



Cayman Islands  
Government

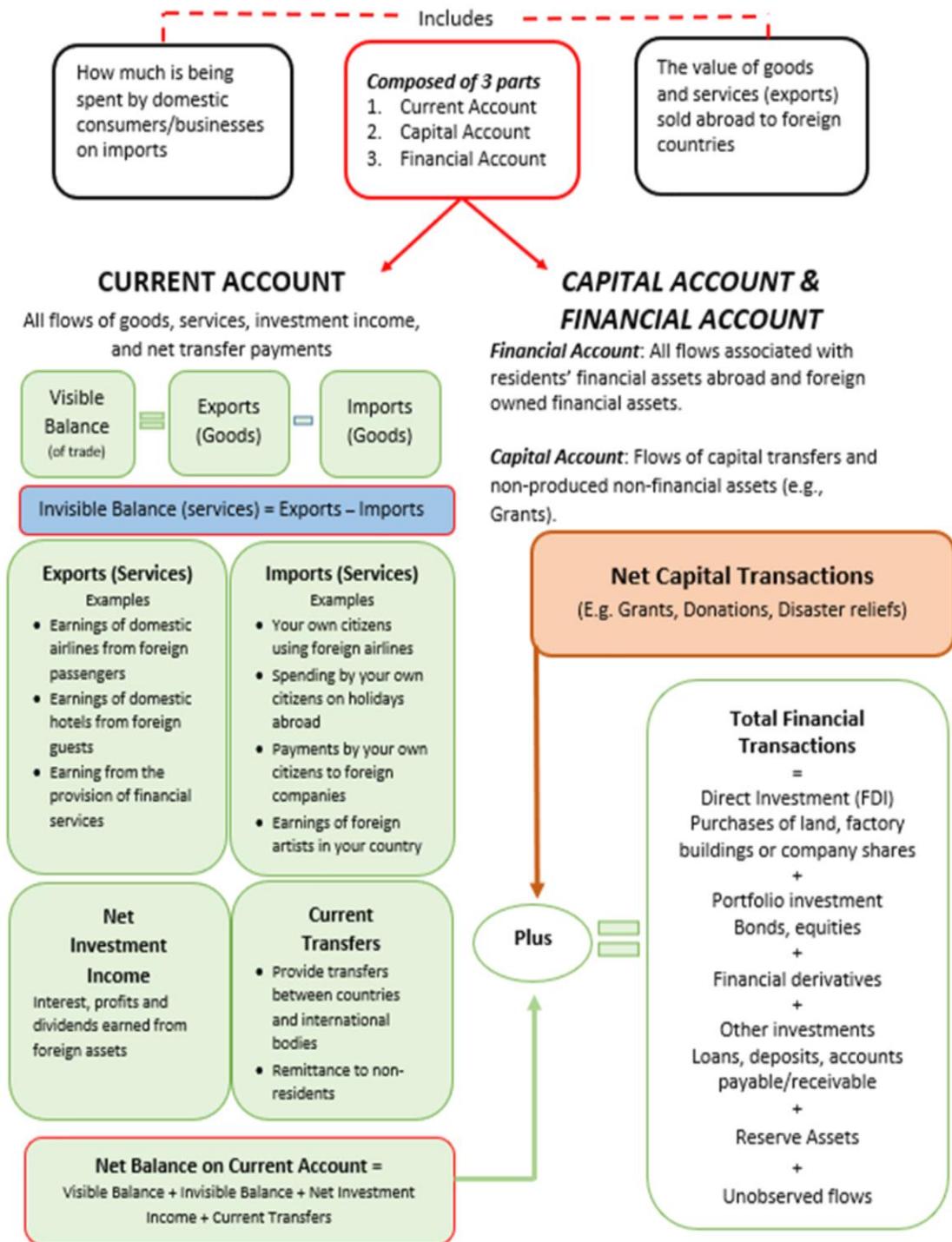
# The Cayman Islands' Balance of Payments and International Investment Position Report 2022



## Table of Contents

<b>ACKNOWLEDGEMENT .....</b>	<b>5</b>
<b>ABBREVIATIONS AND ACRONYMS .....</b>	<b>6</b>
<b>1. BALANCE OF PAYMENTS .....</b>	<b>7</b>
1.1 INTRODUCTION.....	7
TABLE 1. BALANCE OF PAYMENTS SUMMARY .....	8
1.2 CURRENT ACCOUNT BALANCES.....	8
1.2.1. <i>TRADE IN GOODS</i> .....	9
1.2.2 <i>TRADE IN SERVICES</i> .....	9
1.2.3 <i>PRIMARY INCOME TRANSACTIONS</i> .....	11
1.2.4 <i>SECONDARY INCOME TRANSACTIONS (CURRENT TRANSFERS)</i> .....	11
1.3 CAPITAL ACCOUNT.....	15
1.4 FINANCIAL ACCOUNT.....	15
1.4.1 <i>DIRECT INVESTMENT</i> .....	15
1.4.2 <i>PORTFOLIO INVESTMENT</i> .....	15
1.4.3 <i>OTHER INVESTMENT</i> .....	15
<b>2. THE INTERNATIONAL INVESTMENT POSITION (IIP) .....</b>	<b>16</b>
2.1 INTRODUCTION.....	16
2.2 NET INTERNATIONAL INVESTMENT POSITION SUMMARY .....	16
2.3 INVESTMENTS BY FUNCTIONAL CATEGORY.....	18
<b>APPENDIX 1 - BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION TABLES.....</b>	<b>20</b>
A1.1 BALANCE OF PAYMENTS .....	20
A2.1 INTERNATIONAL INVESTMENT POSITION .....	22
<b>REFERENCES .....</b>	<b>25</b>

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, businesses and the government) and the rest of the world.



<b>Balance of Payment 2022 Explained</b>	
(In CI\$ Millions)	
<b>Current Account</b>	
Visible Trade	
Exports of Goods	810.6
Import of Goods	1,350.6
Balance of Visible Trade	(540.0)
Invisible Trade	
Export of Services	3,371.5
Import of Services	1,399.4
Balance of Invisible Trade	1,972.2
Primary and Secondary Income	(1,971.6)
<b>Net Balance on Current Account</b>	<b>(539.4)</b>
<b>Capital Account</b>	
Grants	0.8
<b>Financial Account</b>	
Direct Investment	767.9
Portfolio Investment	9,078.0
Financial Derivatives	5.4
Other Investments	(10,428.0)
Reserve Assets	(3.0)
<b>Balance on Financial Account</b>	<b>(579.6)</b>
Unobserved Flows	(41.0)

<b>Visible Trade</b>	
<i>(Imports &gt; Exports)</i>	
+	
<b>Invisible Trade</b>	
<i>(Tourism, Financial Services, etc.)</i>	
+	
<b>Primary (investment income) and Secondary Income (remittances)</b>	
-	
<b>Net Balance on Current Account</b>	

<b>Facts</b>	
<b>Primary Income:</b>	
<ul style="list-style-type: none"> <li>• Interest on loans and deposits dominate other investments.</li> <li>• Cayman Islands' direct investment payments exceeds returns.</li> <li>• Portfolio investment receipts are dominated by debt securities.</li> </ul>	
<b>Secondary Income:</b>	
<ul style="list-style-type: none"> <li>• Due to the large expatriate workforce, workers remittances outflows exceed inflows significantly.</li> </ul>	

<b>Why is there a BOP Deficit?</b>	
<b>Facts</b>	
<b>Current Account:</b>	
<ul style="list-style-type: none"> <li>• The Cayman Islands is a net exporter of services, that is through tourism and financial services.</li> <li>• The vast majority of the goods used and consumed in the Cayman Islands are imported.</li> </ul>	

## 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](mailto:infostats@gov.ky).

## ABBREVIATIONS AND ACRONYMS

<b>ANA</b>	Annual National Accounts
<b>BOP</b>	Balance of Payments
<b>BPM5</b>	Balance of Payments Manual 5 <sup>th</sup> Edition
<b>BPM6</b>	Balance of Payments Manual 6 <sup>th</sup> Edition
<b>c.i.f</b>	Cost, insurance and freight
<b>CARTAC</b>	Caribbean Regional Technical Assistance Centre
<b>CIMA</b>	Cayman Islands Monetary Authority
<b>CPI</b>	Consumer Price Index
<b>DOT</b>	Department of Tourism
<b>ESO</b>	Economics and Statistics Office
<b>f.o.b.</b>	Free on board
<b>FDI</b>	Foreign Direct Investment
<b>IIP</b>	International Investment Position
<b>IMF</b>	International Monetary Fund
<b>LFS</b>	Labour Force Survey
<b>n.i.e</b>	Not included elsewhere
<b>n.e.c</b>	Not elsewhere classified
<b>SNA</b>	System of National Accounts
<b>R</b>	Revised
<b>P</b>	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 Capital Account, which records all capital transfers such as grants used for physical capital expenditures; and
- (iii) the Financial Account which comprises all types of investment.

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 organisations 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](http://www.eso.ky).

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

between April and June 2023. A significant amount of data was sourced from CIMA, particularly on the banking and insurance corporations.

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						
	2018	2019	2020	2021 <sup>R</sup>	2022 <sup>P</sup>	Chg \$
<b>1. Current Account</b>	<b>(772.9)</b>	<b>(539.0)</b>	<b>(689.6)</b>	<b>(661.8)</b>	<b>(539.4)</b>	122.4
1.1 Goods	(682.2)	(748.0)	(519.0)	(569.7)	(540.0)	29.7
Exports	257.8	361.8	509.4	581.4	810.6	229.2
Imports	940.1	1,109.7	1,028.5	1,151.1	1,350.6	199.5
1.2 Services (Net)	1,883.3	1,966.6	1,719.9	1,678.3	1,972.2	293.9
1.3 Primary Income (Net)	(1,391.3)	(1,281.7)	(1,494.7)	(1,159.3)	(1,867.1)	-707.9
1.4 Secondary Income (Net)	(582.6)	(476.0)	(395.7)	(611.2)	(104.4)	506.7
<b>2. Capital Account</b>	<b>0.6</b>	<b>(0.4)</b>	<b>(1.1)</b>	<b>(1.2)</b>	<b>0.8</b>	1.9
<b>3. Financial Account</b>	<b>(1,533.2)</b>	<b>(622.4)</b>	<b>(938.8)</b>	<b>(784.4)</b>	<b>(579.6)</b>	204.8
3.1 Direct Investment	1,044.0	(1,457.4)	(7,736.8)	(1,757.0)	767.9	2,524.9
3.2 Portfolio Investment	(412.0)	3,485.9	3,853.7	3,620.8	9,078.0	5,457.2
3.3 Other Investment	(5,208.0)	(4,967.3)	2,910.6	(2,652.4)	(10,428.0)	-7,775.6
3.4 Financial Derivatives	3,033.0	2,297.9	5.4	(5.5)	5.4	10.9
3.5 Reserve assets	9.6	18.6	28.3	9.7	(3.0)	-12.7
<b>Unobserved Flows</b>	<b>(760.9)</b>	<b>(83.0)</b>	<b>(248.1)</b>	<b>(121.4)</b>	<b>(41.0)</b>	80.4

## 1.2 Current Account Balance

The Current Account deficit in 2022 contracted by \$122.4 million to reach \$539.4 million from a revised deficit of \$661.8 million in 2021. This emanated mainly from a larger surplus balance on the services sub-account, as well as a reduction in the deficit on the secondary income sub-account. These improvements were partially offset by a

deterioration in the deficit balance on the primary income sub-account for the review period.

**1.2.1. Trade in Goods**

The goods deficit improved in 2022 to \$540.0 million, down from a deficit of \$569.7 million in 2021 (see Table 1). The \$29.7 million improvement in the goods deficit was driven by the growth in net exports which more than offset the increase in imported goods.

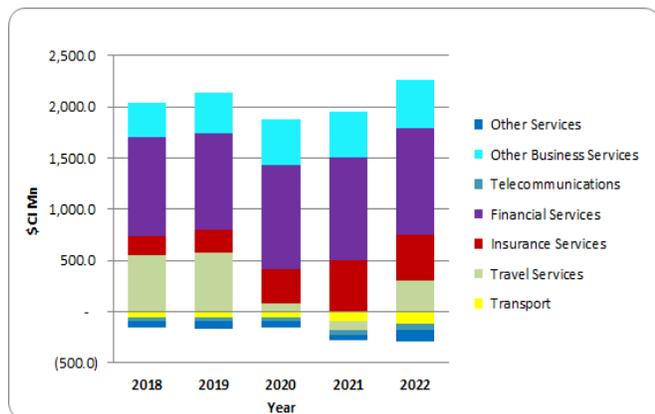
The total value of merchandise goods exported in 2022, mainly re-exports, increased by 105.9 per cent to \$31.5 million, reflecting larger fuel sales to visiting airlines. Also, goods sold under merchanting grew by \$212.9 million to \$779.0 million.

The total value of goods imported (f.o.b) in the Cayman Islands grew by \$199.5 million to reach \$1,350.6 in 2022. This increase was driven by the growth in the value of non-petroleum products (mainly food and live animals, miscellaneous manufactured articles, and commodities and transactions not classified elsewhere). Additionally, petroleum and related products recorded a significant increase from the previous year.

**1.2.2 Trade in Services**

The services sector recorded an improvement in net receipts of \$293.9 million in 2022, to reach a surplus of \$1,972.2 million compared to \$1,678.3 million in 2021. Receipts of services were \$3,371.5 million in 2022, which was \$504.7 million above the corresponding amount in 2021. The rise in receipts was driven primarily by the growth in travel services and other business services. (See Graph 1 and Table 2a).

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



Payments for services increased by \$210.8 million to reach \$1,399.4 million in 2022. This growth was primarily due to increases in payments for travel, transport and other business services during the year.

The trade in services comprises the following:

## Travel

Travel comprises earnings from visitors for both business and personal purposes<sup>1</sup>. The balance on the travel account improved significantly from a net deficit of \$85.1 million in 2021 to a net surplus of \$303.3 million in 2022, representing an increase of \$388.5 million year-over-year. Net earnings from personal travel grew from a deficit of \$83.1 million in 2021 to a surplus of \$277.4 million in 2022, an increase of \$360.5 million. Likewise, net earnings from business travel increased by \$27.9 million to reach a surplus balance of \$25.9 million in 2022.

Receipts from travel increased to \$537.2 million, largely reflecting the significant growth in both stayover and cruise ship visitor expenditure. Additionally, resident's expenditure on international travel grew by 98.7 per cent for 2022. The significant growth in travel largely reflects the continued recovery in the tourism sector from the downturn arising from the global COVID pandemic.

## Insurance

Insurance transactions recorded a net surplus of \$441.1 million for 2022, which represented a 12.4 percent decline over the surplus of \$503.3 million recorded in 2021. The lower surplus was due primarily to a fall in receipts for auxiliary insurance services.

## Financial services (excluding insurance)

The net surplus for financial services in 2022 grew by \$45.4 million (or 4.5%) to \$1,044.0 million.

Receipts for financial services rose by \$23.3 million to settle at \$1,205.6 million, compared to \$1,182.3 million recorded in 2021. This growth was due to the increased income from financial intermediary services indirectly measured (FISIM) provided to non-resident entities by \$18.0 million, as well as the \$5.3 million increase in receipts for explicitly charged and other financial services.

Payments for financial services to non-residents decreased by \$22.1 million to record total payments of \$161.5 million in 2022. Payments for explicitly charged financial services declined by \$25.8 million to settle at \$70.5 million, while FISIM payments to non-residents rose slightly by \$3.7 million.

## Other business services

The net surplus for other business services improved by \$18.7 million (4.2%) to \$469.2 million in 2022. This performance was attributed to increased receipts of legal, accounting, management consulting and public relations services.

---

<sup>1</sup> Travel receipts for personal purposes includes health and education-related travel income.

## Transport

The net deficit for transport services widened by \$21.9 million in 2022 to record a deficit of \$115.7 million. This was driven primarily by higher freight-related payments for both sea and air transport due to the rise in imported goods.

## Telecommunications, computer and information services

The deficit on transactions related to telecommunications, computer and information services worsened by \$11.3 million to \$60.2 million. This deterioration largely reflected computer services activity where payments rose by \$13.6 million and receipts declined by \$3.1 million.

### 1.2.3 Primary Income Transactions

The primary income sub-account is comprised of compensation of employees, investment income, and other primary income. In 2022, total primary income outflows increased by \$1,855.1 million, while inflows grew by 1,147.2 million. This reflected a net outflow of \$707.9 million in 2022.

**Direct investment income**, which represents investments or ownership of 10 percent or more, recorded a larger net deficit of \$3,457.5 million in 2022 from a net deficit of \$2,069.0 million in 2021. This change was due largely to increased dividend payments and payments for reinvested earnings. Direct investment income receipts grew by \$12.2 million in 2022, reflecting an increase in dividend receipts in direct investment enterprises.

**Portfolio investment income**, which represents investments or ownership of less than 10 percent, recorded a net inflow of \$1,574.0 million in 2022. Receipts grew by \$830.3 million due to increases in investment income on equity and interest received on debt securities. In contrast, payments rose by \$71.7 million due mostly to interest payments to non-residents.

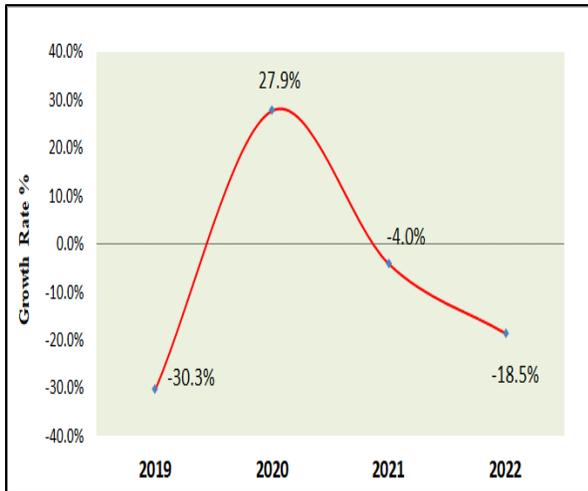
The surplus on the **Other investment income** sub-account moved from \$112.7 million in 2021 to \$53.2 million in 2022. This performance reflected the larger interest payments by banks, which more than offset the increase in interest receipts in 2022.

### 1.2.4 Secondary Income Transactions (Current Transfers)

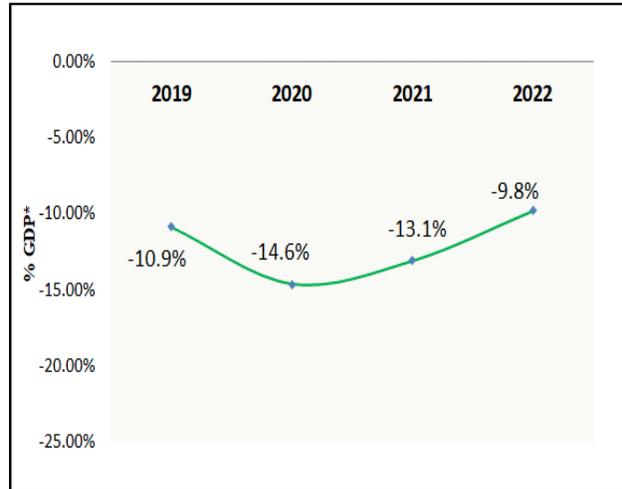
The secondary income account records personal transfers and other current transfers by the government, financial corporations, households and non-profit institutions serving households. The net outflows on the secondary income account contracted by \$506.7 million (83.0%) to reach a net payment of \$104.4 million in 2022.

Outflows from secondary income sources grew in 2022, largely on account of the 6.9 percent increase in nonlife insurance claims paid. Payments for personal transfers (remittances) also grew by 4.3 percent (\$16.8 million) to settle at \$407.0 million. In contrast, these outflows were offset by an 18.7 percent rise in receipts for net non-life insurance premiums.

**Graph 2: Current Account historical growth (%)**



**Graph 3: Current Account balance (% of GDP)**



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

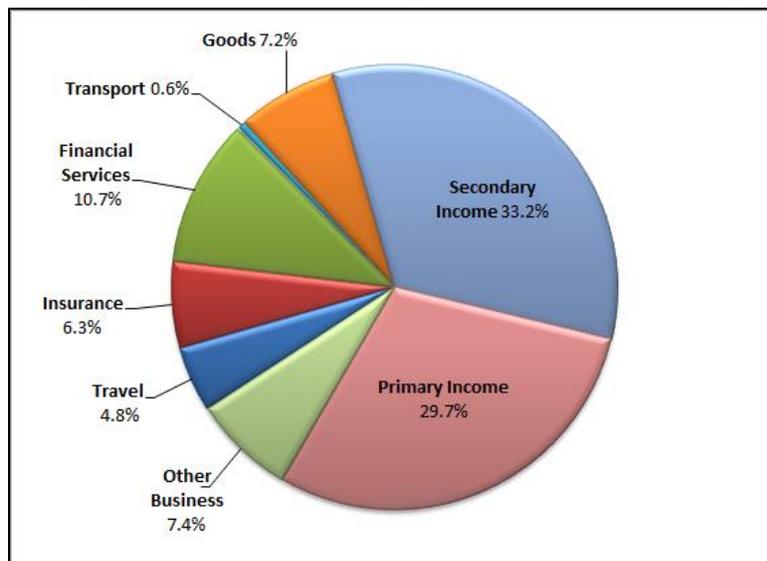


Table 2a: Balance of Payments

	CIS\$Million									Change 2022/2021		
	2020			2021 <sup>R</sup>			2022 <sup>P</sup>			\$		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
<b>1.CURRENT ACCOUNT</b>	6,434.9	7,124.5	(689.6)	8,786.5	9,448.4	(661.8)	11,277.6	11,817.0	(539.4)	2,491.1	2,368.6	122.4
<b>A. GOODS AND SERVICES</b>	3,292.3	2,091.5	1,200.8	3,448.2	2,339.6	1,108.6	4,182.1	2,749.9	1,432.2	733.9	410.3	323.6
<b>A1. GOODS</b>	509.4	1,028.5	(519.0)	581.4	1,151.1	(569.7)	810.6	1,350.6	(540.0)	229.2	199.5	29.7
<b>A2. SERVICES</b>	2,782.9	1,063.0	1,719.9	2,866.8	1,188.6	1,678.3	3,371.5	1,399.3	1,972.2	504.7	210.8	293.9
1. Transport	46.9	103.6	(56.7)	47.7	141.5	(93.8)	67.6	183.3	(115.7)	19.9	41.8	-21.9
2. Travel	209.0	122.6	86.4	32.6	117.7	(85.1)	537.2	233.9	303.3	504.7	116.2	388.5
3. Insurance and pension services	580.1	248.6	331.5	761.8	258.5	503.3	707.2	266.0	441.1	-54.6	7.6	-62.2
4. Financial services (excluding insurance)	1,182.1	162.4	1,019.7	1,182.3	183.6	998.6	1,205.6	161.5	1,044.0	23.3	-22.1	45.4
5. Telecommunications, computer and information services	14.3	56.7	(42.4)	20.9	69.8	(48.9)	18.0	78.2	(60.2)	-2.9	8.3	-11.3
6. Other business services	714.5	272.1	442.4	762.4	311.9	450.5	812.4	343.3	469.2	50.0	31.3	18.7
7. Government goods and services, nie.	1.0	5.5	(4.5)	0.7	2.7	(2.0)	1.4	3.1	(1.8)	0.7	0.4	0.3
8. Other services	35.0	91.5	(56.5)	58.5	102.8	(44.4)	22.2	130.1	(107.9)	-36.3	27.2	-63.5
<b>B. PRIMARY INCOME</b>	1,821.3	3,316.0	(1,494.7)	2,198.7	3,357.9	(1,159.3)	3,345.9	5,213.0	(1,867.1)	1,147.2	1,855.1	-707.9
1. Compensation of employees	2.2	43.0	(40.8)	0.7	19.8	(19.1)	2.3	42.0	(39.7)	1.6	22.2	-20.6
2. Investment Income	1,819.1	3,273.0	(1,453.9)	2,198.0	3,338.1	(1,140.1)	3,343.6	5,171.0	(1,827.4)	1,145.6	1,832.9	-687.3
2.1 Direct investment	(0.5)	1,620.5	(1,621.0)	19.5	2,088.5	(2,069.0)	31.7	3,489.2	(3,457.5)	12.2	1,400.7	-1,388.5
2.2 Portfolio investment	1,127.8	967.8	160.1	1,569.2	753.8	815.4	2,399.5	825.5	1,574.0	830.3	71.7	758.6
2.3. Other investments	689.9	684.7	5.2	608.5	495.8	112.7	909.5	856.3	53.2	301.0	360.5	-59.5
2.4. Reserve assets	1.9	-	1.9	0.8	-	0.8	2.9	-	2.9	2.1	0.0	2.1
<b>C. SECONDARY INCOME</b>	1,321.3	1,717.0	(395.7)	3,139.6	3,750.8	(611.2)	3,749.6	3,854.1	(104.4)	610.0	103.3	506.7
1. General Government	0.2	1.5	(1.3)	0.4	1.3	(0.9)	0.5	1.3	(0.8)	0.2	0.1	0.1
2. Personal transfers (Workers remittances)	5.3	367.1	(361.8)	7.8	390.2	(382.4)	8.3	407.0	(398.7)	0.5	16.8	-16.2
3. Other current transfers	1,315.8	1,348.5	(32.7)	3,131.5	3,359.3	(227.8)	3,740.8	3,445.7	295.0	609.3	86.5	522.9
<b>2.CAPITAL ACCOUNT</b>	0.0	1.1	(1.1)	0.0	1.2	(1.2)	0.9	0.2	0.8	0.9	-1.0	1.9
1. Gross acquisitions/disposals of nonproduced nonfinancial assets	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
2. Capital transfers	0.0	1.1	(1.1)	0.0	1.2	(1.2)	0.9	0.2	0.8	0.9	-1.0	1.9

Table 2b: Balance of Payments\*

	In CUS\$ Million									Change 2022/2021		
	2020			2021 <sup>R</sup>			2022 <sup>P</sup>			\$		
	Net acquisition of Fin. Assets	Net incurrence of Liabilities	change	Net acquisition of Fin. Assets	Net incurrence of Liabilities	change	Net acquisition of Fin. Assets	Net incurrence of Liabilities	change	Net acquisition of Fin. Assets	Net incurrence of Liabilities	change
<b>2. FINANCIAL ACCOUNT</b>												
Direct investment	(2,007.0)	5,729.8	(7,736.8)	(2,430.2)	(673.2)	(1,757.0)	(1,665.1)	(2,433.0)	767.9	765.1	-1,759.8	2,524.9
Portfolio investment	1,384.9	(2,468.9)	3,853.7	1,159.2	(2,461.6)	3,620.8	10,585.5	1,507.4	9,078.0	9,426.3	3,969.0	5,457.2
Other investment	9,556.2	6,645.6	2,910.6	875.2	3,527.6	(2,652.4)	(9,703.5)	724.5	(10,428.0)	-10,578.7	-2,803.1	-7,775.6
Financial derivatives	5.3	(0.1)	5.4	(5.3)	0.2	(5.5)	5.4	-	5.4	10.7	-0.2	10.9
Reserve assets	28.3		28.3	9.7		9.7	(3.0)		(3.0)	-12.7		-12.7
<b>Net lending (+) or net borrowing (-) from financial account</b>	<b>8,967.6</b>	<b>9,906.4</b>	<b>(938.8)</b>	<b>(391.4)</b>	<b>393.0</b>	<b>(784.4)</b>	<b>(780.7)</b>	<b>(201.1)</b>	<b>(579.6)</b>	<b>-389.3</b>	<b>-594.1</b>	<b>204.8</b>
<b>Unobserved Flows</b>			<b>(248.1)</b>			<b>(121.4)</b>			<b>(41.0)</b>			<b>80.4</b>

\* **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 2022, the capital account surplus stood at \$0.8 million, an improvement over the deficit of \$1.2 million in the previous year. This improvement reflected both an increase in capital-related receipts and a reduction in payments made by private institutions to non-residents.

### **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 on this account corresponds to a lending position, while a negative balance corresponds to a borrowing position.

Preliminary estimates indicate that the transactions on the financial account resulted in a net borrowing position of \$579.6 million in 2022. This outturn was due to the reduction in net acquisition of financial assets by \$780.7 million, which was greater than the decrease in the net incurrence of financial liabilities of \$201.1 million.

#### ***1.4.1 Direct Investment***

The direct investment account recorded contractions in both the net acquisition of financial assets and the net incurrence of financial liabilities in 2022. These declines resulted in a net lending position of \$767.9 million, an improvement from the net borrowing position of \$1,757.0 million in 2021.

Net acquisition of financial assets related to direct investment fell by \$1,665.1 million, largely due to a withdrawal of equity and investment fund shares. Conversely, asset holdings of debt instruments increased by \$223.4 million, a larger increase than the \$65.3 million recorded in 2021. Net incurrence of financial liabilities on direct investment contracted by \$2,433.0 million in 2022 due mostly to transactions in equity and investment fund shares.

#### ***1.4.2 Portfolio investment***

Transactions on the portfolio investment account resulted in a net lending position of \$9,078.0 million. This performance was due to increased asset holdings of debt securities, which outweighed the rise in debt security liabilities with non-residents in 2022.

#### ***1.4.3 Other investment***

The other investment account recorded an increase in liabilities and a reduction in the acquisition of financial assets, leading to a net borrowing position of \$10,428.0 million in 2022. The reduction in other accounts receivables by banks was the main driver of the decline in assets. Liabilities increased by \$724.5 million, attributable mostly to a rise in the currency and deposits of deposit-taking corporations, except the central bank.

## 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 international 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 2018 to 2022 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 a lack of source data. The series does not fully cover data on funds due to a lack of detailed data. The series is subject to revision depending on the availability of additional and updated 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 the Cayman Islands' foreign assets exceeded its foreign liabilities by \$61.2 billion in 2022 compared to the \$54.7 billion recorded in 2021. At 2022 year-end, the Cayman Islands' external financial assets increased to \$158.9 billion, while its external liabilities were reduced by \$4.0 million to \$97.7 billion.

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

	2018	2019	2020	2021 <sup>R</sup>	2022 <sup>P</sup>	Chg \$ 2022/2021
<b>Financial Assets</b>						
<i>By financial instrument</i>						
Equity and investment fund share/units	23,412.1	22,998.6	20,085.1	18,703.3	16,812.7	-1,890.6
Currency and deposits	36,381.2	39,445.0	34,435.9	30,279.0	28,939.0	-1,340.0
Debt securities	30,307.5	36,505.0	39,140.7	42,290.6	53,531.8	11,241.3
Loans	23,108.7	17,182.2	23,456.8	21,247.6	22,432.8	1,185.2
Financial Derivatives	27,034.3	29,536.7	5.3	-	5.4	5.4
Other financial assets	8,625.1	8,295.0	33,436.6	43,868.7	37,144.9	-6,723.9
<b>Total Assets</b>	<b>148,868.9</b>	<b>153,962.6</b>	<b>150,560.3</b>	<b>156,389.2</b>	<b>158,866.6</b>	<b>2,477.4</b>
<b>Financial Liabilities</b>						
<i>By financial instrument</i>						
Equity and investment fund share/units	34,268.4	34,768.7	26,878.4	25,187.8	18,857.0	-6,330.8
Currency and deposits	36,575.5	36,209.7	43,876.0	43,166.5	44,321.0	1,154.5
Debt securities	17,204.1	19,180.6	16,199.7	13,421.5	14,991.3	1,569.8
Loans	13,310.7	13,487.1	11,867.4	14,041.9	15,001.6	959.7
Financial Derivatives	n.a	n.a	n.a	n.a	n.a	-
Other financial assets	3,092.7	3,343.4	3,713.5	5,892.8	4,502.6	-1,390.2
<b>Total Liabilities</b>	<b>104,451.3</b>	<b>106,989.5</b>	<b>102,535.0</b>	<b>101,710.6</b>	<b>97,673.6</b>	<b>-4,037.0</b>
<b>Net (Assets less Liabilities)</b>						
<i>By financial instrument</i>						
Equity and investment fund share/units	(10,856.3)	(11,770.1)	(6,793.3)	(6,484.5)	(2,044.3)	4,440.2
Currency and deposits	(194.3)	3,235.3	(9,440.2)	(12,887.6)	(15,382.1)	-2,494.5
Debt securities	13,103.5	17,324.5	22,941.0	28,869.1	38,540.5	9,671.5
Loans	9,798.0	3,695.1	11,589.4	7,205.7	7,431.2	225.5
Financial Derivatives	27,034.3	29,536.7	5.3	-	5.4	5.4
Other financial assets	5,532.4	4,951.6	29,723.1	37,975.9	32,642.3	-5,333.7
<b>IIP (net)</b>	<b>44,417.6</b>	<b>46,973.1</b>	<b>48,025.3</b>	<b>54,678.7</b>	<b>61,193.1</b>	<b>6,514.4</b>

1. The series captures data on establishments with a 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: International Investment Position,  
Foreign Assets and Liabilities (by functional categories)  
(CI\$ Million) As at the end of Year**

	2018	2019	2020	2021 <sup>R</sup>	2022 <sup>P</sup>	Chg \$ 2022/2021
<b>Financial Assets</b>						
<i>By functional categories</i>						
Direct Investment	21,115.9	20,692.2	19,042.8	16,734.8	15,079.0	-1,655.8
Portfolio Investment	32,470.8	38,737.8	40,109.0	44,177.0	55,195.4	11,018.3
Financial Derivatives	27,034.3	29,536.7	5.3	-	5.4	5.4
Other Investment	68,112.9	64,841.4	91,222.4	95,278.1	88,399.0	-6,879.1
Reserve Assets	135.1	154.5	180.9	199.3	187.9	-11.4
<b>Total Assets</b>	<b>148,868.9</b>	<b>153,962.6</b>	<b>150,560.3</b>	<b>156,389.2</b>	<b>158,866.6</b>	<b>2,477.4</b>
<b>Financial Liabilities</b>						
<i>By functional categories</i>						
Direct Investment	34,712.3	35,208.1	26,892.8	25,200.9	18,896.4	-6,304.5
Portfolio Investment	16,760.2	18,741.2	16,185.3	13,408.4	14,951.9	1,543.5
Financial Derivatives	-	-	-	-	-	0.0
Other Investment	52,978.9	53,040.2	59,456.9	63,101.2	63,825.2	724.0
Reserve Assets	-	-	-	-	-	0.0
<b>Total Liabilities</b>	<b>104,451.3</b>	<b>106,989.5</b>	<b>102,535.0</b>	<b>101,710.6</b>	<b>97,673.6</b>	<b>-4,037.0</b>
<b>Net (Assets less Liabilities)</b>						
<i>By functional categories</i>						
Net Direct Investment	(13,596.4)	(14,515.9)	(7,850.1)	(8,466.2)	(3,817.5)	4,648.7
Net Portfolio Investment	15,710.6	19,996.6	23,923.7	30,768.7	40,243.5	9,474.8
Financial Derivatives	27,034.3	29,536.7	5.3	-	5.4	5.4
Other Investment	15,134.0	11,801.2	31,765.5	32,176.9	24,573.7	-7,603.1
Reserve Assets	135.1	154.5	180.9	199.3	187.9	-11.4
<b>IIP (net)</b>	<b>44,417.6</b>	<b>46,973.1</b>	<b>48,025.3</b>	<b>54,678.7</b>	<b>61,193.1</b>	<b>6,514.4</b>

### 2.3 Investments by Functional Category

**Direct Investment.** At year-end 2022, residents' holdings of direct investments abroad (assets) stood at \$15.1 billion compared to \$16.7 billion in 2021. Direct investment liabilities (inward investments) stock stood at \$18.9 billion, registering a decline of \$6.3 billion over the 2021 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 \$55.2 billion in 2022 compared to \$44.2 billion in 2021. The growth was primarily associated with an increase in debt securities.

Portfolio investment foreign liabilities in 2022 stood at \$15.0 billion compared to \$13.4 billion in 2021, primarily due to the significant reduction in the holdings of debt securities by the deposit-taking corporations.

**Other Investment.** At the end of 2022, the residents' foreign assets in the form of other investments (largely currency & deposits, loans, and accounts receivable) stood at \$88.4 billion, down from the \$95.3 billion registered in 2021.

However, the Cayman Islands' stock of foreign liabilities in other investments grew by \$724.0 million and stood at \$63.8 billion. This was driven by the increase in the stock of loans and currency and deposits of deposit-taking corporations.

**Reserve Assets.** In 2022, the Cayman Islands' gross foreign reserve assets holdings stood at \$187.9 million, recording a decrease of \$11.4 million. This was comprised of investments in both currency and deposits and debt securities.

## APPENDIX 1 - BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION TABLES

### A1.1 Balance of Payments

Balance of Payments Transactions (CIS000)	2021 <sup>R</sup>			2022 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Current account</b>	<b>8,786,528</b>	<b>9,448,363</b>	<b>(661,835)</b>	<b>11,277,612</b>	<b>11,817,002</b>	<b>(539,390)</b>
Goods and services	3,448,217	2,339,630	1,108,588	4,182,127	2,749,944	1,432,183
<b>Goods</b>	<b>581,379</b>	<b>1,151,074</b>	<b>(569,694)</b>	<b>810,595</b>	<b>1,350,597</b>	<b>(540,001)</b>
General merchandise on a balance of payments basis <sup>1</sup>	581,363	1,130,692	(549,328)	810,523	1,319,851	(509,329)
Nonmonetary gold	16	20,382	(20,366)	73	30,745	(30,673)
<b>Services</b>	<b>2,866,838</b>	<b>1,188,556</b>	<b>1,678,282</b>	<b>3,371,532</b>	<b>1,399,347</b>	<b>1,972,184</b>
<b>Maintenance and repair services n.i.e.</b>	<b>21</b>	<b>1,966</b>	<b>(1,945)</b>	<b>23</b>	<b>7,798</b>	<b>(7,776)</b>
<b>Transport</b>	<b>47,668</b>	<b>141,451</b>	<b>(93,783)</b>	<b>67,587</b>	<b>183,261</b>	<b>(115,673)</b>
<b>Sea transport</b>	<b>12,669</b>	<b>89,444</b>	<b>(76,775)</b>	<b>17,080</b>	<b>101,441</b>	<b>(84,361)</b>
Freight	-	87,448	(87,448)	-	99,366	(99,366)
Other <sup>2</sup>	12,669	1,996	10,673	17,080	2,075	15,005
<b>Air transport</b>	<b>26,848</b>	<b>45,119</b>	<b>(18,272)</b>	<b>41,911</b>	<b>74,557</b>	<b>(32,646)</b>
Passenger	5,480	11,739	(6,258)	19,393	25,327	(5,935)
Freight	386	25,264	(24,878)	345	34,304	(33,958)
Other	20,981	8,117	12,864	22,173	14,926	7,247
Postal and courier services	8,151	2,785	5,366	8,597	2,833	5,764
<b>Travel</b>	<b>32,568</b>	<b>117,715</b>	<b>(85,147)</b>	<b>537,233</b>	<b>233,897</b>	<b>303,335</b>
<b>Business</b>	<b>1,490</b>	<b>3,545</b>	<b>(2,054)</b>	<b>32,534</b>	<b>6,613</b>	<b>25,921</b>
Other	1,490	3,545	(2,054)	32,534	6,613	25,921
<b>Personal</b>	<b>31,077</b>	<b>114,170</b>	<b>(83,093)</b>	<b>504,699</b>	<b>227,284</b>	<b>277,415</b>
Health-related	29	8,400	(8,371)	-	13,500	(13,500)
Education-related	11,288	40,540	(29,252)	11,350	40,562	(29,212)
Other	19,760	65,230	(45,470)	493,349	173,222	320,127
<b>Construction</b>	<b>43,087</b>	<b>9,775</b>	<b>33,312</b>	<b>4,974</b>	<b>13,302</b>	<b>(8,328)</b>
Construction abroad	40,218	-	40,218	164	-	164
Construction in the reporting economy	2,869	9,775	(6,906)	4,810	13,302	(8,492)
<b>Insurance and pension services</b>	<b>761,798</b>	<b>258,454</b>	<b>503,344</b>	<b>707,161</b>	<b>266,038</b>	<b>441,124</b>
Direct insurance	336	55,956	(55,620)	86	54,398	(54,311)
Reinsurance	467,831	180,249	287,582	534,028	187,072	346,956
Auxiliary insurance services	293,631	22,249	271,382	173,047	24,568	148,479
<b>Financial services</b>	<b>1,182,277</b>	<b>183,639</b>	<b>998,638</b>	<b>1,205,552</b>	<b>161,548</b>	<b>1,044,004</b>
Explicitly charged and other financial services	561,448	96,249	465,199	566,751	70,452	496,300
Financial intermediation services indirectly measured (FISIM)	620,830	87,390	533,440	638,801	91,096	547,704
<b>Charges for the use of intellectual property n.i.e.</b>	<b>15,337</b>	<b>77,077</b>	<b>(61,740)</b>	<b>17,184</b>	<b>87,356</b>	<b>(70,172)</b>
<b>Telecommunications, computer, and information services</b>	<b>20,934</b>	<b>69,847</b>	<b>(48,913)</b>	<b>17,993</b>	<b>78,169</b>	<b>(60,176)</b>
Telecommunications services	9,050	12,514	(3,464)	9,252	7,205	2,047
Computer services	11,884	57,087	(45,204)	8,741	70,707	(61,966)
Information services	-	245	(245)	-	257	(257)
<b>Other business services</b>	<b>762,431</b>	<b>311,928</b>	<b>450,503</b>	<b>812,445</b>	<b>343,251</b>	<b>469,194</b>
Professional and management consulting services	721,410	307,305	414,105	778,048	337,927	440,121
Technical, trade-related, and other business services	41,021	4,623	36,398	34,397	5,324	29,073
<b>Personal, cultural, and recreational services</b>	<b>19</b>	<b>13,999</b>	<b>(13,980)</b>	<b>3</b>	<b>21,597</b>	<b>(21,594)</b>
Audiovisual and related services	-	185	(185)	-	200	(200)
Other personal, cultural, and recreational services	19	13,814	(13,795)	3	21,398	(21,394)
<b>Government goods and services n.i.e.</b>	<b>698</b>	<b>2,706</b>	<b>(2,008)</b>	<b>1,377</b>	<b>3,131</b>	<b>(1,753)</b>

	2021 <sup>R</sup>			2022 <sup>P</sup>		
	Credit	Debit	Net	Credit	Debit	Net
<b>Balance of Payments Transactions (Cont'd)</b>						
<b>Primary income</b>	<b>2,198,684</b>	<b>3,357,940</b>	<b>(1,159,256)</b>	<b>3,345,872</b>	<b>5,213,004</b>	<b>(1,867,132)</b>
Compensation of employees	713	19,840	(19,127)	2,315	42,035	(39,721)
Investment income	2,197,970	3,338,099	(1,140,129)	3,343,557	5,170,969	(1,827,411)
<b>Direct investment</b>	<b>19,453</b>	<b>2,088,495</b>	<b>(2,069,043)</b>	<b>31,683</b>	<b>3,489,204</b>	<b>(3,457,521)</b>
Income on equity and investment fund shares	17,547	2,088,292	(2,070,745)	28,324	3,487,244	(3,458,920)
Dividends and withdrawals from income of quasi-corporations	4,144	698,464	(694,321)	9,126	952,315	(943,189)
Reinvested earnings	13,403	1,389,827	(1,376,424)	19,198	2,534,930	(2,515,732)
Interest	1,905	204	1,702	3,359	1,959	1,399
<b>Portfolio investment</b>	<b>1,569,203</b>	<b>753,808</b>	<b>815,396</b>	<b>2,399,468</b>	<b>825,503</b>	<b>1,573,964</b>
Investment income on equity and investment fund shares	62,621	7,842	54,778	367,675	6,777	360,898
Interest	1,506,583	745,965	760,617	2,031,793	818,727	1,213,066
<b>Other investment</b>	<b>608,535</b>	<b>495,796</b>	<b>112,738</b>	<b>909,499</b>	<b>856,261</b>	<b>53,238</b>
<b>Reserve assets (Credit)</b>	<b>780</b>	<b>-</b>	<b>780</b>	<b>2,908</b>	<b>-</b>	<b>2,908</b>
<b>Secondary income</b>	<b>3,139,627</b>	<b>3,750,793</b>	<b>(611,167)</b>	<b>3,749,612</b>	<b>3,854,054</b>	<b>(104,442)</b>
<b>General government</b>	<b>372.0</b>	<b>1,284.0</b>	<b>(912)</b>	<b>538.7</b>	<b>1,336.0</b>	<b>(797)</b>
<b>Financial corporations, nonfinancial corporations, households, and NPISHs</b>	<b>3,139,255</b>	<b>3,749,509</b>	<b>(610,255)</b>	<b>3,749,074</b>	<b>3,852,718</b>	<b>(103,644)</b>
Personal transfers (Current transfers between resident and nonresident households)	7,798	390,229	(382,431)	8,310	406,984	(398,673)
Other current transfers	3,131,457	3,359,281	(227,824)	3,740,763	3,445,734	295,029
<b>Capital account</b>	<b>7</b>	<b>1,190</b>	<b>(1,182)</b>	<b>924</b>	<b>157</b>	<b>768</b>
Capital transfers	7	1,190	(1,182)	924	157	768
General government	-	-	-	65	95	(30)
Other capital transfers	-	-	-	65	95	(30)
<b>Financial corporations, nonfinancial corporations, households, and NPISHs</b>	<b>7</b>	<b>1,190</b>	<b>(1,182)</b>	<b>859</b>	<b>62</b>	<b>798</b>
Debt forgiveness	-	-	-	-	-	-
Other capital transfers	7	1,190	(1,182)	859	62	798
Net lending (+) / net borrowing (-) (balance from current and capital account)			(663,017)			(538,622)
<b>Financial account</b>	<b>Net Acquisition of Fin. Assets</b>	<b>Net Incurrence of Liabilities</b>	<b>Net (assets less liabilities)</b>	<b>Net Acquisition of Fin. Assets</b>	<b>Net Incurrence of Liabilities</b>	<b>Net (assets less liabilities)</b>
Net lending (+) / net borrowing (-) (balance from financial account)	(391,401)	393,027	(784,428)	(780,710)	(201,065)	(579,645)
<b>Direct investment</b>	<b>(2,430,193)</b>	<b>(673,170)</b>	<b>(1,757,023)</b>	<b>(1,665,111)</b>	<b>(2,432,994)</b>	<b>767,883</b>
<b>Equity and investment fund shares</b>	<b>(2,495,478)</b>	<b>(1,016,748)</b>	<b>(1,478,730)</b>	<b>(1,888,553)</b>	<b>(2,105,084)</b>	<b>216,531</b>
Equity other than reinvestment of earnings	(2,508,881)	(2,406,575)	(102,306)	(1,907,751)	(4,640,013)	2,732,263
Reinvestment of earnings	13,403	1,389,827	(1,376,424)	19,198	2,534,930	(2,515,732)
<b>Debt instruments</b>	<b>65,285</b>	<b>343,577</b>	<b>(278,293)</b>	<b>223,442</b>	<b>(327,910)</b>	<b>551,352</b>
<b>Portfolio investment</b>	<b>1,159,201</b>	<b>(2,461,594)</b>	<b>3,620,795</b>	<b>10,585,479</b>	<b>1,507,436</b>	<b>9,078,044</b>
<b>Equity and investment fund shares</b>	<b>213,510</b>	<b>6,460</b>	<b>207,049</b>	<b>152,798</b>	<b>4,310</b>	<b>148,487</b>
Deposit-taking corporations, except central bank	43,323	-	43,323	44,492	-	44,492
<b>Other sectors</b>	<b>170,187</b>	<b>6,460</b>	<b>163,727</b>	<b>108,306</b>	<b>4,310</b>	<b>103,996</b>
Other financial corporations	170,036	-	170,036	107,972	-	107,972
Nonfinancial corporations, households, and NPISHs	151	6,460	(6,309)	334	4,310	(3,976)

	2021 <sup>R</sup>			2022 <sup>P</sup>		
	Net Acquisition of Fin. Assets	Net Incurrence of Liabilities	Net (asset less liabilities)	Net Acquisition of Fin. Assets	Net Incurrence of Liabilities	Net (asset less liabilities)
<b>Financial account (cont'd)</b>						
<b>Debt securities</b>	<b>945,691</b>	<b>(2,468,055)</b>	<b>3,413,745</b>	<b>10,432,682</b>	<b>1,503,126</b>	<b>8,929,556</b>
Deposit-taking corporations, except central bank	125,717	(2,468,055)	2,593,772	4,694,188	1,509,813	3,184,376
General government	-	-	-	276,884	-	276,884
Other sectors	819,973	-	819,973	5,461,609	(6,687)	5,468,296
Other financial corporations	819,262	-	819,262	5,451,750	83	5,451,667
Nonfinancial corporations, households, and NPISHs	712	-	712	9,860	(6,770)	16,630
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>(5,253)</b>	<b>214</b>	<b>(5,467)</b>	<b>5,441</b>	<b>-</b>	<b>5,441</b>
Deposit-taking corporations, except central bank	-	-	-	-	-	-
General government	-	-	-	-	-	-
Other sectors	(5,253)	214	(5,467)	5,441	-	5,441
<b>Other investment</b>	<b>875,156</b>	<b>3,527,577</b>	<b>(2,652,422)</b>	<b>(9,703,548)</b>	<b>724,493</b>	<b>(10,428,042)</b>
Other equity	(2,430,193)	(673,170)	(1,757,023)	(1,665,111)	(2,432,994)	767,883
<b>Currency and deposits</b>	<b>(4,183,146)</b>	<b>(2,535,178)</b>	<b>(1,647,969)</b>	<b>(1,448,190)</b>	<b>3,026,495</b>	<b>(4,474,684)</b>
Deposit-taking corporations, except central bank	(6,461,023)	(2,548,349)	(3,912,675)	313,897	3,026,740	(2,712,842)
Other sectors	2,277,877	13,171	2,264,706	(1,762,087)	(245)	(1,761,842)
<b>Loans</b>	<b>(2,222,661)</b>	<b>1,860,615</b>	<b>(4,083,276)</b>	<b>1,186,570</b>	<b>1,049,439</b>	<b>137,131</b>
Deposit-taking corporations, except the central bank	(2,220,551)	1,793,610	(4,014,162)	1,185,062	1,076,065	108,997
Short-term	-	1,793,610	(1,793,610)	-	1,076,065	(1,076,065)
Long-term	(2,220,551)	-	(2,220,551)	1,185,062	-	1,185,062
General government	-	-	-	-	-	-
Other sectors	(2,110)	67,004	(69,114)	1,508	(26,626)	28,134
Short-term	-	-	-	-	-	-
Long-term	-	-	-	-	-	-
Other financial corporations	(2,739)	(89)	(2,650)	22	2	20
Short-term	(22,046)	4,901	(26,947)	11,904	16,735	(4,831)
Long-term	85,178	318,786	(233,608)	226,395	(317,517)	543,912
Nonfinancial corporations, households, and NPISHs	629	67,093	(66,465)	1,486	(26,628)	28,114
Short-term	-	19,851	(19,851)	-	(26,724)	26,724
Long-term	658	-	658	(15,015)	-	(15,015)
<b>Insurance, pension, and standardized guarantee schemes</b>	<b>54,010</b>	<b>2,199,971</b>	<b>(2,145,961)</b>	<b>61,487</b>	<b>(1,030,185)</b>	<b>1,091,672</b>
<b>Trade credit and advances</b>	<b>(4,742)</b>	<b>(7,842)</b>	<b>3,101</b>	<b>3,562</b>	<b>(382)</b>	<b>3,944</b>
<b>Other accounts receivable/payable</b>	<b>7,231,694</b>	<b>2,010,011</b>	<b>5,221,683</b>	<b>(9,506,978)</b>	<b>(2,320,874)</b>	<b>(7,186,104)</b>
Deposit-taking corporations, except central bank	6,942,888	1,978,034	4,964,854	(8,662,808)	(2,066,805)	(6,596,003)
Short-term	-	-	-	-	-	-
Long-term	-	-	-	-	-	-
General government	(396)	(141)	(255)	3,849	(3)	3,852
Short-term	-	-	-	-	-	-
Long-term	-	-	-	-	-	-
Other sectors	289,203	32,118	257,085	(848,019)	(254,066)	(593,953)
Short-term	213,510	6,460	207,049	152,798	4,310	148,487
Long-term	-	-	-	-	-	-
Other financial corporations	273,185	13,352	259,834	(703,141)	(253,925)	(449,216)
Short-term	43,323	-	43,323	44,492	-	44,492
Long-term	-	-	-	-	-	-
Nonfinancial corporations, households, NPISHs	16,017	18,766	(2,749)	(144,878)	(141)	(144,736)
Short-term	170,036	-	170,036	107,972	-	107,972
Long-term	151	6,460	(6,309)	334	4,310	(3,976)
<b>Reserve assets</b>	<b>9,689</b>	<b>-</b>	<b>9,689</b>	<b>(2,971)</b>	<b>-</b>	<b>(2,971)</b>
Other reserve assets	9,689	-	9,689	(2,971)	-	(2,971)
Currency and deposits	10,412	-	10,412	427	-	427
Securities	(708)	-	(708)	(3,394)	-	(3,394)
Debt securities	(708)	-	(708)	(3,394)	-	(3,394)
<b>Net errors and omissions</b>			<b>(121,411)</b>			<b>(41,023)</b>

<sup>1</sup> Includes net exports of goods under merchanting

<sup>2</sup> Includes passenger fares

## A2.1 International Investment Position

International Investment Position				
(CIS\$000)	2020	2021 <sup>R</sup>	2022 <sup>P</sup>	%
<b>Net International Investment Position</b>	<b>48,025,312</b>	<b>54,678,665</b>	<b>61,193,063</b>	<b>11.9%</b>
<b>Assets</b>	<b>150,560,330</b>	<b>156,389,217</b>	<b>158,866,615</b>	<b>1.6%</b>
<b>Direct investment</b>	19,042,751	16,734,776	15,078,973	-9.9%
Equity and investment fund shares	18,170,711	15,459,252	13,571,849	-12.2%
Debt instruments	872,040	1,275,524	1,507,124	18.2%
<b>Portfolio investment</b>	40,108,989	44,177,019	55,195,357	24.9%
Equity and investment fund shares	1,914,422	3,244,069	3,240,872	-0.1%
Monetary authorities (where relevant)	0	0	0	-
Deposit-taking corporations, except central bank	708,333	759,740	802,500	5.6%
General government	0	0	0	-
Other sectors	1,206,088	2,484,329	2,438,372	-1.8%
Other financial corporations	1,189,172	2,467,206	2,437,331	-1.2%
Nonfinancial corporations, households, NPISHs	16,916	17,122	1,041	-93.9%
Debt securities	38,194,568	40,932,950	51,954,484	26.9%
Monetary authorities (where relevant)	0	0	0	-
Deposit-taking corporations, except central bank	35,451,667	35,960,020	40,566,667	12.8%
General government	0	0	276,884	-
Other sectors	2,742,901	4,972,930	11,110,934	123.4%
Other financial corporations	2,706,832	4,936,043	11,069,745	124.3%
Nonfinancial corporations, households, NPISHs	36,069	36,887	41,189	11.7%
<b>Financial derivatives (other than reserves) and employee stock options</b>	5,253	0	5,441	-
<b>Other investment</b>	91,222,419	95,278,100	88,398,969	-7.2%
Other equity	0	0	0	-
Currency and deposits	34,329,044	30,161,769	28,821,336	-4.4%
Monetary authorities	0	0	0	-
Deposit-taking corporations, except central bank	31,406,687	24,945,663	25,259,561	1.3%
General government	40	40	40	0.0%
Other sectors	2,922,318	5,216,065	3,561,735	-31.7%
Other financial corporations	1,160,835	664,383	543,356	-18.2%
Nonfinancial corporations, households, NPISHs	1,761,482	4,551,682	3,018,379	-33.7%
Loans	23,456,811	21,247,589	22,432,751	5.6%
Monetary authorities	0	0	0	-
Deposit-taking corporations, except the central bank	23,186,879	20,966,327	22,151,389	5.7%
Short-term	0	0	0	-
Long-term	23,186,879	20,966,327	22,151,389	5.7%
General government	0	0	0	-
Other sectors	269,933	281,262	281,362	0.0%
Other financial corporations	267,351	266,710	267,180	0.2%
Nonfinancial corporations, households, and NPISHs	2,582	14,553	14,182	-2.5%
Insurance, pension, and standardized guarantee schemes	0	0	0	-
Trade credit and advances	272,119	267,756	253,761	-5.2%
Other sectors	272,119	267,756	252,133	-5.8%
Other financial corporations	8,984	7,723	7,834	1.4%
Nonfinancial corporations, households, and NPISHs	263,135	260,033	244,299	-6.1%
Other accounts receivable	33,164,444	43,600,985	36,891,121	-15.4%
<b>Reserve assets</b>	180,918	199,323	187,875	-5.7%
Other reserve assets	180,918	199,323	187,875	-5.7%

International Investment Position (Cont'd)	2020	2021 <sup>R</sup>	2022 <sup>P</sup>	%
<b>Liabilities</b>	<b>102,535,018</b>	<b>101,710,552</b>	<b>97,673,552</b>	<b>-4.0%</b>
<b>Direct investment</b>	26,892,821	25,200,947	18,896,429	-25.0%
Equity and investment fund shares	26,781,119	25,085,192	18,750,843	-25.3%
Debt instruments	111,702	115,755	145,586	25.8%
<b>Portfolio investment</b>	<b>16,185,289</b>	<b>13,408,355</b>	<b>14,951,893</b>	<b>11.5%</b>
Equity and investment fund shares	97,272	102,589	106,186	3.5%
Debt securities	16,088,017	13,305,766	14,845,707	11.6%
Monetary authorities	0	0	0	-
Deposit-taking corporations, except central bank	15,752,649	13,284,594	14,794,407	11.4%
General government	0	0	0	-
Other sectors	335,368	21,172	51,300	142.3%
<b>Financial derivatives (other than reserves) and employee stock options</b>	n.a.	n.a.	n.a.	-
<b>Other investment</b>	<b>59,456,908</b>	<b>63,101,250</b>	<b>63,825,230</b>	<b>1.1%</b>
Other equity	0	0	0	-
Currency and deposits	43,876,048	43,166,545	44,321,047	2.7%
Monetary authorities	0	0	0	-
Deposit-taking corporations, except the central bank	43,873,058	43,164,291	44,318,197	2.7%
General government	0	0	0	-
Other sectors	2,990	2,254	2,850	26.5%
Other financial corporations	2,990	2,254	2,850	26.5%
Nonfinancial corporations, households, NPISHs	0	0	0	-
Loans	11,867,395	14,041,904	15,001,561	6.8%
Monetary authorities	0	0	0	-
Deposit-taking corporations, except the central bank	9,819,161	11,612,771	12,688,836	9.3%
General government	0	0	0	-
Other sectors	2,048,234	2,429,133	2,312,724	-4.8%
Other financial corporations	1,779,924	1,780,223	1,776,470	-0.2%
Nonfinancial corporations, households, and NPISHs	268,310	648,910	536,254	-17.4%
Insurance, pension, and standardized guarantee schemes	1,778,949	3,908,499	2,803,534	-28.3%
Trade credit and advances	134,716	30,589	27,986	-8.5%
Other accounts payable - other	<b>1,799,800</b>	<b>1,953,712</b>	<b>1,671,103</b>	<b>-14.5%</b>
Monetary authorities	0	0	0	-
Deposit-taking corporations, except central bank	115,371	260,523	69,015	-73.5%
General government	0	0	0	-
Other sectors	1,684,429	1,693,189	1,602,088	-5.4%
Other financial corporations	1,675,291	1,684,718	1,593,181	-5.4%
Nonfinancial corporations, households, NPISHs	9,138	8,471	8,907	5.1%
Special drawing rights (Net incurrence of liabilities)	0	0	0	-

## REFERENCES

Balance of Payments and International Investment Position Manual, Sixth Edition, IMF.

Balance of Payments Statistics Year (Part 2: World and Regional Tables, and Part 3: Methodologies, Compilation Practices and Data sources), IMF publication Services, Annual Series.

Balance of Payments Textbook, IMF Publication Services (1996).

Balance of Payment Compilation Guide, Companion Document to the sixth edition of the Balance of Payments and International Investment Position Manual IMF.

**Economics 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)**

**Publications Produced by the Economics and Statistics Office**

**Annual Foreign Trade Statistics Reports**

**Balance of Payments Reports**

**Labour Force Survey Reports**

**Compendium of Statistics**

**Quarterly Trade Bulletins**

**Consumer Price Index (CPI) Reports**

**System of National Accounts Reports**

**Quarterly Economic Reports**

**Annual Economic Reports**

**Census Reports**