

## 6. FINANCIAL SERVICES

**6.01 Banking and Trust Licences**

Year	"A" Banking only	Trust & Cat. "A" Banking <sup>1</sup>	"B" Banking only	Trust & Cat. "B" Banking <sup>2</sup>	Trust Only <sup>3</sup>	Nominee (Trust) <sup>4</sup>	Total <sup>5</sup>
1972		23		58			81
1973		30		116			146
1974		33		153			186
1975		36		158			194
1976		35		181			216
1977		29		208			237
1978		29		232			261
1979		31		260			291
1980		31		293			324
1981		31		362			393
1982		33		395			428
1983		32		420			452
1984		31		428			459
1985		31		450			481
1986		30		468			498
1987		32		476			508
1988		35		492			527
1989		35		503			538
1990		34		512			546
1991	4	28	274	201	37	55	544
1992	4	26	265	199	38	56	532
1993	5	26	266	196	44	55	537
1994	5	26	278	198	53	82	560
1995	4	25	278	194	63	84	564
1996	4	24	278	193	78	93	577
1997	4	26	288	187	89	98	594
1998	4	26	277	180	97	98	584
1999	4	27	262	168	109	110	570
2000	4	27	267	166	116	109	580
2001	4	27	243	153	118	115	545
2002	4	26	213	140	125	117	508
2003	4	23	192	130	122	106	471
2004	3	20	180	119	124	99	446
2005	3	18	169	115	127	99	432

**Notes**

- <sup>1</sup> "A" licences permit the holder to undertake both local and overseas business.
- <sup>2</sup> "B" licences permit the holder to undertake banking and trust business anywhere in the world except the Cayman Islands (i.e. offshore banks).
- <sup>3</sup> Trust licences permit the holder to undertake local and overseas trust business.
- <sup>4</sup> Nominee (Trust) licences permit the holders to act only as a nominee for its parent.
- <sup>5</sup> Figure for total through 1980 and from 1991 excludes holders of Nominee (Trust) licences.

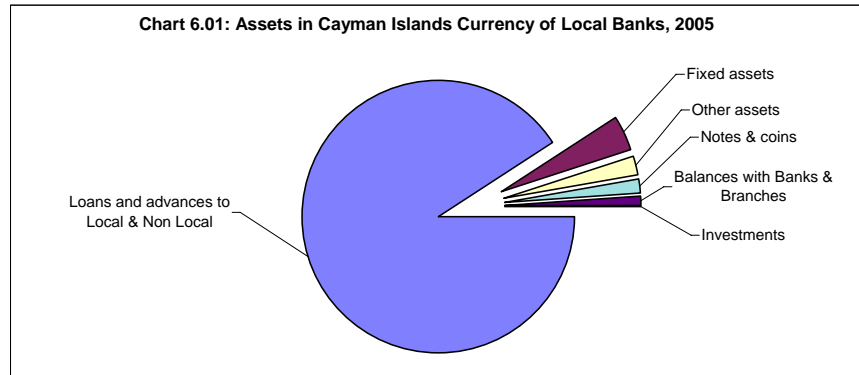
Source: Cayman Islands Monetary Authority

## 6.02

**Assets in Cayman Islands Currency of Local Banks**

	<i>Position at end of year, CI\$ (000's)</i>							
	1998	1999	2000	2001	2002*	2003	2004	2005
Notes & coins	12,166	17,376	16,278	16,047	13,760	12,435	17,886	20,855
Balances with Banks & Branches	56,108	70,224	75,410	77,440	12,470	14,865	16,964	10,663
Loans & Advances to Banks & Branches	-	-	-	-	-	69.2	0	0
Investments	625	525	4,456	523	8,023	3.3	2.5	3.3
Loans & advances:								
Local	535,194	679,862	746,313	740,326	709,890	937,011.7	1,085,064.2	956,203.3
Non local	27	139	5	9,214	9,449	14,298.3	22,145.8	26,630
Fixed assets	26,574	19,861	20,808	23,033	33,026	29,410	27,540.8	44,725
Other assets	10,741	67,657	24,272	20,710	20,312	(10,980)	35,827.5	22,888
<b>TOTAL ASSETS</b>	<b>641,435</b>	<b>855,644</b>	<b>887,542</b>	<b>887,293</b>	<b>806,930</b>	<b>997,113</b>	<b>1,205,431</b>	<b>1,081,968</b>

\* 2002 data and onwards collected by the Cayman Islands Monetary Authority



Source: Cayman Islands Monetary Authority

## 6.03

**Liabilities in Cayman Islands Currency of Local Banks**

	<i>Position at end of year, CI\$ (000's)</i>							
	1998	1999	2000	2001	2002*	2003	2004	2005
Deposits:								
Demand	102,129	124,132	132,514	152,285	134,758	352,311	648,476	315,751
Savings	89,523	91,613	101,608	99,826	120,440	124,171	231,913	222,346
Fixed	276,773	289,879	323,961	277,661	254,401	259,407	273,684	343,640
<b>All deposits</b>	<b>468,425</b>	<b>505,624</b>	<b>558,083</b>	<b>529,772</b>	<b>509,599</b>	<b>735,889</b>	<b>1,154,073</b>	<b>881,737</b>
Due to:								
Head office								
Other financial institutions	157,107	202,845	234,536	208,668	44,406	-	-	-
Shareholders Equity	-	-	-	-	-	85,424	58,283	94,637
Other liabilities	35,284	31,343	59,467	66,694	139,706	90,845	26,563	166,627
<b>TOTAL LIABILITIES</b>	<b>660,816</b>	<b>739,812</b>	<b>852,086</b>	<b>805,134</b>	<b>693,711</b>	<b>912,158</b>	<b>1,238,919</b>	<b>1,143,001</b>

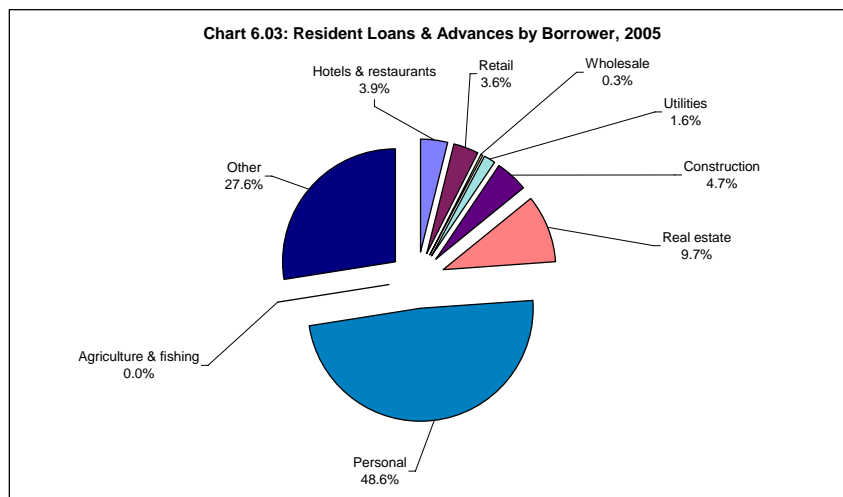
\* 2002 data and onwards collected by the Cayman Islands Monetary Authority

Source: Cayman Islands Monetary Authority

**6.04 Loans and Advances to Cayman Islands Residents by All Banks**

Industry	CIS (000's)									
	1996	1997	1998	1999	2000	2001	2002*	2003	2004	2005 <sup>1</sup>
Agriculture & fishing	573	285	405	477	1,119	691	347	270	309	397
Hotels & restaurants	74,057	49,575	53,778	64,729	88,243	70,840	76,603	62,098	83,707	71,509
Retail	35,702	41,033	58,834	59,827	66,610	50,716	41,175	52,767	56,926	65,525
Wholesale	15,361	15,812	23,322	21,930	19,637	12,304	9,378	10,453	14,447	4,866
Utilities	25,792	72,657	52,543	50,430	28,218	20,703	21,725	36,127	28,775	29,013
Construction	31,952	25,142	43,176	42,256	37,691	38,708	29,118	74,609	51,364	85,603
Real estate	141,059	162,446	180,683	186,625	215,955	241,697	198,779	143,154	174,446	177,013
Personal	421,933	472,101	433,181	580,835	735,854	673,011	673,276	782,435	924,048	887,484
Other	163,918	243,395	310,648	521,820	480,153	585,245	563,656	716,743	771,635	503,890
<b>All</b>	<b>910,347</b>	<b>1,082,446</b>	<b>1,156,570</b>	<b>1,528,929</b>	<b>1,673,480</b>	<b>1,693,915</b>	<b>1,614,055</b>	<b>1,878,656</b>	<b>2,105,657</b>	<b>1,825,300</b>

\* 2002 data and onwards collected by the Cayman Islands Monetary Authority

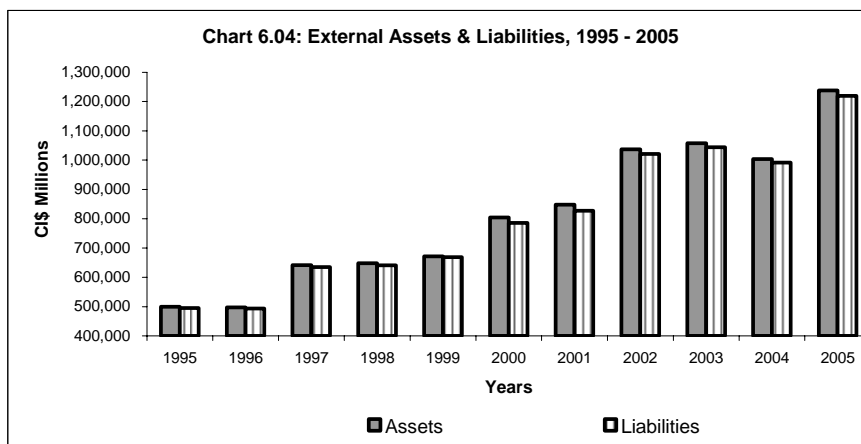

**Notes**

<sup>1</sup> Data for 2005 applies to local commercial banks only.

Source: Cayman Islands Monetary Authority

**6.05 External Assets and Liabilities of All Banks**

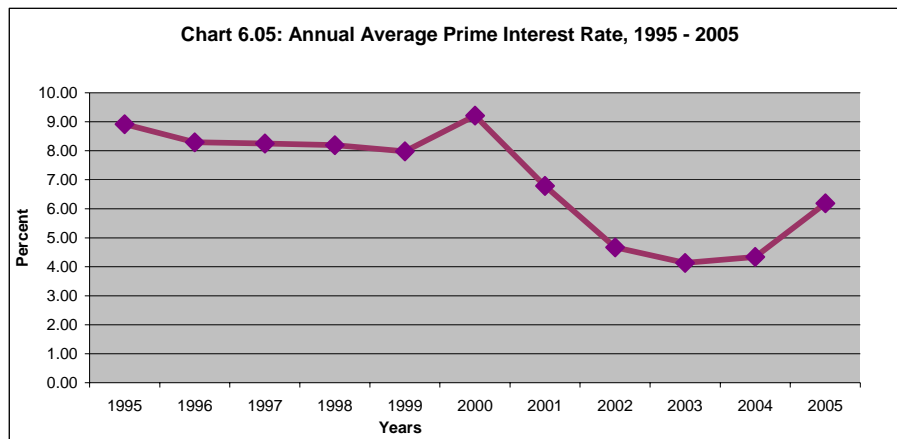
(US\$M)				
Year	Assets	Percent change	Liabilities	Percent change
1976	21,997		22,064	
1977	31,487	43.1	31,133	41.1
1978	49,033	55.7	48,585	56.1
1979	61,811	26.1	64,648	33.1
1980	84,527	36.8	83,401	29.0
1981	109,572	29.6	107,919	29.4
1982	125,958	15.0	120,069	11.3
1983	131,281	4.2	130,448	8.6
1984	150,626	14.7	149,418	14.5
1985	175,592	16.6	172,592	15.5
1986	202,188	15.1	193,300	12.0
1987	249,909	23.6	243,196	25.8
1988	281,032	12.5	246,039	1.2
1989	350,637	24.8	339,822	38.1
1990	432,781	23.4	430,200	26.6
1991	427,105	(1.3)	423,504	(1.6)
1992	411,491	(3.7)	408,157	(3.6)
1993	407,259	(1.0)	403,472	(1.1)
1994	460,671	13.1	455,437	12.9
1995	499,702	8.5	495,000	8.7
1996	497,624	(0.4)	492,993	(0.4)
1997	641,663	28.9	635,289	28.9
1998 <sup>R</sup>	622,771	(2.9)	607,214	(4.4)
1999 <sup>R</sup>	578,422	(7.1)	628,817	3.6
2000 <sup>R</sup>	781,546	35.1	766,935	22.0
2001 <sup>R</sup>	848,511	8.6	828,096	8.0
2002 <sup>R</sup>	1,037,031	22.2	1,020,989	23.3
2003 <sup>P</sup>	1,057,359	2.0	1,043,717	2.2
2004	1,003,365	(5.1)	991,658	(5.0)
2005 <sup>P</sup>	1,237,727	23.4	1,219,331	23.0



Source: Cayman Islands Monetary Authority

**6.06 Prime Interest Rate by Quarterly Average**

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>CI\$ Prime Rate</b>											
1st quarter average	8.66	8.42	8.25	8.25	7.75	8.66	8.50	4.75	4.25	4.00	5.50
2nd quarter average	9.00	8.25	8.25	8.25	7.75	9.17	7.17	4.75	4.25	4.00	5.9
3rd quarter average	9.00	8.25	8.25	8.25	8.08	9.50	6.42	4.75	4.00	4.41	6.50
4th quarter average	9.00	8.25	8.25	8.00	8.33	9.50	5.08	4.42	4.00	4.93	6.83
Annual average	8.92	8.29	8.25	8.19	7.98	9.21	6.79	4.67	4.13	4.34	6.18



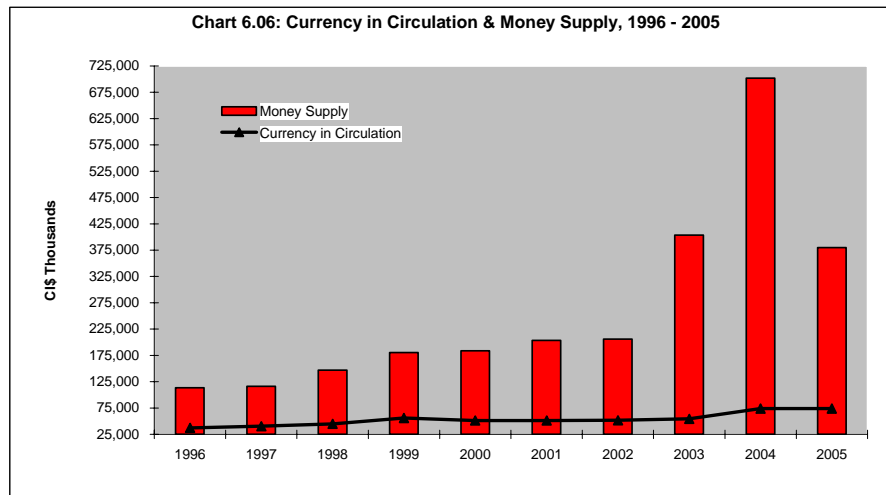
Source: Economics and Statistics Office

**6.07 Currency in Circulation and Money Supply**

	<i>Ci\$ (000's)</i>									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Currency in Circulation<sup>1</sup></b>										
\$100	13,564	15,288	18,423	23,810	19,621	19,248	19,143	19,445	31,293	29,245
\$40/\$50	6,186	6,001	5,877	7,587	7,157	6,534	7,332	9,494	13,338	15,451
\$25	6,414	6,843	7,194	9,722	8,814	9,451	8,673	7,945	11,152	10,116
\$10	2,770	2,920	3,029	3,832	3,613	3,739	3,585	3,723	3,439	3,668
\$5	1,656	1,875	1,954	2,247	2,345	2,336	2,452	2,521	2,741	2,894
\$1	2,900	3,198	3,441	3,789	4,011	4,210	4,386	4,683	4,938	5,200
25 cents	2,222	2,433	2,676	2,929	3,099	3,228	3,349	3,627	3,908	4,217
10 cents	1,109	1,203	1,307	1,399	1,478	1,531	1,576	1,673	1,805	1,960
5 cents	419	458	496	543	580	616	650	699	741	804
1 cents	303	329	358	399	431	462	489	526	556	612
<b>Total</b>	<b>37,543</b>	<b>40,548</b>	<b>44,755</b>	<b>56,257</b>	<b>51,149</b>	<b>51,354</b>	<b>51,635</b>	<b>54,336</b>	<b>73,911</b>	<b>74,167</b>
+ Demand Deposits (KYD)	76,004	75,716	102,129	124,132	132,514	152,285	154,537	349,364	628,122	305,588
Money Supply (M <sub>1</sub> ) <sup>1</sup>	113,547	116,264	146,884	180,389	183,663	203,639	206,172	403,699	702,033	379,757
Percent Increase	24.3	2.4	26.3	22.8	1.8	10.9	1.2	95.8	73.9	(45.9)

**Notes**

<sup>1</sup> Currency in circulation plus demand deposits with commercial banks.



Source: Cayman Islands Monetary Authority



**6.08 New Company Registration by Type and Number**

Year	Ordinary Non-Resident <sup>1</sup>	Ordinary Resident <sup>1</sup>	Exempt <sup>2</sup>	Foreign <sup>3</sup>	TOTAL <sup>4</sup>	Percent Change
1992	964	350	2,306	43	3,663	12.9
1993	1,156	266	2,681	61	4,180	14.1
1994	1,094	342	3,865	76	5,409	29.4
1995	1,040	318	4,252	85	5,695	5.3
1996	1,318	378	5,340	88	7,124	25.1
1997	1,326	369	6,529	97	8,321	16.8
1998	1,258	383	6,783	77	8,501	2.2
1999	1,523	415	7,345	116	9,399	10.6
2000	2,539	377	9,595	182	12,693	35.0
2001	1,365	296	6,654	141	8,456	(33.4)
2002	768	310	5,795	143	7,016	(17.0)
2003	692	439	5,941	182	7,254	3.4
2004	674	530	7,480	208	8,892	22.6
2005	595	650	8,694	271	10,210	14.8

**Notes**

- <sup>1</sup> Ordinary Company means a local company carrying on business in the Cayman Islands. In order to trade locally such a company must also obtain a licence under Local Companies (Control) Law.
- <sup>2</sup> Exempt Company means a company whose proposed activities are to be carried out mainly outside the islands (offshore). An exempted company enjoys benefits under the law which are not available to other companies under the law, chief of which is an exemption from any taxes which may be imposed in the islands for the next twenty years.
- <sup>3</sup> Foreign Company means a body corporate incorporated outside the islands but carrying on business within the islands.
- <sup>4</sup> All Companies registered under the Companies Law must maintain a registered office in the islands.

Source: Registrar of Companies

**6.09 Total Company Registration by Type and Number**

Year	Ordinary Non-Resident <sup>1</sup>	Ordinary Resident <sup>1</sup>	Exempt <sup>2</sup>	Foreign <sup>3</sup>	TOTAL <sup>4</sup>	Percent Change
1992		10,031	14,371	645	25,047	5.7
1993	7,529	3,672	16,449	678	28,344	13.2
1994	8,849	3,081	18,920	730	31,612	11.5
1995	8,675	2,884	21,765	658	33,982	7.5
1996	9,109	3,052	25,069	689	37,919	11.6
1997	9,728	3,087	27,640	708	41,163	8.6
1998	9,778	3,289	31,364	738	45,169	9.7
1999	11,342	3,614	35,188	807	50,951	12.8
2000	13,740	3,865	41,361	956	59,922	17.6
2001	14,421	3,983	45,030	1,061	64,495	7.6
2002	14,676	4,081	45,448	1,054	65,259	1.2
2003	15,104	4,382	47,430	1,162	68,078	4.3
2004	13,462	4,763	50,618	1,290	70,133	3.0
2005	13,307	5,046	55,083	1,469	74,905	6.8

**Notes**

- <sup>1</sup> Ordinary Company means a local company carrying on business in the Cayman Islands. In order to trade locally such a company must also obtain a licence under Local Companies (Control) Law.
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- <sup>3</sup> Foreign Company means a body corporate incorporated outside the islands but carrying on business within the islands.
- <sup>4</sup> All Companies registered under the Companies Law must maintain a registered office in the islands.

Source: Registrar of Companies

## 6.10

## Insurance Activity

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Domestic Insurance Licences<sup>1</sup></b>										
issued during year	3	-	2	1	1	-	-	-	-	-
current at year-end	30	29	31	32	30	30	29	28	29	26
<b>Gross domestic written premiums (CI\$mil)<sup>2</sup></b>										
Life, accident and health	15.7	21.3	32.0	33.0	50.0	50.0	52.4	59.5	74.6	N/A
Motor	6.7	9.2	9.0	10.0	11.0	12.0	12.4	13.5	14.6	N/A
Property and other	12.8	21.5	26.0	30.0	42.0	51.0	75.3	64.9	57.8	N/A
All	35.2	52.0	67.0	73.0	103.0	113.0	140.1	138.0	147.0	N/A
Gross assets at year-end	24.4	44.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Agents' licences<sup>3</sup></b>										
issued during year	32	22	8	9	14	12	-	-	-	-
current at year-end	132	138	136	140	121	121	115	113	116	109
<b>Offshore Insurance Licences<sup>4</sup></b>										
issued during year	41	50	52	37	46	47	97	83	76	59
current at year-end	418	449	485	497	516	543	600	644	693	733
Gross written premiums (US\$mil) <sup>5</sup>	1,299	2,049	2,332	2,372	3,270	2,994	4,177	4,939	5,602	6,720
Net retained earnings (US\$mil) <sup>6</sup>	189	237	243	438	583	594	581	253	494	934
Gross assets at year-end (US\$mil)	5,327	8,375	11,089	12,050	14,836	14,993	17,733	19,247	22,282	26,677

## Notes

N.B. These figures do not represent total consolidated assets, but only those related to operations in the Cayman Islands.

<sup>1</sup> Includes approved external and ordinary class A insurers

<sup>2</sup> Before deduction of reinsurance and acquisition costs, and before adjusting for unearned premium volume.

<sup>3</sup> Includes: agents, sub-agents, brokers, insurance managers, offshore brokers, and principal representatives.

<sup>4</sup> Includes restricted and unrestricted class B insurers.

<sup>5</sup> May be understated due to net premiums being quoted by some Companies.

<sup>6</sup> After deduction of claims paid and reserved; all other expenses, but including investment income.

Source: Cayman Islands Monetary Authority

## 6.11

## Mutual Funds

	<i>Number</i>										
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Funds</b>											
Administered	469	557	592	607	617	701	659	641	592	616	598
Licensed	39	54	56	44	44	50	52	51	48	67	79
Registered	551	724	1,037	1,328	1,610	2,263	2,937	3,593	4,168	5,249	6,429
<b>Total</b>	<b>1,059</b>	<b>1,335</b>	<b>1,685</b>	<b>1,979</b>	<b>2,271</b>	<b>3,014</b>	<b>3,648</b>	<b>4,285</b>	<b>4,808</b>	<b>5,932</b>	<b>7,106</b>
<b>Mutual Fund Administrators</b>											
Exempted	16	20	19	20	20	19	16	13	10	7	7
Full	56	64	69	72	73	77	83	85	82	83	87
Restricted	30	40	51	69	82	106	118	132	103	83	64
<b>Total Active</b>	<b>102</b>	<b>124</b>	<b>139</b>	<b>161</b>	<b>175</b>	<b>202</b>	<b>217</b>	<b>230</b>	<b>195</b>	<b>173</b>	<b>158</b>

Source: Cayman Islands Monetary Authority