



# THE CAYMAN ISLANDS' QUARTERLY TRADE STATISTICS BULLETIN: APRIL TO JUNE 2017



*Information on hand*

This publication is produced by the Economics and Statistics Office from data supplied by the Customs Department. The data presented in this bulletin are preliminary and subject to revision in the subsequent quarterly bulletins and annual report as new information are obtained.

## Imports by Standard International Trade Classification (SITC)

### Overview

For the second consecutive quarter, the total value of imports to the Cayman Islands decreased slightly, this time by 1.3 percent to reach \$203.70 million compared to \$206.46 million a year ago (see Chart 1). The value of petroleum and petroleum-related products increased during the quarter by 6.1 percent to reach \$26.84 million, however, non-petroleum products fell by 2.4 percent.

The second quarter imports brought the value of imports for **the first six months of the year** to \$411.52 million, 1.7 percent lower than the level a year ago. Petroleum and petroleum related products increased by 22.8 percent while non-petroleum products fell by 4.3 percent. The latter emanated from a sharp drop in gold imports in the first two quarters of 2017 compared to the previous year.

### Imports by category

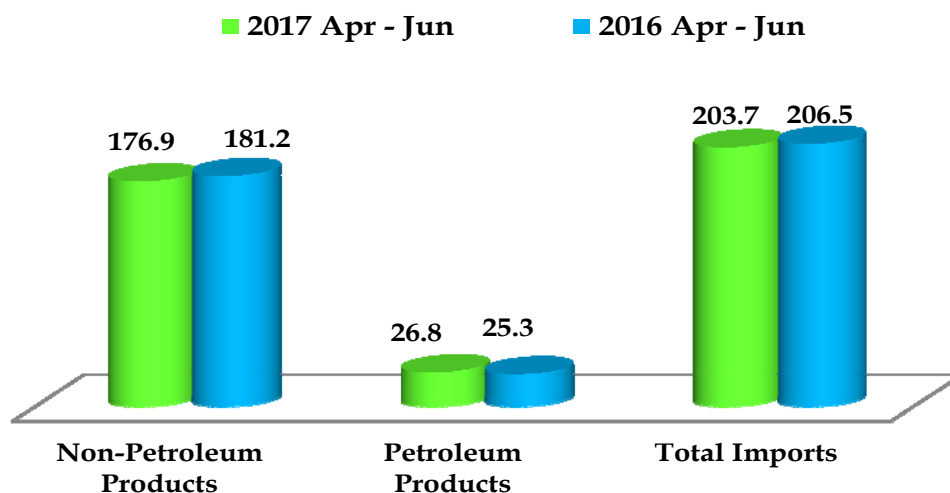
For the quarter ending June 2017, five of the eight major non-petroleum import categories recorded increases in total value.

**Crude materials (except fuel) imports** continued with strong growth, this time by 25.4 percent with each of the three sub-categories registering over 20 percent increases.

**Machinery and transport equipment** increased by 9.4 percent to \$42.33 million. This was driven by greater imports of road vehicles, power generating machinery, marine supplies and pleasure boats.

**Food and live animals** imports expanded by 7.3 percent to \$42.39 million. This mainly reflected the increased importation of animal feed items, cereal and cereal preparation, meats and vegetables and fruits.

**Chart 1: Merchandise Imports , CI\$Millions**



## Imports by Standard International Trade Classification (SITC)

**Chemical and related products** expanded by 5.2 percent to \$11.17 million in the second quarter compared to the previous year. This increase resulted from higher imports of chemical materials, perfumes and essential oils.

**Miscellaneous manufactured articles** grew by 3.0 percent this quarter to reach \$29.12 million. Furniture, clothing, professional and scientific equipment, and other miscellaneous goods increased while imports of footwear and photographic equipment decreased.

**Petroleum and related products** imports grew largely on account of higher prices of gasoline, diesel and jet fuel by 8.8 percent on average. In addition, the volume of imported gasoline and jet fuel also rose, albeit the volume of diesel imports fell.

**Commodities and transactions not classified elsewhere** dropped by 43.8 percent, traced mainly to the significant decline in the importation of gold. Within the same category, air terminal and courier imports rose by 3.6 percent, and coins other than gold increased by 15.9 percent.

**Beverages and tobacco** imports recorded a reduction of 15.8 percent relative to the same period a year ago. Tobacco product imports and beverages imports (except flavoured water and spirits) showed decreases this quarter.

**Manufactured goods classified chiefly by materials** showed a slight decline of 0.3 percent settling at \$25.36 million. Iron and steel imports decreased by 58.0 percent, non-ferrous metals by 55.9 percent and cement imports by 16.4 percent. Structures and products increased by 29.0 percent and paper and articles of paper imports increased by 7.6 percent.

**Table 1: Merchandise Imports by Standard International Trade Classification (SITC), CI\$Million**

Section	2017 Apr - Jun	2016 Apr - Jun	% Change
Food & Live Animals <sup>1</sup>	42.39	39.50	7.3
Beverages & Tobacco	7.36	8.74	(15.8)
Crude Materials (except fuels)	4.24	3.38	25.4
Chemical & Related Products	11.17	10.62	5.2
Manufactured Goods Classified Chiefly by Materials	25.36	25.44	(0.3)
Machinery & Transport Equipment	42.33	38.71	9.4
Miscellaneous Manufactured Articles	29.12	28.27	3.0
Commodities & Transactions Not Classified Elsewhere	14.89	26.50	(43.8)
<b>Non-Petroleum Products</b>	<b>176.86</b>	<b>181.16</b>	<b>(2.4)</b>
<b>Mineral Fuels, Lubricants &amp; Related Materials*</b>	<b>26.84</b>	<b>25.30</b>	<b>6.1</b>
<b>Total</b>	<b>203.70</b>	<b>206.46</b>	<b>(1.3)</b>

\* Also referred to as petroleum and related products.

1: includes animal & vegetable oils, fats and waxes

## Imports by Standard International Trade Classification (SITC)

In the first six months of 2017, the value of non-petroleum products declined by 4.3 percent bringing the year-to-date total to \$361.72 million compared to \$378.01 million for the same period of 2016. This was largely the effect of the decline in gold imports for the first two quarters of this year.

**Crude materials (except fuel)** increased by 19.3 percent year-to-date with each of the three sub-categories recording double-digit increases. Construction materials, mainly wood, lumber and crude fertilizer posted increases.

Imports of **miscellaneous manufactured articles** increased by 7.3 percent to \$60.46 million. Imports of furniture, clothing, scientific instruments, jewellery and plastic materials were higher in the first half of the year.

The first six months of 2017 shows the **food and live animals** group increasing by 5.6 percent to \$87.17 million. Sustained growth in cereal and cereal preparation (38.7%), animal feed items (23.7%), fish (14.3%), and fruits and vegetables (10.8%) were recorded.

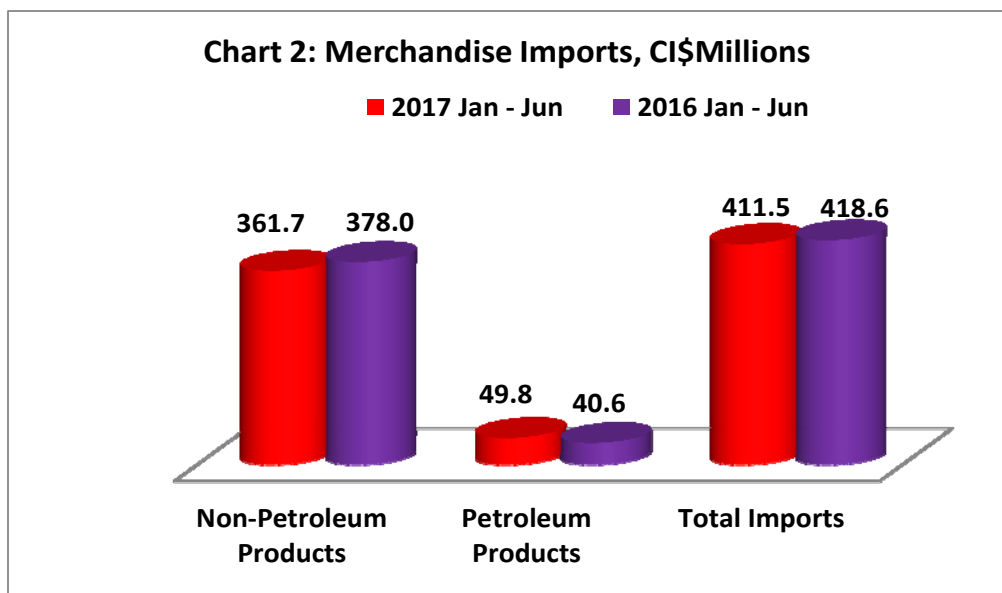
**Manufactured goods classified chiefly by materials** netted a 3.5 percent increase in the first half of the year, propelled by a strong first

quarter performance. Robust growth rates were recorded for paper (6.5%) along with metal products (31.5%). Structures, products paper and articles of paper imports increased. However, non-metal mineral manufactures n.e.s dipped by 26.9 percent. Decreases were seen in cement, non-ferrous metals, iron and steel imports.

In the first half of 2016, **commodities and transactions not classified elsewhere** fell by 45.3 percent. This was due to the sharp drop in imports of gold during first two quarters of 2017.

**Beverages and tobacco** imports shrank by 5.2 percent. Manufactured tobacco, cigarettes, beer, table wines and still non-alcoholic beverages had substantial decreases during the first six months of the year while natural drinking water, flavoured aerated water, sweetened spirits-liqueurs put in positive performances.

For the year to date, the total value of **petroleum and petroleum related products** grew by 22.8 percent to \$49.80 million, boosted by the first quarter growth of slightly over 50 percent. Both the average price and volume of all fuel imports increased, except for the volume of jet fuel imports.



**Table 2: Merchandise Imports by Standard International Trade Classification (SITC),  
CI\$Million**

Section	2017	2016	%
	Jan - Jun	Jan - Jun	Change
	CI\$ M	CI\$ M	
Food & Live Animals <sup>1</sup>	87.17	82.56	5.6
Beverages & Tobacco	15.98	16.86	(5.2)
Crude Materials (except fuels)	8.15	6.83	19.3
Chemical & Related Products	20.87	21.01	(0.7)
Manufactured Goods Classified Chiefly by Materials	49.21	47.56	3.5
Machinery & Transport Equipment	85.65	84.27	1.6
Miscellaneous Manufactured Articles	60.46	56.33	7.3
Commodities & Transactions Not Classified Elsewhere	34.23	62.59	(45.3)
<b>Non-Petroleum Products</b>	<b>361.72</b>	<b>378.01</b>	<b>(4.3)</b>
<b>Mineral Fuels, Lubricants &amp; Related Materials*</b>	<b>49.80</b>	<b>40.57</b>	<b>22.8</b>
<b>Total</b>	<b>411.52</b>	<b>418.58</b>	<b>(1.7)</b>

\* Also referred to as petroleum and related products.

1: includes animal & vegetable oils, fats and waxes.

### Imports by Countries of Origin

For the quarter ending June 2017, imports from the USA grew by 0.6 percent to reach \$171.77 million compared to \$170.72 million recorded for the same period in 2016. This is traced to increases in food and live animals and miscellaneous manufactured articles which were partially offset by a decrease in commodities (mainly gold imports).

Imports from Mexico had a major increase of 67.1 percent traced primarily to imports of cement.

Increases in imports were also noted for goods originating from South Korea (116.4%) Jamaica (84.4%), Switzerland (63.0%), Germany (43.1%), Canada (8.9%), Panama (7.3%) and Japan (4.5%).

Declines were recorded in imports from United Kingdom (16.9%), Cuba (9.7%) and "Others" (33.7%).

For the first six months of 2017, imports by country exhibited mixed performances. Imports from Cuba had two consecutive quarters of decline while Canada and Panama recorded two consecutive quarterly increases.

Imports from Panama achieved the highest growth of 101.4 percent, largely on account of higher imports of food and live animals, and transportation equipment.

Jamaica's exports to Cayman went up by 37.9 percent which emanated from a surge in the importation of foods and live animals during the second quarter.

A decrease in the importation of watches from Switzerland contributed to the overall decrease of imports by 33.7 percent from this origin.

Imports from Germany decreased by 31.3 percent as machinery and transport equipment imports plummeted during the first quarter.

<b>Table 3: Imports by Country of Origin</b>			
<b>Country</b>	<b>2017 Apr - Jun</b>	<b>2016 Apr - Jun</b>	<b>% Change</b>
	<u>CI\$ M</u>	<u>CI\$ M</u>	
United States	171.77	170.72	0.6
Jamaica	5.55	3.01	84.4
Japan	3.98	3.81	4.5
United Kingdom	1.67	2.01	(16.9)
South Korea	1.32	0.61	116.4
Cuba	0.28	0.31	(9.7)
Canada	0.49	0.45	8.9
Switzerland	0.44	0.27	63.0
Germany	1.03	0.72	43.1
Panama	0.44	0.41	7.3
Mexico	1.22	0.73	67.1
Others	15.52	23.41	(33.7)
<b>Total</b>	<b>203.71</b>	<b>206.46</b>	<b>(1.3)</b>

<b>Table 4: Imports by Country of Origin, Year to Date</b>			
<b>Country</b>	<b>2017 Jan - Jun</b>	<b>2016 Jan - Jun</b>	<b>% Change</b>
	<u>CI\$ M</u>	<u>CI\$ M</u>	
United States	339.34	339.65	(0.1)
Jamaica	7.89	5.72	37.9
Japan	7.32	8.20	(10.7)
United Kingdom	4.98	3.69	35.0
South Korea	2.69	2.12	26.9
Cuba	0.64	0.68	(5.9)
Canada	1.39	0.90	54.4
Switzerland	0.59	0.89	(33.7)
Germany	1.87	2.72	(31.3)
Panama	1.41	0.70	101.4
Mexico	2.06	1.89	9.0
Others	41.33	51.43	(19.6)
<b>Total</b>	<b>411.51</b>	<b>418.59</b>	<b>(1.7)</b>

## Imports by Broad Economic Categories

Analysis of imports by final use, that is by Broad Economic Categories, shows that during the second quarter, four of the categories of imports grew.

Transport and equipment showed a significant growth of 24.7 percent. Passenger motor cars went up sharply by 11.8 percent. Industrial transport equipment more than doubled during the second quarter of 2017 compared to the same quarter of 2016.

Among the imported food and beverage items, those for household consumption were on the upturn – primary (or unprocessed items) rose by 18.4 percent while processed items also grew by 1.1 percent.

In contrast, other imported consumer goods receded slightly by 0.2 percent. While growth was registered for durable goods (0.4%) and semi-durable goods (11.2%), non-durable consumer goods dipped by 7.5 percent.

**TABLE 5a: IMPORTS BY BROAD ECONOMIC CATEGORY (CI\$000's)**

Broad Economic Categories	2017	2016	% Change
	2nd Qtr	2nd Qtr	
<b>1. Food &amp; Beverages</b>	<b>48,270.26</b>	<b>46,497.52</b>	<b>3.8%</b>
<b>11. Primary</b>	<b>10,511.54</b>	<b>8,859.95</b>	<b>18.6%</b>
111. Mainly for industry	27.42	6.70	309.3%
112. Mainly for household consumption	10,484.12	8,853.25	18.4%
<b>12. Processed</b>	<b>37,758.72</b>	<b>37,637.57</b>	<b>0.3%</b>
121. Mainly for industry	2,536.00	2,801.22	-9.5%
122. Mainly for household consumption	35,222.72	34,836.35	1.1%
<b>2. Industrial supplies not elsewhere specified</b>	<b>33,185.85</b>	<b>43,192.45</b>	<b>-23.2%</b>
21. Primary	2,852.50	2,218.90	28.6%
22. Processed	30,333.35	40,973.55	-26.0%
<b>3. Fuels and Lubricants</b>	<b>26,605.82</b>	<b>25,113.16</b>	<b>5.9%</b>
31. Primary	-	-	
32. Processed	26,605.82	25,113.16	5.9%
321. Motor spirits	6,687.66	5,213.27	28.3%
322. Other	19,918.16	19,899.89	0.1%
<b>4. Capital goods (except transport equipment)</b>	<b>19,794.20</b>	<b>20,968.16</b>	<b>-5.6%</b>
41. Capital goods (except transport equipment)	16,410.62	16,180.51	1.4%
42. Parts and accessories	3,383.58	4,787.65	-29.3%
<b>5. Transport equipment, and parts and accessories thereof</b>	<b>21,859.31</b>	<b>17,532.75</b>	<b>24.7%</b>
51. Passenger motor cars	12,572.26	11,244.63	11.8%
52. Other	5,986.01	2,893.89	106.8%
521. Industrial	4,109.24	1,760.73	133.4%
522. Non-industrial	1,876.77	1,133.16	65.6%
53. Parts and accessories	3,301.04	3,394.23	-2.7%
<b>6. Consumer goods not elsewhere specified</b>	<b>39,496.60</b>	<b>39,564.57</b>	<b>-0.2%</b>
61. Durable	12,958.17	12,901.74	0.4%
62. Semi-durable	11,123.84	10,005.04	11.2%
63. Non-durable	15,414.59	16,657.79	-7.5%
<b>7. Goods not elsewhere specified</b>	<b>14,492.85</b>	<b>13,592.17</b>	<b>6.6%</b>
<b>TOTAL IMPORTS</b>	<b>203,704.89</b>	<b>206,460.78</b>	<b>-1.3%</b>

## Imports by Broad Economic Categories

For the first half of 2017, four of the broad economic categories showed increases compared to the first half of 2016. Fuel and lubricants rose by 23.2 percent, as both average prices and total volume went up.

Transport equipment and parts went up by 12.7 percent, largely reflecting the increase in the value of commercial vehicles and a modest increase in passenger vehicles.

Food and beverage was higher by 3.8 percent. Higher values were recorded for some vegetable items such as fresh potato, onion & shallot and fruits.

Imports of industrial supplies not elsewhere classified decreased by 24.1 percent with processed goods (which includes gold imports) shrinking by 26.3 percent.

**TABLE 5b: IMPORTS BY BROAD ECONOMIC CATEGORY (CI\$000's)**

Broad Economic Categories	2017	2016	%
	Jan-Jun	Jan-Jun	Change
<b>1. Food &amp; Beverages</b>	<b>99,949.84</b>	<b>96,250.57</b>	<b>3.8%</b>
<b>11. Primary</b>	<b>21,524.22</b>	<b>19,297.89</b>	<b>11.5%</b>
111. Mainly for industry	60.94	31.90	91.0%
112. Mainly for household consumption	21,463.28	19,265.99	11.4%
<b>12. Processed</b>	<b>78,425.62</b>	<b>76,952.68</b>	<b>1.9%</b>
121. Mainly for industry	5,445.24	5,707.18	-4.6%
122. Mainly for household consumption	72,980.38	71,245.50	2.4%
<b>2. Industrial supplies not elsewhere specified</b>	<b>64,632.81</b>	<b>85,148.19</b>	<b>-24.1%</b>
21. Primary	5,224.38	4,492.90	16.3%
22. Processed	59,408.43	80,655.29	-26.3%
<b>3. Fuels and Lubricants</b>	<b>49,496.65</b>	<b>40,161.05</b>	<b>23.2%</b>
31. Primary	-	-	
32. Processed	49,496.65	40,161.05	23.2%
321. Motor spirits	12,299.36	8,217.25	49.7%
322. Other	37,197.29	31,943.80	16.4%
<b>4. Capital goods (except transport equipment)</b>	<b>39,357.53</b>	<b>44,682.52</b>	<b>-11.9%</b>
41. Capital goods (except transport equipment)	31,223.24	30,505.96	2.4%
42. Parts and accessories	8,134.29	14,176.56	-42.6%
<b>5. Transport equipment, and parts and accessories thereof</b>	<b>44,313.19</b>	<b>39,333.98</b>	<b>12.7%</b>
51. Passenger motor cars	26,693.53	25,781.23	3.5%
52. Other	10,742.01	7,093.28	51.4%
521. Industrial	7,197.65	3,967.52	81.4%
522. Non-industrial	3,544.36	3,125.77	13.4%
53. Parts and accessories	6,877.65	6,459.47	6.5%
<b>6. Consumer goods not elsewhere specified</b>	<b>82,048.81</b>	<b>78,603.16</b>	<b>4.4%</b>
61. Durable	31,133.08	27,209.59	14.4%
62. Semi-durable	20,214.44	20,271.60	-0.3%
63. Non-durable	30,701.29	31,121.97	-1.4%
<b>7. Goods not elsewhere specified</b>	<b>31,716.94</b>	<b>34,404.66</b>	<b>-7.8%</b>
<b>TOTAL IMPORTS</b>	<b>411,515.77</b>	<b>418,584.13</b>	<b>-1.7%</b>

## Methodology, Explanatory Notes and Definitions

The Foreign Trade Statistics is produced by the Economics and Statistics Office (ESO).

The statistics are primarily obtained from the computerized records maintained by the Customs Department. These records are based on documents on the importation and exportation of goods as completed by importers, exporters or their agents who are required to record the appropriate statistical tariff code using the new Cayman Islands Customs Tariff Law 2012 (CICTL). The CICTL is based on the Harmonised System (Harmonised Commodity Description and Coding System) of the Customs Cooperation Council (CCC), and the Standard International Trade Classification (SITC) Revision 3.

The task of the ESO, therefore, is mainly to incorporate and check the credibility of the data, and classify them into tables that can be useful for analysis.

The process of classification is a time-intensive, laborious task as there have been a significant number of goods that are not classified or misclassified. The objective of the classification process has been to minimize the number of such cases; over the years, the number of commodities that are not classified by SITC codes has diminished.

In addition to the classification by SITC codes, ESO also classifies all imported commodities by Broad Economic Category (BEC) based on international guidelines issued by the United Nations (UN). The BEC is a three-digit classification, according to their main end-use based on the System of National Accounts (SNA) concepts.

### Limitations

In the Cayman Islands, a number of importers do not provide codes, or provide improper codes. Over the years, this issue required the

ESO to vigilantly verify codes and provide missing ones.

ESO continues to review the imports data with the aim of improving the accuracy, reliability and proper classification of the data.

Given the volume of imports, full details of the quantity and value of all imports are not available. At present, only a small proportion of commodities have both quantity and value of imports.

The Customs Department has introduced a new system, the Total Revenue Integrated Processing System (TRIPS). The TRIPS system is a revenue collection and management tool consisting of a series of processing modules and is based on the concept of distributed data processing with standard multi-user-facilities. The "Trader Identification" module is the core of the system from which all other modules interface. A "unique number" is

assigned to individual and company traders and a database of all registered traders is kept.

The system also enables electronic processing of customs declarations using the new Cayman Islands Customs Tariff Law (CICTL), which assigns a specific tariff code to each traded commodity.

Hopefully, this new system will address and resolve many of the current issues with foreign trade data by improving the quality and timeliness of trade statistics.

### Trade Classification

The Cayman Islands version of the Harmonized System of Classification is the primary classification standard used for the Cayman Islands' foreign trade. In addition, the Standard International Trade Classification (SITC) Rev 3, which is the classification of international trade issued by the United Nations (UN), is used for the compilation of both the imports and exports of goods.



### System of Trade

The "General Trade System" is the system of coverage used in the tabulation of merchandise in this report. Under this system, all goods entering the Cayman Islands are recorded as imports while all goods leaving the country are recorded as exports.

### Coverage

This report covers merchandise trade only. Trade in services are not included. Included in the import statistics in this publication are goods sent abroad and returned after repair. Excluded are goods in transit or other trans-shipments not destined for the Cayman Islands' market, monetary gold and bullion, bank notes and coins in circulation; and parcel post exports for which no records are kept.

### Imports

Goods brought into the country directly by residents but are not declared are excluded by default for lack of documentation. The values recorded for imports over a particular period represent the documents brought to account by Customs during that period. They may also include some goods actually arriving towards the end of the previous period but are accounted for in the current period.

### Valuation

All values are shown in Cayman Islands dollars (CI\$). Imports are valued at cost, insurance and freight (c.i.f) which is the value up to the time of delivery at the port. It includes incidental charges but excludes customs or any other duty paid on arrival.

**Economic and Statistics Office  
3rd Floor, Government Administration Building  
133 Elgin Avenue  
Grand Cayman, Cayman Islands  
KY1-9000**

**Phone: (345) 949-0940  
Fax: (345) 949-8782  
[www.eso.ky](http://www.eso.ky)**

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