

ANNEX A

Computation of CPF OA Interest Rate and HDB Mortgage Rate for 1 July 2015 to 30 September 2015

The interest rate on OA monies is adjusted quarterly. OA monies earn either the legislated minimum interest of 2.5% per annum, or the 3-month average of major local banks' interest rates, whichever is higher.

Average Banks' Interest Rate from February 2015 to April 2015	0.21% (see note)
CPF OA Interest Rate for July 2015 to September 2015	<u>2.50% per annum</u> (legislated minimum rate)
<i>Plus:</i> Fee to cover Cost of Loan Administration	0.10%
HDB Mortgage Rate for July 2015 to September 2015	<u>2.60% per annum</u>

Note:

MONTH/ YEAR	12-MONTH DEPOSIT RATE (% per annum)			SAVINGS RATE (% per annum)			AVERAGE (% per annum)
	DBS ¹	OCBC ²	UOB ³	DBS ⁴	OCBC ⁵	UOB ⁶	Using the 80FD:20SD formula
28 Feb 2015	0.2500	0.2500	0.2500	0.0500	0.0500	0.0500	0.2100
31 Mar 2015	0.2500	0.2500	0.2500	0.0500	0.0500	0.0500	0.2100
30 Apr 2015	0.2500	0.2500	0.2500	0.0500	0.0500	0.0500	0.2100

¹Balances of \$20,000 to < \$50,000

²Balances > \$20,000 to \$50,000

³Balances < \$50,000

⁴Balances > \$10,000 to \$100,000 (AUTO-SAVE Account)

⁵Balances ≤ \$100,000 (EASI-SAVE Account)

⁶Balances > \$15,000 to \$100,000 (UNIPLUS Account)

*This includes the additional 1% interest paid on the first \$60,000 of a member's combined balances, of which up to \$20,000 comes from the Ordinary Account (OA). The additional interest earned on OA monies will go to the member's Special Account or Retirement Account, to enhance their retirement adequacy. If a member is above 55 years old and participates in the CPF LIFE scheme, the additional 1% interest will still be earned on his combined balances, which includes the savings used for CPF LIFE.