



JOINT NEWS RELEASE

FOR IMMEDIATE RELEASE
27 SEPTEMBER 2021

EXTENSION OF MINIMUM 4% INTEREST RATE FLOOR ON SPECIAL, MEDISAVE AND RETIREMENT ACCOUNT MONIES UNTIL 31 DECEMBER 2022

One-year extension of minimum 4% interest rate floor on Special, MediSave and Retirement Account monies from 1 January to 31 December 2022

CPF Interest Rates from 1 October 2021 to 31 December 2021

	Ordinary Account	Special and MediSave Account	Retirement Account
Interest Rate Floor	2.5%	4%	4%

CPF members below 55 years old

- Members earn up to 5% interest on the first \$60,000 of their combined CPF balances

CPF members aged 55 and above

- Members aged 55 and above earn up to 6% interest on the first \$30,000 of their combined CPF balances, and up to 5% on the next \$30,000

HDB Concessionary Interest Rate from 1 October 2021 to 31 December 2021

- Remains unchanged at 2.6%

Note: All interest rates are quoted on a per annum basis.

To help CPF members grow their savings, the Government has extended the 4% interest rate floor for interest earned on all Special, MediSave and Retirement Account (SMRA) monies for another year until 31 December 2022. Please refer to the Annex on how CPF members can further grow their savings with the 4% floor rate.

Since 1 January 2008, CPF interest rates have been pegged to market instruments of comparable risk and duration to ensure that members receive fair and reasonable interest rates. The Government had committed to maintaining a floor of 4% on SMRA interest and had subsequently extended the floor in light of the global economic conditions and the fact that interest rates had been exceptionally low. The current 4% interest rate floor is due to expire on 31 December 2021.

CPF Interest Rates for Ordinary, Special and MediSave Account Monies from 1 October 2021 to 31 December 2021

CPF members below 55 years old will be paid an extra 1% interest on the first \$60,000 of their combined balances (with up to \$20,000 from the Ordinary Account (OA)). They will continue to earn interest rates of up to 3.5% per annum on their OA monies, and up to 5% per annum on their Special and MediSave Account (SMA) monies in the last quarter of 2021.

For members aged 55 and above, the Government pays an extra 2% interest on the first \$30,000 of their combined balances (with up to \$20,000 from the OA), and an extra 1% on the next \$30,000. As a result, members aged 55 and above will earn up to 6% interest per annum on their retirement balances.

The extra interest paid to CPF members is part of the Government's efforts to enhance the retirement savings of CPF members.

The extra interest received on the OA will go into the member's Special Account (SA) or Retirement Account (RA) to enhance his or her retirement savings. If a member is above 55 years old and participates in the CPF LIFE scheme, the extra interest will continue to be earned on his or her combined balances, which includes the savings used for CPF LIFE.

Interest Rate for CPF Ordinary Account and HDB Concessionary Interest Rate

The OA interest rate will be maintained at 2.5% per annum from 1 October 2021 to 31 December 2021.

Correspondingly, the concessionary interest rate for HDB housing loans, which is pegged at 0.1% above the OA interest rate, will remain unchanged at 2.6% per annum from 1 October 2021 to 31 December 2021.

Interest Rate for Special and MediSave Account Monies

The SMA interest rate will be maintained at 4% per annum from 1 October 2021 to 31 December 2021.

Interest Rate for Retirement Account

The RA interest rate will be maintained at 4% per annum from 1 January 2021 to 31 December 2021, as announced on 25 September 2020.

Public Enquiries

For more information on CPF interest rates and their computation, please visit cpf.gov.sg/CPFInterestRates.

CPF members can visit cpf.gov.sg or contact CPF Board through cpf.gov.sg/writetous for enquiries.

Media Enquiries

For clarification on this news release, please contact:

CPF Board : Mr Alvin Tan
Media & Publicity Department
Tel: 9767 1391
Email: alvin_yr_tan@cpf.gov.sg

HDB : Ms Smita Wee
Corporate Communications Group
Tel: 9624 9848
Email: smita_sm_wee@hdb.gov.sg

Growing Retirement Savings with CPF

Members can top up their Special Account or Retirement Account under the Retirement Sum Topping-Up Scheme (RSTU) to earn the minimum 4% interest per annum on their retirement savings, and enjoy tax relief of up to \$7,000 per calendar year if they opt to top up using cash.

