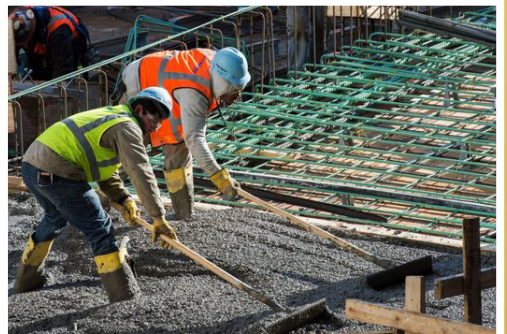




CAYMAN ISLANDS
GOVERNMENT



THE CAYMAN ISLANDS' ANNUAL ECONOMIC REPORT 2023



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1. Executive Summary

1.1 The world economy expanded in 2023, supported by consumer and government spending. Global inflation moderated relative to 2022 as lower energy prices integrated with tighter monetary policy.

1.2 The Cayman Islands' real gross domestic product (GDP) expanded by an estimated rate of 4.2 percent in 2023, relative to 5.2 percent in 2022.

1.3 Growth is estimated for most sectors, led by hotels & restaurants, utilities and other supporting sectors.

1.4 Nominal GDP per capita income was estimated at \$70,985 for 2023, higher than the \$70,024 recorded for 2022.

1.5 The average inflation rate in 2023 was 3.8 percent, compared to 9.5 percent in the previous year. Inflationary pressures emanated mainly from rising food prices and increased domestic demand, particularly housing and supplies.

1.6 Total employment increased by 3.8 percent to 58,504 in 2023. The rise in employment lagged behind the expansion in the labour force, which resulted in the unemployment rate rising to 3.3 per cent. The unemployment rate among Caymanians was estimated at 5.0 percent.

1.7 Merchandise imports rose by 2.0 percent to reach \$1,526.6 million, reflecting a 7.1 percent contraction in fuel imports which outweighed a 3.6 percent increase in non-fuel imports.

1.8 Money supply (M2) declined by 0.7 percent to reach \$8.5 billion in 2023. This monetary contraction was due to a 2.3 percent reduction in foreign currency-denominated deposits. Local currency funding rose by 2.8 percent.

1.9 Domestic credit from commercial banks expanded by 4.4 percent to settle at \$4,235.8 million. Credit to the private sector rose by 4.7 percent, while loans to the public sector rose by 1.9 percent.

1.10 Indicators of financial services were mixed in 2023. Bank and trust licences, mutual funds (i.e. master funds), new company registrations and new

partnership registrations contracted while insurance licenses, stock exchange listings and stock market capitalization increased.

1.11 Total visitors to the Islands rose by 65.4 percent to 1,700,265 with stay-over and cruise arrivals rising by 50.1 percent and 71.0 percent to 429,284 from 1,270,981, respectively.

1.12 Indicators of construction intentions were mixed in 2023. The value of project approvals and certificates of occupancy in Grand Cayman rose by 27.0 percent and 13.6 percent, respectively. In contrast, the value of building permits declined by 10.7 percent.

1.13 Real estate activity contract, with the total value of property transfers falling by 8.9 percent to \$1,155.6 million. Both freehold and leasehold transfers declined.

1.14 Electricity consumption rose by 7.8 percent for the year while water consumption rose by 11.9 percent.

1.15 The central government recorded an overall fiscal deficit of \$62.8 million in 2023, compared to a deficit of \$8.2 million in 2022. At the end of 2023, the government's total outstanding debt fell to \$453.2 million (7.6 percent of GDP).

1.16 GDP is projected to expand in 2024 by 2.8 percent, primarily due to expected growth in the tourism and auxiliary sectors. The inflation rate is expected at 2.1 percent arising mainly from external pressures. The overall unemployment rate is projected at 2.9 percent.

The Cayman Islands Economic Performance: Summary Indicators

Indicators	2021	2022	2023
Real GDP (\$million) *	4,515.3	4,748.1	4,946.3
GDP growth in real terms (%) *	4.9	5.2	4.2
Real GDP per capita (\$)*	66,675	60,444	59,116
Nominal GDP per capita (\$) *	74,571	70,024	70,985
Nominal GDP (\$million) *	5,050.0	5,500.7	5,939.4
Population (year-end)	71,105	81,546	84,738
<i>Of which</i> Caymanians	38,047	38,724	39,068
Population (mid-year)	67,721	78,554	83,671
Average inflation rate (%)	3.3	9.5	3.8
Employment	45,919	56,355	58,504
Unemployment rate (% of labour force)	5.7	2.1	3.3
Total imports (in \$million)	1,280.4	1,497.1	1,526.6
Total imports (% of GDP)	25.4	27.2	25.7
Total money supply (M2, in \$million)	8,660.2	8,537.0	8,474.4
Domestic credit (in \$million)	3,379.7	4,055.7	4,235.8
Mutual funds (including master funds)	12,995	13,008	12,802
Insurance licenses	686	695	708
Banking and trust licenses	101	94	87
Trust companies	114	114	112
Stock exchange listings	2,681	2,734	2,772
New company registrations	16,748	11,796	9,794
New partnership registrations	5,778	4,684	3,660
Stay-over tourists (in thousands)	17.3	284.3	429.3
Cruise ship passengers (in thousands)	-	743.4	1,271.0
Grand Cayman building permits (\$million)	717.0	946.1	844.8
Cayman Islands planning approvals (\$million)	976.9	533.8	677.8
Cayman Islands property transfers (\$million)	1,413.2	1,268.0	1,155.6
Net lending of the central government (\$million)	(117.2)	3.9	(62.8)
Net lending of the central government (% of GDP)	(2.3)	(0.15)	(1.06)
Outstanding debt of the central government (\$million)	222.7	506.4	453.2
Outstanding debt of the central government (% of GDP)	4.4	9.2	7.6

*Preliminary estimate for 2023 based on indicators.

2. Global and Regional Macroeconomic Environment

The lingering effects of tight monetary policy, residual energy costs and slowing demand weighed on economic in advanced economies except the United States which surpassed 2022 growth.

2.1 Economic Growth¹

The global economy expanded by 3.2 percent in 2023, down from 3.5 percent in 2022. Despite this slowdown, growth in 2023 exceeded the projection outlined in the April 2023 World Economic Outlook (WEO) report by 0.4 percentage points. The growth slowdown was driven by activities in advanced economies which expanded by 1.6 percent in 2023 relative to 2.6 percent in 2022. Economic activities in emerging markets and developing economies expanded by 4.3 percent in 2023 relative to 4.1 percent in 2022.

Higher growth in emerging markets and developing economies largely reflected continued recovery in travel services, with the increased demand supporting growth in tourism-dependent economies. This was further reinforced by the World Health Organization (WHO) declaration in May 2023 that COVID-19 was no longer a “global health emergency”. During the year, there was also improvements in the supply chains network, resulting in lower shipping costs and shorter delivery times.

Table 2.1: Global Economic Growth

	2020	2021	2022	2023
	% Change in GDP			
World	-2.7	6.5	3.5	3.2
Advanced Economies	-3.9	5.7	2.6	1.6
United States	-2.2	5.8	1.9	2.5
United Kingdom	-10.4	8.7	4.3	0.1
Canada	-5.0	5.3	3.8	1.1
Euro Area	-6.1	5.9	3.4	0.4
Emerging Market and Developing Economies	-1.8	7.0	4.1	4.3

Source: International Monetary Fund (World Economic Outlook (WEO), April 2024)

¹ This review is pulled from reports of the International Monetary Fund and other international organizations.

The US economy grew by 2.5 percent relative to 1.9 percent in 2022. This growth reflected increases in consumer spending, non-residential fixed investment, government spending and exports.

Canada recorded economic growth of 1.1 percent, the slowest growth rate since the pandemic decline of 2020. Increased consumption, government spending and net export positively contributed to Canada’s economic growth while, contractions in construction and business investments stymied some of the growth. The United Kingdom and Euro Area recorded growth of 0.1 percent and 0.4 percent, respectively, following growth of 4.3 percent and 3.4 percent in 2022.

Economic activity in the Caribbean expanded by 8.3 percent for 2023, a moderation for the 13.4 percent growth seen in 2022 (see Table 2.2). Most of the island nations monitored recorded slower growth relative to 2022 except for Trinidad and Tobago which saw its growth rise to 2.1 percent from 1.5 percent in 2022. The continued recovery of tourism and tourism-related industries was the main driver of growth in the region. Notably, Guyana, St. Vincent and the Grenadines, and Antigua and Barbuda recorded the highest growth in 2023 of 33.0 percent, 6.2 percent and 5.9 percent, respectively. The double-digit growth in Guyana was fuelled by the discovery of a new gas field off Guyana’s Atlantic coast.

Table 2.2: Caribbean Region Economic Growth²

	2020	2021	2022	2023
	% Change in GDP			
Caribbean	-4.2	5.1	13.4	8.3
Antigua & Barbuda	-17.5	6.6	8.5	5.9
The Bahamas	-23.5	17.0	14.4	4.3
Barbados	-12.7	-1.3	13.8	4.4
Dominican Republic	-6.7	12.3	4.9	2.4
Grenada	-13.8	4.7	7.3	4.8
Jamaica	-9.9	4.6	5.2	2.2
Trinidad and Tobago	-9.1	-1.0	1.5	2.1

Source: International Monetary Fund (WEO, April 2024)

² The Caribbean comprises Antigua and Barbuda, The Bahamas, Barbados, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago.

2.2 Inflation³

Global inflation slowed to 6.8 percent in 2023, falling from 8.7 percent in 2022 (see Table 2.3). According to the IMF's 2024 World Economic Outlook report, the slowdown in inflationary pressures was partly due to favourable supply developments such as better supply chains and stronger labour supply supported by strong immigration flows in many advanced economies. As such, the decline in inflation was more pronounced in advanced economies, falling to 4.6 percent from 7.3 percent in 2022. Similarly, inflation in emerging markets and developing economies moved to 8.3 percent from 9.8 percent in the previous year. Notably, the gap between the inflation rate across major economies was relatively wide, with the UK averaging 7.3 percent. In comparison, the US and the Euro Area recorded 4.1 percent and 5.4 percent, respectively.

Table 2.3: Global Inflation

	2020	2021	2022	2023
	% Change in Prices			
World	3.2	4.7	8.7	6.8
Advanced Economies	0.7	3.1	7.3	4.6
United States	1.2	4.7	8.0	4.1
United Kingdom	0.9	2.6	9.1	7.3
Canada	0.7	3.4	6.8	3.9
Euro Area	0.3	2.6	8.4	5.4
Emerging Market and Developing Economies	5.2	5.9	9.8	8.3

Source: International Monetary Fund (WEO, April 2024)

International energy and commodity prices at the end of 2023 decreased by an average of 23.3 percent, according to IMF's Commodities Price Index. Notable price declines were seen for barley (down by 25.9%), wheat (down by 24.4%), maize (down by 21.0%), crude oil (down by 16.4%) and agriculture raw materials (down by 15.6%). Price declines in commodity prices were buttressed by the normalisation of supply chains and countries developing alternatives to the supply disruptions which emanated from Russia and Ukraine. In relation to energy costs, crude oil prices fell to an average of US\$80.76 per barrel from US\$97.10 per barrel in 2022. This reduction was partly influenced by tighter global monetary policy affecting global demand.

³ Inflation is measured as the average annual change in consumer prices.

For the Caribbean⁴ region, inflation accelerated to a high of 12.8 percent from 12.6 percent in 2022 (see Table 2.4). Notably, only three of the monitored Caribbean countries recorded a higher inflation rate for 2023 relative to 2022. In Haiti prices rose on average by 44.1 percent relative to 27.6 percent in 2022, in St. Kitts and Nevis prices rose by 3.6 percent relative to 2.7 percent in 2022 and Grenada prices rose by 3.0 percent, up from 2.6 percent in 2022.

Table 2.4: Inflation Rates: Caribbean Region

	2020	2021	2022	2023
	% Change in Prices			
Caribbean	7.7	8.4	12.6	12.8
Antigua & Barbuda	1.1	1.6	7.5	5.1
The Bahamas	0.0	2.9	5.6	3.1
Barbados	0.5	1.5	5.0	5.0
Dominican Republic	3.8	8.2	8.8	4.8
Grenada	-0.7	1.2	2.6	3.0
Jamaica	5.2	5.9	10.3	6.5
Trinidad and Tobago	0.6	2.1	5.8	4.6

Source: International Monetary Fund (WEO, April 2024)

2.3 International Finance⁵

Net borrowing⁶ (overall fiscal deficit) as a percentage of GDP for advanced economies deteriorated to a deficit of 5.6 percent for 2023 relative to 3.2 percent in 2022. Within emerging markets and economies, the deficit deteriorated to 5.4 percent from 4.9 percent in 2022. The United States (US) net borrowing as a share of GDP more than doubled, reaching a deficit of 8.9 percent, compared to the deficit of 4.1 percent in 2022. The higher deficit was the culmination of a decline in income tax revenues (fell by 3.1% of GDP) and increased spending (up by 1.3% of GDP). Financing costs, specifically US Treasury bonds, surged to 5 percent in October 2023, the highest level in 16 years. This was partly due to higher borrowing costs linked to the tighter monetary policy. The United Kingdom's net borrowing as a percentage of GDP also rose to 6.0 percent compared to 4.1 percent in the previous year. In the Caribbean, Jamaica and Barbados maintained their

⁴ The Caribbean comprises Antigua and Barbuda, The Bahamas, Barbados, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago.

⁵ Source: International Monetary Fund (WEO, April 2023).

⁶ Net lending/net borrowing is equal to total revenue less total expenditure. It is viewed as an indicator of the financial impact of governments' activities on the rest of the economy. A positive balance is referred to as net lending while a negative balance is referred to as net borrowing.

respective deficits of 0.3 percent and 2.0 percent, while deficits in the Bahamas and Trinidad and Tobago increased to 3.9 percent and 1.1 percent, respectively.

During the year under review, policy rates in four of the major economies increased for three consecutive quarters (March, June and September), and were then maintained in the final quarter of the year (see Table 2.5). In Europe, the policy rate ended 2023 at a target of 5.25 percent, reflecting a 2.0 percentage point increase relative to 2022. The European Central Bank (ECB) raised its' policy rate by 1.0 percentage point by the end of the March quarter, followed by a 0.5 percentage point increase in both the June and September quarters in pursuit of target level inflation.

Likewise, the Bank of England and the US Federal Reserve Bank (FRB) implemented less restrictive monetary policy adjustments in the latter part of the year. That is, interest rates increased by 0.75 percentage points and 0.50 percentage points at the end of the March quarter, compared to 0.25 percentage points at the end of the September quarter. The Bank of Canada maintained a constant interest rate increase of 0.25 in the first three quarters with no change in the last quarter. Canada's policy rate ended the year at 5.00 percent.

Table 2.5: Key Interest Rates (% , at the end of Quarter)

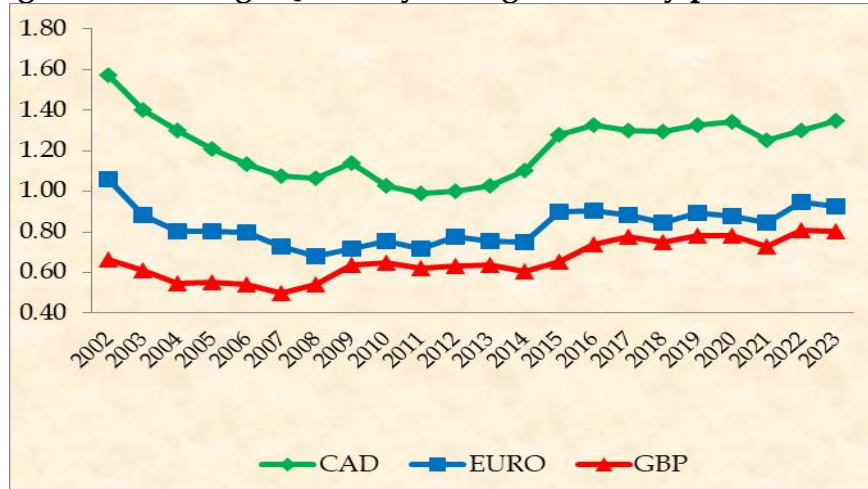
		US ¹	UK	Canada	Euro Area
		Rates in %			
2022	Q1	0.38	0.75	0.50	0.00
	Q2	1.63	1.25	1.50	0.00
	Q3	3.13	2.25	3.25	1.25
	Q4	4.38	3.50	4.25	2.50
2023	Q1	4.88	4.25	4.50	3.50
	Q2	5.13	5.00	4.75	4.00
	Q3	5.38	5.25	5.00	4.50
	Q4	5.38	5.25	5.00	4.50

1. Mid-point of the federal funds rate range used in this table

Source: Bank of England; US Federal Reserve Bank, European Central and Bank of Canada

The US dollar weakened in value against two of the world's major traded currencies (see Figure 2.2). The US dollar depreciated against the Euro and the Great Britain Pound Sterling (GBP) by 2.6 percent and 0.6 percent, respectively. The US Dollar gained 3.7 percent in value against the Canadian Dollar. The Cayman Islands Dollar being pegged to the US Dollar, maintains a comparable relationship to the major traded currencies as the United States.

Figure 2.1: Average Quarterly Foreign Currency per U.S Dollar



Source: United States Federal Reserve Bank

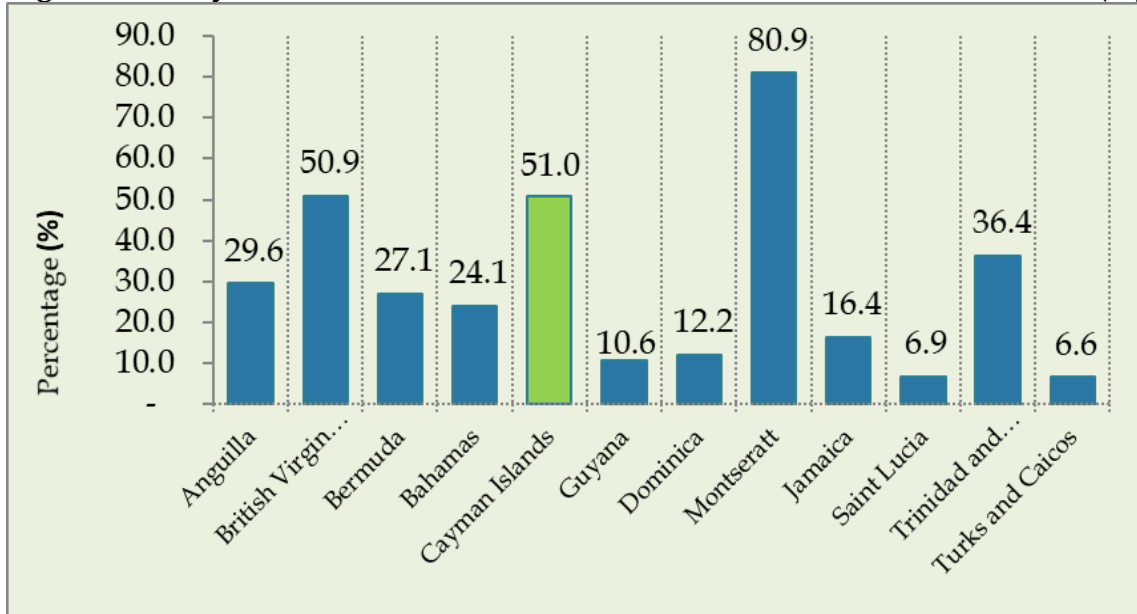
2.4 Regional and International Tourism

International tourism numbers surged to 1.3 billion arrivals in 2023, increasing 34.0 percent over 2022 and recovering 88.0 percent of pre-pandemic levels. This strong performance in international tourism was traced to remnants of pent-up demand from the COVID-19 pandemic. The growth was led by the Middle East, where arrivals rose to 22.0 percent above pre-pandemic levels. Europe, which is the world’s most popular tourist region, reached 94.0 percent of pre-pandemic levels, while the African and the Americas region reached 96.0 percent and 90.0 percent, respectively. Aisha and Pacific region reached 65.0 percent of pre-pandemic levels relative to 23.0 percent in 2022. For the year, international tourism export revenue (including passenger transport) was estimated at USD \$ 1.6 trillion.

Caribbean tourism registered 32.2 million tourist arrivals in 2023, which is approximately 14.3 percent higher than the 2022 levels. Growth in arrivals was attributed to sustained pent-up demand for outbound travel from the US, enhanced tourism-related infrastructure within destinations, strategic marketing initiatives and augmented airlift capacity between the region and its source markets. An estimated 16.3 million stay-over arrivals to the region came from the United States, representing an annual growth rate of 12.7 percent. The performance here established a new record level of arrivals from this market and surpassed the pre-pandemic arrivals by 4.2 percent. Arrival levels in the region either significantly recovered or moderately exceeded the benchmark numbers of 2019. Notably, 11 destinations performed better than in 2019, while most of the remainder fully recovered more than 50 percent of their 2019 arrivals. The

Caribbean also welcomed 31.1 million cruise visitors in 2023, 11.3 million visits or 56.8 percent more than 2019 levels.

Figure 2.2: Stay-Over Arrivals of Select Caribbean Countries, 2023 Growth (%)



Source: World Tourism Organization, Caribbean Tourism Organization and other official sources

3. Macroeconomic Performance

Continued in tourism-related services, residual construction activities and robust demand for insurance and financial services propelled an expansion in economic activity for the year. The unemployment rate fluctuated around its natural as inflation moderated in line with slowing demand and tight monetary policy.

3.1 Economic Growth

The Cayman Islands' real Gross Domestic Product (GDP) is estimated to have expanded by 4.2 percent in 2023, continuing the recovery of 5.2 percent seen in 2022. In real terms, gross domestic product is estimated at \$4,946.3 million, relative to \$4,748.1 million in 2022 (see Table 3.1). Economic Growth for the year was broad-based, with most sectors expanding, and auxiliary sectors supporting persistent demand for financial services and tourism.

Cayman's per capita income in real terms fell by 2.2 percent to \$59,116 as a 6.5 percent growth in the mid-year population outweighed the expansion in real income. In nominal terms, the estimated per capita income was \$70,985, approximately 1.4 percent higher than the value in 2022.

Table 3.1: Cayman Islands' Gross Domestic Product

	2017	2018	2019	2020	2021	2022	2023E
GDP at Current Prices (CI\$M)	4,305.2	4,608.5	4,951.6	4,712.8	5,050.0	5,500.7	5,939.4
<i>Current GDP growth (%)</i>		5.2	7.0	7.4	(4.8)	7.2	8.9
Per Capita GDP at current prices (CI\$) ¹	70,708	71,538	72,736	71,638	74,571	70,024	70,985
GDP at constant 2015 prices (CI\$M)	4,179.5	4,357.9	4,528.5	4,304.2	4,515.3	4,748.1	4,946.3
<i>Real GDP growth (%)</i>		3.2	4.3	3.9	(5.0)	4.9	5.2
Per Capita GDP at constant 2015 prices (CI\$)	68,644	67,648	66,522	65,427	66,675	60,444	59,116

¹ Using mid-year population figures.

E Preliminary based on sector economic indicators

Source: Economics and Statistics Office

Actual indicators point to growth across all sectors of the economy except for agriculture & fishing. The contraction in agriculture and fishing was declines in the value added from fishing and the growing of crops.

The strong economic performance for the year was largely driven by robust demand for services, which accounted for 88.8 percent of GDP and increased by

4.5 percent (see Table 3.2). Growth was led by the hotels and restaurants sector, which continued to recover in the first full year of the sector reopening. The hotels and restaurants sector is estimated to have expanded by 34.4 percent. The global demand for travel services supported the solid performance of the sector which induced activities in supporting and auxiliary sectors such as transportation. The transport, storage and communication sector expanded by 6.0 percent. Tourism growth is also estimated to have contributed to a 6.3 percent increase in the 'other' services sector.

Table 3.2: Real GDP (at 2015 Prices) by Sector

	2020	2021	2022	2023E	% Change
Millions of Cayman Islands Dollars					
Primary Sectors	27.8	30.7	31.2	29.4	(5.8)
Agriculture & Fishing	16.9	18.5	18.4	16.3	(11.7)
Mining & Quarrying	10.9	12.2	12.7	13.1	2.8
Secondary Sectors	217.2	235.1	242.7	250.6	3.3
Manufacturing	38.0	42.0	40.2	41.3	2.7
Construction	179.2	193.1	202.5	209.4	3.4
Services Sectors	3,848.4	3,981.2	4,204.1	4,394.6	4.5
Electricity & Water Supply	101.3	103.2	107.2	117.3	9.4
Wholesale & Retail Trade, Repairs & Installation of Machinery	287.2	294.4	307.3	317.5	3.3
Hotels & Restaurants incl. Bars	122.4	105.6	168.6	226.6	34.4
Transport, Storage & Communication	211.5	208.8	242.5	257.1	6.0
Financing & Insurance Services	1,396.0	1,439.0	1,480.2	1,520.6	2.7
Business Activities and Admin	727.4	763.1	778.1	790.7	1.6
Real Estate	368.1	376.4	375.5	388.9	3.6
Health and Social Work	176.4	208.5	224.5	236.1	5.1
Producers of Government Services	355.9	376.9	398.1	410.3	3.1
Other Services	102.3	105.3	122.0	129.6	6.3
Taxes less Subsidies on Products	210.7	268.3	270.2	271.8	0.6
GDP constant at purchasers' prices	4,304.2	4,515.3	4,748.1	4,946.3	4.2
Growth (%)	(5.0)	4.9	5.2	4.2	

E- Preliminary estimates based on sector economic indicators

The electricity and water sector expanded by 9.4 percent as warmer temperatures, increased tourism activities, and a rising population base propelled demand.

Despite a slowdown in residential construction, continued activity on some large-scale projects supported continued growth in the construction sector. Specifically, the construction sector is estimated to have expanded by 3.4 percent for the year. Wholesale & retail trade grew by 3.3 percent, while the real estate sector is estimated to have expanded by 3.6 percent, primarily due to growth in rental activities.

Financing and insurance services, which account for 30.7 percent of GDP, is estimated to have expanded by 2.7 percent. Growth in the sector remained consistent in recent years and was boosted by increased demand for insurance services as the Islands continues to increase its share of the insurance segment of financial services. Business activities and administrative services is estimated to have expanded by 1.6 percent.

3.2 Inflation

Global inflation moderated from its multi-decade high in 2022 as the impact of pandemic-related stimulus measures and supply chain shocks collaborated with a general tightening of monetary policy by most central banks. The corresponding decline in demand led to a fall in food and energy prices, which were prime drivers of higher prices. According to the Federal Reserve Bank of New York's Global Supply Chain Pressure Index⁷, difficulties in moving goods in 2023 were at their lowest in 26 years as transportation costs fell. Also, during the year, consumer demand shifted from tradable goods to services, reflecting the reopening of various service sectors after the lockdowns. This change, along with higher interest rates, led to a decline in consumer spending and demand for tradable goods, resulting in a reduction in supply chain pressures. In the energy sector, gas reserves were rebuilt in Europe, and US crude oil production reached a record high of 13.21 million barrels per day (bpd). Against this backdrop, inflation in the Cayman Islands moderated to 3.8 percent, compared to 9.5 percent in 2022.

All divisional indices increased for 2023, except for communication prices, which declined by 1.0 percent (see Table 3.3). Household equipment recorded the highest year-over-year growth of 10.4 percent. Other notable increases included food and non-alcoholic beverages, up 5.7 percent, housing and utilities, up 4.6 percent, and alcohol and tobacco, up 3.8 percent.

⁷ This index compiles 27 variables ranging from cross-border transportation costs to country-level manufacturing data in different countries and regions. The index grew sharply over the first year of the pandemic, reaching its highest-ever recorded value in April 2020. In October 2023, it fell to 1.74 standard deviations below its historical average.

Table 3.3: Average Inflation Rates

Categories	Avg. Inflation Rates (%)	
	2022	2023
Food & Non-alcoholic Beverages	9.2	5.7
Alcohol and Tobacco	1.6	3.7
Clothing and Footwear	10.2	3.8
Housing and Utilities	14.4	4.6
Household Equipment	7.7	10.4
Health	0.8	1.5
Transport	11.3	2.6
Communication	4.7	(1.0)
Recreation and Culture	5.3	3.0
Education	1.7	2.6
Restaurants and Hotels	6.0	3.7
Misc. Goods and Services	3.2	2.5
Overall CPI Inflation	9.5	3.8

The rise in the price index for household equipment was largely due to *glassware, tableware and household utensils* (up 25.8%), *repair of household appliances* (up 16.9%), *furniture and furnishings* (up 16.1%). The index for food and non-alcoholic beverages rose due to all sub-categories except vegetables, which declined by 1.4 percent. Notable sub-groups which increased were *tea, coffee and cocoa* (29.8%), *sugar, sugar confectionary & snacks* (14.9%), and *milk, cheese, & eggs* (12.4%).

Higher prices for housing and utilities were largely reflected in increases in *water supply & miscellaneous services* and *rental for housing*. In the alcohol and tobacco index, higher costs of 6.8 percent and 5.0 percent were observed for *wine* and *spirits & alcoholic cordials*, respectively.

Table 3.4: Selected Quarterly Inflation Rates (%)

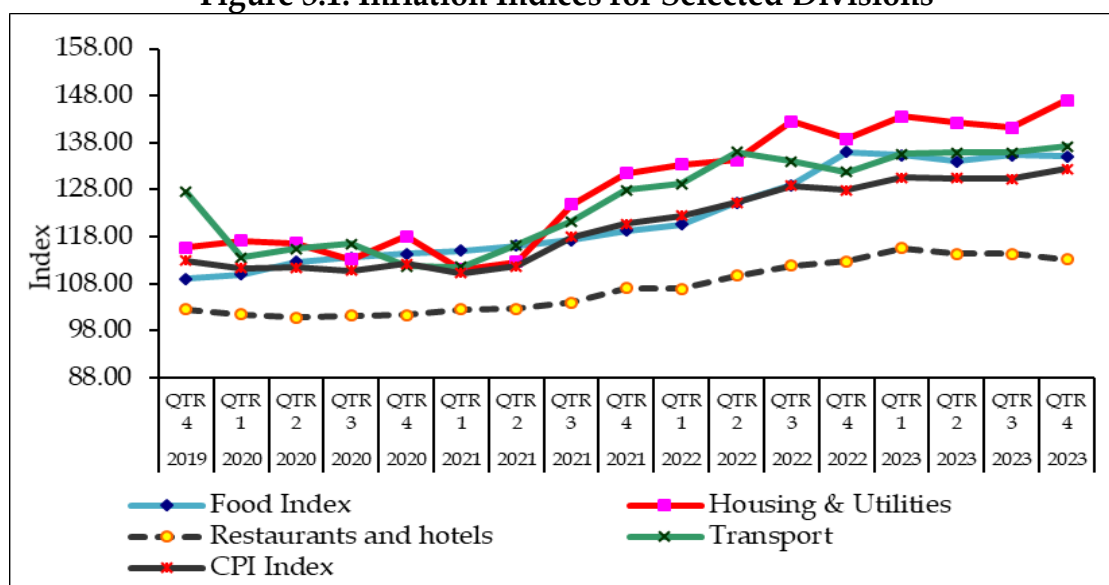
		CPI Inflation	Non Food Inflation	Core Inflation*	CPI Excluding Housing & Utilities	Food Inflation	Housing & Utilities Inflation	Electricity and Fuel Inflation
% Change over the same Quarter a Year Ago								
2022	QTR 1	11.2	11.6	9.4	6.6	4.9	20.1	32.0
	QTR 2	12.1	12.4	10.6	8.5	7.9	19.2	27.1
	QTR 3	9.2	9.2	5.5	6.5	10.0	14.2	38.7
	QTR 4	5.9	5.4	4.0	6.1	14.0	5.6	15.8
Annual Average 2022		9.6	9.7	7.4	6.9	9.2	14.8	28.4
2023	QTR 1	6.6	6.2	4.8	6.0	12.3	7.6	16.3
	QTR 2	4.1	3.9	3.9	3.1	7.0	6.0	4.0
	QTR 3	1.2	0.9	3.1	2.4	4.9	(0.9)	(12.6)
	QTR 4	3.6	3.9	4.1	2.3	(0.6)	5.9	2.2
Annual Average 2023		3.8	3.7	4.0	3.4	5.7	4.7	2.5

* CPI Inflation excluding food and non-alcoholic beverages, electricity and fuels.

Source: Economics and Statistics Office

At the end of 2023, core inflation, which is inflation excluding food and non-alcoholic beverages, electricity and fuel, rose by an average of 4.0 percent compared to 7.4 percent in 2022. The average cost of electricity and fuels was higher by 2.5 percent compared to the 28.4 percent recorded in 2022 (see Table 3.4). Non-food inflation fell to 3.7 percent, and food inflation declined to 5.7 percent over the previous year. The moderate increase in the various indices largely reflects a slower pace of growth in imported inflation, which is in line with tighter monetary policy in developed advanced economies.

Figure 3.1: Inflation Indices for Selected Divisions



Source: Economics and Statistics Office

3.3 Labour Force and Employment

The Cayman Islands’ labour force increased to a record 60,513 persons (up by 2,931 or 5.1%) at the end of 2023. The total labour force accounted for 71.4 percent of the population estimate for the period (see Table 3.5). The Caymanian labour force rose to 22,706, an increase of 815 workers or 3.7 percent. Similarly, the labour force of Permanent Residents with Rights to Work (WRW) and non-Caymanian increased to 5,341 persons (up by 1,283 or 31.6%) and 32,466 persons (up by 833 or 2.6%), respectively. The increase in the labour force supported growth in the tourism, construction, and retail trade industries. The increase in the labour force reflected an increase in employment (up by 2,149 persons or 3.8%), which exceeded an increase in unemployment (up by 782 persons or 63.7%). The Labour Force Participation Rate (LFPR) increased from 83.0 percent in 2022 to 83.1 percent in 2023.

Table 3.5: Summary of Labour Force Indicators

FALL			
	2022	2023	% Change
Total Population	81,546	84,738	3.9
Working Age Population	69,383	72,803	4.9
Labour Force	57,582	60,513	5.1
Employed	56,355	58,504	3.8
Unemployed	1,227	2,009	63.7
Unemployment Rate	2.1	3.3	55.8
Labour Force Participation Rate	83.0	83.1	0.2
Caymanian Population	38,724	39,068	0.9
Working Age Population	30,661	31,658	3.3
Labour Force	21,891	22,706	3.7
Employed	21,095	21,563	2.2
Unemployed	796	1,143	43.6
Unemployment Rate	3.6	5.0	38.5
Labour Force Participation Rate	71.4	71.7	0.5
Permanent Residents Population	6,629	7,690	16.0
Working Age Population*	4,339	5,860	35.1
Labour Force	4,058	5,341	31.6
Employed	3,957	5,217	31.8
Unemployed	100	124	23.5
Unemployment Rate	2.5	2.3	(6.2)
Labour Force Participation Rate	93.5	91.1	(2.5)
Non-Caymanian Population	36,193	37,980	4.9
Working Age Population	34,383	35,285	2.6
Labour Force	31,633	32,466	2.6
Employed	31,302	31,724	1.3
Unemployed	331	742	124.3
Unemployment Rate	1.0	2.3	118.5
Labour Force Participation Rate	92.0	92.0	0.0

* With rights to work (WRW) only

Source: ESO Fall Labour Force Survey (2023)

The number of employed Caymanians and Permanent Residents WRW increased to 21,563 and 5,217 respectively, adding a total of 1,728 workers to the labour force. The non-Caymanian employed labour force increased by 422 workers to a total of

31,724 persons. As a result, total employment in the Cayman Islands increased to 58,504 workers, which accounts for 69.0 percent of the total population.

The overall unemployment rate rose to 3.3 percent from 2.1 percent in 2022. All status groups recorded an increase in unemployment. Specifically, the number of unemployed Caymanians rose to 1,143 (up by 347 persons), the number of unemployed Permanent Residents WRW totalled 124 (up by 24 persons), and the number of unemployed non-Caymanians totalled 742 workers (up by 411 persons).

3.4 External Sector

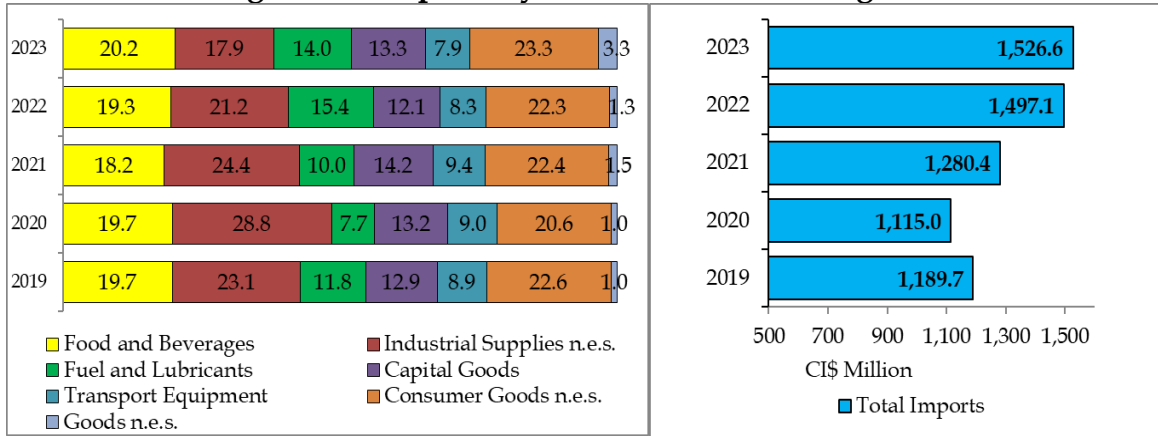
Merchandise Imports increased by 2.0 percent to \$1,526.6 million at the end of 2023. This increase was due to a rise in the value of non-fuel imports, which outweighed a decline in fuel imports. Non-fuel imports rose to \$1,311.4 million from \$1,265.5 million, an increase of 3.6 percent. Four of the nine Standard International Trade Classification⁸ (SITC) rose for the period. Increases were recorded in *chemical & related product not elsewhere specified* (up by 9.5% or \$10.3 million), *food & live animals* (up by 8.6% or \$20.8 million), *miscellaneous manufactured articles* (up by 6.9% or \$21.2 million), *machinery & transport equipment* (up by 5.7% or \$16.2 million) and *animal & vegetable oils, fats & waxes* (up 3.1% or \$0.1 million). Higher imports for the year could have been supported by a growth in the population level, increased tourism activity and a moderate decline in average prices globally.

Consistent with a trend decline in crude oil prices internationally, the value of imported *mineral fuel, lubricant, and related materials (i.e. fuel import)* declined. *Fuel imports contracted by 7.1 percent to \$215.2 million. The price of international crude oil fell to an average of US\$80.76 in 2023 from US\$97.10 in 2022. Fuel imports as a share of the total imports decreased to 14.1 percent from 15.5 percent in the previous year.*

With regards to Broad Economic Categories (BEC), four of the seven import categories increased relative to 2022. *Goods not elsewhere specified* reflected the largest nominal increase of \$30.6 million, followed by *capital goods*, which rose by \$23.3 million; consumer goods not elsewhere specified rose by \$21.5 million, while *food & beverage* increased by \$19.3 million. *Consumer Goods not elsewhere specified* accounted for the largest share of imports (23.3%) and totalled \$356.0 million for the year (see Figure 3.3).

⁸ a product classification of the United Nations (UN) used for external trade statistics (export and import values and volumes of goods), allowing for international comparisons of commodities and manufactured goods.

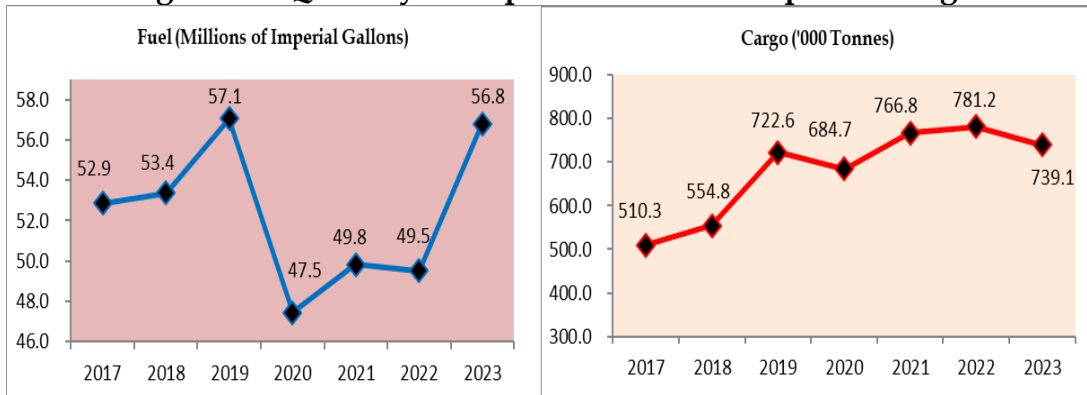
Figure 3.2: Imports by Broad Economic Categories



Source: Economics and Statistics Office

The total volume of fuel imported to the Islands increased by 14.7 percent to 56.8 million imperial gallons (see Figure 3.4). This increase was reflected across all four categories, with diesel accounting for the highest share of import volume (59.9%). The importation of diesel rose by 2.5 percent to a total of 34.0 million imperial gallons. Gas, aviation fuel and propane imports rose by 25.2 percent, 119.3 percent and 32.7 percent, respectively.

Figure 3.3: Quantity of Imported Fuel and Imported Cargo



Source: Customs Department and Port Authority of the Cayman Islands

The total volume of imported cargo fell to 739.1 thousand tonnes from 781.2 thousand tonnes in 2022 (down 5.4%). This decline was due to lower imports of containerized cargo, cement bulk and break bulk (see Figure 3.4). Containerised cargo, which represents 42.9 percent of imports, decreased to 316.9 thousand tonnes (down by 18.8%). Similarly, cement and break bulk declined by 29.3 percent and 17.8 percent, respectively. In contrast, bagged cement and imported aggregates increased. Bagged cement, which was first imported in 2021 and

recorded no import in 2022, contributed 12.7 thousand tonnes to the total import in 2023. Aggregates rose by 12.3 percent to 356.6 thousand tonnes.

Exports: At the end of 2023, the value of merchandise exports (primarily re-exports) increased to \$37.8 million (or 19.1%). This increase was reflected in five of the nine SITC categories, led by a 30.7 percent increase in *mineral fuels, lubricants and related materials*.

Current account⁹: The current account deficit of the balance of payments is estimated to have improved in 2023 to \$456.6 million, or 7.7 percent of GDP (see Table 3.6). The services account improved as receipts from tourism and financial services outweighed payments. The income account is estimated to have deteriorated along with the goods sub-account, which is estimated to have deteriorated in line with the rise in imports, which is an outflow in the current account.

Table 3.6: Balance of Payments (in CI\$ million)

	2020	2021	2022	2023E
Current Account Balances				
Trade balance	(519.0)	(569.7)	(540.0)	(619.3)
Exports	509.4	581.4	810.6	822.8
Imports, f.o.b.	(1028.5)	(1151.1)	(1350.6)	(1442.0)
Services, net	1,719.8	1,678.3	1,972.2	2,207.3
Receipts	2,782.8	2,866.8	3,371.5	3,490.6
o/w tourism visitor expenditure	187.4	12.2	497.7	677.6
o/w financial services	1,182.1	1,182.3	1,205.6	1,205.9
Payments	(1,063.0)	(1,188.6)	(1,399.3)	(1,283.3)
Net income	(1,494.7)	(1,159.2)	(1,867.1)	(1,901.7)
Credits	1,821.3	2,198.7	3,345.9	3,355.3
Debits	(3,316.0)	(3,357.9)	(5,213.0)	(5,257.0)
Transfers, net	(395.7)	(611.2)	(104.4)	(142.9)
Current Account Balance⁷	(689.6)	(661.8)	(539.4)	(456.6)
<i>Percent of GDP (%)</i>	<i>(14.6)</i>	<i>(13.1)</i>	<i>(9.8)</i>	<i>(7.7)</i>

^E Estimated based on key economic indicators

Source: Economics and Statistics Office

⁹ The current account of the balance of payments measures the total value of the country's transaction against the rest of the world in terms of trade in goods and services, income and transfers. A deficit in the current account means that the Cayman Islands made more payments to the rest of the world compared to its receipts from these transactions.

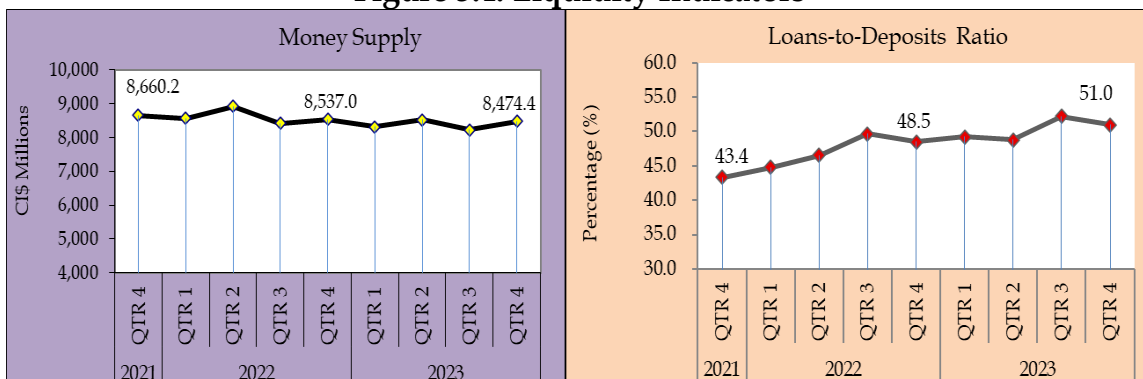
3.5 Money and Credit¹⁰

Broad liquidity: Liquidity in the monetary system contracted for the second consecutive year, declining by 0.7 percent (or \$62.6 million) relative to 2022 (see Figure 3.4 and Table 3.7). The tighter liquidity condition in the financial system is in line with the tighter monetary policy stance taken by the US Federal Reserve since it first raised interest rates in the first quarter of 2022. Given Cayman's currency board system, which pegs the local currency to the US dollar, the monetary system is highly dollarised and linked to US monetary policy. Specifically, US dollar deposits accounted for roughly 65 percent of total liquidity. The ratio of broad liquidity to nominal GDP (a measure of financial deepening), stood at 142.7 percent at the end of 2023 relative to 155.2 percent at the end of 2022.

The contraction in money supply reflected a reduction in foreign currency deposits and occurred despite a rise in local currency denominated deposits. Specifically, foreign currency deposits declined by 2.3 percent, led by US dollar deposits which fell by 1.1 percent. As noted above the supply of US dollar tightened in line with rising interest rates and higher prices in that jurisdiction. In contrast, robust economic activity locally led to a 2.8 percent increase in local currency-denominated deposits. Local currency demand deposits rose by 3.2 percent, while time and savings deposits increased by 3.0 percent. Despite these increases, the total currency in circulation fell by 0.9 percent for the period.

The share of KYD deposits in the total money stock increased to 31.0 percent, while the share of foreign currency deposits fell to 69.0 percent. The contribution of currency in circulation remained stable at 2.0 percent of the total money supply.

Figure 3.4: Liquidity Indicators



Source: Cayman Islands Monetary Authority and ESO

¹⁰ Some additions and percentage changes may not be exact due to rounding to one decimal place.

Despite the continued rise in interest rates, domestic credit increased during the year, resulting in the overall loans-to-deposits ratio rising to 51.0 percent relative to 48.5 percent at the end of 2022. The increase in credit amidst the overall fall in deposits resulted in commercial banks reducing their net foreign assets by 4.1 percent, while net domestic assets rose by 5.0 percent.

Table 3.7: Monetary and Banking Summary, in CI\$ million

	Dec-21	Dec-22	Dec-23	% Change
Total Assets	8,660.2	8,537.0	8,474.4	(0.7)
Net Foreign Assets	6,005.7	5,410.8	5,190.5	(4.1)
Monetary Authority	191.4	188.9	196.1	3.8
Commercial Banks	5,814.4	5,221.9	4,994.4	(4.4)
Net Domestic Assets	2,654.4	3,126.3	3,283.9	5.0
Domestic credit	3,679.7	4,055.7	4,235.8	4.4
Claims on central government	175.6	407.0	420.4	3.3
Claims on other public sector	29.7	20.7	15.4	(25.8)
Claims on private sector	3,474.4	3,627.9	3,800.1	4.7
Other items net	(1,025.3)	(929.4)	(951.9)	2.4
Broad Liquidity	8,660.2	8,537.0	8,474.4	(0.7)
Broad money (KYD) M2	2,513.2	2,559.0	2,631.1	2.8
Currency in circulation	173.5	171.1	169.5	(0.9)
KYD Deposits	2,339.7	2,387.9	2,461.5	3.1
Demand deposits	1,055.6	1,005.5	1,037.4	3.2
Time and savings deposits	1,284.1	1,382.4	1,424.1	3.0
FOREX deposits	6,146.9	5,978.0	5,843.4	(2.3)
<i>of which: US dollars</i>	5,671.6	5,564.9	5,501.9	(1.1)
<i>US dollars share (%)</i>	92.3	93.1	94.2	

Source: Cayman Islands Monetary Authority and ESO

Net foreign assets: Net foreign assets (NFA) of the Cayman Islands Monetary Authority (CIMA) rose by 3.8 percent, while the NFA of commercial banks contracted by 4.4 percent (see Table 3.8). CIMA's NFA rose by \$7.2 million during the review period relative to a contraction of \$2.4 million in the previous year. The drawdown of commercial banks' NFA occurred in the context of a 1.5 percent reduction in foreign assets and a 3.2 percent build-up in the foreign liabilities.

The decline in foreign assets was due to reductions in two of the three major categories. Non-resident loans fell by 11.8 percent, while investments declined by 1.1 percent. Despite the general contraction, balances held with banks and branches rose by 0.6 percent for the period. Foreign liabilities increased due to a

47.9 percent rise in other liabilities. In contrast, total non-resident deposits contracted by 1.8 percent.

The ratio of foreign currency-denominated liabilities to total liabilities (a financial soundness indicator that measures the relative importance of foreign currency funding within the banking system) stood at 78.0 percent in 2023, lower than the 78.8 percent recorded in 2022. Foreign currency liabilities continued to be the primary source of funding in the Cayman Islands, which can be considered a “pseudo-dollarized economy.” The large ratio of foreign currency deposits provides strong support for the fixed exchange rate under the existing currency board system. It reinforces the Islands' link to the US monetary system.

Table 3.8: Net Foreign Assets, CI\$ million

	Dec-21	Dec-22	Dec-23	% Change
Net Foreign Assets	6,005.7	5,410.8	5,190.5	(4.1)
Monetary Authority	191.4	188.9	196.1	3.8
Commercial Banks	5,814.4	5,221.9	4,994.4	(4.4)
Foreign Assets	8,783.8	8,341.1	8,214.1	(1.5)
Bal. with Banks & Branches	3,448.3	3,322.3	3,343.2	0.6
Total Investment	4,314.6	4,154.5	4,108.2	(1.1)
Total Non-Resident Loans	1,021.0	864.2	762.7	(11.8)
Foreign Liabilities	2,969.4	3,119.2	3,219.7	3.2
Total Non-Resident Deposits	2,656.3	2,806.7	2,757.5	(1.8)
Other Liabilities	313.1	312.5	462.2	47.9

Source: Cayman Islands Monetary Authority and ESO

Net domestic credit: Domestic credit expanded by 4.4 percent to \$4,235.8 million in 2023, driven by increased lending to the private and public sectors. Credit extended to the private sector rose by 4.7 percent while public sector borrowing increased by 1.9 percent (or \$8.9 million). The rise in private sector credit was due to an expansion of 14.5 percent in business loans, while household lending fell by 0.3 percent. The growth in public sector borrowings reflected an expansion of 3.3 percent (or \$13.3 million) in credit to the central government: this was partly offset by a reduction in the loan balance of other public bodies of 25.8 percent (or \$5.3 million). Notably, the rise in the loan balance of the central government is due to an existing loan balance being brought into the local banking book and not due to new borrowing.

Table 3.9: Net Domestic Credit, CI\$ million

	Dec-21	Dec-22	Dec-23	% Change
Domestic Credit	3,679.7	4,055.7	4,235.8	4.4
Credit to Public Sector	205.3	427.8	435.7	1.9
Credit to Central Government	175.6	407.0	420.4	3.3
Credit to Other Public Sector	29.7	20.7	15.4	(25.8)
Credit to Private Sector	3,474.4	3,627.9	3,800.1	4.7

Source: Cayman Islands Monetary Authority and ESO

Table 3.10: Net Credit to the Private Sector, CI\$ million

	Dec-21	Dec-22	Dec-23	% Change
Total Private Sector Credit	3,474.4	3,627.9	3,799.9	4.7
Credit to Businesses	1,166.8	1,160.7	1,329.5	14.5
Production & Manufacturing	207.3	207.5	293.5	41.5
Agriculture, Fishing and Mining	4.9	4.7	4.5	(5.0)
Manufacturing	8.4	8.0	9.1	13.8
Utilities	8.2	9.8	62.7	538.1
Construction	185.8	184.9	217.2	17.5
Services	126.3	144.5	140.1	(3.1)
Accommodation, Food, Bar & Entertainment Services	68.3	78.0	64.6	(17.2)
Transportation, Storage & Communications	28.9	21.7	9.6	(55.8)
Education, Recreational & Other Professional Services	29.0	44.8	65.9	47.1
Trade and Commerce	812.4	790.9	883.8	11.7
Wholesale & Retail Sales Trade	102.3	112.6	134.3	19.4
Real Estate Agents, Rental and Leasing Companies	318.9	315.7	347.1	10.0
Other Business Activities (General Business Activity)	391.2	362.7	402.4	10.9
Other Financial Corporations	20.8	17.8	12.1	(32.0)
Credit to Households	2,293.1	2,448.4	2,442.0	(0.3)
Domestic Property	2,033.1	2,180.9	2,164.6	(0.7)
Motor Vehicles	58.4	56.0	61.0	8.9
Education and Technology	3.3	2.8	2.7	(5.0)
Miscellaneous*	198.3	208.7	213.7	2.4
NonProfit Organizations	14.5	18.8	28.4	51.2

*Miscellaneous include consolidated debt, insurance, medical & travel

Source: Cayman Islands Monetary Authority and ESO

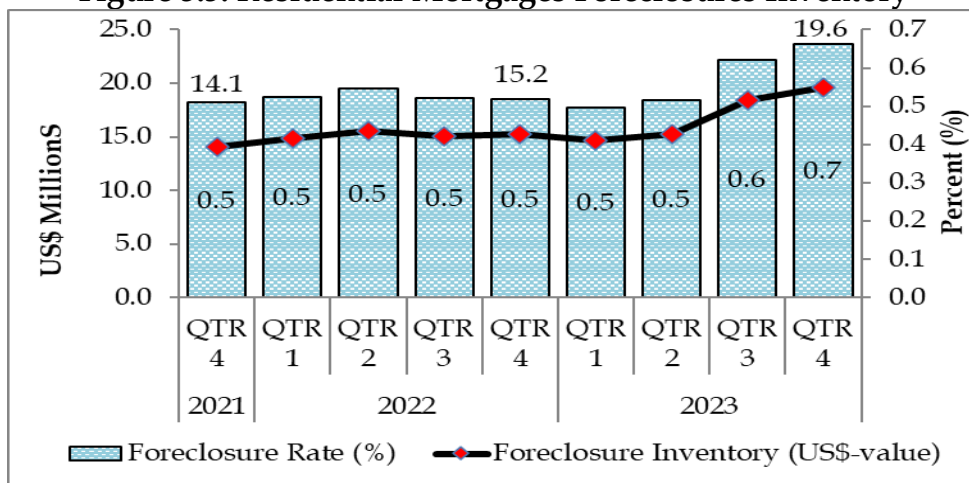
Loans to businesses increased by \$268.8 for the year to \$1,329.5 million (see Table 3.10). The trade and commerce sector reflected the largest expansion, rising by 11.7 percent or \$92.9 million. Similarly, the production and manufacturing sector rose by 42.5 percent or \$86.0 million. In contrast, credit to the services sector declined by \$4.4 million (or 31%). The sector with the largest absolute increase was the utilities sector, which accessed additional loan financing of \$52.8 million or an increase of 538.1 percent.

Household credit, which accounted for just under two-thirds of the banking sector’s domestic credit portfolio, fell by \$6.4 million to \$2,442.0 million in 2023. The contraction was due to declines of 0.7 percent and 5.0 percent in loans for domestic properties and education & technology, respectively. Notably, domestic property loans accounted for roughly 89 percent of personal loans. In contrast to the general decline in personal loans, motor vehicle loans rose by 5.0 percent, while credit extended for miscellaneous services increased by 2.4 percent.

Residential mortgage foreclosures: Data from CIMA showed that the average foreclosure inventory in 2023 reached 58 properties valued at US\$19.6 million. This represents an increase from 56 properties valued at US\$15.2 million in 2022 (see Figure 3.5).

The average foreclosure rate (the value of foreclosure inventory over the total value of residential mortgages) increased to 0.7 percent from 0.5 percent in 2022.

Figure 3.5: Residential Mortgages Foreclosures Inventory

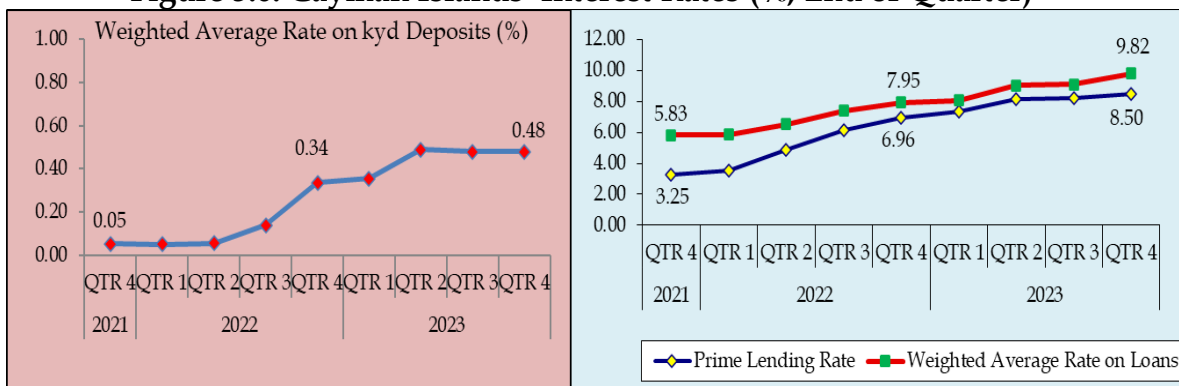


Source: Cayman Islands Monetary Authority and Economics and Statistics Office

Interest rates: The Federal Funds Target Rate (FFTR) increased multiple times throughout the year, pushing Cayman’s prime lending up by 154 basis points to 8.50 percent at the end of 2023. The rise in the prime rate supported a 187 basis points increase in the weighted average rate on KYD loans, which rose to 9.82 percent (see Figure 3.6).

The weighted average rate on KYD deposits also increased by 14 basis points to 0.48 percent at the end of 2023.

Figure 3.6: Cayman Islands’ Interest Rates (% , End of Quarter)



Source: Cayman Islands Monetary Authority and ESO

4. Key Sector Developments

Cayman's financial services industry exhibited mixed performance in 2023, while stay-over tourist arrivals continued up an upward trend post-pandemic. Construction indicators were mixed, while the total value of real estate transfers contracted. Utilities increased during the year in tandem with warmer temperatures coupled with population and economic growth.

4.1 Financial Services

The financial services sector performance was mixed during the review period. At the end of 2023, the number of mutual funds, bank & trust licences, new company registrations, and new partnerships fell. In contrast, insurance licences, private funds and stock exchange listings increased.

Banks & Trusts: At the end of 2023, there were a total of 87 bank and trust licenses issued in the Cayman Islands. Historically, this is the lowest total since 2005. There were 76 Class B banks at the end of the year compared to 83 in 2022. This decline was due to the revocation or cancellation of several entities holding Class B banking licences, including Silicon Valley Bank which filed for bankruptcy during the year. Class B licences at the end of 2023 were comprised of 52 branches (previously 56), 16 subsidiaries (previously 18) and 8 private & affiliate banks (previously 9). The number of Class A licences remained the same at 11 banks, consisting of nine subsidiaries and two private & affiliate banks (see Table 4.1).

The number of trust companies decreased by 2 (or 1.8%) to 112. This reduction was due to unrestricted trusts, which fell by two to 56, while the number of restricted trust companies remained at 56.

International financial assets domiciled in the Cayman Islands was valued at US\$379.8 billion at the end of 2023. This reflected a 22.0 percent decline relative to the total assets value of US\$486.7 billion in 2022 (see Table 4.1). Similarly, the international liabilities domiciled locally declined by 18.6 percent to US\$380.2 billion, compared to US\$467.0 billion in 2022. The sharper reduction in international assets resulted in the total value of international liabilities exceeding international assets for the first time since 2017. Foreign currency held by banks with domestic positions fell to US\$10.9 billion from US\$14.2 billion, while foreign currency liabilities increased to US\$48.4 billion from US\$42.7 billion in 2022.

At the end of 2023, the Bank of International Settlement (BIS) ranked the Cayman Islands the 20th largest banking centre based on the value of cross-border assets and the 21st internationally in terms of liabilities. The Cayman Islands' cross-border cross-financial assets and liabilities totalled US\$368.9 billion and US\$331.7 billion, respectively. The combined cross-border assets and liabilities in all reporting countries amounted to US\$38,730.2 billion (up 5.5%) and US\$35,341.6 billion (up 5.0%), respectively.

Table 4.1: Bank & Trust Companies, 2020-2023

	2020	2021	2022	2023	% Change
Bank and Trust Licensees	110	101	94	87	(7.4)
<i>Of which:</i> Class 'A'	9	10	11	11	-
Class 'B'	101	91	83	76	(8.4)
Trust Companies	117	114	114	112	(1.8)
Trust Companies (Unrestricted)	57	56	58	56	(3.4)
Trust Companies (Restricted)	60	58	56	56	-
Assets and Liabilities	US\$ Billion				
Total Position					
Assets	595.4	518.3	486.7	379.8	(22.0)
Liabilities	594.6	517.5	467.0	380.2	(18.6)
Cross-Border Position (Foreign and Domestic Currency)					
Assets	579.0	503.0	472.5	368.9	(21.9)
Liabilities	537.8	470.8	424.3	331.7	(21.8)
Domestic Position (Foreign Currency)					
Assets	16.4	15.3	14.2	10.9	(22.9)
Liabilities	56.8	46.7	42.7	48.4	13.5

Source: Cayman Islands Monetary Authority, Bank of International Settlements (BIS)

South America was the regional leader for the number of banking and trust licenses operating in the Cayman Islands, with 23 licenses, representing a share of 26.4 percent at the end of 2023 (Table 4.2). All regions recorded an overall decline compared to last year, except for South America (23), Asia & Australia (16), and the Middle East & Africa (2), which remained at their 2022 levels. Licences for the United States of America (USA), Canada & Mexico, and Europe decreased by 2, while for the Caribbean and Central America decreased from 18 to 17 licences.

Table 4.2: Number of Banks by Region, 2020–2023

	2020	2021	2022	2023	% Change
Number of Banks					
Europe	15	13	13	11	(15.4)
USA	18	15	10	8	(20.0)
Caribbean & Central America	20	19	18	17	(5.6)
Asia & Australia	17	16	16	16	-
Canada & Mexico	12	12	12	10	(16.7)
South America	26	24	23	23	-
Middle East & Africa	2	2	2	2	-
Total	110	101	94	87	(6.9)

Source: Cayman Islands Monetary Authority

Insurance: The number of insurance licenses totalled 708 at the end of 2023, relative to 695 in 2022 (Table 4.2). This represented the largest single-year increase in more than a decade. According to the Insurance Managers Association of Cayman (IMAC), the Cayman Islands is increasingly becoming the jurisdiction of choice for many insurance companies.

Class A (domestic) insurers. The number of domestic insurers remained stable at 25 for the third consecutive year (Table 4.3). This comprised 11 locally incorporated class A licences (up from 9 in 2022) and 14 external class A licensees (down from 16 in 2022).

Table 4.3: Insurance Companies, 2020 - 2023

	2020	2021	2022	2023	% Change
Total Insurance Licensees	679	686	695	708	1.9
Class 'A' Licences (Domestic)	27	25	25	25	-
Class 'B' Licences (Captives)	624	634	642	658	2.5
Class 'C' Licences (Captives)	23	21	21	17	(19.0)
Class 'D' Licences (Captives)	5	6	7	8	14.3
Total Captives	652	661	670	683	1.9
Financial Position of Captives	US\$ Billion				
Premiums	20.9	23.1	23.0	57.6	150.4
Total Assets	70.8	75.2	74.1	138.7	87.1

Source: Cayman Islands Monetary Authority

Class B, C and D or captives (international) insurers. The total number of captive insurers increased to 683 licences from the 670 in 2022. This increase comprised 16

new ‘Class B’ licences, which rose to 658, and 1 additional ‘Class D’ ending 2023 at 8. Class B licences, intended for captives seeking to conduct non-domestic insurance or reinsurance business in the Cayman Islands, have shown a steady year-over-year increase since 2020 and have been the primary driver of the recent trend. The number of Class C (“cat bond” or “specialty insurer”) licenses fell from 21 in 2022 to 17 licenses. Most international insurers (i.e. 82.9%) were represented by pure captives, comprising 41.7 percent, followed by segregated portfolio companies at 22.5 percent, and group captives at 18.6 percent.

With the increased number of insurance companies licensed, the value of total assets and total premiums also reflected a significant uptick relative to 2022. Specifically, total assets increased by 87.1 percent to US\$138.7 billion and total premium rose by 150.4 percent to US\$57.6 billion (see Table 4.3).

Table 4.4: Captive Insurance Licences by Risk Location and Primary Class of Business, 2020-2023

	2020	2021	2022	2023
Number of Companies				
Africa, Asia & Middle East	6	7	8	8
Caribbean & Latin America	22	23	23	24
Europe	6	7	8	7
North America	587	594	598	615
Pacific Rim	2	2	2	0
Other	29	28	31	29
	652	661	670	683
Number of Companies				
Healthcare	200	198	191	189
Workers' Compensation	146	148	149	152
Property	64	66	73	71
General Liability	78	82	86	99
Professional Liability	55	57	58	56
Other	109	110	113	116
	652	661	670	683

Source: Cayman Islands Monetary Authority

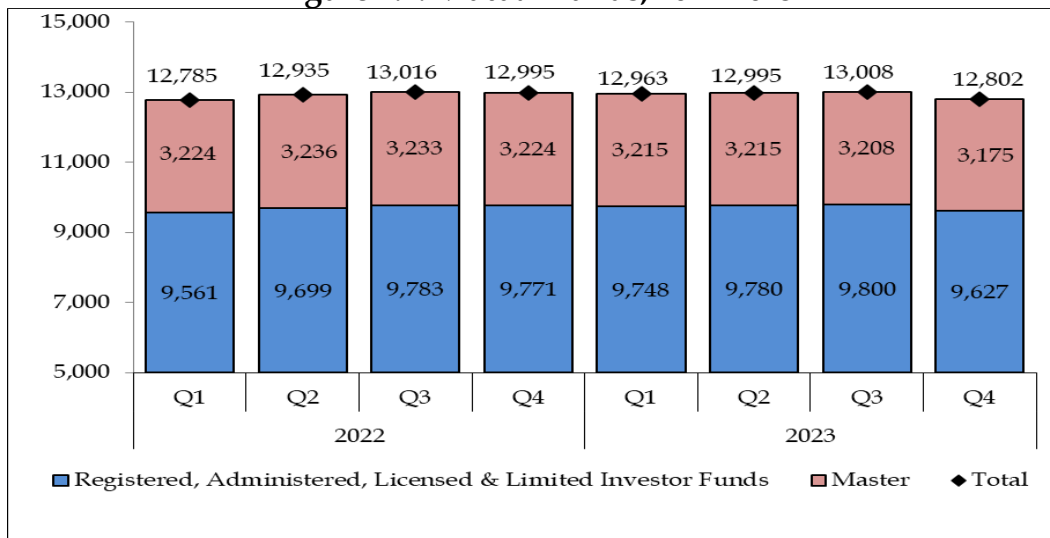
Table 4.4 shows the insurance companies registered in the Cayman Islands, organised by their respective regions and classes of business. North American companies accounted for 90.0 percent of the insurance market with 615 licences. The primary class of business at the end of 2023 was healthcare insurance with a

share of 27.7 percent, followed by workers’ compensation, with 22.2 percent. General liability companies recorded the highest increase of 15.1 percent, totalling 99 companies at the end of the year.

Mutual Funds: At the end of 2023, the total number of mutual funds registered in the Cayman Islands was 12,802. This reflected a 1.5 percent (or 193 licences) reduction in the number registrants relative to the 13,008 at the end of 2022 (see Figure 4.1). All categories of mutual funds declined, with the number of registered funds decreasing to 8,681 from 8,795; master funds fell to 3,175 from 3,224; administered moved to 269 from 290; licensed funds contracted to 50 from 51, and limited investor funds was down to 627 from 635.

In contrast, the number of private funds increased by 4.4 percent (or 697) for the year to a total of 16,551. This category has shown continued growth since its introduction in 2019.

Figure 4.1: Mutual Funds, 2022-2023



Source: Cayman Islands Monetary Authority

Stock Exchange. Security listings on the Cayman Islands Stock Exchange (CSX) increased to 2,772 in 2023 from 2,734 in 2022 (see Table 4.5). A 10.4 percent increase in the number of mutual funds listing to 117 instruments and a 1.8 percent increase in specialist debt securities to 2,375 instruments were the only contributors to the overall growth. The overall increase was partly offset by declines in insurance-linked security, sovereign debt security, secondary equity and retail debt security which fell by 9.8 percent, 4.0 percent, 100 percent and 100 percent, respectively. Primary equity listing remained constant at 3 instruments listed.

Table 4.5: Stock Listings, 2020-2023.

Instruments	2020	2021	2022	2023	% Change
Total	2,336	2,681	2,734	2,772	1.4
Mutual Funds	123	110	106	117	10.4
Specialist Debt Security	1,879	2,266	2,332	2,375	1.8
Insurance Linked Security	37	38	41	37	-9.8
Sovereign Debt Security	291	262	250	240	-4.0
Primary Equity	4	3	3	3	0.0
Secondary Equity	1	1	1	0	-100.0
Retail Debt Security	1	1	1	0	-100.0

Source: Cayman Islands Stock Exchange

The market capitalisation of the exchange ended in 2023 at US\$884.4 billion, representing a 9.6 percent or US\$77.4 billion increase over 2022 (see Table 4.6). The main contributors to the increase were specialist debt security and mutual funds. Specialist debt security, which is the highest valued instrument, totalled US\$717.0 billion and increased year-over-year by 13.0 percent or US\$82.4 billion. Mutual fund instruments were valued at US\$19.9 billion and increased by 10.3 percent or US\$1.9 billion. Insurance-linked security and sovereign debt security, which represent the 4th and 2nd highest valued instruments, fell by 13.0 percent (or US\$0.6 billion) and 3.8 percent (US\$5.7 billion), respectively.

Table 4.6: Market Capitalization (US\$ Billions), 2020-2023¹¹

Instruments	2020	2021	2022	2023	% Change
Total	458.8	807.2	807.0	884.4	9.6
Mutual Funds	12.2	14.8	18.0	19.9	10.3
Specialist Debt Security	292.8	639.8	634.5	717.0	13.0
Insurance Linked Security	5.0	4.9	4.7	4.1	-13.0
Sovereign Debt Security	147.6	146.6	148.7	143.0	-3.8
Primary Equity	0.4	0.4	0.5	0.5	-6.0
Secondary Equity	0.3	0.2	0.1	0.0	-100.0
Retail Debt Security	0.5	0.5	0.4	0.0	-100.0

Source: Cayman Islands Stock Exchange

Company Registration: At the end of 2023, there were 118,443 active companies registered in the Cayman Islands (see Table 4.7). This corresponds to a decline of 0.6 percent or 685 fewer companies relative to 2022. Exempt companies, which represent 80.7 percent of all registered companies, recorded the largest nominal

¹¹ The figures for mutual funds and domestic equity refer to market capitalization. Figures for specialist debt, Eurobond and secondary equity is based on par values.

decline of 1,446 companies, or 1.5 percent. Similarly, non-resident companies also declined to 2,169 from 2,317 (down by 6.4%). In contrast, the number of resident, foreign, foundation and limited liability companies reflected increases of 3.2 percent, 3.2 percent, 34.4 percent and 5.0 percent, respectively.

The number of new companies registered totalled 9,794 at the end of the year, reflecting a decline of 2,002 or 17.0 percent in comparison to 2022. All company categories fell for the period, notably, exempt company registrations contracted by 1,519 or 16.8 percent. Nevertheless, the number of new exempt companies totalled 7,540 continues to account for the largest proportion of new companies, 77.0 percent.

Table 4.7: Company Registrations, 2020-2023

	2020	2021	2022	2023	2023/2022 % Change
Total Company Registrations	111,568	116,996	119,128	118,443	-0.6
Exempt	92,550	96,213	97,018	95,572	-1.5
Non-Resident	2,797	2,501	2,317	2,169	-6.4
Resident	7,322	7,627	7,835	8,088	3.2
Foreign	5,623	6,001	6,450	6,657	3.2
Foundation	158	309	588	790	34.4
Limited Liability Companies	3,118	4,345	4,920	5,167	5.0
New Company Registrations	11,731	16,748	11,796	9,794	-17.0
Exempt	9,360	13,413	9,059	7,540	-16.8
Non-Resident	13	15	21	8	-61.9
Resident	648	845	702	681	-3.0
Foreign	751	846	856	639	-25.4
Foundation	43	164	297	231	-22.2
Limited Liability Companies	916	1,465	861	695	-19.3

Source: Cayman Islands General Registry

In total, 9,276 companies were terminated during the year, reflecting a reduction of 5.6 percent (or 549). “Struck off by registrar” was noted as the main reason for the termination, with 5,627 companies accounting for 60.7 percent of the total. The second reason for termination was due to 2,828 companies being voluntarily dissolved, which corresponded to a share of 28.5 percent. Exempt companies reflected the largest terminated group with 7,916 entities, followed by 447 resident companies, 405 limited liability companies, 335 foreign companies, 160 non-resident companies and 13 foundation companies.

Partnership Registration: There are 39,222 active partnerships registered in the Cayman Islands, an increase of 4.2 percent (or 1,582) compared to 37,640 at the end of 2022 (see Table 4.8). This increase was attributable to all categories of partnerships, namely the addition of 1,467 (or 4.0%) more exempt partnerships, 111 (or 12.9%) more foreign partnerships, 3 (or 14.3%) more limited liability partnerships and 1 (or 100%) more limited partnership. Exempt partnerships accounted for 97.5 percent, or 38,223, of the total active partnerships.

Despite the fall in new partnership registration, the increase in active partnerships was supported by a decline in the number of terminated partnerships. Terminated partnerships fell by 1.8 percent (or 37) to 2,022. The main reason for termination was the voluntary dissolution (1,199), which accounted for 59.3 percent of overall terminations. This was followed by 599 partnerships ending due to special removal; 132 were deregistered, 71 were removed from the register, 20 were by ‘cessation-voluntary’, and 1 was removed by the registrar. A total of 2,002 exempt partnerships and 20 foreign partnerships were terminated. No limited partnership was terminated in the review period.

Table 4.8: Partnership Registrations, 2020-2023

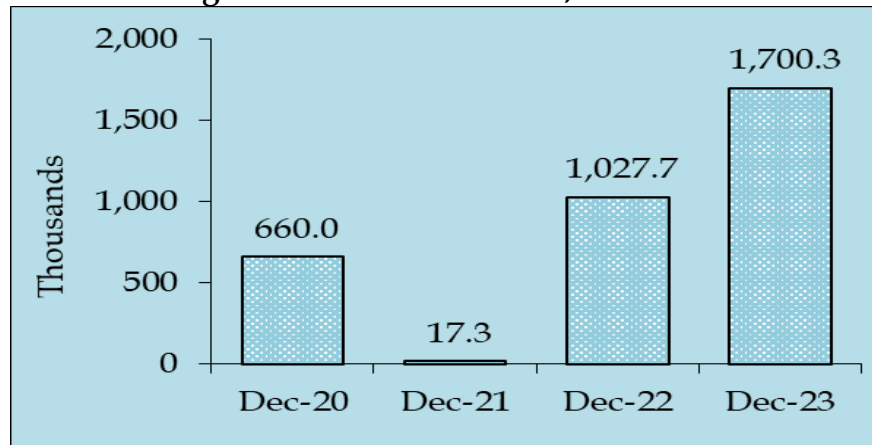
	2020	2021	2022	2023	2023/2022 % Change
Total Partnership Registrations	31,734	35,075	37,640	39,222	4.2
Exempt Limited	31,144	34,343	36,756	38,223	4.0
Foreign	570	711	862	973	12.9
Limited	19	1	1	2	100.0
Limited Liability*	1	20	21	24	14.3
New Partnership Registrations	4,510	5,778	4,684	3,660	(21.9)
Exempt Limited	4,355	5,601	4,515	3,498	(22.5)
Foreign	154	157	164	157	(4.3)
Limited	-	-	-	2	-
Limited Liability*	1	20	5	3	(40.0)

Source: Cayman Islands General Registry

4.2 Tourism

As the hotels and accommodation industry continued to recover during the year, visitor arrivals to the Cayman Islands rose to 1,700,265. The resurgence in arrivals was supported by ongoing improvements in global travel activities, which led to stronger performances in both stay-over and cruise arrivals.

Figure 4.2: Tourist Arrivals, 2020-2023



Source: Department of Tourism

Stay-over arrivals. Building on the previous year’s performance, stay-over arrivals increased by a further 50.9 percent to 429,284. The tenacity of travellers was reflected in visitors from all regional markets, with the USA showing the strongest increase of 54.6 percent. Total stay-over arrivals for the year reached 85.4 percent of the record levels seen in 2019.

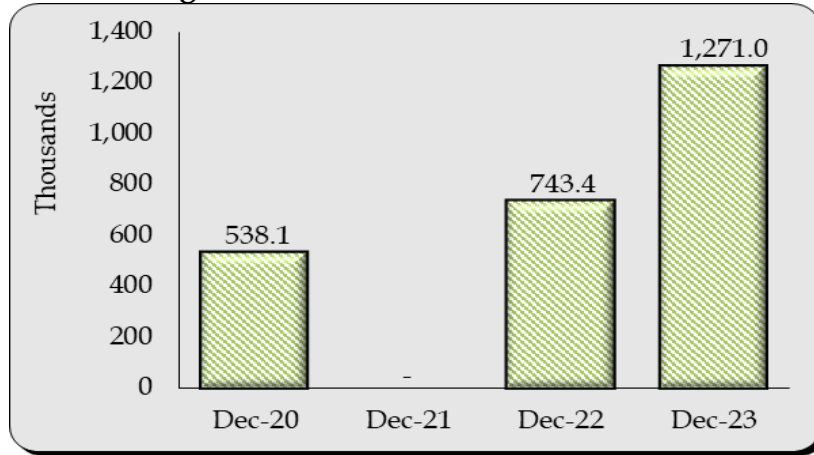
Table 4.9: Stay-over Arrivals by Country of Origin, 2020-2023

	2020	2021	2022	2023	% Change
In Thousands					
USA	99.1	9.5	229.8	355.4	54.6
Europe	6.3	2.7	16.5	19.9	20.9
Canada	11.4	1.8	19.9	28.6	43.9
Others	5.0	3.3	18.1	25.5	40.3
Total	121.8	17.3	284.3	429.3	51.0
USA (% share)	81.4	55.0	80.8	82.8	

Source: Department of Tourism

Cruise market. Cruise arrivals totalled 1,270,981 for the year, benefitting from the first full year of port operations since the Covid-19 pandemic. Port calls expanded by 136 to reach 407 for the period.

Figure 4.3: Cruise Arrivals, 2020-2023



Source: Department of Tourism

4.3 Construction

Building intentions remained mixed for 2023, with regulatory approvals at different stages of the construction process showing opposing trends. The value and volume of building permits declined for the period. Similarly, the number of project approvals and certificates of occupancy fell for the period. In contrast, the value of project approvals and certificates of occupancy increased relative to the previous year.

Building Permits: During the review period, building permit values contracted by 10.8. percent to \$844.8 million. This contraction was traced to declines in the residential, industrial and hotel categories. The falloff in the residential category was driven by permits for houses, which fell by 49.3 percent as the construction of smaller scale single-family-type housing projects declined in line with rising interest rates and higher housing costs. The overall decline in residential permits was partly mitigated by an increase in the value of permits for apartments, which rose by 22.3 percent. The hotel category declined by 66.3 percent or \$197.0 million and reflected the non-recurrence of three large-scale hotel projects. Additionally, the value of permits for industrial projects declined by 79.7 percent or \$8.0 million.

Despite the overall contraction, the value of commercial permit approvals rose by \$32.0 million and consisted of several high-valued buildings, some of which were mixed-used buildings. Similarly, the government and other category rose by \$4.0 million and \$76.9 million, respectively.

The number of building permits declined by 27.4 percent to 737. Of note, despite the increases in the value of apartment and commercial permits, the number of projects declined, suggesting a rise in larger and more expensive projects.

Table 4.10: Grand Cayman Building Permits 2021-2023

	Building Permits (CI\$ Mil)			%		Number of Permits			%
	2021	2022	2023	Change		2021	2022	2023	Change
Residential	328.9	424.2	414.9	(2.2)	Residential	576	497	322	(35.2)
<i>Houses</i>	142.1	145.1	73.5	(49.3)	<i>Houses</i>	382	306	175	(42.8)
<i>Apartments</i>	186.9	279.1	341.4	22.3	<i>Apartments</i>	194	191	147	(23.0)
Commercial	149.5	105.5	137.5	30.4	Commercial	98	104	88	(15.4)
Industrial	7.1	10.0	2.0	(79.7)	Industrial	12	7	12	71.4
Hotel	90.0	297.0	100.0	(66.3)	Hotel	2	4	1	(75.0)
Government	8.8	0.6	4.6	735.8	Government	20	4	12	200.0
Other	132.8	108.8	185.7	70.7	Other	475	399	302	(24.3)
Total	717.0	946.1	844.8	(10.7)	Total	1,183	1,015	737	(27.4)

Source: Cayman Islands Planning Department

Project Approvals: The value of project rose by 27.0 percent to \$677.8 million for the review period as all categories increased except for residential approvals. The increase largely reflected higher values in the commercial, hotel and other categories.

The value of commercial projects rose by 96.9 percent (or \$54.7 million) which was due to the approval of one office building valued at roughly \$87.4 million. The hotel category rose by 114.5 percent (or \$88.2 million) and largely reflected the approval of an expansion to the Westin Hotel valued at roughly \$153.2 million. The ‘other’ category rose by 179.4 percent (or \$56.1 million) and was due to the approval of an expansion to the Grove commercial complex valued at roughly \$45.0 million. Additionally, the industrial category rose by \$4.7 million while the government category rose by \$1.1 million.

In contrast to the general increase, the value of approvals in the residential category contracted by 17.5 percent (\$60.7 million). This was due to a decline of 40.1 percent (or \$68.8 million) in the houses category, while the apartment category rose by 4.7 percent (or \$8.2 million).

Consistent with the trend of individual projects driving the increase in value for the period the number of project approvals declined by 0.9 percent to 849.

Table 4.11: Grand Cayman Planning Approvals, 2021-2023

	Project Approvals (CI\$ Mil)			% Change		Number of Approvals			% Change
	2021	2022	2023			2021	2022	2023	
Residential	298.9	346.1	285.4	(17.5)	Residential	363	413	371	(10.2)
Houses	118.0	171.8	103.0	(40.1)	Houses	243	300	223	(25.7)
Apartments	180.9	174.3	182.4	4.7	Apartments	120	113	148	31.0
Commercial	38.7	56.4	111.1	96.9	Commercial	30	32	24	(25.0)
Industrial	27.1	22.9	27.6	20.4	Industrial	14	13	11	(15.4)
Hotel	160.4	77.0	165.2	114.5	Hotel	3	3	3	-
Government	3.0	0.1	1.1	1,500.0	Government	15	2	5	150.0
Other	448.9	31.3	87.4	179.4	Other	378	394	435	10.4
Total	976.9	533.8	677.8	27.0	Total	803	857	849	(0.9)

Source: Cayman Islands Planning Department

Certificates of Occupancy: The value of certificates of occupancy (CO) issued in 2023 increased by 13.6 percent to \$333.1 million (see Table 4.12). This was largely due to a rise in occupancy certificates for commercial properties, which rose by 453.9 percent (or \$78.4 million). The total number of occupancy certificates issued also declined by 13.6 percent to 368.

Table 4.12: Certificates of Occupancy Grand Cayman, 2020-2023

	Certificate of Occupancy (CI\$ Million)			% Change		Number of Certificates			% Change
	2021	2022	2023			2021	2022	2023	
Residential	214.1	270.6	230.9	(14.1)	Residential	311	350	270	(22.9)
Houses	94.8	105.0	91.7	(12.1)	Houses	179	221	175	(20.8)
Apartments	119.3	165.6	139.2	(15.2)	Apartments	132	129	95	(26.4)
Commercial	19.5	17.3	95.7	453.9	Commercial	66	56	70	25.0
Industrial	0.4	3.2	5.1	59.0	Industrial	3	5	8	60.0
Hotel	0.6	-	-	-	Hotel	4	-	-	-
Government	4.2	-	-	-	Government	4	-	-	-
Other	2.7	2.1	1.5	(28.6)	Other	17	15	20	33.3
Total	241.5	293.2	333.1	13.6	Total	405	426	368	(13.6)

Source: Cayman Islands Planning Department

4.4 Real Estate

Real estate activity, as indicated by property transfer value and volume, declined further after contracting in 2022. The value of property transfers fell by 8.9 percent relative to the previous year to a total of \$1,155.6 million. The decline reflected a contraction in freehold transfers of 12.8 percent. In contrast, leasehold transfers rose by 156.7 percent (or \$46.4 million). The total number of properties transferred declined at a faster pace by 14.1 percent to reach 2,416. This indicates that, on

average, prices were stickier in their pace of decline relative to the number of transactions.

Table 4.13: Property Transfers, 2020-2023

	Dec-20	Dec-21	Dec-22	Dec-23	% Change
Freehold					
number	1,920	2,983	2,659	2,198	(17.3)
value (CI\$M)	770.6	1,346.5	1,238.4	1,079.6	(12.8)
Leasehold					
number	160	217	154	218	41.6
value (CI\$M)	37.2	66.8	29.6	76.0	156.7
Total					
number	2,080	3,200	2,813	2,416	(14.1)
value (CI\$M)	807.8	1,413.2	1,268.0	1,155.6	(8.9)

Source: Lands and Survey Department

4.5 Utilities

Utilities: Strong economic performance, warmer temperatures and a rising population level supported higher demand for utilities during the year.

Water: Water consumption on Grand Cayman expanded by 11.9 percent to 2,333.6 million gallons. As a result, water production rose by 11.1 percent, with major distributors moving to ensure adequate supply to meet the rising demand. The rise in consumption can be partly linked to higher population levels and increased tourism activity during the period.

Electricity consumption in Grand Cayman increased by 7.8 percent to 727.0 thousand megawatt hours in 2023. The rise in consumption was traced to increases in both residential and commercial consumption. Residential consumption rose by 8.9 percent to 396.7 thousand megawatt hours. The growth in residential consumption was due to a 1.6 percent increase in the residential customer base coupled with a 7.3 percent increase in the average consumption of residential customers.

Table 4.14 Utilities Production/Consumption, 2020-2023

	Dec-20	Dec-21	Dec-22	Dec-23	% Change
Millions of US Gallons					
Water Production	2,395.4	2,477.4	2,611.5	2,900.3	11.1
Water Consumption	1,952.0	1,946.4	2,085.9	2,333.6	11.9
'000 of megawatt hrs					
Electricity Production (Net)	651.5	662.0	680.0	735.4	8.1
Electricity Consumption	644.3	660.5	674.1	727.0	7.8
Residential	356.6	361.6	364.1	396.7	8.9
Commercial	282.5	293.8	305.3	325.4	6.6
Public	5.2	5.0	4.7	4.9	3.5
Total Customers	31,293	32,185	33,119	33,611	1.5
Residential	26,754	27,552	28,429	28,874	1.6
Commercial	4,539	4,633	4,690	4,737	1.0

Source: Cayman Islands Water Authority, Cayman Water Company, Caribbean Utilities Company

Commercial consumption increased by 6.6 percent to 325.4 thousand megawatt-hours. This reflected increases of 1.0 percent and 5.5 percent in the number of customers and the average consumption of each customer, respectively.

Telecommunications: Fixed and mobile handsets in operation increased for the fourth consecutive year, notwithstanding a 7.1 percent decline in fixed and mobile domestic and international minutes. The increase could possibly be linked to the higher population levels in a context where data usage is being used as an alternative to traditional minutes. Consistently, broadband connections increased by 7.3 percent for the period.

Table 4.15: Telecommunication Sector Indicators, 2020-2023

	Dec-20	Dec-21	Dec-22	Dec-23	% Change
Fixed and Mobile handsets in operation	130,038	131,847	146,359	151,197	3.3
Total fixed & mobile minutes ('000)	199,788	210,906	209,226	194,286	(7.1)
Fixed and mobile domestic minutes	167,399	185,949	183,867	169,718	(7.7)
Fixed and mobile int'l retail minutes	32,389	24,957	25,359	24,568	(3.1)
Broadband connections	26,231	28,580	30,146	32,347	7.3

Source: Office of Utilities Regulation

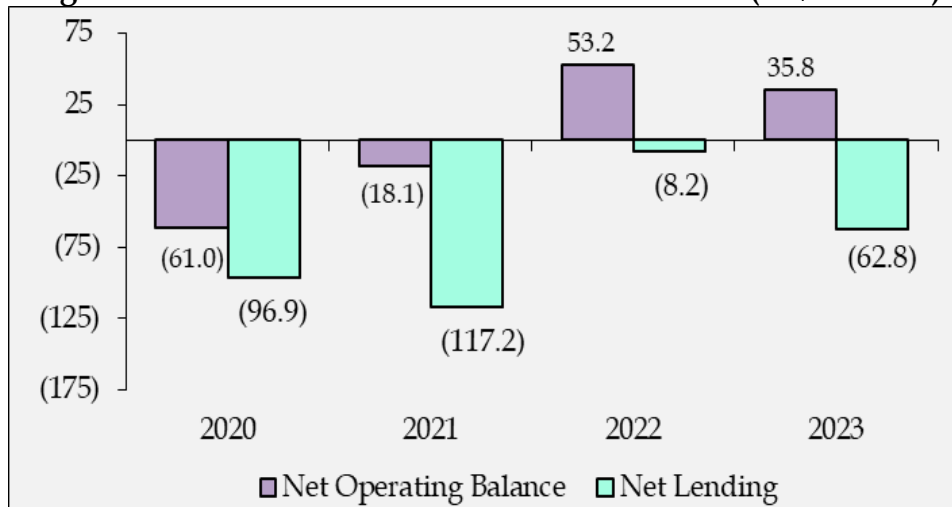
5. Fiscal Operations of the Central Government

The central government recorded a deficit at the end of 2023 as rising expenditure outweighed an expansion in revenue collection. Despite the spending more than it earned in during the year the government was able to reduce its debt balance compared to 2022.

5.1 Overview

The central government operation concluded 2023 with an overall deficit of \$62.8 million, attributed to increased expenditure which subdued enhanced revenue collection (see Figure 5.1). Rising expenditure was mainly driven by investments in infrastructure and development projects. In contrast continued growth in tourism activities and a general increase in economic activities spurred revenue growth. Net borrowing (overall deficit) was equivalent to 1.1 percent of GDP.

Figure 5.1: Central Government’s Fiscal Balances (CI\$ Million)



Source: Cayman Islands Treasury Department and ESO

The rise in expenditure was due to higher expenses (current expenditure) and net investment in non-financial assets (net capital expenditure) for the period. Similarly, the rise in revenue was broad based with collections from both taxes (coercive revenue) and ‘other revenue’ (non-coercive revenue) increasing for the year. In contrast to the overall balance, the central government generated a net operating surplus¹² of \$35.8 million for 2023 (see Table 5.1).

¹² Net operating balance is revenue minus expense.

Table 5.1: Summary of Fiscal Operations, 2020-2023

	2020	2021	2022	2023	% Change 2023/22
Millions of Cayman Islands Dollars					
Revenue	797.4	961.1	1,021.3	1,060.1	3.8
Expense	858.4	979.2	968.1	1,024.3	5.8
Net Operating Balance	(61.0)	(18.1)	53.2	35.8	(32.7)
Net Investment in Non-Financial Assets	35.9	99.1	61.4	98.6	60.6
Expenditure	894.2	1,078.3	1,029.5	1,122.9	9.1
Net Lending	(96.9)	(117.2)	(8.2)	(62.8)	(664.1)
Financing:					
Net Acquisition of Financial Assets	(132.7)	(143.1)	275.6	(116.1)	(142.1)
Net Incurrence of Liabilities	(35.8)	(25.9)	283.8	(53.3)	(118.8)

Source: Cayman Islands Treasury Department

5.2 Revenue

Revenue collection at the end of 2023 showed a 3.8 percent increase to a total of \$1,060.1 million (see Table 5.2). This expansion was supported by \$976.3 million from taxes and \$83.9 million from other revenues. The increase in tax revenue was attributed to higher inflow from *taxes on international trade & transactions* (up 7.4%), *taxes on goods & services* (up by 2.7%) and *other taxes* (up by 14.6%). In contrast, *taxes on property* declined to \$89.7 million (down by 13.4%) compared to \$103.6 million in 2022. The growth in revenue lagged behind the expansion in nominal GDP, resulting in the revenue-to-GDP ratio falling from 18.6 percent in 2022 to 17.8 percent.

Table 5.2: Revenue Collection of Central Government

	2020	2021	2022	2023	% Change 2023/22
Millions of Cayman Islands Dollars					
Revenue	797.4	961.1	1,021.3	1,060.1	3.8
Taxes	739.3	911.1	955.5	976.3	2.2
Taxes on Int'l Trade & Transactions	178.7	206.4	233.6	251.0	7.4
Taxes on Goods & Services	460.5	557.7	611.4	627.7	2.7
Taxes on Property	67.3	108.3	103.6	89.7	(13.4)
Other Taxes	32.9	38.7	6.8	7.8	14.6
Other Revenue	58.0	50.0	65.8	83.9	27.5
Sale of Goods & Services	39.2	39.9	44.8	47.2	5.5
Investment Revenue	8.5	4.8	9.1	28.2	210.7
Fines, Penalties and Forfeits	3.0	4.6	9.5	6.5	(31.7)
Transfers n.e.c.	7.3	0.7	2.5	2.0	(20.3)

Source: Cayman Islands Treasury Department

Taxes on goods and services: Inflows from this category totalled \$627.7 million, an increase of 2.7 percent or \$16.3 million from the total recorded in 2022 (see Table 5.3). The increase was mainly due to *other domestic taxes* (up by 13.4%), *work permit and residency fees* (up by 6.4%), *ICTA licences & royalties* (up by 2.8%) and *traders' licences* (up by 4.2%). Conversely, the categories of *financial services licences* and *other stamp duties* declined. The share of taxes on goods and services in tax revenue increased from 64.0 percent in 2022 to 64.3 percent, but decreased as a proportion of total revenue (from 59.9% to 59.2%).

Table 5.3: Taxes on Domestic Goods and Services

	2020	2021	2022	2023	% Change 2023/22
Millions of Cayman Islands Dollars					
Financial Services Licences	264.8	281.8	296.0	282.9	(4.4)
ICTA Licences & Royalties	7.9	8.4	9.1	9.3	2.8
Work Permit and Residency Fees	86.8	107.4	119.9	127.6	6.4
Other Stamp Duties	12.1	18.9	16.8	16.2	(3.1)
Traders' Licences	6.2	6.2	7.2	7.5	4.2
Other Domestic Taxes	82.7	135.0	162.5	184.2	13.4
<i>Of which:</i>					
Tourist Accommodation Charges	10.3	1.0	19.8	42.6	115.3
Motor Vehicle Charges	10.6	12.5	10.4	10.2	(1.8)
Taxes on Goods & Services	460.5	557.7	611.4	627.7	2.7

Source: Cayman Islands Treasury Department

Other domestic taxes, which contributed 31.1 percent of the overall tax revenue, were the main contributors to the growth in tax on goods and services. The sub-category rose by \$21.7 million and was mainly due to tourism accommodation charges which rose by \$22.8 million. Similarly, *work permit and residency fees* rose by \$7.7 million as the number of work permits increased during the year.

Despite the general increase, revenue from *other stamp duties* declined by 3.1 percent or \$0.5 million. Financial services licenses totalled \$282.9 million, reflecting a 4.4 percent decline relative to the \$296.0 million collected in 2022 (see Table 5.4). All the sub-categories of financial services licenses reflected lower receipts except insurance licences (up by 8.9%), resident company fees (up by 7.4%) and mutual fund administrators (up by 1.3%).

Table 5.4: Financial Services Licences

	2020	2021	2022	2023	% Change 2023/22
Millions of Cayman Islands Dollars					
Financial Services Licences	264.8	281.8	296.0	282.9	(4.4)
Bank and Trust Licences	27.5	26.6	26.0	25.4	(2.0)
Insurance Licences	8.7	9.4	8.8	9.6	8.9
Other Company Fees - Exempt	100.1	109.5	112.1	104.8	(6.6)
Other Company Fees - Foreign	7.6	9.0	10.3	9.0	(12.0)
Other Company Fees - Non-Resident	2.1	2.0	1.8	1.8	(3.0)
Other Company Fees - Resident	2.6	3.1	2.9	3.1	7.4
Partnership Fees	62.1	63.4	73.1	68.1	(6.8)
Mutual Fund Administrators	44.6	49.6	51.9	52.6	1.3
Money Services Licences	0.1	0.0	0.1	0.1	0.0
Security Investment Business Licences	9.4	9.2	9.0	8.3	(7.3)

Source: Cayman Islands Treasury Department

Taxes on international trade and transactions: Taxes from international trade and transactions amounted to \$251.0 million for the year, representing an increase of 7.4 percent or \$17.3 million over the previous year (see Table 5.5). This was due to higher import duties (up by 5.3% or \$12.0 million) and 'other levies' (up by 71.0% or \$5.3 million). The higher revenue from import duties was due to collections from gasoline/diesel (up by 17.3% or \$2.2 million), alcoholic beverage (up by 0.5% or \$0.1 million) and other imports (up by 6.4% or \$10.2 million). In contrast, there was a fall in the duties collected from motor vehicles and tobacco imports.

Table 5.5: Taxes on International Trade and transactions

	2020	2021	2022	2023	% Change 2023/22
Millions of Cayman Islands Dollars					
Import Duties	173.4	206.0	226.2	238.2	5.3
Gasoline/Diesel	13.7	14.9	12.8	15.1	17.3
Alcoholic Beverages	21.1	19.5	23.3	23.4	0.5
Motor Vehicles	15.3	21.6	21.9	21.8	(0.5)
Tobacco Products	8.3	7.7	8.2	7.8	(4.5)
Other Import Duties	115.0	142.3	159.8	170.0	6.4
Other Levies	5.4	0.3	7.5	12.8	71.0
Cruise Ship Departure Charges	3.3	0.0	4.4	7.6	73.0
Environmental Protection Fund Fees	2.1	0.3	3.1	5.2	68.1
Taxes on International Trade and Transactions	178.7	206.4	233.6	251.0	7.4

Source: Cayman Islands Treasury Department

Other levies increased to \$12.8 million relative to the \$7.5 million recorded in 2022. The uptick in collection was due to the growth in cruise visitor arrivals to the

Islands. As a result, both cruise ship departure charges (up by 73.0% or \$3.2 million) and environmental protection fund fees (up by 68.1% or \$2.1 million) increased. Overall, international trade and transaction revenue contributed 25.7 percent of taxes collected compared to 24.5 percent in 2022.

Taxes on Property: Total revenue from property taxes decreased to \$89.7 million, a 13.4 percent decline relative to 2022 (see Table 5.2). The contributor to the reduction was lower inflows from stamp duty on land transfers, which fell by 14.8 percent to \$78.5 million. The reduction in property tax revenue concurs with a decline in property transfers for the year (see Chapter 4).

Other taxes: Income from other taxes increased to \$7.8 million, representing a 14.6 percent (or \$1.0 million) growth over the previous year (Table 5.2). The rise in revenue resulted from higher miscellaneous income, which outweighed a decline in inflow from liquidated entities.

Other revenue (non-coercive revenue): Total revenue in this category rose to \$83.9 million, an increase of 27.5 percent, or \$18.1 million (Table 5.2). Sale of goods and services (up by 5.5% or \$2.4 million) and investment revenue (up by 210.7% or \$19.1 million) drove the increase for the year. The rise in investment revenue was primarily due to interest on marketable securities, deposits and cash, which more than doubled to \$28.2 million from \$9.1 million in 2022. Despite the general increase, fines, penalties and forfeits' and 'transfers not elsewhere classified' decreased for the year.

5.3 Expenditure

Total expenditure for the review period amounted to \$1,122.9 million, reflecting a 9.1 percent increase from 2022 (Table 5.1). The higher expenditure was due to higher expenses and net investment in non-financial assets. As a proportion of GDP, central government expenditure increased to 18.9 percent in 2023, up from 18.7 percent in 2022.

Expense (current expenditure): Operational expenses, which accounted for 91.2 percent of overall expenditure, totalled \$1,024.3 million for the year. This represented an increase of 5.8 percent or \$56.2 million and was due to higher spending in five of the seven categories (see Table 5.6).

Compensation of employees (personnel costs) increased to \$443.5 million, an increase of 11.4 percent or \$45.3 million from the total in 2022 (see Table 5.6). This

increase mainly resulted from increased health insurance premiums payable for civil servants and a one-time honorarium awarded in December 2023.

Use of goods and services (supplies and consumables) rose by 7.4 percent to \$156.0. The higher spending on goods and services was mainly due to the purchase of services (up by 5.4%), utilities (up by 9.8%), travel and subsistence (up by 64.1%) and other supplies and consumables (up by 15.8%). These increases partly reflected the inflationary impact on government consumables.

Subsidy payments to public entities¹³ amounted to \$269.8 million, rising from \$261.0 million in 2022. Spending on public entities increased by 3.4 percent or \$4.6 million to \$190.4 million. Similarly, non-governmental organizations received \$79.4 million, an increase of \$4.1 million. Increased funding was allocated to the Cayman Islands National Insurance Company, the University College of the Cayman Islands, and the Cayman Islands Monetary Authority. With regards to non-governmental organisation, increased subsidies were directed toward the public-school meals programme and medical care at various overseas providers.

Table 5.6: Expense of the Central Government

	2020	2021	2022	2023	% Change 2023/22
	Millions of Cayman Islands Dollars				
Expense	858.4	979.2	968.1	1,024.3	5.8
Compensation of Employees	353.0	375.5	398.2	443.5	11.4
Use of Goods and Services	134.1	129.2	145.3	156.0	7.4
Subsidies	208.2	215.8	261.0	269.8	3.4
Social Benefits	69.7	140.0	86.6	73.8	(14.8)
Consumption of Fixed Capital	38.7	50.1	53.1	54.8	3.2
Interest	13.3	11.6	15.8	18.5	16.5
Other Expense	41.4	56.9	8.1	8.0	(1.1)

Source: Cayman Islands Treasury Department

Consumption of fixed capital (depreciation) increased by 3.2 percent to \$54.8 million. This increase was largely due to a revaluation of depreciation expenses on buildings and infrastructure. Interest payments increased by 16.5 percent to \$18.5 million.

¹³ Public entities include statutory authorities & government owned companies.

Social benefits¹⁴ (transfer payments) declined by 14.8 percent to \$73.8 million for the year. The reduction in social benefits was largely due to the discontinuation of the electricity assistance program and the ex-gratia stipend which was implemented in 2022 to combat the sharp increase in the cost-of-living during that year. Despite the non-recurrence of these programs, the decline during the year was partly offset by increased financial assistance for the poor (up by 19.2%) and increased scholarships and bursaries (up by 134.3%). Other expenses rose by 1.1 percent to \$8.0 million. Reduced spending on judiciary expenses, project future funds and fewer settlement claims were the primary factors behind the decrease.

Investment in non-financial assets (capital expenditure): The central government's investment in non-financial assets totalled \$153.4 million (2.6% of GDP) in 2023, up from \$114.5 million in the previous year (see Table 5.7). Net investment in non-financial assets, calculated as total investment in non-financial assets minus depreciation, increased by 60.6 percent to \$98.6 million.

Table 5.7: Investment in Non-Financial Assets of the Central Government

	2020	2021	2022	2023	% Change 2023/22
Millions of Cayman Islands Dollars					
Gross Investment in Non-Financial Assets	74.6	149.2	114.5	153.4	33.9
Fixed Assets	73.2	147.7	113.7	150.0	31.9
Capital Investment in Ministries and Portfolio:	35.7	75.8	58.1	60.2	3.7
Capital Investment in Statutory Authorities and Government Owned Companies	20.8	30.2	27.6	36.6	32.4
Executive Assets	16.7	41.7	28.0	53.1	90.0
Inventories	1.4	1.6	0.9	3.4	301.3
Net Investment in Non-Financial Assets	35.9	99.1	61.4	98.6	60.6
Consumption of Fixed Capital	38.7	50.1	53.1	54.8	3.2

Source: Cayman Islands Treasury Department

Capital investment in ministries and portfolios increased by 3.7 percent to \$60.2 million. The primary recipients of the increased investments were the Ministry of Commerce, Planning and Infrastructure (up by \$4.1 million), the Ministry of International Trade, Investment, Aviation and Maritime Affairs (up by \$4.1 million) and the Office of the Commissioner of Police (up by \$3.9 million).

Investment spending rose by \$9.0 million within statutory authorities and government-owned companies. The main recipients of the increase were the

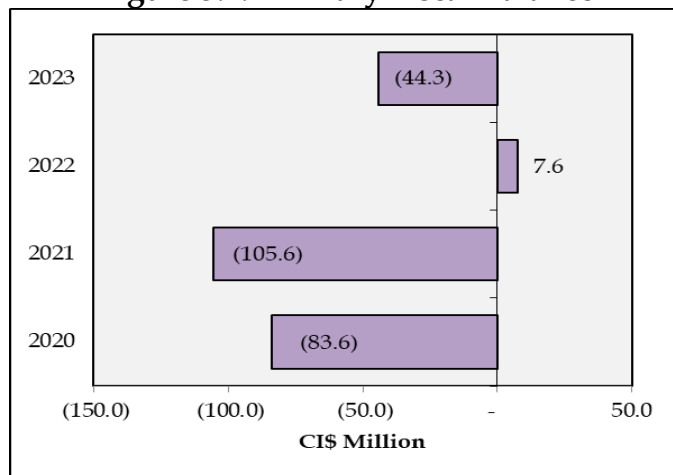
¹⁴ These are current transfers receivable by households intended to provide for needs that arise from social risks associated with sickness, unemployment, retirement, housing, education or family circumstances.

National Housing Development Trust, the Cayman Airways Limited, and the Cayman Islands Development Bank. Capital expenditure on executive assets also increased by 90.0 percent to a total of \$53.1 million, owing to the purchase of land and road work expansion projects. Inventories held by the central government increased by 301.3 percent to \$3.4 million.

5.4 Primary Balance

The primary balance, which is net lending excluding interest payments, serves as a key indicator of the central government's ability to cover debt obligations. At the end of 2023, the central government operation generated a primary deficit of \$44.3 million, representing 0.7 percent of GDP. The negative primary deficit resulting from the deterioration of net lending, which was moderated partly by the higher interest payments during the year.

Figure 5.2: Primary Fiscal Balance



Sources: Cayman Islands Treasury Department and ESO

5.5 Financing and Debt Service Indicators

Net acquisition of financial assets¹⁵, which includes the assumed cash outlay from the fiscal deficit, reverted to a drawdown in financial assets of \$116.1 million. This is relative to a net acquisition of \$275.6 million in the previous year (see Table 5.8). The government reduced its liabilities by \$53.3 million during the owing to loan repayment to loan principal repayment for the year. There was no loan disbursement during the year.

¹⁵ This is defined as the acquisition of financial assets less the disposal of financial assets. A negative figure implies that the disposal of financial assets is greater than the acquisition of these assets.

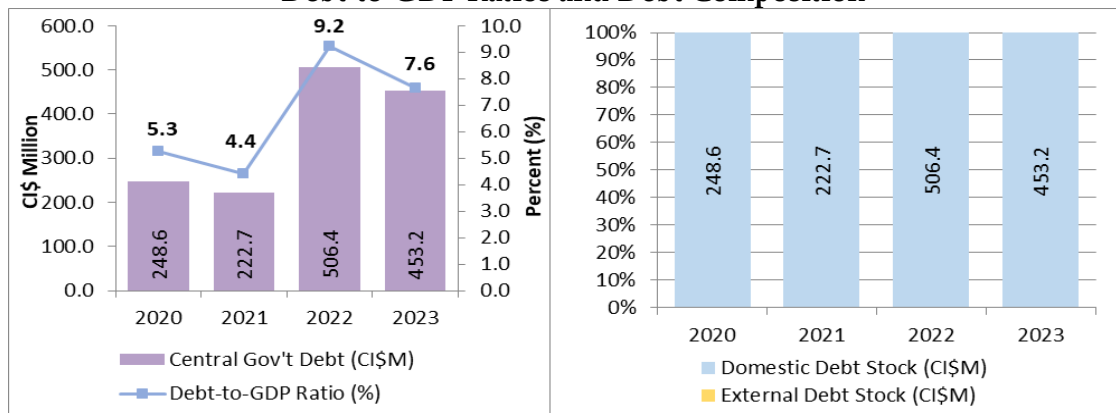
Table 5.8: Financing of Central Government

	2020	2021	2022	2023	% Change 2023/22
Millions of Cayman Islands Dollars					
Financing:					
Net Acquisition of Financial Assets	(132.7)	(143.1)	275.6	(116.1)	(142.1)
Net Incurrence of Liabilities	(35.8)	(25.9)	283.8	(53.3)	(118.8)
Disbursements	0.0	8.4	329.2	0.0	(100.0)
Loan Repayment	35.8	34.2	45.4	53.3	17.4

Source: Cayman Islands Treasury Department

With no new borrowings and loan repayments totalling \$53.3 million, the central government's outstanding debt was decreased from \$506.4 million in 2022 to \$453.2 million at the end of 2023 (see Figure 5.3)¹⁶. This reduction in the debt, along with the expansion in the economy, lowered the debt-to-GDP ratio to 7.6 percent from 9.2 percent at the end of 2022. At the end of 2022, the outstanding debt comprised purely liabilities owed to domestic commercial banks.

Figure 5.3: Central Government's Outstanding Debt, Debt-to-GDP Ratios and Debt Composition



Source: Cayman Islands Treasury Department, ESO

The central government's debt service indicators for 2023 deteriorated relative to 2022. The interest payments-to-revenue ratio increased to 1.7 percent from 1.6 percent in 2022 (see Table 5.9). Similarly, the debt service-to-revenue ratio rose to 6.8 percent from 6.0. Despite the growth in GDP, aggressive debt payment by the

¹⁶ Central government's outstanding debt comprises debt managed directly by the Treasury Department and excludes government-guaranteed debt and other contingent liabilities.

central government resulted in the debt service-to-GDP ratio rising to 1.2 percent from 1.1 percent in 2022.

Table 5.9: Central Government Debt Service Indicators

Debt Service Indicators	2020	2021	2022	2023
Interest Payments-to-Revenue Ratio	1.7	1.2	1.6	1.7
Debt Service-to-GDP Ratio	1.0	0.9	1.1	1.2
Debt Service-to-Revenue Ratio	6.2	4.8	6.0	6.8

Source: Cayman Islands Treasury Department, Economics and Statistics Office

6. Macroeconomic Outlook for 2024

Global growth is expected to hold firm over the coming year as inflation reaches an inflection point. Similarly, growth in Cayman is expected to moderate as the tourism recovery tapers out and the external demand subsides.

6.1 Global Outlook¹⁷

The global economic growth is projected to remain firm for 2024, with a similar growth of 3.2 percent. This was above the 3.0 percent projected in the IMF's April 2023 World Economic Outlook (WEO). Notably, in its July 2024 update, the IMF maintained its outlook despite having seen the performance of advanced economies in the first quarter of the year. Advanced economies are projected to expand by 1.7 percent in 2024 and a further 1.8 percent in 2025. Within emerging markets and developing economies, economic activities are expected to moderate to growth of 4.2 percent in 2024 and 2025.

Table 6.1: Macroeconomic Indicators 2020-2025

	2020	2021	2022	Estimate	Projections	
				2023	2024	2025
Real GDP growth (%)						
Cayman Islands	-5.0	4.9	5.2	4.2	2.8	2.2
United States	-2.2	5.8	1.9	2.5	2.7	1.9
World	-2.7	6.5	3.5	3.2	3.2	3.2
Advanced Economies	-3.9	5.7	2.6	1.6	1.7	1.8
Consumer Prices Index (avg. %)						
Cayman Islands	1.0	3.3	9.5	3.8	2.1	2.2
United States	1.2	4.7	8.0	4.1	2.9	2.0
Advanced Economies	0.7	3.1	7.3	4.6	2.6	2.0
Unemployment (%)						
Cayman Islands	5.2	5.7	2.1	3.3	2.9	3.1
United States	8.1	5.4	3.6	3.6	4.0	4.2
Advanced Economies	6.6	5.6	4.5	4.4	4.6	4.7

Sources: International Monetary Fund (April 2024 WEO) for data on the US, World, and Advanced Economies, and the Economics and Statistics Office for the Cayman Islands data.

¹⁷ This global outlook is based on information culled from the International Monetary Fund (April 2023 World Economic Outlook) and other international organizations.

The US economy is projected to expand by 2.7 percent in 2024 and 1.9 percent in 2025. In its July update, the IMF highlighted that the risks to growth in the US were on the downside, given the underperformance in the first quarter. It is expected that as the stock of accumulated savings will continue to dwindle and interest rates remain elevated, economic performance in the US will moderate.

Global inflation is projected to moderate further over the medium term despite upside risks for fuel and other commodity prices. Of particular concern is continued crude oil supply cuts by the Organization of Petroleum Exporting Countries (OPEC). In the United States, average inflation is expected to decelerate to 2.9 percent and 2.0 percent in 2024 and 2025, respectively. Average inflation among advanced economies is expected at 2.6 percent in 2024 and 2.0 percent in 2025. The disinflationary environment is also expected to support the continued loosening of monetary policies in the second half of the year.

6.2 Domestic Growth

Cayman's economic growth is projected to moderate to 2.8 percent in 2024 as economic demand from major trading partners wanes. Growth is expected to be driven by continued demand for tourism and financial services, albeit at a slower pace. Additional growth is expected from financial services as well as auxiliary sectors. All industries are expected to expand for the year, led by hotels and restaurants, along with utilities and trade services (see Tables 6.1 and 6.2). The growth projection is expected to be tempered, with elevated interest rates and slowing activities in industries that rely on credit, such as real estate and construction.

Global travel demand is expected to remain robust for 2024 as remnants of the pent-up demand linger. This is expected to moderate over the medium term as the Islands navigates back to the record-high arrival levels reached in 2019. The **hotels and restaurants** sector is expected to expand by 11.7 percent in 2024. **Electricity water supply** is expected to expand by 3.8 percent, while **other Services**, which include some tourism-related activities, is forecasted to expand by 4.1 percent.

The increasing appetite for the Islands' financial services is anticipated to support continued growth in finance and insurance services. Notwithstanding, tighter monetary policy is expected to impact the demand for domestic loans. The sector is projected to grow by 2.3 percent. **Business activities and administrative services**¹⁸, is anticipated to expand by 1.8 percent for the year.

¹⁸ This sector is comprised mainly of legal services, accounting and auditing services, business management and consultancy firms, corporate managers and corporate service providers,

Table 6.2: Real GDP at (2015 Prices) by Sector (\$ million) *

	2020	2021	2022E	2023E	2024P	% Change
Millions of C\$						
Primary Sectors	27.8	30.7	31.2	29.4	30.0	2.2
Agriculture & Fishing	16.9	18.5	18.4	16.3	16.6	1.9
Mining & Quarrying	10.9	12.2	12.7	13.1	13.4	2.7
Secondary Sectors	217.2	235.1	242.7	250.6	256.4	2.3
Manufacturing	38.0	42.0	40.2	41.3	42.1	2.0
Construction	179.2	193.1	202.5	209.4	214.3	2.4
Services Sectors	3,848.4	3,981.2	4,204.1	4,394.6	4,516.4	2.8
Electricity & Water Supply	101.3	103.2	107.2	117.3	121.8	3.8
Wholesale & Retail Trade, Repairs & Installation of Machinery	287.2	294.4	307.3	317.5	325.8	2.6
Hotels & Restaurants incl. Bars	122.4	105.6	168.6	226.6	253.1	11.7
Transport, Storage & Communication	211.5	208.8	242.5	257.1	263.6	2.5
Financing & Insurance Services	1,396.0	1,439.0	1,480.2	1,520.6	1,555.6	2.3
Business Activities and Admin	727.4	763.1	778.1	790.7	804.6	1.8
Real Estate	368.1	376.4	375.5	388.9	390.1	0.3
Health and Social Work	176.4	208.5	224.5	236.1	243.6	3.2
Producers of Government Services	355.9	376.9	398.1	410.3	423.3	3.2
Other Services	102.3	105.3	122.0	129.6	134.9	4.1
Taxes less Subsidies on Products	210.7	268.3	270.2	271.8	281.5	3.6
GDP constant at purchasers prices	4,304.2	4,515.3	4,748.1	4,946.3	5,084.3	2.8
Growth (%)	(4.9)	4.9	5.2	4.2	2.8	

Source: Economics and Statistics Office

* 2023 figures are advance estimates based on key indicators; 2024 figures are projections.

6.3 Domestic Inflation

The consumer price index (CPI) inflation rate is forecasted at 2.1 percent in 2024, a deceleration relative to the 3.8 percent observed in 2023. Lower crude oil and energy costs on the international market coupled with declining prices in the US, Cayman's leading trading partner, is expected to subdue inflationary pressures for the year. Additionally, the cost of transport is expected to moderate throughout the year as the demand recedes. The inflation outturn in the first quarter of the year was 1.5 percent, supporting the projection for a slower pace for the year. Similarly, Annual point-to-point inflation in the US decelerated to 3.0 in June,

engineering services, architectural quantity surveying and mapping services, construction-related project management, etc.

reflecting the slowing price pressures. Notwithstanding the for lower inflation throughout the year, upside risks could arise from agriculture prices given the impact of hurricane Beryl on Jamaica and restricted crude oil supply from OPEC.

6.4 Domestic Labour Market

The demand for labour is expected to track the GDP growth forecasts, with continued employment opportunities expected within the growing service sectors. Consequently, the unemployment rate is projected to contract to 2.9 percent in 2024. Notably, as the unemployment rate remains close to its historic low, some fluctuation is expected over the medium term as the rate normalizes around the natural rate pending improved efficiency in the market.

7. Acknowledgement

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**Caribbean Utilities Company
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Cayman Islands Monetary Authority
Cayman Islands Planning Department
Cayman Islands Stock Exchange
Cayman Islands Treasury Department
Cayman Islands Water Authority
Cayman Water Company
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Maritime Authority of the Cayman Islands
Port Authority of the Cayman Islands**

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Table A1: Gross Domestic Product

Year	Nominal GDP (CIS\$M)	Real GDP 2015 Prices (CIS\$M)	Mid-Year Population (000s)	Real GDP Per Capita (\$)	Real GDP Growth (%)
1998	2,207.83	3,152.02	38.1	82,730	5.8
1999	2,393.70	3,259.19	39.0	83,569	3.4
2000	2,501.74	3,291.78	40.2	81,885	1.0
2001	2,566.48	3,311.53	41.4	80,085	0.6
2002	2,676.68	3,367.83	42.5	78,992	1.7
2003	2,775.80	3,435.18	43.6	78,836	2.0
2004	2,923.97	3,466.10	44.2	78,419	0.9
2005	3,341.46	3,691.40	48.4	76,269	6.5
2006	3,523.00	3,861.20	52.0	74,254	4.6
2007	3,721.90	3,983.30	54.1	73,628	3.2
2008	3,821.70	3,969.10	56.0	70,877	-0.4
2009	3,568.00	3,683.30	56.5	65,191	-7.2
2010	3,464.00	3,583.30	55.5	64,540	-2.7
2011	3,488.40	3,625.20	55.3	65,583	1.2
2012	3,575.80	3,669.80	56.1	65,352	1.2
2013	3,671.50	3,716.70	56.2	66,052	1.3
2014	3,802.40	3,815.40	56.9	66,946	2.7
2015	3,923.50	3,923.50	59.1	66,439	2.8
2016	4,091.09	4,050.58	61.3	66,045	3.2
2017	4,305.22	4,179.55	63.1	66,221	3.2
2018	4,608.46	4,357.90	64.4	67,648	4.3
2019	4,951.56	4,528.54	68.1	68,357	3.9
2020	4,712.8	4,304.16	65.8	65,427	-5.0
2021	5,050.0	4,515.28	67.7	66,675	4.9
2022	5,500.7	4,748.10	78.5	60,444	5.2
2023 ^P	5,939.4	4,946.32	83.6	59,116	4.2

Source: Economics and Statistics Office

^P Preliminary

Table A2: Consumer Price Index and Inflation
(September 2016=100)

Year	Index Year-end	Index Average	Average Rate (%)	Inflation
1996	67.5	66.6		2.5
1997	69.4	68.4		2.7
1998	71.1	70.5		3.0
1999	76.7	75.4		7.0
2000	77.8	77.3		2.6
2001	78.4	78.2		1.2
2002	80.7	80.2		2.5
2003	81.2	80.6		0.5
2004	90.3	84.2		4.5
2005	90.3	90.4		7.3
2006	91.8	91.0		0.7
2007	93.3	93.7		2.9
2008	97.0	97.6		4.1
2009	95.7	96.1		-1.5
2010	96.0	96.4		0.3
2011	97.8	97.6		1.3
2012	99.8	98.8		1.2
2013	101.5	100.9		2.2
2014	102.1	102.2		1.2
2015	99.6	99.8		-2.3
2016	100.0	99.1		-0.7
2017	102.4	101.1		2.0
2018	104.2	104.5		3.3
2019	112.9	110.4		5.7
2020	112.2	111.5		1.0
2021	120.8	115.2		3.3
2022	127.9	126.1		9.5
2023	132.5	131.0		3.8

Source: Economics and Statistics Office

Table A3: Labour Force and Employment

Year	Labour Force	Total Employed	Total Unemployed	Unemployment Rate (%)
1996	20,410	19,370	1,040	5.1
1997	21,620	20,725	895	4.1
1998	22,725	21,820	905	4.0
2001	27,971	25,862	2,109	7.5
2002	28,905	27,355	1,550	5.4
2003	29,905	28,827	1,079	3.6
2004	30,257	28,946	1,311	4.3
2005	36,767	35,464	1,303	3.5
2006	35,959	35,016	943	2.6
2007	37,431	36,026	1,405	3.8
2008	38,999	37,450	1,549	4.0
2009	38,269	35,958	2,311	6.0
2010	37,313	34,983	2,330	6.2
2011	37,620	35,267	2,353	6.3
2012	38,811	36,401	2,410	6.2
2013	38,521	36,106	2,415	6.3
2014	39,467	37,643	1,824	4.6
2015	40,870	39,138	1,732	4.2
2016	42,196	40,411	1,785	4.2
2017	42,941	40,856	2,085	4.9
2018	46,178	44,887	1,291	2.8
2019	49,089	47,394	1,695	3.5
2020	43,922	41,644	2,279	5.2
2021	48,688	45,919	2,769	5.7
2022	57,582	56,355	1,227	2.1
2023	60,513	58,504	2,009	3.3

Source: Economics and Statistics Office

Note:

No Labour Force Surveys (LFS) were conducted in 1999 and 2000. Data for 2004 are derived from the Spring LFS and not the Fall LFS on account of hurricane Ivan in September 2004. All other years reflect the results of the Fall LFS.

Table A4: Composition of the Employed Labour Force

Year	Total	Caymanian	Permanent Resident WRW	Non-Caymanian
1996	19,370	10,705	-	8,665
1997	20,725	10,390	-	10,335
1998	21,820	11,525	-	10,295
2001	25,862	12,479	-	13,383
2002	27,355	12,993	-	14,362
2003	28,827	13,973	-	14,854
2004	28,946	14,775	-	14,171
2005	35,464	18,025	-	17,439
2006	35,016	17,621	-	17,395
2007	36,026	16,520	-	19,506
2008	37,450	16,518	-	20,932
2009	35,958	16,048	-	19,910
2010	34,983	15,794	-	19,189
2011	35,267	15,969	-	19,298
2012	36,401	16,493	-	19,908
2013	36,106	17,518	-	18,588
2014	37,643	18,127	4,537	14,979
2015	39,138	18,366	3,990	16,783
2016	40,411	18,525	4,404	17,482
2017	40,856	19,259	4,158	17,439
2018	44,887	20,751	3,843	20,292
2019	47,394	20,068	4,696	22,630
2020	41,644	19,490	3,441	18,713
2021	45,919	20,148	4,164	21,607
2022	56,355	21,095	3,957	31,302
2023	58,504	21,563	5,217	31,724

Source: Economics and Statistics Office

Note:

No Labour Force Surveys were conducted in 1999 and 2000. 2004 results are derived from Spring LFS and not Fall 2004 LFS on account of hurricane Ivan in September 2004.

WRW: with rights to work. PR-WRW data for the years prior to 2014 are included as part of Non-Caymanian data.

* Estimated from the 2021 Preliminary census report

Table A5: Composition of the Unemployed Labour Force

Year	Total	Caymanian	Permanent Residents WRW	Non-Caymanian
1996	1,049	692	-	357
1997	895	579	-	316
1998	907	609	-	298
2001	2,109	1,311	-	798
2002	1,550	1,058	-	492
2003	1,079	857	-	222
2004	1,311	887	-	424
2005	1,303	1,039	-	264
2006	943	682	-	261
2007	1,405	1,029	-	376
2008	1,549	1,169	-	380
2009	2,311	1,680	-	631
2010	2,330	1,713	-	617
2011	2,353	1,732	-	621
2012	2,410	1,925	-	485
2013	2,415	1,818	-	597
2014	1,824	1,562	129	134
2015	1,732	1,209	283	240
2016	1,785	1,406	173	206
2017	2,085	1,515	190	380
2018	1,291	996	188	108
2019	1,695	1,201	177	318
2020	2,279	1,759	99	421
2021	2,769	1,864	276	629
2022	1,227	796	100	331
2023	2,009	1,143	124	742

Source: Economics and Statistics Office

Note:

No Labour Force Surveys were conducted in 1999 and 2000. 2004 results are derived from Spring LFS and not Fall 2004 LFS on account of hurricane Ivan in September 2004.

WRW: with rights to work. PR-WRW data for the years prior to 2014 are included as part of Non-Caymanian data.

* Estimated from the 2021 Preliminary census report

Table A6: Work Permits

Year	Total
1995	10,198
1996	9,951
1997	11,314
1998	12,885
1999	...
2000	14,284
2001	13,883
2002	15,779
2003	17,123
2004	20,508
2005	21,763
2006	22,393
2007	26,350
2008	26,516
2009	23,531
2010	20,452
2011	19,852
2012	20,789
2013	19,432
2014	21,076
2015	22,756
2016	24,158
2017	25,305
2018	26,657
2019	27,514
2020	25,085
2021	26,775
2022	33,532
2023	36,153

Source: WORC
 1995-1999 data from Economics and
 Statistics Office

Table A7: Merchandise Trade (CI\$ Million)

Year	Imports	Exports	Trade Balance
1997	423.7	1.8	(421.9)
1998	447.8	1.0	(446.8)
1999	452.2	1.2	(451.0)
2000	575.7	2.0	(573.7)
2001	514.5	2.4	(512.1)
2002	496.1	3.0	(493.1)
2003	546.2	19.7	(526.5)
2004	718.9	11.9	(707.0)
2005	976.3	42.8	(933.5)
2006	873.5	13.9	(859.6)
2007	857.6	17.9	(839.7)
2008	898.7	27.1	(871.6)
2009	779.6	23.0	(756.6)
2010	726.3	20.3	(706.0)
2011	801.6	30.6	(771.0)
2012	800.4	32.4	(768.0)
2013	816.6	42.8	(773.8)
2014	852.9	40.1	(812.8)
2015	821.9	54.0	(767.9)
2016	852.6	48.1	(804.5)
2017	914.8	32.2	(882.5)
2018	1,042.8	34.4	(772.9)
2019	1,189.7	41.5	(539.0)
2020	1,115.0	17.7	(689.6)
2021R	1,280.4	14.3	(661.8)
2022R	1,497.1	31.7	(539.4)
2023 ^P	1,526.6	37.8	(456.6)

^R Revised

^P Preliminary

Source: Cayman Islands Customs Department and Economics and Statistics Office

Table A8: Imports by Standard International Trade Classification
(CI\$ Million)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ^R	2023 ^P
Total Imports	816.6	852.3	821.4	852.1	914.8	1,042.8	1,189.7	1,115.0	1,280.4	1,497.1	1,526.6
Food and Live Animals	138.9	162.0	166.3	171.0	175.0	188.1	194.9	189.4	196.1	243.1	263.8
Beverages and Tobacco	30.0	31.5	30.9	34.4	34.1	41.6	50.3	41.8	49.1	59.3	57.0
Inedible Crude Materials	9.9	11.2	12.5	14.5	16.4	17.2	23.3	21.0	25.43	22.2	19.1
Mineral Fuels, Lubricants and Related Materials	189.3	178.5	106.8	93.2	112.2	133.2	140.9	89.5	128.9	231.6	215.2
Animal and Vegetable Oils, Fats and Waxes	0.2	0.6	1.5	1.1	0.6	1.6	1.7	1.6	2.1	3.1	3.2
Chemicals and Related Products n.e.s.	38.4	39.8	39.3	43.5	54.8	74.1	80.8	86.7	110.5	108.9	119.2
Manufactured Goods (classified chiefly by material)	94.5	91.7	90.7	95.2	110.7	124.4	135.6	135.1	177.6	184.6	170.2
Machinery and Transport Equipment	117.3	126.9	147.1	171.2	193.1	214.1	249.8	236.5	286.9	283.2	299.4
Miscellaneous Manufactured Articles	120.9	131.9	114.2	116.4	185.0	224.5	240.0	226.1	264.8	307.2	328.4
Commodities and Transactions n.e.s.	77.2	78.2	112.0	111.6	33.1	23.9	72.4	87.3	39.1	53.9	51.0

^R Revised

^P Preliminary

n.e.s. - not elsewhere specified

Source: Cayman Islands Customs Department and Economics and Statistics Office

Table A9: Monetary Assets and Liabilities, CI\$ Million

	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Total Assets	7,374.5	7,566.2	8,189.8	8,660.2	8,537.0	8,474.4
Net Foreign Assets	5,305.1	5,330.5	5,890.1	6,005.7	5,410.9	5,190.5
Monetary Authority	135.8	153.8	181.8	191.4	189.0	196.1
Commercial Banks	5,169.3	5,176.7	5,708.3	5,814.4	5,221.9	4,994.4
Net Domestic Assets	2,069.4	2,235.7	2,299.7	2,654.4	3,126.2	3,283.9
Domestic credit	3,066.3	3,300.9	3,432.9	3,679.7	4,055.7	4,235.8
Claims on central government	157.2	230.9	198.6	175.6	407.0	420.4
Claims on other public sector	50.1	45.1	38.7	29.7	20.7	15.4
Claims on private sector	2,859.1	3,024.9	3,195.6	3,474.4	3,627.9	3,800.1
Other items net	(996.9)	(1,065.2)	(1,133.2)	(1,025.3)	(929.5)	(951.9)
Broad Liquidity	7,374.5	7,566.2	8,189.8	8,660.2	8,537.0	8,474.4
Broad money (KYD) M2	1,737.6	1,953.2	2,317.1	2,513.2	2,559.0	2,631.1
Currency in circulation	126.6	140.4	164.4	173.5	171.1	169.5
KYD Deposits	1,611.0	1,812.9	2,152.7	2,339.7	2,387.9	2,461.5
Demand deposits	643.4	775.3	937.4	1,055.6	1,005.5	1,037.4
Time and savings deposits	967.6	1,037.5	1,215.3	1,284.1	1,382.4	1,424.1
FOREX deposits	5,636.9	5,613.0	5,872.7	6,146.9	5,978.0	5,843.4
of which: US dollars	5,262.0	5,203.1	5,332.6	5,671.6	5,564.9	5,501.9

Source: Cayman Islands Monetary Authority and Economics & Statistics Office

Table A10: Domestic Credit to the Private Sector by Retail Banks, CI\$ Million

	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Total	2,859.1	3,024.9	3,195.6	3,474.4	3,627.9	3,799.9
Credit to Businesses	717.4	937.5	1,035.4	1,166.8	1,160.7	1,329.5
Production & Manufacturing	215.6	217.0	236.7	207.3	207.5	293.5
Agriculture, Fishing and Mining	4.9	4.6	4.4	4.9	4.7	4.5
Manufacturing	13.8	8.0	8.9	8.4	8.0	9.1
Utilities	58.5	16.8	16.4	8.2	9.8	62.7
Construction	138.4	187.6	207.0	185.8	184.9	217.2
Services	95.2	102.4	117.0	126.3	144.5	140.1
Accommodation, Food, Bar & Entertainment Services	42.9	60.9	65.6	68.3	78.0	64.6
Transportation, Storage & Communications	23.4	21.5	28.8	28.9	21.7	9.6
Education, Recreational & Other Professional Services	28.9	20.0	22.6	29.0	44.8	65.9
Trade and Commerce	363.3	584.6	652.9	812.4	790.9	883.8
Wholesale & Retail Sales Trade	35.0	57.8	70.2	102.3	112.6	134.3
Real Estate Agents, Rental and Leasing Companies	145.2	262.6	281.5	318.9	315.7	347.1
Other Business Activities (General Business Activity)	183.1	264.2	301.1	391.2	362.7	402.4
Other Financial Corporations	43.4	33.5	28.8	20.8	17.8	12.1
Credit to Households	2,063.1	2,068.8	2,139.1	2,293.1	2,448.4	2,442.0
Domestic Property	1,780.9	1,771.8	1,887.8	2,033.1	2,180.9	2,164.6
Motor Vehicles	61.1	57.3	58.8	58.4	56.0	61.0
Education and Technology	5.8	4.7	4.2	3.3	2.8	2.7
Miscellaneous*	215.3	235.0	188.4	198.3	208.7	213.7
Non-Profit Organizations	78.6	18.6	21.1	14.5	18.8	28.4

*Miscellaneous include consolidated debt, insurance, medical and travel

Source: Cayman Islands Monetary Authority

Table A11: Financial Services Indicators

Year	Bank & Trust Licensees	Insurance Licensees	Captive Insurance Premiums (US\$B)	Mutual Funds*	Private Fund**	New Company Registrations	Stock Market Cap**. (US\$B)	Stock Listings
2006	291	767	7.1	8,134		12,277	111.5	1,225
2007	281	793	7.5	9,413		14,232	168.3	1,748
2008	278	805	7.7	9,870		11,861	167.7	1,579
2009	266	808	7.5	9,523		7,863	163.0	1,312
2010	246	768	8.7	9,438		8,157	145.7	1,113
2011	234	766	11.8	9,258		9,064	143.8	1,156
2012	222	768	11.8	10,841		8,971	166.5	1,157
2013	213	788	12.6	11,379		9,433	172.6	1,116
2014	198	788	12.1	11,010		11,010	169.3	1,066
2015	184	739	12.8	10,940		11,875	195.3	1,048
2016	159	740	14.6	10,586		11,174	195.6	1,022
2017	148	724	12.4	10,559		13,046	241.4	1,238
2018	133	730	15.4	10,992		16,326	310.2	1,699
2019	125	672	18.0	10,857		12,822	427.0	2,078
2020	110	679	20.9	11,896	12,695	11,731	458.8	2,336
2021	101	686	23.1	12,719	14,679	16,748	807.2	2,681
2022	94	695	23.0	12,995	15,854	11,796	807.0	2,734
2023	87	708	57.6	12,802	16,551	9,794	884.4	2,772

Source: Cayman Islands Monetary Authority, Cayman Islands Stock Exchange, Cayman Islands General Registry

* Includes a new category called master funds started in 2012

** started in Q2 2020

***Cap = Capitalization

Table A12: Banks & Trust Licensees

Year	Class A Banks			Class B Banks			Overall Total
	Bank & Trust	Bank	Total	Bank & Trust	Bank	Total	
2006	16	3	19	112	178	272	291
2007	14	5	19	106	173	262	281
2008	13	5	18	96	179	260	278
2009	12	5	17	95	171	249	266
2010	12	5	17	87	160	229	246
2011	12	3	15	83	152	219	234
2012	12	3	15	78	143	207	222
2013	12	3	15	73	139	198	213
2014	10	3	13	66	130	185	198
2015	9	3	12	61	118	172	184
2016	7	4	11	53	101	148	159
2017	8	3	11	52	94	137	148
2018	8	3	11	46	81	122	133
2019	6	3	9	42	74	116	125
2020	6	3	9	38	63	101	110
2021	7	3	10	33	58	91	101
2022	8	3	11	29	54	83	94
2023	8	3	11	27	49	76	87

Source: Cayman Islands Monetary Authority

Table A13: Insurance Licensees

	Total Class A (Domestic Insurers)	Class B Captives Excluding SPCs	Class B Captives- SPCs Only	Total Class B,C,D (International Insurers)	Total Insurers
2006	27	623	117	740	767
2007	28	641	124	765	793
2008	28	652	125	777	805
2009	28	650	130	780	808
2010	30	619	119	738	768
2011	27	615	124	739	766
2012	27	608	133	741	768
2013	27	571	148	761	788
2014	28	586	139	760	788
2015	31	539	140	708	739
2016	29	536	147	711	740
2017	28	521	148	696	724
2018	27	525	149	703	730
2019	26	490	128	646	672
2020	27	486	138	652	679
2021	25	486	148	661	686
2022	25	490	152	670	695
2023	25	504	154	683	708

Source: Cayman Islands Monetary Authority

Table A14: Mutual Funds Domiciled in the Cayman Islands

Year	Administered Funds	Licensed Funds	Registered Funds	Master Funds	Limited Investor Funds*	Total
2006	548	105	7,481	-		8,134
2007	543	119	8,751	-		9,413
2008	510	129	9,231	-		9,870
2009	448	131	8,944	-		9,523
2010	435	133	8,870	-		9,438
2011	424	120	8,714	-		9,258
2012	408	121	8,421	1,891		10,841
2013	398	111	8,235	2,635		11,379
2014	386	104	7,835	2,685		11,010
2015	380	101	7,654	2,805		10,940
2016	363	90	7,293	2,840		10,586
2017	331	81	7,331	2,816		10,559
2018	317	75	7,654	2,946		10,992
2019	295	64	7,612	2,886		10,857
2020	294	59	7,972	2,988	583	11,896
2021	295	55	8,499	3,198	672	12,719
2022	290	51	8,795	3,224	635	12,995
2023	269	50	8,681	3,175	627	12,802

Source: Cayman Islands Monetary Authority

* Commenced in Q2 2020

Table A15: New Companies Registered in the Cayman Islands

Year	Exempt	Non-Resident	Resident	Foreign	Foundation*	LLC	Total
2006	10,735	569	588	385	-	-	12,277
2007	12,691	533	531	477	-	-	14,232
2008	10,536	293	510	522	-	-	11,861
2009	6,764	220	487	392	-	-	7,863
2010	7,104	230	432	391	-	-	8,157
2011	7,980	156	485	443	-	-	9,064
2012	7,940	69	506	456	-	-	8,971
2013	8,380	48	430	575	-	-	9,433
2014	9,981	29	408	592	-	-	11,010
2015	10,672	40	506	657	-	-	11,875
2016	9,812	29	518	610	-	205	11,174
2017	11,138	25	583	589	-	711	13,046
2018	13,812	15	726	761	84	928	16,326
2019	10,448	25	738	694	55	862	12,822
2020	9,360	13	648	751	43	916	11,731
2021	13,413	15	845	846	164	1,465	16,748
2022	9,059	21	702	856	297	861	11,796
2023	7,540	8	681	639	231	695	9,794

Source: Companies Registrar

*Commenced in February 2018.

Table A16: Visitor Arrivals ('000) and Cruise Ship Calls

Year	Stay-Over	Cruise	Total Arrivals	Cruise Ship Calls
1999	394.7	1,035.5	1,430.2	638
2000	354.1	1,030.9	1,385.0	612
2001	334.1	1,214.8	1,548.9	611
2002	302.8	1,574.8	1,877.6	732
2003	293.5	1,819.0	2,112.5	825
2004	259.9	1,693.3	1,953.2	732
2005	167.8	1,799.0	1,966.8	784
2006	267.3	1,930.1	2,197.4	802
2007	291.5	1,715.7	2,007.2	657
2008	302.9	1,553.1	1,855.9	570
2009	271.9	1,520.4	1,792.3	547
2010	288.3	1,597.8	1,886.1	570
2011	309.1	1,401.5	1,710.6	523
2012	321.6	1,507.4	1,829.0	525
2013	345.4	1,375.9	1,721.3	480
2014	382.8	1,609.6	1,992.4	562
2015	385.4	1,716.8	2,102.2	575
2016	385.5	1,711.8	2,097.3	577
2017	418.4	1,728.4	2,146.8	569
2018	463.0	1,921.1	2,384.1	636
2019	502.1	1,831.0	2,333.8	601
2020	121.8	538.1	660.0	192
2021	17.3	-	17.3	-
2022	284.3	743.0	1,027.3	271
2023	429.3	1,271.0	1,700.3	407

Source: Immigration Department, Port Authority and Department of Tourism

Table A17: Occupancy Rates and Length of Stay

Year	Hotel Occupancy Rates (%)	Apt/Condo Occupancy Rates (%)	Hotel Length of Stay (Days)	Apt/Condo Length of Stay (Days)
1999	71.8	46.9	4.7	5.8
2000	62.4	46.8	4.6	7.0
2001	55.3	43.1	4.5	7.3
2002	50.6	40.2	4.8	7.3
2003	51.2	37.7	4.7	7.4
2004	61.7	43.1	4.9	6.8
2005	55.8	46.0	4.9	6.7
2006	59.4	40.7	4.5	6.6
2007	61.7	42.5	4.7	6.7
2008	62.2	44.0	4.5	6.4
2009	59.0	43.9	4.4	6.9
2010	68.2	44.1	4.4	6.8
2011	n/a	n/a	n/a	n/a
2012	n/a	n/a	n/a	n/a
2013	n/a	n/a	n/a	n/a

Source: Cayman Islands Department of Tourism

Table A18: Total Stay-Over Arrivals by Country of Origin ('000)

Year	USA	Europe	Canada	Others	Total Arrivals
1995	266.2	37.3	14.1	43.8	361.4
1996	274.7	33.5	16.2	48.8	373.2
1997	278.7	32.7	18.2	51.6	381.2
1998	295.2	34.7	18.4	55.9	404.2
1999	280.3	34.5	18.9	61.0	394.7
2000	281.6	22.6	15.0	34.3	354.1
2001	270.1	20.4	13.6	34.9	334.1
2002	244.9	17.9	13.6	26.2	302.8
2003	232.4	18.2	14.1	28.8	293.5
2004	205.2	15.3	12.1	27.3	259.9
2005	118.8	12.7	10.5	25.8	167.8
2006	217.4	16.7	14.9	18.3	267.3
2007	231.9	20.4	17.4	21.9	291.5
2008	240.5	21.3	18.5	22.6	302.9
2009	215.0	19.1	17.3	20.6	272.0
2010	228.5	19.9	19.5	20.5	288.3
2011	242.9	21.1	24.6	20.4	309.1
2012	253.2	21.4	24.1	23.0	321.7
2013	265.4	27.8	23.6	28.5	345.4
2014	288.0	36.4	24.9	33.5	382.8
2015	291.8	34.3	24.3	35.0	385.4
2016	300.6	29.2	23.3	32.4	385.5
2017	341.0	24.3	24.8	28.4	418.4
2018	385.3	22.8	26.6	28.2	463.3
2019	418.6	24.1	30.1	29.9	502.7
2020	99.1	6.3	11.4	5.0	121.8
2021	9.5	2.7	1.8	3.3	17.3
2022	229.8	16.5	19.9	18.1	284.3
2023	355.4	19.9	28.6	25.5	429.3

Source: Immigration Department and Department of Tourism

Table A19: Property Transfers: Number and Value, in CI\$ Million

Year	Freehold		Leasehold		Total Transfers	
	Number	Value	Number	Value	Number	Value
1995	1,729	191.2	127	3.6	1,856	194.8
1996	2,055	267.2	153	3.3	2,208	270.5
1997	2,151	281.8	125	6.1	2,279	287.9
1998	2,344	317.2	128	2.3	2,472	319.5
1999	2,293	222.5	201	7.4	2,494	229.9
2000	1,868	257.3	143	2.3	2,011	259.6
2001	1,846	172.8	181	0.8	2,027	173.6
2002	1,842	269.9	147	4.1	1,989	274.0
2003	2,357	324.3	205	1.7	2,562	326.0
2004	2,335	339.2	127	1.9	2,462	341.1
2005	2,640	450.8	245	1.4	2,885	452.2
2006 ^R	2,777	691.1	179	4.1	2,956	695.2
2007	2,190	544.7	360	23.3	2,512	551.0
2008	2,289	558.1	323	76.2	2,612	634.3
2009	2,045	397.0	242	19.5	2,287	416.5
2010	1,619	307.2	168	9.2	1,787	316.4
2011	1,708	632.1	178	25.8	1,886	657.9
2012	1,696	418.1	116	11.9	1,812	430.0
2013	1,569	538.8	197	38.7	1,766	577.5
2014	1,718	533.7	159	29.1	1,877	562.8
2015	1,787	592.4	131	19.8	1,918	612.2
2016	1,792	844.3	183	16.0	1,975	860.3
2017	1,875	798.0	194	32.2	2,069	830.2
2018	2,070	855.8	220	287.9	2,290	1,143.7
2019	1,922	816.4	192	45.8	2,114	862.2
2020	1,920	770.6	160	37.2	2,080	807.1
2021	2,983	1,346.5	217	66.8	3,200	1,413.2
2022	2,659	1,238.4	154	29.6	2,813	1,268.0
2023	2,198	1,079.6	218	76.0	2,416	1,155.6

Source: Cayman Islands Lands and Survey Department

^R = Revised

Leasehold transfers include lease transfers and subleases.

Table A20: Number of Project Approvals in Grand Cayman

Year	Apts/ Condos	Houses	Commercial	Government	Hotel	Industrial	Other	Total
2001	79	309	45	7	3	11	442	896
2002	88	327	83	4	5	17	424	948
2003	129	385	67	12	-	34	504	1,131
2004	111	359	52	6	1	17	427	973
2005	132	532	95	15	4	26	394	1,198
2006	222	336	70	15	1	30	574	1,248
2007	112	437	56	10	1	14	493	1,123
2008	103	424	43	7	-	11	580	1,168
2009	109	426	46	3	-	12	526	1,122
2010	73	327	43	9	-	5	505	962
2011	52	332	36	14	-	9	496	939
2012	38	313	46	7	-	16	570	990
2013	31	244	53	10	3	14	586	971
2014	56	225	30	15	2	6	673	1029
2015	42	225	40	15	1	14	643	990
2016	57	238	39	6	5	13	614	972
2017	83	276	34	14	3	19	727	1156
2018	54	191	17	4	0	5	451	722
2019	75	245	32	10	2	7	377	748
2020	90	258	16	14	0	7	452	837
2021	120	243	30	15	3	14	378	803
2022	113	300	32	2	3	13	394	857
2023	148	223	24	5	3	11	435	849

Source: Cayman Islands Planning Department

Table A21: Value of Project Approvals in Grand Cayman, CI\$ Million

Year	Apt/ Condos	Houses	Commercial	Government	Hotel	Industrial	Other	Total
2001	44.5	54.2	18.0	0.8	1.7	5.5	24.4	149.1
2002	82.0	60.6	48.9	0.8	9.7	9.9	24.4	236.3
2003	65.9	80.0	29.0	55.1	-	7.1	29.4	266.5
2004	153.7	67.5	133.2	3.9	45.0	7.3	45.7	456.3
2005	194.9	105.8	103.9	3.7	16.2	20.5	66.1	511.2
2006	294.3	74.8	119.8	7.5	6.0	44.4	74.2	620.9
2007	88.9	131.3	71.7	54.5	55.0	8.4	59.1	468.9
2008	141.5	110.3	125.4	18.5	-	11.1	74.0	480.9
2009	170.0	122.0	29.0	0.1	-	2.6	97.5	421.2
2010	35.9	93.9	92.5	3.6	-	1.0	84.8	311.7
2011	27.5	116.5	25.8	15.1	-	16.6	40.3	241.8
2012	17.3	81.9	11.7	5.2	-	8.1	28.1	152.3
2013	48.2	100.9	118.8	5.1	143.0	5.2	42.5	463.7
2014	132.5	129.9	9.2	3.4	4.6	17.0	119.0	411.6
2015	152.7	115.6	39.7	50.1	0.1	48.5	52.2	458.8
2016	71.5	106.4	152.8	14.2	1.9	20.2	39.8	406.7
2017	220.3	118.4	50.1	4.5	246.8	74.2	84.5	798.7
2018	150.5	104.6	37.4	1.3	-	1.6	456.9	752.3
2019	205.2	109.0	48.9	7.7	187.7	4.4	327.6	890.4
2020	389.1	110.3	74.2	1.6	0.0	26.1	281.8	883.2
2021	180.9	118.0	38.7	3.0	160.4	27.1	448.9	976.9
2022	174.3	171.8	56.4	0.1	77.0	22.9	31.3	533.8
2023	182.4	103.0	111.1	1.1	165.2	27.6	87.4	677.8

Source: Cayman Islands Planning Department

Table A22: Number of Project Approvals in the Sister Islands

Year	Houses	Apt/Condo	Hotel	Government	Commercial	Industrial	Other	Total
2000	49	3	-	7	6	7	53	125
2001	41	7	-	5	9	3	46	111
2002	21	2	-	5	2	9	74	113
2003	29	3	-	4	14	2	60	112
2004	36	1	-	11	13	4	75	140
2005	43	4	-	5	9	1	73	135
2006	39	-	1	10	5	10	67	132
2007	35	6	-	9	5	-	49	104
2008	40	5	2	3	5	1	53	109
2009	34	2	-	3	2	-	62	103
2010	27	2	-	8	5	1	71	114
2011	35	-	-	2	2	1	62	102
2012	21	-	-	7	5	1	56	90
2013	29	1	-	3	2	1	56	92
2014	22	-	-	1	6	-	30	59
2015	10	-	-	-	9	-	44	63
2016	12	1	-	2	11	1	35	62
2017	25	1	-	3	2	-	29	60
2018	15	2	-	2	1	-	38	57
2019	18	3	0	2	2	0	22	47
2020	26	2	0	0	3	0	22	53

Source: Cayman Islands Planning Department

Table A23: Value of Project Approvals in the Sister Islands, CI\$ Million

Year	Houses	Apt/Condo	Hotel	Government	Commercial	Industrial	Other	Total
2000	5.2	3.2	-	1.0	0.5	1.6	1.0	12.4
2001	-	2.8	-	2.1	1.1	1.1	0.8	8.0
2002	3.2	0.2	-	0.3	0.3	1.2	2.3	7.6
2003	4.1	0.8	-	0.1	1.4	0.4	0.7	7.4
2004	6.6	0.1	-	0.3	1.9	4.0	0.7	13.7
2005	5.9	1.3	-	0.2	0.6	0.5	0.8	9.3
2006	6.7	-	5.5	2.7	0.7	1.6	0.8	17.9
2007	6.5	23.9	-	2.1	0.3	-	3.5	36.2
2008	7.8	8.2	6.9	0.1	1.0	-	3.9	27.9
2009	5.8	0.7	-	2.0	1.1	-	3.3	12.8
2010	6.0	0.4	-	9.1	1.3	0.4	1.8	19.0
2011	7.4	-	-	0.1	0.1	1.6	0.8	9.9
2012	4.2	-	-	7.1	1.0	1.5	4.9	18.7
2013	5.9	0.5	-	0.7	0.2	0.0	2.6	9.8
2014	3.8	-	-	0.08	0.6	-	0.93	5.4
2015	3.4	-	-	-	2.1	-	0.7	6.1
2016	3.8	0.3	-	1.3	0.3	2.7	1.7	10.1
2017	4.7	-	-	0.4	0.1	-	1.1	6.2
2018	3.5	0.3	-	1.7	0.2	-	0.8	6.5
2019	3.9	2.9	0	2.1	0.2	0	0.2	9.2

Source: Cayman Islands Planning Department

Table A24: Building Permits in Grand Cayman

Category	Number					Value, CI\$ Million				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Apartment/ Condo	166	165	194	191	147	220.7	190.7	186.9	279.1	341.4
Houses	350	334	382	306	175	127.8	158.3	142.1	145.1	73.5
Commercial	86	77	98	104	88	21.7	137.2	149.5	105.5	137.5
Government	22	4	20	4	12	9.2	1.2	8.8	0.6	4.6
Hotel	0	0	2	4	1	0.2	-	90	297.0	100.0
Industrial	5	10	12	7	12	3.0	8.3	7.1	10.5	2.0
Other	619	435	475	399	302	107.8	59.8	132.8	108.8	185.7
Total	1,249	1,025	1,183	1,015	737	490.3	555.6	717.0	946.1	844.8

Source: Cayman Islands Planning Department

Table A25: Water Production and Consumption

Millions of US Gallons

Year	Production ¹	Consumption
1995	592.9	637.6
1996	631.0	678.1
1997	730.7	779.8
1998	808.9	849.4
1999	874.3	908.8
2000	986.5	1,028.5
2001	1,097.4	1,069.2
2002	1,147.9	1,056.1
2003	1,197.9	1,173.7
2004	1,291.3	1,252.7
2005	1,371.6	1,301.7
2006	1,639.6	1,560.7
2007	1,720.8	1,657.7
2008	1,730.3	1,646.1
2009	1,959.1	1,741.8
2010	1,970.9	1,704.5
2011	1,977.6	1,697.8
2012	2,012.5	1,752.6
2013	1,888.9	1,630.9
2014	2,053.1	1,710.8
2015	1,925.0	1,718.1
2016	2,192.6	1,854.4
2017	2,279.1	1,907.2
2018	2,424.0	2,009.4
2019	2,518.8	2,058.9
2020	2,395.4	1,952.0
2021	2,477.4	1,946.4
2022	2,611.5	2,085.9
2023	2,900.3	2,333.6

Source: Cayman Islands Water Authority, Cayman Water Company

¹ Excludes Non-Potable Water

Table A26: Electricity Production and Consumption

Grand Cayman ('000-megawatt hours)

Year	Production*	Consumption			
		Residential	Industrial/ Commercial	Public Lighting	Total
1995	297.4	118.1	147.5	3.3	268.9
1996	309.7	124.6	153.8	3.1	281.4
1997	347.8	140.3	168.7	3.3	312.3
1998	381.1	158.9	181.3	3.3	343.5
1999	390.4	168.2	191.5	3.3	363.0
2000	426.5	179.5	203.1	3.4	386.0
2001	449.3	189.7	213.9	3.5	407.0
2002	466.1	200.4	221.0	4.2	425.6
2003	489.7	211.2	228.5	4.5	444.2
2004	433.4	183.1	191.5	4.1	378.7
2005	463.2	200.3	222.4	5.0	427.8
2006	535.7	228.2	258.0	5.3	491.5
2007	546.1	249.4	279.4	5.4	534.2
2008	578.4	251.7	290.3	5.7	547.7
2009	597.4	263.1	290.7	6.0	559.8
2010	593.5	262.5	284.9	6.2	553.8
2011	594.0	258.8	289.0	6.2	554.0
2012	587.1	254.4	287.1	6.3	547.8
2013	595.6	261.0	288.1	6.6	555.7
2014	604.7	266.7	290.7	6.7	564.1
2015	623.7	276.9	298.3	6.7	582.0
2016	650.3	299.1	300.8	6.8	606.7
2017	654.4	312.8	302.1	6.9	621.8
2018	641.8	314.0	308.1	6.5	628.8
2019	678.8	342.1	320.1	5.5	667.7
2020	651.5	356.6	282.5	5.2	644.3
2021	662.0	361.6	293.8	5.0	660.5
2022	680.4	364.1	305.3	4.7	674.1
2023	735.4	396.7	325.4	4.9	727.0

Source: Caribbean Utilities Company

*Net generation/production is reported from 2007

Table A27: Summary of Central Government Operations, CI\$ Million

Year	Revenue	Expense	Net Operating Balance	Net Investment in Non-Financial Assets	Expenditure	Net Lending (+)/Net Borrowing (-)
2002	314.0	278.0	36.0	17.7	295.7	18.3
2003	326.2	283.7	42.5	21.5	305.2	21.0
2004	336.4	349.2	(13.2)	28.9	378.1	(41.7)
2005	428.5	381.8	46.7	48.5	430.3	(1.8)
2006	500.4	393.5	106.9	39.6	433.1	67.3
2007	513.0	446.1	66.9	105.9	552.0	(39.0)
2008	522.2	502.7*	19.5	150.6	653.3	(131.1)
2009	473.7	535.6	(61.9)	141.7	677.3	(203.6)
2010	517.7	517.3	0.4	76.2	593.5	(75.8)
2011	545.8	525.2	20.6	98.3	623.5	(77.7)
2012	564.6	547.1	17.5	43.4 ^R	590.5	(25.9)
2013	635.1	553.7	81.4	10.8 ^R	564.5	70.6
2014	664.2	551.2	112.9	17.2 ^R	568.5	95.7
2015	672.7	545.0	127.7	11.2 ^R	556.2	116.5
2016	705.9	585.8	120.1	19.2 ^R	605.0	101.0
2017	753.2	586.4	166.7	36.1 ^R	622.5	130.7
2018	830.2	652.6	177.5	43.9 ^R	696.6	133.6
2019	860.0	731.4	128.6	26.6 ^R	758.1	101.9
2020	797.4	858.4	(61.0)	35.8 ^R	894.2	(96.9)
2021	961.1	979.2	(18.1)	99.1	1,078.3	(117.2)
2022	1,021.3	966.6 ^R	54.6 ^R	50.7	1,017.4 ^R	3.9 ^R
2023	1,060.1	1,024.3	35.8	98.6	1,122.9	(62.8)

*Annual depreciation is added to current expenditure but deducted from total expenditure starting 2008

^R Revised

Source: Cayman Islands Treasury Department

Table A28: Central Government Debt and Self- Financing Debt, CI\$ Million

Year	Disbursed Outstanding Debt	Drawings	Exchange (Gain)/ Loss	Amortisation	Interest Payments
2002	132.1	10.9	(0.3)	21.3	3.8
2003	143.9	136.9	-	124.5	5.1
2004	157.6	23.3	-	9.5	7.3
2005	180.9	39.0	-	11.4	9.5
2006	179.7	10.0	-	14.5	8.9
2007	210.5	52.3	(0.2)	16.4	9.6
2008	354.9	166.2	(0.5)	20.7	11.7
2009	513.5	184.3	-	25.9	19.4
2010	592.7	106.7	(0.2)	25.9	27.9
2011	613.4	154.2	0.3	133.9	32.9
2012	586.2	-	(0.2)	25.9	33.8
2013	559.9	10.0	0.1	26.5	31.8
2014	534.0	-	(0.05)	33.9	29.2
2015	511.0	-	(0.12)	22.8	28.0
2016	483.9	-	(0.03)	27.1	27.1
2017	449.1	-	0.11	34.8	25.6
2018	418.7	-	0.023	30.9	24.0
2019	284.4	-	-	287.0	22.1
2020	248.6	-	-	35.8	13.3
2021	222.7	8.4	-	34.2	11.6
2022	506.4	329.1	-	45.4	15.8
2023	453.2	-	(0.0001)	53.3	18.5

Source: Cayman Islands Treasury Department

a/ Self-financing debt refers to the loans raised by the central government on behalf of agencies which are required to reimburse the servicing of these loans.

Table A29: Fiscal Operations, CI\$ Million

	2018	2019	2020	2021	2022	2023
Revenue	830.2	860.0	797.4	961.1	1,021.3	1,060.1
Taxes	773.0	792.5	739.3	911.1	955.5	976.3
Taxes on International Trade & Transactions	199.1	210.9	178.7	206.4	233.6	251.0
Taxes on Goods & Services	469.4	511.0	460.5	557.7	611.4	627.7
Taxes on Property	83.0	67.0	67.3	108.3	103.6	89.7
Other Taxes	21.5	3.6	32.9	38.7	6.8	7.8
Other Revenue	57.2	67.5	58.0	50.0	65.8	83.9
Sale of Goods & Services	40.2	43.6	39.2	39.9	44.8	47.2
Investment Revenue	12.2	18.4	8.5	4.8	9.1	28.2
Fines, Penalties and Forfeits	2.7	2.9	3.0	4.6	9.5	6.5
Transfers n.e.c.	2.1	2.5	7.3	0.7	2.5	2.0
Expenditure	696.6	758.1	894.2	1,078.3	1,029.5	1,122.9
Expense	652.6	731.4	858.4	979.2	968.1	1,024.3
Compensation of Employees	283.5	330.6	353.0	375.5	398.2	443.5
Use of Goods and Services	97.3	116.6	134.1	129.2	145.3	156.0
Subsidies	166.5	180.0	208.2	215.8	261.0	269.8
Social Benefits	36.2	39.5	69.7	140.0	86.6	73.8
Consumption of Fixed Capital	32.6	36.0	38.7	50.1	53.1	54.8
Interest	24.0	22.1	13.3	11.6	15.8	18.5
Other Expense	12.6	6.7	41.4	56.9	8.1	8.0
Gross Investment in Non-Financial Assets	76.5	62.6	74.6	149.2	114.5	153.4
Fixed Investment	76.5	62.1	73.2	147.7	113.7	150.0
Capital Investment in Ministries and Portfolios	20.2	23.5	35.7	75.8	58.1	60.2
Capital Investment in Statutory Authorities and Government Owned Companies	31.6	23.0	20.8	30.2	27.6	36.6
Executive Assets	24.8	15.5	16.7	41.7	28.0	53.1
Inventories	0.0	0.6	1.4	1.6	0.9	3.4
Net Investment in Non-Financial Assets	43.9	26.6	35.9	99.1	61.4	98.6
Primary Balance (Overall Balance w/o Interest Payments)	157.6	124.0	(83.6)	(105.6)	7.6	(44.3)
Net Operating Balance	177.5	128.6	(61.0)	(18.1)	53.2	35.8
Net Lending (+)/Net Borrowing (-)	133.6	101.9	(96.9)	(117.2)	(8.2)	(62.8)
Financing:						
Net Acquisition of Financial Assets	98.8	(185.0)	(132.7)	(143.1)	275.6	(116.1)
Net Incurrence of Liabilities	(34.8)	(287.0)	(35.8)	(25.9)	283.8	(53.3)
Incurrence (Disbursement)	0.0	0.0	0.0	8.4	329.2	0.0
Reduction (Loan Repayment)	34.8	287.0	35.8	34.2	45.4	53.3

Source: Economics & Statistics Office and Treasury Department