



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

- Money Supply in its Broad Sense (M2) increased by 1.6% to KWD 42.83 billion.
- The local banks' total assets grew by KWD 6.28 billion (6.3%).
- The net foreign assets with local banks increased by KWD 2.53 billion (17.1%).
- The utilized cash portion of credit facilities to residents increased by KWD 3.32 billion (6.3%).
- The total residents' deposits with local banks increased by KWD 5.61 billion (10.8%), including the resident private sector's deposits that increased by KWD 0.63 billion (1.6%).
- The total value of transactions using "Wamd" increased by approximately KWD 0.78 billion (32.3%) during the third quarter of 2026 compared to the comparative quarter of the previous year.

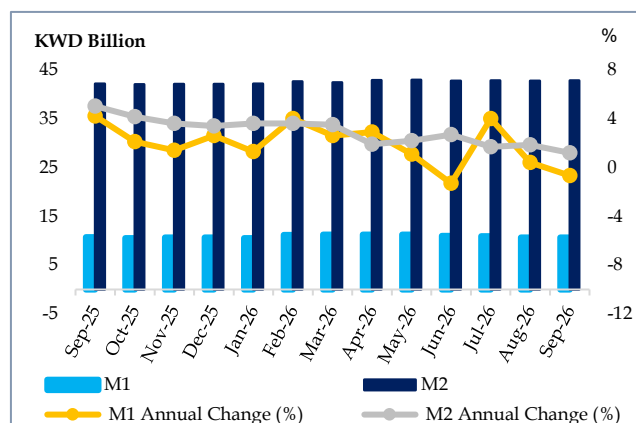
I. Monetary Developments (Money Supply)

1. Money Supply (M1):

Money Supply in its Narrow Sense "Narrow Money" (M1) decreased by KWD 0.07 billion (0.7%) to KWD 10.65 billion at the end of September 2026 against KWD 10.72 billion at the end of the comparative month of the previous year.

The decrease was attributed to the **decrease in KWD sight deposits** by KWD 0.11 billion (1.2%) to KWD 9.00 billion on the one hand, and **the increase in currency in circulation outside the local banks** by KWD 0.04 billion (2.5%) to KWD 1.65 billion on the other hand.

Figure (1): M1 & M2 Annual Change

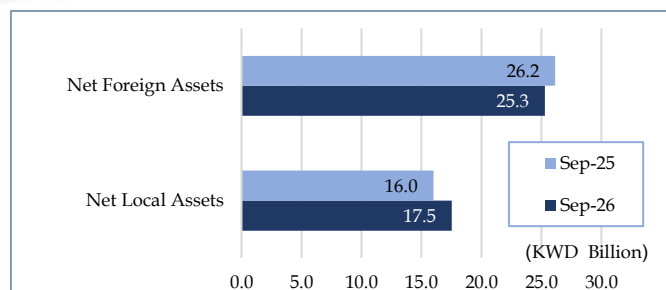


2. Money Supply (M2):

Money Supply in its Broad Sense (M2) increased by KWD 0.67 billion (1.6%) to KWD 42.83 billion at the end of September 2026 against KWD 42.16 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 0.75 billion (2.4%) on one hand, and the decrease in Narrow Money (M1) by KWD 0.07 billion (0.7%) on the other hand.

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.

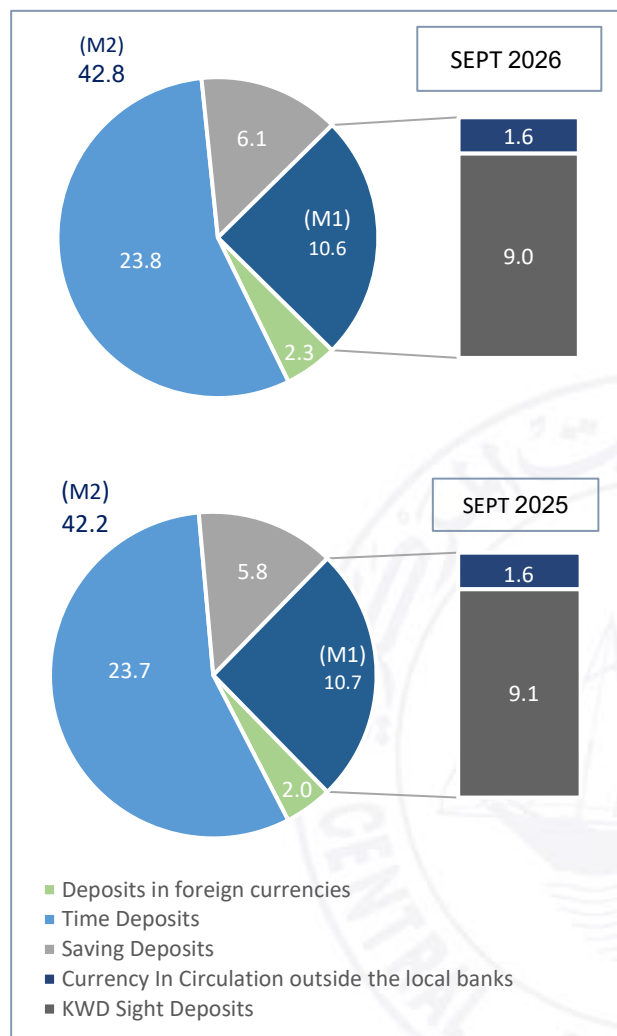
Figure (2): Factors Affecting Broad Money (M2)



The relevant data of the combined monetary survey indicate that the rise in (M2) at the end of September 2026 was mainly driven by an **increase in net local assets** by KWD 1.53 billion (9.6%) against a **decline in the net foreign assets** by KWD 0.86 billion (3.3%), as the net foreign

assets with CBK declined by KWD 3.39 billion, i.e., 29.7%, and the net foreign assets with local banks increased by KWD 2.53 billion, i.e., 17.1%.

Figure (3): Broad Money Components (KWD Billion)



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

1. Local Banks' Assets:

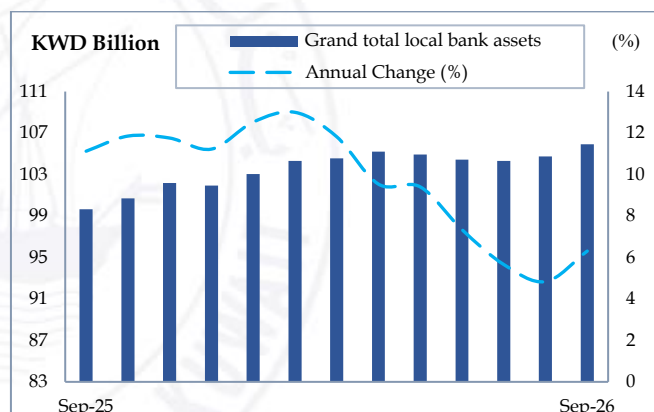
Local banks' total assets grew by KWD 6.28 billion (6.3%) to KWD 105.92 billion at the end of September 2026 against KWD 99.63 billion at the end of the comparative month of the previous year. This was driven by **the rises in claims on private sector** by KWD 3.10 billion (6.2%) to KWD 53.00 billion, claims on **foreign assets** by KWD 2.74 billion (8.6%) to KWD 34.69 billion, and **claims on the government** sector by KWD 2.70 billion (137.8%) to KWD 4.67 billion. This

increase resulted from a rise in the balance of local banks' holdings of public debt instruments amid the government's continued issuance of public debt instruments to finance its funding needs.

Claims on the private sector represent the main source of local banks' assets accounting for 50.0% of the local banks' total assets at the end of September 2026 against 50.1% at the end of the comparative month of the previous year, followed by the foreign assets accounting for 32.7% of the local banks' total assets at the end of September 2026 against 32.1% at the end of the comparative month of the previous year.

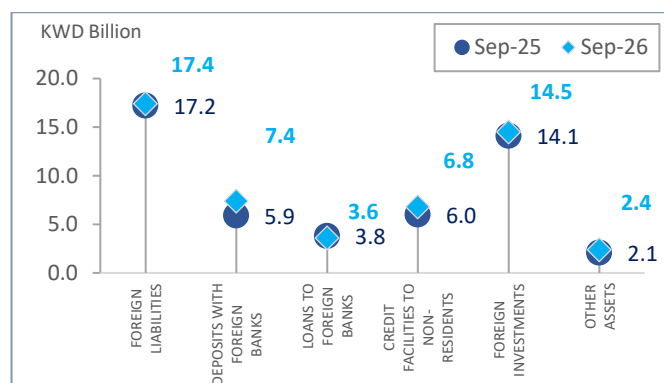
It is worth mentioning that the rise in foreign assets resulted from the increases in deposits with foreign banks, credit facilities to non-residents, and other assets by 24.5%, 13.9%, and 11.7%, respectively.

Figure (4): Local Banks' Total Assets



The increase in foreign assets was matched by a rise in foreign liabilities by KWD 0.22 billion (1.3%), hence, the **net foreign assets** with local banks increased by KWD 2.53 billion (17.1%) to KWD 17.29 billion at the end of September 2026 against KWD 14.76 billion at the end of the comparative month of the previous year.

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 3.32 billion (6.3%) to KWD 55.70 billion at the end of September 2026 against KWD 52.38 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 69.2% and 30.8%, respectively, of the increase in the utilized cash portion of the credit facilities to residents. In more detail, the cash portion of credit facilities to businesses (62.5% of the overall credit facilities to residents) increased by KWD 2.30 billion (7.1%) to KWD 34.79 billion at the end of September 2026 against KWD 32.49 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 Other Services (KWD 0.62 billion, i.e. 16.2%) Real Estate & Construction (KWD 0.62 billion, i.e. 4.6%), Purchase of Securities "individuals, companies and institutions" (KWD 0.46 billion, i.e. 10.2%), Crude Oil & Gas (KWD 0.40 billion, i.e. 21.8, Industry (KWD 0.29 billion, i.e. 12.5%) and Non-bank Financial Institutions (KWD 0.22 billion, i.e. 13.3%). On another front, the cash portion allocated to Agriculture & Fishing and Trade decreased by 15.5% and 8.0%, respectively, at the end of September 2026.

3. Residents' Deposits with Local Banks:

The total residents' deposits increased by KWD 5.61 billion (10.8%) to KWD 57.53 billion at the end of September 2026 against KWD 51.92 billion at the end of the comparative month of the previous year due to the increases in the **public institutions' deposits** by KWD 3.35 billion

(47.4%) to KWD 10.40 billion at the end of September 2026 against KWD 7.05 billion at the end of the comparative month of the previous year, and the **government's deposits** by KWD 1.63 billion (37.8%) to KWD 5.95 billion at the end of September 2026 against KWD 4.32 billion at the end of the comparative month of the previous year. In addition, the **private sector's deposits (resident)** also grew by KWD 0.63 billion (1.6%) to KWD 41.19 billion at the end of September 2026 against KWD 40.55 billion at the end of the comparative month of the previous year.

Private sector's deposits represent the main source of finance in local banks, with 38.9% of the local banks' total liabilities at the end of September 2026. Public institutions' deposits and government's deposits accounted for 9.8% and 5.6%, respectively, of the local banks' total liabilities at the end of September 2026.

Figure (6): Developments of Deposits (KWD Billion)

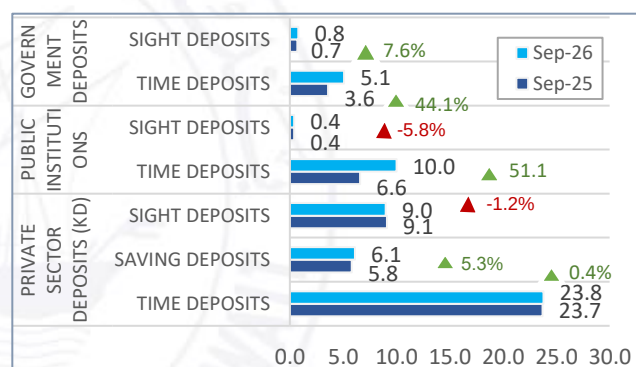
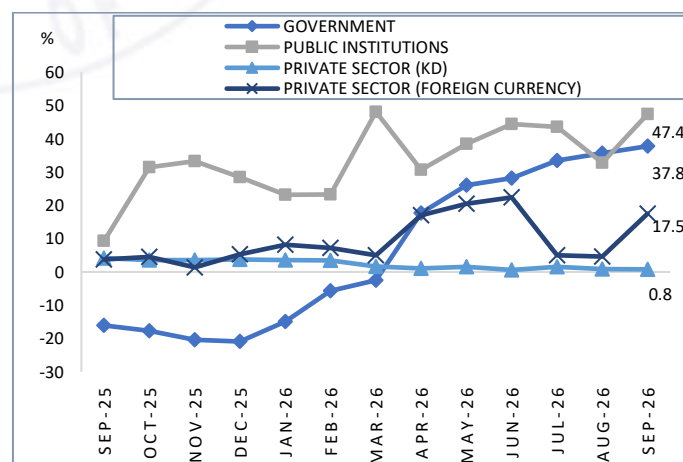


Figure (7): Annual Change in Deposits



4. Developments of Electronic Payment Transaction Values:

The value of point-of-sale (POS) transactions decreased by KWD 0.02 billion (0.4%) to KWD 4.87 billion during the third quarter of 2026, compared to the corresponding quarter of the previous year. In contrast, the value of **payment gateway** transactions increased by 0.2% to KWD 4.31 billion. The value of **ATM** transactions decreased by KWD 0.18 billion (8.2%) to KWD 2.04 billion. The value of **WAMD** transactions increased by KWD 0.78 billion (32.3%) to KWD 3.19 billion.

Figure (8): Developments of Electronic Payment Transaction Values

