



This monthly bulletin recaps on the key monetary and banking developments in the State of Kuwait as at the end of March 2026 compared to the comparative month of the previous year, the most prominent of which:

- Money Supply in its Broad Sense (M2) increased by 1.9% to KWD 42.39 billion.
- The local banks' total assets grew by KWD 10.97 billion (11.7%).
- The net foreign assets with local banks increased by KWD 0.69 billion (4.4%).
- The utilized cash portion of credit facilities to residents increased by KWD 3.92 billion (7.8%).
- The total residents' deposits with local banks increased by KWD 3.77 billion (7.4%), including the resident private sector's deposits that increased by KWD 0.71 billion (1.8%).
- The total value of transactions through "Wamd" increased by KWD 1.02 billion (63.1%) at the end of the first quarter of 2026 compared to the corresponding quarter of the previous year.

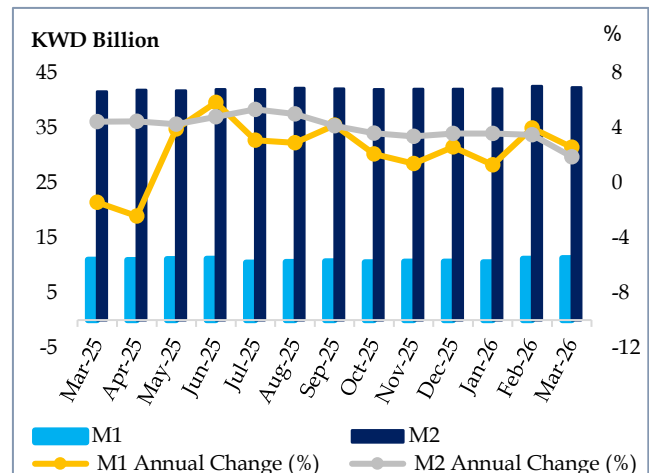
## I. Monetary Developments (Money Supply)

### 1. Money Supply (M1):

Money Supply in its Narrow Sense "Narrow Money" (M1) grew by KWD 0.29 billion (2.6%) to KWD 11.29 billion at the end of March 2026 against KWD 11.00 billion at the end of the comparative month of the previous year.

This increase was primarily attributed to the **increase in KWD sight deposits** by KWD 0.21 billion (2.3%) to KWD 9.41 billion, and the **increase in currency in circulation outside local banks' vaults** by KWD 0.08 billion (4.3%) to KWD 1.88 billion on the other.

Figure (1): M1 & M2 Annual Change

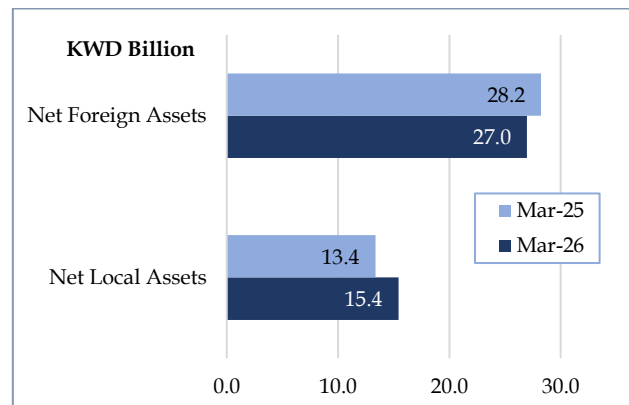


### 2. Money Supply (M2):

Money Supply in its Broad Sense (M2) increased by KWD 0.79 billion (1.9%) to KWD 42.39 billion at the end of March 2026 against KWD 41.60 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 currencies) by KWD 0.50 billion (1.6%), and the growth of Narrow Money (M1) by KWD 0.29 billion (2.6%).

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 the government, public institutions and private sector less the government's deposits and accounts, and other "net"), and (b) **Net Foreign Assets** with CBK and local banks.

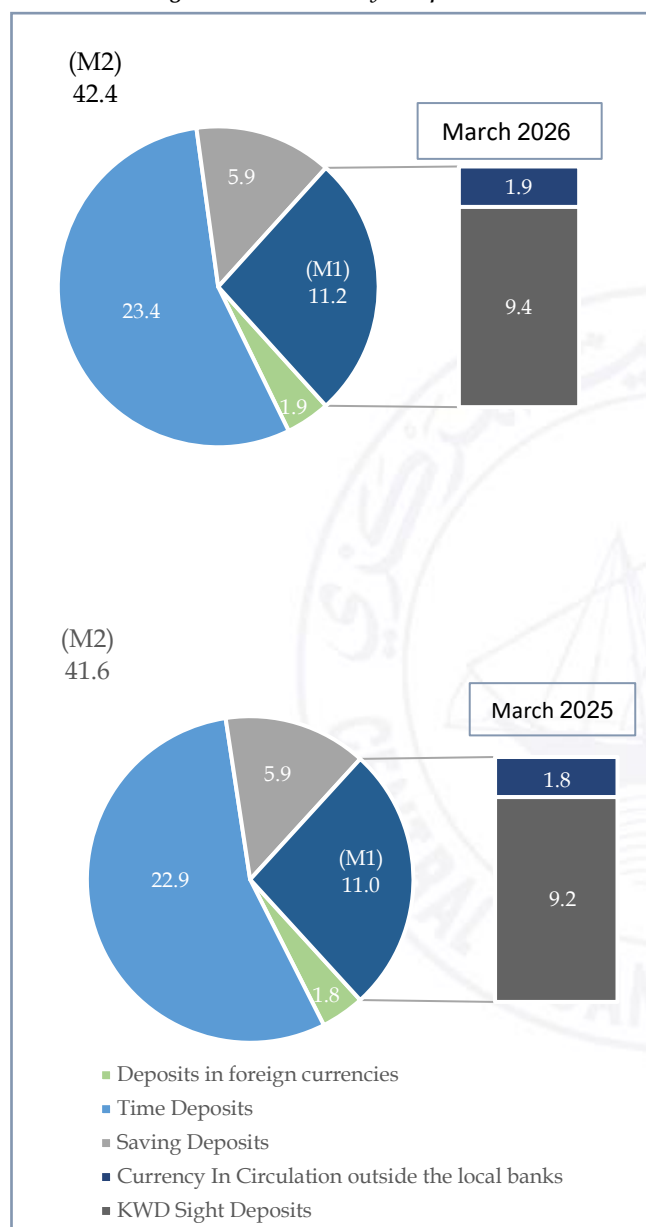
Figure (2): Factors Affecting Broad Money (M2)



The relevant data of the combined monetary survey indicate that the rise in (M2) at the end of March 2026 was driven by the **increase in net**

**Local assets** by KWD 2.06 billion (15.4%) despite the **decline in the net foreign assets** by KWD 1.27 billion (4.5%), as the net foreign assets with CBK declined by KWD 1.96 billion, i.e., 15.5%, and the net foreign assets with local banks increased by KWD 0.69 billion, i.e., 4.4%.

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:

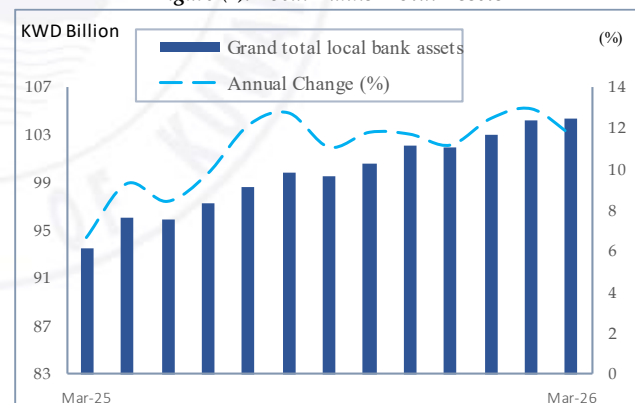
Local banks' total assets grew by KWD 10.97 billion (11.7%) to KWD 104.47 billion at the end of March 2026 against KWD 93.50 billion at the

end of the comparative month of the previous year. This was driven by **the rises in foreign assets** by KWD 5.38 billion (18.8%) to KWD 33.94 billion, claims on the private sector by KWD 3.50 billion (7.3%) to KWD 51.45 billion, claims on the government by KWD 2.81 billion (901.9%) to KWD 3.12 billion. This significant increase came as a result of the rise in the balance of public debt instruments in local and foreign currency following the issuance of Decree Law No. 60 of 2025 on Financing and Liquidity promulgated 26 March 2025.

**Claims on the private sector** represent the main source of local banks' assets accounting for 49.2% of the local banks' total assets at the end of March 2026 against 51.3% at the end of the comparative month of the previous year, followed by the foreign assets accounting for 32.5% of the local banks' total assets at the end of March 2026 against 30.5% at the end of the comparative month of the previous year.

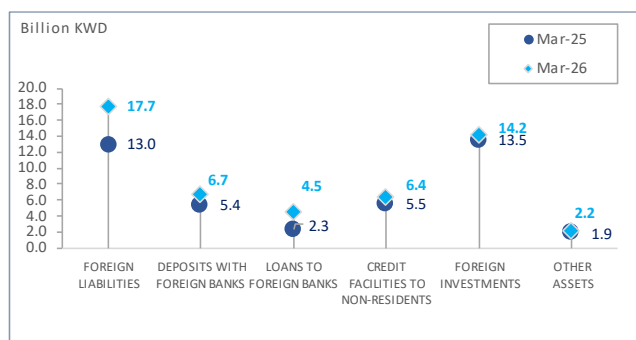
It is worth mentioning that the rise in foreign assets resulted from the increase in loans to foreign banks, deposits with foreign banks, credit facilities to non-residents by 95.0%, 24.5% and 17.8%, respectively.

Figure (4): Local Banks' Total Assets



The increase in foreign assets was matched by a rise in foreign liabilities by KWD 4.69 billion (36.1%). As a result, the **net foreign assets with local banks increased** by KWD 0.69 billion (4.4%) to KWD 16.28 billion at the end of March 2026 against KWD 15.59 billion at the end of the comparative month of the previous year.

Figure (5): Components of Foreign Assets &amp; 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 3.92 billion (7.8%) to KWD 54.14 billion at the end of March 2026 against KWD 50.23 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 83.3% and 16.7%, respectively, of the increase in the utilized cash portion of the facilities to residents. In more detail, the cash portion of credit facilities to businesses (63.0% of the overall facilities to residents) increased by KWD 3.26 billion (10.6%) to KWD 34.09 billion at the end of March 2026 against KWD 30.83 billion at the end of the comparative month of the previous year. This increase was mainly driven by the rise in the majority of the economic sectors, in particular the cash portion of credit utilized for purchase of securities “individuals, companies and institutions” (KWD 1.08 billion, i.e. 28.5%), real estate and construction (KWD 0.80 billion, i.e. 6.1%), other services (KWD 0.57 billion, i.e. 15.6%), non-bank financial institutions (KWD 0.34 billion, i.e. 23.6%), crude oil & gas (KWD 0.34 billion, i.e. 18.7%), and industry (KWD 0.04 billion, i.e. 1.8%). On another front, the cash portion allocated to agriculture & fishing and trade decreased by 10.8% and 6.9% respectively, at the end of March 2026.

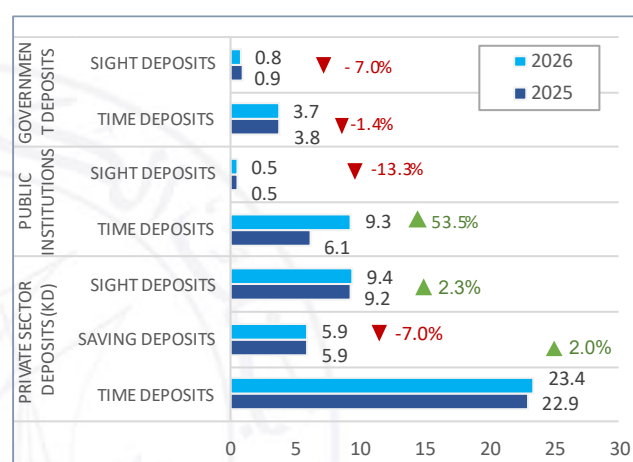
## 3. Residents' Deposits with Local Banks:

The total residents' deposits increased by KWD 3.77 billion (7.4%) to KWD 54.84 billion at the end of March 2026 against KWD 51.07 billion at the end of the comparative month of the previous year due to the increase in the **public institutions' deposits** by KWD 3.17 billion

(48.1%) to KWD 9.75 billion at the end of March 2026 against KWD 6.58 billion at the end of the comparative month of the previous year, and **private sector's deposits (resident)** by KWD 0.71 billion (1.8%) to KWD 40.52 billion at the end of March 2026 against KWD 39.80 billion at the end of the comparative month of the previous year.

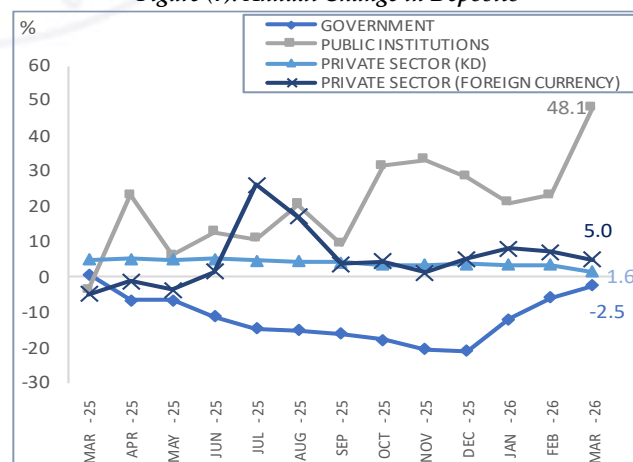
On the other hand, the **government's deposits** declined by KWD 0.12 billion (2.5%) to KWD 4.57 billion at the end of March 2026 against KWD 4.69 billion at the end of the comparative month of the previous year, on the other.

Figure (6): Developments of Deposits



Private sector's deposits are the primary source of finance in local banks, representing 38.8% of the local banks' total liabilities at the end of March 2026. Public institutions' deposits and government's deposits represented 9.3% and 4.4%, respectively, of the local banks' total liabilities at the end of March 2026.

Figure (7): Annual Change in Deposits



#### 4. Development of Transaction Values Using Plastic Cards:

The total value of transactions using plastic cards reached KWD 11.39 billion at the end of the first quarter of 2026 (of which KWD 10.67 billion were used within Kuwait and KWD 0.71 billion outside Kuwait), compared to KWD 11.47 billion at the end of the same quarter of the previous year, i.e. a decrease of KWD 0.08 billion (0.7%) between the two quarters.

This decrease is attributed to a decline in both **online transactions** (by KWD 0.07 billion or 1.5%, to KWD 4.33 billion) and **ATM transactions** (by KWD 0.06 billion or 2.4%, to KWD 2.30 billion), on the one hand, and an increase in **point-of-sale (POS) transactions** (by KWD 0.04 billion or 0.9%, to KWD 4.76 billion) on the other.

The value of **WAMD transactions** at the end of the first quarter of 2026 reached approximately KWD 2.65 billion, an increase of KWD 1.02 billion (63.1%), compared to the end of the same quarter of the previous year.

Figure (8): Value of Transactions

