



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

- Money Supply in its Broad Sense (M2) increased by 4.1% to KWD 42.13 billion.
- The local banks' total assets grew by KWD 9.88 billion (11.0%).
- The net foreign assets with local banks increased by KWD 0.39 billion (2.8%).
- The utilized cash portion of credit facilities to residents increased by KWD 3.53 billion (7.2%).
- The total residents' deposits with local banks increased by KWD 1.39 billion (2.7%). Likewise, the resident private sector's deposits increased by KWD 1.59 billion (4.1%).
- The total value of transactions using plastic cards decreased by approximately 0.64 billion KWD (5.3%) at the end of the third quarter of 2025 compared to the end of the same quarter of the previous year. This excludes (Wamd) transactions.

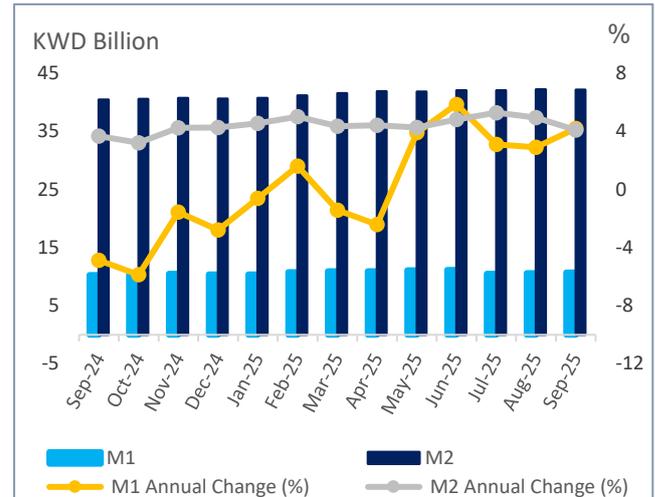
## I. Monetary Developments (Money Supply)

### 1. Money Supply (M1):

Money Supply in its Narrow Sense "Narrow Money" (M1) grew by KWD 0.43 billion (4.2%) to KWD 10.72 billion at the end of September 2025 against KWD 10.28 billion at the end of the comparative month of the previous year.

This was primarily attributed to **increases in both KWD sight deposits** by KWD 0.36 billion (4.2%) to KWD 9.11 billion, and **the currency in circulation outside the local banks** by KWD 0.07 billion (4.5%) to KWD 1.61 billion.

Figure (1): M1 & M2 Annual Change (%)

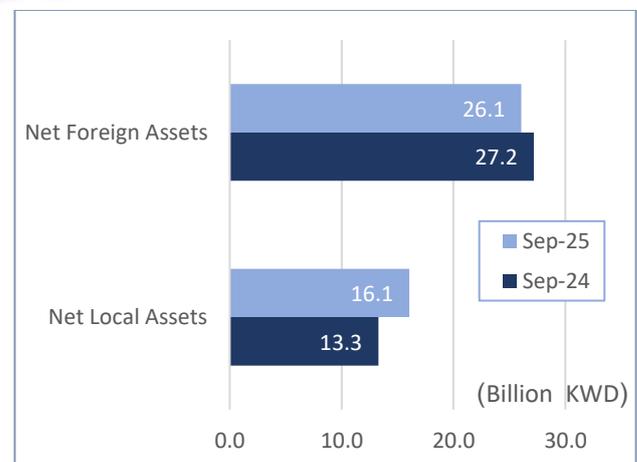


### 2. Money Supply (M2):

Money Supply in its Broad Sense (M2) increased by KWD 1.66 billion (4.1%) to KWD 42.13 billion at the end of September 2025 against KWD 40.48 billion at the end of the comparative month of the previous year. This gain resulted from the rise in Quasi-Money (KWD saving deposits, KWD time deposits and deposits in foreign currency) by KWD 1.22 billion (4.1%), and the growth of Narrow Money (M1) by KWD 0.43 billion (4.2%).

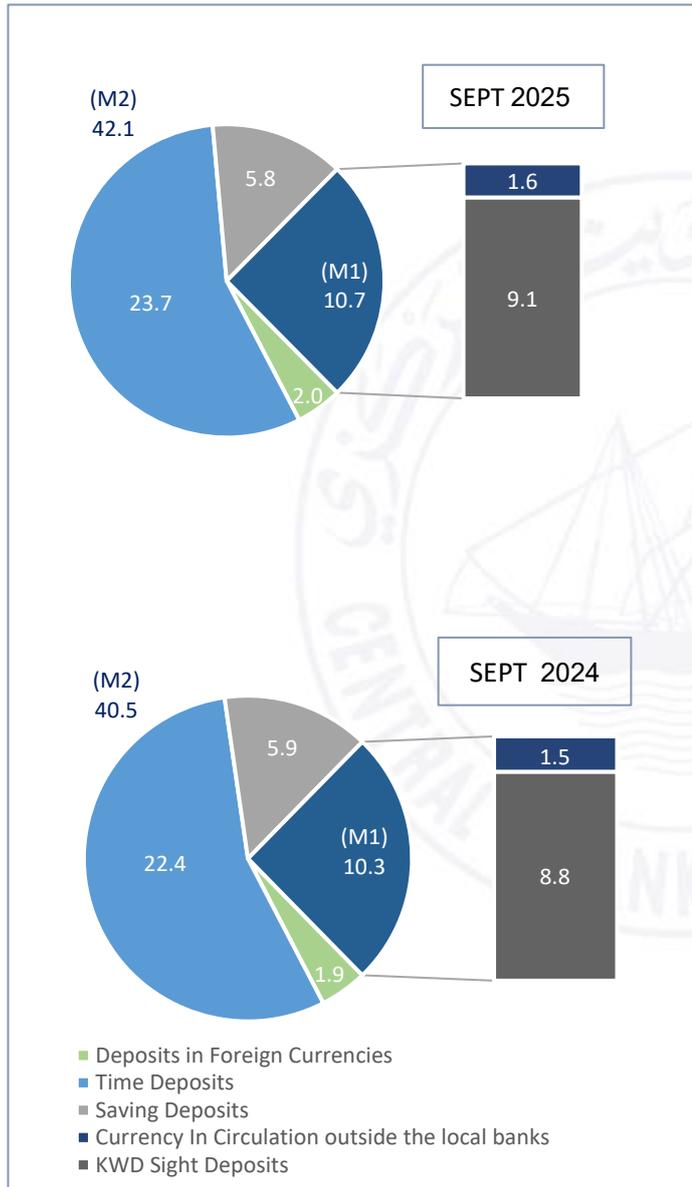
Considering the combined monetary survey of CBK and the local banks, (M2) can be calculated according to the factors affecting it, namely (a) **Net Local Assets** (that include net claims of CBK and local banks on government, public institutions and private sector less government's deposits and accounts,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

Figure (2): Factors Affecting Broad Money (M2)



The relevant data indicate that the rise in M2 by the end of September 2025 was driven by **the increase in net local assets** by KWD 2.77 billion, i.e., 20.8%, and **the decline in net foreign assets** by KWD 1.11 billion, i.e., 4.1% (as net foreign assets with local banks increased by KWD 0.39 billion (2.7%), while net foreign assets with CBK declined by KWD 1.50 billion, i.e., 11.7%).

Figure (3): Broad Money Components



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

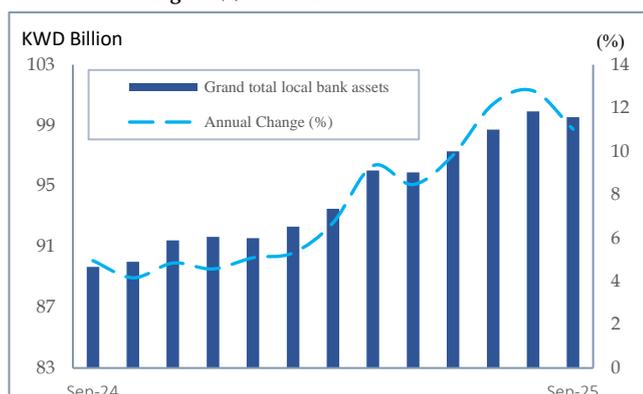
### 1. Local Banks' Assets:

Local banks' total assets grew by KWD 9.88 billion (11.0%) to KWD 99.54 billion at the end of September 2025 against KWD 89.66 billion at the end of the comparative month of the previous year. This was driven by **the rise in foreign assets** by KWD 5.70 billion (21.8%) to KWD 31.86 billion, claims on private sector by KWD 3.01 billion (6.4%) to KWD 49.89 billion, local interbank deposits by KWD 0.89 billion (63.6%) to KWD 2.29 billion, claims on government by KWD 1.67 billion (564.3%) to KWD 1.96 billion, claims on public institutions by KWD 0.37 billion (10.6%) to KWD 3.85 billion, and loans to banks by KWD 0.20 billion (27.8%) to KWD 0.93 billion. On another front, **claims on CBK** (which include cash in local banks vaults, sight deposits, time deposits and related Tawarruq, and CBK bonds and related Tawarruq) **declined** by 27.0%.

**Claims on the private sector** represent the main source of local banks' assets. These claims accounted for 50.1% of the local banks' total assets at the end of September 2025 against 52.3% at the end of the comparative month of the previous year followed by the foreign assets accounting for 32.0% of the local banks' total assets at the end of September 2025 against 29.2% at the end of the comparative month of the previous year.

It is worth mentioning that the rise in foreign assets came from the rise in loans to foreign banks, credit facilities to non-residents, deposits with foreign banks, foreign investments, and other assets by 78.6%, 23.6%, 17.0%, 14.6% and 13.5%, respectively.

Figure (4): Total Local Banks' Assets



On another front, data indicate that **net foreign assets with local banks increased by KWD 0.39 billion (2.8%) to KWD 14.67 billion at the end of September 2025 against KWD 14.28 billion at the end of the comparative month of the previous year** due to the increase in foreign assets by KWD 5.70 billion (21.8%), and foreign liabilities by KWD 5.31 billion (44.7%).

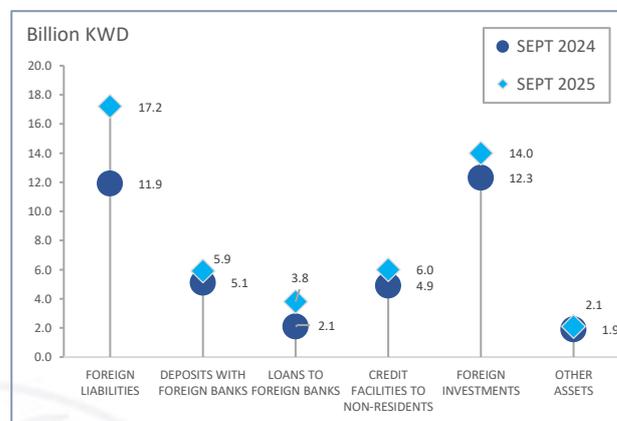
## 2. Sectoral Allocation of the Cash Portion of Credit Facilities to Residents:

The utilized cash portion of the credit facilities to residents increased by KWD 3.53 billion (7.2%) to KWD 52.38 billion at the end of September 2025 against KWD 48.85 billion at the end of the comparative month of the previous year. The cash portion of the credit facilities to businesses and personal credit facilities accounted for 78.4% and 21.6%, respectively, of the increase in the utilized cash portion of the facilities extended to residents. In more detail, the utilized cash portion of credit facilities to businesses (62.0% of the overall facilities to residents) increased by KWD 2.77 billion (9.3%) to KWD 32.49 billion at the end of September 2025 against KWD 29.73 billion at the end of the comparative month of the previous year. This increase was mainly driven by the rise in the cash portion of credit utilized for purchase of securities “individuals, companies and institutions” (KWD 0.89 billion, i.e. 24.5%), real estate & construction (KWD 0.77 billion, i.e. 6.0%), other services (KWD 0.41 billion, i.e. 11.6%), non-bank institutions (KWD 0.21 billion, i.e. 14.6%), loans to banks (KWD 0.20 billion, i.e. 27.8%), and trade (KWD 0.19 billion, i.e. 5.2%).

In addition, the cash portion to agriculture & fishing, and public services increased by 32.2% and 0.9%, respectively, while the cash portion to

crude oil & gas declined by KWD 0.01 billion, i.e. 0.7% at the end of September 2025 compared to the comparative month of the previous year.

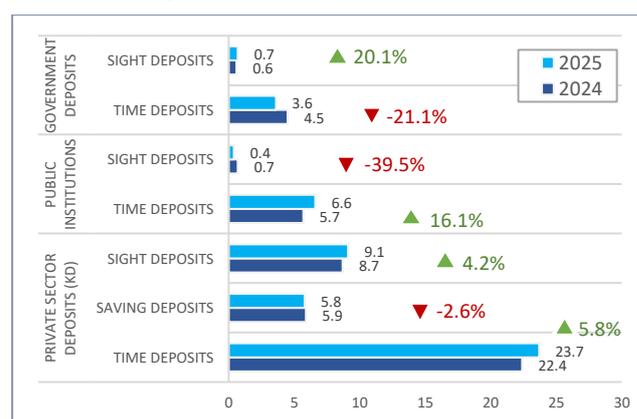
Figure (5): Components of Foreign Assets &amp; Liabilities



## 3. Residents' Deposits with Local Banks:

**The total residents' deposits increased by KWD 1.39 billion (2.7%) to KWD 51.92 billion at the end of September 2025 against KWD 50.54 billion at the end of the comparative month of the previous year** due to the increase in the **total private sector's "deposits (resident)** by KWD 1.59 billion (4.1%) to KWD 40.53 billion at the end of September 2025 against KWD 38.94 billion at the end of the comparative month of the previous year, and **public institutions' deposits** by KWD 0.63 billion (9.7%) to KWD 7.08 billion at the end of September 2025 against KWD 6.45 billion at the end of the comparative month of the previous year, on one hand, and the decline in **government's deposits** by KWD 0.83 billion (16.1%) to KWD 4.31 billion at the end of September 2025 against KWD 5.14 billion at the end of the comparative month of the previous year, on the other.

Figure (6): Developments of Deposits

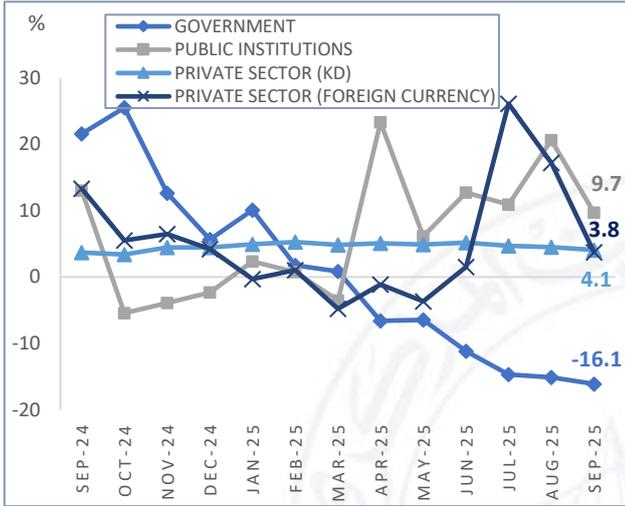


Private sector deposits are the primary source of financing for local banks, representing 40.7% of local bank liabilities at the end of September 2025. Public institutions deposits and government deposits represented approximately 7.1% and 4.3%, of total local bank liabilities at the end of September 2025.

The decrease is attributed to the decline in both online transactions by KWD 0.43 billion (9.1%) to KWD 4.31 billion and ATM transactions by KWD 0.27 billion (11.0%) to KWD 2.22 billion, on one hand, and the rise in point of sale (POS) transactions by KWD 0.06 billion (1.3%) to KWD 4.89 billion, on the other hand.

The Value of transactions executed through WAMD at the end of the third quarter of 2025 was KWD 2.4 billion, representing an increase of KWD 2.0 billion (560.6%) compared to the same quarter of the previous year.

Figure (7): Annual Change in Deposits



**4. Development of transaction values using plastic cards:**

The total value of transactions using plastic cards was KWD 11.41 billion at the end of the third quarter of 2025 (of which KWD 10.37 billion were used inside Kuwait and KWD 1.05 billion outside Kuwait) against KWD 12.05 billion at the end of the third quarter of the previous year, i.e., a decline by 5.3%, between the two quarters.

Figure (8): transaction values using Plastic Cards

