Summary Economic Indicators: First Quarter 2009*

- The Consumer Price Index fell by 0.1%, mainly due to lower average prices of housing, clothing and transportation and communication. The fall in CPI reflects the dampening effect of the global recession on commodity prices in source markets, along with the local economic downturn.
- Merchandise imports fell by 5.9% to register at $203.2 million.
- Current work permits fell by 2.8%, largely on account of declines in hotel and condominiums, financial services, business services and construction.
- Money supply expanded by 41.9% due to strong growth in quasi-money comprising primarily of foreign currency deposits held by residents, indicating the possible shifting of residents' funds to lower risk but liquid assets in the light of the global financial crisis.
- The weighted average lending rate fell to 6.71% from 9.29%, as the prime lending rate fell to 3.25%.
- The Cayman Islands maintained its position in international banking as total assets of all registered banks ranked fifth in the world.
- Air arrivals fell by 14.3% while cruise passengers decreased by 15.9%.
- Mutual funds fell anew compared to the previous quarter by 165 or 1.7%.
- Bank and trust company registrations continued on its downward trajectory by 2.5% while insurance licenses rose by 3.4%.
- Stock exchange listings contracted by 13.3% to settle at 1,550 while stock market capitalization for specialist debt increased, while mutual funds fell sharply.
- New company registrations declined by 44.2% to total 1,880.
- Building permits inched up by 2.7% to settle at 262, valued at $105.4 million.
- The number of property transfers fell by 21.5% with the total value slumped by 35.8%.

*Comparative data over the first quarter of 2008, except when otherwise indicated. Percentage calculations may not be exact due to rounding-off

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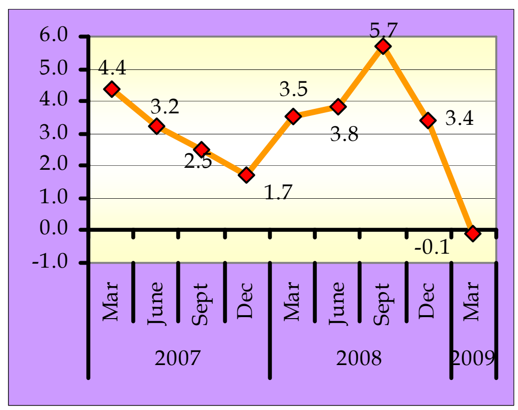
1. Overview

First quarter indicators (as summarized above) suggest that the Cayman Islands economy is entering a recessionary phase of its growth cycle. Real GDP is projected to contract by 1.4% in calendar year 2009.

2. Inflation

The Consumer Price Index (CPI) stood at 152.2 in the first quarter, falling by 0.1% compared to March 2008. This decline was mainly on account of falling price indices for housing (-7.6%), clothing (-5.6%) and transport and communication (-0.7%) which dragged down the increases for food (7.5%), household equipment (12.5%), education and medical (3.0%), personal goods and services (2.9%) and alcohol and tobacco (2.7%).

Figure 2A: Quarterly Inflation (%)



Source: Economics and Statistics Office

The decline in the price index for housing by 7.6% (see Table 2A) is mainly on account of decreases in the average cost of utilities and rent by 8.0% and 7.5%, respectively.

The index for transportation and communication index moved down by 0.7% as cost of household vehicles and travel both fell by 0.8%.

Table 2A: Quarter 1 Inflation by Categories

CPI Major Categories	Inflation Rates (%)		
	2007	2008	2009
Food	4.7	3.5	7.5
Alcohol & tobacco	2.8	0.8	2.7
Housing	4.4	4.2	-7.6
Clothing	2.0	5.2	-5.6
Household equipment	6.6	6.2	12.5
Transport & communication	1.8	3.9	-0.7
Education & medical	2.2	4.0	3.0
Personal goods & services	7.2	1.0	2.9
All items	4.4	3.5	-0.1

Source: Economics and Statistics Office

The price index for household equipment moved up by 12.5% as a result of higher average cost of other household equipment by 19.1% coupled with increases in the average price of furniture and floor coverings by 10.1%.

Food prices continued on its upward trajectory at 7.5%. Some of the highest movers were fruits and vegetables, oils and fats, and meat while the average price of non-alcoholic drinks and fish fell.

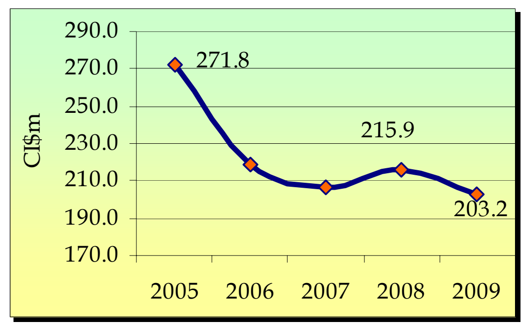
The first quarter CPI also increased by 0.1% compared to the last quarter ended December 2008.

3. Trade

Preliminary data for the first quarter of 2009 indicate that merchandise imports fell by 5.9% from $215.9 million for the comparative period in the preceding year (see Figure 3A). This decline was anticipated in light of the projected economic downturn in the Cayman Islands.

In absolute terms, merchandise imports fell by $12.7 million, partly due to reduction in transport and transport-related items, fuel and petroleum-related products, tobacco and alcohol, and steel and metal products.

Figure 3A: QTR 1 Merchandise Imports



Source: Customs Department and ESO

4. Work Permits

Work permits in effect issued by the Immigration Department contracted by 2.8% from the 26,451 recorded in March 2008.

Low demand for goods and services resulted in the majority of employers reducing or slowing their demand for foreign workers across all skill classes and industries, except for the professional class.

Table 4A: Work Permits

	Qtr 1 2008	Qtr 1 2009
Total	**26,451**	**25,719**
Trades/Technical/ Skilled	11,608	11, 149
Unskilled	9,781	9,563
Professional	4,275	4,298
Administrative/ Managerial	787	709

Source: Immigration Department, Economics & Statistics Office

Industrial Analysis

Among industries, the downturn in work permits was widespread with the largest fall-offs occurring in tourism services and construction which are also the main industries affected by the global economic slowdown.

In contrast, work permits in industries which mainly cater to households, such as the wholesale and retail, other community social services and private households with employed persons, remained resilient.

Table 4B: Work Permits by Industry

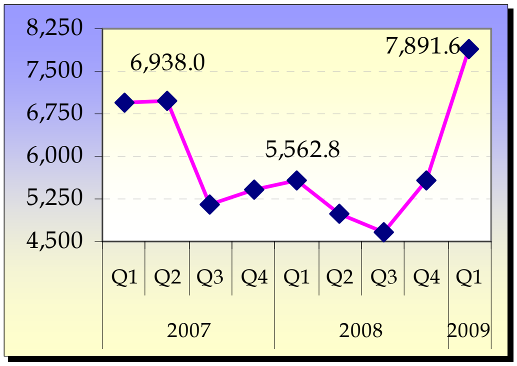
	Mar-08	Mar-09	% Change 2009/08
Construction	6,344	5,780	(8.9)
Financial Services	2,233	2,208	(1.1)
Restaurant & Bars	2,646	2,630	(0.6)
Hotels & Condominums	773	695	(10.1)
Business Services incl real estate	2,948	2,846	(3.5)
Wholesale & Retail	3,106	3,162	1.8
Private Households with Employed People	4,181	4,235	1.3
Other Community, Social & Personal Services	1,540	1,577	2.4
All Other Industries	2,680	2,586	(3.5)
Total	26,451	25,719	(2.8)
CI Government Contracts	*1,479*	*1,450*	(2.0)

Source: Economics & Statistics Office

5. Money & Banking

Broad money supply (M2) peaked at $7,891.6 million in the first quarter of 2009, marking the second consecutive quarter of growth, after reaching the lowest in the third quarter of 2008. In comparison to the first quarter of 2008, this represents a 41.9% expansion largely due to a sharp increase in foreign currency deposits. This could be possibly explained by the residents shifting of financial investment to lower-risk but liquid assets in light of the global financial crisis.

Figure 5.0: Total Money Supply (M2) in $ millions



Source: Cayman Islands Monetary Authority & Economics and Statistics Office

According to the balance sheet concept, M2 also represents the liabilities of the monetary and banking sector as shown in Table 5.1. The corresponding asset side recorded double-digit increases in both net foreign assets and net domestic assets were recorded.

Table 5.0: Monetary and Banking Summary Indicators ($ millions)

	Mar-08	Mar-09	% Change
Net Foreign Assets	**4,069.1**	**5,837.8**	**43.5**
Monetary Authority	105.1	103.0	-2.0
Commercial Banks	3,964.1	5,734.9	44.7
Net Domestic Assets	**2,255.8**	**2,854.6**	**26.5**
Other Items	**-762.2**	**-800.8**	**-5.1**
Total Assets	**5,562.8**	**7,891.6**	**41.9**
Narrow Money (M1)	337.6	346.4	2.6
Quasi Money	5,225.1	7,545.2	44.4
Monetary Liabilities (M2)	**5,562.8**	**7,891.6**	**41.9**

Source: Cayman Islands Monetary Authority & Economics and Statistics Office

5.1. Net Foreign Assets. During the review period, net foreign assets for domestic commercial banks rose by $1,770.8 million which outweighed a marginal fall of $2.1 million in the Cayman Islands Monetary Authority's net foreign assets resulting in a $1,768.7 million (or 43.5%) improvement in overall net foreign assets. This large growth is a direct result of a slight increase in foreign assets (of 0.6%) and a large reduction (of 47.7%) in foreign liabilities. Both developments could be interpreted as a result of the monetary and banking sector's response to the global financial crisis. For instance, the reduction in foreign liabilities arose from a sharp fall (51.4%) in total non-resident deposits. This is expected in the light of severe liquidity squeeze in the U.S. and other advanced economies, which would have prompted investors to draw on their foreign deposits. The data also shows that local commercial banks have reduced their investments abroad along with the loans to foreign residents, most likely due to the general increase in systematic credit risk abroad.

Table 5.1: Net Foreign Assets ($ millions)

	Mar-08	Mar-09	% Change
Net Foreign Assets	**4,069.1**	**5,837.8**	**43.5**
Monetary Authority	105.1	103.0	-2.0
Commercial Banks	3,964.1	5,734.9	44.7
Foreign Assets	**7,574.0**	**7,621.5**	**0.6**
Bal. with Banks & Branches	4,494.7	4,799.8	6.8
Total Investment	1,312.8	1,285.1	-2.1
Total Non-Resident Loans	1,766.5	1,536.6	-13.0
Foreign Liabilities	**3,610.0**	**1,886.7**	**-47.7**
Total Non-Resident Deposits	3,482.7	1,693.3	-51.4
Other Liabilities	127.3	193.4	51.9

Source: Cayman Islands Monetary Authority & Economics and Statistics Office

5.2 Net Domestic Assets. Total net domestic assets comprising total net domestic credit to both public and private sectors expanded by 26.5% in March 2009 compared to a year ago. This is likely a result of the prevailing low interest rates and the expansion of the government's expenditure program.

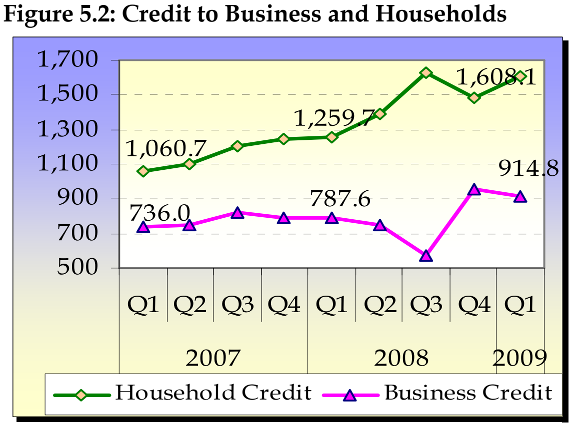
Table 5.2A: Net Domestic Assets ($ millions)

	Mar 2008	Mar 2009	% Change
Net Domestic Assets	**2,255.8**	**2,854.6**	**26.5**
Net Domestic Credit to Public Sector	190.4	331.4	74.0
Net Domestic Credit to Private Sector	2,065.4	2,523.1	22.2

Source: Cayman Islands Monetary Authority & Economics and Statistics Office

Domestic lending to the private sector comprises credit to businesses and households. As Figure 5.4 shows, loans to household generally followed an upward trend, while business loans rebounded following a trough in the third quarter of 2008.

Figure 5.2: Credit to Business and Households



Source: Cayman Islands Monetary Authority & Economics and Statistics Office

The loans allocated to households, accounting for 63.7% of total private sector credit, increased by 27.7% (or $348.4 million) in March 2009 compared to a year ago. Domestic property loans dominated household loans expanding by $85.7 million (or 8.1%) to total $1,138.9 million. Miscellaneous credit to households rose by $277.7 million (or 224.2%) mainly due to a large increase in consolidated debt. Loans for education and technology also grew significantly (84.5%) while motor vehicle loans slumped (-20.4%) over the review period.

Loans to the business sector which comprised 36.3% of total credit to the private sector expanded by 16.2% since March 2008, traced mainly to increases for the hospitality industry (114.5%), construction (33.6%), real estate business (32.2%) and utilities (66.0%).

Table 5.2B: Net Credit to the Private Sector ($ millions)

	Mar-08	Mar-09	% Change
Total	**2,065.4**	**2,523.1**	**22.2**
Credit to Businesses	**787.6**	**914.8**	**16.2**
of which			
Construction	86.8	115.9	33.6
Hotel, Restaurant and Bar	58.4	125.3	114.5
Real Estate, Renting & Other	330.6	437.2	32.2
Utilities (Electricity, Gas & Water	14.5	24.0	66.0
Trade & Commerce	72.7	75.0	3.1
Other	224.5	137.5	-38.8
Credit to Households	**1,259.7**	**1,608.1**	**27.7**
Domestic Property	1,053.2	1,138.9	8.1
Motor Vehicles	81.0	64.5	-20.4
Education & Technology	1.8	3.2	84.5
Miscellaneous	123.8	401.5	224.2
Other NonProfit Organisations	**18.1**	**0.2**	**-98.9**

Miscellaneous' include consolidated debt, insurance, medical & travel

Source: Cayman Islands Monetary Authority & Economics and Statistics Office

5.3. Money Supply. As previously stated, broad money supply (M2) in the Cayman Islands reached $7,891.6 million in March 2009, compared to $5,562.8 million for the same period last year, a 41.9% increase. The expansion directly follows from an increase in both narrow money and quasi money.

Quasi money expanded by 44.4% mirroring large increases in all its components: savings, fixed and foreign currency deposits. Foreign currency deposits recorded the largest increase of 49.7%, partially due to a rise in the holdings of U.S. foreign deposits. It is speculated that this reflects a shift in preference for liquid financial assets in the light of the heightened liquidity risks associated with mutual funds and other non-traditional financial investments.

Narrow money supply (M1), used primarily as a medium of exchange (for day to day spending) grew slightly by $8.8 million (or 2.6%) to total $346.4 million as at March 2009. This growth is traced to demand deposits, indicating that this could also have been a result of greater preference for liquid assets.

Table 5.3: Money Supply ($ millions)

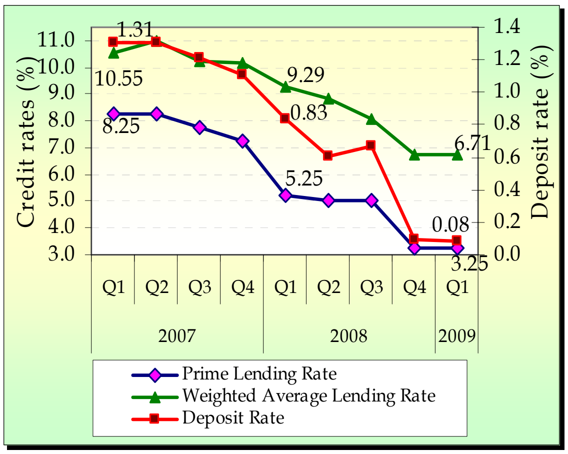
	Mar-08	Mar-09	% Change
Monetary Liabilities (M2)	**5,562.8**	**7,891.6**	**41.9**
Narrow Money (M1)	**337.6**	**346.4**	**2.6**
Currency with public	75.7	68.9	-9.1
Total demand deposits	261.9	277.5	6.0
Quasi Money	**5,225.1**	**7,545.2**	**44.4**
Savings deposits	190.4	231.1	21.4
Fixed Deposits	452.7	456.1	0.7
Foreign Currency Deposits	4,582.0	6,857.9	49.7

Source: Cayman Islands Monetary Authority & Economics and Statistics Office

5.4. Interest Rates. Indicators of the cost of borrowing are favourable as the Cayman Islands prime lending rate remained constant at 3.25% similar to last quarter, since there were no further monetary policy rate changes by the U.S. Federal Reserve Bank. This represented a cumulative 2 percentage point reduction compared to the first quarter of 2008.

Similar to the prime lending rate, both the deposit savings rate and the weighted average lending rate remained constant in comparison to the previous quarter. Nevertheless, they fell compared to the rates in the first quarter of 2008 to register at 0.08% and 6.71% respectively as at March 2009.

Figure 5.4: CI$ Interest Rates - % (End of period)



Source: Cayman Islands Monetary Authority & Economics and Statistics Office

6. Financial Services

Indicators for the Cayman Islands financial services sector slid as the worldwide financial crisis continues.

6.1. Banks & Trusts

The Cayman Islands maintained its strength in international banking as its assets ranked fifth in the world while total liabilities ranked sixth. Both total assets and liabilities increased by 1.1 percent and 2.8 percent respectively to tally at $1.83 trillion and $1.82 trillion in June 2008.

Meanwhile, licences for bank and trust companies declined anew in March 2009 compared to a year ago.

Table 6.1: Bank & Trust Companies

	Mar 2008	Mar 2009	% Change
Bank and Trust	**277**	**270**	**-2.5**
Class "A'	19	18	-5.3
Class "B"	256	250	-2.3
Of which: Class			
Class "B" restricted	2	2	0.0
Trust Companies	**139**	**141**	**1.4**
Restricted	88	86	-2.3
Unrestricted	51	55	7.8

Source: Cayman Islands Monetary Authority

Licensees from Europe and the U.S. dominated Cayman's banking licensees consisting of 29.3% and 27.4% respectively, while the rest originated from South America 16.6%; Asia and Australia, 10.0%; Caribbean and Central America, 7.8%; Canada and Mexico, 5.2% and Middle East and Africa 3.7%.

6.2. Insurance

Notwithstanding the global financial crisis, licensees in the insurance sector rose from 788 in March 2008, to 815 as at March 2009.

Table 6.2: Insurance Companies

	Mar 2008	Mar 2009	% Change
Class 'A'	28	28	0.0
Class 'B'	760	787	3.6
Total	**788**	**815**	**3.4**

Source: Cayman Islands Monetary Authority

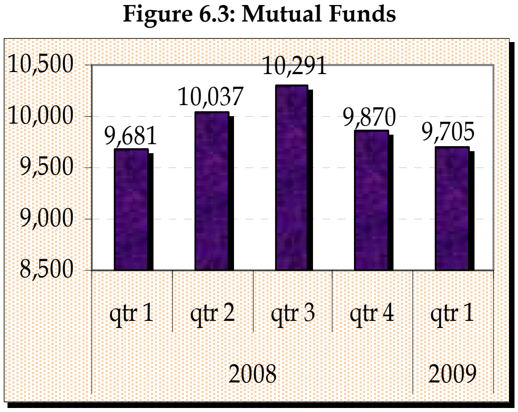
The leading primary businesses of captive insurance licences constituted of: healthcare (35.8%), workers' compensation (21.0%), property (11.6%), general liability (9.4%) and professional liability (8.3%). North America accounting for 89.6% remained the dominant source of risk location, for total captive companies.

Premiums for captives expanded by about US$200 million to record US$7.7 billion as at the end of March 2009.

6.3 Mutual Funds

Reflecting the declining demand for similar assets worldwide, total mutual funds marked a second consecutive quarter-to-quarter downturn since the third quarter of 2008. This downturn levelled the total number of mutual funds to almost the same level in the first quarter of 2008.

Figure 6.3: Mutual Funds



Source: Cayman Islands Monetary Authority

6.4 Stock Exchange

Reversing the upward trend since 2005, the total Cayman Islands Stock Exchange (CSX) listings contracted by 13.3% by the end of March 2009. This is traced mainly to a large reduction in mutual fund listings which fell by 29.2%.

Table 6.4A: Number of Stock Listings by Instrument as at March Each Year

Instruments	2007	2008	2009
Mutual Funds	896	1,083	766
Specialist Debt	388	658	717
Eurobond	9	42	62
International Equity	4	5	3
Domestic Equity	1	1	2
Total	**1,298**	**1,789**	**1,550**

Source: Cayman Islands Stock Exchange

On the other hand, there seems to be a shift to other stock market instruments as the listings for specialist debt rose along with its market capitalization. As of the quarter in review, the latter has surpassed the market capitalization for mutual funds.

Specialist debt are securities which are, as determined from time to time by the Exchange, by their nature usually purchased and traded by a limited number of investors who are particularly knowledgeable in investment matters and which are credit-linked securities or are asset-backed securities or are limited in recourse to a specific asset or assets of the issuer.

Table 6.4B: Market Capitalization by Instruments (Billions of US$)

Instruments	2007	2008	2009
Mutual Funds	83.5	94.3	51.9
Specialist Debt	26.8	53.9	82.4
Eurobond	8.5	20.7	25.7
International Equity	1.9	1.9	0.6
Domestic Equity			0.127

Source: Cayman Islands Stock Exchange

6.5 New Company Registration

During the review period, total new company registrations dropped drastically to 1,880 in March 2009, a 44.2% reduction, the largest decline since 2001. This directly follows from significant falls in all types of company registrations. The decline may be associated with a slowdown in registration of special purpose vehicles due to liquidity squeeze in source markets, and the general increase in risk aversion.

Figure 6.5: Companies Registration

	2007	2008	2009
Total	**3,396**	**3,367**	**1,880**
Exempt	3,008	3,010	1,624
Non-Resident	149	67	45
Resident	151	141	119
Foreign	88	149	92
	Percentage change (%)		
Total	**-56.0**	**-0.9**	**-44.2**
Exempt	-54.1	0.1	-46.0
Non-Resident	-67.4	-55.0	-32.8
Resident	-71.1	-6.6	-15.6
Foreign	-54.2	69.3	-38.3

Source: Registrar of Companies

7. Tourism

7.1 Air Arrivals

Air arrivals totalled 81,080 visitors, which was 14.3% below the figures noted in the same quarter of 2008. The sharp fall is not unexpected given the prevailing economic conditions in the same markets. Moreover, air arrivals were expected to decline as business travellers cutback on their expenditure following the credit crisis and ensuing liquidity squeeze. Vacationers were also expected to decline given source markets economic downturn.

As shown in Figure 7.1, the reduction in air arrivals came from across all source markets. On the whole, it is noted that total arrivals approximated the level recorded in the same quarter of 2006.

Figure 7.1: Tourism Arrivals

	2007	2008	2009	% Change 2009/08
	in thousands			
USA	**70.8**	**75.5**	**64.4**	(14.7)
Northeast	25.4	27.7	24.3	(12.5)
Midwest	20.4	21.8	18.6	(14.7)
Southeast	12.0	12.5	10.3	(17.3)
Southwest	8.5	9.0	7.9	(12.5)
West Coast	4.4	4.5	3.4	(25.9)
Europe	**5.8**	**6.4**	**5.9**	(8.1)
Canada	**6.7**	**8.2**	**7.3**	(11.7)
Other	**3.6**	**4.5**	**3.5**	(21.7)
Total	**86.8**	**94.7**	**81.1**	(14.3)
of which: **USA** (%)	**81.6**	**79.8**	**79.4**	

Source: Department of Tourism

Accommodation

Hotel *occupancy* rates improved favourably from 62.2% in the first quarter of 2008 to 67.0% this year. Similarly, occupancy levels for apartments strengthened from 44.0% to 54.3%.

The *average length of stay* for hotels remained unchanged at 4.5 days while the average length of stay at apartments increased from 6.4 days to 7.3 days.

7.2 Cruise Arrivals

During the first three months of 2009, cruise arrivals totalled 465,884 visitors, which is a decrease of 15.9% over the first quarter of 2008. This is the eight consecutive quarters of falling cruise arrivals since second quarter 2007.

The number of cruise ship calls to George Town port decreased by 20.5% to 178 calls during the first quarter of 2009; this is the third consecutive decrease in cruise ship visits recorded since 2007. Accordingly, cruise passengers per day averaged 5,176 persons, a decrease of 979 visitors compared to the first quarter of 2008.

8. Construction

8.1 Building Permits

Indicators seem to suggest that the construction sector has been resilient so far amidst the economic downturn. In the first quarter of 2009, building permits inched upwards by 2.7% to 269.

The value of building permits also increased during the period, rising by 37.7% to $105.4 million in 2008.

Table 8.1A: Building Permit (CI$ millions)
First Quarter 2007-2009

	2007	2008	2009	2008/09 % Change
Houses	25.4	32.1	53.3	65.9
Apartments	24.2	14.9	33.2	122.5
Commercial	34.1	17.4	2.4	(86.2)
Government	0.6	10.0	0.1	(99.2)
Industrial	21.4	0.2	-	(100.0)
Other	2.8	1.9	16.4	773.1
Total	**108.5**	**76.5**	**105.4**	37.7

Source: Planning Department

Record residential construction expansion, amounting to approximately $86.5 million, offset the downturn in the non-residential sector which dipped to $2.4 million.

In the housing category, building permits totalled $53.3 million, on account of multi-million dollar homes including the Ritz Carlton ‘Deckhouses’ and a new phase of Frank Hall Homes (a popular property development).

Two large scale developments, in the apartment/condominium category, were responsible for the jump in building permit from $14.9 million in 2008 to $33.2 million. These two projects, outside the Seven Mile Beach corridor, are valued at $20.6 million.

Building permit values in the 'Other' category which is a mixture of residential and non-residential projects, also ballooned from $1.9 million in 2008 to $16.4 million.

However, building permits in the government, commercial and industrial (non-residential) categories plummeted from $27.6 million in 2008 to $2.5 million as a result of contraction in government capital spending and the economic slowdown.

Building permits in this sector also hit a historical low with only eight given since the start of the year.

Table 8.1B: Building Permits Numbers
First Quarter 2007-2009

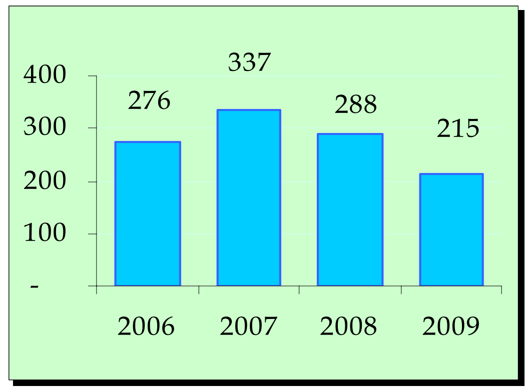
	2007	2008	2009	2008/09 % Change
Houses	160	131	125	(4.6)
Apartments	70	44	47	6.8
Hotels	0	0	0	-
Commercial	42	13	6	(53.8)
Government	6	1	2	100.0
Industrial	7	1	0	(100.0)
Other	7	72	89	23.6
Total	**292**	**262**	**269**	2.7

Source: Planning Department

8.2 Project Approvals

Construction intentions faltered in the first three months of the year, as project approvals crept downwards by 4.8% to $107.4 million. The number of approvals also slipped from 288 in 2008 to 215.

Figure 8.2: Project Approvals
First Quarter 2006-2009



Source: Planning Department

The decrease was broad-based with the exception of two categories (apartments and others). The decline was most pronounced in the non-residential sector with all categories contracting: commercial (67.1%), government (99.5%), and industrial (90.4%).

Table 8.2: Project Approval (CI$M)
First Quarter 2007-2009

	2007	2008	2009	2008/09 % Change
Houses	33.9	30.0	18.9	(36.9)
Apartments	43.1	28.8	65.0	126.0
Commercial	8.1	21.0	6.9	(67.1)
Government	3.3	17.0	0.1	(99.5)
Industrial	0.0	4.2	0.4	(90.4)
Other	26.0	11.9	16.1	35.6
Total	**114.4**	**112.9**	**107.5**	(4.8)

Source: Planning Department

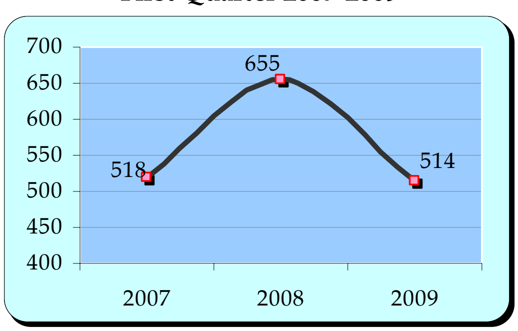
Non-residential project approvals dropped to $7.4 million compared to the $42.2 million recorded in the same period last year. This was on account of the sharp fall for houses.

In contrast, the apartment/condominium category was boosted with the unveiling of "Secret Harbour" a multi-million dollar exclusive Ritz Carlton development. This project singularly contributed $60.0 million (92%) of the category's $65.0 million.

9. Real Estate

Real estate activity fell as fewer properties traded hands. Compared to a year ago, traded properties decreased by 21.5 percent to 514 in 2009.

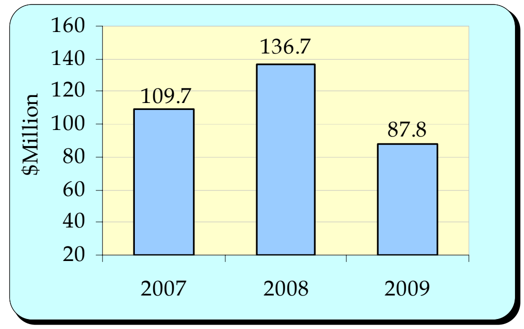
Figure 9.1: Number of Property Transfers: First Quarter 2007-2009



Source: Lands and Surveys Department

The value of traded properties also declined to the lowest in fours years, falling sharply by 35.8% from $136.7 million in 2008 to $87.8 million in 2009.

Figure 9.2: Value of Property Transfers: First Quarter 2007-2009



Source: Lands and Surveys Department

On April 1st of this year, the Government unveiled a series of stamp duty reductions to stimulate real estate purchases in the Cayman Islands. These measures, which are intended to last until 30 September 2009, give reductions based on location and whether the applicant is Caymanian.

In the Seven Mile Beach Corridor (including areas of West Bay & George Town), stamp duty was reduced from 7.5% to 5.0%. In all other areas, stamp duty is reduced by 1.0 percent and the new rates for Caymanians are 4.0% while Non-Caymanians and companies are charged 5.0%.

Incentives for "First Time Caymanian Purchases" also remained, subject to the satisfaction of specific thresholds, at zero or 1.0% stamp duty.

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