

## News of the Week: OCC's Semiannual Risk Perspective for Fall 2017

WASHINGTON — The Office of the Comptroller of the Currency (OCC) today reported credit, operational, and compliance risks are key concerns for the federal banking system in its [Semiannual Risk Perspective for Fall 2017](#).

Highlights from the report include:

- The credit environment continues to be influenced by aggressive competition, tighter spreads, and slowing loan growth. These factors are driving incremental easing in underwriting practices and increasing concentrations in select loan portfolios—leading to heightened risk if the economy weakens or markets tighten quickly.
- Operational risk continues to challenge banks because of increasing complexity of cybersecurity threats, use of third-party service providers, and increasing concentrations in third-party service providers for some critical operations.
- Compliance risk remains elevated as banks continue to manage money laundering risks, as well as consumer compliance risks, particularly due to the increasing complexity in consumer compliance regulations.

The report covers risks facing national banks and federal savings associations based on data as of June 30, 2017. The report presents data in four main areas: the operating environment, bank performance, trends in key risks, and supervisory actions. It focuses on issues that pose threats to those financial institutions regulated by the OCC and is intended as a resource to the industry, examiners, and the public.

### Related Link

- [OCC Semiannual Risk Perspective for Fall 2017 \(PDF\)](#)

### CB Resource Products & Services



ERM



Strategic Plan



Capital Plan



CB BankAnalytics



Advisory Services

### Trends & Observations

- ★ [Aftermath of DOJ marijuana shift](#)
- ★ [FDIC: Community Banks Outpace Larger Banks in 2017 Deposit Growth](#)
- ★ [Rethinking bill pay when there isn't a bill](#)
- ★ [The Top Ten Fintech Predictions for 2018](#)

### Regulatory & IT

- ★ [OCC Enforcement Actions and Terminations for January 2018](#)
- ★ [Today's Banks Need a Millennial Banking Technology Framework](#)
- ★ ["Complacency" on OCC's watch list](#)
- ★ [OCC warns banks not to get complacent as good times roll](#)
- ★ [Adapting to CECL: The Need for Model Validation and Getting Prepared](#)
- ★ [No, the Senate reg relief bill isn't destroying Dodd-Frank](#)
- ★ [Trump calls for looser rules for bank loans in Dodd-Frank overhaul](#)

### Shareholder Impact

### Mergers & Acquisitions

- ★ [Carlenville's CNB Bank merging with Jacksonville Savings Bank](#)
- ★ [Southeast, Texas remain M&A hot spots](#)
- ★ [First Federal of Northern Michigan Bancorp, Inc. to merge with Mackinac Financial Corporation](#)
- ★ [Mid-Penn Bancorp acquires First Priority](#)

### Other Banking News

- ★ [Local Banking Company Says Employee Bonuses, Economic Initiatives a Result of Tax Reform](#)
- ★ [Wells Fargo Risk Chief to Retire as Scrutiny of the Bank Continues -- Update](#)
- ★ [Why New Tax Law Cost Citigroup, GM \\$29 Billion](#)