**JP Morgan initiatives in a Summary**

JPMorgan Chase is venturing into public blockchain technology with its [JPMD token](https://www.google.com/search?safe=active&rlz=1C1GCCW_en&cs=0&sca_esv=90fc3adbce9ec00d&q=JPMD+token&sa=X&ved=2ahUKEwiz2p31ifGOAxXszqACHfsjA3UQxccNegQIBRAB&mstk=AUtExfBikQVpWFoSL2IQ8XMMiu7YyD-WtjGtjS4gzSX292Nr06F2jcUCLXCMMcQ0RmGCX4Z9G815Mc941cPz_1tkzYKlktwHICd-XlElLVTsW3Q435OYfxSMx4k0yju9T3vZeRIIEnMHT3i0RYDJWcROg-M3k-vY3WeRdQDD_-QAD0aSmZg&csui=3), a USD-denominated deposit token, and is launching a proof-of-concept on Coinbase's Base, a public [Ethereum Layer 2 blockchain](https://www.google.com/search?safe=active&rlz=1C1GCCW_en&cs=0&sca_esv=90fc3adbce9ec00d&q=Ethereum+Layer+2+blockchain&sa=X&ved=2ahUKEwiz2p31ifGOAxXszqACHfsjA3UQxccNegQIBRAC&mstk=AUtExfBikQVpWFoSL2IQ8XMMiu7YyD-WtjGtjS4gzSX292Nr06F2jcUCLXCMMcQ0RmGCX4Z9G815Mc941cPz_1tkzYKlktwHICd-XlElLVTsW3Q435OYfxSMx4k0yju9T3vZeRIIEnMHT3i0RYDJWcROg-M3k-vY3WeRdQDD_-QAD0aSmZg&csui=3).

**This move allows J.P. Morgan's institutional clients to move money on-chain in a more efficient and secure manner**. T

he JPMD token is designed to be compatible with traditional banking infrastructure and is treated **like other bank deposits**.

Key aspects of JPMorgan's public blockchain initiative:

* [JPMD Token](https://www.google.com/search?safe=active&rlz=1C1GCCW_en&cs=0&sca_esv=90fc3adbce9ec00d&q=JPMD+Token&sa=X&ved=2ahUKEwiz2p31ifGOAxXszqACHfsjA3UQxccNegQIDhAB&mstk=AUtExfBikQVpWFoSL2IQ8XMMiu7YyD-WtjGtjS4gzSX292Nr06F2jcUCLXCMMcQ0RmGCX4Z9G815Mc941cPz_1tkzYKlktwHICd-XlElLVTsW3Q435OYfxSMx4k0yju9T3vZeRIIEnMHT3i0RYDJWcROg-M3k-vY3WeRdQDD_-QAD0aSmZg&csui=3):

The JPMD token represents dollar deposits and offers 24/7 settlement capabilities and the ability to pay interest to holders, according to Bank Automation News.

* Base Blockchain:

The pilot program will be hosted on Base, an Ethereum Layer 2 network built by Coinbase, chosen for its partially decentralized nature and security council, offering a more controlled environment than fully decentralized public blockchains.

* Institutional Focus:

The JPMD token is initially available exclusively to J.P. Morgan's institutional clients through a permissioned system, enabling them to engage in on-chain transactions.

* [Kinexys](https://www.google.com/search?safe=active&rlz=1C1GCCW_en&cs=0&sca_esv=90fc3adbce9ec00d&q=Kinexys&sa=X&ved=2ahUKEwiz2p31ifGOAxXszqACHfsjA3UQxccNegQIERAB&mstk=AUtExfBikQVpWFoSL2IQ8XMMiu7YyD-WtjGtjS4gzSX292Nr06F2jcUCLXCMMcQ0RmGCX4Z9G815Mc941cPz_1tkzYKlktwHICd-XlElLVTsW3Q435OYfxSMx4k0yju9T3vZeRIIEnMHT3i0RYDJWcROg-M3k-vY3WeRdQDD_-QAD0aSmZg&csui=3):

J.P. Morgan's [Kinexys](https://www.google.com/search?safe=active&rlz=1C1GCCW_en&cs=0&sca_esv=90fc3adbce9ec00d&q=Kinexys&sa=X&ved=2ahUKEwiz2p31ifGOAxXszqACHfsjA3UQxccNegQIJhAB&mstk=AUtExfBikQVpWFoSL2IQ8XMMiu7YyD-WtjGtjS4gzSX292Nr06F2jcUCLXCMMcQ0RmGCX4Z9G815Mc941cPz_1tkzYKlktwHICd-XlElLVTsW3Q435OYfxSMx4k0yju9T3vZeRIIEnMHT3i0RYDJWcROg-M3k-vY3WeRdQDD_-QAD0aSmZg&csui=3" \t "_blank) division is spearheading this project, leveraging blockchain technology to enhance global digital payments and asset management.

* Proof-of-Concept:

The JPMD pilot is a proof-of-concept to demonstrate the potential of combining traditional banking with blockchain technology, including the deployment of smart contracts and the execution of trusted transactions.

* Future Expansion:

The pilot program is expected to expand to other users and currency denominations, pending regulatory approval.

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**JPMorgan Chase** is actively exploring and implementing blockchain technology, particularly in the realm of digital assets and tokenization. They have established a dedicated blockchain business unit called Onyx, which focuses on streamlining financial processes, enhancing security, and building trust through blockchain solutions. JPMorgan is also venturing into public blockchains, exemplified by their recent settlement of a transaction on a public ledger using Chainlink and Ondo Finance. Additionally, they are leveraging AI to enhance various aspects of their operations, including fraud detection, risk assessment, and investment strategies.

Here's a more detailed breakdown:

1. Blockchain Initiatives:

* [**Onyx**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=Onyx&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIExAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**: Now called as Kinexys**

JPMorgan's blockchain unit, Onyx, offers a suite of solutions for streamlining financial processes, enhancing security, and fostering trust through blockchain.

* **Public Blockchain Adoption:**

JPMorgan has moved beyond its private blockchain network to engage with public blockchains, demonstrated by their recent settlement of a transaction on a public ledger involving tokenized treasuries.

* **Tokenization:**

JPMorgan is actively exploring the tokenization of financial assets, including treasuries, and using blockchain technology to facilitate these tokenized assets.

* **Interoperability:**

They are using technologies like Chainlink to enable communication and interaction between their private blockchain and public blockchains.

* [**Programmable Payments**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=Programmable+Payments&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIFhAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**:**

JPMorgan is utilizing programmable payments on the blockchain to automate and streamline payment flows for complex treasury operations, especially for logistics and marketplace companies.

* [**Intraday Repo**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=Intraday+Repo&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIFRAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**Transactions:**

They are using blockchain to settle intraday repo transactions faster than traditional systems.

CTS was the vendor for Intra day repo transactions.

* **Privacy and Security:**

JPMorgan is researching ways to enhance privacy and security on blockchains to attract more banks and clients to participate in their digital asset initiatives.

2. [AI Initiatives](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=AI+Initiatives&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQINhAC&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3):

* [**AI-Powered Fraud Detection**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=AI-Powered+Fraud+Detection&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIOBAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**:**

JPMorgan uses AI to analyze transaction data, identify suspicious activity, and detect fraud, reducing financial crime losses.

* [**Risk Assessment**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=Risk+Assessment&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIPhAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**:**

AI algorithms are employed to improve credit, market, and operational risk assessments.

* [**Investment Strategies**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=Investment+Strategies&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIOhAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**:**

JPMorgan utilizes AI for personalized investment strategies, as demonstrated by their IndexGPT platform.

* [**AI for Legal Analysis**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=AI+for+Legal+Analysis&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIPBAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**:**

They have developed the COiN platform for legal analysis, streamlining legal processes.

* [**AI for Trade Optimization**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=AI+for+Trade+Optimization&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIPRAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**:**

LOXM is an AI-powered platform for optimizing trade execution.

* [**Generative AI**](https://www.google.com/search?safe=active&sca_esv=2335eb9854f65b90&rlz=1C1GCCW_en&cs=0&q=Generative+AI&sa=X&ved=2ahUKEwiQz4mD-PCOAxWt4zgGHbKHCOEQxccNegQIPxAB&mstk=AUtExfCatrQLr6r4sWo92vMZtV55ipiopHAzIgXjJdL5O6U0z8ZNs-nV44qo-rvEB1ZzOYNZgqbKI6Xs-eXwuGwd-LNRBHQqV1bM4wemS5fgnQdnFqyNKHChBanpuYv2UgT4iTswyo8BfuOzsGChLt-zp7zJ48xOlpED-_AYk51GPtm4TvReM8jnPnkxmaRX6Z15xk-V&csui=3)**:**

JPMorgan is exploring the use of generative AI to enhance productivity and streamline various tasks.

* **Data Flywheel:**

JPMorgan's AI strategy relies on a "data flywheel" fueled by a massive volume of daily transactional data, providing a rich and real-time view of the global economy.

* **AI Infrastructure:**

JPMorgan is investing heavily in AI infrastructure, including compute, network, storage, and new data center designs, to support the scale of their AI use cases.

## Use case: How JPMorgan Uses AI to Save 360,000 Legal Hours a Year

https://medium.com/@arahmedraza/how-jpmorgan-uses-ai-to-save-360-000-legal-hours-a-year-6e94d58a557b

**JPMorgan Chase**, one of the world’s largest financial institutions, implemented **natural language processing (NLP)** and **machine learning** to automate document analysis, reduce legal overhead, and enhance decision-making.

**The Problem**

JPMorgan’s legal and compliance departments handle **thousands of complex contracts**, such as **credit agreements** and **ISDA agreements** (used in derivatives trading).

Historically, these contracts were manually reviewed, which caused:

* 360,000+ hours of human effort annually
* Delays in executing financial transactions
* Higher risk of human error in compliance clauses

**The AI Solution: COiN (Contract Intelligence)**

To solve this, JPMorgan built an internal AI platform called **COiN (Contract Intelligence)** using:

* Natural Language Processing (NLP)
* Machine Learning (ML) algorithms
* ️ Secure document scanning & OCR

**What COiN Does:**

* Scans and understands legal documents
* Extracts key clauses (e.g., cancellation rights, obligations)
* Converts unstructured data into structured form for databases and dashboards
* Learns from prior documents and annotations

**Technical Architecture**

* **Language Models**: Trained on thousands of legal documents
* **Python & Scikit-learn** for initial models
* **AWS cloud** and **Kubernetes** for scalable deployments
* **ElasticSearch** for fast retrieval and indexing
* **DataLake** for raw document storage

“COiN can review 12,000 documents in seconds — something that used to take weeks.”

— *JP Morgan Tech Blog*

**Business Benefits**

the AI system saved over **360,000 legal work hours per year** by automating the review of complex documents that were previously handled manually. What once took legal teams weeks to accomplish can now be done in **seconds to minutes**

compliance-related errors — which carried medium risk in the manual process — were **reduced by approximately 80%**, enhancing both accuracy and regulatory alignment.

**overall cost of legal operations dropped by an estimated 30%**, highlighting the financial efficiency AI brought to the organization. This transformation clearly illustrates the ROI and impact of applying AI to labor-intensive, high-stakes processes within the finance sector.

**Challenges & Solutions**

**Challenge:** Legal language is complex, non-standardized  
🔁 *Solution:* Fine-tuned domain-specific NLP models with legal professionals in the loop

**Challenge:** Model accuracy for critical clauses  
🔁 *Solution:* Human-AI hybrid system: models flag high-risk cases for manual review

**Challenge:** Privacy & compliance (GDPR, etc.)  
🔁 *Solution:* On-premise AI inference + encryption for sensitive document handling

**Lessons Learned**

* Don’t generalize GPT-style models for legal documents. Specialized training is essential.
* Always keep humans in the loop for sensitive decisions.
* The ROI from reducing manual review can be massive for enterprise-scale institutions.

**Impact Beyond JPMorgan**

Since this success, other financial institutions have followed with their own AI tools for:

* **Fraud detection** (e.g., Mastercard, PayPal using neural networks)
* **Credit scoring** (e.g., Upstart using ML to approve more loans with lower default rates)
* **Chatbots & customer service** (e.g., Bank of America’s Erica AI assistant)

**Conclusion**

AI in finance is not about replacing people — it’s about **augmenting human decision-making** with faster, more consistent, and scalable systems.

JPMorgan’s COiN is a perfect example of how **deep-tech meets high-stakes finance**, saving time, reducing costs, and improving compliance.