

## “Press Release”

### Key Developments in the Balance of Payments of the State of Kuwait for the Fourth Quarter of 2020

The Central Bank of Kuwait (CBK) published today the preliminary data of the State of Kuwait’s Balance of Payments (BoP) for 4Q 2020, and the revised data of 3Q 2020. The data revealed a surplus during 4Q 2020 of KD 3,546.4 million in the Current Account (that sums up receipts and payments on transactions between the domestic economy and other economies in terms of goods, services and income) against a surplus of KD 2,354.9 million during the previous quarter, i.e. an increase by 50.6% equivalent to KD 1,191.5 million. This upturn is mainly attributable to the rise in the total value of receipts on the credit side of the Current Account by KD 1,251.0 million or 16.7% compared with the previous quarter, and the increase in the total value of payments on the debit side of the Current Account by KD 59.5 million or 1.2% compared with the previous quarter.

Furthermore, preliminary data indicated a decline in the surplus of the Balance on Goods by KD 143.7 million or 11.4% to reach KD 1,113.4 million during 4Q 2020, against KD 1,257.1 million during the previous quarter.

The Services Account (net value of services transactions between residents and non-residents that include transportation, travel, communications, construction, other services as well as government services and goods) recorded an increase in the deficit by KD 37.7 million or 4.5% to reach KD 878.9 million during 4Q 2020, compared with a deficit of KD 841.1 million during the previous quarter.

Regarding the Financial Account (recording transfers of financial assets and liabilities between residents and non-residents), the preliminary data indicate net capital outflows (growth in residents’ net investments abroad) of KD 2,890.6 million during 4Q 2020 against net capital outflows of KD 3,018.4 million during the previous quarter.

As a result, the overall position of Kuwait’s BoP recorded a deficit of KD 0.9 million during 4Q 2020 against a surplus of KD 680.2 million during the previous quarter.

From a broader sense, and taking into consideration the change in the net value of external assets of some institutions listed under “General Government” and

changes in CBK's reserve assets, the BoP's overall position, in a broad definition, indicates a surplus of KD 993.5 million during 4Q 2020 against a surplus of KD 2,503.8 million during the previous quarter.

**Summary of the Balance of Payments of the State of Kuwait**  
(KD Million)

Item	3Q 2020	4Q 2020
Current Account, of which:	2,354.9	3,546.4
- Balance on Goods	1,257.1	1,113.4
Capital Account*	180.8	189.3
Financial Account**	-3,018.4	-2,890.6
Overall Balance	680.2	-0.9

Source: Central Bank of Kuwait.

\* Negative numbers of Capital Account data indicate net capital outflows, while positive numbers indicate the opposite.

\*\* Negative numbers of Financial Account data indicate capital outflows, i.e. an increase in external assets or a decrease in foreign liabilities. Positive numbers indicate the opposite.

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