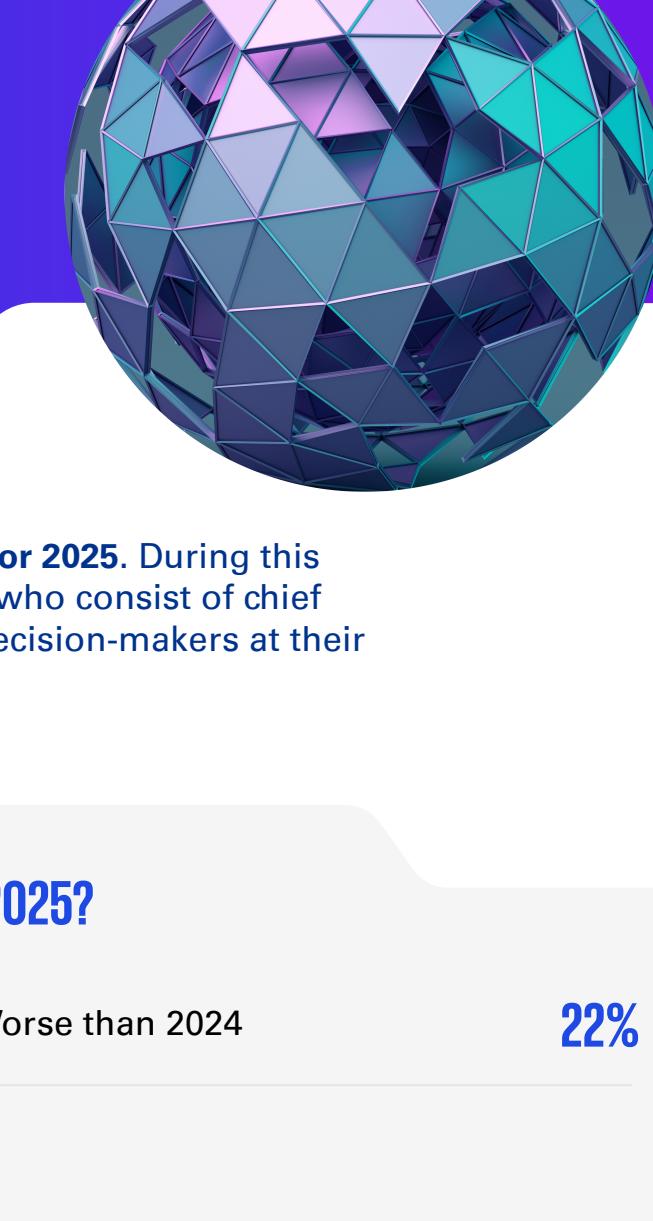


# Chief Audit Executive Outlook for 2025: A new administration, a new path forward



KPMG hosted a **Chief Audit Executive Outlook for 2025**. During this webcast, we polled almost 2,500 professionals who consist of chief audit executives, SOX professionals, and risk decision-makers at their respective companies.

Here's what we discovered...

## What do you expect from the economy in 2025?

Better than 2024	46%	Worse than 2024	22%
Same as 2024	32%		

## Which risk or trend do you believe will have the biggest impact on your business in 2025?

Access to capital	4%	Interest rates	16%
Climate	2%	Other	8%
Consumer preferences	4%	Privacy	1%
Cyber	7%	Regulatory/Compliance	15%
Geopolitical	18%	Supply chain	7%
Inflation	18%		

## Which economic measure will have the most significant impact on the composition of your internal audit plan in the next 12 months?

Changes in hourly average earnings	5%	Fed funds rate	15%
Changes in unemployment rates	5%	Financial stress index	25%
Commodity prices	14%	Foreign exchange rates	9%
Consumer price index	15%	Trade balances	12%

## What do you think will be the biggest challenge for your SOX program as you close out your fiscal 2024 program?

Changes in process: technology, automation, offshoring, outsourcing	32%	Impact on all estimates, assumptions, and forecasts – interest rate, inflation, liquidity, going concern, ForEx, inventory valuation, receivables collectability	19%
Fraud risk	4%		
Impact of reduced headcount/ headcount turnover, unfilled positions, temporary absences	13%	Supply chain impact on revenue recognition and inventory	4%
		All of the above	28%

## What do you think the US consumer will look like in 2025?

The US consumer will remain resilient and continue to spend through the higher price and interest rate environment	36%	The US consumer will pull back spending sharply as high prices and high interest rates take a bigger bite out of their wallet	16%
The US consumer will pull back slightly on discretionary spending but remain solid overall	48%		

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