



## Title: Risks and Outlook for the Financial System (June 2025)

### Motion graphics text

**Risks** facing the financial system **have risen**, amid a marked increase in **economic and trade policy uncertainty**.

The **global growth outlook has weakened**, reflecting uncertainties around **tariff announcements** and potential changes to **international trading patterns**.

Ireland's **economy is highly exposed** to developments in the rest of the world, but is entering this period from a **position of strength**.

**[Onscreen caption] Vasileios Madouros, Deputy Governor, Monetary and Financial Stability, Central Bank of Ireland**

Over the past six months, trade tensions and a sharp increase in policy uncertainty have weakened the global economic outlook.

Financial markets reacted strongly to the initial tariff announcements in April, and remain vulnerable to further bouts of volatility.

These external developments are particularly relevant for Ireland, given our openness and the strong links between our economy and the US.

But the Irish economy is entering this period of uncertainty from a position of strength.

Households, businesses and the domestic banking system have become financially stronger over the past decade, providing a buffer to adverse shocks.

Maintaining financial and operational resilience across the financial system is critical for navigating this shifting geopolitical landscape effectively.

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