

“Your CPF” in digibank

Restrictions:

- Your CPF is available only to users aged 18 to 54
- To view their CPF projections, users can either:
 - Connect to SGFindex and pull their CPF balances
 - Manually add their CPF balances in the “**Net Worth**”, within the “**Plan**” tab in digibank

General disclaimers:

- The projections provided by **Your CPF** are for your general information only and should not be regarded as advice by DBS Bank Ltd (“DBS”) or used as a substitute for financial advice.
- These projections are also based on various assumptions and information obtained from sources believed to be reliable, which are subject to change at any time without notice.
- The contents of “Your CPF” are provided on an “as is” and “as available” basis without any representation or warranty of any kind. While every effort is made to ensure that “Your CPF” is consistent with existing law and practice, you are advised to refer to the relevant legislation to be certain of your legal entitlements and obligations and should always seek professional advice before making any decision based on any such information or materials. DBS is not responsible for any errors or omissions, and will not be liable for any direct, indirect or consequential losses or damages arising from or in connection with the use or reliance of the contents/projections provided by “Your CPF”.

Projection assumptions:

- Your projected CPF contributions are based on our records of your salary crediting data if you credit salary to your DBS bank account, or the income details you provide to us (collectively “Income Data”). If your salary crediting data changes, do note that the projections that were generated with previous Income Data will not be updated automatically. You may generate new projections to reflect the revised Income Data. If you do not provide current and accurate information, the accuracy of projections will be affected.
- Projections of your CPF Ordinary Account (OA), Special Account (SA) and CPF Investment Scheme (CPFIS-OA) balances will start from the current month, until you reach age 55.

- At age 55, a new Retirement Account (RA) will be created, and your projected OA, SA and CPFIS-OA balances will be transferred to the RA and continue to grow at the prevailing RA interest rates.
- The maximum amount that can be transferred into your RA is the projected Enhanced Retirement Sum (ERS) limit of the year based on your age cohort when you turn 55.
- When you turn 55, we assume that you will no longer be working and thus stop contributing to your CPF balances, even if you are drawing an income.
- We assume that your CPF LIFE Payout preference is based on the Standard Plan
- CPF contribution rates are based on those for private sector employees and government non-pensionable employees.
- Contributions on monthly salary are capped at the following salary ceilings and will be adjusted if any changes are announced by CPF.

Year	CPF Ordinary Wage (OW) ceiling
1 Sep 2023	\$6,300
1 Jan 2024	\$6,800
1 Jan 2025	\$7,400
1 Jan 2026	\$8,000

- Contributions from additional salary (e.g. bonuses) are not included in the projections
- If you are drawing an income, the projections assume that you remain employed until you turn 55.
- Your income is assumed to grow at a constant annual increment of 3.3%* over the until you turn 55. The growth will be applied to your income at the end of every year.
- An extra interest of 1% per annum will be applied on the first \$60,000 of your combined CPF balances (capped at \$20,000 for OA). The extra interest earned on your SA and MA balances will go to the respective accounts, while the extra interest earned on your OA balances will go into your SA to enhance your retirement savings.
- If your MA balances have reached the Basic Healthcare Sum (BHS) limit for the year, any further contributions to your MA will be transferred to your SA balances.

- If your SA balances have reached the Enhanced Retirement Sum (ERS) amount for the year, any contributions to your SA will be transferred to your OA balances.
- CPF interest is calculated monthly but credited and compounded annually at the end of December.
- Projected CPF balances are based on total OA, SA and CPFIS balances you have.
- We assume that all projected OA and SA balances are transferred to your RA at age 55, up until the Enhanced Retirement Sum amount, to calculate your lifelong CPF LIFE payout.
- The CPF Retirement Sums are revised to the latest retirement sums announced by CPF and assumed to grow at 3.5% annually across BRS, FRS and ERS.
- FRS is projected and used to derive BRS and ERS, which are 0.5x and 1.5x of the FRS amount respective.

Projected Home Loan and impact to OA projection:

- If you have any home loan data with the bank, we will factor that into your projection by deducting the mortgage payment payable by CPF from your CPF OA balances monthly
- This will be done until your mortgage tenure has ended.
- If your mortgage tenure is projected to end after you turn age 55, we will earmark the remaining mortgage payable by CPF from your OA. This amount will not be transferred to your Retirement Account when you turn 55.

Appendix A: Projection rates

CPF OA interest rates	2.5%
CPF SA interest rates	4.04%
CPF RA interest rates	4.01%
Bonus interest for CPF# (for users below 55)	1% on the first \$60,000 combined CPF balance
Bonus interest for CPF# (for users 55 and above)	2% on the first \$30,000 combined CPF balances 1% on the next \$30,000 combined CPF balances
CPFIS investment growth rate*	3.37% We use the projection rates for unit trusts, which are based on the 5-year annualised returns of SGD-denominated funds.
Inflation rate*	3.5% This is based on Central Provident Fund's (CPF) proposed 3.5% p.a. increase in the Basic Retirement Sum. (Source: CPF)
Income growth rate*	3.3% This is based on the annualised change in nominal wages over 2015–2020 of 3.3% p.a. (Source: Ministry of Manpower, 2021)

#The extra interest earned on your OA savings will go into your Special Account (SA) or Retirement Account (RA) to enhance your retirement savings.

*These rates are different projection growth rates that we use for our retirement projections. We re-used some of it in our projection assumptions for CPF above.