

# SYSTEMIC RISK BAROMETER

## RESULTS OVERVIEW – 2015 Q1

### SUMMARY

DTCC's most recent Systemic Risk Barometer survey was completed in 2015 Q1 by DTCC clients and a broad range of global stakeholders from the financial services industry.

**Cyber Risk remained the number one concern, with a record 46% citing it as the single biggest risk to the broader economy and 80% of respondents citing it as a top five risk.**

**Almost half of all respondents included Geopolitical Risk and the Impact of New Regulations in their top five concerns.**

**Overall, 29% of respondents said that the probability of a high-impact event in the global financial system has increased during the past six months – versus 13% who felt it has decreased.**

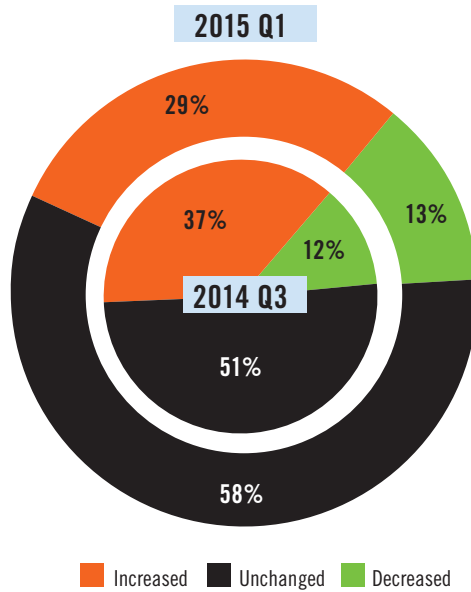
Other key findings of this survey include:

- The emergence of **U.S. Federal Reserve Monetary Policy** and **Greece Exiting the Eurozone** as potential systemic risks cited by 28% and 23% of respondents as a top five concern, respectively.
- Other widely cited macro-economic concerns include the **risk of a global slowdown** in economic activity, both in the U.S. and abroad, as well as worries over **Disinflation/Deflation**.
- 73% 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.
- 65% of respondents characterized their **firm's ability to identify, assess and manage emerging risks** as "Developing" and 30% as "Mature."

# SURVEY RESULTS

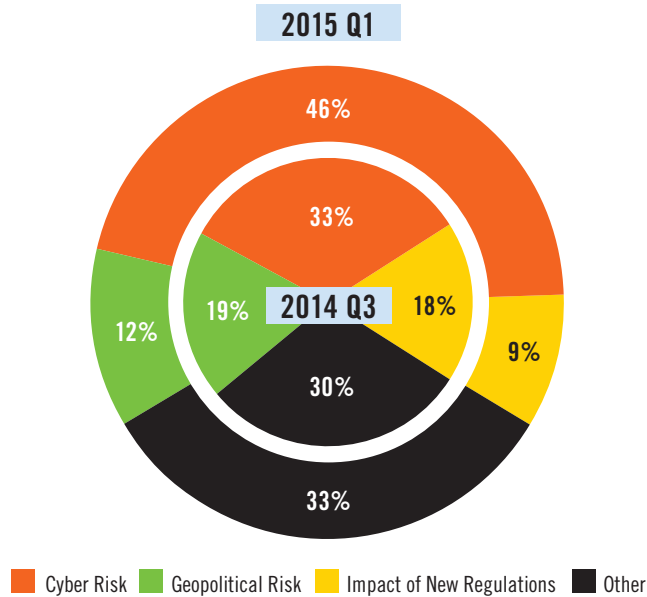
## CHANGE IN PROBABILITY OF A HIGH-IMPACT EVENT

While 58% of respondents felt the likelihood of a high-impact financial event remained unchanged over the past six months, 29% felt it had become more likely, far outweighing the remaining 13% who held the opposite view.



## NUMBER ONE RISK IDENTIFIED

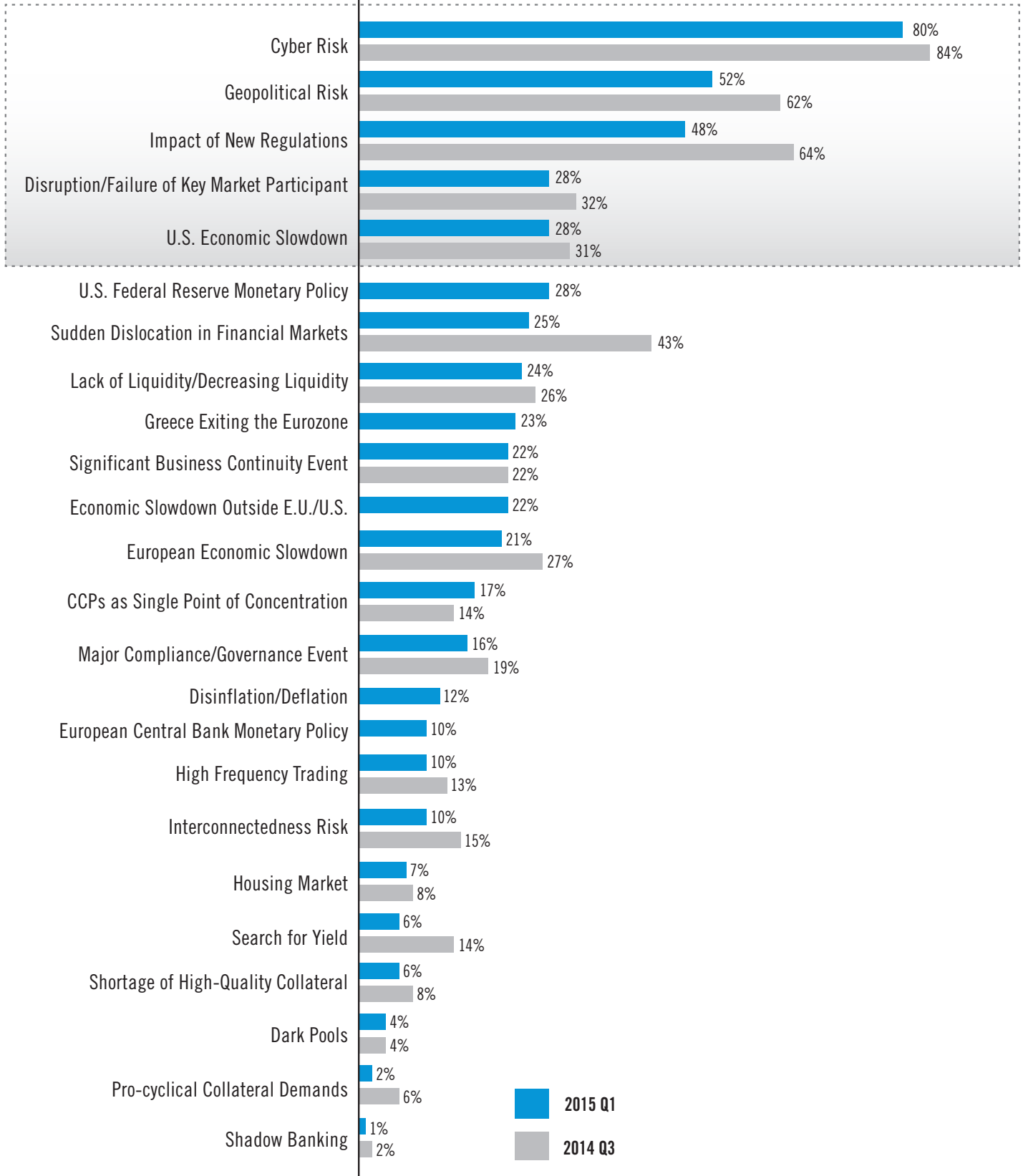
Almost half of all respondents cited cyber risk as their top concern, up from 33% in September 2014 and significantly ahead of geopolitical risk and the impact of new regulations.



## TOP 5 RISKS IDENTIFIED

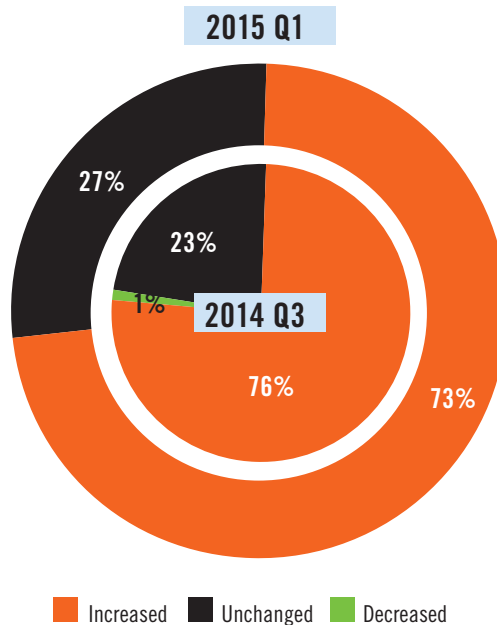
When asked to identify the top 5 systemic risks to the broader economy, most respondents cited cyber risk, geopolitical risk and the impact of new regulations, in addition to a wide variety of more specific macro-economic concerns. The results below reflect changes compared to September 2014.

### RISK TO BROADER ECONOMY



## SYSTEMIC RISK RESOURCES

73% of all respondents indicated they have increased the amount of resources dedicated to identifying, monitoring and mitigating systemic risks over the past year (slightly down from 76% in September 2014).



## 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 September 2014 survey.

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

