



**PARLIAMENT**  
OF THE CAYMAN ISLANDS



**PARLIAMENTARY QUESTION NO. 118**  
Answered on 1<sup>st</sup> May, 2026  
Fifth Meeting 2025-2026 Session –Third Sitting

**PARLIAMENTARY QUESTION  
ASKED BY**

**MR. ROY TATUM  
ELECTED MEMBER FOR THE  
CONSTITUENCY OF RED BAY**

**TO**

**THE HON. ROLSTON M. ANGLIN  
MINISTER OF FINANCE & ECONOMIC DEVELOPMENT**

**QUESTION:**

Can the Honourable Minister advise whether, in light of recent developments in the Middle East, the Government has received, or requested, any updated projections or estimates from the Economics and Statistics Office, or other sources, regarding inflation or broader cost-of-living pressures in the Cayman Islands during 2026; and if so, what those projections indicate?

**ANSWER:**

The Government has received updated projections on inflation and cost of living pressures for 2026 and 2027 from the Economics and Statistics Office (the ESO). Given the fluidity of the situation in the Middle East, the ESO has been routinely advising the Government of potential impacts, with the most recent forecast prepared on 22 April 2026: the latest projection for 2026 is higher than the 2.6 percent shown in the Plan and Estimates documents that was Tabled during the 2026/2027 Budget presentation.

The updated forecasts indicate that headline inflation is expected to rise to approximately 5.3 percent in 2026 before easing to approximately 4.1 percent in 2027. The anticipated increase in 2026, above previous projections, is driven primarily by developments in global energy markets. International crude oil prices are already about 40 percent higher in March 2026 compared with March 2025 and are expected to remain elevated for 2026, consistent with the

International Monetary Fund's (the IMF), projection of a 21.4 percent increase for 2026. Given our energy and food import dependence, this higher oil price is expected to quickly feed through to domestic electricity, transport, and shipping costs.

The estimates also highlight that food prices are likely to contribute to upward pressure on the cost of living. The IMF expects global food commodity prices to rise by 6 percent in 2026, and the World Bank's food price index has already increased by 5.1 percent year on year as of March 2026. Fertiliser prices, of which roughly 20 to 30 percent of global shipments pass through the Strait of Hormuz, rose by 42.5 percent year on year in March 2026, and these increases typically take several quarters to work through global supply chains. As a result, food-related inflation may persist in 2027 even if energy markets stabilise.

The ESO emphasises that the conflict in the Middle East remains ongoing and, accordingly, the estimates presented herein are indicative only of the inflationary impact ahead. Given that the situation continues to evolve, the exact magnitude of the effects remains uncertain.

To address these pressures, the Government is already actively reviewing measures to address the impact of the rising cost of living on our people. Some of these measures will be discussed during this Meeting of Parliament.