



This monthly bulletin recaps on the key monetary and banking developments in the State of Kuwait as at the end of March 2025 compared to March 2024 (comparative month), the most prominent of which:

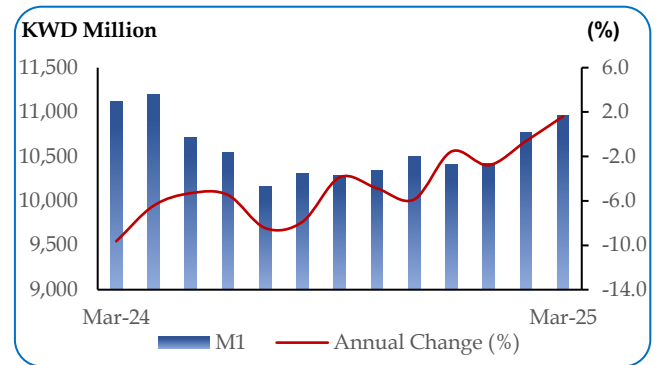
- Money Supply in its Broad Sense (M2) increased by 4.4% to KWD 41.56 billion.
- The local banks' total assets grew by KWD 5.88 billion (6.7%).
- The net foreign assets with local banks increased by KWD 1.90 billion (13.9%).
- The utilized cash portion of credit facilities to residents increased by KWD 2.12 billion (4.4%).
- The total residents' deposits with local banks increased by KWD 1.45 billion (2.9%). Likewise, the resident private sector's deposits increased by KWD 1.66 billion (4.3%).
- The total value of transactions using plastic cards declined by KWD 0.63 billion (5.3%) at the end of the first quarter of 2025 compared to last year's comparative quarter.

## I. Monetary Developments (Money Supply)

### 1. Money Supply (M1):

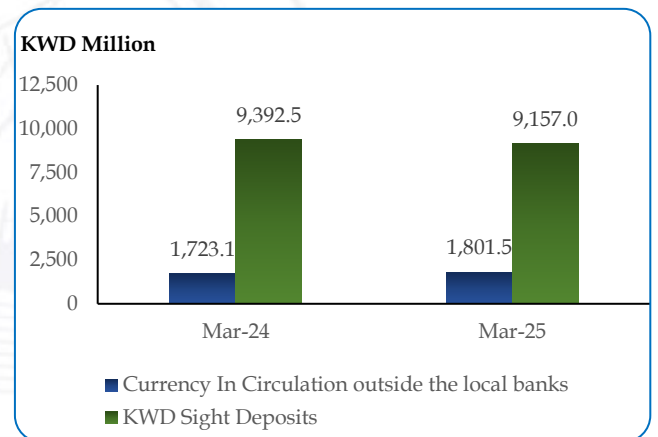
Money Supply in its Narrow Sense "Narrow Money" (M1) contracted by KWD 0.16 billion (1.4%) to KWD 10.96 billion at the end of March 2025 against KWD 11.12 billion at the end of the comparative month.

Figure (1): Narrow Money (M1)



This was mainly attributed to **the decrease** in both **KWD sight deposits** by KWD 0.24 billion (2.5%) to KWD 9.16 billion, and **the increase currency in circulation outside the local banks** by KWD 0.08 billion (4.5%) to KWD 1.80 billion.

Figure (2): Narrow Money Components



### 2. Developments and Components of Money Supply (M2):

Money Supply in its Broad Sense (M2) increased by KWD 1.74 billion (4.4%) to KWD 41.56 billion at the end of March 2025 against KWD 39.83 billion at the end of the comparative month. This gain resulted from the rise in Quasi-Money (KWD saving deposits, KWD time deposits and deposits in foreign currency) by KWD 1.89 billion (6.6%) on one hand, and the decline in Narrow Money (M1) by KWD 0.16 billion (1.4%) on the other.

Figure (3): Broad Money (M2)

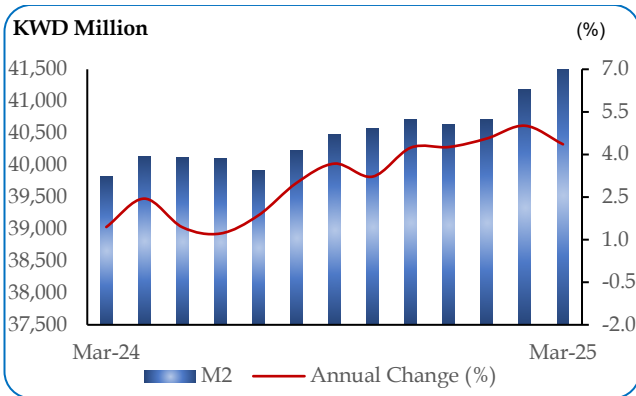


Figure (5): Factors Affecting Broad Money (M2)

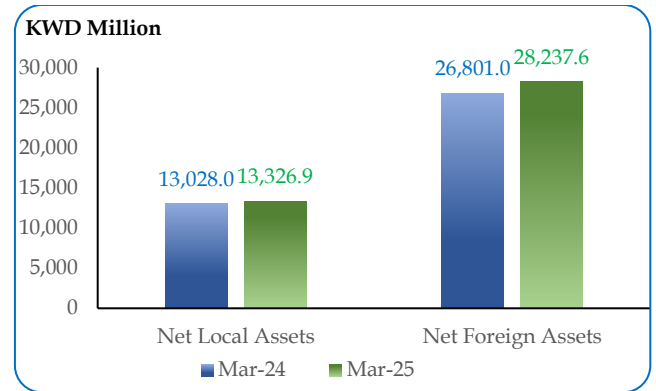
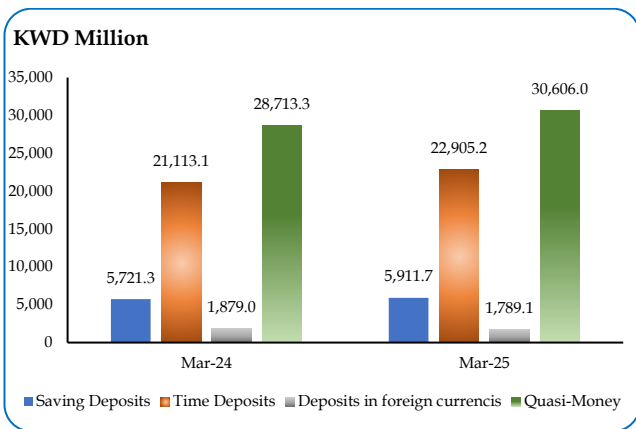


Figure (4): Quasi-Money Developments and Components



Considering the combined monetary survey of CBK and the local banks, (M2) can be calculated according to the factors affecting it, namely (a) **Net Local Assets** (that include net claims of CBK and local banks on government, public institutions and private sector less government's deposits and accounts, and other "net"), and (b) **Net Foreign Assets** with CBK and local banks.

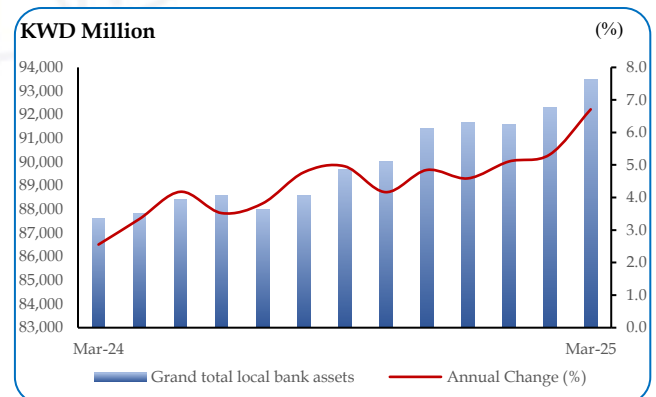
The relevant data indicate that the rise in M2 by the end of March 2025 was driven by **the increase in net foreign assets** by KWD 1.44 billion, i.e., 5.4% (as net foreign assets with local banks increased by KWD 1.90 billion (13.9%), while net foreign assets with CBK declined by KWD 0.45 billion, i.e., 3.5%), and the **net local assets decreased** by KWD 0.30 billion, i.e., 2.3%.

## II. Banking Developments (at the Activity Level of Local Banks and their Branches inside the State of Kuwait)

### 1. Local Banks' Assets:

Local banks' total assets grew by KWD 5.88 billion (6.7%) to KWD 93.51 billion at the end of March 2025 against KWD 87.63 billion at the end of the comparative month. This was driven by **the rise in foreign assets** by KWD 3.32 billion (13.1%) to KWD 28.56 billion, local interbank deposits by KWD 0.86 billion (68.0%) to KWD 2.12 billion, other assets by KWD 0.69 billion (26.9%) to KWD 3.27 billion, and claims on private sector by KWD 2.36 billion (5.2%) to KWD 47.95 billion. On another front, claims on government, cash (cash in local banks vaults), loans to banks, and claims on public institutions **declined** by 28.4%, 19.2%, 11.1%, and 3.5%, respectively.

Figure (6): Total Local Banks' Assets

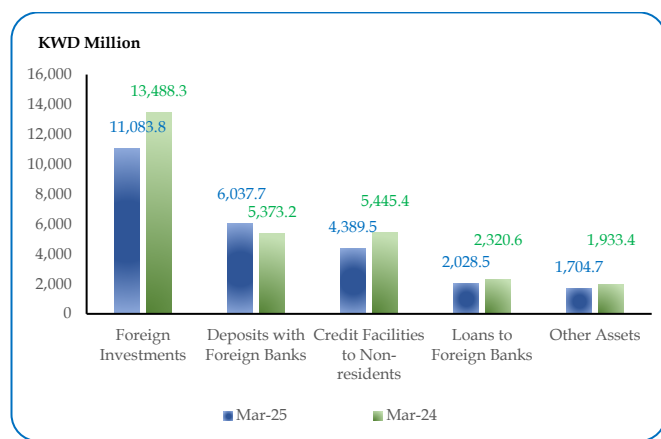


**Claims on the private sector** represents the main source of local banks' assets. These claims accounted for 51.3% of the local banks' total assets at the end of March 2025 against 52.0% at the end of the comparative month. **Foreign assets**

came next accounting for 30.5% of the local banks' total assets at the end of March 2025 against 28.8% at the end of the comparative month.

It is worth mentioning that the rise in foreign assets came from the rise in the balances of credit facilities to non-residents, foreign investments, loans to foreign banks, and other assets by 24.1%, 21.7%, 14.4%, and 13.4%, respectively on one hand, and the decline in deposits with foreign banks by 11.0% on the other.

Figure (7): Components of Foreign Assets



On another front, data indicate that **net foreign assets** with local banks increased by KWD 1.90 billion (13.9%) to KWD 15.59 billion at the end of March 2025 against KWD 13.68 billion at the end of the comparative month. This rise was due to the increase in foreign assets by KWD 3.32 billion (13.1%), and foreign liabilities by KWD 1.42 billion (12.2%).

Figure (8): Net Foreign Assets with Local Banks

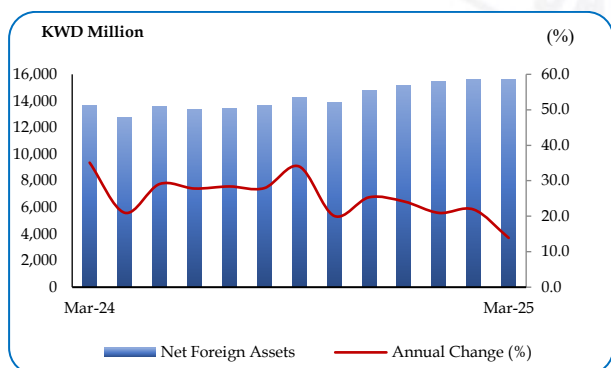
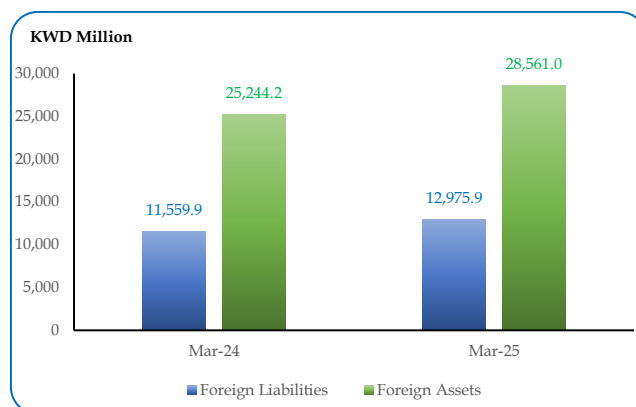


Figure (9): Foreign Assets & Liabilities



## 2. Sectoral Allocation of the Cash Portion of Credit Facilities to Residents:

The utilized cash portion of the credit facilities to residents increased by KWD 2.12 billion (4.4%) to KWD 50.23 billion at the end of March 2025 against KWD 48.10 billion at the end of the comparative month. The utilized cash of the credit facilities to businesses and personal credit facilities accounted for 72.1% and 27.9%, respectively, of the increase in the total utilized cash portion of the facilities extended to residents. In more detail, the utilized cash portion of credit facilities to businesses (61.4% of the overall facilities to residents) increased by KWD 1.53 billion (5.2%) to KWD 30.82 billion at the end of March 2025 against KWD 29.29 billion at the end of the comparative month.

This increase was mainly driven by the rise in the utilized portion of credit to real estate and construction (KWD 0.76 billion, i.e. 6.1%), other services (KWD 0.36 billion, i.e. 10.8%), purchase of securities "individuals, companies and institutions" (KWD 0.32 billion, i.e. 9.1%), trade (KWD 0.32 billion, i.e. 9.1%), non-bank financial institutions (KWD 0.17 billion, i.e. 13.3%), in addition to a limited increase in agriculture & fishing by 30.1%, at the end of March 2025 against the comparative month.

Conversely, there was a decline in the cash portion of credit allocated to crude oil & gas (KWD 0.20 billion or 10.5%), loans to banks (KWD 0.11 billion or 11.1%), industry (KWD 0.09 billion or 3.8%), in addition to a limited contraction in public services by 4.8% at the end of March 2025 compared to the comparative month.

### 3. Residents' Deposits with Local Banks:

The total residents' deposits increased by KWD 1.45 billion (2.9%) to KWD 51.07 billion at the end of March against KWD 49.62 billion at the end of the comparative month amid the increase in the total private sector's "deposits (resident)" by KWD 1.66 billion (4.3%) to KWD 39.76 billion at the end of March 2025 against KWD 38.11 billion at the end of the comparative month, **government's deposits** by KWD 0.04 billion (0.8%) to KWD 4.69 billion at the end of March 2025 against KWD 4.65 billion at the end of the comparative month on one hand, and the decline in **public institutions' deposits** by KWD 0.24 billion (3.5%) to KWD 6.62 billion at the end of March 2025 against KWD 6.87 billion at the end of the comparative month of last year on the other hand. Private sector deposits are the primary source of financing for local banks (42.5% of the local banks' total liabilities at the end of March 2025). Nevertheless, public institution deposits and government deposits accounted for 7.1% and 5.0% of the local banks' total liabilities, respectively, at the end of March 2025.

Figure (10): Government Deposits

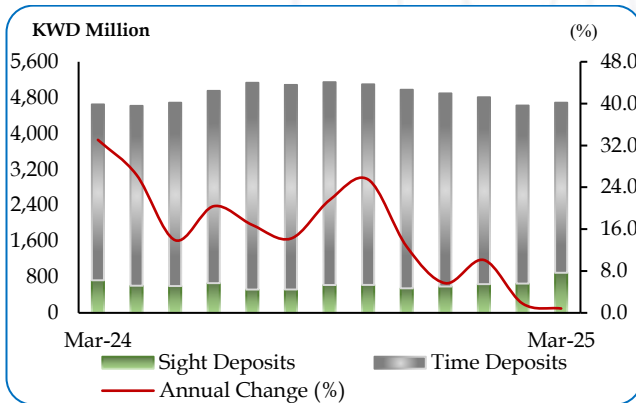


Figure (11): Public Institutions' Deposits

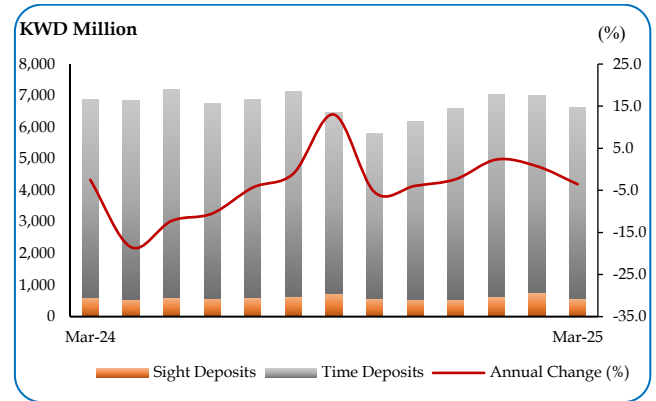


Figure (12): Private Sector's Deposits in Local Currency

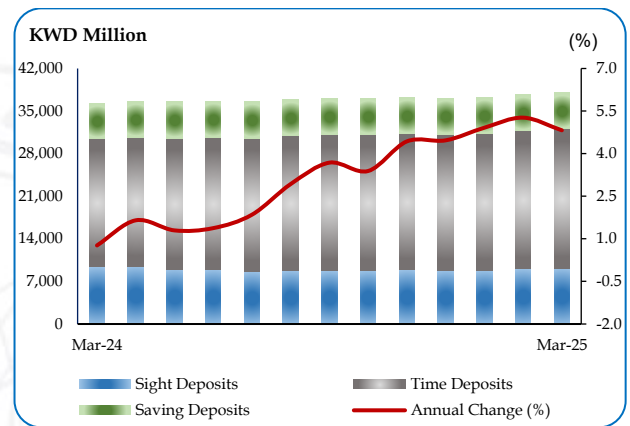
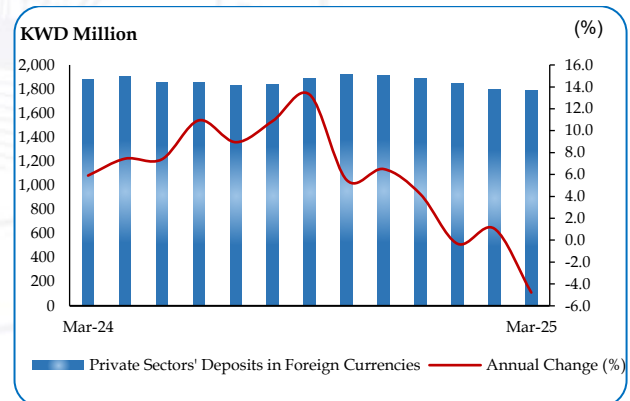


Figure (13): Private Sector's Deposits in Foreign Currencies



### 4. Value of Transactions Using Plastic Cards:

The total value of transactions using plastic cards reached KWD 11.25 billion at the end of the first quarter of 2025 (of which, KWD 10.54 billion by using plastic cards in the State of Kuwait, and KWD 0.71 billion abroad) against KWD 11.88 billion at the end of the comparative quarter of the previous year, i.e., a decline of KWD 0.63 billion (5.3%).

This is mainly attributed to the decline in **online transactions** (by KWD 0.62 billion, i.e., 13.1% to KWD 4.14 billion), **Automatic Teller Machines (ATMs) transactions** (by KWD 0.19 billion, i.e., 7.3% to KWD 2.43 billion) on one hand, and the decline in the **point of sales transactions** (by KWD 0.19 billion i.e., 4.2% to KWD 4.68 billion) on the other.

*Figure (14): Value of Transactions Using Plastic Cards*

