Explainer: The risks and benefits of cloud computing for the financial system

Cloud services are dominated by a few firms and it is difficult to switch between them. This creates risks.

65%

Market share of top four cloud service providers

Cloud can be cheaper, more secure and offer more flexibility, particularly for smaller firms.

Potential to reduce technology infrastructure costs by

30% – 50%

Sources: Bank of England, McKinsey & Company and Synergy Research Group.