

SYSTEMIC RISK BAROMETER

RESULTS OVERVIEW – 2015 Q3

SUMMARY

DTCC's most recent Systemic Risk Barometer survey was completed in 2015 Q3 by DTCC clients and a broad range of stakeholders from the global financial services industry.

Overall, 45% of respondents said that the probability of a high-impact event in the global financial system has increased during the past six months – up 16 points since the last survey was conducted in 2015 Q1.

Cyber Risk remained the number one concern, with 37% citing it as the single biggest risk to the broader economy, and 70% citing it as a top five risk.

Geopolitical Risk was the second most frequently identified risk, with 50% of respondents citing it as a top five concern.

Impact of New Regulations remained the third most cited risk, with 41% of respondents identifying it as a top five risk.

Both an Economic Slowdown Outside the E.U./U.S. and the U.S. Federal Reserve Monetary Policy emerged as top five systemic risks, cited by 33% and 31% of respondents, respectively.

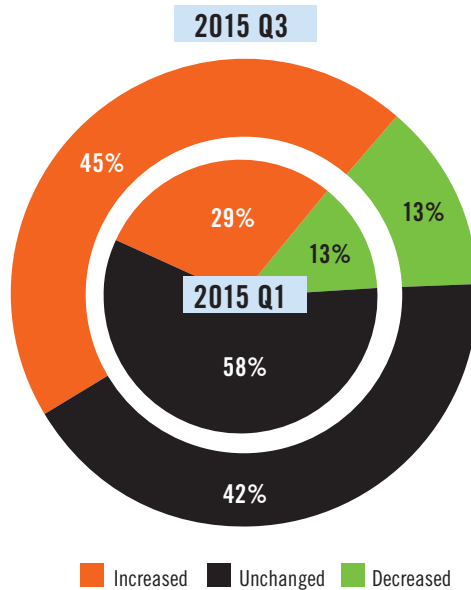
Other key findings of this survey include:

- Respondents widely cited macro-economic concerns including the **risk of decreasing liquidity** and the **risk of a global slowdown** in economic activity, both in the U.S. and abroad.
- 72% of all respondents indicated they have **increased the amount of resources dedicated to identifying, monitoring and mitigating systemic risks** over the past year – continuing a strong trend identified in previous surveys.
- 63% of respondents characterized their **firm's ability to identify, assess and manage emerging risks** as "Developing" and 34% as "Mature."

SURVEY RESULTS

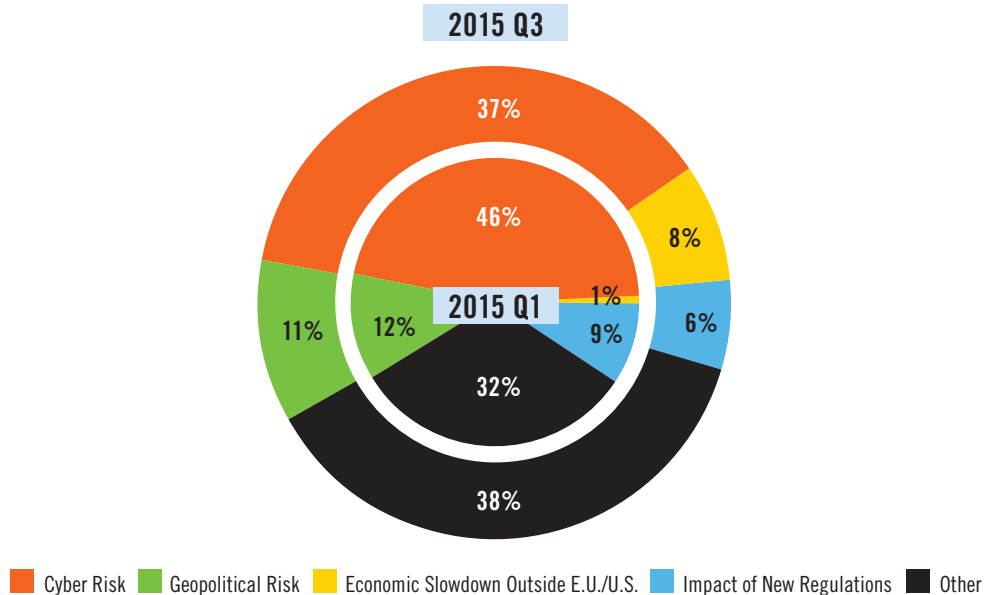
CHANGE IN PROBABILITY OF A HIGH-IMPACT EVENT

Over the past six months, 45% of respondents felt the likelihood of a high-impact financial event had increased (up from 29% in 2015 Q1), far outweighing the 13% who held the opposite view.



NUMBER ONE RISK IDENTIFIED

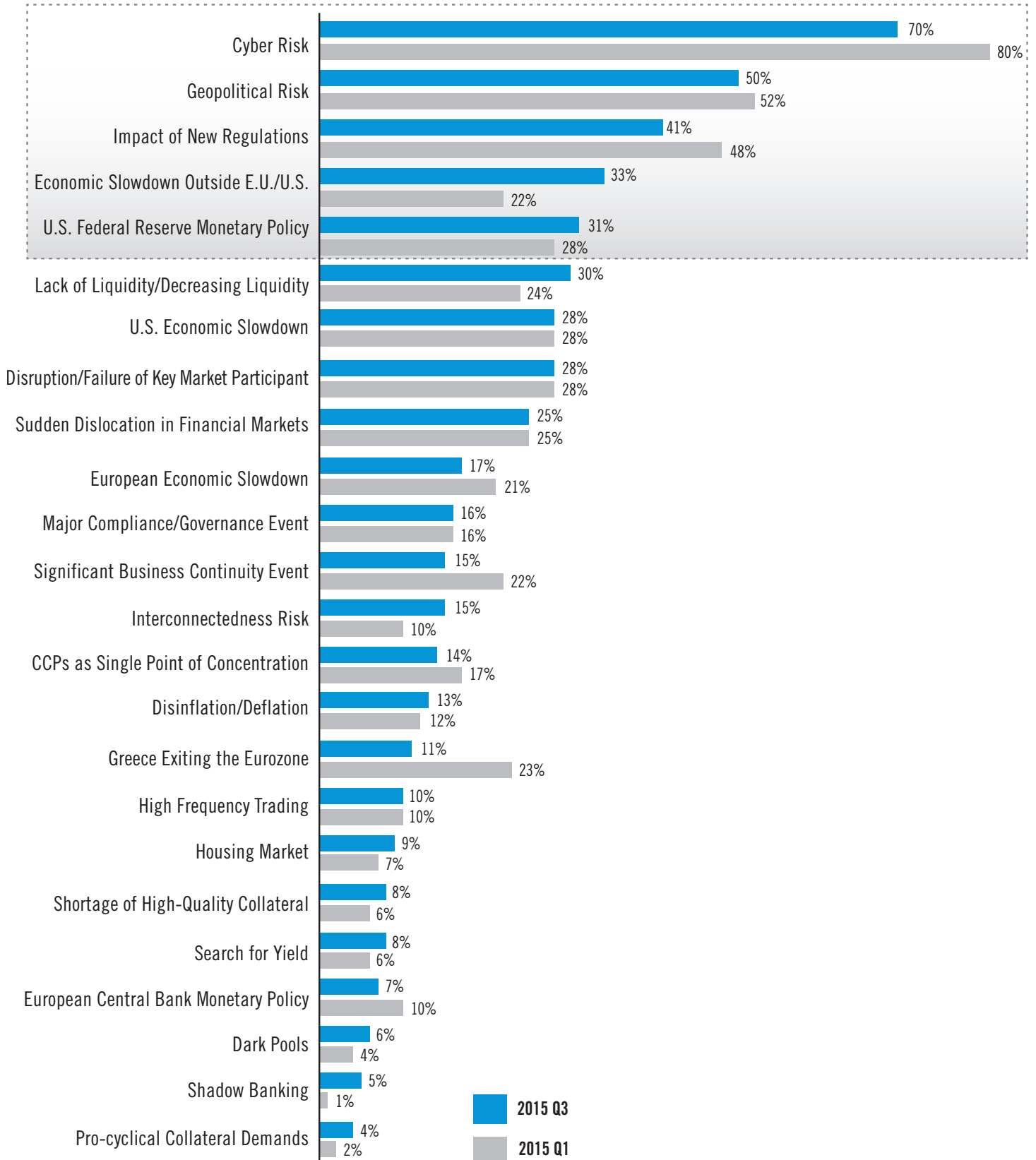
37% of respondents cited Cyber Risk as their top concern, down from 46% in 2015 Q1, yet still significantly ahead of other risks.



TOP 5 RISKS IDENTIFIED

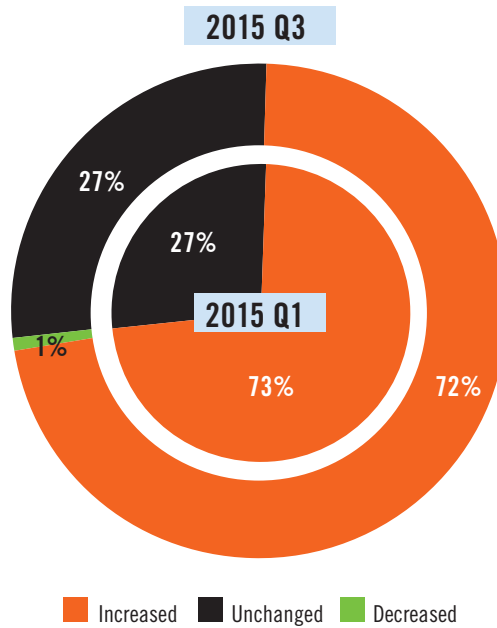
When asked to identify the top 5 systemic risks to the broader economy, most respondents cited Cyber Risk, Geopolitical Risk and the Impact of New Regulations, in addition to a wide variety of more specific macro-economic concerns. The results below reflect changes compared to 2015 Q1.

RISK TO BROADER ECONOMY



SYSTEMIC RISK RESOURCES

72% of all respondents indicated they have increased the amount of resources dedicated to identifying, monitoring and mitigating systemic risks over the past year, which is similar to the results of the 2015 Q1 survey.



Increased Unchanged Decreased

SYSTEMIC RISK CAPABILITIES

Almost two-thirds of respondents characterized their firm's capability to address systemic risks as "Developing." This assessment is relatively similar to the results of the 2015 Q1 survey.

Firms' Capability to Identify, Assess and Manage Current and Emerging Systemic Risks

