



Press release

2 October 2025

Outcomes of the 59th General Board meeting of the European Systemic Risk Board – 25 September 2025

- Financial stability risks in the European Union remain elevated amid ongoing geopolitical uncertainty
- The ESRB will publish a report on crypto-asset market examining recent developments in stablecoins, crypto-investment products and multi-function groups
- The Advisory Scientific Committee of the ESRB will publish a report on artificial intelligence and systemic risks

The General Board agreed that **financial stability risks in the EU remain elevated** amid ongoing geopolitical uncertainty. The US-EU tariff package deal has somewhat reduced, but not eliminated, trade uncertainty. The General Board emphasised the critical need for the authorities to keep monitoring how the agreement impacts the behaviour of EU firms, households and the financial sector.

The General Board also discussed **developments in financial markets**. Over the past three months, global risk appetite has increased, leading to record-high asset valuations that appear increasingly misaligned with the underlying macroeconomic outlook. Investor optimism could rapidly turn to risk aversion if economic or political uncertainty were to rise. Against this background, the results of the recent EU-wide stress test have shown that European banks appear well positioned to weather possible headwinds, as resilience has continued to strengthen.

As regards the outlook for **sovereign risks**, the General Board pointed to subdued medium-term growth prospects and deteriorating primary fiscal balances in some countries, sometimes linked to political uncertainty. This creates a challenging environment for public finances. The aggravation of security threats may pose further fiscal challenges in the form of increased defence spending.

European Systemic Risk Board

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In line with past reflections on the dependencies of the EU financial system on third countries, members took note that the current geopolitical environment has the potential to test the resilience of our financial system.

Following up on its June conclusions, the General Board assessed **systemic risks associated with stablecoins**. The ESRB will publish a report on stablecoins, crypto-investment products and multi-function groups in the coming weeks. In particular, the General Board stressed that third country multi-issuer schemes – with fungible stablecoins issued both in the EU and outside – have built-in vulnerabilities which require an urgent policy response. Members also took note that multi-function groups may operate under regulatory regimes which are much more lenient than for financial conglomerates, raising the question of divergent prudential standards.

The General Board discussed and authorised the publication of a report prepared by the Advisory Scientific Committee on **artificial intelligence and systemic risk**. The report acknowledges the many benefits artificial intelligence (AI) can provide to society and, in line with the mandate of the ESRB, examines how AI may exacerbate existing sources of systemic risk and create new risks. For example, reliance on a few AI providers and similar models could lead to common exposures in financial markets. The report will be published in the coming weeks.

Lastly, the ESRB today released the 53rd issue of its [risk dashboard](#). This provides a set of quantitative and qualitative indicators that measure systemic risk in the EU financial system.

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