



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

- Money Supply in its Broad Sense (M2) increased by 3.6% to KWD 42.12 billion.
- The local banks' total assets grew by KWD 10.19 billion (11.1%).
- The net foreign assets with local banks decreased by KWD 0.34 billion (2.3%).
- The utilized cash portion of credit facilities to residents increased by KWD 3.77 billion (7.6%).
- The total residents' deposits with local banks increased by KWD 2.36 billion (4.7%). Likewise, the resident private sector's deposits increased by KWD 1.48 billion (3.8%).
- The value of point-of-sale (POS) transactions increased by approximately 0.08 billion KWD (1.6%) at the end of the fourth quarter of 2025 compared to the end of the same quarter of the previous year.
- The total value of transactions using "Wamd" increased by approximately 1.6 billion KWD (142.7%) at the end of the fourth quarter of 2025 compared to the end of the same quarter of the previous year.

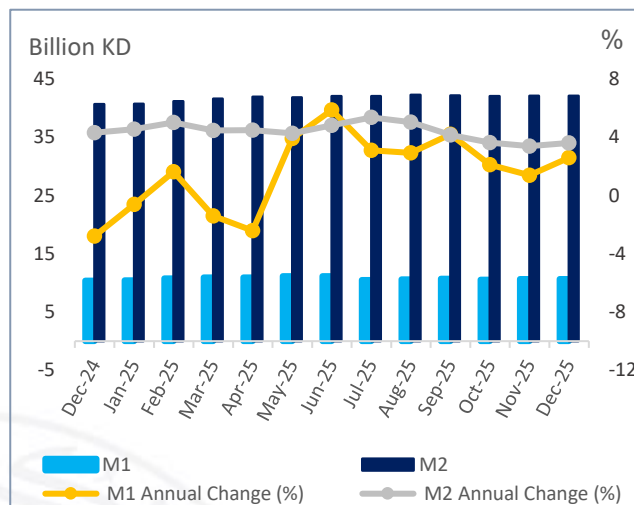
I. Monetary Developments (Money Supply)

1. Money Supply (M1):

Money Supply in its Narrow Sense "Narrow Money" (M1) grew by KWD 0.25 billion (2.4%) to KWD 10.68 billion at the end of December 2025 against KWD 10.43 billion at the end of the comparative month of the previous year. This was primarily attributed to **increases in KWD sight deposits** by KWD 0.27 billion (3.0%) to KWD 9.06 billion, and **the currency in circulation**

outside the local banks decreased by KWD 0.02 billion (1.0%) to KWD 1.63 billion.

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

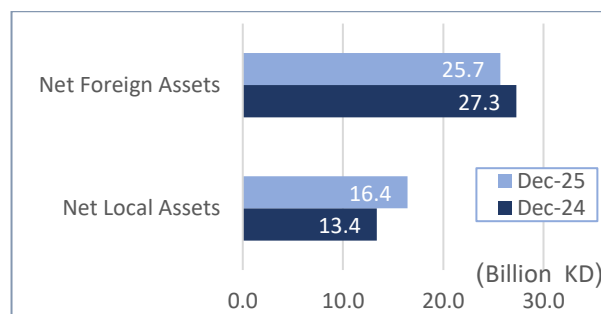


2. Money Supply (M2):

Money Supply in its Broad Sense (M2) increased by KWD 1.47 billion (3.6%) to KWD 42.12 billion at the end of December 2025 against KWD 40.66 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 (4.0%), and the growth of Narrow Money (M1) by KWD 0.25 billion (2.4%).

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.

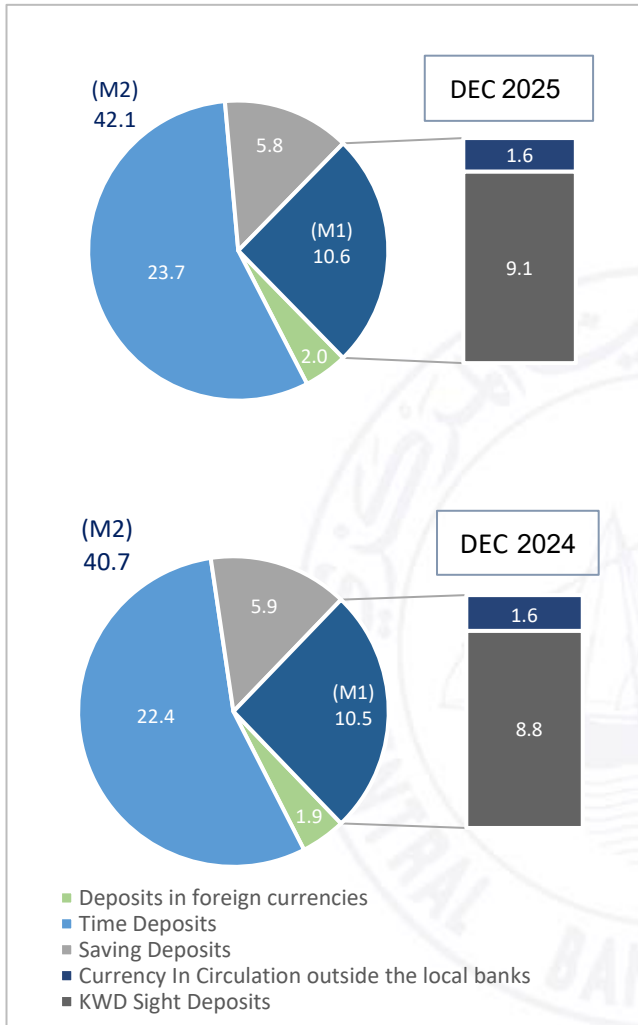
Figure (2): Factors Affecting Broad Money (M2)



The relevant data indicate that the rise in M2 by the end of December 2025 was driven by the

increase in net local assets by KWD 3.07 billion (23.0%), and **decline in the net foreign assets** by KWD 1.60 billion (5.9%), as of both the net foreign assets with CBK declined by KWD 1.26 billion, i.e., 10.4%, and the net foreign assets with local banks declined by KWD 0.34 billion, i.e., 2.3%.

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:

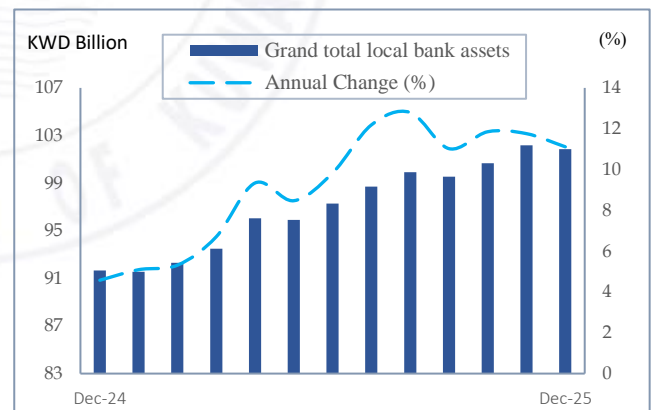
Local banks' total assets grew by KWD 10.19 billion (11.1%) to KWD 101.84 billion at the end of December 2025 against KWD 91.66 billion at the end of the comparative month of the previous year. This was driven by **the rises in foreign assets** by KWD 4.77 billion (17.1%) to KWD 32.67 billion, claims on private sector by KWD 3.24 billion (6.9%) to KWD 50.49 billion, claims on

government by KWD 2.56 billion (870.8%) to KWD 2.86 billion, claims on public institutions by KWD 0.45 billion (12.7%) to KWD 3.94 billion, claims on other assets by KWD 0.43 billion (14.3%) to KWD 3.47 billion, and loans to banks by KWD 0.28 billion (33.7%) to KWD 1.11 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) and Local interbank deposits **declined** by 21.5% and 4.8%.

Claims on the private sector represent the main source of local banks' assets accounting for 49.6% of the local banks' total assets at the end of December 2025 against 51.5% at the end of the comparative month of the previous year, followed by the foreign assets accounting for 32.1% of the local banks' total assets at the end of December 2025 against 30.4% at the end of the comparative month of the previous year.

It is worth mentioning that the rise in foreign assets resulted from the increase in loans to foreign banks, credit facilities to non-residents, other assets, foreign investments, and deposits with foreign banks by 66.5%, 20.9%, 14.4%, 10.1% and 8.9% respectively.

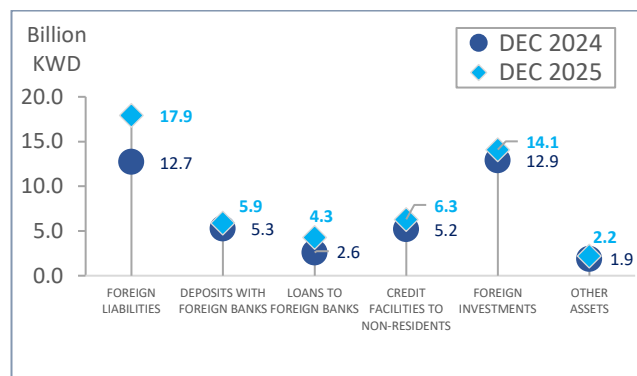
Figure (4): Total Local Banks' Assets



On another front, data indicates that **net foreign assets with local banks decreased** by KWD 0.34 billion (2.3%) to KWD 14.82 billion at the end of December 2025 against KWD 15.16 billion at the end of the comparative month of the previous year. This increase resulted from a higher increase in the balance of foreign liabilities than in the balance of foreign assets, as the balance of foreign liabilities increased by KWD 5.11 billion

(40.1%), while foreign assets increased by KWD 4.77 billion (17.1%).

Figure (5): Components of 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 3.77 billion (7.6%) to KWD 53.18 billion at the end of December 2025 against KWD 49.41 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 81.1% and 18.9%, 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 (62.3% of the overall facilities to residents) increased by KWD 3.06 billion (10.2%) to KWD 33.16 billion at the end of December 2025 against KWD 30.10 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 1.04 billion, i.e. 27.9%), real estate and construction (KWD 0.63 billion, i.e. 4.9%), other services (KWD 0.57 billion, i.e. 16.1%), loans to banks (KWD 0.28 billion, i.e. 33.7%), non-bank financial institutions (KWD 0.28 billion, i.e. 20.4%), crude oil and gas (KWD 0.24 billion, i.e. 13.2%).

In addition, the cash portion to agriculture & fishing, and trade increased by 14.3% and 1.7% respectively.

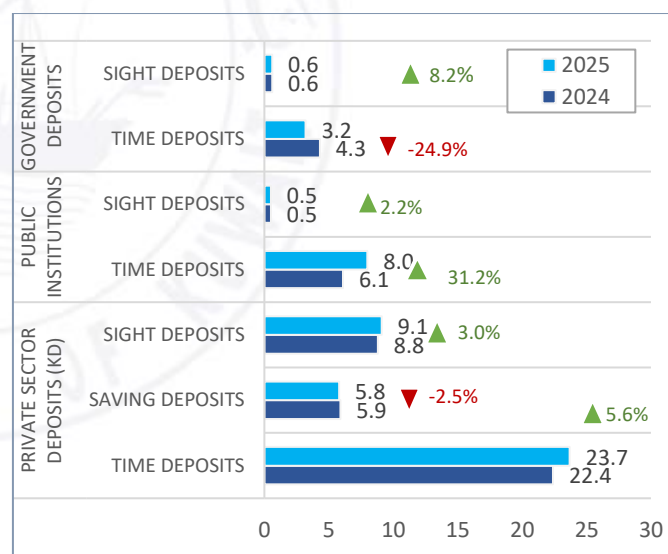
On another front, the cash portion to public services and industry decreased by 16.8% and 1.8% respectively by the end of December 2025

against the comparative month of the previous year.

3. Residents' Deposits with Local Banks:

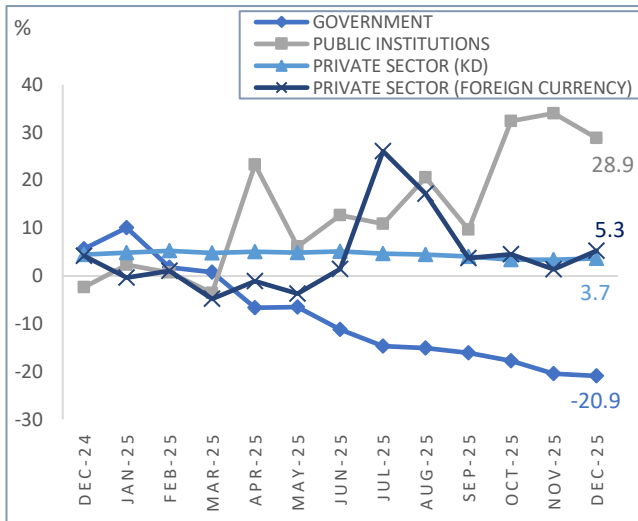
The total residents' deposits increased by KWD 2.36 billion (4.7%) to KWD 52.85 billion at the end of December 2025 against KWD 50.49 billion at the end of the comparative month of the previous year due to the increase in the **total public institutions' deposits** by KWD 1.90 billion (28.9%) to KWD 8.49 billion at the end of December 2025 against KWD 6.59 billion at the end of the comparative month of the previous year, and **private sector's deposits (resident)** by KWD 1.48 billion (3.8%) to KWD 40.50 billion at the end of December 2025 against KWD 39.01 billion at the end of the comparative month of the previous year, on one hand, and the decline in **government's deposits** by KWD 1.02 billion (20.9%) to KWD 3.87 billion at the end of December 2025 against KWD 4.89 billion at the end of the comparative month of the previous year, on the other.

Figure (6): Developments of Deposits



Private sector's deposits are the primary source of financing for local banks, representing 39.8% of local bank liabilities at the end of December 2025. Public institutions deposits and government deposits represented approximately 8.3% and 3.8%, respectively, of the total local bank liabilities at the end of December 2025.

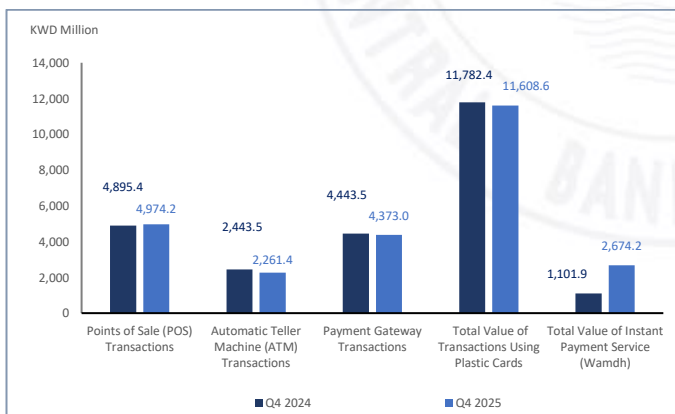
Figure (7): Annual Change in Deposits



The Value of transactions executed through WAMD at the end of the fourth quarter of 2025 was KWD 2.67 billion, representing an increase of KWD 1.6 billion (142.7%) compared to the same quarter of the previous year.

4. Development of transaction values using plastic cards: The total value of transactions using plastic cards was KWD 11.61 billion at the end of the fourth quarter of 2025 (of which KWD 10.80 billion were used inside Kuwait and KWD 0.81 billion outside Kuwait) against KWD 11.78 billion at the end of the fourth quarter of the previous year, i.e., a decline by KWD 0.17 billion 1.5%, between the two quarters.

Figure (8): Transaction Values Using Plastic Cards



The decrease is attributed to the decline in **ATM transactions** by KWD 0.18 billion (7.5%) to KWD 2.26 billion and by **online transactions** KWD 0.07 billion (1.6%) to KWD 4.37 billion, on one hand, and the rise in **point of sale (POS) transactions** by KWD 0.08 billion (1.6%) to KWD 4.97 billion, on the other hand.