

A large, faint background image of a pair of scales of justice, symbolizing balance and equity.

THE CAYMAN ISLANDS' BALANCE OF PAYMENTS & INTERNATIONAL INVESTMENT POSITION REPORT 2019

NOVEMBER 2020

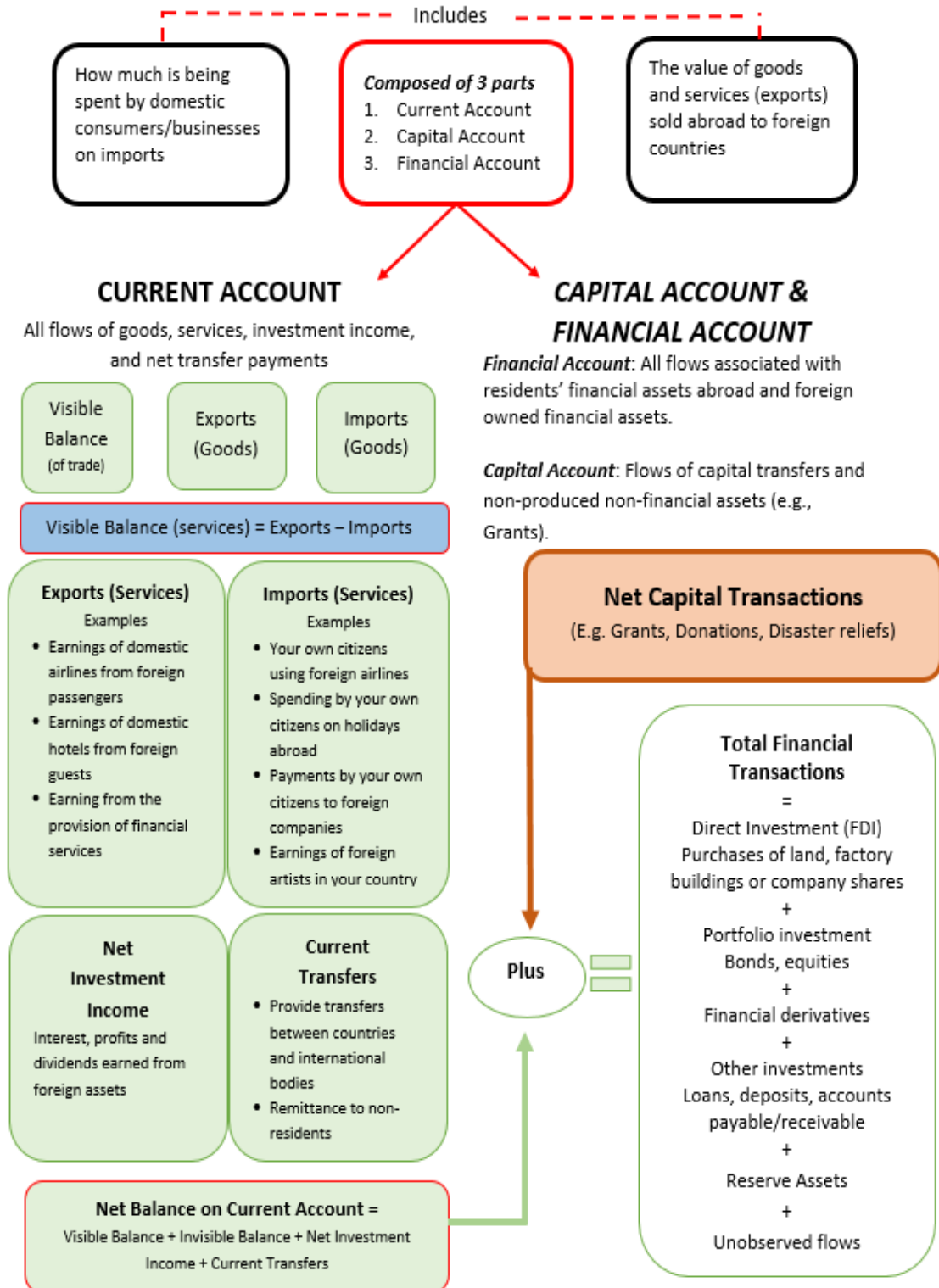


The Economics and Statistics Office
Cayman Islands Government

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The Balance of Payments (BOP) is a record of all the financial transactions that are made between all those active in the domestic economy (consumers, business and the government and the rest of the world).



Balance of Payment 2019 Explained

(In CI\$ Millions)

Current Account

Visible Trade

| | |
|--------------------------|----------------|
| Exports of Goods | 297.5 |
| Import of Goods | 1070.6 |
| Balance of Visible Trade | <u>(773.2)</u> |

Invisible Trade

| | |
|----------------------------|----------------|
| Export of Services | 3,142.4 |
| Import of Services | 1,175.8 |
| Balance of Invisible Trade | <u>1,966.6</u> |

Primary and Secondary Income (1,678.1)

Net Balance in Current Account (484.7)

Capital Account

Grants 0.4

Financial Account

| | |
|------------------------------|------------------|
| Direct Investment | (1,377.8) |
| Portfolio Investment | 3,474.4 |
| Financial Derivatives | 2,297.9 |
| Other Investments | <u>(4,967.3)</u> |
| Balance in Financial Account | (554.4) |

Unobserved Flows 69.3

Visible Trade

(Imports > Exports)

+

Invisible Trade

(Tourism, Financial Services, etc.)

+

Primary (investment income) and Secondary Income (remittances)

=

Net Balance on Current Account

Facts

Primary Income:

- Loans and deposits dominate other investments.
- Cayman Islands direct investments payments exceeds returns.
- Portfolio investment receipts are dominated by debt securities.

Secondary Income:

- Due to the large expatriate workforce, workers remittances outflows exceeds inflows significantly.

Why is there a BOP Deficit?

Facts

Current Account:

- The Cayman Islands is a net exporter of services, that is through tourism and financial services.
- The vast majority of the goods used and consumed in the Cayman Islands are imported.

ACKNOWLEDGEMENT

The BOP is compiled and produced by the External Sector Statistics Unit of the Economics and Statistics Office (ESO).

The ESO wishes to express its appreciation to all the suppliers of the data in the public and private sectors, especially the BOP survey respondents, for their invaluable assistance in facilitating the provision of the required data. The Cayman Islands Monetary Authority provided key information on financial services, particularly in the banking sector. The cooperation and timely submission of the information improve the reliability and validity of the BOP statistics. The ESO, therefore, continues to encourage all businesses to participate in future surveys.

Any comments on this report are welcome and should be sent to infostats@gov.ky.

ABBREVIATIONS AND ACRONYMS

| | |
|---------------|--|
| ANA | Annual National Accounts |
| BOP | Balance of Payments |
| BPM5 | Balance of Payments Manual 5 th Edition |
| BPM6 | Balance of Payments Manual 6 th Edition |
| c.i.f | Cost, insurance and freight |
| CARTAC | Caribbean Regional Technical Assistance Centre |
| CIMA | Cayman Islands Monetary Authority |
| CPI | Consumer Price Index |
| DOT | Department of Tourism |
| ESO | Economics and Statistics Office |
| f.o.b. | Free on board |
| FDI | Foreign Direct Investment |
| IIP | International Investment Position |
| IMF | International Monetary Fund |
| LFS | Labour Force Survey |
| n.i.e | Not included elsewhere |
| n.e.c | Not elsewhere classified |
| SNA | System of National Accounts |
| R | Revised |
| P | Preliminary |

1. BALANCE OF PAYMENTS

1.1 Introduction

The international accounts comprising of the Balance of Payments (BOP) and the International Investment Position (IIP) provide useful information for assessing the country's economic relations with the rest of the world.

The Balance of Payments (BOP) is the system of accounts that record all economic and financial transactions between residents of the Cayman Islands and the rest of the world. It is comprised of three (3) accounts:

- (i) the Current Account which captures transactions in trade on goods and services, primary income and secondary income (transfers);
- (ii) the Financial Account which comprises all types of investment; and
- (iii) the Capital Account which records all capital transfers such as grants used for physical capital expenditures.

A negative balance or a deficit in any of the above accounts indicates that the total inflows to residents from non-residents are less than their outflows (payments and lending) to non-residents.

The sum of the balances on the Current and Capital Account represents the Net Lending (surplus) or Net Borrowing (deficit) by the economy with the rest of the world. Conceptually this should be equal to the net balance of the Financial Account. This means that the Financial Account measures how the net lending or net borrowing from non-residents is financed.

The Balance of Payments Manual (BPM6) issued by the International Monetary Fund (IMF) states that “the residence of each institution is the economic territory with which it has the strongest connection, expressed as its centre of predominant economic interest.” Accordingly, residents include (1) individuals who reside or intend to reside in the Cayman Islands for one year or more; (2) business enterprises and non-profit organizations engaged in significant production of goods or services; and (3) general government including operations of the home territory such as consulates and other enclaves of foreign governments.

An overview of the key uses of the BOP, along with the compilation approach, can be found at www.eso.ky.

Estimates in this Report are based on both survey and non-survey data collated as closely as is feasible in a format consistent with the BPM6. The ESO conducted the BOP survey

between May and July 2020. A significant amount of data, particularly on the banking and insurance corporations, was sourced from CIMA.

The series can be revised primarily for the following reasons:

- revisions were made based on new data, correction of errors based on respondents' revisions, compilation errors either in the processing of the data or incorrect interpretation of data on the survey forms; reclassification of transactions and stock positions and
- The replacement of previous years' preliminary estimates with actual data.

Table 1. Balance of Payments summary

| In CISMillion | | | | | | |
|-----------------------------|---------------|---------------|----------------|-----------------|---------------|--------------|
| | 2015 | 2016 | 2017 | 2018R | 2019P | Chg \$ |
| 1. Current Account | -540.1 | -693.4 | -726.2 | -772.9 | -484.7 | 288.3 |
| 1.1 Goods | -322.3 | -434.0 | -518.6 | -682.2 | -773.2 | -90.9 |
| Exports | 413.7 | 334.0 | 308.7 | 257.8 | 297.5 | 39.6 |
| Imports | 736.0 | 768.0 | 827.3 | 940.1 | 1,070.6 | 130.5 |
| 1.2 Services (Net) | 1,580.8 | 1,644.3 | 1,836.3 | 1,883.3 | 1,966.6 | 83.4 |
| 1.3 Primary Income (Net) | -1,596.0 | -1,505.3 | -1,421.5 | -1,391.3 | -1,202.1 | 189.2 |
| 1.4 Secondary Income (Net) | -202.6 | -398.5 | -622.5 | -582.6 | -476.0 | 106.6 |
| | | | | | | |
| 2. Capital Account | -1.7 | -1.3 | -1.3 | 0.6 | -0.4 | -1.0 |
| 3. Financial Account | 224.6 | -238.2 | 331.8 | -1,533.2 | -554.4 | 978.9 |
| 3.1 Direct Investment | -3,615.4 | -2,367.4 | -2,107.1 | 1,044.0 | -1,377.8 | -2421.9 |
| 3.2 Portfolio Investment | 12,178.2 | 1,587.2 | 4,034.1 | -412.0 | 3,474.4 | 3886.3 |
| 3.3 Other Investment | -9,958.5 | 1,846.3 | -5,749.8 | -5,208.0 | -4,967.3 | 240.6 |
| 3.4 Financial Derivatives | 1,608.9 | -1,301.2 | 4,139.0 | 3,033.0 | 2,297.9 | -735.2 |
| 3.5 Reserves assets | 11.4 | -3.1 | 15.7 | 9.6 | 18.6 | 9.0 |
| | | | | | | |
| Unobserved Flows | 766.4 | 456.5 | 1,059.3 | -760.9 | -69.3 | 691.6 |

1.2 Current Account Balances

The Current Account deficit for 2019 was estimated to have contracted by 37.3 percent to reach \$484.7 million from the deficit of \$772.9 million recorded in 2018. This emanated mainly from lower deficits in the primary and secondary income sub-accounts together

with the higher surplus on the services account. In contrast, trade-in-goods recorded higher net payments, reflecting the higher spending on imported goods for 2019 over 2018 by 18.3 percent.

1.2.1. Trade in Goods

The goods deficit widened in 2019 to \$773.2 million, up from the deficit of \$682.2 million in 2018 (See Table 1). The 13.3 percent increase in the trade in goods deficit was attributed to the 13.9 percent increase in imports of goods, which was partially offsetted by the increase in goods exported (which includes the net export of goods sold under merchanting¹).

The total value of merchandise goods exported mainly re-exports, along with the net export of goods sold under merchanting in 2019, grew by 15.4 percent to \$297.5 million.

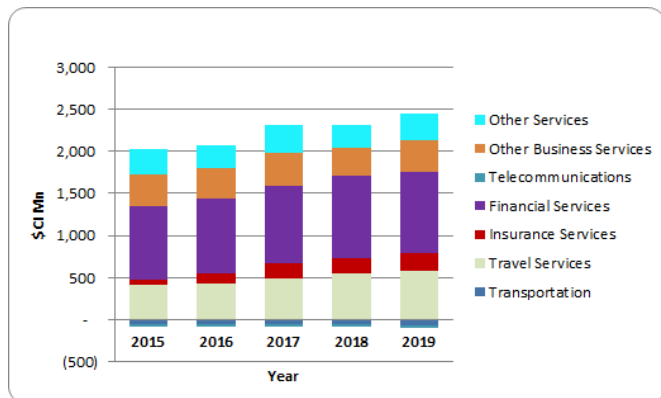
The value of goods imported (f.o.b) into the Cayman Islands increased by \$130.5 million to reach \$1,070.6 million in 2019. The expansion was driven by the increase in the value of imported non-petroleum products (mainly miscellaneous manufactured goods and machinery and transport equipment), together with the growth in the value of petroleum and petroleum-related imports.

1.2.2 Trade in Services

The services sector recorded a marginal improvement in 2019, with net receipts increasing by 4.4 percent to reach a surplus of \$1,966.6 million. Receipts of services were \$3,142.4 million in 2019, which is 3.3 percent (\$101.1 million) higher than the corresponding amount in 2018 (See Table 2a).

Payments for services increased by 1.5 percent, from \$1,158.1 million in 2018 to \$1,175.8 million in 2019. This was largely on account of increased payments for financial services, transport and travel services. Partially offsetting this was the reduced outflows for other business services and insurance services.

Graph 1: Balance of trade in services (CI\$ M)



The receipts from transactions in services grew by 3.3 percent primarily from the larger inflows from travel, insurance and business services (See Graph 1 and Table 2a).

¹ Merchanting is defined as the purchase of goods by a resident (of the compiling economy) from a nonresident and subsequently resold to another nonresident, without the goods entering the merchant's economy.

The trade in services comprises the following:

Travel

The year 2019 recorded the highest net earnings of travel, of \$576.2 million, over the last five years. Net earnings from personal travel amounted to \$538.7 million, reflecting an increase of 4.6 percent, while the net earnings from business related travel grew by 14.5 percent. Travel comprise earnings from visitors for both business and personal purposes².

Earnings from international visitors to the Cayman Islands totalled \$765.7 million, \$39.5 million more than in 2018. This was largely due to the growth in stay-over visitor arrivals by 8.6 percent to approximately 502,700 visitors, while cruise passenger arrivals recorded a marginal reduction of 4.7 to 1.8 million visitors in 2019.

Meanwhile, residents expenditure on international travel grew at a slower pace of 6.2 percent to record \$189.5 million in 2019. This stemmed from the increases in payments for education and other personal travel services.

Insurance

There was a net surplus of \$221.7 million for 2019, which represented a 20.6 percent growth over the surplus of \$183.9 million recorded in 2018. This was due primarily to the larger receipts by residents from non-residents for reinsurance and auxiliary insurance services.

Financial services (excluding insurance)

The net surplus for financial services declined to \$950.1 million (or 2.3%) in 2019.

Receipts for financial services declined by 0.5 percent to settle at \$1,143.6 million compared to \$1,149.2 million recorded in 2018. This marginal reduction was due to lower receipts for explicitly charged financial services by 5.6 percent which was partially offset by the 4.0 percent growth in financial intermediary services indirectly measured (FISIM).

Payments for financial services to non-residents reflected an increase of \$16.3 million (or 9.2%) to record total payments of \$193.5 million in 2019.

Other business services. The net receipts for other business services improved by 15.9 percent to \$390.8 million in 2019. This performance was related to the 14.7 percent increase in net receipts for the provision of professional and management consulting services.

² Travel receipts for personal purpose includes health and education purposes.

Transportation

In 2019, net payments for the provision of transportation services deteriorated by \$3.5 million, to record a deficit of \$61.9 million. This was mainly on account of increases in payments for air passenger fares due to increased prices, as well as payments for sea freight services largely due to the increased importation of goods.

Telecommunications, computer and information services

The net payments for telecommunications, computer and information services increased by 17.1 percent to \$33.4 million. This outturn resulted from the increased payments for computer and information services. Additionally, there was a 10.2 percent reduction in receipts from computer services.

1.2.3 Primary Income Transactions

The primary income sub-account is comprised of compensation of employees, investment income, and other primary income. In 2019, total primary income inflows stood at \$3,593.9 million, while outflows fell by 2.9 percent to settle at \$4,796.0 million. This reflected a net outflow of \$1,202.1 million in 2019.

The **Direct investment income**, which represents investments or ownership 10 percent or more, deficit narrowed to \$2,074.5 million in 2019 down from the deficit of \$2,182.2 million in 2018. This change was due to decreased transactions in reinvested earnings for the year. In contrast, direct investment income receipts fell in 2019, reflecting lower dividend receipts to direct investment enterprises.

Portfolio investment income, which represents investments or ownership of less than 10 percent, recorded a net inflow of \$1,028.3 million in 2019, a growth of the 7.2 percent. This developed mostly from the higher interest receipts of residents on debt securities held with non-residents.

Other investment income deficit improved by \$14.4 million to a smaller deficit of \$117.1 million in 2019. This performance reflected both smaller interest receipts and payments in 2019.

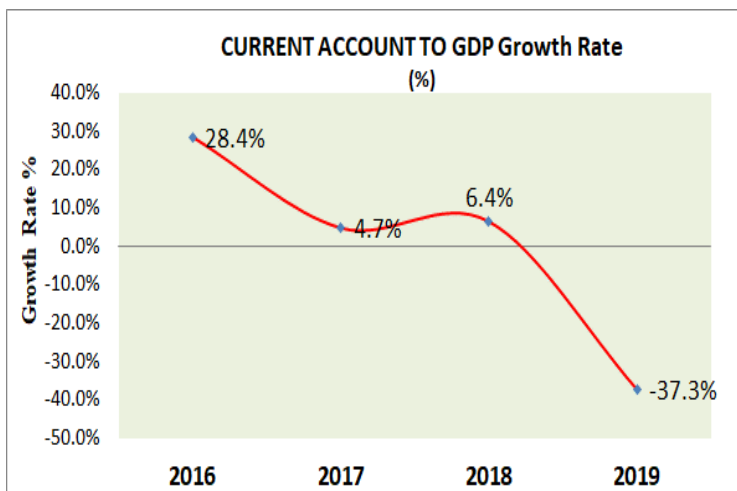
1.2.4 Secondary Income Transactions (Current Transfers)

The secondary income account records personal transfers, and other current transfers by the government, financial corporations, households and non-profit institutions serving households. The net outflows in the secondary income account contracted by \$106.6 million (18.3%) to reach a net payment of \$476.0 million in 2019.

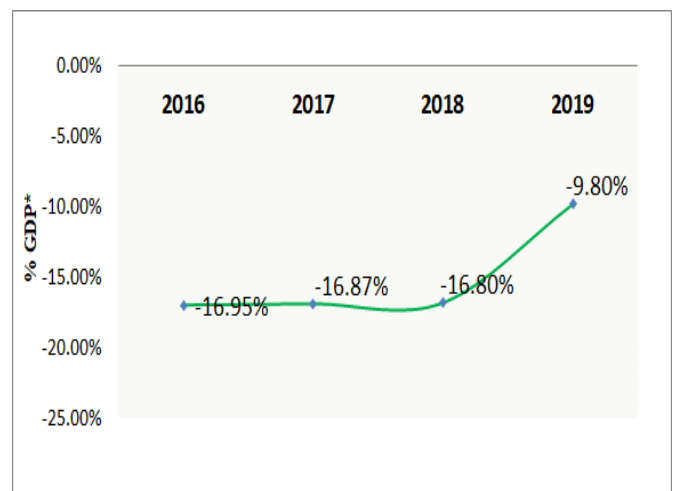
Secondary income receipts grew by 4.1 percent which was due primarily to larger receipts in other current transfers.

Outflows from secondary income sources was largely on account of the 37.5 percent reduction in payments of taxes on income, wealth etc to non-residents. This far outweighed the increased outflows in personal transfers (remittances) which increased from \$329.5 million in 2018 to \$340.4 million in 2019.

Graph 2: Current Account historical growth (% chg)



Graph 3: Current Account balance (% of GDP)



Graph 4: Current Account receipts (% share to Total Receipt)

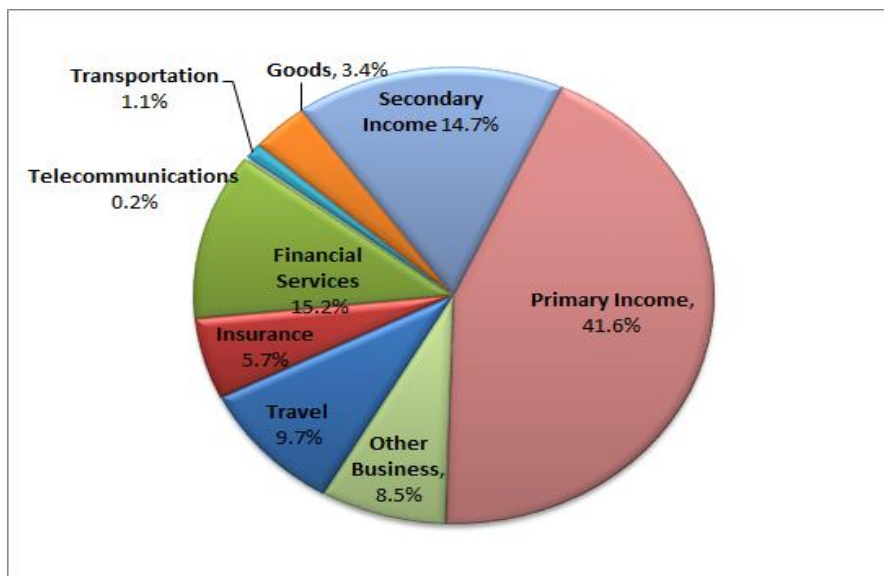


Table 2a: Balance of Payments

| | CIS\$Million | | | | | | | | | Change | | |
|--|----------------|----------------|------------------|-------------------|----------------|------------------|-------------------|----------------|------------------|--------------|---------------|--------------|
| | 2017 | | | 2018 ^R | | | 2019 ^P | | | \$ | | |
| | Credit | Debit | Net | Credit | Debit | Net | Credit | Debit | Net | Credit | Debit | Net |
| 1. CURRENT ACCOUNT | 7,150.1 | 7,876.3 | (726.2) | 8,170.2 | 8,943.2 | (772.9) | 8,408.2 | 8,892.8 | (484.7) | 238.0 | -50.3 | 288.3 |
| A. GOODS AND SERVICES | 3,186.8 | 1,869.1 | 1,317.7 | 3,299.2 | 2,098.2 | 1,201.0 | 3,439.9 | 2,246.4 | 1,193.5 | 140.7 | 148.2 | -7.5 |
| A1. GOODS | 308.7 | 827.3 | (518.6) | 257.8 | 940.1 | (682.2) | 297.5 | 1,070.6 | (773.2) | 39.6 | 130.5 | -90.9 |
| A2. SERVICES | 2,878.1 | 1,041.8 | 1,836.3 | 3,041.3 | 1,158.1 | 1,883.3 | 3,142.4 | 1,175.8 | 1,966.6 | 101.1 | 17.7 | 83.4 |
| 1. Transportation | 74.1 | 131.0 | (56.9) | 84.4 | 142.7 | (58.3) | 92.4 | 154.2 | (61.9) | 8.0 | 11.5 | -3.5 |
| 2. Travel | 660.6 | 171.3 | 489.3 | 726.1 | 178.4 | 547.7 | 765.7 | 189.5 | 576.2 | 39.5 | 11.0 | 28.5 |
| 3. Insurance and pension services | 414.2 | 228.9 | 185.3 | 435.0 | 251.1 | 183.9 | 468.6 | 246.9 | 221.7 | 33.6 | -4.2 | 37.8 |
| 4. Financial services (excluding insurance) | 1,102.2 | 192.8 | 909.4 | 1,149.2 | 177.2 | 972.1 | 1,143.6 | 193.4 | 950.1 | -5.7 | 16.3 | -22.0 |
| 5. Telecommunications, computer and information services | 15.1 | 35.1 | (20.0) | 13.9 | 42.4 | (28.5) | 13.5 | 46.8 | (33.4) | -0.4 | 4.5 | -4.9 |
| 6. Other business services | 602.8 | 206.4 | 396.4 | 616.1 | 278.8 | 337.3 | 644.2 | 253.4 | 390.8 | 28.1 | -25.4 | 53.5 |
| 7. Government goods and services, nie. | 1.0 | 0.8 | 0.2 | 1.6 | 2.3 | (0.7) | 1.5 | 2.4 | (1.0) | -0.1 | 0.2 | -0.2 |
| 8. Other services | 8.1 | 75.5 | (67.4) | 15.0 | 85.2 | (70.2) | 13.0 | 89.0 | (76.0) | -2.0 | 3.8 | -5.8 |
| B. PRIMARY INCOME | 2,152.1 | 3,573.6 | (1,421.5) | 3,549.5 | 4,940.9 | (1,391.3) | 3,593.9 | 4,796.0 | (1,202.1) | 44.4 | -144.8 | 189.2 |
| 1. Compensation of employees | 3.7 | 23.7 | (20.0) | 5.2 | 44.8 | (39.6) | 5.0 | 47.2 | (42.2) | -0.2 | 2.5 | -2.6 |
| 2. Investment Income | 2,148.4 | 3,549.9 | (1,401.5) | 3,544.3 | 4,896.1 | (1,351.7) | 3,588.9 | 4,748.8 | (1,159.9) | 44.6 | -147.3 | 191.9 |
| 2.1 Direct investment | 73.0 | 1,169.0 | (1,096.0) | 32.3 | 2,214.5 | (2,182.2) | 28.3 | 2,102.8 | (2,074.5) | -3.9 | -111.7 | 107.7 |
| 2.2 Portfolio investment | 1,507.2 | 1,564.7 | (57.5) | 2,552.6 | 1,592.9 | 959.6 | 2,636.0 | 1,607.7 | 1,028.3 | 83.5 | 14.8 | 68.7 |
| 2.3. Other investments | 567.8 | 816.2 | (248.4) | 957.2 | 1,088.7 | (131.5) | 921.2 | 1,038.3 | (117.1) | -36.0 | -50.4 | 14.4 |
| Reserves | 0.4 | - | 0.4 | 2.3 | - | 2.3 | 3.3 | - | 3.3 | 1.0 | 0.0 | 1.0 |
| C. SECONDARY INCOME | 1,811.2 | 2,433.6 | (622.5) | 1,321.5 | 1,904.2 | (582.6) | 1,374.4 | 1,850.4 | (476.0) | 52.9 | -53.7 | 106.6 |
| 1. General Government | 0.0 | 0.9 | (0.9) | 0.8 | 1.0 | (0.2) | 0.3 | 1.0 | (0.7) | -0.4 | 0.0 | -0.5 |
| 2. Workers remittances | 9.2 | 305.4 | (296.2) | 6.7 | 329.5 | (322.7) | 6.8 | 370.3 | (363.5) | 0.1 | 40.9 | -40.8 |
| 3. Other current transfers | 1,801.9 | 2,127.3 | (325.4) | 1,314.1 | 1,573.7 | (259.6) | 1,367.3 | 1,479.1 | (111.8) | 53.2 | -94.6 | 147.9 |
| 2. CAPITAL ACCOUNT | 0.0 | 1.3 | (1.3) | 2.0 | 1.4 | 0.6 | 0.9 | 1.3 | (0.4) | -1.0 | -0.1 | -1.0 |
| 1. Gross acquisitions/disposals of nonproduced nonfinancial assets | - | - | - | - | - | - | - | - | - | 0.0 | 0.0 | 0.0 |
| 2. Capital transfers | 0.0 | 1.3 | (1.3) | 2.0 | 1.4 | 0.6 | 0.9 | 1.3 | (0.4) | -1.0 | -0.1 | -1.0 |

Table 2b: Balance of Payments*

| | In C\$Million | | | | | | | | | Change | | |
|--|-------------------------------|-----------------------------|----------------|-------------------------------|-----------------------------|----------------|-------------------------------|-----------------------------|----------------|-------------------------------|-----------------------------|--------------|
| | 2017 | | | 2018 ^R | | | 2019 ^F | | | \$ | | |
| 2. FINANCIAL ACCOUNT | Net acquisition of Fin. Asset | Net incurrence of Liability | change | Net acquisition of Fin. Asset | Net incurrence of Liability | change | Net acquisition of Fin. Asset | Net incurrence of Liability | change | Net acquisition of Fin. Asset | Net incurrence of Liability | change |
| Direct investment | (18.4) | 2,088.7 | (2,107.1) | 1188.7 | 144.7 | 1044.0 | (557.1) | 820.8 | (1,377.8) | (1,745.8) | 676.1 | (2,421.9) |
| Portfolio investment | 2,258.8 | (1,775.2) | 4,034.1 | -1092.6 | -680.7 | -412.0 | 6,005.3 | 2,531.0 | 3,474.4 | 7,098.0 | 3,211.6 | 3,886.3 |
| Other investment | (4,439.8) | 1,310.0 | (5,749.8) | -7953.5 | -2745.5 | -5208.0 | (2,620.1) | 2,347.2 | (4,967.3) | 5,333.3 | 5,092.7 | 240.6 |
| Financial derivatives | 3,884.0 | (255.0) | 4,139.0 | 3033.5 | 0.5 | 3033.0 | 2,297.9 | - | 2,297.9 | (735.6) | (0.5) | (735.2) |
| Reserve assets | - | - | - | 0.0 | - | 0.0 | - | - | - | - | - | - |
| Net lending (+) or net borrowing (-) from financial account | 1,684.6 | 1,368.5 | 316.1 | (4,823.9) | (3,281.0) | -1542.9 | 5,126.0 | 5,698.9 | (573.0) | 9,949.8 | 8,979.9 | 969.9 |
| Unobserved Flows | | | 1,059.3 | | | -760.9 | | | -69.3 | | | 691.6 |

* **Notes:** Net borrowing means foreign residents are net suppliers of funds to Cayman residents. Net lending or net borrowing can be computed from Current and Capital Account transactions or from Financial Account transactions. Unobserved flows (statistical discrepancy) are equal to the difference between the sum of the Current and Capital Accounts and the Financial Account.

1.3 Capital Account

In 2019, the capital account recorded a marginal deficit of \$0.4 million, down from the \$0.6 million in the previous year, due to the receipt of a capital related grant by the public sector.

1.4 Financial Account

The Financial Account records the transactions that give rise to changes in ownership of financial assets and liabilities between residents of the Cayman Islands and residents of the rest of the world. A positive balance of this account corresponds to a lending position, while a negative balance corresponds to a borrowing position.

Preliminary estimates indicate that the transactions in the financial account resulted in a net borrowing position of \$554.4 million in 2019. This outturn was due to the net incurrence of financial liabilities \$5,698.9 being larger than the net acquisition of financial assets of \$5,144.6 million.

1.4.1 Direct Investments

The direct investment account posted a net outflow of \$1,377.8 million in 2019, a reversal from the \$1,044.0 million net inflow recorded in 2018. This was on account of the increase in foreign direct investments (net incurrence of liabilities) of the financial sector.

Net acquisition of financial assets recorded a net decline of \$557.1 million largely on account of equity and investment fund shares while there was an increase in the holding of debt securities.

Net incurrence of financial liabilities of direct investments reflected growth of \$820.8 million largely due to the increase in reinvested earnings in 2019.

1.4.2 Portfolio investments

The portfolio investment account posted a net inflow of \$3,474.4 million in 2019, a reversal from the net outflow of \$411.9 million recorded in 2018. This performance was due to the larger net inflows of debt securities by resident banks abroad which outweighed the corresponding increase in investments by non-residents in the Cayman Islands.

1.4.3 Other investments

Net other investment transactions recorded a net financial outflow of \$4,967.3 million in 2019 compared to \$5,207.9 million recorded in 2018. This outturn was attributable to reduced transactions in loans from deposit taking institutions which reflected a net outflow of \$3,103.4 million.

2. THE INTERNATIONAL INVESTMENT POSITION (IIP)

2.1 Introduction

The International Investment Position (IIP) is the financial statement that shows the value and composition of the stock of Cayman Islands residents' financial assets abroad, and the financial liabilities of Cayman Islands' residents to the rest of the world at a point in time. The IIP shows the financial assets of residents as claims on non-residents and foreign claims on Cayman Islands residents as liabilities.

The difference between foreign assets and liabilities is the net external position in the IIP, which may be either positive or negative. In other words, Caymans' net investment position is the difference between what Cayman residents own abroad (external assets) and what its residents owe (external liabilities) to non-residents.

A positive net position means a net claim on the rest of the world, while a negative net position represents a net liability to the rest of the world.

This report presents the IIP at the end of 2014 to 2019 and captures the position of the financial assets and liabilities of Cayman Islands' residents. The series includes data on establishments with a physical presence in the Cayman Islands only. The series does not include the stock of household foreign assets and liabilities due to lack of source data. The series does not fully cover data on funds due to lack of detailed data. The series is subject to revision, depending on the availability of additional and updated data.

Revision of the IIP for 2015 - 2018

Data for 2015 to 2018 has been revised largely due to new data becoming available and some methodological changes to the asset position of some sectors. Additionally, there were errors of compilation in the processing of the data.

2.2 Net International Investment Position Summary

The International Investment Position (IIP), which is the country's net asset or liabilities with the rest of the world, shows that Cayman Islands' net external financial assets position stood at \$46.9 billion in comparison to the \$44.4 billion recorded in 2018. At 2019 year-end, the Cayman Islands' external financial assets increased to \$153.9 billion while its external financial liabilities grew to \$107.0 billion.

**Table 3a: International Investment Position
Foreign Assets and Liabilities (by financial instrument)
(CI\$ Million)
As at End of Year**

| | 2015 ^R | 2016 ^R | 2017 ^R | 2018 ^R | 2019 ^P | Chg 2019/2018 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Financial Assets | | | | | | |
| <i>By financial instrument</i> | | | | | | |
| Equity and investment fund share/units | 22,715.2 | 22,598.3 | 21,314.6 | 23,412.1 | 22,998.6 | (413.5) |
| Currency and deposits | 35,802.4 | 33,963.5 | 37,519.1 | 36,381.2 | 39,445.0 | 3,063.8 |
| Debt securities | 30,551.0 | 28,812.0 | 30,776.7 | 30,307.5 | 36,505.0 | 6,197.5 |
| Loans | 26,742.6 | 30,183.7 | 27,941.0 | 23,108.7 | 17,182.2 | (5,926.5) |
| Financial Derivatives | 18,367.9 | 19,685.5 | 23,879.1 | 27,034.3 | 29,536.7 | 2,502.4 |
| Other financial assets | 9,589.7 | 13,297.5 | 10,339.7 | 8,625.1 | 8,295.0 | (330.1) |
| Total Assets | 143,768.8 | 148,540.4 | 151,770.3 | 148,868.9 | 153,962.6 | 5,093.7 |
| Financial Liabilities | | | | | | |
| <i>By financial instrument</i> | | | | | | |
| Equity and investment fund share/units | 33,116.2 | 32,352.7 | 34,888.1 | 34,268.4 | 34,768.7 | 500.3 |
| Currency and deposits | 41,826.9 | 38,402.0 | 41,698.7 | 36,575.5 | 36,209.7 | (365.8) |
| Debt securities | 17,844.8 | 20,198.1 | 18,079.0 | 17,204.1 | 19,180.6 | 1,976.5 |
| Loans | 21,817.3 | 18,039.5 | 13,631.8 | 13,310.7 | 13,487.1 | 176.4 |
| Financial Derivatives | 2.6 | 3.5 | n.a | n.a | n.a | |
| Other financial assets | 2,547.4 | 2,427.8 | 3,255.8 | 3,092.7 | 3,343.4 | 250.7 |
| Total Liabilities | 117,155.2 | 111,423.7 | 111,553.5 | 104,451.3 | 106,989.5 | 2,538.2 |
| Net (Assets less Liabilities) | | | | | | |
| <i>By financial instrument</i> | | | | | | |
| Equity and investment fund share/units | (10,401.0) | (9,754.5) | (13,573.5) | (10,856.3) | (11,770.1) | (913.8) |
| Currency and deposits | (6,024.5) | (4,438.6) | (4,179.6) | (194.3) | 3,235.3 | 3,429.6 |
| Debt securities | 12,706.2 | 8,613.9 | 12,697.7 | 13,103.5 | 17,324.5 | 4,221.0 |
| Loans | 4,925.3 | 12,144.2 | 14,309.2 | 9,798.0 | 3,695.1 | (6,102.9) |
| Financial Derivatives | 18,365.3 | 19,682.0 | 23,879.1 | 27,034.3 | 29,536.7 | 2,502.4 |
| Other financial assets | 7,042.3 | 10,869.6 | 7,083.8 | 5,532.4 | 4,951.6 | (580.8) |
| IIP (net) | 26,613.5 | 37,116.7 | 40,216.8 | 44,417.6 | 46,973.1 | 2,555.5 |
| IIP/GDP(%) | 678.3% | 907.3% | 934.1% | 965.2% | 949.7% | |

1. The series capture data on establishments with physical presence in the Cayman Islands only.
2. The series does not include the stock of household foreign assets and liabilities, funds and exempt companies.
3. NPISH- Non-Profit institutions serving households

**Table 3b: Cayman Islands' Net International Investment Position Summary,
(by functional categories)
(CI\$ Million)
As at End of Year**

| | 2015 ^R | 2016 ^R | 2017 ^R | 2018 ^R | 2019 ^R | Chg 2018/2017 |
|---------------------------------|--------------------------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| <i>By functional categories</i> | Financial Assets | | | | | |
| Direct Investment | 20,367.1 | 19,818.8 | 19,098.3 | 21,115.9 | 20,692.2 | -423.7 |
| Portfolio Investment | 32,762.3 | 31,461.0 | 32,869.5 | 32,470.8 | 38,737.8 | 6267.0 |
| Financial Derivatives | 18,367.9 | 19,685.5 | 23,879.1 | 27,034.3 | 29,536.7 | 2502.4 |
| Other Investment | 72,160.8 | 77,467.5 | 75,797.6 | 68,112.9 | 64,841.4 | -3271.5 |
| Reserve Assets | 110.8 | 107.7 | 125.8 | 135.1 | 154.5 | 19.4 |
| Total Assets | 143,768.8 | 148,540.4 | 151,770.3 | 148,868.9 | 153,962.6 | 5,093.7 |
| | Financial Liabilities | | | | | |
| <i>By functional categories</i> | | | | | | |
| Direct Investment | 33,701.4 | 33,265.4 | 35,330.0 | 34,712.3 | 35,208.1 | 495.8 |
| Portfolio Investment | 17,259.6 | 19,285.4 | 17,637.2 | 16,760.2 | 18,741.2 | 1,981.1 |
| Financial Derivatives | 2.6 | 3.5 | - | - | - | - |
| Other Investment | 66,191.6 | 58,869.4 | 58,586.3 | 52,978.9 | 53,040.2 | 61.3 |
| Reserve Assets | - | - | - | - | - | - |
| Total Liabilities | 117,155.2 | 111,423.7 | 111,553.5 | 104,451.3 | 106,989.5 | 2,538.2 |
| | Net (Assets less liabilities) | | | | | |
| <i>By functional categories</i> | | | | | | |
| Net Direct Investment | (13,334.3) | (13,446.6) | (16,231.7) | (13,596.4) | (14,515.9) | (919.5) |
| Net Portfolio Investment | 15,502.7 | 12,175.6 | 15,232.3 | 15,710.6 | 19,996.6 | 4,286.0 |
| Financial Derivatives | 18,365.3 | 19,682.0 | 23,879.1 | 27,034.3 | 29,536.7 | 2,502.4 |
| Other Investment | 5,969.1 | 18,598.1 | 17,211.2 | 15,134.0 | 11,801.2 | (3,332.8) |
| Reserve Assets | 110.8 | 107.7 | 125.8 | 135.1 | 154.5 | 19.4 |
| IIP (net) | 26,613.5 | 37,116.7 | 40,216.8 | 44,417.6 | 46,973.1 | 2,555.5 |
| IIP/GDP(%) | 678.3% | 907.3% | 934.1% | 965.2% | 949.7% | |

2.3 Investments by Functional Category

Direct Investment.

At year-end 2019, residents' holdings of direct investments abroad (assets) stood at 20.7 billion compared to 21.1 billion in 2018. In contrast, the direct investment liabilities (inward investments) stock stood at \$35.2 billion, registering a decline of \$0.5 billion over the 2018 period. The direct investment is composed of equity investments and claims and liabilities of investors in the

Cayman Islands with their foreign affiliates, of which equity investments constituted the most substantial portion.

Portfolio Investment. Cayman Islands' foreign assets position in portfolio investments stood at \$38.7 billion in 2019, compared to 32.5 billion in 2018. The increase was primarily associated with increase in debt securities.

Portfolio investment foreign liability in 2019, stood at \$18.7 billion compared to \$16.8 billion in 2018, largely due to increase in debt securities by the deposit taking corporations and a reduction in the government securities.

Other Investment. At the end of 2019, the residents' foreign assets in the form of other investments (largely currency & deposits, loans, and accounts receivable) stood at \$64.8 billion, down from the \$68.1 billion registered in 2018.

The Cayman Islands' stock of foreign liabilities in other investments fell slightly by \$0.1 billion and stood at \$53.4 billion. This was driven by the drop in currency and deposits, with increase in accounts payable and loans.

Reserve Assets. In 2019, the Cayman Islands' gross foreign reserve assets holdings stood at \$154.5 million, showing an increase of \$19.4 million. Investments in securities continued to dominate the reserve asset stock.

APPENDIX 1 - BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION TABLES

A1.1 Balance of Payments

| Balance of Payments Transactions (CIS000) | 2018 ^R | | | 2019 ^P | | |
|---|-------------------|------------------|------------------|-------------------|------------------|------------------|
| | Credit | Debit | Net | Credit | Debit | Net |
| Current account | 8,170,217 | 8,943,167 | (772,950) | 8,408,181 | 8,892,831 | (484,651) |
| Goods and services | 3,299,170 | 2,098,154 | 1,201,017 | 3,439,866 | 2,246,386 | 1,193,480 |
| Goods | 257,845 | 940,080 | (682,235) | 297,464 | 1,070,626 | (773,161) |
| General merchandise on a balance of payments basis ¹ | 257,709 | 930,915 | (673,206) | 291,777 | 1,012,919 | (721,142) |
| Nonmonetary gold | 136 | 9,165 | (9,029) | 5,687 | 57,707 | (52,019) |
| Services | 3,041,325 | 1,158,074 | 1,883,251 | 3,142,402 | 1,175,760 | 1,966,642 |
| Maintenance and repair services n.i.e. | 53 | 4,978 | (4,925) | 35 | 4,522 | (4,488) |
| Transport | 84,375 | 142,704 | (58,330) | 92,396 | 154,247 | (61,851) |
| Sea transport | 28,567 | 54,270 | (25,703) | 28,495 | 59,804 | (31,309) |
| Freight | - | 54,270 | (54,270) | - | 59,804 | (59,804) |
| Other ² | 28,567 | - | 28,567 | 28,495 | - | 28,495 |
| Air transport | 50,133 | 82,223 | (32,090) | 58,160 | 88,182 | (30,022) |
| Passenger | 25,771 | 58,298 | (32,527) | 29,697 | 59,593 | (29,896) |
| Freight | 307 | 8,602 | (8,295) | 611 | 8,706 | (8,095) |
| Other | 24,055 | 15,323 | 8,733 | 27,852 | 19,884 | 7,969 |
| Postal and courier services | 5,674 | 2,410 | 3,264 | 5,741 | 2,391 | 3,350 |
| Travel | 726,149 | 178,430 | 547,718 | 765,697 | 189,462 | 576,236 |
| Business | 42,027 | 9,201 | 32,827 | 45,676 | 8,097 | 37,579 |
| Other | 42,027 | 9,201 | 32,827 | 45,676 | 8,097 | 37,579 |
| Personal | 684,121 | 169,230 | 514,892 | 720,021 | 181,365 | 538,657 |
| Health-related | 5,380 | 27,986 | (22,606) | 6,296 | 29,049 | (22,753) |
| Education-related | 9,793 | 32,726 | (22,932) | 11,298 | 38,188 | (26,890) |
| Other | 668,948 | 108,518 | 560,430 | 702,427 | 114,127 | 588,300 |
| Construction | 2,014 | 8,066 | (6,052) | 3,609 | 13,049 | (9,440) |
| Construction in the reporting economy | - | 8,066 | (8,066) | - | 13,049 | (13,049) |
| Insurance and pension services | 435,005 | 251,081 | 183,925 | 468,633 | 246,914 | 221,720 |
| Direct insurance | - | 48,688 | (48,688) | - | 53,027 | (53,027) |
| Auxiliary insurance services | 36,950 | 25,168 | 11,782 | 39,530 | 26,463 | 13,067 |
| Financial services | 1,149,230 | 177,175 | 972,054 | 1,143,554 | 193,450 | 950,104 |
| Explicitly charged and other financial services | 535,408 | 97,140 | 438,269 | 505,211 | 112,170 | 393,041 |
| Financial intermediation services indirectly measured (FISIM) | 613,821 | 80,035 | 533,786 | 638,343 | 81,280 | 557,063 |
| Charges for the use of intellectual property n.i.e. | 12,937 | 61,940 | (49,003) | 9,355 | 62,449 | (53,093) |
| Telecommunications, computer, and information services | 13,855 | 42,352 | (28,497) | 13,456 | 46,826 | (33,370) |
| Telecommunications services | 7,518 | 13,669 | (6,151) | 7,764 | 13,271 | (5,507) |
| Computer services | 6,337 | 28,457 | (22,120) | 5,692 | 33,325 | (27,633) |
| Information services | - | 226 | (226) | - | 230 | (230) |
| Other business services | 616,106 | 278,831 | 337,275 | 644,161 | 253,386 | 390,775 |
| Professional and management consulting services | 612,964 | 237,703 | 375,260 | 640,701 | 210,330 | 430,371 |
| Technical, trade-related, and other business services | 3,142 | 41,127 | (37,986) | 3,461 | 43,056 | (39,595) |
| Personal, cultural, and recreational services | 46 | 10,244 | (10,198) | 43 | 9,029 | (8,987) |
| Audiovisual and related services | - | 171 | (171) | - | 174 | (174) |
| Other personal, cultural, and recreational services | 46 | 10,073 | (10,028) | 43 | 8,856 | (8,813) |
| Government goods and services n.i.e. | 1,557 | 2,272 | (715) | 1,463 | 2,426 | (963) |

| | 2018 ^R | | | 2019 ^P | | |
|--|--------------------|--------------------|--------------------|--------------------|------------------|--------------------|
| | Credit | Debit | Net | Credit | Debit | Net |
| Balance of Payments Transactions (Cont'd) | | | | | | |
| Primary income | 3,549,508 | 4,940,851 | (1,391,343) | (1,391,343) | 4,796,025 | (6,187,368) |
| Compensation of employees | 5,176 | 44,772 | (39,596) | 5,020 | 47,243 | (42,223) |
| Investment income | 3,544,331 | 4,896,079 | (1,351,747) | 3,588,897 | 4,748,782 | (1,159,885) |
| Direct investment | 32,258 | 2,214,466 | (2,182,208) | 28,321 | 2,102,810 | (2,074,489) |
| Income on equity and investment fund shares | 31,463 | 2,211,344 | (2,179,881) | 24,843 | 2,100,258 | (2,075,415) |
| corporations | 29,449 | 283,604 | (254,155) | 21,496 | 316,020 | (294,523) |
| Reinvested earnings | 2,014 | 1,927,740 | (1,925,726) | 3,347 | 1,784,238 | (1,780,891) |
| Interest | 795 | 3,123 | (2,327) | 3,478 | 2,553 | 925 |
| Portfolio investment | 2,552,551 | 1,592,915 | 959,636 | 2,636,017 | 1,607,688 | 1,028,329 |
| Investment income on equity and investment fund shares | 66,837 | 5,259 | 61,578 | 34,862 | 4,460 | 30,402 |
| Interest | 2,485,714 | 1,587,656 | 898,058 | 2,601,155 | 1,603,228 | 997,927 |
| Other investment | 957,182 | 1,088,698 | (131,516) | 921,211 | 1,038,283 | (117,072) |
| Reserve assets (Credit) | 2,341 | - | 2,341 | 3,347 | - | 3,347 |
| Secondary income | 1,321,538 | 1,904,162 | (582,624) | 1,374,398 | 1,850,421 | (476,023) |
| General government | 750.0 | 983.0 | (233) | 316.0 | 1,008.8 | (693) |
| Financial corporations, nonfinancial corporations, households, and NPISHs | 1,320,788 | 1,903,179 | (582,391) | 1,374,082 | 1,849,412 | (475,330) |
| Personal transfers (Current transfers between resident and nonresident households) | 6,704 | 329,451 | (322,747) | 6,770 | 370,314 | (363,544) |
| Other current transfers | 1,314,085 | 1,573,729 | (259,644) | 1,367,311 | 1,479,098 | (111,787) |
| Capital account | 1,973 | 1,357 | 616 | 928 | 1,299 | (370) |
| Capital transfers | 1,973 | 1,357 | 616 | 928 | 1,299 | (370) |
| General government | 1,958 | - | 1,958 | 895 | - | 895 |
| Other capital transfers | 1,958 | - | 1,958 | 895 | - | 895 |
| Financial corporations, nonfinancial corporations, households, and NPISHs | 15 | 1,357 | (1,342) | 33 | 1,299 | (1,265) |
| Debt forgiveness | - | - | - | - | - | - |
| Other capital transfers | 15 | 1,357 | (1,342) | 33 | 1,299 | (1,265) |
| Net lending (+) / net borrowing (-) (balance from current and capital account) | - | - | - | (772,334) | - | (772,334) |
| Financial account | | | | | | |
| Net lending (+) / net borrowing (-) (balance from financial account) | (4,814,222) | (3,280,978) | (1,533,244) | 5,144,575 | 5,698,940 | (554,366) |
| Direct investment | 1,188,733 | 144,703 | 1,044,030 | (557,073) | 820,763 | (1,377,836) |
| Equity and investment fund shares | 1,171,494 | 576,181 | 595,313 | (667,026) | 1,245,745 | (1,912,771) |
| Equity other than reinvestment of earnings | 1,169,480 | (1,351,559) | 2,521,039 | (670,373) | (538,493) | (131,880) |
| Reinvestment of earnings | 2,014 | 1,927,740 | (1,925,726) | 3,347 | 1,784,238 | (1,780,891) |
| Debt instruments | 17,239 | (431,478) | 448,717 | 109,953 | (424,982) | 534,935 |
| Portfolio investment | (1,092,640) | (680,661) | (411,978) | 6,005,327 | 2,530,969 | 3,474,358 |
| Equity and investment fund shares | (467,322) | - | (467,322) | 91,870 | - | 91,870 |
| Deposit-taking corporations, except central bank | 104,638 | - | 104,638 | 44,205 | - | 44,205 |
| Other sectors | (571,960) | - | (571,960) | 47,665 | - | 47,665 |
| Other financial corporations | (572,282) | - | (572,282) | 47,664 | - | 47,664 |
| Nonfinancial corporations, households, and NPISHs | 322 | - | 322 | 1 | - | 1 |

| | 2018 ^R | | | 2019 ^P | | |
|---|-------------------------------|-----------------------------|------------------------------|-------------------------------|-----------------------------|------------------------------|
| | Net Acquisition of Fin. Asset | Net Incurrence of Liability | Net (asset less liabilities) | Net Acquisition of Fin. Asset | Net Incurrence of Liability | Net (asset less liabilities) |
| Financial account (cont'd) | | | | | | |
| Debt securities | (625,317) | (680,661) | 55,344 | 5,913,457 | 2,530,969 | 3,382,488 |
| Deposit-taking corporations, except central bank | (1,737,704) | (928,636) | (809,068) | 6,005,578 | 2,114,473 | 3,891,106 |
| General government | - | (4,556) | 4,556 | - | 261,300 | (261,300) |
| Other sectors | 1,112,387 | 252,531 | 859,856 | (92,121) | 155,197 | (247,318) |
| Other financial corporations | 1,112,805 | - | 1,112,805 | (90,521) | - | (90,521) |
| Nonfinancial corporations, households, and NPISHs | (418) | 252,531 | (252,949) | (1,600) | 155,197 | (156,797) |
| Financial derivatives (other than reserves) and employee stock options | 3,033,508 | 478 | 3,033,030 | 2,297,860 | - | 2,297,860 |
| Deposit-taking corporations, except central bank | 3,033,508 | - | 3,033,508 | 2,297,860 | - | 2,297,860 |
| General government | - | - | - | - | - | - |
| Other sectors | - | 478 | (478) | - | - | - |
| Other investment | (7,953,455) | (2,745,498) | (5,207,957) | (2,620,137) | 2,347,208 | (4,967,344) |
| Other equity | 1,188,733 | 144,703 | 1,044,030 | (557,073) | 820,763 | (1,377,836) |
| Currency and deposits | (1,524,870) | (5,211,799) | 3,686,929 | 1,803,903 | 2,361,681 | (557,777) |
| Deposit-taking corporations, except central bank | (1,080,248) | (5,229,537) | 4,149,289 | 913,346 | 2,349,166 | (1,435,820) |
| Other sectors | (444,621) | 17,738 | (462,360) | 890,557 | 12,515 | 878,043 |
| Loans | (4,704,859) | 987,685 | (5,692,544) | (4,205,962) | (1,075,589) | (3,130,373) |
| Deposit-taking corporations, except the central bank | (4,707,036) | 979,157 | (5,686,194) | (4,205,529) | (1,073,499) | (3,132,029) |
| Short-term | - | 979,157 | (979,157) | (468,398) | 1,115,244 | (1,583,642) |
| Long-term | (4,707,036) | - | (4,707,036) | (3,737,131) | (2,188,743) | (1,548,387) |
| General government | - | (903) | 903 | - | - | - |
| Other sectors | 2,177 | 9,431 | (7,254) | (434) | (2,090) | 1,656 |
| Other financial corporations | 3,181 | - | 3,181 | (36) | - | (36) |
| Nonfinancial corporations, households, and NPISHs | (1,004) | 9,431 | (10,435) | (397) | (2,090) | 1,692 |
| Insurance, pension, and standardized guarantee schemes | 116,343 | 1,139,584 | (1,023,241) | 175,954 | 779,961 | (604,008) |
| Trade credit and advances | 1,443 | (8,299) | 9,742 | 817 | 17,959 | (17,142) |
| Other accounts receivable/payable | (1,841,512) | 347,330 | (2,188,841) | (394,848) | 263,196 | (658,045) |
| Deposit-taking corporations, except central bank | (1,473,374) | 1,551,573 | (3,024,947) | (429,332) | 86,421 | (515,753) |
| General government | 480 | 1,885 | (1,405) | 429 | (2,321) | 2,750 |
| Other sectors | (368,617) | (1,206,128) | 837,511 | 34,055 | 179,097 | (145,042) |
| Other financial corporations | (107,339) | (1,200,000) | 1,092,661 | 310,030 | 167,549 | 142,481 |
| Nonfinancial corporations, households, NPISHs | (261,278) | (6,128) | (255,150) | (275,975) | 11,548 | (287,523) |
| Reserve assets | 9,631 | - | 9,631 | 18,597 | - | 18,597 |
| Other reserve assets | 9,631 | - | 9,631 | 18,597 | - | 18,597 |
| Currency and deposits | (93) | - | (93) | 78,672 | - | 78,672 |
| Securities | 9,724 | - | 9,724 | (60,075) | - | (60,075) |
| Debt securities | 9,724 | - | 9,724 | (60,075) | - | (60,075) |
| Net errors and omissions | | | -760,910 | | | -69,344 |

A2.1 International Investment Position

| International Investment Position | | | |
|---|--------------------|--------------------|--------------------|
| (CIS\$000) | 2017 ^R | 2018 ^R | 2019 ^P |
| Net International Investment Position | 40,216,784 | 44,417,565 | 46,973,094 |
| Assets | 151,770,273 | 148,868,908 | 153,962,593 |
| Direct investment | 19,098,253 | 21,115,899 | 20,692,191 |
| Equity and investment fund shares | 18,967,421 | 20,948,520 | 20,488,682 |
| Debt instruments | 130,832 | 167,379 | 203,509 |
| Portfolio investment | 32,869,459 | 32,470,771 | 38,737,790 |
| Equity and investment fund shares | 2,347,176 | 2,463,538 | 2,509,911 |
| Monetary authorities (where relevant) | 0 | 0 | 0 |
| Deposit-taking corporations, except central bank | 536,788 | 644,326 | 693,333 |
| General government | 0 | 591 | 0 |
| Other sectors | 1,810,388 | 1,818,622 | 1,816,578 |
| Other financial corporations | 1,810,203 | 1,818,107 | 1,816,062 |
| Nonfinancial corporations, households, NPISHs | 185 | 515 | 516 |
| Debt securities | 30,522,283 | 30,007,233 | 36,227,879 |
| Monetary authorities (where relevant) | 0 | 0 | 0 |
| Deposit-taking corporations, except central bank | 29,025,700 | 27,411,346 | 33,650,000 |
| General government | 0 | 0 | 0 |
| Other sectors | 1,496,583 | 2,595,887 | 2,577,879 |
| Other financial corporations | 1,459,318 | 2,559,040 | 2,541,789 |
| Nonfinancial corporations, households, NPISHs | 37,265 | 36,847 | 36,090 |
| Financial derivatives (other than reserves) and employee stock options | 23,879,131 | 27,034,293 | 29,536,738 |
| Other investment | 75,797,581 | 68,112,869 | 64,841,384 |
| Other equity | 0 | 0 | 0 |
| Currency and deposits | 37,516,872 | 36,378,994 | 39,364,131 |
| Monetary authorities | 0 | 0 | 0 |
| Deposit-taking corporations, except central bank | 35,770,975 | 34,690,726 | 36,815,988 |
| General government | 40 | 40 | 40 |
| Other sectors | 1,745,858 | 1,688,228 | 2,548,103 |
| Other financial corporations | 1,520,733 | 1,178,564 | 1,208,968 |
| Nonfinancial corporations, households, NPISHs | 225,125 | 509,664 | 1,339,135 |
| Loans | 27,941,012 | 23,108,726 | 17,182,221 |
| Monetary authorities | 0 | 0 | 0 |
| Deposit-taking corporations, except the central bank | 27,487,221 | 22,780,185 | 16,854,311 |
| Short-term | 0 | 0 | 0 |
| Long-term | 27,487,221 | 22,780,185 | 16,854,311 |
| General government | 0 | 0 | 0 |
| Other sectors | 453,792 | 328,541 | 327,910 |
| Other financial corporations | 451,009 | 326,708 | 326,474 |
| Nonfinancial corporations, households, and NPISHs | 2,783 | 1,834 | 1,436 |
| Insurance, pension, and standardized guarantee schemes | 0 | 0 | 0 |
| Trade credit and advances | 507,543 | 261,864 | 262,555 |
| Other sectors | 507,543 | 261,864 | 262,555 |
| Other financial corporations | 450,867 | 2,253 | 3,480 |
| Nonfinancial corporations, households, and NPISHs | 56,676 | 259,611 | 259,075 |
| Other accounts receivable | 9,832,153 | 8,363,285 | 8,032,477 |
| Reserve assets | 125,849 | 135,076 | 154,490 |
| Other reserve assets | 125,849 | 135,076 | 154,490 |

| International Investment Position (Cont'd) | 2017 ^R | 2018 ^R | 2019 ^P |
|---|--------------------|--------------------|--------------------|
| Liabilities | 111,553,489 | 104,451,342 | 106,989,499 |
| Direct investment | 35,329,957 | 34,712,274 | 35,208,074 |
| Equity and investment fund shares | 34,888,104 | 34,268,379 | 34,768,728 |
| Debt instruments | 441,853 | 443,895 | 439,346 |
| Portfolio investment | 17,637,196 | 16,760,162 | 18,741,216 |
| Equity and investment fund shares | 0 | 0 | 0 |
| Debt securities | 17,637,196 | 16,760,162 | 18,741,216 |
| Monetary authorities | 0 | 0 | 0 |
| Deposit-taking corporations, except central bank | 17,048,708 | 16,120,072 | 18,234,544 |
| General government | 265,856 | 261,300 | 0 |
| Other sectors | 322,632 | 378,790 | 506,672 |
| Financial derivatives (other than reserves) and employee stock options | n.a. | n.a. | n.a. |
| Other investment | 58,586,336 | 52,978,907 | 53,040,209 |
| Other equity | 0 | 0 | 0 |
| Currency and deposits | 41,698,722 | 36,575,461 | 36,209,697 |
| Monetary authorities | 0 | 0 | 0 |
| Deposit-taking corporations, except the central bank | 41,698,722 | 36,569,811 | 36,206,182 |
| General government | 0 | 0 | 0 |
| Other sectors | 0 | 5,650 | 3,515 |
| Other financial corporations | 0 | 5,650 | 3,515 |
| Nonfinancial corporations, households, NPISHs | 0 | 0 | 0 |
| Loans | 13,631,767 | 13,310,715 | 13,487,087 |
| Monetary authorities | 0 | 0 | 0 |
| Deposit-taking corporations, except the central bank | 11,711,314 | 11,100,050 | 11,278,497 |
| General government | 886 | 0 | 0 |
| Other sectors | 1,919,567 | 2,210,665 | 2,208,590 |
| Other financial corporations | 1,882,006 | 2,170,935 | 2,170,575 |
| Nonfinancial corporations, households, and NPISHs | 37,561 | 39,730 | 38,015 |
| Insurance, pension, and standardized guarantee schemes | 711,497 | 1,570,272 | 1,697,315 |
| Trade credit and advances | 55,913 | 90,257 | 107,437 |
| Other accounts payable - other | 2,488,437 | 1,432,202 | 1,538,673 |
| Monetary authorities | 0 | 0 | 0 |
| Deposit-taking corporations, except central bank | 1,607 | 122,662 | 84,709 |
| General government | 0 | 0 | 0 |
| Other sectors | 2,486,831 | 1,309,540 | 1,453,964 |
| Other financial corporations | 2,479,386 | 1,299,690 | 1,444,032 |
| Nonfinancial corporations, households, NPISHs | 7,445 | 9,850 | 9,931 |
| Special drawing rights (Net incurrence of liabilities) | 0 | 0 | 0 |

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