services

Cons

- Lacks human interaction
- Limited investment opportunities
- Investor must define financial situation and investment goals
- One-size-approach not right for all
- Uneven technology standards



*Thank
You*

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