

# SYSTEMIC RISK BAROMETER

## RESULTS OVERVIEW – 2014 Q3

### SUMMARY

DTCC's most recent Systemic Risk Barometer survey was completed in 2014 Q3 by DTCC clients and a broad range of global stakeholders from the financial services industry.

**Overall, 37% 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 March 2014.**

**A record 84% of respondents identified cyber risk as one of their top five concerns – an increase of 25 points since March 2014.**

**Furthermore, 33% ranked cyber threats as the number one systemic risk to the broader economy, up from 24% in March 2014.**

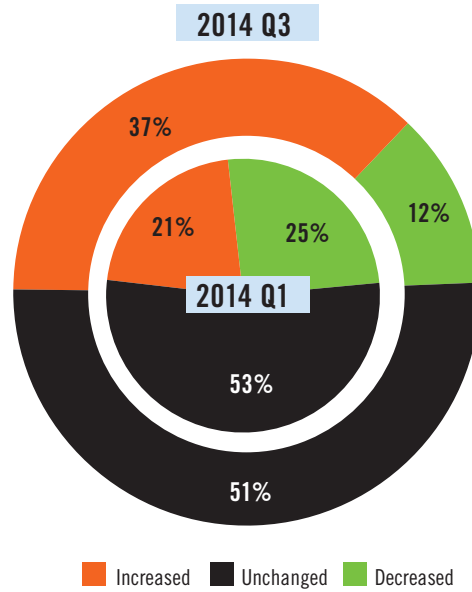
In addition to the findings on cyber risks, the survey's other key results include:

- 64% of respondents cite the **impact of new regulations** as a top five concern and 62% identified **geopolitical risk** as a top five concern.
- In line with these results, 76% of all respondents indicated they have **increased the amount of resources dedicated to identifying, monitoring and mitigating systemic risks** over the past year.
- 67% of respondents characterized their firm's ability to identify, assess and manage **emerging risks** as "Developing" and 29% "Mature."

# SURVEY RESULTS

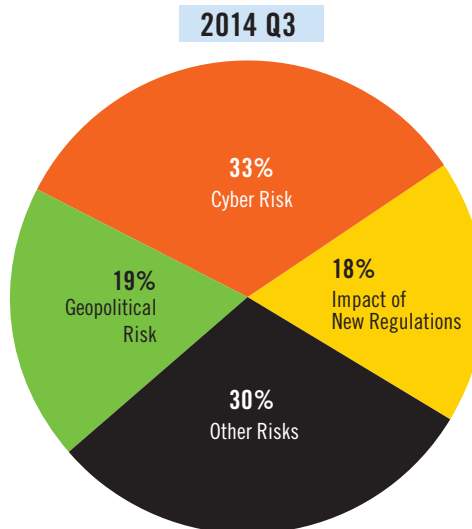
## CHANGE IN PROBABILITY OF A HIGH-IMPACT EVENT

37% of respondents indicated that the probability of a high-impact event in the global financial system has increased during the past six months – up from 21% in March 2014.



## NUMBER ONE RISK IDENTIFIED

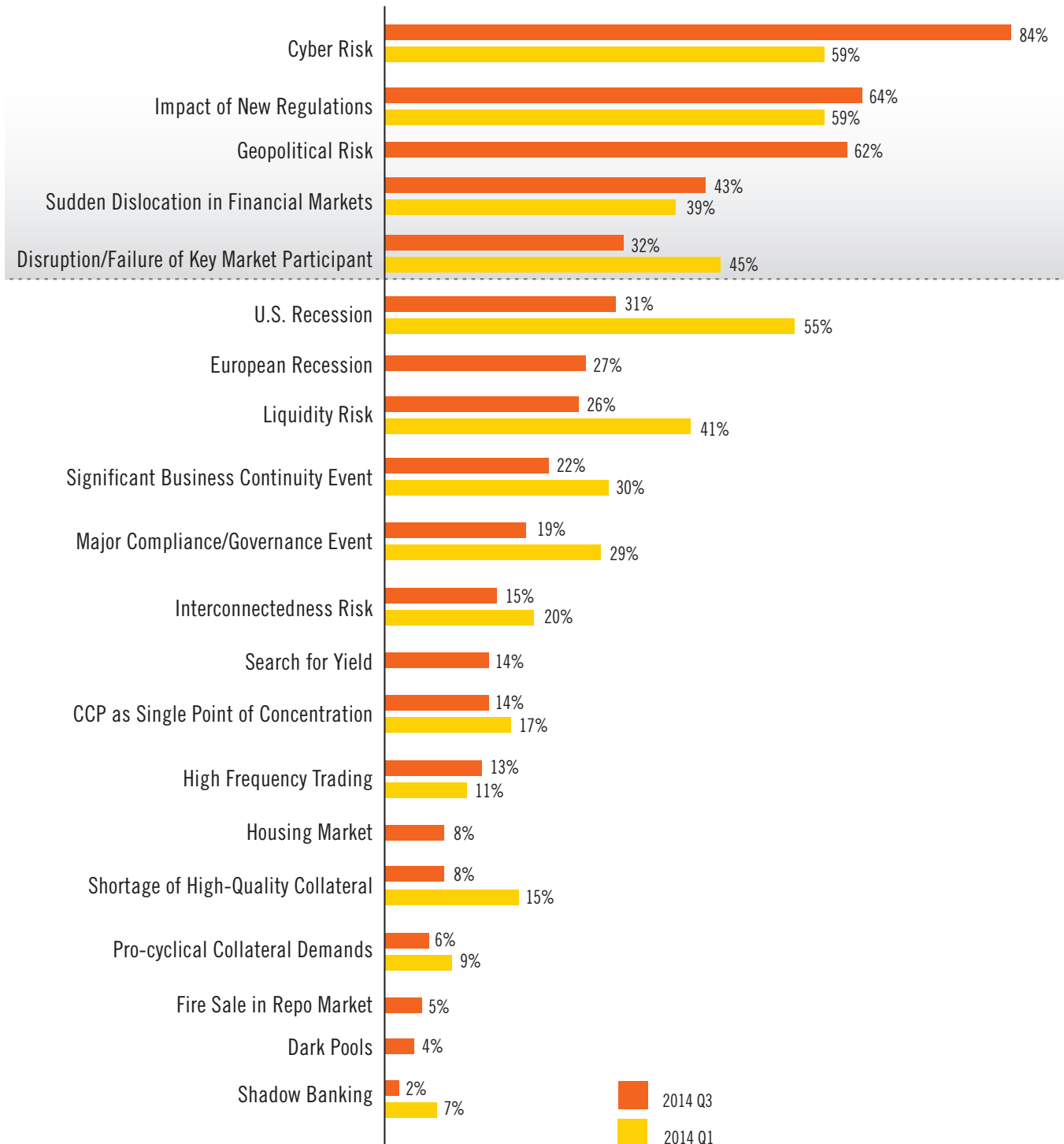
Cyber risk, geopolitical risk and the impact of new regulations were the most widely cited top concerns. A combined 70% of respondents indicated one of these risks as their number one concern.



## TOP 5 RISKS IDENTIFIED

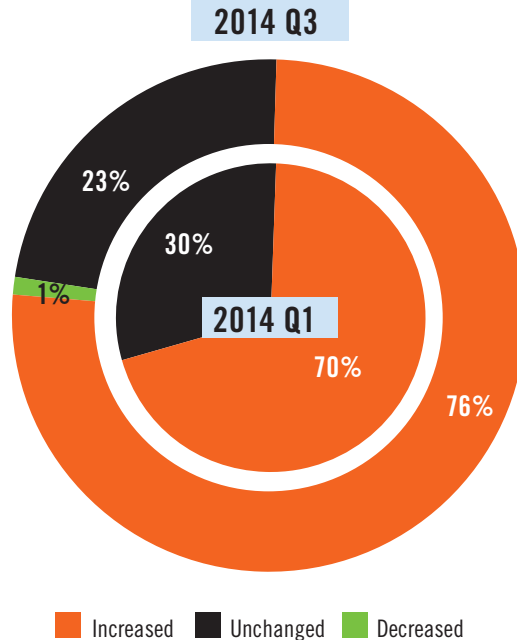
Respondents were asked to identify the top 5 systemic risks to the broader economy. The results show some significant shifts compared to March 2014, as reflected below.

### RISK TO BROADER ECONOMY



## SYSTEMIC RISK RESOURCES

76% of all respondents indicated they have increased the amount of resources dedicated to identifying, monitoring and mitigating systemic risks over the past year (up from 70% in March 2014).



## SYSTEMIC RISK CAPABILITIES

Over 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 March 2014 survey.

### Firms' Capability to Identify, Monitor and Mitigate Current and Emerging Systemic Risks

